

# Hero MotoCorp looks to regain market share in 125 cc bike segment

**GROWTH STRATEGY.** Lines up more launches; bullish on EV plans

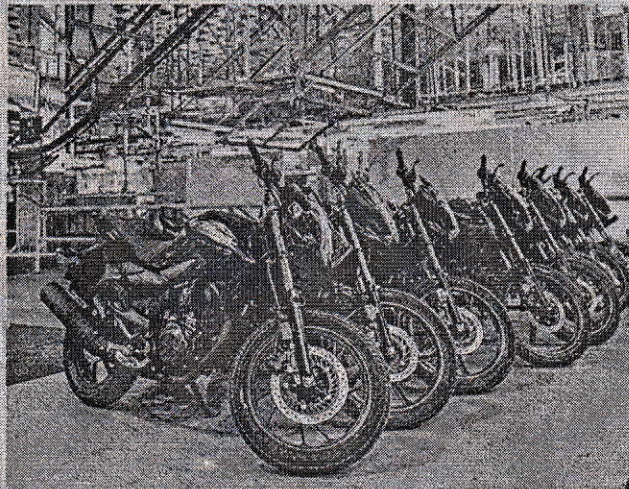
**S Ronendra Singh**  
New Delhi

Two-wheeler manufacturer Hero MotoCorp said the company is increasing its portfolio over the next 18-24 months to gain market share, including launching more 125cc motorcycles, whose market share came down to around nine per cent last quarter from 13-15 per cent in the earlier quarters.

"In the 125cc, we have actually made good progress with Glamour XTEC...it has added to confidence in the market. It has a tremendous amount of acceptability ... we are strengthening our 125cc portfolio as we go forward. The Super Splendor will be coming in with XTEC and will be a positive fill up to the entire portfolio. It's also the time for marriages and we see a great outlook," Ranjiv Singh, Chief Growth Officer, Hero MotoCorp, said at an earnings call on Wednesday.

Going forward, the company will launch a couple of models in FY24. The premiumisation trend is coming

**The premiumisation trend is coming in quite strongly in Hero's overall portfolio and XTEC contributes to over 30 per cent in the overall portfolio**



**LOSING TRACTION.** The share of 125cc motorcycles came down to around nine per cent last quarter from 13-15 per cent in the earlier quarters

in quite strongly in Hero's overall portfolio and XTEC contributes to over 30 per cent in the overall portfolio, he said, adding that it is helping the company consolidate and strengthen market share in core markets.

Per latest monthly data by the Federation of Automobile Dealers Associations (FADA), Hero MotoCorp's market share fell to 29.30 per cent in January compared to 31 per cent in January 2022.

"In the quarter, we have done inventory adjustments also," Niranjan Gupta, Chief Financial Officer, Hero MotoCorp, said.

#### **EV PLANS**

On electric vehicle plans, both the senior executives said the company is going ahead as planned and new products will be launched accordingly, apart from expansion in new markets.

The company on Tuesday, reported a 2.41 per cent rise in consolidated net profit at ₹721 crore for the third quarter ended December 31, 2022 compared with ₹704 crore in the same quarter last fiscal.

#### **MUTED PERFORMANCE**

Revenue from operations stood at ₹8,118 crore against ₹8,013 crore in the October-December quarter 2021.

Total expenses were at ₹7,373 crore, higher than ₹7,217 crore in the corresponding quarter last fiscal.

Shares of Hero MotoCorp settled over one per cent lower on Wednesday after the company's December quarter results failed to cheer investors. The stock fell 1.51 per cent to end at 2,613.65 apiece on the BSE.

On the NSE, it declined 1.37 per cent to settle at ₹2,616.35.