

Atul Auto

Refer to important disclosures at the end of this report

Q2 EBITDA turns positive; Volume upcycle to persist for at least next 3 years

Q2FY23 revenue increased by 39% YoY (3-yr CAGR at -13%) to Rs1.14bn, broadly in-line with estimates. EBITDA turned positive post six quarters of losses and stood at Rs43mn (3-yr CAGR at -40%) vs. loss of Rs46mn in Q2FY22 and loss of Rs12mn in Q1FY23. EBITDA was above our estimate of Rs18mn due to better gross margin and lower other expenses. Gross margin is expected to further expand from Q3FY23, owing to commodity deflation benefits. Management has maintained robust FY23 volume guidance at 25,000 units vs. 16,000 units in FY22. We believe 3Ws are at the early stage of an upcycle, which should last over the next three years at least. EV subsidiary, Atul Greentech is planning the launch of a 3W with a fixed Li-ion battery in Q4FY23, and a 3W with swappable battery is expected to be launched in FY24. Government body, Convergence Energy Services Limited (CESL) has selected the company as one of its suppliers under its E-3W tender.

Atul Auto continues its efforts towards: 1) increasing penetration in EV and CNG segments; 2) improving credit access via its finance arm; 3) strengthening presence in key export markets; 4) expanding its distribution reach in the domestic market; and 5) debt reduction, owing to equity infusion and better cash flow generation. We have built-in FY23E revenue growth at a robust 57%, and the uptrend is likely to endure with FY23-25E revenue CAGR at 25%. Driven by better scale and improved net pricing, we expect EBITDA margin to expand from -7.3% in FY22 to 3.1% in FY23E and to 10.1% in FY25E. We retain Buy with a TP of Rs320 (Rs240 earlier), based on 20x Dec-24E EPS (16x Sep-24E EPS earlier). Improving medium-term growth prospects are driving multiple upgrades. Key downside risks: Delay in demand recovery in main geographies, failure of new products, highly competitive intensity, and adverse movement in commodity/currency rates.

Q2 EBITDA turns positive: Atul Auto's Q2FY23 revenue increased by 39% YoY (3-yr CAGR at -13%) to Rs1.14bn, broadly in-line with our estimates. Volumes grew by 33% (3-yr CAGR at -21%) to 6,104 units and realization grew by 4% to 186,124/unit. EBITDA turned positive to Rs43mn in Q2FY23 (3-yr CAGR at -40%) vs. loss of Rs46mn in Q2FY22 and loss of Rs12mn in Q1FY23. EBITDA was above estimates (Rs18mn) due to better gross margin and lower other expenses. Gross margin expanded by 150bps to 20.5%, supported by price increases. Management expects commodity deflation benefits from Q3FY23. Other expenses declined by 20% to Rs76mn due to cost savings, provision write-back, and receipt of insurance claims. Overall, PAT turned positive to Rs4mn in Q2FY23 (3-yr CAGR at -72%) vs. loss of Rs45mn in Q2FY22 and loss of Rs42mn in Q1FY23. **What we liked:** 1) Management retains FY23 volume guidance at ~25,000 units, implying growth of over 50%. 2) Management retains net cash target for FY25, supported by equity warrant conversion and better cash flows. **What we did not like:** 1) E-3W launch has been delayed by 2-3 months and is expected to be launched in Q4FY23. Product testing has been completed and marketing strategy is being finalized.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Automobiles & Auto Ancillaries \(Page 6\)](#)

Financial Snapshot (Standalone)

| (Rs mn) | FY21 | FY22 | FY23E | FY24E | FY25E |
|-------------------|--------|--------|---------|-------|-------|
| Revenue | 2,959 | 2,938 | 4,619 | 6,160 | 7,257 |
| EBITDA | (76) | (215) | 144 | 544 | 735 |
| EBITDA Margin (%) | (2.6) | (7.3) | 3.1 | 8.8 | 10.1 |
| APAT | (102) | (249) | (9) | 303 | 475 |
| EPS (Rs) | (4.6) | (11.3) | (0.4) | 13.0 | 17.1 |
| EPS (% chg) | NM | NM | NM | NM | 32.2 |
| ROE (%) | (3.4) | (8.9) | (0.3) | 9.8 | 12.5 |
| P/E (x) | (56.4) | (23.1) | (670.6) | 20.2 | 15.3 |
| EV/EBITDA (x) | (74.9) | (30.2) | 46.2 | 12.0 | 8.9 |
| P/BV (x) | 2.0 | 2.1 | 2.1 | 1.9 | 1.6 |

Source: Company, Emkay Research

| CMP | Target Price |
|-------------------------------------|-------------------------|
| Rs 262 as of (November 13, 2022) | Rs 320 (▲) 12 months |
| Rating | Upside |
| BUY (■) | 22.1 % |

Change in Estimates

| | |
|-------------------------|--------|
| EPS Chg FY23E/FY24E (%) | NM/0.1 |
| Target Price change (%) | 33.3 |
| Target Period (Months) | 12 |
| Previous Reco | BUY |

Emkay vs Consensus

| | EPS Estimates | |
|-------------------------|---------------|-------|
| | FY23E | FY24E |
| Emkay | (0.4) | 13.0 |
| Consensus | 4.5 | 18.0 |
| Mean Consensus TP (12M) | Rs 291 | |

Stock Details

| | |
|------------------------------|-----------|
| Bloomberg Code | ATA IN |
| Face Value (Rs) | 5 |
| Shares outstanding (mn) | 22 |
| 52 Week H/L | 298 / 145 |
| M Cap (Rs bn/USD bn) | 6 / 0.07 |
| Daily Avg Volume (nos.) | 326,756 |
| Daily Avg Turnover (US\$ mn) | 1.0 |

Shareholding Pattern Jun '22

| | |
|-------------------|-------|
| Promoters | 52.7% |
| FIs | -% |
| DIs | 0.2% |
| Public and Others | 47.1% |

Price Performance

| (%) | 1M | 3M | 6M | 12M |
|---------------|----|----|----|-----|
| Absolute | 10 | 49 | 55 | 13 |
| Rel. to Nifty | 1 | 44 | 36 | 10 |

Relative price chart



Source: Bloomberg

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Source: Company, Emkay Research
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Exhibit 1: Key volume assumptions; Expect volume CAGR of 31% over FY22-25E

| | FY21 | FY22 | FY23E | FY24E | FY25E | CAGR % (FY22-25E) |
|-----------------------|---------------|---------------|---------------|---------------|---------------|-------------------|
| Volume (units) | | | | | | |
| Domestic | 15,349 | 14,370 | 21,577 | 27,618 | 31,761 | 30 |
| YoY % | -62.3 | -6.4 | 50.2 | 28.0 | 15.0 | |
| Exports | 946 | 1,691 | 3,094 | 4,022 | 4,424 | 38 |
| YoY % | -71.9 | 78.8 | 82.9 | 30.0 | 10.0 | |
| Total | 16,295 | 16,061 | 24,670 | 31,640 | 36,185 | 31 |
| YoY % | -63.0 | -1.4 | 53.6 | 28.3 | 14.4 | |
| Realization (Rs/unit) | 181,589 | 182,940 | 187,214 | 194,703 | 200,544 | 3 |
| YoY % | 28.0 | 0.7 | 2.3 | 4.0 | 3.0 | |
| Revenue | 2,959 | 2,938 | 4,619 | 6,160 | 7,257 | 35 |
| YoY % | -52.7 | -0.7 | 57.2 | 33.4 | 17.8 | |

Source: Company, Emkay Research

Exhibit 2: Changes in estimates

| Rs mn | FY23E | | | | FY24E | | | | FY25E | | | |
|------------|---------|---------|----------|-----------|---------|---------|----------|---------|---------|---------|----------|---------|
| | Earlier | Revised | % Change | % YoY | Earlier | Revised | % Change | % YoY | Earlier | Revised | % Change | % YoY |
| Volumes | 24,670 | 24,670 | 0.0 | 53.6 | 31,640 | 31,640 | 0.0 | 28.3 | 36,185 | 36,185 | 0.0 | 14.4 |
| Revenue | 4,651 | 4,619 | (0.7) | 57.2 | 6,085 | 6,160 | 1.2 | 33.4 | 7,098 | 7,257 | 2.2 | 17.8 |
| EBITDA | 146 | 144 | (1.4) | (166.9) | 549 | 544 | (1.0) | 277.7 | 743 | 735 | (1.1) | 35.1 |
| Margin (%) | 3.1 | 3.1 | (2) bps | 1,044 bps | 9.0 | 8.8 | (20) bps | 571 bps | 10.5 | 10.1 | (35) bps | 130 bps |
| APAT | (13) | (9) | NM | NM | 303 | 303 | 0.1 | NM | 473 | 475 | 0.4 | 56.8 |
| EPS (Rs) | (0.5) | (0.4) | NM | NM | 12.9 | 13.0 | 0.1 | NM | 17.1 | 17.1 | 0.4 | 32.2 |

Source: Company, Emkay Research

Exhibit 3: Actual vs. Estimates (Q2FY23)

| (Rs mn) | Actual | Estimates | | % Variation | | Comment |
|---------------------|--------|-----------|-----------|-------------|-----------|---|
| | | Emkay | Consensus | Emkay | Consensus | |
| Total Revenue | 1,136 | 1,156 | 1,156 | (1.7) | (1.7) | Broadly in-line with estimates |
| EBITDA | 43 | 18 | 18 | 134 | 134 | Above estimates due to better gross margin and lower other expenses |
| EBITDA Margin (%) | 3.8 | 1.6 | 1.6 | 221 bps | 221 bps | |
| Adjusted net profit | 4 | (18) | (18) | NM | NM | Above estimates |

Source: Bloomberg, Company, Emkay Research

Exhibit 4: Quarterly performance

| Rs mn | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 | YoY (%) | QoQ (%) | FY23 YTD | FY22 YTD | YoY (%) |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|-------------|
| Revenue | 820 | 938 | 859 | 968 | 1,136 | 38.5 | 17.4 | 2,104 | 1,142 | 84.2 |
| Expenditure | 866 | 1,013 | 889 | 980 | 1,093 | 26.1 | 11.5 | 2,073 | 1,252 | 65.6 |
| As a % of sales | 105.6 | 108.0 | 103.6 | 101.3 | 96.2 | | | 98.5 | 109.6 | |
| Consumption of RM | 664 | 779 | 701 | 774 | 903 | 36.0 | 16.7 | 1,677 | 924 | 81.5 |
| As a % of sales | 81.0 | 83.1 | 81.6 | 80.0 | 79.5 | | | 79.7 | 80.9 | |
| Employee Cost | 107 | 117 | 92 | 105 | 114 | 6.2 | 8.8 | 219 | 187 | 16.8 |
| As a % of sales | 13.1 | 12.5 | 10.7 | 10.8 | 10.0 | | | 10.4 | 16.4 | |
| Other expenditure | 95 | 117 | 96 | 101 | 76 | (20.5) | (25.3) | 177 | 140 | 26.2 |
| As a % of sales | 11.6 | 12.4 | 11.2 | 10.5 | 6.7 | | | 8.4 | 12.3 | |
| EBITDA | -46 | -75 | -31 | -12 | 43 | | | 31 | -110 | |
| EBITDA margin (%) | -5.6 | -8.0 | -3.6 | -1.3 | 3.8 | | | 1.5 | -9.6 | |
| Depreciation | 17 | 31 | 30 | 30 | 30 | 83.6 | 0.7 | 60 | 33 | 84.7 |
| EBIT | -63 | -106 | -60 | -42 | 13 | | | -29 | -143 | |
| Other Income | 8 | 7 | 5 | 6 | 8 | (2.6) | 21.0 | 14 | 13 | 7.9 |
| Interest | 7 | 14 | 14 | 15 | 15 | 102.7 | 0.7 | 30 | 12 | 152.1 |
| PBT | -62 | -113 | -70 | -51 | 6 | | | -45 | -142 | |
| Total Tax | -17 | -28 | -13 | -8 | 2 | | | -6 | -35 | |
| Adjusted PAT | -45 | -85 | -57 | -42 | 4 | | | -39 | -107 | |
| Extraordinary items Loss/(Gain) | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 | |
| Reported PAT | -45 | -85 | -57 | -42 | 4 | | | -39 | -107 | |
| Adjusted EPS (Rs) | (2.1) | (3.9) | (2.6) | (1.9) | 0.2 | | | (1.8) | (4.9) | |

Source: Company, Emkay Research

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Key Financials (Standalone)**Income Statement**

| Y/E March (Rs mn) | FY21 | FY22 | FY23E | FY24E | FY25E |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | 2,959 | 2,938 | 4,619 | 6,160 | 7,257 |
| Expenditure | 3,035 | 3,154 | 4,475 | 5,617 | 6,522 |
| EBITDA | (76) | (215) | 144 | 544 | 735 |
| Depreciation | 66 | 93 | 120 | 129 | 137 |
| EBIT | (142) | (309) | 24 | 415 | 598 |
| Other Income | 19 | 24 | 26 | 25 | 53 |
| Interest expenses | 9 | 40 | 62 | 46 | 21 |
| PBT | (132) | (325) | (12) | 394 | 629 |
| Tax | (30) | (76) | (3) | 91 | 154 |
| Extraordinary Items | 0 | 0 | 0 | 0 | 0 |
| Minority Int./Income from Assoc. | 0 | 0 | 0 | 0 | 0 |
| Reported Net Income | (102) | (249) | (9) | 303 | 475 |
| Adjusted PAT | (102) | (249) | (9) | 303 | 475 |

Balance Sheet

| Y/E March (Rs mn) | FY21 | FY22 | FY23E | FY24E | FY25E |
|--|--------------|--------------|--------------|--------------|--------------|
| Equity share capital | 110 | 110 | 110 | 110 | 139 |
| Reserves & surplus | 2,823 | 2,578 | 2,857 | 3,084 | 4,274 |
| Net worth | 2,932 | 2,688 | 2,966 | 3,194 | 4,413 |
| Minority Interest | 0 | 0 | 0 | 0 | 0 |
| Loan Funds | 150 | 804 | 570 | 460 | 0 |
| Net deferred tax liability | 4 | (78) | (78) | (76) | (73) |
| Total Liabilities | 3,086 | 3,414 | 3,458 | 3,578 | 4,340 |
| Net block | 898 | 1,985 | 2,035 | 1,858 | 1,776 |
| Investment | 294 | 682 | 782 | 882 | 982 |
| Current Assets | 1,130 | 1,017 | 1,360 | 1,724 | 2,610 |
| Cash & bank balance | 85 | 54 | 47 | 56 | 706 |
| Other Current Assets | 71 | 75 | 69 | 92 | 109 |
| Current liabilities & Provision | 721 | 698 | 1,056 | 1,391 | 1,618 |
| Net current assets | 409 | 320 | 304 | 333 | 992 |
| Misc. exp | 0 | 0 | 0 | 0 | 0 |
| Total Assets | 3,086 | 3,414 | 3,458 | 3,578 | 4,340 |

Cash Flow

| Y/E March (Rs mn) | FY21 | FY22 | FY23E | FY24E | FY25E |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| PBT (Ex-Other income) (NI+Dep) | (151) | (349) | (38) | 369 | 577 |
| Other Non-Cash items | 0 | 0 | 0 | 0 | 0 |
| Chg in working cap | 560 | (24) | (5) | (37) | (21) |
| Operating Cashflow | 502 | (214) | 155 | 360 | 531 |
| Capital expenditure | (391) | (123) | (80) | (120) | (140) |
| Free Cash Flow | 111 | (337) | 75 | 240 | 391 |
| Investments | (142) | (388) | (100) | (100) | (100) |
| Other Investing Cash Flow | (68) | 69 | 0 | 0 | 0 |
| Investing Cashflow | (582) | (417) | (154) | (195) | (187) |
| Equity Capital Raised | 0 | 0 | 0 | 0 | 29 |
| Loans Taken / (Repaid) | 150 | 654 | (234) | (110) | (460) |
| Dividend paid (incl tax) | 0 | 0 | 0 | (76) | (119) |
| Other Financing Cash Flow | 0 | (14) | 287 | 76 | 876 |
| Financing Cashflow | 142 | 600 | (8) | (156) | 306 |
| Net chg in cash | 61 | (31) | (7) | 9 | 650 |
| Opening cash position | 24 | 85 | 54 | 47 | 56 |
| Closing cash position | 85 | 54 | 47 | 56 | 706 |

Source: Company, Emkay Research

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Key Ratios

| Profitability (%) | FY21 | FY22 | FY23E | FY24E | FY25E |
|--------------------------|-------------|-------------|--------------|--------------|--------------|
| EBITDA Margin | (2.6) | (7.3) | 3.1 | 8.8 | 10.1 |
| EBIT Margin | (4.8) | (10.5) | 0.5 | 6.7 | 8.2 |
| Effective Tax Rate | 22.7 | 23.5 | 23.0 | 23.0 | 24.5 |
| Net Margin | (3.4) | (8.5) | (0.2) | 4.9 | 6.5 |
| ROCE | (3.0) | (6.6) | 1.1 | 9.4 | 12.3 |
| ROE | (3.4) | (8.9) | (0.3) | 9.8 | 12.5 |
| RoIC | (7.4) | (13.6) | 0.8 | 14.4 | 21.5 |

| Per Share Data (Rs) | FY21 | FY22 | FY23E | FY24E | FY25E |
|----------------------------|-------------|-------------|--------------|--------------|--------------|
| EPS | (4.6) | (11.3) | (0.4) | 13.0 | 17.1 |
| CEPS | (1.7) | (7.1) | 4.8 | 18.5 | 22.1 |
| BVPS | 133.7 | 122.5 | 126.8 | 136.5 | 159.0 |
| DPS | 0.0 | 0.0 | 0.0 | 3.2 | 4.3 |

| Valuations (x) | FY21 | FY22 | FY23E | FY24E | FY25E |
|-----------------------|-------------|-------------|--------------|--------------|--------------|
| PER | (56.4) | (23.1) | (670.6) | 20.2 | 15.3 |
| P/CEPS | (158.0) | (37.0) | 55.1 | 14.2 | 11.9 |
| P/BV | 2.0 | 2.1 | 2.1 | 1.9 | 1.6 |
| EV / Sales | 1.9 | 2.2 | 1.4 | 1.1 | 0.9 |
| EV / EBITDA | (74.9) | (30.2) | 46.2 | 12.0 | 8.9 |
| Dividend Yield (%) | 0.0 | 0.0 | 0.0 | 1.2 | 1.6 |

| Gearing Ratio (x) | FY21 | FY22 | FY23E | FY24E | FY25E |
|--------------------------|-------------|-------------|--------------|--------------|--------------|
| Net Debt/ Equity | 0.0 | 0.3 | 0.2 | 0.1 | (0.2) |
| Net Debt/EBIDTA | 0.5 | (3.5) | 3.6 | 0.7 | (1.0) |
| Working Cap Cycle (days) | 40.0 | 33.0 | 20.4 | 16.4 | 14.4 |

| Growth (%) | FY21 | FY22 | FY23E | FY24E | FY25E |
|-------------------|-------------|-------------|--------------|--------------|--------------|
| Revenue | (52.7) | (0.7) | 57.2 | 33.4 | 17.8 |
| EBITDA | NM | NM | NM | 277.7 | 35.1 |
| EBIT | NM | NM | NM | 1,660.9 | 44.0 |
| PAT | NM | NM | NM | NM | 56.8 |

| Quarterly (Rs mn) | Q2FY22 | Q3FY22 | Q4FY22 | Q1FY23 | Q2FY23 |
|--------------------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | 820 | 938 | 859 | 968 | 1,136 |
| EBITDA | (46) | (75) | (31) | (12) | 43 |
| EBITDA Margin (%) | (5.6) | (8.0) | (3.6) | (1.3) | 3.8 |
| PAT | (45) | (85) | (57) | (42) | 4 |
| EPS (Rs) | (2.1) | (3.9) | (2.6) | (1.9) | 0.2 |

Source: Company, Emkay Research

| Shareholding Pattern (%) | Jun-21 | Sep-21 | Dec-21 | Mar-22 | Jun-22 |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| Promoters | 52.7 | 52.7 | 52.7 | 52.7 | 52.7 |
| FIs | - | - | 0.2 | 0.1 | - |
| DIs | 2.4 | 0.6 | 0.5 | 0.2 | 0.2 |
| Public and Others | 44.9 | 46.7 | 46.6 | 47.0 | 47.1 |

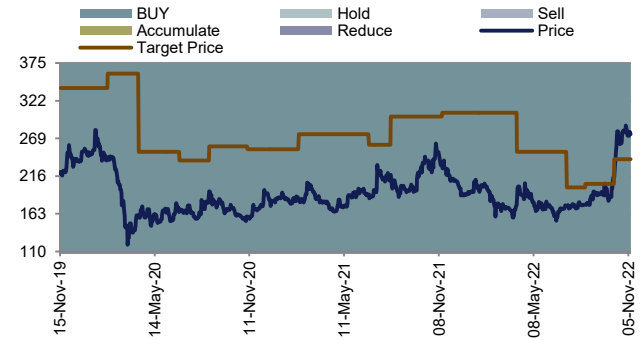
Source: Capitaline

RECOMMENDATION HISTORY TABLE

| Date | Closing Price | TP | Period (months) | Rating | Analyst |
|-----------|---------------|-----|-----------------|--------|-----------------|
| 09-Oct-22 | 214 | 240 | 12m | Buy | Raghunandhan NL |
| 15-Aug-22 | 176 | 205 | 12m | Buy | Raghunandhan NL |
| 10-Jul-22 | 174 | 200 | 12m | Buy | Raghunandhan NL |
| 28-May-22 | 173 | 250 | 12m | Buy | Raghunandhan NL |
| 06-Apr-22 | 182 | 250 | 12m | Buy | Raghunandhan NL |
| 24-Feb-22 | 159 | 305 | 12m | Buy | Raghunandhan NL |
| 13-Feb-22 | 194 | 305 | 12m | Buy | Raghunandhan NL |
| 14-Nov-21 | 233 | 305 | 12m | Buy | Raghunandhan NL |
| 08-Aug-21 | 218 | 300 | 12m | Buy | Raghunandhan NL |
| 02-Jul-21 | 187 | 260 | 12m | Buy | Raghunandhan NL |
| 27-Jun-21 | 190 | 260 | 12m | Buy | Raghunandhan NL |
| 18-Jun-21 | 193 | 275 | 12m | Buy | Raghunandhan NL |
| 01-Jun-21 | 191 | 275 | 12m | Buy | Raghunandhan NL |
| 30-May-21 | 193 | 275 | 12m | Buy | Raghunandhan NL |
| 13-Feb-21 | 181 | 275 | 12m | Buy | Raghunandhan NL |
| 07-Nov-20 | 159 | 254 | 12m | Buy | Raghunandhan NL |
| 11-Oct-20 | 171 | 258 | 12m | Buy | Raghunandhan NL |
| 28-Sep-20 | 170 | 258 | 12m | Buy | Raghunandhan NL |
| 28-Aug-20 | 189 | 258 | 12m | Buy | Raghunandhan NL |
| 26-Aug-20 | 195 | 258 | 12m | Buy | Raghunandhan NL |
| 30-Jun-20 | 169 | 238 | 12m | Buy | Raghunandhan NL |
| 29-Jun-20 | 166 | 250 | 12m | Buy | Raghunandhan NL |
| 04-May-20 | 161 | 250 | 12m | Buy | Raghunandhan NL |
| 13-Apr-20 | 159 | 250 | 12m | Buy | Raghunandhan NL |
| 27-Feb-20 | 233 | 360 | 12m | Buy | Raghunandhan NL |
| 14-Feb-20 | 243 | 360 | 12m | Buy | Raghunandhan NL |
| 27-Dec-19 | 251 | 340 | 12m | Buy | Raghunandhan NL |
| 27-Nov-19 | 228 | 340 | 12m | Buy | Raghunandhan NL |
| 16-Nov-19 | 222 | 340 | 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 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 | 4.96 | 4.96 | 0% | 0 | 100.00 | |
| Amara Raja Batteries | 0.00 | 0.00 | NA | 0 | 0.00 | 0 |
| Apollo Tyres | 0.00 | 0.03 | NA | 3 | 0.51 | 0 |
| Ashok Leyland | 0.20 | 0.21 | 8% | 2 | 4.27 | 0 |
| Atul Auto | 0.00 | 0.02 | NA | 2 | 0.46 | 0 |
| Bajaj Auto | 0.45 | 0.25 | -44% | -20 | 5.06 | 0 |
| Bharat Forge | 0.21 | 0.12 | -42% | -9 | 2.45 | 0 |
| Eicher Motors | 0.48 | 0.48 | 0% | 0 | 9.72 | 0 |
| Escorts | 0.00 | 0.02 | NA | 2 | 0.46 | 0 |
| Exide Industries | 0.00 | 0.00 | NA | 0 | 0.00 | 0 |
| Hero Motocorp | 0.33 | 0.35 | 7% | 2 | 7.10 | 0 |
| Mahindra & Mahindra | 1.16 | 1.18 | 2% | 2 | 23.84 | 0 |
| Maruti Suzuki India | 1.13 | 1.15 | 2% | 2 | 23.10 | 0 |
| Minda Industries* | 0.00 | 0.02 | NA | 2 | 0.48 | 0 |
| Motherson Sumi Wiring India | 0.00 | 0.02 | NA | 2 | 0.46 | 0 |
| Samvardhana Motherson International | 0.00 | 0.02 | NA | 2 | 0.47 | 0 |
| Suprajit Engineering | 0.00 | 0.02 | NA | 2 | 0.46 | 0 |
| Tata Motors | 0.68 | 0.69 | 2% | 1 | 13.89 | 0 |
| Tata Motors DVR* | 0.10 | 0.10 | 7% | 1 | 2.09 | 0 |
| TVS Motor | 0.24 | 0.26 | 9% | 2 | 5.19 | 0 |
| 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 | 11-Nov-21 | 12-May-22 | 11-Aug-22 | 10-Oct-22 | 10-Nov-22 |
| EAP - Auto & Auto Ancillaries | 100.0 | 140.8 | 121.6 | 156.5 | 152.3 | 158.1 |
| BSE200 Neutral Weighted Portfolio (ETF) | 100.0 | 139.7 | 121.4 | 156.2 | 151.6 | 157.6 |

*Performance measurement base date 1st April 2019

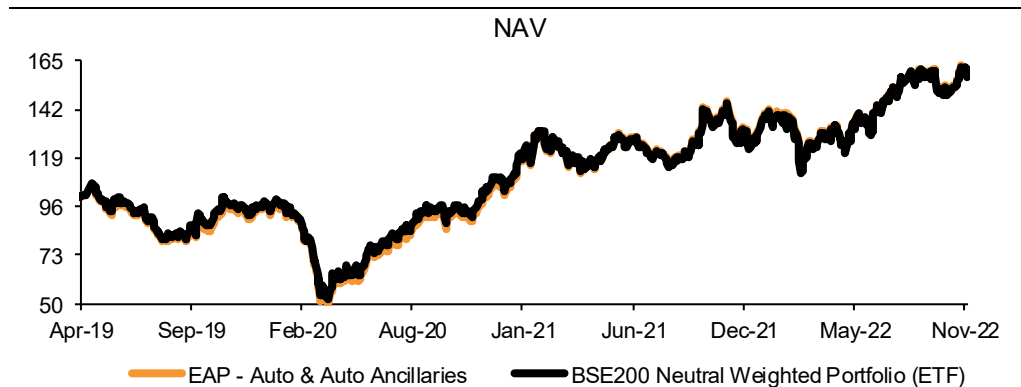
Source: Emkay Research

Price Performance (%)

| | 1m | 3m | 6m | 12m |
|---|------|------|-------|-------|
| EAP - Auto & Auto Ancillaries | 3.8% | 1.0% | 29.9% | 12.3% |
| BSE200 Neutral Weighted Portfolio (ETF) | 4.0% | 0.9% | 29.8% | 12.9% |

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% |

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