

Hero Motocorp

Refer to important disclosures at the end of this report

Weak quarter; Domestic 2W recovery on track

- Q4FY22 EBITDA declined by 32% yoy to Rs8.3bn, 14% below estimates, affected by higher other expenses due to the bunching up of CSR expenses and Vida brand launch costs. Revenue fell 15% to Rs74.2bn, in line with estimates.
- We expect a 12% volume CAGR in the domestic market over FY22-24E, supported by a pickup in rural demand and the opening of educational institutions/offices. In addition, exports are expected to see a 17% CAGR, owing to improved penetration in the Africa and Latin America regions.
- HMCL will aggressively focus on the EV space through own products (first launch by Jul'22), a joint development with Gogoro for a swappable battery model (launch by end of FY23) and investments in Ather Energy. It has set up an E-2W and battery assembly facility at its Andhra Pradesh plant.
- Stock catalysts include a rebound in 2W demand and incremental announcements on the EV business. Retain Buy with a TP of Rs2,940 (Rs2,850 earlier), based on 15x core Jun'24E EPS (Mar'23E EPS earlier), net cash of Rs437/share and the value of investments at Rs119/share.

- EBITDA below estimates:** Revenue declined by 15% yoy to Rs74.2bn, broadly in line with our estimate of Rs74.5bn. Volume fell 24%, while realization grew by 13%. The gross margin expanded by 110bps to 30.7%. Even on a sequential basis, the margin has improved due to price hikes. The EBITDA margin contracted by 280bps to 11.2%. EBITDA declined by 32% to Rs8.3bn, 14% lower than estimates, owing to higher other expenses (+13%). Other expenses/revenue rose 310bps to 13.1%, higher by 80-90bps due to the bunching up of CSR spends (50-60bps) and Vida brand launch expenses (30-40bps). Other income grew by 60% to Rs1.4bn. The effective tax rate was lower at 22% vs. 25% in Q3FY22 and 24% in Q4FY21. Overall, the adjusted PAT declined 28% to Rs6.3bn (est.: Rs6.8bn). The earnings fall is lower than the EBITDA fall due to higher other income and a lower tax rate. The share of losses from associates stands at Rs203mn vs. a profit of Rs198mn in Q3FY22 and Rs378mn in Q4FY21.
- Retain Buy** with a TP of Rs2,940. We build in revenue/earnings CAGRs of 16%/21% over FY22-24E, with healthy FCF generation (~Rs26bn/year or 5% yield). We also introduce FY25E EPS at Rs199.3, factoring in volume growth of 7% and EBITDA margin of 12.9%. Key downside risks are lower-than-expected demand in key geographies, increase in competitive intensity, failure of new products, further increase in commodity prices and adverse currency rates.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Automobiles & Auto Ancillaries \(Page 9\)](#)

Financial Snapshot (Standalone)

(Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	308,006	292,455	336,786	392,016	429,184
EBITDA	40,192	33,688	38,776	49,703	55,329
EBITDA Margin (%)	13.0	11.5	11.5	12.7	12.9
APAT	29,642	24,730	28,244	36,055	39,815
EPS (Rs)	148.4	123.8	141.4	180.5	199.3
EPS (% chg)	(6.9)	(16.6)	14.2	27.7	10.4
ROE (%)	20.2	16.0	17.4	21.0	21.7
P/E (x)	16.2	19.5	17.0	13.4	12.1
EV/EBITDA (x)	9.9	11.9	10.2	7.8	6.9
P/BV (x)	3.2	3.1	2.9	2.7	2.5

Source: Company, Emkay Research

CMP	Target Price
Rs 2,410 as of (May 4, 2022)	Rs 2,940 (▲) 12 months
Rating	Upside
BUY (■)	22.0 %

Change in Estimates

EPS Chg FY23E/FY24E (%)	0.8/(0.8)
Target Price change (%)	3.2
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

	EPS Estimates	
	FY23E	FY24E
Emkay	141.4	180.5
Consensus	163.0	194.2
Mean Consensus TP (12M)	Rs 2,937	

Stock Details

Bloomberg Code	HMCL IN
Face Value (Rs)	2
Shares outstanding (mn)	200
52 Week H/L	3,079 / 2,147
M Cap (Rs bn/USD bn)	481 / 6.30
Daily Avg Volume (nos.)	939,921
Daily Avg Turnover (US\$ mn)	29.9

Shareholding Pattern Mar '22

Promoters	34.8%
FIIIs	29.2%
DIIIs	24.2%
Public and Others	11.8%

Price Performance

(%)	1M	3M	6M	12M
Absolute	4	(11)	(10)	(13)
Rel. to Nifty	10	(7)	(4)	(24)

Relative price chart



Source: Bloomberg

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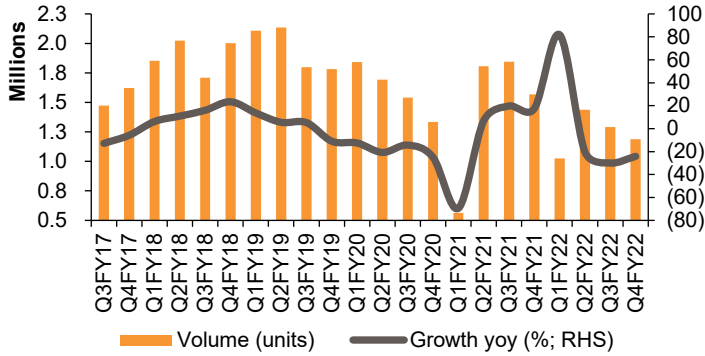
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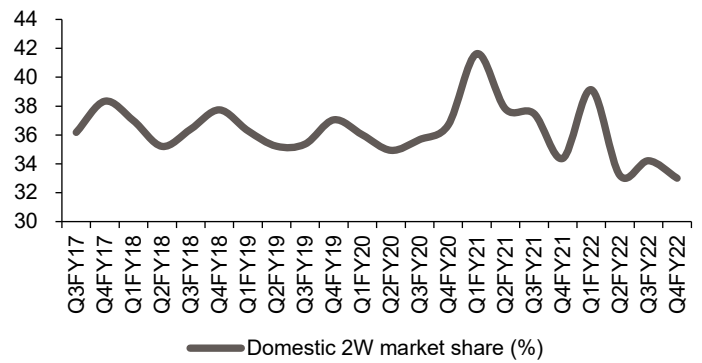
Story in Charts

Exhibit 1: Q4FY22 volume stood at 1.2mn units; Volume expected to grow by 13% CAGR over FY22-24E



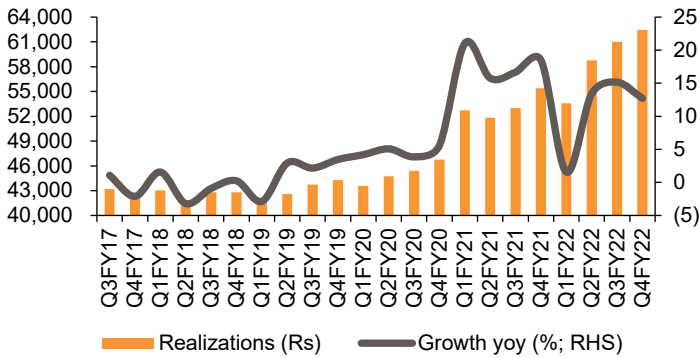
Source: Company, Emkay Research

Exhibit 2: Domestic 2W market share stood at 33%



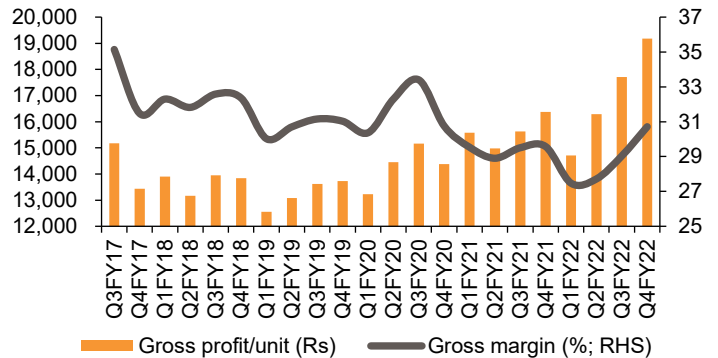
Source: SIAM, Emkay Research

Exhibit 3: Revenue/unit grew by 13% yoy to Rs62,426, led by price hikes and better mix



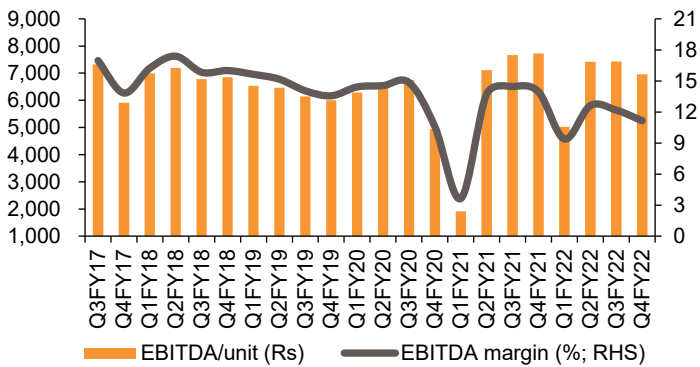
Source: Company, Emkay Research

Exhibit 4: Gross margin grew by 110bps to 31%, due to price hikes and cost reduction efforts



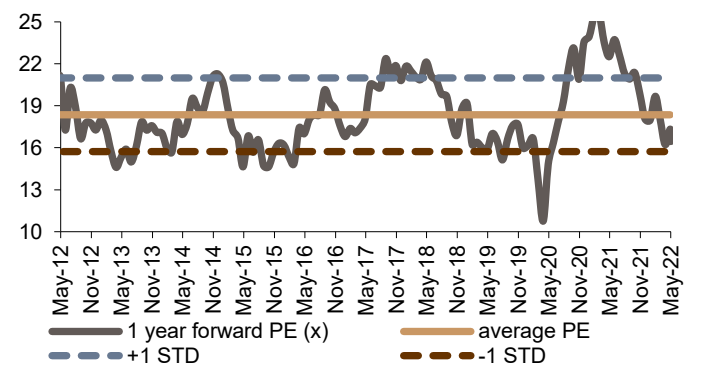
Source: Company, Emkay Research

Exhibit 5: EBITDA margin contracted by 280bps to 11.2%, due to lower scale and higher other expenses; Expect margin to expand to 12.7% by FY24E



Source: Company, Emkay Research

Exhibit 6: One-year forward P/E (Average: 18x, +1std: 21x, -1std: 16x)



Source: Company, Emkay Research

Earnings Call Highlights

Outlook

- Domestic volumes will grow in double digits in FY23. The company is witnessing strong festive/marriage season demand in Q1FY23. The pickup in rural demand and the reopening of colleges/offices should support volumes ahead.
- Expects the ICE industry's growth to continue over the next few years, despite increasing penetration of EVs.
- Multiple launches are lined up in scooters and premium motorcycles in FY23. A major launch is an electric scooter under the Vida brand to be launched in Jul'22. Also, Hero-Gogoro swappable battery scooter will be launched in FY23.
- Exports saw robust growth of 57% in FY22, and the company expects upward momentum to continue in FY23. There is now a strong focus on further expanding its presence in markets such as Colombia, Peru, Argentina and Mexico in Latin America; Kenya, Uganda and Tanzania in East Africa; Nigeria in West Africa; and Bangladesh and Nepal in Asia.
- Commodity inflation hit is expected in Q1FY23. To partially offset the impact, the company has implemented a price hike of ~1.5%.
- Investments of Rs2.7bn are expected in Q1FY23. The total investments will increase to Rs9.3bn.

Q4FY22 highlights

- Dealer inventory stood at 7-8 weeks as of Mar'22. It has currently declined to 6-7 weeks, owing to strong marriage/festive season demand. A comfortable position for dealer inventory is ~6 weeks.
- The gross margin expansion was driven by price hikes, which were higher than commodity inflation. There is no deferral in price hikes to vendors.
- Other expenses were higher due to the bunching up of CSR spends (50-60bps) and Vida launch expenses (30-40bps).
- Spares revenue grew by 10% to Rs11.5bn.
- The financing ratio stood at 54%. Of this, Hero Fincorp contributed 34%.

Exhibit 7: Volume assumptions: Expect revenue CAGR of 16% over FY22-24E

Volume (units)	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E	FY22-24E CAGR (%)
Domestic Motorcycles	6,893,688	5,828,782	5,156,401	4,337,634	4,751,823	5,425,862	5,807,451	12
Growth (%)	6.1	(15.4)	(11.5)	(15.9)	9.5	14.2	7.0	
Export Motorcycles	187,185	161,567	171,963	290,131	362,664	398,930	430,845	17
Growth (%)	5.1	(13.7)	6.4	68.7	25.0	10.0	8.0	
Domestic Scooters	719,087	402,676	443,458	305,892	357,894	400,841	424,891	14
Growth (%)	(18.6)	(44.0)	10.1	(31.0)	17.0	12.0	6.0	
Export Scooters	20,871	16,694	14,552	10,491	31,473	34,620	37,390	82
Growth (%)	(20.7)	(20.0)	(12.8)	(27.9)	200.0	10.0	8.0	
Total Volume	7,820,831	6,409,719	5,786,374	4,944,148	5,503,853	6,260,253	6,700,577	13
Growth (%)	3.1	(18.0)	(9.7)	(14.6)	11.3	13.7	7.0	
Realization/unit (Rs)	43,027	44,988	53,230	59,152	61,191	62,620	64,052	3
Growth (%)	1.3	4.6	18.3	11.1	3.4	2.3	2.3	
Revenue (Rs mn)	336,505	288,361	308,006	292,455	336,786	392,016	429,184	16
Growth (%)	4.4	(14.3)	6.8	(5.0)	15.2	16.4	9.5	

Source: Company, Emkay Research

Exhibit 8: Changes in Estimates

Rs mn	FY23E				FY24E				FY25E	
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY	Introducing	% YoY
Volumes	5,470,142	5,503,853	0.6	11.3	6,301,342	6,260,253	(0.7)	13.7	6,700,577	7.0
Net Sales	334,398	336,786	0.7	15.2	393,199	392,016	(0.3)	16.4	429,184	9.5
EBITDA	38,516	38,776	0.7	15.1	50,011	49,703	(0.6)	28.2	55,329	11.3
Margin (%)	11.5	11.5	(0) bps	(1) bps	12.7	12.7	(4) bps	117 bps	12.9	21 bps
APAT	28,024	28,244	0.8	14.2	36,356	36,055	(0.8)	27.7	39,815	10.4
EPS (Rs)	140.3	141.4	0.8	14.2	182.0	180.5	(0.8)	27.7	199.3	10.4

Source: Company, Emkay Research

Exhibit 9: SOTP

	Basis of Valuation	Equity value	Equity value/share
Core business	Core P/E of 15x Jun24E	476,426	2,385
Hero FinCorp	P/B 1x FY21 (Holdco discount of 20%)	16,370	82
Ather Energy	Investment value (Holdco discount of 20%)	7,397	37
Cash per share	As of Jun'23E		437
Total			2,940

Source: Company, Emkay Research

Exhibit 10: Actual vs. Estimates (Q4FY22)

(Rs mn)	Actual	Estimates		% Variation		Comment
		Emkay	Consensus	Emkay	Consensus	
Total Revenue	74,217	74,524	74,902	(0.4)	(0.9)	Broadly in-line with estimates
EBITDA	8,276	9,640	8,917	(14.2)	(7.2)	Below estimates due to higher other expenses
EBITDA Margin (%)	11.2	12.9	11.9	(178) bps	(75) bps	
Adjusted net profit	6,271	6,840	6,249	(8.3)	0.3	Below estimates due to lower operating profit

Source: Bloomberg, Company, Emkay Research

Exhibit 11: Quarterly financial summary

Rs mn	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	YoY (%)	QoQ (%)	FY22	FY21	YoY(%)
Revenue	86,860	54,871	84,534	78,833	74,217	(14.6)	(5.9)	292,455	308,006	(5.0)
Expenditure	74,748	49,722	73,870	69,233	65,942	(11.8)	(4.8)	258,767	267,814	(3.4)
as % of sales	86.1	90.6	87.4	87.8	88.8			354.7	268.2	
Consumption of RM	61,173	39,796	61,104	55,943	51,424	(15.9)	(8.1)	208,267	217,623	(4.3)
as % of sales	70.4	72.5	72.3	71.0	69.3			285.1	212.1	
Employee Cost	4,884	4,357	5,054	5,180	4,763	(2.5)	(8.0)	19,354	18,987	1.9
as % of sales	5.6	7.9	6.0	6.6	6.4			26.9	23.6	
Other expenditure	8,691	5,570	7,712	8,109	9,754	12.2	20.3	31,145	31,203	(0.2)
as % of sales	10.0	10.2	9.1	10.3	13.1			42.7	32.5	
EBITDA	12,112	5,148	10,664	9,600	8,276	(31.7)	(13.8)	33,688	40,192	(16.2)
Depreciation	1,631	1,630	1,639	1,644	1,585	(2.9)	(3.6)	6,498	6,769	(4.0)
EBIT	10,480	3,519	9,025	7,956	6,691	(36.2)	(15.9)	27,190	33,424	(18.6)
Other Income	874	1,386	1,569	1,216	1,398	59.9	14.9	5,569	5,799	(4.0)
Interest	63	61	65	65	67	5.9	2.3	258	218	18.1
PBT	11,291	4,844	10,529	9,107	8,022	(29.0)	(11.9)	32,501	39,004	(16.7)
Total Tax	2,642	1,189	2,585	2,246	1,752	(33.7)	(22.0)	7,771	9,362	(17.0)
Adjusted PAT	8,650	3,654	7,944	6,861	6,271	(27.5)	(8.6)	24,730	29,642	(16.6)
Extra ordinary items Loss/(Gain)	0	0	0	0	0			0	0	
Reported PAT	8,650	3,654	7,944	6,861	6,271	(27.5)	(8.6)	24,730	29,642	(16.6)
Adjusted EPS (Rs)	43.3	18.3	39.8	34.4	31.4	(27.5)	(8.6)	123.8	148.4	(16.6)

Margins (%)						(bps)	(bps)			(bps)
EBIDTA	13.9	9.4	12.6	12.2	11.2	(279)	(103)	11.5	13.0	(153)
EBIT	12.1	6.4	10.7	10.1	9.0	(305)	(108)	9.3	10.9	(155)
EBT	13.0	8.8	12.5	11.6	10.8	(219)	(74)	11.1	12.7	(155)
PAT	10.0	6.7	9.4	8.7	8.4	(151)	(25)	8.5	9.6	(117)
Effective Tax rate	23.4	24.6	24.5	24.7	21.8	(156)	(282)	23.9	24.0	(9)

Source: Company, Emkay Research

Key Financials (Standalone)**Income Statement**

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	308,006	292,455	336,786	392,016	429,184
Expenditure	267,814	258,767	298,010	342,313	373,855
EBITDA	40,192	33,688	38,776	49,703	55,329
Depreciation	6,769	6,498	7,277	8,164	9,145
EBIT	33,424	27,190	31,499	41,538	46,185
Other Income	5,799	5,569	5,974	6,274	6,649
Interest expenses	218	258	310	372	446
PBT	39,004	32,501	37,163	47,441	52,388
Tax	9,362	7,771	8,919	11,386	12,573
Extraordinary Items	0	0	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
Reported Net Income	29,642	24,730	28,244	36,055	39,815
Adjusted PAT	29,642	24,730	28,244	36,055	39,815

Balance Sheet

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
Equity share capital	400	400	400	400	400
Reserves & surplus	151,585	157,430	165,903	176,719	188,664
Net worth	151,984	157,829	166,302	177,119	189,063
Minority Interest	0	0	0	0	0
Loan Funds	0	0	0	0	0
Net deferred tax liability	4,041	3,833	4,019	4,256	4,518
Total Liabilities	156,025	161,662	170,321	181,375	193,581
Net block	59,884	58,065	63,369	66,805	69,660
Investment	104,997	106,523	111,523	118,523	126,523
Current Assets	52,364	47,970	57,158	65,679	72,684
Cash & bank balance	2,572	1,751	2,798	2,405	3,410
Other Current Assets	5,849	6,525	7,514	8,746	9,575
Current liabilities & Provision	65,585	55,478	63,729	72,033	77,686
Net current assets	(13,222)	(7,508)	(6,571)	(6,353)	(5,002)
Misc. exp	0	0	0	0	0
Total Assets	156,025	161,662	170,321	181,375	193,581

Cash Flow

Y/E Mar (Rs mn)	FY21	FY22	FY23E	FY24E	FY25E
PBT (Ex-Other income) (NI+Dep)	33,205	26,932	31,189	41,167	45,739
Other Non-Cash items	0	0	0	0	0
Chg in working cap	10,700	(6,825)	(217)	(1,014)	(514)
Operating Cashflow	35,929	14,634	35,337	38,749	46,690
Capital expenditure	(5,101)	(5,240)	(10,000)	(12,000)	(12,000)
Free Cash Flow	30,828	9,393	25,337	26,749	34,690
Investments	(18,287)	1,713	(5,000)	(7,000)	(8,000)
Other Investing Cash Flow	1,288	2,008	(5,974)	(6,274)	(6,649)
Investing Cashflow	(16,301)	4,050	(15,000)	(19,000)	(20,000)
Equity Capital Raised	78	50	0	0	0
Loans Taken / (Repaid)	0	0	0	0	0
Dividend paid (incl tax)	(18,978)	(18,981)	(18,981)	(19,771)	(25,238)
Other Financing Cash Flow	(357)	(315)	0	0	0
Financing Cashflow	(19,475)	(19,504)	(19,291)	(20,142)	(25,684)
Net chg in cash	153	(820)	1,047	(393)	1,005
Opening cash position	2,419	2,572	1,751	2,798	2,405
Closing cash position	2,571	1,751	2,798	2,405	3,410

Source: Company, Emkay Research

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Key Ratios

Profitability (%)	FY21	FY22	FY23E	FY24E	FY25E
EBITDA Margin	13.0	11.5	11.5	12.7	12.9
EBIT Margin	10.9	9.3	9.4	10.6	10.8
Effective Tax Rate	24.0	23.9	24.0	24.0	24.0
Net Margin	9.6	8.5	8.4	9.2	9.3
ROCE (post-tax)	16.6	12.9	14.2	17.7	18.5
ROE	20.2	16.0	17.4	21.0	21.7
RoIC (post-tax)	46.0	40.1	43.2	53.6	55.9

Per Share Data (Rs)	FY21	FY22	FY23E	FY24E	FY25E
EPS	148.4	123.8	141.4	180.5	199.3
CEPS	182.2	156.3	177.8	221.3	245.0
BVPS	760.7	789.9	832.3	886.5	946.3
DPS	105.0	95.0	99.0	126.3	139.5

Valuations (x)	FY21	FY22	FY23E	FY24E	FY25E
PER	16.2	19.5	17.0	13.4	12.1
P/CEPS	13.6	15.9	14.0	11.2	10.2
P/BV	3.2	3.1	2.9	2.7	2.5
EV / Sales	1.3	1.4	1.2	1.0	0.9
EV / EBITDA	9.9	11.9	10.2	7.8	6.9
Dividend Yield (%)	4.4	3.9	4.1	5.2	5.8

Gearing Ratio (x)	FY21	FY22	FY23E	FY24E	FY25E
Net Debt/ Equity	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Net Debt/EBIDTA	(2.1)	(2.4)	(2.2)	(1.9)	(1.8)
Working Cap Cycle (days)	(18.7)	(11.6)	(10.2)	(8.2)	(7.2)

Growth (%)	FY21	FY22	FY23E	FY24E	FY25E
Revenue	6.8	(5.0)	15.2	16.4	9.5
EBITDA	1.5	(16.2)	15.1	28.2	11.3
EBIT	6.4	(18.6)	15.8	31.9	11.2
PAT	(18.4)	(16.6)	14.2	27.7	10.4

Quarterly (Rs mn)	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22
Revenue	86,860	54,871	84,534	78,833	74,217
EBITDA	12,112	5,148	10,664	9,600	8,276
EBITDA Margin (%)	13.9	9.4	12.6	12.2	11.2
PAT	8,650	3,654	7,944	6,861	6,271
EPS (Rs)	43.3	18.3	39.8	34.3	31.4

Source: Company, Emkay Research

Shareholding Pattern (%)	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Promoters	34.8	34.8	34.8	34.8	34.8
FII	37.2	35.0	32.3	29.6	29.2
DII	18.7	20.2	22.0	23.7	24.2
Public and Others	9.4	10.0	11.0	12.0	11.8

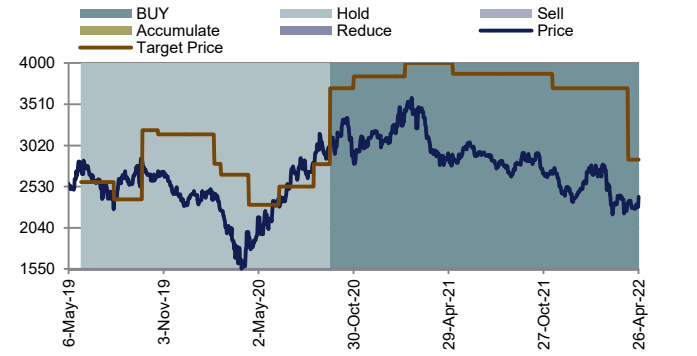
Source: Capitaline

RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
6-Apr-22	2,347	2,850	12m	Buy	Raghunandhan NL
24-Feb-22	2,490	3,700	12m	Buy	Raghunandhan NL
11-Feb-22	2,719	3,700	12m	Buy	Raghunandhan NL
13-Nov-21	2,683	3,700	12m	Buy	Raghunandhan NL
2-Jul-21	2,920	3,870	12m	Buy	Raghunandhan NL
18-Jun-21	2,891	3,870	12m	Buy	Raghunandhan NL
1-Jun-21	2,977	3,870	12m	Buy	Raghunandhan NL
30-May-21	2,992	3,870	12m	Buy	Raghunandhan NL
7-May-21	2,861	3,870	12m	Buy	Raghunandhan NL
5-Feb-21	3,429	4,000	12m	Buy	Raghunandhan NL
30-Oct-20	2,800	3,839	12m	Buy	Raghunandhan NL
11-Oct-20	3,327	3,701	12m	Buy	Raghunandhan NL
28-Sep-20	3,089	3,701	12m	Buy	Raghunandhan NL
15-Sep-20	3,037	3,701	12m	Buy	Raghunandhan NL
28-Aug-20	3,059	2,798	12m	Hold	Raghunandhan NL
15-Aug-20	2,804	2,798	12m	Hold	Raghunandhan NL
29-Jun-20	2,504	2,530	12m	Hold	Raghunandhan NL
10-Jun-20	2,292	2,530	12m	Hold	Raghunandhan NL
4-May-20	2,001	2,313	12m	Hold	Raghunandhan NL
13-Apr-20	1,919	2,313	12m	Hold	Raghunandhan NL
27-Feb-20	2,110	2,670	12m	Hold	Raghunandhan NL
20-Feb-20	2,240	2,670	12m	Hold	Raghunandhan NL
7-Feb-20	2,443	2,800	12m	Hold	Raghunandhan NL
30-Jan-20	2,482	3,150	12m	Hold	Raghunandhan NL
27-Dec-19	2,442	3,150	12m	Hold	Raghunandhan NL
27-Nov-19	2,523	3,150	12m	Hold	Raghunandhan NL
1-Nov-19	2,707	3,150	12m	Hold	Raghunandhan NL
30-Oct-19	2,685	3,150	12m	Hold	Raghunandhan NL
23-Oct-19	2,713	3,150	12m	Hold	Raghunandhan NL
1-Oct-19	2,688	3,200	12m	Hold	Raghunandhan NL
26-Sep-19	2,760	3,200	12m	Hold	Raghunandhan NL
23-Sep-19	2,820	3,200	12m	Hold	Raghunandhan NL
3-Sep-19	2,557	2,380	12m	Hold	Raghunandhan NL
28-Aug-19	2,569	2,380	12m	Hold	Raghunandhan NL
31-Jul-19	2,356	2,380	12m	Hold	Raghunandhan NL
1-Jul-19	2,617	2,585	12m	Hold	Raghunandhan NL
27-Jun-19	2,598	2,585	12m	Hold	Raghunandhan NL
3-Jun-19	2,840	2,585	12m	Hold	Raghunandhan NL
29-May-19	2,726	2,585	12m	Hold	Raghunandhan NL

Source: Company, Emkay Research

RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

Emkay Alpha Portfolio – Automobiles & Auto Ancillaries



Analyst: Raghunandhan NL

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Sector

Automobiles and Ancillaries

Analyst bio

Raghu holds an MBA and comes with total 13 years of research experience. His team currently covers 17 stocks in the Indian Automobiles and Ancillaries space.

EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight based on Current NAV	Change vs last published EAP (bps)
Auto & Auto Ancillaries	4.42	4.42	0%	0	100.00	
Amara Raja Batteries	0.00	0.00	NA	0	0.00	0
Apollo Tyres	0.00	0.00	NA	0	0.00	0
Ashok Leyland	0.18	0.18	0%	0	4.09	-31
Atul Auto	0.00	0.00	NA	0	0.00	0
Bajaj Auto	0.48	0.38	-20%	-10	8.64	-296
Bharat Forge	0.18	0.18	0%	0	4.02	-58
Eicher Motors	0.36	0.36	0%	0	8.21	12
Escorts	0.00	0.02	NA	2	0.40	40
Exide Industries	0.00	0.00	NA	0	0.00	0
Hero Motocorp	0.32	0.32	0%	0	7.28	25
Mahindra & Mahindra	0.87	0.89	2%	2	20.20	528
Maruti Suzuki India	1.02	1.04	2%	2	23.47	0
Motherson Sumi	0.00	0.00	NA	0	0.00	0
Motherson Sumi Wiring India	0.00	0.02	NA	2	0.41	-9
Tata Motors	0.76	0.77	2%	1	17.50	-92
Tata Motors DVR*	0.10	0.11	10%	1	2.50	-16
TVS Motor	0.14	0.14	0%	0	3.27	-40
Cash	0.00	0.00	NA	0	0.0	0

Source: Emkay Research

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

Sector portfolio NAV

	Base					Latest
	1-Apr-19	30-Apr-21	29-Oct-21	31-Jan-22	31-Mar-22	29-Apr-22
EAP - Auto & Auto Ancillaries	100.0	114.7	135.7	140.7	126.3	132.7
BSE200 Neutral Weighted Portfolio (ETF)	100.0	115.1	134.8	139.6	125.5	132.3

*Performance measurement base date 1st April 2019

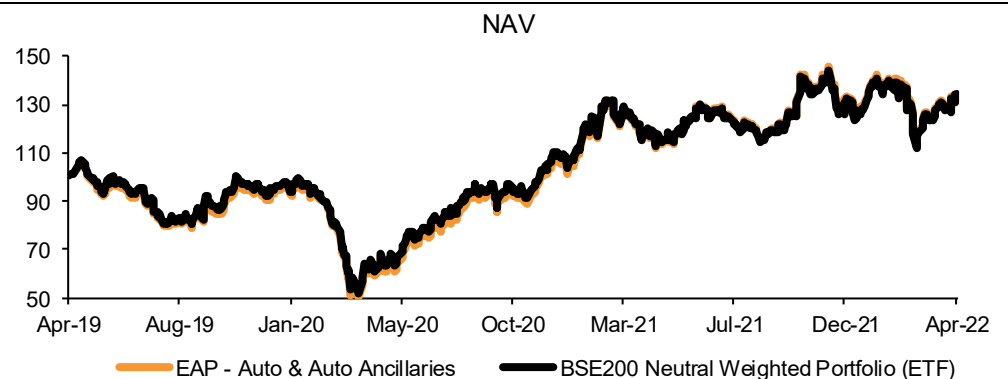
Source: Emkay Research

Price Performance (%)

	1m	3m	6m	12m
EAP - Auto & Auto Ancillaries	5.0%	-5.7%	-2.2%	15.7%
BSE200 Neutral Weighted Portfolio (ETF)	5.4%	-5.3%	-1.9%	14.9%

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”

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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: 04 May 2022 20:20:55 (SGT)

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