

Uttar Pradesh has waived registration fees on hybrid vehicles (*Exhibit 1*), bringing them at par with EVs, and leading to drop in on-road prices (e.g. ~8-10% for *Grand Vitara*, as per checks). Separately, West Bengal has reduced registration fees on CNG cars (refer to [link](#)). We believe these developments improve MSIL's competitive positioning, with related rub-off on product mix and ASPs/margins. We expect gains to be more pronounced if, similarly, more states/the Centre also rethink their support towards other cleaner technologies besides EVs. Amid the wider weakness in underlying PV industry demand and given elevated inventory levels, we note that M&M and TTMT have undertaken a price cut in popular SUV models (refer to [media article](#)).

MSIL a major beneficiary of the registration-fee waiver for Hybrids

Uttar Pradesh (UP) has waived registration fees for strong hybrid cars effective 1-Jul-24, bringing the treatment at par with EVs. Earlier, strong hybrids attracted ~8-10% registration fees in the state. Per channel checks, following the waiver coming into effect, on-road prices for strong hybrid models have dropped by ~Rs200-300K/unit. As of FY24, UP contributes ~11% of MSIL's overall domestic PV sales, and as such we expect the company to benefit from the move. The development signals willingness of the authorities to incentivize/support cleaner technologies other than EVs which, if supported by other states, would be a strong tailwind for MSIL. Higher offtake for hybrids would improve MSIL's standing in SUVs (20% market share in SUVs in FY24 vs. 65% in non-SUVs), leading to positive rub-off on mix, ASPs and margins.

Underlying PV industry metrics remain weak; M&M, TTMT announce price cuts

Notwithstanding this development, the overall underlying environment for PVs, incl. MSIL, continues to deteriorate amid slowing retails, decline in order books, rising inventory levels (to ~60 days), and increasing discounts. Further, with majority of new ICE SUV launches now behind for most of the industry, and small cars yet to show conclusive signs of revival, we believe volume growth for the industry would remain limited to a low-to-mid single digit. Amid general softness in underlying demand, as highlighted in our recent Channel Check Conference ([refer to report](#)), M&M and TTMT have undertaken price cuts in popular models like *XUV700* and *Safari/Harrier* ([link](#)).

Our View: Beneficial taxation for hybrids and other technologies like CNG is a clear positive for MSIL and would contribute towards improving its competitive positioning – though small-car recovery remains elusive for now. M&M is expected to outperform the wider PV industry with double-digit volume growth, backed by new launches (*XUV3X0*, *Thar 5-Door*), though trends for existing models remain a monitorable. TTMT is also seen outperforming the industry amid upcoming launches like *Curvv*, though its leadership would be tested by the increasing competitive intensity.

Chirag Jain

chirag.jain@emkayglobal.com
+91 22 6624 2428

Jaimin Desai

jaimin.desai@emkayglobal.com
+91 22 6612 1334

Nandan Pradhan

nandan.pradhan@emkayglobal.com
+91 22 6612 1238

Rating, Target Price and Valuation

	Rating	CMP (Rs/sh)	TP (Rs/sh)	Upside (%)	EPS (Rs.)		P/E (x)	
					FY25E	FY26E	FY25E	FY26E
Maruti Suzuki India	REDUCE	12,828	11,200	(13)	454.4	486.8	28.2	26.3
Mahindra & Mahindra	ADD	2,926	3,000	3	82.8	87.4	30.6	29.1
Tata Motors	ADD	1,015	1,050	3	62.1	77.3	16.3	13.1

Source: Company, Emkay Research

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/10/2024 12:42 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO> Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore. Refer to Important Disclosures at the end of this report

Exhibit 1: UP has waived registration fees on hybrid vehicles

कार्यालय सम्मागीय परिवहन अधिकारी
प्रयागराज।

पत्रांक 405/सा0प्र0/पंजीयन शुल्क/छूट/निर्देश/2024 दिनांक: 05.07.2024

सेवा में,
सहायक सम्मागीय परिवहन अधिकारी (प्रशासन/प्रवर्तन),
प्रयागराज/फतेहपुर/कौशाम्बी/प्रतापगढ़।

विषय : Strong hybrid electric vehicle और plug-in hybrid electric vehicle हेतु पंजीयन शुल्क की फीस में छूट की व्यवस्था करने के सम्बन्ध में।

कृपया उपर्युक्त विषयक अपर परिवहन आयुक्त(राजस्व) उत्तर प्रदेश, लखनऊ के पत्र संख्या: 517सा0प्र0/2024-10टीआर/2024/2024 दिनांक 04.07.2024 जो आपको भी पृष्ठांकित है, का सन्दर्भ ग्रहण करें, जिसके द्वारा Strong hybrid electric vehicle और plug-in hybrid electric vehicle हेतु पंजीयन शुल्क की फीस में छूट की व्यवस्था लागू करने के सम्बन्ध में निर्देश दिये गये हैं।

अतः उक्त पत्र की छायाप्रति संलग्न कर आपको इस निर्देश के साथ प्रेषित की जा रही है कि पत्र में दिये गये निर्देशानुसार उल्लिखित बिन्दुओं पर आवश्यक कार्यवाही सुनिश्चित करें।
संलग्नक—यथोक्त।

(राजेश कुमार मौर्य)
सम्मागीय परिवहन अधिकारी
प्रयागराज।

प्रतिलिपि— निम्नांकित की सेवा में सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित।

1. अपर परिवहन आयुक्त (राजस्व) उत्तर प्रदेश, लखनऊ।
2. उप परिवहन आयुक्त (परिक्षेत्र)कानपुर।

सम्मागीय परिवहन अधिकारी
प्रयागराज।

Source: Online media

Exhibit 2: Prices for hybrid cars have fallen post the registration fee waiver



TOYOTA

• DRIVE HYBRID
• SUPPORT ENVIRONMENT
• SAVE BIG

100% ROAD TAX WAIVER

**ON TOYOTA HYBRIDS CARS
FOR UP REGISTRATION ONLY***

T&C apply*



91WHEELS

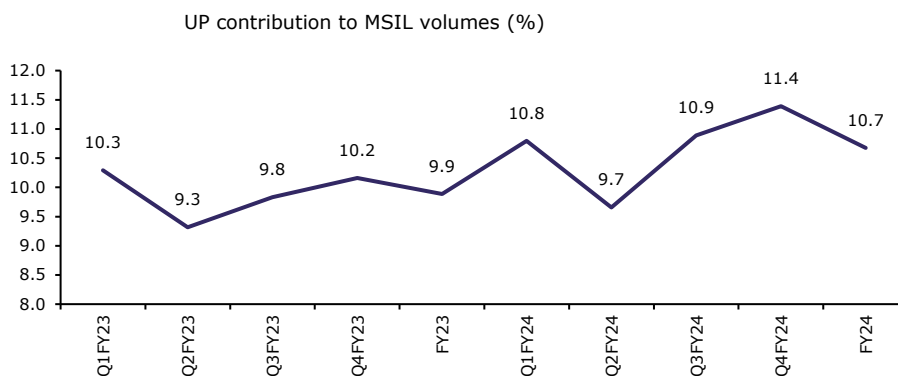


 CAMRY Benefits Upto ₹ 4.4 Lakh*	 HYRYDER Benefits Upto ₹ 2 Lakh*	 HYCROSS Benefits Upto ₹ 3.10 Lakh*
---	---	--

Source: Online media

This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/10/2024 12:42 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

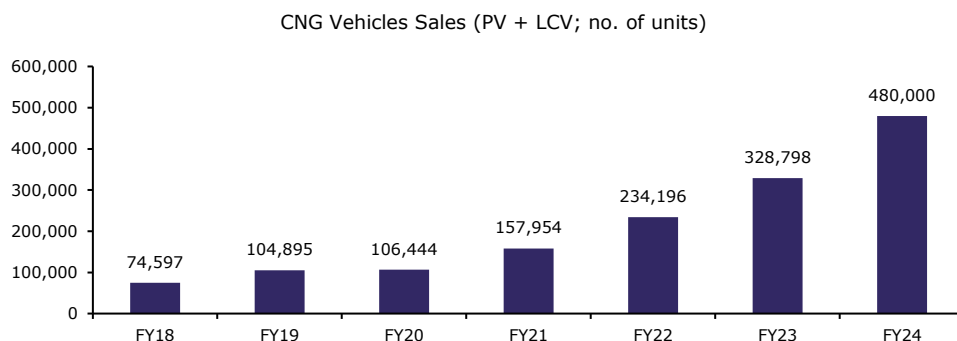
Exhibit 3: Uttar Pradesh contributed to ~11% of MSIL's volumes in FY24

Source: SIAM, Emkay Research

Exhibit 4: TCO comparison – The recent waiver of registration fees for strong hybrids would increase their cost competitiveness

Vehicle: Grand Vitara (Zeta)	Petrol (MT)	Petrol (AT)	CNG	Strong Hybrid (with Registration fees)	Strong Hybrid (without Registration fees)
Ex-Showroom price (Rs) *	1,401,000	1,541,000	1,496,000	1,833,000	1,833,000
On-road price (Rs) *	1,629,248	1,793,656	1,708,177	2,128,582	1,933,282
Interest Rate (%)	10	10	10	10	10
Loan tenure (no. of months)	60	60	60	60	60
EMI (Rs)	34,617	38,110	36,294	45,226	41,077
Total interest cost (Rs)	447,754	492,937	469,446	584,983	531,310
Total vehicle cost (incl. Interest; Rs)	2,077,002	2,286,593	2,177,623	2,713,565	2,464,592
Fuel price (Rs/litre)*	94.6	94.6	79.7	94.6	94.6
Avg. fuel efficiency (kmpl)	17.5	17.5	22.6	26.6	26.6
Annual kms travelled	12,000	12,000	12,000	12,000	12,000
Total Years (no. of)	5	5	5	5	5
Annual fuel cost (Rs)	64,769	64,895	42,300	42,722	42,722
Annual maintenance cost (Rs)	12,000	12,000	12,000	12,000	12,000
Resale value after 5-years (Rs) **	651,699	717,462	683,271	851,433	773,313
Total ownership cost (Rs)	1,809,146	1,953,604	1,765,851	2,135,744	1,964,891
Ownership cost/month (Rs)	30,152	32,560	29,431	35,596	32,748
Ownership cost/year (Rs)	361,829	390,721	353,170	427,149	392,978
Variable vehicle cost/km (Rs)	5.4	5.4	3.5	3.6	3.6
Fixed vehicle cost/km (Rs)	24.8	27.2	25.9	32.0	29.2
Total vehicle cost/km (Rs)	30.2	32.6	29.4	35.6	32.7
Monthly cash outflow (adj. for resale; Rs)	30,152	32,560	29,431	35,596	32,748
Monthly cash outflow (w/o adj. for resale; Rs)	41,014	44,518	40,819	49,786	45,637

Source: Company, Industry, Emkay Research; Note: *Figures pertain to Ghaziabad (Uttar Pradesh), **40% of On-road price

Exhibit 5: MISL's CNG sales grew ~46% in FY24; now 22% of total sales

Source: Company, Emkay Research

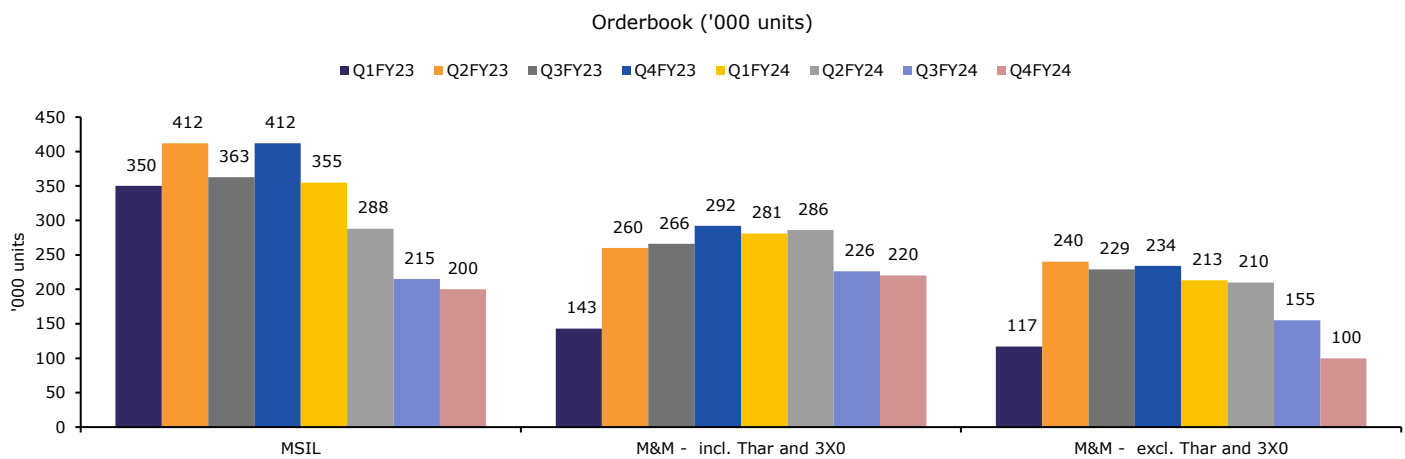
This report is intended for team.emkay@whitemarquesolutions.com use and downloaded at 07/10/2024 12:42 PM

Emkay Research is also available on www.emkayglobal.com and Bloomberg EMKAY<GO>. Please refer to the last page of the report on Restrictions on Distribution. In Singapore, this research report or research analyses may only be distributed to Institutional Investors, Expert Investors or Accredited Investors as defined in the Securities and Futures Act, Chapter 289 of Singapore.

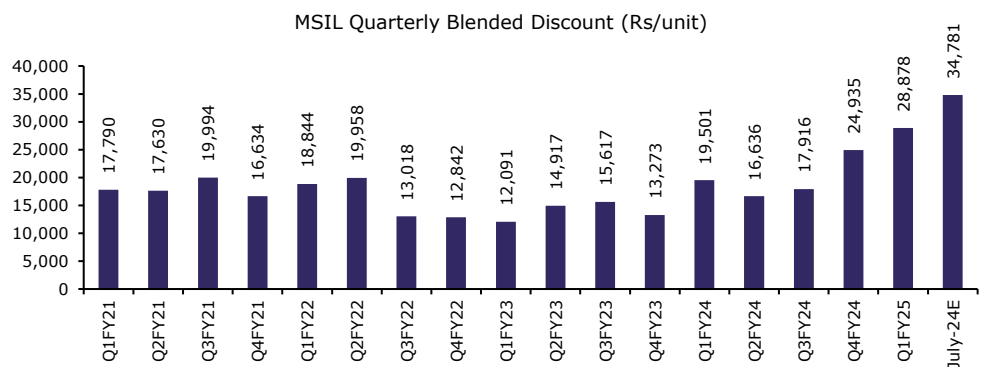
Exhibit 6: MSIL's SUV market share improved to 20% in FY24; tax cut in Hybrids can accelerate gains

MSIL market share (%)	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Entry	59.0	61.3	69.3	76.0	80.2	90.7	93.3
Compact Hatch	47.7	47.6	54.2	54.2	58.8	59.3	60.6
Entry SUV	-	-	-	-	-	-	27.7
Premium Hatch	70.8	74.9	72.5	68.7	69.4	70.6	68.8
Entry Sedan	57.8	54.9	59.1	57.9	57.1	50.9	58.2
Compact SUV	53.0	52.7	32.9	22.9	20.1	22.0	27.4
SUV	10.2	12.6	4.6	5.8	4.7	8.3	13.5
Sedan	34.6	29.8	29.9	19.1	18.9	12.6	10.6
Executive Sedan	-	-	-	-	-	-	-
Premium SUV	-	-	-	-	-	-	3.3
MPV	67.7	66.4	68.5	72.9	75.5	76.5	72.3
Premium MPV	-	-	-	-	-	-	-
SUV share	24.8	26.4	17.0	13.1	10.8	11.8	20.3
Non-SUV share	58.3	59.2	63.4	63.9	65.7	65.7	65.4

Source: SIAM, Emkay Research

Exhibit 7: Order book for PV OEMs has declined

Source: Company, Emkay Research

Exhibit 8: MSIL's blended discounts have been on the rise over the past few quarters

Source: Company, Media Articles, Emkay Research

Exhibit 9: MSIL Revenue Model – We build in 7%/12% revenue/core EPS CAGR over FY24-26E

Revenue Model (Rs mn)	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Avg. monthly volumes (no. of units)	155,204	130,275	121,488	137,742	163,847	177,944	184,958	197,338
Volumes (no. of units)	1,862,449	1,563,297	1,457,861	1,652,901	1,966,164	2,135,323	2,219,501	2,368,056
Growth (%)	4.7	(16.1)	(6.7)	13.4	19.0	8.6	3.9	6.7
ASP (Rs/unit)	461,867	483,661	482,436	534,186	597,727	660,006	675,068	686,844
Growth (%)	3.0	4.7	(0.3)	10.7	11.9	10.4	2.3	1.7
Revenue	860,203	756,106	703,325	882,956	1,175,229	1,409,326	1,498,314	1,626,484
Growth (%)	7.8	(12.1)	(7.0)	25.5	33.1	19.9	6.3	8.6
EBITDA	109,993	73,026	53,453	57,012	110,077	163,601	183,705	202,886
EBITDA margin (%)	12.8	9.7	7.6	6.5	9.4	11.6	12.3	12.5
EBITDA growth (%)	(8.8)	(33.6)	(26.8)	6.7	93.1	48.6	12.3	10.4
EBITDA (Rs/unit)	59,058	46,713	36,665	34,492	55,986	76,617	82,768	85,676
EBIT	79,804	39,191	23,617	29,147	82,249	133,378	146,977	159,674
EBIT margin (%)	9.3	5.2	3.4	3.3	7.0	9.5	9.8	9.8
Other income	25,610	34,208	29,464	17,935	21,613	38,958	39,338	39,908
PBT	104,656	70,648	51,594	45,823	101,591	170,404	184,286	197,452
Tax	29,650	14,142	9,297	8,160	21,099	38,310	41,431	44,391
Tax rate (%)	28	20	18	18	21	22	22	22
PAT	75,006	56,506	42,297	37,663	80,492	132,094	142,855	153,061
EPS (Rs)	248	187	140	125	267	420	454	487
Core EPS (Rs)	183	94	56	69	200	301	346	376

Source: Company, Emkay Research

Exhibit 10: Change in estimates – Our estimates for MSIL remain largely unchanged

(Rs mn)	FY25E				FY26E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Volumes (No. of units)	2,205,252	2,219,501	0.6	3.9	2,344,020	2,368,056	1.0	6.7
Revenues	1,486,045	1,498,314	0.8	6.3	1,606,304	1,626,484	1.3	8.6
EBITDA	183,059	183,705	0.4	12.3	201,130	202,886	0.9	10.4
Margin (%)	12.3	12.3	(6) bps	65 bps	12.5	12.5	(5) bps	21 bps
PAT	142,355	142,855	0.4	8.1	151,700	153,061	0.9	7.1
EPS (Rs)	452.8	454.4	0.3	8.1	482.5	486.8	0.9	7.1

Source: Company, Emkay Research

Exhibit 11: MSIL – Emkay vs Consensus

MSIL (Rs mn)	Emkay Estimates		Bloomberg estimates		Difference	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Net revenue	1,498,314	1,626,484	1,546,273	1,729,139	-3.1%	-5.9%
EBITDA	183,705	202,886	193,598	218,506	-5.1%	-7.1%
EBITDA margin (%)	12.3	12.5	12.5	12.6	(26) bps	(16) bps
EBIT	148,065.4	163,486.2	152,896.0	165,336.0	-3.2%	-1.1%
EPS (Rs)	454	487	476	528	-4.5%	-7.7%

Source: Company, Emkay Research

Exhibit 12: M&M Revenue Model – We build in 11% core EPS CAGR over FY24-26E

(Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
Volumes (no. of units)	703,119	820,299	1,106,001	1,219,695	1,337,267	1,436,876
Growth (%)	-9.1	16.7	34.8	10.3	9.6	7.4
Segmental volumes (no. of units)						
Automotive	348,621	465,601	698,456	819,885	909,332	978,536
Growth (%)	(26)	34	50	17	11	8
SUVs	161,457	233,400	367,474	464,969	545,589	598,996
Growth (%)	(15)	45	57	27	17	10
Tractors	354,498	354,698	407,545	399,810	427,935	458,340
Growth (%)	17	0	15	(2)	7	7
Volume mix (%)						
Automotive	50	57	63	67	68	68
Tractors	50	43	37	33	32	32
ASP (Rs/unit)	634,741	704,462	768,175	809,739	858,708	867,414
Growth (%)	9	11	9	5	6	1
Revenues	446,299	577,869	849,603	987,634	1,148,323	1,246,367
Growth (%)	(0.5)	29.5	47.0	16.2	16.3	8.5
Revenue mix (%)						
Automotive	54.8	61.9	67.8	72.6	71.7	71.8
Tractors	41.1	34.1	29.4	25.0	26.0	25.9
EBITDA	69,575	70,275	103,795	126,457	147,945	162,656
EBITDA margin (%)	15.6	12.2	12.2	12.8	12.9	13.1
EBITDA growth (%)	9.6	1.0	47.7	21.8	17.0	9.9
EBITDA/vehicle (Rs)	98,952	85,670	93,847	103,679	110,632	113,201
EBIT	45,876	45,291	72,250	92,068	110,900	116,307
EBIT margin (%)	10.3	7.8	8.5	9.3	9.7	9.3
Segmental margins (%)						
Automotive	3.4	3.6	4.8	8.4	8.8	8.8
Tractors	22.7	18.1	16.2	16.2	16.2	16.8
EBIT mix (%)						
Automotive	16.5	25.6	36.1	49.4	58.7	58.0
Tractors	83.0	71.7	53.4	32.8	39.1	39.9
Core EPS (Rs)	28.2	29.9	51.2	71.1	82.8	87.4

Source: Company, Emkay Research

Exhibit 13: Change in estimates – Our estimates for M&M remain largely unchanged

(Rs mn)	FY25E				FY26E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Volume (no. of units)	1,338,107	1,337,267	(0.1)	9.6	1,442,916	1,436,876	(0.4)	7.4
Revenue	1,140,418	1,148,323	0.7	16.3	1,242,527	1,246,367	0.3	8.5
EBITDA	147,734	147,945	0.1	17.0	162,368	162,656	0.2	9.9
EBITDA margin (%)	13.0	12.9	(7) bps	8 bps	13.1	13.1	(2) bps	17 bps
Adj. PAT	118,830	118,992	0.1	13.9	124,550	124,771	0.2	4.9
Core EPS (Rs)	82.7	82.8	0.1	(1.5)	87.3	87.4	0.2	5.6

Source: Company, Emkay Research

Exhibit 14: M&M – Emkay vs Consensus

M&M (Rs mn)	Emkay Estimates		Bloomberg estimates		Difference	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Net revenue	1,148,323	1,246,367	1,148,000	1,307,000	0.0%	-4.6%
EBITDA	147,945	162,656	155,541	179,407	-4.9%	-9.3%
EBITDA margin (%)	12.9	13.1	13.5	13.7		
EPS (Rs)	99.2	104.0	100.0	115.4	-0.8%	-9.9%

Source: Bloomberg, Emkay Research

Exhibit 15: M&M SoTP Valuation – We assign TP of Rs3,000/share

Components (Rs bn)	Basis of Valuation	Equity value	M&M stake (%)	Pro-rata value	Hold-co discount (%)	Contr. To SOTP	SOTP (Rs/share)	SOTP breakdown (%)
Core standalone business	30x Core FY26E EPS	2,623		2,623		2,623	2,110	70
PV-EV division	30% discount to Transaction value	454		454		454	365	12
Last Mile Mobility	30% discount to Transaction value	37		37		37	30	1
Tech Mahindra	TP (Emkay)	1,388	25.5	354	20	283	228	8
M&M Financial Services	TP (Emkay)	334	52.2	174	20	139	112	4
Other Subs/investments	Current m-cap/investment value					218	175	6
Total							3,020	100
Total (Rounded off)							3,000	

Source: Company, Emkay Research

Exhibit 16: TTMT Revenue Model – We build in 7% consol. revenue CAGR over FY24-26E

Revenue Model - TTMT (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
CV revenues	301,750	472,637	657,573	733,031	741,533	872,874
Growth (%)	-31.3	56.6	39.1	11.5	1.2	17.7
PV revenues	167,148	325,722	488,671	526,850	562,183	620,841
Growth (%)		94.9	50.0	7.8	6.7	10.4
Total India business revenues (Rs mn)	468,899	798,359	1,146,244	1,259,881	1,303,716	1,493,715
Growth (%)	6.7	70.3	43.6	9.9	3.5	14.6
CV EBITDA	14,870	16,357	48,108	78,701	79,715	96,016
EBITDA margin (%)	4.9	3.5	7.3	10.7	10.8	11.0
PV EBITDA	(4,020)	9,150	27,862	33,770	41,143	47,322
EBITDA margin (%)	(2.4)	2.8	5.7	6.4	7.3	7.6
CV EBIT	(2,437)	(1,248)	30,440	58,532	56,976	70,001
EBIT margin (%)	(0.8)	(0.3)	4.6	8.0	7.7	8.0
PV EBIT	(20,723)	(11,265)	5,552	10,270	14,823	17,844
EBIT margin (%)	(12.4)	(3.5)	1.1	1.9	2.6	2.9
JLR Business (GBP mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
JLR Revenues	19,731	18,320	22,809	28,995	31,016	33,006
Growth (%)	-14.2	-7.2	24.5	27.1	7.0	6.4
JLR EBITDA (GBP mn)	2,531	1,896	2,571	4,620	4,992	5,362
EBITDA margin (%)	12.8	10.3	11.3	15.9	16.1	16.2
JLR EBIT (incl China JV)	555	(48)	529	2,445	2,523	2,700
EBIT margin (%)	2.8	-0.3	2.3	8.4	8.1	8.2
JLR PAT (GBP mn)	35	(793)	(53)	2,576	1,850	2,043
Consolidated Financials (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
India revenues	468,899	798,359	1,146,244	1,259,881	1,303,716	1,493,715
JLR revenues	1,913,907	1,864,976	2,213,460	2,870,505	3,256,635	3,465,588
Consolidated revenues (Rs mn)	2,497,948	2,784,536	3,459,670	4,379,278	4,638,979	5,041,230
Growth (%)	-4.3	11.5	24.2	26.6	5.9	8.7
India EBITDA	10,850	25,507	75,971	112,471	120,858	143,338
JLR EBITDA	198,074	107,603	173,804	339,768	408,214	447,115
Consolidated EBITDA	305,553	248,132	318,296	595,603	629,595	706,773
Growth (%)	54.9	-18.8	28.3	87.1	5.7	12.3
EBITDA margin (%)						
India	2.3	3.2	6.6	8.9	9.3	9.6
JLR	12.8	10.3	11.3	15.9	16.1	16.2
Consolidated EBITDA margin (%)	12.2	8.9	9.2	13.6	13.6	14.0
Consol PAT	(14,225)	(107,188)	7,336	323,981	228,655	284,340
No of shares (mn)	3,829	3,829	3,830	3,833	3,679	3,679
Consol EPS (Rs)	-3.7	-28.0	1.9	84.5	62.1	77.3
Consol Net Debt (Rs mn)	911,898	1,008,381	698,066	384,402	391,106	163,718
Consol FCF	91,457	-6,555	175,774	367,328	96,860	302,806
ROE (%)	(2.4)	(21.5)	1.6	49.8	23.9	23.7
ROCE (%)	3.4	0.7	4.0	15.5	15.1	15.6

Source: Company, Emkay Research

Exhibit 17: Change in estimates – Our estimates for TTMT remain largely unchanged

Consolidated (Rs mn)	FY25E				FY26E			
	Earlier	Revised	% chg	% YoY	Earlier	Revised	% chg	% YoY
JLR Volume (no. of units) *	419,386	419,386	(0.0)	4.5	441,439	441,439	(0.0)	5.3
Standalone Volume (no. of units)	392,954	394,147	0.3	2.7	401,373	413,608	3.0	4.9
Consol. Revenue	4,705,423	4,638,979	(1.4)	5.9	4,989,172	5,041,230	1.0	8.7
Consol. EBITDA	638,443	629,595	(1.4)	5.7	700,573	706,773	0.9	12.3
Consol. Margin (%)	13.6	13.6	0 bps	(3) bps	14.0	14.0	(2) bps	3.3
Consol. PAT	232,731	228,655	(1.8)	(29.4)	282,671	284,340	0.6	24.4
Consol. Diluted Adj. EPS (Rs)	63.3	62.1	(1.8)	(26.5)	76.8	77.3	0.6	24.4

Source: Company, Emkay Research, *Note - excluding China JV

Exhibit 18: TTMT – Emkay vs Consensus

TTMT (Rs mn)	Emkay Estimates		Bloomberg estimates		Difference	
	FY25E	FY26E	FY25E	FY26E	FY25E	FY26E
Net revenue	4,638,979	5,041,230	4,720,000	5,155,000	-1.7%	-2.2%
EBITDA	629,595	706,773	672,678	753,191	-6.4%	-6.2%
EBITDA margin (%)	13.6	14.0	14.3	14.6		
EPS (Rs)	62.1	77.3	65.7	78.9	-5.4%	-2.1%

Source: Bloomberg, Emkay Research

Exhibit 19: TTMT SoTP Valuation – We assign TP of Rs.1,050/share

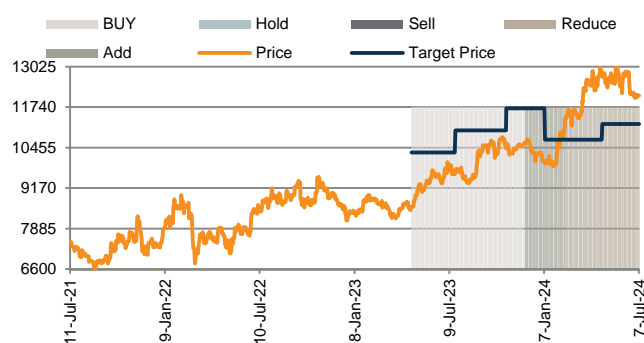
	Basis of valuation	Equity value (Rs mn)	Equity value (Rs/share)	Contribution to SOTP (%)	Remarks
India CV	EV/EBITDA 12.5x	1,177,033	320	30	Similar to EV/EBITDA multiple for AL
India ICE-PV	EV/Sales 1.5x	937,820	255	24	~20% discount to MSIL's multiple of ~1.9x EV/Sales
India E-PV	Transaction value	309,750	84	8	Taking Pre-money transaction valuation fixed during the TPG deal at 40% discount - implied value of 2x P/Sales on FY26E EV revenues
JLR	EV/EBITDA 1.5x	1,182,197	321	30	EV/EBITDA at ~10% discount to valuation of European peers
JLR China JV	EV/EBITDA 4x	4,717	1	0	Stake stands at 50%
Tata Sons	NAV 1x	67,692	18	2	Holding company discount at 80%, as stake may not be monetized
Tata Motors Finance	P/B 1x FY23	45,905	12	1	Holding company discount at 20%
Tata Technologies	Mcap	183,622	50	5	20% discount to CMP
Total			1,062		
Total (Rounded off)			1,050		

Source: Company, Emkay Research

MARUTI SUZUKI INDIA**RECOMMENDATION HISTORY - DETAILS**

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
18-Jun-24	12,561	11,200	Reduce	Chirag Jain
27-Apr-24	12,703	11,200	Reduce	Chirag Jain
18-Apr-24	12,405	10,700	Reduce	Chirag Jain
16-Feb-24	11,380	10,700	Reduce	Chirag Jain
01-Feb-24	10,638	10,700	Add	Chirag Jain
11-Jan-24	10,011	10,700	Add	Chirag Jain
08-Jan-24	9,947	10,700	Add	Chirag Jain
30-Nov-23	10,609	11,700	Add	Chirag Jain
28-Oct-23	10,561	11,700	Buy	Chirag Jain
26-Oct-23	10,424	11,700	Buy	Chirag Jain
31-Jul-23	9,821	11,000	Buy	Chirag Jain
20-Jul-23	9,773	11,000	Buy	Chirag Jain
27-Apr-23	8,543	10,300	Buy	Chirag Jain

Source: Company, Emkay Research

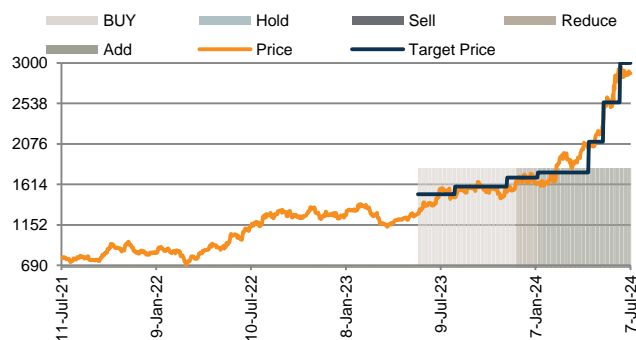
RECOMMENDATION HISTORY - TREND

Source: Company, Bloomberg, Emkay Research

MAHINDRA & MAHINDRA**RECOMMENDATION HISTORY - DETAILS**

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
17-Jun-24	2,929	3,000	Add	Chirag Jain
16-May-24	2,372	2,550	Add	Chirag Jain
18-Apr-24	2,025	2,100	Add	Chirag Jain
14-Feb-24	1,657	1,750	Add	Chirag Jain
11-Jan-24	1,629	1,750	Add	Chirag Jain
30-Nov-23	1,648	1,690	Reduce	Chirag Jain
13-Nov-23	1,540	1,690	Buy	Chirag Jain
05-Aug-23	1,465	1,590	Buy	Chirag Jain
26-May-23	1,282	1,500	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND

Source: Company, Bloomberg, Emkay Research

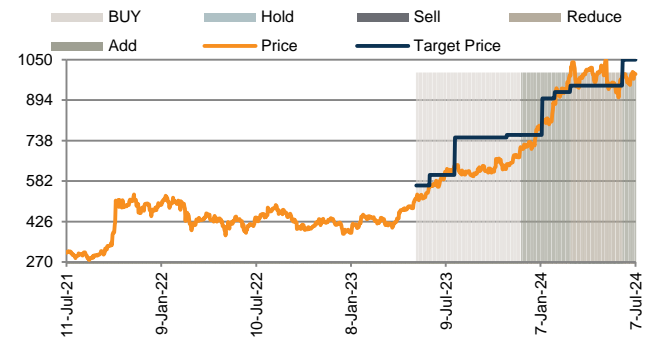
TATA MOTORS

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (INR)	TP (INR)	Rating	Analyst
12-Jun-24	989	1,050	Add	Chirag Jain
11-May-24	1,047	950	Reduce	Chirag Jain
18-Apr-24	971	950	Reduce	Chirag Jain
04-Mar-24	987	950	Reduce	Chirag Jain
03-Feb-24	879	925	Add	Chirag Jain
10-Jan-24	808	900	Add	Chirag Jain
30-Nov-23	706	760	Add	Chirag Jain
03-Nov-23	648	760	Buy	Chirag Jain
26-Jul-23	641	750	Buy	Chirag Jain
08-Jun-23	560	605	Buy	Chirag Jain
13-May-23	516	565	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

GENERAL DISCLOSURE/DISCLAIMER BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Emkay Global Financial Services Limited (CIN-L67120MH1995PLC084899) and its affiliates are a full-service, brokerage, investment banking, investment management and financing group. Emkay Global Financial Services Limited (EGFSL) along with its affiliates are participants in virtually all securities trading markets in India. EGFSL was established in 1995 and is one of India's leading brokerage and distribution house. EGFSL is a corporate trading member of BSE Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX), Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) (hereinafter referred to be as "Stock Exchange(s)"). EGFSL along with its [affiliates] offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.emkayglobal.com.

EGFSL is registered as Research Analyst with the Securities and Exchange Board of India ("SEBI") bearing registration Number INH000000354 as per SEBI (Research Analysts) Regulations, 2014. EGFSL hereby declares that it has not defaulted with any Stock Exchange nor its activities were suspended by any Stock Exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges had conducted their routine inspection and based on their observations have issued advice letters or levied minor penalty on EGFSL for certain operational deviations in ordinary/routine course of business. EGFSL has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

EGFSL offers research services to its existing clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the clients simultaneously, not all clients may receive this report at the same time. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

EGFSL and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. EGFSL may have issued or may issue other reports (on technical or fundamental analysis basis) of the same subject company that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Users of this report may visit www.emkayglobal.com to view all Research Reports of EGFSL. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of EGFSL; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. All material presented in this report, unless specifically indicated otherwise, is under copyright to Emkay. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of EGFSL. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of EGFSL or its affiliates. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

This report has not been reviewed or authorized by any regulatory authority. There is no planned schedule or frequency for updating research report relating to any issuer/subject company.

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Disclaimer for U.S. persons only: Research report is a product of Emkay Global Financial Services Ltd., under Marco Polo Securities 15a6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of Financial Institutions Regulatory Authority (FINRA) or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors. Emkay Global Financial Services Ltd. has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

RESTRICTIONS ON DISTRIBUTION

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Except otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

ANALYST CERTIFICATION BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL)

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible of the content of this research report, in part or in whole, certifies that he or his associated persons¹ may have served as an officer, director or employee of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant). The research analyst(s) primarily responsible for the content of this research report or his associate may have Financial Interests² in relation to an issuer or a new listing applicant that the analyst reviews. EGFSL has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the EGFSL and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of EGFSL compensation to any specific investment banking function of the EGFSL.

¹ An associated person is defined as (i) who reports directly or indirectly to such a research analyst in connection with the preparation of the reports; or (ii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

² Financial Interest is defined as interest that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at the arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

COMPANY-SPECIFIC / REGULATORY DISCLOSURES BY EMKAY GLOBAL FINANCIAL SERVICES LIMITED (EGFSL):

Disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her associate/relative's may have Financial Interest/proprietary positions in the securities recommended in this report as of July 10, 2024
- EGFSL, and/or Research Analyst does not market make in equity securities of the issuer(s) or company(ies) mentioned in this Report
Disclosure of previous investment recommendation produced:
- EGFSL may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed in the first page of this report to view previous investment recommendations published by EGFSL in the preceding 12 months.
- EGFSL, its subsidiaries and/or other affiliates and Research Analyst or his/her relative's may have material conflict of interest in the securities recommended in this report as of July 10, 2024
- EGFSL, its affiliates and Research Analyst or his/her associate/relative's may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the July 10, 2024
- EGFSL or its associates may have managed or co-managed public offering of securities for the subject company in the past twelve months.
- EGFSL, its affiliates and Research Analyst or his/her associate may have received compensation in whatever form including compensation for investment banking or merchant banking or brokerage services or for products or services other than investment banking or merchant banking or brokerage services from securities recommended in this report (subject company) in the past 12 months.
- EGFSL, its affiliates and/or and Research Analyst or his/her associate may have received any compensation or other benefits from the subject company or third party in connection with this research report.

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	<15% downside

Emkay Global Financial Services Ltd.

CIN - L67120MH1995PLC084899

7th Floor, The Ruby, Senapati Bapat Marg, Dadar - West, Mumbai - 400028. India
Tel: +91 22 66121212 Fax: +91 22 66121299 Web: www.emkayglobal.com

OTHER DISCLAIMERS AND DISCLOSURES:**Other disclosures by Emkay Global Financial Services Limited (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) :-**

EGFSL or its associates may have financial interest in the subject company.

Research Analyst or his/her associate/relative's may have financial interest in the subject company.

EGFSL or its associates and Research Analyst or his/her associate/ relative's may have material conflict of interest in the subject company. The research Analyst or research entity (EGFSL) have not been engaged in market making activity for the subject company.

EGFSL or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst or his/her associate/relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of public appearance or publication of Research Report.

Research Analyst may have served as an officer, director or employee of the subject company.

EGFSL or its affiliates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. . Emkay may have issued or may issue other reports that are inconsistent with and reach different conclusion from the information, recommendations or information presented in this report or are contrary to those contained in this report. Emkay Investors may visit www.emkayglobal.com to view all Research Reports. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the research published by any other analyst or by associate entities of Emkay; our proprietary trading, investment businesses or other associate entities may make investment decisions that are inconsistent with the recommendations expressed herein. EGFSL or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. EGFSL or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report. EGFSL or its associates may have received compensation from the subject company in the past twelve months. Subject Company may have been client of EGFSL or its affiliates during twelve months preceding the date of distribution of the research report and EGFSL or its affiliates may have co-managed public offering of securities for the subject company in the past twelve months.