10 June 2025

Update | Sector: Automobiles

Tata Motors

BSE SENSEX	S&P CNX
82,445	25,103

TATA MOTORS

Stock Info

Bloomberg	TTMT IN
Equity Shares (m)	3681
M.Cap.(INRb)/(USDb)	2642.6 / 30.9
52-Week Range (INR)	1179 / 536
1, 6, 12 Rel. Per (%)	-3/-12/-34
12M Avg Val (INR M)	12118
Free float (%)	57.4

Financials & Valuations (INR b)

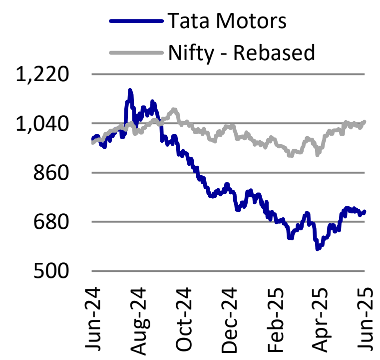
Y/E March	2025	2026E	2027E
Net Sales	4,397	4,401	4,688
EBITDA	551.3	516.3	554.2
Adj. PAT	232.6	187.1	191.2
Adj. EPS (INR)	63.2	50.8	52.0
EPS Gr. (%)	8	-20	2
BV/Sh. (INR)	315.6	361.4	407.3
Ratios			
Net D/E (x)	0.1	0.1	0.1
RoE (%)	23.1	15.0	13.5
RoCE (%)	14.2	11.3	10.8
Payout (%)	9.6	9.9	11.6
Valuations			
P/E (x)	11.4	14.1	13.8
P/BV (x)	2.3	2.0	1.8
EV/EBITDA (x)	4.5	4.6	4.1
Div. Yield (%)	0.8	0.7	0.8

Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	42.6	42.6	46.4
DII	17.2	16.9	16.1
FII	17.8	18.7	19.2
Others	22.4	21.9	18.3

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR718 TP: INR690 (-4%) Neutral

Aims to gain share and margins in CVs and PVs

Demerger timelines on track

We attended Tata Motors' (TTMT) analyst meet for India business. TTMT expects CV industry volumes to grow at a slower CAGR of 3-5% over the next five years relative to average freight demand CAGR of 5-7% due to the impact of dedicated freight corridors (DFCs). In the long run, TTMT aims to have resilient margins and healthy returns across CV cycles. For FY27, TTMT aims to achieve 40% share in CVs and deliver EBITDA margin in teens with high RoCE. In PVs, TTMT targets to outperform industry growth in FY26 on the back of its new launches. With new product launches, the company expects to achieve 16% market share by FY27 in PVs and 18-20% in the next 2-3 years. TTMT targets to deliver double-digit EBITDA margin in overall PVs by FY27. While it has set an ambitious target for both domestic CV and PV businesses, execution is the key monitorable given the weak demand environment and rising cost pressure. We refrain from changing our estimates at this stage. Further, JLR continues to face multiple headwinds due to the tariff-led uncertainty in its key markets. As a result, management has refrained from giving any guidance for FY26 and beyond. For the lack of any triggers, we reiterate Neutral with FY27E SOTP-based TP of INR690.

Here are the key takeaways from the analyst meet:

CVs: Aims to achieve EBITDA margin in teens by FY27

Trucks

- Over the years, higher tonnage sales mix has increased. In the past five years, freight demand in BTKM has grown 32%, while vehicle supply in BTKM has increased 36%, driving higher revenue growth for OEMs.
- TTMT has gained 20bp share each in ILMCV and HCV segments to 40.2% and 53.9%, respectively. Given improvements in ASP, it has seen a 2% rise in ASP in the truck segment.
- TTMT aims to focus on profitable market share growth in this segment.

Bus segment

- The segment is likely to continue to outperform industry growth given: 1) bus penetration continues to be substantially lower (1.2 per 1,000 people) than that in many developed economies; 2) Government's continued focus on highway expansion would mean higher need for adequate public transport; 3) rising urbanization is driving higher need for transportation and consequently buses; and 4) an ever-aging STU fleet needs replacement.
- As a result, the passenger billion kilometers travelled is likely to rise 30% over the next five years. Overall, the bus penetration is expected to rise to 1.5x per 1,000 people by FY30. This can drive steady strong growth in the industry volumes over the next five years.

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

EV transition in buses

- Under the TML Smart City Mobility solution business, TTMT has 3,600 e-buses on road across 10 cities with 95% uptime. The company delivered positive EBITDA in FY24 and FY25.
- Given that the payment security mechanism is now in place, TTMT would now aim to crack the GCC model.
- However, it would target to participate in GCC contracts through a consortium route. TTMT would look to have limited equity investment as an OEM partner, with the lead role designated to operator or strategic consortium members. In this case, TTMT would be responsible for vehicle supply and ongoing maintenance over the term of the contract.
- In the upcoming CESL tender expected to be rolled out in Jul'25, TTMT hopes to bid under the above consortium arrangement in an asset-light model.

SCV business

- In SCVs, there are two distinct sub-segments: traditional SCVs (like Tata ACE) and pick-ups.
- In the traditional SCV business, TTMT remains a strong market leader with 53% share. Even in the e-SCV space, it is the market leader currently, albeit at low industry penetration. However, in pick-ups, it has a much lower share at 17%.
- Given that the market is shifting to the pick-up segment (68% of industry mix now from 65% in FY24), TTMT has been losing market share in overall SCVs.
- The company is taking the following initiatives to help revive lost share in SCVs: 1) sustain and consolidate its position in the traditional SCV segment by increasing the competitiveness of ACE model and launch ACE Pro in a white space; 2) use focused marketing activities to get the Intra model into consideration for customers and look to launch a few of its variants; it has already launched the Intra Gold series with aggressive pricing and higher warranty. Management has also acknowledged that certain Intra variants are not up to the mark and hence it is considering re-launching these variants.
- The SCV segment has been dominated by first-time buyers. This segment saw a shift in customer preference towards pick-ups as: 1) SCV price hike between BS4 and BS6 was up to 50%; 2) the RBI made NPA regulations stringent for first-time buyers; 3) freight rates in this segment have not risen with cost escalation.
- Actions from TTMT to address these issues included: 1) increased payload of SCVs, 2) launched bi-fuel SCVs, and 3) launch of a diesel ACE in 2QFY26 and another launch in 4Q.
- ACE Pro will be launched in multiple fuels later this month and will be positioned between ACE and 3Ws with 750 kg payload. ACE pro EV would be priced 25-30% lower than ACE and is likely to have higher payload. ACE Pro would look to recover lost share of the SCV segment to e-3Ws. For customers, given that they would have about 15-20% higher revenue-generating opportunity relative to e-3Ws, the overall TCO comes to about 5-8% lower than that in e-3Ws. Further, safety and comfort of ACE are unmatched relative to e-3Ws. After this launch, TTMT would be the only player to have multiple EV variants in this segment.
- Management feels that the worst of financing curtailment for the industry is now behind them.
- On the back of the above-mentioned initiatives, management expects to improve its SCV market share by 100-150bp in FY26.

- TTMT's long-term target in this segment is to be the top brand from a consumer standpoint across all SCV segments. Overall, it aims for sustainable market share revival without compromising on profitability.

CV near-term outlook

- Most of the indicators for MHCV industry growth appear in place. These include: 1) Given freight demand is healthy, fleet utilization for the industry has gone up since Jan'25; 2) While freight rates have increased 4-5% over the last 12 months, transporter costs would have gone up by 2-2.5%, which is likely to have led to improved transporter profitability.
- Given these factors, management expects CV industry to report single-digit growth in FY26.

Impact of DFCs

- The North-East phase has already been operational and it has had no impact on freight movement by road as it caters to bulk commodities, which are currently seeing a shift from normal railway to the DFC route.
- However, the North-West Corridor is likely to see a shift in freight movement from rail to road as freight taken on tractor trailers on this route is likely to shift to rail. However, this is likely to boost demand for ILCVs and SCVs as a mode of last mile commute.
- This is also likely to be the reason that while freight demand is likely to rise by 5-7% CAGR over FY25-30, CV industry volumes are expected to rise at a slower 3-5% CAGR over the next five years. Bus and vans are likely to see relatively higher growth than SCVs and trucks in this period.

Long-term guidance

- In the long run, management has reiterated that TTMT would focus on improving both, market share and margins in the CV business.
- The company intends to reduce the CV cyclicality of the business by increasing non-cyclical business revenue, which stands at 17% of CV revenues and the company targets to improve this to 20%+ by FY30. With this, it targets to have resilient margins and healthy returns across CV cycles.
- Management indicated that TTMT has been focusing on margins for a while now. For instance, it highlighted that margin improved substantially in the last two years despite no major rise in revenues.
- TTMT would continue to focus on gradual margin improvement by leveraging improved tech products (thereby looking to grow ASP) and focusing on multiple cost-saving initiatives.
- Management has set a target to have the highest brand appeal, deliver industry-beating revenue growth and achieve double-digit EBITDA margin across cycles. For FY27, the target is to achieve 40% share in CVs, EBITDA margins in teens with high RoCE.
- The company targets to invest about 2-4% of revenue in capex. It has sufficient headroom in total capacity for the next few years. The bulk of its capex would go into new product and technology development.

Exports

- TTMT plans to consolidate its position in existing markets like SAARC and the Middle East.

- It also targets to penetrate new markets like North America, Eastern Europe, ASEAN and Latin America.
- The export business has seen a 9% CAGR over the last five years and it targets to double this growth in the next five years.

Fleet Edge

- Fleet Edge is now operational in 800k+ vehicles.
- In terms of digital penetration, it sold 45k vehicles from its online platform Fleet Verse last year. About 50% of the parts were sold through e-dukaan.
- The renewal rates for paid Fleet Edge customers stand at 65%.
- Fleet Edge has seen 15% YoY growth in FY25 and is EBITDA positive.
- TTMT has set a revenue target of USD1b for Fleet Edge, combined with Freight Tiger, by FY30.

PVs: Targets 16% market share by FY27

- In FY25, TTMT continued to outperform the SUV segment; however, the reason for its underperformance in overall PVs was the significant underperformance in the cars segment due to the aging of two key models, Tiago and Altroz.
- However, the company continued to outperform in the CNG segment with 53% growth vs. industry growth of 35% in FY25.

Near-term growth outlook

- While FY25 has been a year of moderation, FY26 is also expected to see slower growth for the industry.
- However, TTMT would look to outperform industry growth, led by: 1) the launch of Tiago 2025 refreshed variant in 4QFY25, 2) the recent launch of a mid-cycle upgrade of Altroz; 3) Sierra EV launch in 2HFY26, 4) Harrier and Safari multi-powertrain options beyond the existing diesel; and 5) full-year impact of last year's new launches like Curvv and Nexon CNG.

Long-term growth outlook

- The key long-term growth driver for the industry is likely to be low car penetration, which stands at 32 per 1,000 people and is likely to go to 100 in the long run, in line with developed markets.
- The reduction in the average replacement cycle of ICE vehicles to four years from six years would also drive this growth.
- By FY30, TTMT plans to launch seven new products apart from 23 facelifts, and would target to outperform industry growth.
- New products include Sierra (multi-powertrain), two products based on Avinya, minimum two ICE variants, and two EVs.
- On the back of new product launches, TTMT targets to achieve 16% market share by FY27 in PVs and 18-20% in the next 2-3 years. It targets to achieve double-digit EBITDA margin in overall PVs (ICE at >10% and EVs at around 7-8%) by FY27.
- Overall, TTMT plans to invest INR330-350b during FY26-FY30 in PVs.

PV exports – long-term outlook

- TTMT has recently started focusing on new markets like Bhutan, Mauritius.
- In FY26, it intends to announce its entry into one large market, which will drive meaningful volumes for the year in exports.

- With a completely revamped high-tech product portfolio, the company has identified new focus markets to enter every year going forward which will drive a strong exports growth going forward.

Addressing servicing concerns

- While service has increased 3x in the last four years, TTMT has increased its service network by only about 1.5x in this period.
- Moreover, rising technology in its products meant that its service team needed to be trained.
- Overall, it has realized that there were about 21 hotspots pan-India that lacked adequate service penetration/skilled labor. This led to repeat complaints from customers.
- It has started addressing these issues. In FY25, it added 700 service bays in 21 critical cities (total 1,330 added in FY25).
- This has resulted in 18% reduction in customer complaints and 25% reduction in repeat complaints.
- TTMT further targets to add 600 bays (total 1,600 to be added) in FY26 in 25 critical cities identified.
- It has also provided adequate training required for new-age cars.
- TTMT has also launched an integrated road-side assistance platform with onsite dealer-led repair service to enhance customer experience.
- These efforts have resulted in a dramatic improvement in customer KPIs in the last few quarters.
- As a long-term KRA, it targets to provide best-in-class service to customers.

Update on EVs

- TTMT's EV market share declined to 55% in FY25 from 73% in FY24. Apart from rising competition, it lost share in EVs due to reduction in FAME subsidy on the fleet segment, which contributed to 15% of its EV sales.
- On a segmental basis, TTMT enjoys a dominant 78% market share in the entry-level EV segment (30% of the industry) and 56% share in the fleet EV segment. It is in the crowded mid-segment (45% of the market, Nexon EV) where its market share has reduced to 36% in FY25 due to increased competitive launches. It is also currently not present in the evolving high segment (25% of the market) – where it will soon launch Harrier and Sierra EVs. Further, TTMT looks to recover its lost share in the mid segment through product interventions in Curvv EV (which has not yet delivered on expected lines) and Nexon (possibly with higher range).
- The company is looking to ramp up its distribution network to 1k+ cities and towns by 2030 from 230+ cities and towns currently.
- TTMT is working toward driving higher adoption of EVs in the country by focusing on removing the headwinds for its adoption.
- It has worked on improving the range of its vehicles, with the top range in the recently launched Harrier EV standing at 607km.
- The company is working on improving charging infrastructure through collaborations: 1) In key metros, fast chargers are available in a 5-7km radius and charging points are available in a 3km radius; 2) TTMT dealers have installed 700+ chargers in 500+ sales/service outlets in 250+ cities; 3) ~90% national highways have a charger within a 50km radius and ~70% state highways have a charger within a 50km radius.

- Some of the other customer education pointers that can encourage EV adoption include: 1) 42% of TTMT EV owners have driven more than 500km in a single trip; 2) 14k+ TTMT EV owners primarily rely on public charging; 3) 75% of TTMT EV owners have EV as their primary car.
- Through an open collaboration initiative 2.0, it has tied up with four leading CPOs (Tata Power, ChargeZone, Statiq, Zeon) to install 120kw fast chargers across India with up to 25% preferential tariff for TTMT EV customers.
- In FY26, through this collaboration, it looks to install 300+ chargers in 40+ key mobility corridors across 100+ cities (20+ states).
- By 2030, it plans to further deepen charging penetration to 100k+ public charging points (from current 22k) and 1m+ home charging installations (from the current 160k).
- TTMT also looks to establish a resale value for customers. It would leverage telematics to understand the health of different components of an EV, including battery health, motor and electronics diagnostics, and product wear and tear. With the help of these parameters, it could arrive at Tata.ev fair value of an EV. It also plans to build the EV resale value chain by: 1) tying up with financiers for funding used EVs based on its EV pricing mechanism, 2) refurbishing and additional benefits to enhance resale value, 3) introduce EV upgrade programs for EV customers.

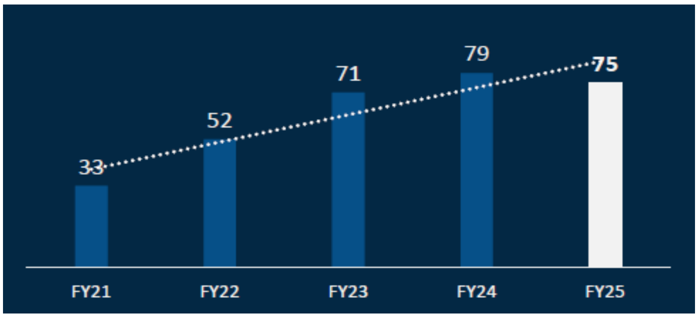
EV targets

- TTMT has set an EV penetration target of 20% by FY27 and 30% by FY30.
- It has achieved EBITDA break-even in FY25 and expects to sustain it in FY26.
- The company expects to record FCF outflow in the medium term, though it remains well funded for future capex needs.

Valuation and view

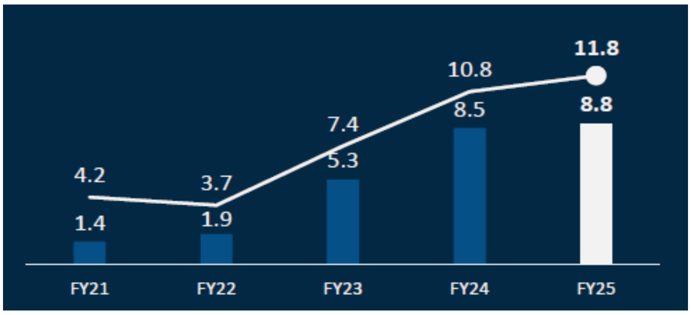
- While it has set an ambitious target for both domestic CV and PV businesses, execution remains the key monitorable given the weak demand environment both in CVs and PVs and rising cost pressures. Given these headwinds, its target of improving both market share and margins seems challenging. We refrain from changing our estimates at this stage.
- Further, JLR is facing multiple headwinds, which include: 1) tariff-led uncertainty for exports to the US; 2) demand weakness in key regions like Europe and China; and 3) rising VME, warranty and emission costs. As a result, management has refrained from giving any guidance for FY26 and beyond. We expect margin pressure to persist for JLR and factor in 100bp margin decline over FY25-27E.
- For the lack of any triggers, we reiterate Neutral with FY27E SOTP-based TP of INR690.

Exhibit 1: While India CV revenue has not grown much…



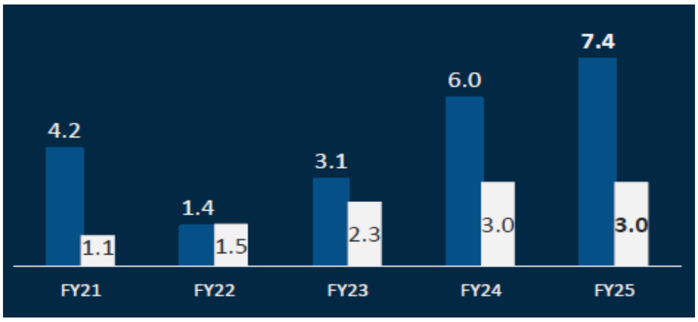
Source: Company, MOFSL

Exhibit 2: …EBITDA margin is up 440bp over FY23-25



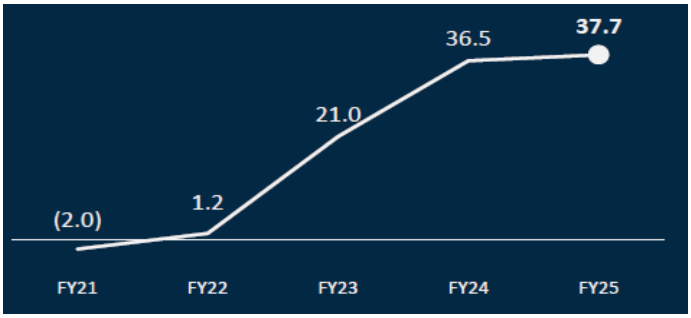
Source: Company, MOFSL

Exhibit 3: CV FCF stood at INR74b post capex of INR30b (FY25)



Source: Company, MOFSL

Exhibit 4: India CV business enjoys high returns

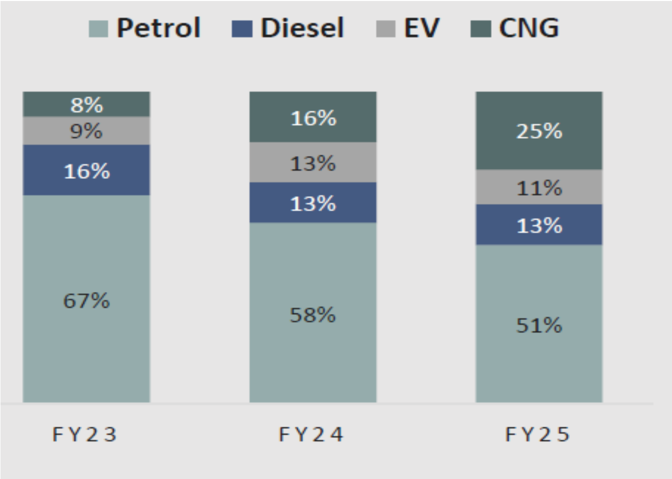


Source: Company, MOFSL

Exhibit 5: India CV target for 2027

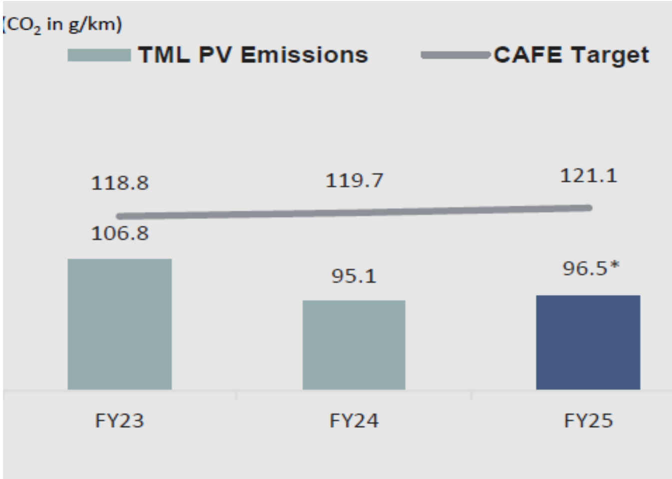
Source: Company, MOFSL

Exhibit 6: TTMT PV powertrain mix



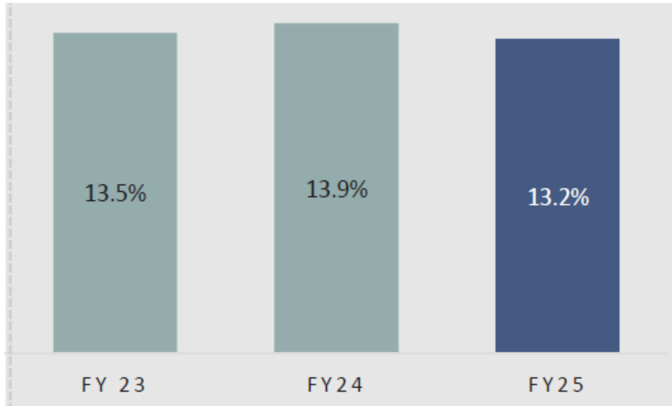
Source: Company, MOFSL

Exhibit 7: TTMT PV CAFÉ compliance



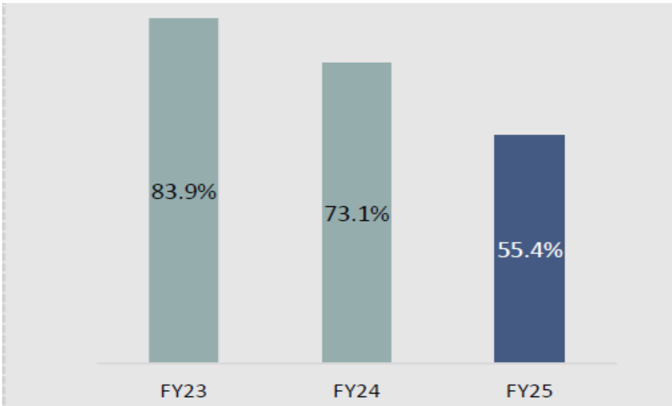
Source: Company, MOFSL

Exhibit 8: TTMT PV (ICE) Vahan market share



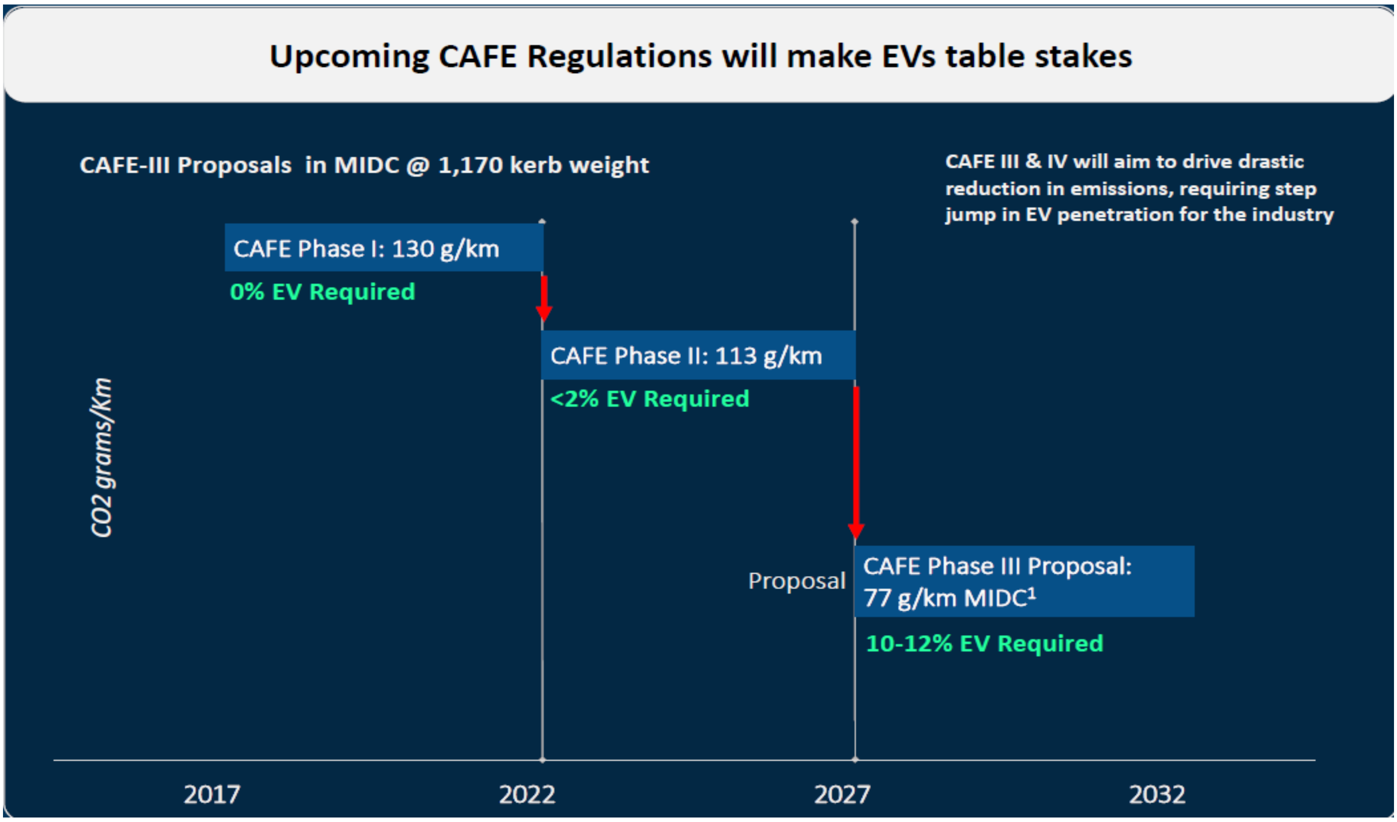
Source: Company, MOFSL

Exhibit 9: TTMT PV (EV) Vahan market share



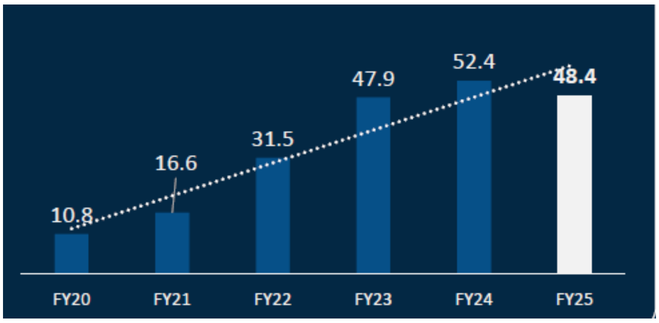
Source: Company, MOFSL

Exhibit 10: Upcoming Café regulations to drive rising mix of EVs



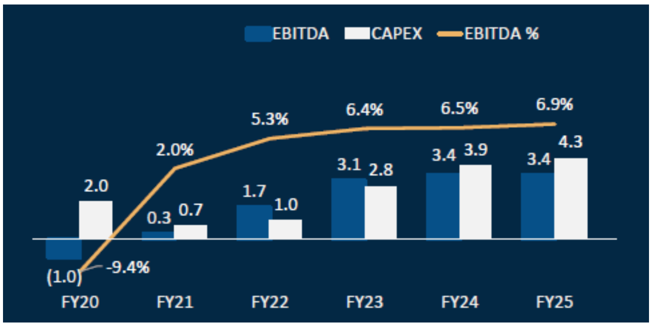
Source: Company, MOFSL

Exhibit 11: India PV 5-year revenue CAGR stood at 35%



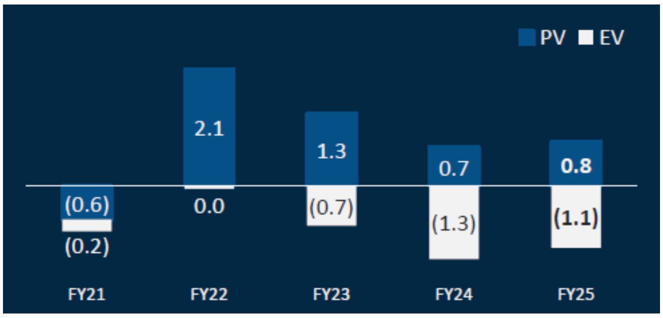
Source: Company, MOFSL

Exhibit 12: PV capex largely funded by internal accruals



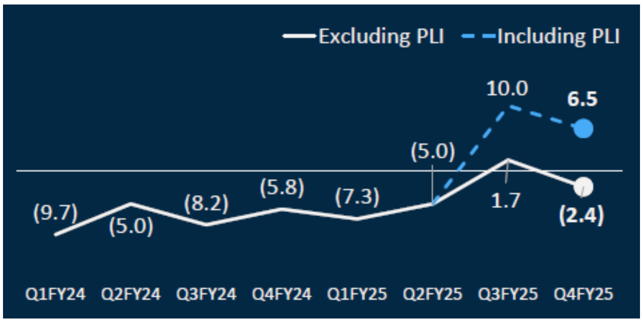
Source: Company, MOFSL

Exhibit 13: FCF PV ICE vs. PV EV



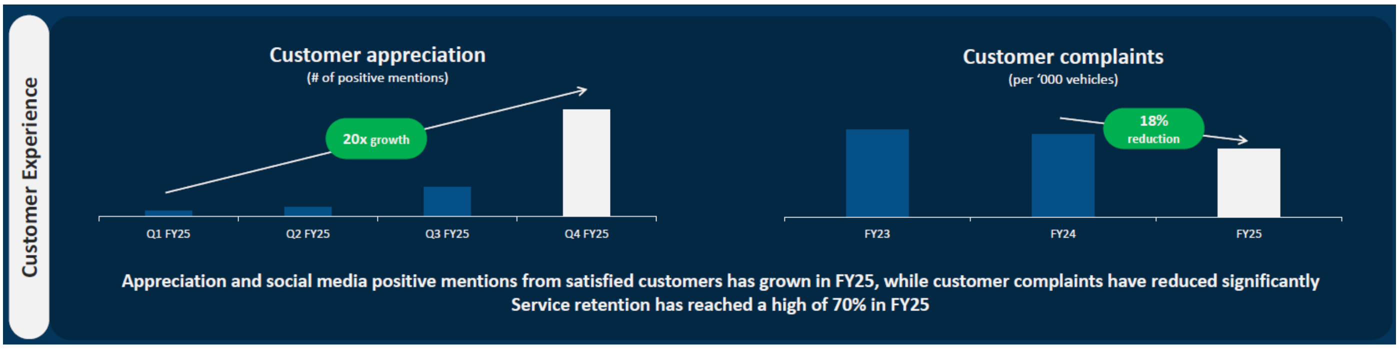
Source: Company, MOFSL

Exhibit 14: PV EV EBITDA break-even achieved



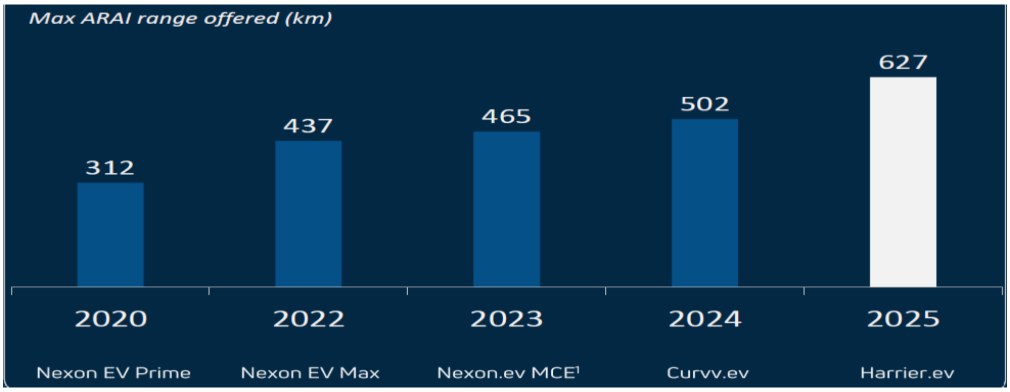
Source: Company, MOFSL

Exhibit 15: Customer service experience has been improving



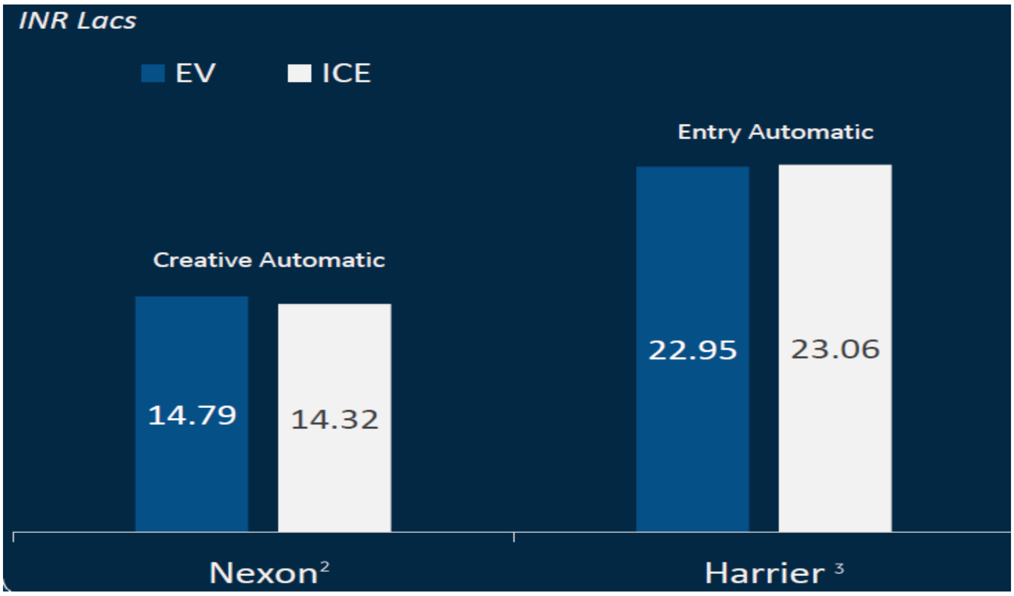
Source: Company, MOFSL

Exhibit 16: TTMT has worked on improving range in its EV models



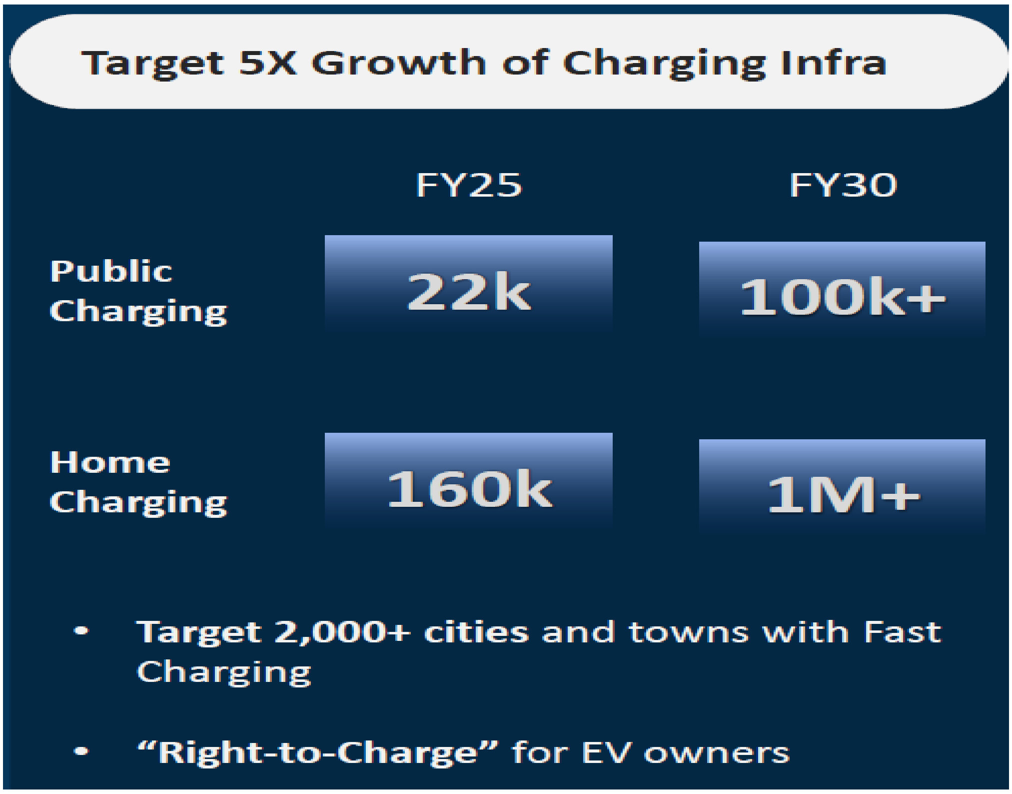
Source: Company, MOFSL

Exhibit 17: TTMT has achieved price parity in its EV models



Source: Company, MOFSL

Exhibit 18: TTMT targeting rising charging infra set-up pan India



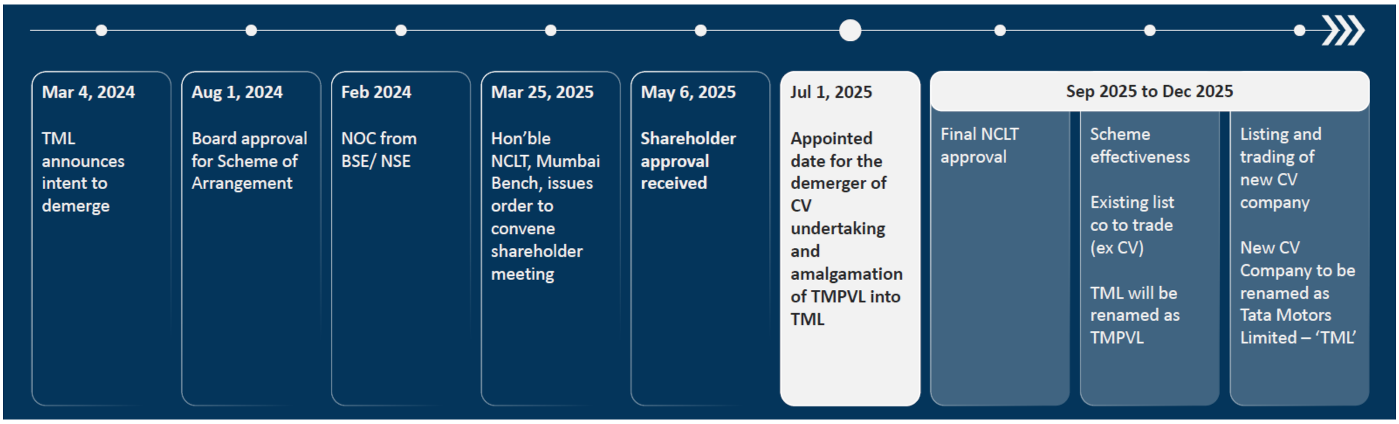
Source: Company, MOFSL

Exhibit 19: PV business targets

Area	PV	EV
Market Shares / Growth	Volume growth well ahead of market 16% market share by FY27 (including EV) 18-20% in another 2-3 years	Continued leadership Penetration of EV: 20% by FY27; 30%+ by FY30
EBITDA	Double Digit EBITDA	Positive EBITDA* to continue and improve (FY26)
Cash	Delivering free cash flow of ₹1K Cr+	Medium term: FCF negative Business well funded for next 3 years
Total Investment Spending	Intense action on investment spend focused on innovative new products, SDV, advanced technologies and powertrains: ~ ₹33K Cr – ₹35K Cr, between FY26-FY30	

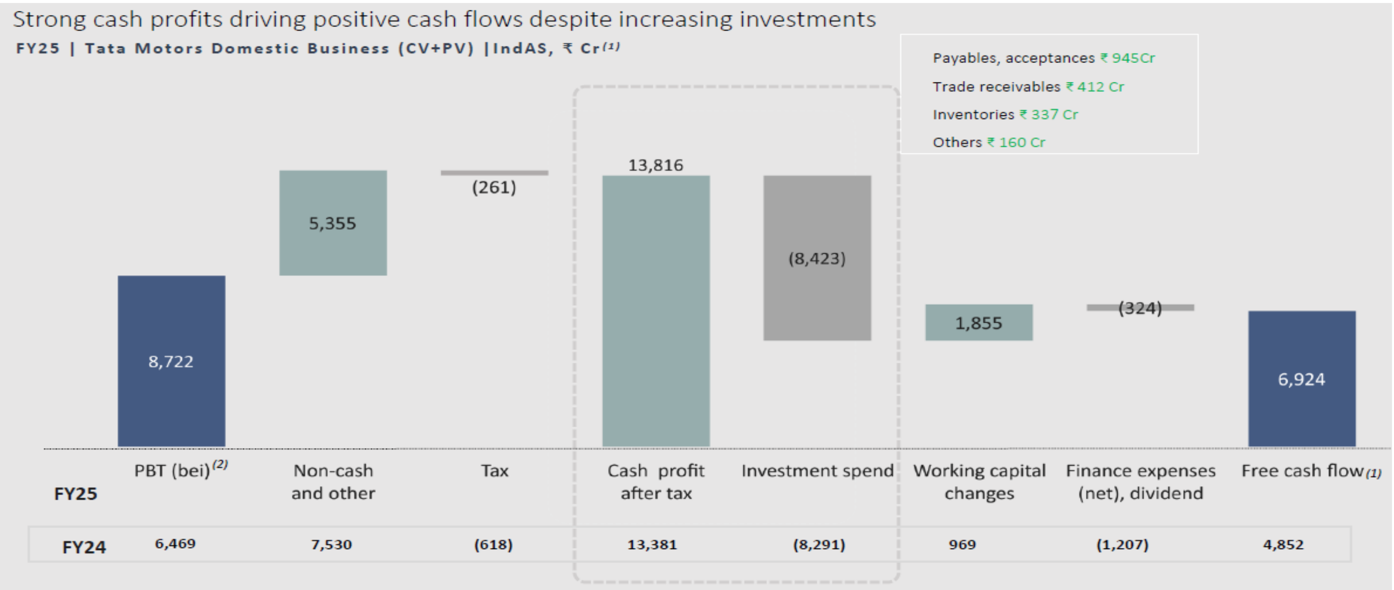
Source: Company, MOFSL

Exhibit 20: Demerger timelines



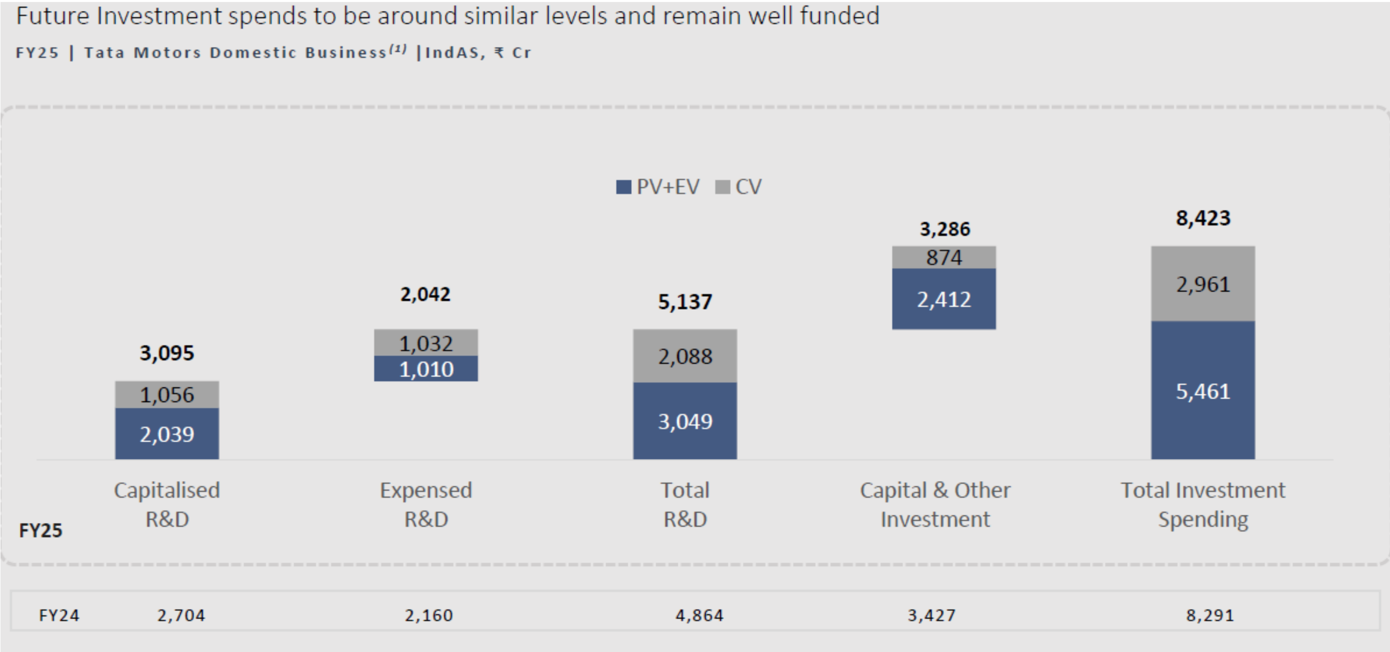
Source: Company, MOFSL

Exhibit 21: CV+PV has delivered FCF of INR69b in FY25



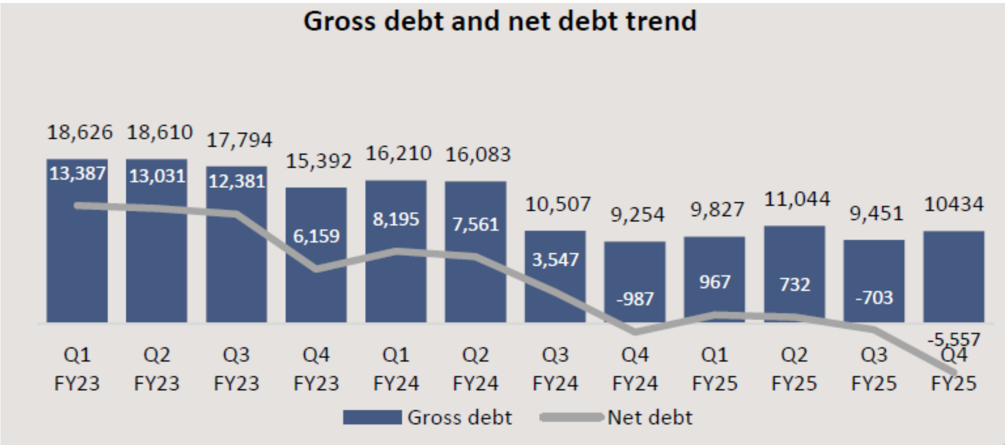
Source: Company, MOFSL

Exhibit 22: TTMT CV+PV capex stood at INR84b; future Investments likely to be at similar levels



Source: Company, MOFSL

Exhibit 23: Domestic business debt trend



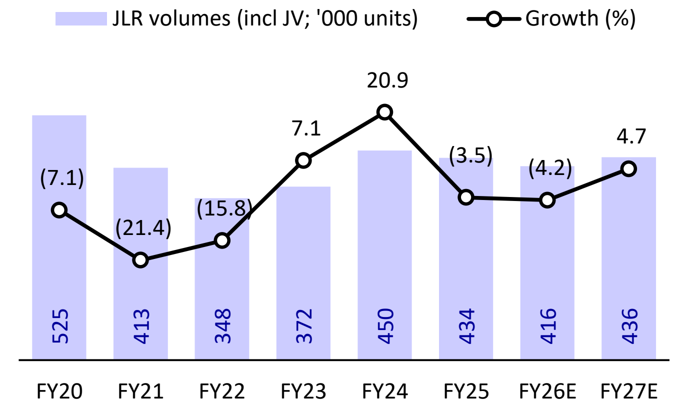
Source: Amount in INR crore, Company, MOFSL

Exhibit 24: TATA MOTORS: Sum-of-the-parts valuation

INR B	Valuation Parameter	Multiple (x)	FY25E	FY26E	FY27E
Tata Motors	SOTP		1,485	1,553	1,673
CVs	EV/EBITDA	11	981	1,031	1,121
PVs	EV/EBITDA	15	504	523	553
JLR (Adj for R&D capitalization)	EV/EBITDA	2.5	828	729	787
JLR - Chery JV EBITDA Share	EV/EBITDA	2.5	28	23	25
Finance arm	P/BV	1.2	40	36	32
Total EV			**2,381**	**2,342**	**2,517**
Less: Net Debt (Ex TMFL)			134	120	92
Add: Financing arm			112	112	112
Total Equity Value			**2,359**	**2,333**	**2,538**
Fair Value (INR/Sh) - Ord Sh			**641**	**634**	**690**

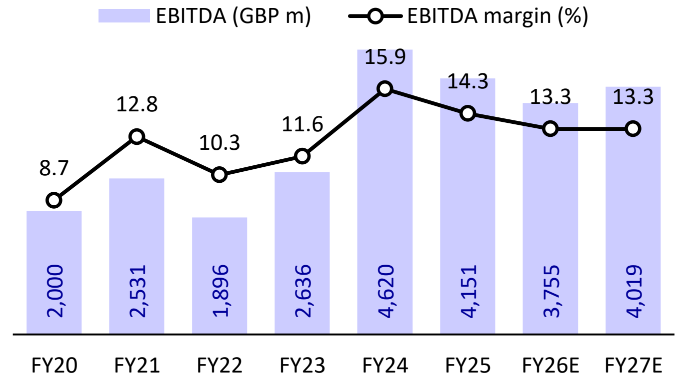
Story in charts

Exhibit 25: Volume growth trajectory for JLR



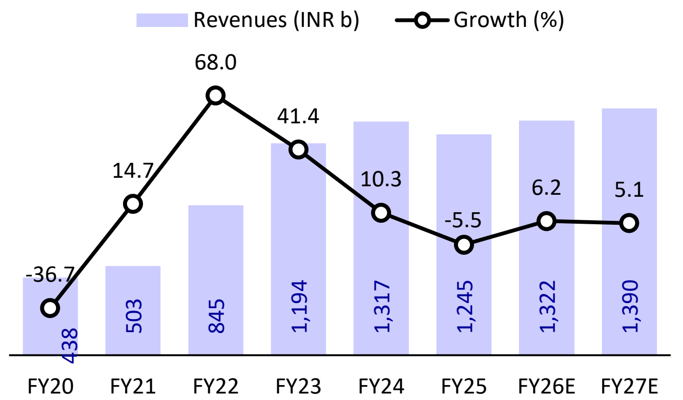
Source: Company, MOFSL

Exhibit 26: EBITDA and EBITDA margin trends for JLR



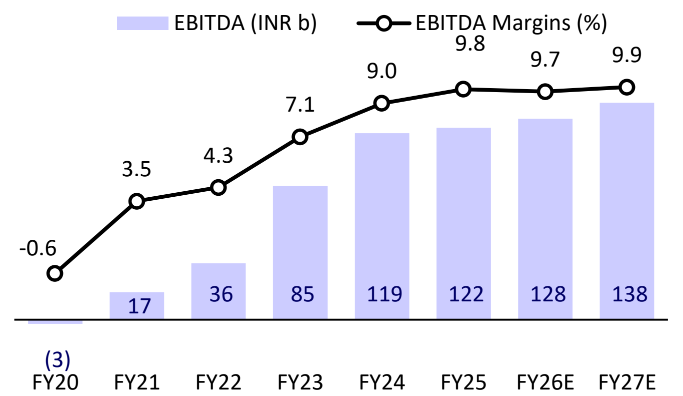
Source: Company, MOFSL

Exhibit 27: India business growth trajectory over FY25-27E



Source: Company, MOFSL

Exhibit 28: India EBITDA and margin trends



Source: Company, MOFSL

Key operating metrics

Snapshot of Revenue model

000 units	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
JLR								
Jaguar	**144**	**90**	**68**	**63**	**71**	**42**	**13**	**1**
Growth (%)	*-18.7*	*-37.3*	*-24.4*	*-7.9*	*12.3*	*-41.1*	*-70.0*	*-90.0*
% of Total JLR Vols	*27.5*	*21.9*	*19.7*	*16.9*	*15.7*	*9.6*	*3.0*	*0.3*
Land Rover	**381**	**322**	**279**	**309**	**379**	**393**	**403**	**434**
Growth (%)	*-1.7*	*-15.4*	*-13.4*	*10.7*	*22.6*	*3.6*	*2.7*	*7.7*
% of Total JLR Vols	*72.5*	*78.1*	*80.3*	*83.1*	*84.3*	*90.4*	*97.0*	*99.7*
Total JLR Volumes (incl JV)	**525**	**413**	**348**	**372**	**450**	**434**	**416**	**436**
Growth (%)	*-7.1*	*-21.4*	*-15.8*	*7.1*	*20.9*	*-3.5*	*-4.2*	*4.7*
ASP (GBP '000/unit)	***48***	***57***	***62***	***71***	***72***	***72***	***72***	***73***
Growth (%)	*1.3*	*17.5*	*9.7*	*14.0*	*1.8*	*0.0*	*0.0*	*1.0*
Net JLR Sales (GBP b)	**23**	**20**	**18**	**23**	**29**	29	28	30
Growth (%)	-5.1	-14.2	-7.2	24.5	27.1	-0.1	-2.8	7.0
INDIA								
MH&CVs	124	90	145	179	181	182	191	200
Growth (%)	*-44.7*	*-27.6*	*60.3*	*23.6*	*1.4*	*0.2*	*5.0*	*5.0*
LCVs	216	173	210	235	215	195	205	215
Growth (%)	*-20.8*	*-20.2*	*21.4*	*12.1*	*-8.6*	*-9.0*	*5.0*	*5.0*
Total CVs	**341**	**263**	**354**	**413**	**396**	**377**	**396**	**416**
Growth (%)	*-31.6*	*-22.9*	*34.7*	*16.8*	*-4.3*	*-4.8*	*5.0*	*5.0*
Total PVs	133	223	372	541	573	556	574	586
Growth (%)	*-37.3*	*67.8*	*67.2*	*45.4*	*6.0*	*-3.0*	*3.1*	*2.1*
Total Volumes	**473**	**485**	**726**	**955**	**969**	933	969	1,001
Growth (%)	*-33.3*	*2.5*	*49.6*	*31.4*	*1.6*	*-3.7*	*3.9*	*3.3*
ASP (INR 000/unit)	***926***	***1,036***	***1,163***	***1,251***	***1,359***	*1,334*	*1,364*	*1,388*
Net S/A Sales (INR b)	**438**	**503**	**845**	**1,194**	**1,317**	**1,245**	**1,322**	**1,390**
Growth (%)	*-36.7*	*14.7*	*68.0*	*41.4*	*10.3*	*-5.5*	*6.2*	*5.1*

Financials and valuations

Income Statement (Consolidated) (INR b)

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Total Income	**2,610.7**	**2,497.9**	**2,784.5**	**3,459.7**	**4,379.3**	**4,397.0**	**4,400.5**	**4,688.1**
Change (%)	-13.5	-4.3	11.5	24.2	26.6	0.4	0.1	6.5
EBITDA	**197.3**	**305.6**	**248.1**	**318.3**	**596.1**	**551.3**	**516.3**	**554.2**
% of Net Sales	7.6	12.2	8.9	9.2	13.6	12.5	11.7	11.8
Depreciation	214.3	235.5	248.4	248.6	272.7	232.6	251.0	278.1
EBIT	**-17.0**	**70.1**	**-0.2**	**69.7**	**323.4**	**318.8**	**265.3**	**276.1**
Product Dev. Exp.	41.9	52.3	92.1	106.6	109.6	107.2	111.9	116.7
Interest	72.4	81.0	93.3	102.4	100.3	50.8	52.8	58.3
Other Income	29.7	26.4	30.5	46.3	59.5	62.4	58.4	59.3
EO Exp/(Inc)	28.7	137.6	6.3	-15.9	-78.1	4.7	0.0	0.0
Forex Gain/ (Loss)	-17.4	17.3	-0.8	1.0	-0.2	9.2	0.0	0.0
PBT	**-105.8**	**-104.7**	**-70.0**	**30.6**	**360.4**	**334.9**	**270.9**	**277.2**
Effective Rate (%)	-3.7	-24.3	-60.4	23.0	13.7	31.4	31.0	31.0
Reported PAT	**-109.8**	**-130.2**	**-112.3**	**23.5**	**311.1**	**229.9**	**186.9**	**191.3**
Change (%)	-62.1	18.6	-13.7	-120.9	1,221.7	-26.1	-18.7	2.3
Minority Interest	-0.96	-0.56	-1.3	-2.8	-4.1	-3.2	-2.9	-3.5
Share of profit of associate	-10.00	-3.79	-0.7	3.4	7.0	2.9	3.1	3.5
Net Profit	**-120.7**	**-134.5**	**-114.4**	**24.1**	**314.0**	**229.6**	**187.1**	**191.2**
Adj. PAT	**-90.9**	**2.2**	**-108.1**	**8.2**	**224.9**	**232.6**	**187.1**	**191.2**
Change (%)	515.0	-102.4	-5,109.7	-107.6	2,629.7	3.4	-19.6	2.2

Balance Sheet (Cons.) (INR b)

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Sources of Funds								
Share Capital	7.2	7.7	7.7	7.7	7.7	7.4	7.4	7.4
Reserves	624	545	438	446	842	1,154	1,323	1,492
Net Worth	**631**	**552**	**446**	**453**	**849**	**1,161**	**1,330**	**1,499**
Loans	997	1,148	1,397	1,257	985	715	715	715
Deferred Tax	-35	-30	-23	-38	-120	-55	-55	-55
Capital Employed	**1,601**	**1,686**	**1,862**	**1,745**	**1,796**	**1,888**	**2,059**	**2,232**
Gross Fixed Assets	2,698	3,129	3,233	3,303	3,336	3,513	4,335	4,762
Less: Depreciation	1,435	1,750	1,852	1,991	2,132	2,365	2,615	2,894
Net Fixed Assets	**1,263**	**1,379**	**1,380**	**1,312**	**1,204**	**1,148**	**1,719**	**1,869**
Capital WIP	356	210	103	143	357	658	250	250
Goodwill	8	8	8	8	9	9	9	9
Investments	163	246	294	264	321	479	633	686
Curr.Assets	**1,376**	**1,543**	**1,483**	**1,582**	**1,685**	**1,420**	**1,355**	**1,449**
Inventory	375	361	352	408	478	473	473	504
Sundry Debtors	112	127	124	157	170	132	133	141
Cash & Bank Bal.	337	468	407	370	458	408	330	372
Loans & Advances	540	569	585	628	551	382	394	405
Current Liab. & Prov.	**1,566**	**1,700**	**1,406**	**1,564**	**1,779**	**1,827**	**1,906**	**2,031**
Sundry Creditors	664	682	600	721	880	941	942	1,003
Other Liabilities	651	753	569	594	611	518	663	706
Net Current Assets	**-190**	**-157**	**77**	**17**	**-94**	**-407**	**-551**	**-582**
Appl. of Funds	**1,601**	**1,686**	**1,862**	**1,745**	**1,796**	**1,888**	**2,059**	**2,232**

Financials and valuation

Ratios (Con.)

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
Basic (INR)								
EPS Fully Diluted	**-25.3**	**0.56**	**-28.2**	**2.2**	**58.7**	**63.2**	**50.8**	**52.0**
EPS Growth (%)	NA	NA	NA	NA	-	7.7	-19.6	2.2
Cash EPS	34.3	62.1	36.6	67.1	129.8	126.4	119.0	127.5
Book Value (Rs/Share)	175.3	144.3	116.4	118.3	221.6	315.6	361.4	407.3
DPS	0.0	0.0	0.0	2.0	6.0	6.0	5.0	6.0
Payout (Incl. Div. Tax) %	0.0	0.0	0.0	93.6	10.3	9.6	9.9	11.6
Valuation (x)								
Consolidated P/E	NA	NA	NA	333.7	12.2	11.4	14.1	13.8
EV/EBITDA	15.6	10.4	13.9	10.6	5.0	4.5	4.6	4.1
EV/Sales	1.2	1.3	1.2	1.0	0.7	0.6	0.5	0.5
Price to Book Value	4.1	5.0	6.2	6.1	3.2	2.3	2.0	1.8
Dividend Yield (%)	0.0	0.0	0.0	0.3	0.8	0.8	0.7	0.8
Profitability Ratios (%)								
RoE	-14.8	0.4	-21.7	1.8	34.5	23.1	15.0	13.5
RoCE (Post-tax)	0.9	7.3	2.7	5.0	18.7	14.2	11.3	10.8
Turnover Ratios								
Debtors (Days)	16	19	16	17	14	11	11	11
Inventory (Days)	52	53	46	43	40	39	39	39
Creditors (Days)	93	100	79	76	73	78	78	78
Asset Turnover (x)	1.6	1.5	1.5	2.0	2.4	2.3	2.1	2.1
Leverage Ratio								
Net Auto Debt/Equity (x)	0.8	0.7	1.1	1.0	0.2	0.1	0.1	0.1

Cash Flow Statement **(INR b)**

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E
OP/(Loss) before Tax	-119.8	-134.0	-113.1	26.9	318.1	232.8	187.1	191.2
Int/Div. Received	-11.9	-5.1	-6.6	-13.0	-26.6	-25.4	58.4	59.3
Depreciation	214.3	235.5	248.4	248.6	272.7	232.6	251.0	278.1
Direct Taxes Paid	-17.5	-21.0	-19.1	-31.8	-45.2	-39.9	-84.0	-85.9
(Inc)/Dec in WC	50.6	-0.9	-104.7	-31.3	73.3	81.6	66.6	72.4
Other Items	125.1	234.0	144.3	138.5	8.7	154.1	2.9	3.5
CF from Op Activity	**240.8**	**308.5**	**149.1**	**338.0**	**601.0**	**635.7**	**481.9**	**518.6**
Extra-ordinary Items	25.5	-18.5	-6.3	15.9	78.1	-4.7	0.0	0.0
CF after EO Items	**266.3**	**290.0**	**142.8**	**353.9**	**679.2**	**631.0**	**481.9**	**518.6**
(Inc)/Dec in FA+CWIP	-295.3	-198.5	-149.4	-178.1	-311.8	-370.7	-414.0	-427.8
Free Cash Flow	**-29.0**	**91.5**	**-6.6**	**175.8**	**367.3**	**260.3**	**67.9**	**90.8**
(Pur)/Sale of Invest.	-35.8	-58.2	104.9	23.9	84.0	-105.3	-153.1	-53.5
CF from Inv Activity	**-331.1**	**-256.7**	**-44.4**	**-154.2**	**-227.8**	**-475.9**	**-567.1**	**-481.3**
Issue of Shares	38.9	26.0	37.7	37.7	0.8	-0.3	0.0	0.0
Inc/(Dec) in Debt	70.8	154.5	22.0	-205.4	-274.7	-106.4	0.0	0.0
Interest Paid	-75.2	-81.2	-92.5	-93.4	-93.3	-58.1	-52.8	-58.3
Dividends Paid	-0.6	-0.3	-1.0	-1.4	-2.9	-23.0	-18.5	-22.2
CF from Fin Activity	**33.9**	**99.0**	**-33.8**	**-262.4**	**-370.1**	**-187.9**	**-71.3**	**-80.5**
Inc/(Dec) in Cash	**-30.9**	**132.3**	**64.6**	**-62.7**	**81.3**	**-32.8**	**-156.5**	**-43.1**
Add: Beginning Bal.	215.6	184.7	317.0	381.6	318.9	400.1	367.4	210.9
Closing Balance	**184.7**	**317.0**	**381.6**	**318.9**	**400.1**	**367.4**	**210.9**	**167.7**

E: MOFSL Estimates

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