



Hero Motors Ltd IPO

Issue Date: 16 Sept 26– 18 Sept 26 Price Range: ₹ 79 to ₹ 84 Market Lot: 178 (based on upper band) Face Value: 10	Sector: Automotive Technology Location: Ludhiana, Punjab Issue Size: ₹1000
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Incorporated in April 1998, Hero Motors Limited is an automotive technology company engaged in designing, developing, manufacturing and supplying engineered powertrain solutions to automotive original equipment manufacturers (OEMs) across the United States, Europe, India and ASEAN region. The Company provides integrated solutions for both electric and non-electric powertrains, serving two-wheelers, performance automotive, e-bikes, off-road vehicles, electric and hybrid cars, heavy-duty vehicles and eVTOL applications.

The Company offers system-level and component-level solutions covering designing, prototyping, validation, development and delivery of powertrain systems. It is recognized for its expertise in continuously variable transmissions (CVT), EV transmissions, electric motors, integrated drive units and gear sets. The Company also has a first-mover position in the global e-bike powertrain market and is the only manufacturer in India producing and exporting CVT hubs and integrated electric powertrain products for e-bikes.

The Company's operations are divided into Powertrain Solutions and Alloys and Metallics (A&M) segments. Powertrain Solutions comprises Gears and Transmissions (G&T), serving automotive and mobility applications, and Bike Powertrain (BPT), focused on micro-mobility applications and global e-bike manufacturers. The A&M segment provides sheet metal and tubular assemblies and components primarily to automotive OEMs.

The Company has established relationships with global customers including BMW, Ducati, envio, Formula Motorsport, Hummingbird EV and HWA, along with leading global e-bike manufacturers. It focuses on technology and innovation through in-house design and engineering capabilities and partnerships with global technology players. As of March 31, 2026, the Company had 1,388 permanent employees and 707 contract labourers.

Competitive Strengths

- Strong R&D and engineering capabilities.
- Long-term relationships with global OEMs.
- Strong presence in the global e-mobility industry.
- Diversified powertrain product and service offerings.

- Experienced management and strong corporate governance.
- Growing presence in electric bikes and premium two-wheelers.

Objects of the Issue

- Repayment/prepayment/redemption, in full or in part, of certain outstanding borrowings availed by Company
- Capital expenditure of Company through purchase of equipment for expansion in capacity of Gautam Buddha Nagar, Uttar Pradesh facility
- Funding inorganic growth through unidentified acquisitions and other strategic initiatives and general corporate purposes

Hero Motors Ltd Financials

Hero Motors Ltd.'s revenue increased by 9% and profit after tax (PAT) rose by 26% between the financial year ending with March 31, 2026 and March 31, 2025.

Amount in ₹ Crore

Period Ended	31-03-26	31-03-25	31-03-24
Assets	1371.83	1164.62	1059.86
Total Income	1216.74	1111.23	1083.42
Profit After Tax	41.17	32.8	17.04
EBITDA	147.78	114	86.28
NET Worth	482.45	423.95	385.44
Reserves and Surplus	116.32	67.71	32.26
Total Borrowing	400.79	407.62	304

Our Rating: (18 – Good)

Rating Procedure

	Criteria for giving points	Points	Out Off
Business Risk	Lesser risk higher points	3	5
Financial Risk	Lesser risk higher points	3	5
Market Risk	Lesser risk higher points	3	5
Objective of IPO	Growth & expansion gets more points	3	5
Price	Fair price will get more points	6	10
Total		18	30

A	21 & Above 21	Best to apply
B	18 to 20	Good
C	15 to 17	Average

D	11 to 14	Poor
E	10 & Below 10	Very Poor

Remarks: The issue is aggressively priced. Investors with medium-to-long-term view can subscribe Hero Motors Ltd IPO.

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Contact: 0471-4093333, 9847060019, email: helpdesk@capstocks.com

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