

## Result Preview



### Company

Amara Raja Energy Mobility

Ashok Leyland

Apollo Tyres

Bajaj Auto

Balkrishna Industries

Bharat Forge

BOSCH

Ceat

CIE Automotive

Craftsman Automation

Eicher Motors

Endurance Technologies

Escorts

Exide Industries

Happy Forgings

Hero MotoCorp

Mahindra & Mahindra

Maruti Suzuki

Samvardhana Motherson

Motherson Wiring

MRF

Sona BLW Precision

Tata Motors

TVS Motor Company

Tube Investments

## Sector outlook turns cautious amid geopolitical headwinds

### Rising input costs to be the key monitorable from hereon

- Aggregate auto demand for all OEMs in our coverage universe grew 23% YoY in 4QFY26. Segmental trends: 2W up 25%, PVs up 15%, CVs up 22%, and tractors up 33%.
- However, rising input costs are likely to limit earnings growth. We expect our OEM coverage universe (ex TMPV) to post a much slower 9% YoY earnings growth in 4Q.
- Auto ancillaries within our coverage universe are likely to post ~14% revenue growth and a much healthier EBITDA/PAT growth of 20%/23% in 4Q.
- Earnings outperformers among OEMs (ex TMPV) include BJAUT (+30%), HMCL (+26%), TVSL (+18%), and MM (33%) YoY. HMIL is an underperformer, with PAT decline of 27%.
- In auto ancillaries, key outperformers in 4Q include CRAFTSMA (+54%), SAMIL (+30%) and all three mass-market tyre companies APTY (+45%), CEAT (+78%) and MRF (+41%). Key underperformer is BIL (10% PAT decline).
- Outlook has turned cautious for the sector given the ongoing geopolitical headwinds, with the surge in input costs being the key monitorable. Resultantly, major EPS cuts were seen in CEAT (-22%), HMIL (-16%) and APTY (-14%).
- Our top OEM picks are MSIL, TVSL and MM. Top auto ancillary picks are SAMIL, MSWIL and ENDU.

### Demand remains healthy in 4Q across segments

Demand has continued to be encouraging across segments in 4Q as reflected in strong retail growth reported in Vahan. As a result, the overall auto industry volume growth for 4Q (aggregate for all listed OEMs under our coverage) stood at 23% YoY. More importantly, growth was driven by all segments: 2W up 25%, PVs up 15%, CVs up 22%, and tractors up 33%. In 2Ws, all OEMs, except RE, delivered 20%+ growth in 4Q, while RE posted 12% growth. In PVs, excl. HMIL, the other three listed OEMs posted healthy double-digit growth. HMIL underperformed peers with just 9% YoY volume growth in 4Q. Within CVs, TMCV outperformed with 25% growth in 4Q, while VECV and AL posted 17-18% growth each. Further, within tractors, MM posted 36% YoY growth and Escorts' volumes grew 21% YoY.

### Input cost pressure to hurt margins, severe impact likely to reflect in 1QFY27

On the back of a healthy recovery in volumes, auto OEM companies under our coverage (ex TMPV) are expected to post a strong 19% revenue growth. However, prices of key inputs have been on an uptrend in 4Q. While most OEMs are likely to see cost pressures in 4Q, bulk of the impact of this rise is likely to be visible in 1Q given that most OEMs would have long-term contracts in place. Aggregate EBITDA margin for our OEM coverage universe (ex TMPV) is estimated to decline by 20bp YoY to 14.1%. In 4Q, we expect PV players like MSIL and HMIL to see margin pressure on a QoQ basis. Similarly, in 2Ws, we expect HMCL and Eicher (RE) to see relative margin pressure compared to peers like BJAUT and TVSL, for whom favorable currency is likely to be the offsetting factor. For CVs, we expect strong operating leverage benefits to be capped due to a rise in input costs. Overall, on the back of healthy volume growth, we expect OEM companies (ex TMPV) under our coverage to record 17%/9% YoY growth in EBITDA/PAT in 4Q.

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Given the strong OE growth, auto ancillaries in our coverage universe are expected to post ~14% revenue growth. This is likely to lead to a much better 20%/23% growth in EBITDA/PAT for 4Q. Among auto ancillaries, BIL is among the worst impacted, as it is likely to see a margin contraction of 290bp YoY due to weak demand and increased freight costs. On the other hand, many auto component players are likely to see margin improvement on YoY basis, such as HAPPY (+140bp), CRAFTSMA (+80bp), MOTHERSO (+110bp), TII (+140bp) and all mass-market tyre companies – APOLLO, CEAT and MRF.

### Estimated hits and misses in 4QFY26

We expect our auto OEM coverage universe (ex TMPV) to post 9% YoY growth in earnings. Within 2Ws, BJAUT (+30%), HMCL (+26%) and TVSL (+18%) are expected to post healthy earnings growth on the back of strong volume growth. In PVs, MM earnings growth is likely to be strong at 33% YoY. Within OEMs, apart from TMPV, HMIL is likely to be the worst impacted and is expected to post 27% earnings decline in 4Q.

As highlighted above, our ancillary coverage universe is also expected to deliver healthy 23% YoY growth in earnings. All auto ancillary companies in our coverage universe are expected to post healthy double-digit growth, except BIL. We expect BIL to post 10% earnings decline due to margin pressure. Key outperformers in 4Q are likely to be CRAFTSMA (+54%) and SAMIL (+30%) apart from all the mass market tyre companies under coverage like APTY (+45%), CEAT (+78%) and MRF (+41%). However, one needs to note that rising input costs are likely to materially impact tyre companies margins from Q1 onwards.

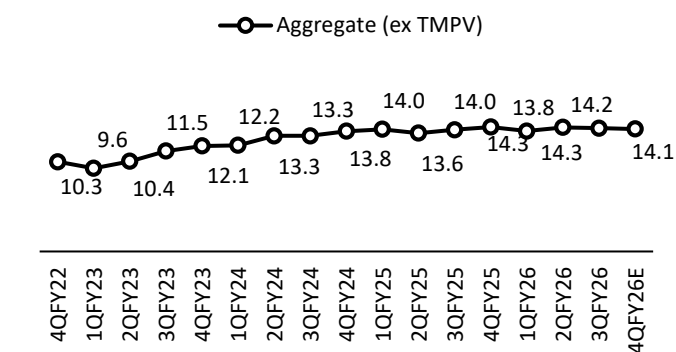
### Outlook turns cautious due to geopolitical headwinds

While demand momentum has remained healthy in 4Q, there are clear headwinds emerging for the sector given the ongoing geopolitical turmoil in West Asia. While most of the large companies (both OEMs and Ancs) are managing gas supplies at their end very well so far (as well as their supply chain), there is no certainty that they would continue to do so in the coming months if this situation persists. Beyond this, the most critical parameter to watch out for is the surge in input costs across all commodities in 4Q, which could materially impact earnings from 1Q onwards. Further, the surge in crude oil prices remains a key risk to India's economic growth, which is likely to be detrimental for CV outlook. Even freight costs have increased for export-focused companies. This has led to reasonable earnings cuts for our coverage universe, more so for FY27E than FY28E. Here also, we do expect input costs to stabilize at lower levels in the second half of the fiscal. Major earnings cuts (ex TMPV) were seen in CEAT (-22%), HMIL (-16%) and APTY (-14%).

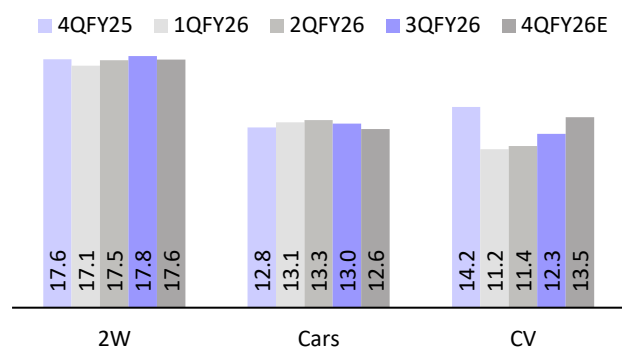
Given these headwinds, the auto universe has seen a sharp derating over the last month or so. OEMs seem to have seen a higher derating than auto ancillaries. In these circumstances, companies with strong fundamentals that have a healthy launch pipeline and the ability to outperform peers and/or are attractively valued will remain preferred bets. Our top OEM picks are MSIL, TVSL and MM. Among auto anc, our top picks are MSWIL, SAMIL and Endurance.

**Exhibit 1: Summary of 4QFY26 earnings estimates**

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Mar-26	Var % YoY	Var % QoQ	Mar-26	Var % YoY	Var % QoQ	Mar-26	Var % YoY	Var % QoQ
Amara Raja Energy	727	Neutral	33,915	14.0	1.2	3,818	11.6	1.9	1,893	13.5	2.8
Apollo Tyres	409	Buy	74,818	16.5	-3.4	10,434	24.6	-12.0	3,936	45.4	-19.4
Ashok Leyland	149	Buy	1,37,971	15.9	19.6	20,046	11.9	30.6	13,717	9.2	33.7
Bajaj Auto	8760	Neutral	1,58,539	30.5	4.2	32,978	34.6	4.3	26,696	30.3	4.7
Balkrishna Inds	2065	Neutral	26,961	-5.0	0.5	5,899	-16.2	-3.8	3,266	-9.8	-14.4
Bharat Forge	1642	Neutral	23,636	9.3	13.4	6,534	5.9	15.4	3,929	8.9	21.4
Bosch	32138	Neutral	53,756	9.5	10.0	7,103	9.8	12.2	6,201	12.0	13.2
CEAT	3364	Buy	43,348	26.7	4.3	5,915	52.4	5.0	2,251	77.6	14.0
CIE Automotive	456	Buy	25,060	10.3	4.7	3,720	10.9	7.2	2,262	9.8	7.7
Craftsman Auto	6797	Neutral	22,537	28.8	9.5	3,314	36.0	6.1	1,154	53.9	5.0
Eicher Motors	6647	Neutral	59,652	13.8	-2.4	14,799	17.7	-4.9	14,754	8.3	3.3
Endurance Tech.	2250	Buy	37,513	26.6	4.0	5,156	22.0	8	2,714	15.1	14.4
Escorts Kubota	2846	Neutral	30,649	26.1	-6.0	3,967	35.5	-9.6	3,578	32.1	-11.0
Exide Inds.	300	Neutral	43,716	5.1	8.5	5,172	10.8	10.1	2,964	16.4	12.1
Happy Forgings	1185	Buy	4,170	18.5	6.6	1,268	24.0	5.4	797	17.6	0.9
Hero Motocorp	5013	Buy	1,25,678	26.5	1.9	17,946	26.8	-0.9	13,655	26.3	-5.1
Hyundai Motor	1712	Buy	1,93,776	8.0	7.8	20,427	-19.3	1.2	11,834	-26.7	-4.1
Mahindra & Mahindra	3012	Buy	3,89,120	24.1	1.0	57,408	22.6	1.3	32,360	32.8	-19.2
Maruti Suzuki	12632	Buy	5,08,078	24.9	1.8	59,972	40.6	-2.7	39,785	7.2	-6.4
Samvardhana Motherson	107	Buy	3,28,898	12.2	4.7	33,132	25.4	8.9	13,077	30.4	23.9
Motherson Wiring	37	Buy	30,414	21.2	5.3	3,161	16.6	20.5	1,908	15.7	27.7
MRF	126446	Sell	80,242	15.6	1.1	13,527	29.7	-0.9	7,018	41.0	-4.8
Sona BLW Precis.	497	Neutral	12,010	41.4	-0.6	2,982	38.1	-2.1	1,766	19.9	-1.9
Tata Motors CV	388	Neutral	2,42,406	-2.9	18.8	33,491	-10.0	28.5	23,249	-14.2	45.0
Tata Motors PV	303	Sell	11,03,245	NA	55.2	83,733	NA	462.7	22,207	NA	LP
Tube Investments	2567	Buy	22,060	12.7	2.5	2,880	26.3	-6.9	3,080	18.3	53.7
TVS Motor	3390	Buy	1,26,447	32.4	1.4	16,429	23.3	0.5	10,021	17.6	3.2
<b>Automobiles</b>			<b>28,35,372</b>	<b>17.2</b>	<b>4.7</b>	<b>3,91,477</b>	<b>17.7</b>	<b>4.3</b>	<b>2,47,866</b>	<b>12.2</b>	<b>2.2</b>

**Exhibit 2: EBITDA margin expected to decline 20bp YoY**


Source: MOFSL

**Exhibit 3: Trends in segment-wise EBITDA margin (%)**


Source: MOFSL

**Exhibit 4: Our auto OEM coverage universe (ex-JLR) is expected to witness 9% YoY earnings growth**

	Volumes ('000 units)					EBITDA margins (%)					Adj PAT (INR M)				
	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)	4QFY26	4QFY25	YoY (bp)	3QFY26	QoQ (bp)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)
BJAUT	1,371	1,103	24	1,341	2	20.8	20.2	60	20.8	0	26,696	20,492	30	25,490	5
HMCL	1,714	1,381	24	1,697	1	14.3	14.2	0	14.7	-40	13,655	10,809	26	14,382	-5
TVS Motor	1,560	1,216	28	1,544	1	13.0	14.0	-100	13.1	-10	10,021	8,521	18	9,709	3
MSIL	676	605	12	668	1	11.8	10.5	130	12.4	-60	39,785	37,111	7	42,514	-6
Hyundai	208	192	9	195	7	10.5	14.1	-360	11.2	-70	11,834	16,143	-27	12,344	-4
MM	397	319	24	423	-6	14.8	14.9	-20	14.7	0	32,360	24,371	33	40,051	-19
TTMT (PV)*	201	147	37	171	18	7.0	7.8	-80	6.7	30	5,291	NA	NA	3,010	76
TTMT (JLR)	103	116	-11	66	56	7.7	15.3	-760	0.7	700	152	657	-77	-344	144
TTMT (CV)*	135	108	25	118	14	13.8	14.9	-110	12.8	100	23,249	NA	NA	16,033	45
Ashok Leyland	69	59	17	58	21	14.5	15.0	-50	13.3	120	13,717	12,562	9	10,258	34
Eicher (S/A)	318	283	12	329	-4	25.8	24.7	110	26.6	-80	12,499	11,251	11	13,148	-5
Eicher (VECV)	34	29	18	26	30	10.8	10.3	50	9.3	150	5,544	4,559	22	3,380	64
Escorts	32	27	21	37	-13	12.9	12.1	90	13.5	-50	3,578	2,710	32	4,019	-11
<b>Agg. (ex TMPV)</b>	<b>6,515</b>	<b>5,321</b>	<b>22.4</b>	<b>6,436</b>	<b>1.2</b>	<b>14.1</b>	<b>14.3</b>	<b>-20</b>	<b>14.2</b>	<b>-10</b>	<b>189,649</b>	<b>173,432</b>	<b>9.4</b>	<b>189,086</b>	<b>0.3</b>

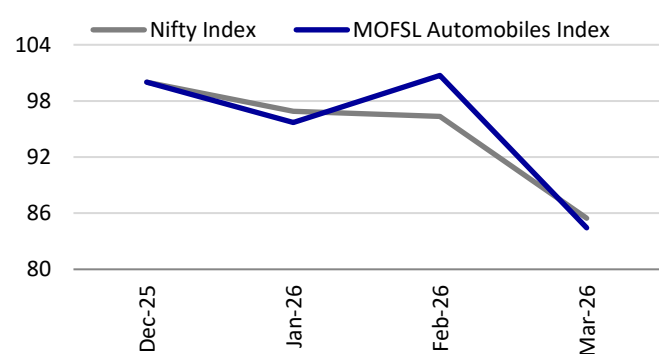
Source: JLR in GBP m, MOFSL

**Exhibit 5: Our revised estimates**

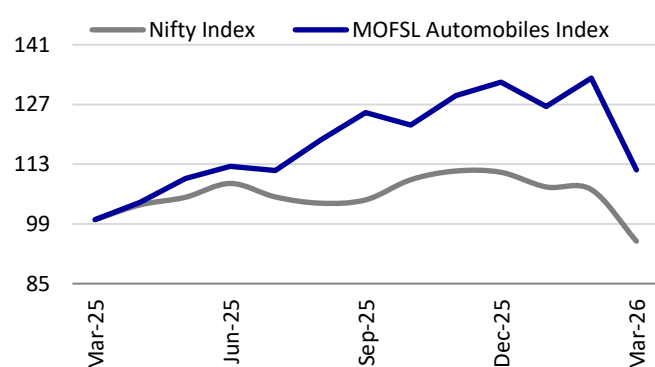
	FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Amara Raja Energy	45.3	48.5	-6.6	50.3	54.9	-8.3
Ashok Leyland	7.0	7.1	-1.8	8.3	8.5	-2.0
Apollo Tyres	25.5	29.7	-14.1	31.7	34.3	-7.6
Balkrishna Inds	76.0	91.3	-16.8	93.2	104.6	-10.9
Bajaj Auto	387.5	373.1	3.9	434.5	412.0	5.4
Bharat Forge	36.9	38.8	-5.0	47.0	47.9	-1.9
Bosch	856.1	905.7	-5.5	945.0	1013.1	-6.7
CEAT	166.7	212.8	-21.7	236.5	250.4	-5.6
CIE Automotive	23.9	23.9	-0.2	25.7	26.0	-1.2
Craftsman Auto	211.4	231.5	-8.7	288.8	301.3	-4.2
Eicher Motors	224.1	228.5	-1.9	224.1	261.5	-14.3
Endurance Tech.	72.1	77.6	-7.0	87.2	87.5	-0.4
Escorts Kubota	112.6	125.2	-10.0	130.2	140.9	-7.6
Exide Inds.	13.2	14.5	-9.0	14.4	16.5	-12.8
Happy Forgings	38.5	38.4	0.3	52.0	51.5	0.9
Hero MotoCorp	282.9	292.8	-3.4	316.4	321.9	-1.7
Hyundai Motor	70.8	84.7	-16.4	86.7	98.5	-12.0
Mahindra & Mahindra	135.9	149.2	-8.9	161.7	172.1	-6.0
Maruti Suzuki	529.6	576.3	-8.1	646.2	700.5	-7.8
Samvardhana Motherson	4.7	5.1	-8.1	6.2	6.6	-6.3
Motherson Wiring	1.2	1.3	-7.4	1.4	1.5	-8.1
MRF	5450.5	5,910.9	-7.8	6127.7	6,639.8	-7.7
Sona BLW Precis.	12.2	12.8	-4.7	13.5	14.3	-5.8
Tata Motors Passenger Vehicles	16.3	29.1	-44.2	29.1	39.4	-26.3
Tata Motors Ltd	18.9	19.5	-3.2	21.3	21.5	-1.0
Tube Investments	46.0	48.2	-4.6	51.1	52.7	-3.1
TVS Motor	88.6	96.6	-8.3	113.5	121.3	-6.4

**Exhibit 6: Comparative valuations**

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
<b>Automobiles</b>						<b>29.2</b>	<b>24.7</b>	<b>20.1</b>	<b>4.2</b>	<b>3.8</b>	<b>3.4</b>	<b>14.4</b>	<b>15.4</b>	<b>16.7</b>
Amara Raja Energy	727	Neutral	42.6	45.3	50.3	17.1	16.1	14.4	1.6	1.5	1.4	10.1	9.9	10.1
Apollo Tyres	409	Buy	23.9	25.5	31.7	17.1	16.0	12.9	1.3	1.3	1.2	10.0	10.1	11.6
Ashok Leyland	149	Buy	6.5	7.0	8.3	23	21	17.8	6.7	5.9	5.2	31.0	29.7	31.1
Bajaj Auto	8,760	Neutral	349.1	387.5	434.5	25.1	22.6	20.2	6.9	6.2	5.6	28.8	28.8	29.2
Balkrishna Inds	2,065	Neutral	66.8	76.0	93.2	30.9	27.2	22.2	3.5	3.2	2.9	11.9	12.3	13.6
Bharat Forge	1,642	Neutral	27.2	36.9	47.0	60.3	44.6	34.9	7.7	6.9	6.1	13.4	16.4	18.5
Bosch	32,138	Neutral	818.0	856.1	945.0	39.3	37.5	34.0	6.3	6.0	5.7	16.8	16.5	17.3
CEAT	3,364	Buy	178.8	166.7	236.5	18.8	20.2	14.2	2.8	2.5	2.2	15.6	13.1	16.7
CIE Automotive	456	Buy	22.0	23.9	25.7	20.7	19.1	17.8	2.3	2.1	2.0	11.9	11.6	11.6
Craftsman Auto	6,797	Neutral	164.4	211.4	288.8	41.4	32.1	23.5	5.0	4.4	3.7	12.9	14.6	17.2
Eicher Motors	6,647	Neutral	201.5	224.1	254.7	33.0	29.7	26.1	7.3	6.3	5.5	24.0	22.9	22.5
Endurance Tech.	2,250	Buy	68.4	72.1	87.2	32.9	31.2	25.8	4.9	4.3	3.8	15.8	14.7	15.8
Escorts Kubota	2,846	Neutral	113.8	112.6	130.2	25.0	25.3	21.9	3.1	2.8	2.6	12.8	11.7	12.4
Exide Inds.	300	Neutral	13.0	13.2	14.4	23.1	22.7	20.8	1.7	1.6	1.5	7.2	6.9	7.1
Happy Forgings	1,185	Buy	31.6	38.5	52.0	37.5	30.8	22.8	5.3	4.6	3.9	15.0	16.0	18.6
Hero Motocorp	5,013	Buy	265.8	282.9	316.4	18.9	17.7	15.8	4.7	4.4	4.1	25.9	25.7	26.8
Hyundai Motor	1,712	Buy	66.0	70.8	86.7	26.0	24.2	19.7	6.9	5.8	4.8	29.5	26.2	26.8
Mahindra & Mahindra	3,012	Buy	126.7	135.9	161.7	23.8	22.2	18.6	4.9	4.2	3.6	22.5	20.4	20.6
Maruti Suzuki	12,632	Buy	490.7	520.5	647.4	25.7	24.3	19.5	3.8	3.4	3.0	14.7	14.0	15.4
Motherson Wiring	37	Buy	1.0	1.2	1.4	37.9	31.7	27.1	12.5	10.5	8.9	35.4	36.0	35.5
MRF	1,26,446	Sell	5,768.1	5,450.5	6,127.7	21.9	23.2	20.6	2.6	2.3	2.1	12.4	10.6	10.7
Samvardhana Motherson	107	Buy	3.7	4.7	6.2	29.1	22.7	17.4	3.0	2.8	2.5	10.8	12.8	15.2
Sona BLW Precis.	497	Neutral	10.6	12.2	13.5	47.0	40.7	36.8	5.1	4.8	4.4	11.3	12.2	12.5
Tata Motors CV	388	Neutral	18.2	18.9	21.3	21.4	20.6	18.2	9.9	7.0	5.3	58.4	39.8	32.9
Tata Motors PV	303	Sell	-7.3	15.9	29.1	-41.3	19.0	10.4	1.0	0.9	0.9	-2.5	4.9	8.5
Tube Investments	2,567	Buy	45.0	46.0	51.1	57.1	55.8	50.3	8.3	7.3	6.5	15.5	14.0	13.7
TVS Motor	3,390	Buy	77.2	88.6	113.5	43.9	38.3	29.9	12.4	9.8	7.7	32.1	28.7	29.0

**Exhibit 7: Relative performance – three months (%)**


Source: Bloomberg, MOFSL

**Exhibit 8: Relative performance – one year (%)**


Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

## Bajaj Auto Neutral

**CMP: INR8,760 | TP: INR9,181 (+5%)**
**EPS CHANGE (%): FY26E | 27E: 3 | 4**

- Total volumes grew ~24% YoY largely over a low base of last year. On a QoQ basis, export mix has declined from 45.5% to 44.5%. On the positive front, domestic 3W mix has improved 40bp to 10.1% and pulsar mix has improved 150bp to 27.3%.
- The key benefit for BJAUT in 4Q is expected to be favorable currency movement (2% INR depreciation QoQ), which is likely to offset RM inflation pressure.
- As a result, we expect margins to remain stable QoQ at 20.8%. Overall, we expect BJAUT to post 30% earnings growth YoY, led by volume growth and better margins.

### Quarterly Performance

	FY25				FY26E				FY25	INR m FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Volumes ('000 units)	1,102	1,222	1,224	1,103	1,111	1,294	1,341	1,371	4,651	5,118
Growth YoY (%)	7.3	15.9	2.0	3.2	0.8	5.9	9.5	24.3	6.9	10.0
Realization (INR/unit)	1,08,234	1,07,470	1,04,591	1,10,142	1,13,247	1,15,307	1,13,479	1,15,633	1,07,527	1,14,468
Growth YoY (%)	7.9	5.1	3.7	2.5	4.6	7.3	8.5	5.0	4.7	6.5
<b>Net Sales</b>	<b>1,19,280</b>	<b>1,31,275</b>	<b>1,28,069</b>	<b>1,21,480</b>	<b>1,25,845</b>	<b>1,49,221</b>	<b>1,52,203</b>	<b>1,58,539</b>	<b>5,00,103</b>	<b>5,85,808</b>
Change (%)	15.7	21.8	5.7	5.8	5.5	13.7	18.8	30.5	11.9	17.1
<b>EBITDA</b>	<b>24,154</b>	<b>26,522</b>	<b>25,807</b>	<b>24,505</b>	<b>24,818</b>	<b>30,517</b>	<b>31,605</b>	<b>32,978</b>	<b>1,00,988</b>	<b>1,19,917</b>
Growth YoY (%)	23.6	24.3	6.2	6.3	2.7	15.1	22.5	34.6	14.5	18.7
EBITDA Margins (%)	20.2	20.2	20.2	20.2	19.7	20.5	20.8	20.8	20.2	20.5
Other Income	3,209	3,845	3,347	3,808	4,308	3,692	3,420	3,581	14,209	15,000
Interest	207	159	143	168	141	144	26	39	677	350
Depreciation	937	956	997	1,111	1,109	1,117	1,119	1,176	4,001	4,521
<b>PBT after EO</b>	<b>26,219</b>	<b>27,139</b>	<b>28,015</b>	<b>27,033</b>	<b>27,875</b>	<b>32,948</b>	<b>33,266</b>	<b>35,343</b>	<b>1,08,406</b>	<b>1,29,432</b>
Effective Tax Rate (%)	24.2	26.1	24.7	24.2	24.8	24.7	24.8	24.5	24.8	18.8
<b>Adj. PAT</b>	<b>19,884</b>	<b>22,160</b>	<b>21,087</b>	<b>20,492</b>	<b>20,960</b>	<b>24,797</b>	<b>25,490</b>	<b>26,696</b>	<b>83,103</b>	<b>97,943</b>
Change (%)	19.4	20.7	3.3	5.8	5.4	11.9	20.9	30.3	11.1	17.9

## Eicher Motors Neutral

**CMP: INR6,647 | TP: INR6,782 (+2%)**
**EPS CHANGE (%): FY26E | FY27E: 0 | -2**

- RE has posted 12% YoY volume growth in 4Q. Exports have declined 2% YoY due to weak demand in some of his key markets. Overall, mix is balanced as exports have improved 140bp QoQ and Classic 350 mix is also estimated to be down 170bp QoQ.
- They have taken 50bp price hike in Jan to pass on the input cost pressure.
- Overall, we expect margins to decline 70bp QoQ due to RM inflation and adverse mix
- We expect VECV's margin to improve 50bp YoY to 10.8%.
- Overall, we expect consol. PAT to grow 8% YoY for EIM.

### Quarterly performance (Consolidated)

INR m	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Y/E March</b>										
<b>Net Operating income</b>	<b>43,931</b>	<b>42,631</b>	<b>49,731</b>	<b>52,411</b>	<b>50,418</b>	<b>61,716</b>	<b>61,140</b>	<b>59,652</b>	<b>1,88,704</b>	<b>2,32,927</b>
Growth (%)	10.2	3.6	19.0	23.1	14.8	44.8	22.9	13.8	14.1	40.9
<b>EBITDA</b>	<b>11,654</b>	<b>10,877</b>	<b>12,012</b>	<b>12,577</b>	<b>12,028</b>	<b>15,119</b>	<b>15,567</b>	<b>14,799</b>	<b>47,120</b>	<b>57,513</b>
EBITDA Margins (%)	26.5	25.5	24.2	24.0	23.9	24.5	25.5	24.8	25.0	24.7
<b>PAT</b>	<b>9,269</b>	<b>9,866</b>	<b>10,070</b>	<b>11,142</b>	<b>10,481</b>	<b>12,345</b>	<b>12,377</b>	<b>11,722</b>	<b>40,346</b>	<b>47,480</b>
Share of JV Loss/(PAT)/ Min. Int.	-1,746	-1,138	-1,635	-2,480	-1,571	-1,349	-1,829	-3,032	-6,998	-7,782
<b>Recurring PAT</b>	<b>11,015</b>	<b>11,003</b>	<b>11,705</b>	<b>13,622</b>	<b>12,052</b>	<b>13,695</b>	<b>14,285</b>	<b>14,754</b>	<b>47,344</b>	<b>55,262</b>
Growth (%)	19.9	8.3	17.5	27.3	9.4	24.5	22.0	8.3	18.3	38.1
<b>Standalone (Royal Enfield)</b>										
<b>Royal Enfield ('000 units)</b>	227	228	272	283	266	326	329	318	1,010	1,010
Growth (%)	-0.4	-0.6	19.4	24.2	17.0	43.2	20.9	12.3	10.6	10.6
<b>Net Realn (INR '000/unit)</b>	186	185	180	181	185	181	182	183	183	182
Change - YoY (%)	8.8	7.7	1.4	-1.9	-0.9	-2.0	0.9	1.2	3.7	3.6
<b>Net operating income</b>	<b>42,313</b>	<b>42,054</b>	<b>49,081</b>	<b>51,066</b>	<b>49,084</b>	<b>59,021</b>	<b>59,878</b>	<b>58,034</b>	<b>1,84,515</b>	<b>2,26,017</b>
Growth (%)	8.5	7.0	21.1	21.8	16.0	40.3	22.0	13.6	43.5	75.7
<b>EBITDA</b>	<b>11,786</b>	<b>11,049</b>	<b>12,237</b>	<b>12,609</b>	<b>12,313</b>	<b>14,687</b>	<b>15,899</b>	<b>14,955</b>	<b>47,680</b>	<b>57,853</b>
EBITDA Margins (%)	27.9	26.3	24.9	24.7	25.1	24.9	26.6	25.8	25.8	25.6
<b>Recurring PAT</b>	<b>10,880</b>	<b>10,099</b>	<b>10,562</b>	<b>11,251</b>	<b>13,065</b>	<b>12,080</b>	<b>13,323</b>	<b>12,499</b>	<b>42,793</b>	<b>50,967</b>
Growth (%)	19.1	7.6	15.6	14.4	20.1	19.6	26.1	11.1	14.1	35.9

## Hero MotoCorp

**Buy**
**CMP: INR5,013 | TP: INR5,977 (+19%)**
**EPS CHANGE (%): FY26E | FY27E: 0 | -3**

- HMCL posted 24% YoY volume growth in 4Q, albeit on a low base of last year. Export mix improved 130bp QoQ to 7.3%.
- However, input cost inflation, especially at 4Q end, was high, which could dent margins.
- HMCL taken two rounds of price hikes – avg of INR300/unit in Jan and avg of INR700/unit in Feb to pass on input costs. This is apart from the ~INR10k price hike taken in Dec'25.
- Accordingly, we have factored in margins to decline 40bp QoQ to 14.3%. Overall, PAT is expected to grow 26% YoY in 4Q, largely led by healthy volume growth.

### Quarterly Performance (S/A)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,691	1,697	1,714	5,899	6,469
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	11.3	15.9	24.2	4.9	15.1
Net Realization	66,076	68,851	69,755	71,991	70,069	71,724	72,658	73,312	69,088	72,040
Growth YoY (%)	1.9	3.3	4.7	5.3	6.0	4.2	4.2	1.8	3.7	8.1
<b>Net Op Revenues</b>	<b>1,01,437</b>	<b>1,04,632</b>	<b>1,02,108</b>	<b>99,387</b>	<b>95,789</b>	<b>1,21,264</b>	<b>1,23,284</b>	<b>1,25,678</b>	<b>4,07,564</b>	<b>4,66,015</b>
Growth YoY (%)	15.7	10.8	5.0	4.4	-5.6	15.9	20.7	26.5	8.8	24.4
RM Cost (% sales)	67.7	66.7	65.8	65.5	66.7	66.7	67.4	67.8	66.4	67.2
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.5	5.8	5.7	5.7	6.4	5.9
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.3	12.5	12.2	12.2	12.8	12.3
<b>EBITDA</b>	<b>14,598</b>	<b>15,159</b>	<b>14,765</b>	<b>14,156</b>	<b>13,817</b>	<b>18,234</b>	<b>18,101</b>	<b>17,946</b>	<b>58,677</b>	<b>68,098</b>
EBITDA Margins (%)	14.4	14.5	14.5	14.2	14.4	15.0	14.7	14.3	14.4	14.6
Change (%)	21.0	14.1	8.4	4.1	-5.3	20.3	22.6	26.8	11.6	16.1
Other Income	2,317	2,830	3,175	2,237	3,037	2,328	2,959	2,463	10,559	10,787
Interest	48	49	55	47	56	57	60	68	199	240
Depreciation	1,932	1,937	1,969	1,921	1,928	1,970	2,044	2,067	7,759	8,008
<b>PBT before EO Exp/(Inc)</b>	<b>14,935</b>	<b>16,003</b>	<b>15,916</b>	<b>14,425</b>	<b>14,870</b>	<b>18,537</b>	<b>18,955</b>	<b>18,274</b>	<b>61,278</b>	<b>70,636</b>
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.3	24.9	24.1	25.3	24.8	24.7
<b>Adj. PAT</b>	<b>11,226</b>	<b>12,035</b>	<b>12,028</b>	<b>10,809</b>	<b>11,257</b>	<b>13,928</b>	<b>14,382</b>	<b>13,655</b>	<b>46,100</b>	<b>53,223</b>
Growth (%)	18.7	14.2	12.1	6.4	0.3	15.7	19.6	26.3	12.7	30.2

## TVS Motor Company

**Buy**
**CMP: INR3,390 | TP: INR4,073 (+20%)**
**EPS CHANGE (%): FY26E | FY27E: 1 | -8**

- TVS continued to outperform 2W peers with 28% YoY growth in 4Q, led by strong growth in scooters (+31%), motorcycles (+23%), and 3W (+65%). Exports rose 24% YoY.
- We expect margins to remain stable QoQ at 13% as benefits from improving mix and favorable currency are likely to be offset by increase in input costs.
- We expect TVSL to post 18% YoY growth in earnings in 4Q.

### S/A Quarterly Performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Vols ('000 units)</b>	<b>1,087.2</b>	<b>1,228.2</b>	<b>1,212.0</b>	<b>1,216.3</b>	<b>1,277.0</b>	<b>1,507.0</b>	<b>1,544.5</b>	<b>1,560.4</b>	<b>4,744</b>	<b>5,889</b>
Growth (%)	14.1	14.3	10.1	14.2	17.5	22.7	27.4	28.3	13.2	40.5
<b>Realn (INR '000/unit)</b>	<b>77.0</b>	<b>75.1</b>	<b>75.1</b>	<b>78.5</b>	<b>78.9</b>	<b>79.0</b>	<b>80.8</b>	<b>81.0</b>	<b>76.4</b>	<b>80.0</b>
Growth (%)	1.7	(0.9)	0.2	2.4	2.5	5.1	7.6	3.2	0.8	5.5
<b>Net Sales</b>	<b>83,756</b>	<b>92,282</b>	<b>90,971</b>	<b>95,504</b>	<b>1,00,810</b>	<b>1,19,054</b>	<b>1,24,763</b>	<b>1,26,447</b>	<b>3,62,513</b>	<b>4,71,074</b>
Growth (%)	16.0	13.3	10.3	16.9	20.4	29.0	37.1	32.4	14.1	48.2
RM (% of sales)	71.4	71.5	71.6	69.8	71.2	71.1	71.2	71.4	71.1	71.2
Emp cost (% of sales)	5.7	5.4	5.5	5.2	5.8	5.1	5.0	5.0	5.4	5.2
Other exp (% of sales)	11.4	11.4	11.1	11.0	10.5	11.2	10.7	10.6	11.2	10.8
<b>EBITDA</b>	<b>9,602</b>	<b>10,798</b>	<b>10,815</b>	<b>13,326</b>	<b>12,630</b>	<b>15,086</b>	<b>16,341</b>	<b>16,429</b>	<b>44,540</b>	<b>60,486</b>
EBITDA Margin (%)	11.5	11.7	11.9	14.0	12.5	12.7	13.1	13.0	12.3	12.8
Interest	372	319	338	358	403	466	579	587	1,387	2,035
Depreciation	1,763	1,806	1,883	1,994	2,039	2,144	2,335	2,485	7,446	9,004
Other Income	363	299	-227	145	343	-213	-280	211	580	60
<b>PBT before EO Exp</b>	<b>7,829</b>	<b>8,972</b>	<b>8,367</b>	<b>11,120</b>	<b>10,531</b>	<b>12,263</b>	<b>13,147</b>	<b>13,567</b>	<b>36,288</b>	<b>49,507</b>
EO Exp	0	0	0	1,617	0	0	414	0		414
<b>PBT after EO Exp</b>	<b>7,829</b>	<b>8,972</b>	<b>8,367</b>	<b>12,737</b>	<b>10,531</b>	<b>12,263</b>	<b>12,733</b>	<b>13,567</b>	<b>36,288</b>	<b>49,093</b>
Tax	2,056	2,346	2,182	2,599	2,745	3,202	3,329	3,546	9,183	12,822
Tax rate (%)	26.3	26.1	26.1	20.4	26.1	26.1	26.1	26.1	25.3	26.1
<b>Adjusted PAT</b>	<b>5,773</b>	<b>6,626</b>	<b>6,185</b>	<b>8,521</b>	<b>7,786</b>	<b>9,061</b>	<b>9,709</b>	<b>10,021</b>	<b>27,105</b>	<b>36,577</b>
Growth (%)	23.4	23.5	4.2	75.5	34.9	36.7	57.0	17.6	30.1	35.3

## Maruti Suzuki

**Buy**
**CMP: INR12,632 | TP: INR15,392 (+22%)**
**EPS CHANGE (%): FY26E | FY27E: -1 | -10**

- Volume growth was healthy at 12% YoY, led by steady demand, but upside was capped by capacity constraints.
- UV mix was largely flat at 34% vs. 35% QoQ. However, export mix has improved 500bp QoQ to 21%
- Reduced discounts QoQ may help to partially offset the surge in input costs.
- We expect MSIL margins to decline 60bp QoQ to 11.8%
- We expect MSIL to post 7% YoY PAT growth in 4Q.

### S/A Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Volumes ('000 units)	521.9	541.6	566.2	604.6	527.9	550.9	667.8	676.2	2,234.3	2,422.7
Change (%)	4.8	-1.9	13.0	3.5	1.1	1.7	17.9	11.8	4.9	13.8
Realizations (INR/car)	6,80,850	6,86,969	6,84,412	6,72,700	7,31,121	7,68,457	7,47,137	7,51,362	6,84,197	7,49,674
Change (%)	4.9	2.3	3.0	2.8	7.4	11.9	9.2	11.7	3.4	13.2
<b>Net operating revenues</b>	<b>3,55,314</b>	<b>3,72,028</b>	<b>3,87,523</b>	<b>4,06,738</b>	<b>3,85,930</b>	<b>4,23,323</b>	<b>4,98,915</b>	<b>5,08,078</b>	<b>15,28,679</b>	<b>18,16,246</b>
Change (%)	9.9	0.4	16.3	6.4	8.6	13.8	28.7	24.9	8.5	18.8
RM Cost (% of sales)	70.2	71.9	70.5	71.9	70.9	71.9	72.7	73.3	70.3	72.3
Staff Cost (% of sales)	4.4	3.9	4.6	3.9	5.3	4.8	4.2	4.2	4.6	4.6
Other Cost (% of sales)	12.8	12.3	11.9	13.8	11.8	11.2	10.7	10.7	11.9	11.1
<b>EBITDA</b>	<b>45,023</b>	<b>44,166</b>	<b>50,646</b>	<b>42,647</b>	<b>46,206</b>	<b>50,848</b>	<b>61,656</b>	<b>59,972</b>	<b>2,01,492</b>	<b>2,18,682</b>
EBITDA Margins (%)	12.7	11.9	13.1	10.5	12.0	12.0	12.4	11.8	13.2	12.0
Change (%)	50.9	-7.7	29.6	-9.0	2.6	15.1	21.7	40.6	22.9	8.5
Depreciation	7,310	7,509	14,287	8,724	15,557	17,028	17,343	17,593	56,070	67,521
<b>EBIT</b>	<b>37,713</b>	<b>36,657</b>	<b>36,359</b>	<b>33,923</b>	<b>30,649</b>	<b>33,820</b>	<b>44,313</b>	<b>42,379</b>	<b>1,45,422</b>	<b>1,51,161</b>
EBIT Margins (%)	10.6	9.9	9.4	8.3	7.9	8.0	8.9	8.3	9.5	8.3
Interest	573	402	463	472	468	572	617	635	1,942	2,292
Non-Operating Income	9,751	14,750	10,672	14,466	18,879	9,661	10,543	10,597	50,647	49,680
<b>PBT</b>	<b>46,891</b>	<b>51,005</b>	<b>46,568</b>	<b>47,917</b>	<b>49,060</b>	<b>42,909</b>	<b>48,300</b>	<b>52,342</b>	<b>1,94,127</b>	<b>1,92,611</b>
Effective Tax Rate (%)	22.2	39.8	21.4	22.6	23.4	23.0	21.4	24.0	26.3	23.0
<b>PAT</b>	<b>36,499</b>	<b>30,692</b>	<b>36,593</b>	<b>37,111</b>	<b>37,581</b>	<b>33,028</b>	<b>37,940</b>	<b>39,785</b>	<b>1,42,976</b>	<b>1,48,334</b>
<b>Adjusted PAT</b>	<b>36,499</b>	<b>30,692</b>	<b>36,593</b>	<b>37,111</b>	<b>37,581</b>	<b>33,028</b>	<b>42,514</b>	<b>39,785</b>	<b>1,42,976</b>	<b>1,52,908</b>
Change (%)	46.9	-17.4	16.9	-4.3	3.0	7.6	16.2	7.2	8.2	6.9

## Hyundai Motor

**Buy**
**CMP: INR1,712 | TP: INR2,069 (+21%)**
**EPS CHANGE (%): FY26E | FY27E: -7 | -16**

- Hyundai posted 9% YoY volume growth in 4Q.
- HMIL may see a challenging 4Q, given: 1) adverse mix (lower SUVs and exports) 2) high input costs, 3) high overhead and labor costs, 4) high depreciation
- HMIL has taken a 50bp price hike so far to offset cost pressure.
- We expect EBITDA margin to dip 360bp YoY and 70bp QoQ to 10.5%.
- We expect HMIL to post 27% earnings decline in 4Q.

### Consol Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Volumes ('000 units)	192.1	191.9	186.4	191.6	180.4	190.9	195.4	208.3	762.1	775.0
Change (%)	4.7	-8.5	-2.4	-1.1	-6.1	-0.5	4.8	8.7		1.7
Realizations (INR/car)	9,03,087	8,99,264	8,93,094	9,36,101	9,09,810	9,14,557	9,19,661	9,30,387	9,07,982	9,18,993
Change (%)	-0.4	1.1	1.1	2.6	0.7	1.7	3.0	-0.6		1.2
<b>Net operating revenues</b>	<b>1,73,442</b>	<b>1,72,604</b>	<b>1,66,480</b>	<b>1,79,403</b>	<b>1,64,129</b>	<b>1,74,608</b>	<b>1,79,735</b>	<b>1,93,776</b>	<b>6,91,929</b>	<b>7,12,248</b>
Change (%)	4.3	-7.5	-1.3	1.5	-5.4	1.2	8.0	8.0		2.9
RM Cost (% of sales)	71.9	72.5	73.1	71.2	70.7	70.1	71.4	72.4	72.2	71.2
Staff Cost (% of sales)	3.2	3.2	3.6	3.4	3.8	3.5	3.9	3.7	3.3	3.7
Other Cost (% of sales)	11.5	11.5	12.0	11.3	12.2	12.4	13.5	13.4	11.5	12.9
<b>EBITDA</b>	<b>23,403</b>	<b>22,053</b>	<b>18,755</b>	<b>25,327</b>	<b>21,852</b>	<b>24,289</b>	<b>20,183</b>	<b>20,427</b>	<b>89,538</b>	<b>86,752</b>
EBITDA Margins (%)	13.5	12.8	11.3	14.1	13.3	13.9	11.2	10.5	12.9	12.2
Change (%)	17.2	-9.6	-13.7	0.4	-6.6	10.1	7.6	-19.3		-3.1
Depreciation	5,290	5,185	5,274	5,304	5,281	5,175	5,688	6,484	21,053	22,628
<b>EBIT</b>	<b>18,113</b>	<b>16,868</b>	<b>13,482</b>	<b>20,023</b>	<b>16,571</b>	<b>19,114</b>	<b>14,496</b>	<b>13,942</b>	<b>68,485</b>	<b>64,124</b>
EBIT Margins (%)	10.4	9.8	8.1	11.2	10.1	10.9	8.1	7.2	9.9	9.0
Interest	316	292	299	365	247	167	272	249	1,272	935
Non-Operating Income	2,238	1,923	2,445	2,096	2,148	2,312	2,437	2,240	8,700	9,137
<b>PBT</b>	<b>20,034</b>	<b>18,498</b>	<b>15,627</b>	<b>21,754</b>	<b>18,472</b>	<b>21,260</b>	<b>16,660</b>	<b>15,933</b>	<b>75,913</b>	<b>72,325</b>
Effective Tax Rate (%)	25.6	25.6	25.7	25.8	25.9	26.0	25.9	25.7	25.7	25.9
<b>PAT</b>	<b>14,897</b>	<b>13,755</b>	<b>11,607</b>	<b>16,143</b>	<b>13,692</b>	<b>15,723</b>	<b>12,344</b>	<b>11,834</b>	<b>56,402</b>	<b>53,593</b>
<b>Adjusted PAT</b>	<b>14,897</b>	<b>13,755</b>	<b>11,607</b>	<b>16,143</b>	<b>13,692</b>	<b>15,723</b>	<b>12,344</b>	<b>11,834</b>	<b>56,402</b>	<b>53,593</b>
Change (%)	12.1	-15.5	-18.6	-3.7	-8.1	14.3	6.3	-26.7	-6.9	-5.0

## Tata Motors PV

**Sell**
**CMP: INR303 | TP: INR272 (-10%)**
**EPS CHANGE (%): FY26E | FY27E: NM | NM**

- India PV volumes grew 37% YoY, fueled by continued demand in 4Q. Led by operating leverage benefits, we expect India PV margin to improve 30bp QoQ to 7%.
- After the cyber incident in 3Q, volumes recovered 61% QoQ in 4Q but down 14.5% YoY. Given this, we expect JLR's margins to improve to 7.7%, from 0.7% QoQ, but much lower than the 15.3% reported in 4QFY25.

### Quarterly Performance (Consolidated)

**(INR m)**

Y/E March	FY25		FY26E				FY26E
	2Q	3Q	1Q	2Q	3Q	4QE	
<b>Net Operating income</b>	<b>8,44,410</b>	<b>9,50,400</b>	<b>8,83,760</b>	<b>7,31,870</b>	<b>7,11,030</b>	<b>11,03,245</b>	<b>34,29,905</b>
RM Cost (% of Sales)	60	60	63	66	62	65	64
Staff Costs (% of sales)	12	11	12	15	16	11	13
Other Exp (% of sales)	14	14	13	15	16	12	14
<b>Total Cost</b>	<b>7,51,730</b>	<b>8,28,980</b>	<b>8,07,610</b>	<b>7,32,580</b>	<b>6,96,150</b>	<b>10,19,512</b>	<b>32,55,852</b>
<b>EBITDA</b>	<b>92,680</b>	<b>1,21,420</b>	<b>76,150</b>	<b>-710</b>	<b>14,880</b>	<b>83,733</b>	<b>1,74,053</b>
EBITDA Margins (%)	11.0	12.8	8.6	-0.1	2.1	7.6	5.1
Change (%)	0.0	0.0	0.0	0.0	-87.7	0.0	0.0
Non-Operating Income	6,420	7,640	6,330	6,600	6,410	5,149	24,489
Interest	10,300	8,430	6,920	6,920	6,820	7,542	28,202
Depreciation & Amort.	54,670	48,630	48,510	48,710	49,690	52,273	1,99,183
<b>PBT before EO Exp</b>	<b>34,130</b>	<b>72,000</b>	<b>27,050</b>	<b>-49,740</b>	<b>-35,220</b>	<b>29,068</b>	<b>-28,842</b>
EO Exp/(Inc)	<b>13,650</b>	<b>-10,940</b>	<b>11,920</b>	<b>-30,960</b>	<b>-12,110</b>	<b>0</b>	<b>-31,150</b>
<b>PBT after EO Exp</b>	<b>47,780</b>	<b>61,060</b>	<b>38,970</b>	<b>-80,700</b>	<b>-47,330</b>	<b>29,068</b>	<b>-59,992</b>
Tax	17,520	19,420	13,060	-17,020	-12,500	6,861	-9,599
Effective Tax Rate (%)	36.7	31.8	33.5	NM	-26.4	23.6	16.0
<b>PAT</b>	<b>30,260</b>	<b>41,640</b>	<b>25,910</b>	<b>-63,680</b>	<b>-34,830</b>	<b>22,207</b>	<b>-50,393</b>
<b>Adj PAT</b>	<b>30,260</b>	<b>50,867</b>	<b>16,970</b>	<b>-40,460</b>	<b>-25,748</b>	<b>22,207</b>	<b>-27,030</b>

### Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Operating income</b>	<b>1,18,470</b>	<b>1,17,000</b>	<b>1,23,540</b>	<b>1,27,950</b>	<b>1,10,030</b>	<b>1,37,360</b>	<b>1,57,240</b>	<b>1,88,733</b>	<b>4,90,890</b>	<b>5,93,363</b>
Change (%)	-7.7	-3.9	-4.3	-100.0	-7.1	17.4	27.3	47.5	-6.8	20.9
<b>EBITDA</b>	<b>6,410</b>	<b>6,400</b>	<b>6,970</b>	<b>9,930</b>	<b>4,350</b>	<b>7,860</b>	<b>10,580</b>	<b>13,194</b>	<b>33,630</b>	<b>35,984</b>
EBITDA Margins (%)	5.4	5.5	5.6	7.8	4.0	5.7	6.7	7.0	6.9	6.1

### JLR

**(GBP Million)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>7,273</b>	<b>6,475</b>	<b>7,486</b>	<b>7,727</b>	<b>6,604</b>	<b>4,900</b>	<b>4,538</b>	<b>7,357</b>	<b>28,961</b>	<b>23,399</b>
Change (%)	5.4	-5.6	1.5	-1.7	-9.2	-24.3	-39.4	-4.8	-0.1	-19.2
EBITDA Margins (%)	15.8	11.7	14.2	15.3	9.3	-1.6	0.7	7.7	14.3	4.9

## Mahindra & Mahindra

**Buy**
**CMP: INR3,012 | TP: INR3,743 (+24%)**
**EPS CHANGE (%): FY26E|FY27E: -0|-9**

- MM posted strong 36% YoY growth in tractors and 16% YoY growth in PVs (incl. PikUp).
- For the auto segment, input cost pressure is likely to be offset by price hike taken in Jan'26, leading to stable EBIT margins QoQ.
- For the tractor segment, margins are expected to largely be stable YoY at 19.6%.
- Overall, we expect MM to post strong 33% YoY growth in earnings in 4Q.

### Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Total Volumes (nos)</b>	3,15,366	3,01,457	3,43,654	3,19,447	3,60,779	3,49,807	4,22,937	3,96,762	12,79,924	15,30,285
Growth YoY (%)	4.7	-0.5	17.8	15.3	14.4	16.0	23.1	24.2	14.0	19.6
<b>Net Realization</b>	8,57,378	9,14,003	8,88,633	9,81,490	9,44,712	9,55,430	9,10,699	9,80,740	9,10,083	9,47,103
Growth YoY (%)	7.0	13.5	2.2	8.0	10.2	4.5	2.5	-0.1	3.1	4.1
<b>Revenue from Operations</b>	<b>2,70,388</b>	<b>2,75,533</b>	<b>3,05,382</b>	<b>3,13,534</b>	<b>3,40,832</b>	<b>3,34,216</b>	<b>3,85,168</b>	<b>3,89,120</b>	<b>11,64,837</b>	<b>14,49,337</b>
Growth YoY (%)	12.0	12.9	20.3	24.5	26.1	21.3	26.1	24.1	17.5	24.4
RM Cost (% of sales)	73.7	74.2	74.4	74.1	74.5	75.6	76.2	75.9	74.1	76.0
Staff (% of sales)	4.3	4.2	4.2	4.0	3.8	3.9	3.6	3.5	4.2	3.7
Oth. Exp. (% of Sales)	7.0	7.3	6.7	6.9	5.8	5.9	5.5	5.8	7.0	5.7
<b>EBITDA</b>	<b>40,222</b>	<b>39,497</b>	<b>44,681</b>	<b>46,825</b>	<b>48,840</b>	<b>48,615</b>	<b>56,676</b>	<b>57,408</b>	<b>1,71,226</b>	<b>2,11,538</b>
EBITDA Margins (%)	14.9	14.3	14.6	14.9	14.3	14.5	14.7	14.8	14.7	14.6
Change (%)	22.4	26.4	35.6	42.0	21.4	23.1	26.8	22.6	30.3	23.5
Other inc. (incl Inc. from Invest)	3,515	19,978	6,063	493	6,431	23,076	7,476	631	30,048	37,614
Interest	529	551	614	810	559	590	632	628	2,505	2,409
Depreciation	9,146	9,614	10,451	13,058	9,999	10,406	10,516	13,541	42,268	44,463
<b>EBIT</b>	<b>31,076</b>	<b>29,884</b>	<b>34,231</b>	<b>33,768</b>	<b>38,841</b>	<b>38,209</b>	<b>46,160</b>	<b>43,866</b>	<b>1,28,958</b>	<b>1,67,076</b>
<b>PBT after EO</b>	<b>34,062</b>	<b>49,310</b>	<b>39,679</b>	<b>33,450</b>	<b>44,713</b>	<b>60,695</b>	<b>52,023</b>	<b>43,869</b>	<b>1,56,501</b>	<b>2,01,299</b>
Tax	7,936	10,901	10,036	9,079	10,214	15,489	12,710	11,509	37,952	49,922
Effective Tax Rate (%)	23.3	22.1	25.3	27.1	22.8	25.5	24.4	26.2	24.3	24.8
<b>Reported PAT</b>	<b>26,126</b>	<b>38,409</b>	<b>29,643</b>	<b>24,371</b>	<b>34,498</b>	<b>45,205</b>	<b>39,313</b>	<b>32,360</b>	<b>1,18,550</b>	<b>1,51,377</b>
Change (%)	-5.3	13.2	19.1	21.9	32.0	17.7	32.6	32.8	11.4	27.7
<b>Adj PAT</b>	<b>26,126</b>	<b>38,409</b>	<b>29,643</b>	<b>24,371</b>	<b>34,498</b>	<b>45,205</b>	<b>40,051</b>	<b>32,360</b>	<b>1,18,550</b>	<b>1,52,115</b>
Change (%)	23.2	13.2	19.1	21.9	32.0	17.7	35.1	32.8	11.4	28.3

## ESCORTS

**Neutral**
**CMP: INR2,846 | TP: INR3,019 (+6%)**
**EPS CHANGE (%): FY26E|FY27E: -0|-10**

- Tractor volumes underperformed the industry and grew 21% YoY in 4Q.
- EBITDA margin to improve 80bp YoY to 12.9% on a low base.
- PAT is likely to grow 32% YoY over a low base.

### Standalone Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>25,563</b>	<b>22,649</b>	<b>29,354</b>	<b>24,303</b>	<b>24,834</b>	<b>27,774</b>	<b>32,614</b>	<b>30,649</b>	<b>1,01,870</b>	<b>1,15,870</b>
YoY Change (%)	9.8	-8.1	8.5	6.1	-2.9	22.6	11.1	26.1	4.1	18.4
Total Expenditure	22,394	20,321	26,001	21,374	21,584	24,142	28,226	26,681	90,091	1,00,633
<b>EBITDA</b>	<b>3,169</b>	<b>2,328</b>	<b>3,353</b>	<b>2,929</b>	<b>3,250</b>	<b>3,632</b>	<b>4,387</b>	<b>3,967</b>	<b>11,778</b>	<b>15,237</b>
Margins (%)	12.4	10.3	11.4	12.1	13.1	13.1	13.5	12.9	11.6	13.2
Depreciation	-3.1	-12.7	3.5	0.7	2.6	56.0	30.9	35.5	-2.5	29.4
Interest	590	610	612	615	591	615	637	651	2,426	2,494
Other Income	101	92	31	47	36	42	60	61	270	200
Other Income	1,024	1,152	1,092	1,316	1,556	1,336	1,537	1,521	4,584	5,950
<b>PBT</b>	<b>3,502</b>	<b>2,778</b>	<b>3,802</b>	<b>3,313</b>	<b>4,939</b>	<b>4,311</b>	<b>4,702</b>	<b>4,776</b>	<b>13,395</b>	<b>18,258</b>
Rate (%)	24.0	-8.9	23.6	24.3	24.5	25.5	22.9	25.1	17.1	25.1
<b>Adj. PAT</b>	<b>2,662</b>	<b>3,027</b>	<b>2,905</b>	<b>2,710</b>	<b>3,153</b>	<b>3,212</b>	<b>4,019</b>	<b>3,578</b>	<b>11,465</b>	<b>14,305</b>
YoY Change (%)	-5.9	41.9	7.7	9.1	18.5	6.1	38.4	32.1	21.6	51.7

## Tata Motors CV

**Neutral**
**CMP: INR388 | TP: INR423 (+9%)**
**EPS CHANGE (%): FY26E | FY27E: 3 | -3**

- India CV volumes rose 25% YoY, supported by GST cuts and a resultant improvement in operator sentiment. MHCV and LCV both grew ~25% in 4QFY26.
- We expect its margin to improve 120bp QoQ to 14%, due to operating leverage benefits.

### Quarterly Performance

Y/E March							(INR m)	
	FY25			FY26E			FY25	FY26E
	2Q	3Q	1Q	2Q	3Q	4QE		
<b>Total India Volumes (nos)</b>	<b>86,000</b>	<b>98,370</b>	<b>88,000</b>	<b>96,800</b>	<b>1,17,917</b>	<b>1,34,930</b>	<b>3,87,031</b>	<b>4,37,647</b>
Change (%)	(19.0)	(0.8)	-6	12	21	25	-4.8	13.6
<b>Net Operating income</b>	<b>1,55,180</b>	<b>1,70,400</b>	<b>1,56,820</b>	<b>1,68,610</b>	<b>2,04,040</b>	<b>2,42,406</b>	<b>7,54,260</b>	<b>7,71,876</b>
Change (%)	-23.0	-15.6	NA	8.7	19.7	NA	-4.6	2.3
RM Cost (% of Sales)	67.9	68.8	67.1	69.0	69.9	70.3	67.9	69.3
Staff Costs (% of sales)	7.4	6.5	7.4	6.9	5.6	4.8	3.8	-2.0
Other Exp (% of sales)	14.1	12.9	13.4	11.8	11.6	11.1	14.1	11.9
<b>EBITDA</b>	<b>16,530</b>	<b>20,150</b>	<b>18,900</b>	<b>20,830</b>	<b>26,060</b>	<b>33,491</b>	<b>88,500</b>	<b>99,281</b>
EBITDA Margins (%)	10.7	11.8	12.1	12.4	12.8	13.8	11.7	12.9
Change (%)	-21	-10	NA	26	29	-10	4	12
Non-Operating Income	1,760	3,060	2,450	2,780	2,720	2,904	4,020	10,854
Interest	2,110	2,200	1,740	1,860	1,430	1,472	5,510	6,502
Depreciation & Amort.	4,840	4,880	4,230	4,120	4,170	4,257	20,460	16,777
<b>PBT before EO Exp</b>	<b>11,220</b>	<b>16,030</b>	<b>16,350</b>	<b>17,570</b>	<b>23,180</b>	<b>30,666</b>	<b>66,490</b>	<b>87,766</b>
EO Exp/(Inc)	330	240	100	23,660	15,450	0	0	39,210
<b>PBT after EO Exp</b>	<b>10,890</b>	<b>15,790</b>	<b>16,250</b>	<b>-6,090</b>	<b>7,730</b>	<b>30,666</b>	<b>66,490</b>	<b>48,556</b>
Tax	4,460	1,620	2,140	4,120	2,120	7,418	5,170	15,798
Effective Tax Rate (%)	41.0	10.3	13.2	23.4	27.4	24.2	7.8	32.5
<b>Adj PAT</b>	<b>6,760</b>	<b>14,410</b>	<b>14,210</b>	<b>13,450</b>	<b>16,033</b>	<b>23,249</b>	<b>61,320</b>	<b>66,942</b>
Change (%)	-55.7	-13.0	NA	99.0	11.3	NA	0.3	9.2

## Ashok Leyland

**Buy**
**CMP: INR149 | TP: INR182 (+23%)**
**EPS CHANGE (%): FY26E | FY27E: -3 | -2**

- Volumes grew 17% in 4Q, with LCV growing 25% and MHCV rising by a lower 17% due to lower bus volumes.
- Input cost pressures are likely to compress margins by 50bp YoY to 14.5%.
- Poor mix would lead to lower ASP growth.
- We factor in PAT growth of 9% YoY in 4Q.

### Quarterly Performance (S/A)

	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY25	FY26E
	Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	49,116	57,625	69,458	1,95,097
Growth %	6.2	-8.5	-1.4	5.1	0.8	7.7	24.2	17.4	0.3	13.3
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,952	2,002	1,986	1,986	1,980
Change (%)	-1.1	-0.6	3.7	0.6	0.7	1.6	-2.0	-1.3	0.7	0.4
<b>Net operating revenues</b>	<b>85,985</b>	<b>87,688</b>	<b>94,787</b>	<b>1,19,067</b>	<b>87,245</b>	<b>95,882</b>	<b>1,15,339</b>	<b>1,37,971</b>	<b>3,87,527</b>	<b>4,36,436</b>
Change (%)	5.0	-9.0	2.2	5.7	1.5	9.3	21.7	15.9	1.0	13.8
RM/sales %	72.2	71.2	71.5	70.6	70.6	71.2	72.2	72.5	71.3	71.8
Staff/sales %	6.4	6.8	6.4	5.5	7.0	6.8	5.4	4.8	6.2	5.8
Other exp/sales %	10.9	10.4	9.4	8.9	11.2	10.0	9.1	8.2	9.8	9.4
<b>EBITDA</b>	<b>9,109</b>	<b>10,173</b>	<b>12,114</b>	<b>17,910</b>	<b>9,696</b>	<b>11,622</b>	<b>15,350</b>	<b>20,046</b>	<b>49,306</b>	<b>56,713</b>
Change (%)	11.0	-5.8	8.8	12.5	6.4	14.2	26.7	11.9	7.0	15.0
EBITDA Margins(%)	10.6	11.6	12.8	15.0	11.1	12.1	13.3	14.5	12.7	13.0
Interest	591	607	501	471	419	420	439	419	2,169	1,696
Other Income	223	973	247	1,059	529	1,348	593	541	2,503	3,010
Depreciation	1,727	1,754	1,923	1,789	1,828	1,723	1,775	1,802	7,193	7,127
<b>PBT after EO</b>	<b>7,014</b>	<b>9,958</b>	<b>9,938</b>	<b>16,573</b>	<b>7,977</b>	<b>10,427</b>	<b>10,645</b>	<b>18,367</b>	<b>43,483</b>	<b>47,415</b>
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.6	26.0	25.2	25.3	24.0	25.5
<b>Adj PAT</b>	<b>5,256</b>	<b>6,933</b>	<b>7,617</b>	<b>12,562</b>	<b>5,937</b>	<b>8,009</b>	<b>10,258</b>	<b>13,717</b>	<b>32,245</b>	<b>37,920</b>
Change (%)	-8.9	20.2	31.2	32.4	13.0	15.5	34.7	9.2	20.2	17.6

## Apollo Tyres

**Buy**
**CMP: INR409 | TP: INR483 (+18%)**
**EPS CHANGE (%): FY26E | FY27E: -0 | -14**

- We expect standalone revenue growth of 17% YoY, led by healthy demand in replacement and OE segment. Exports were subdued.
- Margins are expected to be slightly lower QoQ in India business due to higher freight and marketing expenses.
- Apollo has taken 0.6% price hike in PCR and 1.5% in LCV in Jan and another 2-3% increase across segments in late Mar.
- Demand in Europe continues to be weak with flat RM basket QoQ.
- We expect Europe's margin to marginally dip YoY to 14.1%.

### Consolidated - Quarterly performance

(INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Revenues</b>	<b>63,349</b>	<b>64,370</b>	<b>69,280</b>	<b>64,236</b>	<b>65,608</b>	<b>68,311</b>	<b>77,431</b>	<b>74,818</b>	<b>2,61,234</b>	<b>2,86,167</b>
YoY Change (%)	1.4	2.5	5.0	2.6	3.6	6.1	11.8	16.5	2.9	12.8
<b>EBITDA</b>	<b>9,093</b>	<b>8,779</b>	<b>9,470</b>	<b>8,374</b>	<b>8,677</b>	<b>10,207</b>	<b>11,859</b>	<b>10,434</b>	<b>35,715</b>	<b>41,178</b>
Margins (%)	14.4	13.6	13.7	13.0	13.2	14.9	15.3	13.9	13.7	14.4
Change (%)	-13.5	-24.3	-21.6	-22.4	-4.6	16.3	25.2	24.6	-20.6	15.3
Depreciation	3,695	3,759	3,759	3,771	3,776	3,834	3,853	3,910	14,984	15,373
Interest	1,070	1,197	1,105	1,094	1,006	1,010	1,001	1,087	4,466	4,105
Other Income	308	217	81	275	189	297	496	234	881	1,216
<b>PBT before EO expense</b>	<b>4,636</b>	<b>4,040</b>	<b>4,686</b>	<b>3,785</b>	<b>4,085</b>	<b>5,660</b>	<b>7,501</b>	<b>5,671</b>	<b>17,146</b>	<b>22,917</b>
Extra-Ord expense	404	52	42	1,188	3,702	1,800	271	0	1,687	5,774
<b>PBT</b>	<b>4,232</b>	<b>3,988</b>	<b>4,644</b>	<b>2,596</b>	<b>383</b>	<b>3,860</b>	<b>7,229</b>	<b>5,671</b>	<b>15,460</b>	<b>17,143</b>
Tax Rate (%)	28.6	25.4	27.4	29.0	66.5	33.2	34.9	30.6	27.5	33.8
MI & P/L of Asso. Cos.	0	-1	-2	-3	-1	-1	-2	-1	-7	-4
<b>Reported PAT</b>	<b>3,020</b>	<b>2,975</b>	<b>3,372</b>	<b>1,846</b>	<b>129</b>	<b>2,580</b>	<b>4,705</b>	<b>3,936</b>	<b>11,213</b>	<b>11,350</b>
<b>Adj PAT</b>	<b>3,313</b>	<b>3,012</b>	<b>3,403</b>	<b>2,708</b>	<b>2,579</b>	<b>3,772</b>	<b>4,885</b>	<b>3,936</b>	<b>12,436</b>	<b>15,172</b>
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-22.2	25.2	43.5	45.4	-33.2	22.0

## Balkrishna Industries

**Neutral**
**CMP: INR2,065 | TP: INR1,957 (-5%)**
**EPS CHANGE (%): FY26E | FY27E: -3 | -17**

- Wholesale demand should remain stable QoQ in key regions, where India would continue to be the key growth driver and EU and US continue to face macro and tariff-related issues. Overall, we expect a decline of 2% in volumes YoY.
- Impact of higher input costs and higher freight rates are likely to keep margins under pressure.
- Margin are likely to decline 100bp QoQ to 21.9%.

### Quarterly Earning Model (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Volumes (Ton)</b>	<b>83,570</b>	<b>73,298</b>	<b>76,343</b>	<b>82,062</b>	<b>80,664</b>	<b>70,252</b>	<b>80,620</b>	<b>80,461</b>	<b>3,15,273</b>	<b>3,11,997</b>
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	5.6	-2.0	7.7	-1.0
<b>Realizations (INR '000/ton)</b>	<b>328.1</b>	<b>336.3</b>	<b>336.8</b>	<b>345.8</b>	<b>342.1</b>	<b>330.3</b>	<b>332.8</b>	<b>335.1</b>	<b>336.7</b>	<b>335.2</b>
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	-1.2	-3.1	5.1	-0.4
<b>Net Revenues</b>	<b>27,415</b>	<b>24,648</b>	<b>25,716</b>	<b>28,376</b>	<b>27,594</b>	<b>23,207</b>	<b>26,827</b>	<b>26,961</b>	<b>1,06,150</b>	<b>1,04,589</b>
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	-5.8	4.3	-5.0	13.2	-1.5
<b>EBITDA</b>	<b>7,137</b>	<b>6,185</b>	<b>6,391</b>	<b>7,035</b>	<b>6,560</b>	<b>4,999</b>	<b>6,134</b>	<b>5,899</b>	<b>26,813</b>	<b>23,592</b>
Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	22.9	21.9	25.3	22.6
YoY Change (%)	46.8	12.9	8.9	-0.9	-8.1	-19.2	-4.0	-16.2	15.0	-12.0
Depreciation	1,617	1,647	1,708	1,760	1,862	1,901	1,921	1,992	6,735	7,676
Interest	143	404	150	490	290	319	420	432	1,252	1,462
Forex loss/(gain)	-60	530	-1,120	580	1,540	10	-360	0	-68	1,190
Other Income	830	1,048	240	550	1,042	709	768	780	2,668	780
<b>PBT before EI</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>3,478</b>	<b>4,920</b>	<b>4,256</b>	<b>21,562</b>	<b>16,564</b>
Extra-Ord expense	0	0	0	0	0	0	83	0	0	83
<b>PBT</b>	<b>6,267</b>	<b>4,653</b>	<b>5,894</b>	<b>4,755</b>	<b>3,910</b>	<b>3,478</b>	<b>4,837</b>	<b>4,256</b>	<b>21,562</b>	<b>16,480</b>
Rate (%)	23.8	24.9	25.4	23.8	26.6	23.7	22.4	23.3	24.5	23.5
<b>Adj PAT</b>	<b>4,773</b>	<b>3,496</b>	<b>4,398</b>	<b>3,622</b>	<b>2,869</b>	<b>2,652</b>	<b>3,816</b>	<b>3,266</b>	<b>16,283</b>	<b>12,604</b>
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	-24.1	-13.2	-9.8	12.6	-22.6

## CEAT

**Buy**
**CMP: INR3,364 | TP: INR3,943 (+17%)**
**EPS CHANGE (%): FY26E | FY27E: -0 | -22**

- Demand remained healthy across segments in 4Q. While OEM and replacement demand remained intact in 4Q, exports were weak. We expect CEAT to post 27% revenue growth in 4Q, led by Camso integration.
- Margins are expected to remain stable QoQ on account of price hikes taken to offset the input cost inflation.
- Overall, PAT is likely to grow 78% YoY due to Camso integration and a low base.

### Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>31,928</b>	<b>33,045</b>	<b>32,999</b>	<b>34,206</b>	<b>35,294</b>	<b>37,727</b>	<b>41,571</b>	<b>43,348</b>	<b>1,32,179</b>	<b>1,57,939</b>
YoY Change (%)	8.8	8.2	11.4	14.3	10.5	14.2	26.0	26.7	10.7	19.5
RM cost (%)	60.8	62.6	63.2	62.5	63.2	59.1	60.1	60.2	62.3	60.6
Employee cost (%)	6.1	6.6	6.5	6.6	6.4	6.9	6.8	6.8	6.5	6.8
Other expenses (%)	21.1	19.8	20.0	19.5	19.4	20.6	19.6	19.4	20.1	19.7
<b>EBITDA</b>	<b>3,829</b>	<b>3,623</b>	<b>3,409</b>	<b>3,881</b>	<b>3,877</b>	<b>5,034</b>	<b>5,634</b>	<b>5,915</b>	<b>14,741</b>	<b>20,460</b>
Margins (%)	12.0	11.0	10.3	11.3	11.0	13.3	13.6	13.6	11.2	13.0
Depreciation	1,318	1,371	1,415	1,523	1,514	1,739	1,881	1,927	5,627	7,061
Interest	619	665	751	744	821	870	1,050	1,062	2,778	3,802
Other Income	62	35	34	45	47	39	61	44	176	190
<b>PBT before EO expense</b>	<b>1,954</b>	<b>1,622</b>	<b>1,278</b>	<b>1,659</b>	<b>1,590</b>	<b>2,464</b>	<b>2,763</b>	<b>2,969</b>	<b>6,512</b>	<b>9,787</b>
Exceptional item	-75	0	0	370	33	0	580	0	-296	-613
<b>PBT</b>	<b>2,029</b>	<b>1,621</b>	<b>1,278</b>	<b>1,288</b>	<b>1,558</b>	<b>2,464</b>	<b>2,183</b>	<b>2,969</b>	<b>6,808</b>	<b>9,174</b>
Tax Rate (%)	26.6	28.6	28.3	27.6	26.9	27.6	31.0	26.7	25.3	28.0
MI & Profit of Asso. Cos.	-53	-61	-55	-63	14	-72	-50	-76	-231	-185
<b>Reported PAT</b>	<b>1,542</b>	<b>1,219</b>	<b>971</b>	<b>995</b>	<b>1,125</b>	<b>1,857</b>	<b>1,558</b>	<b>2,251</b>	<b>5,319</b>	<b>6,790</b>
<b>Adj PAT</b>	<b>1,486</b>	<b>1,219</b>	<b>971</b>	<b>1,267</b>	<b>1,148</b>	<b>1,857</b>	<b>1,975</b>	<b>2,251</b>	<b>5,101</b>	<b>7,240</b>
YoY Change (%)	3	-41	-46	-16	-23	52	103	78	-26	42

## MRF

**Sell**
**CMP: INR1,26,446 | TP: INR1,13,210 (-10%)**
**EPS CHANGE (%): FY26E | FY27E: 1 | -8**

- Expect 16% YoY revenue growth, led by steady demand revival across segments.
- We understand that MRF has taken price hike only in farm segment yet.
- We expect EBITDA margin to improve 190bp YoY to 16.9%, led by a pick-up in demand.

### Standalone - Quarterly Earnings Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>70,778</b>	<b>67,604</b>	<b>68,832</b>	<b>69,438</b>	<b>75,603</b>	<b>72,497</b>	<b>79,337</b>	<b>80,242</b>	<b>2,76,652</b>	<b>3,07,678</b>
YoY Change (%)	11.9	11.1	13.8	11.7	6.8	7.2	15.3	15.6	12.1	11.2
Total Expenditure	59,400	57,869	60,814	59,011	65,259	61,599	65,693	66,715	2,37,094	2,59,267
<b>EBITDA</b>	<b>11,378</b>	<b>9,734</b>	<b>8,018</b>	<b>10,428</b>	<b>10,343</b>	<b>10,898</b>	<b>13,644</b>	<b>13,527</b>	<b>39,559</b>	<b>48,412</b>
Margins (%)	16.1	14.4	11.6	15.0	13.7	15.0	17.2	16.9	14.3	15.7
Change (%)	2.1	-13.8	-22.9	3.7	-9.1	11.9	70.2	29.7	-7.7	22.4
Depreciation	3,943	4,079	4,143	4,310	4,270	4,433	4,362	4,683	16,474	17,747
Interest	754	667	711	782	822	708	736	746	2,914	3,011
Other Income	827	1,121	966	1,115	1,255	1,067	1,231	1,088	4,029	4,641
<b>PBT before EO expense</b>	<b>7,509</b>	<b>6,109</b>	<b>4,130</b>	<b>6,451</b>	<b>6,507</b>	<b>6,824</b>	<b>9,777</b>	<b>9,186</b>	<b>24,199</b>	<b>32,294</b>
Extra-Ord expense	0	0	0	0	0	0	772	0	0	772
<b>PBT</b>	<b>7,509</b>	<b>6,109</b>	<b>4,130</b>	<b>6,451</b>	<b>6,507</b>	<b>6,824</b>	<b>9,005</b>	<b>9,186</b>	<b>24,199</b>	<b>31,522</b>
Tax	1,883	1,555	1,063	1,472	1,665	1,708	2,214	2,168	5,974	7,755
Rate (%)	25.1	25.4	25.7	22.8	25.6	25.0	24.6	23.6	24.7	24.6
<b>Reported PAT</b>	<b>5,625</b>	<b>4,554</b>	<b>3,067</b>	<b>4,978</b>	<b>4,842</b>	<b>5,116</b>	<b>6,791</b>	<b>7,018</b>	<b>18,225</b>	<b>23,768</b>
<b>Adj PAT</b>	<b>5,625</b>	<b>4,554</b>	<b>3,067</b>	<b>4,978</b>	<b>4,842</b>	<b>5,116</b>	<b>7,373</b>	<b>7,018</b>	<b>18,225</b>	<b>24,350</b>
YoY Change (%)	-3.3	-20.4	-39.6	6.1	-13.9	12.3	140.4	41.0	-14.4	33.6
Margins (%)	7.9	6.7	4.5	7.2	6.4	7.1	8.6	8.7	6.6	7.9

## Amara Raja Energy Mobility

**Neutral**
**CMP: INR727 | TP: INR730 (+0%)**
**EPS CHANGE (%): FY26E | FY27E: 0 | -7**

- We expect battery demand in auto OEM and replacement to hold up well. However, export offtake may be muted. We expect overall revenue growth of 14% YoY.
- Lead prices are expected to largely remain stable QoQ. Amara took a price hike of 2% in Jan'26.
- Overall, we expect EBITDA margin to remain largely flat QoQ and YoY at 11.3%.
- Hence, we expect 13.5% YoY earnings growth in 4Q.

### Quarterly Performance

Y/E March (INR m)	FY25				FY26E				FY25	(INR m) FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>31,312</b>	<b>31,358</b>	<b>31,640</b>	<b>29,739</b>	<b>33,499</b>	<b>33,882</b>	<b>33,508</b>	<b>33,915</b>	<b>1,24,049</b>	<b>1,34,804</b>
YoY Change (%)	13.0	11.6	9.8	6.3	7.0	8.0	5.9	14.0	10.2	8.7
RM Cost (% of sales)	68.9	67.6	66.9	67.7	70.5	67.2	68.2	68.2	67.8	68.6
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.6	6.1	6.0	6.0	6.2
Other Exp (% of sales)	11.5	12.2	13.9	14.7	12.0	14.2	14.5	14.5	13.1	13.8
<b>EBITDA</b>	<b>4,304</b>	<b>4,407</b>	<b>4,158</b>	<b>3,422</b>	<b>3,867</b>	<b>4,059</b>	<b>3,745</b>	<b>3,818</b>	<b>16,291</b>	<b>15,489</b>
Margins (%)	13.7	14.1	13.1	11.5	11.5	12.0	11.2	11.3	13.1	11.5
YoY Change (%)	16.7	7.5	-4.4	-16.1	-10.2	-7.9	-9.9	11.6	0.5	-4.9
Depreciation	1,183	1,220	1,233	1,284	1,292	1,380	1,409	1,427	4,921	5,508
Interest	90	131	107	95	104	83	87	89	422	362
Other Income	256	185	293	200	139	241	263	243	933	886
<b>PBT before EO expense</b>	<b>3,287</b>	<b>3,240</b>	<b>3,111</b>	<b>2,244</b>	<b>2,610</b>	<b>2,838</b>	<b>2,513</b>	<b>2,545</b>	<b>11,881</b>	<b>10,505</b>
Extra-Ord expense	0	0	-1,111	0	0	-1,218	438	0	-1,111	-780
<b>PBT after EO</b>	<b>3,287</b>	<b>3,240</b>	<b>4,222</b>	<b>2,244</b>	<b>2,610</b>	<b>4,056</b>	<b>2,075</b>	<b>2,545</b>	<b>12,992</b>	<b>11,285</b>
Tax	841	833	1,103	576	670	1,032	558	652	3,353	2,912
Tax Rate (%)	25.6	25.7	26.1	25.7	25.7	25.4	26.9	25.6	25.8	25.8
<b>Adj PAT</b>	<b>2,446</b>	<b>2,407</b>	<b>2,298</b>	<b>1,668</b>	<b>1,940</b>	<b>2,120</b>	<b>1,842</b>	<b>1,893</b>	<b>8,815</b>	<b>7,795</b>
YoY Change (%)	23.1	6.3	-9.1	-26.8	-20.7	-11.9	-19.8	13.5	-2.7	-11.6

## Exide Industries

**Neutral**
**CMP: INR300 | TP: INR289 (-4%)**
**EPS CHANGE (%): FY26E | FY27E: 1 | -9**

- We expect Exide to post 5% YoY growth in revenue to INR43.7b, led by healthy demand in OE and replacement segments in Autos.
- We expect EBITDA margin to remain stable QoQ at 11.8%.
- Overall, we expect 4Q PAT to grow 16% YoY.

### S/A Quarterly Performance

Y/E March	FY25				FY26E				FY25	(INR m) FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>43,128</b>	<b>42,673</b>	<b>38,486</b>	<b>41,594</b>	<b>45,098</b>	<b>41,783</b>	<b>40,297</b>	<b>43,716</b>	<b>1,65,881</b>	<b>1,70,894</b>
Growth YoY (%)	5.9	3.9	0.2	3.7	4.6	-2.1	4.7	5.1	3.5	3.0
RM cost (%)	69.3	68.5	68.0	68.8	69.2	70.2	68.4	68.5	68.7	69.1
Employee cost (%)	6.1	6.3	6.8	6.3	6.1	6.4	6.5	6.3	6.4	6.3
Other Exp (%)	13.1	13.9	13.5	13.7	12.6	14.0	13.4	13.3	13.6	13.3
<b>EBITDA</b>	<b>4,943</b>	<b>4,836</b>	<b>4,486</b>	<b>4,667</b>	<b>5,482</b>	<b>3,947</b>	<b>4,696</b>	<b>5,172</b>	<b>18,931</b>	<b>19,296</b>
EBITDA Margin (%)	11.5	11.3	11.7	11.2	12.2	9.4	11.7	11.8	11.4	11.3
Change (%)	14.4	0.1	2.0	-9.6	10.9	-18.4	4.7	10.8	1.2	3.2
Non-Operating Income	142	528	132	161	182	424	183	221	962	1,010
Interest	87	103	120	130	91	89	85	87	439	351
Depreciation	1,257	1,270	1,244	1,268	1,276	1,306	1,270	1,312	5,039	5,163
<b>PBT after EO Exp</b>	<b>3,741</b>	<b>3,991</b>	<b>3,253</b>	<b>3,430</b>	<b>4,297</b>	<b>2,976</b>	<b>3,434</b>	<b>3,995</b>	<b>14,415</b>	<b>14,701</b>
Effective Tax Rate (%)	25.3	25.4	24.7	25.8	25.4	25.8	25.0	25.8	25.3	25.5
<b>Adj. PAT</b>	<b>2,796</b>	<b>2,978</b>	<b>2,450</b>	<b>2,546</b>	<b>3,205</b>	<b>2,207</b>	<b>2,644</b>	<b>2,964</b>	<b>10,769</b>	<b>11,020</b>
Change (%)	15.6	3.8	2.0	-10.3	14.6	-25.9	7.9	16.4	2.3	2.3

## Bharat Forge

**Neutral**
**CMP: INR1,642 | TP: INR1,557 (-5%)**
**EPS CHANGE (%): FY27E|FY28E: -2|-5**

- In the domestic business, pickup in CVs and defense business is expected to be the key growth driver. In exports, pickup in US Class8 is likely to support growth.
- We expect standalone revenue to rise 9% YoY in 4Q.
- We expect EBITDA margin to improve 40bp QoQ to 27.6% as benefits from favorable currency are likely to offset rising cost pressure.
- Standalone PAT is expected to grow 9% YoY in 4Q.

### S/A Quarterly

(INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net operating income</b>	<b>23,381</b>	<b>22,467</b>	<b>20,960</b>	<b>21,630</b>	<b>21,047</b>	<b>19,469</b>	<b>20,837</b>	<b>23,636</b>	<b>88,437</b>	<b>84,990</b>
Change (%)	9.9	-0.1	-7.4	-7.1	-10.0	-13.3	-0.6	9.3	-1.4	-3.9
<b>EBITDA</b>	<b>6,515</b>	<b>6,255</b>	<b>6,099</b>	<b>6,167</b>	<b>5,718</b>	<b>5,511</b>	<b>5,664</b>	<b>6,534</b>	<b>25,034</b>	<b>23,428</b>
EBITDA Margins (%)	27.9	27.8	29.1	28.5	27.2	28.3	27.2	27.6	28.3	27.6
Change (%)	17.7	2.4	-5.5	-5.7	-12.2	-11.9	-7.1	5.9	-60.3	-6.4
Non-Operating Income	446	348	314	481	422	465	273	461	1,589	1,620
Interest	702	635	573	588	522	483	414	405	2,498	1,825
Depreciation	1094	1083	1104	1122	1125	1112	1120	1134	4,404	4,490
EO Exp / (Inc)	1,457	-135	9	203	0	79	487	0		566
<b>PBT after EO items</b>	<b>3,708</b>	<b>5,019</b>	<b>4,727</b>	<b>4,735</b>	<b>4,493</b>	<b>4,380</b>	<b>4,403</b>	<b>5,455</b>	<b>19,721</b>	<b>18,167</b>
Tax	1014	1407	1266	1278	1108	1202	1035	1526	4,965	4,871
Eff. Tax Rate (%)	27.3	28.0	26.8	27.0	24.7	27.9	26.4	28.0	25.2	26.8
<b>Rep. PAT</b>	<b>2,694</b>	<b>3,612</b>	<b>3,461</b>	<b>3,456</b>	<b>3,385</b>	<b>3,099</b>	<b>2,880</b>	<b>3,929</b>	<b>14,756</b>	<b>13,296</b>
Change (%)	-13.5	4.4	-8.4	-11.3	25.6	-14.2	-16.8	13.7	2.4	0.6
<b>Adj. PAT</b>	<b>3,787</b>	<b>3,510</b>	<b>3,468</b>	<b>3,608</b>	<b>3,385</b>	<b>3,157</b>	<b>3,237</b>	<b>3,929</b>	<b>13,223</b>	<b>13,710</b>
Change (%)	20.2	0.1	-4.8	-8.8	-10.6	-10.1	-6.7	8.9	-7.2	-4.6

## CIE Automotive

**Buy**
**CMP: INR456 | TP: INR522 (+14%)**
**EPS CHANGE (%): CY26E|27E: -0|-1**

- India business to post 14% YoY growth in revenue in 1QCY26 due to a pickup in key segments. EU business to post 4% YoY growth, largely due to currency translation.
- Overall, consol. revenue is projected to grow 10% YoY. EBITDA margin is expected to largely remain stable YoY at 14.8%.

### Quarterly performance (Consol.)

(INR m)	CY25				CY26E				CY25	CY26E
Y/E December	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>22,726</b>	<b>23,690</b>	<b>23,718</b>	<b>23,930</b>	<b>25,060</b>	<b>24,365</b>	<b>25,498</b>	<b>26,257</b>	<b>94,065</b>	<b>1,01,181</b>
YoY Change (%)	-6.4	3.3	11.1	13.4	10.3	2.9	7.5	9.7	4.9	7.6
<b>EBITDA</b>	<b>3,355</b>	<b>3,368</b>	<b>3,557</b>	<b>3,469</b>	<b>3,720</b>	<b>3,546</b>	<b>3,755</b>	<b>4,003</b>	<b>13,625</b>	<b>15,024</b>
Margins (%)	14.8	14.2	15.0	14.5	14.8	14.6	14.7	15.2	14.5	14.8
YoY Change (%)	-7.0	-6.5	7.6	15.9	10.9	5.3	5.6	15.4	0.9	10.3
Depreciation	864	871	890	955	875	890	900	1,029	3,581	3,694
Interest	126	16	36	87	101	103	107	106	265	417
Other Income	361	221	192	239	245	272	275	284	1,013	1,076
Share of profit from associates	5	7	2	9	7	7	7	3	23	24
<b>PBT after EO exp</b>	<b>2,725</b>	<b>2,701</b>	<b>2,822</b>	<b>2,543</b>	<b>2,989</b>	<b>2,825</b>	<b>3,023</b>	<b>3,153</b>	<b>10,668</b>	<b>11,866</b>
Tax Rate (%)	24.6	25.1	24.5	21.4	24.6	24.6	24.6	26.2	24.2	25.2
<b>Adj. PAT</b>	<b>2,060</b>	<b>2,030</b>	<b>2,132</b>	<b>2,101</b>	<b>2,262</b>	<b>2,138</b>	<b>2,287</b>	<b>2,331</b>	<b>8,323</b>	<b>9,111</b>
YoY Change (%)	-10.5	-6.2	9.5	17.4	9.8	5.3	7.3	10.9	1.5	9.5
<b>Revenues</b>										
India	14,658	15,154	15,677	15,935	16,688	16,333	17,057	17,488	61,423	67,566
Growth (%)	3	6	8	10	14	8	9	10	7	10
EU	8,069	8,536	8,043	7,995	8,372	8,033	8,442	8,769	32,642	33,615
Growth (%)	-19	-1	18	20	4	-6	5	10	12	3
<b>EBITDA Margins</b>										
India	15.7	15.7	15.9	15.9	15.6	15.5	15.3	15.9	15.6	15.6
EU	13.1	11.7	13.2	11.8	13.3	12.7	13.6	14.0	12.4	13.4

## Craftsman Auto

**Neutral**
**CMP: INR6,797 | TP: INR6,736 (-1%)**
**EPS CHANGE (%): FY26E | FY27E: 1|-9**

- Standalone revenue is likely to grow ~18% YoY, led by steady growth in the aluminum segment and recovery in the powertrain segment.
- Consolidated revenue is likely to grow 29% YoY due to the ramp-up of Sunbeam and Fronberg.
- Margins are likely to be impacted on QoQ basis due to surge in Aluminum prices.

### Quarterly (Consol)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net operating income</b>	<b>11,512</b>	<b>12,140</b>	<b>15,761</b>	<b>17,493</b>	<b>17,840</b>	<b>20,016</b>	<b>20,573</b>	<b>22,537</b>	<b>56,905</b>	<b>80,966</b>
Change (%)	10.9	3.0	39.5	58.3	55.0	64.9	30.5	28.8	27.8	42.3
RM/Sales (%)	56.3	55.6	52.7	54.2	53.9	54.7	55.0	55.8	54.5	54.9
Staff Cost (% of Sales)	6.4	6.9	8.5	8.3	8.1	7.2	7.3	7.1	7.7	7.4
Other Exp. (% of Sales)	20.1	21.6	26.2	23.6	23.2	23.0	22.6	22.3	23.2	22.8
<b>EBITDA</b>	<b>1,973</b>	<b>1,928</b>	<b>1,990</b>	<b>2,436</b>	<b>2,649</b>	<b>3,019</b>	<b>3,122</b>	<b>3,314</b>	<b>8,327</b>	<b>12,104</b>
EBITDA Margins (%)	17.1	15.9	12.6	13.9	14.9	15.1	15.2	14.7	14.6	15.0
Change (%)	-7.9	-18.8	-9.6	17.7	34.3	56.6	56.9	36.0	1,110.9	178.9
Non-Operating Income	48	64	86	52	50	96	277	229	251	652
Interest	492	413	583	679	663	770	794	806	2166	3033
Depreciation	725	762	1035	949	1019	1090	1149	1199	3470	4457
Minority Int/Share of Profit	61	-4	-2	-2	-2	-4	-3	-6	-10	-14
<b>PBT after EO items</b>	<b>744</b>	<b>821</b>	<b>313</b>	<b>755</b>	<b>937</b>	<b>1,253</b>	<b>1,422</b>	<b>1,544</b>	<b>2,951</b>	<b>5,156</b>
Eff. Tax Rate (%)	28.5	24.9	58.6	11.6	25.7	27.5	24.7	25.3	23.3	25.7
<b>Rep. PAT</b>	<b>532</b>	<b>617</b>	<b>129</b>	<b>668</b>	<b>696</b>	<b>909</b>	<b>1,071</b>	<b>1,154</b>	<b>2,263</b>	<b>3,830</b>
Change (%)	-28.6	-34.7	-82.3	7.1	30.9	47.3	728.4	72.8	-25.7	69.2
<b>Adj. PAT</b>	<b>532</b>	<b>617</b>	<b>242</b>	<b>750</b>	<b>757</b>	<b>912</b>	<b>1,098</b>	<b>1,154</b>	<b>2,263</b>	<b>3,922</b>
Change (%)	-28.6	-34.7	-66.9	20.3	42.3	47.9	353.2	53.9	-25.7	73.3

E: MOFSL Estimates

## Endurance Technologies

**Buy**
**CMP: INR2,250 | TP: INR2,670 (+19%)**
**EPS CHANGE (%): FY26E | FY27E: -1|-7**

- India business to grow 23% YoY on the back of seasonally strong OEM volumes in 4Q, as well as a relatively low base.
- Europe revenue to grow 19% YoY on Stoferle acquisition.
- Expect Europe's EBITDA margin to rise 70bp YoY to 19%.
- India EBITDA margin to remain flat QoQ.
- Consolidated PAT to grow 15% YoY in 4Q.

### Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>28,255</b>	<b>29,127</b>	<b>28,592</b>	<b>29,635</b>	<b>33,189</b>	<b>35,828</b>	<b>36,082</b>	<b>37,513</b>	<b>1,15,608</b>	<b>1,42,613</b>
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	23.0	26.2	26.6	12.9	23.4
<b>EBITDA</b>	<b>3,741</b>	<b>3,820</b>	<b>3,725</b>	<b>4,225</b>	<b>4,439</b>	<b>4,768</b>	<b>4,771</b>	<b>5,156</b>	<b>15,511</b>	<b>19,134</b>
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.3	13.2	13.7	13.4	13.4
YoY Change (%)	16.4	20.0	24.6	14.4	18.7	24.8	28.1	22.0	16.8	23.4
Depreciation	1,288	1,311	1,364	1,424	1,644	1,800	1,779	1,805	5,387	7,029
Interest	112	116	115	125	135	137	150	156	468	577
Other Income	339	265	219	346	356	210	374	376	1,170	1,315
<b>PBT before EO expense</b>	<b>2,680</b>	<b>2,658</b>	<b>2,466</b>	<b>3,022</b>	<b>3,016</b>	<b>3,041</b>	<b>3,216</b>	<b>3,571</b>	<b>10,825</b>	<b>12,844</b>
Exceptional Item	0	0	0	-122	0	0	210	0	-122	210
<b>PBT after EO</b>	<b>2,680</b>	<b>2,658</b>	<b>2,466</b>	<b>3,144</b>	<b>3,016</b>	<b>3,041</b>	<b>3,007</b>	<b>3,571</b>	<b>10,947</b>	<b>12,634</b>
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	25.3	26.3	24.0	23.6	25.1
<b>Adj. PAT</b>	<b>2,039</b>	<b>2,030</b>	<b>1,844</b>	<b>2,358</b>	<b>2,264</b>	<b>2,273</b>	<b>2,373</b>	<b>2,714</b>	<b>8,270</b>	<b>9,624</b>
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	12.0	28.7	15.1	20.7	16.4

## Happy Forgings

**Buy**
**CMP: INR1185 | TP: INR1361 (+15%)**
**EPS CHANGE (%): FY26E|27E: -0|+0**

- Key segments in the domestic market (CVs and tractors) continued strong momentum in 4Q and should help drive a pick-up in revenue. This, coupled with the ramp-up of new orders, is expected to drive 19% YoY growth in revenue in 4Q.
- We expect EBITDA margins to improve 140bp YoY to 30.4%.
- This is likely to drive 18% YoY growth in PAT for 4Q.

### Quarterly (Standalone)

**(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net operating income</b>	<b>3,415</b>	<b>3,611</b>	<b>3,543</b>	<b>3,520</b>	<b>3,538</b>	<b>3,774</b>	<b>3,913</b>	<b>4,170</b>	<b>14,089</b>	<b>15,395</b>
Change (%)	3.5	5.3	3.6	2.5	3.6	4.5	10.4	18.5	3.7	9.3
RM/Sales (%)	43.5	41.2	42.0	41.3	42.1	39.7	41.1	41.6	42.0	41.1
Staff Cost (%)	8.5	8.5	9.3	9.2	9.1	8.9	8.8	8.7	8.9	8.9
Other Exp. (%)	19.4	21.2	20.1	20.4	20.3	20.7	19.3	19.2	20.3	19.9
<b>EBITDA</b>	<b>976</b>	<b>1,054</b>	<b>1,015</b>	<b>1,023</b>	<b>1,012</b>	<b>1,158</b>	<b>1,204</b>	<b>1,268</b>	<b>4,067</b>	<b>4,642</b>
EBITDA Margins (%)	28.6	29.2	28.6	29.1	28.6	30.7	30.8	30.4	28.9	30.2
Change (%)	-2.6	12.4	6.6	5.3	3.6	9.9	18.7	24.0	4.9	14.1
Non-Operating Income	77	83	66	101	104	63	82	67	376	315
Interest	14	16	21	24	23	19	25	27	75	93
Depreciation	180	197	191	203	206	216	224	238	771	883
<b>PBT after EO items</b>	<b>859</b>	<b>973</b>	<b>868</b>	<b>897</b>	<b>886</b>	<b>986</b>	<b>1,037</b>	<b>1,071</b>	<b>3,597</b>	<b>3,981</b>
Tax	220	259	223	219	230	252	247	275	921	1003
Eff. Tax Rate (%)	25.6	26.6	25.7	24.4	25.9	25.5	23.9	25.6	25.6	25.2
<b>Adj. PAT</b>	<b>639</b>	<b>666</b>	<b>645</b>	<b>678</b>	<b>657</b>	<b>734</b>	<b>789</b>	<b>797</b>	<b>2,676</b>	<b>2,977</b>
Change (%)	-0.3	20.6	11.4	3.0	2.9	10.2	22.4	17.6	10.1	11.3

## Sona Comstar

**Neutral**
**CMP: INR497 | TP: INR461 (-7%)**
**EPS CHANGE (%): FY27E|FY28E: -2|-5**

- For SONACOMS, revenue is likely to remain flat QoQ given weak demand, especially in key markets like US and Europe.
- Given a weak mix, we expect margins to remain under pressure – down 40bp QoQ to 24.8%.
- Overall, we expect core business PAT to grow 17% YoY to INR1.8b.

### Consol. Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net operating revenues</b>	<b>8,930</b>	<b>9,251</b>	<b>8,680</b>	<b>8,494</b>	<b>8,509</b>	<b>11,435</b>	<b>12,085</b>	<b>12,010</b>	<b>35,545</b>	<b>43,088</b>
Change (%)	22.0	17.0	11.8	-4.0	-4.7	23.6	39.2	41.4	11.6	21.2
<b>EBITDA</b>	<b>2,512</b>	<b>2,549</b>	<b>2,342</b>	<b>2,160</b>	<b>2,026</b>	<b>2,891</b>	<b>3,046</b>	<b>2,982</b>	<b>9,753</b>	<b>10,944</b>
EBITDA Margins (%)	28.1	27.6	27.0	25.4	23.8	25.3	25.2	24.8	27.4	24.9
Change (%)	23.5	14.2	3.1	-13.0	-19.4	13.4	30.1	38.1	12.7	12.2
Depreciation	606	626	666	646	670	716	749	764	2,544	2,899
<b>EBIT</b>	<b>1,905</b>	<b>1,923</b>	<b>1,677</b>	<b>1,513</b>	<b>1,356</b>	<b>2,174</b>	<b>2,298</b>	<b>2,218</b>	<b>7,209</b>	<b>8,046</b>
EBIT Margins (%)	21.3	20.8	19.3	17.8	15.9	19.0	19.0	18.5	20.3	18.3
Interest	86	106	58	52	53	52	55	55	302	214
Non-Operating Income	70	210	468	522	442	170	173	202	1,269	986
<b>PBT</b>	<b>1,889</b>	<b>1,918</b>	<b>2,030</b>	<b>2,147</b>	<b>1,652</b>	<b>2,276</b>	<b>2,014</b>	<b>2,366</b>	<b>8,173</b>	<b>8,817</b>
Effective Tax Rate (%)	25.0	25.1	25.8	23.8	26.3	25.1	25.4	25.4	24.2	0.3
<b>Adjusted PAT</b>	<b>1,417</b>	<b>1,546</b>	<b>1,564</b>	<b>1,473</b>	<b>1,309</b>	<b>1,717</b>	<b>1,801</b>	<b>1,766</b>	<b>6,200</b>	<b>6,569</b>
Change (%)	24.0	20.2	17.1	-0.6	-7.6	13.0	16.1	16.8	27.3	6.0

## Bosch

**Neutral**
**CMP: INR32,138 | TP: INR31,375 (-2%)**
**EPS CHANGE (%): FY27E|27E: 0|-6**

- We expect 10% YoY revenue growth, driven by a pick-up in demand in CVs and tractors and steady momentum in the 2W division.
- We expect margins to remain largely flat QoQ at 13.2%.
- As a result, we expect Bosch to post 12% YoY growth in PAT.

### Quarterly performance (S/A)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>43,168</b>	<b>43,943</b>	<b>44,657</b>	<b>49,106</b>	<b>47,886</b>	<b>47,948</b>	<b>48,856</b>	<b>53,756</b>	<b>1,80,874</b>	<b>1,98,446</b>
YoY Change (%)	3.8	6.4	6.2	16.0	10.9	9.1	9.4	9.5	8.1	9.7
RM Cost (% of sales)	64.6	65.1	61.6	62.4	62.3	64.6	63.2	63.5	63.4	63.4
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	7.1	7.6	7.7	7.5	8.3	7.5
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	17.2	14.9	16.1	15.8	15.6	16.0
<b>EBITDA</b>	<b>5,197</b>	<b>5,605</b>	<b>5,826</b>	<b>6,469</b>	<b>6,393</b>	<b>6,171</b>	<b>6,330</b>	<b>7,103</b>	<b>23,097</b>	<b>25,997</b>
Change (%)	11.1	14.1	0.7	16.1	23.0	10.1	8.7	9.8	10.3	12.6
Margins (%)	12.0	12.8	13.0	13.2	13.4	12.9	13.0	13.2	12.8	13.1
Depreciation	856	900	1,008	992	850	925	987	995	3,756	3,757
Interest	26	22	62	61	45	42	43	45	171	175
Other Income	1,793	2,089	1,891	2,369	2,881	2,099	1,999	2,488	8,142	9,467
<b>PBT before EO expense</b>	<b>6,108</b>	<b>6,772</b>	<b>6,647</b>	<b>7,785</b>	<b>8,379</b>	<b>7,303</b>	<b>7,299</b>	<b>8,551</b>	<b>27,312</b>	<b>31,532</b>
Extra-Ord expense	0	-485	471	0	5,560	0	206	0	0	5,354
<b>PBT after EO Expense</b>	<b>6,108</b>	<b>7,257</b>	<b>6,176</b>	<b>7,785</b>	<b>13,939</b>	<b>7,303</b>	<b>7,093</b>	<b>8,551</b>	<b>27,312</b>	<b>36,886</b>
Tax	1,453	1,898	1,594	2,248	2,785	1,761	1,772	2,350	7,193	8,668
Tax Rate (%)	23.8	26.2	25.8	28.9	20.0	24.1	25.0	27.5	26.3	23.5
<b>Reported PAT</b>	<b>4,655</b>	<b>5,359</b>	<b>4,582</b>	<b>5,537</b>	<b>11,154</b>	<b>5,542</b>	<b>5,321</b>	<b>6,201</b>	<b>20,119</b>	<b>28,218</b>
<b>Adj PAT</b>	<b>4,655</b>	<b>5,002</b>	<b>4,929</b>	<b>5,537</b>	<b>6,901</b>	<b>5,542</b>	<b>5,479</b>	<b>6,201</b>	<b>20,119</b>	<b>24,122</b>
YoY Change (%)	13.8	30.2	4.4	-1.9	48.2	10.8	11.2	12.0	11.4	19.9

E: MOFSL Estimates

## Motherson Wiring India

**Buy**
**CMP: INR37 | TP: INR46 (+25%)**
**EPS CHANGE (%): FY26E|FY27E: -1|-7**

- Revenue likely to grow 21% YoY, aided by a pick-up in auto demand across segments, ramp-up of its new plants and copper price pass-through.
- EBITDA margin to improve 130bp QoQ to 10.4%, led by a pick-up in demand, benefit of price pass-through and relatively stable copper prices.
- Earnings expected to grow 16% YoY.

### MSUMI: Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>21,848</b>	<b>23,256</b>	<b>23,003</b>	<b>25,095</b>	<b>24,940</b>	<b>27,619</b>	<b>28,871</b>	<b>30,414</b>	<b>93,203</b>	<b>1,11,843</b>
YoY Change (%)	16.7	10.5	8.8	12.4	14.2	18.8	25.5	21.2	11.9	20.0
RM Cost (% of sales)	65.1	64.9	64.9	65.7	64.7	66.2	67.5	66.5	65.2	66.3
Staff Cost (% of sales)	17.2	17.3	17.9	16.5	19.1	17.4	17.3	16.8	17.2	17.6
Other Expenses (% of sales)	6.7	7.1	6.8	7.0	6.4	6.3	6.1	6.3	6.9	6.3
<b>EBITDA</b>	<b>2,388</b>	<b>2,496</b>	<b>2,376</b>	<b>2,712</b>	<b>2,443</b>	<b>2,797</b>	<b>2,623</b>	<b>3,161</b>	<b>9,972</b>	<b>11,024</b>
Margins (%)	10.9	10.7	10.3	10.8	9.8	10.1	9.1	10.4	10.7	9.9
Change (%)	15.3	0.6	-9.3	-6.9	2.3	12.1	10.4	16.6	-1.6	10.5
Depreciation	399	444	470	476	492	531	565	567	1,789	2,155
Interest	55	72	66	55	63	64	72	66	248	265
Other Income	50	48	6	16	9	8	10	20	119	46
<b>PBT before EO expense</b>	<b>1,984</b>	<b>2,027</b>	<b>1,846</b>	<b>2,197</b>	<b>1,896</b>	<b>2,210</b>	<b>1,995</b>	<b>2,548</b>	<b>8,055</b>	<b>8,650</b>
<b>PBT after EO Expense</b>	<b>1,984</b>	<b>2,027</b>	<b>1,846</b>	<b>2,197</b>	<b>1,896</b>	<b>2,210</b>	<b>1,995</b>	<b>2,548</b>	<b>8,055</b>	<b>8,650</b>
Tax Rate (%)	25	25	24	25	25	25	25	25	25	25
<b>Reported PAT</b>	<b>1,489</b>	<b>1,521</b>	<b>1,400</b>	<b>1,649</b>	<b>1,431</b>	<b>1,653</b>	<b>1,494</b>	<b>1,908</b>	<b>6,060</b>	<b>6,487</b>
<b>Adj PAT</b>	<b>1,489</b>	<b>1,521</b>	<b>1,400</b>	<b>1,649</b>	<b>1,431</b>	<b>1,653</b>	<b>1,494</b>	<b>1,908</b>	<b>6,060</b>	<b>6,487</b>
YoY Change (%)	20.9	-2.4	-16.6	-13.8	-3.9	8.7	6.8	15.7	-5.1	7.1

E: MOFSL Estimates

## Samvardhana Motherson

**Buy**
**CMP: INR107 | TP: INR138 (+29%)**
**EPS CHANGE (%): FY26E | FY27E: 1 | -8**

- Execution of a healthy order book, integration benefits from recent acquisitions, currency translation gains, and pass-through of copper inflation should help offset demand weakness in end markets. We expect 4Q revenue growth of 12% YoY.
- We expect margins to gradually improve QoQ on the back of its cost-cutting initiatives and seasonally strong demand. Given strong revenue growth and margin expansion, we expect SAMIL to post 30% growth YoY in PAT in 4Q.

### Quarterly performance (Consol.)

**(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>2,88,680</b>	<b>2,78,119</b>	<b>2,76,659</b>	<b>2,93,168</b>	<b>3,02,120</b>	<b>3,01,730</b>	<b>3,14,094</b>	<b>3,28,898</b>	<b>11,36,626</b>	<b>12,46,842</b>
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	13.5	12.2	15.4	9.7
<b>EBITDA</b>	<b>27,753</b>	<b>24,479</b>	<b>26,858</b>	<b>26,429</b>	<b>24,583</b>	<b>26,107</b>	<b>30,431</b>	<b>33,132</b>	<b>1,05,519</b>	<b>1,14,253</b>
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	9.7	10.1	9.3	9.2
YoY Change (%)	44.2	23.1	16.0	-1.0	-11.4	6.6	13.3	25.4	17.0	8.3
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	13,208	13,850	44,934	51,534
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,411	3,739	18,824	15,265
Other income	709	862	1,112	1,164	805	1,212	514	924	5,577	3,455
<b>PBT before EO expense</b>	<b>13,371</b>	<b>8,852</b>	<b>12,185</b>	<b>11,200</b>	<b>8,841</b>	<b>11,275</b>	<b>14,325</b>	<b>16,467</b>	<b>47,338</b>	<b>50,909</b>
Extra-Ord expense	0	-1,730	0	1,730	1,365	362	465	0	0	2,191
<b>PBT after EO Expense</b>	<b>13,371</b>	<b>10,582</b>	<b>12,185</b>	<b>9,470</b>	<b>7,476</b>	<b>10,914</b>	<b>13,861</b>	<b>16,467</b>	<b>47,338</b>	<b>48,717</b>
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	31.7	27.2	23.6	30.6
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-920	-1,085	-1,848	-3,575
<b>Reported PAT</b>	<b>9,942</b>	<b>8,797</b>	<b>8,786</b>	<b>8,775</b>	<b>5,118</b>	<b>8,270</b>	<b>10,237</b>	<b>13,077</b>	<b>38,030</b>	<b>36,703</b>
<b>Adj PAT</b>	<b>9,942</b>	<b>7,470</b>	<b>8,790</b>	<b>10,030</b>	<b>6,047</b>	<b>8,516</b>	<b>10,553</b>	<b>13,077</b>	<b>38,030</b>	<b>38,193</b>
YoY Change (%)	65.5	65.7	62.2	9.4	-39.2	14.0	20.1	30.4	51.5	0.4

E: MOFSL Estimates

## Tube Investments

**Buy**
**CMP: INR2,567 | TP: INR3,160 (+23%)**
**EPS CHANGE (%): FY27E | FY28E: 2 | -5**

- We expect TI to post 13% YoY growth in revenue in 4Q.
- While metal-formed division is likely to grow 3% YoY, mobility/engineering divisions are expected to grow ~15%/18% YoY. Revenue from other businesses may decline 7% YoY.
- We expect EBITDA margin to improve 150bp YoY to 13.1% over a low base.
- Overall, we expect the standalone entity to post 18% YoY growth in earnings in 4Q.

### Quarterly performance (S/A)

**(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
<b>Net Sales</b>	<b>19,603</b>	<b>20,648</b>	<b>19,102</b>	<b>19,573</b>	<b>20,066</b>	<b>21,190</b>	<b>21,522</b>	<b>22,060</b>	<b>78,925</b>	<b>84,838</b>
YoY Change (%)	10.1	4.8	0.6	-0.3	2.4	2.6	12.7	12.7	3.7	7.5
<b>EBITDA</b>	<b>2,400</b>	<b>2,460</b>	<b>2,431</b>	<b>2,280</b>	<b>2,474</b>	<b>2,765</b>	<b>3,094</b>	<b>2,880</b>	<b>9,606</b>	<b>11,213</b>
YoY Change (%)	11.1	-2.1	1.5	5.0	3.1	12.4	27.3	26.3	4.0	16.7
Margins (%)	12.2	11.9	12.7	11.6	12.3	13.1	14.4	13.1	12.2	13.2
Depreciation	386	407	432	463	450	474	477	483	1,688	1,884
Interest	72	69	54	52	37	16	14	23	247	90
Other Income	137	261	175	1,502	234	229	78	1,598	2,075	2,139
<b>PBT before EO expense</b>	<b>2,079</b>	<b>2,245</b>	<b>2,120</b>	<b>3,267</b>	<b>2,221</b>	<b>2,504</b>	<b>2,681</b>	<b>3,972</b>	<b>9,745</b>	<b>11,378</b>
Tax	534	567	512	664	540	637	641	891	2,277	2,709
Tax Rate (%)	25.7	25.3	24.2	20.3	24.3	25.4	25.3	22.4	23.4	23.8
<b>Adj PAT</b>	<b>1,545</b>	<b>1,678</b>	<b>1,607</b>	<b>2,603</b>	<b>1,681</b>	<b>1,868</b>	<b>2,004</b>	<b>3,080</b>	<b>7,468</b>	<b>8,633</b>
YoY Change (%)	4.6	-7.5	2.1	5.0	8.8	11.3	24.7	18.3	1.7	15.6

E: MOFSL Estimates

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