PL Capital
PRABHUDAS LILLADHER

Eicher Motors (EIM IN)

Q2FY27 Result Update

November 14, 2026

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Accumulate		Accumulate	
Target Price	8,315		8,000	
Sales (INR mn)	326,962	359,227	314,575	338,705
% Chng.	*3.9*	*6.1*		
EBITDA (INR mn)	81,334	93,010	76,114	84,663
% Chng.	*6.9*	*9.9*		
EPS (INR)	274.2	313.6	268.3	305.2
% Chng.	*2.2*	*2.8*		

Key Data	EICH.BO | EIM IN
BSE Code	505200
NSE Code	EICHERMOT
52-W High / Low	INR 8,232 / INR 6,439
Face Value	1
Sensex / Nifty	81,592 / 25,144
Market Cap	INR 2,107 bn / $ 22,354 mn
Shares Outstanding	274.52 mn
3M Avg. Daily Value	INR 3,211.14 mn

Shareholding Pattern (%)

Promoters	49.02
FIIs	24.02
Mutual Funds	10.35
Domestic Institutions	7.25
Public & Others	9.36
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	7.1	(5.3)	10.1	12.0
Relative	(4.1)	(9.3)	0.7	15.9

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	234,076	290,791	326,962	359,227
EBITDA (INR mn)	57,851	70,636	81,334	93,010
Margin (%)	*24.7*	*24.3*	*24.9*	*25.9*
PAT (INR mn)	55,707	64,778	75,259	86,089
EV (INR mn)	1,961,300	1,942,292	1,922,006	1,888,169
Total Debt (INR mn)	3,190	3,509	3,685	3,869
C&C Eq. (INR mn)	2,560	9,645	16,882	36,528
EPS (INR)	203.1	236.0	274.2	313.6
Gr. (%)	*17.6*	*16.2*	*16.2*	*14.4*
DPS (INR)	82.0	87.0	96.0	107.0
Yield (%)	*1.1*	*1.1*	*1.3*	*1.4*
RoE (%)	*24.0*	*23.9*	*23.8*	*23.3*
RoCE (%)	*21.0*	*21.8*	*21.6*	*21.0*
EV/Sales (x)	8.4	6.7	5.9	5.3
EV/EBITDA (x)	33.9	27.5	23.6	20.3
PE (x)	37.7	32.4	27.9	24.4
P/BV (x)	8.4	7.2	6.2	5.3

Capacity Constraints, Premiumization Prevails

Quick Pointers

- **RE's channel stock (including transit) is lean at 7-8 days**
- **It is seeing steady improvement in traction and volumes in key markets in its international business**

EIM reported strong Q2FY27 consol revenue while EBITDA margin missed estimates due to RM inflation, geographic mix and higher than est. other expenses. With premium motorcycles growth continuing in the domestic market RE has been maintaining dominance in the middle-weight segment. With new launches/ refreshes, brand building campaigns, allied revenue, multiple cost levers, pricing power and expanding international business it remains one of the resilient names in the motorcycle segment. VECV has also been showing broad based growth and resilient margins amid supply chain challenges. We estimate RE volume/realization CAGR of 11.6%/2.7% over FY26-29E, translating to revenue/EBITDA/APAT CAGR of 15.3%/17.1%/15.6%. Retain 'Accumulate' rating with TP of INR8,315 (previous INR8,000). We value the core business at a P/E of 31x (previous 30x) basis Sep'28E standalone EPS and VECV business at 10x EV/EBITDA Sep'28E.

Consol op. revenue for Q2 at INR74.2bn (+20.3% YoY, +11.9% QoQ): met BBGe and PLe. Gross margin came in at 42.0% (-170bps YoY, +50bps QoQ). EBITDA of INR17.6bn (+16.4% YoY, +10.6% QoQ) translated to a margin of 23.7% (-80bps YoY, -30bps QoQ) missed BBGe/PLe by -30bps/-60bps. APAT grew +14.9% YoY, +7.6% QoQ to INR15.7bn (incl. share of JV & associates), missed BBGe/PLe by -12.9%/-6.2% as other income was below estimates. H1FY27 YoY: consol revenue INR140.5bn (+25.3%), EBITDA INR33.5bn (+23.4%), EBITDA margin 23.8% (-40bps), Adj PAT INR30.4bn (+17.9%).

VECV Q2 consol revenue at INR75.7bn (+24.0% YoY): EBITDA was INR5.88bn (+22.7% YoY) translating to EBITDA margin of 7.8% (-10bps YoY), and PAT at INR3.42bn (+37.0% YoY). VECV maintained leadership position in LMD trucks (5-18T), while in Eicher HDT its volume grew +29.4% YoY with a market share of 8.8%. Export volumes declined -5.9% YoY amid geopolitical challenges.

Mitigating cost pressures: Four price hikes have been taken YTD in CY26: 70bps in Jul'26, 280bps prior to that and another 70bps in Oct'26. Nearly 50% of RM inflation has been covered via pricing. Standalone ASP in Q2 increased by +0.5% QoQ mainly due to pricing actions and model mix. Consol ASP was down due to geographical mix.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	73,960	74,217	*0.3*	61,716	*20.3*
EBITDA (INR mn)	17,972	17,595	*(2.1)*	15,119	*16.4*
Margin (%)	*24.3*	*23.7*	*(60) bps*	*24.5*	*(80) bps*
PAT (INR mn)	16,782	15,734	*(6.2)*	13,695	*14.9*

Source: Company, PL

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Exhibit 1: Quarterly Estimates

(INR mn)	Q1FY27	YoY gr. (%)	Q2FY27	YoY gr. (%)	Q3FY27E	YoY gr. (%)	Q4FY27E	YoY gr. (%)
Sales	66,324	31.5	74,217	20.3	74,727	22.2	75,523	24.2
EBITDA	15,906	32.2	17,595	16.4	18,308	17.6	18,826	24.4
Margin (%)	*24.0*	*13 bps*	*23.7*	*-79 bps*	*24.5*	*-96 bps*	*24.9*	*3 bps*
Adj. PAT	14,625	21.3	15,734	1,489.1	16,984	16.1	17,436	14.7

Source: Company, PL

Exhibit 2: Q2FY27 Result Overview (INR mn)

Y/e March	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	Var (%)	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Net Revenues	**74,217**	**61,716**	***20.3%***	**73,960**	***0.3%***	**66,324**	***11.9%***	**1,40,541**	**1,12,134**	***25.3%***
Raw Materials	43,057	34,748	*23.9%*	42,823	*0.5%*	38,796	*11.0%*	81,853	62,874	*30.2%*
% of Net Sales	58.0%	56.3%	*171 bps*	57.9%	*11 bps*	58.5%	*-48 bps*	58.2%	56.1%	*217 bps*
Gross Margin (%)	*42.0%*	*43.7%*	*-171 bps*	*42.1%*	*-11 bps*	*41.5%*	*48 bps*	*41.8%*	*43.9%*	*-217 bps*
Personnel	5,066	4,179	*21.2%*	4,955	*2.2%*	4,497	*12.7%*	9,563	7,919	*20.8%*
% of Net Sales	*6.8%*	*6.8%*	*5 bps*	*6.7%*	*13 bps*	*6.8%*	*5 bps*	*6.8%*	*7.1%*	*-26 bps*
Manufacturing & Other Exp	8,499	7,670	*10.8%*	8,210	*3.5%*	7,125	*19.3%*	15,624	14,195	*10.1%*
% of Net Sales	*11.5%*	*12.4%*	*-98 bps*	*11.1%*	*35 bps*	*10.7%*	*71 bps*	*11.1%*	*12.7%*	*-154 bps*
Total Expenditure	56,622	46,597	*21.5%*	55,988	*1.1%*	50,418	*12.3%*	1,07,040	84,988	*25.9%*
EBITDA	**17,595**	**15,119**	***16.4%***	**17,972**	***-2.1%***	**15,906**	***10.6%***	**33,501**	**27,147**	***23.4%***
EBITDA Margin (%)	*23.7%*	*24.5%*	*-79 bps*	*24.3%*	*-59 bps*	*24.0%*	*-27 bps*	*23.8%*	*24.2%*	*-37 bps*
Depreciation	2,628	1,996	*31.7%*	2,778	*-5.4%*	2,776	*-5.3%*	5,404	3,976	*35.9%*
EBIT	**14,967**	**13,123**	***14.0%***	**15,194**	***-1.5%***	**13,131**	***14.0%***	**28,098**	**23,171**	***21.3%***
Interest Expenses	223	192	*16.3%*	180	*23.8%*	217	*2.9%*	439	341	*29.0%*
Non-operating income	3,319	3,509	*-5.4%*	4,340	*-23.5%*	4,663	*-28.8%*	7,982	7,970	*0.2%*
Extraordinary Expenses	0	0	-	-	-	0	-	0	0	-
PBT	**18,063**	**16,441**	***9.9%***	**19,354**	***-6.7%***	**17,577**	***2.8%***	**35,640**	**30,800**	***15.7%***
Tax-Total	4,190	4,096	*2.3%*	4,722	*-11.3%*	4,627	*-9.4%*	8,817	7,973	*10.6%*
Tax Rate (%) - Total	*23.2%*	*24.9%*	*-171 bps*	*24.4%*	*-120 bps*	*26.3%*	*-313 bps*	*24.7%*	*25.9%*	*-115 bps*
PAT	**13,873**	**12,345**	***12.4%***	**14,632**	***-5.2%***	**12,950**	***7.1%***	**26,823**	**22,827**	***17.5%***
Share of JV profit	1,861	1,349	*37.9%*	2,150	*-13.5%*	1,675	*11.1%*	3,536	2,920	*21.1%*
Profit after MI / Share of profit	15,734	13,695	*14.9%*	16,782	*-6.2%*	14,625	*7.6%*	30,359	25,747	*17.9%*
ADJ PAT	**15,734**	**13,695**	***14.9%***	**16,782**	***-6.2%***	**14,625**	***7.6%***	**30,359**	**25,747**	***17.9%***
PAT Margin (%)	*21.2%*	*22.2%*	*-99 bps*	*22.7%*	*-149 bps*	*22.1%*	*-85 bps*	*21.6%*	*23.0%*	*-136 bps*

Source: Company, PL

Exhibit 3: RE Operating Metrics

Y/e Mar (INR)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	Var (%)	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Sales Volume (nos)	3,78,669	3,26,375	*16.0%*	3,78,669	-	3,30,427	*14.6%*	7,09,096	5,91,903	*19.8%*
Net Realisation/Vehicle	1,89,058	1,80,837	*4.5%*	1,88,518	*0.3%*	1,88,048	*0.5%*	1,88,587	1,82,639	*3.3%*
Material cost / vehicle	1,13,706	1,06,465	*6.8%*	1,13,088	*0.5%*	1,17,411	*-3.2%*	1,15,433	1,06,223	*8.7%*
Gross Profit / vehicle	82,288	82,630	*-0.4%*	82,228	*0.1%*	83,312	*-1.2%*	82,765	83,224	*-0.6%*
Employee cost /vehicle	12,176	11,837	*2.9%*	12,065	*0.9%*	12,153	*0.2%*	12,165	12,342	*-1.4%*
Other expenses / vehicle	19,810	21,651	*-8.5%*	19,229	*3.0%*	19,039	*4.1%*	19,451	22,199	*-12.4%*
EBITDA/vehicle	46,466	46,324	*0.3%*	47,462	*-2.1%*	48,138	*-3.5%*	47,245	45,864	*3.0%*
Net Profit/vehicle	36,636	37,826	*-3.1%*	38,640	*-5.2%*	39,192	*-6.5%*	37,827	38,565	*-1.9%*

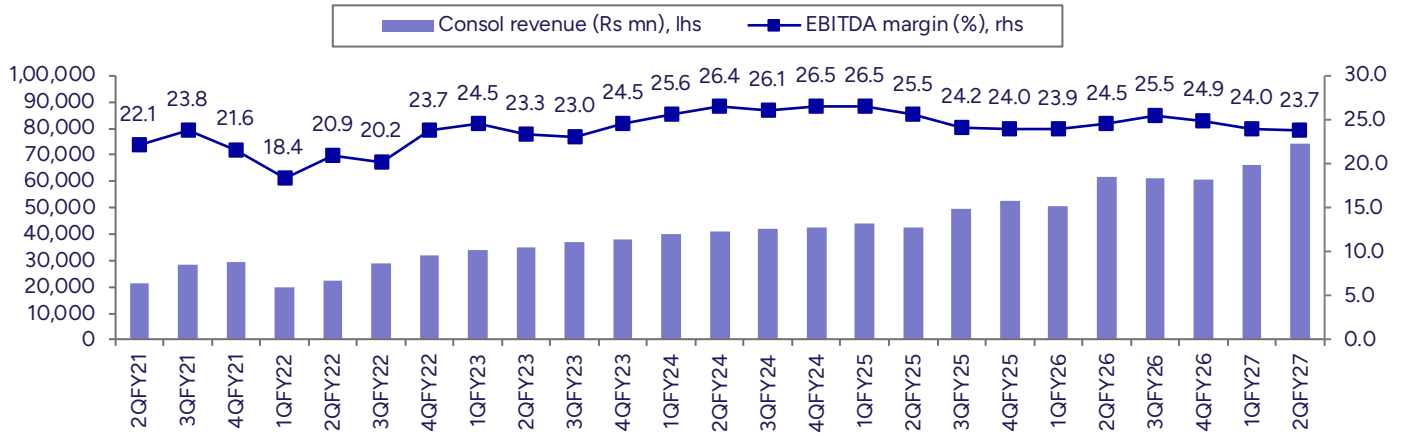
Source: Company, PL

Exhibit 4: VECV Operating Metrics

Y/e Mar (INR)	2QFY27	2QFY26	YoY gr. (%)	2QFY27E	Var (%)	1QFY27	QoQ gr. (%)	H1FY27	H1FY26	YoY gr. (%)
Volumes (in units)	28,071	21,901	*28.2%*	28,071	-	24,815	*13.1%*	52,886	43,512	*21.5%*
Net ASP (Rs/vehicle)	26,96,235	27,87,909	*-3.3%*	28,44,020	*-5.2%*	26,63,671	*1.2%*	26,80,955	27,06,564	*-0.9%*
Net Sales	75,686	61,058	*24.0%*	79,834	*-5.2%*	66,099	*14.5%*	1,41,785	1,17,768	*20.4%*
EBITDA	5,831	4,789	*21.8%*	-	-	5,405	*7.9%*	11,236	9,899	*13.5%*
EBITDA margin (%)	*7.7%*	*7.8%*	*-14 bps*	-	-	*8.2%*	*-47 bps*	*7.9%*	*8.4%*	*-48 bps*
PAT	3,420	2,493	37.2%	-	-	3,079	11.1%	6,499	5,383	20.7%

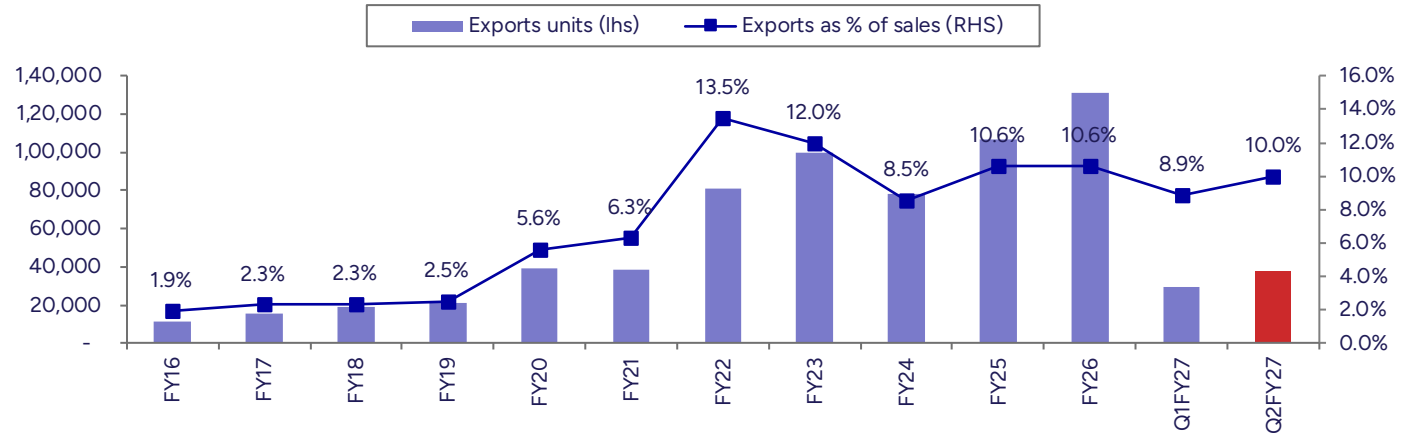
Source: Company, PL

Exhibit 5: Consol Revenue and EBITDA Margin have been resilient



Source: Company, PL

Exhibit 6: Exports penetration stabilizes after being temporarily impacted in Q1FY27 by global uncertainties



Source: Company, PL

Conference Call Highlights

Royal Enfield

- Bookings are up by ~21% YoY FYTD26 and despite a high base in H2FY27, EIM is still seeing double digit YoY growth in inquiries and bookings post the festive season.
- Channel stock (including transit) is 7-8 days. It started festive season with low stock due to inventory drawdown in 1st 3-4 months of FY27. EIM is ramping up production to meet demand so wholesales should also grow well in upcoming months.
- Average enquiry and booking growth have come to pre-festive growth rate this year after Diwali, and despite the base effect RE is still seeing double digit growth in enquiries and bookings post the festive. Some models' booking pipeline is ~2 months.
- RE's direct shipment to dealers used to be ~1%-2% of overall dispatches but it is ramping it up more (~18% in recent months) to reduce secondary shipment time, potentially reducing another 4 days to 5 days of inventory which gets stuck up in agency, etc.
- International business is on track to expand further as it is seeing improved situation in Brazil, green shots in Mexico, while USA is also looking up and better. It aims to grow volumes YoY in FY27 as it is looking to ramp up CKD operations in Brazil and SAARC as well as entering new markets like Indonesia and Africa.
- Himalayan 440 is aimed at riders looking for simplicity whereas the Himalayan 450 is for performance-oriented riding. EIM has further created price laddering between both models to prevent cannibalization. It is also seeing demand for the Himalayan 440 in developing markets.
- Its 450cc and 650cc platforms are back to pre-GST 2.0 levels.
- The management sees no signs of demand slowing in semi-urban or rural markets until now, but is closely monitoring key indicators such as agricultural output, credit availability, monsoon data, etc.
- It expanded retail footprint of its FF C6 EV in Bangalore, and introduced it in Hyderabad, Pune and some cities in Europe as well. The management is not in a rush to push sales as it aims to give differentiated experience while building a category whose adoption is expected to take time.

Capacity

- RE's capacity at the start of FY27 stood at 1.5mn units p.a. The 1st of the 3 modules of the brownfield project in Cheyyar was completed in Q2FY27, increasing the capacity to 1.65mn units p.a.
- Module 2 should be ready by Q4FY27 (management putting efforts to prepone it to Jan'27 to meet the demand), expanding capacity to 1.8mn units p.a.
- Module 3 should be completed by Q2FY28, further increasing capacity to 2.0mn units p.a.
- The greenfield plant in Andhra Pradesh is projected to complete by FY30 and will unlock additional capacity of ~0.45mn units p.a. As a result, total capacity is forecasted to reach 2.45mn units p.a. by FY30.

VECV

- VECV inaugurated its next-generation AI enabled uptime center in Pithampur which uses AI-enabled remote and predictive support to improve vehicle uptime for truck and bus customers.
- Volvo Buses announced significant orders from large operators

Others

- Decline in depreciation QoQ in Q2 was due to the end of life for a few assets related to 350cc and 650cc platforms in Q1FY27. However, gross block has increased QoQ and depreciation has increased from that standpoint YoY.

- RE will undertake calibrated marketing interventions as production goes up to help increase bookings.

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**234,076**	**290,791**	**326,962**	**359,227**
YoY gr. (%)	*24.0*	*24.2*	*12.4*	*9.9*
Cost of Goods Sold	130,677	168,056	187,612	202,439
Gross Profit	103,399	122,735	139,350	156,788
Margin (%)	*44.2*	*42.2*	*42.6*	*43.6*
Employee Cost	16,376	19,924	22,174	24,522
Other Expenses	29,172	32,175	35,841	39,256
EBITDA	**57,851**	**70,636**	**81,334**	**93,010**
YoY gr. (%)	*22.8*	*22.1*	*15.1*	*14.4*
Margin (%)	*24.7*	*24.3*	*24.9*	*25.9*
Depreciation and Amortization	8,404	10,846	12,292	14,552
EBIT	**49,447**	**59,789**	**69,042**	**78,458**
Margin (%)	*21.1*	*20.6*	*21.1*	*21.8*
Net Interest	715	810	865	888
Other Income	14,865	16,072	18,716	21,786
Profit Before Tax	**63,043**	**75,051**	**86,893**	**99,357**
Margin (%)	*26.9*	*25.8*	*26.6*	*27.7*
Total Tax	15,868	17,995	20,941	23,821
Effective Tax Rate (%)	*25.2*	*24.0*	*24.1*	*24.0*
Profit After Tax	**47,174**	**57,056**	**65,952**	**75,536**
Minority Interest	-	-	-	-
Share Profit from Associate	7,978	7,722	9,307	10,553
Adjusted PAT	**55,707**	**64,778**	**75,259**	**86,089**
YoY gr. (%)	-	-	-	-
Margin (%)	*23.8*	*22.3*	*23.0*	*24.0*
Extra Ord. Income / (Exp)	(555)	-	-	-
Reported PAT	**55,152**	**64,778**	**75,259**	**86,089**
YoY gr. (%)	*16.5*	*17.5*	*16.2*	*14.4*
Margin (%)	*23.6*	*22.3*	*23.0*	*24.0*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	-	-
Equity Shares O/s (mn)	**274**	**275**	**275**	**275**
EPS (INR)	**203.1**	**236.0**	**274.2**	**313.6**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**77,158**	**95,158**	**117,158**	**142,158**
Tangibles	77,158	95,158	117,158	142,158
Intangibles	-	-	-	-
Acc: Dep / Amortization	**38,641**	**49,488**	**61,780**	**76,332**
Tangibles	38,641	49,488	61,780	76,332
Intangibles	-	-	-	-
Net Fixed Assets	**38,517**	**45,671**	**55,378**	**65,826**
Tangibles	38,517	45,671	55,378	65,826
Intangibles	-	-	-	-
Capital Work In Progress	7,363	8,836	10,161	11,685
Goodwill	-	-	-	-
Non-Current Investments	37,235	40,958	45,054	49,560
Net Deferred Tax Assets	(6,583)	(6,649)	(6,715)	(6,782)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	137,725	151,497	164,722	179,097
Inventories	19,678	23,901	30,009	32,970
Trade Receivables	3,535	4,780	8,958	9,842
Cash & Bank Balance	2,560	9,645	16,882	36,528
Other Current Assets	67,148	80,577	86,218	92,253
Total Assets	**321,636**	**375,314**	**427,776**	**489,195**
Equity				
Equity Share Capital	274	275	275	275
Other Equity	250,727	291,624	340,531	397,249
Total Networth	**251,002**	**291,899**	**340,806**	**397,523**
Non-Current Liabilities				
Long Term Borrowings	3,190	3,509	3,685	3,869
Provisions	-	-	-	-
Other Non Current Liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade Payables	27,384	36,648	39,415	43,304
Other Current Liabilities	33,477	36,610	37,156	37,717
Total Equity & Liabilities	**321,636**	**375,314**	**427,776**	**489,195**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	-	-	-	-
Add. Depreciation	-	-	-	-
Add. Interest	-	-	-	-
Less Financial Other Income	14,865	16,072	18,716	21,786
Add. Other	(14,311)	(16,072)	(18,716)	(21,786)
Op. Profit before WC Changes	65,829	78,358	90,642	103,563
Net Changes-WC	(7,004)	(8,075)	(13,558)	(6,470)
Direct Tax	(14,215)	(17,929)	(20,875)	(23,754)
Net Cash from Op. Activities	**44,610**	**52,354**	**56,208**	**73,340**
Capital Expenditures	(14,634)	(19,473)	(23,325)	(26,524)
Interest / Dividend Income	-	-	-	-
Others	8,484	12,348	14,620	17,280
Net Cash from Invt. Activities	**(6,150)**	**(7,124)**	**(8,705)**	**(9,244)**
Issue of Share Cap. / Premium	5,377	-	-	-
Debt Changes	525	319	175	184
Dividend Paid	(22,493)	(23,882)	(26,352)	(29,372)
Interest Paid	(715)	(810)	(865)	(888)
Others	-	-	-	-
Net Cash from Fin. Activities	**-**	**-**	**-**	**-**
Net Change in Cash	**21,154**	**20,857**	**20,462**	**34,021**
Free Cash Flow	-	-	-	-

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**61,140**	**60,801**	**66,324**	**74,217**
YoY gr. (%)	*22.9*	*16.0*	*31.5*	*20.3*
Raw Material Expenses	33,982	33,821	38,796	43,057
Gross Profit	27,159	26,980	27,528	31,160
Margin (%)	*44.4*	*44.4*	*41.5*	*42.0*
EBITDA	**15,567**	**15,137**	**15,906**	**17,595**
YoY gr. (%)	*29.6*	*20.4*	*32.2*	*16.4*
Margin (%)	*25.5*	*24.9*	*24.0*	*23.7*
Depreciation / Depletion	2,111	2,317	2,776	2,628
EBIT	**13,456**	**12,820**	**13,131**	**14,967**
Margin (%)	*22.0*	*21.1*	*19.8*	*20.2*
Net Interest	173	202	217	223
Other Income	3,374	3,522	4,663	3,319
Profit before Tax	**16,103**	**16,140**	**17,577**	**18,063**
Margin (%)	*26.3*	*26.5*	*26.5*	*24.3*
Total Tax	3,726	4,169	4,627	4,190
Effective Tax Rate (%)	*23.1*	*25.8*	*26.3*	*23.2*
Profit After Tax	**12,377**	**11,971**	**12,950**	**13,873**
Minority Interest	-	-	-	-
Share Profit from Associate	1,829	3,229	1,675	1,861
Adjusted PAT	**14,632**	**15,200**	**14,625**	**15,734**
YoY gr. (%)	*25.0*	*11.6*	*21.3*	*14.9*
Margin (%)	*23.9*	*25.0*	*22.1*	*21.2*
Extra Ord. Income / (Exp)	(426)	-	-	-
Reported PAT	**14,206**	**15,200**	**14,625**	**15,734**
YoY gr. (%)	*21.4*	*11.6*	*21.3*	*14.9*
Margin (%)	*23.2*	*25.0*	*22.1*	*21.2*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**-**	**-**	**-**	**-**
Avg. Shares O/s (mn)	275	275	275	275
EPS (INR)	**53.3**	**55.4**	**53.3**	**57.3**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	203.1	236.0	274.2	313.6
CEPS	233.7	275.5	318.9	366.6
BVPS	915.1	1,063.4	1,241.6	1,448.2
FCF	-	-	-	-
DPS	82.0	87.0	96.0	107.0
Return Ratio (%)				
RoCE	21.0	21.8	21.6	21.0
ROIC	39.1	40.0	37.9	37.9
RoE	24.0	23.9	23.8	23.3
Balance Sheet				
Net Debt : Equity (x)	-	-	-	-
Net Working Capital (Days)	(52)	(50)	(37)	(34)
Valuation (x)				
PER	37.7	32.4	27.9	24.4
P/B	8.4	7.2	6.2	5.3
P/CEPS	32.7	27.8	24.0	20.9
EV/EBITDA	33.9	27.5	23.6	20.3
EV/Sales	8.4	6.7	5.9	5.3
Dividend Yield (%)	1.1	1.1	1.3	1.4
FCFF Yield (%)	-	-	-	-
PEG Ratio	2.1	2.0	1.7	1.7

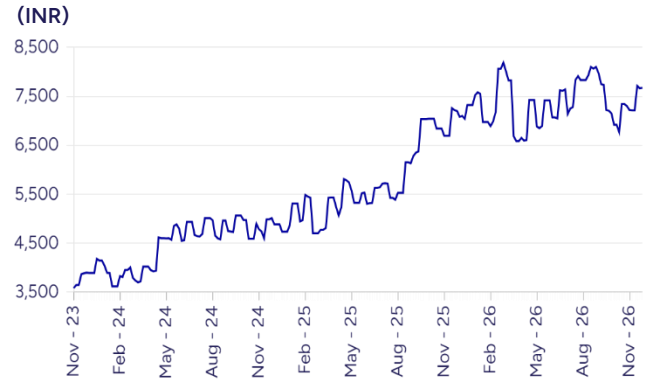
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Royal volumes (in units)	1,238,659	1,483,588	1,611,805	1,721,847
YoY gr. (%)	23	20	9	7
VECV volumes (in units)	103,495	112,529	118,303	124,375
YoY gr. (%)	15	9	5	5

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	Accumulate	8000	6960
2	30-Jul-26	Accumulate	8300	7779
3	08-Jul-26	Accumulate	8000	7536
4	23-May-26	Accumulate	7580	6982
5	09-Apr-26	Accumulate	7700	7131
6	12-Feb-26	Hold	7650	7771
7	08-Jan-26	Hold	7350	7583
8	18-Nov-25	Hold	6840	6799
9	08-Oct-25	Hold	6729	6903
10	08-Apr-25	BUY	5835	5231

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	3860	3128
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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