5 November 2026
2QFY27 Results Update | Sector: Automobile

Mahindra & Mahindra

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	MM IN
Equity Shares (m)	1244
M.Cap.(INRb)/(USDb)	3889.1 / 41.2
52-Week Range (INR)	3840 / 2743
1, 6, 12 Rel. Per (%)	0/-5/-9
12M Avg Val (INR M)	9009

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	1,456	1,794	2,077
EBITDA	209.8	216.1	268.2
Adj. PAT	157.1	164.5	205.1
Adj. EPS (INR)	130.7	136.9	170.6
EPS Gr. (%)	32.4	4.7	24.7
BV/Sh. (INR)	618	717	846
Ratios			
RoE (%)	23.1	20.5	21.8
RoCE (%)	22.4	19.9	21.3
Payout (%)	25.2	27.6	24.5
Valuations			
P/E (x)	19.6	18.7	15.0
P/BV (x)	4.1	3.6	3.0
Div. Yield (%)	1.3	1.5	1.6
FCF Yield (%)	4.5	4.1	5.4

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	18.1	18.1	18.1
DII	33.7	32.2	29.6
FII	37.9	39.4	42.5
Others	10.3	10.3	9.8

FII includes depository receipts

CMP: INR3,128 **TP: INR3,850 (+23%)** **Buy**

Auto margins recover; growth remains strong

Tractor industry guidance for FY27E cut from mid-single digit to flat

- Mahindra & Mahindra's (MM) 2QFY27 PAT at INR51b was ahead of our estimates, led by higher-than-expected other income and beat on both segmental margins.
- On account of better-than-expected segmental margins and higher other income, we increase our earnings estimate for FY27/FY28 by 7.5% each. On the back of its healthy launch pipeline and positive consumer sentiment, management provided a strong outlook for FY27E across segments: MM UV at mid-to-high teens, and the LCV industry at double digits. While MM did cut tractor guidance from mid-single digits to flat for FY27, we were already factoring the same into our nos. We estimate MM to post a CAGR of ~20%/13%/14% in revenue/EBITDA/PAT over FY26-28. **Reiterate BUY with a TP of INR3,850 (based on FY28E SoTP).**

PAT beat, fueled by higher other income

- MM's 2Q standalone revenue grew 27% YoY to ~INR425b, broadly in line with our estimates, driven primarily by a strong ~15% growth in blended ASPs and a 11% YoY growth in volumes.
- RM costs came in higher than expectations, resulting in gross margins dipping 360bp YoY to 20.8% (estimated 21.5%).
- EBITDA margins came in line with our estimates at 11.7% (estimated 11.5%). EBITDA grew by 1.8% YoY to INR49.5b (in line).
- Auto segment's revenue grew 36% YoY to INR339b (in line), while PBIT margins at 7.7% beat our expectations of 7.1%.
- Farm revenue was flat YoY at INR85.9b, while farm PBIT margin beat our expectations at 16.8% (vs. est. of 16%).
- Other income was above our est. at INR28.3b due to a higher-than-expected dividends received from subsidiaries.
- Consequently, PAT exceeded our estimate, up 13% YoY to INR51b (estimated INR45b).

Key highlights from the management commentary

- Standalone auto PBIT margin improved QoQ to 9.8% from 8.9%, supported by ~5% price hikes, mix improvement, hedging and cost actions despite sharp steel, copper and rubber inflation.
- M&M retained mid-to-high teens FY27 SUV growth guidance, with Scorpio at full capacity and waiting periods across the portfolio. SUV capacity is set to rise from ~64.5k/month to ~82k by FY27-end and ~92k in FY28.
- EV penetration reached ~12% of SUV volumes in 1HFY27. Management sees adoption becoming increasingly self-sustaining, while scale, localization and supplier negotiations should gradually improve EV profitability.
- FY27 tractor industry growth guidance was reduced from +5% to flat, implying a double-digit decline in 2HFY27. Weakness is concentrated in Maharashtra and Karnataka, while northern markets remain relatively resilient.

Research analyst - Jeemit Shah (Jeemit.Shah@MotilalOswal.com)
Research analyst - Radha Rani Agarwalla (Radha.Agarwalla@MotilalOswal.com) | **Uday Nair** (Uday.Nair@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

- On account of better-than-expected segmental margins and higher other income, we increase our earnings estimates for FY27/FY28 by 7.5% each. On the back of its healthy launch pipeline and positive consumer sentiment, management provided a strong outlook for FY27E across segments: MM UV at mid-to-high teens, and the LCV industry at double digits. MM cut tractor guidance from mid-single digits to flat for FY27, which we have already factored in into our estimates. We estimate MM to post a CAGR of ~20%/ 13%/14% in revenue/EBITDA/PAT over FY26-28. **Reiterate BUY with a TP of INR3,850 (based on FY28E SoTP).**

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E		Var.
INR b	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Total Volumes ('000 units)	361	350	423	397	410	387	442	412	1,530	1,651	387	
Growth YoY (%)	14.4	16.0	23.1	24.2	13.7	10.6	4.4	3.8	19.6	7.9	10.6	
Net Realization (INR '000/unit)	945	955	911	997	1,022	1,098	1,101	1,126	951	1,087	1,086	1.1
Growth YoY (%)	10.2	4.5	2.5	1.6	8.1	14.9	20.9	13.0	4.5	14.2	13.7	
Net Op. Income	**340.8**	**334.2**	**385.2**	**395.5**	**419.2**	**424.8**	**486.4**	**463.8**	**1,456**	**1,794**	**420**	1.1
Growth YoY (%)	26.1	21.3	26.1	26.2	23.0	27.1	26.3	17.3	25.0	23.3	25.7	
RM Cost (% of sales)	74.5	75.6	76.2	76.4	78.0	79.2	78.0	76.9	76.1	78.0	78.5	70bp
Staff (% of sales)	3.8	3.9	3.6	3.3	3.4	3.3	3.5	3.4	3.6	3.4	3.4	-10bp
Oth. Exp. (% of Sales)	5.8	5.9	5.5	6.2	6.5	5.8	6.2	7.7	5.9	6.6	6.6	-80bp
EBITDA	**48.8**	**48.6**	**56.7**	**55.6**	**51.1**	**49.5**	**59.8**	**55.6**	**210**	**216**	**48**	2.4
EBITDA Margins (%)	14.3	14.5	14.7	14.1	12.2	11.7	12.3	12.0	14.4	12.0	11.5	20bp
Change (%)	21.4	23.1	26.8	18.8	4.6	1.8	5.6	0.0	22.5	3.0	-0.6	
Other income	6.4	23.1	7.5	5.9	8.2	28.3	8.2	4.1	42.9	48.7	23.1	
Interest	0.6	0.6	0.6	0.7	1.0	0.7	0.6	0.3	2.5	2.5	0.5	
Depreciation	10.0	10.4	10.5	12.0	10.5	10.7	11.8	12.2	42.9	45.2	11.3	
PBT after EO	**44.7**	**60.7**	**52.0**	**48.8**	**47.8**	**66.4**	**55.7**	**47.2**	**206.2**	217.0	59.6	11.4
Tax	10.2	15.5	12.7	11.4	10.9	15.4	13.6	12.6	49.9	52.5	14.6	
Effective Tax Rate (%)	22.8	25.5	24.4	23.4	22.8	23.1	24.5	26.7	24.2	24.2	24.5	
Reported PAT	**34.5**	**45.2**	**39.3**	**37.4**	**36.8**	**51.0**	**42.0**	**34.6**	**156.4**	164.5	45.0	
Adj PAT	**34.5**	**45.2**	**40.1**	**37.4**	**36.8**	**51.0**	**42.0**	**34.6**	**157.1**	164.5	45.0	13.4
Change (%)	32.0	17.7	35.1	53.3	6.8	12.9	4.9	-7.4	32.5	4.7	-0.4	

E: MOFSL Estimates

Y/E March	FY26				FY27E				FY26	FY27E		Var.
Segmental (M&M + MVML)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Realizations (INR '000/unit)												
Auto	1,101	1,099	1,037	1,124	1,230	1,253	1,261	1,264	1,089	1253	1,253	0.0
Farm Equipment	685	695	682	708	693	741	742	740	692	726	702	5.6
Blended	**945**	**955**	**911**	**997**	**1,022**	**1,098**	**1,101**	**1,126**	**951**	**1,087**	**1,086**	
Segment PBIT Margins (%)												
Auto	8.9	9.2	9.5	9.5	7.1	7.7	8.0	8.2	9.3	7.8	7.1	
Farm Equipment	19.8	19.7	20.2	19.4	18.5	16.8	17.5	18.3	19.8	17.8	16.0	

Key Performance Indicators	FY26				FY27E				FY26	FY27E	
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
Tractors ('000 units)	134.1	122.9	149.6	119.8	158.0	116.0	134.6	107.2	526.4	515.9	116.0
Change (%)	10.4	31.6	22.8	36.1	17.9	-5.6	-10.0	-10.5	24.0	-2.0	-5.6
Total UV ('000 units)	223.2	223.6	270.0	271.9	248.3	266.4	302.4	300.0	988.7	1072.1	266.4
Change (%)	21.7	17.3	28.8	21.4	11.3	19.2	12.0	10.3	17.4	8.4	19.2
Cost Break-up											
RM Cost (% of sales)	74.5	75.6	76.2	76.4	78.0	79.2	78.0	76.9	76.1	78.0	78.5
Staff Cost (% of sales)	3.8	3.9	3.6	3.3	3.4	3.3	3.5	3.4	3.6	3.4	3.4
Other Cost (% of sales)	5.8	5.9	5.5	6.2	6.5	5.8	6.2	7.7	5.9	6.6	6.6
Gross Margins (%)	25.5	24.4	23.8	23.6	22.0	20.8	22.0	23.1	23.9	22.0	21.5
EBITDA Margins (%)	14.3	14.5	14.7	14.1	12.2	11.7	12.3	12.0	14.4	12.0	11.5
EBIT Margins (%)	11.4	11.4	12.0	11.0	9.7	9.1	9.9	9.4	11.5	9.5	8.8

E:MOSL Estimates



Highlights from the management commentary

2Q performance

- Auto standalone PBIT margin improved to 9.8% in 2Q from 8.9% in 1QFY27, while consolidated auto margin improved to 8.8% from 7.7%. YoY moderation was limited despite commodity inflation, supported by price hikes, product mix and cost actions.
- EV penetration reached ~12% of M&M's SUV volumes in 1HFY27, with the company holding the #1 position by revenue market share.
- Farm profits declined 9% YoY, reflecting the festive-season shift, monsoon deficit, commodity inflation and weak international tractor markets. However, consolidated farm PBIT improved QoQ as restructuring and exits reduced losses from international subsidiaries.
- Core tractor margins remained below the high 2QFY26 base but held up better than the industry backdrop, aided by timely price increases and cost actions.

Auto update

- MM maintained its FY27 SUV volume growth outlook at mid-to-high teens, with demand remaining above available capacity.
- Management raised its industry outlook for LCVs to double-digit growth following a better-than-expected 1HFY27.
- Demand remains ahead of supply across the SUV portfolio. Scorpio is operating at full capacity, while 7XO has a waiting period of ~5-7 months. Most other models carry waiting periods of ~1.5-2 months.
- SUV capacity is expected to rise from ~64.5k units per month at the start of FY27 to ~82k by FY27 end and ~92k in FY28. Capacity is targeted to reach ~132k units per month by FY31 as the new Nagpur facility ramps up.
- By Feb-Mar'27, M&M expects to add ~8k units per month of NU_IQ-related capacity at Chakan and another ~4k units of EV capacity, taking EV capacity to ~12k units per month.
- Execution of the Nagpur facility has commenced following acquisition of the first phase of land. MM has committed to acquire ~1,500-2,000 acres, providing scope for further capacity expansion and a supplier park.
- Management sees EV adoption becoming increasingly self-sustaining rather than dependent only on fuel-price movements. EV demand has broadened across Tier 1, Tier 2 and Tier 3 markets, while dealer inventories remain low.
- Management estimates EV-running cost savings of ~INR150k-200k annually for an average customer, supporting adoption even if crude prices moderate.
- Current EV margin of ~9% is supported by PLI incentives. Management expects volume scale, localization, supplier negotiations and eventual pricing power to replace PLI benefits over time, although depreciation will keep reported EV margins below ICE margins for longer. PLI accrual in 2Q stood at INR10b.
- MM has established 59 ultra-fast charging stations covering ~12,000km of highways, implying roughly one charging point every 200km. The company targets ~250 stations by FY28 end.
- Battery packs are already localized, while cells continue to be imported. MM does not currently see a compelling case for captive cell manufacturing and will continue to evaluate make-versus-buy economics.
- Management has seen a shift away from petrol toward CNG, EV and, where available, diesel, partly due to higher fuel costs. Petrol's share of the powertrain mix has consequently declined.

- LCV demand remains ahead of capacity, with pickup and Supro capacity of ~30k units per month operating near full utilization. Infrastructure activity and e-commerce are supporting demand.
- MM plans five launches by Jun'27, including the first iQ-based model, an all-new INGLO product, the Scorpio Lifestyler, one material refresh and one LCV.
- Pricing, hedging, product mix and operating leverage have limited margin compression in the auto margins despite commodity inflation. Management remains focused on protecting margins while retaining pricing power across its SUV portfolio.
- Per-vehicle EV profitability is expected to approach ICE levels in the medium term as localization and scale improve. However, higher depreciation on recently commissioned EV investments will delay convergence at the reported margin level.

FES segment update

- Management cut its FY27 tractor-industry outlook from +5% growth to flat, reflecting a sharper-than-expected monsoon deficit, weak reservoir levels and stress in Maharashtra and Karnataka. While some inventory correction is expected in 4QFY27, the double-digit implied decline in 2HFY27 accounts for this decline.
- Management expects some weakness to carry into early FY28 on account of expectations of lower kharif yields, but sees a path to normalization through FY28 if rainfall returns to normal and reservoir levels recover.
- Tractor weakness is concentrated in Maharashtra and Karnataka, while northern markets, including UP, Haryana and Rajasthan, remain relatively resilient. Management does not see a broad-based rural slowdown.
- Delayed harvesting may push some festive demand into Nov'26. Rabi sowing is also delayed, though management believes it is too early to infer a material demand impact.
- Rising rural labor costs continue to support farm mechanization. The 46-50HP tractor segment gained ~2pp of mix in 2QFY27, indicating continued migration toward higher-horsepower equipment.
- Farm machinery continued to grow, with MM beginning to gain share in harvesters, a category where its historical presence has been relatively low.
- Tractor industry volumes remain under pressure in the US at -15%, Brazil at -18% and Turkey at -36%. These remain strategic markets and management does not intend to exit them.
- The exits from Sampo and the foundry business are complete, while closure of Mitsubishi Mahindra Agricultural Machinery in Japan is expected by 4QFY27.
- Farm consolidated margins should benefit in 2HFY27 from the absence of both exit costs and operating losses associated with the businesses restructured during FY26.

Commodity costs and margins

- On commodity costs, steel was up ~17% YoY, copper ~42% and rubber ~40% in 2Q. MM has taken ~5% price increases in auto and ~4% in farm to offset part of the inflation.
- Management expects some further pressure from steel and rubber in 3QFY27, while precious metals have begun to decline. Commodity conditions are expected to improve in 4QFY27, with greater normalization in FY28.

Update on last-mile mobility

- Last-mile mobility volumes have risen materially over the past 8-9 months, with EV forming a large share of quarterly volumes. Management indicated ~45,000 units in the quarter were electric three-wheelers. M&M has ~400,000 electric three-wheelers on the road, providing an installed base that is supporting customer acceptance and further electrification.
- Management sees potential industry volumes roughly doubling as electrification expands, supported by both new vehicle demand and replacement of the existing ICE vehicle parc.
- The existing ICE three-wheeler parc is around 10x annual sales volumes, creating a large replacement opportunity as older ICE vehicles migrate to EVs. Some permit regimes are no longer allowing new ICE permits, which management expects to accelerate conversion of the existing vehicle parc toward EVs.
- The decline in e-rickshaws is partly regulation-led. Regulatory standards were tightened in Apr'26, with another material tightening effective Apr'27. From Apr'27, lead-acid e-rickshaws will no longer be permitted under the prevailing regulatory framework cited by management, while safety and regulatory standards are being raised closer to L5 requirements. Tighter e-rickshaw regulation is pushing customers toward the L5 category, supporting both overall L5 volumes and L5 EV penetration.
- Industry electrification in the L5 three-wheeler category has already reached ~45-50%, about two years ahead of MM's earlier expectations. Management expects passenger L5 electrification to reach at least 70% by 2030.
- The last-mile mobility business is currently capacity constrained despite having expanded capacity by ~25% over the past 18 months. MM is adding further short-term capacity for FY28 to address current supply constraints.
- Beyond near-term debottlenecking, MM is evaluating a new large-scale manufacturing facility for the three-wheeler business and is discussing potential locations with multiple state. The proposed new facility would provide at least a 2x increase in the manufacturing footprint versus the current base.

Exhibit 1: Consol auto margin performance in 2Q

	Auto (SUV &LCV)[1]			+ BEV (eSUV)[2]		+ Others[3]		= Auto Conso		
	Q2 F27	Q2 F26	Q1 F27	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q1 F27
Revenue	26,881	20,909	25,167	6,831	3,599	5,385	3,990	37,756#	27,171#	34,387#
PBIT	2,621	2,306	2,243	624	279	75	-47	3,319	2,538	2,645
PBIT%	9.8%	11.0%	8.9%	9.1%	7.7%	1.4%	-1.2%	8.8%	9.3%	7.7%

Auto consolidated margin dropped by only 50 bps YoY despite commodity price hikes

1. Auto (SUV & LCV) includes Exports
2. BEV includes MEAL Ltd and Contract manufacturing arrangement for eSUV
3. Auto others includes Trucks & buses, Mfg. arrangement for 2W and E-3W, domestic and international subsidiaries incl. Last Mile Mobility

Net of intercompany elimination of RS.1,462 crs. in Q2'27, RS. 1,328 crs. in Q2'26 and Rs 1,123 in Q1'F27
Conso PBIT is net of stock reserve and after share of profit from JV/ Associates

48

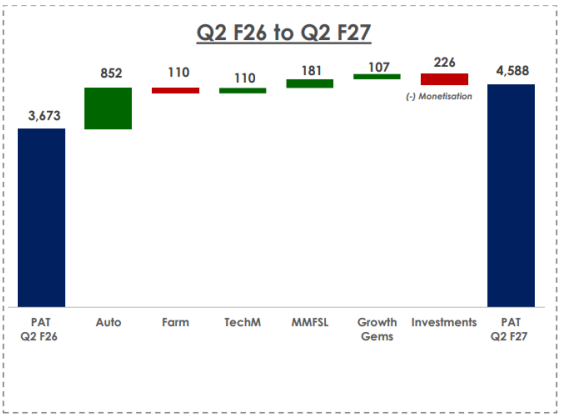
Source: Company, MOFSL

Exhibit 2: Strong PAT growth, driven by growth across businesses

CONSOLIDATED M&M

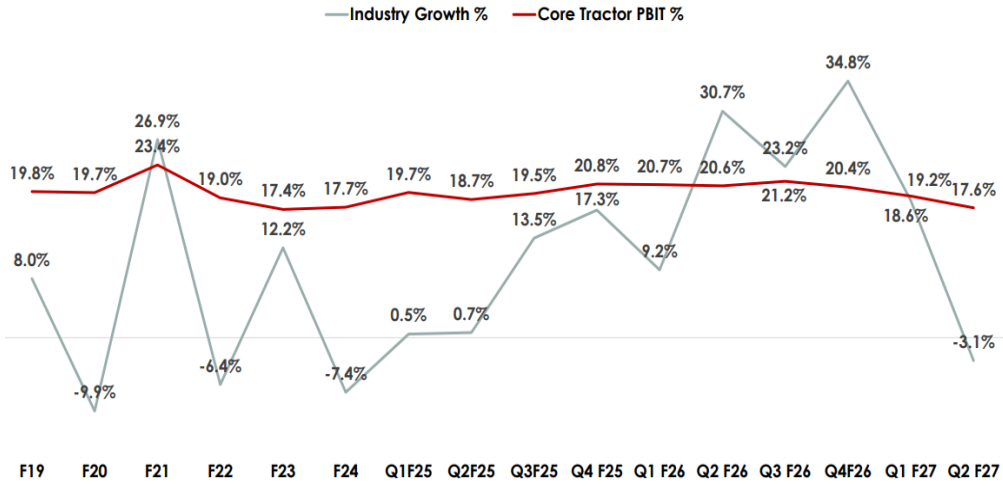
Rs cr.

	Q2 F26	Q2 F27	VPY
Auto	1,536	2,388	55%
Farm	1,163	1,053	(9%)
TechM	335	445	33%
MMFSL	296	477	61%
Growth Gems	61	168	3x
Investments	282	56	(80%)
Total	3,673	4,588	25%



Source: Company, MOFSL

Exhibit 3: Stable farm margins despite industry volatility



Source: Company, MOFSL

Exhibit 4: Auto capacity ramp-up plan

Per month capacity	F25 exit capacity	F26 exit capacity	F27 H1 exit capacity	F27 H2 exit capacity
SUV ICE Capacity	54k	56.5k	60k Completed	70k (10K for new Launches in F28) On track
BEV Capacity	5k Operational	8k Operational	8k Operational	12K Operational (4k for new launches in F28) On track
Total Capacity	59k Operational	64.5k Operational	68k Operational Completed	82k Operational (14k for new launches in F28) On track

- Scale-up during F27 as part of debottlenecking and new product capacity
- Creating additional NU_IQ capacity in Chakan of 10k p.m. (92k operational capacity by F28 exit)
- Greenfield plant announced in Nagpur for F29 & beyond to support new launches
  - Operational capacity of ~20k p.m. by H1F30 exit
  - Additional ~20k p.m. by H1F31 exit
- **2x capacity growth in 5 years (F26 exit - F31 exit)**

51

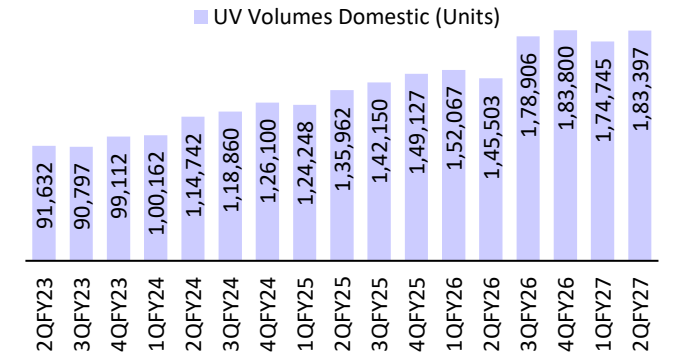
Source: Company, MOFSL

Exhibit 5: Farm margins

	Core Tractor[1]			+ International Subsidiaries[2]		+ Others[3]		= Farm Conso		
	Q2 F27	Q2 F26	Q1 F27	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q2 F27	Q2 F26	Q1 F27
Revenue	7,652	7,645	9,964	1,259	2,003	1,899	1,713	9,572#	10,225#	12,501#
PBIT	1,345	1,574	1,917	-130	-164	161	197	1,376	1,608	1,781
PBIT%	17.6%	20.6%	19.2%	-10.3%	-8.2%	8.5%	11.5%	14.4%	15.7%	14.2%

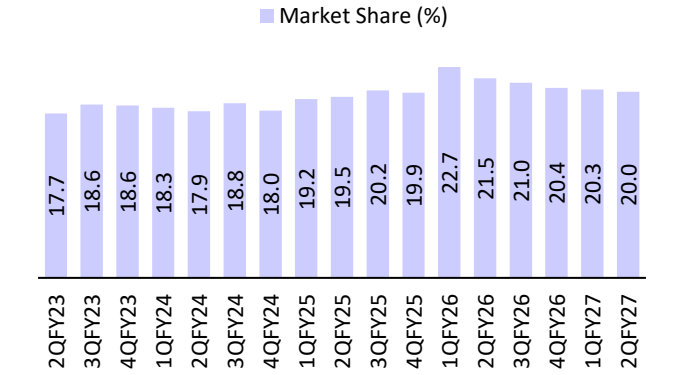
Source: Company, MOFSL

Exhibit 6: UV volume trend



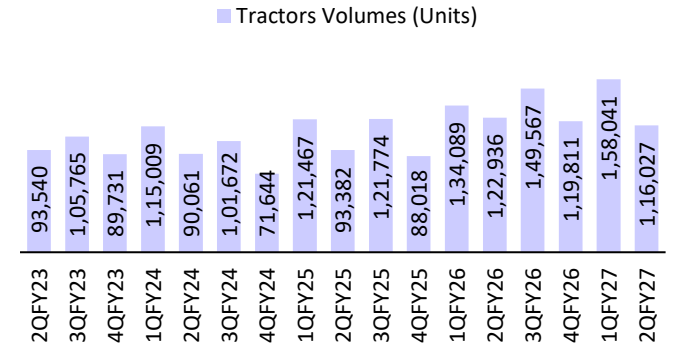
Source: Company, MOFSL

Exhibit 7: Domestic PV market share trend (%)



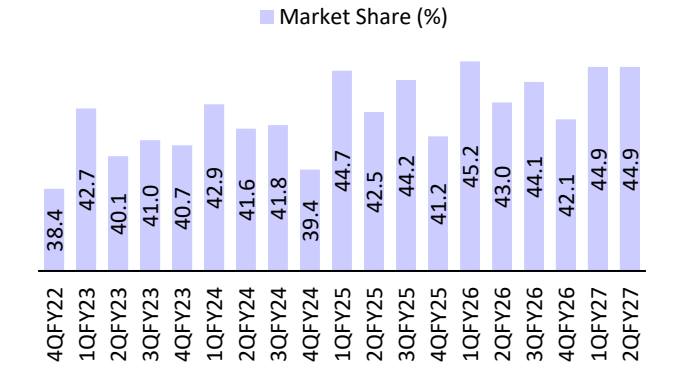
Source: Company, MOFSL

Exhibit 8: Tractor volume trend



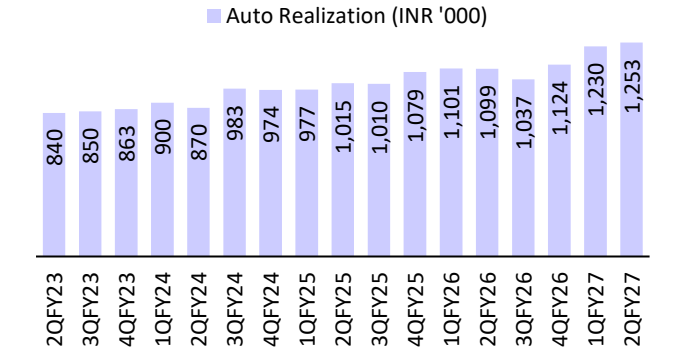
Source: Company, MOFSL

Exhibit 9: Domestic tractor market share trend (%)



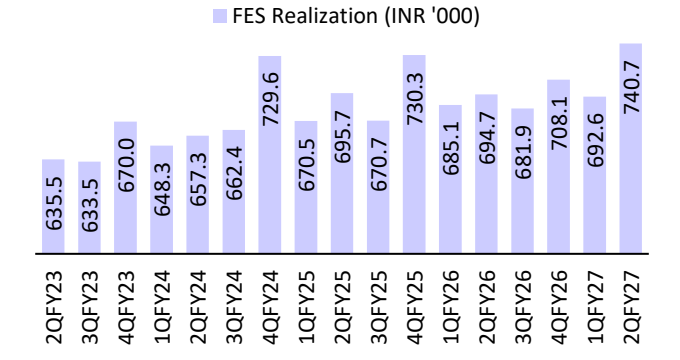
Source: Company, MOFSL

Exhibit 10: Auto ASP trend



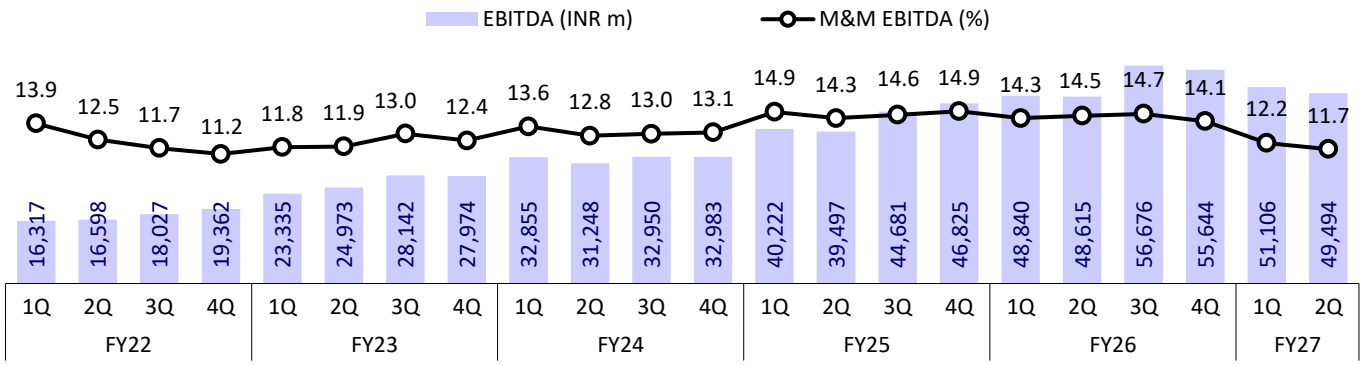
Source: Company, MOFSL

Exhibit 11: Tractor ASP trend



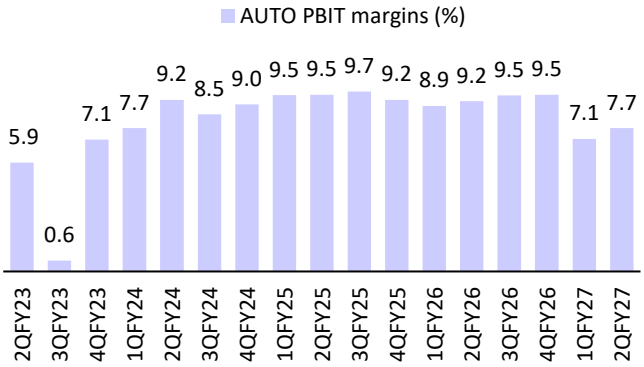
Source: Company, MOFSL

Exhibit 12: Trend in EBITDA margin



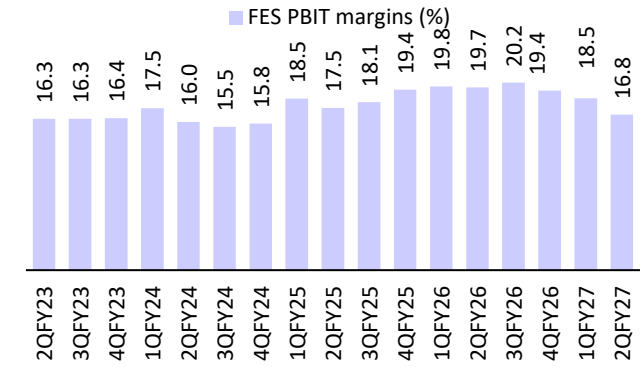
Source: Company, MOFSL

Exhibit 13: Trend in PBIT margin for the Auto segment



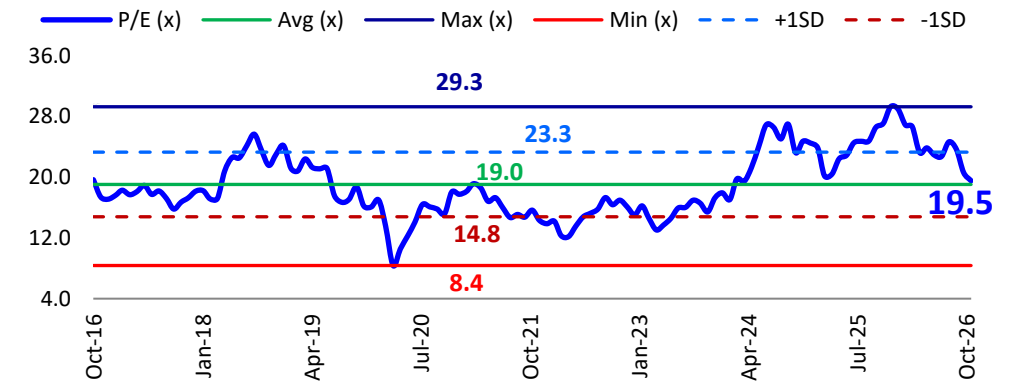
(3QFY23 margins w/o MTBD impairment at 6.6%)Company, MOFSL

Exhibit 14: Trend in PBIT margin for FES



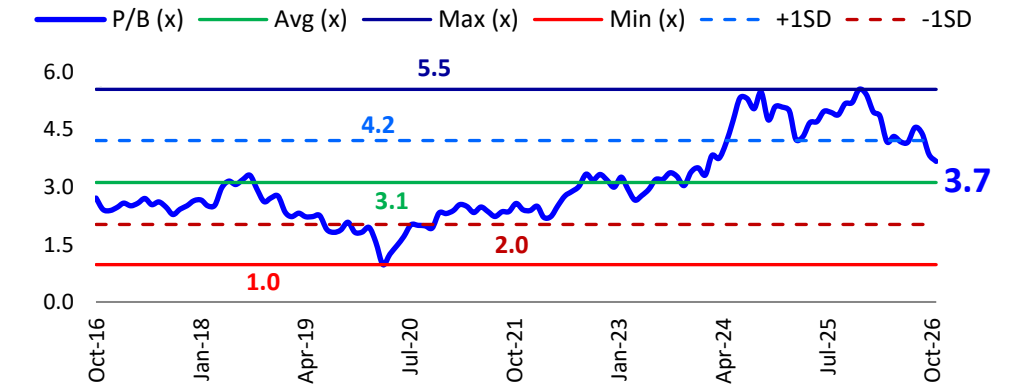
Source: Company, MOFSL

Exhibit 15: One-year forward P/E (x) band



Source: MOFSL

Exhibit 16: One-year forward P/B (x) band



Source: MOFSL

Valuation and view

- **MM likely to continue outperforming industry growth:** MM continues to have a healthy launch pipeline, which is expected even in the long run. It targets launching 10 ICE SUVs (one mid-cycle enhancement), six BEVs, and 10 LCVs (of which three would be EVs) by 2031. Of this, in CY26, the company targets launching three ICE SUVs (two mid-cycle enhancements), two BEVs, and two LCVs (of which one would be an EV in the <3.5T segment). Further, it has five product launches till Jun'27. Driven by new launches, we expect MM to continue outperforming industry growth. The company has guided for mid-to-high teen growth for FY27E. We have assumed MM to post a 16% volume CAGR in UVs over FY26-28E.
- **Tractor industry growth guidance surprises:** Given that the tractor industry has grown 24% YoY in FY26 and the fact that there are possibilities of an El Niño event driving a below-normal monsoon in FY26, there were concerns around tractor demand being weak in FY27E. Owing to this and draught-type situations in Karnatak and Maharashtra, which are two large markets, management expects a flat year for the tractor industry. We already factor in 2% decline for tractor volumes in FY27 followed by a flat FY28 on the back of lower rabi sowing and lower kharif yields, impacting 1HFY28 volumes, while normal monsoon expectations next year would lead to normalization in 2HFY28.
- **MM to capitalize on market leadership in the below-3.5T LCV category:** MM maintains a dominant position in the below-3.5T segment, where its market share improved by 60bp to 52.3% in FY26. The pick-up segment is now seeing a demand revival from the e-commerce segment, especially after GST rate cuts, which have made them affordable. Given the demand visibility, we assume MM to clock 11% volume CAGR over FY26-28E in this segment on a corrected base.
- **Value unlocking in growth gems provides option value:** MM has identified nine businesses as its growth gems and has set an ambitious target of achieving 5x growth in 5-7 years for each of these segments. It is looking to launch the IPO of the LMM business next year. Any incremental value unlocked in any or all of the growth gems in the coming years is likely to provide additional returns for MM shareholders.
- **Valuation and view:** On the back of its healthy launch pipeline and positive consumer sentiment, management provided a strong outlook for FY27E across segments: MM UV at mid-to-high teens, and the LCV industry at double digits. MM cut tractor guidance from mid-single digits to flat for FY27, which we have already factoring in into our nos. We estimate MM to post a CAGR of ~20%/ 13%/14% in revenue/EBITDA/PAT over FY26-28. **Reiterate BUY with a TP of INR3,850 (based on FY28E SoTP).**

Exhibit 17: Our revised forecasts

	FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes ('000 units)	1,651	1,661	-0.6	1,831	1,818	0.7
Net Sales	1,794	1,787	0.4	2,077	2,021	2.7
EBITDA (%)	**12.0**	**11.5**	**60bp**	**12.9**	**12.6**	**30bp**
Net Profit	165	153	7.6	205	191	7.4
EPS (INR)	**136.9**	**127.2**	**7.6**	**170.6**	**158.8**	**7.4**

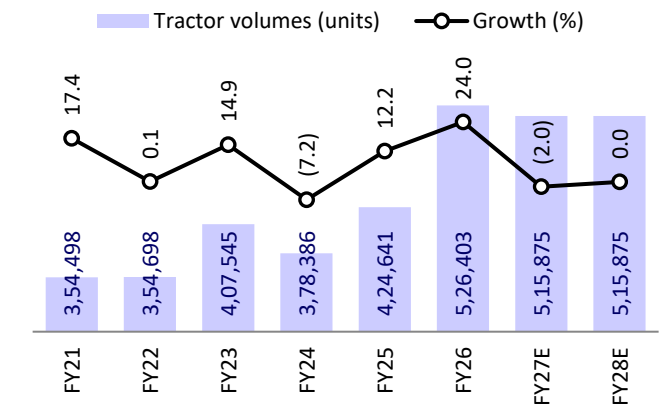
SoTP (INR/sh)	Target P/E (x)	FY26	FY27E	FY28E
Tractors	23	1052	973	1071
Autos	23	1454	1591	2203
Value of LMM business (30% HoldCo discount)		36	36	36
Value of Core Business		**2542**	**2601**	**3310**
Value of subs post hold-co discount		558	540	540
- Tech Mahindra		319	301	301
- MMFSL		138	138	138
- Mah. Lifespaces		23	23	23
- Mah. Holidays		18	18	18
- SML Mahindra		28	28	28
- Swaraj Engines		15	15	15
- Mah. Logistics		16	16	16
Fair Value (INR/sh)		**3100**	**3140**	**3850**

Snapshot of the revenue model

000 units	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Tractors	**354**	**355**	**408**	**378**	**425**	**526**	**516**	**516**
Growth (%)	*17.4*	*0.1*	*14.9*	*-7.2*	*12.2*	*24.0*	*-2.0*	*0.0*
% of total volumes	*50.2*	*43.2*	*38.8*	*33.6*	*33.2*	*34.4*	*31.2*	*28.2*
Autos								
Pick-up/LCVs (<3.5t)	154	171	239	250	256	287	328	354
Growth (%)	*-18.3*	*11.2*	*39.8*	*4.7*	*2.6*	*12.2*	*14.0*	*8.0*
SUVs	156	226	359	460	551	660	744	892
Growth (%)	*-13.3*	*45.2*	*59.0*	*28.0*	*19.9*	*19.7*	*12.8*	*19.9*
3-Ws	21	30	59	78	86	112	151	169
Growth (%)	*-67.0*	*46.5*	*94.6*	*32.6*	*10.6*	*26.5*	*35.0*	*12.0*
LCVs (>3.5t)	2	2	4	4	3	4	4	5
Growth (%)	*-75.0*	*31.0*	*84.9*	*-5.0*	*-5.0*	*19.1*	*10.0*	*10.0*
M&HCVs (MTBL)	3	4	9	10	10	11	13	14
Growth (%)	*-50.0*	*60.0*	*30.0*	*20.0*	*0.0*	*9.0*	*9.0*	*9.0*
Total Autos	**352**	**466**	**643**	**747**	**855**	**1,004**	**1,135**	**1,315**
Growth (%)	*-26.0*	*32.2*	*38.1*	*16.2*	*14.4*	*17.4*	*13.1*	*15.9*
% of total volumes	*49.8*	*56.8*	*61.2*	*66.4*	*66.8*	*65.6*	*68.8*	*71.8*
Total volumes ('000 units)	**707**	**820**	**1,050**	**1,126**	**1,280**	**1,530**	**1,651**	**1,831**
Growth (%)	***-9.1***	***16.1***	***34.8***	***1.8***	***13.7***	***19.6***	***7.9***	***10.9***
ASP (INR '000/Unit)	**629**	**705**	**769**	**880**	**910**	**951**	**1,087**	**1,134**
Growth (%)	*9.1*	*12.0*	*9.1*	*14.5*	*3.4*	*4.5*	*14.2*	*4.4*
Net Sales (INR b)	**445**	**578**	**850**	**991**	**1,165**	**1,456**	**1,794**	**2,077**
Growth (%)	*-0.9*	*29.9*	*47.0*	*16.6*	*17.5*	*25.0*	*23.3*	*15.7*

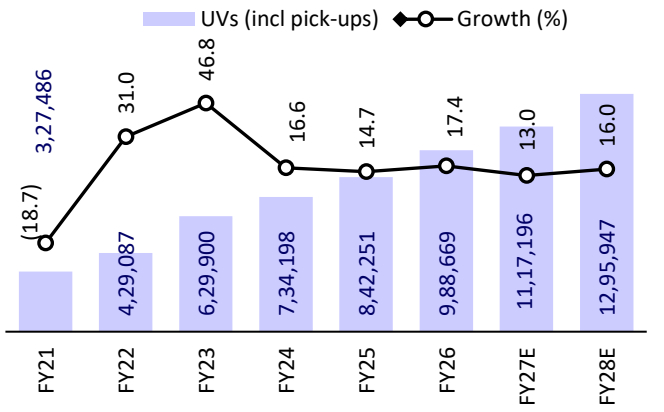
Story in charts

Exhibit 18: Trend in Tractor volumes



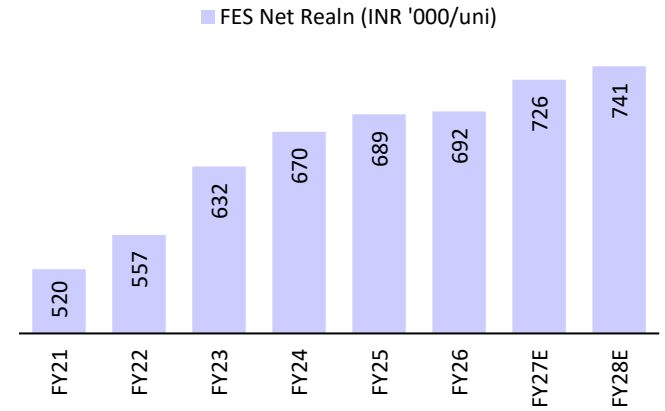
Source: Company, MOFSL

Exhibit 19: New product launches to drive UV sales



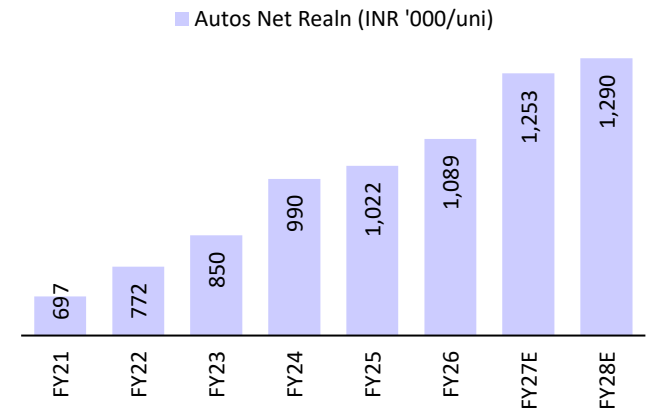
Source: Company, MOFSL

Exhibit 20: Trend in FES business realizations



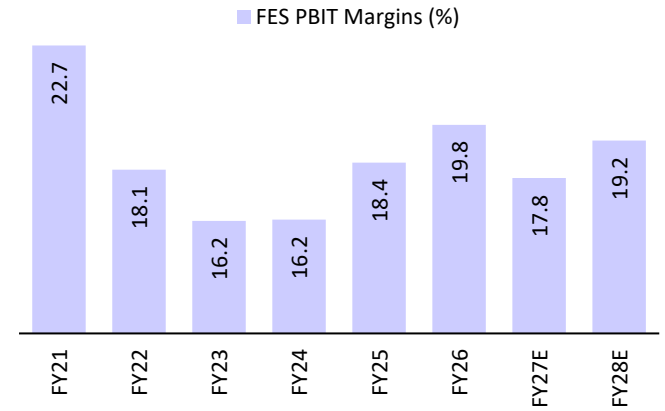
Source: Company, MOFSL

Exhibit 21: Trend in Auto business realizations



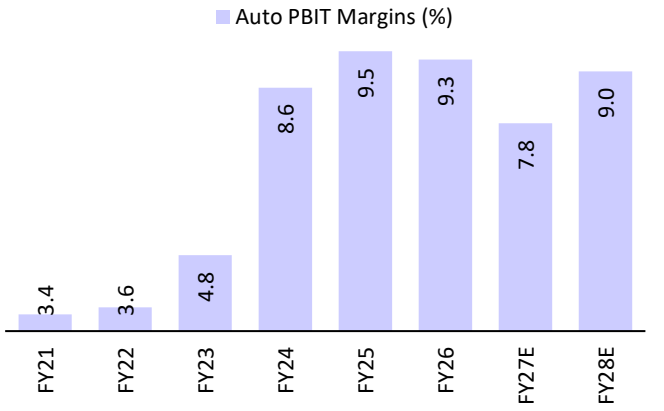
Source: Company, MOFSL

Exhibit 22: Trend in FES business PBIT margin



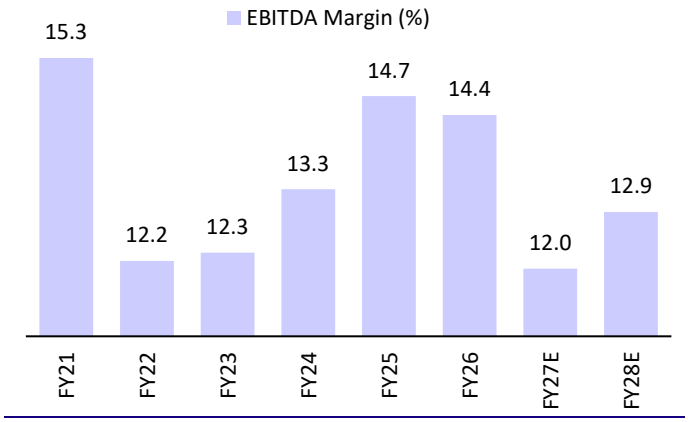
Source: Company, MOFSL

Exhibit 23: Trend in auto business PBIT margin



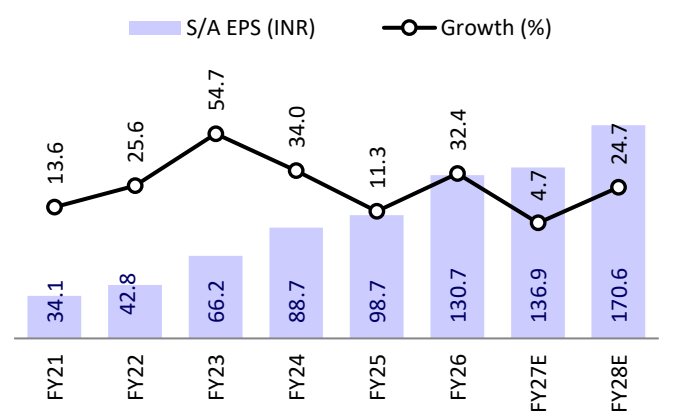
Source: Company, MOFSL

Exhibit 24: Trend in EBITDA margin



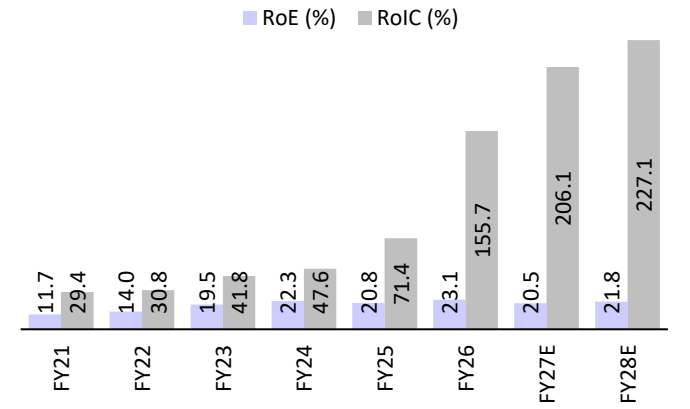
Source: Company, MOFSL

Exhibit 25: Trend in standalone EPS



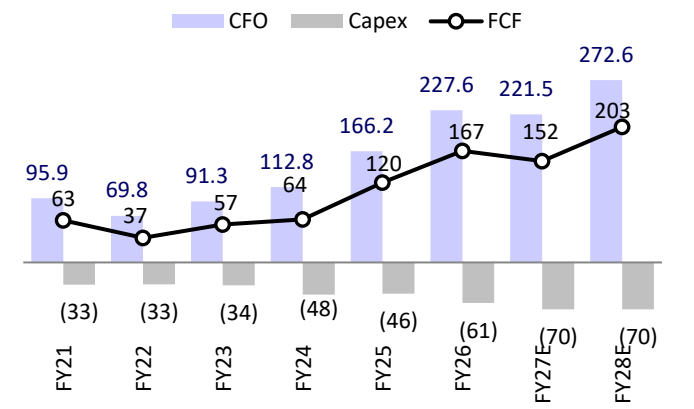
Source: Company, MOFSL

Exhibit 26: Trend in capital efficiencies (standalone)



Source: Company, MOFSL

Exhibit 27: FCF to improve despite higher capex plans



Source: Company, MOFSL

Financials and valuations

S/A Income Statement

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Op. Income	**4,44,719**	**5,77,869**	**8,49,603**	**9,90,977**	**11,64,837**	**14,55,758**	**17,94,250**	**20,76,689**
Change (%)	-0.9	29.9	47.0	16.6	17.5	25.0	23.3	15.7
EBITDA	**67,995**	**70,275**	**1,04,424**	**1,31,454**	**1,71,226**	**2,09,775**	**2,16,053**	**2,68,246**
Margins (%)	15.3	12.2	12.3	13.3	14.7	14.4	12.0	12.9
Change (%)	7.1	3.4	48.6	25.9	30.3	22.5	3.0	24.2
Depreciation	23,699	24,984	31,545	34,880	42,268	42,927	45,217	49,041
EBIT	**44,296**	**45,291**	**72,879**	**96,574**	**1,28,958**	**1,66,848**	**1,70,836**	**2,19,205**
Int. & Finance Charges	3,963	2,262	2,728	1,405	2,505	2,496	2,513	2,650
Other Income	11,995	20,538	25,452	39,409	30,048	42,872	48,719	54,021
Profit before Tax	**23,035**	**61,480**	**81,308**	**1,34,578**	**1,56,501**	**2,06,242**	**2,17,042**	**2,70,576**
Tax	13,193	12,781	15,821	28,155	37,952	49,853	52,524	65,479
Eff. Tax Rate (%)	57.3	20.8	19.5	20.9	24.3	24.2	24.2	24.2
Profit after Tax	**9,842**	**48,699**	**65,486**	**1,06,423**	**1,18,550**	**1,56,389**	**1,64,518**	**2,05,097**
Adj. Profit after Tax	**40,710**	**51,200**	**79,330**	**1,06,423**	**1,18,550**	**1,57,134**	**1,64,518**	**2,05,097**
Change (%)	13.8	25.8	54.9	34.2	11.4	32.5	4.7	24.7

Balance Sheet **(INR m)**

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Sources of Funds								
Share Capital	5,974	5,983	5,991	5,996	6,004	6,010	6,010	6,010
Reserves	3,43,536	3,75,998	4,27,577	5,16,769	6,09,847	7,37,241	8,56,357	10,11,273
Net Worth	**3,49,510**	**3,81,981**	**4,33,567**	**5,22,766**	**6,15,851**	**7,43,252**	**8,62,367**	**10,17,284**
Deferred tax	14,497	17,622	14,703	15,551	16,629	14,510	14,510	14,510
Loans	77,863	67,431	50,255	20,365	16,818	16,535	17,361	18,229
Capital Employed	**4,41,870**	**4,67,033**	**4,98,525**	**5,58,681**	**6,49,298**	**7,74,297**	**8,94,239**	**10,50,023**
Application of Funds								
Gross Fixed Assets	2,88,343	3,15,772	3,62,150	3,94,670	4,35,527	4,68,132	5,38,132	6,08,132
Less: Depreciation	1,68,230	1,66,733	1,92,388	2,19,390	2,39,014	2,71,248	3,16,465	3,65,506
Net Fixed Assets	**1,20,113**	**1,49,040**	**1,69,762**	**1,75,280**	**1,96,513**	**1,96,884**	**2,21,667**	**2,42,626**
Capital WIP	61,255	52,627	27,846	37,558	39,046	53,077	53,077	53,077
Investments	2,73,103	2,71,378	3,02,587	3,36,520	4,89,968	6,58,532	7,48,532	8,83,532
Curr.Assets, L & Adv.	**1,61,175**	**1,93,020**	**2,57,603**	**2,88,756**	**2,70,962**	**2,97,534**	**3,81,971**	**4,45,088**
Inventory	47,830	59,704	88,814	95,048	1,03,333	1,03,059	1,37,641	1,59,308
Inventory Days	39	38	38	35	32	26	28	28
Sundry Debtors	22,028	30,386	40,417	45,495	57,256	64,858	85,356	98,792
Debtor Days	18	19	17	17	18	16	17	17
Cash & Bank Bal.	8,675	7,173	13,101	18,694	12,644	7,608	22,043	37,677
Loans & Advances	19,324	49,264	51,792	71,464	53,560	63,732	78,652	91,033
Others	63,317	46,494	63,479	58,056	44,169	58,278	58,278	58,278
Current Liab. & Prov.	**1,73,775**	**1,99,032**	**2,59,273**	**2,79,433**	**3,47,191**	**4,31,730**	**5,11,008**	**5,74,300**
Sundry Creditors	1,06,427	1,29,701	1,71,456	1,85,920	2,34,058	2,94,999	3,63,766	4,21,027
Creditor Days	87	82	74	68	73	74	74	74
Other Liabilities	52,271	55,442	69,677	74,800	90,445	1,08,935	1,08,935	1,08,935
Provisions	15,077	13,889	18,139	18,714	22,689	27,796	38,308	44,338
Net Current Assets	**-12,601**	**-6,012**	**-1,670**	**9,323**	**-76,229**	**-1,34,197**	**-1,29,037**	**-1,29,212**
Working Capital	-21,276	-13,185	-14,771	-9,371	-88,873	-1,41,804	-1,51,081	-1,66,889
Application of Funds	**4,41,870**	**4,67,033**	**4,98,525**	**5,58,681**	**6,49,298**	**7,74,297**	**8,94,239**	**10,50,023**

E: MOFSL Estimates

Financials and valuations

Ratios								
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Basic (INR)								
Fully diluted EPS	**34.1**	**42.8**	**66.2**	**88.7**	**98.7**	**130.7**	**136.9**	**170.6**
Cash EPS	53.9	63.7	92.5	117.8	133.9	166.4	174.5	211.4
Book Value per Share	292.5	319.2	361.9	435.9	512.9	618.3	717.4	846.3
DPS	8.8	11.5	16.3	21.1	23.5	33.0	38.0	42.0
Div. Payout (%)	106.2	28.2	29.6	23.7	23.7	25.2	27.6	24.5
Valuation (x)								
P/E	75.3	59.9	38.7	28.9	26.0	19.6	18.7	15.0
Cash P/E	47.6	40.3	27.7	21.8	19.1	15.4	14.7	12.1
EV/EBITDA	45.4	42.2	27.9	21.8	16.2	12.8	12.2	9.5
EV/Sales	6.9	5.1	3.4	2.9	2.4	1.8	1.5	1.2
Price to Book Value	8.8	8.0	7.1	5.9	5.0	4.1	3.6	3.0
Dividend Yield (%)	0.3	0.4	0.6	0.8	0.9	1.3	1.5	1.6
Profitability Ratios (%)								
RoE	11.7	14.0	19.5	22.3	20.8	23.1	20.5	21.8
RoCE	10.1	11.6	17.0	20.3	19.9	22.4	19.9	21.3
Turnover Ratios								
Debtors (Days)	18	19	17	17	18	16	17	17
Inventory (Days)	39	38	38	35	32	26	28	28
Creditors (Days)	87	82	74	68	73	74	74	74
Core. Work. Cap (Days)	-30	-25	-18	-17	-23	-32	-29	-29
Asset Turnover (x)	1.0	1.2	1.7	1.8	1.8	1.9	2.0	2.0
Leverage Ratio								
Net Debt/Equity (x)	-0.1	-0.3	-0.4	-0.4	-0.5	-0.5	-0.5	-0.5

Cash Flow Statement								(INR m)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
OP/(Loss) before Tax	53,907	63,567	95,603	1,34,830	1,56,501	2,07,224	1,70,836	2,19,205
Int./Dividends Received	-9,458	-18,167	-20,468	-25,213	-29,715	-33,438	48,719	54,021
Depreciation & Amort.	23,699	24,984	31,545	34,389	42,268	42,927	45,217	49,041
Direct Taxes Paid	-11,381	-5,984	-19,380	-28,509	-35,415	-48,696	-52,524	-65,479
(Inc)/Dec in Wkg. Capital	35,866	3,913	3,871	8,681	26,023	61,784	9,277	15,808
Other Items	3,302	1,455	121	-11,386	6,511	-2,216		
CF from Oper.Activity	**95,936**	**69,767**	**91,293**	**1,12,792**	**1,66,172**	**2,27,585**	**2,21,524**	**2,72,596**
(Inc)/Dec in FA+CWIP	-33,113	-32,916	-34,313	-48,328	-46,489	-60,786	-70,000	-70,000
Free Cash Flow	**62,824**	**36,852**	**56,980**	**64,464**	**1,19,683**	**1,66,799**	**1,51,524**	**2,02,596**
(Pur)/Sale of Invest.	-1,12,247	-6,720	-13,222	-3,496	-92,251	-1,36,545	-90,000	-1,35,000
CF from Inv. Activity	**-1,45,638**	**-39,636**	**-47,535**	**-51,824**	**-1,38,740**	**-1,97,331**	**-1,60,000**	**-2,05,000**
Change in Net Worth	0	33	83	0	0		0	0
Inc/(Dec) in Debt	42,723	-15,978	-19,752	-32,148	-6,171	-2,776	827	868
Interest Paid	-4,645	-4,824	-3,810	-3,016	-1,181	-1,096	-2,513	-2,650
Dividends Paid	-2,936	-10,891	-14,359	-20,211	-26,196	-31,419	-45,570	-50,349
CF from Fin. Activity	**35,142**	**-31,660**	**-37,838**	**-55,375**	**-33,548**	**-35,291**	**-47,256**	**-52,130**
Inc/(Dec) in Cash	**-14,560**	**-1,528**	**5,921**	**5,593**	**-6,117**	**-5,036**	**14,268**	**15,466**
Add: Beginning Balance	23,235	8,701	7,180	13,101	18,593	12,476	7,608	22,043
Closing Balance	**8,675**	**7,173**	**13,101**	**18,694**	**12,644**	**7,608**	**22,043**	**37,677**

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

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

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

Disclosures

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

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

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

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

Regional Disclosures (outside India)

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

For Hong Kong:

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

For U.S.

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

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

For Singapore

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

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

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has 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 Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

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

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

Analyst Certification

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

Terms & Conditions:

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

Disclaimer:

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

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

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

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