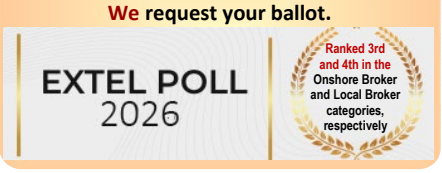
14 November 2026
2QFY27 Results Update | Sector: Automobiles

Tata Motors Passenger Vehicles

Estimate change	↓
TP change	↓
Rating change	↔

CMP: INR287 **TP: INR240 (-16%)** **Sell**

Motilal Oswal values your support in the EXTEL POLL 2026 for India Research, Sales, Corporate Access and Trading team.
We request your ballot.



Bloomberg	TMPV IN
Equity Shares (m)	3683
M.Cap.(INRb)/(USDb)	1057 / 11.2
52-Week Range (INR)	408 / 259
1, 6, 12 Rel. Per (%)	-10/-22/-25
12M Avg Val (INR M)	4021

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Net Sales	3,392	4,067	4,522
EBITDA	228.2	261.4	383.9
Adj. PAT	21.0	22.4	105.2
Adj. EPS (INR)	5.7	6.1	28.5
EPS Gr. (%)	-88	7	370
BV/Sh. (INR)	304.1	288.3	306.8
Ratios			
Net D/E (x)	0.4	0.6	0.5
RoE (%)	1.8	2.1	9.6
RoCE (%)	1.9	4.6	7.2
Payout (%)	52.6	-60.8	35.0
Valuations			
P/E (x)	50.3	47.3	10.1
P/BV (x)	0.9	1.0	0.9
EV/EBITDA (x)	6.3	6.0	4.0
Div. Yield (%)	1.0	2.1	3.5

JLR guidance revised downwards

Margins to remain under pressure in the near term

- Tata Motors Passenger Vehicles' (TMPV) PBT came in at ~INR4.5b in 2QFY27 (in-line). JLR margins remained under pressure due to a sharp rise in VME and commodity costs and an inferior mix but were in line with our estimates, while despite strong volume growth, India business margins declined 190bp YoY to 3.8% vs est of 4.1%. Even net consolidated automotive debt increased to INR508b from INR422b QoQ, fully attributable to JLR.
- Considering the multiple headwinds in the JLR business from continued pressure from VME costs, commodity pressure, persistent softness in China demand and higher interest costs on account of increasing JLR debt, and the downward revision of FY27 margin guidance, coupled with the RM impact in the India business likely to keep the India margins under pressure in the near term, we cut our FY27/FY28 EPS estimates by 69%/5%. While India business has been gaining market share, margins remain under pressure given the adverse mix and rising input costs. Further, JLR continues to face multiple headwinds on the demand and cost fronts. While JLR has embarked on a major cost-reduction initiative, it is likely to only help partially offset the current headwinds. Given the significant challenges at JLR and the continued geopolitical uncertainty, we reiterate our Sell rating on the stock with SoTP-based TP of INR240 per share (based on FY28E). We value JLR and India PV business at 2x and 13x EV/EBITDA, respectively.

Margins remain under pressure, both at JLR and India PVs

- TMPV reported a consolidated adjusted profit of ~INR3b in 2Q, missing our estimated profit of INR4.4b.
- JLR volumes recovered in 2Q after facing supply constraints in 1Q, posting a healthy 23.3% YoY growth in volumes to 91.7k units. EBIT margins contracted to 1.1% in 2Q from 2.8% in 1Q, due to adverse mix and higher VME costs. 2Q included an exceptional expense of GBP530m related to payments for the voluntary redundancy program and impairment of assets. Adjusted for this, PBT still missed our estimates, coming in at GBP6m. JLR posted free cash outflow of GBP1.5b in 2Q due to margin pressure and seasonally adverse working capital.
- India business saw a strong 53% YoY increase in revenue to INR210b (in line), led by an impressive 40% YoY growth in volumes. However, despite robust volume growth, margins fell 190bp YoY to 3.8% (vs. our est. 4.1%). Margins were under pressure due to the surge in input costs and a rising EV mix. As a result, PBT stood at INR260m (vs. est. INR622).
- Net consolidated automotive debt further increased to INR508b from INR422b QoQ, with the entire debt attributed to JLR. Indian business continues to be net cash.

Research analyst - Jeemit Shah (Jeemit.Shah@MotilalOswal.com) | **Radha Agarwalla** (Radha.Agarwalla@MotilalOswal.com)
Research analyst: Uday Nair (Uday.Nair@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Highlights from the management commentary

- JLR is targeting 10% annual revenue growth through its existing portfolio and upcoming product launches. FY27 guidance has been revised to EBIT margin of 2-3% vs 4% earlier and cash outflow of ~GBP1.25b vs breakeven earlier, reflecting weaker-than-expected market conditions, particularly in China. Management targets double-digit EBITDA margins and positive cash generation in FY28, with a return to net cash by FY30.
- Management remains positive on India H2 demand, supported by a healthy order pipeline, strong product portfolio and upcoming launches. However, industry growth is expected to moderate against a high base following GST 2.0.
- Management plans to increase monthly EV production from ~16k units to ~20k units over the next 2-3 months to address the demand-supply gap. EV penetration is expected to increase to 25% or slightly higher next year.
- Commodity pressures are expected to remain elevated in Q3, particularly from steel, rubber and copper, partly offset by softening precious metal prices. The company has offset ~40% of the commodity inflation through calibrated price increases and cost reduction initiatives, absorbing the balance. Management expects the commodity cost curve to plateau in Q4.
- TMPV has taken cumulative price increases of ~1.7% across three hikes in Apr, Jul and Sept'26. Further calibrated price increases are expected, with a potential hike in Q3 and a more certain increase in Q4. Management intends to balance pricing actions with cost reduction initiatives to protect demand and profitability.

Valuation and view

Considering the multiple headwinds in the JLR business from continued pressure from VME costs, commodity pressure, persistent softness in China demand and higher interest costs on account of increasing JLR debt, and the downward revision of FY27 margin guidance, coupled with the RM impact in the India business likely to keep the India margins under pressure in the near term, we cut our FY27/FY28 EPS estimates by 69%/5%. While India business has been gaining market share, margins remain under pressure given the adverse mix and rising input costs. Further, JLR continues to face multiple headwinds on the demand and cost fronts. While JLR has embarked on a major cost-reduction initiative, it is likely to only help partially offset the current headwinds. Given the significant challenges at JLR and the continued geopolitical uncertainty, we reiterate our Sell rating on the stock with SoTP-based TP of INR240 per share (based on FY28E). We value JLR and India PV business at 2x and 13x EV/EBITDA, respectively.

Quarterly Performance (Consolidated) **(INR m)**

Y/E March	FY26				FY27				FY26	FY27E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
Net Operating income	**883,760**	**731,870**	**711,030**	**1,065,180**	**965,630**	**979,160**	**1,046,254**	**1,076,336**	**3,391,850**	**4,067,380**	**1,004,452**
Change (%)	0	-13	-25	7	9	34	47	1	-8.1	19.9	37.2
RM Cost (% of Sales)	63	66	62	63	62	66	66	65	63	65	64.6
Staff Costs (% of sales)	12	15	16	11	13	12	12	12	13	12	12.5
Other Exp (% of sales)	13	15	16	11	14	13	12	13	13	16	12.9
EBITDA	**76,150**	**-710**	**14,880**	**136,680**	**72,890**	**59,570**	**62,874**	**66,062**	**228,160**	**261,396**	**58,780**
EBITDA Margins (%)	8.6	-0.1	2.1	12.8	7.5	6.1	6.0	6.1	6.7	6.4	5.9
Change (%)	0.0	0.0	-88.0	-4.4	-4.3	NM	322.5	-51.7	-53.7	14.6	NM
Non-Operating Income	6,330	6,600	6,410	6,980	3,810	3,150	5,268	14,825	26,310	27,052	5,847
Interest	6,920	6,920	6,820	5,830	8,350	8,420	9,604	17,747	26,490	44,121	10,016
Depreciation & Amort.	48,510	48,710	49,690	50,920	48,800	49,720	52,605	55,973	197,840	207,098	50,218
PBT before EO Exp	**27,050**	**-49,740**	**-35,220**	**86,910**	**19,550**	**4,580**	**5,933**	**7,166**	**30,140**	**37,229**	**4,393**
EO Exp/(Inc)	**11,920**	**-30,960**	**-12,110**	**-14,140**	**-3,810**	**-67,930**	**0**	**0**	**-46,370**	**-71,740**	0
PBT after EO Exp	**38,970**	**-80,700**	**-47,330**	**72,770**	**15,740**	**-63,350**	**5,933**	**7,166**	**-16,230**	**-34,511**	**4,393**
Tax	13,060	-17,020	-12,500	13,990	7,150	-8,840	1,602	1,935	-2,460	1,847	0
Effective Tax Rate (%)	33.5	NM	-26.4	19.2	45.4	NM	27.0	27.0	15.2	-5.4	NM
PAT	**25,910**	**-63,680**	**-34,830**	**58,780**	**8,590**	**-54,510**	**4,331**	**5,231**	**-13,770**	**-36,358**	**4,393**
Adj PAT	**16,970**	**-40,460**	**-25,748**	**69,385**	**9,791**	**3,023**	**4,331**	**5,231**	**21,008**	**22,375**	**4,393**

E: MOFSL Estimates

Quarterly Performance (Standalone) **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Total Volumes (nos)	**124,809**	**144,397**	**171,013**	**201,368**	**182,574**	**201,723**	**201,619**	**194,769**	**641,592**	**780,582**	**201,723**	
Change (%)	-10.1	10.6	22.3	37.0	46.3	39.7	17.9	-3.3	15.3	21.7	39.7	
Avg Realization (INR)	**881,587**	**951,266**	**919,462**	**957,352**	**1,001,731**	**1,041,428**	**1,038,992**	**1,049,085**	**931,137**	**1,033,562**	**1,005,488**	**3.6**
Change (%)	2.9	5.3	1.9	10.0	13.6	9.5	13.0	9.6	5.5	11.0	5.7	
Net Operating income	**110,030**	**137,360**	**157,240**	**192,780**	**182,890**	**210,080**	**209,480**	**204,329**	**597,410**	**806,780**	**202,830**	**3.6**
Change (%)	-7.5	16.6	24.6	50.7	66.2	52.9	33.2	6.0	21.7	35.0	47.7	
EBITDA	**4,350**	**7,860**	**10,580**	**17,650**	**7,760**	**7,880**	**8,812**	**12,063**	**40,500**	**36,515**	**8,350**	**-5.6**
EBITDA Margins (%)	4.0	5.7	6.7	9.2	4.2	3.8	4.2	5.9	6.8	4.5	4.1	
Non-Operating Income	1,640	1,370	1,210	1,070	1,230	1,280	1,400	1,486	5,290	5,396	1,300	
Interest	270	360	340	-1,380	360	730	600	310	-410	2,000	370	
Depreciation & Amort.	7,380	7,600	8,790	8,870	8,480	8,850	8,800	8,810	32,630	34,940	8,658	
PBT before EO Exp	**-1,290**	**1,550**	**3,010**	**11,030**	**110**	**260**	**812**	**4,429**	**14,360**	**5,611**	**622**	**-58.2**
EO Exp/(Inc)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0	0	0	
PBT after EO Exp	**-1,290**	**1,550**	**3,010**	**11,030**	**110**	**260**	**812**	**4,429**	**14,360**	**5,611**	**622**	**-58.2**

JLR **(GBP Million)**

Y/E March	FY26				FY27E				FY26	FY27E		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Total Volumes (nos)	**93,616**	**74,365**	**66,349**	**102,745**	**84,623**	**91,727**	**92,699**	**94,432**	**337,075**	**365,199**	**91,640**	
Change (%)	-14.6	-23.5	-40.4	-11.7	-9.6	23.3	39.7	-8.1	-22.4	290.1	23.2	
Avg Realization (GBP)	**75,659**	**74,057**	**76,721**	**72,077**	**75,346**	**71,454**	**75,801**	**77,795**	**74,407**	**75,151**	**75,538**	
Change (%)	1.7	-0.1	7.0	3.9	-0.4	-3.5	-1.2	7.9	3.0	1.0	2.0	
Net Sales	**6,604**	**4,900**	**4,538**	**6,870**	**5,974**	**5,894**	**6,448**	**6,894**	**22,911**	**25,210**	**6,224**	**-5.3**
Change (%)	-9.2	-24.3	-39.4	-11.1	-9.5	20.3	42.1	0.3	-20.9	10.0	27.0	
RM Cost (% of Sales)	62	64	58	60	59	63	62	60	61	61	61	
Staff Costs (% of sales)	13	16	18	12	15	13	13	13	14	14	14	
Other Exp (% of sales)	22.5	28.5	31.2	20.4	26.2	24.4	24.5	25.4	24.9	25.1	26.7	
Total Cost	**5,988**	**4,978**	**4,505**	**5,910**	**5,492**	**5,503**	**6,037**	**6,460**	**21,381**	**23,491**	**5,834**	**-5.7**
EBITDA	**616**	**-78**	**33**	**960**	**482**	**391**	**412**	**434**	**1,530**	**1,718**	**391**	**0.1**
EBITDA Margins (%)	9.3	-1.6	0.7	14.0	8.1	6.6	6.4	6.3	6.7	6.8	6.3	
Interest	10	23	24	21	39	39	40	70	79	188	40	
Depreciation & Amort.	356	345	344	329	313	311	340	369	1,374	1,333	325	
Product Dev. Expenses	443	346	387	481	489	443	406	377	1,657	1,715	450	
PBT before EO Exp	**351**	**-485**	**-310**	**458**	**108**	**6**	**35**	**38**	**14**	**187**	**29**	**-79.0**
EO Exp/(Inc)	4	238	74	6	0	530	0	0	322	530	0	
PBT after EO Exp	**347**	**-723**	**-384**	**452**	**108**	**-524**	**35**	**38**	**-308**	**-343**	**29**	

E: MOFSL Estimates



Key takeaways from the management commentary

Update on JLR

- Exceptional charges of GBP530m were recognised in Q2, including GBP295m towards the voluntary redundancy programme, with the balance relating to deferred product investments and asset impairments.
- H1 investments stood at USD1.76b, with H2 investments expected to be marginally lower, followed by a gradual moderation over the next 18-24 months as the current product launch cycle progresses. The reduction in investment intensity, alongside higher EBITDA contribution from new launches, is expected to drive cash flow improvement.
- Brand-wise, Range Rover and Defender deliveries remained resilient in 2Q, increasing marginally QoQ, while Discovery witnessed stronger traction, particularly in the UK. Defender continued to outperform, with YTD volumes up over 20% YoY.
- Regional performance remained challenging, particularly in China and MENA. China wholesales declined 45% YoY in Q2 and 36% in H1, amid intensifying competition from domestic OEMs, excess industry capacity and rising exports. MENA demand and logistics continued to be impacted by geopolitical conflicts.
- China remains a key area of concern, with the market contracting by nearly 30% and JLR witnessing a sharp decline in its share of overall volumes. Management is closely evaluating the situation and will provide further clarity on its China strategy next quarter, while continuing to remain invested in the market. JLR also intends to participate through the Freelander brand, licensed to its JV partner Chery.
- JLR unveiled three new luxury EVs during the quarter, including the Range Rover BEV, Range Rover Sport BEV and Jaguar Type 01. Deliveries are expected to commence from early 2027. The Range Rover BEV has already secured nearly 5,000 orders even before customers have experienced the vehicle.
- JLR is targeting 10% annual revenue growth through its existing portfolio and upcoming product launches. North America remains a key growth market, with H1 wholesales up 20% YoY. The strategy includes market-specific approaches, better-timed model-year introductions, smoother production schedules and strengthening service capabilities.
- JLR's FY27 guidance has been revised to EBIT margin of 2-3% and cash outflow of ~GBP1.25b, reflecting weaker-than-expected market conditions, particularly in China. Management targets double-digit EBITDA margins and positive cash generation in FY28, with a return to net cash by FY30.
- JLR has committed to GBP1.7b of cost savings over two years through ex-works, warranty and structural cost reduction initiatives. The voluntary redundancy programme aims to reduce salaried headcount by ~4,000, with ~3,000 employees expected to leave in FY27 and the balance next year. The programme is expected to generate annual savings of ~GBP450m, including both P&L and capital expenditure benefits.

Update on India PV business

- TMPV delivered its highest-ever quarterly volumes of over 200k units in Q2FY27, registering 40% YoY growth and outperforming the industry. Domestic market share stood at 14.3%, consolidating its position as the second-largest PV player.

October volumes also reached a record 75k units, with market share improving to 14.8%.

- Growth remained broad-based across the portfolio, with Punch emerging as India's highest-selling model during Q2 and Nexon featuring among the top five models in H1FY27. The launch of the all-new Aries received a strong response, with over 4,000 units sold in its first month, constrained by production capacity.
- The company recorded its highest-ever quarterly CNG and EV volumes, supported by increasing customer preference for greener powertrains. Alternate powertrains accounted for over 50% of TMPV volumes, with EV penetration at 23%.
- EV volumes grew 90% YoY, with quarterly monthly offtake averaging ~16k units, nearly double the levels seen a year ago. EV market share improved by ~380bps QoQ to 43%, despite rising competition. EVs accounted for ~30% of total bookings and 40-45% of pending bookings, while inventory remained low at just 10 days versus 27-28 days for the overall portfolio.
- Management plans to increase monthly EV production from ~16k units to ~20k units over the next 2-3 months to address the demand-supply gap. EV penetration is expected to increase to 25% or slightly higher next year.
- Recent product interventions have strengthened the portfolio. Sierra has clocked over 70k units in sales this year, with capacity being scaled up. The Punch facelift has emerged as India's highest-selling SUV since its launch, while Punch EV has become the market's most popular EV and the first electric model to cross 5k monthly units. Refreshed Tiago and Tiago.ev supported 35% QoQ growth in hatchback volumes.
- The Aries has received strong customer traction, supported by its refreshed design, feature upgrades, safety proposition and competitive pricing. Monthly production capacity is being increased from ~4,000 units to ~5,000 units, with further expansion planned in line with demand.
- Commodity pressures are expected to remain elevated in Q3, particularly from steel, rubber and copper, partly offset by softening precious metal prices. The company has offset ~40% of the commodity inflation through calibrated price increases and cost reduction initiatives, absorbing the balance. Management expects the commodity cost curve to plateau in Q4.
- TMPV has taken cumulative price increases of ~1.7% across three hikes in Apr, Jul and Sept'26. Further calibrated price increases are expected, with a potential hike in Q3 and a more certain increase in Q4. Management intends to balance pricing actions with cost reduction initiatives to protect demand and profitability.
- Management is pursuing accelerated cost reduction initiatives, calibrated pricing actions and faster PLI approvals to improve profitability. Around 40% of the portfolio is currently covered under PLI, with approvals for two additional models awaited. PLI incentives of ~INR8.31b were received/approved in H1, including ~INR5b in Q2.
- EV profitability beyond the PLI scheme (expiring in 2028) is expected to be supported by significantly accelerated cost reduction initiatives over the next 12-18 months, alongside progressive price increases wherever there is headroom. Management has set ambitious cost reduction targets over the next 24 months to offset the eventual withdrawal of PLI benefits.

- H1 free cash flow remained positive at ~INR20b, supported by favourable working capital and PLI receipts. H1 capex stood at INR27b, while FY27 domestic capex is expected at 6-7% of revenue, with investments likely to increase over the next 18-24 months to support the next phase of capacity expansion.
- Management remains positive on H2 demand, supported by a healthy order pipeline, strong product portfolio and upcoming launches. However, industry growth is expected to moderate against a high base following GST 2.0, while the focus remains on sustaining industry-leading growth and improving profitability.

Exhibit 1: Sharp rise in VME and adverse forex are key factors for margin compression



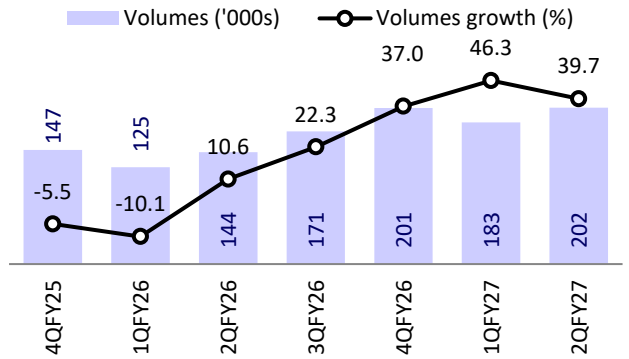
Source: Company, MOFSL

Exhibit 2: JLR posts FCF outflow of GBP1.5b after investment of GBP1.7b in 1HFY27



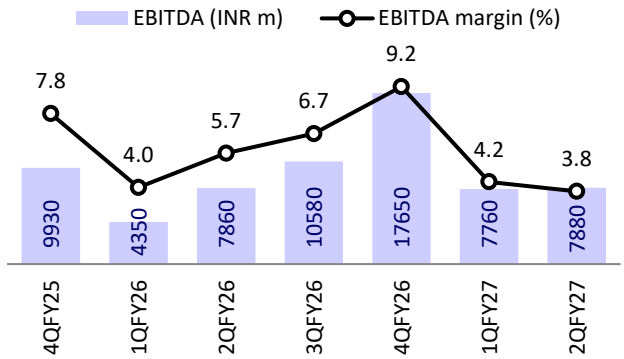
Source: Company, MOFSL

Exhibit 3: Volume trend for India business



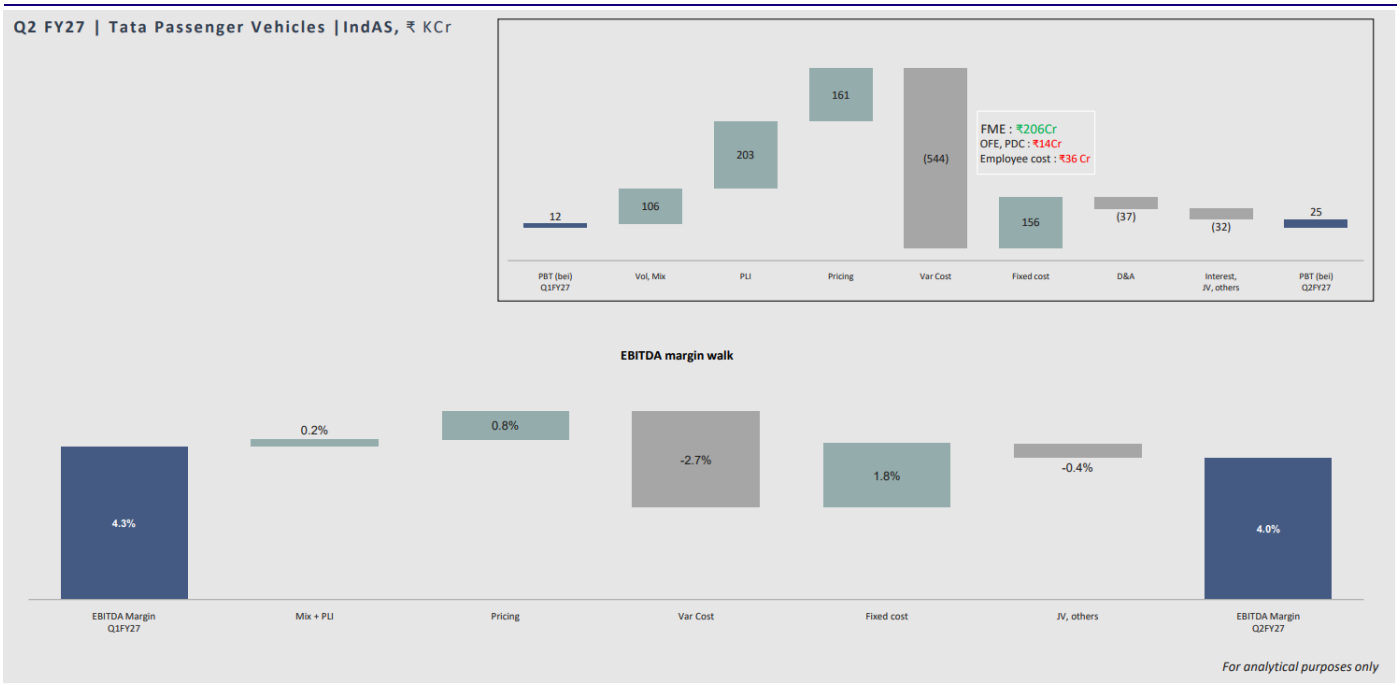
Source: Company, MOFSL

Exhibit 4: EBITDA margin trend



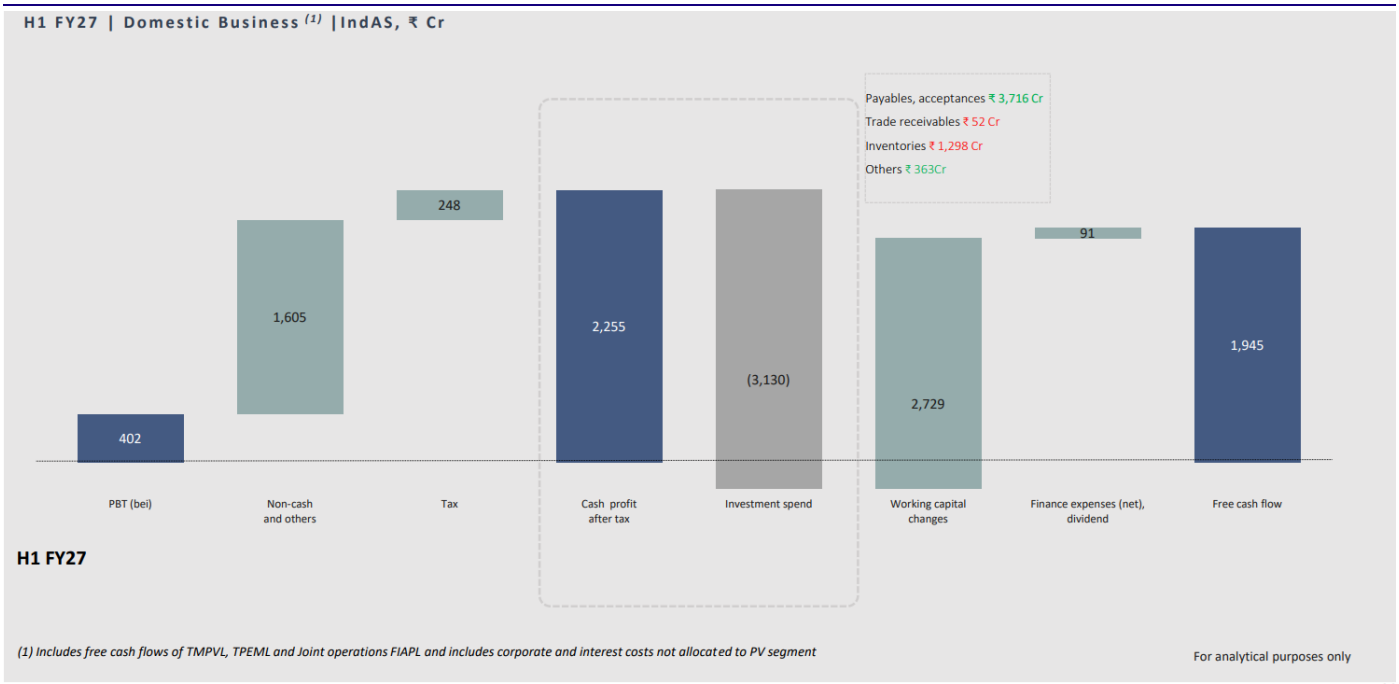
Source: Company, MOFSL

Exhibit 5: India business 2QFY27 margin walk



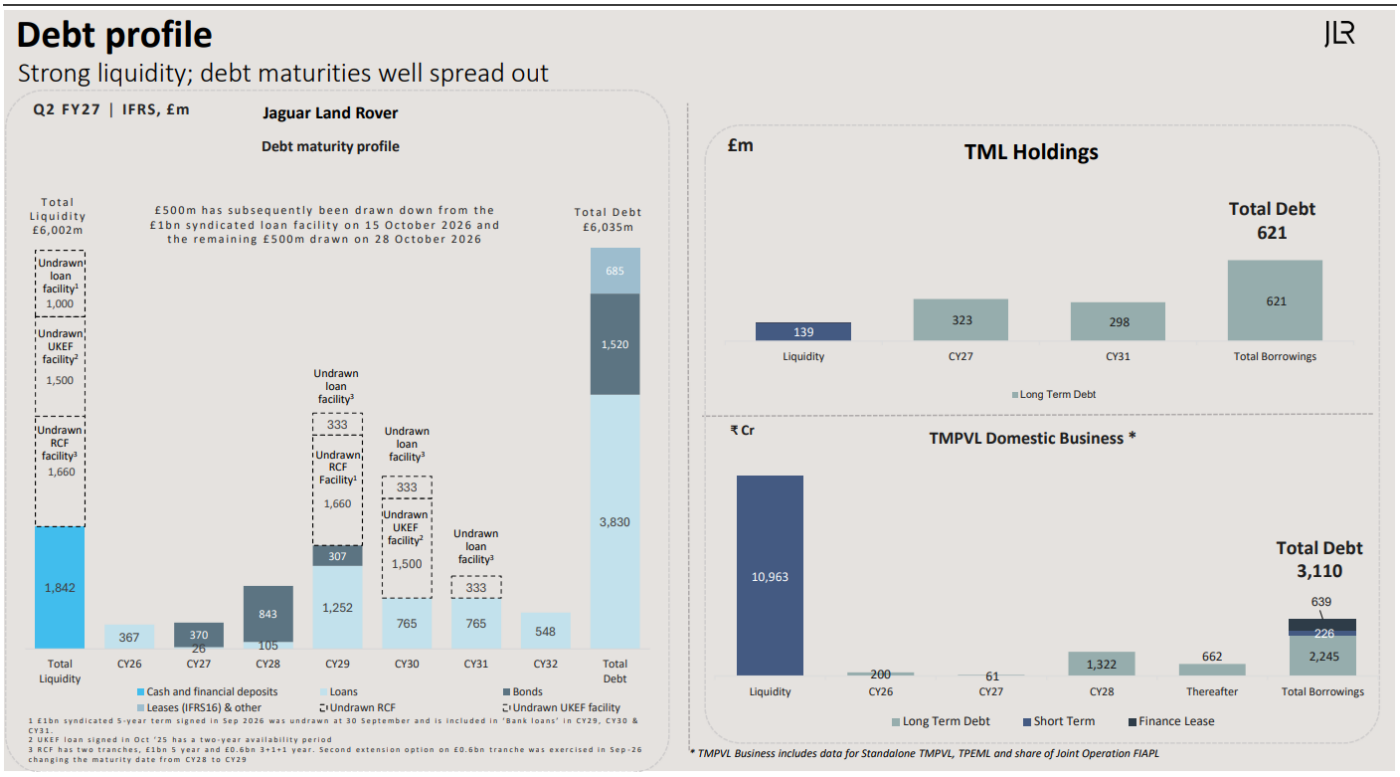
Source: Company, MOFSL

Exhibit 6: India business has delivered healthy FCF due to healthy working capital management



Source: Company, MOFSL

Exhibit 7: Net auto debt has increased to INR508b for TMPV, entirely attributed to JLR



Source: Company, MOFSL

Valuation and view

- **Geopolitical challenges likely to continue to weigh on JLR**: Overall, ongoing geopolitical headwinds and the resultant fuel price surge are likely to hurt consumer sentiment globally. While the global macro is weak, the recent tariff measures by the US on key regions have led to another layer of uncertainty in the demand environment. On a regional basis, demand in North America is likely to grow in FY27 on the back of healthy demand for RR and RRS models, even as they undergo a planned ramp down of Jaguar volumes ahead of the new Jag launch. In the UK and Europe, demand is likely to remain stable in FY27, according to management. In China, demand has deteriorated after the implementation of luxury tax in FY26, though it is likely to stabilize at lower levels. Further, demand in the Middle East (6% of mix) is likely to be impacted in the near term until the geopolitical situation stabilizes. We now factor in JLR to post a 9% volume CAGR over FY26-28E on a low base.
- **Cost-savings program unveiled to offset the multiple headwinds**: While the mix has improved for JLR, the benefit has been more than offset by rising VME and warranty costs over the last few quarters. Management has indicated that given continued weak demand in key regions, VME is likely to remain elevated in the coming quarters as well. China's implementation of luxury tax has led to a material slowdown in luxury demand. Additionally, management signaled that both US tariff increases and China's luxury tax are likely to have a structural impact on medium-term profitability. Further, there has been a sharp rise in input cost pressure for all OEMs. To offset these headwinds, JLR has embarked on a major cost-reduction program. It would look to focus on areas like enhancing supply chain efficiencies, reducing warranty, etc. On the back of these initiatives, the company targets to reduce costs by about GBP1.7b over a two-year period. This will help it reduce breakeven levels at JLR to 300k units pa. Given the VME and commodity headwinds, we expect EBITDA margins for JLR to remain at 6.7% levels in FY27 vs FY26 and then expand to 9% in FY28.
- **India PV business continues to perform well**: India PV business performance has seen a marked improvement over last few quarters, improving its share by 40bp to 13.6% in FY26. While management expects the industry to post 10% volume growth in FY27, it remains confident of outperforming the industry on the back of its healthy launch pipeline. Overall, we expect the India business to post a 14% volume CAGR over FY26-28. However, despite strong demand, margins are likely to remain under pressure given the rising input cost and growing EV mix.
- **Valuation and view**: While India business has been gaining market share, margins remain under pressure given the adverse mix and rising input costs. Further, JLR continues to face multiple headwinds on the demand and cost fronts. While JLR has embarked on a major cost-reduction initiative, it is likely to only help partially offset the current headwinds. Given the significant challenges at JLR and the continued geopolitical uncertainty, we reiterate our Sell rating on the stock with SoTP-based TP of INR240 per share (based on FY28E). We value JLR and India PV business at 2x and 13x EV/EBITDA, respectively.

Exhibit 8: TMPV business SoTP

	FY26	FY27E	FY28E
India Business INR m			
EBITDA	40,500	36,515	58,678
EBITDA x	13	13	13
Market Value	520,500	501,694	760,477
Per Share Value	141	136	206
JLR			
Adjusted EBITDA INR m	93,640	109,774	240,360
EBITDA x	2	2	2
EV	167,935	196,870	418,426
Per Share Value	-11	-44	22
Value per share for Tata Tech	12	12	12
Target Price	**142**	**104**	**240**

Exhibit 9: Summary of our revised estimates

	FY27E			FY28E		
Key Assumptions (INR b)	**Rev**	**Old**	**Chg (%)**	**Rev**	**Old**	**Chg (%)**
Consolidated						
Net Sales	4,067	4,100	-0.8	4,522	4,535	-0.3
EBITDA	261	330	-20.7	384	390	-1.5
EBITDA Margins (%)	6.4	8.0	-160bp	8.5	8.6	-10bp
Net Profit	22	72	-68.9	105	110	-4.5
Cons EPS	6.1	19.5	-68.9	28.5	29.9	-4.5

Source: MOFSL

Financials and valuations

Income Statement (Consolidated)				(INR m)
Y/E March	**2025**	**2026**	**2027E**	**2028E**
Total Income	**36,91,800**	**33,91,850**	**4,067,380**	**4,522,080**
Change (%)	5.4	-8.1	19.9	11.2
EBITDA	**4,92,270**	**2,28,160**	**261,396**	**383,918**
Change (%)	-85.9	-53.7	14.6	46.9
% of Net Sales	13.3	6.7	6.4	8.5
Depreciation	2,11,020	1,97,840	207,098	222,128
EBIT	**2,81,250**	**30,320**	**54,298**	**161,791**
Interest	38,190	26,490	44,121	43,321
Other Income	23,310	21,530	27,052	25,590
EO Exp/(Inc)	410	36,640	-70,510	0
Forex Gain/ (Loss)	18,580	-4,950	-1,230	0
PBT	**2,84,540**	**-16,230**	**-34,511**	**144,059**
Tax	90,600	-2,460	1,847	38,896
Reported PAT	**1,93,940**	**-13,770**	**-36,358**	**105,163**
Change (%)	-94.5	NM	164.0	-389.2
Adj. PAT	**1,81,903**	**21,008**	**22,375**	**105,163**
Change (%)	-19.1	-88.5	6.5	370.0

Balance Sheet (Cons.)				(INR m)
Y/E March	**2025**	**2026**	**2027E**	**2028E**
Sources of Funds				
Share Capital	7,360	7,370	7,370	7,370
Reserves	11,54,080	11,13,310	1,054,842	1,123,156
Net Worth	**11,61,440**	**11,20,680**	**1,062,212**	**1,130,526**
Loans	6,24,990	6,99,530	739,530	729,530
Minority Interest	66,100	67,740	74,514	81,965
Capital Employed	**18,52,530**	**18,87,950**	**1,876,256**	**1,942,021**
Net Fixed Assets	**11,48,020**	**10,32,280**	**1,326,460**	**1,569,399**
Capital WIP	6,58,060	10,26,540	1,077,867	1,099,424
Goodwill	8,950	14,280	14,280	14,280
Investments	4,21,410	3,31,170	332,370	342,370
Curr.Assets	**15,49,980**	**14,14,950**	**1,361,748**	**1,412,262**
Inventory	4,72,690	5,01,260	579,462	644,242
Sundry Debtors	1,32,480	1,26,190	144,866	161,060
Cash & Bank Bal.	3,43,490	2,28,800	134,361	153,965
Loans & Advances	1,710	1,530	1,607	1,687
Others	5,99,610	5,57,170	501,453	451,308
Current Liab. & Prov.	**19,33,890**	**19,31,270**	**2,236,470**	**2,495,714**
Sundry Creditors	9,73,680	9,27,800	1,112,583	1,236,961
Other Liabilities	5,92,550	6,06,570	679,358	760,881
Provisions	3,67,660	3,96,900	444,528	497,871
Net Current Assets	**-3,83,910**	**-5,16,320**	**-874,721**	**-1,083,452**
Appl. of Funds	**18,52,530**	**18,87,950**	**1,876,256**	**1,942,021**

Financials and valuations

Ratios (Con.)

Y/E March	2026	2027E	2028E
Basic (INR)			
EPS	**5.7**	**6.1**	**28.5**
EPS Growth (%)	-88.5	6.5	370.0
Cash EPS	59.4	62.3	88.8
Book Value (Rs/Share)	304.1	288.3	306.8
DPS	3.0	6.0	10.0
Payout (Incl. Div. Tax) %	52.6	-60.8	35.0
Valuation (x)			
Consolidated P/E	50.3	47.3	10.1
EV/EBITDA	6.3	6.0	4.0
EV/Sales	0.4	0.4	0.3
Price to Book Value	0.9	1.0	0.9
Dividend Yield (%)	1.0	2.1	3.5
Profitability Ratios (%)			
RoE	1.8	2.1	9.6
RoCE (Post-tax)	1.9	4.6	7.2
RoIC	5.7	4.2	8.3
Turnover Ratios			
Debtors (Days)	14	13	13
Inventory (Days)	54	52	52
Creditors (Days)	100	100	100
Leverage Ratio			
Net Auto Debt/Equity (x)	0.4	0.6	0.5

Cash Flow Statement (INR b)

Y/E March	2026	2027E	2028E
OP/(Loss) before Tax	-16,230	-34,511	144,059
Int/Div. Received	4,960	44,121	43,321
Depreciation	1,97,840	207,098	222,128
Direct Taxes Paid	2,460	-1,847	-38,896
(Inc)/Dec in WC	-90,380	263,962	228,335
Other Items	31,760		
CF from Op Activity	**1,30,410**	**478,823**	**598,947**
Extra-ordinary Items	0	0	0
CF after EO Items	**1,30,410**	**478,823**	**598,947**
CF from Inv Activity	**-2,48,100**	**-553,805**	**-496,623**
Issue of Shares	220	0	0
Inc/(Dec) in Debt	34,860	40,000	-10,000
Interest Paid	-26,490	-37,347	-35,869
Dividends Paid	-22,030	-22,110	-36,850
CF from Fin Activity	**-13,440**	**-19,457**	**-82,719**
Inc/(Dec) in Cash	**-1,31,130**	**-94,439**	**19,604**
Add: Beginning Bal.	3,59,930	228,800	134,361
Closing Balance	**2,28,800**	**134,361**	**153,965**

E: MOFSL Estimates

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SELL	< - 10%
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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

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