

Maruti Suzuki

Refer to important disclosures at the end of this report

Darkest before the dawn; retain Buy

- **Longer lead times to affect semiconductor supplies for Q2/Q3FY22:** Our discussion with industry experts indicates lead times for automotive chips have increased notably from normal levels of 8-12 weeks to 36-40 weeks currently, mainly due to the recent spike in Covid-19 cases and restrictions in the Asian countries that are part of the supply chain. Chip shortages are expected to persist in Q2/Q3FY22 and supplies are expected to improve in a staggered manner. Lead times are likely to decrease to 18-20 weeks by Q4FY22 and may come down to normal 8-12 weeks by FY23-end ([Report](#)). MSIL has a healthy order book of over 150,000 units, and supply-related constraints remain the only challenge in the near term. **We reduce our volume expectation for MSIL by 15% to 1.64mn units in FY22E, implying 12% growth.**
- **Long-term outlook positive:** We continue to believe that the industry will see an upcycle in the next 2-3 years, driven by improving macros, pick-up in replacement demand, positive rural sentiments and low interest rates. **We expect MSIL to record a 20% CAGR during FY22-24E.**
- **MSIL is likely to initiate an aggressive model action plan** in the next two years to fill up the white-spaces like compact SUVs (above 4m), mid-size SUVs/MPVs and xEVs. Upcoming product launches are likely to include new generation *Brezza*, above-4m SUV, *Jimny* off-roader, MPV and strong hybrids. MSIL is collaborating with Toyota on products such as above-4m SUV, MPV and strong hybrids.
- **MSIL has historically witnessed a high success ratio for new products and has garnered a dominant market share in new segments, despite being a late entrant.** In segments such as premium hatchbacks, mid-size sedans, compact UVs and MPVs, MSIL has captured share from incumbents to become the market leader within a short period of time (mostly 1-2 years). **We expect the market share to decline to 46% in FY22E, and then increase to 48% in FY24E on account of new products.**
- **Exports have improved notably** in recent months on strong demand in Africa and Latin America markets. MSIL has expanded the network by increasing its own distributors and utilizing Suzuki and Toyota's global networks. **We expect exports to double in FY22E and further improve by a 26% CAGR over FY22-24E.**
- **Better scale and price increases to drive margins:** Management targets to reach EBIT margins of 8-10% in future, driven by price increases, better scale and cost savings. MSIL is passing on commodity inflation with a lag and is also hedging commodities. MSIL expects some stabilization in commodity prices in H2FY21. Royalty rates have fallen to 4% and should remain around these levels ahead. The company continues to focus on cost-reduction efforts in areas of material costs, VAVE, localization, etc. Almost half of the indirect imports (13-14% of revenues) are non-electronic items, which MSIL expects to localize. **Overall, our estimates factor in an EBIT margin of 7.9%/9.3% in FY23/24.**
- We reduce FY22/23 volume growth estimates by 15%/7% but retain the FY24 forecast. **Following the revision, we expect revenue/earnings CAGR of 24%/61% over FY22-24E. We lower our Sep'22 TP to Rs8,600 (Rs9,000 earlier), based on 28x core P/E and net cash/share of Rs1,541.** Our core P/E is backed by a DCF model. **Key risks:** delay in economic recovery; a third Covid-19 wave leading to another round of lockdowns; failure of new products; increase in competitive intensity; and adverse movement in currency/commodity prices.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Automobiles & Auto Ancillaries \(Page 8\)](#)

Financial Snapshot (Standalone)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	756,106	703,325	847,245	1,081,513	1,292,861
EBITDA	73,026	53,453	60,143	115,841	152,556
EBITDA Margin (%)	9.7	7.6	7.1	10.7	11.8
APAT	56,506	42,297	47,436	91,463	122,351
EPS (Rs)	187.1	140.1	157.1	302.9	405.1
EPS (% chg)	(24.7)	(25.1)	12.1	92.8	33.8
ROE (%)	11.9	8.5	9.0	16.0	19.2
P/E (x)	36.3	48.4	43.2	22.4	16.7
EV/EBITDA (x)	23.2	30.3	26.9	13.4	9.6
P/BV (x)	4.2	4.0	3.8	3.4	3.0

Source: Company, Emkay Research

CMP	Target Price
Rs 6,785	Rs 8,600 (▼)
as of (September 1, 2021)	12 months
Rating	Upside
BUY (■)	26.7 %

Change in Estimates

EPS Chg FY22E/FY23E (%)	(33.1)/ (8.9)
Target Price change (%)	(4.4)
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

EPS Estimates		
	FY22E	FY23E
Emkay	157.1	302.9
Consensus	189.1	284.7
Mean Consensus TP (12M)	Rs 7,547	

Stock Details

Bloomberg Code	MSIL IN
Face Value (Rs)	5
Shares outstanding (mn)	302
52 Week H/L	8,400 / 6,270
M Cap (Rs bn/USD bn)	2,050 / 28.04
Daily Avg Volume (nos.)	648,690
Daily Avg Turnover (US\$ mn)	63.4

Shareholding Pattern Jun '21

Promoters	56.4%
FIIIs	22.9%
DIIIs	15.8%
Public and Others	5.0%

Price Performance

(%)	1M	3M	6M	12M
Absolute	(3)	(4)	(3)	(2)
Rel. to Nifty	(10)	(13)	(16)	(34)

Relative price chart



Source: Bloomberg

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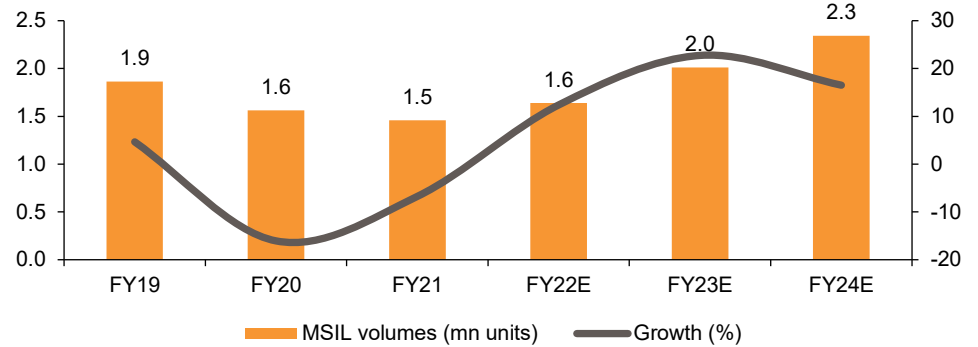
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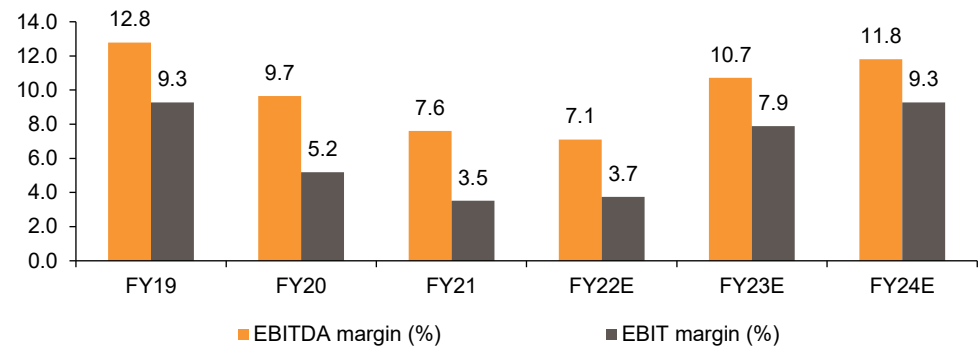
Short-term pain likely due to chip shortages, but our expectation of an industry upcycle in next 2-3 years remains intact

Exhibit 1: MSIL volume growth expected at 12% in FY22E, and further acceleration to 20% CAGR over FY22-24E



Source: Company, Emkay Research

Exhibit 2: EBITDA/ EBIT margin to expand notably over FY22-24E, aided by price increases, better scale and cost savings



Source: Company, Emkay Research

Exhibit 3: High ratio of success for new products: Most products launched in last 10 years have healthy volumes and have recovered product development costs

New products	Launch dates	Product development expenses (Rs mn)	Product development costs recovered within 3 years (Y/N)	Healthy volumes (monthly average of H2FY21)	Annual revenues at H2FY21 volume run-rate (Rs mn)	Annual EBITDA assuming 10% margin (%)
Ertiga	2012	4,000	Y	9,187	46,524	4,652
Celerio	2014	6,000#	Y	6,444	25,568	2,557
Ciaz	2014	6,200	Y	1,508	8,326	833
Baleno	2015	10,600	Y	19,301	98,338	9,834
Scross	2015	6,000	N	2,035	11,064	1,106
Brezza	2016	8,600	Y	10,943	70,066	7,007
Ignis	2017	9,500	N	3,885	16,395	1,640
XL6	2019	1,000	Y	3,019	19,459	1,946
S-presso	2019	6,400	Y*	7,600	24,476	2,448

Source: Company, SIAM, Emkay Research

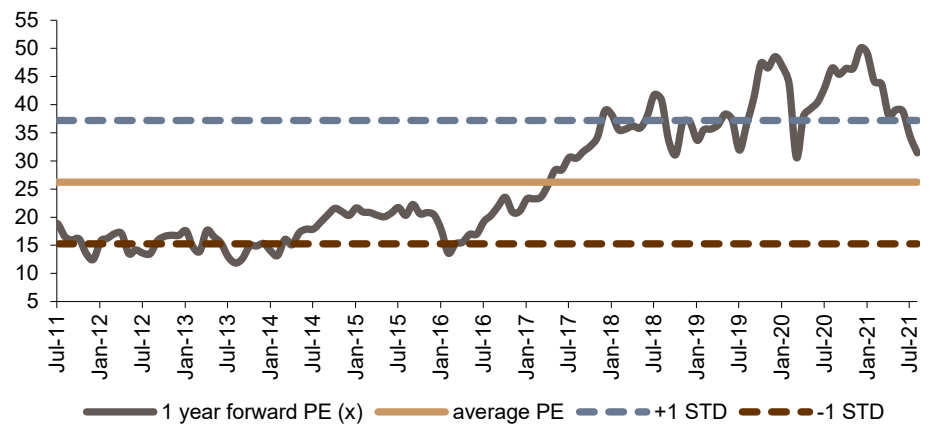
Note: # Assuming product development cost of Rs 6bn

* Product development cost will be recovered in 3 years considering current monthly run rate

Exhibit 4: New products have aided market share gains across categories, despite being a late entrant

New products	Launch dates	Category	Market share in category in the first full year of sales (%)	Remarks
S-presso	2019	Entry hatchback	13	
Celerio	2014	Entry hatchback	10	
Ignis	2017	Mid-size hatchback	10	
Baleno	2015	Premium hatchback	36	Captured leadership position in 2 years from early entrants such as Hyundai i20 and Volkswagen Polo.
Ciaz	2014	Mid-size sedan	29	Captured leadership position in 2 years from Honda City and Hyundai Verna
Brezza	2016	Compact UV	46	Captured leadership position in 1 year from Ford Ecosport and Mahindra TUV/KUV
Scross	2015	Above 4m SUV	9	
Ertiga	2012	MPV	20	Captured No2 position in 1 year from Toyota Innova and Mahindra Bolero. Has now become market leader.
XL6	2019	MPV	10	

Source: SIAM, Emkay Research

Exhibit 5: One-year forward P/E (average at 26x, +1std at 37x, -1std at 15x)

Source: Bloomberg, Emkay Research

Exhibit 6: Key assumptions: Expect robust 20% CAGR over FY22-24E

Key revenue assumptions	FY19	FY20	FY21	FY22E	FY23E	FY24E
Volume (units)						
Domestic Passenger Cars	1,287,023	1,085,646	981,658	1,034,928	1,249,800	1,429,498
YoY %	4.2	(15.6)	(9.6)	5.4	20.8	14.4
Domestic Utility Vehicles	264,197	235,298	245,427	266,913	336,176	398,018
YoY %	4.1	(10.9)	4.3	8.8	25.9	18.4
Domestic Vans	178,606	118,404	105,081	106,201	129,026	164,218
YoY %	15.1	(33.7)	(11.3)	1.1	21.5	27.3
Domestic LCVs	23,874	21,778	29,556	34,648	38,845	42,730
YoY %	138.0	(8.8)	35.7	17.2	12.1	10.0
Total Domestic	1,753,700	1,461,126	1,361,722	1,442,690	1,753,847	2,034,463
YoY %	6.1	(16.7)	(6.8)	5.9	21.6	16.0
Exports	108,749	102,171	96,139	195,686	257,107	308,529
YoY %	(13.7)	(6.0)	(5.9)	103.5	31.4	20.0
Total	1,862,449	1,563,297	1,457,861	1,638,375	2,010,955	2,342,992
YoY %	4.7	(16.1)	(6.7)	12.4	22.7	16.5
Realization (Rs/unit)	461,867	483,661	482,436	517,125	537,811	551,799
YoY %	3.0	4.7	(0.3)	7.2	4.0	2.6
Revenue (Rs mn)	860,203	756,106	703,325	847,245	1,081,513	1,292,861
YoY %	7.8	(12.1)	(7.0)	20.5	27.7	19.5

Source: Company, SIAM, Emkay Research

Exhibit 7: Initiating an aggressive action plan: New products to contribute to growth

Volume (units)	FY19	FY20	FY21	FY22E	FY23E	FY24E	CAGR (FY22-24E)
Cars	1,287,023	1,085,646	981,658	1,034,928	1,249,800	1,429,498	18
Alto 800	173,799	190,814	158,992	168,532	205,608	234,394	18
S-presso	85,602	56,962	67,167	70,525	84,630	96,479	17
Celerio	103,734	62,625	61,010	65,281	79,642	89,996	17
Wagon R	151,462	156,724	160,330	168,347	202,016	232,318	17
Ignis	36,144	20,773	33,940	35,298	42,357	46,593	15
Swift	223,924	187,916	172,671	181,305	217,565	250,200	17
Baleno	212,330	205,415	185,445	196,572	239,817	275,790	18
Swift Dzire	253,859	179,159	128,251	134,664	161,596	185,836	17
Ciaz	46,169	25,258	13,852	14,406	16,567	17,892	11
UVs	264,197	235,298	245,427	266,913	336,176	398,018	22
Ertiga/XL6	65,263	112,664	114,403	125,843	151,012	151,012	10
Gypsy	3,232	272	2,779				
Brezza	157,880	110,641	110,961	122,057	115,954	104,359	-8
Jimny					18,000	36,000	
new above-4m SUV					36,000	72,000	
new MPV						24,000	
S-Cross	37,822	11,721	17,284	19,012	15,210	10,647	-25
Vans	178,606	118,404	105,081	106,201	129,026	164,218	24
Domestic volumes	1,753,700	1,461,126	1,361,722	1,442,690	1,753,847	2,034,463	19

Source: SIAM, Emkay Research

Exhibit 8: Change in estimates; Reducing FY22E/23E estimates mainly due to semiconductor shortage issues

(Rs mn)	FY22E				FY23E				FY24E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Volumes (Units)	1,925,668	1,638,375	(14.9)	12.4	2,156,748	2,010,955	(6.8)	22.7	2,352,902	2,342,992	(0.4)	16.5
Sales	979,771	847,245	(13.5)	20.5	1,145,364	1,081,513	(5.6)	27.7	1,290,986	1,292,861	0.1	19.5
EBITDA	90,897	60,143	(33.8)	12.5	126,278	115,841	(8.3)	92.6	152,391	152,556	0.1	31.7
Margin (%)	9.3	7.1	(220) bps	(50) bps	11.0	10.7	(29) bps	361 bps	11.8	11.8	(0) bps	109 bps
Net Profit	70,866	47,436	(33.1)	12.1	100,346	91,463	(8.9)	92.8	122,364	122,351	(0.0)	33.8
EPS (Rs)	234.7	157.1	(33.1)	12.1	332.3	302.9	(8.9)	92.8	405.2	405.1	(0.0)	33.8

Source: Emkay Research

Exhibit 9: DCF model: Implied Core P/E at 28x in base case

Parameter	Value (Rs mn)	Parameter	Value
PV of FCF in Stage 1	685,038	Risk-free rate (Rf)	6.0%
PV of Terminal value	1,429,197	Equity risk premium (Rm)	6.1%
Enterprise value	2,114,235	Beta	110.0%
Net debt	-491,995	Cost of equity	12.1%
Market Value	2,606,231	Terminal growth rate	6.0%
No. of shares (mn)	302	Fair value (Rs/share)	8,630

Source: Emkay Research

Key Financials (Standalone)**Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	756,106	703,325	847,245	1,081,513	1,292,861
Expenditure	683,080	649,872	787,102	965,673	1,140,305
EBITDA	73,026	53,453	60,143	115,841	152,556
Depreciation	35,257	30,315	30,146	32,497	34,630
EBIT	37,769	23,138	29,996	83,344	117,926
Other Income	34,208	29,464	31,878	35,028	40,101
Interest expenses	1,329	1,008	1,058	1,111	1,167
PBT	70,648	51,594	60,815	117,261	156,860
Tax	14,142	9,297	13,379	25,797	34,509
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	56,506	42,297	47,436	91,463	122,351
Adjusted PAT	56,506	42,297	47,436	91,463	122,351

Balance Sheet

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	1,510	1,510	1,510	1,510	1,510
Reserves & surplus	482,860	512,158	542,991	597,869	671,280
Net worth	484,370	513,668	544,501	599,379	672,790
Minority Interest	0	0	0	0	0
Loan Funds	1,063	4,888	1,191	1,520	1,818
Net deferred tax liability	5,984	3,847	3,543	2,957	2,172
Total Liabilities	491,417	522,403	549,235	603,857	676,780
Net block	157,812	149,570	149,068	156,571	161,941
Investment	364,676	417,867	442,867	502,867	582,867
Current Assets	89,659	118,339	97,361	128,028	152,183
Cash & bank balance	211	30,364	3,601	8,343	9,109
Other Current Assets	35,858	44,477	40,180	51,290	61,313
Current liabilities & Provision	134,104	178,271	165,314	208,864	245,465
Net current assets	(44,445)	(59,932)	(67,953)	(80,836)	(93,282)
Misc. exp	0	0	0	0	0
Total Assets	491,417	522,403	549,235	603,857	676,780

Cash Flow

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
PBT (Ex-Other income) (NI+Dep)	36,440	22,130	28,938	82,233	116,759
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(25,659)	43,352	(22,190)	(3,104)	(71)
Operating Cashflow	(157)	58,924	24,705	87,099	118,120
Capital expenditure	(33,990)	(23,279)	(40,000)	(40,000)	(40,000)
Free Cash Flow	(34,147)	35,645	(15,295)	47,099	78,120
Investments	27,487	(50,363)	(25,000)	(60,000)	(80,000)
Other Investing Cash Flow	1,864	803	0	0	0
Investing Cashflow	29,569	(43,375)	(33,122)	(64,972)	(79,899)
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(433)	3,825	(3,697)	329	297
Dividend paid (incl tax)	(24,166)	(18,125)	(16,603)	(36,585)	(48,940)
Other Financing Cash Flow	(5,049)	29,910	3,013	19,983	12,355
Financing Cashflow	(30,990)	14,604	(18,345)	(17,385)	(37,455)
Net chg in cash	(1,578)	30,153	(26,763)	4,742	766
Opening cash position	1,789	211	30,364	3,601	8,343
Closing cash position	211	30,364	3,601	8,343	9,109

Source: Company, Emkay Research

Key Ratios

Profitability (%)	FY20	FY21	FY22E	FY23E	FY24E
EBITDA Margin	9.7	7.6	7.1	10.7	11.8
EBIT Margin	5.0	3.3	3.5	7.7	9.1
Effective Tax Rate	20.0	18.0	22.0	22.0	22.0
Net Margin	7.5	6.0	5.6	8.5	9.5
ROCE	15.0	10.4	11.5	20.5	24.7
ROE	11.9	8.5	9.0	16.0	19.2
RoIC	38.0	26.8	43.9	115.0	185.8

Per Share Data (Rs)	FY20	FY21	FY22E	FY23E	FY24E
EPS	187.1	140.1	157.1	302.9	405.1
CEPS	303.9	240.4	256.9	410.5	519.8
BVPS	1,603.9	1,700.9	1,803.0	1,984.7	2,227.8
DPS	60.0	45.0	55.0	121.1	162.1

Valuations (x)	FY20	FY21	FY22E	FY23E	FY24E
PER	36.3	48.4	43.2	22.4	16.7
P/CEPS	22.3	28.2	26.4	16.5	13.1
P/BV	4.2	4.0	3.8	3.4	3.0
EV / Sales	2.2	2.3	1.9	1.4	1.1
EV / EBITDA	23.2	30.3	26.9	13.4	9.6
Dividend Yield (%)	0.9	0.7	0.8	1.8	2.4

Gearing Ratio (x)	FY20	FY21	FY22E	FY23E	FY24E
Net Debt/ Equity	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)
Net Debt/EBIDTA	(4.8)	(8.1)	(7.2)	(4.3)	(3.8)
Working Cap Cycle (days)	(21.6)	(46.9)	(30.8)	(30.1)	(28.9)

Growth (%)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	(12.1)	(7.0)	20.5	27.7	19.5
EBITDA	(33.6)	(26.8)	12.5	92.6	31.7
EBIT	(52.7)	(38.7)	29.6	177.8	41.5
PAT	(24.7)	(25.1)	12.1	92.8	33.8

Quarterly (Rs mn)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22
Revenue	41,065	187,445	234,578	240,237	177,707
EBITDA	(8,634)	19,336	22,261	19,911	8,211
EBITDA Margin (%)	(21.0)	10.3	9.5	8.3	4.6
PAT	(2,494)	13,716	19,414	11,661	4,408
EPS (Rs)	(8.3)	45.4	64.3	38.6	14.6

Source: Company, Emkay Research

Shareholding Pattern (%)	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Promoters	56.3	56.4	56.4	56.4	56.4
FIs	21.5	21.9	23.1	23.1	22.9
DIs	17.1	16.7	15.7	15.1	15.8
Public and Others	5.2	5.0	4.9	5.4	5.0

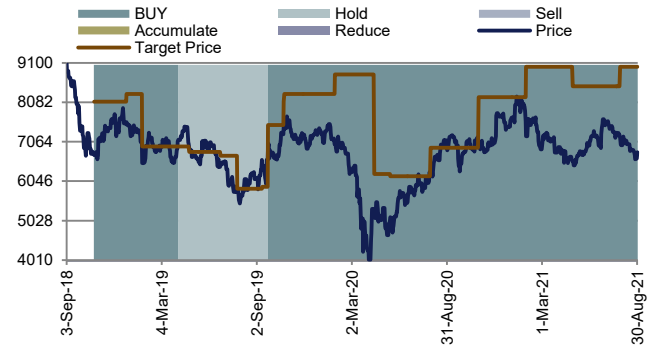
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
28-Jul-21	7,165	9,000	12m	Buy	Raghunandhan NL
2-Jul-21	7,574	8,500	12m	Buy	Raghunandhan NL
18-Jun-21	6,959	8,500	12m	Buy	Raghunandhan NL
1-Jun-21	7,091	8,500	12m	Buy	Raghunandhan NL
30-May-21	6,970	8,500	12m	Buy	Raghunandhan NL
28-Apr-21	6,574	8,500	12m	Buy	Raghunandhan NL
29-Jan-21	7,207	9,000	12m	Buy	Raghunandhan NL
30-Oct-20	6,965	8,216	12m	Buy	Raghunandhan NL
11-Oct-20	7,062	6,910	12m	Buy	Raghunandhan NL
28-Sep-20	6,703	6,910	12m	Buy	Raghunandhan NL
28-Aug-20	7,104	6,910	12m	Buy	Raghunandhan NL
30-Jul-20	6,265	6,910	12m	Buy	Raghunandhan NL
29-Jun-20	5,679	6,173	12m	Buy	Raghunandhan NL
14-May-20	5,114	6,173	12m	Buy	Raghunandhan NL
4-May-20	4,886	6,230	12m	Buy	Raghunandhan NL
13-Apr-20	5,283	6,230	12m	Buy	Raghunandhan NL
27-Feb-20	6,290	8,800	12m	Buy	Raghunandhan NL
9-Feb-20	6,972	8,800	12m	Buy	Raghunandhan NL
30-Jan-20	7,020	8,800	12m	Buy	Raghunandhan NL
29-Jan-20	7,010	8,800	12m	Buy	Raghunandhan NL
27-Dec-19	7,345	8,300	12m	Buy	Raghunandhan NL
18-Dec-19	7,241	8,300	12m	Buy	Raghunandhan NL
27-Nov-19	7,294	8,300	12m	Buy	Raghunandhan NL
30-Oct-19	7,557	8,300	12m	Buy	Raghunandhan NL
24-Oct-19	7,391	8,300	12m	Buy	Raghunandhan NL
23-Oct-19	7,440	8,100	12m	Buy	Raghunandhan NL
1-Oct-19	6,782	7,500	12m	Buy	Raghunandhan NL
26-Sep-19	6,857	7,500	12m	Buy	Raghunandhan NL
23-Sep-19	6,898	7,500	12m	Buy	Raghunandhan NL
12-Sep-19	6,392	5,900	12m	Hold	Raghunandhan NL
3-Sep-19	6,050	5,850	12m	Hold	Raghunandhan NL
28-Aug-19	6,103	5,850	12m	Hold	Raghunandhan NL
26-Jul-19	5,806	5,850	12m	Hold	Raghunandhan NL
1-Jul-19	6,508	6,700	12m	Hold	Raghunandhan NL
27-Jun-19	6,487	6,700	12m	Hold	Raghunandhan NL
24-Jun-19	6,460	6,700	12m	Hold	Raghunandhan NL
3-Jun-19	7,023	6,800	12m	Hold	Raghunandhan NL
29-May-19	6,891	6,800	12m	Hold	Raghunandhan NL
2-May-19	6,683	6,800	12m	Hold	Raghunandhan NL
25-Apr-19	6,905	6,800	12m	Hold	Raghunandhan NL
4-Apr-19	7,113	6,940	12m	Hold	Raghunandhan NL
4-Feb-19	6,988	6,940	12m	Buy	Raghunandhan NL
25-Jan-19	6,513	6,940	12m	Buy	Raghunandhan NL
26-Dec-18	7,569	8,300	12m	Buy	Raghunandhan NL
25-Oct-18	6,723	8,100	12m	Buy	Raghunandhan NL

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Automobiles & Auto Ancillaries



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Sector

Automobiles and Ancillaries

Analyst bio

Raghu holds an MBA and comes with total 12 years of research experience. His team currently covers 14 stocks in the Indian Automobiles and Ancillaries space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
Auto & Auto Ancillaries	4.47	4.47	0%	0	100.00
Amara Raja Batteries	0.06	0.05	-22%	-1	1.02
Apollo Tyres	0.00	0.00	NA	0	0.00
Ashok Leyland	0.18	0.19	8%	2	4.30
Atul Auto	0.00	0.00	NA	0	0.00
Bajaj Auto	0.50	0.51	2%	1	11.35
Bharat Forge	0.20	0.20	0%	0	4.45
Eicher Motors	0.38	0.36	-6%	-2	8.07
Escorts	0.00	0.00	NA	0	0.00
Exide Industries	0.08	0.06	-18%	-1	1.39
Hero Motocorp	0.37	0.36	0%	0	8.14
Mahindra & Mahindra	0.78	0.78	-1%	0	17.33
Maruti Suzuki India	0.93	0.94	1%	1	21.06
Motherson Sumi	0.27	0.27	0%	0	6.04
Tata Motors	0.56	0.57	1%	1	12.67
Tata Motors DVR*	0.07	0.08	12%	1	1.69
TVS Motor	0.11	0.11	4%	0	2.49
Cash	0.00	0.00	NA	0	0.00

Source: Emkay Research

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

Sector portfolio NAV

	Base					Latest
	1-Apr-19	1-Sep-20	2-Mar-21	1-Jun-21	30-Jul-21	31-Aug-21
EAP - Auto & Auto Ancillaries	100.0	91.2	128.4	124.4	119.8	118.9
BSE200 Neutral Weighted Portfolio (ETF)	100.0	93.4	128.9	124.5	119.1	118.2

*Performance measurement base date 1st April 2019

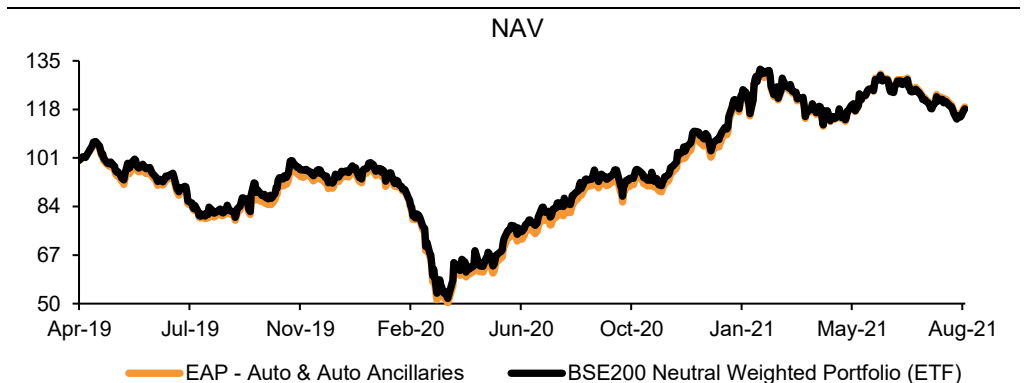
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Auto & Auto Ancillaries	-0.8%	-4.4%	-7.4%	30.4%
BSE200 Neutral Weighted Portfolio (ETF)	-0.8%	-5.1%	-8.3%	26.6%

Source: Emkay Research

NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 02 Sep 2021 02:58:31 (SGT)

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