ADD

Eicher Motors

In-line Q2 print; strong growth outlook priced in

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Auto & Auto Ancillaries ▸ Result Update ▸ **November 14, 2025**

CMP (Rs): 6,855 | TP (Rs): 6,900

Eicher Motors (EIM) reported an in-line Q2, with revenue up ~45% YoY at Rs60.7bn, driven by robust RE volumes (up 43% YoY/23% QoQ to ~326.4k units) and steady realizations (flat QoQ). EBITDA was up 39% YoY at Rs15.1bn, with margins at 24.5% (vs 23.9% in Q1/25.5% in Q2FY25), while APAT rose 25% YoY to Rs13.7bn. The management is optimistic on growth, with festive retails (Sep-Oct '25) up 45% YoY, expected to sustain in H2 with GST-led demand tailwinds and a strong rural pickup. The 350cc portfolio continues to be the key growth engine, aided by healthy online conversions and product refreshes, while the 450/650cc portfolio saw a dip after 22-Sep; however, the 650cc portfolio is seeing relatively better signs of recovery. Capacity utilization remains high (now ~1.2mn units), with debottlenecking and new module addition expected to raise capacity to >1.35mn units. While near-term growth visibility is strong (we build in 19% FY26E remainder volume run-rate, 9%/5% in FY27E/28E, with FY27E/28E EBITDAM of 25%), we believe current valuations at 29x Sep-27E PER are rich (refer to our thematic Yet another mega shift in motion, Ather – The Frontrunner). We retain ADD and TP of Rs6,900.

Overall in-line results with strong topline growth

Revenue grew ~45% YoY to Rs60.7bn (largely in-line with estimates). RE volume was up 43% YoY/23% QoQ at ~326.4k units; realization was flattish QoQ at Rs189k/unit. Consol EBITDA came in at Rs15.1bn (up 39% YoY) with EBITDAM of 24.5% (vs 23.9% in Q1FY26, 25.5% in Q2FY25). Adjusted PAT stood at Rs13.7bn (up 25% YoY).

Earnings call KTAs

i) Festive momentum, GST benefit, and rural strength drove the retail traction in H1, expected to sustain in H2. Moreover, capacity expansion and debottlenecking will ensure supply keeps pace with the growing demand. The 350cc core portfolio remains the key focus area, while the 450cc/650cc portfolios are expected to recover after the slight dip in demand post 22-Sep. ii) The mgmt highlighted that demand post GST-cut remains buoyant, with strong enquiry/healthy conversions (~29-30% online conversion rates, up ~10ppts YoY). iii) Classic 350 volumes grew 24.5% YoY, aided by marketing campaign initiatives; Meteor 350 was up ~30% YoY, and Hunter 350 (with new color variants) was up 41% YoY. Bullet 350 saw exceptional growth of ~70% YoY, aided by the new 'Battalion Black' variant. iv) Margin impact of ~40bps due to higher precious-metal costs, largely offset by pricing (+50bps) and improved product mix. v) Pricing strategy is stable, with no near-term price hike planned despite strong demand; next review likely on a quarterly basis. vi) Exports up 49% YoY, with retails ahead of wholesales. Brazil, Argentina, LatAm see strong performance; Europe/APAC steady, SAARC (notably Nepal) seeing good growth. RE maintains the #1 position in Nepal and strong rankings in UK, Brazil, Thailand. vii) VECV: H1 volume softer than expected due to extended monsoons, but H2 expected to improve on infra push and GST-led economic recovery. viii) Current plants running close to full capacity (~1.2mn units). Post debottlenecking, effective capacity to log at >1.35mn units, with the new module coming online.

Target Price – 12M	Sep-26
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	0.7

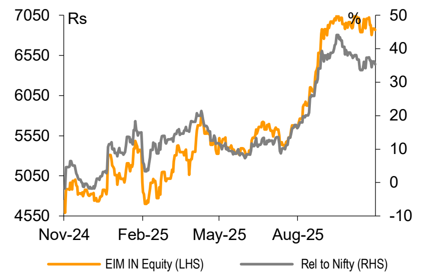
Stock Data	**EIM IN**
52-week High (Rs)	7,124
52-week Low (Rs)	4,536
Shares outstanding (mn)	274.3
Market-cap (Rs bn)	1,880
Market-cap (USD mn)	21,205
Net-debt, FY26E (Rs mn)	(147,498.2)
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	3,515.2
ADTV-3M (USD mn)	39.6
Free float (%)	50.9
Nifty-50	25,879.2
INR/USD	88.7

Shareholding,Sep-25	
Promoters (%)	49.1
FPIs/MFs (%)	27.0/14.7

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	(0.8)	20.0	49.4
Rel. to Nifty	(3.3)	14.1	36.0

1-Year share price trend (Rs)



Eicher Motors: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Revenue	165,358	188,704	235,481	261,506	280,458
EBITDA	43,269	47,120	57,623	65,300	70,032
Adj. PAT	40,010	47,344	56,111	63,626	67,806
Adj. EPS (Rs)	146.1	172.9	204.9	232.4	247.6
EBITDA margin (%)	26.2	25.0	24.5	25.0	25.0
EBITDA growth (%)	25.7	8.9	22.3	13.3	7.2
Adj. EPS growth (%)	37.3	18.3	18.5	13.4	6.6
RoE (%)	24.2	24.1	24.4	23.8	22.1
RoIC (%)	87.5	55.6	54.5	55.4	53.1
P/E (x)	46.9	39.6	33.5	29.5	27.7
EV/EBITDA (x)	40.9	37.5	30.7	27.1	25.3
P/B (x)	10.4	8.8	7.6	6.6	5.7
FCFF yield (%)	1.6	1.7	2.5	3.0	3.4

Source: Company, Emkay Research

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Exhibit 1: RE volumes rose 42% YoY, with domestic market-share rising to 5.2% in Q2FY26; ASPs are flattish YoY (up 1.1%)

Particulars (no of units)	Q2FY26	Q2FY25	Change YoY %	Q1FY26	Change QoQ %
Royal Enfield - Domestic	**292,703**	**206,157**	**42.0**	**228,779**	**27.9**
- RE: <350cc	264,404	182,727	44.7	208,659	26.7
- RE: >350cc	28,299	23,430	20.8	20,120	40.7
Royal Enfield - Exports	**33,672**	**21,715**	**55.1**	**36,749**	**(8.4)**
RE - Total Volumes (units)	**326,375**	**227,872**	**43.2**	**265,528**	**22.9**
ASPs (Rs/unit)	**189,095**	**187,082**	**1.1**	**189,880**	**(0.4)**
Domestic - 2W Market Share (%)	**5.2**	**3.9**	***130 bps***	**4.9**	***36 bps***
Premium (>250cc) motorcycle Market Share (%)	**86.5**	**84.3**	***221 bps***	**87.9**	***(141) bps***

Source: Company, Emkay Research

Exhibit 2: Consolidated result – Revenue 19% higher YoY; reported EBITDA 3% higher YoY; EBITDA margin flattish QoQ

(Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Volume (no of units)	229,280	228,073	227,673	226,021	227,872	272,297	282,823	265,528	326,375	43.2	22.9
ASP (Rs/unit)	179,454	183,224	186,937	194,365	187,082	182,636	185,314	189,880	189,095	1.1	(0.4)
Revenue	**41,145**	**41,788**	**42,560**	**43,931**	**42,631**	**49,731**	**52,411**	**50,418**	**61,716**	**44.8**	**22.4**
Growth YoY (%)	***108.4***	***85.8***	***47.7***	***10.2***	***3.6***	***19.0***	***23.1***	***14.8***	***44.8***		
Expenditure	**30,274**	**30,886**	**31,274**	**32,276**	**31,754**	**37,719**	**39,834**	**38,391**	**46,597**	**46.7**	**21.4**
as a % of sales	*73.6*	*73.9*	*73.5*	*73.5*	*74.5*	*75.8*	*76.0*	*76.1*	*75.5*		
Consumption of RM	22,201	22,579	22,754	23,562	22,824	27,317	29,269	28,126	34,748	52.2	23.5
as a % of sales	*54.0*	*54.0*	*53.5*	*53.6*	*53.5*	*54.9*	*55.8*	*55.8*	*56.3*		
Employee Cost	3,061	3,093	3,276	3,536	3,464	3,420	3,493	3,740	4,179	20.7	11.8
as a % of sales	*7.4*	*7.4*	*7.7*	*8.0*	*8.1*	*6.9*	*6.7*	*7.4*	*6.8*		
Other expenditure	5,012	5,214	5,244	5,178	5,466	6,983	7,073	6,525	7,670	40.3	17.6
as a % of sales	*12.2*	*12.5*	*12.3*	*11.8*	*12.8*	*14.0*	*13.5*	*12.9*	*12.4*		
EBITDA	**10,872**	**10,903**	**11,286**	**11,654**	**10,877**	**12,012**	**12,577**	**12,028**	**15,119**	**39.0**	**25.7**
Growth YoY (%)	***199.5***	***132.0***	***93.8***	***14.2***	***0.1***	***10.2***	***11.4***	***3.2***	***39.0***		
EBITDA margin (%)	***26.4***	***26.1***	***26.5***	***26.5***	***25.5***	***24.2***	***24.0***	***23.9***	***24.5***		
Depreciation	1,425	1,475	1,653	1,686	1,801	1,793	2,014	1,981	1,996	10.8	0.8
EBIT	**9,446**	**9,427**	**9,634**	**9,968**	**9,077**	**10,219**	**10,563**	**10,047**	**13,123**	**44.6**	**30.6**
Other Income	2,738	2,537	3,052	2,820	3,538	2,888	3,804	4,461	3,509	(0.8)	(21.3)
Interest	127	124	153	123	131	134	155	149	192	45.8	28.6
PBT	**12,057**	**11,840**	**12,532**	**12,665**	**12,483**	**12,973**	**14,212**	**14,359**	**16,441**	**31.7**	**14.5**
Minority interest	(1,016)	(1,139)	(1,318)	(1,746)	(1,138)	(1,635)	(2,480)	(1,571)	(1,349)		
Total Tax	2,911	3,019	3,146	3,396	2,617	2,903	3,070	3,878	4,096	56.5	5.6
Adjusted PAT	**10,163**	**9,960**	**10,705**	**11,015**	**11,003**	**11,705**	**13,622**	**12,052**	**13,695**	**24.5**	**13.6**
Growth YoY (%)	***328.6***	***166.9***	***134.7***	***19.9***	***8.3***	***17.5***	***27.3***	***9.4***	***24.5***		
Extraordinary items	-	-	-	-	-	-	-	-	-		
Reported PAT	**10,163**	**9,960**	**10,705**	**11,015**	**11,003**	**11,705**	**13,622**	**12,052**	**13,695**	**24.5**	**13.6**
Adjusted EPS (Rs)	**37.1**	**36.4**	**39.1**	**40.2**	**40.2**	**42.7**	**49.7**	**44.0**	**50.0**	**24.5**	**13.6**
(%)	**Q2FY24**	**Q3FY24**	**Q4FY24**	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	***YoY (bps)***	***QoQ (bps)***
EBITDAM	26.4	26.1	26.5	26.5	25.5	24.2	24.0	23.9	24.5	(102)	64
EBITM	23.0	22.6	22.6	22.7	21.3	20.5	20.2	19.9	21.3	(3)	134
EBTM	29.3	28.3	29.4	28.8	29.3	26.1	27.1	28.5	26.6	(264)	(184)
PATM	24.7	23.8	25.2	25.1	25.8	23.5	26.0	23.9	22.2	(362)	(171)
Effective Tax rate	24.1	25.5	25.1	26.8	21.0	22.4	21.6	27.0	24.9	394	(209)

Source: Company, Emkay Research

Exhibit 3: Actual vs Estimates

(Rs mn)	Actual	Estimated	% Variance	Consensus	% Variance
Net sales	61,716	61,352	0.6	60,819	1.5
EBITDA	15,119	14,786	2.3	15,139	(0.1)
EBITDA margin (%)	*24.5*	*24.1*	40 bps	24.9	(39) bps
Adj net income	13,695	14,249	(3.9)	14,216	(3.7)
FDEPS (Rs)	61,716	61,352	0.6	60,819	1.5

Source: Company, Emkay Research

Exhibit 4: VECV revenue rose 10.3%; margin declined for yet another quarter, coming in at 7.8% (vs 9% in Q1)

(Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Volume (no of units)	19,551	20,706	25,732	19,897	20,704	21,010	28,677	21,612	21,901	5.8	1.3
ASP (Rs/unit)	2,621,861	2,648,025	2,435,878	2,548,123	2,674,845	2,761,066	2,489,451	2,624,005	2,788,001	4.2	6.2
Revenue	51,260	54,830	62,680	50,700	55,380	58,010	71,390	56,710	61,060	10.3	7.7
EBITDA	4,020	4,370	4,890	3,840	3,950	5,090	7,350	5,110	4,790	21.3	(6.3)
PAT	1,870	2,100	2,450	3,190	2,090	3,010	4,570	2,890	2,490	19.1	(13.8)
(%)	**Q2FY24**	**Q3FY24**	**Q4FY24**	**Q1FY25**	**Q2FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	***YoY (bps)***	***QoQ (bps)***
EBITDAM	7.8	8.0	7.8	7.6	7.1	8.8	10.3	9.0	7.8	71	(117)
PATM	3.6	3.8	3.9	6.3	3.8	5.2	6.4	5.1	4.1	30	(102)

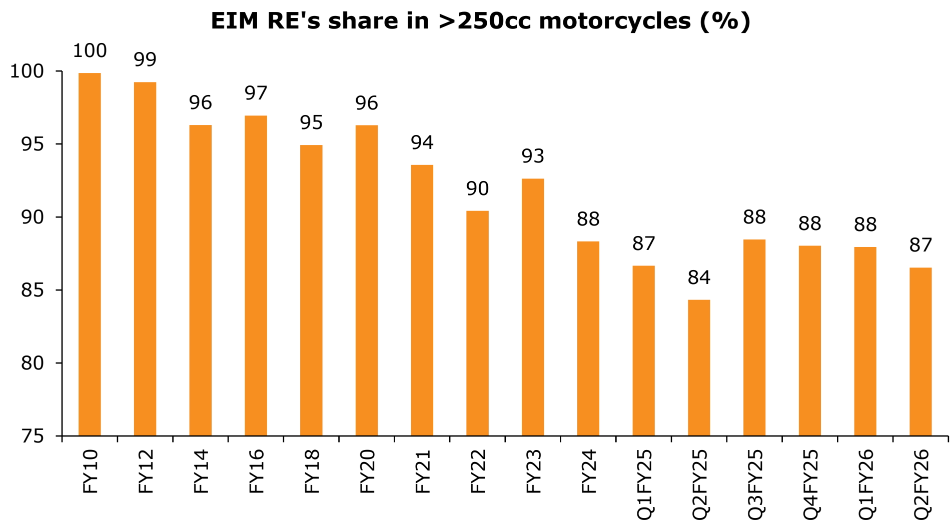
Source: Company, Emkay Research

Exhibit 5: Model mix – Share of *Bullet 350* and *Hunter 350* rose over the past couple of quarters; however, exports mix declined by ~350bps QoQ

EIM RE's model-wise volume share (%)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Bullet 350	18.5	19.4	17.9	14.2	13.8	19.4	21.4	19.2	20.2
Classic 350	33.6	36.6	35.9	34.4	36.4	35.1	33.4	31.9	31.6
Thunderbird 350	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Meteor 350	11.1	10.6	10.8	11.6	10.2	9.1	8.7	8.6	9.8
Hunter 350	20.4	19.1	18.2	20.7	19.7	18.5	17.5	19.0	19.4
Himalayan 450	4.5	3.6	3.4	4.1	2.9	1.8	2.3	2.0	2.6
Guerrilla 450	0.0	0.0	0.0	0.0	2.3	1.2	0.6	1.0	1.3
Thunderbird 500	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Classic 500	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bullet 500	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
650 Twins	1.3	2.4	2.9	3.5	3.3	2.8	3.3	3.3	3.5
Super Meteor 650	2.1	1.8	0.7	1.8	1.2	0.8	1.1	1.1	1.1
Shotgun 650	0.0	0.0	0.0	0.0	0.5	0.3	0.2	0.2	0.2
Domestic	**91.5**	**93.6**	**89.8**	**90.3**	**90.5**	**88.9**	**88.4**	**86.2**	**89.7**
Exports	**8.5**	**6.4**	**10.2**	**9.7**	**9.5**	**11.1**	**11.6**	**13.8**	**10.3**

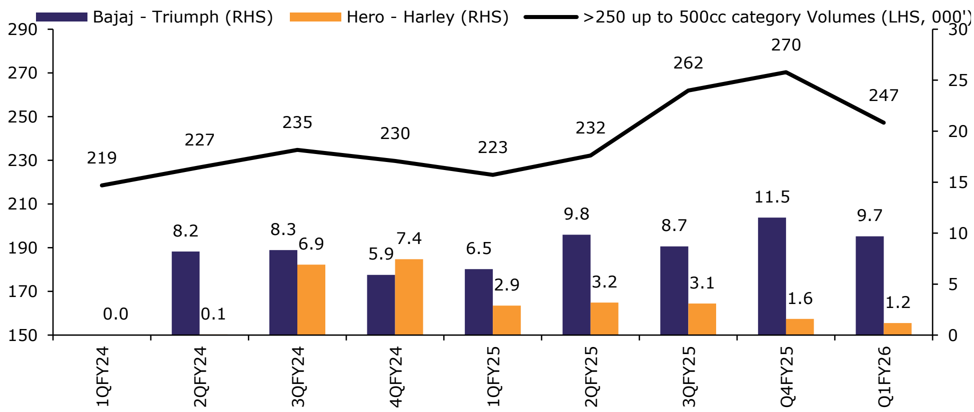
Source: SIAM, Emkay Research

Exhibit 6: RE's premium motorcycle market share is stable at 87% in Q2FY26



Source: SIAM, Emkay Research; Note: Premium refers to >250cc motorcycles

Exhibit 7: Following the spike post-launch, volume of peers *Triumph* (BJAUT)/*Harley* (HMCL) have *been* largely range-bound/declined, respectively



Source: Company, Emkay Research

Exhibit 8: During Sep-Oct 2025, EIM outperformed the industry – 45% YoY, which is higher than all peers in the 2W space

	Apr-Aug (no of units)		Sep-Oct (no of units)		Apr-Aug (YoY %)	Sep-Oct (YoY %)
2Ws (no of units)	**FY25**	**FY26**	**FY25**	**FY26**		
BJAUT	836,936	791,291	371,986	461,205	(5)	24
HMCL	2,118,391	2,086,909	849,068	1,317,866	(1)	55
HMSI	1,864,115	1,853,491	888,785	1,144,230	(1)	29
TVSL	1,270,672	1,441,684	573,337	804,374	13	40
RE	309,291	365,513	153,303	222,312	18	45
2W Industry Retails	**7,357,698**	**7,542,245**	**3,279,318**	**4,437,038**	**3**	**35**

Source: Vahan, Emkay Research

Exhibit 9: Retail market share – EIM lost some of its retail market share during the Oct-25 festive season

2W Retails (no of units)	FY22	FY23	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Oct-25
BJAUT	**1,474,346**	**1,744,394**	**2,218,651**	**553,283**	**477,042**	**708,640**	**525,635**	**551,603**	**426,316**	**340,498**
HMCL	4,346,074	5,310,283	5,695,580	1,428,526	1,087,712	1,917,506	1,263,793	1,479,865	1,057,589	1,046,519
HMSI	3,124,485	4,109,792	4,310,593	1,200,215	1,114,303	1,605,032	1,089,335	1,215,509	1,075,827	864,159
TVSL	1,899,489	2,585,158	3,121,762	822,620	748,329	1,036,669	860,531	947,492	829,835	586,945
RE	475,854	730,134	824,067	204,777	182,183	254,847	229,455	238,981	229,161	150,621
Industry	**15,716,046**	**16,980,364**	**18,983,089**	**4,806,803**	**4,208,000**	**6,209,562**	**4,637,094**	**5,046,914**	**4,241,987**	**3,310,938**

Market Share (%)	FY22	FY23	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Oct-25
BJAUT	**9.4**	**10.3**	**11.7**	**11.5**	**11.3**	**11.4**	**11.3**	**10.9**	**10.1**	**10.3**
HMCL	27.7	31.3	30.0	29.7	25.8	30.9	27.3	29.3	25.0	31.6
HMSI	19.9	24.2	22.7	25.0	26.5	25.8	23.5	24.1	25.4	26.1
TVSL	12.1	15.2	16.4	17.1	17.8	16.7	18.6	18.8	19.6	17.7
RE	3.0	4.3	4.3	4.3	4.3	4.1	4.9	4.7	5.4	4.5

Source: Vahan, Emkay Research

Other Key highlights

- Post-GST rate cut, enquiry and booking trends remain strong, especially for 350cc motorcycles, while demand for 450cc and 650cc motorcycles is recovering gradually. The 650cc segment is showing better traction than 450cc, with the management actively engaging with authorities for GST uniformity across engine sizes.
- Rural markets outperformed urban during the festive period; demand was particularly strong in South and East India.
- Plants at Vallam and Oragadam (Chennai) are running close to full capacity (~1.2mn units). Post-debottlenecking, effective capacity will stand at >1.35mn units, with the new module coming online to further enhance output in FY26. Here, the key focus remains on the 350cc core portfolio.

Exhibit 10: Revenue Model – We build-in 11% revenue/17% core EPS CAGR over FY25-28E

Eicher Motors - Revenue model (Rs mn)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Avg monthly volumes (no of units)	50,189	69,575	76,061	84,084	103,807	113,102	118,542
Domestic Volumes (no of units)	521,246	734,840	834,795	902,757	1,093,414	1,189,557	1,236,549
Growth YoY (%)	*-8.7*	*41.0*	*13.6*	*8.1*	*21.1*	*8.8*	*4.0*
Export Volumes (no of units)	81,022	100,055	77,937	106,256	152,274	167,664	185,950
Growth YoY (%)	*109.8*	*23.5*	*-22.1*	*36.3*	*43.3*	*10.1*	*10.9*
Volumes (no of units)	602,268	834,895	912,732	1,009,013	1,245,688	1,357,221	1,422,499
Growth YoY (%)	*-1.2*	*38.6*	*9.3*	*10.5*	*23.5*	*9.0*	*4.8*
ASP (Rs/unit)	168,079	168,484	176,154	182,865	184,220	188,257	192,941
Growth YoY (%)	*18.8*	*0.2*	*4.6*	*3.8*	*0.7*	*2.2*	*2.5*
Revenue	**102,978**	**144,422**	**165,358**	**188,704**	**235,481**	**261,506**	**280,458**
Growth YoY (%)	*18.1*	*40.2*	*14.5*	*14.1*	*24.8*	*11.1*	*7.2*
Gross Profit	**43,422**	**62,303**	**75,551**	**85,733**	**105,807**	**118,024**	**126,578**
Gross margin (%)	*42.2*	*43.1*	*45.7*	*45.4*	*44.9*	*45.1*	*45.1*
Employee Costs	**8,210**	**10,019**	**12,357**	**13,912**	**17,361**	**19,280**	**20,677**
% of Revenue	*8.0*	*6.9*	*7.5*	*7.4*	*7.4*	*7.4*	*7.4*
Other Expenses	**13,489**	**17,848**	**19,925**	**24,700**	**30,823**	**33,445**	**35,869**
% of Revenue	*13.1*	*12.4*	*12.0*	*13.1*	*13.1*	*12.8*	*12.8*
EBITDA	**21,723**	**34,436**	**43,269**	**47,120**	**57,623**	**65,300**	**70,032**
EBITDA margin (%)	*21.1*	*23.8*	*26.2*	*25.0*	*24.5*	*25.0*	*25.0*
EBITDA Growth YoY (%)	*22.0*	*58.5*	*25.7*	*8.9*	*22.3*	*13.3*	*7.2*
EBITDA/unit (Rs)	*36,068*	*41,246*	*47,406*	*46,699*	*46,258*	*48,113*	*49,232*
EBIT	**17,203**	**29,174**	**37,293**	**39,827**	**49,399**	**56,815**	**60,351**
EBIT margin (%)	*16.7*	*20.2*	*22.6*	*21.1*	*21.0*	*21.7*	*21.5*
SA PAT (Rs)	**15,862**	**26,226**	**37,494**	**42,792**	**48,352**	**54,339**	**58,026**
Share of profits from JV/overseas subs	602	3,152	4,477	6,998	7,699	8,389	9,198
Consol PAT	**16,766**	**29,139**	**40,010**	**47,344**	**56,111**	**63,626**	**67,806**
Consol EPS (Rs)	**61.2**	**106.4**	**146.1**	**172.9**	**204.9**	**232.4**	**247.6**
Core EPS (Rs)	**50.1**	**92.6**	**121.6**	**142.7**	**172.5**	**195.7**	**208.6**
PER (x)	**112.3**	**64.6**	**47.1**	**39.8**	**33.6**	**29.6**	**27.8**
Core PER (x)	**137.1**	**74.3**	**56.6**	**48.2**	**39.9**	**35.1**	**33.0**

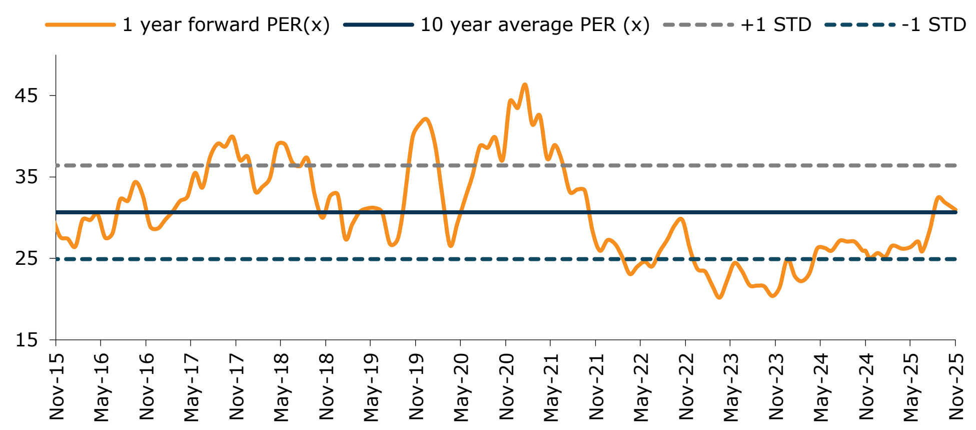
Source: Company, Emkay Research

Exhibit 11: We keep our estimates largely unchanged

Consolidated (Rs mn)	FY26E				FY27E				FY28E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
RE (no of units)	1,227,437	1,245,688	*1.5*	*23.5*	1,357,221	1,357,221	*0.0*	*9.0*	1,422,499	1,422,499	*0.0*	*4.8*
RE ASP (Rs/unit)	**189,536**	**189,036**	**(0.3)**	***1.1***	**192,678**	**192,678**	**-**	***1.9***	**197,158**	**197,158**	**-**	***2.3***
Revenue	232,644	235,481	*1.2*	*24.8*	261,506	261,506	*0.0*	*11.1*	280,458	280,458	*0.0*	*7.2*
EBITDA	56,929	57,623	*1.2*	*22.3*	65,300	65,300	*0.0*	*13.3*	70,032	70,032	*0.0*	*7.2*
EBITDAM	24.5%	24.5%	*0 bps*	*(50) bps*	25.0%	25.0%	*0 bps*	*50 bps*	25.0%	25.0%	*0 bps*	*(0) bps*
APAT	55,877	56,111	*0.4*	*18.5*	64,092	63,626	*(0.7)*	*13.4*	68,303	67,806	*(0.7)*	*6.6*
Diluted Adj EPS (Rs)	204.1	204.9	*0.4*	*18.5*	234.1	232.4	*(0.7)*	*13.4*	249.5	247.6	*(0.7)*	*6.6*
Core EPS (Rs)	**171.7**	**172.5**	***0.5***	***20.9***	**197.4**	**195.7**	***(0.9)***	***13.4***	**210.4**	**208.6**	***(0.9)***	***6.6***

Source: Emkay Research

Exhibit 12: At CMP, EIM trades below its LTA on 1YF PER basis



Source: Company, Bloomberg, Emkay Research

Eicher Motors: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**165,358**	**188,704**	**235,481**	**261,506**	**280,458**
Revenue growth (%)	14.5	14.1	24.8	11.1	7.2
EBITDA	**43,269**	**47,120**	**57,623**	**65,300**	**70,032**
EBITDA growth (%)	25.7	8.9	22.3	13.3	7.2
Depreciation & Amortization	5,976	7,293	8,224	8,484	9,680
EBIT	**37,293**	**39,827**	**49,399**	**56,815**	**60,351**
EBIT growth (%)	27.8	6.8	24.0	15.0	6.2
Other operating income	-	-	-	-	-
Other income	10,759	13,049	13,943	15,251	16,079
Financial expense	509	543	548	419	410
PBT	**47,543**	**52,333**	**62,794**	**71,647**	**76,020**
Extraordinary items	0	0	0	0	0
Taxes	12,010	11,986	14,382	16,410	17,412
Minority interest	4,477	6,998	7,699	8,389	9,198
Income from JV/Associates	-	-	-	-	-
Reported PAT	**40,010**	**47,344**	**56,111**	**63,626**	**67,806**
PAT growth (%)	37.3	18.3	18.5	13.4	6.6
Adjusted PAT	**40,010**	**47,344**	**56,111**	**63,626**	**67,806**
Diluted EPS (Rs)	**146.1**	**172.9**	**204.9**	**232.4**	**247.6**
Diluted EPS growth (%)	37.3	18.3	18.5	13.4	6.6
DPS (Rs)	**37.0**	**51.0**	**69.9**	**79.5**	**89.3**
Dividend payout (%)	**25.3**	**29.5**	**34.1**	**34.2**	**36.1**
EBITDA margin (%)	26.2	25.0	24.5	25.0	25.0
EBIT margin (%)	22.6	21.1	21.0	21.7	21.5
Effective tax rate (%)	25.3	22.9	22.9	22.9	22.9
NOPLAT (pre-IndAS)	**27,872**	**30,705**	**38,085**	**43,802**	**46,528**
Shares outstanding (mn)	274	274	274	274	274

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	274	274	274	274	274
Reserves & Surplus	180,182	212,691	247,043	286,216	327,911
Net worth	**180,455**	**212,965**	**247,317**	**286,491**	**328,186**
Minority interests	-	-	-	-	-
Non-current liab. & prov.	4,483	4,930	5,867	6,936	8,070
Total debt	**2,756**	**2,665**	**3,044**	**3,044**	**3,044**
Total liabilities & equity	**187,694**	**220,559**	**256,227**	**296,470**	**339,299**
Net tangible fixed assets	24,009	29,600	33,837	38,352	41,672
Net intangible assets	3,298	3,298	3,298	3,298	3,298
Net ROU assets	-	-	-	-	-
Capital WIP	5,551	4,915	5,348	5,307	5,348
Goodwill	-	-	-	-	-
Investments [JV/Associates]	25,785	25,785	25,785	25,785	25,785
Cash & equivalents	**110,948**	**124,754**	**150,542**	**181,780**	**216,453**
Current assets (ex-cash)	59,724	81,556	101,772	115,886	127,358
Current Liab. & Prov.	43,457	51,185	66,191	75,775	82,451
NWC (ex-cash)	**16,267**	**30,371**	**35,581**	**40,111**	**44,907**
Total assets	**187,694**	**220,559**	**256,227**	**296,470**	**339,299**
Net debt	(108,192)	(122,090)	(147,498)	(178,736)	(213,409)
Capital employed	187,694	220,559	256,227	296,470	339,299
Invested capital	**45,410**	**65,105**	**74,553**	**83,598**	**91,713**
BVPS (Rs)	659.0	777.8	903.2	1,046.3	1,198.6
Net Debt/Equity (x)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)
Net Debt/EBITDA (x)	(2.5)	(2.6)	(2.6)	(2.7)	(3.0)
Interest coverage (x)	94.4	97.3	115.6	172.0	186.4
RoCE (%)	**28.7**	**26.5**	**27.2**	**26.7**	**24.6**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	47,543	52,333	62,794	71,647	76,020
Others (non-cash items)	-	-	-	-	-
Taxes paid	(10,678)	(10,802)	(13,445)	(15,341)	(16,277)
Change in NWC	3,880	2,110	(7,833)	(7,224)	(6,455)
Operating cash flow	**37,237**	**39,799**	**57,987**	**66,375**	**72,577**
Capital expenditure	(8,144)	(10,285)	(12,894)	(12,959)	(13,041)
Acquisition of business	(22,447)	(17,788)	(26,666)	(10,000)	(10,000)
Interest & dividend income	2,071	3,240	0	0	0
Investing cash flow	**(28,520)**	**(24,833)**	**(39,560)**	**(22,959)**	**(23,041)**
Equity raised/(repaid)	466	869	0	0	0
Debt raised/(repaid)	1,922	(50)	379	0	0
Payment of lease liabilities	-	-	-	-	-
Interest paid	(250)	(245)	(548)	(419)	(410)
Dividend paid (incl tax)	(10,129)	(13,975)	(19,136)	(21,758)	(24,452)
Others	(7,834)	(399)	0	0	0
Financing cash flow	**(15,826)**	**(13,799)**	**(19,305)**	**(22,177)**	**(24,863)**
Net chg in Cash	(7,108)	1,167	(879)	21,238	24,673
OCF	37,237	39,799	57,987	66,375	72,577
Adj. OCF (w/o NWC chg.)	33,358	37,689	65,820	73,598	79,031
FCFF	29,094	29,515	45,093	53,416	59,536
FCFE	30,656	32,211	44,545	52,997	59,126
OCF/EBITDA (%)	86.1	84.5	100.6	101.6	103.6
FCFE/PAT (%)	76.6	68.0	79.4	83.3	87.2
FCFF/NOPLAT (%)	**104.4**	**96.1**	**118.4**	**121.9**	**128.0**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	46.9	39.6	33.5	29.5	27.7
P/CE(x)	40.8	34.4	29.2	26.0	24.2
P/B (x)	10.4	8.8	7.6	6.6	5.7
EV/Sales (x)	10.7	9.4	7.5	6.8	6.3
EV/EBITDA (x)	40.9	37.5	30.7	27.1	25.3
EV/EBIT(x)	47.4	44.4	35.8	31.1	29.3
EV/IC (x)	39.0	27.2	23.7	21.2	19.3
FCFF yield (%)	1.6	1.7	2.5	3.0	3.4
FCFE yield (%)	1.6	1.7	2.4	2.8	3.1
Dividend yield (%)	0.5	0.7	1.0	1.2	1.3
DuPont-RoE split					
Net profit margin (%)	24.2	25.1	23.8	24.3	24.2
Total asset turnover (x)	1.0	0.9	1.0	0.9	0.9
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	**24.2**	**24.1**	**24.4**	**23.8**	**22.1**
DuPont-RoIC					
NOPLAT margin (%)	16.9	16.3	16.2	16.7	16.6
IC turnover (x)	5.2	3.4	3.4	3.3	3.2
RoIC (%)	**87.5**	**55.6**	**54.5**	**55.4**	**53.1**
Operating metrics					
Core NWC days	35.9	58.7	55.2	56.0	58.4
Total NWC days	**35.9**	**58.7**	**55.2**	**56.0**	**58.4**
Fixed asset turnover	3.0	2.9	3.0	2.9	2.7
Opex-to-revenue (%)	19.5	20.5	20.5	20.2	20.2

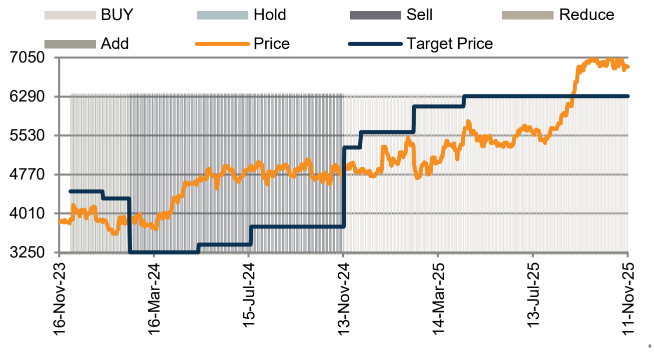
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
01-Aug-25	5,528	6,300	Buy	Chirag Jain
15-May-25	5,466	6,300	Buy	Chirag Jain
16-Apr-25	5,616	6,300	Buy	Chirag Jain
11-Feb-25	4,972	6,100	Buy	Chirag Jain
10-Jan-25	5,058	5,600	Buy	Chirag Jain
01-Jan-25	4,885	5,600	Buy	Chirag Jain
05-Dec-24	4,838	5,600	Buy	Chirag Jain
14-Nov-24	4,884	5,300	Buy	Chirag Jain
08-Aug-24	4,577	3,750	Sell	Chirag Jain
18-Jul-24	4,941	3,750	Sell	Chirag Jain
12-May-24	4,658	3,400	Sell	Chirag Jain
14-Feb-24	3,902	3,250	Sell	Chirag Jain
11-Jan-24	3,889	4,300	Add	Chirag Jain
30-Nov-23	3,897	4,440	Add	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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