RATING BUY | CMP INR 3,128 | TP INR 3,860

Mahindra & Mahindra (MM IN)

Q2FY27 Result Update

November 06, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	BUY		BUY	
Target Price	3,860		3,750	
Sales (INR mn)	1,885,349	2,045,193	1,867,455	2,037,938
% Chng.	*1.0*	*0.4*		
EBITDA (INR mn)	246,670	278,832	237,209	284,339
% Chng.	*4.0*	*(1.9)*		
EPS (INR)	155.5	174.5	145.7	173.3
% Chng.	*6.7*	*0.7*		

Key Data	MAHM.BO | MM IN
BSE Code	500520
NSE Code	M&M
52-W High / Low	INR 3,840 / INR 2,743
Face Value	5
Sensex / Nifty	79,310 / 24,537
Market Cap	INR 3,889 bn / $ 41,166 mn
Shares Outstanding	1243.53 mn
3M Avg. Daily Value	INR 7,090.27 mn

Shareholding Pattern (%)

Promoters	18.39
FIIs	33.35
Mutual Funds	19
Domestic Institutions	15.24
Public & Others	13.95
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	9.4	(9.5)	(2.6)	(12.7)
Relative	(0.1)	(10.3)	(5.4)	(8.1)

Key Financials - Standalone

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	1,455,758	1,711,544	1,885,349	2,045,193
EBITDA (INR mn)	209,775	211,352	246,670	278,832
Margin (%)	*14.4*	*12.3*	*13.1*	*13.6*
PAT (INR mn)	157,371	163,591	186,952	209,816
EV (INR mn)	3,512,095	3,478,606	3,461,072	3,431,837
Total Debt (INR mn)	16,535	13,535	13,035	12,535
C&C Eq. (INR mn)	184,799	215,288	232,322	261,057
EPS (INR)	130.9	136.1	155.5	174.5
Gr. (%)	*32.6*	*4.0*	*14.3*	*12.2*
DPS (INR)	33.0	26.0	26.0	26.0
Yield (%)	*1.1*	*0.8*	*0.8*	*0.8*
RoE (%)	*23.2*	*20.2*	*19.6*	*18.7*
RoCE (%)	*24.0*	*20.2*	*20.2*	*19.5*
EV/Sales (x)	2.4	2.0	1.8	1.7
EV/EBITDA (x)	16.7	16.5	14.0	12.3
PE (x)	23.9	23.0	20.1	17.9
P/BV (x)	5.1	4.3	3.6	3.1

Resilient Quarter, Farm Tilling Through a Soft Patch

Quick Pointers

- **FY27 guidance revision: tractor industry down to flattish (vs mid-single digits), MM's LCV upwards to double-digits (from high single digits)**
- **Auto consol margins are expected to be strong**

MM's Q2FY27 standalone operating revenue marginally beat estimates, while farm margins were weaker than expected. Expected softening of some RM, calibrated price increases, cost reductions and operating leverage are expected to improve overall margins in the near term. Core tractor margin is expected to be under pressure in Q3FY27, improve in Q4, normalize in FY28, whereas consol farm margins will be cushioned by international business restructuring benefits, pricing and accelerated exports. FY27 volume guidance for its SUVs was maintained at mid-to-high teens. All of its businesses, including the Growth Gems are also on track to scale up and deliver market leading returns. We estimate volume/realization CAGR of 7.4%/4.3% over FY26-29E, translating into revenue/EBITDA/APAT CAGR of 12.0%/10.0%/10.1%. We reiterate 'BUY' rating with TP of INR3,860 (previous INR3,750), valuing the core business at 22x P/E on Sep'28E standalone EPS, and its share of subsidiaries' value.

Gross margin contracts 360bps YoY to 20.8%: Standalone op revenue of INR424.8bn (+27.1% YoY, +1.3% QoQ) beat BBGe/PLe by +2.7%/+1.1%. Realization was INR942.2k (+9.3% YoY, +5.2% QoQ). EBITDA margin at 11.7% (-290bps YoY, -50bps QoQ) missed BBGe/PLe by -40bps/-25bps. EBITDA was INR49.5bn (+1.8% YoY, -3.2% QoQ), missed BBGe/PLe by -1% each. Adj PAT was INR51.0bn (+12.9% YoY, +38.4% QoQ) beat BBGe/PLe by +12.6%/+10.2%, driven by higher other income. H1FY27 (YoY): standalone op. revenue was INR844.0bn (+25.0%); gross margin at 21.4% (-275bps); EBITDA margin of 11.9% (-250bps) and Adj PAT was INR87.9bn (+10.2%).

Q2 SUV revenue leadership maintained (24.3% market share; -110bps YoY, -30bps QoQ): eSUV revenue market share at 30.1% (#2 player). Standalone Auto PBIT margin stood at 7.7% (excluding eSUV CMA it was 9.1%; -120bps YoY, +80bps QoQ) despite inflationary pressures. MM maintained its leadership in LCV <3.5T (52.3% market share; -90bps YoY, -50bps QoQ), and e3W (36.2% market share). Leadership was also maintained in Farm (41.5% market share; -150bps YoY). Farm standalone PBIT margin stood at 16.8% (-300bps YoY) while core tractor PBIT margin was 17.6%.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	4,20,056	4,24,774	*1.1*	3,34,216	*27.1*
EBITDA (INR mn)	49,987	49,494	*(1.0)*	48,615	*1.8*
Margin (%)	*11.9*	*11.7*	*(20) bps*	*14.5*	*(280) bps*
PAT (INR mn)	46,291	51,016	*10.2*	45,205	*12.9*

Source: Company, PL

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Capacity expansion plans intact and on track: Capacity at FY26-end stood at 56.5k/8k units of ICEs/BEVs p.m. At the end of H1FY27, capacity expanded to 60k/8k units p.m., which should further increase to 70k/12k units of ICE/BEV by H2FY27 exit. Another 10k units p.m. from NU_IQ platform at Chakan should take total FY28 exit capacity to 92k units. Beyond this, the Nagpur Greenfield plant should add 20k units p.m. each by H1FY30 and H1FY31 to take total capacity to 132k units (~2x over FY26-end).

Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	4,19,197	23.0	4,24,774	27.1	4,36,663	13.4	4,30,910	8.9
EBITDA	51,105	4.6	49,494	1.8	54,583	-3.7	56,170	0.9
EBITDA Margin (%)	*12.2*	*-214 bps*	*11.7*	*-289 bps*	*12.5*	*-221 bps*	*13.0*	*-103 bps*
Adj. PAT	36,850	6.8	51,016	12.9	40,864	2.0	37,836	1.2

Source: Company, PL

Exhibit 2: Q2FY27 Result Overview

Y/e March (INR mn)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	Var (%)	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY (%)	FY27E	FY26	YoY (%)
Net Revenues	**4,24,774**	**3,34,216**	***27.1***	**4,20,056**	***1.1***	**4,19,197**	***1.3***	**8,43,972**	**6,75,048**	***25.0***	**17,36,067**	**14,55,758**	***19.3***
Raw Materials	3,36,440	2,52,786	*33.1*	3,29,324	*2.2*	3,26,943	*2.9*	6,63,383	5,11,993	*29.6*	13,36,716	11,07,660	*20.7*
Gross margin (%)	20.8	24.4	*-357 bps*	21.6	*-80 bps*	22.0	*-121 bps*	21.4	24.2	*-276 bps*	23.0	23.9	*-91 bps*
Personnel	14,123	12,984	*8.8*	14,282	*(1.1)*	14,062	*0.4*	28,186	26,000	*8.4*	58,535	52,903	*10.6*
% of Net Sales	*3.3*	*3.9*	*-56 bps*	*3.4*	*-8 bps*	*3.4*	*-3 bps*	*3.3*	*3.9*	*-51 bps*	*3.4*	*3.6*	*-26 bps*
Mfg & Other Exp	24,717	19,832	*24.6*	26,464	*(6.6)*	27,087	*(8.7)*	51,804	39,600	*30.8*	1,04,941	85,420	*22.9*
% of Net Sales	*5.8*	*5.9*	*-11 bps*	*6.3*	*-48 bps*	*6.5*	*-64 bps*	*6.1*	*5.9*	*27 bps*	*6.0*	*5.9*	*18 bps*
Total Expenditure	3,75,280	2,85,601	*31.4*	3,70,069	*1.4*	3,68,092	*2.0*	7,43,372	5,77,593	*28.7*	15,00,192	12,45,983	*20.4*
EBITDA	**49,494**	**48,615**	***1.8***	**49,987**	***(1.0)***	**51,105**	***(3.2)***	**1,00,599**	**97,455**	***3.2***	**2,35,875**	**2,09,775**	***12.4***
EBITDA Margin (%)	*11.7*	*14.5*	*-289 bps*	*11.9*	*-25 bps*	*12.2*	*-54 bps*	*11.9*	*14.4*	*-252 bps*	*13.6*	*14.4*	*-82 bps*
Depreciation	10,744	10,406	*3.2*	10,954	*(1.9)*	10,503	*2.3*	21,248	20,405	*4.1*	44,879	42,927	*4.5*
EBIT	**38,750**	**38,209**	***1.4***	**39,033**	***(0.7)***	**40,602**	***(4.6)***	**79,352**	**77,050**	***3.0***	**1,90,996**	**1,66,848**	***14.5***
Interest Expenses	667	590	*13.1*	562	*18.7*	997	*(33.1)*	1,665	1,149	*44.9*	2,631	2,496	*5.4*
Non-operating income	28,296	23,076	*22.6*	22,923	*23.4*	8,154	*247.0*	36,450	29,506	*23.5*	50,530	42,872	*17.9*
Extraordinary loss	0	0		0		0		0	0		0	-982	*(100.0)*
PBT	**66,379**	**60,695**	***9.4***	**61,394**	***8.1***	**47,759**	***39.0***	**1,14,138**	**1,05,407**	***8.3***	**2,38,895**	**2,06,242**	***15.8***
Tax-Total	15,363	15,489	*(0.8)*	15,103	*1.7*	10,909	*40.8*	26,272	25,703	*2.2*	50,592	49,853	*1.5*
Tax Rate (%) - Total	*23.1*	*25.5*	*-238 bps*	*24.6*	*-146 bps*	*22.8*	*30 bps*	*23.0*	*24.4*	*-137 bps*	*21.2*	*24.2*	*-299 bps*
Reported PAT	**51,016**	**45,205**	***12.9***	**46,291**	***10.2***	**36,850**	***38.4***	**87,866**	**79,704**	***10.2***	**1,88,304**	**1,56,389**	***20.4***
Adj. PAT	**51,016**	**45,205**	***12.9***	**46,291**	***10.2***	**36,850**	***38.4***	**87,866**	**79,704**	***10.2***	**1,88,304**	**1,57,134**	***19.8***
PAT Margin (%)	*12.0*	*13.5*	*-152 bps*	*11.0*	*99 bps*	*8.8*	*322 bps*	*10.4*	*11.8*	*-140 bps*	*10.8*	*10.7*	*10 bps*
APAT margin (%)	*12.0*	*13.5*	*-152 bps*	*11.0*	*99 bps*	*8.8*	*322 bps*	*10.4*	*11.8*	*-140 bps*	*10.8*	*10.8*	*5 bps*

Source: Company, PL

Exhibit 3: Operating Metrics

Y/e March (INR)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	Var (%)	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY (%)	FY27E	FY26	YoY (%)
Sales Volume (nos)	4,50,825	3,87,858	16.2	4,50,825	-	4,67,900	(3.6)	9,18,725	7,74,122	18.7	18,38,958	16,60,733	10.7
Blended Realisation/Vehicle	9,42,215	8,61,697	9.3	9,31,749	1.1	8,95,912	5.2	9,18,634	8,72,018	5.3	9,44,049	8,76,575	7.7
Material cost / vehicle	7,46,276	6,51,748	14.5	7,30,491	2.2	6,98,745	6.8	7,22,069	6,61,385	9.2	7,26,887	6,66,970	9.0
Gross Profit / vehicle	1,95,939	2,09,949	(6.7)	2,01,258	(2.6)	1,97,167	(0.6)	1,96,565	2,10,633	(6.7)	2,17,162	2,09,605	3.6
Employee cost /vehicle	31,328	33,475	(6.4)	31,679	(1.1)	30,054	4.2	30,679	33,587	(8.7)	31,830	31,855	(0.1)
Other expenses / vehicle	54,827	51,131	7.2	58,700	(6.6)	57,890	(5.3)	56,387	51,155	10.2	57,066	51,435	10.9
EBITDA/vehicle	1,09,785	1,25,343	(12.4)	1,10,878	(1.0)	1,09,223	0.5	1,09,499	1,25,891	(13.0)	1,28,266	1,26,314	1.5
Net Profit/vehicle	1,13,162	1,16,551	(2.9)	1,02,680	10.2	78,756	43.7	95,639	1,02,960	(7.1)	1,02,397	94,617	8.2

Source: Company, PL

Conference Call Highlights

Auto segment

- Segment faced headwinds from RM inflation and supply chain constraints, mitigated by calibrated price increases (+5% from Jan'26-Jul'26), hedging, improving product mix, and diversifying the supplier base.
- Growth will be driven by capacity enhancements, increasing exports and strengthening of the portfolio.
- Five new launches are planned by June'27-end: a new SUV on the NU_IQ platform, a new BEV, Lifestyler (already announced), 1 SUV refresh, and a new LCV.
- Sub 4-meter vehicles already account for 40-45% of MM's portfolio, a segment where it has a strong presence. The new SUV will be positioned as an aspirational product so not expected to have margin impact.
- EV penetration in Q2 stood at ~12.7% vs industry penetration at ~11.0%. Recent industry trends suggest a shift from petrol to EVs, CNG and even to diesel vehicles.
- Physical stocks at dealers are currently at very low levels as robust demand has been outpacing capacity. 9S and 7XO have a 5-7 months waiting period, while other models have 1.5-2 months waiting.
- LCVs are also capacity constrained which should hopefully double from current levels by FY29. Its e-LCV penetration is around 45-50%

Farm segment

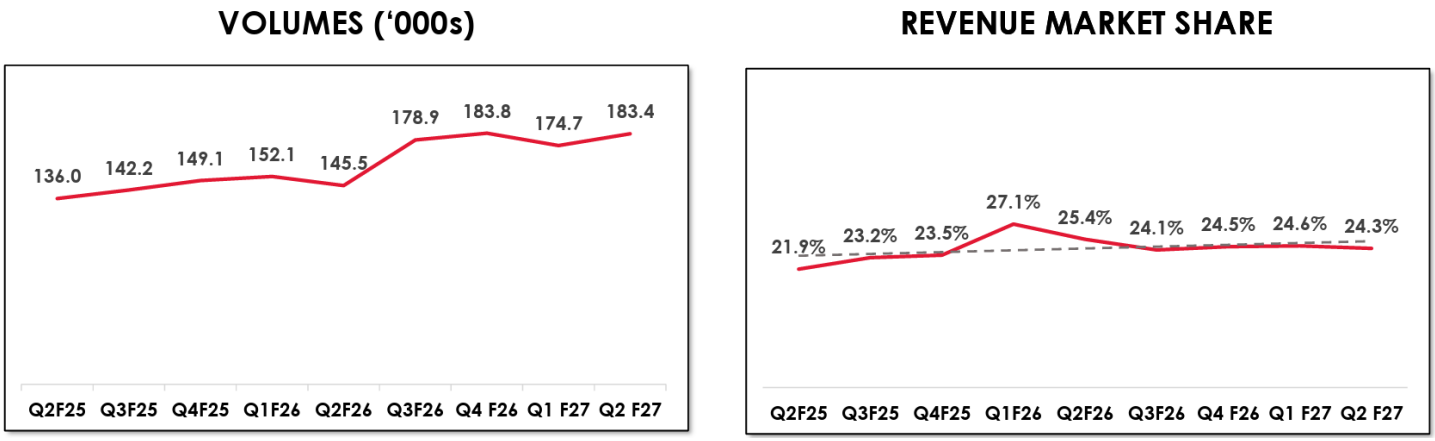
- Segment was impacted in Q2 from commodity inflation, monsoon deficit, and lower international demand. Price increase (+4% from Apr'26-Aug'26), accelerating exports and exits in less profitable international businesses (expecting exit from MAM Japan as well by Q4FY27) was undertaken.
- Guidance lowering was driven by adverse impact in key tractor markets of Maharashtra (where subsidies also went away compared to last year) and Karnataka. However, large Northern markets like UP, Rajasthan and Haryana are holding up relatively better.
- Low reservoir levels might impact kharif yield even though sowing acreage was not that bad. Also, rabi sowing is a bit delayed this time.
- Inventory levels are better vs previous downcycles. Some inventory corrections will need to happen in Q4.
- Farm volumes are expected to be impacted in Q4FY27 on a YoY basis due to Navratri being in April next year vs in March in 2026. This should help mitigate the spillover of weak sentiments into Q1FY28.

- Probability of normal monsoon next year is quite high which should improve rural sentiments in FY28 overall.
- The share of agri income in rural households has dropped from 40-50% a decade ago to 25-30% now, making them less dependent on just farm income. Also mechanization level is increasing due to higher labour costs in those areas.
- MM is beginning to gain share in the Harvester segment, which was historically a weak and underpenetrated segment for it, but has now become a focus area.

Other highlights:

- RoE in H1FY27 was 21.0% (annualized), with the management still aiming ~18% in the medium term.
- The management expects steel, base metals, and rubber prices to go up slightly in Q3FY27, while precious metals and oil prices are expected to soften. Most RMs are anticipated to soften in FY28.
- PLI incentive in Q2 was ~INR10bn.
- EV profit per vehicle is already close to ICE levels and will reach parity as investments begin to pay off. Scaling up volumes to spread depreciation over a larger base, getting better rates from suppliers on committing higher volume with confidence, pricing power and localization will be key drivers to support margins without PLI benefits. However, improving margins will take longer vs what ICE took because of much higher ASP of EVs
- As EVs become more mainstream, they will have better pricing power. Pricing power and operating leverage will protect margins as PLI eventually phases out.

Exhibit 4: SUV market share has been robust



Source: Company, PL

Exhibit 5: Auto revenue (in INR Cr) and margins

	Auto (SUV &LCV)[1]			BEV (eSUV)[2]		Others[3]		Auto Conso		
	Q2 F27	Q2 F26	Q1 F27	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q1 F27
Revenue	26,881	20,909	25,167	6,831	3,599	5,385	3,990	37,756#	27,171#	34,387#
PBIT	2,621	2,306	2,243	624	279	75	-47	3,319	2,538	2,645
PBIT%	9.8%	11.0%	8.9%	9.1%	7.7%	1.4%	-1.2%	8.8%	9.3%	7.7%

Source: Company, PL

Exhibit 6: Farm segment margins resilient amid RM hyper-inflation. (in INR Cr)

	Core Tractor[1]			International Subsidiaries[2]		Others[3]		Farm Conso		
	Q2 F27	Q2 F26	Q1 F27	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q1 F27
Revenue	7,652	7,645	9,964	1,259	2,003	1,899	1,713	9,572#	10,225#	12,501#
PBIT	1,345	1,574	1,917	-130	-164	161	197	1,376	1,608	1,781
PBIT%	17.6%	20.6%	19.2%	-10.3%	-8.2%	8.5%	11.5%	14.4%	15.7%	14.2%

Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**1,455,758**	**1,711,544**	**1,885,349**	**2,045,193**
YoY gr. (%)	*25.0*	*17.6*	*10.2*	*8.5*
Cost of Goods Sold	1,107,660	1,336,716	1,457,375	1,570,708
Gross Profit	348,098	374,828	427,974	474,485
Margin (%)	*23.9*	*21.9*	*22.7*	*23.2*
Employee Cost	52,903	58,535	64,102	69,537
Other Expenses	85,420	104,941	117,202	126,116
EBITDA	**209,775**	**211,352**	**246,670**	**278,832**
YoY gr. (%)	*22.5*	*0.8*	*16.7*	*13.0*
Margin (%)	*14.4*	*12.3*	*13.1*	*13.6*
Depreciation and Amortization	42,927	45,127	51,562	57,901
EBIT	**166,848**	**166,226**	**195,109**	**220,931**
Margin (%)	*11.5*	*9.7*	*10.3*	*10.8*
Net Interest	2,496	2,631	2,391	2,301
Other Income	42,872	50,530	53,272	57,443
Profit Before Tax	**206,242**	**214,125**	**245,989**	**276,073**
Margin (%)	*14.2*	*12.5*	*13.0*	*13.5*
Total Tax	49,853	50,533	59,037	66,258
Effective Tax Rate (%)	*24.2*	*23.6*	*24.0*	*24.0*
Profit After Tax	**156,389**	**163,591**	**186,952**	**209,816**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**157,371**	**163,591**	**186,952**	**209,816**
YoY gr. (%)	*32.7*	*4.0*	*14.3*	*12.2*
Margin (%)	*10.8*	*9.6*	*9.9*	*10.3*
Extra Ord. Income / (Exp)	(982)	-	-	-
Reported PAT	**156,389**	**163,591**	**186,952**	**209,816**
YoY gr. (%)	*31.9*	*4.6*	*14.3*	*12.2*
Margin (%)	*10.7*	*9.6*	*9.9*	*10.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	156,389	163,591	186,952	209,816
Equity Shares O/s (mn)	**1,202**	**1,202**	**1,202**	**1,202**
EPS (INR)	**130.9**	**136.1**	**155.5**	**174.5**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**425,824**	**485,824**	**555,824**	**625,824**
Tangibles	425,824	485,824	555,824	625,824
Intangibles	-	-	-	-
Acc: Dep / Amortization	**228,940**	**274,067**	**325,628**	**383,529**
Tangibles	228,940	274,067	325,628	383,529
Intangibles	-	-	-	-
Net Fixed Assets	**196,884**	**211,757**	**230,196**	**242,295**
Tangibles	196,884	211,757	230,196	242,295
Intangibles	-	-	-	-
Capital Work In Progress	53,077	73,077	88,077	103,077
Goodwill	-	-	-	-
Non-Current Investments	344,708	405,157	476,486	560,655
Net Deferred Tax Assets	(14,510)	(15,236)	(15,998)	(16,797)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	79,021	79,021	79,021	79,021
Inventories	103,059	135,986	149,795	162,495
Trade Receivables	64,858	84,405	92,976	100,859
Cash & Bank Balance	184,799	215,288	232,322	261,057
Other Current Assets	60,527	90,790	104,409	120,070
Total Assets	**1,206,027**	**1,390,757**	**1,562,849**	**1,755,531**
Equity				
Equity Share Capital	6,010	6,010	6,010	6,010
Other Equity	737,241	869,579	1,025,278	1,203,841
Total Networth	**743,252**	**875,590**	**1,031,289**	**1,209,851**
Non-Current Liabilities				
Long Term Borrowings	9,383	10,883	10,183	9,483
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	7,152	2,652	2,852	3,052
Trade Payables	294,999	346,998	377,070	403,435
Other Current Liabilities	136,731	139,398	125,459	112,913
Total Equity & Liabilities	**1,206,027**	**1,390,757**	**1,562,849**	**1,755,531**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	206,242	214,125	245,989	276,073
Add. Depreciation	42,927	45,127	51,562	57,901
Add. Interest	2,496	2,631	2,391	2,301
Less Financial Other Income	42,872	50,530	53,272	57,443
Add. Other	(41,890)	(50,530)	(53,272)	(57,443)
Op. Profit before WC Changes	209,775	211,352	246,670	278,832
Net Changes-WC	11,084	(4,253)	(34,158)	(38,859)
Direct Tax	(51,971)	(49,808)	(58,276)	(65,458)
Net Cash from Op. Activities	**168,887**	**157,291**	**154,236**	**174,515**
Capital Expenditures	(102,116)	(140,449)	(156,330)	(169,169)
Interest / Dividend Income	-	-	-	-
Others	41,890	50,530	53,272	57,443
Net Cash from Invt. Activities	**(60,226)**	**(89,919)**	**(103,058)**	**(111,726)**
Issue of Share Cap. / Premium	10,679	-	-	-
Debt Changes	(283)	(3,000)	(500)	(500)
Dividend Paid	(39,667)	(31,253)	(31,253)	(31,253)
Interest Paid	(2,496)	(2,631)	(2,391)	(2,301)
Others	-	-	-	-
Net Cash from Fin. Activities	**(31,768)**	**(36,884)**	**(34,144)**	**(34,054)**
Net Change in Cash	**76,894**	**30,489**	**17,034**	**28,735**
Free Cash Flow	111,558	77,291	69,236	89,515

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**385,168**	**395,541**	**419,197**	**424,774**
YoY gr. (%)	*26.1*	*26.2*	*23.0*	*27.1*
Raw Material Expenses	293,455	302,213	326,943	336,440
Gross Profit	91,714	93,329	92,255	88,334
Margin (%)	*23.8*	*23.6*	*22.0*	*20.8*
EBITDA	**56,676**	**55,644**	**51,105**	**49,494**
YoY gr. (%)	*26.8*	*18.8*	*4.6*	*1.8*
Margin (%)	*14.7*	*14.1*	*12.2*	*11.7*
Depreciation / Depletion	10,516	12,006	10,503	10,744
EBIT	**46,160**	**43,638**	**40,602**	**38,750**
Margin (%)	*12.0*	*11.0*	*9.7*	*9.1*
Net Interest	632	715	997	667
Other Income	7,476	5,890	8,154	28,296
Profit before Tax	**52,023**	**48,812**	**47,759**	**66,379**
Margin (%)	*13.5*	*12.3*	*11.4*	*15.6*
Total Tax	12,710	11,440	10,909	15,363
Effective Tax Rate (%)	*24.4*	*23.4*	*22.8*	*23.1*
Profit After Tax	**39,313**	**37,373**	**36,850**	**51,016**
Minority Interest	-	-	-	-
Share Profit from Associate	-	-	-	-
Adjusted PAT	**40,055**	**37,373**	**36,850**	**51,016**
YoY gr. (%)	*35.1*	*53.3*	*6.8*	*12.9*
Margin (%)	*10.4*	*9.4*	*8.8*	*12.0*
Extra Ord. Income / (Exp)	(742)	-	-	-
Reported PAT	**39,313**	**37,373**	**36,850**	**51,016**
YoY gr. (%)	*32.6*	*53.3*	*6.8*	*12.9*
Margin (%)	*10.2*	*9.4*	*8.8*	*12.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**39,313**	**37,373**	**36,850**	**51,016**
Avg. Shares O/s (mn)	1,202	1,202	1,202	1,202
EPS (INR)	**33.3**	**31.1**	**30.7**	**42.4**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	130.9	136.1	155.5	174.5
CEPS	166.6	173.6	198.4	222.7
BVPS	618.3	728.4	857.9	1,006.5
FCF	92.8	64.3	57.6	74.5
DPS	33.0	26.0	26.0	26.0
Return Ratio (%)				
RoCE	24.0	20.2	20.2	19.5
ROIC	29.3	24.0	22.6	21.2
RoE	23.2	20.2	19.6	18.7
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	(32)	(27)	(26)	(25)
Valuation (x)				
PER	23.9	23.0	20.1	17.9
P/B	5.1	4.3	3.6	3.1
P/CEPS	18.8	18.0	15.8	14.0
EV/EBITDA	16.7	16.5	14.0	12.3
EV/Sales	2.4	2.0	1.8	1.7
Dividend Yield (%)	1.1	0.8	0.8	0.8
FCFF Yield (%)	3.0	2.1	1.8	2.4
PEG Ratio	0.7	5.8	1.4	1.5

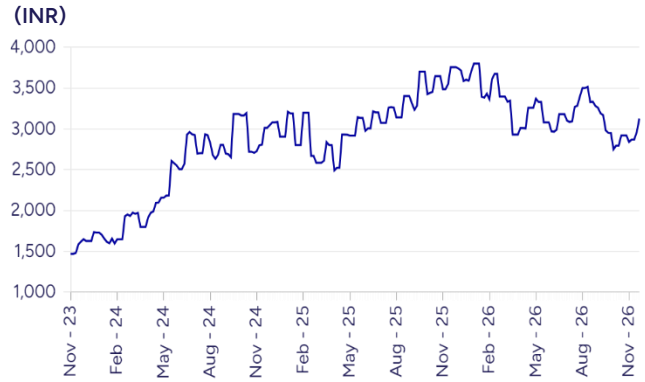
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Tractor Volumes	526,403	525,921	531,855	548,280
Auto volumes	1,134,330	1,313,038	1,415,938	1,506,326

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	BUY	3750	2800
2	31-Jul-26	BUY	3950	3284
3	08-Jul-26	Buy	3900	3196
4	07-May-26	BUY	3900	3371
5	09-Apr-26	Buy	3850	3210
6	12-Feb-26	Accumulate	4050	3593
7	08-Jan-26	Accumulate	4100	3749
8	06-Nov-25	Accumulate	3950	3581
9	08-Oct-25	Accumulate	3845	3427
10	06-May-25	BUY	3539	3022

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Bajaj Auto	Accumulate	11700	10390
2	Eicher Motors	Accumulate	8000	6960
3	Hero MotoCorp	Accumulate	5850	5105
4	Mahindra & Mahindra	BUY	3750	2800
5	Maruti Suzuki	BUY	13750	11450
6	TVS Motor Company	Accumulate	4650	4240

PL's Recommendation Nomenclature (Absolute Performance)

BUY	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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