

# Automobiles

## Result Preview



### Company

Amara Raja Energy Mobility
Apollo Tyres
Ashok Leyland
Bajaj Auto
Balkrishna Industries
Bharat Forge
BOSCH
Ceat
CIE India
Craftsman Automation
Eicher Motors
Endurance Technologies
Escorts Kubota
Exide Industries
Happy Forgings
Hero MotoCorp
Mahindra & Mahindra
Maruti Suzuki
Motherson Wiring
MRF
Samvardhana Motherson Sumi
Sona BLW Precision Ltd
Tata Motors
Tube Investments
TVS Motor Company

## 1QFY25 to be a healthy quarter; input cost pressures surface

### Retail growth has lagged wholesales in Q1 and remains a cause of concern

- Auto OEMs reported volume growth of ~10% YoY in 1QFY25, with broad-based growth in almost all the segments. 2Ws outperformed with ~11% YoY growth, followed by PVs with 6% YoY growth. CV and tractors grew by 4% each. We expect a volume CAGR of 9%/6%/5% for 2Ws/PVs/Tractors over FY24-26. For 3Ws/CVs, we anticipate a volume CAGR of 8%/7% over the same period.
- Revenue/EBITDA/PAT for our coverage universe is expected to grow ~9%/14%/18% YoY during the quarter. EBITDA margin for our Auto OEM universe (excluding JLR) is expected to improve 170bp YoY to 13.1% (stable QoQ), driven by moderate commodity costs, a favorable product mix and operating leverage. For auto ancillaries, EBITDA margin is expected to largely remain stable YoY, but it may decline 70bp QoQ.
- We noted a rise in key commodity prices in 1QFY25 QoQ, such as aluminum (+15%), copper (+16%), lead (+5%), rubber (+5%) and platinum (9%). We expect the impact of rising input costs to be visible from Q2 onwards.
- Within OEMs, we expect 2W OEMs (ex Eicher) and Maruti Suzuki to outperform peers.

### 1QFY25 witnesses positive volume growth YoY across segments

Auto OEMs reported volume growth of ~10% YoY in 1QFY25, with broad-based growth in almost all the segments. 2Ws outperformed with ~11% YoY growth, followed by PVs with 6% growth. CV and tractors grew by 4% each. However, passenger car volumes continue to underperform UVs as demand remained weak for the entry-level category. Within CVs, MHCVs grew 9% YoY, while LCVs posted modest 2% YoY growth. CVs posted growth in 1Q despite an anticipated slowdown due to general elections. Tractor wholesales grew 4% YoY, partially supported by the Navratri festival during the quarter. 3W volumes rose 5% YoY. Overall, automobile demand in 1Q was hit by the impact of incessant heat waves in many parts of the country and the election-led slowdown, especially in CVs. As a result, retail demand lagged wholesales in most of the key segments, including 2Ws, PVs and tractors, which led to an increase in dealer stock at the end of 1Q.

### Rising commodity costs to dent margins in the coming quarters

Revenue/EBITDA/PAT for our coverage universe is expected to grow ~9%/14%/18% YoY during the quarter. EBITDA margin for our Auto OEM universe (excluding JLR) is expected to improve 170bp YoY at 13.1%, driven by moderate commodity costs on YoY basis, a favorable product mix and operating leverage. However, we expect EBITDA margin to remain stable QoQ. For auto ancillaries, EBITDA margin may largely remain stable YoY, while it is expected to decline 70bp QoQ. In 1Q, prices of key commodities such as aluminum/copper/lead/rubber/platinum increased by ~15%/16%/5%/5%/9% QoQ. While the impact of rising input costs is likely to be visible for OEMs from Q2 onward, tyre companies are expected to face this impact in 1Q itself, with the major impact likely in 2Q.

### Hits and misses in 1QFY25

As highlighted above, our coverage universe is likely to post a strong 18% YoY growth in earnings. Within OEMs, we expect all the three mass-market 2W players to post healthy double-digit earnings growth on the back of healthy volume growth

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)

Research analyst - Amber Shukla (Amber.Shukla@MotilalOswal.com) | Aniket Desai (Aniket.Desai@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

and benign input costs. However, we expect Eicher to underperform its peers (with 10% growth). Within PVs, MSIL is likely to outperform peers with 38% YoY earnings growth. On the other hand, Tata Motors is likely to underperform peers with 8.5% YoY earnings growth. In auto ancillaries, we expect quite a few players to report healthy double-digit YoY earnings growth. However, the tyre companies (ex-BKT) within our coverage universe are likely to underperform peers given the rise in input costs. Amongst the other notable ones, Craftsman, CIE Automotive, and Happy Forgings are also likely to see single-digit earnings growth in 1QFY25.

### Prefer ancillaries over OEMs

In our recent thematic report dated May'24 ([click here to refer our thematic note](#)), we indicated our preference for Auto Ancillaries over Auto OEMs. Our rationale at that time was the huge growth opportunity that ancillary companies are likely to see in the coming years, led by: 1) potential benefits of the supply chain de-risking strategy by global OEMs; 2) a consistent rise in content supply amid rising premiumization; 3) favorable government policies that advocate 'Make In India'; and 4) emergence of India as an auto hub for global OEMs. This theme seems to have started to play out well, with the top 30 auto ancillary companies having delivered strong returns in the last two months compared to the listed Auto OEM companies. While part of the re-rating has played out, we expect this theme to continue to play out over the year. In our auto ancillary coverage universe, we like Craftsman Automation, SAMIL and Happy Forgings. Among Auto OEMs, Maruti and MM are our top picks.

### Summary of 1QFY25 earnings estimates

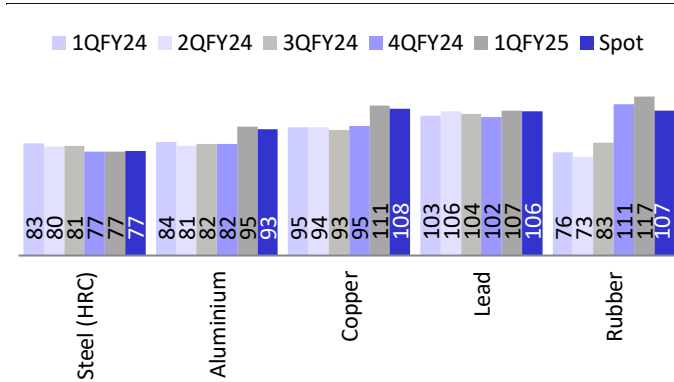
Sector	CMP	Reco	Sales (INR M)			EBIDTA (INR M)			PAT (INR M)		
	(INR)		Jun-24	YoY	QoQ	Jun-24	YoY	QoQ	Jun-24	YoY	QoQ
Amara Raja Energy	1681	Neutral	29,915	8.0	7.0	4,422	25.1	8.5	2,551	32.5	11.9
Apollo Tyres	536	Buy	63,749	2.1	1.9	10,136	-3.6	-6.1	4,273	5.2	-8.1
Ashok Leyland	234	Buy	87,011	6.2	-22.8	10,587	29.0	-33.5	6,535	13.3	-31.1
Bajaj Auto	9398	Neutral	1,16,668	13.2	1.6	23,317	19.3	1.1	19,806	19.0	2.3
Balkrishna Inds	3129	Neutral	25,579	20.9	-5.2	6,548	34.7	-7.7	4,126	32.0	-15.5
Bharat Forge	1645	Neutral	23,695	11.4	1.8	6,528	18.0	-0.2	3,921	24.5	-0.9
Bosch	34617	Neutral	44,079	6.0	4.1	5,985	27.9	7.4	5,416	32.4	-4.1
CEAT	2755	Buy	30,526	4.0	2.0	3,694	-4.6	-5.7	1,478	2.2	-2.3
CIE Automotive	600	Buy	23,389	0.8	-3.6	3,495	-5.7	-3.1	2,010	-5.9	-12.7
Craftsman Auto	5691	Buy	11,217	8.1	1.5	2,181	1.8	5.4	801	7.5	28.5
Eicher Motors	4626	Sell	42,505	6.6	-0.1	11,180	9.5	-0.9	10,094	9.9	-5.7
Endurance Tech.	2720	Buy	28,303	15.5	6.2	3,806	18.5	3	2,028	24.1	4.0
Escorts Kubota	4123	Neutral	23,839	2.4	14.5	3,457	5.7	30.0	2,996	5.9	23.8
Exide Inds.	564	Neutral	43,984	8.0	9.7	5,850	35.4	13.3	3,348	38.4	18.0
Happy Forgings	1259	Buy	3,727	13.0	8.5	1,075	5.9	10.7	693	8.2	5.3
Hero Motocorp	5564	Buy	1,06,013	20.9	11.4	15,969	32.4	17.5	12,448	31.6	22.5
Mahindra & Mahindra	2867	Buy	2,80,556	16.6	11.7	38,672	19.5	19.4	29,806	7.5	46.2
Maruti Suzuki	12039	Buy	3,50,194	8.3	-8.4	42,180	41.4	-10.0	34,271	37.9	-11.6
Samvardhana Motherson	203	Buy	2,90,974	29.5	8.3	26,777	39.1	0.3	9,336	55.4	1.8
Motherson Wiring	73	Buy	22,103	18.9	-1.0	2,739	41.1	-6.0	1,769	43.7	-7.6
MRF	128645	Sell	63,865	1.0	2.8	9,676	-13.2	-3.8	4,534	-22.0	-3.4
Sona BLW Precis.	671	Neutral	9,140	24.8	3.2	2,550	25.4	2.8	1,470	28.7	-0.7
Tata Motors	981	Neutral	10,33,552	1.1	-13.9	1,37,634	1.5	-19.0	41,074	8.5	-46.8
Tube Investments	4111	Buy	20,321	14.2	3.5	2,349	8.8	8.2	1,649	11.7	-33.5
TVS Motor	2339	Neutral	84,419	17.0	3.3	9,917	29.9	7.1	5,848	25.0	20.5
<b>Automobiles</b>			<b>28,59,324</b>	<b>8.7</b>	<b>-4.7</b>	<b>3,90,723</b>	<b>14.0</b>	<b>-7.6</b>	<b>2,12,284</b>	<b>17.9</b>	<b>-13.2</b>

**Volume snapshot 1QFY25 ('000 units)**

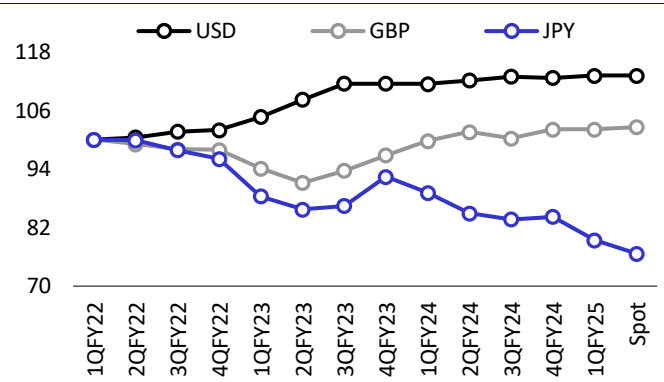
	1QFY25	1QFY24	YoY (%)	4QFY24	QoQ (%)	FY24	FY23	YoY (%)
Two wheelers	5,491	4,937	11	5,422	1	21,437	19,533	10
Three wheelers	228	218	5	235	-3	992	870	14
Passenger cars	489	509	-4	494	-1	1,979	2,161	-8
UVs & MPVs	747	640	17	808	-8	2,916	2,392	22
<b>Total PVs</b>	<b>1,220</b>	<b>1,148</b>	<b>6</b>	<b>1,302</b>	<b>-6</b>	<b>4,894</b>	<b>4,553</b>	<b>8</b>
M&HCV	89	82	9	115	-23	391	381	3
LCV	152	149	2	169	-10	642	659	-3
<b>Total CVs</b>	<b>241</b>	<b>231</b>	<b>4</b>	<b>284</b>	<b>-15</b>	<b>1,034</b>	<b>1,040</b>	<b>-1</b>
Tractors	279	268	4	182	53	972	986	-1
<b>Total (ex Tractor)</b>	<b>7,180</b>	<b>6,534</b>	<b>10</b>	<b>7,243</b>	<b>-1</b>	<b>28,357</b>	<b>25,997</b>	<b>9</b>

Source: Company, MOFSL

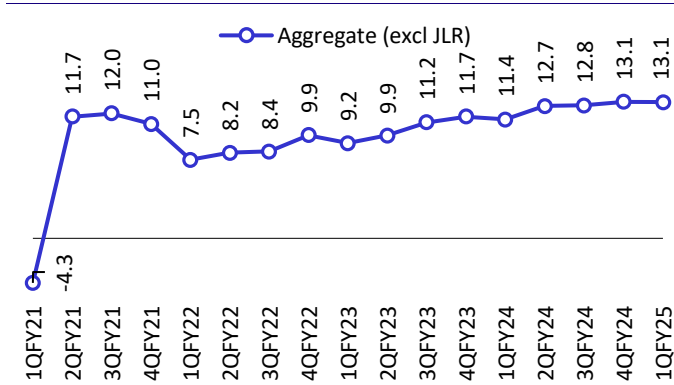
**Exhibit 1: Commodity prices inched up QoQ in 1QFY25**



**Exhibit 2: Trends in key currencies vs. INR (average, indexed)**

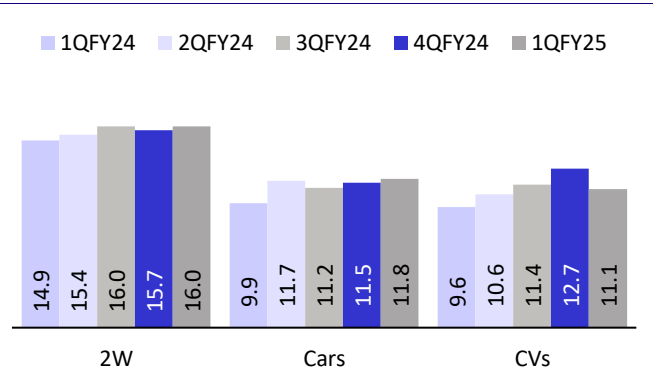


**Exhibit 3: EBITDA margin expected to remain flat QoQ**



Source: MOFSL

**Exhibit 4: Segment-wise EBITDA margins trends (%)**



Source: MOFSL

**Exhibit 5: Our Auto OEM coverage universe (excluding JLR) is expected to clock earnings growth of 23% YoY**

	Volumes ('000 units)					EBITDA Margins (%)					Adj. PAT (INR M)				
	1Q	1Q	YoY	4Q	QoQ	1Q	1Q	YoY	4Q	QoQ	1Q	1Q	YoY	4Q	QoQ
	FY25	FY24	(%)	FY24	(%)	FY25	FY24	(bp)	FY24	(bp)	FY25	FY24	(%)	FY24	(%)
Bajaj Auto	1,102	1,027	7.3	1,069	3.1	20.0	19.0	100	20.1	-10	19,806	16,648	19.0	19,360	2.3
Hero MotoCorp	1,535	1,353	13.5	1,392	10.3	15.1	13.8	130	14.3	80	12,448	9,462	31.6	10,161	22.5
TVS Motor	1,087	953	14.1	1,063	2.3	11.7	10.6	120	11.3	40	5,848	4,677	25.0	4,854	20.5
Maruti Suzuki	522	498	4.8	584	-10.6	12.0	9.2	280	12.3	-20	34,271	24,851	37.9	38,778	-11.6
M&M	333	301	10.6	285	16.8	13.8	13.4	30	12.9	90	29,806	27,737	7.5	20,382	46.2
TTMT India CV**	93	89	5.4	111	-16.1	10.5	9.4	110	11.9	-140	NA	NA	-	NA	--
TTMT India PV**	139	140	-1.2	156	-10.9	7.0	5.2	180	7.3	-30	NA	NA	-	NA	--
JLR (GBP mn)	110	106	3.2	121	-9.1	15.4	16.3	-80	16.3	-90	316	323	-2.1	732	-56.8
Ashok Leyland	44	41	6.2	56	-22.0	12.2	10.0	210	14.1	-200	6,535	5,768	13.3	9,485	-31.1
Eicher - RE	226	228	-0.7	228	-0.7	27.5	26.0	150	27.6	-10	9,506	9,139	4.0	9,833	-3.3
Eicher - VECV	20	20	0.7	26	-23.4	7.5	7.8	-30	7.9	-40	1,623	1,818	-10.7	2,446	-33.7
<b>Aggregate **</b>	<b>5,179</b>	<b>4,708</b>	<b>10.0</b>	<b>5,019</b>	<b>3.2</b>	<b>13.1</b>	<b>11.4</b>	<b>170</b>	<b>13.1</b>	<b>0</b>	<b>1,34,586</b>	<b>1,09,033</b>	<b>23.4</b>	<b>1,38,664</b>	<b>-2.9</b>

\*\* Aggregate includes TTMT's standalone performance only

Source: JLR in GBP m, MOFSL

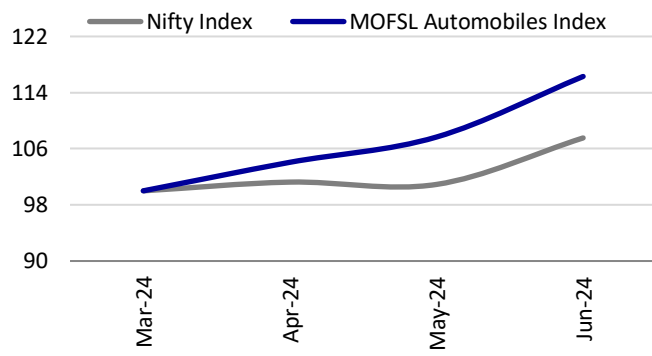
**Exhibit 6: Revised estimates**

	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
BJAUT	329.2	325.7	1.1	382.5	374.9	2.0
HMCL	255.4	238.3	7.2	304.2	273.7	11.1
TVSL	55.3	55.3	0.0	65.4	65.1	0.4
EIM *	164.3	164.3	0.0	178.2	183.2	-2.7
MSIL *	485.8	489.4	-0.7	542.9	546.4	-0.6
MM	108.2	102.2	5.9	128.7	120.2	7.1
TTMT *	58.1	58.2	-0.2	67.2	67.5	-0.4
AL	11.7	11.7	0.0	14.0	13.2	6.1
ESCORTS	102.6	101.6	1.0	123.9	120.9	2.5
ARE&M	59.0	56.0	5.4	66.5	60.5	9.9
EXID	16.4	16.3	0.5	19.6	18.9	3.7
BOSCH	802	821	-2.3	939	950.9	-1.3
ENDU	65.5	65.8	-0.3	85.6	81.1	5.6
MACA	23.5	24.5	-3.8	29.6	29.6	0.0
BHFC	38.7	36.0	7.4	48.9	48.5	0.8
MOTHERSO *	6.5	6.4	1.3	8.5	7.8	9.1
SONACOMS	10.6	11.7	-9.1	13.3	14.0	-4.8
CEAT	160.9	160.9	0.0	197.5	195.6	1.0
APTY *	29.8	30.1	-1.0	35.8	34.6	3.5
BIL	87.8	91.1	-3.6	113.4	114.4	-0.8
MRF	4,582.8	4,584.0	0.0	5,113.5	5,112.3	0.0
MSUMI	1.8	1.9	-5.2	2.2	2.3	-1.2
TIINDIA	63.4	62.3	1.7	79.2	77.0	2.8
CRAFTSMA	176.6	174.4	1.3	245.0	230.7	6.2
HAPPYFORG	34.7	34.7	0.1	45.2	44.9	0.6

\* Consolidated

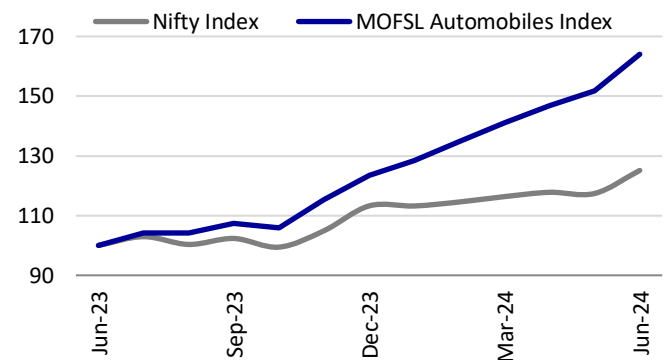
Source: MOFSL

Exhibit 7: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 8: Relative performance – one year (%)



S4ource: Bloomberg, MOFSL

Comparative valuations

Company Name	CMP	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
	(INR)		FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
<b>Automobiles</b>														
Amara Raja Energy	1,681	Neutral	49.5	59.0	66.5	34.0	28.5	25.3	4.5	4.0	3.5	14.2	14.9	14.8
Apollo Tyres	536	Buy	29.0	29.8	35.8	18.5	17.9	15.0	2.0	1.8	1.6	13.9	12.9	14.0
Ashok Leyland	234	Buy	9.1	11.7	14.0	26	20	16.7	7.8	6.6	5.5	31.1	35.5	35.8
Bajaj Auto	9,398	Neutral	276.1	329.2	382.5	33.1	28.5	24.6	10.3	9.3	8.1	30.7	34.7	35.3
Balkrishna Inds	3,129	Neutral	76.5	87.8	113.4	40.9	35.7	27.6	6.8	6.1	5.3	18.0	18.1	20.6
Bharat Forge	1,645	Neutral	20.6	36.0	48.5	68.3	39.1	29.0	9.1	7.9	6.6	13.8	21.7	24.7
Bosch	34,617	Neutral	620.5	802.2	938.9	48.4	43.2	36.9	7.3	7.7	6.9	15.9	18.7	19.7
CEAT	2,755	Buy	169.4	160.9	197.5	16.3	17.1	14.0	2.8	2.4	2.1	18.3	15.1	16.3
CIE Automotive	600	Buy	21.1	23.5	29.6	28.4	25.5	20.3	3.8	3.4	3.0	14.4	14.1	15.8
Craftsman Auto	5,691	Buy	144.2	176.6	245.0	39.5	32.2	23.2	7.2	4.2	3.6	20.1	17.2	16.7
Eicher Motors	4,626	Sell	146.3	164.3	178.2	31.6	28.2	26.0	7.0	6.0	5.2	24.2	23.0	21.6
Endurance Tech.	2,720	Buy	47.3	65.5	85.6	57.7	41.5	31.8	7.7	6.7	5.7	14.2	17.2	19.3
Escorts Kubota	4,123	Neutral	94.9	102.6	123.9	43.4	40.2	33.3	5.0	4.9	4.4	12.1	13.0	14.0
Exide Inds.	564	Neutral	12.4	16.4	19.6	45.6	34.4	28.8	3.7	3.4	3.1	8.0	9.8	10.7
Happy Forgings	1,259	Buy	25.8	34.7	45.2	48.8	36.2	27.8	7.4	6.3	5.3	18.7	18.7	20.7
Hero Motocorp	5,564	Buy	204.6	259.0	304.2	23.1	21.5	18.3	5.2	5.7	5.1	23.6	27.6	29.5
Mahindra & Mahindra	2,867	Buy	89.4	108.2	128.7	32.8	27.1	22.7	6.7	5.6	4.7	22.4	22.6	22.5
Maruti Suzuki	12,039	Buy	429.0	485.8	542.9	28.1	24.8	22.2	4.5	4.0	3.5	15.7	15.9	15.7
Motherson Wiring	73	Buy	1.4	1.8	2.2	50.5	41.1	32.7	19.2	15.3	12.3	42.5	41.5	41.6
MRF	1,28,645	Sell	4,990.2	4,583.0	5,113.0	25.8	28.1	25.2	3.3	3.0	2.7	13.5	11.1	11.2
Samvardhana Motherson	203	Buy	3.7	6.5	8.5	54.8	31.4	23.8	5.3	4.7	4.1	10.3	15.8	18.5
Sona BLW Precis.	671	Neutral	8.9	10.6	13.3	75.0	63.1	50.4	14.8	12.2	10.5	20.6	21.2	22.8
Tata Motors	981	Neutral	58.7	58.1	67.2	16.9	16.9	14.6	4.5	3.4	2.8	34.5	22.5	21.2
Tube Investments	4,111	Buy	34.4	63.4	79.2	119.4	64.9	51.9	15.6	12.7	10.4	14.7	21.6	22.0
TVS Motor	2,339	Neutral	43.8	55.3	65.4	49.1	42.3	35.8	13.2	11.1	8.8	30.2	29.7	27.5

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 Energy Mobility

**Neutral**

**CMP: INR1681 | TP: INR1475 (-12%)**

**EPS CHANGE (%): FY25E|FY26E: 5|10**

- Revenue growth of 8% YoY to be driven by OEM demand in 2Ws/4Ws, aftermarket division, trading and new energy business. Industrial division would see an uptick due to the 5G expansion by telecom players.
- EBITDA margin should see a sequential expansion despite uptick in lead prices, offset by lower other expenses.

### Quarterly Performance

Y/E March (INR m)	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>27,699</b>	<b>28,108</b>	<b>28,817</b>	<b>27,967</b>	<b>29,915</b>	<b>31,199</b>	<b>32,275</b>	<b>32,537</b>	<b>1,12,603</b>	<b>1,25,927</b>
YoY Change (%)	5.7	4.1	9.3	14.9	8.0	11.0	12.0	16.3	8.4	11.8
RM Cost (% of sales)	71.1	68.4	66.0	65.5	66.5	66.5	67.0	67.6	66.9	66.9
Staff Cost (% of sales)	5.8	5.8	6.3	5.8	6.0	5.9	5.8	5.9	6.2	5.9
Other Exp (% of sales)	10.3	12.1	12.6	14.1	12.7	12.5	12.2	11.5	12.5	12.2
<b>EBITDA</b>	<b>3,535</b>	<b>3,870</b>	<b>4,349</b>	<b>4,077</b>	<b>4,422</b>	<b>4,702</b>	<b>4,843</b>	<b>4,921</b>	<b>16,214</b>	<b>18,889</b>
Margins (%)	12.8	13.8	15.1	14.6	14.8	15.1	15.0	15.1	14.4	15.0
Depreciation	1,111	1,148	1,202	1,210	1,150	1,200	1,300	1,407	4,787	5,057
Interest	56	62	77	97	85	90	95	80	332	350
Other Income	216	275	238	283	260	280	285	275	1,015	1,100
<b>PBT before EO expense</b>	<b>2,584</b>	<b>2,935</b>	<b>3,307</b>	<b>3,053</b>	<b>3,447</b>	<b>3,692</b>	<b>3,733</b>	<b>3,710</b>	<b>12,110</b>	<b>14,582</b>
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
<b>PBT after EO</b>	<b>2,584</b>	<b>2,935</b>	<b>3,307</b>	<b>3,053</b>	<b>3,447</b>	<b>3,692</b>	<b>3,733</b>	<b>3,710</b>	<b>12,110</b>	<b>14,582</b>
Tax	659	791	779	773	896	960	971	965	3,052	3,791
Tax Rate (%)	25.5	27.0	23.6	25.3	26.0	26.0	26.0	26.0	25.2	26.0
<b>Adj PAT</b>	<b>1,925</b>	<b>2,143</b>	<b>2,528</b>	<b>2,280</b>	<b>2,551</b>	<b>2,732</b>	<b>2,763</b>	<b>2,745</b>	<b>9,059</b>	<b>10,791</b>
YoY Change (%)	46.4	6.0	13.5	29.7	32.5	27.5	9.3	20.4	18.4	19.1

E: MOFSL Estimates

## Apollo Tyres

**Buy**

**CMP: INR536 | TP: INR620 (+16%)**

**EPS CHANGE (%): FY25E|FY26E: -1|3.5**

- Overall revenue growth is expected to see a marginal growth of 2% YoY due to weakness in replacement demand.
- Increase in input costs and higher other expenses due to EPR could drive a 130bp contraction QoQ in consolidated EBITDA margin to 15.9%, despite price hikes. Rubber prices in 1Q remained high (+5% QoQ), but spot prices softened.

### Consolidated - Quarterly Earning Model

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Revenues</b>	<b>62,446</b>	<b>62,797</b>	<b>65,954</b>	<b>62,582</b>	<b>63,749</b>	<b>63,547</b>	<b>68,160</b>	<b>68,740</b>	<b>2,53,777</b>	<b>2,64,197</b>
YoY Change (%)	5.1	5.4	2.7	0.2	2.1	1.2	3.3	9.8	3.3	4.1
Total Expenditure	51,931	51,198	53,873	51,788	53,613	53,697	57,391	56,705	2,08,790	2,21,407
<b>EBITDA</b>	<b>10,515</b>	<b>11,599</b>	<b>12,081</b>	<b>10,794</b>	<b>10,136</b>	<b>9,850</b>	<b>10,769</b>	<b>12,035</b>	<b>44,987</b>	<b>42,790</b>
Margins (%)	16.8	18.5	18.3	17.2	15.9	15.5	15.8	17.5	17.7	16.2
Depreciation	3,620	3,603	3,676	3,880	3,680	3,700	3,725	3,803	14,778	14,908
Interest	1,355	1,328	1,230	1,146	1,150	1,130	1,120	1,097	5,059	4,497
Other Income	355	253	184	743	470	435	485	223	1,536	1,613
<b>PBT before EO expense</b>	<b>5,896</b>	<b>6,922</b>	<b>7,358</b>	<b>6,511</b>	<b>5,776</b>	<b>5,455</b>	<b>6,409</b>	<b>7,358</b>	<b>26,685</b>	<b>24,998</b>
Extra-Ord expense	132	122	151	1,381	0	0	0	0	1,786	0
<b>PBT</b>	<b>5,764</b>	<b>6,800</b>	<b>7,207</b>	<b>5,130</b>	<b>5,776</b>	<b>5,455</b>	<b>6,409</b>	<b>7,358</b>	<b>24,899</b>	<b>24,998</b>
Tax Rate (%)	31.1	30.3	31.1	31.0	26.0	25.1	23.6	22.6	30.9	24.2
Minority Interest & Profit/Loss of Asso. Cos.	0	-2	-1	-1	0	0	0	0	0	0
<b>Reported PAT</b>	<b>3,969</b>	<b>4,744</b>	<b>4,966</b>	<b>3,541</b>	<b>4,273</b>	<b>4,088</b>	<b>4,894</b>	<b>5,696</b>	<b>17,215</b>	<b>18,951</b>
<b>Adj PAT</b>	<b>4,060</b>	<b>4,828</b>	<b>5,071</b>	<b>4,648</b>	<b>4,273</b>	<b>4,088</b>	<b>4,894</b>	<b>5,696</b>	<b>18,607</b>	<b>18,951</b>
YoY Change (%)	112.9	169.1	81.9	18.1	5.2	-15.3	-3.5	22.5	80.8	1.8
Margins (%)	6.5	7.7	7.7	7.4	6.7	6.4	7.2	8.3	7.3	7.2

E: MOFSL Estimates

**Ashok Leyland****Buy****CMP: INR234 | TP: INR270 (+15%)****EPS CHANGE (%): FY25E|FY26E:0|6**

- Overall volumes grew 6% YoY (-22% QoQ) in 1Q despite election led slowdown.
- Net price realization is estimated to remain flat YoY.
- EBITDA margin is expected to improve by 220bp YoY to 12.2% due to reduction in input costs and healthy pricing discipline in the industry. Sequentially margin contraction would be due to operating deleverage.

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

	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes (nos)	41,329	49,846	47,241	56,267	43,893	50,843	51,965	61,271	1,94,683	2,07,972
Growth %	4.2	10.0	-0.7	-5.7	6.2	2.0	10.0	8.9	1.3	6.8
Realizations (INR '000)	1,981	1,934	1,963	2,002	1,982	2,002	2,022	2,084	1,971	2,027
Change (%)	8.8	6.0	3.4	2.8	0.0	3.5	3.0	4.1	4.8	2.9
<b>Net operating revenues</b>	<b>81,893</b>	<b>96,380</b>	<b>92,730</b>	<b>1,12,667</b>	<b>87,011</b>	<b>1,01,796</b>	<b>1,05,083</b>	<b>1,27,669</b>	<b>3,83,670</b>	<b>4,21,558</b>
Change (%)	13.4	16.6	2.7	-3.1	6.2	5.6	13.3	13.3	6.2	9.9
RM/sales %	73.7	73.5	72.2	71.8	72.0	72.5	72.5	72.8	72.7	72.5
Staff/sales %	6.6	5.9	6.1	4.9	6.3	5.9	5.7	4.7	5.8	5.6
Other exp/sales %	9.7	9.3	9.6	9.1	9.5	9.3	9.3	9.6	9.4	9.4
<b>EBITDA</b>	<b>8,208</b>	<b>10,798</b>	<b>11,139</b>	<b>15,921</b>	<b>10,587</b>	<b>12,569</b>	<b>13,146</b>	<b>16,475</b>	<b>46,066</b>	<b>52,778</b>
EBITDA Margins(%)	10.0	11.2	12.0	14.1	12.2	12.3	12.5	12.9	12.0	12.5
Interest	699	587	616	592	550	500	450	232	2,494	1,732
Other Income	512	475	300	1,179	500	475	475	520	2,466	1,970
Depreciation	1,794	1,803	1,785	1,797	1,800	1,820	1,850	1,773	7,178	7,243
<b>PBT before EO Item</b>	<b>6,227</b>	<b>8,883</b>	<b>9,039</b>	<b>14,711</b>	<b>8,737</b>	<b>10,724</b>	<b>11,321</b>	<b>14,990</b>	<b>38,859</b>	<b>45,773</b>
EO Exp/(Inc)	6	229	6	697	0	0	0	0	937	0
<b>PBT after EO</b>	<b>6,221</b>	<b>8,654</b>	<b>9,033</b>	<b>14,014</b>	<b>8,737</b>	<b>10,724</b>	<b>11,321</b>	<b>14,990</b>	<b>37,922</b>	<b>45,773</b>
Effective Tax Rate (%)	7.3	35.2	35.8	35.8	25.2	25.2	25.2	25.2	31.0	25.2
<b>Adj PAT</b>	<b>5,768</b>	<b>5,768</b>	<b>5,804</b>	<b>9,485</b>	<b>6,535</b>	<b>8,022</b>	<b>8,468</b>	<b>11,213</b>	<b>26,826</b>	<b>34,238</b>
Change (%)	868.8	197.4	62.7	32.7	13.3	39.1	45.9	18.2	102.5	27.6

E: MOFSL Estimates

**Bajaj Auto****Neutral****CMP: INR9,398 | TP: INR8,660 (-8%)****EPS CHANGE (%): FY25|26E: 1|2**

- Both domestic/exports volumes grew 7% YoY. Bajaj continues to enjoy the benefit of a rich mix in domestic motorcycles, while export markets are seeing a gradual recovery.
- Margin to expand 100bp YoY led by lower input costs, improved mix and operating leverage benefits.

**Quarterly Performance****(INR M)**

	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volumes ('000 units)	1,027	1,054	1,201	1,069	1,102	1,170	1,345	1,274	4,351	4,891
Growth YoY (%)	10.0	-8.4	22.1	24.3	7.3	11.0	12.0	19.2	10.8	12.4
Realization (INR/unit)	1,00,347	1,02,256	1,00,862	1,07,476	1,05,864	1,06,923	1,07,458	1,06,591	1,02,703	1,06,745
Growth YoY (%)	17.0	15.4	6.5	3.8	5.5	4.6	6.5	-0.8	10.7	3.9
<b>Net Sales</b>	<b>1,03,098</b>	<b>1,07,773</b>	<b>1,21,135</b>	<b>1,14,847</b>	<b>1,16,668</b>	<b>1,25,088</b>	<b>1,44,543</b>	<b>1,35,796</b>	<b>4,46,852</b>	<b>5,22,096</b>
Change (%)	28.8	5.6	30.0	29.0	13.2	16.1	19.3	18.2	22.7	16.8
<b>EBITDA</b>	<b>19,539</b>	<b>21,329</b>	<b>24,299</b>	<b>23,063</b>	<b>23,317</b>	<b>25,126</b>	<b>29,593</b>	<b>27,093</b>	<b>88,229</b>	<b>1,05,129</b>
EBITDA Margins (%)	19.0	19.8	20.1	20.1	20.0	20.1	20.5	20.0	19.7	20.1
Other Income	3,463	3,614	3,461	3,487	3,800	4,200	4,150	4,128	14,025	16,278
Interest	121	65	121	228	100	110	110	120	535	440
Depreciation	835	876	881	906	910	925	925	937	3,498	3,697
<b>PBT after EO</b>	<b>22,046</b>	<b>24,000</b>	<b>26,758</b>	<b>25,416</b>	<b>26,107</b>	<b>28,291</b>	<b>32,708</b>	<b>30,163</b>	<b>98,220</b>	<b>1,17,269</b>
Effective Tax Rate (%)	24.5	23.5	23.7	23.8	24.1	24.1	24.1	24.1	23.9	24.1
<b>Adj. PAT</b>	<b>16,648</b>	<b>18,361</b>	<b>20,419</b>	<b>19,360</b>	<b>19,806</b>	<b>21,463</b>	<b>24,814</b>	<b>22,884</b>	<b>74,788</b>	<b>88,968</b>
Change (%)	41.9	20.0	36.9	35.1	19.0	16.9	21.5	18.2	32.9	19.0

E: MOFSL Estimates

**Balkrishna Industries****Neutral****CMP: INR3,129 | TP: INR2,825 (-10%)****EPS CHANGE (%): FY25E|FY26E: -4|-1**

- Revenue is expected to grow by 17% YoY. We expect India market to remain the key growth driver, while other geographies are expected to grow on a low base of FY24.
- EBITDA margins are expected to decline 70bp QoQ due to a rise in rubber costs, which are expected to stay elevated (+5% QoQ).

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Volumes (Ton)</b>	<b>67,209</b>	<b>70,585</b>	<b>72,749</b>	<b>82,085</b>	<b>78,635</b>	<b>79,055</b>	<b>81,479</b>	<b>84,829</b>	<b>2,92,628</b>	<b>3,23,998</b>
YoY Change (%)	-19.2	-10.5	9.4	12.9	17.0	12.0	12.0	3.3	-2.8	10.7
<b>Realizations (INR '000/ton)</b>	<b>314.7</b>	<b>318.3</b>	<b>318.3</b>	<b>328.6</b>	<b>325.3</b>	<b>325.4</b>	<b>325.6</b>	<b>323.7</b>	<b>320.4</b>	<b>325.0</b>
YoY Change (%)	-4.0	-10.5	-4.5	2.7	3.4	2.2	2.3	-1.5	-4.2	1.4
<b>Net Revenues</b>	<b>21,150</b>	<b>22,468</b>	<b>23,158</b>	<b>26,971</b>	<b>25,579</b>	<b>25,728</b>	<b>26,530</b>	<b>27,456</b>	<b>93,760</b>	<b>1,05,293</b>
YoY Change (%)	-22.4	-19.9	4.5	16.0	20.9	14.5	14.6	1.8	-6.9	12.3
<b>EBITDA</b>	<b>4,863</b>	<b>5,480</b>	<b>5,868</b>	<b>7,098</b>	<b>6,548</b>	<b>6,509</b>	<b>6,898</b>	<b>7,132</b>	<b>23,322</b>	<b>27,088</b>
Margins (%)	23.0	24.4	25.3	26.3	25.6	25.3	26.0	26.0	24.9	25.7
Depreciation	1,537	1,586	1,591	1,724	1,600	1,650	1,700	1,732	6,438	6,682
Interest	208	229	354	299	220	200	175	202	1,089	797
Forex loss/(gain)	-330	-250	520	-490	0	0	0	0	-550	500
Other Income	660	520	700	870	680	700	750	723	2,750	2,853
<b>PBT before EI</b>	<b>4,108</b>	<b>4,435</b>	<b>4,104</b>	<b>6,436</b>	<b>5,408</b>	<b>5,359</b>	<b>5,773</b>	<b>5,921</b>	<b>19,095</b>	<b>21,961</b>
Extra-Ord expense	0	0	0	98	0	0	0	0	98	0
<b>PBT</b>	<b>4,108</b>	<b>4,435</b>	<b>4,104</b>	<b>6,337</b>	<b>5,408</b>	<b>5,359</b>	<b>5,773</b>	<b>5,921</b>	<b>18,997</b>	<b>21,961</b>
Rate (%)	23.9	24.5	24.8	24.1	23.7	23.7	23.7	23.8	24.3	24.3
<b>Adj PAT</b>	<b>3,125</b>	<b>3,350</b>	<b>3,084</b>	<b>4,884</b>	<b>4,126</b>	<b>4,089</b>	<b>4,405</b>	<b>4,513</b>	<b>14,456</b>	<b>16,633</b>
YoY Change (%)	-2.3	-17.1	209.9	89.6	32.0	22.1	42.8	-7.6	34.0	15.1

E: MOFSL Estimates

**Bharat Forge****Neutral****CMP: INR1523 | TP: INR1645 (-7%)****EPS CHANGE (%): FY25E|FY26E: 7|-1**

- Revenue growth is expected to be at 11% YoY in 1Q. Growth would be driven by domestic business, which is expected to grow 22.5% YoY. Exports would see 5% YoY growth. Revenue growth is likely to be driven by ramp up of defense orders.
- EBITDA margin is expected to decline 50bp QoQ to 27.6%.

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

	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net operating income</b>	<b>21,273</b>	<b>22,494</b>	<b>22,634</b>	<b>23,286</b>	<b>23,695</b>	<b>24,621</b>	<b>25,848</b>	<b>26,820</b>	<b>89,686</b>	<b>1,00,984</b>
Change (%)	20.9	20.7	15.9	16.6	11.4	9.5	14.2	15.2	18.4	12.6
<b>Total Cost</b>	<b>15,739</b>	<b>16,383</b>	<b>16,181</b>	<b>16,745</b>	<b>17,167</b>	<b>17,875</b>	<b>18,740</b>	<b>19,383</b>	<b>64,909</b>	<b>73,164</b>
RM/Sales (%)	44.3	43.3	41.9	41.4	41.7	42.0	42.1	42.2	42.7	42.0
Staff Cost (% of Sales)	7.0	6.7	6.7	6.5	6.6	6.6	6.5	6.5	6.7	6.6
Other Exp. (% of Sales)	22.7	22.8	22.9	24.0	24.2	24.0	23.9	23.6	23.0	23.9
<b>EBITDA</b>	<b>5,534</b>	<b>6,111</b>	<b>6,453</b>	<b>6,541</b>	<b>6,528</b>	<b>6,746</b>	<b>7,108</b>	<b>7,437</b>	<b>24,777</b>	<b>27,820</b>
EBITDA Margins (%)	26.0	27.2	28.5	28.1	27.6	27.4	27.5	27.7	27.6	27.5
Change (%)	20.3	35.1	30.9	25.1	18.0	10.4	10.2	13.7	29.6	12.3
<b>Non-Operating Income</b>	<b>472</b>	<b>424</b>	<b>346</b>	<b>382</b>	<b>450</b>	<b>460</b>	<b>475</b>	<b>482</b>	<b>1,623</b>	<b>1,867</b>
Interest	705	726	809	634	650	620	580	550	2,874	2,400
Depreciation	1089	1128	1124	1079	1100	1150	1200	1216	4,420	4,666
EO Exp / (Inc)	47	63	-179	82	0	0	0	0	154	
<b>PBT after EO items</b>	<b>4,165</b>	<b>4,616</b>	<b>5,044</b>	<b>5,127</b>	<b>5,228</b>	<b>5,436</b>	<b>5,803</b>	<b>6,153</b>	<b>18,952</b>	<b>22,621</b>
Tax	1050	1156	1266	1231	1307	1359	1451	1538	4,703	5,655
Eff. Tax Rate (%)	25.2	25.0	25.1	24.0	25.0	25.0	25.0	25.0	24.8	25.0
<b>Rep. PAT</b>	<b>3,115</b>	<b>3,460</b>	<b>3,778</b>	<b>3,897</b>	<b>3,921</b>	<b>4,077</b>	<b>4,352</b>	<b>4,615</b>	<b>14,250</b>	<b>16,965</b>
Change (%)	42.4	28.7	21.6	85.7	25.9	17.8	15.2	18.4	36.3	19.1
<b>Adj. PAT</b>	<b>3,150</b>	<b>3,508</b>	<b>3,644</b>	<b>3,958</b>	<b>3,921</b>	<b>4,077</b>	<b>4,352</b>	<b>4,615</b>	<b>14,250</b>	<b>16,965</b>
Change (%)	19.0	30.9	32.3	31.4	24.5	16.2	19.4	16.6	36.3	19.1

E: MOFSL Estimates



**Bosch****Neutral****CMP: INR34,617 | TP: INR31,290 (-10%)****EPS CHANGE (%): FY25|26E: -2|-1**

- We expect ~6% YoY revenue growth led by stable growth in mobility division.
- EBITDA margin likely to expand by 40bp QoQ to 13.6%, driven by gradual localization benefits despite elevated other costs.
- As a result, we expect Bosch to post a strong 32% YoY growth in PAT in 1Q.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>41,584</b>	<b>41,301</b>	<b>42,052</b>	<b>42,334</b>	<b>44,079</b>	<b>48,322</b>	<b>48,780</b>	<b>47,300</b>	<b>1,67,271</b>	<b>1,88,482</b>
YoY Change (%)	17.3	12.8	14.9	4.2	6.0	17.0	16.0	11.7	12.0	12.7
RM Cost (% of sales)	64.5	66.8	62.3	65.5	64.2	63.0	63.0	61.9	64.8	63.0
Staff Cost (% of sales)	7.4	8.1	7.9	8.5	7.7	7.5	7.5	8.3	8.0	7.8
Other Expenses (% of sales)	17.9	13.2	16.0	12.8	14.5	15.5	15.0	15.8	14.7	15.2
<b>EBITDA</b>	<b>4,679</b>	<b>4,913</b>	<b>5,784</b>	<b>5,572</b>	<b>5,985</b>	<b>6,766</b>	<b>7,054</b>	<b>6,644</b>	<b>20,948</b>	<b>26,450</b>
Margins (%)	11.3	11.9	13.8	13.2	13.6	14.0	14.5	14.0	12.5	14.0
Depreciation	921	1,013	1,173	1,188	1,000	1,080	1,210	1,320	4,295	4,610
Interest	308	122	39	39	80	75	75	70	508	300
Other Income	1,875	1,542	1,548	2,262	1,950	2,050	2,200	2,205	7,227	8,405
<b>PBT before EO expense</b>	<b>5,325</b>	<b>5,320</b>	<b>6,120</b>	<b>6,607</b>	<b>6,855</b>	<b>7,661</b>	<b>7,969</b>	<b>7,460</b>	<b>23,372</b>	<b>29,946</b>
Extra-Ord expense	0	-7,850	-588	0	0	0	0	0	-8,438	0
<b>PBT after EO Expense</b>	<b>5,325</b>	<b>13,170</b>	<b>6,708</b>	<b>6,607</b>	<b>6,855</b>	<b>7,661</b>	<b>7,969</b>	<b>7,460</b>	<b>31,810</b>	<b>29,946</b>
Tax	1,235	3,181	1,527	962	1,440	1,609	1,674	1,567	6,905	6,289
Tax Rate (%)	23.2	24.2	22.8	14.6	21.0	21.0	21.0	21.0	21.7	21.0
<b>Reported PAT</b>	<b>4,090</b>	<b>9,989</b>	<b>5,181</b>	<b>5,645</b>	<b>5,416</b>	<b>6,052</b>	<b>6,296</b>	<b>5,893</b>	<b>24,905</b>	<b>23,657</b>
<b>Adj PAT</b>	<b>4,090</b>	<b>3,843</b>	<b>4,721</b>	<b>5,645</b>	<b>5,416</b>	<b>6,052</b>	<b>6,296</b>	<b>5,893</b>	<b>18,058</b>	<b>23,657</b>
YoY Change (%)	22.4	3.2	48.0	41.5	32.4	57.5	33.4	4.4	26.8	31.0

E: MOFSL Estimates

**Ceat****Buy****CMP: INR2,755 | TP: INR3,160 (+15%)****EPS CHANGE (%): FY25E|FY26E: 0|1**

- Revenues are expected to grow 4% YoY, led by 2W and PV OEM segments and improving replacement demand.
- Expect EBITDA margin to decline 100bp QoQ to 12.1% largely due to increase in input costs.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>29,352</b>	<b>30,533</b>	<b>29,631</b>	<b>29,919</b>	<b>30,526</b>	<b>33,587</b>	<b>34,372</b>	<b>35,889</b>	<b>1,19,435</b>	<b>1,34,374</b>
YoY Change (%)	4.1	5.5	8.7	4.1	4.0	10.0	16.0	20.0	5.6	12.5
RM cost (%)	58.9	56.7	58.7	57.7	59.5	61.2	60.7	61.3	58.0	60.7
Employee cost (%)	6.7	7.1	7.3	7.2	7.2	7.0	7.2	7.0	7.1	7.1
Other expenses (%)	21.2	21.3	19.9	22.0	21.2	20.4	20.7	20.6	21.1	20.7
<b>EBITDA</b>	<b>3,871</b>	<b>4,561</b>	<b>4,175</b>	<b>3,915</b>	<b>3,694</b>	<b>3,829</b>	<b>3,918</b>	<b>4,012</b>	<b>16,522</b>	<b>15,453</b>
Margins (%)	13.2	14.9	14.1	13.1	12.1	11.4	11.4	11.2	13.8	11.5
Depreciation	1,209	1,245	1,273	1,361	1,250	1,300	1,350	1,397	5,088	5,297
Interest	701	717	656	617	550	500	450	411	2,691	1,911
Other Income	33	105	29	31	50	75	70	85	197	280
<b>PBT before EO expense</b>	<b>1,993</b>	<b>2,704</b>	<b>2,276</b>	<b>1,969</b>	<b>1,944</b>	<b>2,104</b>	<b>2,188</b>	<b>2,289</b>	<b>8,941</b>	<b>8,525</b>
Exceptional item	0	0	0	582	0	0	0	0	582	0
<b>PBT</b>	<b>1,993</b>	<b>2,704</b>	<b>2,276</b>	<b>1,387</b>	<b>1,944</b>	<b>2,104</b>	<b>2,188</b>	<b>2,289</b>	<b>8,359</b>	<b>8,525</b>
Tax Rate (%)	26.5	25.3	23.9	33.0	26.0	26.0	26.0	26.0	26.5	26.0
Minority Int. & Profit of Asso. Cos.	18	-59	-84	-157	-40	-45	-55	-60	-282	-200
<b>Reported PAT</b>	<b>1,446</b>	<b>2,080</b>	<b>1,815</b>	<b>1,086</b>	<b>1,478</b>	<b>1,602</b>	<b>1,674</b>	<b>1,754</b>	<b>6,427</b>	<b>6,508</b>
<b>Adj PAT</b>	<b>1,446</b>	<b>2,080</b>	<b>1,815</b>	<b>1,513</b>	<b>1,478</b>	<b>1,602</b>	<b>1,674</b>	<b>1,754</b>	<b>6,854</b>	<b>6,508</b>
YoY Change (%)	1,383	745	408	8	2	-23	-8	16	227	-5

**CIE Automotive****Buy****CMP: INR600 | TP: INR690 (+15%)****EPS CHANGE (%): CY24E|25E: -4|0**

- We expect India business to post 5% YoY growth in revenues, led by an uptick in key clients like MM and BAL. However, the EU business is expected to remain impacted by a business slowdown seen at Metalcastello. Overall, consol revenues are expected to grow by 1% YoY.
- EBITDA margins are expected to decline 110bp YoY to 14.9%, largely due to a slowdown in Europe.
- We have reduced our CY24E EPS by 4% to factor in muted Europe business outlook, thus leading to lower margins.

**Quarterly performance (Consol.)**

(INR m)	CY23				CY24E				CY23	CY24E
Y/E December	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Net Sales</b>	<b>24,402</b>	<b>23,203</b>	<b>22,794</b>	<b>22,404</b>	<b>24,268</b>	<b>23,389</b>	<b>24,920</b>	<b>25,725</b>	<b>92,803</b>	<b>98,302</b>
YoY Change (%)	18.4	4.7	2.2	-0.3	-0.5	0.8	9.3	14.8	6.0	5.9
<b>EBITDA</b>	<b>3,806</b>	<b>3,704</b>	<b>3,454</b>	<b>3,274</b>	<b>3,606</b>	<b>3,495</b>	<b>3,804</b>	<b>3,939</b>	<b>14,239</b>	<b>14,844</b>
Margins (%)	15.6	16.0	15.2	14.6	14.9	14.9	15.3	15.3	15.3	15.1
Depreciation	825	833	783	781	863	876	900	899	3,222	3,539
Interest	240	221	310	303	220	215	215	200	1,074	850
Other Income	160	195	200	265	513	255	260	281	820	1,309
Share of profit from associates	3	-3	-2	-3	4	3	5	3	-5	15
<b>PBT before EO expense</b>	<b>2,901</b>	<b>2,846</b>	<b>2,561</b>	<b>2,455</b>	<b>3,035</b>	<b>2,659</b>	<b>2,949</b>	<b>3,120</b>	<b>10,763</b>	<b>11,764</b>
EO Exp/(Inc)	0	0	0	0	0	0	0	0	0	0
<b>PBT after EO exp</b>	<b>2,901</b>	<b>2,846</b>	<b>2,561</b>	<b>2,455</b>	<b>3,035</b>	<b>2,659</b>	<b>2,949</b>	<b>3,120</b>	<b>10,763</b>	<b>11,764</b>
Tax Rate (%)	24.2	24.9	27.0	27.8	24.3	24.5	24.5	24.6	25.8	24.5
<b>Adj. PAT</b>	<b>2,203</b>	<b>2,136</b>	<b>1,867</b>	<b>1,770</b>	<b>2,302</b>	<b>2,010</b>	<b>2,230</b>	<b>2,355</b>	<b>7,976</b>	<b>8,897</b>
YoY Change (%)	34.1	15.7	11.4	6.4	4.5	-5.9	19.4	33.0	16.8	11.5

**Craftsman Auto****Buy****CMP: INR5,691 | TP: INR6,520 (+15%)****EPS CHANGE (%): FY25E|FY26E: 1|6**

- Standalone revenue likely to grow ~5.5% YoY, led by 25% YoY growth in Alu products. DR Axion to grow 15% YoY led by good PV OEM demand.
- We expect margins to improve 70bp QoQ to 19.4% led by reduced costs.
- We raise our FY26E EPS by 6% to factor in recovery across business divisions.

**Quarterly (Consol)****(INR M)**

	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net operating income</b>	<b>10,376</b>	<b>11,791</b>	<b>11,297</b>	<b>11,053</b>	<b>11,217</b>	<b>12,972</b>	<b>12,818</b>	<b>13,689</b>	<b>44,517</b>	<b>50,695</b>
Change (%)	53.5	52.9	50.8	12.7	8.1	10.0	13.5	23.8	39.9	13.9
<b>EBITDA</b>	<b>2,142</b>	<b>2,375</b>	<b>2,202</b>	<b>2,069</b>	<b>2,181</b>	<b>2,582</b>	<b>2,646</b>	<b>2,626</b>	<b>8,788</b>	<b>10,035</b>
EBITDA Margins (%)	20.6	20.1	19.5	18.7	19.4	19.9	20.6	19.2	19.7	19.8
Non-Operating Income	37	47	35	53	38	40	39	44	172	161
Interest	424	416	442	464	440	345	340	318	1745	1443
Depreciation	683	668	703	723	720	770	755	914	2777	3159
Minority Int/Share of Profit	62	97	82	79	0	0	0	0	320	0
<b>PBT after EO items</b>	<b>1,011</b>	<b>1,241</b>	<b>1,010</b>	<b>856</b>	<b>1,059</b>	<b>1,507</b>	<b>1,590</b>	<b>1,438</b>	<b>4,118</b>	<b>5,594</b>
Eff. Tax Rate (%)	26.3	23.8	27.6	27.2	24.4	24.6	24.7	24.9	26.1	24.7
<b>Rep. PAT</b>	<b>745</b>	<b>945</b>	<b>731</b>	<b>623</b>	<b>801</b>	<b>1,136</b>	<b>1,197</b>	<b>1,080</b>	<b>3,045</b>	<b>4,212</b>
Change (%)	34.0	56.0	41.7	-22.3	7.5	20.1	63.7	73.2	22.6	38.3
<b>Adj. PAT</b>	<b>745</b>	<b>945</b>	<b>731</b>	<b>623</b>	<b>801</b>	<b>1,136</b>	<b>1,197</b>	<b>1,080</b>	<b>3,045</b>	<b>4,212</b>
Change (%)	34.0	56.0	41.7	-22.3	7.5	20.1	63.7	73.2	22.6	38.3

E: MOFSL Estimates

**Eicher Motors****Sell**

CMP: INR4,626 | TP: INR4,045(-13%)

EPS CHANGE (%): FY25E|FY26E: 0|-3

- Overall RE volumes declined 1% YoY/QoQ. Domestic volumes declined 2% YoY, but export volumes grew 14.5% YoY.
- RE margins to see 10bp decline sequentially.
- VECV margins likely to decline 40bp sequentially mainly due to lower CV volumes.

**Quarterly performance (Consolidated)**

INR m	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Y/E March										
Net Operating income	39,864	41,145	41,788	42,560	42,501	48,667	48,623	48,998	1,65,358	1,88,789
Growth (%)	17.3	16.9	12.3	11.9	6.6	18.3	16.4	15.1	14.5	14.2
EBITDA	10,208	10,872	10,903	11,286	11,180	12,987	12,880	11,125	43,269	48,172
EBITDA Margins (%)	25.6	26.4	26.1	26.5	26.3	26.7	26.5	22.7	26.2	25.5
PAT	8,179	9,146	8,821	9,386	9,211	10,670	10,537	9,533	35,533	39,951
Share of JV Loss/(PAT)/ Min. Int.	-1,004	-1,016	-1,139	-1,318	-883	-1,085	-1,321	-1,704	-4,477	-4,992
Recurring PAT	9,183	10,163	9,960	10,705	10,094	11,755	11,858	11,236	40,010	44,944
Growth (%)	50.4	54.7	34.4	18.2	9.9	15.7	19.1	5.0	37.3	12.3

**Standalone (Royal Enfield)**

(INR Million)	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Y/E March										
Royal Enfield ('000 units)	228	229	228	228	226	260	259	265	913	1,009
Growth (%)	21.6	10.4	3.0	4.2	-0.7	13.2	13.6	16.3	9.3	10.6
Net Realn (INR '000/unit)	171.3	171.4	177.8	184.1	182.3	182.5	182.7	180.1	176.2	181.9
Change - YoY (%)	-1.3	4.8	9.6	5.0	6.4	6.4	2.8	-2.2	4.6	3.2
Net operating income	39,012	39,307	40,542	41,921	41,200	47,366	47,322	47,697	1,60,782	1,83,585
Growth (%)	20.1	15.7	12.9	9.4	5.6	20.5	16.7	13.8	14.3	14.2
EBITDA	10,127	10,974	11,148	11,553	11,329	13,136	13,029	11,274	43,802	48,768
EBITDA Margins (%)	26.0	27.9	27.5	27.6	27.5	27.7	27.5	23.6	27.2	26.6
Recurring PAT	9,139	9,385	9,137	9,833	9,506	10,955	10,837	9,263	37,494	40,562
Growth (%)	57.5	52.6	34.2	31.7	4.0	16.7	18.6	-5.8	43.0	8.2

**Endurance Technologies****Buy**

CMP: INR2,720 | TP: INR3,100 (+14%)

EPS CHANGE (%): FY25E|FY26E: 0|6

- Consolidated revenue growth of 15.5% YoY to be driven by 20% YoY growth in the S/A business on the back of good growth in 2Ws. However, the EU business is likely to see muted offtake given the slowdown in the market.
- Expect QoQ EBITDA margin contraction by 50bp mainly led by higher input costs offset by lower other expenses.

**Consolidated - Quarterly**

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
INR m										
Net Sales	24,500	25,450	25,611	26,648	28,303	29,392	29,795	31,037	1,02,209	1,18,527
YoY Change (%)	15.9	7.8	22.2	19.3	15.5	15.5	16.3	16.5	16.1	16.0
EBITDA	3,213	3,183	2,990	3,694	3,806	4,043	4,125	4,366	13,080	16,340
Margins (%)	13.1	12.5	11.7	13.9	13.4	13.8	13.8	14.1	12.8	13.8
Depreciation	1,129	1,184	1,144	1,282	1,265	1,290	1,305	1,316	4,740	5,176
Interest	90	98	109	129	115	93	84	90	427	382
Other Income	166	155	270	265	235	265	325	430	856	1,255
PBT before EO expense	2,159	2,056	2,006	2,548	2,661	2,925	3,061	3,390	8,769	12,037
Exceptional Item	0	0	0	-200	0	0	0	0	-200	0
PBT after EO	2,159	2,056	2,006	2,748	2,661	2,925	3,061	3,390	8,969	12,037
Eff. Tax Rate (%)	24.3	24.8	24.1	23.5	23.8	23.8	22.9	23.2	75.9	23.4
Adj. PAT	1,635	1,546	1,523	1,950	2,028	2,230	2,359	2,603	6,653	9,220
YoY Change (%)	47.0	17.5	40.7	42.9	24.1	44.3	54.9	33.5	36.5	38.6

**Escorts****Neutral****CMP: INR4,123 | TP: INR3700 (-10%)****EPS CHANGE (%): FY25E | FY26E: 1 | 3**

- 1QFY25 witnessed ~3% YoY decline in tractor volumes led by weak agri sentiments. However, we expect demand to pick up in the coming quarters. We also expect ~3% YoY growth in the tractor realizations.
- EBITDA margin is likely to improve 50bp YoY to 14.5% driven by favorable business mix.

**Standalone Quarterly Performance****(INR M)**

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>23,277</b>	<b>20,462</b>	<b>23,204</b>	<b>20,825</b>	<b>23,839</b>	<b>23,167</b>	<b>25,082</b>	<b>24,816</b>	<b>88,496</b>	<b>96,905</b>
YoY Change (%)	15.5	8.6	2.5	-4.6	2.4	13.2	8.1	19.2	6.0	9.5
Total Expenditure	20,008	17,829	20,077	18,166	20,383	20,133	21,571	21,563	76,829	83,649
<b>EBITDA</b>	<b>3,269</b>	<b>2,633</b>	<b>3,127</b>	<b>2,659</b>	<b>3,457</b>	<b>3,035</b>	<b>3,512</b>	<b>3,253</b>	<b>11,667</b>	<b>13,257</b>
Margins (%)	14.0	12.9	13.5	12.8	14.5	13.1	14.0	13.1	13.2	13.7
Depreciation	402	407	415	441	435	445	450	456	1,669	1,786
Interest	27	24	24	35	26	30	30	34	137	120
Other Income	945	950	1,035	1,053	1,010	1,100	1,150	1,990	3,986	5,250
<b>PBT</b>	<b>3,786</b>	<b>3,152</b>	<b>3,723</b>	<b>3,237</b>	<b>4,006</b>	<b>3,660</b>	<b>4,182</b>	<b>4,754</b>	<b>13,847</b>	<b>16,601</b>
Rate (%)	25.3	25.4	25.5	25.2	25.2	25.2	25.2	25.2	25.4	25.2
<b>Adj. PAT</b>	<b>2,828</b>	<b>2,350</b>	<b>2,773</b>	<b>2,421</b>	<b>2,996</b>	<b>2,738</b>	<b>3,128</b>	<b>3,556</b>	<b>10,327</b>	<b>12,417</b>
YoY Change (%)	91.8	64.9	48.7	18.7	5.9	16.5	12.8	46.9	51.8	20.2
Margins (%)	12.1	11.5	11.9	11.6	12.6	11.8	12.5	14.3	11.7	12.8

**Exide Industries****Neutral****CMP: INR564 | TP: INR505 (-11%)****EPS CHANGE (%): FY25E | FY26E: 1 | 4**

- Expect revenue growth of 8% YoY to be driven by recovery growth 2W volumes and recovery in replacement demand.
- EBITDA margin is expected to remain flat at 12.9% as an increase in lead prices is likely to be offset by operating leverage benefits.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>40,726</b>	<b>41,067</b>	<b>38,405</b>	<b>40,094</b>	<b>43,984</b>	<b>45,995</b>	<b>42,246</b>	<b>45,610</b>	<b>1,60,292</b>	<b>1,77,846</b>
Growth YoY (%)	4.4	10.4	12.6	13.2	8.0	12.0	10.0	13.8	9.8	11.0
<b>Gross operating income</b>	<b>40,726</b>	<b>41,067</b>	<b>38,405</b>	<b>40,094</b>	<b>43,996</b>	<b>45,995</b>	<b>42,246</b>	<b>45,621</b>	<b>1,60,292</b>	<b>1,77,846</b>
Growth YoY (%)	4.4	10.4	12.6	13.2	8.0	12.0	10.0	13.8	9.8	11.0
RM(%)	71.7	68.9	68.5	67.0	68.0	68.0	68.0	68.0	69.1	68.0
Employee cost (%)	5.8	6.2	6.4	6.1	6.1	5.8	5.9	6.1	6.1	6.0
Other Exp(%)	11.8	13.1	13.6	14.1	13.0	13.2	13.2	12.6	13.1	13.0
Total Cost	36,404	36,235	34,006	34,932	38,310	40,015	36,796	39,546	1,41,578	1,54,668
<b>EBITDA</b>	<b>4,322</b>	<b>4,831</b>	<b>4,399</b>	<b>5,162</b>	<b>5,674</b>	<b>5,979</b>	<b>5,450</b>	<b>6,063</b>	<b>18,714</b>	<b>23,178</b>
EBITDA Margin(%)	10.6	11.8	11.5	12.9	12.9	13.0	12.9	13.3	11.7	13.0
Change (%)	11.8	17.1	9.7	40.6	31.3	23.8	23.9	17.5	19.3	23.9
Non-Operating Income	192	392	227	34	200	300	350	356	845	1,206
Interest	98	115	145	128	130	145	135	140	486	550
Depreciation	1,194	1,259	1,274	1,248	1,280	1,320	1,340	1,294	4,975	5,234
<b>PBT after EO Exp</b>	<b>3,222</b>	<b>3,849</b>	<b>3,208</b>	<b>3,819</b>	<b>4,464</b>	<b>4,814</b>	<b>4,325</b>	<b>4,986</b>	<b>14,099</b>	<b>18,600</b>
Effective Tax Rate (%)	24.9	25.4	25.1	25.7	25.0	25.0	25.0	25.1	25.3	25.0
<b>Adj. PAT</b>	<b>2,419</b>	<b>2,870</b>	<b>2,403</b>	<b>2,838</b>	<b>3,348</b>	<b>3,611</b>	<b>3,244</b>	<b>3,748</b>	<b>10,530</b>	<b>13,950</b>
Change (%)	6.9	16.6	7.7	36.5	38.4	25.8	35.0	32.1	16.5	32.5

## Happy Forgings

Buy

CMP: INR1259 | TP: INR1,420 (+13%)

EPS CHANGE (%): FY25|26E: 0 | 1

- Revenue is expected to grow ~13% YoY, led by growth in CV volumes and execution of new orders especially in industrials.
- Increased revenue mix of industrials should result in better product mix, aiding overall EBITDA margin at 28.8%, +50bp QoQ.

## Quarterly (Standalone)

(INR M)

	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net operating income</b>	<b>3,298</b>	<b>3,431</b>	<b>3,420</b>	<b>3,433</b>	<b>3,727</b>	<b>4,186</b>	<b>4,343</b>	<b>4,477</b>	<b>13,582</b>	<b>16,732</b>
Change (%)			16.2	13.5	13.0	22.0	27.0	30.4	13.5	23.2
RM/Sales (%)	43.0	44.7	44.5	43.5	43.8	44.2	44.4	44.4	43.9	44.2
Staff Cost (%)	7.5	8.5	9.0	8.6	8.2	7.8	7.9	8.1	8.4	8.0
Other Exp. (%)	18.7	19.5	18.7	19.6	19.2	18.5	17.8	17.5	19.1	18.2
<b>EBITDA</b>	<b>1,015</b>	<b>938</b>	<b>952</b>	<b>971</b>	<b>1,075</b>	<b>1,235</b>	<b>1,301</b>	<b>1,343</b>	<b>3,875</b>	<b>4,954</b>
EBITDA Margins (%)	30.8	27.3	27.8	28.3	28.8	29.5	30.0	30.0	28.5	29.6
Non-Operating Income	22	7	33	72	50	55	60	66	134	231
Interest	27	44	38	9	20	17	18	18	118	73
Depreciation	155	162	171	160	175	178	181	185	647	719
<b>PBT after EO items</b>	<b>855</b>	<b>738</b>	<b>777</b>	<b>875</b>	<b>930</b>	<b>1,095</b>	<b>1,162</b>	<b>1,206</b>	<b>3,244</b>	<b>4,393</b>
Tax	214	185	198	217	237	279	296	308	814	1120
Eff. Tax Rate (%)	25.1	25.1	25.5	24.8	25.5	25.5	25.5	25.5	25.1	25.5
<b>Rep. PAT</b>	<b>640</b>	<b>553</b>	<b>579</b>	<b>658</b>	<b>693</b>	<b>816</b>	<b>866</b>	<b>899</b>	<b>2,430</b>	<b>3,273</b>
Change (%)			39.2	29.7	8.2	47.6	49.5	36.6	18.3	34.7
<b>Adj. PAT</b>	<b>640</b>	<b>553</b>	<b>579</b>	<b>658</b>	<b>693</b>	<b>816</b>	<b>866</b>	<b>899</b>	<b>2,430</b>	<b>3,273</b>
Change (%)			39.2	29.7	8.2	47.6	49.5	36.6	16.4	34.7

## Hero MotoCorp

Buy

CMP: INR5,564 | TP: INR6,375 (+15%)

EPS CHANGE (%): FY25E|FY26E: 7 | 9

- Volumes grew ~13% YoY, driven by recovery in rural regions and traction due to new product launch. Overall, we expect HMCL to post 21% YoY growth in revenues in 1Q.
- Better product mix and healthy volumes should drive EBITDA margin expansion of 130bp YoY to 15.1%
- Overall, we expect HMCL to post a strong 32% YoY growth in earnings in 1QFY25.

## Quarterly Performance (S/A)

(INR B)

Y/E March	FY24				FY25				FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Total Volumes ('000 nos)	1,353	1,417	1,460	1,392	1,535	1,523	1,571	1,580	5,621	6,209
Growth YoY (%)	-2.7	-0.8	12.3	9.6	13.5	7.5	8.2	13.5	5.5	10.5
Net Realization	64,819	66,680	66,604	68,373	69,057	69,748	69,399	69,246	66,632	69,361
Growth YoY (%)	7.4	4.9	5.5	4.6	6.5	4.6	4.0	1.3	5.0	4.1
<b>Net Op Revenues</b>	<b>87.7</b>	<b>94.5</b>	<b>97.2</b>	<b>95.2</b>	<b>106.0</b>	<b>106.2</b>	<b>109.0</b>	<b>109.4</b>	<b>374.6</b>	<b>430.7</b>
Growth YoY (%)	4.5	4.1	18.5	14.6	20.9	12.5	12.5	15.0	10.8	15.0
RM Cost (% sales)	69.4	68.6	66.2	66.4	67.0	67.2	67.3	67.1	67.6	67.2
Staff Cost (% sales)	6.6	6.1	6.2	6.8	6.4	6.6	6.4	5.6	6.4	6.2
Other Exp (% sales)	10.3	11.2	12.5	12.5	11.5	11.5	11.5	11.8	11.7	11.6
<b>EBITDA</b>	<b>12.1</b>	<b>13.3</b>	<b>14.7</b>	<b>13.6</b>	<b>16.0</b>	<b>15.7</b>	<b>16.1</b>	<b>17.0</b>	<b>53.6</b>	<b>64.7</b>
Growth YoY (%)	28.2	27.9	58.9	25.5	32.4	17.9	9.5	25.2	0.0	0.0
EBITDA Margins (%)	13.8	14.1	15.1	14.3	15.1	14.7	14.8	15.6	14.3	15.0
Other Income	2.2	2.5	2.4	1.8	2.4	2.6	2.6	3.2	8.9	10.7
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
Depreciation	1.7	1.7	1.8	1.9	1.9	1.9	1.9	1.9	7.1	7.6
<b>PBT before EO Exp/(Inc)</b>	<b>12.5</b>	<b>14.0</b>	<b>15.2</b>	<b>13.5</b>	<b>16.4</b>	<b>16.3</b>	<b>16.7</b>	<b>18.2</b>	<b>55.3</b>	<b>67.6</b>
Effective Tax Rate (%)	24.7	24.6	22.6	24.7	24.3	24.3	24.3	24.7	24.1	24.4
<b>Adj. PAT</b>	<b>9.5</b>	<b>10.5</b>	<b>11.8</b>	<b>10.2</b>	<b>12.4</b>	<b>12.3</b>	<b>12.7</b>	<b>13.7</b>	<b>42.0</b>	<b>51.1</b>
Growth (%)	51.5	47.2	42.9	18.3	31.6	16.9	16.3	35.1	44.2	21.9

**MRF****Sell****CMP: INR1,28,645 | TP: INR99,700 (-22%)****EPS CHANGE (%): FY25E|FY26E: 0 | 0**

- Expect revenue growth to remain flat led by moderate OE demand and slow pickup in replacement.
- EBITDA margin to contract 100bp QoQ, led by additional expenses toward EPR and some impact of RM inflation. However, we expect major impact of commodity increase to come from 2Q onwards.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>63,233</b>	<b>60,876</b>	<b>60,478</b>	<b>62,151</b>	<b>63,865</b>	<b>64,528</b>	<b>65,316</b>	<b>65,710</b>	<b>2,46,737</b>	<b>2,59,419</b>
YoY Change (%)	12.9	6.4	9.3	8.6	1.0	6.0	8.0	5.7	9.3	5.1
Total Expenditure	52,091	49,589	50,084	52,096	54,189	54,561	55,077	55,307	2,04,595	2,19,134
<b>EBITDA</b>	<b>11,142</b>	<b>11,286</b>	<b>10,394</b>	<b>10,055</b>	<b>9,676</b>	<b>9,967</b>	<b>10,239</b>	<b>10,402</b>	<b>42,142</b>	<b>40,285</b>
Margins (%)	17.6	18.5	17.2	16.2	15.2	15.4	15.7	15.8	17.1	15.5
Depreciation	3,317	3,500	3,591	3,842	3,750	3,820	3,870	3,911	14,250	15,351
Interest	780	749	776	858	680	660	650	652	3,163	2,642
Other Income	739	696	766	924	840	820	920	917	3,125	3,497
<b>PBT before EO expense</b>	<b>7,783</b>	<b>7,734</b>	<b>6,792</b>	<b>6,279</b>	<b>6,086</b>	<b>6,307</b>	<b>6,639</b>	<b>6,756</b>	<b>27,853</b>	<b>25,788</b>
Extra-Ord expense	0	0	0	1,200	0	0	0	0	464	0
<b>PBT</b>	<b>7,783</b>	<b>7,734</b>	<b>6,792</b>	<b>5,079</b>	<b>6,086</b>	<b>6,307</b>	<b>6,639</b>	<b>6,756</b>	<b>27,389</b>	<b>25,788</b>
Tax	1,969	2,015	1,712	1,284	1,552	1,608	1,693	1,723	6,980	6,576
Rate (%)	25.3	26.1	25.2	25.3	25.5	25.5	25.5	25.5	25.5	25.5
<b>Reported PAT</b>	<b>5,814</b>	<b>5,719</b>	<b>5,080</b>	<b>3,795</b>	<b>4,534</b>	<b>4,699</b>	<b>4,946</b>	<b>5,033</b>	<b>20,409</b>	<b>19,212</b>
<b>Adj PAT</b>	<b>5,814</b>	<b>5,719</b>	<b>5,080</b>	<b>4,692</b>	<b>4,534</b>	<b>4,699</b>	<b>4,946</b>	<b>5,033</b>	<b>20,755</b>	<b>19,212</b>
YoY Change (%)	417.6	361.3	200.2	32.7	-22.0	-17.8	-2.6	7.3	173.9	-7.4
Margins (%)	9.2	9.4	8.4	7.5	7.1	7.3	7.6	7.7	8.4	7.4

**Mahindra & Mahindra****Buy****CMP: INR2,867 | TP: INR3,300 (+15%)****EPS CHANGE (%): FY25E|FY26E: 6 | 7**

- There was a volume growth of 13% YoY in autos and ~6% YoY in tractors, leading to an overall volume growth of ~11% YoY during the quarter.
- We expect a 40bp YoY gain in EBITDA margin due to favorable mix. PBIT margin for Auto division is likely to expand by 130bp YoY to 8.8%.

**Quarterly Performance**

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>INR b</b>										
<b>Total Volumes ('000 units)</b>	301	302	313	285	333	343	356	338	1,202	1,370
Growth YoY (%)	10.7	10.6	11.1	2.2	10.6	13.5	13.6	18.6	8.7	14.0
<b>Net Realization (INR '000/unit)</b>	799	805	808	881	842	862	865	867	822	859
Growth YoY (%)	10.1	4.6	5.1	8.8	5.5	7.1	7.1	-1.5	7.0	4.5
<b>Net Op. Income</b>	<b>241</b>	<b>243</b>	<b>253</b>	<b>251</b>	<b>281</b>	<b>296</b>	<b>308</b>	<b>293</b>	<b>988</b>	<b>1,177</b>
Growth YoY (%)	22.0	15.7	16.8	11.2	16.6	21.6	21.7	16.8	16.2	19.2
RM Cost (% of sales)	75.3	75.6	75.4	73.5	74.0	75.0	75.5	76.2	74.9	75.2
Staff (% of sales)	4.3	4.6	4.5	4.4	4.3	4.1	4.0	4.6	4.5	4.2
Oth. Exp. (% of Sales)	6.9	7.2	7.3	9.2	7.9	8.1	7.1	6.5	7.5	7.4
<b>EBITDA</b>	<b>32</b>	<b>31</b>	<b>32</b>	<b>32</b>	<b>39</b>	<b>38</b>	<b>41</b>	<b>37</b>	<b>129</b>	<b>154.9</b>
EBITDA Margins (%)	13.4	12.6	12.8	12.9	13.8	12.8	13.4	12.7	13.1	13.2
Other income	9.7	21.5	7.4	4.3	8.0	15.0	10.0	13.5	41.4	46.5
Interest	0.3	0.3	0.3	0.4	0.4	0.3	0.3	0.3	1.4	1.3
Depreciation	8.3	8.2	8.2	9.8	8.8	9.0	9.2	9.9	34.4	36.9
<b>PBT after EO</b>	<b>33.4</b>	<b>43.7</b>	<b>31.2</b>	<b>26.5</b>	<b>37.5</b>	<b>43.4</b>	<b>41.7</b>	<b>40.6</b>	<b>134.8</b>	<b>163.2</b>
Tax	5.7	9.2	6.7	6.1	7.7	8.9	8.5	8.3	27.7	33.5
Effective Tax Rate (%)	17.1	21.0	21.4	23.1	20.5	20.5	20.5	20.5	20.5	20.5
<b>Reported PAT</b>	<b>27.7</b>	<b>34.5</b>	<b>24.5</b>	<b>20.4</b>	<b>29.8</b>	<b>34.5</b>	<b>33.1</b>	<b>32.3</b>	<b>107.2</b>	<b>129.8</b>
<b>Adj PAT</b>	<b>27.7</b>	<b>34.5</b>	<b>24.5</b>	<b>20.4</b>	<b>29.8</b>	<b>34.5</b>	<b>33.1</b>	<b>32.3</b>	<b>107.2</b>	<b>129.8</b>
Change (%)	97.6	47.6	10.7	3.2	7.5	0.0	35.1	58.4	35.1	21.1

**Maruti Suzuki****Buy****CMP: INR12,039 | TP: INR14,437 (+20%)****EPS CHANGE (%): FY25E|FY26E: -1|-1**

- Volume growth of 5% YoY was driven by visible traction in UVs (29% YoY growth) even as entry-level models declined 4% YoY.
- EBITDA margin likely to expand 280bp YoY to 12% over a low base and due to lower RM costs, improved mix and operating leverage benefit. We expect PAT growth of 38% YoY in 1QFY25.

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

Y/E March	FY24				FY25				FY24	FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Volumes ('000 units)	498.0	552.1	501.2	584.0	521.9	607.3	551.3	554.1	2,135.3	2,234.6
Change (%)	6.4	6.7	7.6	13.4	4.8	10.0	10.0	-5.1	8.6	4.6
Realizations (INR/car)	6,49,095	6,71,348	6,64,570	6,54,672	6,71,039	6,87,815	6,94,693	7,04,558	6,60,006	6,89,746
Change (%)	14.6	16.1	6.6	5.2	3.4	2.5	4.5	7.6	10.4	4.5
<b>Net operating revenues</b>	<b>3,23,269</b>	<b>3,70,621</b>	<b>3,33,087</b>	<b>3,82,349</b>	<b>3,50,194</b>	<b>4,17,683</b>	<b>3,83,004</b>	<b>3,90,407</b>	<b>14,09,326</b>	<b>15,41,287</b>
Change (%)	22.0	23.8	14.7	19.3	8.3	12.7	15.0	2.1	19.9	9.4
RM Cost (% of sales)	72.8	70.6	70.9	71.4	71.0	71.0	71.2	71.0	71.4	71.0
Staff Cost (% of sales)	4.5	3.5	4.0	3.6	4.3	3.5	3.6	3.7	3.9	3.7
Other Cost (% of sales)	13.5	12.9	13.3	12.8	12.7	13.0	12.8	13.2	13.1	12.9
<b>EBITDA</b>	<b>29,830</b>	<b>47,842</b>	<b>39,079</b>	<b>46,850</b>	<b>42,180</b>	<b>52,390</b>	<b>47,359</b>	<b>47,260</b>	<b>1,64,011</b>	<b>1,89,190</b>
EBITDA Margins (%)	9.2	12.9	11.7	12.3	12.0	12.5	12.4	12.1	11.6	12.3
Depreciation	7,475	7,941	7,517	7,290	7,800	8,200	8,100	8,362	30,223	32,462
<b>EBIT</b>	<b>22,355</b>	<b>39,901</b>	<b>31,562</b>	<b>39,560</b>	<b>34,380</b>	<b>44,190</b>	<b>39,259</b>	<b>38,899</b>	<b>1,33,788</b>	<b>1,56,728</b>
EBIT Margins (%)	6.9	10.8	9.5	10.3	9.8	10.6	10.3	10.0	9.5	10.2
Interest	465	351	354	762	360	370	370	380	1,932	1,480
Non-Operating Income	10,012	8,436	9,330	11,180	10,200	10,500	9,800	9,408	38,548	39,908
<b>PBT</b>	<b>31,902</b>	<b>47,986</b>	<b>40,538</b>	<b>49,978</b>	<b>44,220</b>	<b>54,320</b>	<b>48,689</b>	<b>47,926</b>	<b>1,70,404</b>	<b>1,95,156</b>
Effective Tax Rate (%)	22.1	22.6	22.8	22.4	22.5	22.5	22.5	22.5	22.5	22.5
<b>Adjusted PAT</b>	<b>24,851</b>	<b>37,165</b>	<b>31,300</b>	<b>38,778</b>	<b>34,271</b>	<b>42,098</b>	<b>37,734</b>	<b>37,143</b>	<b>1,32,094</b>	<b>1,51,246</b>
Change (%)	145.4	80.3	33.1	47.8	37.9	13.3	20.6	-4.2	64.1	14.5

**Motherson Wiring India****Buy****CMP: INR73 | TP: INR84 (+15%)****EPS CHANGE (%): FY25E|FY26E: -5|-1**

- Revenue growth of 19% YoY, driven by healthy volume growth YoY across key segments and increase in content due to higher share of SUV volumes.
- EBITDA margin expansion of 200bp YoY, aided by ramp-up of new facilities, lower input costs and operating leverage.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>18,588</b>	<b>21,046</b>	<b>21,145</b>	<b>22,327</b>	<b>22,103</b>	<b>24,093</b>	<b>24,575</b>	<b>25,004</b>	<b>83,283</b>	<b>95,775</b>
YoY Change (%)	11.2	14.7	25.4	19.3	18.9	14.5	16.2	12.0	17.8	15.0
RM Cost (% of sales)	65.7	66.2	65.5	65.1	65.2	66.0	66.2	66.9	65.5	66.1
Staff Cost (% of sales)	17.6	16.3	16.1	15.4	15.9	15.1	14.9	14.8	16.3	15.2
Other Expenses (% of sales)	6.3	5.7	6.0	6.4	6.5	6.5	6.1	5.5	6.1	6.1
<b>EBITDA</b>	<b>1,941</b>	<b>2,481</b>	<b>2,620</b>	<b>2,913</b>	<b>2,739</b>	<b>2,981</b>	<b>3,135</b>	<b>3,197</b>	<b>10,132</b>	<b>12,052</b>
Margins (%)	10.4	11.8	12.4	13.0	12.4	12.4	12.8	12.8	12.2	12.6
Depreciation	338	364	377	394	380	395	410	417	1,473	1,602
Interest	77	74	64	58	55	58	57	60	273	230
Other Income	136	56	11	43	40	50	45	40	69	175
<b>PBT before EO expense</b>	<b>1,661</b>	<b>2,100</b>	<b>2,190</b>	<b>2,505</b>	<b>2,344</b>	<b>2,578</b>	<b>2,713</b>	<b>2,760</b>	<b>8,455</b>	<b>10,395</b>
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
<b>PBT after EO Expense</b>	<b>1,661</b>	<b>2,100</b>	<b>2,190</b>	<b>2,505</b>	<b>2,344</b>	<b>2,578</b>	<b>2,713</b>	<b>2,760</b>	<b>8,455</b>	<b>10,395</b>
Tax Rate (%)	26	26	23	24	25	25	25	25	25	25
<b>Reported PAT</b>	<b>1,231</b>	<b>1,559</b>	<b>1,679</b>	<b>1,914</b>	<b>1,769</b>	<b>1,947</b>	<b>2,048</b>	<b>2,084</b>	<b>6,383</b>	<b>7,848</b>
<b>Adj PAT</b>	<b>1,231</b>	<b>1,559</b>	<b>1,679</b>	<b>1,914</b>	<b>1,769</b>	<b>1,947</b>	<b>2,048</b>	<b>2,084</b>	<b>6,383</b>	<b>7,848</b>
YoY Change (%)	-2.2	33.9	58.1	38.3	43.7	24.9	22.0	8.9	31.1	23.0

E: MOSL Estimates

**Samvardhana Motherson Sumi****Buy**

CMP: INR203 | TP: INR230 (+13%)

EPS CHANGE (%): FY25E|FY26E: 1|9

- Execution of healthy order book, along with contribution from recent acquisitions, should drive revenue growth of 29.5% YoY.
- EBITDA margin to expand by 60bp YoY to 9.2% mainly due to benign input cost.
- Overall, we expect 55% YoY growth in earnings for SAMIL largely driven by inorganic growth.

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

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>2,24,622</b>	<b>2,34,738</b>	<b>2,56,439</b>	<b>2,68,612</b>	<b>2,90,974</b>	<b>2,87,028</b>	<b>3,07,219</b>	<b>3,15,103</b>	<b>9,84,947</b>	<b>12,00,325</b>
YoY Change (%)	27.2	28.5	26.5	19.3	29.5	22.3	19.8	17.3	25.0	21.9
<b>EBITDA</b>	<b>19,246</b>	<b>18,888</b>	<b>23,159</b>	<b>26,686</b>	<b>26,777</b>	<b>26,901</b>	<b>29,985</b>	<b>30,695</b>	<b>90,206</b>	<b>1,14,358</b>
Margins (%)	8.6	8.0	9.0	9.9	9.2	9.4	9.8	9.7	9.2	9.5
Depreciation	8,389	8,674	10,164	10,878	10,400	10,500	10,800	10,905	38,105	42,605
Interest	2,526	4,879	6,203	4,504	4,000	3,500	3,000	2,866	18,112	13,366
Other income	529	1,654	1,084	836	550	600	550	551	1,876	2,251
<b>PBT before EO expense</b>	<b>8,860</b>	<b>6,989</b>	<b>7,877</b>	<b>12,140</b>	<b>12,927</b>	<b>13,501</b>	<b>16,735</b>	<b>17,475</b>	<b>35,865</b>	<b>60,637</b>
Extra-Ord expense	0	2,494	9	-4,974	0	0	0	0	-2,472	0
<b>PBT after EO Expense</b>	<b>8,860</b>	<b>4,495</b>	<b>7,868</b>	<b>17,114</b>	<b>12,927</b>	<b>13,501</b>	<b>16,735</b>	<b>17,475</b>	<b>38,336</b>	<b>60,637</b>
Tax Rate (%)	29.5	32.8	27.6	28.3	27.0	27.0	27.0	27.0	29.3	27.0
Min. Int & Share of profit	241	188	272	-43	100	70	120	155	658	445
<b>Reported PAT</b>	<b>6,009</b>	<b>2,015</b>	<b>5,420</b>	<b>13,718</b>	<b>9,336</b>	<b>9,786</b>	<b>12,096</b>	<b>12,602</b>	<b>27,162</b>	<b>43,820</b>
<b>Adj PAT</b>	<b>6,009</b>	<b>4,509</b>	<b>5,420</b>	<b>9,170</b>	<b>9,336</b>	<b>9,786</b>	<b>12,096</b>	<b>12,602</b>	<b>25,108</b>	<b>43,820</b>
YoY Change (%)	325.5	43.2	19.2	45.6	55.4	117.0	123.2	37.4	65.6	74.5

E: MOFSL Estimates

**Sona Comstar****Neutral**

CMP: INR671 | TP: INR610 (-9%)

EPS CHANGE (%): FY25E|FY26E: -9|-5

- Revenue growth of 25% YoY expected to be driven by ramp-up of new orders.
- We expect EBITDA margin to largely remain flat sequentially at 27.9%.

**Consol. Quarterly Performance**

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net operating revenues</b>	<b>7,322</b>	<b>7,908</b>	<b>7,766</b>	<b>8,853</b>	<b>9,140</b>	<b>9,203</b>	<b>9,129</b>	<b>11,290</b>	<b>31,848</b>	<b>38,763</b>
Change (%)	24.3	20.3	13.4	19.0	24.8	16.4	17.6	27.5	19.0	21.7
<b>EBITDA</b>	<b>2,034</b>	<b>2,233</b>	<b>2,273</b>	<b>2,481</b>	<b>2,550</b>	<b>2,549</b>	<b>2,529</b>	<b>3,144</b>	<b>8,651</b>	<b>10,772</b>
EBITDA Margins (%)	27.8	28.2	29.3	28.0	27.9	27.7	27.7	27.9	27.2	27.8
Depreciation	511	534	559	598	590	620	645	676	2,202	2,531
<b>EBIT</b>	<b>1,523</b>	<b>1,699</b>	<b>1,714</b>	<b>1,883</b>	<b>1,960</b>	<b>1,929</b>	<b>1,884</b>	<b>2,468</b>	<b>6,449</b>	<b>8,241</b>
EBIT Margins (%)	20.8	21.5	22.1	21.3	21.4	21.0	20.6	21.9	20.2	21.3
Interest	53	60	73	71	70	60	55	54	258	239
Non-Operating Income	54	61	50	75	70	75	75	83	239	303
<b>PBT</b>	<b>1,495</b>	<b>1,641</b>	<b>1,690</b>	<b>1,886</b>	<b>1,960</b>	<b>1,944</b>	<b>1,904</b>	<b>2,496</b>	<b>6,343</b>	<b>8,304</b>
Effective Tax Rate (%)	25.1	24.4	21.0	21.5	25.0	25.0	25.0	25.0	24.3	25.0
<b>Adjusted PAT</b>	<b>1,142</b>	<b>1,286</b>	<b>1,336</b>	<b>1,481</b>	<b>1,470</b>	<b>1,458</b>	<b>1,428</b>	<b>1,872</b>	<b>4,871</b>	<b>6,228</b>
Change (%)	50.6	39.0	24.7	20.2	28.7	13.4	6.9	26.4	31.8	27.9



**Tata Motors****Neutral****CMP: INR981 | TP: INR960 (-2%)****EPS CHANGE (%): FY25E|FY26E: 0|0**

- India business performance was a mixed bag as CV volumes grew 6% YoY and PVs declined 1% YoY.
- However, CV/PV EBIT margin likely to contract 190bp/50bp QoQ due to lower volumes.
- JLR volumes are expected to see 3% YoY growth. We estimate an EBIT margin of 7.5% (-170bp QoQ) for JLR, led by unfavorable product mix, rising spends and lower volumes.
- Overall, we expect the consolidated entity to post 8.5% YoY growth in 1Q earnings.

**Quarterly Performance [Consol]****(INR B)**

INR b	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
JLR Volumes (incl JV; '000 units)	106.3	109.1	113.9	120.6	109.7	110.7	116.7	121.6	450.0	458.6
JLR Realizations (GBP/unit)	74,024	70,824	72,989	71,331	70,975	71,684	73,118	78,317	72,252	73,697
JLR EBITDA Margins (%)	16.3	14.9	16.2	16.3	15.4	15.9	16.1	16.9	15.9	16.1
India CV Volumes ('000 units)	88.6	106.8	98.8	111.3	93.4	108.8	105.9	119.8	405.5	427.9
India CV Realizations (INR '000/unit)	1925.4	1887.2	2042.9	1943.9	1924.5	1905.3	1962.4	2067.3	1949.5	1969.0
India CV EBITDA Margins (%)	9.4	10.4	11.1	11.9	10.5	10.4	9.9	11.3	10.8	10.6
India PV Volumes ('000 units)	140.4	139.0	138.6	155.6	138.7	144.0	146.5	155.9	573.6	585.2
India PV Realizations (INR '000/unit)	921.8	880.9	938.1	931.7	927.0	940.9	945.6	951.5	918.7	941.6
India PV EBITDA Margins (%)	5.2	6.4	6.5	7.3	7.0	7.3	6.8	7.0	6.4	7.0
<b>Net Consol. Op Income</b>	<b>1022.4</b>	<b>1051.3</b>	<b>1105.8</b>	<b>1199.9</b>	<b>1033.6</b>	<b>1083.3</b>	<b>1146.7</b>	<b>1338.6</b>	<b>4379.3</b>	<b>4602.1</b>
Growth (%)	42.1	32.1	25.0	13.3	1.1	3.0	3.7	11.6	26.6	5.1
<b>Consol. EBITDA</b>	<b>135.6</b>	<b>137.2</b>	<b>153.3</b>	<b>169.9</b>	<b>137.6</b>	<b>149.8</b>	<b>159.6</b>	<b>187.7</b>	<b>596.1</b>	<b>634.7</b>
EBITDA Margins (%)	13.3	13.1	13.9	14.2	13.3	13.8	13.9	14.0	13.6	13.8
Depreciation	66.3	66.4	68.5	71.5	70.0	72.0	74.0	80.5	272.7	296.5
Other Income	13.6	16.3	15.0	14.6	14.2	15.5	15.2	16.1	59.5	61.0
Interest Expenses	26.2	27.0	24.8	22.3	23.0	25.0	24.0	24.2	100.3	96.2
<b>PBT before EO</b>	<b>53.3</b>	<b>61.1</b>	<b>75.8</b>	<b>92.1</b>	<b>54.7</b>	<b>64.2</b>	<b>72.6</b>	<b>94.9</b>	<b>282.3</b>	<b>286.3</b>
EO Exp/(Inc)	6.8	1.2	0.9	-87.0	0.0	0.0	0.0	0.0	-78.12	0.00
<b>PBT after EO Exp</b>	<b>46.5</b>	<b>59.9</b>	<b>74.9</b>	<b>179.1</b>	<b>54.7</b>	<b>64.2</b>	<b>72.6</b>	<b>94.9</b>	<b>360.4</b>	<b>286.3</b>
Tax rate (%)	33.6	36.8	7.2	3.5	26.3	26.3	26.3	26.3	13.7	26.3
<b>PAT</b>	<b>30.9</b>	<b>37.8</b>	<b>69.5</b>	<b>172.8</b>	<b>40.3</b>	<b>47.3</b>	<b>53.5</b>	<b>69.9</b>	<b>311.1</b>	<b>211.0</b>
Minority Interest	-1.0	-0.7	-1.2	-1.2	-1.0	-0.7	-0.8	-2.0	-4.1	-4.5
Share in profit of Associate	2.1	0.5	1.9	2.5	1.8	1.5	1.8	2.1	7.0	7.2
<b>Reported PAT</b>	<b>32.0</b>	<b>37.6</b>	<b>70.3</b>	<b>174.1</b>	<b>41.1</b>	<b>48.1</b>	<b>54.5</b>	<b>70.0</b>	<b>314.0</b>	<b>213.6</b>
<b>Adj PAT</b>	<b>37.9</b>	<b>38.7</b>	<b>71.0</b>	<b>77.3</b>	<b>41.1</b>	<b>48.1</b>	<b>54.5</b>	<b>70.0</b>	<b>224.9</b>	<b>213.6</b>
Growth (%)	-158.3	-407.9	140.1	37.4	8.5	24.2	-23.3	-9.4	2629.7	-5.0

E: MOFSL Estimates

## Tube Investments

**Buy**
**CMP: INR4,111 | TP: INR4,830 (+17%)**
**EPS CHANGE (%): FY25E|FY26E: 2|3**

- Sequential recovery in 2W business and growth in exports to drive QoQ growth in engineering business.
- Metal-formed business to see 20% YoY growth, though margin pressure would persist due to increased competition.
- EBIT margin for the mobility business is likely to expand to -4% (vs. -5.7% in 4QFY24); engineering business to see 10bp QoQ growth to 12.6%, while margins for metal-formed business likely to improve 50bp QoQ to 11.5%.

### Quarterly performance (S/A)

Y/E March	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Net Sales</b>	<b>17,801</b>	<b>19,696</b>	<b>18,983</b>	<b>19,624</b>	<b>20,321</b>	<b>21,416</b>	<b>21,457</b>	<b>21,763</b>	<b>76,105</b>	<b>84,957</b>
YoY Change (%)	-9.0	3.3	11.0	18.0	14.2	8.7	13.0	10.9	5.2	11.6
<b>EBITDA</b>	<b>2,160</b>	<b>2,514</b>	<b>2,395</b>	<b>2,171</b>	<b>2,349</b>	<b>2,632</b>	<b>2,743</b>	<b>2,701</b>	<b>9,239</b>	<b>10,426</b>
Margins (%)	12.1	12.8	12.6	11.1	11.6	12.3	12.8	12.4	12.1	12.3
Depreciation	331	346	361	370	350	360	370	376	1,408	1,456
Interest	70	77	74	75	45	42	37	20	295	144
Other Income	219	358	137	1,451	250	350	400	1,724	2,165	2,724
<b>PBT before EO expense</b>	<b>1,979</b>	<b>2,448</b>	<b>2,096</b>	<b>3,178</b>	<b>2,204</b>	<b>2,580</b>	<b>2,736</b>	<b>4,029</b>	<b>9,701</b>	<b>11,550</b>
Tax	502	634	521	699	555	650	690	1,019	2,359	2,914
Tax Rate (%)	25.4	25.9	24.9	22.0	25.2	25.2	25.2	25.3	24.3	25.2
<b>Adj PAT</b>	<b>1,477</b>	<b>1,814</b>	<b>1,575</b>	<b>2,479</b>	<b>1,649</b>	<b>1,930</b>	<b>2,047</b>	<b>3,010</b>	<b>7,345</b>	<b>8,636</b>
YoY Change (%)	10.0	13.2	14.4	-9.2	11.6	6.4	30.0	21.4	4.1	17.6

E: MOFSL Estimates

## TVS Motor Company

**Neutral**
**CMP: INR2,339 | TP: INR2,095 (-10%)**
**EPS CHANGE (%): FY25E|FY26E: 0|0**

- In 1Q, domestic 2W volumes grew 15% YoY, while exports jumped 16% YoY. EV volumes grew 34% YoY.
- Overall, we expect TVSL to post 25% YoY growth in earnings in 1Q.
- We expect EBITDA margin to expand 40bp QoQ at 11.7% led by operating leverage and favorable product mix.

### S/A Quarterly Performance

Y/E March (INR m)	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
<b>Vols ('000 units)</b>	<b>953.2</b>	<b>1,074.4</b>	<b>1,100.8</b>	<b>1,062.5</b>	<b>1,087.2</b>	<b>1,196.4</b>	<b>1,217.3</b>	<b>1,179.9</b>	<b>4,191</b>	<b>4,681</b>
Growth (%)	5.1	4.6	25.2	22.4	14.1	11.4	10.6	11.0	13.8	11.7
<b>Realn (INR '000/unit)</b>	<b>75.7</b>	<b>75.8</b>	<b>74.9</b>	<b>76.9</b>	<b>77.6</b>	<b>76.9</b>	<b>77.6</b>	<b>77.9</b>	<b>75.8</b>	<b>77.5</b>
Growth (%)	14.3	7.9	0.6	1.1	2.5	1.4	3.7	1.4	5.8	2.2
<b>Net Sales</b>	<b>72,179</b>	<b>81,446</b>	<b>82,450</b>	<b>81,688</b>	<b>84,419</b>	<b>91,972</b>	<b>94,516</b>	<b>91,964</b>	<b>3,17,764</b>	<b>3,62,871</b>
Growth (%)	20.1	12.8	26.0	23.7	17.0	12.9	14.6	12.6	20.5	14.2
RM (% of sales)	74.6	74.0	73.7	72.8	72.8	73.3	73.5	73.4	73.7	73.3
Emp cost ( % of sales)	5.2	4.8	4.9	5.1	5.1	4.8	4.7	4.7	5.0	4.8
Other exp (% of sales)	9.6	10.1	10.2	10.8	10.4	10.0	9.8	9.8	10.2	10.0
<b>EBITDA</b>	<b>7,638</b>	<b>8,998</b>	<b>9,244</b>	<b>9,262</b>	<b>9,917</b>	<b>10,959</b>	<b>11,384</b>	<b>11,102</b>	<b>35,141</b>	<b>43,363</b>
EBITDA Margin(%)	10.6	11.0	11.2	11.3	11.7	11.9	12.0	12.1	11.1	12.0
Interest	474	523	448	372	350	320	290	288	1,816	1,248
Depreciation	1,636	1,701	1,781	1,887	1,870	1,910	1,915	1,960	7,004	7,655
Other Income	576	462	734	-287	100	150	180	120	1,485	550
<b>PBT after EO Exp</b>	<b>6,104</b>	<b>7,237</b>	<b>7,750</b>	<b>6,716</b>	<b>7,797</b>	<b>8,879</b>	<b>9,359</b>	<b>8,974</b>	<b>27,807</b>	<b>35,010</b>
Tax	1,427	1,871	1,817	1,862	1,949	2,220	2,340	2,244	6,977	8,753
<b>Total Tax</b>	<b>1,427</b>	<b>1,871</b>	<b>1,817</b>	<b>1,862</b>	<b>1,949</b>	<b>2,220</b>	<b>2,340</b>	<b>2,244</b>	<b>6,977</b>	<b>8,753</b>
Tax rate (%)	23.4	25.9	23.4	27.7	25.0	25.0	25.0	25.0	25.1	25.0
<b>Reported PAT</b>	<b>4,677</b>	<b>5,366</b>	<b>5,934</b>	<b>4,854</b>	<b>5,848</b>	<b>6,659</b>	<b>7,019</b>	<b>6,731</b>	<b>20,830</b>	<b>26,258</b>
<b>Adjusted PAT</b>	<b>4,677</b>	<b>5,366</b>	<b>5,934</b>	<b>4,854</b>	<b>5,848</b>	<b>6,659</b>	<b>7,019</b>	<b>6,731</b>	<b>20,830</b>	<b>26,258</b>
Growth (%)	45.9	31.7	68.2	33.4	25.0	24.1	18.3	38.7	44.4	26.1

**Investment in securities market are subject to market risks. Read all the related documents carefully before investing**

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL (erstwhile Motilal Oswal Securities Limited - MOSL) is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Limited are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/List%20of%20Associate%20companies.pdf> MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- MOFSL, Research Analyst and/or his relatives does not have financial interest in the subject company, as they do not have equity holdings in the subject company.
- MOFSL, Research Analyst and/or his relatives do not have actual/beneficial ownership of 1% or more securities in the subject company
- MOFSL, Research Analyst and/or his relatives have not received compensation/other benefits from the subject company in the past 12 months
- MOFSL, Research Analyst and/or his relatives do not have material conflict of interest in the subject company at the time of publication of research report
- Research Analyst has not served as director/officer/employee in the subject company
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- MOFSL has not received compensation for investment banking/ merchant banking/brokerage services from the subject company in the past 12 months
- MOFSL has not received compensation for other than investment banking/merchant banking/brokerage services from the subject company in the past 12 months
- MOFSL has not received any compensation or other benefits from third party in connection with the research report
- MOFSL has not engaged in market making activity for the subject company

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months

- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

#### Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

#### Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

#### Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com.

Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal,

Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.