

Result Preview



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Company

Amara Raja Batt.
Apollo Tyres
Ashok Leyland
Bajaj Auto
Balkrishna Inds
Bharat Forge
Bosch
CEAT
Eicher Motors
Endurance Tech.
Escorts Kubota
Exide Inds.
Hero Motocorp
Mahindra & Mahindra
Mahindra CIE
Maruti Suzuki
Motherson Sumi
Motherson Wiring
MRF
Sona BLW Precis.
Tata Motors
Tube Investments
TVS Motor

Demand recovery underway, supply side issues easing up

1QFY23 will see cost inflation, but expect relief from 2QFY23 onwards

- Volumes in 1QFY23 recovered across segments on low base of 1QFY22, supported by some improvement in the supply of semi-conductors. Demand momentum sustained in PVs and CVs, while 2Ws and tractors witnessed some signs of recovery.
- The wholesale volumes for PVs grew 22% YoY (-12% QoQ), CVs grew +105% YoY (-10% QoQ), 2Ws grew 25% YoY (flat QoQ) and tractors grew 16% YoY (+49% QoQ).
- After the last three quarters of YoY decline in EBITDA margins, we estimate margins to improve on YoY basis by 140bp (-90bp QoQ) for MOFSL Auto OEM universe, driven by operating leverage, despite increase in RM cost (+140bp YoY, +40bp QoQ). Except HMCL and MM, all other OEMs are likely to report QoQ erosion in margins.
- We revise our FY23E EPS estimates for select companies for it to reflect a) commodity price/Fx changes, b) weakness in EU markets, and c) increase in interest rates. We lower our FY23 estimates for TTMT (-12%), CEAT/APTY (-9%), and ENDU (-6%). We raise our estimates for HMCL (+10%), TVSL (7%), and MM/EIM (+5.5%).

Demand recovery getting broad based; Supply side issues easing

Volumes in 1QFY23 recovered across segments on low base of 1QFY22, supported by some improvement in the supply of semi-conductors. While demand momentum sustained in PVs and CVs, 2Ws and tractors witnessed some signs of recovery. The wholesale volumes for PVs grew 22% YoY (-12% QoQ), CVs grew +105% YoY (-10% QoQ), 2Ws grew 25% YoY (flat QoQ), and tractors grew 16% YoY (+49% QoQ). 2Ws and tractors have witnessed QoQ improvement in volumes as OEMs were focused on inventory correction in 4QFY22. On the other hand, M&HCV volumes were relatively strong for a seasonally weak quarter.

EBITDA margins to improve on YoY basis, driven by operating leverage

After the last three quarters of YoY decline in EBITDA margins, we estimate margins to improve 140bp YoY (-90bp QoQ) for MOFSL Auto OEM universe, driven by operating leverage, despite increase in RM cost (+140bp YoY, +40bp QoQ). Except HMCL and MM, all other OEMs are likely to report QoQ erosion in margins. 1QFY23 will see increase in commodity cost on account of steel prices (negotiations are on-going) and crude derivatives, diluted by some softening in other commodities as well price hikes take by the OEMs.

Headwinds are receding, some tailwinds emerging

After operating in the head-winded environment for the last three-four years, we are witnessing signs of some emerging tailwinds. While demand recovery is expected to sustain on a low base, commodity prices have started to moderate, though the benefit might come with a lag. Although fuel prices have moderated from the peak levels, increase in interest rates could have some impact on demand. While we expect 2W/PV/Tractor volumes to register 9.6%/13.5%/7% CAGRs over FY22-25E, 3Ws/LCVs/ M&HCVs is expected to register 10%/17%/21%.

Valuation and view

We revise our FY23E EPS estimates for select companies to reflect a) commodity price/Fx changes, b) weakness in EU markets, and c) increase in interest rates. We lower our FY23 estimates for TTMT (-12%), CEAT/APTY (-9%), and ENDU (-6%). We

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raise our estimates for HMCL (+10%), TVSL (7%), and MM/EIM (+5.5%). We prefer companies with: a) higher visibility in terms of demand recovery, b) a strong competitive positioning, c) margin drivers, and d) a strong balance sheet. **MSIL** and **AL** are our top OEM picks. Among Auto Component stocks, we prefer **MSUMI** and **TIINDIA**.

Exhibit 1: Summary of expected quarterly performance (INR m)

Sector	CMP		SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
	(INR)	RECO	Jun-22	Var % YoY	Var % QoQ	Jun-22	Var % YoY	Var % QoQ	Jun-22	Var % YoY	Var % QoQ
Amara Raja Batt.	470	Neutral	22,630	20.0	3.8	2,377	-4.8	8.1	1,107	-10.7	12.3
Apollo Tyres	190	Buy	55,385	20.8	-0.7	6,042	6.6	-3.5	895	-30.3	-21.1
Ashok Leyland	145	Buy	68,321	131.5	-21.9	4,119	LP	-46.9	1,142	LP	-72.7
Bajaj Auto	3,681	Neutral	76,999	4.2	-3.4	12,111	8.2	-11.3	9,924	-6.5	-19.0
Balkrishna Inds	2,186	Neutral	24,692	35.1	1.5	5,432	2.9	-2.6	3,363	-5.9	-9.3
Bharat Forge	649	Buy	16,532	20.5	-1.2	4,122	5.4	-4.3	2,311	7.9	-12.4
Bosch	15,951	Neutral	32,988	35.0	-0.4	3,992	30.2	-8.3	2,874	10.7	-18.0
CEAT	946	Buy	25,736	35.0	-0.7	1,467	-11.7	-21.8	-77	PL	PL
Eicher Motors	2,797	Buy	33,320	68.8	4.3	7,687	111.8	1.5	5,308	123.8	-13.0
Endurance Tech.	1,443	Buy	20,406	20.5	-1.8	2,804	14.8	9	1,416	16.8	4.0
Escorts Kubota	1,527	Neutral	21,241	27.1	14.1	2,576	10.4	5.8	1,875	1.3	-7.2
Exide Inds.	143	Buy	33,566	35.0	-1.5	3,488	33.9	0.0	1,881	50.0	-16.4
Hero Motocorp	2,759	Buy	87,434	59.3	17.8	10,761	109.0	30.0	7,687	110.4	22.6
Mahindra & Mahindra	1,091	Buy	1,97,600	68.0	15.4	23,712	45.3	21.9	13,900	48.8	19.1
Mahindra CIE	237	Buy	25,603	25.4	-1.1	3,004	15.6	1.2	1,499	10.1	-7.2
Maruti Suzuki	8,440	Buy	2,57,342	44.8	-3.8	19,253	134.5	-20.7	11,414	158.9	-37.9
Motherson Sumi	117	Buy	1,61,830	-1.4	-5.7	11,511	-15.8	-5.8	2,181	-30.6	68.9
Motherson Wiring	62	Buy	15,618	40.2	-6.0	2,068	88.0	-14.5	1,236	102.6	-22.5
MRF	71,805	Neutral	52,422	27.0	0.8	5,190	6.5	-1.6	1,399	-13.3	-10.8
Sona BLW Precis.	568	Neutral	5,933	18.5	7.9	1,424	2.6	5.2	790	9.8	-13.4
Tata Motors	408	Buy	7,11,358	7.1	-9.3	65,008	23.6	-25.6	-17,733	Loss	Loss
Tube Investments	1,742	Buy	18,116	44.2	4.4	18,116	1,049.2	939.0	1,306	34.6	-4.3
TVS Motor	841	Neutral	59,285	50.7	7.2	5,834	113.1	4.8	2,893	283.8	5.4
Automobiles			20,24,358	24.2	-3.2	2,22,098	45.1	-4.7	58,592	669.6	-30.8

Exhibit 2: Volume snapshot 1QFY23 ('000 units)

	1QFY23	1QFY22	YoY (%)	4QFY22	QoQ (%)	FY23E	FY22	YoY (%)
Two wheelers	4,436	3,544	25.2	4,452	-0.4	19,750	17,911	10.3
Three wheelers	178	162	9.8	197	-9.7	808	760	6.4
Passenger cars	378	417	-9.2	537	-29.5	1,897	1,842	3.0
UVs & MPVs	566	357	58.7	538	5.2	2,338	1,805	29.5
Total PVs	945	773	22.1	1,075	-12.1	4,235	3,647	16.1
M&HCV	87	35	146.3	104	-16.6	368	273	34.9
LCV	163	87	87.8	173	-6.1	688	536	28.3
Total CVs	249	122	104.7	277	-10.0	1,056	809	30.5
Tractors	266	229	15.7	178	49.2	948	853	11.1
Total (ex Tractor)	5,808	4,601	26.2	6,001	-3.2	25,849	23,126	11.8

Source: Company, MOFSL

Exhibit 3: Commodity prices slightly softening (indexed)

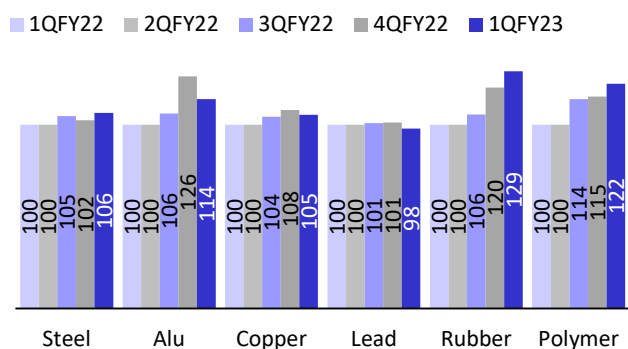


Exhibit 4: Trend in key currencies v/s INR (average, indexed)

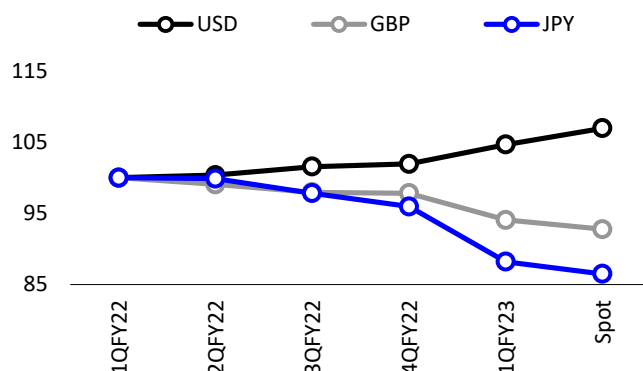
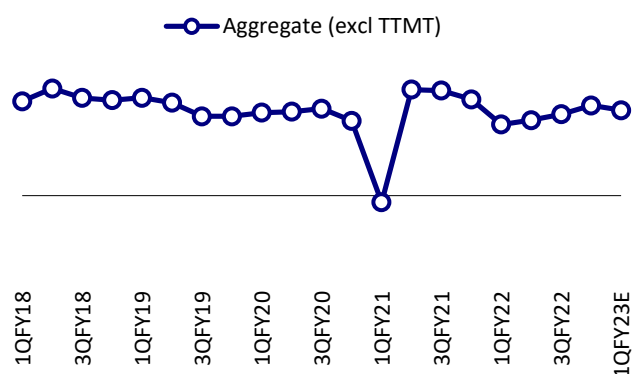
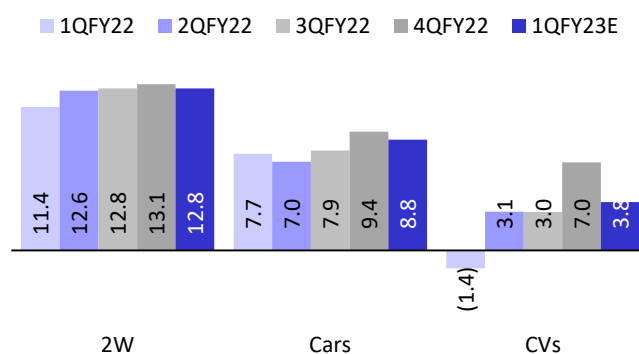


Exhibit 5: Margins to slightly decline on QoQ basis



Source: MOFSL

Exhibit 6: Trend in segment-wise EBITDA margins (%)



Source: MOFSL

Exhibit 7: QoQ increase in RM cost; deleveraging drives margin decline

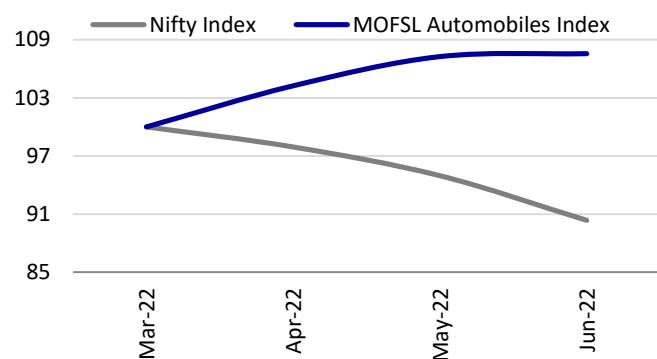
	Volumes ('000 units)					EBITDA margins (%)					Adj PAT (INR M)		
	1QFY23E	1QFY22	YoY (%)	4QFY22	QoQ (%)	1QFY23E	1QFY22	YoY (bq)	4QFY22	QoQ (bq)	1QFY23E	YoY (%)	QoQ (%)
BJAUT	934	1006	-7.2	976.7	-4.4	15.7	15.2	60	17	-140	9,924	-6.5	-19.0
HMCL	1,390	1024	35.7	1,188.9	16.9	12.3	9.4	290	11	120	7,687	110.4	22.6
TVS Motor	907	658	37.9	856.5	5.9	9.8	7.0	290	10	-20	2,893	283.8	5.4
MSIL	468	354	32.3	488.7	-4.2	7.5	4.6	290	9	-160	11,414	158.9	-37.9
MM	272	187	45.6	228.8	18.9	12.0	13.9	-190	11	60	13,900	48.8	19.1
TTMT India CV**	101	50	104.9	119.8	-15.3	2.8	0.1	270	6.1	-320	-1,486	NA	-124.4
TTMT India PV**	130	15	792.7	123.6	5.5	6.0	4.1	190	7.0	-100	49	NA	-88.3
TTMT (JLR) *	79	97	-18.3	89.1	-11.0	11.6	9.0	250	13	-100	-74	-74.0	328.7
TTMT (Cons)						9.1	7.9	120	11	-200	-17,733	-60.2	456
Ashok Leyland	40	18	120.4	48.7	-18.6	6.0	-4.7	1,080	9	-280	1,142	-140.7	-72.7
Eicher (RE)	187	124	51.4	185.7	0.8	23.0	17.5	540	24	-70	5,316	98.9	-3.9
Eicher (VECV)	17	6	200.9	20.1	-13.0	5.6	1.1	450	7	-100	570	-180.4	-43.1
Eicher (Consol)						23.0	17.5	540	24	-70	5,308	123.8	-13.0
Agg. (ex JLR)	4,446	3491	27.4	4,234	5.0	9.0	7.6	150	9.9	-90	50,832	79.4	-17.5

Source: *JLR (in GBP m), ** PBT numbers in adj.PAT column Company, MOFSL

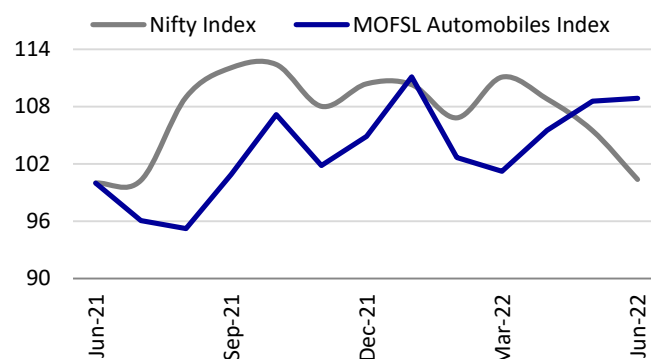
Exhibit 8: Revised estimates

	FY23E			FY24E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Bajaj Auto	212.5	215.2	-1.3	244.5	238.4	2.6
Hero MotoCorp	174.4	158.6	10.0	199.5	187.5	6.4
TVS Motor	28.0	26.1	7.3	34.9	32.2	8.4
Eicher Motors *	105.9	100.3	5.6	143.4	130.1	10.2
Maruti *	228.1	229.2	-0.5	373.0	355.1	5.0
M&M (incl MVML)	51.9	49.1	5.5	68.5	62.9	8.9
Tata Motors *	14.1	16.1	-12.2	27.1	27.6	-1.8
Ashok Leyland	3.0	3.0	1.0	7.3	6.6	10.4
Escorts	75.6	77.9	-3.0	86.5	87.4	-1.0
Amara Raja	35.4	35.8	-1.0	40.7	42.1	-3.2
Exide Industries	10.9	10.6	2.8	13.0	12.9	0.5
BOSCH	474	487	-2.6	602	581	3.6
Endurance Tech*	45.7	48.8	-6.3	58.6	57.9	1.1
Mahindra CIE *	16.3	16.2	0.6	21.3	20.8	2.3
Bharat Forge *	26.3	27.2	-3.6	32.7	34.6	-5.6
SAMIL *	4.1	4.3	-3.4	7.2	7.6	-5.5
Sona BLW	7.6	7.5	1.7	12.2	12.2	0.2
Ceat	33.5	36.9	-9.2	83.0	89.2	-6.9
Apollo Tyres*	13.3	14.6	-8.8	20.6	22.2	-7.2
Balkrishna Ind	80.6	80.8	-0.2	98.2	93.3	5.3
MRF	1,958.3	1,945.4	0.7	3,195.0	3,203.4	-0.3
MSUMI	1.9	1.8	1.5	2.3	2.3	-1.1
TIINDIA	58.9	59.0	-0.2	73.8	73.6	0.2

*Source: Company, MOFSL

Exhibit 9: Relative performance – three-months (%)

Source: Bloomberg, MOFSL

Exhibit 10: Relative performance – one-year (%)

Source: Bloomberg, MOFSL

Exhibit 11: Comparative valuation

Company Name	CMP INR	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Automobiles						62.9	26.2	18.3	3.9	3.5	3.1	6.2	13.4	16.9
Amara Raja Batt.	470	Neutral	29.9	35.4	40.7	15.7	13.3	11.5	1.8	1.6	1.5	11.7	12.8	13.6
Apollo Tyres	190	Buy	11.2	13.3	20.6	16.9	14.3	9.2	0.9	0.9	0.8	5.5	6.3	9.3
Ashok Leyland	145	Buy	0.1	3.0	7.3	1,374	49	19.9	5.8	5.6	4.6	0.4	11.7	25.4
Bajaj Auto	3,681	Neutral	183.6	212.5	244.5	20.0	17.3	15.1	4.0	3.9	3.8	20.5	22.8	25.4
Balkrishna Inds	2,186	Neutral	76.6	80.6	98.2	28.5	27.1	22.3	6.1	5.3	4.5	22.9	20.9	21.9
Bharat Forge	649	Buy	21.7	26.3	32.7	29.9	24.7	19.9	4.6	4.0	3.5	16.9	17.4	18.7
Bosch	15,951	Neutral	412.8	474.1	602.1	38.6	33.6	26.5	4.4	4.0	3.6	11.9	12.5	14.4
CEAT	946	Buy	19.6	33.5	83.0	48.2	28.3	11.4	1.2	1.1	1.0	2.4	4.1	9.6
Eicher Motors	2,797	Buy	61.3	105.9	143.4	45.6	26.4	19.5	6.1	5.2	4.2	13.9	21.1	23.9
Endurance Tech.	1,443	Buy	34.5	45.7	58.6	41.8	31.6	24.6	5.2	4.6	4.1	13.0	15.5	17.7
Escorts Kubota	1,527	Neutral	69.2	75.6	86.5	22.1	20.2	17.7	2.2	1.7	1.7	12.1	9.4	9.9
Exide Inds.	143	Buy	9.9	10.9	13.0	14.5	13.1	11.0	1.1	1.1	1.0	7.9	8.2	9.1
Hero Motocorp	2,759	Buy	123.8	174.4	199.5	22.3	15.8	13.8	3.5	3.2	3.0	16.0	21.3	22.4
M&M	1,091	Buy	43.0	51.9	68.5	25.4	21.0	15.9	3.4	3.0	2.6	13.9	15.0	17.3
Mahindra CIE	237	Buy	13.8	16.3	21.3	17.1	14.5	11.1	1.7	1.6	1.4	10.4	11.4	13.4
Maruti Suzuki	8,440	Buy	128.3	228.1	373.0	65.8	37.0	22.6	4.7	4.3	3.8	7.0	11.5	16.9
Motherson Sumi	117	Buy	2.0	4.1	7.2	59.0	28.4	16.3	2.6	2.4	2.2	5.4	8.8	14.1
Motherson Wiring	62	Buy	1.5	1.9	2.3	42.7	33.5	26.8	17.6	13.7	10.5	50.3	45.9	44.2
MRF	71,805	Neutral	1,578.4	1,958.3	3,195.0	45.5	36.7	22.5	2.2	2.1	1.9	4.9	5.8	8.8
Sona BLW Precis.	568	Neutral	5.8	7.6	12.2	97.7	74.3	46.5	16.6	14.2	11.4	20.6	20.6	27.2
Tata Motors	408	Buy	-28.2	14.1	27.1	-14.5	28.9	15.1	3.5	3.1	2.6	-21.7	11.4	18.8
Tube Investments	1,742	Buy	50.5	58.9	73.8	34.5	29.6	23.6	10.9	8.7	7.0	37.2	32.8	32.8
TVS Motor	841	Neutral	18.9	28.0	34.9	44.4	30.1	24.1	8.3	6.8	5.5	20.0	24.8	25.2

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.

Amara Raja Batteries

Neutral
CMP: INR470 | TP: INR490 (+4%)
EPS CHANGE (%): FY23|24E: -1|-3

- Strong revenue growth on low base of last year, as both replacement and OEM demand was affected in 1QFY22
- Lead prices declined 3%/11.5% QoQ in 1QFY23/Spot basis; the benefit will reflect in 2QFY23

Quarterly Performance

(INR Million)

Y/E March (INR m)	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	18,859	22,642	23,651	21,807	22,630	24,453	25,543	25,150	86,958	97,777
YoY Change (%)	63.8	17.0	20.7	3.7	20.0	8.0	8.0	15.3	21.6	12.4
RM Cost (% of sales)	68.9	70.1	70.3	72.1	71.8	71.0	70.0	69.0	70.4	70.4
Staff Cost (% of sales)	6.3	5.8	5.5	5.5	5.7	5.4	5.3	5.4	5.7	5.5
Other Exp (% of sales)	11.6	12.2	12.3	12.3	12.0	12.0	12.0	12.0	12.1	12.0
EBITDA	2,499	2,689	2,840	2,199	2,377	2,832	3,248	3,423	10,226	11,880
Margins (%)	13.2	11.9	12.0	10.1	10.5	11.6	12.7	13.6	11.8	12.2
Depreciation	963	986	1,021	987	1,000	1,050	1,070	1,079	3,957	4,199
Interest	32	36	38	46	40	40	35	35	151	150
Other Income	166	264	190	160	150	160	150	140	780	600
PBT after EO	1,670	1,932	1,971	1,325	1,487	1,902	2,293	2,449	6,898	8,131
Tax	431	491	524	340	381	487	587	627	1,786	2,081
Tax Rate (%)	25.8	25.4	26.6	25.6	25.6	25.6	25.6	25.6	25.9	25.6
Adj PAT	1,239	1,441	1,447	985	1,107	1,415	1,706	1,822	5,113	6,049
YoY Change (%)	97.7	-28.5	-25.1	-48.0	-10.7	-1.8	17.9	84.9	-21.0	18.3

E: MOFSL Estimates

Apollo Tyres

Buy
CMP: INR190 | TP: INR270 (+42%)
EPS CHANGE (%): FY23|24E: -9|-7

- Replacement demand is seeing recovery on sequential basis, with support from growth in OEM sales
- EU business margin to be impacted by higher SR prices, partially offset by price hikes
- RM cost is higher by 3-5% QoQ in 1QFY23, whereas price hike of 2-3% were implemented in 1Q.
- Earnings downgrade for FY23E, driven by higher RM cost & higher interest rate.

Consolidated - Quarterly Earning Model

(INR M)

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues	45,845	50,773	57,075	55,783	55,385	55,283	61,307	61,058	2,09,476	2,33,032
YoY Change (%)	59.1	18.2	12.4	11.0	20.8	8.9	7.4	9.5	21.2	11.2
EBITDA	5,668	6,380	7,429	6,264	6,042	6,198	8,152	9,001	25,741	29,392
Margins (%)	12.4	12.6	13.0	11.2	10.9	11.2	13.3	14.7	12.3	12.6
Depreciation	3,404	3,397	3,443	3,753	3,820	3,920	3,900	3,994	13,997	15,634
Interest	1,046	1,036	1,083	1,279	1,300	1,280	1,230	1,246	4,444	5,056
Other Income	405	289	170	372	220	295	310	297	1,235	1,122
PBT before EO expense	1,623	2,236	3,073	1,603	1,142	1,293	3,332	4,058	8,535	9,825
Extra-Ord expense	9	44	5	0	0	0	0	0	59	0
PBT	1,613	2,192	3,068	1,603	1,142	1,293	3,332	4,058	8,476	9,825
Rate (%)	20.8	20.7	27.2	29.2	21.6	21.9	22.3	23.3	24.7	22.6
Reported PAT	1,278	1,738	2,235	1,136	895	1,009	2,588	3,111	6,359	7,574
Adj PAT	1,285	1,766	2,238	1,135	895	1,009	2,588	3,111	6,403	7,574
YoY Change (%)	-195.5	37.2	-40.4	-60.6	-30.3	-42.8	15.6	174.1	-2.6	18.3
Margins (%)	2.8	3.5	3.9	2.0	1.6	1.8	4.2	5.1	3.1	3.3

E: MOFSL Estimates

Ashok Leyland**Buy****CMP: INR145 | TP: INR185 (+28%)****EPS CHANGE (%): FY23|24E: 1|10**

- M&HCV demand has remained strong in a seasonally weak quarter
- Discounts have been stable QoQ despite seasonality
- QoQ margin decline is due to a) higher RM cost, b) operational deleverage and c) benefit of cost reversal in 4QFY22
- EPS upgrade, driven by volumes and lower commodity prices.

Quarterly Performance (S/A)**(INR Million)**

	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes (nos)	17,987	27,543	34,077	48,719	39,651	42,941	39,699	53,260	1,28,326	1,75,550
Growth %	371.6	41.7	2.0	10.6	120.4	55.9	16.5	9.3	27.4	36.8
Realizations (INR '000)	1,641	1,619	1,624	1,795	1,723	1,671	1,680	1,760	1,690	1,712
Change (%)	-3.9	10.9	12.7	13.0	5.0	3.3	3.4	-1.9	11.2	1.3
Net operating revenues	29,510	44,579	55,352	87,443	68,321	71,769	66,682	93,753	2,16,883	3,00,525
Change (%)	353.4	57.2	15.0	24.9	131.5	61.0	20.5	7.2	41.7	38.6
RM/sales %	74.1	76.7	77.9	78.2	78.8	78.0	77.0	75.4	77.3	77.2
Staff/sales %	14.4	9.0	7.8	5.0	6.2	6.3	6.6	5.1	7.8	6.0
Other exp/sales %	16.2	11.3	10.2	7.9	9.0	9.5	10.0	10.0	10.3	9.7
EBITDA	-1,401	1,347	2,239	7,760	4,119	4,471	4,269	8,804	9,945	21,663
EBITDA Margins (%)	-4.7	3.0	4.0	8.9	6.0	6.2	6.4	9.4	4.6	7.2
Interest	707	871	668	765	750	700	650	587	3,011	2,687
Other Income	134	209	176	242	150	220	250	300	761	920
Depreciation	1,835	1,843	1,897	1,954	2,000	2,040	2,075	2,106	7,528	8,221
PBT before EO Item	-3,809	-1,157	-149	5,284	1,519	1,951	1,794	6,411	168	11,675
EO Exp/(Inc)	17	-2	-420	-4,703	0	0	0	0	-5,108	0
PBT after EO	-3,826	-1,155	271	9,987	1,519	1,951	1,794	6,411	5,276	11,675
Effective Tax Rate (%)	26.2	28.1	78.7	9.7	24.8	24.8	24.8	24.8	-2.7	24.8
Adj PAT	-2,806	-832	-374	4,184	1,142	1,467	1,349	4,820	172	8,779
Change (%)	-27.6	-42.7	-338.6	96.7	-140.7	-276.2	-460.7	15.2	-105.7	4,994.4

E: MOFSL Estimates

Bajaj Auto**Neutral****CMP: INR3,681 | TP: INR4,020 (9%)****EPS CHANGE (%): FY23|24E:-1|3**

- 2W domestic market continues to remain weak and export markets are also showing some signs of weakness
- Chip shortages have affected volumes in 1QFY23 for premium motorcycles and 3Ws
- Other income to be impacted due to MTM losses as G-Sec rates hardened in 1Q
- Margins to decline QoQ due to higher RM cost and operating deleverage, despite price hikes & favorable Fx.

Quarterly Performance**(INR Million)**

	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volumes ('000 units)	1,006	1,144	1,181	977	934	1,264	1,297	1,272	4,308	4,767
Growth YoY (%)	127.0	8.6	-9.6	-16.5	-7.2	10.5	9.8	30.3	8.4	10.6
Realization (INR/unit)	73,419	75,328	76,367	81,655	82,472	82,884	81,641	81,520	76,601	82,101
Growth YoY (%)	5.6	10.9	12.0	11.1	12.3	10.0	6.9	-0.2	9.7	7.2
Net Sales	73,860	86,206	90,217	79,748	76,999	1,04,795	1,05,853	1,03,710	3,30,032	3,91,356
Change (%)	139.9	20.5	1.3	-7.2	4.2	21.6	17.3	30.0	19.0	18.6
RM/Sales %	73.0	74.9	74.7	71.9	73.0	72.5	72.5	72.3	73.7	72.6
Staff cost/Sales %	4.9	4.1	3.8	3.8	4.6	3.5	3.5	3.6	4.1	3.7
Oth. Exp./Sales %	6.9	6.5	6.3	7.1	6.7	6.7	6.6	6.6	6.7	6.6
EBITDA	11,198	12,596	13,721	13,656	12,111	18,187	18,463	18,141	51,171	66,903
EBITDA Margins (%)	15.2	14.6	15.2	17.1	15.7	17.4	17.4	17.5	15.5	17.1
Other Income	3,293	3,183	2,728	2,889	1,650	2,800	3,000	3,415	12,092	10,865
Extraordinary Inc	0	1,416	0	3,153	0	0	0	0	4,568	0
Interest	23	17	18	29	21	21	21	22	87	85
Depreciation	641	656	698	697	705	725	735	753	2,692	2,918
PBT after EO	13,827	16,521	15,733	18,972	13,035	20,241	20,707	20,781	65,054	74,765
Effective Tax Rate (%)	23.3	22.9	22.8	22.6	23.9	23.9	23.9	23.9	22.8	23.9
Adj. PAT	10,612	11,653	12,142	12,257	9,924	15,411	15,766	15,822	46,665	56,923
Change (%)	101.0	2.4	(22.0)	(8.0)	(6.5)	32.2	29.8	29.1	2.5	22.0

E: MOFSL Estimates

Balkrishna Industries**Neutral****CMP: INR2,186 | TP: INR2,220 (2%)****EPS CHANGE (%): FY23|24E: 0|5**

- BIL volumes to grow with the commencement of production at the Bhuj Plant
- There will be continued adverse impact of sharp increase in logistic and commodity costs
- RM cost increases to continue in 1QFY23, with estimated 3-4% QoQ increase. Further, adverse EUR movement will impact profitability.
- FY24 EPS upgrade is led by increase in margin estimates

Quarterly Earning Model (Standalone)**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volumes (Ton)	68,608	72,748	70,320	77,119	77,527	79,295	82,978	84,115	2,88,795	3,23,915
YoY Change (%)	80.1	18.8	17.6	13.4	13.0	9.0	18.0	9.1	27.1	12.2
Realizations (INR '000/ton)	266.5	285.9	295.6	315.3	318.5	318.5	319.3	314.8	291.5	317.7
YoY Change (%)	7.8	12.8	18.2	22.5	19.5	11.4	8.0	-0.2	15.4	9.0
Net Revenues	18,281	20,798	20,790	24,319	24,692	25,255	26,494	26,480	84,187	1,02,920
YoY Change (%)	94.1	34.0	38.9	39.0	35.1	21.4	27.4	8.9	46.7	22.3
Total Expenditure	13,004	15,299	15,865	18,744	19,260	19,522	20,374	20,054	62,912	79,210
EBITDA	5,277	5,499	4,924	5,575	5,432	5,733	6,120	6,426	21,275	23,711
Margins (%)	28.9	26.4	23.7	22.9	22.0	22.7	23.1	24.3	25.3	23.0
Depreciation	1,041	1,085	1,145	1,167	1,200	1,225	1,275	1,301	4,438	5,001
Interest	21	18	18	21	25	25	25	26	79	101
Other Income	632	1,031	626	497	300	500	500	650	2,786	1,950
PBT before EO expense	4,847	5,427	4,387	4,884	4,507	4,983	5,320	5,749	19,545	20,560
Rate (%)	26.2	26.4	25.1	24.1	25.4	25.4	25.4	25.4	25.5	25.4
Adj PAT	3,575	4,044	3,286	3,707	3,363	4,983	3,969	4,289	14,566	15,339
YoY Change (%)	193.5	19.1	2.1	-0.4	-5.9	23.2	20.8	15.7	26.1	5.3
Margins (%)	19.6	19.4	15.8	15.2	13.6	19.7	15.0	16.2	17.3	14.9

E: MOFSL Estimates

Bharat Forge**Buy****CMP: INR649 | TP: INR820 (+26%)****EPS CHANGE (%): FY23|24E: -4|-6**

- Continued traction in all the business segments and higher steel prices driving strong growth on low base
- We are yet to build-in for Sanghvi Forgings, JS Auto, and US aluminum forging business
- RM cost inflation impacting EBITDA margins on YoY/QoQ basis
- EPS downgrade led by lowering of assumptions for CV Export business and Oil & Gas segment

S/A Quarterly**(INR Million)**

	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Tonnage	53,512	57,094	53,365	57,543	57,793	61,662	61,903	66,738	2,21,514	2,48,096
Change (%)	200.0	40.0	4.8	3.1	8.0	8.0	16.0	16.0	33.9	12.0
Realization (INR '000/ton)	256.4	279.5	300.2	290.9	286.0	282.3	281.5	279.1	281.9	282.1
Change (%)	7.1	29.3	47.7	24.3	11.6	1.0	-6.2	-4.1	27.7	0.1
Net operating income	13,718	15,956	16,021	16,741	16,532	17,405	17,424	18,627	62,436	69,987
Change (%)	221.3	81.0	54.7	28.1	20.5	9.1	8.8	11.3	71.0	12.1
EBITDA	3,910	4,437	4,034	4,307	4,122	4,478	4,487	4,925	16,687	18,012
EBITDA Margins (%)	28.5	27.8	25.2	25.7	24.9	25.7	25.8	26.4	26.7	25.7
Non-Operating Income	333	322	358	662	250	350	370	410	1,675	1,380
Interest	406	142	118	407	250	275	275	265	1,073	1,065
Depreciation	1019	1026	1031	1042	1050	1070	1080	1100	4,118	4,300
Fx loss/(gain)	-4	-307	-45	-4	0	0	0	0	-360	0
PBT after EO items	2,206	4,009	4,247	3,499	3,072	3,483	3,502	3,970	13,959	14,027
Eff. Tax Rate (%)	24.4	22.2	20.5	25.1	24.8	24.8	24.8	24.8	22.8	24.8
Rep. PAT	1,667	3,118	3,374	2,620	2,311	2,620	2,634	2,986	10,778	10,553
Change (%)	-396.0	343.9	263.9	27.5	38.7	-16.0	-21.9	14.0	245.4	-2.1
Adj. PAT	2,143	3,033	2,633	2,639	2,311	2,620	2,634	2,986	10,448	10,553
Change (%)	-480.6	318.7	172.0	28.1	7.9	-13.6	0.0	13.2	227.5	1.0

E: MOFSL Estimates

Bosch**Neutral****CMP: INR15,951 | TP: INR15,575 (-2%)****EPS CHANGE (%): FY23|24E: -3|4**

- Strong revenue growth, led by low base for CV and tractor segment
- Impact of MTM losses on treasury due to increase in G-Sec yields
- Adverse Fx movement would hurt EBITDA margins on QoQ/YoY basis
- FY24 EPS upgrade due to improved volume outlook for tractors and CVs

Quarterly performance (S/A)**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	24,435	29,180	31,091	33,110	32,988	33,848	34,200	36,858	1,17,816	1,37,894
YoY Change (%)	146.4	17.7	2.6	2.9	35.0	16.0	10.0	11.3	21.2	17.0
RM Cost (% of sales)	58.9	62.8	60.8	64.6	63.0	62.0	61.0	61.1	61.9	61.8
Staff Cost (% of sales)	11.1	8.7	9.4	7.7	8.4	8.4	8.4	8.1	9.1	8.3
Other Expenses (% of sales)	17.5	16.3	18.3	14.5	16.5	16.5	18.0	15.3	16.6	16.6
EBITDA	3,066	3,575	3,575	4,354	3,992	4,434	4,309	5,709	14,570	18,443
Margins (%)	12.5	12.3	11.5	13.2	12.1	13.1	12.6	15.5	12.4	13.4
Depreciation	671	829	851	892	850	900	950	993	3,243	3,693
Interest	32	15	169	73	30	35	30	35	289	130
Other Income	990	1,244	803	926	700	1,000	1,100	1,119	3,963	3,919
PBT before EO expense	3,353	3,975	3,359	4,315	3,812	4,499	4,429	5,800	15,001	18,540
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT after EO Expense	3,353	3,975	3,359	4,315	3,812	4,499	4,429	5,800	15,001	18,540
Tax	756	255	1,009	809	937	1,106	1,089	1,426	2,829	4,558
Tax Rate (%)	22.5	6.4	30.0	18.7	24.6	24.6	24.6	24.6	18.9	24.6
Reported PAT	2,598	3,720	2,350	3,506	2,874	3,393	3,340	4,374	12,172	13,982
Adj PAT	2,598	3,720	2,350	3,506	2,874	3,393	3,340	4,374	12,172	13,982
YoY Change (%)	390.4	33.5	-24.6	1.4	10.7	-8.8	42.2	24.8	23.1	14.9

E: MOFSL Estimates

Ceat**Buy****CMP: INR946 | TP: INR1,200 (+27%)****EPS CHANGE (%): FY23|24E: -9|-7**

- Strong revenue growth on low base, replacement demand recovery and price hikes
- Despite consistent price hikes, there is under-recovery of 4-5% on account of commodity cost inflation
- Ramp-up at new TBR/PCR plant to support domestic and export volumes
- Earnings downgrade for FY23E, driven by higher assumptions for commodity basket & higher interest cost.

Consolidated - Quarterly Earning Model**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	19,064	24,518	24,133	25,920	25,736	26,724	26,305	28,104	93,634	1,06,869
YoY Change (%)	70.2	23.9	8.6	13.2	35.0	9.0	9.0	8.4	23.0	14.1
RM cost (%)	61.1	63.1	66.0	66.5	67.5	66.5	64.5	62.7	64.4	65.3
Employee cost (%)	9.3	7.0	7.1	6.6	6.8	6.5	6.8	6.3	7.4	6.6
Other expenses (%)	20.9	20.9	21.3	19.7	20.0	20.0	20.0	21.3	20.6	20.4
EBITDA	1,662	2,203	1,341	1,875	1,467	1,858	2,297	2,714	7,098	8,336
Margins (%)	8.7	9.0	5.6	7.2	5.7	7.0	8.7	9.7	7.6	7.8
Depreciation	965	1,206	1,086	1,096	1,100	1,125	1,130	1,137	4,352	4,492
Interest	460	496	548	566	590	600	600	571	2,070	2,361
Other Income	39	28	32	33	35	35	35	35	114	140
PBT before EO expense	276	529	-260	246	-188	168	602	1,040	790	1,622
Exceptional item	0	5	65	59	0	0	0	0	129	0
PBT	276	524	-326	187	-188	168	602	1,040	661	1,622
Tax Rate (%)	41.8	29.2	10.7	5.2	35.0	35.0	35.0	35.0	36.7	35.0
Minority Int. & Profit of Asso. Cos.	-79	-49	-91	-75	-45	-62	-55	-138	-294	-300
Reported PAT	240	420	-200	253	-77	171	446	814	712	1,354
Adj PAT	240	423	-159	290	-77	171	446	814	794	1,354
YoY Change (%)	-255	-77	-111	-81	-132	-60	-381	181	-83	71
Margins (%)	1.3	1.7	-0.7	1.1	-0.3	0.6	1.7	2.9	0.8	1.3

Eicher Motors**Buy****CMP: INR2,797 | TP: INR3,220 (+15%)****EPS CHANGE (%): FY23|24E: 6|10**

- Export ramp-up has been strong, with 56% YoY growth. Domestic volume ramp-up continued to be impacted by chip shortages.
- For S/A, operating leverage to dilute the impact of higher RM cost
- VECV margins impacted by RM cost pressures and operating deleverage
- EPS upgrade, driven by volume and margin upgrades in both businesses

Quarterly performance (Consolidated)**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Operating income	19,743	22,496	28,807	31,933	33,320	37,332	36,599	39,075	1,02,978	1,46,325
Growth (%)	141.3	5.4	1.9	8.6	68.8	66	27.1	22.4	18.1	42.1
EBITDA	3,630	4,699	5,824	7,571	7,687	9,029	8,937	9,851	21,723	1,28,528
EBITDA Margins (%)	18.4	20.9	20.2	23.7	23.1	24.2	24.4	25.2	21.1	87.8
PAT	2,765	3,634	4,202	5,564	4,998	6,760	6,664	7,524	16,165	1,18,971
Share of JV Loss/(PAT)/ Min. Int.	394	-98	-359	-538	-310	-582	-700	-1,424	-602	-3,017
Recurring PAT	2,371	3,732	4,561	6,101	5,308	7,342	7,364	8,948	16,766	28,962
Growth (%)	-529.8	8.7	-14.4	8.3	123.8	96.7	61.4	46.7	21.2	72.7
Standalone (Royal Enfield)										
Royal Enfield ('000 units)	124	123	170	186	187	209	204	219	602	819
Growth (%)	115.9	-18	-15.1	-9.3	51.4	69.5	20.6	17.7	-1.6	36.1
Net Realn (INR '000/unit)	154.3	176.8	167.4	172.1	174.2	175.1	175.5	175.6	168.1	176.8
Change - YoY (%)	14.9	25.3	19.2	20.5	12.9	-1	4.8	2	19.4	5.2
EBITDA	3,345	4,427	5,814	7,550	7,487	8,829	8,737	9,651	21,136	34,705
EBITDA Margins (%)	17.5	20.3	20.5	23.6	23	24.1	24.3	25.2	20.9	24.2

Endurance Technologies**Buy****CMP: INR1,443 | TP: INR1,650 (+14%)****EPS CHANGE (%): FY23|24E: -6|1**

- India business to benefit from improvement in 2W industry volumes as well as start of ABS supplies
- EU business impacted by slow recovery and delayed pass through of energy cost.
- QoQ margin improvement due to benefit of incentives in the India operations.
- Downgrade in FY23 EPS, led by cut in EU estimates, due to slower recovery and difficulty in energy cost pass through.

Consolidated - Quarterly

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
INR m										
Net Sales	16,937	18,876	18,891	20,788	20,406	22,286	21,819	22,725	75,491	87,237
YoY Change (%)	180.8	8.3	-7.4	-2.5	20.5	18.1	15.5	9.3	15.8	15.6
RM Cost (% of sales)	53.8	58.6	60.8	60.4	58.6	59.1	58.8	58.8	58.6	58.8
Staff Cost (% of sales)	11.5	8.7	8.8	8.1	8.4	7.9	8.3	8.1	9.2	8.2
Other Exp. (% of sales)	20.3	18.9	19.6	19.1	19.0	18.7	18.4	18.9	19.5	19.0
EBITDA	2,443	2,600	2,032	2,571	2,804	3,136	3,007	3,225	9,646	12,172
Margins (%)	14.4	13.8	10.8	12.4	13.7	14.1	13.8	14.2	12.8	14.0
Depreciation	983	940	914	981	995	980	1,040	1,071	3,817	4,086
Interest	15	18	14	17	14	14	14	19	64	61
Other Income	127	82	75	127	90	130	150	168	410	538
PBT before EO expense	1,573	1,724	1,179	1,700	1,885	2,272	2,103	2,302	6,176	8,562
Exceptional Item	315	0	0	0	0	0	0	0	315	0
PBT after EO	1,258	1,724	1,179	1,700	1,885	2,272	2,103	2,302	5,861	8,562
Eff. Tax Rate (%)	23.3	22.7	19.8	19.9	24.8	24.8	24.9	24.9	21.4	24.8
Rep. PAT	966	1,333	946	1,362	1,416	1,708	1,580	1,730	4,608	6,434
Adj. PAT	1,213	1,333	946	1,362	1,416	1,708	1,580	1,730	4,855	6,434
YoY Change (%)	-587.0	-7.9	-52.5	-27.3	16.8	28.1	67.0	27.0	-4.1	32.5

E: MOFSL estimates

Escorts Kubota**Neutral****CMP: INR1,527 | TP: INR1,560 (2%)****EPS CHANGE (%): FY23|24E: -3|-1**

- 1Q witnessed good recovery in demand, though delayed monsoon has lead to delayed sowing
- MTM losses on treasury due to higher G-Sec yields
- Higher RM cost to impact margins
- Yet to factor in benefits from the Kubota alliance

Standalone Quarterly Performance**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	16,715	16,623	19,575	18,614	21,241	21,920	20,202	20,499	71,527	83,862
YoY Change (%)	57.4	1.4	-3.0	-15.8	27.1	31.9	3.2	10.1	3.2	17.2
EBITDA	2,332	2,101	2,646	2,434	2,576	2,652	2,530	2,641	9,513	10,399
Margins (%)	14.0	12.6	13.5	13.1	12.1	12.1	12.5	12.9	13.3	12.4
Depreciation	314	329	325	330	335	335	338	341	1,298	1,349
Interest	30	36	33	29	35	35	35	35	127	140
Other Income	472	639	400	620	300	600	650	700	2,130	2,250
PBT	2,461	2,374	2,688	2,695	2,506	2,882	2,807	2,965	10,219	11,160
Rate (%)	24.8	25.6	25.0	25.0	25.2	25.2	25.2	25.2	25.1	25.2
Adj. PAT	1,852	1,767	2,015	2,022	1,875	2,157	2,101	2,219	7,656	8,352
YoY Change (%)	101.0	-23.1	-28.2	-25.5	1.3	22.1	4.2	9.8	-12.4	9.1
Margins (%)	11.1	10.6	10.3	10.9	8.8	9.8	10.4	10.8	10.7	10.0

E: MOFSL Estimates

Exide Industries**Buy****CMP: INR143 | TP: INR190 (+33%)****EPS CHANGE (%): FY23|24E: 3|0.5**

- Strong revenue growth on low base of last year, as both replacement and OEM demand was impacted in 1QFY22
- Lead prices declined 3%/11.5% QoQ in 1QFY23/Spot basis; the benefit will reflect in 2QFY23

S/A Quarterly Performance**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	24,864	32,900	31,967	34,086	33,566	35,203	35,802	36,111	1,23,817	1,40,682
Growth YoY (%)	60.7	19.5	14.1	16.0	35.0	7.0	12.0	5.9	23.3	13.6
RM(%)	68.5	67.2	69.0	72.0	70.5	69.5	69.0	68.1	69.3	69.3
Employee cost (%)	7.4	6.5	6.4	5.6	6.1	5.9	5.9	5.9	6.4	5.9
Other Exp(%)	13.6	13.8	13.0	12.2	13.0	13.5	13.3	13.1	13.1	13.2
EBITDA	2,606	4,134	3,726	3,490	3,488	3,915	4,207	4,678	13,956	16,288
EBITDA Margin(%)	10.5	12.6	11.7	10.2	10.4	11.1	11.8	13.0	11.3	11.6
Change (%)	75.5	5.4	-7.5	-15.4	33.9	-5.3	12.9	34.0	3.0	16.7
Non-Operating Income	152	109	150	392	200	270	280	315	803	1,065
Interest	109	86	83	106	100	90	90	90	384	370
Depreciation	1,009	1,012	1,041	1,065	1,080	1,100	1,150	1,281	4,126	4,611
PBT after EO Exp	1,640	3,145	2,753	49,649	2,508	2,995	3,247	3,622	57,186	12,372
Effective Tax Rate (%)	23.5	25.5	25.8	17.0	25.0	25.0	25.0	25.0	18.1	25.0
Adj. PAT	1,254	2,344	2,041	2,250	1,881	2,246	2,435	2,717	8,394	9,279
Change (%)	185.4	2.4	-15.5	-7.8	50.0	-4.2	19.3	20.8	10.7	10.6

Hero MotoCorp

Buy

CMP: INR2,759 | TP: INR3,200 (+16%)

EPS CHANGE (%): FY23 | 24E: 10 | 6

- Good recovery in volumes in 1QFY23 on QoQ basis, as inventory correction was largely achieved in 4QFY22
- Operating leverage will more than offset RM cost pressures, leading to margin expansion
- EPS upgrade led by upgrade in volume estimates.

Quarterly Performance (S/A)

(INR Million)

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes ('000 nos)	1,024	1,439	1,292	1,189	1,390	1,540	1,390	1,294	4,944	5,614
Growth YoY (%)	81.4	-20.7	-30.0	-24.1	35.7	7.1	7.6	8.8	-14.6	13.5
Net Realization	53,559	58,760	61,010	62,425	62,893	63,208	63,113	63,284	59,152	63,124
Growth YoY (%)	1.8	13.8	15.2	12.6	17.4	7.6	3.4	1.4	11.2	6.7
Net Op Revenues	54,871	84,534	78,833	74,217	87,434	97,345	87,716	81,866	2,92,455	3,54,362
Growth YoY (%)	84.7	-9.8	-19.4	-14.6	59.3	15.2	11.3	10.3	-5.0	21.2
RM Cost (% sales)	72.5	72.3	71.0	69.3	70.7	70.0	69.3	69.0	71.2	69.8
Staff Cost (% sales)	7.9	6.0	6.6	6.4	6.0	5.5	6.0	6.2	6.6	5.9
Other Exp (% sales)	10.2	9.1	10.3	13.1	11.0	10.5	10.5	11.0	10.6	10.7
EBITDA	5,148	10,664	9,600	8,276	10,761	13,638	12,525	11,340	33,688	48,264
EBITDA Margins (%)	9.4	12.6	12.2	11.2	12.3	14.0	14.3	13.9	11.5	13.6
Other Income	1,386	1,569	1,216	1,398	1,100	1,300	1,300	1,305	5,569	5,005
Interest	61	65	65	67	60	60	60	70	258	250
Depreciation	1,630	1,639	1,644	1,585	1,600	1,625	1,725	1,740	6,498	6,690
PBT before EO Exp/(Inc)	4,844	10,529	9,107	8,022	10,201	13,253	12,040	10,836	32,501	46,329
Effective Tax Rate (%)	24.6	24.5	24.7	21.8	24.6	24.6	24.6	24.6	23.9	24.6
Adj. PAT	3,654	7,944	6,861	6,271	7,687	9,988	9,074	8,166	24,730	34,914
Growth (%)	496.1	-16.7	-36.7	-27.5	110.4	25.7	32.2	30.2	-16.6	41.2

Mahindra & Mahindra

Buy

CMP: INR1091 | TP: INR1270 (+16%)

EPS CHANGE (%): FY23 | 24E: 5.5 | 9

- Strong volume recovery in both autos and tractor volumes, supported by improving chip supplies.
- QoQ improvement in margins supported by better mix and operating leverage, despite higher RM cost.
- Easing chip supplies will drive Auto segment volumes.
- EPS upgrade led by upgrade in Auto segment volumes.

Quarterly Performance (incl MVML)

(INR Million)

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes (nos)	1,86,781	1,90,600	2,14,134	2,28,784	2,71,971	2,60,413	2,38,359	2,53,103	8,20,248	10,23,846
Growth YoY (%)	96.0	2.9	-4.4	13.1	45.6	36.6	11.3	10.6	16.1	24.8
Net Realization	6,29,763	6,98,078	7,11,834	7,48,478	7,05,335	7,26,001	7,29,630	7,31,642	7,00,349	7,35,366
Growth YoY (%)	7.4	3.0	3.0	13.3	12.0	4.0	2.5	-2.2	11.3	5.0
Net Op. Income	1,17,628	1,33,054	1,52,428	1,71,240	1,97,600	1,92,495	1,77,626	1,85,181	5,74,460	7,52,901
Growth YoY (%)	110.4	15.5	9.1	28.2	68.0	44.7	16.5	8.1	29.2	31.1
RM Cost (% of sales)	69.6	72.8	74.7	76.4	75.5	75.0	74.0	74.4	73.7	74.8
Staff (% of sales)	7.5	6.0	5.8	4.4	4.5	4.5	4.7	4.9	5.8	4.6
Oth. Exp. (% of Sales)	9.0	8.8	7.7	9.0	8.0	8.4	8.5	8.8	8.6	8.4
EBITDA	16,317	16,598	18,048	19,455	23,712	23,292	22,736	22,246	70,423	91,986
EBITDA Margins (%)	13.9	12.5	11.8	11.4	12.0	12.1	12.8	12.0	12.3	12.2
Other income	2,052	11,048	5,248	2,387	2,200	12,000	4,500	2,406	20,759	21,106
Interest	714	425	533	558	550	550	525	521	2,230	2,146
Depreciation	5,586	5,807	6,313	6,805	7,000	7,250	7,350	7,364	24,511	28,964
EO Income/(Exp)	-785	-2,550	0	1,248	0	0	0	0	-2,087	0
PBT after EO	11,284	18,865	16,451	15,727	18,362	27,492	19,361	16,768	62,355	81,983
Effective Tax Rate (%)	24.2	24.1	17.7	17.9	24.3	24.3	24.3	24.3	22.5	24.3
Reported PAT	8,556	14,317	13,532	12,919	13,900	20,811	14,656	12,693	49,352	62,061
Adj PAT	9,340	16,870	13,532	11,670	13,900	20,811	14,656	12,693	51,440	62,061
Change (%)	2,294.9	30.6	-20.7	16.9	48.8	23.4	8.3	8.8	26.4	20.6

E: MOFSL Estimates

Mahindra CIE**Buy****CMP: INR237 | TP: INR290 (+23%)****EPS CHANGE (%): CY22|23E: 1|2**

- Strong growth in India business, led by sharp volume recovery for its key customers (MM & TTMT)
- Cost-cutting initiatives in both India and EU to support margins
- EU impacted by supply chain issues and difficulty in pass through of higher energy cost
- Domestic sales growth offset impact in EU

Quarterly performance (Consol.)**(INR Million)**

(INR m)	CY21				CY22E				CY21	CY22E
Y/E December	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	21,894	20,425	20,907	20,641	25,884	25,603	25,525	24,764	83,867	101,776
YoY Change (%)	31.7	177.7	23.4	5.4	18.2	25.4	22.1	20.0	38.6	21.4
EBITDA	2,868	2,598	2,685	2,022	2,969	3,004	3,124	3,021	10,173	12,118
Margins (%)	13.1	12.7	12.8	9.8	11.5	11.7	12.2	12.2	12.1	11.9
Depreciation	883	886	835	827	866	900	900	862	3,431	3,528
Interest	142	131	133	127	85	135	130	124	533	473
Other Income	194	116	74	172	107	130	145	154	556	537
Share of profit from associates				12	4	4	4	4	12	16
PBT before EO expense	2,037	1,697	1,791	1,241	2,126	2,099	2,239	2,190	6,766	8,654
EO Exp/(Inc)	1,425	0	-293	128	0	0	0	0	1,260	0
PBT after EO exp	612	1,697	2,084	1,113	2,126	2,099	2,239	2,190	5,505	8,654
Tax Rate (%)	83.6	19.7	20.1	29.0	24.2	28.8	28.8	33.2	28.9	28.8
Adj. PAT	1,526	1,362	1,456	892	1,614	1,499	1,598	1,467	5,236	6,178
YoY Change (%)	143.5	-205.9	139.7	-20.2	5.8	10.1	9.8	64.4	390.9	18.0

Maruti Suzuki**Buy****CMP: INR8,440 | TP: INR10,600 (+26%)****EPS CHANGE (%): FY23|24E:-0.5|5**

- Easing of supply chain constraints combined with low channel inventory aiding wholesales
- EBIT margins impacted on QoQ basis due to a) higher discounts, b) higher RM cost and c) operating deleverage
- 1QFY23 would see MTM losses on treasury due to increase in G-Sec yields.
- FY24 EPS upgrade driven by benefit of higher yields on its treasury book.

S/A Quarterly Performance**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Financial Performance										
Volumes ('000 units)	353.6	379.5	430.7	488.7	467.9	508.9	503.5	517.7	1,652.5	1,998.1
Change (%)	361.6	-3.5	-13.2	-0.8	32.3	34.1	16.9	6.0	13.3	20.9
Realizations (INR/car)	5,02,545	5,41,151	5,39,766	5,47,222	5,49,958	5,51,883	5,50,503	5,59,875	5,34,324	5,53,155
Change (%)	-6.3	13.5	14.1	12.2	9.4	2.0	2.0	2.3	10.8	3.5
Net operating revenues	1,77,707	2,05,389	2,32,460	2,67,400	2,57,342	2,80,867	2,77,187	2,89,870	8,82,956	11,05,267
Change (%)	332.7	9.6	-0.9	11.3	44.8	36.7	19.2	8.4	25.5	25.2
RM Cost (% of sales)	74.8	75.8	75.3	73.5	74.5	73.5	73.0	72.8	74.8	73.4
Staff Cost (% of sales)	6.0	4.7	4.2	3.8	4.2	3.9	3.8	3.8	4.6	3.9
Other Cost (% of sales)	14.6	15.3	13.8	13.5	13.8	13.6	13.6	13.6	14.2	13.6
EBITDA	8,211	8,549	15,590	24,268	19,253	25,167	26,668	28,539	57,012	99,627
EBITDA Margins (%)	4.6	4.2	6.7	9.1	7.5	9.0	9.6	9.8	6.5	9.0
Depreciation	7,432	7,561	6,400	6,472	6,600	6,900	7,100	7,302	27,865	27,902
EBIT	779	988	9,190	17,796	12,653	18,267	19,568	21,237	29,147	71,725
EBIT Margins (%)	0.4	0.5	4.0	6.7	4.9	6.5	7.1	7.3	3.3	6.5
Non-Operating Income	5,078	5,227	3,280	4,744	2,500	4,750	5,000	5,277	17,935	17,527
PBT	5,635	5,990	12,218	21,980	14,903	22,817	24,368	26,335	45,823	88,422
Adjusted PAT	4,408	4,753	10,113	18,389	11,414	17,475	18,663	20,170	37,663	67,722
Change (%)	-276.7	-65.3	-47.9	57.7	158.9	267.7	84.5	9.7	-11.0	79.8

Motherson Sumi**Buy****CMP: INR117 | TP: INR146 (+25%)****EPS CHANGE (%): FY23 | 24E: -3 | -5.5**

- SMRPBV business continues to be impacted by supply side issues and weakness in the EU market
- Margins to remain stable QoQ due to partial recovery of higher energy prices in SMRPBV
- India PV industry drives domestic growth
- FY24 EPS cut to factor in for risk to US Class 8 truck business of PKC.

Quarterly performance (Consol.)**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2QE	3Q	4Q	1Q	2QE	3Q	4Q		
Net Sales	1,64,080	1,44,150	1,64,350	1,71,610	1,61,830	1,56,077	1,74,980	1,98,982	6,44,200	6,91,868
YoY Change (%)	0.0	0.0	0.0	0.0	-1.4	8.3	6.5	16.0	10.6	7.4
EBITDA	13,670	10,820	12,320	12,220	11,511	11,730	15,717	21,793	49,030	60,750
Margins (%)	8.3	7.5	7.5	7.1	7.1	7.5	9.0	11.0	7.6	8.8
Depreciation	7,780	7,640	7,600	7,370	7,500	7,700	7,900	8,090	30,390	31,190
Interest	1,208	1,313	1,294	1,612	1,600	1,500	1,335	1,265	5,115	5,700
Other income	1,548	871	1,227	1,412	700	600	500	567	4,957	2,367
PBT after EO Expense	6,225	2,738	4,653	4,175	3,111	3,130	6,982	13,005	18,002	26,227
Tax Rate (%)	173.4	350.5	212.8	228.1	30.0	30.0	30.0	30.0	222.5	30.0
Min. Int & Share of profit	70	-630	80	190	-3	-137	-79	-119	-290	-338
Adj PAT	3,141	1,410	2,270	1,291	2,181	2,328	4,966	9,222	8,040	18,697
YoY Change (%)	-142.4	-51.7	-65.6	-76.2	-30.6	65.1	118.8	614.1	-24.1	132.6

E: MOFSL Estimates

Motherson Wiring India**Buy****CMP: INR74 | TP: INR84 (+14%)****EPS CHANGE (%): FY23 | 24E: 1.5 | -1**

- Strong YoY growth on low base, driven by easing chip supplies for PVs & cyclical recovery in CVs/2Ws/tractors
- YoY improvement in EBITDA margin, led by strong operating leverage, despite higher RM cost

MSUMI: Quarterly performance**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	11,140	14,000	14,596	16,615	15,618	17,571	16,868	17,563	56,350	67,620
YoY Change (%)	455.8	29.7	8.3	10.0	40.2	25.5	15.6	5.7	36.2	20.0
RM Cost (% of sales)	64.0	64.4	64.1	63.8	64.3	64.0	64.0	63.8	64.1	64.0
Staff Cost (% of sales)	19.2	16.8	16.4	15.5	16.0	15.2	15.9	15.7	16.8	15.7
Other Expenses (% of sales)	6.9	6.1	5.8	6.1	6.5	6.1	6.3	6.2	6.2	6.3
EBITDA	1,100	1,780	2,002	2,420	2,068	2,579	2,335	2,519	7,303	9,501
Margins (%)	9.9	12.7	13.7	14.6	13.2	14.7	13.8	14.3	13.0	14.1
Depreciation	240	240	230	343	340	350	360	360	1,055	1,410
Interest	80	80	100	20	75	75	70	70	285	290
Other Income	50	80	79	93	40	50	60	60	300	210
PBT before EO expense	830	1,540	1,750	2,150	1,693	2,204	1,965	2,149	6,263	8,011
Extra-Ord expense	0	0	0	654	0	0	0	0	654	0
PBT after EO Expense	830	1,540	1,750	1,496	1,693	2,204	1,965	2,149	5,609	8,011
Tax Rate (%)	27	26.0	24.6	31	27	27.0	27.0	27	27	27
Reported PAT	610	1,140	1,320	1,036	1,236	1,609	1,434	1,569	4,107	5,848
Adj PAT	610	1,140	1,320	1,596	1,236	1,609	1,434	1,569	4,670	5,848
YoY Change (%)	-172.6	72.7	9.5	6.0	102.6	41.1	8.7	-1.7	83.9	25.2

E: MOFSL Estimates

MRF**Neutral****CMP: INR71,805 | TP: INR68,750 (-4%)****EPS CHANGE (%): FY23|24E: 1 | 0**

- Strong revenue growth on low base, replacement demand
- Despite consistent price hikes, there is under-recovery of 4-5% on account of commodity cost inflation.

Standalone - Quarterly Earning Model**(INR Million)**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	41,277	48,317	48,299	52,003	52,422	53,148	53,128	54,708	1,89,895	2,13,406
YoY Change (%)	69.8	15.4	5.8	9.8	27.0	10.0	10.0	5.2	19.3	12.4
Total Expenditure	36,405	43,194	43,442	46,728	47,232	47,741	46,812	47,455	1,69,769	1,89,240
EBITDA	4,872	5,122	4,856	5,275	5,190	5,407	6,316	7,252	20,126	24,166
Margins (%)	11.8	10.6	10.1	10.1	9.9	10.2	11.9	13.3	10.6	11.3
Depreciation	3,007	2,958	2,946	3,103	3,150	3,200	3,225	3,291	12,014	12,866
Interest	621	566	628	656	650	650	650	668	2,470	2,618
Other Income	924	887	690	649	500	675	675	689	3,149	2,539
PBT before EO expense	2,168	2,485	1,973	2,165	1,890	2,232	3,116	3,982	8,791	11,220
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	2,168	2,485	1,973	2,165	1,890	2,232	3,116	3,982	8,791	11,220
Tax	555	652	514	598	491	580	810	1,035	2,318	2,917
Rate (%)	25.6	26.2	26.1	27.6	26.0	26.0	26.0	26.0	26.4	26.0
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	1,613	1,834	1,458.3	1,568	1,399	1,652	2,306.0	2,946	6,473	8,303
Adj PAT	1,613	1,834	1,458.3	1,568	1,399	1,652	2,306.0	2,946	6,473	8,303
YoY Change (%)	845.8	-54.5	-71.5	-50.6	-13.3	-9.9	58.1	88.0	-48.2	28.3
Margins (%)	3.9	3.8	3.0	3.0	2.7	3.1	4.3	5.4	3.4	3.9

E: MOFSL Estimates

Sona BLW Precis.**Neutral****CMP: INR568 | TP: INR613 (8%)****EPS CHANGE (%): FY23|24E: 2 | 0**

- Revenue growth driven by execution/ramp-up of new orders on the EV business
- Weakness in the underlying EU and China market to restrict growth in 1QFY23
- Commodity cost inflation to impact margins, partially offset by operating leverage

Consol. Quarterly Performance

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net operating revenues	5,007	5,857	4,941	5,500	5,933	6,923	8,275	9,031	21,306	30,162
Change (%)	226.5	52.4	1.0	2.0	18.5	18.2	67.5	64.2	36.0	41.6
RM Cost (% of sales)	43.4	46.3	42.5	44.9	45.5	45.3	44.8	44.7	44.4	45
Staff Cost (% of sales)	8.6	7.5	8.5	7.3	7.5	7.5	7.2	6.8	7.9	7.2
Other Cost (% of sales)	20.3	19.9	22.5	23.2	23.0	22.8	22.5	22.5	21.5	22.7
EBITDA	1,387	1,544	1,305	1,354	1,424	1,696	2,114	2,345	5,591	7,580
EBITDA Margins (%)	27.7	26.4	26.4	24.6	24.0	24.5	25.6	26.0	26.2	25.1
Depreciation	334	355	357	374	385	415	440	493	1,420	1,733
EBIT	1,054	1,189	949	980	1,039	1,281	1,674	1,853	4,171	5,847
EBIT Margins (%)	21.0	20.3	19.2	17.8	17.5	18.5	20.2	20.5	19.6	19.4
Interest	86	29	33	35	35	35	35	39	183	144
Non-Operating Income	2	6	50	143	15	15	15	19	200	64
PBT	1,102	1,166	966	1,223	1,019	1,261	1,654	1,832	4,456	5,766
Effective Tax Rate (%)	25.4	24.3	10.5	14.5	22.5	22.5	22.5	22.5	18.9	22.5
Adjusted PAT	719	882	864	912	790	977	1,282	1,420	3,399	4,469
Change (%)		22.3	3.5	29.4	9.8	10.8	48.3	55.7	39.1	31.5

Tata Motors

Buy

CMP: INR408 | TP: INR490 (+20%)

EPS CHANGE (%): FY23 | 24E: -12 | -2

- India business continues with the strong growth in PVs and CVs.
- JLR volumes to decline YoY due to chip shortages. We estimate near EBIT breakeven supported by mix.
- India EBITDA margins are estimated to decline on QoQ due to RM cost inflation and operating deleverage.
- EPS downgrade for FY23 due to reduction in JLR volumes and higher interest cost.

Quarterly Performance [Consol]

(INR Billion)

INR b	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
JLR Volumes (incl JV; '000 units)	97.1	78.3	83.1	89.1	79.4	93.8	104.6	129.3	347.7	407.0
JLR Realizations (GBP/unit)	58,810	60,454	68,168	62,293	63,538	64,174	63,532	63,041	62,274	63,520
JLR EBITDA Margins (%)	9.0	7.3	12.0	12.6	11.6	13.6	14.8	16.7	10.3	14.5
India CV Volumes ('000 units)	49.5	87.4	100.7	119.8	101.4	110.2	111.3	132.5	357.4	455.4
India CV Realizations (INR '000/unit)	1304.7	1259.9	1230.8	1590.8	1487.6	1495.8	1505.3	1647.1	1367.3	1540.0
India CV EBIT Margins (%)	0.1	3.1	2.6	6.1	2.8	4.0	5.5	7.2	3.7	5.1
India PV Volumes ('000 units)	64.6	84.4	99.5	123.6	130.3	139.4	122.1	129.7	372.1	521.5
India PV Realizations (INR '000/unit)	824.2	882.0	863.8	857.0	865.6	868.2	866.5	871.2	858.8	867.9
India PV EBIT Margins (%)	4.1	5.2	4.2	7.0	6.0	7.0	7.3	7.9	5.3	7.1
Net Income. Op Income	664.1	613.8	722.3	784.4	711.4	797.9	823.2	1022.4	2784.5	3354.9
Growth (%)	107.6	14.7	-4.5	-11.5	7.1	30.0	14.0	30.3	11.5	20.5
Consol. EBITDA	52.6	40.5	67.6	87.4	65.0	86.5	100.1	146.9	248.1	398.4
EBITDA Margins (%)	7.9	6.6	9.4	11.1	9.1	10.8	12.2	14.4	8.9	11.9
Depreciation	62.0	61.2	60.8	64.3	63.0	63.0	63.0	63.4	248.4	252.4
Other Income	5.8	8.7	7.0	9.0	6.0	6.0	6.0	9.2	30.5	27.2
Interest Expenses	22.0	23.3	24.0	23.9	25.0	25.0	24.0	21.7	93.3	95.7
PBT before EO	-25.8	-34.7	-7.0	3.7	-17.0	4.5	19.1	71.0	-63.7	77.6
EO Exp/(Inc)	0.0	0.0	-0.9	7.1	0.00	0.00	0.00	0.0	6.30	0.00
PBT after EO Exp	-25.8	-34.7	-6.1	-3.4	-17.0	4.5	19.1	71.0	-70.0	77.6
Tax rate (%)	-67.6	-29.0	-118.6	-222.3	0.0	0.0	0.0	33.9	-60.4	31.1
PAT	-43.2	-44.8	-13.4	-11.0	-17.0	4.5	19.1	46.9	-112.3	53.5
Minority Interest	0.0	-0.3	-0.7	-0.4	-0.1	-0.1	-0.2	-0.4	-1.3	-0.8
Share in profit of Associate	-1.3	0.6	-1.1	1.1	-0.7	0.2	0.8	1.1	-0.7	1.4
Reported PAT	-44.5	-44.4	-15.2	-10.3	-17.7	4.5	19.8	47.6	-114.4	54.1
Adj PAT	-44.5	-44.4	-16.0	-3.2	-17.7	4.5	19.8	47.6	-108.1	54.1
Growth (%)	-47.2	1301.9	-149.6	-105.6	-60.2	-110.1	-223.3	-1592.0	-5109.7	-150.1

E: MOFSL Estimates

Tube Investments

Buy

CMP: INR1742 | TP: INR2022 (+16%)

EPS CHANGE (%): FY23 | 24E: 0 | 0

- Engineering business to benefit from 2W industry recovery as well as ramp-up in exports
- EBITDA margins to decline on YoY basis due to higher RM cost

Quarterly performance (S/A)

(INR M)

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	12,567	16,667	17,014	17,345	18,116	18,979	19,809	20,314	63,593	77,218
YoY Change (%)	231.8	53.3	29.9	17.2	44.2	13.9	16.4	17.1	49.4	21.4
RM Cost (% of sales)	61.5	65.0	66.6	66.3	0.0	0.0	0.0	0.0	62.4	0.0
Staff Cost (% of sales)	9.4	7.7	7.4	7.7	0.0	0.0	0.0	0.0	8.0	0.0
Other Expenses (% of sales)	16.6	15.7	15.0	15.9	0.0	0.0	0.0	0.0	15.8	88.4
Total Expenditure	10,991	14,738	15,150	15,602	0	0	0	0	54,753	68,231
EBITDA	1,576	1,928	1,865	1,744	18,116	18,979	19,809	20,314	8,841	8,987
Margins (%)	12.5	11.6	11.0	10.1	100.0	100.0	100.0	100.0	13.9	11.6
Depreciation	354	360	369	367	375	380	390	401	1,450	1,546
Interest	30	29	38	22	32	32	32	33	118	129
Other Income	109	97	153	377	150	200	250	346	736	946
PBT before EO expense	1,302	1,637	1,611	1,731	17,859	18,767	19,637	20,226	8,009	8,258
Tax	332	423	406	368	434	482	542	603	1,472	2,060
Tax Rate (%)	25.5	25.8	25.2	21.2	2.4	2.6	2.8	3.0	18.4	24.9
Adj PAT	970	1,214	1,204	1,364	1,306	1,450	1,629	1,813	4,808	6,198
YoY Change (%)	-284.7	26.6	12.5	-2.2	34.6	19.4	35.3	33.0	63.1	28.9

E: MOFSL Estimates

TVS Motor Company**Neutral****CMP: INR841 | TP: INR765 (-9%)****EPS CHANGE (%): FY23|24E: 7|8**

- Strong recovery in the domestic business though growth moderated in export business
- EBITDA margins to decline QoQ due to RM cost impact, diluted by operating leverage
- Chip shortage impacted premium motorcycle volumes
- EPS upgrade driven by increase in margin estimates

S/A Quarterly Performance**(INR Million)**

Y/E March (INR m)	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Vols ('000 units)	657.8	916.7	878.7	856.5	906.8	982.6	933.8	944.2	3,309	3,767
Growth (%)	146.4	5.6	(11.2)	(7.7)	37.9	7.2	6.3	10.2	8.4	13.8
Realn (INR '000/unit)	59.8	61.1	64.9	64.6	65.4	65.9	65.9	65.9	62.8	65.8
Growth (%)	11.5	15.0	19.2	12.5	9.3	7.9	1.4	2.1	14.3	4.8
Net Sales	39,344	55,969	57,064	55,303	59,285	64,724	61,507	62,227	2,07,680	2,47,743
Growth (%)	174.8	21.5	5.8	3.9	50.7	15.6	7.8	12.5	24.0	19.3
RM (% of sales)	75.7	76.2	76.3	76.2	76.5	76.0	75.5	75.2	76.1	75.8
Emp cost (% of sales)	6.6	5.3	5.2	5.1	5.1	4.9	5.0	5.0	5.5	5.0
Other exp (% of sales)	10.7	8.8	8.6	8.6	8.6	8.8	8.8	8.8	9.1	8.8
EBITDA	2,738	5,404	5,683	5,568	5,834	6,688	6,557	6,811	19,392	25,889
EBITDA Margin (%)	7.0	9.7	10.0	10.1	9.8	10.3	10.7	10.9	9.3	10.5
Interest	300	350	279	330	350	350	350	328	1,259	1,378
Depreciation	1,431	1,544	1,546	1,593	1,615	1,700	1,735	1,748	6,114	6,798
Other Income	16	35	57	82	40	50	60	78	190	228
PBT before EO Exp	1,023	3,544	3,915	3,727	3,909	4,688	4,532	4,814	12,209	17,942
EO Exp	302	-225	0	0	0	0	0	0	77	
PBT after EO Exp	722	3,769	3,915	3,727	3,909	4,688	4,532	4,814	12,132	17,942
Tax rate (%)	26.4	26.3	26.3	26.3	26.0	26.0	26.0	26.0	26.3	26.0
Adjusted PAT	754	2,610	2,883	2,745	2,893	3,470	3,354	3,563	8,992	13,279
Growth (%)	(154.2)	33.0	8.5	(5.1)	283.8	32.9	16.3	29.8	46.9	47.7

E: MOFSL Estimates

NOTES

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NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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