

July 30, 2025

RESULT REPORT Q1 FY26 | Sector: Automobile

Mahindra & Mahindra Ltd

In-line operational performance

ICE momentum to continue; BEVs to see ramp-up with new launches

EBITDA in-line; PAT beat on lower D&A – M&M (MM) 1QFY26 operating performance in-line to our/street estimates while beat at Adj.PAT by 17%/11%, led by lower depreciation. S/A revenues grew 26.1% YoY at Rs340.8b as volumes grew 14.5% YoY/+11.8% QoQ to 381.3k units and blended ASP grew 10.1% YoY (-2.8% QoQ) at ~Rs893.8k/unit (est Rs891.6k/unit). Farm ASP grew 2.2% YoY (-6.2% QoQ) at ~Rs685.1k/unit while Auto ASP came in at Rs1.23m/unit (est Rs1.23m/unit).

Segmental performance healthy – 1) **Auto** - reported margins at 8.9% (-60bp YoY) and including BEVs the same came in at 8.9%. 2) **Farm equipment segment's (FES)** EBIT margin stood at ~19.8% (+130bp YoY) whereas core tractor EBIT margins expanded 100bp YoY at 20.7% in 1QFY26 (vs 20.8% in 4Q/ 19.7% in FY25). FES EBIT growth muted at ~6% YoY led by impairment for Sampo (harvester business), ex of this EBIT growth could have been +18%. Don't expect it to continue ahead.

FES continuing growth momentum with highest market share in 1QFY26 – MM continues to gain market share in the domestic tractor segment with 1QFY26 market share at 45.2% (vs 44.7% YoY and ~43.3% in FY25). However, we expect market share gains will now be gradual in FY26, as new launches impact in the lightweight tractor category (OJA and Swaraj), to normalize and competitive launches by rivals recently. We have assumed the tractor industry to grow 5-7% growth while MM's FES vols to grow ~8% in FY26E. Progressively from 2QFY26E, auto EBITM to be diluted bit higher (80bp in 4Q/ 110bp in 1QFY26) with normalization of product mix. However, on the ICE front, new name plate launch will be key to watch for, we expect outperformance shall continue.

Auto growth guidance maintained for FY26 – Company maintained its mid-to-high teens growth outlook for FY26, driven by new launches and strong rural sentiment, while urban demand remains weak. Rate cuts, monsoon, and upcoming festive season is expected to support sentiments. Capacity expansion for the new platform is planned at Chakan, with greenfield options under evaluation for future growth. Exports of 3XO are gaining traction, especially in South Africa and Australia, with a target of 1k units/month. In the farm segment, growth remains steady across both brands.

View and Valuations – We have largely maintained FY26/27 EPS as we expect auto business to continue lead the growth in the near-term while continuing FES momentum would drive revenue/EBITDA/PAT CAGR to 10-11% over FY25-27E. Implied core P/E for MM stands at 25.8x/24.4x FY26/FY27E EPS is yet attractive. With recent outperformance and growth levers largely played out, we see limited upside while retaining BUY with SOTP based TP at Rs3,726 (vs Rs3,516) on Mar'27 EPS. Key near term margins risks are product mix impact of pack 1 and 2 BEVs (from 2QFY26). MM stays as one of our top OEM pick along with HYUNDAI, TVSL and EIM.

Exhibit 1: Actual vs estimates

Rs mn	Actual	Estimate		% variation		Remarks
		YES Sec	Consensus	YES Sec	Consensus	
Sales	340,832	340,058	339,800	0.2	0.3	EBITDA in-line while PAT beat led by lower D&A.
EBITDA	48,840	48,844	49,350	(0.0)	(1.0)	
EBITDA margins %	14.3	14.4	14.5	0bp	-20bp	
Adjusted PAT	34,498	29,581	31,009	16.6	11.3	

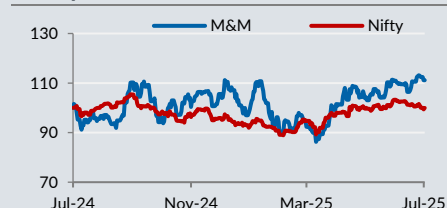
Source: Company, YES Sec

Reco	: BUY
Current Price	: Rs 3,205
Target Price	: Rs 3,726
Potential Return	: +16.2%

Stock data (as on Jul 30, 2025)

Nifty	24,461
52 Week h/l (Rs)	3,303 / 2,425
Market cap (Rs/USD mn)	3,838,342 / 43,744
Outstanding Shares (mn)	1,200
6m Avg t/o (Rs mn):	8,456
Div yield (%):	0.8
Bloomberg code:	MM IN
NSE code:	M&M

Stock performance



	1M	3M	1Y
Absolute return	+0.8%	+9.6%	+9.8%

Shareholding pattern (As of Mar'25)

Promoter	18.4%
FII+DII	68.0%
Others	9.6%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	3,726	3,516

Δ in earnings estimates

	FY26E	FY27E
EPS (New)	114.6	121.4
EPS (Old)	114.6	119.9
% change	-	+1.4%

Financial Summary

INR bn	FY25	FY26E	FY27E
Sales	1,165	1,342	1,454
EBITDA	171	191	207
Adj. Profit	119	138	146
EPS (INR)	98.7	114.6	121.4
EPS Gr. (%)	11.3	16.1	5.9
BV/Sh. (INR)	513	600	692
RoE (%)	20.8	20.6	18.8
RoCE (%)	19.9	19.7	18.1
P/E (x)	32.5	28.0	26.4
P/BV (x)	6.2	5.3	4.6
EV/EBITDA (x)	21.2	19.0	17.5
Div. Yield (%)	0.8	0.9	0.9

DEEP SHAH

Lead Analyst

☎ +91 22 6992 2934 / 35 / 36



MEGHNA GUNDU, Associate

Exhibit 2: Quarterly snapshot

Y/E Mar (Rs mn)	Q1FY26	Q1FY25	YoY chg	Q4FY25	FY25	FY24	YoY chg
Net Revenues	340,832	270,388	26.1	313,534	1,164,837	990,977	17.5
Raw Materials	259,207	199,394	30.0	232,299	863,401	739,949	16.7
% of Net Sales	76.1%	73.7%		74.1%	74.1%	74.7%	
Personnel	13,017	11,753	10.7	12,686	48,815	44,632	9.4
% of Net Sales	3.8%	4.3%		4.0%	4.2%	4.5%	
Manufacturing & Other Exp	19,769	19,018	3.9	21,725	81,396	76,360	6.6
% of Net Sales	5.8%	7.0%		6.9%	7.0%	7.7%	
Total Expenditure	291,993	230,166	26.9	266,709	993,611	860,941	15.4
EBITDA	48,840	40,222	21.4	46,825	171,226	130,036	31.7
EBITDA Margin (%)	14.3%	14.9%	(0.5)	14.9%	14.7%	13.1%	
Depreciation	9,999	9,146	9.3	13,058	42,268	34,880	21.2
EBIT	38,841	31,076	25.0	33,768	128,958	95,156	35.5
Interest Expenses	559	529	5.7	810	2,505	1,405	78.3
Non-operating income	6,431	3,515	82.9	493	30,048	40,827	(26.4)
Extraordinary Income	0	0		0	0	0	NA
PBT	44,713	34,062	31.3	33,450	156,501	134,578	16.3
Tax-Total	10,214	7,936	28.7	9,079	37,952	28,155	34.8
Tax Rate (%) - Total	27.1%	23.3%		27.1%	24.3%	20.9%	
Reported PAT	34,498	26,126	32.0	24,371	118,550	106,423	11.4
Adj. PAT	34,498	26,126	32.0	24,371	118,550	106,423	11.4
PAT Margin	10.1%	9.7%		7.8%	10.2%	10.7%	

Source- Company, YES Sec

Exhibit 3: Key Operating Metrics

Y/e Mar (Rs mn)	Q1FY26	Q1FY25	YoY chg	Q4FY25	FY25	FY24	YoY chg
Sales Volume (nos)	381,338	333,017	14.5	341,046	1,365,756	1,203,325	13.5
Net Realisation/Vehicle	893,780	811,934	10.1	919,331	852,888	823,532	3.6
Material cost / vehicle	679,731	598,751	13.5	681,135	632,178	614,920	2.8
Gross Profit / vehicle	214,049	213,183	0.4	238,195	220,710	208,612	5.8
Employee cost /vehicle	34,134	35,294	(3.3)	37,197	35,742	37,090	(3.6)
Other expenses / vehicle	51,840	57,108	(9.2)	63,700	59,597	63,458	(6.1)
EBITDA/vehicle	128,075	120,781	6.0	137,299	125,371	108,064	16.0
Net Profit/vehicle	90,467	78,453	15.3	71,461	86,801	88,441	(1.9)

Source- Company, YES Sec

Exhibit 4: Segmental Data

Y/e Mar (Rs.mn)	Q1FY26	Q1FY25	YoY chg	Q4FY25	QoQ chg
Revenue					
Auto	249,488	189,471	31.7	249,757	(0.1)
Farm Equipment	91,864	81,442	12.8	64,284	42.9
Others	597	940	(36.4)	2,553	(76.6)
EBIT					
Auto	22,209	17,983	23.5	23,059	(3.7)
Farm Equipment	18,187	15,058	20.8	12,503	45.5
Others	(772)	1,018	(175.8)	(4,536)	(83.0)
EBIT Margin (%)					
Auto	8.9	9.5	(58.9)	9.2	(33.1)
Farm Equipment	19.8	18.5	130.8	19.4	34.8
Others	N/A	108.4	N/A	N/A	N/A

Source- Company, YES Sec

Exhibit 5: SOTP valuation

Particulars	FY26E	FY27E
Core EPS (excl. subsidiary dividend)	112.7	119.5
PE attributable (x)	26	26
Value of core business	2,931	3,108
Valuation of ePV business (@ 50% holdco)	325	325
Value of subsidiaries @ Hold Co discount	30	30
1. Tech Mahindra	216	216
2. M&M Financial Services	44	44
3. Mahindra Lifespaces	5	5
4. Mahindra Holidays	19	19
5. Mahindra Logistics	9	9
Target price	3,548	3,726

Source- Company, YES Sec

KEY CON-CALL HIGHLIGHTS

Auto

- **Outlook** – Mid-high teens growth guidance maintained for FY26, led by new launches
 - Rural sentiment is better while urban is weaker. Factors such as rate cuts, monsoon and festive should help improvement in overall sentiments.
- **Auto EBIT margins (excl. BEV) were at ~10% (vs 9.5% YoY and 8.9% reported), ~110bp implied dilution by BEVs**
 - **BEV EBITDA (MEAL+E SUV)** at Rs1.11b with margins at 3.6% in 1QFY26 (vs 1% in 4QFY25).
 - **MEAL EBITDA** at Rs900m with margins at 2.9% in 1QFY26 (vs 0.5% in 4QFY25).
 - **E SUV contract manufacturing EBITDA** at Rs210m with margins at 0.7% in 1QFY26 (vs 1% in 4QFY25).
 - **Profit improvement driver** – favorable product mix led by top end variant, able to leverage existing manufacturing assets of M&M helping fixed cost control.
 - **Haven't accrued PLI and not part of numbers.** Have qualified for XEV 9E (from DVA) expected by 2QFY26 or early 3QFY26. Will apply for BE6 PLI by 4QFY26.
- **BEV** - Customer profile - 80% of BEV buyers are new or ex customers of M&M.
 - BEV production ramped up to ~4k units currently and expect it to ramp-up to 5-6k by festive and additional thereafter with new launches expected by early CY26.
- **LCV <3.5t** market share at 54.2% in 1QFY26 (vs 52.3% in 4QFY25, 51.9% in 3QFY25, 52.3% in 2QFY25, 50.9% in 1QFY25, 49.7% in 2QFY24, 51.9% in FY25, 49% in FY24 and 45.5% in FY23).
- **Last mile mobility business**
 - EV 3W+PV volumes grew ~9.3% YoY at 25.1k units in 1Q (vs ~108.5k in FY25, ~66k in FY24, ~43.6k in FY23, ~16.9k in FY22).
 - **EV penetration in L5 category is at ~28% in 1QFY26** (vs 23.3% in 4Q, 24.9% in 3QFY25, ~20% in 2QFY25, ~19.5% in 1QFY25, ~22% in FY25, ~11.3% in FY24, ~11.6% in 9MFY24, ~10.5% in 2QFY24, ~7.2% 2QFY23).
- **Capacity expansion for new platform is to come within Chakan** and exploring greenfield but not yet decided on location as yet.
 - ICE capacity of ~55k (production at mid 40k).
- **Rare earth magnets** - comfortably covered for next 2-3 quarters and do not expect production disruptions. Actions such as substituting heavy with light and farehights for de-risking.
- **Thar Roxx have a decent booking pipeline and its higher for 4X4 variant.** Have been able to ramp up volumes to reduce waiting period. Consuming full capacity between Thar 3 door and Roxx.
- **Exports** - 3XO have done well in SA and initial positive feedback from Australia. Expect 3XO exports run rate of 1k units per month. M&M is fastest growing brand in SA.
- **Classic Legends** - Channel is getting geared up for new product launches.

Farm segment

- **Outlook** – The growth momentum continues with both the brands doing well.
- **Core tractor EBIT margins expanded 100bp YoY at 20.7% in 1QFY26 (vs 20.8% in 4Q/ 19.7% in FY25, 17.7% in FY24, 17.4% in FY23 and 19.8% in FY19).**
 - EBIT growth muted at ~6% YoY impacted by impairment for Sampo (harvester business), ex of this EBIT growth could have been +18%. Don't expect it to continue ahead.
 - **Quarterly trend** - 20.8%/19.5%/18.7%/19.7%/17.7%/16.9%/17.5%/18.6%/17.9%/16.9% in 4QFY25/3QFY25/2QFY25/1QFY25/4QFY24/3QFY24/2QFY24/ 1QFY24/4QFY23/1QFY23).
- **FES market share expanded 50bp YoY 45.2%** (vs 41.2% in 4QFY25, 43.9% in 3QFY25, 42.5% in 2QFY25, 44.7% in 1QFY25, 41.6% in 4QFY24, 41.6% in 2QFY24). FY25 market share at 43.3% (vs 1H FY25 market share at 43.7% and 41.6% in FY24).
 - Market share gains is led product strategies such as - 1) Swaraj portfolio as new launches in 20-30HP, few other HP gaps is addressed. 2) OJHA and Yuvo tech also helped market share gains. 3) South market share is also coming back which is helping overall.
- **Farm machinery revenues grew 17% YoY Rs3.09b** (vs Rs2.57b in 4QFY25, Rs2.49b in 3QFY25, Rs2.53b in 2QFY25, Rs2.65b in 1QFY25. Co is second largest player in India today.
 - FY25 revenues grew ~18% at Rs10.24b (vs Rs8.66b in FY24 and Rs6.54b in FY23).
 - Rotavator market share at 25.2% in 1QFY26.
 - **Have moderated growth aspirations for the segment**, with focus on strengthening product pipeline. Harvester market share at ~5% currently and would build further

Financials

- **RM** – Steel prices have gone up by ~6% QoQ, have mitigated by slight price hikes, hedging and inventory management. Certain precious metals too have seen some inflation recently.
- **Depreciation run rate is back to normal (vs spike seen in 4QFY25).** Expect some increase as the capitalization take place

ANALYST VIEW & INVESTMENT THESIS

Improving agri sentiments augur well for tractor volumes – Our extensive checks show improved farm sentiments in key regions. This is led by favorable monsoon, improved sowing YoY, and better realization for cash crops. MM has gained ~40bp share in FY24 to 41.6% and further increased it to ~43.3% in FY25. We have assumed the tractor industry to grow 5-7% growth while MM's FES vols to grow ~8% in FY26E. We expect it will be able to maintain most market share gains, led by new product launches across HP category (OJA and Swaraj).

SUVs: Healthy launch reception and pipeline to drive market share gains - We think aggregate Thar portfolio volumes will increase to 8-9k units/month on steady basis (vs Thar 3 door average TTM volumes of ~3.5k units). We consider >50% cannibalization with Thar 3 door. Strong order backlog and new launches should help MM to continue industry outperformance even in FY26 with ~14.4% volume CAGR in passenger UVs over FY25-27E.

EV transition strategy in place, CAFÉ impact critical to watch for - MM has articulated a clear roadmap for EV transition. Under the VW partnership, VW will supply components of MEB platform to MM's INGLO platform, on which MM have launched five all-electric SUVs in India beginning Dec'24. MM has lined up investments of Rs120b in EVs over the next three years. It expects EVs to contribute 20-30% of its mix in five years. The exact CAFÉ impact however would need to be studied.

Valuations attractive - We estimate MM to post revenue/EBITDA/PAT CAGR of ~11.7%/10%/10.9% over FY25-27E. The implied core P/E for MM stands at 25.8x/24.4x FY26E/FY27E EPS. **BUY**.

Exhibit 6: Key monitorable

What to Watch	Why it Matters	Timeline
New product launch	Industry outperformance	6-12 months
Monsoon spread	Most of the portfolio is rural skewed	Immediate
RM inflation especially steel	Key RM that has high sensitivity to GMs	Immediate

Source: Company, YES Sec

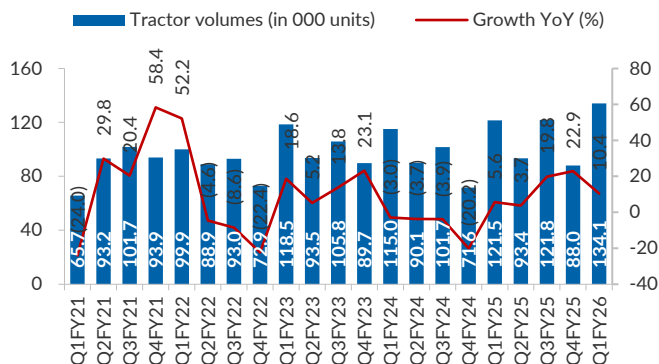
Exhibit 7: Valuation and key ratios

Valuation (x)	FY25	FY26E	FY27E	Average (10y LPA)
P/E	33.1	28.4	26.8	18.9
P/B	6.2	5.3	4.6	2.9
EV/EBITDA	21.2	19.0	17.5	28.5
EV/Sales	3.1	2.7	2.5	4.5
RoCE (%)	19.9	19.7	18.1	17.3

Source: Company, YES Sec

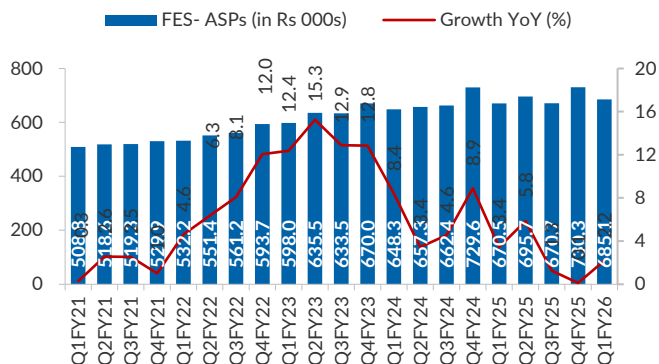
CHARTS

Exhibit 8: FES volumes grew ~10.4% YoY to 134.1k units



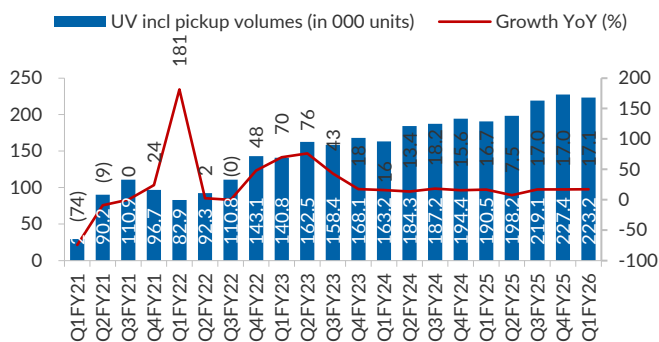
Source: Company, YES Sec

Exhibit 9: ASP grew by 2.2% YoY at Rs685.1k/unit



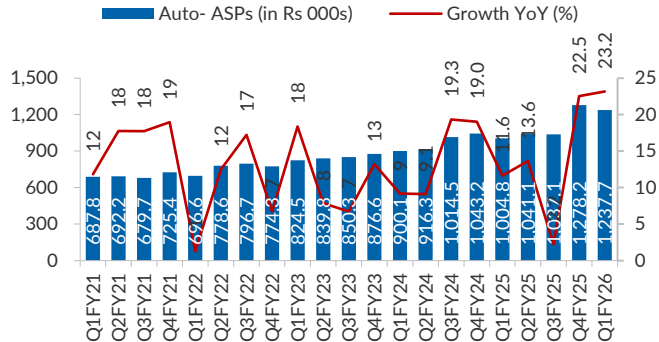
Source: Company, YES Sec

Exhibit 10: Auto vols (incl. LMM) grew 17% YoY



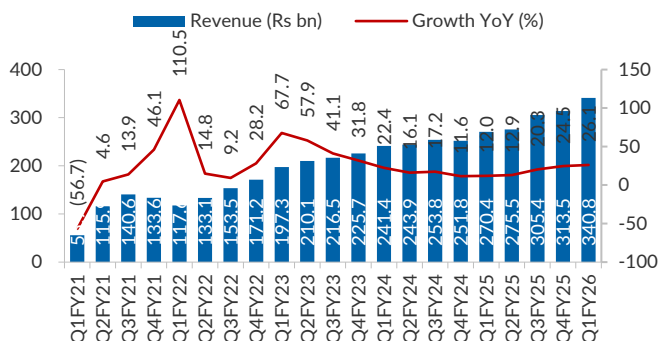
Source: Company, YES Sec

Exhibit 11: ...& ASP grew by 23.4% YoY at Rs1.2m/unit



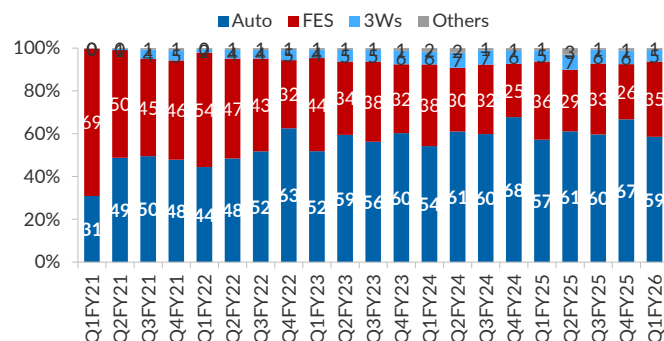
Source: Company, YES Sec

Exhibit 12: S/A revenue grew 26.1% YoY at Rs340.8b



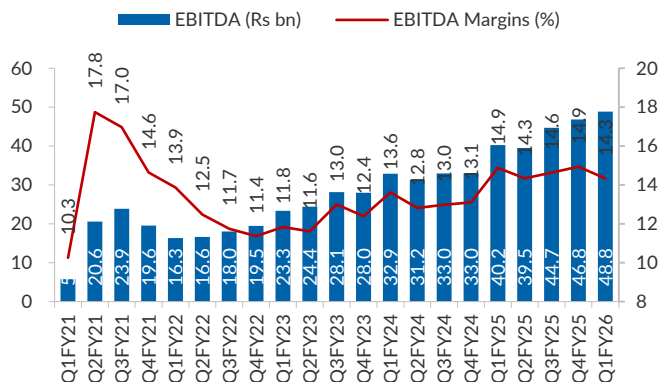
Source: Company, YES Sec

Exhibit 13: Tractor volume mix remained flat YoY



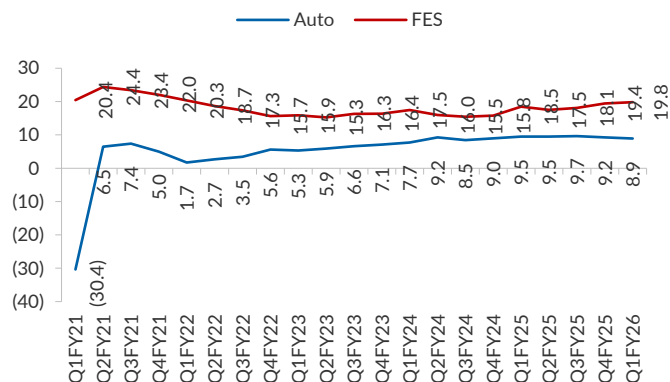
Source: Company, YES Sec

Exhibit 14: Margins contracted ~60bp YoY at 14.3%



Source: Company, YES Sec

Exhibit 15: Segmental EBIT margin trend of Auto/FES



Source: Company, YES Sec

FINANCIALS

Exhibit 16: Balance Sheet

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Share Capital	5,983	5,991	5,996	6,004	6,004	6,004
Reserves	383,627	427,577	516,916	609,847	714,684	825,305
Net Worth	389,610	433,568	522,912	615,851	720,688	831,309
Deferred tax	17,008	14,703	15,631	16,629	16,795	16,963
Loans	67,336	50,255	20,507	16,818	15,018	13,218
Capital Employed	473,953	498,526	559,050	649,298	752,501	861,490
Application of Funds						
Gross Fixed Assets	308,460	362,150	402,075	435,527	494,573	604,573
Less: Depreciation	162,974	192,388	224,029	239,014	279,008	326,271
Net Fixed Assets	145,487	169,762	178,046	196,513	215,565	278,301
Capital WIP	50,182	27,846	37,630	39,046	90,000	90,000
Investments	251,098	270,871	292,071	354,681	358,566	373,346
Curr.Assets, L & Adv.	224,537	289,319	329,339	406,250	443,131	495,676
Inventory	58,829	88,814	97,180	103,333	119,092	159,307
Sundry Debtors	30,351	40,417	45,679	57,256	65,987	71,453
Cash & Bank Bal.	36,505	44,818	56,645	107,906	114,777	125,227
Loans & Advances	28,057	23,544	24,721	35,956	40,458	35,844
Others	70,795	91,727	105,114	101,799	102,817	103,845
Current Liab. & Prov.	197,350	259,273	278,036	347,191	354,761	375,833
Sundry Creditors	128,935	171,456	185,902	234,058	239,071	258,873
Other Liabilities	54,752	69,677	73,353	90,445	89,540	88,645
Provisions	13,663	18,139	18,781	22,689	26,149	28,315
Net Current Assets	27,187	30,047	51,303	59,058	88,370	119,843
Application of Funds	473,953	498,525	559,050	649,298	752,501	861,490

Source: Company, YES Sec

Exhibit 17: Income statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Net Op. Income	577,869	849,603	990,977	1,164,837	1,342,477	1,453,672
Change (%)	29.5	47.0	16.6	17.5	15.3	8.3
Total Expenditure	507,595	745,179	859,523	993,611	1,151,424	1,246,645
% of sales	87.8	87.7	86.7	85.3	85.8	85.8
EBITDA	70,275	104,424	131,454	171,226	191,053	207,027
Margins (%)	12.2	12.3	13.3	14.7	14.2	14.2
Depreciation	24,984	31,545	34,880	42,268	39,994	47,263
EBIT	45,291	72,879	96,574	128,958	151,059	159,764
Int. & Finance Charges	2,262	2,728	1,405	2,505	637	565
Other Income	20,538	25,452	39,409	30,048	23,778	25,363
Non-recurring Income	(2,087)	(14,295)	-	-	0	0
Profit before Tax	61,480	81,308	134,578	156,501	174,200	184,562
Tax	12,781	15,821	28,155	37,952	36,582	38,758
Eff. Tax Rate (%)	20.8	19.5	20.9	24.3	21.0	21.0
Profit after Tax	48,699	65,486	106,423	118,550	137,618	145,804
Adj. Profit after Tax	50,352	77,000	106,423	118,550	137,618	145,804
Change (%)	46.8	52.9	38.2	11.4	16.1	5.9

Source: Company, YES Sec

Exhibit 18: Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
OP/(Loss) before Tax	64,441	95,603	134,578	156,501	151,059	159,764
Int./Dividends Received	(17,438)	(19,881)	(23,040)	(29,715)	23,778	25,363
Depreciation & Amort.	24,511	31,545	34,880	42,268	39,994	47,263
Direct Taxes Paid	(5,981)	(19,380)	(29,005)	(35,415)	(36,416)	(38,590)
(Inc)/Dec in Wkg. Capital	4,967	3,871	8,835	26,023	(22,441)	(21,022)
Other Items	3,220	(466)	(11,512)	6,511	-	-
CF from Oper. Activity	73,720	91,293	114,736	166,172	155,975	172,778
Extra-ordinary Items	(2,783)	-	-	-	-	-
CF after EO Items	70,937	91,293	114,736	166,172	155,975	172,778
(Inc)/Dec in FA+CWIP	(31,859)	(34,313)	(48,457)	(46,489)	(110,000)	(110,000)
Free Cash Flow	41,861	56,980	66,280	119,683	45,975	62,778
(Pur)/Sale of Invest.	(11,730)	(13,222)	(5,384)	(92,251)	(3,886)	(14,780)
CF from Inv. Activity	(43,589)	(47,535)	(53,840)	(138,740)	(113,886)	(124,780)
Change in Net Worth	-	83	-	-	(0)	0
Inc/(Dec) in Debt	(13,168)	(19,752)	(32,235)	(6,171)	(1,800)	(1,800)
Interest Paid	(4,793)	(3,810)	(3,018)	(1,181)	(2,570)	(2,498)
Dividends Paid	(10,891)	(14,359)	(20,213)	(26,196)	(32,781)	(35,183)
CF from Fin. Activity	(28,852)	(37,838)	(55,466)	(33,548)	(37,151)	(39,481)
Inc/(Dec) in Cash	(1,504)	5,921	5,430	(6,117)	4,938	8,517
Add: Beginning Balance	8,676	7,180	13,330	18,761	107,906	114,777
Closing Balance	7,172	13,101	18,760	12,644	112,844	123,294

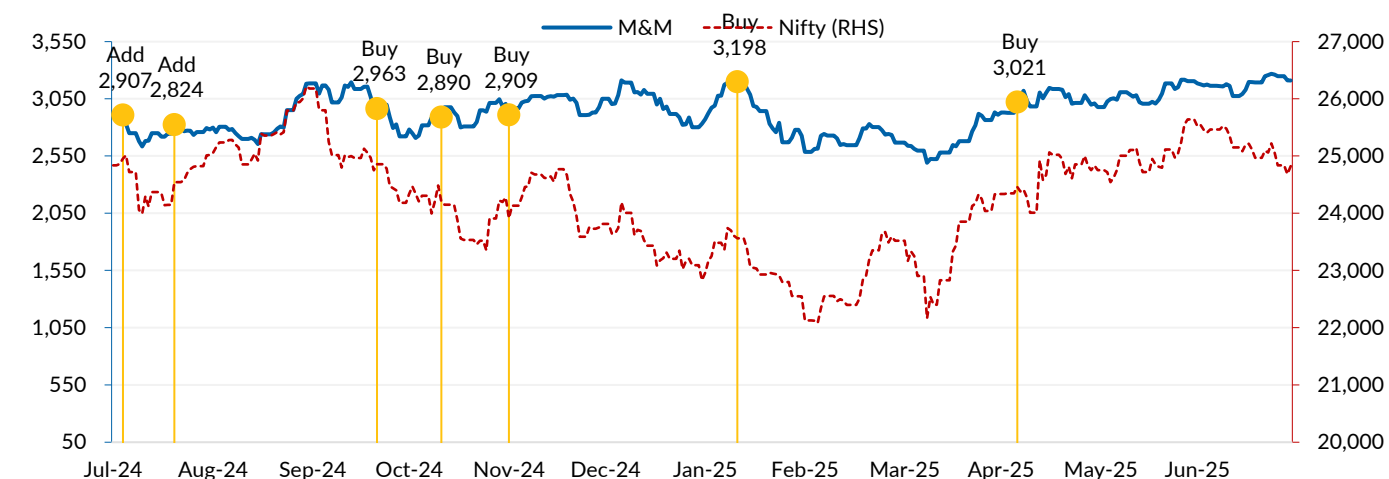
Source- Company, YES Sec

Exhibit 19: Growth and Ratio matrix

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E
Basic (INR)						
Fully diluted EPS	42.1	64.3	88.7	98.7	114.6	121.4
Cash EPS	63.0	90.6	117.8	133.9	147.9	160.8
Book Value per Share	325.6	361.9	436.0	512.9	600.2	692.3
Dividend per share	11.6	16.3	21.1	25.3	27.3	29.3
Payout (Incl. Div. Tax) %	28.4	29.7	23.8	25.6	23.8	24.1
Valuation (x)						
P/E	79.2	49.5	36.9	33.1	28.4	26.8
Cash P/E	50.9	35.4	27.2	23.9	21.7	19.9
EV/EBITDA	53.9	35.9	28.3	21.2	19.0	17.5
EV/Sales	6.6	4.4	3.8	3.1	2.7	2.5
Price to Book Value	9.8	8.9	7.4	6.2	5.3	4.6
Dividend Yield (%)	0.4	0.5	0.7	0.8	0.9	0.9
Profitability Ratios (%)						
RoE	13.6	18.7	22.3	20.8	20.6	18.8
RoCE	11.4	16.3	20.3	19.9	19.7	18.1
ROIC	30.5	40.3	46.6	61.0	70.9	54.6
Turnover Ratios						
Debtors (Days)	19.2	17.4	16.8	17.9	17.9	17.9
Inventory (Days)	37.2	38.2	35.8	32.4	32.4	40.0
Creditors (Days)	81.4	73.7	68.5	73.3	65.0	65.0
Working Capital (Days)	17.2	12.9	18.9	18.5	24.0	30.1
Asset Turnover (x)	1.2	1.7	1.8	1.8	1.8	1.7
Growth (%)						
Sales	29.5	47.0	16.6	17.5	15.3	8.3
Operating Profit	12.2	12.3	13.3	14.7	14.2	14.2
Net Profit	46.8	52.9	38.2	11.4	16.1	5.9
EPS	46.6	52.7	38.1	11.3	16.1	5.9
Leverage Ratio						
Debt/Equity (x)	0.2	0.1	0.0	0.0	0.0	0.0

Source- Company, YES Sec

Recommendation Tracker



Source: YES Sec

STANDARD DISCLAIMER:

YES Securities (India) Limited, Registered Address: 2nd Floor, North Side, YES BANK House, Off Western Express Highway, Santacruz East, Mumbai - 400055. Maharashtra, India | **Correspondence Add:** 7th Floor, Urmi Estate Tower A, Ganpatrao Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West), Mumbai - 400 013, Maharashtra, India. | Website: www.yesinvest.in | Email: customer.service@ysil.in

Registration Nos.: CIN: U74992MH2013PLC240971 | SEBI Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL & NSDL: IN-DP-653-2021 | RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER: INA000007331 | Sponsor and Investment Manager to YSL Alternates Alpha Plus Fund (Cat III AIF) and YES Wealth Maximiser AIF (Cat III AIF) SEBI Registration No.: IN/AIF3/20- 21/0818 | AMFI ARN Code - 94338

Details of Compliance Officer: Aditya Goenka | Email: compliance@ysil.in / Contact No.: 022-65078127 | **Grievances Redressal Cell:** customer.service@ysil.in / igc@ysil.in

Standard Disclaimer: Investment in securities market are subject to market risks; read all the related documents carefully before investing. Above representation provides an overview related to our past performance neither does it provide any guarantee of future performance, nor we are ensuring any guaranteed returns. Actual Client returns may vary depending upon time premium, volatility Index, intrinsic value of the script, open interest, other geopolitical conditions and choice of the customer to execute the recommendation in full or part. All recommendations are published under Research Analyst License of YES Securities (India) Limited (YSIL); execution of the recommendation is at complete discretion of customer without any intervention by the research publisher.

Contents which are exclusively for Non-Broking Products/Services e.g. Mutual Fund, Mutual Fund-SIP, Research reports, Insurance, etc. where the YSIL is just a distributor. These are not Exchange traded product and the YSIL is just acting as distributor. Kindly note that all disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

YSIL is a subsidiary of YES Bank Limited ('YBL'). Savings, Current, PIS and Demat Account are offered by YES Bank Limited. Please note Brokerage would not exceed the SEBI prescribed limit. YSIL also acts in the capacity of distributor for Products such as IPOs, Mutual Funds, Mutual Fund-SIPs, NCD/Bonds, etc., All disputes with respect to the distribution activity, would not have access to Exchange investor redressal forum or Arbitration mechanism.

Margin Trading Funding (MTF) is an exchange approved product offered to YSIL trading account holders, as per the regulation and guideline of SEBI Circular: CIR/MRD/DP/54/2017 dated June 13, 2017. For product specification, T&C, rights and obligations statement issued by the YSIL visit https://yesinvest.in/standard_documents_policies

DISCLAIMER

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

The information and opinions in this report have been prepared by YSIL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSIL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that Price of each of the securities or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. YES Securities (India) Limited conforms with the rules and regulations enumerated in the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 as amended from time to time.

Technical analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSIL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. 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 YSIL and associates 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.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through Rule 15a-6 under the Securities Exchange Act of 1934 (the "Exchange Act")^[1] and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This research report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s), the authors of this research report. YES Securities (India) Limited is the concerned representatives (employees) of YES Securities (India) Limited, are responsible for the content of this research report including but not limited to any material conflict of interest of YES Securities (India) Limited in relation the issuer(s) or securities as listed in this research report. This YES Securities (India) Limited research report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. As per SEC Rule 15a-6, the U.S. broker-dealer must accompany any third party research report it distributes with, or provide a web address that directs a recipient to, disclosure of any material conflict of interest that can reasonably be expected to have influenced the choice of a third-party research report provider or the subject company of a third-party research.

FINRA Rules 2241 and 2242, which govern the conduct of research analysts and the content of equity and debt research reports, respectively, apply to all research distributed by a FINRA member firm, including research prepared by a foreign broker-dealer under Rule 15a-6.

- Research reports prepared by a foreign broker-dealer and distributed by a U.S. broker-dealer are deemed to be third party research reports, as reports produced by a person other than a FINRA member.
- Prior to distributing any third party research, a U.S. broker-dealer must assure that such report contains the required disclosures under FINRA Rule 2241(h) or 2242(g)(3), as applicable.

This report is intended for distribution by YES Securities (India) Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). As per Rule 15a-6(b)(4) of the Exchange Act, 1934, "Major U.S. institutional investor" means a U.S. institutional investor with assets, or assets under management, in excess of US\$100 million, or a registered investment adviser with assets under management in excess of US\$100 million. If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

^[1] Rule 15a-6 under the Securities Exchange Act of 1934 provides conditional exemptions from broker-dealer registration for foreign broker-dealers that engage in certain specified activities involving U.S. investors. These activities include:

- (a) Effecting unsolicited securities transactions;
- (b) Providing research reports to major U.S. institutional investors, and effecting transactions in the subject securities with or for those investors;
- (c) Soliciting and effecting transactions with or for U.S. institutional investors or major U.S. institutional investors through a "chaperoning broker-dealer"; and
- (d) Soliciting and effecting transactions with or for registered broker-dealers, banks³ acting in a broker or dealer capacity, certain international organizations, foreign persons temporarily present in the U.S., U.S. citizens resident abroad, and foreign branches and agencies of U.S. persons.

In adopting Rule 15a-6, the SEC sought "to facilitate access to foreign markets by U.S. institutional investors through foreign broker-dealers and the research that they provide, consistent with maintaining the safeguards afforded by broker-dealer registration." [Rule 15a-6 Adopting Release at 54 FR 30013; see also Registration Requirements for Foreign Broker-Dealers, Exchange Act Release No. 25801 (June 14, 1988), 53 FR 23645 (June 23, 1988)].

DISCLOSURE OF INTEREST

Name of the Research Analyst : Deep Shah, Meghna Gundu

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSIL's financial interest in the subject company(ies)	No
2	Research Analyst or his/her relative or YSIL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the research report	No
3	Research Analyst or his/her relative or YSIL has any other material conflict of interest at the time of publication of the research report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSIL has received any compensation from the subject company in the past twelve months	No
6	YSIL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSIL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8	YSIL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSIL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSIL has been engaged in market making activity for the subject company(ies)	No

Since YSIL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSIL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSIL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

BUY: Upside greater than 20% over 12 months

ADD: Upside between 10% to 20% over 12 months

NEUTRAL: Upside between 0% to 10% over 12 months

REDUCE: Downside between 0% to -10% over 12 months

SELL: Downside greater than -10% over 12 months

NOT RATED / UNDER REVIEW

Analyst signature

Analyst signature

ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ('YSIL') is a subsidiary of YES Bank Limited ('YBL'). YSIL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSIL is also a SEBI-registered Investment Adviser and Research Analyst. YSIL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL.