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By Asit C. Mehta
A Pantomath Group Company

MARUTI SUZUKI

Maruti Suzuki India Limited

Steering Ahead with Innovation

Maruti Suzuki India Limited

Accumulate

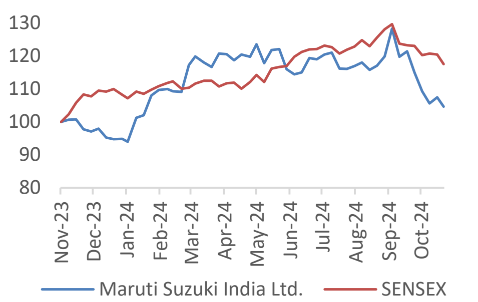
Key Data	
DATE	19-11-2024
Reco Price	11000-11300
Target	14250
Sector	Automobile
BSE Code	532500
NSE Code	MARUTI
Face Value (INR.)	5.00
Market Cap (Cr)	3,49,930.1
52-week High/Low (INR)	13675/9738

Source : NSE. BSE

Shareholding pattern (Sep-2024)	%
Promoters	58.19
DIIs	17.68
FIIs	20.75
Public	3.31
Government	0.07
Total	**100.00**

Source : NSE. BSE

Price Performance



Rebased to 100

Company Background

Maruti Suzuki India Limited (MARUTI), a subsidiary of the Japanese automaker Suzuki Motor Corporation, is the leading automobile manufacturer in India. Established in 1981, the company revolutionized the Indian car market with the launch of its first car, the Maruti 800, in 1983, which became one of the most iconic vehicles in the country. Over the decades, They have maintained their dominant position in the passenger vehicle segment, offering a wide range of cars including hatchbacks, sedans, SUVs, and vans.

Known for its focus on affordability, fuel efficiency, and widespread service network, Maruti Suzuki has consistently been the market leader, with a significant share of the Indian automotive market. The company has a vast production capacity with multiple manufacturing plants in India, and it has a robust distribution and after-sales service network. They have been at the forefront of adopting new technologies, including CNG and hybrid options, and is expected to enter the electric vehicle (EV) segment in the coming years.

Outlook and Valuation

We are optimistic about the company's growth prospects, driven by the introduction of hybrid options in small cars, along with various government incentives supporting hybrid adoption. Additionally, increasing traction in CNG vehicles and the benefits from new SUV launches are expected to contribute to higher-than-industry growth in the coming years. Easing supply constraints and stable commodity prices further bolster this outlook. As the market leader in the passenger segment, with visible entry into the EV market by FY25, we recommend an ACCUMULATE rating with an expected revenue CAGR of 7.2% for FY24-FY27E. **We estimate a forward P/E multiple of 25x based on FY27E EPS of Rs 570, resulting in a target price of Rs 14,250 per share.**

Financial Snapshot (Consolidated)

Particulars (INR. in Cr.)	FY24	FY25E	FY26E	FY27E	CAGR % (FY24- FY27E)
Revenue	1,41,858	1,48,197	1,62,090	1,74,733	7.2%
EBITDA	18,526	20,304	23,282	26,246	12.3%
EBITDA %	13.1%	13.7%	14.4%	15.0%	
PAT	13,488	13,605	15,434	17,928	9.9%
PAT Margin	9.5%	9.2%	9.5%	10.3%	
EPS (Rs.)	429.0	432.7	490.9	570.2	

Source: Company, ACMIIL Retail Research

Company at a Glance

- Dominates the Indian passenger vehicle market with a broad portfolio catering to diverse customer needs.
- Largest sales and service network across India, offering exceptional accessibility and customer convenience, boosting brand loyalty.
- Emphasis on efficient production and cost-effective components ensures affordable pricing, appealing to budget-conscious consumers.
- Offers a wide range of vehicles within the INR 0–15 lakh price range, including petrol, CNG, and hybrid options, addressing varied preferences.
- Renowned for reliability and strong resale value, fostering a positive reputation and making it a trusted choice.
- Focuses on future technologies like hybrid engines, EVs and other innovative solutions to adapt to evolving market trends, ensuring long-term growth.

Overview of the Company, Sales Channels, and Product Portfolio

Maruti Suzuki primarily operates in two key segments within the Indian automobile market: the passenger vehicle segment and the utility vehicle segment. With respect to these segments, the company has distinct sales channels such as Arena, Nexa, Commercial, and True Value, catering to a diverse range of customer needs and preferences.

Arena is a youthful and modern retail platform designed to offer a dynamic, trendy, and connected car buying experience for the new-age customer. Arena outlets are spread across **2,522 cities** with a robust network of **2,987 outlets**, providing a seamless blend of technology and personalization. The Arena showrooms are crafted to create an engaging, interactive, and social environment, catering to the preferences of today's digitally-savvy customers, making the car purchasing process more immersive and customer-centric.

Nexa is a premium sales channel designed to target new customer segments, offering a sophisticated, global car-buying experience. It focuses on innovative technology, enhanced hospitality, and an elevated customer service standard. With its emphasis on luxury and exclusivity, Nexa aims to cater to discerning buyers looking for a superior automotive experience. Currently, Nexa operates in **301 cities** across India with a network of **495 outlets**, reinforcing Maruti Suzuki's commitment to providing cutting-edge experiences and premium services to its customers.

Commercial channel is dedicated to the retail of its commercial vehicle lineup, designed to meet the needs of business customers and fleet operators. Offering a range of durable and efficient vehicles, this channel caters to the growing demand for commercial transport solutions. The Commercial network spans **274 cities** across India with **381 outlets**, providing businesses with easy access to Maruti Suzuki's reliable commercial vehicles, along with tailored services and support to ensure smooth and efficient operations for customers in the commercial sector.

True Value is Maruti Suzuki's trusted platform for the sale and purchase of pre-owned cars, offering buyers a seamless and transparent experience. Known for its fair pricing and stringent quality checks, True Value ensures that customers receive thoroughly inspected, certified vehicles with a reliable ownership history. The channel is designed to provide peace of mind and confidence to buyers looking for used cars. True Value has a presence in **287 cities** with a network of **577 outlets**, reinforcing its position as a leading destination for pre-owned car buyers across India.

Segment	Maruti Suzuki Models	Sales Channel
Compact SUV	Vitara Brezza 	Arena
	Fronx 	Nexa
Hatchback	Alto K10 	Arena
	Wagon R 	Arena
	Swift 	Arena
	Celerio 	Arena
	S-Presso 	Arena
	Baleno 	Nexa
	Ignis 	Nexa
SUV	Grand Vitara 	Nexa
Sedans	Dzire 	Arena
	Ciaz 	Nexa
MUV	Ertiga 	Arena
	Invicto 	Nexa
	XL6 	Nexa
Utility Vehicle	Eeco 	Arena
	Jimny 	Nexa

Source: Company, ACMIIL Retail Research

Model wise contribution to sales

Price Bracket (in INR)	% Volume Contribution to OEM Sales	Petrol	Diesel	CNG	EV	Mild Hybrid	Strong Hybrid
0-10 Lakh	6.0%	Alto		Alto			
	1.6%	S-Presso		S-Presso			
	11.2%	Wagon R		Wagon R			
	7.9%	Eeco		Eeco			
	2.1%	Celerio		Celerio			
	1.5%	IGNIS					
	10.3%	Swift		Swift			
	10.2%	Baleno		Baleno			
	9.9%	Dzire		Dzire			
10-15 Lakh	8.2%	Fronx				Fronx	
	0.5%	CIAZ				CIAZ	
	10.0%	Ertiga				Ertiga	
	10.3%	Brezza				Brezza	
	2.5%	XL6				XL6	
	0.7%	Jimny					
15-20 Lakh	6.9%	Grand Vitara			e-Vitara	Grand Vitara	Grand Vitara
20 Lakh & above	0.2%	Invicto					Invicto

Source: Company reports and FADA data from Aug-23 to Aug-24
Note: eGrand Vitara introduced in Milan in Oct-24, to be exported initially and then sold in India from May/June 2025

The data shows that Maruti Suzuki's sales are heavily supported by high-performing models such as the Wagon R, Swift, Brezza, Baleno, and Ertiga, which each contribute a substantial share to overall sales volume. The Wagon R stands out as the top-seller, followed closely by the Swift and Brezza, reflecting strong customer demand for these models. On the other hand, models like Invicto, Ciaz, and Jimny have lower sales volumes, indicating a smaller market presence. Overall, Maruti Suzuki's lineup demonstrates a well-balanced portfolio with dominant models across different segments.

Major events impacting stock price

Source: ACMIIL Retail Research

Investment Rationale

I. Frontrunner in India's Hybrid Engine Tech

Maruti Suzuki is focusing on introducing hybrid technology in smaller cars, making fuel-efficient and eco-friendly options accessible to a broader customer base. Government policies are increasingly being shaped to support the growth of hybrid vehicles, recognizing their role as a practical bridge while electric vehicle infrastructure continues to expand and develop. This strategy aligns Maruti with future trends, positioning it well as hybrid adoption grows, particularly in regions where EV infrastructure is still catching up.

Maruti Suzuki's Hybrid Technology Innovations Post-MoU with Toyota
In 2017, Maruti Suzuki partnered with Toyota to collaborate on electric, hybrid, and alternative fuel technologies. This alliance has significantly shaped Maruti Suzuki's approach to hybrid vehicles by leveraging Toyota's advanced systems and adapting them for the Indian market.

Key Innovations:

Strong Hybrid Technology: Introduction of strong hybrid systems that combine a petrol engine with an electric motor, allowing pure electric operation at low speeds. The Maruti Suzuki Grand Vitara and Toyota Urban Cruiser Hyryder are flagship models featuring this technology, offering reduced emissions and fuel consumption in urban traffic..

Mild Hybrid Systems (Smart Hybrid): Before strong hybrids, Maruti Suzuki introduced mild hybrid systems under the Smart Hybrid technology, providing a small electric boost during acceleration and improving fuel efficiency in models like the Ciaz, Ertiga, Fronx etc

Strong Hybrid

Strong Hybrid combines an electric motor with an internal combustion engine for optimal fuel efficiency and performance. It provides smooth torque during acceleration and uses regenerative braking to recycle energy into the battery, reducing range anxiety.

Mild Hybrid

Smart Hybrid technology enhances fuel efficiency and driving performance. It features an automatic engine idle-stop and restart system, supported by a dual battery setup, including a Lithium-ion battery. The system stores energy generated during braking to power idle start-stop and torque assist functions, improving acceleration and overall performance.

Source: ACMIIL Retail Research

Investment Rationale

II. Visibility on EV Entry in FY25

Maruti Suzuki, India's largest automaker, is making bold moves into the electric vehicle (EV) space with a comprehensive plan to expand its electric offerings. The company is leveraging its global expertise and local manufacturing capabilities to offer a range of affordable EVs that will cater to the evolving Indian market, while also preparing for global competition. They have already committed to its electric and battery production facilities in India. This reflects the company's larger vision for sustainable mobility, in which it plans to localize production while also expanding its presence in the global EV market

The upcoming Grand Vitara EV (eVX), built on the new HEARTECT-e platform, is set to be the company's first flagship electric SUV. This mid-size EV features a 60 kWh battery, offering a range of up to 550 km per charge, making it a strong competitor in the global EV market. Production is scheduled to begin in India by spring 2025, with a market launch by summer 2025. Maruti Suzuki is also expanding its EV portfolio with a focus on budget-friendly electric options, aiming to drive adoption in the Indian market and beyond as part of its commitment to greener mobility solutions.

The upcoming electric models will likely include a variety of hatchbacks, sedans, and SUVs, all designed to appeal to cost-conscious consumers who are looking for environmentally friendly alternatives without breaking the bank. The company's emphasis is on keeping production costs low, ensuring affordability without compromising on technology and driving range. As part of this push, Maruti is expected to tap into its vast distribution and service networks, making EVs more accessible to the mass market.

Major initiatives undertaken by Maruti Suzuki for EV:

- Suzuki plans to introduce 6 EVs by FY31, manufactured at Suzuki Motor Gujarat, with a new production facility.
- Suzuki Motor Corporation (SMC) will invest INR 32 billion for a fourth production line in Gujarat, capable of producing 2.5 lakh units per year.
- SMC announced a global electrification investment of JPY 4.5 trillion (INR 2.8 trillion) by 2029-30.
- In August 2022, Suzuki Motor Gujarat committed INR 73 billion for a battery manufacturing plant in Hansalpur, Gujarat.
- SMC and the Gujarat government agreed to invest INR 104.4 billion for local production of EVs and batteries.
- Lithium-ion batteries will be manufactured by TDSG, with a target of 30 million cells per year (1+ GWh capacity) by 2025.

Suzuki introduced its first mass-production battery electric vehicle, the e VITARA, in Milan, Italy. Production will begin at Suzuki Motor Gujarat in spring 2025, with sales starting in Europe, India, and Japan by summer 2025.

Investment Rationale

III. Additional Growth Drivers Supporting The Investment Rationale

CNG Vehicle Traction & New SUV Launches to Drive Growth
Maruti Suzuki has been a pioneer in offering CNG vehicles in India, targeting consumers looking for cost-effective and environmentally friendly alternatives. With its strong lineup of CNG models and new SUV launches, the company is poised to benefit from the rising demand for CNG-powered vehicles, which offer lower running costs. As SUVs continue to gain popularity in India, Maruti Suzuki’s inclusion of CNG options in these models could significantly boost sales and support above-industry growth in the coming years.

Easing of Supply Constraints & Stable Commodity Prices
Maruti Suzuki has started to see an easing of supply chain issues, particularly around semiconductor shortages, which had impacted production. Coupled with broadly stable commodity prices, this improvement allows the company to ramp up production and meet market demand. Stabilizing commodity costs also help Maruti manage expenses, safeguarding its profit margins.

Market Leader in the Passenger Segment
Maruti Suzuki leads India’s passenger vehicle market with strong brand loyalty, a wide dealership network, and a reliable product range. Despite recent market share losses, the company plans to regain ground with new offerings, including EVs, hybrids, and premium models.

Inventory Control & Reduction of Discounts on Vehicles
Maruti Suzuki has maintained effective inventory management, keeping inventory levels under control. This approach not only reduces holding costs but also allows the company to better respond to changes in demand. Additionally, Maruti has successfully reduced the need for high discounts on its vehicles, which helps maintain profit margins and signals a strong demand for its products. This disciplined approach to inventory and pricing contributes to operational efficiency and profitability.

Pricing Power
As a dominant player in the market, Maruti Suzuki enjoys significant pricing power, allowing it to make price adjustments without major impacts on demand. This pricing flexibility is especially valuable when facing rising input costs, as it provides an additional layer of resilience and margin protection. Maruti’s pricing power makes it a strong, stable choice for investors, capable of managing profitability effectively.

Alignment with Government Safety Norms – First 5-Star Safety Rated Vehicle
Maruti Suzuki has consistently aligned with government safety regulations, demonstrating its commitment to consumer safety and regulatory compliance. In 2024, Maruti released its first 5-star safety-rated vehicle, the Maruti Suzuki Dzire, marking a significant milestone in its journey toward enhanced safety standards. This achievement not only reflects Maruti’s dedication to improving vehicle safety but also strengthens its reputation as a responsible and forward-thinking automaker, which is appealing to both consumers and investors.

Extensive After-Sales Service Network & Readily Available Spare Parts
Maruti Suzuki hass the most extensive after-sales service network in India, providing customers with easy access to maintenance and support nationwide. This widespread network enhances customer satisfaction and loyalty, as vehicle owners can rely on prompt and efficient service regardless of their location. The ready availability of spare parts further ensures minimal downtime and reduces maintenance costs for customers. This robust after-sales infrastructure not only solidifies Maruti Suzuki's market position but also contributes to sustained customer retention and repeat sales, reinforcing its growth prospects and making it an attractive investment opportunity

Export Opportunity
Maruti Suzuki is enhancing its export capabilities to strengthen its global presence and diversify revenue streams. The company has nearly doubled its vehicle exports over the past five years, achieving a record of over 230,000 units in the last fiscal year. Key export regions include Europe, where demand for models like the Swift and Baleno is rising; Africa, where Maruti is expanding its footprint; Latin America—particularly Brazil and Mexico—where it has launched the new generation Dzire sub-compact sedan; and the Middle East, where it is introducing models like the Dzire and the sporty compact SUV, the Fronx. By increasing exports, Maruti aims to achieve ambitious growth targets in the global competitive automotive landscape.

Industry Overview

Overview of the Indian Automobile Sector

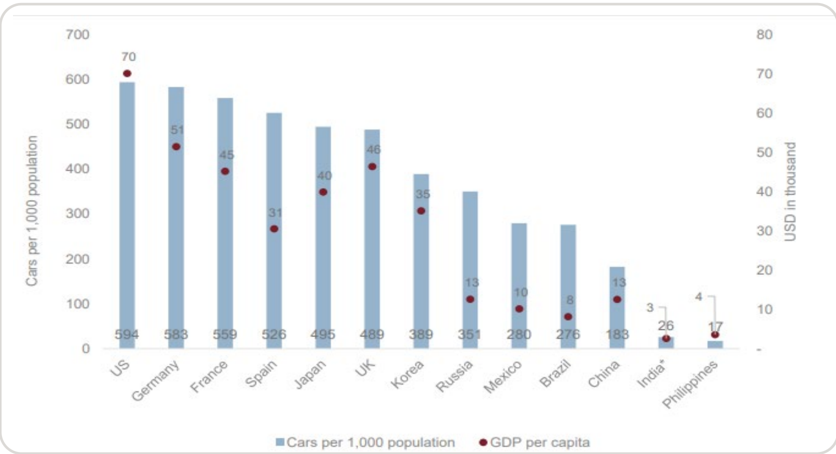
The Indian automobile industry is a vital pillar of the nation's economy, contributing about 7.1% to GDP and providing direct and indirect employment to around 37 million people. As the fourth-largest in light vehicle production globally, the sector also accounts for approximately 4.7% of India's total exports. With the government's support through initiatives like the Production Linked Incentive (PLI) scheme and the Automotive Mission Plan 2026, the industry's GDP contribution is projected to rise to 12% by 2029, driven by increasing domestic demand. The market, valued at USD 116.86 billion in 2023, is expected to grow to approximately USD 217.90 billion by 2031 at a CAGR of 8.1%, underscoring India's aspirations to solidify its position as a global automotive leader.

India Passenger Vehicle Market Overview

India's car market remains underpenetrated compared to both developed and many developing economies, presenting significant growth opportunities. In FY24, India had only 26 cars per 1,000 people, far below China (183) and Brazil (276). Despite this, India ranked second globally in passenger vehicle (PV) sales in 2023, with a robust PV growth rate of 15.4% (2021–2023), outpacing the global average of 6.8%.

This growth potential is underpinned by India's rising GDP per capita, which directly impacts car ownership levels. As incomes increase and more individuals enter the middle class, car ownership becomes more accessible. Combined with sustained economic growth and strong government support for the auto industry, these factors position India as a key market for future expansion in the automotive sector.

Country-wise car penetration

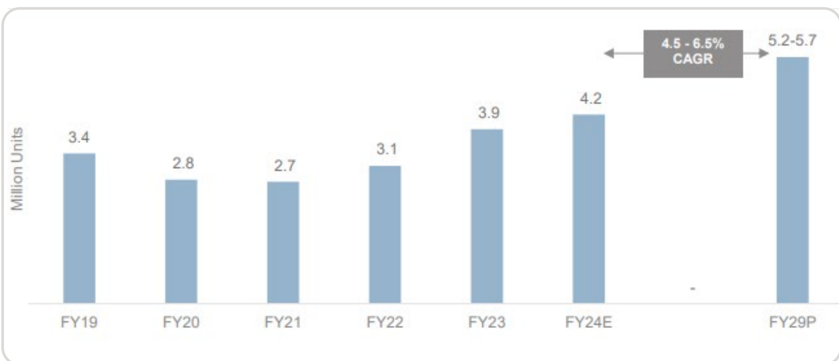


Source: CRISIL MI&A

The domestic passenger vehicle industry grew at a 5% CAGR during FY19-24 period. Despite the pandemic hiatus, the industry achieved this growth from a record high base of FY19; led by the sharp rise in traction for the SUV segment, increased vehicle launches coupled with the entry of newer players. Relatively lower impact on disposable income of the upper middle class led to a significant growth in the SUV segment driving overall PV sales. In turn, the industry reached a historic high of about 4.2 million vehicle sales in FY24.

Besides the macro-economic factors, continued support from government in terms of policies as well as continued expenditure & investments are expected to provide an added support. The favorable demographics is an added advantage for India which is also expected to help propel the passenger vehicle industry forward. CRISIL MI&A expects the industry to clock 4.5-6.5% CAGR between FY24 to FY29 period to reach 5.2-5.7 million domestic vehicle sales

Domestic PV Industry Outlook (Volumes)



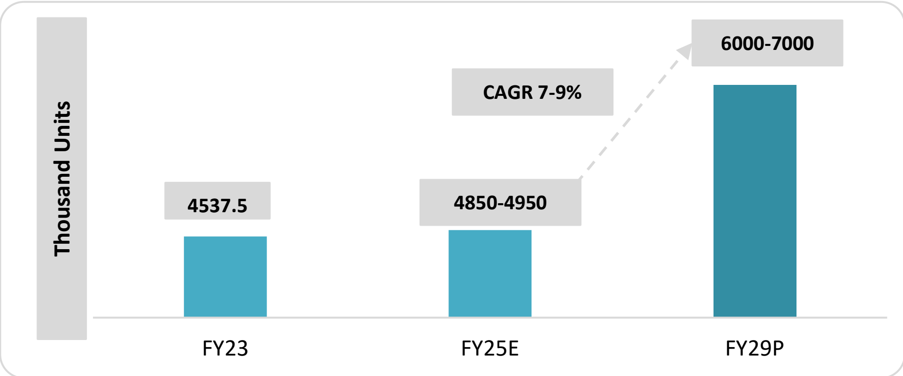
Source: SIAM, CRISIL MI&A

PV Exports Outlook for India

India's passenger vehicle exports are expected to grow by 3.1% in FY25, with a CAGR of 7–9% projected between FY24 and FY29, driven by economic growth in key regions and OEM efforts to position India as an export hub. Initially focused on compact cars, India has shifted towards exporting SUVs and premium sedans over the past 5–6 years, with popular models like the Hyundai Creta, Maruti Suzuki Grand Vitara, and Volkswagen Virtus gaining traction in global markets.

OEMs are expanding production to cater to regions like Africa, the Middle East, and Asia. Policies such as the Production-Linked Incentive (PLI) scheme are boosting EV exports. Trade agreements with the UAE, Australia, and negotiations with the UK and EU further support India's push to become a key player in the global auto market.

Passenger Vehicle Exports Outlook



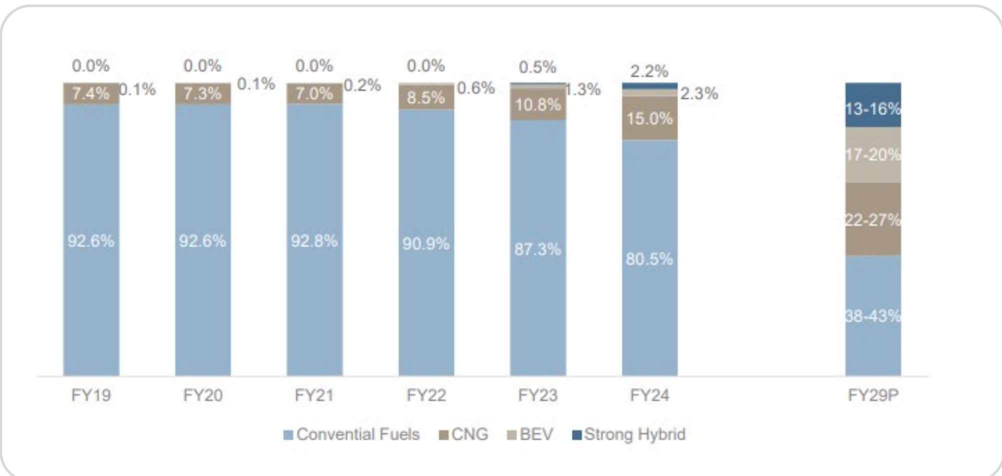
Source: CRISIL MI&A

Powertrains Outlook for India

The Indian passenger vehicle market is transitioning rapidly towards alternative powertrains. Over the last 2–3 years, CNG powertrain sales have doubled to 15%, while EVs and strong hybrids have gained traction, contributing 2.3% and 2.2%, respectively. CRISIL MI&A predicts a continued shift to alternative fuels, with declining reliance on conventional fuels.

EV adoption is accelerating due to increased launches, better infrastructure, and government support. By FY29, EV penetration is expected to reach 17–20% (1 million units), supported by a projected 58–63% CAGR in charging infrastructure. New EV models and the entry of global players like Tesla and VinFast will enhance growth. Strong hybrids, led by models from Maruti Suzuki, Toyota, and Honda, have captured 2% of the market and are expected to grow to 13–16% by FY29. Improved fuel efficiency, reduced emissions, and expanding hybrid lineups will drive demand, providing a bridge to full electrification

Powertrain wise Outlook of the Industry

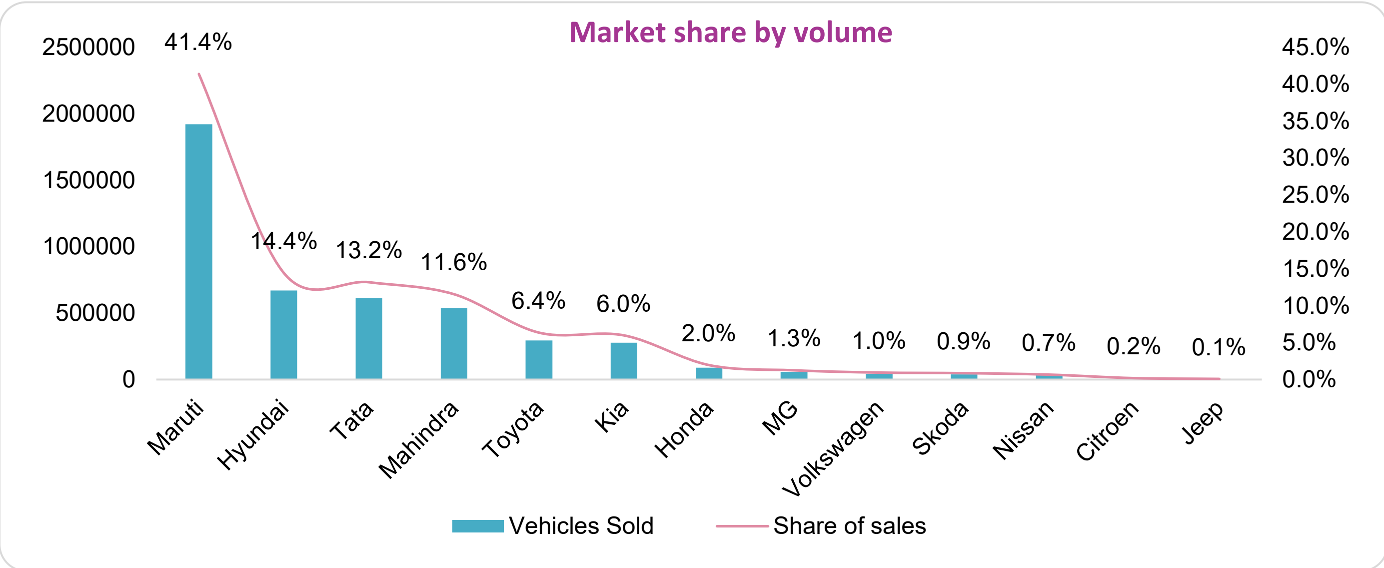


Source: VAAHAN, CRISIL MI&A

Peer Analysis

Market Share Analysis

Owing to the launches of several new models – especially new SUVs, new powertrains, and advanced features - the passenger vehicle industry has seen a shift in market share dynamics in the past few years. The share of Maruti Suzuki reduced from 51.2% in fiscal 2019 to 42.9% in FY24. However, their recent launches like Grand Vitara, XL6, Fronx, Invicto and continued traction for Ertiga & Brezza helped Maruti Suzuki regain some lost ground during FY24. Hyundai Motor India has maintained its share between 15%-18% over the fiscal FY19 to FY23, with market share for current FY24 being 15%. The market share of Tata Motors rose from ~7% in fiscal 2019 to 11.3% in FY24, led by increased demand for the SUV models of Nexon and Punch.



Source: Company reports and FADA data from Aug-23 to Aug-24

Current Sales and Service Touchpoints for Major OEMs in India

Maruti Suzuki leads in customer reach with over 7,800 touchpoints, significantly surpassing other OEMs, indicating its strong network and accessibility across India. Hyundai Motor India and Tata Motors follow, with 2,850+ and 2,250+ touchpoints, respectively, showcasing their growing presence. Kia Motors, Toyota Kirloskar, and Honda Cars India have relatively fewer touchpoints, reflecting a smaller but focused network. OEMs like Volkswagen and Nissan have limited touchpoints, suggesting a more niche or localized presence. The data highlights the variations in service and sales networks among OEMs, with larger networks potentially translating to higher brand accessibility and customer convenience.

Current Sales and Service Touchpoints

<table>
<tr><th></th><th colspan="3">Touchpoints</th></tr>
<tr><th>OEM</th><th>Sales Touchpoints</th><th>Service Touchpoints</th><th>Total Customer Touchpoints</th></tr>
<tr><td>Maruti Suzuki</td><td>3,250+</td><td>4,560+</td><td>7,800+</td></tr>
<tr><td>Hyundai Motor India</td><td>1,350+</td><td>1,500+</td><td>2,850+</td></tr>
<tr><td>Tata Motors</td><td>1,400+</td><td>850+</td><td>2,250+</td></tr>
<tr><td>Mahindra & Mahindra</td><td>1,250+</td><td>600+</td><td>1,850+</td></tr>
<tr><td>Kia Motors India</td><td colspan="2">520+</td><td>520+</td></tr>
<tr><td>Toyota Kirloskar Motor</td><td colspan="2">600+</td><td>600+</td></tr>
<tr><td>Honda Cars India</td><td colspan="2">400+</td><td>400+</td></tr>
<tr><td>SkodaAuto India</td><td colspan="2">250+</td><td>250+</td></tr>
<tr><td>MG Motor India</td><td colspan="2">350+</td><td>350+</td></tr>
<tr><td>Renault India</td><td>450+</td><td>530+</td><td>980+</td></tr>
<tr><td>Volkswagen India</td><td>190+</td><td>130+</td><td>320+</td></tr>
<tr><td>Nissan Motor India</td><td colspan="2">250+</td><td>250+</td></tr>
</table>

Source: Company Reports, CRISIL MI&A

Valuations

Amount in INR Crores	Revenue			EBITDA Margin			PAT Margin		
	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23
Maruti	**70372**	**88330**	**118410**	**7.6%**	**6.5%**	**11.1%**	**6.2%**	**4.4%**	**7.0%**
Tata Motors	249,795	278,454	345,967	24.2%	19.0%	19.1%	-5.4%	-4.1%	0.8%
Mahindra and Mahindra	74,278	90,171	121,269	19.12%	16.73%	17.16%	2.0%	8.0%	9.4%
Hyundai Motor India	40364	46461	59103	10.5%	11.8%	12.8%	4.7%	6.2%	8.0%

Amount in INR Crores	Revenue			EBITDA Margin			PAT Margin		
	FY24	CAGR 19-24	CAGR 24-26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
Maruti	**141858**	**10.5%**	**6.9%**	**13.1%**	**13.7%**	**14.4%**	**9.5%**	**9.2%**	**9.5%**
Tata Motors	437928	8.0%	8.9%	13.6%	13.5%	12.5%	13.6%	13.5%	12.5%
Mahindra and Mahindra	139,078	17.0%		18.8%			8.8%		
Hyundai Motor India	68590	10.1%	6.7%	13.3%	13.0%	13.2%	8.8%	8.0%	8.2%

Amount in INR Crores	EBITDA			PAT		
	FY24	FY25E	FY26E	FY24	FY25E	FY26E
Maruti	**18526**	**20304**	**23282**	**13,488**	**13605**	**15434**
Tata Motors	59610	64355	64778	31,807	20383	20907
Mahindra and Mahindra	12919	16546	20651	10971	12165	15027
Hyundai Motor India	9133	9211	10337	6060	5657	6436

Amount in INR Crores	Price	Mcap	PE			EV/EBITDA			ROE	Debt	Cash
			FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY24	FY24
Maruti	**10,993**	**348,484**	**29.4**	**25.6**	**22.6**	**21.2**	**17.1**	**14.8**	**16.8%**	**118.6**	**2827.4**
Tata Motors	769	2,83,160	13.50	18.5	18.2	7.1	6.3	6.1	50.3%	134113	31,807
Mahindra and Mahindra	2,821	3,50,831	31.7	28.6	26.75	26.0	19.9	15.7	22.9%	108647	12,013
Hyundai Motor India	1,766	1,43,474		25.4	22.5		14.8	13.2	39.4%	832	8,658

Source: Company Reports, ACMIIL Retail Research

Story in Charts (Values in Cr.)

Exhibit 1: Sales

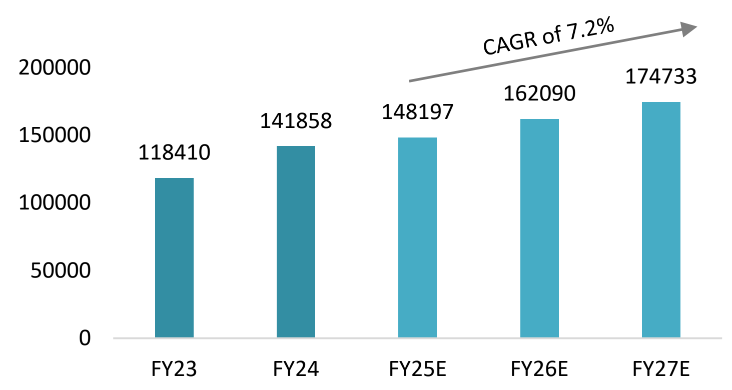


Exhibit 2: EBITDA & EBITDA Margin

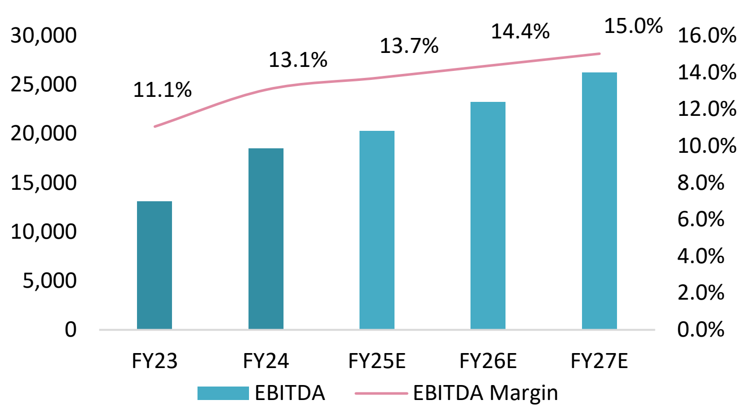


Exhibit 3: PAT & PAT Margin

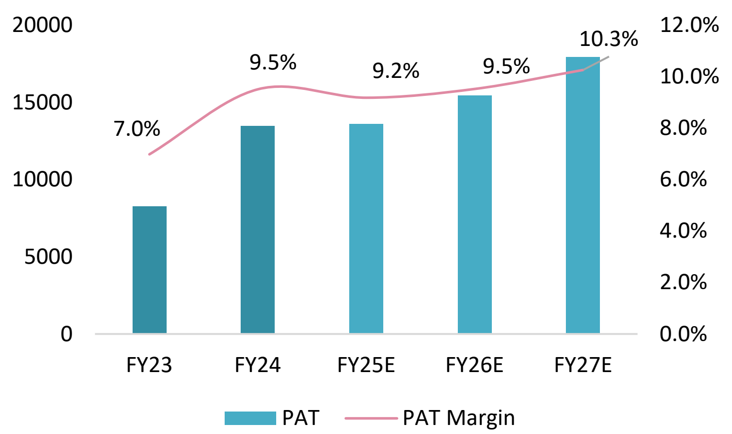


Exhibit 4: Revenue mix Geography Wise

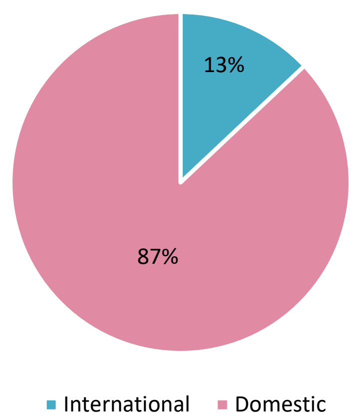
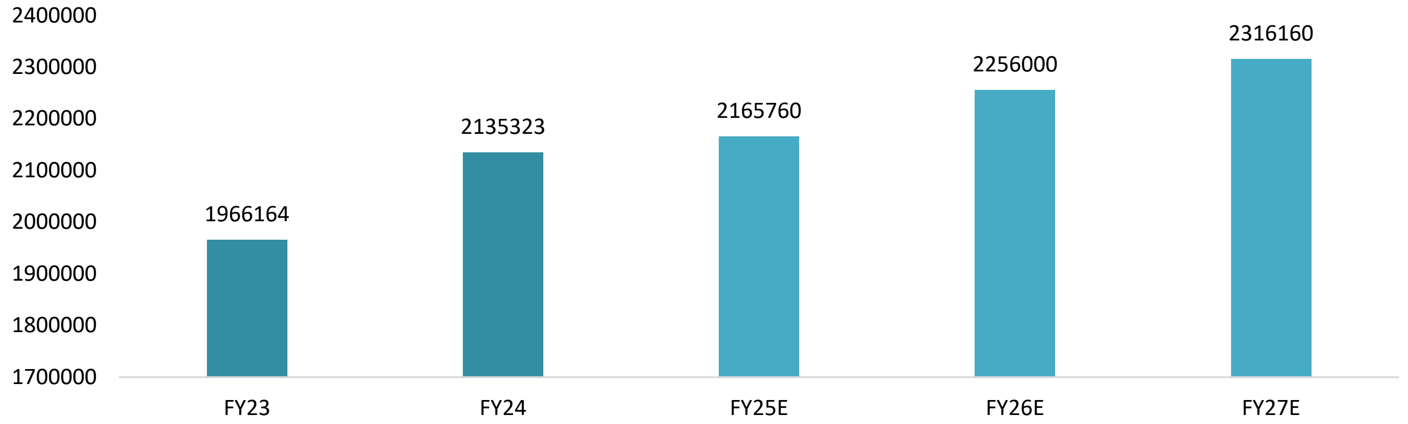


Exhibit 5: Vehicles Sold (In Numbers)



Source: Company Reports, ACMIIL Retail Research

Financial Statements

Condensed Profit and Loss Statement (Consolidated)

Amount in INR Crores	FY23	FY24	FY25E	FY26E	FY27E
Revenue from operations	**118410**	**141858**	**148197**	**162090**	**174733**
Cost of Goods Sold	85486	99741	103186	111785	119356
Employee benefits expenses	5309	6302	6669	7294	7863
Other expenses	14677	17550	18334	20053	21617
Vehicles/dies for own use	157	261	296	324	349
Other income	2265	4094	2821	3073	3292
Finance costs	252	194	200	208	216
Depreciation and amortisation expenses	4846	5256	5520	6390	6346
Share of profit of associates	156	226	153	162	166
Share of profit of joint ventures	22	28	19	19	18
Profit Before Tax	10438	17425	17576	19938	23160
Effective Tax	2175	3936	3971	4504	5232
Net Profit	**8264**	**13488**	**13605**	**15434**	**17928**

Source: Company Reports, ACMIIL Retail Research

Ratio Analysis

Amount in INR Crores	FY23	FY24	FY25E	FY26E	FY27E
EV/EBITDA	19.0	21.2	17.1	14.8	13.1
Price to FCFF	87.6	51.8	56.8	37.5	39.0
PE	30.3	29.4	25.6	22.6	19.4
PB	3.4	4.6	3.7	3.4	3.2
ROE	12.7%	16.8%	15.1%	15.7%	17.2%
ROA	9.4%	12.5%	11.5%	12.4%	13.5%
ROCE	10.6%	14.8%	15.1%	16.2%	18.0%
Interest Coverage Ratio	32.7	68.5	73.8	81.2	92.2
Asset Coverage Ratio	62.5	747.9	630.0	673.1	714.0
Basic EPS	273.5	429.0	432.7	490.9	570.2
FCFF	2858.5	7645.8	6137.4	9287.9	8924.9
Total Debt	1247.6	118.6	154.2	154.2	154.2
Cash & Cash Equivalents	2748.5	2827.4	2202.8	4358.7	5513.7
Net Debt	-1500.9	-2708.8	-2048.6	-4204.6	-5359.5
Debt/Equity	0.0	0.0	0.0	0.0	0.0
Debt/EBITDA	0.1	0.0	0.0	0.0	0.0
Net Debt/ EBITDA	-0.1	-0.1	-0.1	-0.2	-0.2

Source: Company Reports, ACMIIL Retail Research

Condensed Cash Flow Statement (Consolidated)

Amount in INR Crores	FY23	FY24	FY25E	FY26E	FY27E
CASH FROM OPERATING ACTIVIITES					
Profit Before Tax	**10438**	**17425**	**17576**	**19938**	**23160**
Adjustment	2738	1252	2829	3608	3531
Changes In working Capital	-97	1722	-665	782	-1176
Cash Flow after changes in Working Capital	13079	20398	19741	24328	25515
Tax Paid	-2265	-3597	-3971	-4504	-5232
Cash From Operating Activities	**10815**	**16801**	**15770**	**19824**	**20283**
Cash Flow from Investing Activities	**-8821**	**-11865**	**-12831**	**-14022**	**-15097**
Cash from Financing Activities	**-1214**	**-4062**	**-3396**	**-3646**	**-4030**
Closing Cash & Cash Equivalent	**1785**	**2660**	**2203**	**4359**	**5514**

Source: Company Reports, ACMIIL Retail Research

Condensed Balance Sheet (Consolidated)

Amount in INR Crores	FY23	FY24	FY25E	FY26E	FY27E
ASSETS					
Non-current assets					
Net Block	62997	35600	40254	39996	39744
Financial assets	49424	53682	59381	64971	70041
Non-current tax assets net	606	584	325	397	447
Deferred tax assets net	279	47	0	0	0
Other non-current assets	2323	2805	2139	2302	2332
Total non-current assets	**84716**	**92717**	**102099**	**107666**	**112564**
Current assets					
Inventories	5444	5318	4859	6166	5606
Investments	0	3912	3416	3457	3259
Trade receivables	3285	4597	3524	5358	4216
Cash and cash equivalents	2749	2827	2203	4359	5514
Financial Assets	2632	3451	1647	2152	2357
Current tax assets (net)	0	0	0	0	0
Other current assets	1560	2508	1309	1508	1626
Assets classified as held for sale	0	20	0	0	0
Total current assets	**15669**	**22634**	**16957**	**23000**	**22577**
Total Assets	**100385**	**115351**	**119056**	**130666**	**135141**
EQUITY AND LIABILITIES					
Total Equity	**74600**	**85636**	**94890**	**101142**	**107358**
LIABILITIES					
Non-current liabilities					
Lease liabilities	25	68	108	108	108
Provisions	88	145	68	83	88
Deferred tax liabilities net	321	389	433	554	547
Other non-current liabilities	2585	3162	2257	2473	2528
Total non-current liabilities	**3019**	**3763**	**2866**	**3218**	**3270**
Current liabilities					
Borrowings	1216	33	23	23	23
Lease liabilities	7	18	23	23	23
Trade payables	13676	16988	15240	19674	17604
Other financial liabilities	2290	2224	1642	1740	1778
Other current liabilities	3337	4174	2599	2890	3048
Provisions	1083	1312	838	932	970
Current tax liabilities net	1158	1203	936	1023	1067
Total current liabilities	**22767**	**25952**	**21300**	**26306**	**24513**
Total liabilities	**25785**	**29715**	**24166**	**29524**	**27783**
Total Equity and Liabilities	**100385**	**115351**	**119056**	**130666**	**135141**

Source: Company Reports, ACMIIL Retail Research

Risks and concerns

- Impact of rising commodity prices on production costs.
- Economic Slowdown and Geopolitical tensions
- Sector specific concentration risk.
- Delays in strategic project execution and implementation.

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