

January 27, 2023

Q3FY23 Result Update

■ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	BUY		BUY	
Target Price	520		520	
Sales (Rs. m)	37,58,377	42,36,893	37,58,377	42,36,893
% Chng.	-	-	-	-
EBITDA (Rs. m)	4,74,056	5,60,588	4,74,056	5,60,588
% Chng.	-	-	-	-
EPS (Rs.)	15.9	30.3	15.9	30.3
% Chng.	-	-	-	-

Key Financials - Consolidated

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. bn)	2,785	3,100	3,758	4,237
EBITDA (Rs. bn)	340	337	474	561
Margin (%)	12.2	10.9	12.6	13.2
PAT (Rs. bn)	(104)	(52)	61	116
EPS (Rs.)	(27.2)	(13.6)	15.9	30.3
Gr. (%)	(385.8)	(50.3)	(217.0)	91.0
DPS (Rs.)	-	-	-	-
Yield (%)	-	-	-	-
RoE (%)	(20.9)	(12.3)	14.1	22.4
RoCE (%)	0.0	(0.2)	6.1	9.0
EV/Sales (x)	0.9	0.8	0.6	0.5
EV/EBITDA (x)	7.2	7.2	5.0	3.9
PE (x)	(15.4)	(30.9)	26.4	13.8
P/BV (x)	3.6	4.0	3.5	2.8

Key Data

TAMO.BO | TTMT IN

52-W High / Low	Rs.520 / Rs.366	
Sensex / Nifty	60,205 / 17,892	
Market Cap	Rs.1,501bn/ \$ 18,401m	
Shares Outstanding	3,321m	
3M Avg. Daily Value	Rs.6072.95m	

Shareholding Pattern (%)

Promoter's	46.40
Foreign	13.71
Domestic Institution	15.17
Public & Others	24.71
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	10.8	(6.8)	(14.6)
Relative	10.1	(13.7)	(17.9)

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Tata Motors (TTMT IN)

Rating: BUY | CMP: Rs419 | TP: Rs520

Turns profitable with holistic performance

Quick Pointers:

- JLR ASPs improved 9% QoQ due to improved supplies of New RR/RR Sport.
- Supplies for new models – Defender, New RR and RR Sport should ramp-up in 4QFY23 as semiconductor supplies are sorted out.

In 3QFY23, Tata Motors' (TTMT) consolidated revenue surprised at Rs 885bn (+11% QoQ) led by better-than-expected average realizations at JLR (+9% QoQ) and CV business (+11% QoQ). Product mix at JLR improved sequentially driven by increase in mix of Defender, New Range Rover (RR) and RR Sport. Currently, JLR has an order book of 215k units of which 74% is contributed by these models and we expect this mix to further improve over the next year. We expect JLR to ramp up its production as supply issues further subside. On the domestic side, CV demand outlook remains strong, especially for MHCVs and passenger carriers. PV market share remains strong at 14% and EV at 85%.

We maintain positive stance on TTMT as (1) Volume ramp-up at JLR is expected to help revenues, profitability and drive FCF generation aided by strong order book. Domestic traction looks good led by 1) CV segment benefits from ongoing upcycle, operating leverage and tailwinds from lower commodity costs & discounting and (3) Strong momentum in market share in PV segment (14.1% vs 6.9% in FY19) led by revamped portfolio, customer preference for SUVs and rising EV penetration. Maintain BUY with SoTP based TP of Rs 520 (Sep-24 valuations).

- 3QFY23 financials – Higher ASPs steal the show: (1) Standalone:** Revenue at Rs 158bn grew 6% QoQ, despite a 5% decline in CV volumes. This was led by higher ASPs at Rs 1.64mn, +11% QoQ. EBITDAM at 10.1% surprised positively (+445bps QoQ) driven by decrease in RM costs (GM +350bps). **(2) JLR:** Wholesales grew 6% QoQ to 79.6k units. Superior mix led to 9% increase in ASPs (GBP 75.9k). EBITDAM came in at 11.9% (+160bps QoQ). **(3) Consolidated:** Net sales grew 11% QoQ to Rs 885bn, largely led by improved ASPs to JLR and standalone business. EBITDAM expanded 290bps QoQ to 13.9%, supported by softening of RM costs and cost control. On net basis, TTMT reported profit of Rs 30bn after seven consecutive quarters of losses.

- Key takeaways: (1) JLR:** Order book stands at record 215k units vs 205k QoQ; of this 74% is contributed by New RR, RR sport and Defender. Production for these models is expected to increase in Q4 as well, as semiconductor supplies have improved. JLR plans to reach normalized levels of wholesales of 40k units per month which it witnessed. With this, higher ASPs will be maintained. Over 9M, China volumes were impacted due to COVID led lockdowns. However, in Jan-23, uptick is being witnessed in China volumes and management expects recovery in 4Q. Variable marketing expenses (VME) is extremely low currently and JLR sees it as a lever to activate demand in case the demand slows down in the future. **(2) CV segment:** Industry has witnessed a drop in CNG composition owing to increase in CNG costs – especially in ILCV and SCV. Management highlighted that industry is witnessing drop in growth rate owing to higher base, however, demand outlook remains strong for MHCVs and passenger carriers. **(3) PV segment:** Domestic market share has improved to 14.1% vs 12.1% in FY22 led by revamped portfolio (especially in the SUV space) and rising EV penetration. EV market share stands at 85%. 4Q is expected to stronger in terms of retails. Segmental EBITDA margin improved 150bps QoQ to 6.9%.

Exhibit 1: SOTP valuation

SoTP value (Rs bn)	Valuation	Multiple (x)	Sep-24
Standalone business	EV/EBITDA	11.5	683
JLR	EV/EBITDA	2	626
PV subsidiary	P/E	8	304
China JV	P/E	8	27
Tata Motors Finance	P/BV	1	48
Total EV			1,686
(-) Net automotive debt (ex TMFL)			196
Total Equity Value			1,461
Fair value/sh			362
EVCo value/sh			158
Target price			520

Source: PL

Exhibit 2: Q3FY23 Result Overview - Consolidated (Rs m)

Y/e March	3QFY23	3QFY22	YoY gr.	2QFY23	QoQ gr.	9MFY23	9MFY22	YoY gr.
Net Revenues	884,886	722,293	22.5%	796,114	11.2%	2,400,346	2,000,146	20.0%
Raw Materials	574,585	460,488	24.8%	525,950	9.2%	1,582,753	1,296,894	22.0%
% of Net Sales	64.9%	63.8%		66.1%		65.9%	64.8%	
Personnel	85,929	76,510	12.3%	78,979	8.8%	242,772	227,791	6.6%
% of Net Sales	9.7%	10.6%		9.9%		10.1%	11.4%	
Manufacturing & Other Exp	101,576	94,727	7.2%	104,007	-2.3%	306,124	250,174	22.4%
% of Net Sales	11.5%	13.1%		13.1%		12.8%	12.5%	
Total Expenditure	762,090	631,725	20.6%	708,936	7.5%	2,131,648	1,774,859	20.1%
EBITDA	122,796	90,568	35.6%	87,178	40.9%	268,698	225,287	19.3%
EBITDA Margin (%)	13.9%	12.5%		11.0%		11.2%	11.3%	
Depreciation	87,084	83,707	4.0%	84,189	3.4%	256,603	248,606	3.2%
EBIT	35,712	6,861	NA	2,989	NA	12,096	(23,319)	NA
Interest Expenses	26,758	24,007	11.5%	24,873	7.6%	75,838	69,313	9.4%
Non-operating income	11,304	7,026	60.9%	10,385	8.8%	30,563	21,511	42.1%
Forex gain	11,773	3,138	NA	(6,239)	-288.7%	(2,144)	3,657	NA
Exceptional gain/(loss)	(4)	862	NA	3,126	-100.1%	18,059	842	NA
PBT	32,026	(6,121)	NA	(14,612)	NA	(17,266)	(66,623)	NA
Tax-Total	2,628	7,261	NA	(4,571)	NA	13,247	34,731	-61.9%
Tax Rate (%) - Total	8.2%	-118.6%		31.3%		-76.7%	-52.1%	
Reported PAT	29,398	(13,382)	NA	(10,041)	NA	(30,513)	(101,354)	NA
Share of profit of joint ventures and associates	1,034	(1,129)	-191.6%	1,057	-2.2%	2,451	(1,813)	NA
Minority interest	854	651	31.3%	463	84.7%	1,873	919	103.8%
Adj. PAT	29,581	(16,023)	NA	(12,572)	NA	(47,994)	(104,929)	NA
PAT Margin	3.3%	-2.2%		-1.6%		-2.0%	-5.2%	

Source: Company, PL

Exhibit 3: Q3FY23 Result Overview - JLR (GBP m)

Y/e Mar (Rs.mn)	3QFY23	3QFY22	YoY gr.	2QFY23	QoQ gr.	9MFY23	9MFY22	YoY gr.
Volumes (in units)	79,591	69,182	15.0%	75,307	5.7%	226,713	217,656	4.2%
Net ASP (Rs/veh)	75,901	68,168	11.3%	69,847	8.7%	69,281	62,268	11.3%
Net Revenues	6,041	4,716	28.1%	5,260	14.8%	15,707	13,553	15.9%
Raw Materials	3,707	2,783	33.2%	3,212	15.4%	9,681	8,432	14.8%
<i>% of Net Sales</i>	<i>61.4%</i>	<i>59.0%</i>		<i>61.1%</i>		<i>61.6%</i>	<i>62.2%</i>	
Personnel	654	561	16.6%	604	8.3%	1,828	1,666	9.7%
<i>% of Net Sales</i>	<i>10.8%</i>	<i>11.9%</i>		<i>11.5%</i>		<i>11.6%</i>	<i>12.3%</i>	
Manufacturing & Other Exp	964	807	19.5%	903	6.8%	2,662	2,158	23.4%
<i>% of Net Sales</i>	<i>16.0%</i>	<i>17.1%</i>		<i>17.2%</i>		<i>16.9%</i>	<i>15.9%</i>	
Total Expenditure	5,325	4,151	28.3%	4,719	12.8%	14,171	12,256	15.6%
EBITDA	716	565	26.7%	541	32.3%	1,536	1,297	18.4%
<i>EBITDA Margin (%)</i>	<i>11.9%</i>	<i>12.0%</i>		<i>10.3%</i>		<i>9.8%</i>	<i>9.6%</i>	
Depreciation	494	483	2.3%	493	0.2%	1,464	1,435	2.0%
EBIT	222	82	NA	48	NA	72	(138)	-152.2%
Interest Expenses	117	95	23.2%	112	4.5%	336	264	27.3%
Non-operating income	0	0		0		0	0	
Forex gain	157	18	NA	(115)	NA	(179)	2	NA
Exceptional gain/(loss)	0	0	0.0%	0	NA	155	0	NA
China JV profit	3	(14)		6		11	(21)	
PBT	265	(9)	NA	(173)	NA	(277)	(421)	-34.2%
Tax-Total	4	58	-93.1%	(75)	-105.3%	42	313	-86.6%
<i>Tax Rate (%) - Total</i>	<i>1.5%</i>	<i>-644.4%</i>		<i>43.4%</i>		<i>-15.2%</i>	<i>-74.3%</i>	<i>-79.6%</i>
Reported PAT	261	(67)	NA	(98)	NA	(319)	(734)	-56.5%
<i>PAT Margin</i>	<i>4.3%</i>	<i>-1.4%</i>		<i>-1.9%</i>		<i>-2.0%</i>	<i>-5.4%</i>	

Source: Company, PL

Exhibit 4: Q3FY23 Result Overview – Standalone (Rs m)

Y/e March	3QFY23	3QFY22	YoY gr.	2QFY23	QoQ gr.	9MFY23	9MFY22	YoY gr.
Net Revenues	157,940	123,528	27.9%	149,468	5.7%	456,152	299,254	52.4%
Raw Materials	116,337	96,540	20.5%	115,372	0.8%	344,335	228,066	51.0%
<i>% of Net Sales</i>	<i>73.7%</i>	<i>78.2%</i>		<i>77.2%</i>		<i>75.5%</i>	<i>76.2%</i>	
Personnel	9,723	9,181	5.9%	9,644	0.8%	29,996	27,259	10.0%
<i>% of Net Sales</i>	<i>6.2%</i>	<i>7.4%</i>		<i>6.5%</i>		<i>6.6%</i>	<i>9.1%</i>	
Manufacturing & Other Exp	15,857	13,566	16.9%	15,936	-0.5%	48,589	35,426	37.2%
<i>% of Net Sales</i>	<i>10.0%</i>	<i>11.0%</i>		<i>10.7%</i>		<i>10.7%</i>	<i>11.8%</i>	
Total Expenditure	141,917	119,288	19.0%	140,953	0.7%	422,920	290,750	45.5%
EBITDA	16,023	4,240	277.9%	8,515	88.2%	33,232	8,504	290.8%
<i>EBITDA Margin (%)</i>	<i>10.1%</i>	<i>3.4%</i>		<i>5.7%</i>		<i>7.3%</i>	<i>2.8%</i>	
Depreciation	6,450	5,750	12.2%	6,463	-0.2%	18,920	16,340	15.8%
EBIT	9,573	(1,510)	NA	2,052	366.6%	14,313	(7,836)	NA
Interest Expenses	5,034	5,356	-6.0%	5,494	-8.4%	15,816	16,300	-3.0%
Non-operating income	1,732	1,387	24.8%	1,951	-11.2%	5,790	4,646	24.6%
Forex gain	(667)	(338)	NA	(984)	-32.2%	(2,542)	(870)	NA
Exceptional gain/(loss)	(1)	(1)	NA	(40)	NA	(56)	(581)	NA
PBT	5,602	(5,817)	NA	(2,516)	NA	1,690	(20,941)	NA
Tax-Total	540	538	0.4%	410	31.8%	1,364	584	133.4%
<i>Tax Rate (%) - Total</i>	<i>9.6%</i>	<i>-9.3%</i>		<i>-16.3%</i>		<i>80.7%</i>	<i>-2.8%</i>	
Reported PAT	5,062	(6,355)	NA	(2,926)	NA	326	(21,526)	NA
Adj. PAT	5,063	(6,354)	NA	(2,885)	NA	382	(20,944)	NA
<i>PAT Margin</i>	<i>3.2%</i>	<i>-5.1%</i>		<i>-1.9%</i>		<i>0.1%</i>	<i>-7.0%</i>	

Source: Company, PL

Exhibit 5: Operating Metrics

Y/e March	3QFY23	3QFY22	YoY gr.	2QFY23	QoQ gr.	9MFY23	9MFY22	YoY gr.
Sales Volume (nos)	95,914	100,070	-4.2%	100,536	-4.6%	297,371	237,102	25.4%
Net Realisation/Vehicle	1,646,681	1,234,414	33.4%	1,486,709	10.8%	1,533,949	1,262,132	21.5%
Material cost / vehicle	1,212,933	964,727	25.7%	1,147,573	5.7%	1,157,932	961,888	20.4%
Gross Profit / vehicle	433,748	269,687	60.8%	339,136	27.9%	376,017	300,245	25.2%
Employee cost /vehicle	101,370	91,746	10.5%	95,929	5.7%	100,869	114,968	-12.3%
Other expenses / vehicle	165,325	135,568	21.9%	158,513	4.3%	163,394	149,411	9.4%
EBITDA/vehicle	167,053	42,373	294.2%	84,694	97.2%	111,754	35,866	211.6%
Net Profit/vehicle	52,787	-63,496	-183.1%	-28,700	-283.9%	1,283	-88,335	-101.5%

Source: Company, PL

Financials

Income Statement (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Net Revenues	27,84,536	30,99,846	37,58,377	42,36,893
YoY gr. (%)	11.5	11.3	21.2	12.7
Cost of Goods Sold	18,08,858	20,44,673	24,51,510	27,41,524
Gross Profit	9,75,678	10,55,173	13,06,866	14,95,369
Margin (%)	35.0	34.0	34.8	35.3
Employee Cost	3,08,085	3,14,826	3,76,474	4,21,158
Other Expenses	3,27,510	4,03,316	4,56,336	5,13,623
EBITDA	3,40,083	3,37,030	4,74,056	5,60,588
YoY gr. (%)	(5.0)	(0.9)	40.7	18.3
Margin (%)	12.2	10.9	12.6	13.2
Depreciation and Amortization	3,40,452	3,41,372	3,58,279	3,81,451
EBIT	(369)	(4,342)	1,15,776	1,79,137
Margin (%)	0.0	(0.1)	3.1	4.2
Net Interest	93,119	97,889	81,901	74,247
Other Income	29,750	25,780	50,018	57,521
Profit Before Tax	(70,034)	(58,388)	83,893	1,62,411
Margin (%)	(2.5)	(1.9)	2.2	3.8
Total Tax	42,313	(17,516)	25,168	48,723
Effective tax rate (%)	(60.4)	30.0	30.0	30.0
Profit after tax	(1,12,347)	(40,871)	58,725	1,13,688
Minority interest	1,327	1,340	1,354	1,367
Share Profit from Associate	(741)	2,962	3,331	3,601
Adjusted PAT	(1,04,315)	(51,894)	60,702	1,15,922
YoY gr. (%)	-	-	-	-
Margin (%)	(3.7)	(1.7)	1.6	2.7
Extra Ord. Income / (Exp)	(10,100)	12,644	-	-
Reported PAT	(1,14,415)	(39,250)	60,702	1,15,922
YoY gr. (%)	(14.9)	(65.7)	(254.7)	91.0
Margin (%)	(4.1)	(1.3)	1.6	2.7
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	-	-
Equity Shares O/s (m)	3,829	3,829	3,829	3,829
EPS (Rs)	(27.2)	(13.6)	15.9	30.3

Source: Company Data, PL Research

Balance Sheet Abstract (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
Non-Current Assets				
Gross Block	33,63,826	35,98,375	38,39,398	40,84,295
Tangibles	33,63,826	35,98,375	38,39,398	40,84,295
Intangibles	-	-	-	-
Acc: Dep / Amortization	19,83,343	22,23,410	24,82,372	27,62,518
Tangibles	19,83,343	22,23,410	24,82,372	27,62,518
Intangibles	-	-	-	-
Net fixed assets	13,80,483	13,74,964	13,57,027	13,21,776
Tangibles	13,80,483	13,74,964	13,57,027	13,21,776
Intangibles	-	-	-	-
Capital Work In Progress	1,02,511	1,12,762	1,24,038	1,36,442
Goodwill	8,072	8,072	8,072	8,072
Non-Current Investments	66,703	70,038	73,540	77,217
Net Deferred tax assets	(15,584)	(16,987)	(18,516)	(20,182)
Other Non-Current Assets	-	-	-	-
Current Assets				
Investments	2,27,092	2,38,447	2,50,369	2,75,406
Inventories	3,52,403	3,82,173	4,63,362	5,22,357
Trade receivables	1,24,421	1,27,391	2,05,938	2,32,159
Cash & Bank Balance	4,06,692	4,05,814	4,52,585	6,09,727
Other Current Assets	6,37,822	6,95,997	7,59,541	8,28,955
Total Assets	33,06,199	34,15,657	36,94,472	40,12,111
Equity				
Equity Share Capital	7,659	7,659	7,659	7,659
Other Equity	4,37,954	3,91,144	4,51,847	5,67,769
Total Networth	4,45,612	3,98,803	4,59,506	5,75,428
Non-Current Liabilities				
Long Term borrowings	14,64,490	14,64,490	14,64,490	14,64,490
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
Current Liabilities				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	5,99,704	6,79,418	8,13,457	9,22,830
Other current liabilities	7,38,098	8,11,908	8,93,098	9,82,408
Total Equity & Liabilities	33,06,199	34,15,657	36,94,472	40,12,111

Source: Company Data, PL Research

Cash Flow (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
PBT	(70,775)	(55,426)	87,224	1,66,013
Add. Depreciation	2,48,357	2,40,068	2,58,961	2,80,147
Add. Interest	93,119	97,889	81,901	74,247
Less Financial Other Income	29,750	25,780	50,018	57,521
Add. Other	(23,454)	(43,843)	(50,018)	(57,521)
Op. profit before WC changes	2,47,247	2,38,688	3,78,068	4,62,885
Net Changes-WC	(2,93,911)	62,610	(8,051)	44,054
Direct tax	(42,287)	18,919	(23,639)	(47,057)
Net cash from Op. activities	(88,951)	3,20,217	3,46,378	4,59,882
Capital expenditures	(1,42,707)	(2,44,800)	(2,52,300)	(2,57,300)
Interest / Dividend Income	-	-	-	-
Others	(24,139)	29,153	34,594	28,807
Net Cash from Invt. activities	(1,66,846)	(2,15,647)	(2,17,706)	(2,28,493)
Issue of share cap. / premium	33,209	(7,559)	-	-
Debt changes	2,54,474	-	-	-
Dividend paid	-	-	-	-
Interest paid	(93,119)	(97,889)	(81,901)	(74,247)
Others	-	-	-	-
Net cash from Fin. activities	1,94,564	(1,05,448)	(81,901)	(74,247)
Net change in cash	(61,233)	(878)	46,771	1,57,142
Free Cash Flow	(2,31,658)	75,417	94,078	2,02,582

Source: Company Data, PL Research

Quarterly Financials (Rs m)

Y/e Mar	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Net Revenue	7,22,293	7,84,391	7,19,347	7,96,114
YoY gr. (%)	(4.5)	(11.5)	8.3	29.7
Raw Material Expenses	4,60,488	5,11,964	4,82,217	5,25,950
Gross Profit	2,61,805	2,72,426	2,37,129	2,70,164
Margin (%)	36.2	34.7	33.0	33.9
EBITDA	90,568	1,14,796	58,724	87,178
YoY gr. (%)	(29.0)	(21.5)	(19.6)	41.3
Margin (%)	12.5	14.6	8.2	11.0
Depreciation / Depletion	83,707	91,846	85,329	84,189
EBIT	6,861	22,950	(26,605)	2,989
Margin (%)	0.9	2.9	(3.7)	0.4
Net Interest	24,007	23,805	24,207	24,873
Other Income	10,164	4,582	1,196	4,146
Profit before Tax	(6,121)	(3,411)	(34,680)	(14,612)
Margin (%)	(0.8)	(0.4)	(4.8)	(1.8)
Total Tax	7,261	7,582	15,190	(4,571)
Effective tax rate (%)	(118.6)	(222.3)	(43.8)	31.3
Profit after Tax	(13,382)	(10,993)	(49,870)	(10,041)
Minority interest	651	408	556	463
Share Profit from Associates	(1,129)	1,073	360	1,057
Adjusted PAT	(16,023)	(3,190)	(65,002)	(12,572)
YoY gr. (%)	(148.1)	(105.6)	46.0	(71.7)
Margin (%)	(2.2)	(0.4)	(9.0)	(1.6)
Extra Ord. Income / (Exp)	862	(7,138)	14,936	3,126
Reported PAT	(15,161)	(10,328)	(50,066)	(9,446)
YoY gr. (%)	(152.2)	(86.4)	12.5	(78.7)
Margin (%)	(2.1)	(1.3)	(7.0)	(1.2)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	-	-
Avg. Shares O/s (m)	3,829	3,829	3,829	3,829
EPS (Rs)	(4.2)	(0.8)	(17.0)	(3.3)

Source: Company Data, PL Research

Key Financial Metrics

Y/e Mar	FY22	FY23E	FY24E	FY25E
Per Share(Rs)				
EPS	(27.2)	(13.6)	15.9	30.3
CEPS	61.7	75.6	109.4	129.9
BVPS	116.4	104.1	120.0	150.3
FCF	(60.5)	19.7	24.6	52.9
DPS	-	-	-	-
Return Ratio(%)				
RoCE	0.0	(0.2)	6.1	9.0
ROIC	0.0	(0.2)	6.8	11.4
RoE	(20.9)	(12.3)	14.1	22.4
Balance Sheet				
Net Debt : Equity (x)	1.9	2.1	1.7	1.0
Net Working Capital (Days)	(82)	(85)	(73)	(72)
Valuation(x)				
PER	(15.4)	(30.9)	26.4	13.8
P/B	3.6	4.0	3.5	2.8
P/CEPS	6.8	5.5	3.8	3.2
EV/EBITDA	7.2	7.2	5.0	3.9
EV/Sales	0.9	0.8	0.6	0.5
Dividend Yield (%)	-	-	-	-

Source: Company Data, PL Research

Key Operating Metrics

Y/e Mar	FY22	FY23E	FY24E	FY25E
Volume (units)	3,56,972	4,20,003	4,83,004	5,31,304
Net realisation (Rs/unit)	12,78,177	14,10,584	14,71,669	15,18,738

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	05-Jan-23	BUY	520	386
2	10-Nov-22	BUY	520	433
3	06-Oct-22	BUY	570	408
4	28-Jul-22	BUY	535	444
5	08-Jul-22	BUY	555	431
6	13-May-22	BUY	600	372
7	11-Apr-22	BUY	656	452
8	01-Feb-22	BUY	632	518

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Maruti Suzuki	BUY	10,600	8,699
2	TVS Motors	BUY	1,240	984

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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