DAY 3 • 27 SEPTEMBER 2026

Pre-Owned Car Business

Trust, technology and the economics behind every second life on wheels.

SESSION 1 8:45–10:45 • SESSION 2 11:30–1:30

BBA Marketing & Automobile Management • GU Campus

DAY AGENDA

A day built around one question

How does trust become margin in the pre-owned car business?

8:45–10:45 SESSION 1

Market structure & business models

10:46–11:30 TEA BREAK

Conversation with industry experts

11:30–1:30 SESSION 2

Unit economics, regulation & strategy

1:30 onwards LUNCH & FELICITATION

Close of Day 3

MARKET LENS

SESSION 1 • 8:45–10:45

Market structure & business models

From sourcing to sale: where value is created, transferred—or lost.

01

What you should be able to do

1 Map
the six-stage used-car value chain

2 Distinguish
four business-model archetypes

3 Compare
full-stack retail and auction-led models

4 Evaluate
inventory risk, speed, growth and margin

5 Defend
a business-model choice with evidence

120 MINUTES • CONCEPT + ACTIVITY + QUIZ

India’s used-car market: opportunity lives in the gap

7–8 Mn

vehicles sold annually

Volume has roughly doubled over a decade.

USD 32–40 Bn

estimated market size

A large category still becoming organised.

70–80%

transactions unorganised

Trust infrastructure is the addressable opportunity.

THE HEADROOM

India’s used-to-new sales ratio remains below mature markets—meaning trust, financing and certification can still unlock demand.

Figures are directional estimates from the source deck; refresh before external publication.

Six moments that decide trust—and profit

Ownership choices differ, but no stage disappears.

01 SOURCE → 02 INSPECT → 03 REFURBISH → 04 RETAIL → 05 FINANCE → 06 TRANSFER

THE MOAT

Accurate inspection + pricing data reduce the information gap before money changes hands.

WATCH How inspection changes price

CARS24 • practical inspection explainer

Four ways to participate in the same transaction

FULL-STACK RETAIL

Buys • refurbishes • retails

Higher margin potential
Higher inventory risk

AUCTION / WHOLESALE

Buys • routes to dealers

Fast turns
Lower refurbishment exposure

CLASSIFIEDS

Connects buyer and seller

Asset-light
Less control over condition

OEM CERTIFIED

Trade-in via dealer network

Protects new-car funnel
Brand-backed trust

Spinny vs CARS24

Same category. Different operating logic.

FULL-STACK RETAIL

SPINNY

- Owns inventory longer
- Controls refurbishment and retail experience
- Earns vehicle margin + ancillary attach
- Risk: capital intensity and slow turns

AUCTION-LED → HYBRID

CARS24

- Built around rapid dealer auctions
- Growing retail and financing capability
- Optimises liquidity and conversion
- Risk: thinner control across experience

Growth story or margin story?

SPINNY

Scale + vertical integration

More of the customer journey under one roof

CARS24

Profit discipline + hybridisation

Growth traded for improving margin quality

BOARDROOM QUESTION **Which story would you defend to public-market investors—and what evidence would you demand?**

GROUPS OF 4–5 • 20 MINUTES

Build the business-model map

Own it, outsource it, or skip it—then defend why.

01

Choose: Spinny, CARS24, classifieds, or OEM CPO

02

Map all six value-chain stages

03

Find one capability added since founding

04

Present one strategic trade-off

DELIVERABLE / one-page owned • outsourced • skipped map

Quick check • Questions 1–3

1 **Roughly what share of India's used-car trade remains unorganised?**

A 10–20% B 30–40% C 70–80% D Under 5%

2 **Which model buys, refurbishes and retails directly to the consumer?**

A Classifieds B Full-stack retail C OEM-only D None

3 **CARS24's original model was primarily…**

A OEM CPO B Classifieds C Buy from consumer → auction to dealers D Import

Quick check • Questions 4–6

4 **Which model never takes ownership and earns listing or commission income?**

A Full-stack B Auction C Classifieds D OEM CPO

5 **What does faster inventory turnover improve most directly?**

A Brand awareness B Capital efficiency C Headcount D Footfall

6 **What is the central strategic tension in full-stack retail?**

A Control vs capital intensity B Import vs export C Petrol vs diesel only D Colour choice

Session 1 • explain the “why,” not only the letter

Q1 **C** — Most trade remains unorganised.

Q2 **B** — Full-stack controls buy, refurbish and retail.

Q3 **C** — The original loop was buy, then dealer auction.

Q4 **C** — Classifieds connect rather than own.

Q5 **B** — Faster turns recycle capital more often.

Q6 **A** — Control improves trust but ties up capital.

PROFIT LENS

SESSION 2 • 11:30–1:30

Unit economics, regulation & strategy

What makes a used car profitable—and what can derail the model.

02

Follow the money—and the paperwork

1 P&L
Build a simplified per-car profit view

2 Velocity
Explain inventory turnover

3 Tax
Apply the GST margin logic

4 Trust
Explain RC transfer and RTO role

5 Strategy
Evaluate the next competitive frontier

Illustrative per-car P&L

A ₹6 lakh acquisition leaves little room for error.

LINE ITEM	AMOUNT	SIGNAL
Acquisition	**₹6,00,000**	100%
Refurbishment	**₹15k–30k**	2.5–5%
Holding cost	**₹500–800/day**	Time tax
Documentation	**₹3k–5k**	0.5–1%
Retail price	**₹6.55–6.75L**	109–112%
Vehicle margin	**₹40k–55k**	**7–9%**
Finance / insurance	**₹8k–25k**	+1.5–4%

Illustrative classroom assumptions—not investment guidance.

Every unsold car is a clock running

40 DAYS → 20 DAYS

Halving holding time can roughly double annual inventory turns for the same deployed capital.

Pricing algorithms and demand forecasting are not back-office tools—they are margin infrastructure.

WATCH Resale value study

Trust has a tax logic—and a paper trail

GST MARGIN SCHEME

Tax is calculated on the dealer’s margin—not the full sale value—when the prescribed conditions apply.

Why it matters
• Helps organised dealers compete
• Makes acquisition records essential
• No margin means no tax under the scheme

RC TRANSFER + RTO

Registration transfer, hypothecation removal and inter-state NOC can be mandatory.

Why it matters
• Delays can leave the seller exposed
• Documentation is a trust service
• Process quality becomes a brand promise

Rule 32(5), CGST Rules • verify current rates and applicability before a transaction.

Four forces that can erase the margin

CASH BURN

Growth without unit discipline

RESIDUAL VALUE

The car can depreciate while waiting

INFORMATION GAP

History, odometer and accident uncertainty

FINANCE ACCESS

Used-car lending still shapes conversion

INNOVATION RADAR

The next used-car moat is data

- AI pricing + computer-vision inspection
- Verified digital vehicle history
- Instant finance + embedded insurance
- Used-EV battery state-of-health
- Battery identity / lifecycle transparency

WATCH EV battery identity

DISCUSS / What replaces “kilometres driven” as the trust signal for a used EV?

PAIRS • 20 MINUTES

Find the lever that moves profit

Build a P&L for a five-year-old hatchback acquired at ₹3,50,000.

HOLDING DAYS	REFURBISHMENT	FINANCE ATTACH
20 / 30 / 45	**₹10k / ₹20k / ₹35k**	**0% / 30% / 60%**

DELIVERABLE / one completed P&L + one sentence naming the highest-impact lever

Quick check • Questions 1–3

1 **Under the GST margin scheme, tax is charged on…**

A Full sale price B Margin C Purchase price D No GST ever

2 **Which process fully releases the seller from vehicle liability?**

A Insurance card B RC transfer + hypothecation removal C Warranty D Loyalty card

3 **Reducing holding period primarily improves…**

A Awareness B Capital efficiency C Headcount D Footfall

Quick check • Questions 4–6

4 **The “lemons market” problem describes...**

A Colour preference B Information asymmetry C Fruit transport D Software bug

5 **Which is NOT a normal industry challenge?**

A Cash burn B Residual-value risk C Zero informal competition D Finance penetration

6 **Which trend changes EV resale valuation most directly?**

A Subscriptions B Battery state-of-health C Classified listings D Paint colour

Session 2 • connect each answer to the business consequence

Q1	B	Tax applies to the qualifying margin.
Q2	B	Transfer closes seller liability.
Q3	B	Faster turns improve capital efficiency.
Q4	B	Condition knowledge is uneven.
Q5	C	Informal competition is very real.
Q6	B	Battery health drives range and value.

Day 3 • follow-along key points

Use this page for notes during discussion and activities.

MARKET — 7–8 million annual transactions; 70–80% remains unorganised.

MODELS — Full-stack, auction/wholesale, classifieds and OEM-certified pre-owned.

VALUE CHAIN — Source → inspect → refurbish → retail → finance → transfer.

ECONOMICS — Margin is thin; holding days, refurbishment and finance attach matter.

TRUST — Inspection, pricing evidence, warranty and RC transfer reduce uncertainty.

NEXT FRONTIER — AI valuation, digital history and EV battery health will reshape resale.

MY TAKEAWAY / ______________________________

QUESTION / ____________________

Trust is the product.
The car is the inventory.

01	MARKET	Organisation grows when trust becomes visible.
02	MODEL	Ownership choice determines margin and risk.
03	MONEY	Turnover and ancillary attach drive economics.
04	NEXT	Vehicle data and battery health reshape resale.

LUNCH & FELICITATION • 1:30 ONWARDS

Tomorrow / Vehicle Transport Management