

Maruti Suzuki

Estimate change 

TP change 

Rating change 

CMP: INR11,978

TP: INR14,500 (+21%)

Buy

In-line performance; visible signs of improving rural demand

Demand recovery visible in 3QFY25; inventory level at just nine days

- Maruti Suzuki India (MSIL) reported an in-line performance during 3QFY25. Margin dilution in Q3 was restricted to 30bps QoQ despite the rise in discounts due to favorable operating leverage benefits. Retail demand showed signs of recovery, with retail sales rising ~8% YoY in 3Q (vs 3.5% YoY growth in 9MFY25), mainly driven by rural markets.
- We keep our estimates unchanged. For FY26, we anticipate multiple launch tailwinds for MSIL, including: 1) an EV launch, for India and exports; 2) hybrid variants; and 3) one more SUV. The stock is attractively valued at 23x/21x FY26E/FY27E EPS. **Reiterate BUY with a revised TP of INR14,500 (premised on 26x Dec'26E EPS).**

Minimal margin dilution QoQ despite rise in discounts

- 3QFY25 standalone revenue/EBITDA/PAT grew ~16%/14%/13% YoY to INR384.9b/44.7b/35.3b (est. INR385.1b/43.8b/34.8b). 9MFY25 revenue/EBITDA/PAT grew 8%/15%/16% YoY.
- Revenue growth was driven by 13% YoY growth in volumes and ~2% YoY growth in ASP at ~INR679.8k (est. INR680.1k).
- Gross margins contracted 70bp YoY (+30bp QoQ) to 28.4%, while EBITDA margin came in at 11.6% (-10bp YoY/-30bp QoQ, est. 11.4). The company reported incremental cost pressures, including: 1) sales promotion up 20bp QoQ; 2) higher marketing spend due to the launch costs of Dzire and e-Vitara – up 40bp QoQ; and 3) adverse forex of 30bp QoQ. Discounts for 3Q stood at INR 30,990 per unit vs INR29,300/unit in 2Q.
- However, these were offset by lower input costs (30bp) and operating leverage benefit (30bp).
- Overall, EBITDA grew ~14% YoY to INR44.7b (est. INR43.8b).
- Adj. PAT for the quarter grew 13% YoY at INR35.3b (in line).

Highlights from the management commentary

- **3Q retails grew 8.3% YoY to 573k units:** This marked the highest-ever performance, led by festive momentum and higher discounting. This resulted in a 3.5% retail growth for MSIL over 9M. The company expects to deliver similar retail growth in 4Q. Rural (+15%) is performing better than urban (+2.5%) for MSIL.
- **Preference for high-end models continues:** In the hatchback segment, higher-end hatches are outperforming lower-end ones. Similarly, in rural areas, consumer trends are increasingly aligning with urban regions, with a noticeable shift toward premiumization.

Bloomberg	MSIL IN
Equity Shares (m)	314
M.Cap.(INRb)/(USDb)	3765.9 / 43.5
52-Week Range (INR)	13680 / 9875
1, 6, 12 Rel. Per (%)	12/1/13
12M Avg Val (INR M)	6755

Financials & valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	1,502	1,678	1,875
EBITDA	180	197	225
Adj. PAT	145	161	180
EPS (INR)*	462	512	573
EPS Gr. (%)	10.0	10.9	11.9
BV/Sh. (INR)	2,988	3,356	3,764
Ratios			
RoE (%)	14.8	15.3	15.2
RoCE (%)	20.6	20.2	20.2
Payout (%)	31.4	32.2	28.8
Valuations			
P/E (x)	25.9	23.4	20.9
P/BV (x)	4.0	3.6	3.2
EV/EBITDA (x)	16.8	15.0	12.7
Div. Yield (%)	1.2	1.4	1.4

*Cons. Adj.

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	58.3	58.2	58.2
DII	23.0	20.9	17.8
FII	15.5	17.7	20.6
Others	3.3	3.2	3.4

FII includes depository receipts

- **Exports:** MSIL continues to witness strong growth across many export regions, including Africa, LatAm, ME, and ASEAN.
- **e-Vitara** will be exported to over 100 countries globally. MSIL is poised to become the No. 1 EV OEM by production in India in its first year of launch. With the launch of e-Vitara, the company plans to develop an EV ecosystem, including a charging network, dealer capabilities, roadside assistance, etc.

Valuation and view

- For FY26, we see multiple launch tailwinds for MSIL, such as its first EV for India and exports, hybrid variants, and one SUV. Further, any favorable policy for hybrids by the government may drive a re-rating as MSIL would be the key beneficiary of the same.
- We expect MSIL to deliver an 11% earnings CAGR over FY24-27E, driven by new launches and strong export growth. While we have factored in stable margins over FY24-27E, there could be a upside risk to our estimates if PV demand revives and MSIL is able to retain the benefits of an improving mix. At 23x FY26E/21x FY27E EPS, valuations appear attractive. Reiterate our BUY rating with a TP of INR14,500, valuing at 26x Dec'26E EPS.

S/A Quarterly Performance

Y/E March	(INR b)											
	FY24				FY25E				FY24	FY25E	Var	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3Q	(%)
Financial Performance												
Volumes ('000 units)	498.0	552.1	501.2	583.7	521.9	541.6	566.2	567.0	2,134.9	2,196.6	566.2	0.0
Change (%)	6.4	6.7	7.6	13.3	4.8	-1.9	13.0	-2.9	8.6	2.9	13.0	
ASP (INR '000/car)	649.1	671.3	664.6	655.1	680.9	687.0	679.8	686.8	660.1	683.6	680.1	0.0
Change (%)	14.6	16.1	6.6	5.3	4.9	2.3	2.3	4.8	10.4	3.6	2.3	
Net operating revenues	323.3	370.6	333.1	382.3	355.3	372.0	384.9	389.4	1,409	1,502	385.1	0.0
Change (%)	22.0	23.8	14.7	19.3	9.9	0.4	15.6	1.8	19.9	6.6	15.6	
RM Cost (% of sales)	72.8	70.6	70.9	71.4	70.2	71.9	71.6	71.8	71.4	71.4	72.1	-50BP
Staff Cost (% of sales)	4.5	3.5	4.0	3.6	4.4	3.9	4.0	4.0	3.9	4.1	3.8	20BP
Other Cost (% of sales)	13.5	12.9	13.3	12.8	12.8	12.3	12.8	12.3	13.1	12.5	12.7	10BP
EBITDA	29.8	47.8	39.1	46.9	45.0	44.2	44.7	46.4	164	180	43.8	2.0
EBITDA Margins (%)	9.2	12.9	11.7	12.3	12.7	11.9	11.6	11.9	11.6	12.0	11.4	20BP
Depreciation	7.5	7.9	7.5	7.3	7.3	7.5	8.1	8.2	30.2	31.1	7.7	
EBIT	22.4	39.9	31.6	39.6	37.7	36.7	36.7	38.2	134	149	36.1	1.5
EBIT Margins (%)	6.9	10.8	9.5	10.3	10.6	9.9	9.5	9.8	9.5	9.9	9.4	
Interest	0.5	0.4	0.4	0.8	0.6	0.4	0.5	0.4	1.9	1.9	0.5	
Non-Operating Income	10.0	8.4	9.3	11.2	9.8	14.8	9.9	9.6	38.5	43.9	9.5	
PBT	31.9	48.0	40.5	50.0	46.9	42.6	46.0	47.3	170.4	191.2	45.2	
Effective Tax Rate (%)	22.1	22.6	22.8	22.4	22.2	28.0	23.4	22.8	22.5	22.9	22.9	
Adjusted PAT	24.9	37.2	31.3	38.8	36.5	36.7	35.3	36.5	132.1	147.3	34.8	1.3
Change (%)	145.4	80.3	33.1	47.8	46.9	-1.2	12.6	-5.8	64.1	11.5	11.2	

Key Performance Indicators

Y/E March	FY24				FY25				FY24	FY25E	3QE
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			
Dom. PV Market Sh (%)	42.8	44.1	41.6	43.7	43.2	43.2	40.7	-	43.1	-	-
Volumes ('000 units)	498.0	552.1	501.2	583.7	521.9	541.6	566.2	567.0	2,134.9	2,196.6	566.2
Change (%)	6.4	6.7	7.6	13.3	4.8	-1.9	13.0	-2.9	8.6	2.9	13.0
Discounts (INR '000/unit)	16.2	17.7	23.3	14.5	21.7	29.3	31.0	-	18.0	-	-
% of Net Realn	2.5	2.6	3.5	2.2	3.2	4.3	4.6	-	2.7	-	-
ASPs (INR '000/unit)	649.1	671.3	664.6	655.1	680.9	687.0	679.8	686.8	660.1	683.6	680.1
Change (%)	14.6	16.1	6.6	5.3	4.9	2.3	2.3	4.8	10.4	3.6	2.3
Gross Profit (INR/unit)	176.6	197.3	193.4	187.6	203.1	193.1	193.1	193.6	188.9	195.6	189.7
EBITDA (INR '000/unit)	59.9	86.7	78.0	80.3	86.3	81.6	79.0	81.8	76.8	82.1	77.4
EBIT (INR '000/unit)	44.9	72.3	63.0	67.8	72.3	67.7	64.7	67.3	62.7	67.9	63.8

**Highlights from the management commentary**

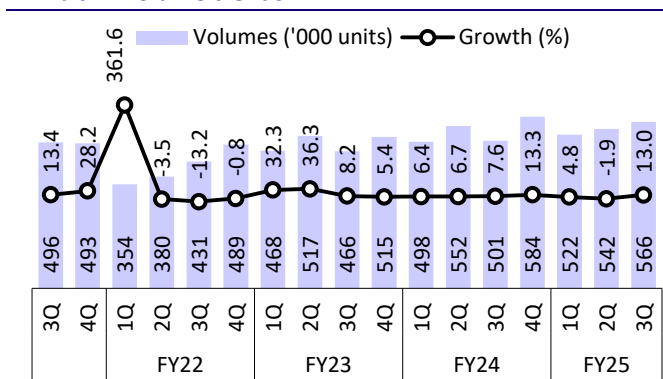
- **3Q retails grew 8.3% YoY to 573k units:** This marked the highest-ever performance, driven by festive momentum and higher discounting. This resulted in a 3.5% retail growth for MSIL over 9M. The company expects to deliver similar retail growth in 4Q.
 - Rural (+15%) is performing better than urban (+2.5%) for MSIL.
 - In the hatchback segments, higher-end hatches are outperforming the lower-end ones. Similarly, in rural areas, consumer trends are increasingly aligning with urban regions, with a noticeable shift toward premiumization.
 - Inventory at the end of December stood at just nine days.
- **3Q margin contracted just 30bp QoQ,** which can be attributed to the following:
 - 1) sales promotion up 20bp QoQ; 2) higher marketing spend due to the launch costs of Dzire and e-Vitara – up 40bp QoQ; and 3) adverse forex of 30bp QoQ. This was offset by lower input costs (30bp) and operating leverage benefit (30bp).
 - Discount for Q3 stood at INR 30,990 per unit vs 29,300/unit in Q2.
- MSIL continues to witness strong growth across many export regions, including Africa, LatAm, ME, and ASEAN. Export revenues for 3Q stood at INR65b.
- MSIL announced a price hike of 30bp on net sales in Jan'25.
- e-Vitara will be exported to over 100 countries globally. MSIL is poised to become the No. 1 EV OEM by production in India in its first year of launch.
 - With the launch of the e-Vitara, it plans to develop an EV ecosystem, including a charging network, dealer capability, roadside assistance, etc.
- The launch of the new Dzire has received a very positive response, selling more than the previous variant, with about 20k pending bookings. The mix of the top two variants has doubled to 37% from 19% for the old variant.
- The CNG mix for MSIL stands at 30%+.
- The company is currently evaluating the PLI compliance requirements for EVs. Additionally, while the battery for e-Vitara will initially be imported, the company plans to consider localizing production at a later stage.
- The new Karkhoda plant will be operational from Q4FY25.

Key exhibits

Exhibit 1: Trend in volumes

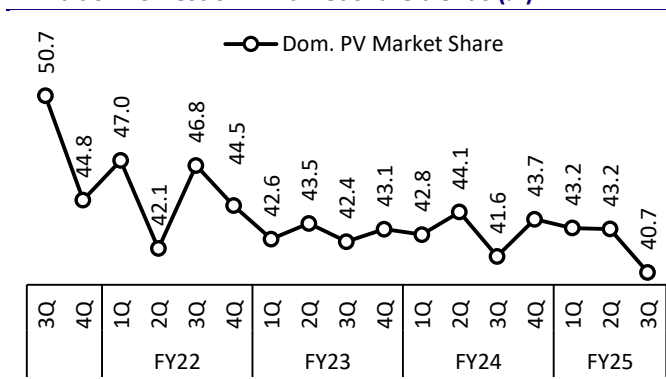
('000 units)	3QFY25	3QFY24	YoY (%)	2QFY25	QoQ (%)
Mini	27.9	27.1	2.8	31.0	-10.1
<i>% of total</i>	4.9	5.4		5.7	
MPV+LCVs	42.8	41.4	3.5	43.3	-1.2
<i>% of total</i>	7.6	8.3		8.0	
Compact incl Dzire tour	209.3	205.4	1.9	207.1	1.1
<i>% of total</i>	37.0	41.0		38.2	
Mid-size	1.7	1.5	17.6	2.0	-12.8
<i>% of total</i>	0.3	0.3		0.4	
UV	185.3	154.1	20.2	180.5	2.6
<i>% of total</i>	32.7	30.7		33.3	
Exports	99.2	71.8	38.2	77.7	27.7
<i>% of total</i>	17.5	14.3		14.4	
Total Sales	566.2	501.2	13.0	541.6	4.6
Total Dom. PV MS (%)	40.7	41.6	-90bp	43.2	-250bp

Exhibit 2: Volume trends



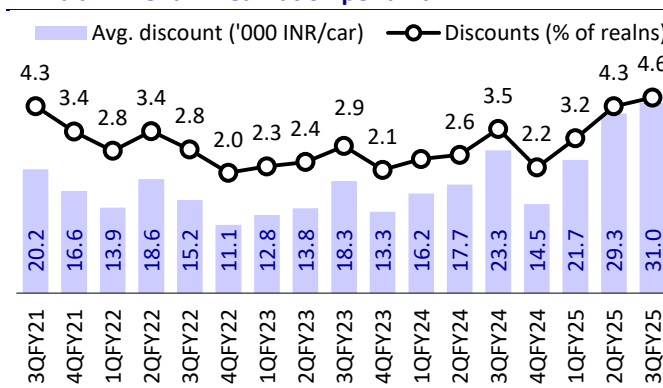
Source: Company, MOFSL

Exhibit 3: Domestic PV market share trends (%)



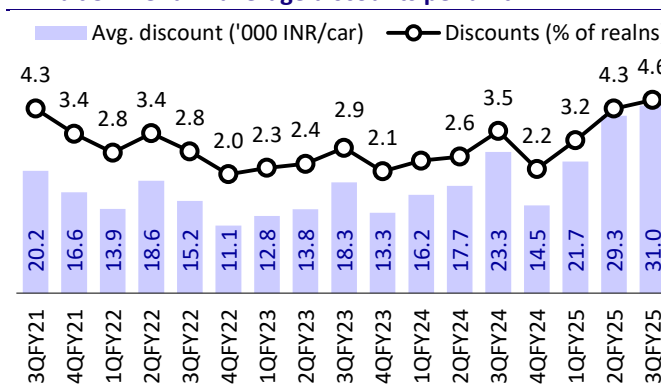
Source: Company, MOFSL

Exhibit 4: Trend in realization per unit

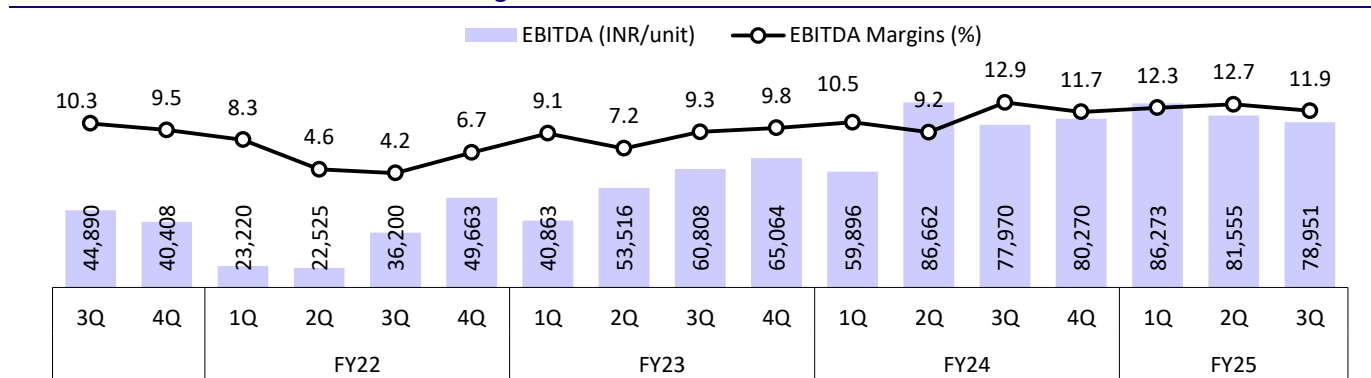


Source: Company, MOFSL

Exhibit 5: Trend in average discounts per unit



Source: Company, MOFSL

Exhibit 6: Trends in EBITDA and EBITDA margin

Source: Company, MOFSL

Valuation and view

- New launches to help gain share in UVs:** it is only in two sub-segments within UV's (combined contribution at 10%), where MSIL may find it difficult to gain a material share. In most of the other segments, it has the potential to ramp-up its presence relative to peers, either with existing launches or upcoming new launches. Further, as per media reports, MSIL is expected to launch six new models in the next three to four years in its focus segments within SUVs. Thus, MSIL is well placed to gain market share even in UVs in the coming years, thereby allaying Investor concerns around the same. We factor in MSIL to post 11.7% revenue CAGR, likely to be driven by a 7.6% volume CAGR over FY25-27E.
- Exports likely to remain key growth driver:** MSIL aims to achieve exports of 750-800k units by FY31, which will translate into a 15% volume CAGR during the same period. To achieve this target, MSIL is taking several initiatives: 1) introducing more models in its markets, with Fronx and Jimny emerging as its top two export models; 2) making India the export hub for Suzuki's EVs, starting with the upcoming eVX launch, and planning to launch six EVs by FY31; 3) expanding into more markets – Fronx was the first MSIL SUV to be launched in Japan and is receiving a positive response; and 4) further ramping up its distribution network.
- MSIL's multi-tech approach augurs well for India:** While electric vehicle adoption seems to be the preferred bet to meet upcoming emissions compliance, we think India is not yet ready to transition to EVs anytime soon. Given this, MSIL's multi-tech approach seems best suited to meet emission compliance in India. In CNG, the company is a market leader in PVs, with CNG's contribution rising to 24% in FY24, reaching 450k units. Its target for FY25 is to sell 600k units. The company has also introduced strong hybrids in Grand Vitara and Invicto in partnership with Toyota, and plans to launch Suzuki's low-cost hybrid tech in India for low-end models. Further, in EVs, MSIL targets to achieve scale by initially focusing on exports first and gradually ramping up its presence in the domestic market as EV demand improves. The company is also working on vehicles compliant with flex fuels. Additionally, MSIL would emerge as the major beneficiary if the government considers a tax subsidy on any of these clean technologies (hybrid or flex fuels).
- India will continue to have a healthy mix of cars in the long run:** Before writing off the car segment, it is important to consider that India has a large population

of 2W customers aspiring to own their first car. Further, family nuclearization is driving household growth, which should further boost demand for cars in the coming years. Cars are likely to remain relevant in India due to their compact size, fuel efficiency, and versatility, making them the ideal choice for first-time buyers. While we believe that the small car segment might not reach its previous peak, we expect its contribution to stabilize at the current level, if not grow, in the near term. When this happens, MSIL is expected to emerge as a major beneficiary, given its dominant position in this segment with close to 63% market share.

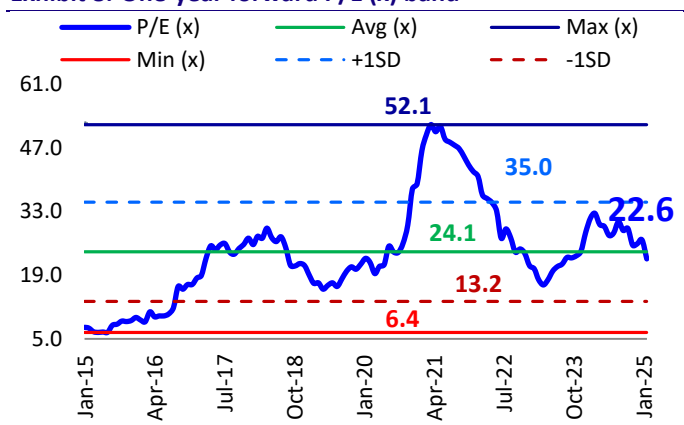
- Valuation and view:** For FY26, we see multiple launch tailwinds for MSIL, such as its first EV for India and exports, hybrid variants, and one SUV. Further, any favorable policy for hybrids by the government may drive a re-rating as MSIL would be the key beneficiary of the same. We expect MSIL to deliver an 11% earnings CAGR over FY24-27E, driven by new launches and strong export growth. While we have factored in stable margins over FY24-27E, there could be a upside risk to our estimates if PV demand revives and MSIL is able to retain the benefits of an improving mix. At 23x FY26E/21x FY27E EPS, valuations appear attractive. Reiterate our BUY rating with a TP of INR14,500, valuing at 26x Dec'26E EPS.

Exhibit 7: Our revised estimates

(INR B)	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Total Volumes ('000)	2,197	2,197	0.0	2,365	2,365	0.0
Net Sales	1,502	1,428	5.2	1,678	1,577	6.4
EBITDA	180	168	7.6	197	192	2.7
EBITDA Margin (%)	12.0	11.7	30bp	11.8	12.2	-40bp
PAT	145.3	136.3	6.6	161.1	155.7	3.5
EPS (Rs)	462.3	461.1	0.3	512.4	512.4	0.0

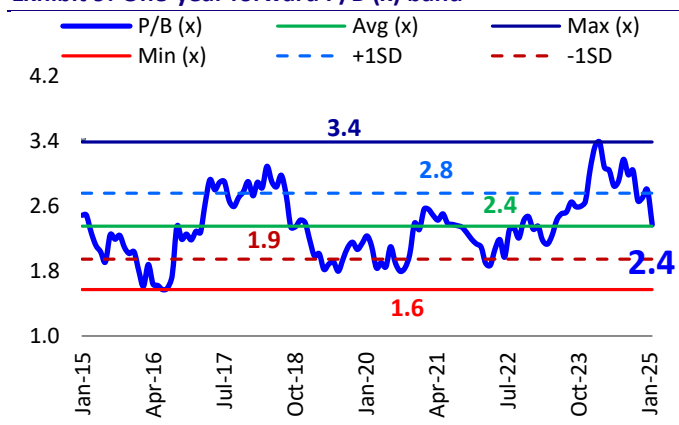
Source: Company, MOFSL

Exhibit 8: One-year forward P/E (x) band



Source: MOFSL

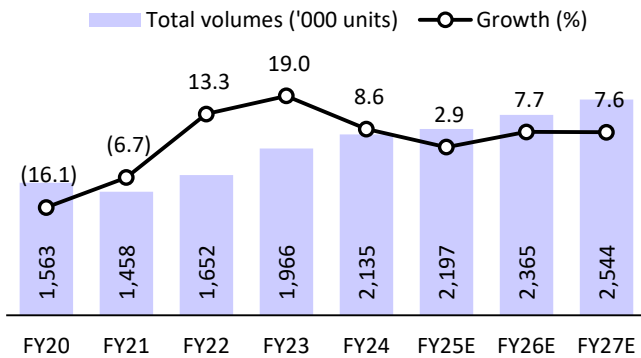
Exhibit 9: One-year forward P/B (x) band



Source: MOFSL

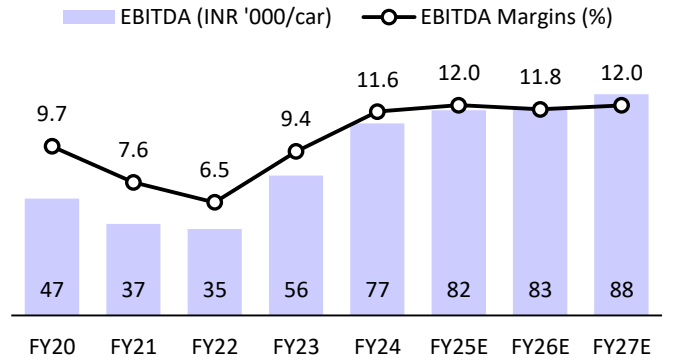
Story in charts

Exhibit 10: Trend in volume and growth



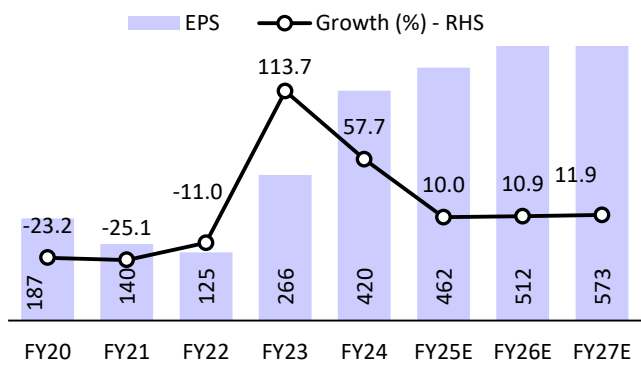
Source: Company, MOFSL

Exhibit 11: EBITDA margin and EBITDA per car



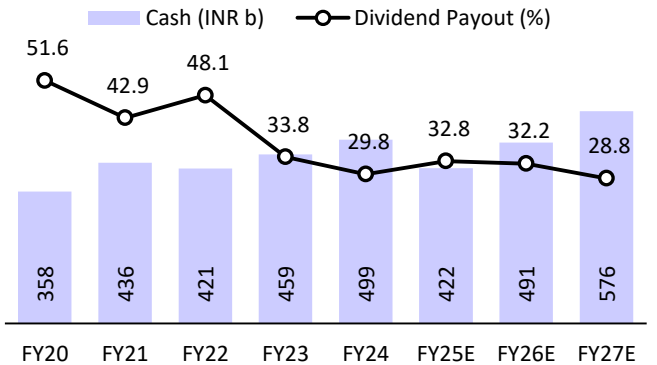
Source: Company, MOFSL

Exhibit 12: EPS (INR) and growth in EPS



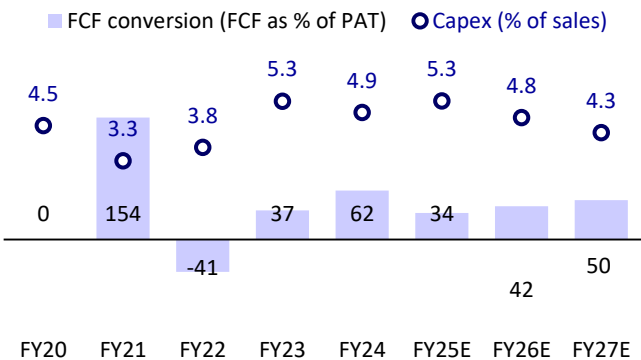
Source: MOFSL, Company

Exhibit 13: Dividend payout (%) and cash balance (INR b)



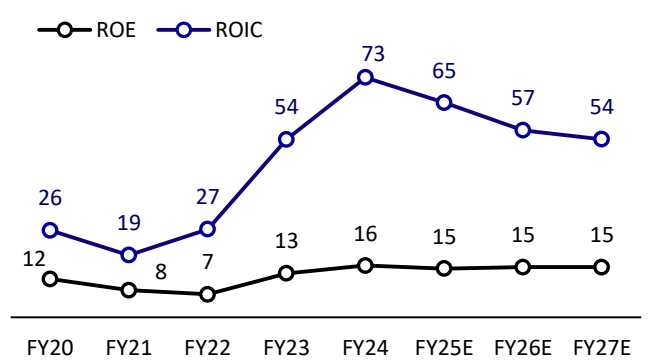
Source: MOFSL, Company

Exhibit 14: Expect FCF conversion to recover



Source: Company, MOFSL

Exhibit 15: RoE vs. RoIC (%)



Source: Company, MOFSL

Exhibit 16: Snapshot of the revenue model

000 units	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
A1/LCVs	22	30	34	38	34	33	34	36
Growth (%)	-8.8	35.7	14.4	12.4	-11.2	-3.0	5.0	5.0
% of Dom vols	1.5	2.2	2.4	2.2	1.8	1.7	1.7	1.7
MPV (Vans)	118	105	108	131	137	137	143	148
Growth (%)	-33.7	-11.3	3.1	21.1	4.5	0.0	4.0	4.0
% of Dom vols	8.1	7.7	7.7	7.7	7.4	7.3	7.2	7.2
A2 (other hatchbacks)	881	840	810	985	858	767	766	768
Growth (%)	-10.8	-4.6	-3.6	21.7	-12.9	-10.6	-0.1	0.3
% of Dom vols	60.3	61.7	57.3	57.7	46.3	40.9	38.9	37.1
A3 (Dzire, Ciaz)	204	142	145	164	175	177	183	187
Growth (%)	-31.9	-30.5	1.8	13.4	6.6	1.3	3.6	1.7
% of Dom vols	14.0	10.4	10.2	9.6	9.4	9.5	9.3	9.0
UVS (Ertiga, Compact SUV)	235	245	317	388	648	759	842	934
Growth (%)	-10.9	4.3	29.3	22.4	66.9	17.1	10.9	10.9
% of Dom vols	16.1	18.0	22.4	22.8	35.0	40.5	42.8	45.0
Total Domestic	1,460	1,362	1,414	1,707	1,852	1,873	1,969	2,074
Growth (%)	-16.7	-6.7	3.8	20.7	8.5	1.1	5.1	5.3
% of Total vols	93.5	93.4	85.6	86.8	86.7	85.3	83.2	81.5
Exports	102	96	238	259	283	323	396	471
Growth (%)	-6	-6	148	9	9	14	22	19
% of Total vols	7	7	14	13	13	15	17	19
Total Volumes	1,563	1,458	1,652	1,966	2,135	2,197	2,365	2,544
Growth (%)	-16.1	-6.7	13.3	19.0	8.6	2.9	7.7	7.6
ASP (INR 000/unit)	484	482	534	598	660	684	709	737
Growth (%)	4.8	-0.3	10.8	11.9	10.4	3.6	3.8	3.9
Net Sales (INR b)	756	703	883	1,175	1,409	1,502	1,678	1,875
Growth (%)	-12	-7	26	33	20	7	12	12

Source: MOFSL, Company

Financials and valuations

Standalone Income Statement							(INR Million)		
Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E	
Net Op Income	7,56,106	7,03,325	8,82,956	11,75,229	14,09,326	15,01,655	16,77,642	18,75,284	
Change (%)	-12.1	-7.0	25.5	33.1	19.9	6.6	11.7	11.8	
EBITDA	73,026	53,453	57,012	1,10,077	1,64,011	1,80,257	1,97,464	2,25,084	
EBITDA Margins (%)	9.7	7.6	6.5	9.4	11.6	12.0	11.8	12.0	
Depreciation	35,257	30,315	27,865	28,233	30,223	31,050	32,106	35,658	
EBIT	37,769	23,138	29,147	81,844	1,33,788	1,49,207	1,65,358	1,89,426	
EBIT Margins (%)	5.0	3.3	3.3	7.0	9.5	9.9	9.9	10.1	
Interest	1,329	1,008	1,259	1,866	1,932	1,900	1,450	1,420	
Other Income	34,208	29,464	17,935	21,613	38,548	43,924	48,084	49,211	
EO Expense	0	0	0	0	0	8,376	0	0	
PBT	70,648	51,594	45,823	1,01,591	1,70,404	1,82,855	2,11,992	2,37,217	
Effective tax Rate (%)	20.0	18.0	17.8	20.8	22.5	24.0	24.0	24.0	
PAT	56,506	42,297	37,663	80,492	1,32,094	1,38,970	1,61,114	1,80,285	
Adj. PAT	56,506	42,297	37,663	80,492	1,32,094	1,45,336	1,61,114	1,80,285	
Change (%)	-23.2	-25.1	-11.0	113.7	64.1	10.0	10.9	11.9	

Standalone Balance Sheet						(INR m)		
Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sources of Funds								
Share Capital	1,510	1,510	1,510	1,510	1,572	1,572	1,572	1,572
Reserves	4,82,860	5,12,158	5,39,350	6,02,310	8,38,248	9,37,918	10,53,444	11,81,853
Net Worth	4,84,370	5,13,668	5,40,860	6,03,820	8,39,820	9,39,490	10,55,016	11,83,425
Loans	1,063	4,888	3,819	12,158	331	331	331	331
Deferred Tax Liability	5,984	3,847	-2,027	-3,411	-1,124	-1,124	-1,124	-1,124
Capital Employed	4,91,417	5,22,403	5,42,652	6,12,567	8,39,027	9,38,697	10,54,223	11,82,632
Application of Funds								
Gross Fixed Assets	2,97,260	3,14,553	3,24,892	3,89,704	4,22,982	5,38,321	6,08,321	6,88,321
Less: Depreciation	1,40,157	1,64,983	1,87,719	2,11,655	2,38,029	2,69,079	3,01,185	3,36,843
Net Fixed Assets	1,57,103	1,49,570	1,37,173	1,78,049	1,84,953	2,69,242	3,07,136	3,51,478
Capital WIP	14,083	14,898	29,294	28,970	65,339	30,000	40,000	40,000
Investments	3,64,676	4,17,867	4,07,633	4,77,564	6,85,137	7,20,137	7,80,137	8,60,137
Curr.Assets, Loans	84,390	1,12,943	1,52,387	1,38,064	1,60,856	1,93,057	2,22,344	2,50,461
Inventory	32,149	30,500	35,331	42,838	41,196	61,712	68,944	77,066
Sundry Debtors	21,270	12,766	20,301	32,958	46,013	41,141	45,963	51,378
Cash & Bank Balances	211	30,364	30,362	377	4,600	21,157	30,144	35,488
Loans & Advances	5,246	6,642	307	299	328	328	328	328
Others	25,514	32,671	66,086	61,592	68,719	68,719	76,965	86,201
Current Liab & Prov.	1,28,835	1,72,875	1,83,835	2,10,080	2,57,258	2,73,739	2,95,394	3,19,444
Sundry Creditors	74,941	1,01,617	97,610	1,17,804	1,45,824	1,64,565	1,83,851	2,05,511
Others	44,889	60,252	71,104	75,939	91,329	91,329	91,329	91,329
Provisions	9,005	11,006	15,121	16,337	20,105	17,845	20,214	22,604
Net Current Assets	-44,445	-59,932	-31,448	-72,016	-96,402	-80,682	-73,050	-68,983
Appl. of Funds	4,91,417	5,22,403	5,42,652	6,12,567	8,39,027	9,38,697	10,54,223	11,82,632

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
Basic (INR)								
Adjusted EPS	187.1	140.0	124.7	266.5	420.1	462.3	512.4	573.4
Cash EPS	303.8	240.4	216.9	359.9	516.3	561.0	614.6	686.8
Book Value per Share	1,603	1,700	1,790	1,999	2,671	2,988	3,356	3,764
DPS	60.0	45.0	60.0	90.0	125.0	145.0	165.0	165.0
Div. payout (%)	32.1	32.1	48.1	33.8	29.8	31.4	32.2	28.8
Valuation (x)								
P/E	64.8	86.6	97.2	45.5	28.9	26.2	23.7	21.1
Cash P/E	39.9	50.4	55.9	33.7	23.5	21.6	19.7	17.7
EV/EBITDA	45.2	60.2	56.6	29.0	19.0	17.0	15.2	13.0
EV/Sales	4.6	4.8	3.9	2.8	2.3	2.1	1.9	1.6
P/BV	7.6	7.1	6.8	6.1	4.5	4.1	3.6	3.2
Dividend Yield (%)	0.5	0.4	0.5	0.7	1.0	1.2	1.4	1.4
FCF Yield (%)	0.0	1.7	-0.4	0.8	2.2	1.3	1.8	2.3
Profitability Ratios (%)								
RoIC	26.5	18.9	26.8	54.2	73.1	65.4	56.9	54.2
RoE	11.7	8.2	7.0	13.3	15.7	14.8	15.3	15.2
RoCE	14.6	10.1	8.7	16.9	20.5	20.6	20.2	20.2
Turnover Ratios								
Debtors (Days)	11	7	9	11	12	10	10	10
Inventory (Days)	17	17	16	15	12	17	17	17
Creditors (Days)	51	73	54	50	53	56	56	56
Work. Cap. (Days)	-23	-49	-29	-24	-28	-29	-29	-29
Asset Turnover (x)	1.5	1.3	1.6	1.9	1.7	1.6	1.6	1.6
Leverage Ratio								
Net Debt/Equity (x)	-0.7	-0.8	-0.8	-0.7	-0.6	-0.4	-0.5	-0.5

Standalone Cash Flow Statement

Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
(INR m)								
Profit before Tax	70,948	51,594	45,823	1,01,591	1,70,404	1,82,855	2,11,992	2,37,217
Interest	1,329	1,008	1,259	1,866	1,932	1,900	1,450	1,420
Depreciation	35,257	30,315	27,865	28,233	30,223	31,050	32,106	35,658
Direct Taxes Paid	-14,357	-10,107	-11,769	-22,313	-35,557	-43,885	-50,878	-56,932
(Inc)/Dec in WC	-25,659	43,352	-28,098	3,787	22,777	837	1,355	1,277
Other Items	-33,467	-27,774	-17,168	-20,884	-38,109	-43,924	-48,084	-49,211
CF from Oper. Activity	34,051	88,388	17,912	92,280	1,51,670	1,28,833	1,47,941	1,69,428
(Inc)/Dec in FA	-33,990	-23,279	-33,227	-62,474	-69,637	-80,000	-80,000	-80,000
Free Cash Flow	61	65,109	-15,315	29,806	82,033	48,833	67,941	89,428
(Pur)/Sale of Invest.	29,351	-49,560	31,337	-17,708	-37,191	8,924	-11,916	-30,789
CF from Inv. Activity	-4,639	-72,839	-1,890	-80,182	-1,06,828	-71,076	-91,916	-1,10,789
Change in Networth	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	-524	3,723	-1,140	7,895	-11,960	0	0	0
Interest Paid	-1,342	-1,006	-1,291	-1,854	-1,472	-1,900	-1,450	-1,420
Dividends Paid	-29,134	-18,125	-13,594	-18,125	-27,187	-39,300	-45,588	-51,876
CF from Fin. Activity	-31,000	-15,408	-16,025	-12,084	-40,619	-41,200	-47,038	-53,296
Inc/(Dec) in Cash	-1,588	141	-3	14	4,223	16,557	8,987	5,344
Add: Op. Balance	1,770	182	323	320	334	4,557	21,114	30,101
Closing Balance	182	323	320	334	4,557	21,114	30,101	35,445

E: MOFSL Estimates

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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

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