

India
OVERWEIGHT *(Initiating coverage)*

Highlighted Companies

Hero MotoCorp

ADD, TP Rs3,652, Rs2,894 close

Better execution capability helps capture revival in 2W demand and rural markets. Market share gains and cost control to drive superior EPS growth, in our view. Initiate with Add rating.

Maruti Suzuki

ADD, TP Rs8,169, Rs7,118 close

Maruti's portfolio of compact cars, with expanding CNG fuel option variants, attracts conservative car buyers in the post-COVID-19 era. With the P/BV valuation just above mean level, we initiate with Add.

Bosch

REDUCE, TP Rs8,954, Rs11,777 close

Bosch market share loss due to higher MNC competition and gasoline expansion is diluting profit margin concerns. We initiate with Reduce as import costs impact EPS.

Summary Valuation Metrics

P/E (x)	Mar-21F	Mar-22F	Mar-23F
Hero MotoCorp	17.6	13.8	11.7
Maruti Suzuki	39.3	27.4	20.1
Bosch	39.2	31.5	27.2
P/BV (x)	Mar-21F	Mar-22F	Mar-23F
Hero MotoCorp	3.7	3.4	3.0
Maruti Suzuki	4.2	3.8	3.4
Bosch	3.6	3.3	3.1
Dividend Yield	Mar-21F	Mar-22F	Mar-23F
Hero MotoCorp	3.5%	4.1%	5.0%
Maruti Suzuki	1.1%	1.5%	2.0%
Bosch	0.8%	1.2%	1.4%

Automobile

On course for cyclical demand recovery

- We believe pent-up demand and travel challenges resulting from COVID-19 will help sustain cyclical demand recovery in cars and 2Ws beyond festivals.
- Initiate with Overweight. We prefer superior executors like Hero, Maruti, Bajaj, Mahindra, Eicher and Tata Motors. Hold Escorts, Ashok Leyland; Reduce TVS.
- In the components segment, we initiate with Add on Endurance, Balakrishna and Exide for new business opportunities. Reduce Motherson Sumi and Bosch.

Personal transport priority boosts 2W and car demand

The COVID-19 shock in the Jun 2020 quarter led to the two-year cyclical demand bottoming, a decline beginning in Aug 2018. With restrictions on public transport and social distancing in place, India's vehicle ownership trend now seems to have shifted from the family to personal ownership, leading to the start of a demand recovery in 2Ws/ cars. We expect total automobile sector sales volume growth to improve to 21% in 2HFY21F (Fig 13), supported by strong rural income, festivals demand and low-base benefit.

Public transport recovery to remain on slow demand recovery path

Considering challenges from GDP contraction and people movement restrictions, we feel fleet demand for vehicles like trucks, buses, 3Ws and taxi cars will remain subdued and sharply underperform the rest of the segments. Weak government financials limit typical historical stimulus capacity for these segments (accelerated depreciation, scrappage, government purchases). The overhang of financiers bad assets in these segments can increase the supply of used vehicles in these segments, in our view.

Strong executors to drive quick EPS recovery

The supply chain response to the COVID-19 pandemic varied drastically, as mass segment leaders like Hero and Maruti pulled through early to cater to the rising demand, leading to their volume market shares rising (Fig 7) in 1H. We initiate coverage on Hero MotoCorp and Maruti Suzuki with an Add rating and DCF-based target prices. Due to the fast recovery in tractor demand and market share gains in small trucks, we initiate coverage on Mahindra & Mahindra with an Add rating. Though it has rich valuations, we have a Hold on Escorts.

Overweight on sector on consumer preference for personal transport

Despite the Nifty Auto Index's sharp outperformance vs Nifty 50, the 1-year forward Bloomberg consensus P/E (Fig 22) is still comfortable at +1SD above the 10-year mean, considering the early cyclical recovery phase and sharp earnings growth possibility. We initiate coverage on the sector with an Overweight, with Add ratings on personal transport-related stocks like Hero, Maruti, M&M, Bajaj, Eicher and Tata Motors. We rate Ashok Leyland and Escorts a Hold and TVS Reduce. We initiate coverage on component makers Balkrishna, Endurance and Exide with an Add, Bharat Forge and Apollo Tyres with Hold and Bosch and Motherson Reduce. Key risks are fuel price hike, adverse government policy and commodity cost spike.

Analyst



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Figure 1: Industry growth expectations

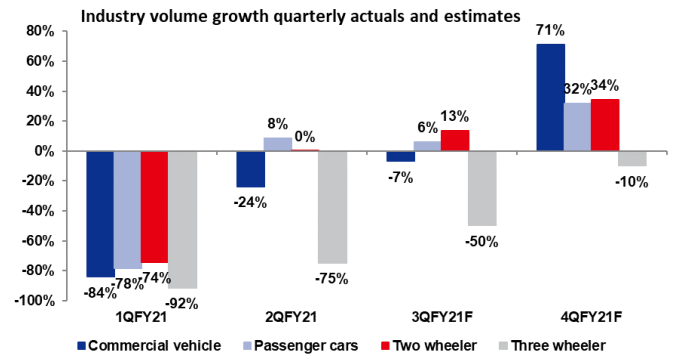
March YE	FY17	FY18	FY19	FY20	FY21F	FY22F
Passenger cars and MPV	4.0%	3.4%	2.8%	-24.1%	-7.7%	10.8%
Sports Utility Vehicles	29.8%	21.0%	2.1%	0.2%	-11.5%	13.0%
Total Passenger Vehicles	9.5%	7.8%	2.6%	-17.3%	-9.0%	11.5%
M&HCV	-0.3%	13.8%	14.5%	-42.9%	-32.0%	20.0%
LCV	6.2%	25.3%	18.3%	-22.7%	-11.0%	15.0%
Total Commercial Vehicles	3.4%	20.5%	16.8%	-30.5%	-17.7%	16.3%
Two wheelers	6.9%	14.8%	4.9%	-17.8%	-11.1%	13.2%
Three wheelers	-4.9%	25.1%	9.6%	-9.2%	-55.0%	15.0%
Total Domestic Automobile Sector	6.8%	14.3%	5.1%	-18.0%	-12.4%	13.1%
Tractors	18.2%	22.1%	10.5%	-10.3%	10.0%	14.0%

SOURCES: SIAM, EIP RESEARCH ESTIMATES, COMPANY REPORTS

KEY CHARTS

Recent recovery in some segments >

Automobile sector sales volume saw a robust mom recovery, especially post Jul, as it overcame supply challenges due to the COVID-19 shutdown. The preference for personal mobility, due to the short-term disturbance in public transport availability, was the starting point of recovery and followed by the rural market pull. With festival season around the corner, the momentum has expanded to cars and small trucks. However, weak transporter profitability continues to impact demand for new trucks, 3Ws and car taxis.



Cyclical demand recovery to sustain >

After nearly two years of sustained sales volume decline across auto sector segments (starting with insurance regulation in Aug 2018), we see signs of recovery. The need for personal mobility has kickstarted this cyclical volume recovery and we feel this recovery will sustain with recent government stimulus measures like the leave travel coupon encashment scheme and a rural income boost from agriculture reforms. We build in a base case volume dip of 12.4% for FY21F and +13% growth for FY22F and provide sensitivity analyses for Bear and Bull case scenarios.

Domestic volume growth (%)	Base case	Bull case	Bear case
Passenger cars and MPV	-7.7%	-0.3%	-15.3%
Utility Vehicles	-11.5%	-5.0%	-20.0%
Total Passenger Vehicles	-9.0%	-1.9%	-16.9%
M&HCV	-32.0%	-22.0%	-40.0%
LCV	-11.0%	0.0%	-20.0%
Total Commercial Vehicles	-17.7%	-7.0%	-26.3%
Two wheelers	-11.1%	-2.4%	-17.5%
Three wheelers	-55.0%	-40.0%	-60.0%
Total Domestic Automobile Sector	-12.4%	-3.6%	-19.0%
Tractors	10.0%	17.0%	5.0%

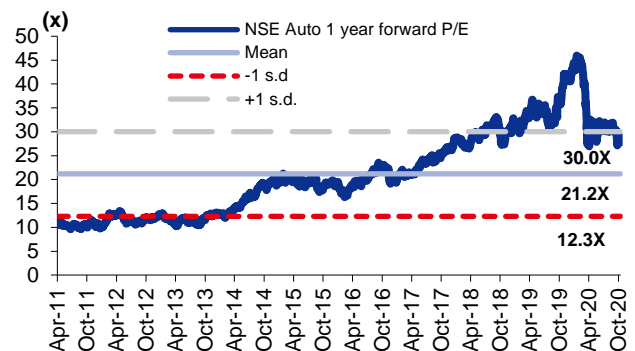
Cost challenges to rise gradually >

We feel COVID-19 cost savings will be fully captured in Sep financials. But spikes in raw material costs in recent months requires pricing action by original equipment manufacturers (OEMs) during the festival period. Average selling price (ASP) discounts aimed at sustaining sales volume momentum post festivals will be a key risk. For the Sep quarter, we think Escorts, Balkrishna, Maruti and Hero will be the EBITDA yoy growth leaders, while Ashok Leyland, Tata Motors and Bosch will likely lag.

Raw Material Prices	2QFY21	2QFY20	YoY (%)	1QFY21	QoQ (%)
CRC Steel (Rs/tonne)	45,559	42,312	7.7	42,158	8.1
Lead(US\$/tonne)	1,873	2,029	(7.7)	1,680	11.5
Rubber (Rs/Kg)	131.0	142	(8.5)	120	8.0
Aluminum(US\$/tonne)	1,742	1,790	(2.7)	1,531	13.8
Copper prices (\$/tonne)	6,513	5,829	11.7	5,389	20.9

Initiate with Overweight rating on sector >

Considering the cyclical demand uptick ahead, we initiate on the sector with an Overweight rating. Although stock prices rose from recent lows, we feel P/BV valuations are comfortable in superior executors like Hero MotoCorp and Maruti Suzuki and recommend Add. We remain cautious on truck cyclical demand recovery and initiate coverage on Ashok Leyland and Apollo Tyres with Hold and have Reduce ratings on TVS, Bosch and Motherson Sumi.



SOURCES: SIAM, EIP RESEARCH ESTIMATES, COMPANY REPORTS, NSE, BLOOMBERG, ACE EQUITY

Figure 2: Peer Valuation Summary

Company	BBG Ticker	Rec	MktCap (US\$bn)	Price (₹)	Target Price (₹)	Up/down (%)	EPS				PER		P/BV		EV/EBITDA	Yield	ROAE	
							FY20	FY21F	FY22F	Growth (%)		(x)		(x)		(x)	(%)	(%)
Apollo Tyres	APTY IN	HOLD	1.1	143	144	0.6	8.3	4.1	8.2	-50.4	99.1	34.6	17.3	0.8	0.7	6.7	0.7	2
Ashok Leyland	AL IN	HOLD	3.2	80	81	0.9	1.0	0.2	2.3	-78.1	922.8	349.3	33.9	3.1	2.9	26.5	0.1	1
Bajaj Auto	BJAUT IN	ADD	11.4	2,925	3,477	18.9	176.2	156.9	173.9	-10.9	10.8	18.6	16.8	3.7	3.3	14.0	2.2	21
Balkrishna Industries	BIL IN	ADD	3.5	1,343	1,594	18.7	48.8	46.2	57.2	-5.3	23.8	29.0	23.4	4.5	4.0	17.6	1.0	17
Bharat Forge	BHFC IN	HOLD	2.9	455	491	7.9	3.7	5.1	10.4	36.1	101.6	88.1	43.7	3.6	3.3	26.1	0.3	4
Bosch Ltd	BOS IN	REDUCE	4.7	11,777	8,954	-24.0	440.0	300.1	374.2	-31.7	24.6	39.2	31.4	3.5	3.3	28.0	0.8	9
Eicher Motors	EIM IN	ADD	7.9	2,137	2,536	18.7	66.9	54.4	67.7	-18.6	24.4	39.2	31.5	6.0	5.2	26.6	0.5	15
Endurance Technologies	ENDU IN	ADD	1.9	1,026	1,339	30.5	40.2	30.5	40.4	-24.0	32.4	33.6	25.3	4.3	3.7	14.2	0.5	14
Escorts Ltd	ESC IN	HOLD	2.2	1,188	1,220	2.7	54.6	55.8	69.7	2.2	24.9	21.2	17.0	2.4	2.1	14.7	0.3	13
Exide Industries	EXID IN	ADD	1.8	157	214	36.3	9.9	9.4	11.0	-5.6	17.5	16.7	14.1	1.9	1.7	7.6	1.9	12
Hero Motocorp	HMCL IN	ADD	7.8	2,894	3,652	26.2	182.3	164.7	209.2	-9.6	27.0	17.5	13.8	3.7	3.3	11.6	3.5	22
Mahindra & Mahindra	MM IN	ADD	9.9	592	729	23.2	30.1	30.0	36.4	-0.4	21.2	19.7	16.2	1.7	1.6	7.8	1.3	9
Maruti Suzuki	MSIL IN	ADD	29.0	7,118	8,169	14.8	172.4	181.1	260.2	5.0	43.6	39.2	27.3	4.1	3.8	25.7	1.1	11
Motherson Sumi Systems	MSS IN	REDUCE	4.6	107	87	-19.1	3.7	3.3	4.2	-9.6	26.2	32.0	25.3	2.8	2.7	9.4	1.3	9
Tata Motors	TTMT IN	ADD	5.9	132	162	22.8	-34.5	-12.1	12.1	-65.0	-200.4	-10.9	10.8	0.8	0.7	6.1	0.0	-7
TVS Motor	TVSL IN	REDUCE	2.7	422	349	-17.4	12.4	7.5	13.5	-39.5	79.9	56.0	31.1	5.2	4.6	19.6	0.7	10
Average												40.3	23.5	3.5	3.2	18.4	1.2	12

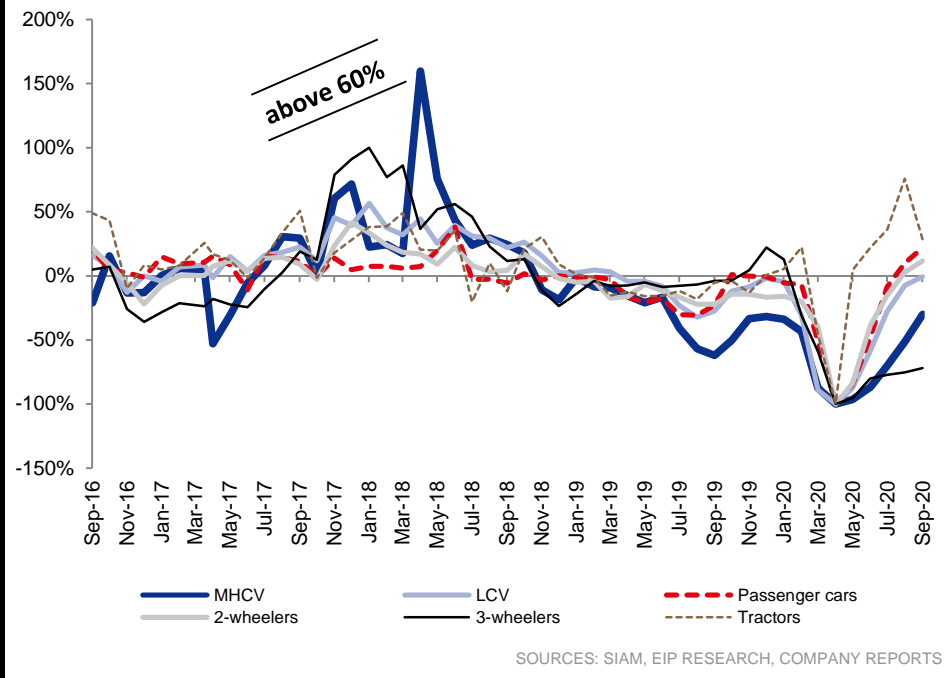
SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG
DATA AS AT 29 OCT 2020

On course for cyclical demand recovery

Monthly sales volume momentum encouraging ➤

Personal mobility demand rebounded quickly post the Unlock phases as consumers prefer vehicles to effect social distance and get around weak public transport availability. We feel COVID-19 has made vehicle ownership a personal need (like in developed nations) compared to the earlier trend of family/household ownership. Two successive years of good monsoon rainfall and favorable government policies have hastened rural demand recovery in tractors and 2Ws, which we feel is sustainable in the short term.

Figure 3: Improvement in monthly sales volume growth trend



SOURCES: SIAM, EIP RESEARCH, COMPANY REPORTS

However, COVID-19's impact on the Mar-Jul 2020 demand and supply chain will continue to haunt YTD FY21F growth performance. With automobile purchases for personal consumption increasing and leading to strong demand recovery supported by festival demand, total automobile sales volume dipped just 2% yoy in the Sep quarter, overcoming macro challenges. We are encouraged by car sector growth of 8% yoy and 2W +0.2% for the Sep 2020 quarter.

Figure 4: Domestic sales volume performance YTD

Sub-Segment	Apr-Sep 20	FY 20 (nos)	1 Yr Growth (%)	3 Yr CAGR (%)	5 Yr CAGR (%)	10 Yr CAGR (%)	Exports as % of total sales
Medium & Heavy Commercial Vehicles (M&HCV)	-76.0%	2,35,260	-42.9%	-9.4%	-0.7%	-0.4%	9.3%
Light Commercial Vehicles (LCV)	-48.2%	5,06,235	-22.7%	4.7%	3.6%	4.2%	7.1%
Total Commercial Vehicles (CV)	-57.6%	7,41,495	-30.5%	-0.7%	2.1%	2.5%	7.8%
Cars + MPV	-42.3%	18,16,335	-24.2%	-7.0%	-3.2%	1.1%	21.3%
Sports Utility Vehicle (SUV)	-29.0%	9,42,922	0.2%	7.4%	11.3%	13.2%	16.3%
Total Passenger Vehicles (PV)	-37.7%	27,59,257	-17.4%	-2.9%	0.5%	3.8%	19.7%
3-wheelers	-82.3%	6,37,052	-9.2%	7.6%	3.7%	3.8%	44.2%
2-wheelers	-38.3%	1,74,17,618	-17.8%	-0.3%	1.7%	6.4%	16.8%
Motorcycles	-35.2%	1,12,14,640	-17.5%	0.4%	0.9%	4.3%	21.9%
Total Automobile	-39.6%	2,15,55,422	-18.0%	-0.5%	1.6%	5.8%	18.1%
Tractors	8.4%	7,05,600	-9.8%	6.7%	5.1%	4.8%	10.0%

SOURCES: SIAM, TRACTOR MANUFACTURER ASSOCIATION, EIP RESEARCH, COMPANY REPORTS

Figure 5: Effect of rainfall on rural demand segments

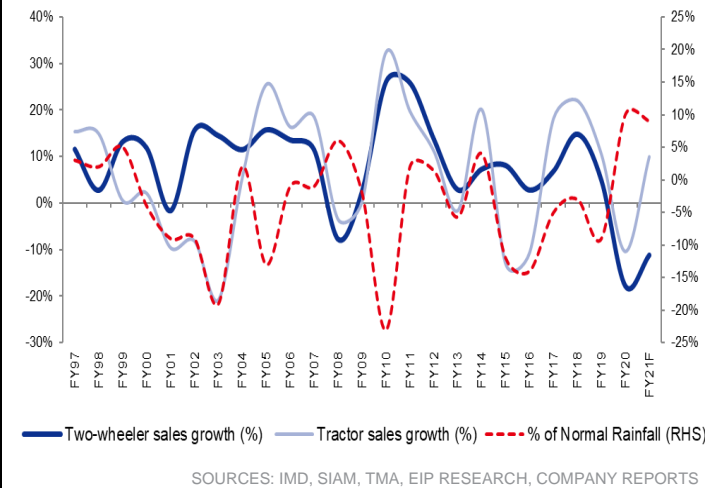
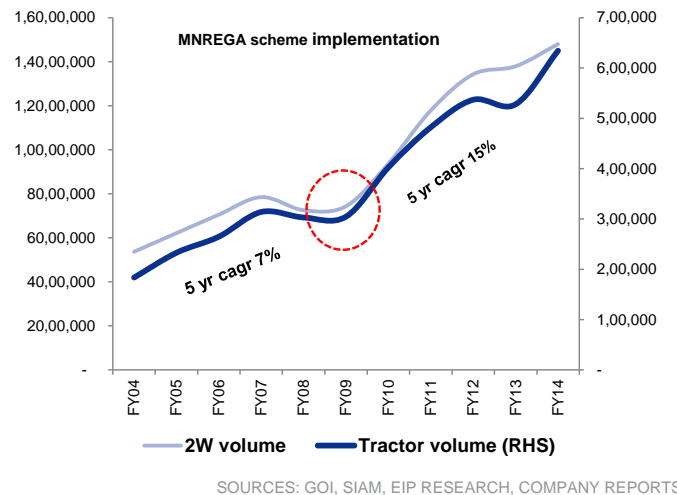


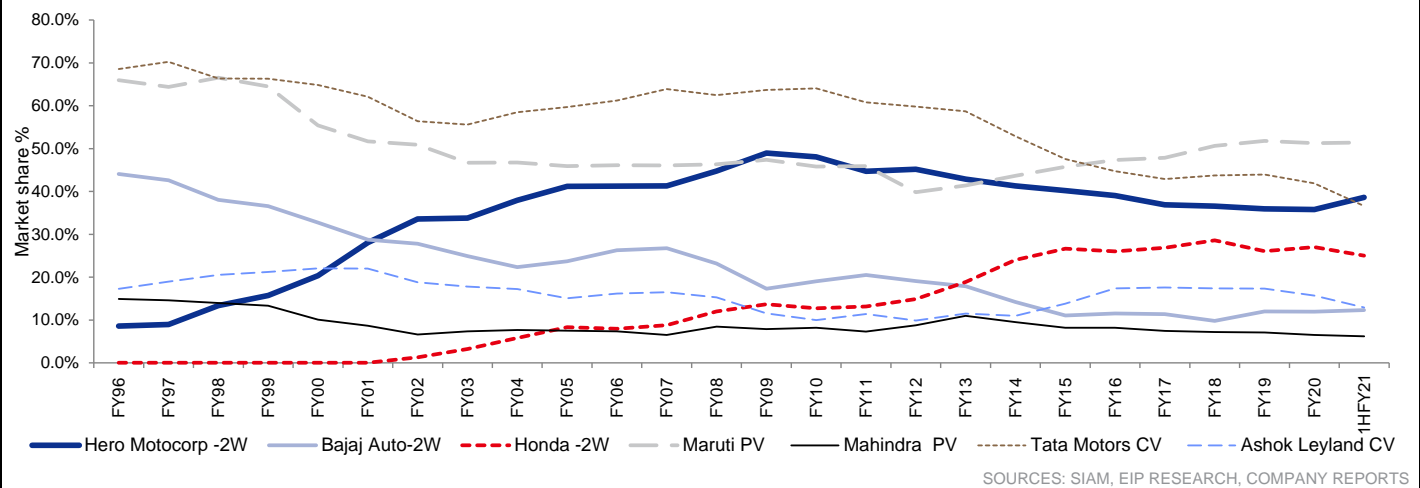
Figure 6: Historical MNREGA spending boosted auto sector



Leaders gain market share on superior execution

We believe the leaders' superior execution capabilities in large volume segments has been the key differentiator in the 1HFY21F market share performance, with robust gains for Hero MotoCorp in 2Ws, Maruti Suzuki in passenger vehicles and Mahindra & Mahindra (M&M) in commercial vehicles. Better supply chain management and overcoming COVID-19 challenges to meet improving consumer demand has driven 1HFY21F volume market share gains, in our view.

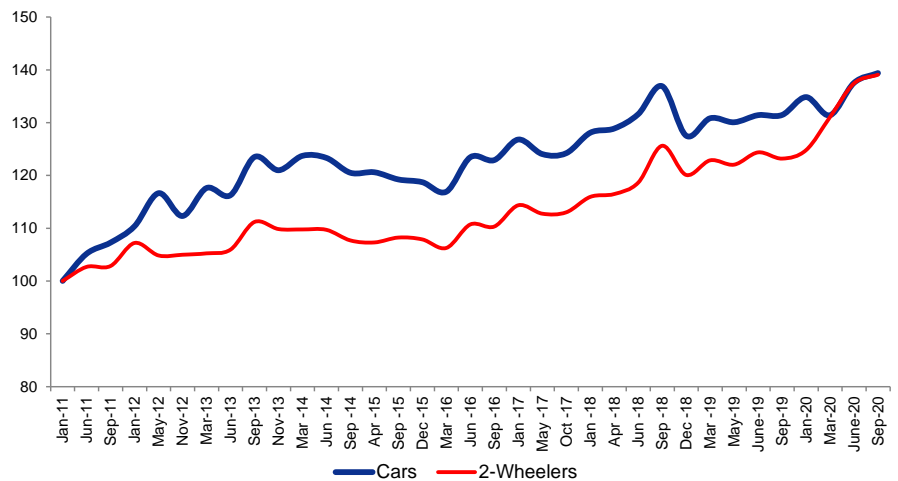
Figure 7: Long-term domestic volume market share trend



Macro challenges overcome in short term

We believe the spike in demand for vehicles during the COVID-19 pandemic overcame macro challenges like vehicle and fuel price hikes, weak job data and GDP shrinkage. The 6-12% yoy spike in three-year ownership cost for cars and bikes, due to emission upgrade costs and fuel prices (11% in 1HFY21F), seems to have been factored in by consumers now, in our view.

Figure 8: Spike in India's 3-year vehicle ownership cost



SOURCES: INDIAL OIL CORPORATION (IOC), RBI, EIP RESEARCH, COMPANY REPORTS

Sustained cars and 2W growth outperformance vs peers

With strong rural demand and festivals support, the short-term demand momentum for personal transport vehicles like cars and 2W will remain strong, in our view. We believe the US\$5bn stimulus provided to government staff (leave travel concession cash voucher scheme), in the form of tax concession spends on items above 12% GST, will sustain demand momentum for personal vehicles beyond festivals.

We believe mass transport segments like 3Ws, trucks and bus segments will continue to face demand headwinds despite rebounding from the Jun quarter low. We believe the earliest the commercial vehicle segment, burdened by a vehicle loan moratorium and weak freight rates despite rising fuel prices, may return to growth due to a low-base benefit in the Jan-March 2021F quarter. The small trucks or light commercial vehicles (LCVs) segment is recovering relatively faster due to an e-commerce boom and self-employment opportunities extended by the product to individuals.

Figure 9: Industry growth expectation

March YE	FY17	FY18	FY19	FY20	FY21F	FY22F
Passenger cars and MPV	4.0%	3.4%	2.8%	-24.1%	-7.7%	10.8%
Sports Utility Vehicles	29.8%	21.0%	2.1%	0.2%	-11.5%	13.0%
Total Passenger Vehicles	9.5%	7.8%	2.6%	-17.3%	-9.0%	11.5%
M&HCV	-0.3%	13.8%	14.5%	-42.9%	-32.0%	20.0%
LCV	6.2%	25.3%	18.3%	-22.7%	-11.0%	15.0%
Total Commercial Vehicles	3.4%	20.5%	16.8%	-30.5%	-17.7%	16.3%
Two wheelers	6.9%	14.8%	4.9%	-17.8%	-11.1%	13.2%
Three wheelers	-4.9%	25.1%	9.6%	-9.2%	-55.0%	15.0%
Total Domestic Automobile Sector	6.8%	14.3%	5.1%	-18.0%	-12.4%	13.1%
Tractors	18.2%	22.1%	10.5%	-10.3%	10.0%	14.0%

SOURCES: SIAM, EIP RESEARCH ESTIMATES, COMPANY REPORTS

Figure 10: Bull and Bear estimates for FY21F

Domestic volume growth (%)	Base case	Bull case	Bear case
Passenger cars and MPV	-7.7%	-0.3%	-15.3%
Utility Vehicles	-11.5%	-5.0%	-20.0%
Total Passenger Vehicles	-9.0%	-1.9%	-16.9%
M&HCV	-32.0%	-22.0%	-40.0%
LCV	-11.0%	0.0%	-20.0%
Total Commercial Vehicles	-17.7%	-7.0%	-26.3%
Two wheelers	-11.1%	-2.4%	-17.5%
Three wheelers	-55.0%	-40.0%	-60.0%
Total Domestic Automobile Sector	-12.4%	-3.6%	-19.0%
Tractors	10.0%	17.0%	5.0%

SOURCES: EIP RESEARCH ESTIMATES

Figure 11: Key variable assumptions for FY21F

	Bear Case	Base case	Bull Case
GDP Growth(%)	-12.0%	-10.0%	-5%
Interest rate cut (bp)	100	150	250
Monsoon	Below normal	Normal	Above normal
Diesel price hike(%)	15%	10%	5%
Petrol price hike(%)	12%	8%	3%

SOURCES: BLOOMBERG, IOC, IMD, EIP RESEARCH ESTIMATES, COMPANY REPORTS

The low-base benefit starting from Jan 2021F has led to a spike in monthly volume growth, reaching our full-year sub-segment growth.

Figure 12: Monthly volume growth expectation for FY21F - Base case

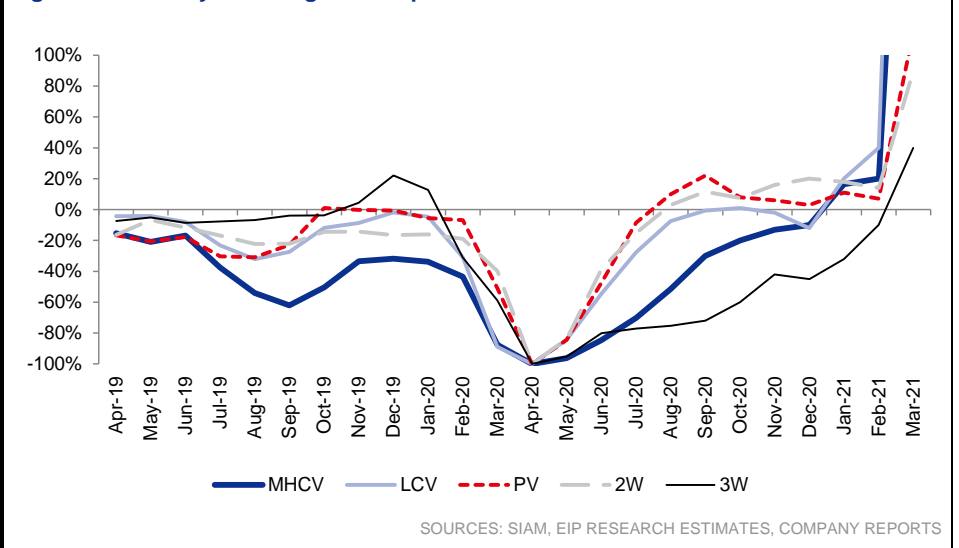
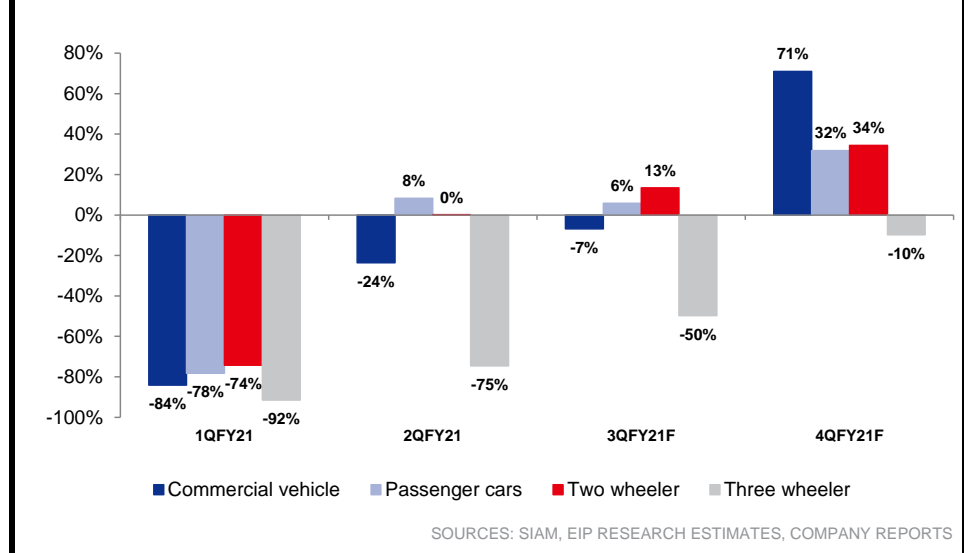


Figure 13: Our quarterly sales volume growth expectation for industry in FY21F



Volume assumption for coverage universe

We arrive at our coverage company sales volume assumptions based on our sector demand outlook and individual new product launch benefits. We believe, FY21F outperformers (amongst our coverage companies) that could limit the volume decline this year are Escorts, Hero MotorCorp and Maruti Suzuki.

Figure 14: Coverage universe domestic sales volume and per vehicle ASP/ EBITDA assumptions

Sales volume (no.)- Domestic	Ashok Leyland	Bajaj Auto	Hero MotoCorp	Maruti	M&M	Escorts Ltd	Eicher Motors	TVS Motors
-FY21F	97,130	20,93,720	59,89,365	13,60,042	6,74,226	82,252	5,77,853	20,59,011
- growth (%)	-17%	-14%	-4%	-7%	-9%	0%	-12%	-15%
-FY22F	1,14,324	22,44,822	66,43,858	15,35,866	7,53,378	94,590	6,41,417	25,84,512
- growth (%)	18%	7%	11%	13%	12%	15%	11%	26%
Sales volume (no.)- Exports								
-FY21F	8,504	21,37,506	1,95,586	90,000	38,685	3,578	40,000	7,18,921
- growth (%)	-5%	-2%	10%	-12%	2%	-5%	2%	-14%
-FY22F	9,541	23,15,150	2,30,077	1,20,000	43,950	4,293	50,000	8,12,567
- growth (%)	12%	8%	18%	33%	14%	20%	25%	13%
Sales volume (no.) - Total								
-FY21F	1,05,634	42,31,226	61,84,951	14,50,042	7,12,911	85,830	6,17,853	27,77,932
- growth (%)	-16%	-8%	-4%	-7%	-8%	0%	-11%	-15%
-FY22F	1,23,865	45,59,973	68,73,935	16,55,866	7,97,329	98,883	6,91,417	33,97,079
- growth (%)	17%	8%	11%	14%	12%	15%	12%	22%
Net realized price/ Vehicle (Rs.)								
-FY21F	15,92,566	68,361	51,586	4,98,261	6,00,585	5,25,423	1,39,853	53,666
- growth (%)	14%	5%	14%	3%	3%	2%	6%	6%
-FY22F	16,00,584	70,748	52,306	5,15,930	6,12,271	5,36,323	1,45,131	54,953
- growth (%)	1%	3%	1%	4%	2%	2%	4%	2%
EBITDA/ Vehicle (Rs.)								
-FY21F	80,893	10,716	6,760	47,762	75,711	73,559	30,519	4,052
- growth (%)	-1%	-3%	4%	0%	2%	10%	-3%	-3%
-FY22F	1,48,960	11,177	7,673	59,836	80,917	76,158	33,394	4,533
- growth (%)	84%	4%	14%	25%	7%	4%	9%	12%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

Two-wheeler segment still holds growth potential

Based on vehicle population estimates (SIAM), households' 2W penetration seems to have doubled since FY15 to 62% in FY21F. Considering the desire for personal mobility in the current context environment, improving personal disposable incomes, India's 2W penetration measured as 138 vehicles per 1,000 people in 2020 is below historical peak levels achieved by early adopters like China (163 vehicles in 2015) or Japan (154 in 1986). Hence, we expect higher single-digit growth rate to sustain till FY25F for the sector.

Figure 15: Medium-term potential of 2W ownership

In M	FY15	FY16	FY17	FY18	FY19	FY20	FY21F	Total
Domestic 2W sales	16	16.46	17.59	20.19	21.18	17.4	15.5	108.3
Growth								
Households	311							318
Penetration	37%							62%
Replacement in 5-years	25	0	0	0	0	0	0	40
2-W population	114	126	140	155	171	184	195	195

SOURCES: SIAM, EIP RESEARCH ESTIMATES, COMPANY REPORTS

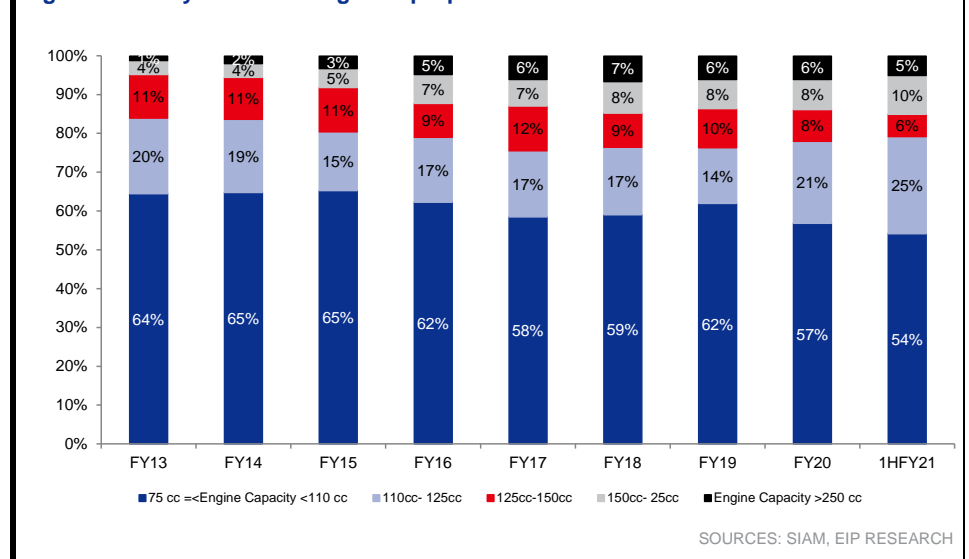
Figure 16: Peak penetration for early 2W adopters vs India

	Peak year	Penetration / '000 people
Japan	1986	154
China	2015	163
India	2018	117
India	2020F	138
India	2025F	165

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS, FOURIN

The improving replacement demand in 2Ws is better captured by higher engine bike sales and scooterisation trend. The mid-level engine size bikes (110 to 250cc) expanded a significant 400bp in the last five years to form 41% of the bike market now, according to SIAM (Society of Indian Automobile Manufacturers). We believe Bajaj with its Pulsar, Dominar and KTM brands is well positioned to capture the trend of higher engine capacity bike expansion.

Figure 17: Entry-level bike segment proportion continues to shrink



SOURCES: SIAM, EIP RESEARCH

Mandatory scrappage policy could improve vehicle demand

We believe the much-awaited government scrappage policy, where 20% of old vehicles on the road will be scrapped, will result in meaningful new vehicle demand only if it is made mandatory. If it is made optional, the incentive to scrap needs to be much higher than the scrap value of the old vehicle to fully benefit from the scrappage scheme, which will, in turn, improve demand for new vehicles or reduce emissions from fleet on road.

Considering the poor reliability of historical data on registered vehicles, we build in the probability of old fleet conversions in the case of a mandatory scrappage policy. Conservative assumptions of 20% conversion to scrap of over 20-year-old vehicles could bring a one-time boost to sales equivalent to that of 6-12 months.

Details about methodology:

- We have used historical vehicle registration data since FY2000 to gauge the number of vehicles added in five-year block frequencies.
- For the 20-year scrappage policy, we used FY01 cumulative registration as the cut-off point and FY05 registration data for the 15-year policy.
- As many old vehicles may have been scrapped already, we assume a small proportion of 20-30-40% vehicles registered in FY01/FY05 may be scrapped under the 20/15-year scrappage policy and provide a sensitivity analysis in the table below.

Figure 18: Mandatory scrappage policy sensitivity analysis

	2W		Cars		CV	
	FY01	FY05	FY01	FY05	FY01	FY05
Registration data	3,85,56,026	5,87,99,702	70,57,724	1,39,49,829	35,82,000	49,23,000
Additional demand could generate	Scrappage> 20 year old	Scrappage> 15 year old	Scrappage> 20 year old	Scrappage> 15 year old	Scrappage> 20 year old	Scrappage> 15 year old
Assuming 20% scrappage	77,11,205	1,17,59,940	14,11,545	27,89,966	7,16,400	9,84,600
Assuming 30% scrappage	1,15,66,808	1,76,39,911	21,17,317	41,84,949	10,74,600	14,76,900
Assuming 40% scrappage	1,54,22,410	2,35,19,881	28,23,090	55,79,932	14,32,800	19,69,200

SOURCES: SIAM, EIP RESEARCH, COMPANY REPORTS

Raw material costs rise after being soft for almost a year

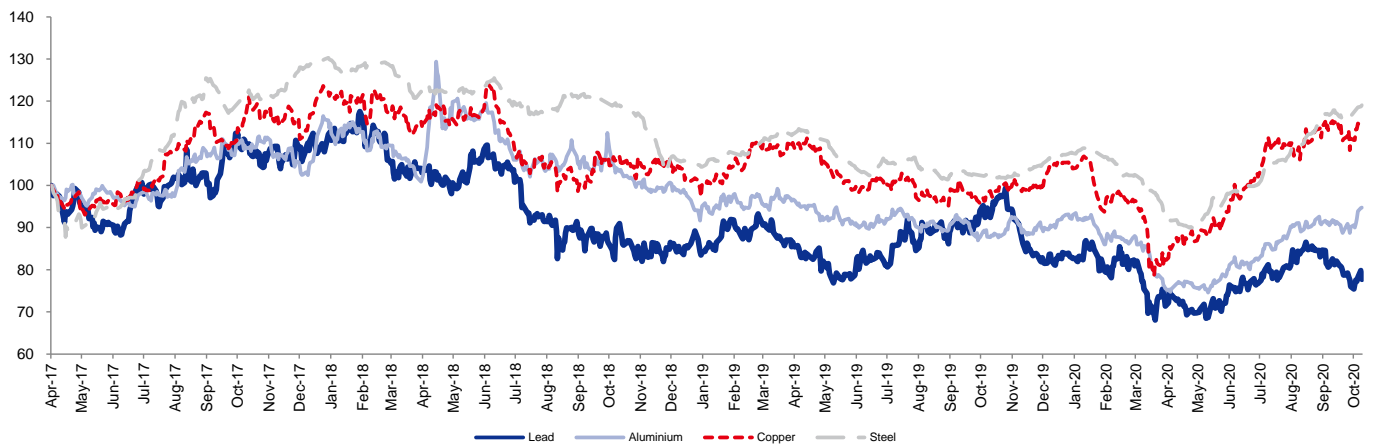
Raw material costs for automobile production, benign since 1QFY20, seems to be bouncing back quickly. We believe the prices are driven by global economic recovery post the COVID-19 shut-down (Mar-May 2020) and favourable liquidity-supported speculation. The recent spike in aluminium and lead prices will impact 2W production costs as they are mark-to-market LME prices.

Figure 19: Raw material costs spike qoq

	2QFY21	2QFY20	YoY (%)	1QFY21	QoQ (%)
CRC Steel (Rs/tonne)	45,559	42,312	7.7	42,158	8.1
Lead(US\$/tonne)	1,873	2,029	(7.7)	1,680	11.5
Rubber (Rs/Kg)	131.0	141.9	(7.7)	120.3	8.9
Aluminum(US\$/tonne)	1,742	1,790	(2.7)	1,531	13.8
Copper prices (\$/tonne)	6,513	5,829	11.7	5,389	20.9

SOURCES: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS, ACE EQUITY

Figure 20: Raw material prices revert to 2018 levels except for lead (on base of 100 in Apr 2017)



SOURCES: EIP RESEARCH, COMPANY REPORTS, BLOOMBERG

Quarterly result expectations

Following the segment volume growth trend, we expect 2QFY21F EBITDA growth leaders to be Escorts, Maruti Suzuki and Hero MotoCorp. Quarter on quarter growth comparisons may not be relevant as the base quarter 1Q was a setback due to COVID-19 challenges, in our opinion.

We believe short-term earnings volatility will be high due to volume and pricing benefits on topline, while cost structures will be impacted by COVID-19 / production ramp-up challenges. Key to watch out for will be ASP discounts in subsegments, which are spent to drive volume revival, in our view.

Figure 21: Quarterly results estimates for 2QFY21F

(Rs m)	Revenue	YoY%	QoQ%	EBITDA	YoY%	QoQ%	Adjusted PAT	YoY%	QoQ%
Ashok Leyland	30,527	-22.3%	369.0%	844	-63.1%	-125.3%	-754	-172.7%	-80.5%
Eicher Motors	20,723	-5.5%	153.3%	4,557	-15.8%	11924.8%	3,511	-38.7%	-736.3%
Escorts Ltd	15,229	15.0%	43.4%	1,775	40.1%	48.4%	1,353	18.9%	46.8%
Mahindra	112,910	1.9%	101.5%	14,267	2.6%	159.8%	8,450	-30.3%	1668.5%
Apollo Tyres	40,030	0.4%	39.3%	4,615	6.8%	94.5%	729	-12.2%	-154.2%
Balkrishna Industries	12,202	10.2%	29.6%	3,711	20.3%	47.5%	2,225	-23.5%	82.6%
Bharat Forge	9,791	-22.3%	129.3%	2,033	-36.5%	-7283.0%	1,075	-56.1%	-290.9%
Bosch	17,000	-26.5%	71.5%	1,235	-63.3%	-220.4%	1,552	-58.9%	103.6%
Endurance Technologies	16,827	-5.0%	179.0%	2,793	-4.0%	553.8%	1,275	-24.6%	-611.5%
Exide Industries	25,000	-4.2%	61.5%	3,800	3.5%	156.0%	2,318	-2.3%	427.3%
Motherson Sumi	152,050	-4.5%	78.8%	11,781	-10.7%	-287.0%	2,783	-27.6%	-134.3%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

Despite sector outperformance, relative valuation comfort ➤

The recent mom revival in demand and hopes on festivals has driven up stock prices sharply. The Nifty Auto Index outperformed by 22ppt over the Nifty 50 for YTD FY21 (77% return vs 55% for Nifty 50). Based on 1-year forward P/E valuation, the Nifty Auto Index still looks comfortable at +1SD above the 10-year mean P/E. This is also confirmed by individual stocks P/BV trend, which despite recovering from Apr lows are below FY14-18 levels (Figures 23 and 24).

We initiate coverage on the sector with an Overweight rating as cyclical automobile sector demand seems to have started trending up, after correcting in the last 24 months.

Figure 22: Nifty Auto Index 1-year forward consensus P/E

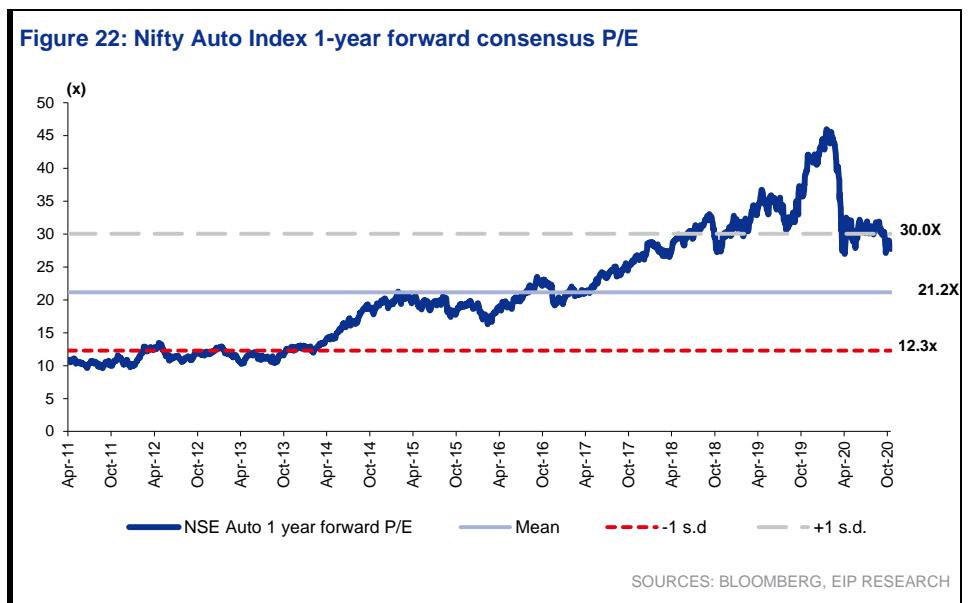


Figure 23: OEM universe 1-year forward Bloomberg consensus P/BV valuation

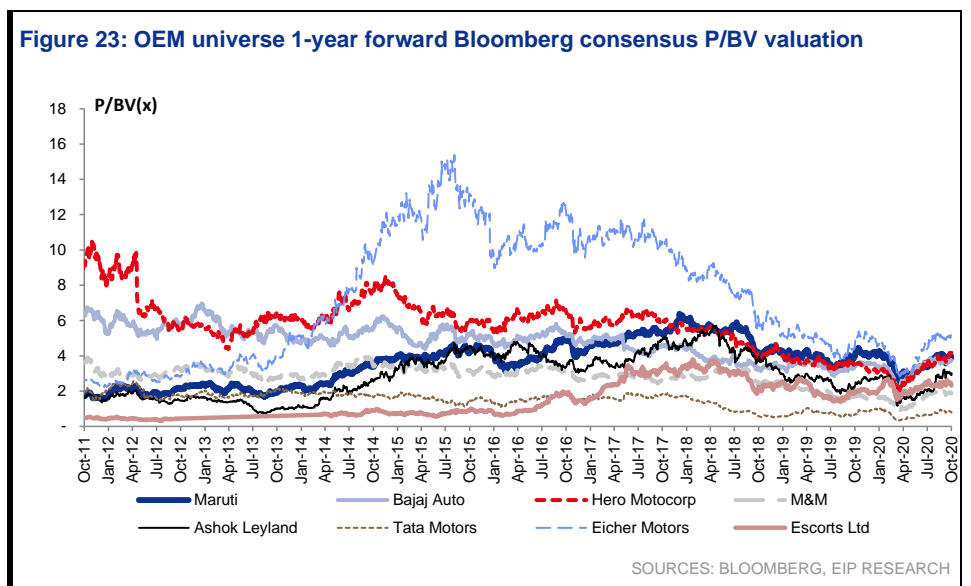


Figure 24: Auto ancillary universe 1-year forward Bloomberg P/BV valuation

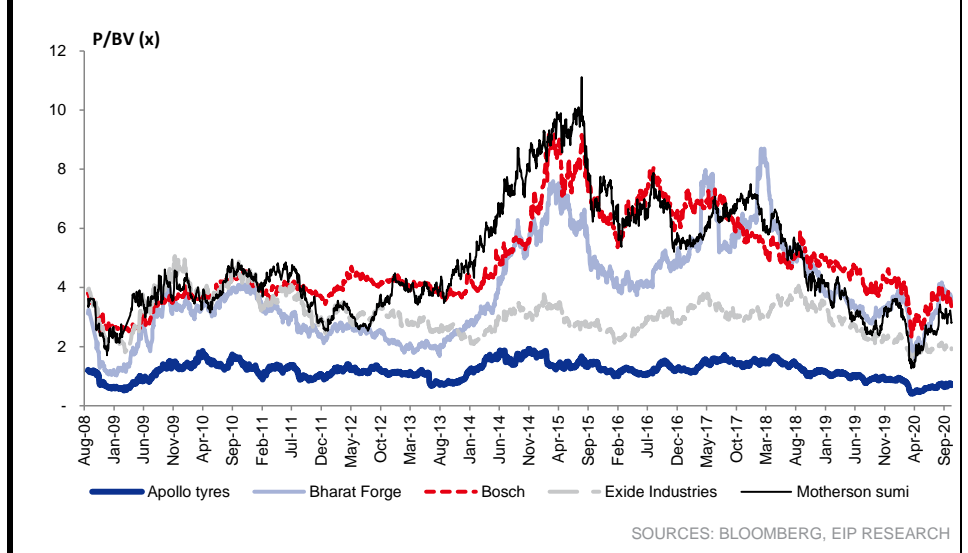


Figure 25: Stock ratings with summary

Company	Rec	Target		Up/down (%)	PER	PBV	EV/EBITDA	Summary
		Price (₹)	Price (₹)		(x)	(x)	(x)	
Apollo Tyres	HOLD	143	144	0.6	17.3	0.7	6.7	Favorable short-term demand-supply situation beneficiary, but high leverage concern
Ashok Leyland	HOLD	80	81	0.9	33.9	2.9	26.5	Truck demand recovery at early stages, but high debt burden concerns
Bajaj Auto	ADD	2,925	3,477	18.9	16.8	3.3	14	Beneficiary of demand recovery of premium bikes and exports
Balkrishna Industries	ADD	1,343	1,594	18.7	23.4	4	17.6	Play on global agriculture and mining recovery
Bharat Forge	HOLD	455	491	7.9	43.7	3.3	26.1	Domestic demand recovery not sufficient to overcome export challenges
Bosch Ltd	REDUCE	11,777	8,954	-24.0	31.4	3.3	28	It may be difficult to realise new opportunities due to increased competition
Eicher Motors	ADD	2,137	2,536	18.7	31.5	5.2	26.6	New product opportunity
Endurance Technologies	ADD	1,026	1,339	30.5	25.3	3.7	14.2	Demand improvement from 2W customers and localisation by OEM to benefit it
Escorts Ltd	HOLD	1,188	1,220	2.7	17	2.1	14.7	Tractor demand recovery captured in rich valuations of its historical trend
Exide Industries	ADD	157	214	36.3	14.1	1.7	7.6	Beneficiary of 3W EV battery demand and early mover into Li-ion battery production
Hero Motocorp	ADD	2,894	3,652	26.2	13.8	3.3	11.6	Market share gain from new products and rural drive
Mahindra & Mahindra	ADD	592	729	23.2	16.2	1.6	7.8	Tractor and small truck demand recovery play.
Maruti Suzuki	ADD	7,118	8,169	14.8	27.3	3.8	25.7	CNG product offerings driving its competitive advantage in car demand recovery cycle
Motherson Sumi Systems	REDUCE	107	87	-19.1	25.3	2.7	9.4	Global auto demand challenges and prolonged demerger overhang concerns
Tata Motors	ADD	132	162	22.8	10.8	0.7	6.1	Cost cutting exercises helping it improve on FCF and participate in China and global EV play
TVS Motor	REDUCE	422	349	-17.4	31.1	4.6	19.6	New product vacuum and rich valuations concern

SOURCES: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS
DATA AS AT 29 OCT 2020

Key risks to sector's Overweight call are ➤

- Government policy intervention to mobilise revenue from this sector activity, like tax rate hike on vehicles and fuel price hike, can impact the cost of the vehicle's ownership and affect demand.
- Rising inflation leading to an interest rate hike can impact vehicle demand, as the majority of vehicles is bought via debt.
- Unseasonal rains impacting agricultural production and rural consumption.
- Weak pricing power for OEMs post COVID-19 economic environment can impact profitability if commodity costs continue to rise.
- Repeated local shutdowns to control the spread of the COVID-19 virus can impact the components supply chain and vehicle availability at showrooms.
- Border tensions with China can impact component availability, as new emission norms have increased dependency on imports.
- Currency volatility can impact import cost and profitability.

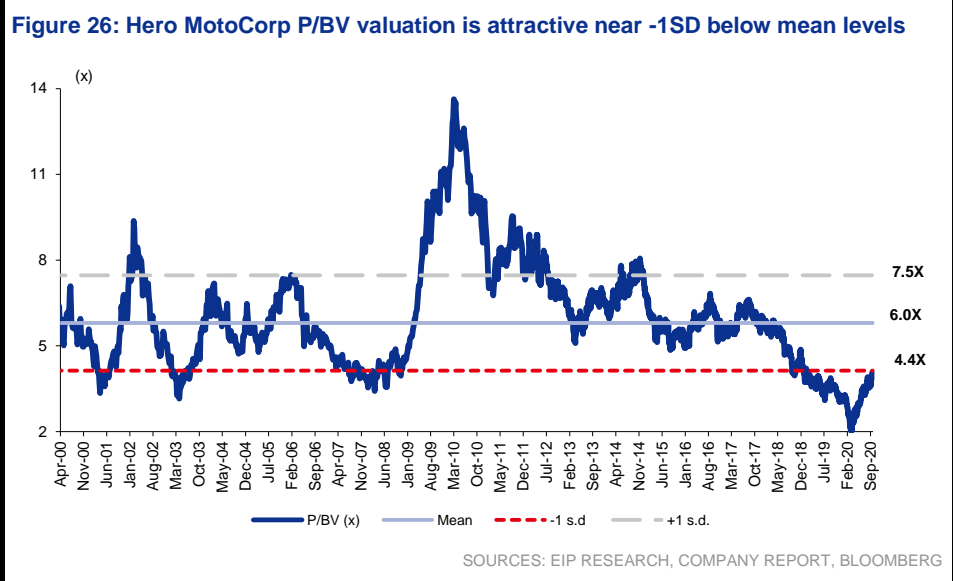
Company section ▶

Hero MotoCorp (HMCL IN): Not just a rural recovery

Despite the big BS-VI emission technology upgrade in Apr, we believe improved production and supply chain execution will meet mass consumption demand for 2W transport demand and in turn demonstrate leading players' ability to overcome challenges. This resulted in a 280bp increase in market share in 1HFY21F (after an eight-year decline). Further, with an aggressive cost reduction plan, we expect strong EPS recovery in coming quarters.

Valuation and risks: Though the stock price has doubled from its lows in Mar, its P/BV valuations are still attractive near -1SD below mean levels. We initiate coverage on Hero MotoCorp with an Add rating and DCF-based TP of Rs3,652 (Fig 44). Further valuation rerating is possible through market share gains in the premium motorcycle/scooter subsegments and EV launches.

Key downside risks are: 1) Competition-induced price wars impacting market share and profitability. 2) New products failing to raise its future volume growth. 3) Frequent senior management changes affecting its execution and investor confidence.



Bajaj Auto (BJAUT IN): Exports scale new high

We believe the recent monthly uptrend in Bajaj Auto's 2W exports, driven by Africa, has come as a pleasant surprise. We expect the lower government subsidy on exports will be overcome through improved vehicle demand, limiting the impact on EPS. Weak demand for 3W remains a concern.

Valuation and risks: We believe market share improvements from its new launches Platina and Boxer can be rerating drivers. We initiate with an Add rating and an SOP-based TP of Rs3,477, where the automotive business is valued at a 10-year mean P/E of 18x 1-year forward EPS.

Key downside risks are: 1) Volatile oil prices impacting African economies and bike demand. 2) Prolonged weakness in 3W demand due to COVID-19 impacting profitability. 3) Increasing competition in premium bikes hurting Bajaj Auto's market share and profitability.

Figure 27: Bajaj Auto's SOP valuation

	1 year forward
EPS (Rs.) (1 year forward)	186.6
P/E(x)	18.0
Value (Rs.)	3,359.4
KTM Austria (Rs)	118
Target Price (Rs)	3,477

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORT

Eicher Motors (EIM IN): New product excitement ahead

We feel the completely new platform launch scheduled for festivals with product customisation can bring excitement into the premium cruiser bike segment. This should help improve customer upgradation from the current low level of 5% and raise profitability through low customer acquisition costs and higher profitability in customisation. The Sep price hike of 1-3% for Bullet/Classic product range should help pass on the emissions upgrade cost.

Valuation and risks: We initiate coverage on Eicher Motors with an Add rating and SOP-based TP of Rs2,536, with Royal Enfield EV/EBIDTA target at a premium (21x) to the 2W peer range of 11-20x (Fig 2) to reflect the premium positioning and profitability of Eicher’s products.

Key risks are: 1) Poor customer response to new product launches. 2) Slowdown in export momentum to developed nations due to COVID-19. 3) Increasing competition from Honda and Triumph.

Figure 28: Eicher Motors SOP-based TP

Sum of Parts (Rs m)	EBITDA 1-yr fwd	Multiple (x)	EV	Net Debt 1-yr fwd	Equity Value	Stake	Attributable	No. of Shares (m)	Value per Share (Rs)
Royal Enfield	25,763	21.0	5,41,019	(1,03,967)	6,44,986	100%	6,44,986	273.0	2,363
Volvo Eicher CV (incl engine business)	7,074	10.0	70,736	(16,442)	87,179	54.4%	47,425	273.0	174
SOP Value of Eicher Motors									2,536

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS.

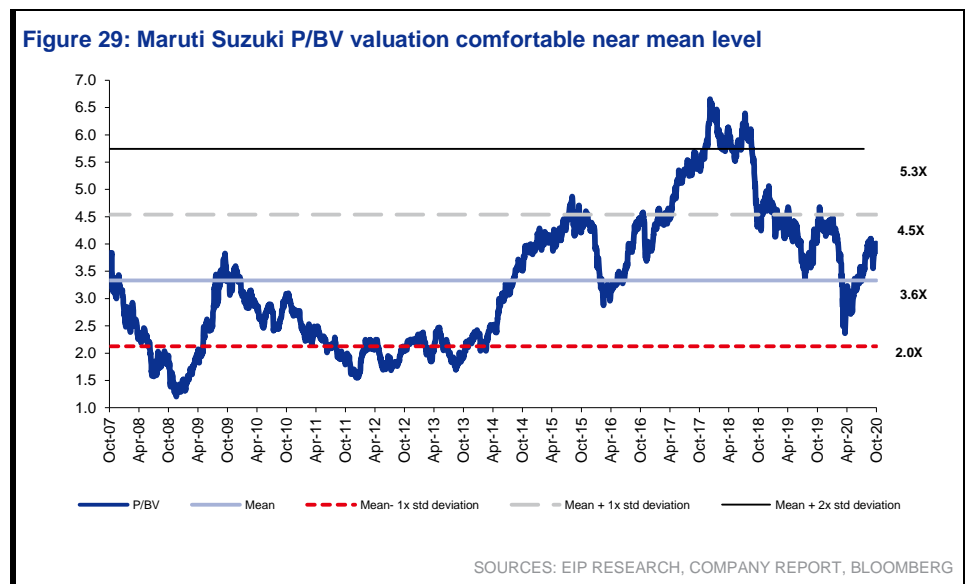
Maruti Suzuki (MSIL IN): CNG product expansion play

We believe Maruti Suzuki’s strong retail sales driven by its compact car segment is sustainable as customer preferences for personal transport during the current pandemic and downtrading benefit it the most. With the government planning improved CNG fuel availability in the coming quarters, Maruti – with a near monopoly in CNG car offerings – is best positioned to capture the benefit (as CNG car-running costs are 50% cheaper than gasoline).

Valuation and risks: With P/BV valuations still favourable at just above the 10-year mean levels, we initiate coverage on Maruti Suzuki with an Add rating and DCF-based TP of Rs8,169 (Fig 43).

Key downside risks are: 1) Delay in CNG fuel station roll-out impacting Maruti sales volume growth. 2) Delays in new launches like diesel engines or SUVs impacting its market share. 3) Increase in competition impacting Maruti’s pricing power and profitability.

Figure 29: Maruti Suzuki P/BV valuation comfortable near mean level



Mahindra (MM IN): Rural play

In our view, a strong agricultural production outlook augurs well for the tractor market leader Mahindra & Mahindra (M&M). We feel a revival in pick-up truck demand and a good consumer response to its new launch SUV Thar will support its automotive division. We expect the upside from international subsidiary divestment plans will come through gradually.

Valuation and risks: We value the standalone entity at 12x 1-year forward EPS, which is at a 10% premium to the 10-year mean of 11x, to reflect revival in its segments like tractors and small trucks. The subsidiary's mark-to-market value leads to our SOP-based TP of Rs729.

Key risks are: 1) Unseasonal rains impacting tractor demand, where Mahindra & Mahindra is a leader. 2) Market share loss in the tractors and SUV segments. 3) As part of the capital allocation plan, subsidiary sales below book value can lead to loss booking in the P&L.

Figure 30: M&M's SOP-based target price

Sum-of-parts valuation (Rs)	
Standalone Business Value	471
1 year forward EPS	39.3
P/E	12.0
Total Subsidiary Value per share	258
Target Price	729

SOURCES: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

Figure 31: M&M subsidiary valuations

Subsidiary Company	Tech Mahindra	Mahindra Holidays	Mah Financial Serv	Mah Lifespace	Mahindra CIE	Ssangyong	Mahindra Logistics	
Value Per share of M&M	155.9	10.8	29.9	4.5	4.2	20.4	10.0	
Eq Capital of Company (m)	966.0	133.5	617.7	51.4	378.9	na	71.6	
M&M Holding	26%	67%	51%	51%	11.4%	74%	58.4%	
Valuation method	CMP	CMP	CMP	CMP	CMP	CMP	CMP	
Current/ derived Price (Rs)	859.0	167.0	131.0	236.0	135.0	255.0	331.0	
Subsidiary Company	Mahindra China Tractors	Mahindra Heavy Engines	EPC Industry	Mahindra First Choice	Mahindra Reva Electric	Mah Susten	Mah Agri solution	Total
Value Per share of M&M	(5.4)	4.7	0.9	10.3	3.3	4.2	4.4	258
Eq Capital of Company (m)	705.1	634.4	27.8	330.0	323.2	195.5	81.3	
M&M Holding	100%	100%	55%	51%	99%	100%	98%	
Valuation method	8xFY221F PE	10xFY22F PE	CMP	PE valuation	2xFY22F MCAP/Sales	10xFY22F PE	2xFY22F MCAP/Sales	
Current/ derived Price (Rs)	(10.6)	10.2	78.0	85.0	14.0	29.5	88.7	

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS, PRICED AS ON 29TH OCT

Tata Motors (TTMT IN): JLR returns FCF positive; offers comfort

While the recovery in large trucks demand has been slow, we feel the recovery in light commercial vehicle (LCVs) demand will help the segment's leader Tata Motors. We believe Tata Motors' tight control on costs and reducing capex will ensure it returns to profit and reduces debt in coming years. We feel JLR, with an improved product mix favouring Land Rover and China sales, is on course to sustain its FCF positive position achieved in the Sep 2020 quarter.

Valuation and risks: We value JLR at 1.6x EV/EBIDTA 1-year forward, at the lower end of the 1.5-2.5x 10-year range, as it tries to come-out of losses. We initiate coverage on Tata Motors with an Add rating and SOP-based TP of Rs162.

Key risks are: 1) December Brexit impact on JLR UK production and supply chain. 2) Slow recovery in large truck demand can impact standalone recovery to profit. 3) Delay in finding equity partner for loss-making car division can risk equity dilution.

Figure 32: Tata Motor's SOP-based target price

	Peer set	Peer set valuation	Valuation Multiple	Value/share (Rs)	Comment
Stand-alone business	NA	1-year forward EV/EBITDA multiple	6.5	44	
Jaguar Land Rover	NA	1-year forward EV/EBITDA multiple	1.6	94	Lower band of historical trend
China JV	NA	1-year forward P/E	3.0	9.3	Inline with Global premium car maker valuation
Subsidiaries					
Tata Daewoo	Ashok Leyland	12xFY22F P/E	12.0	0.8	Discount Valuation for its international operations
Telco Construction				5.7	10% discount to stake exchange valuation with Hitachi
Tata Technologies	Cyient Ltd	6xFY22F P/E	6.0	3.7	Discount valuations for dependence on Tata Motors
TACO	Bharat Forge	16xFY22F P/E consolidate	16.0	0.2	Discount valuations for dependence on Tata Motors
Tata Cummins	Cummins India	15xFY21F P/E	15.0	2.1	Discount valuations for dependence on Tata Motors
TML Financial Services	Shriram Transport Finance	5xFY21F P/E	5.0	3.3	Discount valuations for dependence on Tata Motors
Sub Total				16	
Subsidiaries value post 20% holding company discount				13	
Less: Singapore holding subsidiary debt				22	Singapore debt of US\$ 1.05bn
Target Price based on SOP				162	

SOURCES: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

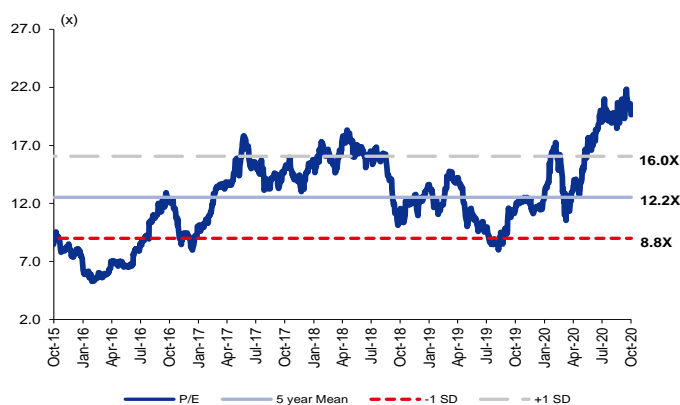
Escorts (ESC IN): Valuation factors in strong tractor momentum

The strong rural momentum built with the help of surplus rainfall and government support programmes led to healthy tractor industry growth of 8% in 1HFY21F. However, Escorts losing 130bp market share to peers Sonalika and TAFE due to supply challenges concerns us. Management expects the construction equipment division's sales to normalise by 4QFY21.

Valuation and risk: The stock trades at a rich valuation of 2SD above the five-year mean P/E and 1SD above the five-year P/BV, which factors in favourable tractor demand, in our view. We feel the stock will consolidate at the current level, before reaping medium-term benefits from recent agriculture reforms on farmer income/tractor demand. Hence, we initiate coverage on Escorts with a Hold rating and TP of Rs1,220, based on 16x 1-year forward P/E, which is +1SD above mean.

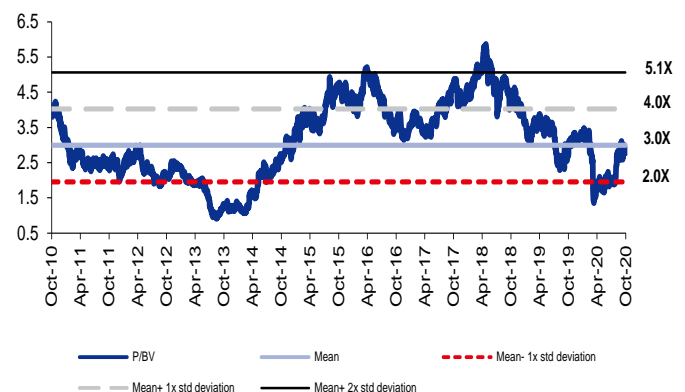
Key upside risks are 1) better-than-expected recovery in tractor demand benefitting Escorts, and 2) the Kubota JV deal helping to gain market share. Downside risks are 1) delayed recovery in railway/construction equipment. 2) Unseasonal rains impacting tractor industry demand. 3) Price wars to regain Escorts' No 3 market share position in the tractor segment likely to impact profitability.

Figure 33: Escorts forward P/E valuation trend



SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 34: Ashok P/BV valuation recovery limits upside



SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Ashok Leyland (AL IN): New LCV raises hopes

We believe demand for large trucks has been slow to revive, due to slow industrial production recovery and COVID-19 travel restrictions. However, its recent launch of the small truck Pheonix to replace Dost in Aug 2020 will help it participate in fast recovering LCV sector sales. Considering the high proportion of large trucks financed are still in loan repayment moratorium, the finance availability for truck purchases will be a challenge and, therefore, will impact demand.

Valuation and risks: We remain cautious and initiate coverage on Ashok Leyland with a Hold rating, as demand revival signs are insufficient to drive PAT break-even soon for the company, where net debt levels are at historical peak levels. We value the stock on a DCF basis, leading to a TP of Rs81 (Fig 45).

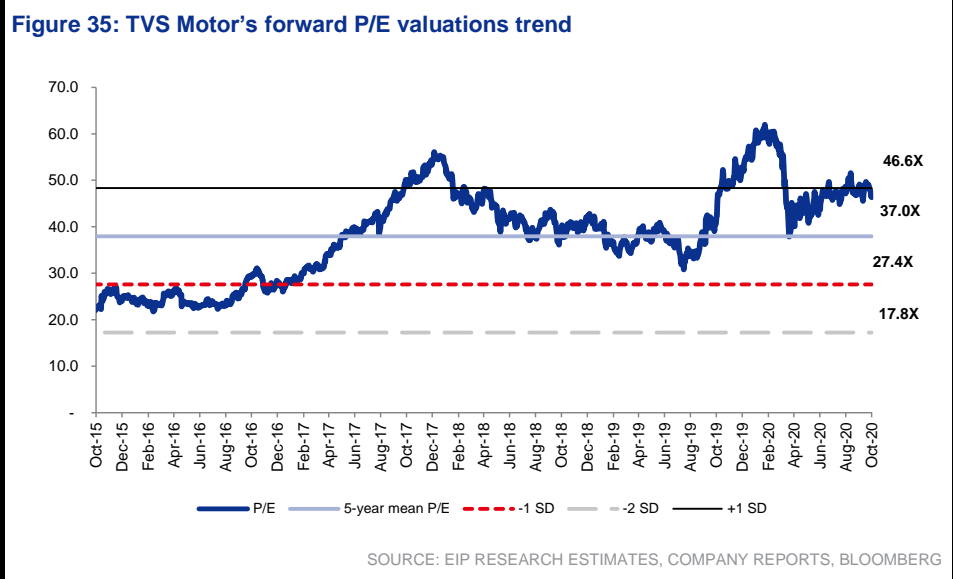
Key upside risks are: 1) the success of new products helping Ashok Leyland gain market share. 2) Quick recovery in large truck demand helping the company to return to profits soon. 3) New government order wins aiding an early turnaround. Downside risk are 1) Poor response to its new large truck models leading to market share loss. 2) The continued high ASP discounts to attract customers, in turn impacting profitability.

TVS Motor (TVSL IN): Exports recover, but larger domestic segment still underperforming

Though 2W demand recovery has been a key driver for the Indian automobile sector in YTD FY21F, TVS with its higher urban tilt (scooters and premium bikes) may not be able to fully participate in this recovery considering its market share loss in 1HFY21F. However, the recovery in its Aug and Sep export volumes is encouraging.

Valuation and risks: Considering its rich valuations, we are concerned about the company’s underperformance versus its peers. This leads us to initiate coverage on TVS Motor with a Reduce rating, where we value the automotive business at 20x 1-year forward P/E (near -1SD below mean) and TVS Motor’s credit at Rs25 per share, leading to an SOP-based TP of Rs349.

Key upside risks are: 1) new product launch success helping to regain market share. 2) Scooter segment recovery helping TVS, as it is the second largest player in the segment. 3) A prolonged uptrend in higher profitability exports.



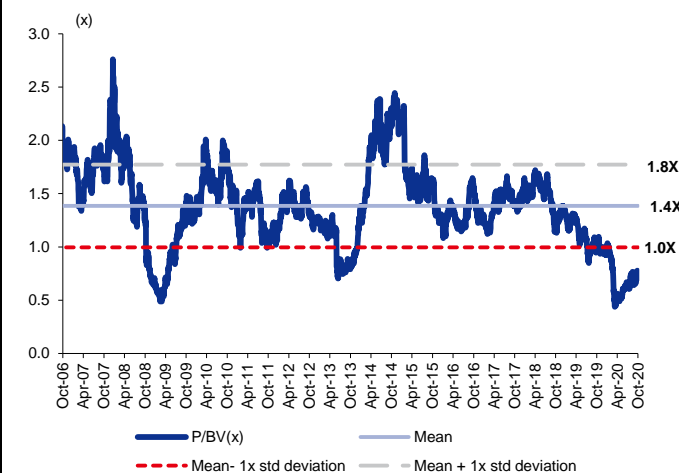
Apollo Tyres (APTY IN): Favourable replacement segment

We feel a favourable tyre demand-supply scenario for trucks, due to reduced imports from China, can benefit Apollo Tyres in the short term through improved pricing power and profitability. However, the sustained high capex and European plant restructuring concerns us.

Valuation and risks: We remain cautious on the stock due to balance sheet weakness and the wait for a sustained demand recovery. We initiate coverage on Apollo Tyres with a Hold rating, with TP of Rs 144, based on 15x 12M forward P/E, which is at a premium to its 15-year mean of 12x.

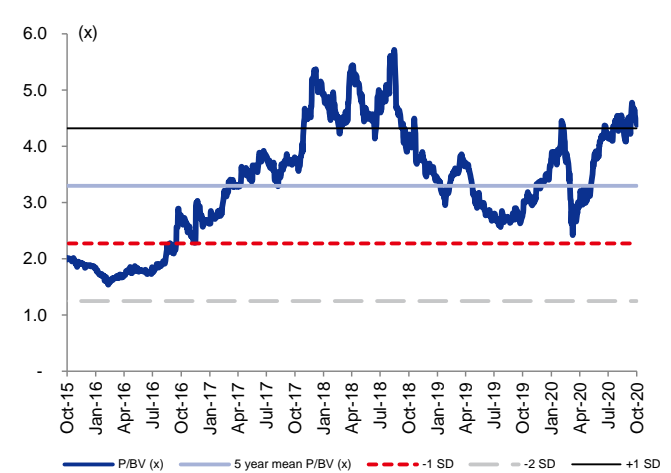
Key upside risks are: 1) stronger-than-expected recovery in tyre industry volumes. 2) Drop in input costs. 3) Market share gain for Apollo through new client wins. The key downside risks are 1) economic recession in India or Europe leading to a prolonged low-capacity utilisation impact. 2) Government easing import restrictions for tyres leading to pricing pressure. 3) Equity dilution risk to ease debt concerns.

Figure 36: Apollo Tyres forward P/BV valuation trend



SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 37: EPS recovery supports Balkrishna's P/BV valuation



SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Balkrishna Industries (BIL IN): Global agriculture production cycle recovery play

We believe the strong demand from the agricultural segment, accounting for 65% of Balkrishna Industries' sales, has been the key driver of the company's recovery in India and in exports. But demand uncertainty in the mining segment due to a gradual recovery in global GDP is a short-term concern, while the company plans to double market share from the current 3% over the next three years through new product launches.

Valuation and risks: We feel the company can deliver more earnings surprises as tyre demand recovery in the agriculture segment is in a nascent stage and the company has sufficient capacity headroom to benefit from this tailwind. We initiate coverage on Balkrishna Industries with an Add rating and TP of Rs1,594.1, which is 25x 1-year forward P/E, 2SD above mean, for strong EPS recovery. The key re-rating catalyst is the launch of new tyres in different sizes, which could lead to market share gains.

Key downside risks are: 1) weather challenges impacting the global agricultural production recovery cycle. 2) Increased competition from new entrants (attracted by high profitability) can impact profitability.

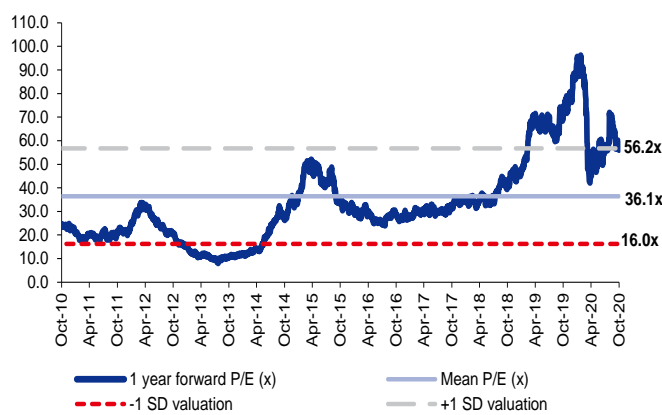
Bharat Forge (BHFC IN): Exports recover, and defence procurement beneficiary

We believe improved near-term sales visibility from domestic component sales recovery and import substitution of defence products in the medium term augur well for Bharat Forge. In exports, early green shoots are visible from North America class-8 trucks.

Valuation and risks: We initiate coverage on Bharat Forge with a Hold rating, given its rich valuations (+1SD above mean P/BV) and demand challenges in the global truck and oil & gas segments. We use a DCF-based valuation for TP of Rs491 (Fig 46).

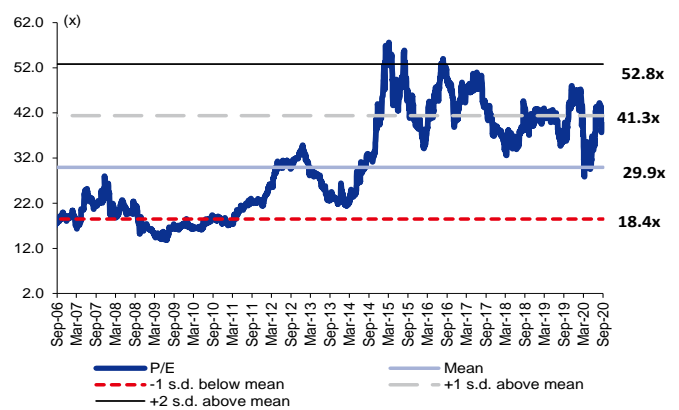
Key upside risks are: 1) sharp truck volume recovery in India and North America. 2) Industrial segment recovery on the back of improving commodity costs. 3) New defence orders. Downside risk are 1) rising steel prices impacting profitability, 2) delay in new plant commissioning and ramp-up in USA and Andhra Pradesh.

Figure 38: Bharat Forge 1-year forward P/E valuation trend



SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 39: Bosch 1-year forward PE valuation trend



SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Bosch (BOS IN): New technology products raise market share loss concerns

We believe Bosch will see a sales decline due to market share loss in car and truck diesel engine parts in BSVI emission compliant systems for the entire FY21F. We feel benefits from BSVI gasoline component supplies may not be significant enough to reduce the impact on sales. We expect higher import costs to impact short-term gross margins. Management's efforts to realign its cost structure amid rising competition and the shift in business from diesel to gasoline/EV parts seems to have a long payback period and may test investors' patience.

Valuation and risks: As the business is going through a prolonged transition, we initiate coverage on Bosch with a Reduce rating and TP of Rs8,954, with target P/E at 21x 1-year forward, 15% premium to -1SD below the 10-year mean of 18.2x. The de-rating catalyst is weak profitability from new business wins.

Key upside risks are: 1) strong recovery in automobile demand. 2) Ease of competitive intensity in fuel injection systems. 3) New big wins in the EV segment.

Endurance (ENDU IN): New products and client wins

Endurance is one of India's leading suppliers of technology-intensive products for the domestic 2W and 3W markets, such as braking, transmission, suspension and aluminium casting. Endurance plan to commercialise its ABS product in 4QFY21F, with its low-cost advantage, can drive new client acquisition. China import restrictions to provide further opportunity for Endurance to increase its share of business in the alloy wheel and brakes as OEMs to focus on localisation, in our view.

Valuation and risks: We initiate coverage on Endurance with an Add rating and target price of Rs1,339, based on 13.5x 1-year forward EV/EBITDA, near the four-year mean (implied P/E of 30x FY22F EPS). New client wins, ABS launch, market share gains and attractive M&A deals are re-rating catalysts.

Key downside risks are: 1) slowdown in Europe's car industry demand, which will impact Endurance's sales. 2) Delay in new product launches or ramp-up for new clients. 3) Unrelated diversification raising capital allocation policy concerns.

Figure 40: Endurance Technologies valuation

FY22F EBITDA (Rs m)	12,968
EV/EBITDA multiple (x)	13.5
EV (Rs m)	1,75,066
Net Debt (Rs m)	(13,246)
No of shares (m)	141
Target Price (Rs)	1,339

SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS

Exide (EXID IN): Favourable demand-supply scenario

We believe a high profit margin, the replacement battery segment returning to its growth path augurs well for segment leader Exide. With low channel industry and supply challenges, we feel strong sales momentum and pricing power will sustain in the coming quarter. Exide will benefit in the medium term from its early-mover advantage in e-atorickshaw and li-ion battery.

Valuation and risks: We believe the recent share price decline underestimates its resilient earnings. With valuation at 1SD below 1-year forward P/E and P/BV mean, we initiate coverage with an Add rating and SOP-based TP of Rs214. Its insurance subsidiary is valued at 2.5x invested capital leading to Rs49.4/share value.

Key downside risks are: 1) downtrading in the battery replacement market leading to pricing pressure. 2) Poor response to new launches. 3) Increasing lead prices impacting profitability.

Figure 41: Exide's SOP-based TP

	Methodology	Amount in Rs m	Per share	Value per share (Rs)
Core battery business	14x 1 year forward P/E		11.75	165
Exide Life Insurance (100% stake)	2.5x FY19 Equity invested	16,796	19.8	49.4
SOP Value of Exide Industries				214

SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS

Motherson Sumi (MSS IN): Uncertain global environment and ongoing demerger pose concerns

We are concerned about the uncertain global car demand-supply environment and high fixed-cost business. Management expects sales to recover in the Dec 2020 quarter, as operations stabilise and OEM schedules indicate a mom rise. We are concerned by the spike in net debt by 31% qoq to a new high of Rs91bn as at 30 Jun 2020 and SMRPBV subsidiary debt covenants being eased due to Covid-19 circumstances.

Valuation and risks: We initiate coverage on the stock with a Reduce rating and SOP-based TP of Rs87. The long-drawn wiring business demerger process until Jul 2021 should consume substantial management bandwidth, leaving less time to address business challenges in the current tough COVID-19 market conditions, in our view. Potential de-rating catalysts are a prolonged recovery from the current collapse in global automobile sales or financial challenges for key clients.

Key upside risks are: 1) global big-ticket acquisitions at attractive valuations leading to a stock rerating. 2) Sharper-than-expected turnaround in international new plants. 3) New client wins in India helping it outperform industry growth.

Figure 42: Motherson Sumi SOP-based TP

1-year Forward	EBITDA (Rs m)	Multiple (x)	EBITDA multiple (Rs m)	Per share
Standalone	11,372	12	1,36,461	43
SMRPBV (51% stake)	19,015	9	87,278	28
PKC and Other subsidiaries	15,514	9	1,39,630	44
Less: Consol Net debt			87,657	28
Target Value/ Price			2,75,711	87

SOURCE: EIP RESEARCH ESTIMATES, COMPANY REPORTS

Figure 43: Maruti DCF valuation

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	56113.0	7	Value of Phase 1 Explicit (2021to 2023)	186297.2	9
NPV of Economic Profit During Explicit Period	145594.3	7	Value of Phase 2: Value Driver (2024 to 2034)	1332353.3	63
NPV of Econ Profit of Remaining Business (1,2)	763499.5	36	Value of Phase 3: Fade (2035 to 2045)	560173.2	26
NPV of Econ Profit of Net Inv (Grth Business) (1,3)	1049072.3	50	Terminal Value	35443.2	2
Enterprise Value	214279.0	100	Enterprise Value	214266.8	100
Plus: Other Assets	0.0	0	FCF Grth Rate at end of Phs 1implied by DCF Valuation		6
Less: Minorities	0.0	0	FCF Grth Rate at end of Phs 1implied by Current Price		5
Less: Net Debt (as at 16 Oct 2020)	-353484.0	-17			
Equity Value	2467763.0	117			
No. Shares (millions)	302.1				
Per Share Equity Value	8169				

Sensitivity Table

WACC		No of Years in Fade Period				
		5	8	11	14	17
9.7%		8,182	8,902	9,598	10,266	10,906
10.7%		7,643	8,256	8,838	9,388	9,905
11.7%		7,159	7,681	8,169	8,622	9,042
12.7%		6,723	7,169	7,579	7,953	8,294
13.7%		6,330	6,712	7,057	7,367	7,645

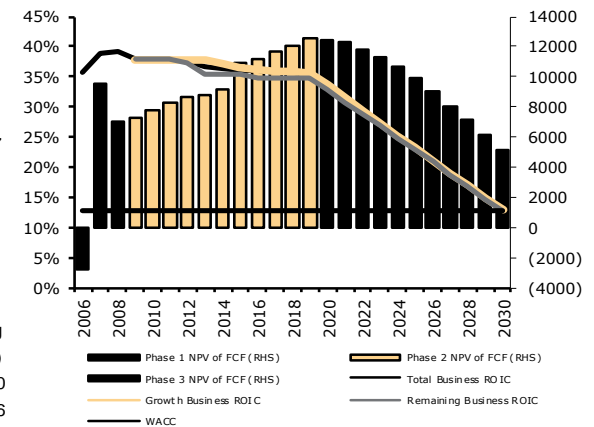
Performance Summary

	2021	2022	Phase 2 Avg 2023	Phase 2 Avg (2024 - 2034)
Invested Capital Growth (%)	14.9	-2.8	-6.2	6.0
Operating Margin (%)	9.9	12.0	14.0	15.6
Capital Turnover (x)	5.3	5.4	6.5	8.8

Source: INCRED CAPITAL

- In periods following the Explicit Period i.e. Phase 2 and Phase 3
- Remaining Business is defined as Capital as at the end of Phase 1and capex= depreciation thereafter
- Net Investment is defined as capex over and above depreciation after Phase 1

Returns, WACC and NPV of Free Cash Flow



SOURCE: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

Figure 44: Hero MotoCorp DCF valuation

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	67154.7	10	Value of Phase 1 Explicit (2021to 2023)	63599.3	10
NPV of Economic Profit During Explicit Period	58255.9	9	Value of Phase 2: Value Driver (2024 to 2034)	399152.3	62
NPV of Econ Profit of Remaining Business (1,2)	258763.3	40	Value of Phase 3: Fade (2035 to 2045)	158052.2	25
NPV of Econ Profit of Net Inv (Grth Business) (1,3)	259726.0	40	Terminal Value	23090.1	4
Enterprise Value	643899.8	100	Enterprise Value	643893.9	100
Plus: Other Assets	0.0	0	FCF Grth Rate at end of Phs 1implied by DCF Valuation		6.2
Less: Minorities	0.0	0	FCF Grth Rate at end of Phs 1implied by Current Price		5.2
Less: Net Debt (as at 16 Oct 2020)	-84645.1	-13			
Equity Value	728544.9	113			
No. Shares (millions)	199.5				
Per Share Equity Value	3652				

Sensitivity Table

WACC		No of Years in Fade Period				
		5	8	11	14	17
9.6%		3720	4011	4294	4567	4830
10.6%		3471	3717	3952	4175	4387
11.6%		3248	3456	3652	3835	4005
12.6%		3047	3224	3387	3537	3675
13.6%		2866	3016	3152	3276	3388

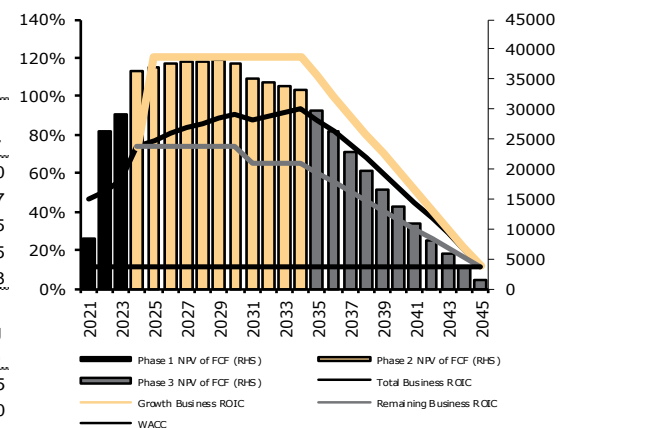
Performance Summary

	2021	2022	2023	Phase 2 Avg (2024 - 2034)
Invested Capital Growth (%)	14.1	7.0	6.0	7.5
Operating Margin (%)	11.2	12.3	13.1	13.0
Capital Turnover (x)	5.3	5.2	5.4	7.0

Source: INCRED CAPITAL

- In periods following the Explicit Period i.e. Phase 2 and Phase 3
- Remaining Business is defined as Capital as at the end of Phase 1and capex= depreciation thereafter
- Net Investment is defined as capex over and above depreciation after Phase 1

Returns, WACC and NPV of Free Cash Flow



SOURCE: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

Figure 45: Ashok Leyland DCF valuation

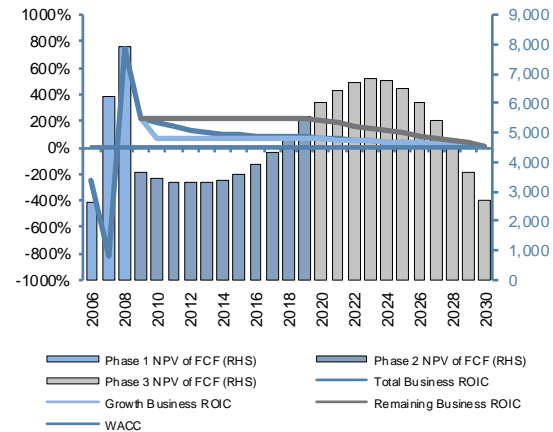
Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	747212	34	Value of Phase 1: Explicit (2021to 2023)	25,669.0	11.7
NPV of Economic Profit During Explicit Period	1525.8	1	Value of Phase 2: Value Driver (2024 to 2034)	1,17,714.5	53.6
NPV of Econ Profit of Remaining Business (1,2)	36188.9	16	Value of Phase 3: Fade (2035 to 2045)	62,306.6	28.4
NPV of Econ Profit of Net Inv (Grth Business) (1,3)	107050.4	49	Terminal Value	13,790.3	6.3
Enterprise Value	219486.3	100	Enterprise Value	2,19,480.4	100.0
Plus: Other Assets (key subsidiary value)	0.0	0	FCF Grth Rate at end of Phs 1 implied by DCF Valuation		7.0
Less: Minorities	0.0	0	FCF Grth Rate at end of Phs 1 implied by Current Price		6.6
Less: Net Debt (as at 27 Oct 2020)	-9772.7	-4			
Equity Value	229259.0	104			
No. Shares (millions)	2845.9				
Per Share Equity Value (Rs)	81				

Sensitivity Table		No of Years in Fade Period				
		6	8	11	13	16
WACC	10.8%	85.6	90.3	97.0	101.3	107.6
	11.8%	78.8	82.7	88.2	91.8	96.8
	12.8%	72.7	76.0	80.6	83.4	87.5
	13.8%	67.3	70.0	73.8	76.2	79.5
	14.8%	62.5	64.8	67.9	69.8	72.5

Performance Summary		Phase 2 Avg			
	2021	2022	2023	(2024 - 2034)	
Invested Capital Growth (%)	13.2	-14.8	0.9	7.3	
Operating Margin (%)	1.9	6.0	8.0	7.0	
Capital Turnover (x)	2.6	2.7	3.6	4.5	

Note:
1. In periods following the Explicit Period i.e. Phase 2 and Phase 3
2. Remaining Business is defined as Capital as at the end of Phase 1 and capex=depreciation thereafter
3. Net Investment is defined as capex over and above depreciation after Phase 1

Returns, WACC and NPV of Free Cash Flow



SOURCE: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

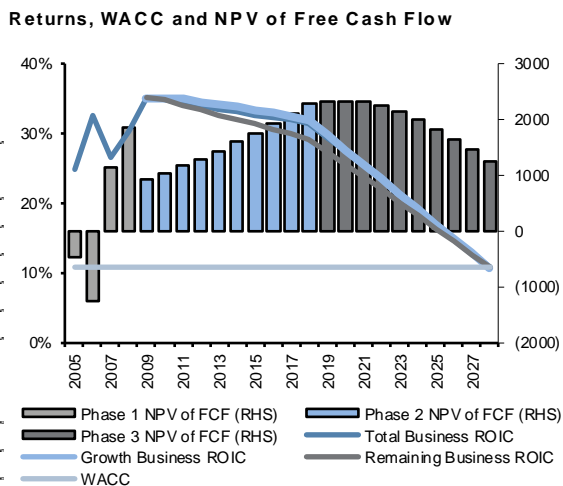
Figure 46: Bharat Forge DCF valuation

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	78,863	31.8	Value of Phase 1: Explicit (2021to 2023)	4,948	2.0
NPV of Economic Profit During Explicit Period	-4,747	-1.9	Value of Phase 2: Value Driver (2024 to 2034)	1,17,637	47.4
NPV of Econ Profit of Remaining Business (1,2)	31,428	12.7	Value of Phase 3: Fade (2035 to 2045)	95,246	38.4
NPV of Econ Profit of Net Inv (Grth Business) (1,3)	1,42,619	57.5	Terminal Value	30,327	12.2
Enterprise Value	2,48,162	100.0	Enterprise Value	2,48,157	100.0
Plus: Other Assets	0	0.0	FCF Grth Rate at end of Phs 1 implied by DCF Valuat	0	9.9
Less: Minorities	36	0.0	FCF Grth Rate at end of Phs 1 implied by Current Pric	0	9.9
Less: Net Debt (as at 27 Oct 2020)	19,348	7.8			
Equity Value	2,28,779	92.2			
No. Shares (millions)	466				
Per Share Equity Value	491				

Sensitivity Table		No of Years in Fade Period				
		6	9	11	13	16
WACC	9.3%	514	585	634	683	758
	10.3%	459	518	557	597	657
	11.3%	410	459	491	523	571
	12.3%	367	408	434	460	499
	13.3%	330	363	385	406	436

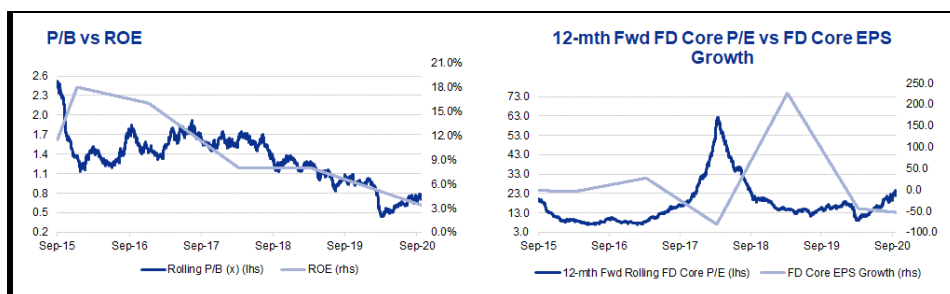
Performance Summary		Phase 2 Avg			
	2021	2022	2023	(2024 - 2034)	
Invested Capital Growth (%)	5.9	4.9	5.6	8.2	
Operating Margin (%)	7.7	10.6	12.5	15.7	
Capital Turnover (x)	0.9	1.0	1.1	1.5	

Note:
1. In periods following the Explicit Period i.e. Phase 2 and Phase 3
2. Remaining Business is defined as Capital as at the end of Phase 1 and capex=depreciation thereafter
3. Net Investment is defined as capex over and above depreciation after Phase 1



SOURCE: BLOOMBERG, EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Apollo Tyres Ltd)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	175,374	163,270	151,729	177,556	199,890
Gross Profit	73,992	72,514	67,064	78,125	87,552
Operating EBITDA	19,112	19,155	18,581	22,491	25,389
Depreciation And Amortisation	(8,127)	(11,381)	(12,558)	(13,585)	(14,713)
Operating EBIT	10,985	7,774	6,023	8,906	10,675
Financial Income/(Expense)	(465)	(2,340)	(2,830)	(2,214)	(1,967)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	10,520	5,434	3,193	6,692	8,708
Exceptional Items					
Pre-tax Profit	10,520	5,434	3,193	6,692	8,708
Taxation	(2,657)	(670)	(702)	(1,472)	(2,003)
Exceptional Income - post-tax					
Profit After Tax	8,535	4,764	2,491	5,220	6,705
Minority Interests	0				
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	8,536	4,764	2,491	5,220	6,705
Recurring Net Profit	7,863	4,764	2,491	5,220	6,705
Fully Diluted Recurring Net Profit	7,863	4,764	2,491	5,220	6,705

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	19,112	19,155	18,581	22,491	25,389
Cash Flow from Invt. & Assoc.	0				
Change In Working Capital	(4,572)	5,528	(745)	(3,255)	(2,815)
(Incr)/Decr in Total Provisions	(13,312)	20,816	(324)	2,050	2,550
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	1,345	469	850	978	1,026
Net Interest (Paid)/Received	(1,811)	(2,808)	(3,680)	(3,191)	(2,994)
Tax Paid	(1,871)	(1,274)	(639)	(1,338)	(1,742)
Cashflow From Operations	(1,108)	41,885	14,044	17,734	21,415
Capex	(14,056)	(49,211)	(3,290)	(14,000)	(16,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	10,387	(5,268)	11,020	(256)	(448)
Cash Flow From Investing	(3,669)	(54,479)	7,729	(14,256)	(16,448)
Debt Raised/(repaid)	6,651	16,531	(20,000)	(5,000)	
Proceeds From Issue Of Shares			63		
Shares Repurchased					
Dividends Paid	(2,240)	(2,068)	(635)	(1,270)	(1,905)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	4,411	14,463	(20,572)	(6,270)	(1,905)
Total Cash Generated	(366)	1,870	1,202	(2,793)	3,062
Free Cashflow To Equity	1,875	3,937	1,774	(1,522)	4,967
Free Cashflow To Firm	(2,966)	(9,786)	25,453	6,669	7,960

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	5,627	7,496	8,698	5,905	8,967
Total Debtors	11,547	9,399	9,561	11,675	13,143
Inventories	34,841	32,069	29,514	34,052	38,335
Total Other Current Assets	14,905	11,993	14,500	15,100	15,100
Total Current Assets	66,919	60,957	62,273	66,732	75,545
Fixed Assets	130,940	168,769	159,501	159,916	161,203
Total Investments	60	194	214	235	258
Intangible Assets	1,993	2,134	2,134	2,134	2,134
Total Other Non-Current Assets					
Total Non-current Assets	132,993	171,098	161,849	162,286	163,596
Short-term Debt	5,547	14,320	14,320	14,320	14,320
Current Portion of Long-Term Debt					
Total Creditors	22,483	23,090	19,953	23,350	26,287
Other Current Liabilities	14,229	30,572	32,372	34,172	35,972
Total Current Liabilities	42,259	67,983	66,646	71,842	76,579
Total Long-term Debt	45,561	53,319	33,319	28,319	28,319
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	45,561	53,319	33,319	28,319	28,319
Total Provisions	11,695	11,453	12,202	12,951	13,538
Total Liabilities	99,514	132,755	112,167	113,112	118,436
Shareholders' Equity	100,398	99,300	111,956	115,905	120,705
Minority Interests					
Total Equity	100,398	99,300	111,956	115,905	120,705

Key Ratios

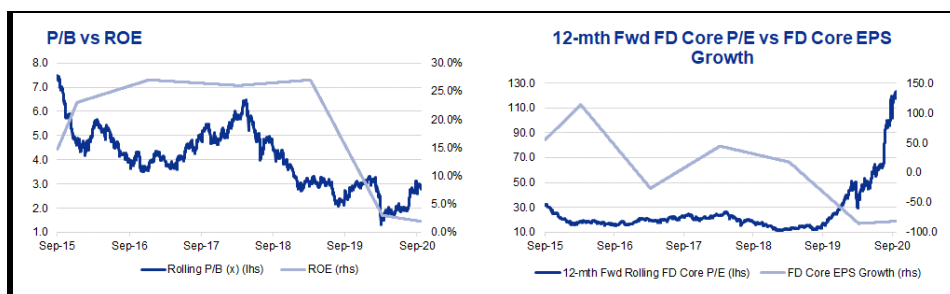
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	18.2%	(6.9%)	(7.1%)	17.0%	12.6%
Operating EBITDA Growth	15.9%	0.2%	(3.0%)	21.0%	12.9%
Operating EBITDA Margin	10.9%	11.7%	12.2%	12.7%	12.7%
Net Cash Per Share (Rs)	(79.51)	(105.14)	(61.31)	(57.84)	(53.02)
BVPS (Rs)	175.51	173.59	176.28	182.50	190.06
Gross Interest Cover	6.07	2.77	1.64	2.79	3.57
Effective Tax Rate	25.3%	12.3%	22.0%	22.0%	23.0%
Net Dividend Payout Ratio	28.5%	43.4%	25.5%	24.3%	28.4%
Accounts Receivables Days	26.95	23.41	22.80	21.83	22.66
Inventory Days	115.74	134.55	132.75	116.67	117.60
Accounts Payables Days	84.52	91.64	92.78	79.48	80.64
ROIC (%)	5.4%	3.3%	2.3%	3.6%	4.3%
ROCE (%)	7.1%	4.7%	3.5%	5.4%	6.4%
Return On Average Assets	4.1%	2.9%	1.9%	2.9%	3.4%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	1.6%	0.6%	4.5%	1.7%	1.8%
Unit sales grth (%. main prod./serv.)	18.0%	(11.0%)	(12.0%)	16.0%	10.0%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Ashok Leyland)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	290,550	174,675	168,229	198,256	227,545
Gross Profit	83,755	50,983	47,437	58,142	68,405
Operating EBITDA	31,358	10,237	8,545	18,451	25,450
Depreciation And Amortisation	(5,910)	(6,698)	(7,007)	(8,222)	(9,012)
Operating EBIT	25,448	3,539	1,538	10,229	16,438
Financial Income/(Expense)	(704)	(1,095)	(2,251)	(2,318)	(2,126)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	1,099	1,233	1,655	1,725	1,825
Profit Before Tax (pre-EI)	25,844	3,677	942	9,636	16,137
Exceptional Items					
Pre-tax Profit	25,844	3,677	942	9,636	16,137
Taxation	(5,136)	(1,224)	(283)	(2,891)	(4,841)
Exceptional Income - post-tax	(108)	568			
Profit After Tax	20,599	3,021	659	6,745	11,296
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	20,599	3,021	659	6,745	11,296
Recurring Net Profit	20,708	2,453	659	6,745	11,296
Fully Diluted Recurring Net Profit	20,708	2,453	659	6,745	11,296

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	31,358	10,237	8,545	18,451	25,450
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(21,397)	3,769	(5,742)	4,230	6,314
(Incr)/Decr in Total Provisions	(5,096)	(5,985)	(3,907)	6,000	3,500
Other Non-Cash (Income)/Expense	(487)	151	75	771	(1)
Other Operating Cashflow	(108)	568			
Net Interest (Paid)/Received	396	139	(596)	(593)	(301)
Tax Paid	(3,782)	(717)	(207)	(2,120)	(3,550)
Cashflow From Operations	884	8,161	(1,832)	26,739	31,412
Capex	(11,877)	(17,954)	(6,000)	(7,500)	(19,370)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments	(3,000)				
Other Investing Cashflow	32,342	(13,275)	(6,075)	(8,771)	(14,303)
Cash Flow From Investing	17,465	(31,228)	(12,075)	(16,271)	(33,673)
Debt Raised/(repaid)	(3,700)	24,325	15,000	(7,000)	
Proceeds From Issue Of Shares	8				
Shares Repurchased					
Dividends Paid	(10,966)	(1,769)	(294)	(2,642)	(5,284)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(14,657)	22,556	14,706	(9,642)	(5,284)
Total Cash Generated	3,692	(511)	799	826	(7,545)
Free Cashflow To Equity	14,649	1,257	1,093	3,468	(2,261)
Free Cashflow To Firm	19,052	(21,973)	(11,657)	12,786	(135)

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	13,736	13,225	14,024	14,850	7,306
Total Debtors	25,057	11,804	13,827	13,579	13,715
Inventories	26,847	12,380	13,827	15,752	16,832
Total Other Current Assets	27,518	25,314	31,000	28,000	27,000
Total Current Assets	93,158	62,723	72,678	72,182	64,853
Fixed Assets	62,721	73,977	72,970	72,248	82,606
Total Investments	26,365	27,196	33,196	41,196	48,196
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	89,086	101,173	106,166	113,445	130,803
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	50,189	26,239	23,967	29,874	37,405
Other Current Liabilities	29,386	23,665	24,500	26,500	27,500
Total Current Liabilities	79,575	49,904	48,467	56,374	64,905
Total Long-term Debt	6,324	30,648	45,648	38,648	38,648
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	6,324	30,648	45,648	38,648	38,648
Total Provisions	13,022	10,704	11,724	13,494	14,994
Total Liabilities	98,920	91,256	105,839	108,517	118,547
Shareholders' Equity	83,324	72,640	73,006	77,109	77,109
Minority Interests					
Total Equity	83,324	72,640	73,006	77,109	77,109

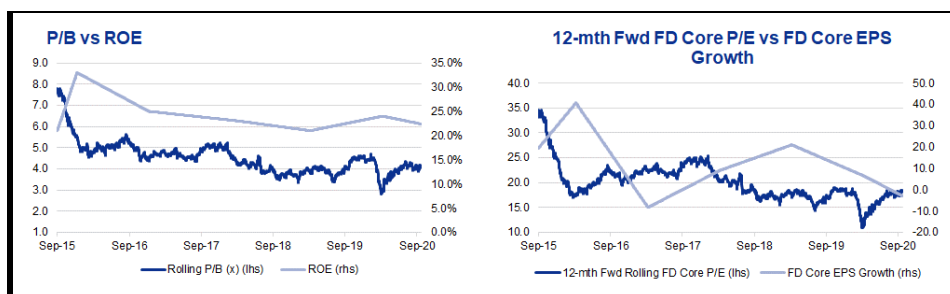
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	10.2%	(39.9%)	(3.7%)	17.8%	14.8%
Operating EBITDA Growth	5.8%	(67.4%)	(16.5%)	115.9%	37.9%
Operating EBITDA Margin	10.8%	5.9%	5.1%	9.3%	11.2%
Net Cash Per Share (Rs)	2.60	(6.12)	(11.11)	(8.36)	(11.01)
BVPS (Rs)	29.28	25.52	25.65	27.10	27.10
Gross Interest Cover	36.16	3.23	0.68	4.41	7.73
Effective Tax Rate	19.9%	33.3%	30.0%	30.0%	30.0%
Net Dividend Payout Ratio	53.0%	72.1%	44.5%	39.2%	46.8%
Accounts Receivables Days	21.90	38.51	27.81	25.23	21.89
Inventory Days	38.78	57.88	39.60	38.53	37.37
Accounts Payables Days	85.41	112.77	75.85	70.13	77.15
ROIC (%)	67.4%	3.8%	1.4%	8.2%	15.0%
ROCE (%)	28.8%	3.6%	1.4%	8.5%	13.8%
Return On Average Assets	12.2%	1.8%	1.3%	4.6%	6.7%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	(2.3%)	(5.3%)	14.2%	0.5%	1.0%
Unit sales grth (%. main prod./serv.)	12.9%	(36.5%)	(15.7%)	17.3%	13.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Bajaj Auto)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	302,500	299,186	289,250	322,609	354,388
Gross Profit	72,004	75,511	70,641	78,310	86,846
Operating EBITDA	49,820	50,964	45,341	50,966	58,275
Depreciation And Amortisation	(2,657)	(2,464)	(2,700)	(2,900)	(3,200)
Operating EBIT	47,163	48,500	42,641	48,066	55,075
Financial Income/(Expense)	(45)	(32)	(75)	(95)	(95)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	16,886	17,336	17,200	18,250	20,075
Profit Before Tax (pre-EI)	64,005	65,804	59,766	66,221	75,055
Exceptional Items					
Pre-tax Profit	64,005	65,804	59,766	66,221	75,055
Taxation	(20,280)	(14,802)	(14,344)	(15,893)	(18,013)
Exceptional Income - post-tax	4,166	568			
Profit After Tax	47,891	51,002	45,422	50,328	57,042
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	47,891	51,002	45,422	50,328	57,042
Recurring Net Profit	43,725	51,002	45,422	50,328	57,042
Fully Diluted Recurring Net Profit	43,725	51,002	45,422	50,328	57,042

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	49,820	50,964	45,341	50,966	58,275
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(7,443)	1,456	6,191	(580)	958
(Incr)/Decr in Total Provisions	(5,616)	2,734	(4,799)	(1,550)	(1,500)
Other Non-Cash (Income)/Expense	2,192	(1,963)			
Other Operating Cashflow	(966)				
Net Interest (Paid)/Received	16,842	17,304	17,125	18,155	19,980
Tax Paid	(18,186)	(15,473)	(14,344)	(15,893)	(18,013)
Cashflow From Operations	36,643	55,022	49,515	51,098	59,699
Capex	(1,429)	(1,937)	(3,000)	(5,000)	(5,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	(12,882)	(17,398)	(26,000)	(24,000)	(28,000)
Cash Flow From Investing	(14,311)	(19,335)	(29,000)	(29,000)	(33,000)
Debt Raised/(repaid)	38	11	(56)		
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(20,921)	(41,843)	(18,809)	(20,256)	(24,596)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(20,884)	(41,832)	(18,865)	(20,256)	(24,596)
Total Cash Generated	1,448	(6,145)	1,650	1,842	2,103
Free Cashflow To Equity	22,370	35,698	20,459	22,098	26,699
Free Cashflow To Firm	22,377	35,718	20,590	22,193	26,794

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	185,057	165,700	185,349	203,192	225,295
Total Debtors	25,597	17,251	14,264	17,677	19,418
Inventories	9,615	10,635	11,095	12,374	13,593
Total Other Current Assets	19,651	17,213	24,000	26,800	28,700
Total Current Assets	239,920	210,798	234,708	260,043	287,006
Fixed Assets	18,120	17,592	17,892	19,992	21,792
Total Investments	15,765	19,343	27,343	35,343	43,343
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	33,884	36,935	45,235	55,335	65,135
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	37,867	31,997	35,661	39,774	43,692
Other Current Liabilities	9,914	9,377	11,250	12,300	12,500
Total Current Liabilities	47,781	41,374	46,911	52,074	56,192
Total Long-term Debt	1,245	1,256	1,200	1,200	1,200
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	1,245	1,256	1,200	1,200	1,200
Total Provisions	6,978	5,849	5,964	6,164	6,364
Total Liabilities	56,005	48,478	54,075	59,437	63,755
Shareholders' Equity	217,799	199,255	225,868	255,940	288,385
Minority Interests					
Total Equity	217,799	199,255	225,868	255,940	288,385

Key Ratios

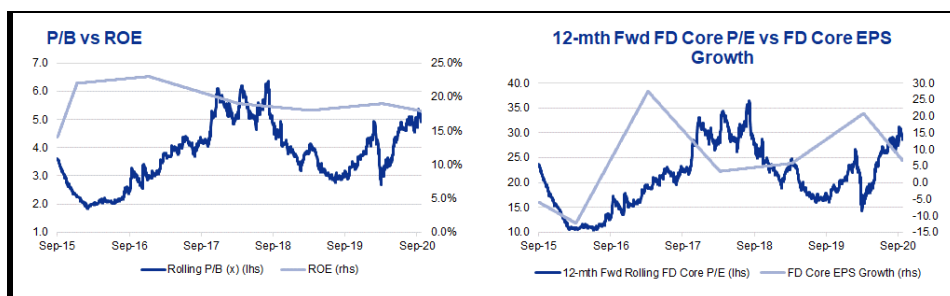
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	20.2%	(1.1%)	(3.3%)	11.5%	9.9%
Operating EBITDA Growth	4.2%	2.3%	(11.0%)	12.4%	14.3%
Operating EBITDA Margin	16.5%	17.0%	15.7%	15.8%	16.4%
Net Cash Per Share (Rs)	635.21	568.28	636.38	698.04	774.42
BVPS (Rs)	752.67	688.58	780.55	884.47	996.60
Gross Interest Cover	1,052.75	1,534.80	568.55	505.95	579.74
Effective Tax Rate	31.7%	22.5%	24.0%	24.0%	24.0%
Net Dividend Payout Ratio	47.8%	82.0%	41.4%	40.2%	43.1%
Accounts Receivables Days	24.44	26.14	19.88	18.07	19.10
Inventory Days	13.49	16.52	18.14	17.53	17.71
Accounts Payables Days	55.67	57.00	56.48	56.35	56.93
ROIC (%)	222.6%	128.9%	134.0%	158.3%	149.0%
ROCE (%)	30.5%	30.7%	27.5%	27.0%	27.1%
Return On Average Assets	17.1%	19.6%	17.2%	16.9%	17.1%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	(4.0%)	7.5%	5.5%	3.5%	2.0%
Unit sales grth (%. main prod./serv.)	25.3%	(8.0%)	(8.3%)	7.8%	7.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Balkrishna Industries Ltd)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	53,355	48,975	50,203	58,872	67,913
Gross Profit	28,727	27,707	29,620	34,146	39,254
Operating EBITDA	14,291	13,814	15,022	18,157	21,261
Depreciation And Amortisation	(3,326)	(3,680)	(4,261)	(4,722)	(4,990)
Operating EBIT	10,966	10,133	10,761	13,435	16,271
Financial Income/(Expense)	(98)	(73)	(80)	(60)	(50)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	962	1,168	1,273	1,425	1,611
Profit Before Tax (pre-EI)	11,830	11,228	11,954	14,801	17,831
Exceptional Items					
Pre-tax Profit	11,830	11,228	11,954	14,801	17,831
Taxation	(4,010)	(1,779)	(3,012)	(3,730)	(4,494)
Exceptional Income - post-tax					
Profit After Tax	7,820	9,450	8,941	11,071	13,338
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	7,820	9,450	8,941	11,071	13,338
Recurring Net Profit	7,820	9,450	8,941	11,071	13,338
Fully Diluted Recurring Net Profit	7,820	9,450	8,941	11,071	13,338

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	14,291	13,814	15,022	18,157	21,261
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(2,259)	560	158	(1,795)	(1,585)
(Incr)/Decr in Total Provisions	361	(1,006)	70	70	70
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	864	1,095	1,193	1,365	1,561
Tax Paid	(3,916)	(2,923)	(3,012)	(3,730)	(4,494)
Cashflow From Operations	9,342	11,540	13,430	14,068	16,813
Capex	(7,378)	(9,363)	(6,500)	(2,000)	(3,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	152	2,064	(1,028)	(2,500)	(2,500)
Cash Flow From Investing	(7,226)	(7,299)	(7,528)	(4,500)	(5,500)
Debt Raised/(repaid)	(59)	321	(500)	(500)	(500)
Proceeds From Issue Of Shares	0				
Shares Repurchased					
Dividends Paid	(1,748)	(4,662)	(2,706)	(3,479)	(4,253)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(1,806)	(4,342)	(3,206)	(3,979)	(4,753)
Total Cash Generated	310	(101)	2,697	5,588	6,560
Free Cashflow To Equity	2,058	4,561	5,403	9,068	10,813
Free Cashflow To Firm	2,215	4,313	5,983	9,628	11,363

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	556	455	3,152	8,740	15,300
Total Debtors	5,681	6,492	5,777	6,936	8,001
Inventories	7,130	5,804	6,465	7,581	8,745
Total Other Current Assets	6,385	5,304	5,954	6,604	7,254
Total Current Assets	19,752	18,055	21,347	29,860	39,300
Fixed Assets	32,944	38,626	40,866	38,144	36,153
Total Investments	11,602	10,631	12,631	14,631	16,631
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	44,546	49,257	53,496	52,775	52,784
Short-term Debt	8,296	8,617	8,117	7,617	7,117
Current Portion of Long-Term Debt					
Total Creditors	3,565	3,610	3,714	4,194	4,838
Other Current Liabilities	2,143	2,744	2,944	3,144	3,344
Total Current Liabilities	14,005	14,971	14,774	14,954	15,298
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	3,506	2,061	3,553	3,573	3,593
Total Liabilities	17,511	17,031	18,327	18,527	18,891
Shareholders' Equity	46,787	50,281	56,516	64,108	73,193
Minority Interests					
Total Equity	46,787	50,281	56,516	64,108	73,193

Key Ratios

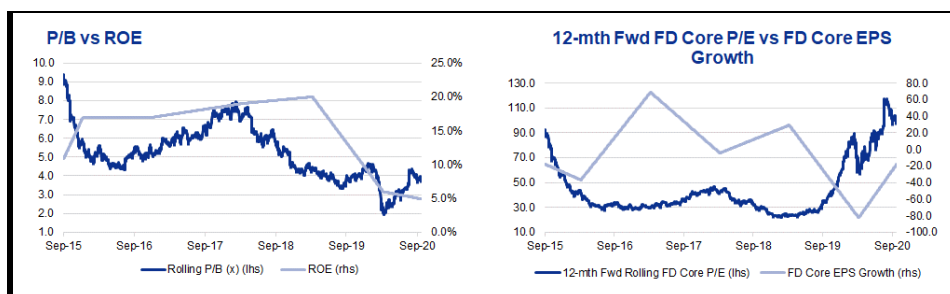
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	14.3%	(8.2%)	2.5%	17.3%	15.4%
Operating EBITDA Growth	5.7%	(3.3%)	8.7%	20.9%	17.1%
Operating EBITDA Margin	26.8%	28.2%	29.9%	30.8%	31.3%
Net Cash Per Share (Rs)	(40.04)	(42.22)	(25.69)	5.81	42.34
BVPS (Rs)	242.04	260.12	292.38	331.65	378.65
Gross Interest Cover	112.01	139.39	134.51	223.92	325.41
Effective Tax Rate	33.9%	15.8%	25.2%	25.2%	25.2%
Net Dividend Payout Ratio	22.4%	49.3%	30.3%	31.4%	31.9%
Accounts Receivables Days	36.60	45.36	44.60	39.41	40.14
Inventory Days	96.87	110.98	108.77	103.67	103.96
Accounts Payables Days	55.87	61.57	64.93	58.36	57.51
ROIC (%)	17.8%	18.4%	16.1%	19.2%	23.4%
ROCE (%)	19.8%	17.0%	16.7%	18.8%	20.5%
Return On Average Assets	12.8%	14.5%	12.7%	14.1%	15.3%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	7.8%	(3.9%)	3.0%	1.5%	1.5%
Unit sales grth (%. main prod./serv.)	6.0%	(4.5%)	(0.5%)	15.5%	13.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Bharat Forge)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	101,457	80,558	67,417	77,938	86,392
Gross Profit	30,618	19,546	16,517	20,654	23,844
Operating EBITDA	20,556	11,147	8,764	12,080	14,600
Depreciation And Amortisation	(5,208)	(5,477)	(5,548)	(6,036)	(6,298)
Operating EBIT	15,348	5,670	3,216	6,044	8,302
Financial Income/(Expense)	(1,272)	(1,713)	(1,690)	(1,540)	(1,425)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	2,028	1,879	2,000	2,215	2,459
Profit Before Tax (pre-EI)	16,104	5,835	3,526	6,719	9,337
Exceptional Items					
Pre-tax Profit	15,832	3,317	3,526	6,719	9,337
Taxation	(5,664)	(1,125)	(776)	(1,478)	(2,054)
Exceptional Income - post-tax					
Profit After Tax	10,168	2,192	2,751	5,241	7,283
Minority Interests	(114)	(429)	(350)	(400)	(150)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	10,054	1,763	2,401	4,841	7,133
Recurring Net Profit	10,229	3,428	2,401	4,841	7,133
Fully Diluted Recurring Net Profit	10,229	3,428	2,401	4,841	7,133

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	20,556	11,147	8,764	12,080	14,600
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(6,324)	4,285	5,538	210	370
(Incr)/Decr in Total Provisions	(481)	6,582	(3,151)	1,100	1,600
Other Non-Cash (Income)/Expense	(85)	(1,556)	958	211	244
Other Operating Cashflow	(272)	(2,518)			
Net Interest (Paid)/Received	756	165	310	675	1,034
Tax Paid	(5,743)	(1,834)	(705)	(1,344)	(1,867)
Cashflow From Operations	8,406	16,271	11,714	12,934	15,981
Capex	(11,432)	(12,324)	(12,200)	(11,100)	(12,800)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	(152)	(2,439)	3,106	2,522	1,983
Cash Flow From Investing	(11,584)	(14,763)	(9,094)	(8,578)	(10,817)
Debt Raised/(repaid)	7,710	1,055	(5,594)	(2,250)	(2,750)
Proceeds From Issue Of Shares	(110)	(408)	(670)	(400)	(150)
Shares Repurchased					
Dividends Paid	(2,805)	(1,122)	(698)	(1,397)	(1,863)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	4,795	(475)	(6,962)	(4,047)	(4,763)
Total Cash Generated	1,618	1,033	(4,342)	309	401
Free Cashflow To Equity	4,533	2,563	(2,974)	2,106	2,414
Free Cashflow To Firm	(1,905)	3,221	4,310	5,896	6,589

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	4,739	5,751	1,409	1,718	2,119
Total Debtors	21,478	14,938	14,037	14,520	15,148
Inventories	18,447	17,347	11,821	12,812	13,491
Total Other Current Assets	11,314	9,161	10,300	11,000	11,400
Total Current Assets	55,977	47,197	37,568	40,050	42,159
Fixed Assets	44,230	51,077	57,729	62,793	69,295
Total Investments	15,237	16,180	16,930	16,930	16,930
Intangible Assets	349	370	370	370	370
Total Other Non-Current Assets					
Total Non-current Assets	59,815	67,627	75,029	80,093	86,595
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	13,664	10,309	9,420	11,104	12,781
Other Current Liabilities	3,715	7,505	5,200	6,000	7,000
Total Current Liabilities	17,379	17,814	14,620	17,104	19,781
Total Long-term Debt	40,224	41,279	35,685	33,435	30,685
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	40,224	41,279	35,685	33,435	30,685
Total Provisions	4,131	3,214	4,465	5,676	6,921
Total Liabilities	61,734	62,307	54,770	56,215	57,387
Shareholders' Equity	53,761	52,197	57,827	63,927	71,367
Minority Interests					
Total Equity	53,761	52,197	57,827	63,927	71,367

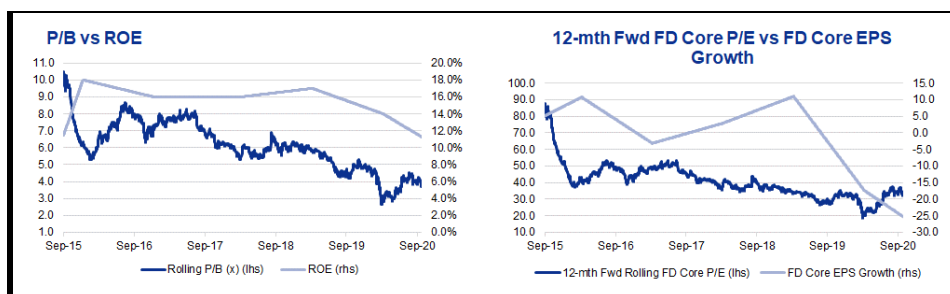
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	21.4%	(20.6%)	(16.3%)	15.6%	10.8%
Operating EBITDA Growth	19.3%	(45.8%)	(21.4%)	37.8%	20.9%
Operating EBITDA Margin	20.3%	13.8%	13.0%	15.5%	16.9%
Net Cash Per Share (Rs)	(76.21)	(76.30)	(73.61)	(68.11)	(61.35)
BVPS (Rs)	115.45	112.10	124.18	137.29	153.26
Gross Interest Cover	12.06	3.31	1.90	3.92	5.83
Effective Tax Rate	35.8%	33.9%	22.0%	22.0%	22.0%
Net Dividend Payout Ratio	27.2%	26.2%	29.1%	28.9%	26.1%
Accounts Receivables Days	73.90	82.50	78.44	66.87	62.67
Inventory Days	82.56	107.07	104.58	78.48	76.75
Accounts Payables Days	69.38	71.71	70.74	65.38	69.69
ROIC (%)	15.7%	4.8%	2.9%	5.1%	6.6%
ROCE (%)	17.3%	5.9%	3.4%	6.2%	8.2%
Return On Average Assets	10.5%	5.1%	3.4%	5.4%	6.6%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	12.9%	(7.6%)	4.0%	3.4%	0.3%
Unit sales grth (%. main prod./serv.)	7.4%	(24.2%)	(23.1%)	12.9%	11.4%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Bosch Ltd)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	122,578	98,416	78,945	92,147	103,722
Gross Profit	54,828	45,322	34,578	41,466	46,882
Operating EBITDA	21,635	14,833	9,898	12,600	14,818
Depreciation And Amortisation	(4,045)	(3,833)	(4,280)	(4,610)	(5,077)
Operating EBIT	17,590	11,000	5,619	7,990	9,740
Financial Income/(Expense)	(133)	(102)	(80)	(90)	(80)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	5,953	5,466	5,958	6,434	6,949
Profit Before Tax (pre-EI)	23,410	16,364	11,496	14,334	16,609
Exceptional Items					
Pre-tax Profit	23,410	16,364	11,496	14,334	16,609
Taxation	(7,430)	(3,387)	(2,644)	(3,297)	(3,820)
Exceptional Income - post-tax					
Profit After Tax	15,980	12,977	8,852	11,037	12,789
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	15,980	12,977	8,852	11,037	12,789
Recurring Net Profit	15,980	12,977	8,852	11,037	12,789
Fully Diluted Recurring Net Profit	15,980	12,977	8,852	11,037	12,789

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	21,635	14,833	9,898	12,600	14,818
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(6,050)	4,993	805	(1,411)	(1,237)
(Incr)/Decr in Total Provisions	(2,033)	3,547	1,128	2,151	2,366
Other Non-Cash (Income)/Expense	(47)	1,453			
Other Operating Cashflow	997	(7,812)	(1,972)		
Net Interest (Paid)/Received	5,820	5,364	5,878	6,344	6,869
Tax Paid	(7,074)	(4,811)	(2,644)	(3,297)	(3,820)
Cashflow From Operations	13,247	17,568	13,093	16,387	18,995
Capex	(5,937)	(3,924)	(3,639)	(3,500)	(5,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(10,447)	(514)	(6,062)	(4,648)	(5,113)
Cash Flow From Investing	(16,384)	(4,438)	(9,701)	(8,148)	(10,113)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(3,214)	(3,096)	(2,654)	(4,129)	(4,718)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(3,214)	(3,096)	(2,654)	(4,129)	(4,718)
Total Cash Generated	(6,351)	10,033	737	4,111	4,164
Free Cashflow To Equity	(3,136)	13,129	3,392	8,239	8,883
Free Cashflow To Firm	(3,003)	13,231	3,472	8,329	8,963

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	53,065	62,975	69,775	78,533	87,810
Total Debtors	30,412	31,304	28,382	30,118	31,640
Inventories	14,443	11,159	8,868	10,351	11,651
Total Other Current Assets	6,382	4,905	5,396	5,935	6,529
Total Current Assets	104,301	110,344	112,420	124,937	137,630
Fixed Assets	18,199	18,290	17,649	16,540	16,462
Total Investments					
Intangible Assets					
Total Other Non-Current Assets	4,596	4,567	4,567	4,567	4,567
Total Non-current Assets	22,795	22,857	22,216	21,106	21,029
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	25,243	24,326	19,918	22,637	25,224
Other Current Liabilities					
Total Current Liabilities	25,243	24,326	19,918	22,637	25,224
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	10,592	16,180	17,798	19,578	21,535
Total Liabilities	35,834	40,506	37,716	42,215	46,760
Shareholders' Equity	91,262	92,694	96,920	103,829	111,899
Minority Interests					
Total Equity	91,262	92,694	96,920	103,829	111,899

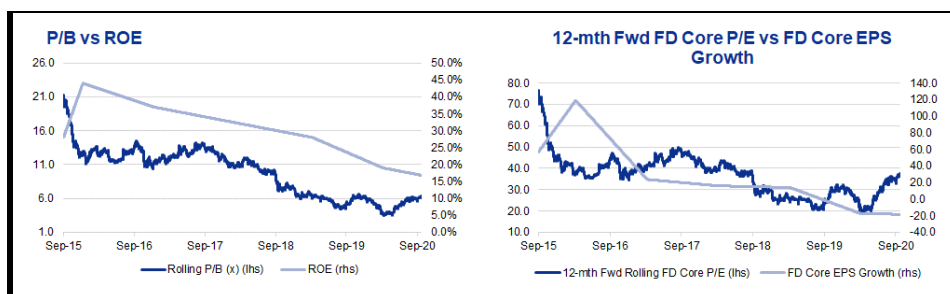
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	4.9%	(19.7%)	(19.8%)	16.7%	12.6%
Operating EBITDA Growth	3.4%	(31.4%)	(33.3%)	27.3%	17.6%
Operating EBITDA Margin	17.6%	15.1%	12.5%	13.7%	14.3%
Net Cash Per Share (Rs)	1,799.41	2,135.48	2,366.05	2,663.05	2,977.63
BVPS (Rs)	3,094.68	3,143.24	3,286.54	3,520.81	3,794.49
Gross Interest Cover	132.25	108.27	70.23	88.78	121.75
Effective Tax Rate	31.7%	20.7%	23.0%	23.0%	23.0%
Net Dividend Payout Ratio	24.3%	28.9%	30.0%	37.4%	36.9%
Accounts Receivables Days	47.39	55.27	56.67	44.56	45.32
Inventory Days	71.92	88.00	82.38	69.21	70.64
Accounts Payables Days	97.29	109.77	110.50	84.40	86.15
ROIC (%)	43.8%	22.5%	12.2%	17.8%	21.7%
ROCE (%)	18.4%	12.0%	5.9%	8.0%	9.0%
Return On Average Assets	12.1%	10.0%	6.7%	7.9%	8.4%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	2.8%	(5.0%)	4.0%	4.0%	3.0%
Unit sales grth (%. main prod./serv.)	2.6%	(24.8%)	(23.2%)	18.3%	13.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Eicher Motors Ltd)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	97,971	91,536	86,409	98,672	114,625
Gross Profit	47,396	41,576	36,983	42,922	50,435
Operating EBITDA	29,030	21,803	18,857	23,089	27,968
Depreciation And Amortisation	(3,003)	(3,815)	(4,500)	(5,200)	(5,800)
Operating EBIT	26,028	17,988	14,357	17,889	22,168
Financial Income/(Expense)	(73)	(189)	(150)	(175)	(170)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	4,434	5,433	5,696	6,160	6,841
Profit Before Tax (pre-EI)	30,388	23,232	19,902	23,874	28,840
Exceptional Items					
Pre-tax Profit	30,388	23,232	19,902	23,874	28,840
Taxation	(10,770)	(5,274)	(4,862)	(6,061)	(7,171)
Exceptional Income - post-tax					
Profit After Tax	19,618	17,957	15,040	17,813	21,669
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	2,584	323	(168)	688	2,093
Net Profit	22,202	18,280	14,872	18,501	23,762
Recurring Net Profit	22,202	18,280	14,872	18,501	23,762
Fully Diluted Recurring Net Profit	22,202	18,280	14,872	18,501	23,762

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	29,030	21,803	18,857	23,089	27,968
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(1,989)	(1,418)	102	(273)	(374)
(Incr)/Decr in Total Provisions	(2,460)	2,935	370	(200)	(350)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	2,584	323	(168)	688	2,093
Net Interest (Paid)/Received	4,361	5,244	5,546	5,985	6,671
Tax Paid	(12,121)	(5,060)	(4,862)	(6,061)	(7,171)
Cashflow From Operations	19,404	23,827	19,845	23,228	28,838
Capex	(7,888)	(7,469)	(4,912)	(6,000)	(7,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	9,339	(12,428)	(15,623)	(17,213)	(18,593)
Cash Flow From Investing	1,450	(19,896)	(20,535)	(23,213)	(26,093)
Debt Raised/(repaid)	359	(423)	(1,444)		
Proceeds From Issue Of Shares	(0)	(0)			
Shares Repurchased					
Dividends Paid	(3,681)	(3,684)	(3,003)	(3,822)	(4,778)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(3,322)	(4,107)	(4,447)	(3,822)	(4,778)
Total Cash Generated	17,533	(177)	(5,138)	(3,807)	(2,032)
Free Cashflow To Equity	21,214	3,507	(2,135)	15	2,745
Free Cashflow To Firm	20,928	4,119	(541)	190	2,915

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	79,149	86,994	81,484	96,394	113,539
Total Debtors	903	868	1,420	1,892	2,198
Inventories	6,334	5,724	4,735	5,947	7,851
Total Other Current Assets	4,239	4,016	4,800	5,600	6,500
Total Current Assets	90,625	97,600	92,439	109,834	130,089
Fixed Assets	23,243	26,897	27,309	28,109	29,809
Total Investments					
Intangible Assets					
Total Other Non-Current Assets	4,596	4,567	4,567	4,567	4,567
Total Non-current Assets	23,243	26,897	27,309	28,109	29,809
Short-term Debt	1,868	1,444			
Current Portion of Long-Term Debt					
Total Creditors	12,341	10,277	9,943	11,354	13,190
Other Current Liabilities	6,928	9,472	10,500	11,000	11,500
Total Current Liabilities	21,136	21,192	20,443	22,354	24,690
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	3,545	3,496	3,620	3,720	3,770
Total Liabilities	24,681	24,688	24,063	26,074	28,460
Shareholders' Equity	89,187	99,809	95,685	111,869	131,438
Minority Interests					
Total Equity	89,187	99,809	95,685	111,869	131,438

Key Ratios

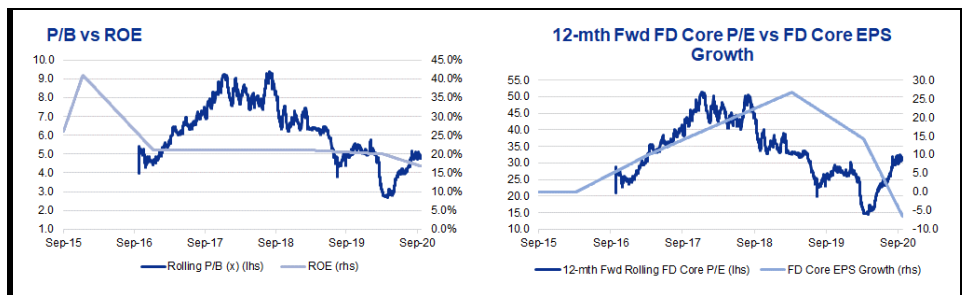
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	9.3%	(6.6%)	(5.6%)	14.2%	16.2%
Operating EBITDA Growth	3.6%	(24.9%)	(13.5%)	22.4%	21.1%
Operating EBITDA Margin	29.6%	23.8%	21.8%	23.4%	24.4%
Net Cash Per Share (Rs)	283.29	313.37	298.48	353.09	415.89
BVPS (Rs)	326.93	365.60	350.49	409.78	481.46
Gross Interest Cover	355.08	95.27	95.71	102.22	130.40
Effective Tax Rate	35.4%	22.7%	24.4%	25.4%	24.9%
Net Dividend Payout Ratio	16.6%	20.2%	20.2%	20.7%	20.1%
Accounts Receivables Days	2.95	3.53	4.83	6.13	6.51
Inventory Days	37.10	44.04	38.62	34.97	39.23
Accounts Payables Days	86.82	82.62	74.66	69.72	69.78
ROIC (%)	428.5%	116.4%	80.9%	100.4%	115.5%
ROCE (%)	31.2%	18.2%	14.2%	16.8%	17.9%
Return On Average Assets	21.3%	15.5%	12.3%	14.5%	16.1%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	8.6%	10.0%	7.2%	2.0%	1.7%
Unit sales grth (%. main prod./serv.)	0.7%	-15.8%	-11.2%	11.9%	14.2%
ASP (% chg. 2ndary prod./serv.)	2.6%	10.4%	15.0%	2.0%	2.0%
Unit sales grth (%.2ndary prod/serv)	10.7%	-33.2%	-17.9%	13.2%	20.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Endurance Technologies Ltd)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	75,105	69,177	63,543	73,690	83,145
Gross Profit	31,611	31,825	29,357	33,897	38,080
Operating EBITDA	11,288	11,308	9,913	12,001	13,766
Depreciation And Amortisation	(3,762)	(4,143)	(4,474)	(4,832)	(5,412)
Operating EBIT	7,526	7,165	5,439	7,168	8,354
Financial Income/(Expense)	(257)	(175)	(180)	(100)	(50)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	270	476	543	619	742
Profit Before Tax (pre-EI)	7,539	7,466	5,802	7,687	9,046
Exceptional Items	(208)				
Pre-tax Profit	7,331	7,466	5,802	7,687	9,046
Taxation	(2,381)	(1,810)	(1,508)	(1,999)	(2,352)
Exceptional Income - post-tax					
Profit After Tax	4,951	5,656	4,293	5,688	6,694
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	4,951	5,656	4,293	5,688	6,694
Recurring Net Profit	5,091	5,656	4,293	5,688	6,694
Fully Diluted Recurring Net Profit	5,091	5,656	4,293	5,688	6,694

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	11,288	11,308	9,913	12,001	13,766
Cash Flow from Invt. & Assoc.					
Change In Working Capital	426	1,351	(1,045)	(215)	(363)
(Incr)/Decr in Total Provisions	1,368	1,593	443	487	536
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	13	301	363	519	692
Tax Paid	(2,381)	(1,810)	(1,508)	(1,999)	(2,352)
Cashflow From Operations	10,714	12,742	8,165	10,793	12,279
Capex	(7,031)	(8,623)	(4,500)	(4,500)	(5,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	(1,505)	(163)	(172)	(189)	(208)
Cash Flow From Investing	(8,536)	(8,786)	(4,672)	(4,689)	(5,208)
Debt Raised/(repaid)	(836)	(1,823)	(1,000)	(1,000)	(1,000)
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(933)	(933)	(933)	(1,003)	(1,214)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(1,769)	(2,756)	(1,933)	(2,003)	(2,214)
Total Cash Generated	409	1,200	1,561	4,101	4,857
Free Cashflow To Equity	1,342	2,133	2,493	5,104	6,071
Free Cashflow To Firm	2,435	4,131	3,673	6,204	7,121

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	5,379	6,209	7,770	11,871	16,728
Total Debtors	9,251	6,727	7,834	9,085	10,251
Inventories	5,400	5,501	5,049	5,653	6,378
Total Other Current Assets	4,315	2,958	3,129	3,318	3,526
Total Current Assets	24,346	21,396	23,782	29,927	36,883
Fixed Assets	21,323	25,698	25,724	25,392	24,980
Total Investments	361	1,660	1,660	1,660	1,660
Intangible Assets	1,520	1,624	1,624	1,624	1,624
Total Other Non-Current Assets	150	255	255	255	255
Total Non-current Assets	23,354	29,237	29,263	28,931	28,519
Short-term Debt	7,305	5,482	4,482	3,482	2,482
Current Portion of Long-Term Debt					
Total Creditors	11,735	10,662	10,271	11,912	13,440
Other Current Liabilities	2,062	3,317	3,649	4,014	4,416
Total Current Liabilities	21,102	19,462	18,402	19,408	20,337
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	950	1,111	1,222	1,344	1,478
Total Liabilities	22,052	20,572	19,624	20,752	21,816
Shareholders' Equity	25,647	30,060	33,421	38,106	43,586
Minority Interests					
Total Equity	25,647	30,060	33,421	38,106	43,586

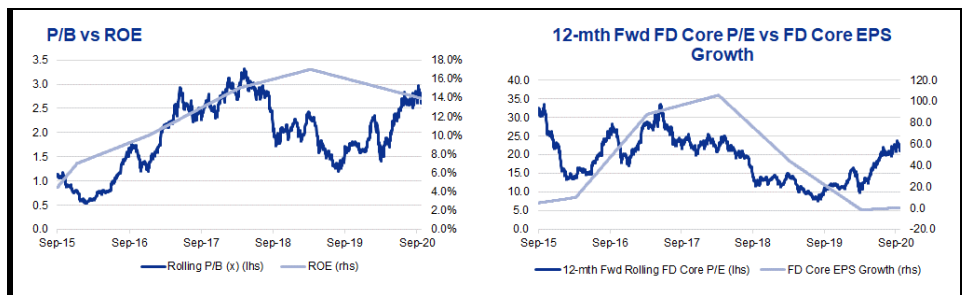
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	16.4%	(8.8%)	(8.1%)	16.6%	13.2%
Operating EBITDA Growth	21.7%	0.2%	(12.3%)	21.1%	14.7%
Operating EBITDA Margin	15.7%	17.3%	16.5%	17.1%	17.3%
Net Cash Per Share (Rs)	(13.69)	5.17	23.38	59.64	101.28
BVPS (Rs)	182.33	213.71	237.60	270.90	309.86
Gross Interest Cover	29.25	40.85	30.22	71.68	167.08
Effective Tax Rate	32.5%	24.2%	26.0%	26.0%	26.0%
Net Dividend Payout Ratio	18.1%	16.5%	21.7%	17.6%	18.1%
Accounts Receivables Days	46.02	42.15	41.82	41.90	42.44
Inventory Days	43.38	53.26	56.32	49.08	48.72
Accounts Payables Days	96.59	109.43	111.75	101.74	102.67
ROIC (%)	20.8%	19.3%	14.0%	17.9%	21.0%
ROCE (%)	24.0%	20.9%	14.8%	18.0%	19.1%
Return On Average Assets	11.7%	11.8%	8.5%	10.3%	10.8%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Unit sales grth (%. main prod./serv.)	20.7%	(8.8%)	(7.2%)	17.2%	13.9%
Unit sales grth (%.2ndary prod./serv.)	18.2%	(7.9%)	(8.1%)	16.0%	12.8%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Escorts Ltd)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	61,964	57,610	56,351	67,581	78,680
Gross Profit	19,566	19,413	18,990	22,505	25,964
Operating EBITDA	7,342	6,758	6,958	8,800	10,450
Depreciation And Amortisation	(854)	(1,046)	(1,106)	(1,201)	(1,285)
Operating EBIT	6,489	5,712	5,853	7,599	9,165
Financial Income/(Expense)	(185)	(155)	(80)	(1,540)	(1,425)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	809	923	1,199	1,499	1,799
Profit Before Tax (pre-EI)	7,112	6,480	6,972	9,098	10,964
Exceptional Items	109	(92)			
Pre-tax Profit	7,221	6,388	6,972	9,098	10,964
Taxation	(2,375)	(1,533)	(1,666)	(2,174)	(2,620)
Exceptional Income - post-tax					
Profit After Tax	4,846	4,855	5,306	6,924	8,344
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	4,846	4,855	5,306	6,924	8,344
Recurring Net Profit	4,773	4,925	5,306	6,924	8,344
Fully Diluted Recurring Net Profit	4,773	4,925	5,306	6,924	8,344

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	7,342	6,758	6,958	8,800	10,450
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(6,258)	2,266	(1,021)	(646)	(359)
(Incr)/Decr in Total Provisions	(2,606)	156	1,093	500	500
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	624	768	1,119	1,499	1,799
Tax Paid	(1,986)	(1,744)	(1,666)	(2,174)	(2,620)
Cashflow From Operations	(2,884)	8,204	6,484	7,979	9,769
Capex	(1,704)	(2,240)	(2,250)	(2,750)	(3,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	1,682	(1,914)	3,492	(3,200)	(3,200)
Cash Flow From Investing	(22)	(4,154)	1,242	(5,950)	(6,700)
Debt Raised/(repaid)	2,268	(2,703)	(66)		
Proceeds From Issue Of Shares				(0)	
Shares Repurchased					
Dividends Paid	(370)	(370)	(490)	(735)	(981)
Preferred Dividends					
Other Financing Cashflow	190	(92)			
Cash Flow From Financing	2,088	(3,165)	(556)	(735)	(981)
Total Cash Generated	(818)	884	7,170	1,293	2,088
Free Cashflow To Equity	(638)	1,347	7,660	2,029	3,069
Free Cashflow To Firm	(2,722)	4,204	7,806	2,029	3,069

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	2,301	3,185	10,354	11,782	14,212
Total Debtors	9,320	7,565	7,410	8,887	10,347
Inventories	8,219	8,222	7,874	9,258	10,347
Total Other Current Assets	4,494	4,222	7,027	7,027	7,027
Total Current Assets	24,334	23,194	32,665	36,953	41,933
Fixed Assets	17,070	18,264	19,408	20,958	23,173
Total Investments	8,566	11,663	15,663	18,863	22,063
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	25,636	29,927	35,071	39,820	45,236
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	12,125	12,639	11,116	13,331	15,520
Other Current Liabilities	2,874	3,755	4,255	4,755	5,255
Total Current Liabilities	14,999	16,394	15,371	18,086	20,775
Total Long-term Debt	2,769	66			
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	2,769	66			
Total Provisions	1,973	1,860	2,453	2,453	2,453
Total Liabilities	19,741	18,320	17,823	20,539	23,228
Shareholders' Equity	30,229	34,801	49,913	56,235	63,941
Minority Interests					
Total Equity	30,229	34,801	49,913	56,235	63,941

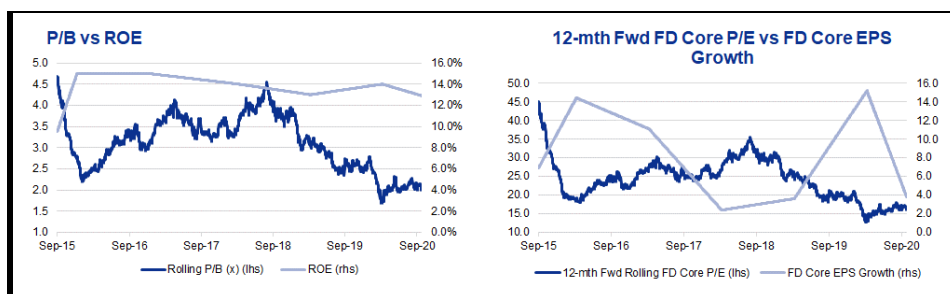
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	24.4%	(7.0%)	(2.2%)	19.9%	16.4%
Operating EBITDA Growth	35.3%	(8.0%)	3.0%	27.4%	20.8%
Operating EBITDA Margin	11.8%	11.7%	12.3%	13.1%	13.6%
Net Cash Per Share (Rs)	(5.27)	35.09	102.38	116.49	140.53
BVPS (Rs)	340.11	391.55	493.51	556.02	632.21
Gross Interest Cover	35.12	36.95	73.16		
Effective Tax Rate	32.9%	24.0%	23.9%	23.0%	22.8%
Net Dividend Payout Ratio	7.8%	7.5%	9.2%	10.4%	11.3%
Accounts Receivables Days	45.12	53.49	48.50	44.01	44.61
Inventory Days	58.67	78.56	78.62	69.46	68.07
Accounts Payables Days	104.94	118.32	116.04	99.13	100.18
ROIC (%)	27.8%	18.1%	20.4%	22.4%	25.9%
ROCE (%)	21.7%	16.6%	13.7%	14.4%	15.6%
Return On Average Assets	10.5%	9.8%	8.9%	9.8%	10.6%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	(0.0%)	4.8%	1.8%	2.1%	2.2%
Unit sales grth (%. main prod./serv.)	19.9%	(10.8%)	(0.2%)	15.2%	12.6%
ASP (% chg. 2ndary prod./serv.)	11.4%	9.3%	10.0%	5.0%	5.0%
Unit sales grth (%.2ndary prod/serv)	23.6%	(27.1%)	(35.0%)	35.0%	20.0%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Exide Industries Ltd)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	105,883	98,567	98,474	108,980	119,902
Gross Profit	36,180	35,903	35,351	39,192	42,965
Operating EBITDA	14,113	13,650	13,566	15,596	17,319
Depreciation And Amortisation	(3,135)	(3,626)	(3,809)	(4,055)	(4,430)
Operating EBIT	10,978	10,024	9,758	11,541	12,888
Financial Income/(Expense)	(61)	(94)	(80)	(80)	(80)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	385	639	703	746	798
Profit Before Tax (pre-EI)	11,303	10,569	10,381	12,206	13,606
Exceptional Items					
Pre-tax Profit	11,303	10,569	10,381	12,206	13,606
Taxation	(3,945)	(2,097)	(2,388)	(2,807)	(3,129)
Exceptional Income - post-tax					
Profit After Tax	7,357	8,472	7,993	9,399	10,476
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	7,357	8,472	7,993	9,399	10,476
Recurring Net Profit	7,357	8,472	7,993	9,399	10,476
Fully Diluted Recurring Net Profit	7,357	8,472	7,993	9,399	10,476

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	14,113	13,650	13,566	15,596	17,319
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(1,160)	(2,340)	2,180	(2,468)	(2,005)
(Incr)/Decr in Total Provisions	484	(222)	120	224	445
Other Non-Cash (Income)/Expense	(15)	(20)			
Other Operating Cashflow	1,087	(217)			
Net Interest (Paid)/Received	325	545	623	666	718
Tax Paid	(3,584)	(2,809)	(2,284)	(2,685)	(2,993)
Cashflow From Operations	11,250	8,586	14,205	11,332	13,483
Capex	(6,739)	(4,809)	(2,500)	(4,000)	(4,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments	(2,608)	518	(6,080)	(4,500)	(4,250)
Other Investing Cashflow					
Cash Flow From Investing	(9,347)	(4,291)	(8,580)	(8,500)	(8,750)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(2,040)	(3,485)	(2,550)	(2,975)	(3,400)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(2,040)	(3,485)	(2,550)	(2,975)	(3,400)
Total Cash Generated	(136)	810	3,075	(143)	1,333
Free Cashflow To Equity	1,904	4,295	5,625	2,832	4,733
Free Cashflow To Firm	1,964	4,389	5,705	2,912	4,813

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	736	1,546	4,621	4,478	5,811
Total Debtors	12,352	9,370	10,943	12,150	13,197
Inventories	18,040	21,923	18,346	20,900	22,995
Total Other Current Assets	3,081	2,170	3,250	3,750	4,000
Total Current Assets	34,208	35,008	37,159	41,278	46,004
Fixed Assets	25,522	26,705	25,396	25,341	25,411
Total Investments	21,994	20,708	25,708	29,708	33,708
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	47,516	47,413	51,104	55,049	59,119
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	11,476	10,361	10,252	11,346	12,483
Other Current Liabilities	5,491	4,479	4,702	4,938	5,184
Total Current Liabilities	16,967	14,839	14,955	16,283	17,667
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	4,888	4,621	4,905	5,216	5,550
Total Liabilities	21,854	19,460	19,859	21,499	23,218
Shareholders' Equity	59,870	62,961	68,405	74,828	81,905
Minority Interests					
Total Equity	59,870	62,961	68,405	74,828	81,905

Key Ratios

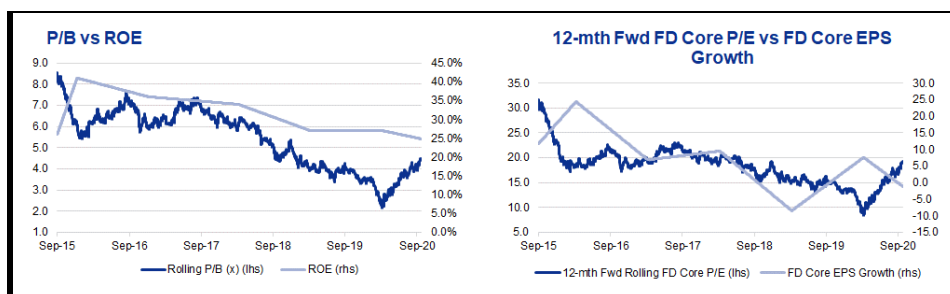
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	15.3%	(6.9%)	(0.1%)	10.7%	10.0%
Operating EBITDA Growth	13.8%	(3.3%)	(0.6%)	15.0%	11.0%
Operating EBITDA Margin	13.3%	13.8%	13.8%	14.3%	14.4%
Net Cash Per Share (Rs)	0.87	1.82	5.44	5.27	6.84
BVPS (Rs)	70.44	74.07	80.48	88.03	96.36
Gross Interest Cover	181.45	106.64	121.97	144.26	161.10
Effective Tax Rate	34.9%	19.8%	23.0%	23.0%	23.0%
Net Dividend Payout Ratio	33.3%	49.4%	31.9%	31.7%	32.5%
Accounts Receivables Days	34.92	35.12	32.61	33.31	33.41
Inventory Days	93.32	116.39	116.42	102.63	104.12
Accounts Payables Days	58.40	63.60	59.59	56.48	56.52
ROIC (%)	29.3%	23.9%	21.5%	26.9%	28.1%
ROCE (%)	17.9%	15.1%	13.9%	15.1%	15.4%
Return On Average Assets	9.5%	10.4%	9.5%	10.3%	10.5%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Unit sales grth (%. main prod./serv.)	8.5%	(1.7%)	(0.3%)	10.6%	9.0%
Unit sales grth (%.2ndary prod./serv.)	10.5%	(10.5%)	(4.8%)	6.7%	5.7%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Hero MotoCorp)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	336,505	290,031	319,054	359,547	402,070
Gross Profit	86,026	75,040	75,655	90,640	102,933
Operating EBITDA	49,301	41,650	41,809	52,746	61,842
Depreciation And Amortisation	(6,020)	(7,230)	(7,471)	(8,065)	(8,529)
Operating EBIT	43,281	34,420	34,338	44,681	53,314
Financial Income/(Expense)					
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	6,827	7,063	7,845	8,900	9,925
Profit Before Tax (pre-EI)	50,108	41,483	42,183	53,581	63,239
Exceptional Items					
Pre-tax Profit	50,108	41,483	42,183	53,581	63,239
Taxation	(16,259)	(6,894)	(9,280)	(11,788)	(13,912)
Exceptional Income - post-tax					
Profit After Tax	33,849	34,589	32,903	41,793	49,326
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax		1,830			
Net Profit	33,849	36,419	32,903	41,793	49,326
Recurring Net Profit	33,849	36,419	32,903	41,793	49,326
Fully Diluted Recurring Net Profit	33,849	36,419	32,903	41,793	49,326

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	49,301	41,650	41,809	52,746	61,842
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(15,138)	8,741	2,422	2,089	(1,806)
(Incr)/Decr in Total Provisions	(9,732)	16,476	(9,182)	(600)	(700)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	6,827	7,063	7,845	8,900	9,925
Tax Paid	(16,010)	(8,331)	(9,280)	(11,788)	(13,912)
Cashflow From Operations	15,248	65,599	33,614	51,347	55,349
Capex	(7,896)	(20,208)	(7,000)	(10,000)	(7,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	13,510	(22,705)	(5,000)	(12,000)	(15,000)
Cash Flow From Investing	5,614	(42,913)	(12,000)	(22,000)	(22,500)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares	0				
Shares Repurchased					
Dividends Paid	(20,911)	(21,632)	(19,975)	(23,970)	(28,764)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	(20,911)	(21,632)	(19,975)	(23,970)	(28,764)
Total Cash Generated	(49)	1,054	1,639	5,377	4,085
Free Cashflow To Equity	20,862	22,686	21,614	29,347	32,849
Free Cashflow To Firm	20,862	22,686	21,614	29,347	32,849

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	61,051	84,645	91,284	108,661	127,745
Total Debtors	28,216	16,031	15,734	16,746	18,727
Inventories	10,724	10,920	10,489	10,836	13,219
Total Other Current Assets	24,817	11,314	21,500	23,000	24,000
Total Current Assets	124,808	122,910	139,008	159,242	183,691
Fixed Assets	51,605	64,584	64,113	66,048	65,019
Total Investments					
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	51,605	64,584	64,113	66,048	65,019
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	33,553	30,305	32,000	35,446	38,004
Other Current Liabilities	8,924	11,896	12,900	13,800	14,100
Total Current Liabilities	42,476	42,201	44,900	49,246	52,104
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities					
Total Provisions	5,365	3,929	3,929	3,929	3,929
Total Liabilities	47,842	46,129	48,828	53,175	56,032
Shareholders' Equity	128,571	141,364	154,292	172,115	192,677
Minority Interests					
Total Equity	128,571	141,364	154,292	172,115	192,677

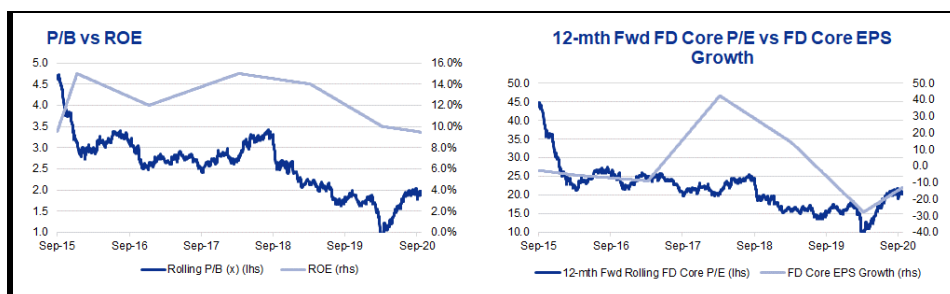
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	4.4%	(13.8%)	10.0%	12.7%	11.8%
Operating EBITDA Growth	(6.6%)	(15.5%)	0.4%	26.2%	17.2%
Operating EBITDA Margin	14.7%	14.4%	13.1%	14.7%	15.4%
Net Cash Per Share (Rs)	305.64	423.76	456.99	543.98	639.53
BVPS (Rs)	643.66	707.70	772.42	861.65	964.59
Gross Interest Cover					
Effective Tax Rate	32.4%	16.6%	22.0%	22.0%	22.0%
Net Dividend Payout Ratio	61.8%	59.4%	60.7%	57.4%	58.3%
Accounts Receivables Days	23.55	27.84	18.17	16.49	16.10
Inventory Days	13.81	18.37	16.05	14.47	14.68
Accounts Payables Days	48.63	54.21	46.72	45.77	44.81
ROIC (%)	63.4%	39.4%	44.2%	52.1%	61.7%
ROCE (%)	39.0%	29.7%	27.8%	32.1%	33.9%
Return On Average Assets	19.7%	20.0%	16.8%	19.5%	20.8%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	1.3%	5.2%	14.0%	1.4%	1.3%
Unit sales grth (%. main prod./serv.)	3.1%	(18.0%)	(3.5%)	11.1%	10.4%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Mahindra & Mahindra)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	536,140	454,878	428,164	488,182	544,158
Gross Profit	153,575	138,552	132,303	149,872	165,968
Operating EBITDA	66,396	57,981	53,975	64,517	72,929
Depreciation And Amortisation	(18,604)	(22,226)	(24,246)	(27,156)	(30,066)
Operating EBIT	47,792	35,754	29,729	37,361	42,863
Financial Income/(Expense)	(1,134)	(1,132)	(1,750)	(1,500)	(1,300)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	16,890	16,678	15,844	17,270	19,170
Profit Before Tax (pre-EI)	63,547	51,300	43,823	53,131	60,733
Exceptional Items					
Pre-tax Profit	63,547	51,300	43,823	53,131	60,733
Taxation	(17,210)	(17,855)	(10,518)	(12,751)	(14,576)
Exceptional Income - post-tax					
Profit After Tax	46,338	33,445	33,306	40,380	46,157
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	46,338	33,445	33,306	40,380	46,157
Recurring Net Profit	46,338	33,445	33,306	40,380	46,157
Fully Diluted Recurring Net Profit	46,338	33,445	33,306	40,380	46,157

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	66,396	57,981	53,975	64,517	72,929
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(8,362)	(15,066)	4,766	1,947	2,502
(Incr)/Decr in Total Provisions	7,161	2,158	(250)	(250)	(250)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	(227)	(20,284)			
Net Interest (Paid)/Received	15,756	15,546	14,094	15,770	17,870
Tax Paid	(11,791)	(9,970)	(10,079)	(12,220)	(13,969)
Cashflow From Operations	68,933	30,364	62,506	69,765	79,083
Capex	(32,637)	(41,251)	(30,000)	(30,000)	(30,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	(14,339)	20,779	(48,104)	(27,000)	(28,000)
Cash Flow From Investing	(46,976)	(20,472)	(78,104)	(57,000)	(58,000)
Debt Raised/(repaid)	(4,778)	5,876	4,321	(2,000)	(3,000)
Proceeds From Issue Of Shares	8	7			
Shares Repurchased					
Dividends Paid	(12,205)	(13,298)	(8,948)	(10,439)	(11,930)
Preferred Dividends					
Other Financing Cashflow	3,396	2,578	(0)		(0)
Cash Flow From Financing	(13,578)	(4,836)	(4,627)	(12,439)	(14,930)
Total Cash Generated	8,379	5,056	(20,224)	326	6,152
Free Cashflow To Equity	17,180	15,768	(11,277)	10,765	18,083
Free Cashflow To Firm	23,091	11,024	(13,847)	14,265	22,383

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	67,156	64,262	82,141	94,344	108,229
Total Debtors	39,463	29,990	29,326	33,437	37,271
Inventories	38,393	34,009	29,326	34,775	38,762
Total Other Current Assets	25,386	22,698	24,698	26,698	28,698
Total Current Assets	170,398	150,958	165,491	189,253	212,960
Fixed Assets	125,015	144,041	149,794	152,638	152,572
Total Investments	190,321	177,485	187,485	202,485	222,485
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	315,336	321,525	337,279	355,123	375,056
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	96,782	67,858	67,278	78,784	89,108
Other Current Liabilities					
Total Current Liabilities	96,782	67,858	67,278	78,784	89,108
Total Long-term Debt	24,803	30,680	35,000	33,000	30,000
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	24,803	30,680	35,000	33,000	30,000
Total Provisions	22,057	29,267	31,455	33,737	36,094
Total Liabilities	143,642	127,805	133,733	145,521	155,202
Shareholders' Equity	342,092	344,678	369,036	398,977	433,204
Minority Interests					
Total Equity	342,092	344,678	369,036	398,977	433,204

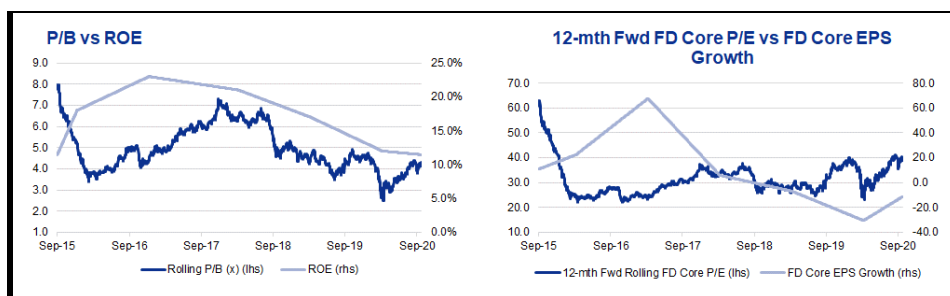
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	9.8%	(15.2%)	(5.9%)	14.0%	11.5%
Operating EBITDA Growth	4.3%	(12.7%)	(6.9%)	19.5%	13.0%
Operating EBITDA Margin	12.4%	12.7%	12.6%	13.2%	13.4%
Net Cash Per Share (Rs)	38.21	30.29	42.52	55.34	70.57
BVPS (Rs)	308.59	310.92	332.89	359.90	390.78
Gross Interest Cover	42.15	31.58	16.99	24.91	32.97
Effective Tax Rate	27.1%	34.8%	24.0%	24.0%	24.0%
Net Dividend Payout Ratio	26.3%	39.8%	26.9%	25.9%	25.8%
Accounts Receivables Days	24.23	27.86	25.28	23.46	23.71
Inventory Days	31.20	41.77	39.07	34.58	35.49
Accounts Payables Days	87.21	94.99	83.36	78.79	81.02
ROIC (%)	27.6%	18.2%	12.2%	15.1%	17.0%
ROCE (%)	13.5%	9.4%	7.4%	8.6%	9.3%
Return On Average Assets	10.2%	7.1%	7.1%	7.9%	8.3%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	1.3%	2.4%	2.7%	1.9%	2.0%
Unit sales grth (%. main prod./serv.)	8.4%	(17.2%)	(8.4%)	11.8%	9.3%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Maruti Suzuki)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	860,203	756,106	722,500	854,310	990,634
Gross Profit	257,661	225,783	215,720	259,866	310,785
Operating EBITDA	110,248	74,269	69,256	99,080	133,847
Depreciation And Amortisation	(30,189)	(35,257)	(36,383)	(39,292)	(42,408)
Operating EBIT	80,059	39,012	32,873	59,788	91,439
Financial Income/(Expense)	25,076	32,879	37,705	41,621	46,448
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	105,135	71,891	70,578	101,408	137,887
Exceptional Items					
Pre-tax Profit	105,135	71,891	70,578	101,408	137,887
Taxation	(29,650)	(14,135)	(15,880)	(22,817)	(31,025)
Exceptional Income - post-tax	(510)	(5,667)			
Profit After Tax	74,975	52,089	54,698	78,592	106,862
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	74,975	52,089	54,698	78,592	106,862
Recurring Net Profit	75,485	57,756	54,698	78,592	106,862
Fully Diluted Recurring Net Profit	75,485	57,756	54,698	78,592	106,862

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	110,248	74,269	69,256	99,080	133,847
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(18,775)	(18,447)	252	3,972	4,108
(Incr)/Decr in Total Provisions	175	(4,360)	(36,224)	(758)	5,028
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	2,365	(6,671)	5,190	(50)	
Net Interest (Paid)/Received	25,076	32,879	37,705	41,621	46,448
Tax Paid	(29,650)	(14,135)	(15,880)	(22,817)	(31,025)
Cashflow From Operations	89,439	63,535	60,299	121,048	158,407
Capex	(45,419)	(36,364)	(24,000)	(36,000)	(40,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	2,020	(46)	(2,053)	(2,050)	(2,048)
Cash Flow From Investing	(43,399)	(36,410)	(26,053)	(38,050)	(42,048)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(28,992)	(22,650)	(22,650)	(31,710)	(43,790)
Preferred Dividends					
Other Financing Cashflow	(2,417)	(6,527)	(0)	0	(0)
Cash Flow From Financing	(31,409)	(29,177)	(22,650)	(31,710)	(43,790)
Total Cash Generated	14,631	(2,052)	11,596	51,287	72,569
Free Cashflow To Equity	46,040	27,125	34,246	82,997	116,359
Free Cashflow To Firm	46,798	28,454	35,196	83,897	117,109

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	356,599	354,547	366,143	417,430	489,999
Total Debtors	23,104	21,270	21,774	25,746	29,855
Inventories	33,257	32,149	29,692	35,109	40,711
Total Other Current Assets	35,939	36,029	38,750	41,300	41,300
Total Current Assets	448,899	443,995	456,359	519,585	601,865
Fixed Assets	170,079	171,186	158,803	155,511	153,103
Total Investments	10,340	10,340	12,340	14,340	16,340
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	180,419	181,526	171,143	169,851	169,443
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	96,330	74,941	73,240	86,601	100,420
Other Current Liabilities	57,798	51,851	22,807	23,744	27,888
Total Current Liabilities	154,128	126,792	96,047	110,346	128,308
Total Long-term Debt	1,496	1,063	1,010	959	911
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	1,496	1,063	1,010	959	911
Total Provisions	12,279	13,296	14,027	14,832	15,716
Total Liabilities	167,903	141,151	111,084	126,137	144,936
Shareholders' Equity	461,415	484,370	516,418	563,300	626,372
Minority Interests					
Total Equity	461,415	484,370	516,418	563,300	626,372

Key Ratios

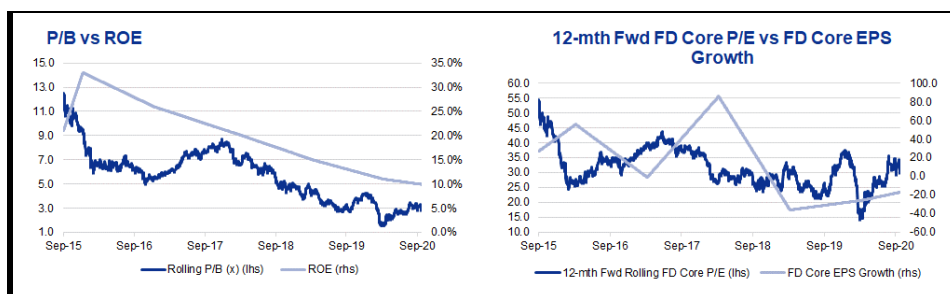
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	7.8%	(12.1%)	(4.4%)	18.2%	16.0%
Operating EBITDA Growth	(9.5%)	(32.6%)	(6.7%)	43.1%	35.1%
Operating EBITDA Margin	12.8%	9.8%	9.6%	11.6%	13.5%
Net Cash Per Share (Rs)	1,175.84	1,170.48	1,209.05	1,379.04	1,619.50
BVPS (Rs)	1,527.86	1,603.87	1,709.99	1,865.23	2,074.08
Gross Interest Cover	105.62	29.35	34.60	66.43	121.92
Effective Tax Rate	28.2%	19.7%	22.5%	22.5%	22.5%
Net Dividend Payout Ratio	38.4%	39.2%	41.4%	40.3%	41.0%
Accounts Receivables Days	8.00	10.71	10.87	10.15	10.24
Inventory Days	19.65	22.51	22.27	19.89	20.35
Accounts Payables Days	60.97	58.94	53.36	49.07	50.20
ROIC (%)	62.2%	23.8%	16.2%	25.8%	41.0%
ROCE (%)	23.7%	15.3%	14.1%	18.7%	23.0%
Return On Average Assets	9.6%	5.7%	4.8%	7.8%	10.4%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	3.0%	4.8%	3.0%	3.5%	2.8%
Unit sales grth (%. main prod./serv.)	4.7%	(16.1%)	(7.2%)	14.2%	12.9%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Motherson Sumi Systems Ltd)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	635,229	635,369	633,955	698,592	807,233
Gross Profit	267,846	272,654	266,261	294,107	339,845
Operating EBITDA	53,484	52,014	49,564	57,687	68,745
Depreciation And Amortisation	(20,582)	(27,780)	(30,305)	(33,507)	(38,790)
Operating EBIT	32,902	24,234	19,259	24,180	29,955
Financial Income/(Expense)	(4,232)	(5,986)	(6,020)	(6,135)	(6,164)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	2,202	2,307	2,716	3,200	3,686
Profit Before Tax (pre-EI)	30,872	20,554	15,954	21,245	27,477
Exceptional Items					
Pre-tax Profit	30,872	20,554	15,954	21,245	27,477
Taxation	(11,022)	(8,184)	(4,749)	(6,383)	(7,975)
Exceptional Income - post-tax	(353)				
Profit After Tax	19,497	12,370	11,205	14,862	19,502
Minority Interests	(4,850)	(1,244)	(1,303)	(2,405)	(3,427)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	1,131	575	672	892	1,170
Net Profit	15,778	11,700	10,574	13,348	17,245
Recurring Net Profit	16,132	11,700	10,574	13,348	17,245
Fully Diluted Recurring Net Profit	16,132	11,700	10,574	13,348	17,245

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	53,484	52,014	49,564	57,687	68,745
Cash Flow from Invt. & Assoc.					
Change In Working Capital	1,880	(943)	(9,825)	(5,842)	(9,677)
(Incr)/Decr in Total Provisions	5,418	21,650	(18,400)	300	1,450
Other Non-Cash (Income)/Expense	316	(41)	356	415	817
Other Operating Cashflow					
Net Interest (Paid)/Received	(2,030)	(3,680)	(3,304)	(2,935)	(2,478)
Tax Paid	(11,860)	(9,043)	(5,105)	(6,798)	(8,793)
Cashflow From Operations	47,208	59,957	13,285	42,827	50,065
Capex	(30,915)	(48,904)	(35,412)	(26,300)	(31,749)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments	(11,591)				
Other Investing Cashflow	(4,383)	5,408	(5,435)	(5,569)	24
Cash Flow From Investing	(46,889)	(43,496)	(40,847)	(31,869)	(31,725)
Debt Raised/(repaid)	11,603	2,560	1,202	(550)	622
Proceeds From Issue Of Shares	1,053				
Shares Repurchased					
Dividends Paid	(5,321)	(5,701)	(5,321)	(6,461)	(7,221)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	7,335	(3,141)	(4,119)	(7,011)	(6,599)
Total Cash Generated	7,653	13,320	(31,681)	3,947	11,740
Free Cashflow To Equity	11,922	19,021	(26,361)	10,408	18,961
Free Cashflow To Firm	4,550	22,447	(21,542)	17,092	24,504

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	35,469	48,789	17,108	21,054	32,795
Total Debtors	73,292	65,782	89,434	98,981	120,070
Inventories	46,635	51,566	49,902	55,567	62,026
Total Other Current Assets	43,122	36,332	42,000	48,000	49,000
Total Current Assets	198,518	202,469	198,444	223,602	263,891
Fixed Assets	194,895	216,019	221,126	213,919	206,879
Total Investments	8,553	7,960	8,756	9,632	10,595
Intangible Assets					
Total Other Non-Current Assets	31,335	28,510	31,030	33,030	35,580
Total Non-current Assets	234,784	252,489	260,912	256,581	253,054
Short-term Debt	28,433	34,078	23,000	20,000	18,000
Current Portion of Long-Term Debt	5,912	1,209	13,102	18,552	23,173
Total Creditors	106,613	103,091	115,254	124,624	142,496
Other Current Liabilities	51,963	71,191	55,000	57,000	60,000
Total Current Liabilities	192,921	209,569	206,356	220,175	243,669
Total Long-term Debt	80,995	82,612	83,000	80,000	78,000
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	80,995	82,612	83,000	80,000	78,000
Total Provisions	14,961	14,517	15,184	15,899	17,716
Total Liabilities	288,877	306,699	304,540	316,074	339,385
Shareholders' Equity	109,627	112,609	117,863	124,750	134,774
Minority Interests	34,797	35,650	36,954	39,358	42,786
Total Equity	144,424	148,260	154,816	164,109	177,560

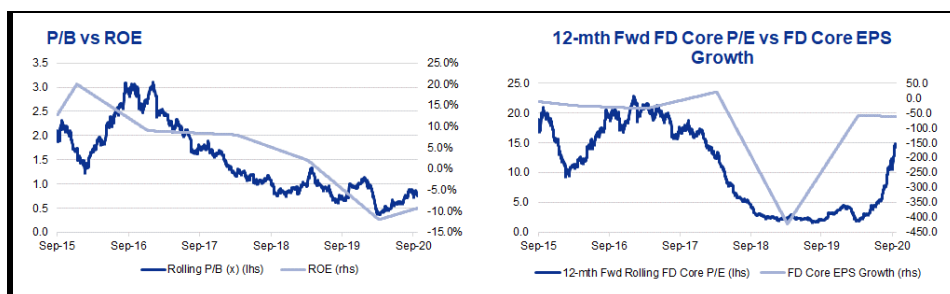
Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	12.0%	0.0%	(0.3%)	10.1%	15.6%
Operating EBITDA Growth	4.4%	(2.7%)	(4.7%)	16.4%	19.2%
Operating EBITDA Margin	8.5%	8.3%	7.9%	8.4%	8.7%
Net Cash Per Share (Rs)	(25.29)	(21.89)	(32.30)	(30.87)	(27.35)
BVPS (Rs)	34.72	35.66	37.32	39.50	42.68
Gross Interest Cover	7.78	4.05	3.20	3.94	4.86
Effective Tax Rate	35.7%	39.8%	29.8%	30.0%	29.0%
Net Dividend Payout Ratio	33.0%	48.7%	50.3%	48.4%	41.9%
Accounts Receivables Days	39.93	39.95	44.68	49.22	49.52
Inventory Days	43.10	49.41	50.36	47.59	45.92
Accounts Payables Days	97.99	105.51	108.37	108.23	104.30
ROIC (%)	15.8%	10.5%	8.6%	9.2%	11.2%
ROCE (%)	13.1%	9.0%	7.0%	8.5%	10.1%
Return On Average Assets	6.2%	4.3%	3.9%	4.7%	5.4%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	1.7%	(9.3%)	(12.8%)	11.7%	9.7%
ASP (% chg. 2ndary prod./serv.)	5.9%	5.4%	(3.9%)	9.6%	12.9%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (Tata Motors)

Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	3,019,384	2,610,680	2,469,521	2,964,054	3,401,055
Gross Profit	297,948	239,143	216,611	334,919	412,901
Operating EBITDA	297,948	239,143	216,611	334,919	412,901
Depreciation And Amortisation	(278,152)	(256,139)	(246,478)	(276,963)	(307,554)
Operating EBIT	19,796	(16,996)	(29,867)	57,956	105,347
Financial Income/(Expense)	(57,586)	(72,433)	(67,581)	(58,965)	(54,248)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	29,653	29,732	41,953	45,008	43,793
Profit Before Tax (pre-EI)	(8,137)	(59,698)	(55,495)	44,000	94,892
Exceptional Items					
Pre-tax Profit	(8,137)	(59,698)	(55,495)	44,000	94,892
Taxation	24,375	(3,953)	10,960	(1,787)	(12,889)
Exceptional Income - post-tax	(305,575)	(46,102)			
Profit After Tax	(289,337)	(109,752)	(44,535)	42,212	82,003
Minority Interests	(1,018)	(1,081)	(1,211)	(1,356)	(1,519)
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	2,095	(10,000)	1,182	4,979	9,250
Net Profit	(288,260)	(120,834)	(44,564)	45,835	89,734
Recurring Net Profit	17,315	(74,732)	(44,564)	45,835	89,734
Fully Diluted Recurring Net Profit	17,315	(74,732)	(44,564)	45,835	89,734

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	297,948	239,143	216,611	334,919	412,901
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(12,281)	40,879	(35,604)	20,332	23,945
(Incr)/Decr in Total Provisions	(18,069)	(47,871)	94,844	20,000	3,000
Other Non-Cash (Income)/Expense	(56,272)	1,440	10,579		2,000
Other Operating Cashflow	(27,184)	(46,102)			
Net Interest (Paid)/Received	(27,933)	(42,702)	(25,628)	(13,956)	(10,455)
Tax Paid	24,375	(3,953)	10,960	(1,787)	(12,889)
Cashflow From Operations	180,584	140,835	271,761	359,508	418,503
Capex	(75,020)	(452,170)	(219,687)	(266,126)	(305,739)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(19,060)	135,633	12,531	(11,304)	7,642
Cash Flow From Investing	(372,471)	(316,538)	(207,156)	(277,430)	(298,097)
Debt Raised/(repaid)	172,236	186,140	(15,000)	(25,000)	(25,000)
Proceeds From Issue Of Shares		403	347		
Shares Repurchased					
Dividends Paid					(1,508)
Preferred Dividends					
Other Financing Cashflow					
Cash Flow From Financing	172,236	186,543	(14,653)	(25,000)	(26,508)
Total Cash Generated	(19,651)	10,840	49,952	57,078	93,897
Free Cashflow To Equity	(19,651)	10,437	49,605	57,078	95,406
Free Cashflow To Firm	(134,301)	(103,269)	132,186	141,042	174,654

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	326,488	337,270	387,156	444,161	538,147
Total Debtors	189,962	111,727	148,848	186,776	214,313
Inventories	390,137	374,569	317,993	381,673	437,944
Total Other Current Assets	574,845	605,324	636,000	668,000	685,000
Total Current Assets	1,481,433	1,428,889	1,489,997	1,680,609	1,875,404
Fixed Assets	1,425,327	1,621,358	1,594,567	1,583,730	1,581,914
Total Investments	157,707	163,085	185,000	200,000	200,000
Intangible Assets	7,479	7,771	250	250	250
Total Other Non-Current Assets					
Total Non-current Assets	1,590,513	1,792,213	1,779,817	1,783,980	1,782,164
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	716,907	663,982	608,923	730,863	838,616
Other Current Liabilities	450,846	400,244	540,000	575,000	585,000
Total Current Liabilities	1,167,752	1,064,226	1,148,923	1,305,863	1,423,616
Total Long-term Debt	1,061,740	1,247,880	1,232,880	1,207,880	1,182,880
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	1,061,740	1,247,880	1,232,880	1,207,880	1,182,880
Total Provisions	235,426	270,076	266,419	283,419	295,419
Total Liabilities	2,464,919	2,582,182	2,648,222	2,797,161	2,901,915
Shareholders' Equity	601,796	630,785	612,246	658,081	746,307
Minority Interests	5,231	8,136	9,347	9,347	9,347
Total Equity	607,026	638,921	621,593	667,428	755,653

Key Ratios

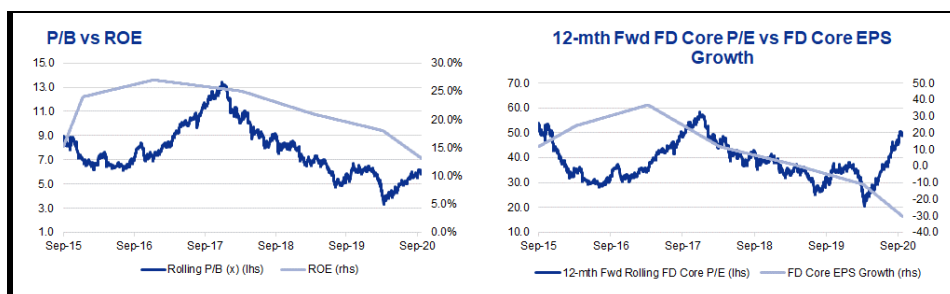
	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	3.6%	(13.5%)	(5.4%)	20.0%	14.7%
Operating EBITDA Growth	(11.9%)	(19.7%)	(9.4%)	54.6%	23.3%
Operating EBITDA Margin	9.9%	9.2%	8.8%	11.3%	12.1%
Net Cash Per Share (Rs)	(216.50)	(253.11)	(224.26)	(202.51)	(170.96)
BVPS (Rs)	177.20	175.33	162.35	174.50	197.90
Gross Interest Cover	0.34	-0.23	-0.44	0.98	1.94
Effective Tax Rate				4.1%	13.6%
Net Dividend Payout Ratio					1.7%
Accounts Receivables Days	23.51	21.09	19.26	20.66	21.52
Inventory Days	54.42	58.85	56.10	48.57	50.06
Accounts Payables Days	99.67	106.27	103.11	93.00	95.86
ROIC (%)	0.9%	(0.8%)	(1.2%)	2.5%	4.7%
ROCE (%)	1.1%	(0.9%)	(1.6%)	3.1%	5.5%
Return On Average Assets	1.8%	(0.8%)	0.1%	2.6%	3.6%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	3.1%	(2.9%)	16.7%	2.3%	3.0%
Unit sales grth (%. main prod./serv.)	15.0%	(34.6%)	(25.4%)	24.3%	15.3%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS (TVS Motor Co Ltd)



Profit & Loss

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Net Revenues	182,100	164,454	149,081	183,309	211,339
Gross Profit	43,677	43,095	36,227	46,561	54,103
Operating EBITDA	14,334	13,679	11,256	15,398	18,598
Depreciation And Amortisation	(3,993)	(4,890)	(5,135)	(5,864)	(6,414)
Operating EBIT	10,341	8,789	6,120	9,534	12,184
Financial Income/(Expense)	(806)	(1,022)	(1,575)	(1,200)	(1,000)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	75	321	225	275	330
Profit Before Tax (pre-EI)	9,611	8,088	4,770	8,609	11,514
Exceptional Items	(543)				
Pre-tax Profit	9,611	7,545	4,770	8,609	11,514
Taxation	(2,908)	(1,622)	(1,193)	(2,170)	(2,902)
Exceptional Income - post-tax					
Profit After Tax	6,703	5,923	3,578	6,440	8,613
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	(33)				
Net Profit	6,670	5,923	3,578	6,440	8,613
Recurring Net Profit	6,670	6,350	3,578	6,440	8,613
Fully Diluted Recurring Net Profit	6,670	6,350	3,578	6,440	8,613

Cash Flow

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
EBITDA	14,334	13,679	11,256	15,398	18,598
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(2,514)	2,323	(4,436)	(221)	154
(Incr)/Decr in Total Provisions	(283)	1,836	700	700	700
Other Non-Cash (Income)/Expense					
Other Operating Cashflow					
Net Interest (Paid)/Received	(730)	(701)	(1,350)	(925)	(670)
Tax Paid	(2,768)	(2,339)	(1,193)	(2,170)	(2,902)
Cashflow From Operations	8,039	14,798	4,977	12,783	15,880
Capex	(7,328)	(8,379)	(5,000)	(6,000)	(6,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/Investments					
Other Investing Cashflow	(457)	(6,342)	(3,300)	(2,300)	(2,300)
Cash Flow From Investing	(7,785)	(14,721)	(8,300)	(8,300)	(8,800)
Debt Raised/(repaid)	2,108	6,219	2,000	(1,000)	(1,000)
Proceeds From Issue Of Shares		403	347		
Shares Repurchased					
Dividends Paid	(2,000)	(2,000)	(1,425)	(1,663)	(1,900)
Preferred Dividends					
Other Financing Cashflow	(33)	(543)			
Cash Flow From Financing	76	3,676	575	(2,663)	(2,900)
Total Cash Generated	330	3,753	(2,748)	1,820	4,179
Free Cashflow To Equity	2,362	6,296	(1,323)	3,483	6,080
Free Cashflow To Firm	1,060	1,099	(1,748)	5,683	8,080

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS...cont'd
Balance Sheet

(Rsm)	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Total Cash And Equivalents	439	4,192	1,444	3,263	7,443
Total Debtors	14,141	12,814	12,253	14,564	16,791
Inventories	11,759	10,389	10,619	13,058	15,054
Total Other Current Assets	5,982	8,305	8,605	8,905	9,205
Total Current Assets	32,322	35,699	32,921	39,790	48,493
Fixed Assets	28,365	31,854	31,719	31,855	31,941
Total Investments	23,007	26,059	29,059	31,059	33,059
Intangible Assets					
Total Other Non-Current Assets					
Total Non-current Assets	51,372	57,913	60,777	62,914	65,000
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	29,239	28,864	24,098	28,626	33,004
Other Current Liabilities	3,673	5,005	5,505	6,005	6,505
Total Current Liabilities	32,912	33,869	29,603	34,631	39,508
Total Long-term Debt	14,000	20,219	22,219	21,219	20,219
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	14,000	20,219	22,219	21,219	20,219
Total Provisions	3,309	3,343	3,543	3,743	3,943
Total Liabilities	50,220	57,431	55,365	59,593	63,670
Shareholders' Equity	33,473	36,181	38,333	43,110	49,822
Minority Interests					
Total Equity	33,473	36,181	38,333	43,110	49,822

Key Ratios

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
Revenue Growth	20.0%	(9.7%)	(9.3%)	23.0%	15.3%
Operating EBITDA Growth	22.0%	(4.6%)	(17.7%)	36.8%	20.8%
Operating EBITDA Margin	7.9%	8.3%	7.5%	8.4%	8.8%
Net Cash Per Share (Rs)	(28.54)	(33.73)	(43.73)	(37.79)	(26.89)
BVPS (Rs)	70.46	76.15	80.68	90.74	104.87
Gross Interest Cover	12.84	8.60	3.89	7.95	12.18
Effective Tax Rate	30.3%	21.5%	25.0%	25.2%	25.2%
Net Dividend Payout Ratio	30.0%	30.9%	39.8%	25.8%	22.1%
Accounts Receivables Days	23.88	29.91	30.69	26.70	27.08
Inventory Days	28.22	33.31	33.97	31.60	32.63
Accounts Payables Days	71.75	87.38	85.65	70.36	71.53
ROIC (%)	31.5%	25.7%	15.6%	21.2%	27.0%
ROCE (%)	22.5%	16.3%	10.2%	14.9%	17.7%
Return On Average Assets	9.3%	8.2%	5.1%	7.5%	8.7%

Key Drivers

	Mar-19A	Mar-20A	Mar-21F	Mar-22F	Mar-23F
ASP (% chg. main prod./serv.)	6.5%	5.5%	6.9%	1.8%	1.9%
Unit sales grth (%. main prod./serv.)	12.9%	(16.6%)	(14.9%)	22.3%	13.2%

SOURCES: EIP RESEARCH ESTIMATES, COMPANY REPORTS

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Score Range:	90 - 100	80 – 89	70 - 79	Below 70 or	No Survey Result
Description:	Excellent	Very Good	Good	N/A	

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Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (Thai IOD) in 2019, Anti-Corruption 2019

ADVANC – Excellent, Certified, **AEONTS** – Good, n/a, **AH** – Very Good, n/a, **AMATA** – Excellent, Declared, **ANAN** – Excellent, Declared, **AOT** – Excellent, n/a, **AP** – Excellent, Certified, **ASP** – Very Good, Certified, **BAM** – not available, n/a, **BANPU** – Excellent, Certified, **BAY** – Excellent, Certified, **BBL** – Very Good, Certified, **BCH** – Good, Certified, **BCP** – Excellent, Certified, **BCPG** – Excellent, Certified, **BDMS** – Very Good, n/a, **BEAUTY** – Good, n/a, **BEC** – Very Good, n/a, **BGRIM** – Very Good, Declared, **BH** – Good, n/a, **BJC** – Very Good, n/a, **BJCHI** – Very Good, Certified, **BLA** – Very Good, Certified, **BPP** – Very Good, Declared, **BR** – Good, n/a, **BTS** – Excellent, Certified, **CBG** – Very Good, n/a, **CCET** – Good, n/a, **CENDEL** – Very Good, Certified, **CHAYO** – Good, n/a, **CHG** – Very Good, Declared, **CK** – Excellent, n/a, **COL** – Excellent, Declared, **CPALL** – Excellent, Certified, **CPF** – Excellent, Certified, **CPN** – Excellent, Certified, **CPNREIT** – not available, n/a, **CRC** – not available, n/a, **DELTA** – Excellent, Declared, **DEMCO** – Excellent, Certified, **DDD** – Very Good, n/a, **DIF** – not available, n/a, **DREIT** – not available, n/a, **DTAC** – Excellent, Certified, **EA** – Excellent, n/a, **ECL** – Very Good, Certified, **EGCO** – Excellent, Certified, **EPG** – Very Good, n/a, **ERW** – Very Good, n/a, **GFPT** – Excellent, Certified, **GGC** – Excellent, Certified, **GLOBAL** – Very Good, n/a, **GLOW** – Very Good, Certified, **GPSC** – Excellent, Certified, **GULF** – Very Good, n/a, **GUNKUL** – Excellent, Certified, **HANA** – Excellent, Certified, **HMPRO** – Excellent, Certified, **HUMAN** – Good, n/a, **ICHI** – Excellent, Declared, **III** – Excellent, n/a, **INTUCH** – Excellent, Certified, **IRPC** – Excellent, Certified, **ITD** – Very Good, n/a, **IVL** – Excellent, Certified, **JASIF** – not available, n/a, **BJC** – Very Good, n/a, **JMT** – Very Good, n/a, **KBANK** – Excellent, Certified, **KCE** – Excellent, Certified, **KKP** – Excellent, Certified, **KSL** – Excellent, Certified, **KTB** – Excellent, Certified, **KTC** – Excellent, Certified, **LH** – Excellent, n/a, **LPN** – Excellent, Certified, **M** – Very Good, Certified, **MACO** – Very Good, n/a, **MAJOR** – Very Good, n/a, **MAKRO** – Excellent, Certified, **MALEE** – Excellent, Certified, **MC** – Excellent, Certified, **MCOT** – Excellent, Certified, **MEGA** – Very Good, n/a, **MINT** – Excellent, Certified, **MK** – Very Good, n/a, **MTC** – Excellent, n/a, **NETBAY** – Very Good, n/a, **OSP** – Very Good, n/a, **PLANB** – Excellent, Certified, **PLAT** – Very Good, Certified, **PR9** – Excellent, n/a, **PSH** – Excellent, Certified, **PSTC** – Very Good, Certified, **PTT** – Excellent, Certified, **PTTEP** – Excellent, Certified, **PTTGC** – Excellent, Certified, **QH** – Excellent, Certified, **RATCH** – Excellent, Certified, **ROBINS** – Excellent, Certified, **RS** – Excellent, n/a, **RSP** – not available, n/a, **S** – Excellent, n/a, **SAPPE** – Very Good, Declared, **SAT** – Excellent, Certified, **SAWAD** – Very Good, n/a, **SC** – Excellent, Certified, **SCB** – Excellent, Certified, **SCC** – Excellent, Certified, **SCN** – Excellent, Certified, **SF** – Good, n/a, **SHR** – not available, n/a, **SIRI** – Very Good, Certified, **SPA** – Good, n/a, **SPALI** – Excellent, n/a, **SPRC** – Excellent, Certified, **STA** – Very Good, Certified, **STEC** – Excellent, n/a, **SVI** – Excellent, Certified, **SYNEX** – Excellent, Certified, **TASCO** – Excellent, Certified, **TCAP** – Excellent, Certified, **THANI** – Excellent, Certified, **TIPCO** – Very Good, Certified, **TISCO** – Excellent, Certified, **TKN** – Very Good, n/a, **TMB** – Excellent, Certified, **TNR** – Very Good, Certified, **TOP** – Excellent, Certified, **TPCH** – Good, n/a, **TPIPP** – Good, n/a, **TRUE** – Excellent, Certified, **TU** – Excellent, Certified, **TVO** – Excellent, Declared, **UNIQ** – not available, n/a, **VGI** – Excellent, Certified, **WHA** – Excellent, Certified, **WHART** – not available, n/a, **WICE** – Excellent, Certified, **WORK** – Good, n/a.

1 CG Score 2019 from Thai Institute of Directors Association (IOD)

2 AGM Level 2018 from Thai Investors Association

3 Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into:

companies that have declared their intention to join CAC, and companies certified by CAC.

4 The Stock Exchange of Thailand : the record of listed companies with corporate sustainable development "Thai sustainability Investment 2018" included:

SET and mai listed companies passed the assessment conducted by the Stock Exchange of Thailand: THSI (SET) and THSI (mai)

SET listed companies passed the assessment conducted by the Dow Jones Sustainability Indices (DJSI)

Recommendation Framework

Stock Ratings

Definition:

Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.