

Rating: HOLD | CMP: Rs7,771 | TP: Rs7,650

February 12, 2026

## Q3FY26 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

	Current FY27E	Previous FY28E	Current FY27E	Previous FY28E
Rating	HOLD	HOLD		
Target Price	7,650	7,350		
Sales (Rs. m)	2,68,054	3,00,775	2,62,001	2,93,439
% Chng.	2.3	2.5		
EBITDA (Rs. m)	66,840	75,627	64,160	72,500
% Chng.	4.2	4.3		
EPS (Rs.)	235.4	268.4	227.7	259.0
% Chng.	3.4	3.6		

### Key Financials - Consolidated

Y/e Mar	FY25	FY26E	FY27E	FY28E
Sales (Rs. m)	1,88,704	2,35,195	2,68,054	3,00,775
EBITDA (Rs. m)	47,120	58,356	66,840	75,627
Margin (%)	25.0	24.8	24.9	25.1
PAT (Rs. m)	47,344	56,096	64,583	73,609
EPS (Rs.)	172.6	204.5	235.4	268.4
Gr. (%)	18.2	18.5	15.1	14.0
DPS (Rs.)	59.9	69.9	79.9	79.9
Yield (%)	0.8	0.9	1.0	1.0
RoE (%)	24.1	24.2	23.8	23.1
RoCE (%)	20.0	21.4	21.1	20.5
EV/Sales (x)	10.7	8.5	7.3	6.4
EV/EBITDA (x)	42.8	34.2	29.4	25.5
PE (x)	45.0	38.0	33.0	29.0
P/BV (x)	10.0	8.5	7.3	6.2

### Key Data

	EICH.BO   EIM IN
52-W High / Low	Rs.7,805 / Rs.4,644
Sensex / Nifty	84,234 / 25,954
Market Cap	Rs.2,132bn / \$ 23,500m
Shares Outstanding	274m
3M Avg. Daily Value	Rs.3474.77m

### Shareholding Pattern (%)

Promoter's	49.07
Foreign	25.82
Domestic Institution	15.67
Public & Others	9.44
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	3.5	37.0	56.3
Relative	2.7	31.1	41.6

### Aditya Jakhotia

adityajakhotia@plindia.com | 91-22-66322532

# Eicher Motors (EIM IN)

Rating: HOLD | CMP: Rs7,771 | TP: Rs7,650

## Pricing discipline, improved mix drive margins

### Quick Pointers:

- Royal Enfield (RE) to increase capacity to 2mn units/year by FY28 as it sees sustained domestic demand for 350cc motorcycles and for exports
- Medium-term CV industry outlook remains constructive, with VECV poised for resilient growth

**EIM's Q3FY26 consol operating revenue grew by 22.9% YoY to Rs61.1bn (in line with street estimates). EBITDA margin expansion was driven by operating leverage, pricing discipline and improved mix. It expects the industry to grow at high single digits in FY27 and RE to outperform via new launches and brand building campaigns, especially around its 125th year celebration. It remains focused on long-term value creation, maintaining leadership in mid-weight motorcycles, growing absolute volumes and profitability. We estimate revenue/EBITDA/PAT CAGR of 16.8%/17.1%/15.8% over FY25-28E and retain 'HOLD' rating with TP of Rs7,650 (previous Rs7,350). We value the core business at a P/E of 32x basis Sep'27E standalone EPS and VECV business at 10x EV/EBITDA Sep'27E.**

**Consol EBITDA at Rs15.57bn (+29.6% YoY, +3.0% QoQ):** EBITDAM was 25.5% (+130bps YoY, +100bps QoQ), beating BBGe/PLe by 80bps/100bps. Gross margin was 44.4% (-65bps YoY, +70bps QoQ), and adj PAT of Rs14.6bn (incl. share of JV & associates, excl. one-time impact of Rs0.56bn due to new labor codes) was up +25.0% YoY, beating BBGe/PLe by 7.0%/6.5%. For 9MFY26, consol operating revenue was Rs173.3bn (+27.1% YoY). EBITDA stood at Rs42.7bn (+23.7% YoY); EBITDA margin, 24.7% (-70bps YoY); and adj PAT, Rs40.4bn (+19.7% YoY).

**VECV Q3 revenue at Rs70.2bn (+21.0% YoY):** EBITDA was Rs6.52bn (+26% YoY), EBITDA margin stood at 9.5% (+30bps YoY), and PAT at Rs3.38bn (+13% YoY). VECV maintained leadership position in LMD trucks (5-18T) with volume growing 28.3% YoY and a market share of 34.5%. HDT sales were driven by infra execution and improved route economics. Bus sales were down due to tender timing. Exports saw better traction in select key markets. Future growth should be aided by infra development, stable financing and push for domestic manufacturing.

**Gross margin declines YoY due to commodity inflation:** The impact mainly came from precious metals, aluminum and copper, OBD-2B related costs and geography mix, partially offset by the domestic model mix and value engineering. Price increase of 0.5% has been taken in Jan'26, and further hikes will be considered if there is steep commodity cost increase. Value engineering is achieved through scale, identifying low-cost country sourcing, and various other cost optimization and efficiencies.

**Brownfield expansion of RE's Cheyyar plant:** Latest declared capacity of RE was 1.2mn units at Q2-end, post which an investment of ~Rs1bn was made, which will take the capacity to 1.46mn by Q1FY27 in modules. Further to this, the Board has approved a cash investment Rs9.58bn, financed via internal accruals, which would take its capacity to 2mn units phase-wise from Q1FY27 until the end of FY28.

**Exhibit 1: Q3FY26 result overview – Consolidated**

Y/e Mar (Rs.mn)	3QFY26	3QFY25	YoY gr.	3QFY26E	Var (%)	2QFY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
<b>Net Revenues</b>	<b>61,140</b>	<b>49,731</b>	<b>22.9%</b>	<b>59,677</b>	<b>2.5%</b>	<b>61,716</b>	<b>-0.9%</b>	<b>1,73,275</b>	<b>1,36,292</b>	<b>27.1%</b>
Raw Materials	33,982	27,317	24.4%	33,300	2.0%	34,748	-2.2%	96,856	73,702	31.4%
% of Net Sales	55.6%	54.9%	65 bps	55.8%	-22 bps	56.3%	-72 bps	55.9%	54.1%	182 bps
Personnel	4,302	3,420	25.8%	4,120	4.4%	4,179	2.9%	12,220	10,420	17.3%
% of Net Sales	7.0%	6.9%	16 bps	6.9%	13 bps	6.8%	26 bps	7.1%	7.6%	-59 bps
Manufacturing & Other Exp	7,290	6,983	4.4%	7,639	-4.6%	7,670	-5.0%	21,485	17,627	21.9%
% of Net Sales	11.9%	14.0%	-212 bps	12.8%	-88 bps	12.4%	-51 bps	12.4%	12.9%	-53 bps
<b>Total Expenditure</b>	<b>45,573</b>	<b>37,719</b>	<b>20.8%</b>	<b>45,059</b>	<b>1.1%</b>	<b>46,597</b>	<b>-2.2%</b>	<b>1,30,561</b>	<b>1,01,749</b>	<b>28.3%</b>
<b>EBITDA</b>	<b>15,567</b>	<b>12,012</b>	<b>29.6%</b>	<b>14,619</b>	<b>6.5%</b>	<b>15,119</b>	<b>3.0%</b>	<b>42,714</b>	<b>34,543</b>	<b>23.7%</b>
<b>EBITDA Margin (%)</b>	<b>25.5%</b>	<b>24.2%</b>	<b>131 bps</b>	<b>24.5%</b>	<b>97 bps</b>	<b>24.5%</b>	<b>96 bps</b>	<b>24.7%</b>	<b>25.3%</b>	<b>-69 bps</b>
Depreciation	2,111	1,793	17.8%	2,029	4.0%	1,996	5.8%	6,087	5,280	15.3%
<b>EBIT</b>	<b>13,456</b>	<b>10,219</b>	<b>31.7%</b>	<b>12,590</b>	<b>6.9%</b>	<b>13,123</b>	<b>2.5%</b>	<b>36,627</b>	<b>29,264</b>	<b>25.2%</b>
Interest Expenses	173	134	29.0%	178	-3.0%	192	-9.9%	513	388	32.3%
Non-operating income	3,374	2,888	16.8%	3,865	-12.7%	3,509	-3.9%	11,343	9,245	22.7%
Extraordinary Expenses	-555	0				0		-555	0	
<b>PBT</b>	<b>16,103</b>	<b>12,973</b>	<b>24.1%</b>	<b>16,277</b>	<b>-1.1%</b>	<b>16,441</b>	<b>-2.1%</b>	<b>46,902</b>	<b>38,121</b>	<b>23.0%</b>
Tax-Total	3,726	2,903	28.3%	3,809	-2.2%	4,096	-9.0%	11,699	8,916	31.2%
<b>Tax Rate (%) - Total</b>	<b>23.1%</b>	<b>22.4%</b>	<b>76 bps</b>	<b>23.4%</b>	<b>-26 bps</b>	<b>24.9%</b>	<b>-177 bps</b>	<b>24.9%</b>	<b>23.4%</b>	<b>155 bps</b>
<b>PAT</b>	<b>12,377</b>	<b>10,070</b>	<b>22.9%</b>	<b>12,468</b>	<b>-0.7%</b>	<b>12,345</b>	<b>0.3%</b>	<b>35,203</b>	<b>29,205</b>	<b>20.5%</b>
Share of JV profit	1,829	1,635	11.9%	1,275	43.5%	1,349	35.6%	4,750	4,518	5.1%
<b>Profit after MI / Share of profit</b>	<b>14,206</b>	<b>11,705</b>	<b>21.4%</b>	<b>13,743</b>	<b>3.4%</b>	<b>13,695</b>	<b>3.7%</b>	<b>39,953</b>	<b>33,723</b>	<b>18.5%</b>
<b>PAT Margin</b>	<b>23.2%</b>	<b>23.5%</b>	<b>-30 bps</b>	<b>23.0%</b>	<b>21 bps</b>	<b>22.2%</b>	<b>105 bps</b>	<b>23.1%</b>	<b>24.7%</b>	<b>-169 bps</b>
<b>ADJ PAT</b>	<b>14,632</b>	<b>11,705</b>	<b>25.0%</b>	<b>13,743</b>	<b>6.5%</b>	<b>13,695</b>	<b>6.8%</b>	<b>40,379</b>	<b>33,723</b>	<b>19.7%</b>

Source: Company, PL

**Exhibit 2: VECV operating metrics – Realization declines 2.5% YoY in Q3FY26**

Y/e Mar (Rs.mn)	3QFY26	3QFY25	YoY gr.	3QFY26E	Var (%)	2QFY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
Volumes (in units)	26,086	21,010	24.2%	26,086	-	21,899	19.1%	69,596	61,486	13.2%
Net ASP (Rs/vehicle)	26,90,715	27,61,066	-2.5%			27,88,255	-3.5%	27,00,730	26,51,986	1.8%
Net Sales	70,190	58,010	21.0%			61,060	15.0%	1,87,960	1,63,060	15.3%
EBITDA	6,520	5,170	26.1%			4,790	36.1%	16,420	12,970	26.6%
EBITDA margin (%)	9.3%	8.9%	38 bps			7.8%	144 bps	8.7%	8.0%	78 bps
PAT	3,380	2,990	13.0%			2,490	35.7%	8,760	8,260	6.1%

Source: Company, PL

**Exhibit 3: RE operating metrics – Realization marginally up both YoY and QoQ in Q3FY26**

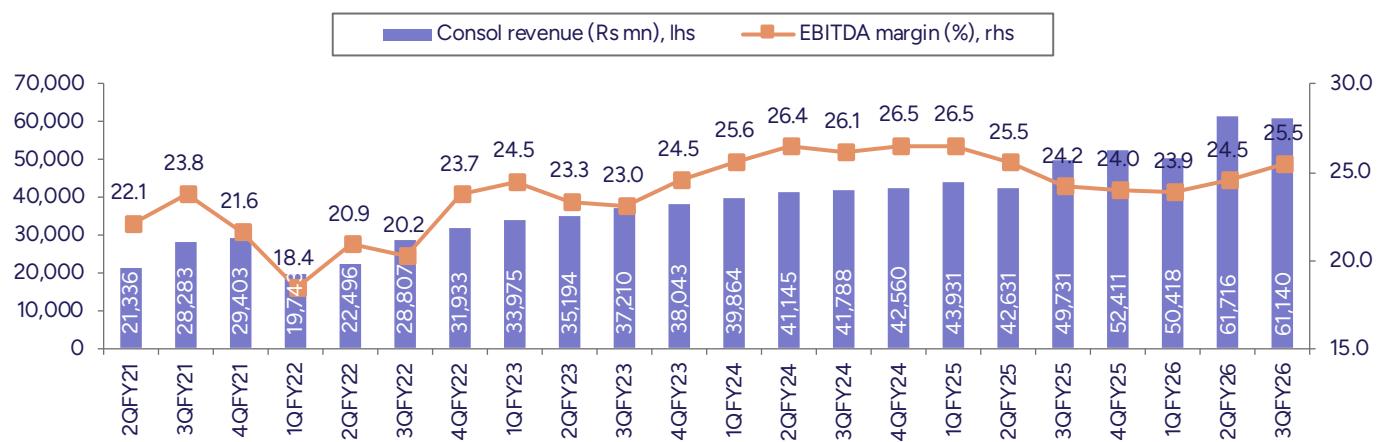
Y/e Mar (Rs.mn)	3QFY26	3QFY25	YoY gr.	3QFY26E	Var (%)	2QFY26	QoQ gr.	9MFY26	9MFY25	YoY gr.
Sales Volume (nos)	3,29,195	2,72,297	20.9%	3,29,195	-	3,26,375	0.9%	9,21,098	7,27,905	26.5%
Net Realisation/Vehicle	1,81,893	1,80,250	0.9%	1,79,029	1.6%	1,80,837	0.6%	1,82,373	1,83,332	-0.5%
Material cost / vehicle	1,03,227	1,00,320	2.9%	1,01,156	2.0%	1,06,465	-3.0%	1,05,152	1,01,252	3.9%
Gross Profit / vehicle	82,500	82,316	0.2%	80,127	3.0%	82,630	-0.2%	82,965	85,987	-3.5%
Employee cost /vehicle	12,010	11,529	4.2%	11,816	1.6%	11,837	1.5%	12,224	13,171	-7.2%
Other expenses / vehicle	20,343	23,660	-14.0%	21,662	-6.1%	21,651	-6.0%	21,536	22,231	-3.1%
EBITDA/vehicle	47,289	44,113	7.2%	44,407	6.5%	46,324	2.1%	46,373	47,456	-2.3%
Net Profit/vehicle	37,597	36,981	1.7%	37,874	-0.7%	37,826	-0.6%	38,219	40,122	-4.7%

Source: Company, PL

## Conference Call Highlights:

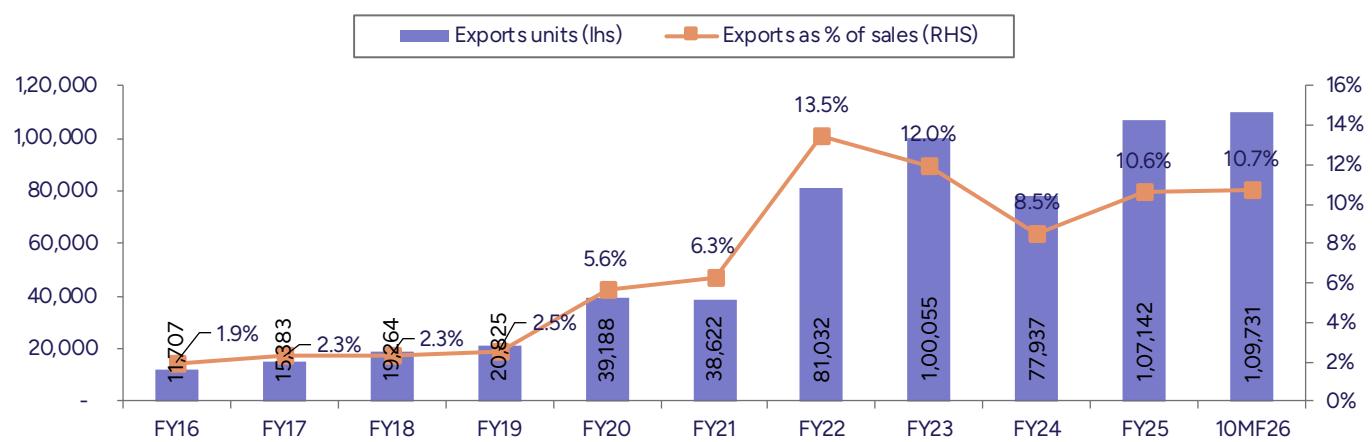
- Rural and semi-urban markets have been growing strongly, while urban markets, where growth was subdued, have seen a pickup in growth recently.
- Hunter model is seeing increased interest from younger customers post GST and income tax rate cuts.
- 650cc motorcycles' recovery has been better than that of 450cc post GST increase in the segment. To train riders, Gymkhana has been introduced, hoping to revive the 450cc segment growth.
- RE saw a gain in market share across segments, especially the mid-size segment, with 88.9% exit market share.
- It had its best ever festive sales of 2.49 lakh motorcycles during Sep-Oct'25.
- Parts business (Volvo + Eicher) grew by 14.4% YoY.
- Currently, RE is producing ~4.4k vehicles/day and VECV, 10k+ vehicles/month.
- EIM's growth in the Bus segment moderated this year due to the high base effect of last year and due to lower orders from institutional sales.
- If the CV industry continues to see sustained demand next year, VECV may increase the Bhopal plant capacity.
- Electric motorcycles Flying Flea C6 classic and S6 scrambler versions are expected to be launched in Q1FY27 and at EICMA 2026, respectively.
- While the finer details of the FTA with the EU and the US are awaited, the management feels it should be a good sign for growing their exports further.

**Exhibit 4: EIM consol revenue increasing, EBITDA margin improving after being under pressure**



Source: Company, PL

**Exhibit 5: RE exports growth led by Brazil, Argentina and Thailand**



Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Net Revenues</b>	<b>1,88,704</b>	<b>2,35,195</b>	<b>2,68,054</b>	<b>3,00,775</b>
YoY gr. (%)	14.1	24.6	14.0	12.2
Cost of Goods Sold	1,02,971	1,31,279	1,49,779	1,67,545
Gross Profit	85,733	1,03,915	1,18,275	1,33,230
Margin (%)	45.4	44.2	44.1	44.3
Employee Cost	13,912	16,428	18,690	20,933
Other Expenses	24,700	29,131	32,745	36,670
<b>EBITDA</b>	<b>47,120</b>	<b>58,356</b>	<b>66,840</b>	<b>75,627</b>
YoY gr. (%)	8.9	23.8	14.5	13.1
Margin (%)	25.0	24.8	24.9	25.1
Depreciation and Amortization	7,293	8,242	8,990	9,879
<b>EBIT</b>	<b>39,827</b>	<b>50,114</b>	<b>57,850</b>	<b>65,747</b>
Margin (%)	21.1	21.3	21.6	21.9
Net Interest	543	658	669	674
Other Income	13,049	15,713	18,269	21,114
<b>Profit Before Tax</b>	<b>52,333</b>	<b>65,170</b>	<b>75,450</b>	<b>86,187</b>
Margin (%)	27.7	27.7	28.1	28.7
Total Tax	11,986	15,775	18,207	20,617
Effective tax rate (%)	22.9	24.2	24.1	23.9
<b>Profit after tax</b>	<b>40,346</b>	<b>49,395</b>	<b>57,243</b>	<b>65,570</b>
Minority interest	-	-	-	-
Share Profit from Associate	6,998	6,701	7,340	8,040
<b>Adjusted PAT</b>	<b>47,344</b>	<b>56,096</b>	<b>64,583</b>	<b>73,609</b>
YoY gr. (%)	-	-	-	-
Margin (%)	25.1	23.9	24.1	24.5
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>47,344</b>	<b>56,096</b>	<b>64,583</b>	<b>73,609</b>
YoY gr. (%)	18.3	18.5	15.1	14.0
Margin (%)	25.1	23.9	24.1	24.5
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	-	-	-
<b>Equity Shares O/s (m)</b>	<b>274</b>	<b>274</b>	<b>274</b>	<b>274</b>
<b>EPS (Rs)</b>	<b>172.6</b>	<b>204.5</b>	<b>235.4</b>	<b>268.4</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>73,942</b>	<b>87,942</b>	<b>1,01,942</b>	<b>1,13,942</b>
Tangibles	73,942	87,942	1,01,942	1,13,942
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>39,207</b>	<b>47,449</b>	<b>56,439</b>	<b>66,318</b>
Tangibles	39,207	47,449	56,439	66,318
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>34,735</b>	<b>40,493</b>	<b>45,503</b>	<b>47,623</b>
Tangibles	34,735	40,493	45,503	47,623
Intangibles	-	-	-	-
Capital Work In Progress	4,915	5,652	6,500	7,475
Goodwill	-	-	-	-
Non-Current Investments	31,409	34,549	38,004	41,805
Net Deferred tax assets	(4,930)	(4,979)	(5,029)	(5,079)
Other Non-Current Assets	-	-	-	-
<b>Current Assets</b>				
Investments	1,16,501	1,31,109	1,52,503	1,77,278
Inventories	15,638	21,586	24,602	27,605
Trade receivables	5,496	6,444	7,344	8,240
Cash & Bank Balance	2,630	7,634	15,502	31,098
Other Current Assets	54,444	58,255	62,332	66,696
<b>Total Assets</b>	<b>2,71,744</b>	<b>3,12,297</b>	<b>3,59,524</b>	<b>4,15,778</b>
<b>Equity</b>				
Equity Share Capital	274	274	274	274
Other Equity	2,12,691	2,49,621	2,92,300	3,44,005
<b>Total Networth</b>	<b>2,12,965</b>	<b>2,49,895</b>	<b>2,92,574</b>	<b>3,44,280</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	2,665	2,798	2,938	3,085
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	-	-	-	-
Trade payables	25,298	28,352	32,313	36,258
Other current liabilities	25,888	26,273	26,670	27,076
<b>Total Equity &amp; Liabilities</b>	<b>2,71,744</b>	<b>3,12,297</b>	<b>3,59,524</b>	<b>4,15,778</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY25	FY26E	FY27E	FY28E
PBT	59,331	71,871	82,790	94,227
Add. Depreciation	7,293	8,242	8,990	9,879
Add. Interest	543	658	669	674
Less Financial Other Income	13,049	15,713	18,269	21,114
Add. Other	(13,049)	(15,713)	(18,269)	(21,114)
Op. profit before WC changes	54,118	65,057	74,180	83,666
Net Changes-WC	(13,976)	(7,864)	(4,294)	(4,635)
Direct tax	(11,668)	(15,725)	(18,157)	(20,567)
<b>Net cash from Op. activities</b>	<b>28,475</b>	<b>41,467</b>	<b>51,729</b>	<b>58,464</b>
Capital expenditures	(12,248)	(14,737)	(14,848)	(12,975)
Interest / Dividend Income	-	-	-	-
Others	7,425	12,573	14,814	17,314
<b>Net Cash from Inv. activities</b>	<b>(4,823)</b>	<b>(2,165)</b>	<b>(33)</b>	<b>4,339</b>
Issue of share cap. / premium	1,593	-	-	-
Debt changes	(91)	133	140	147
Dividend paid	(16,428)	(19,166)	(21,904)	(21,904)
Interest paid	(543)	(658)	(669)	(674)
Others	-	-	-	-
<b>Net cash from Fin. activities</b>	<b>(15,469)</b>	<b>(19,691)</b>	<b>(22,433)</b>	<b>(22,431)</b>
<b>Net change in cash</b>	<b>8,183</b>	<b>19,612</b>	<b>29,262</b>	<b>40,372</b>
Free Cash Flow	16,227	26,730	36,881	45,489

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
<b>Per Share(Rs)</b>				
EPS	172.6	204.5	235.4	268.4
CEPS	199.2	234.6	268.2	304.4
BVPS	776.4	911.0	1,066.6	1,255.1
FCF	59.2	97.4	134.5	165.8
DPS	59.9	69.9	79.9	79.9
<b>Return Ratio(%)</b>				
RoCE	20.0	21.4	21.1	20.5
ROIC	38.2	39.8	41.4	44.2
RoE	24.1	24.2	23.8	23.1
<b>Balance Sheet</b>				
Net Debt : Equity (x)	(0.5)	(0.5)	(0.6)	(0.6)
Net Working Capital (Days)	(52)	(36)	(32)	(29)
<b>Valuation(x)</b>				
PER	45.0	38.0	33.0	29.0
P/B	10.0	8.5	7.3	6.2
P/CEPS	39.0	33.1	29.0	25.5
EV/EBITDA	42.8	34.2	29.4	25.5
EV/Sales	10.7	8.5	7.3	6.4
Dividend Yield (%)	0.8	0.9	1.0	1.0

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q4FY25	Q1FY26	Q2FY26	Q3FY26
<b>Net Revenue</b>	<b>52,411</b>	<b>50,418</b>	<b>61,716</b>	<b>61,140</b>
YoY gr. (%)	23.1	14.8	44.8	22.9
Raw Material Expenses	29,269	28,126	34,748	33,982
Gross Profit	23,143	22,292	26,968	27,159
Margin (%)	44.2	44.2	43.7	44.4
<b>EBITDA</b>	<b>12,577</b>	<b>12,028</b>	<b>15,119</b>	<b>15,567</b>
YoY gr. (%)	11.4	3.2	39.0	29.6
Margin (%)	24.0	23.9	24.5	25.5
Depreciation / Depletion	2,014	1,981	1,996	2,111
<b>EBIT</b>	<b>10,563</b>	<b>10,047</b>	<b>13,123</b>	<b>13,456</b>
Margin (%)	20.2	19.9	21.3	22.0
Net Interest	155	149	192	173
Other Income	3,804	4,461	3,509	3,374
<b>Profit before Tax</b>	<b>14,212</b>	<b>14,359</b>	<b>16,441</b>	<b>16,103</b>
Margin (%)	27.1	28.5	26.6	26.3
Total Tax	3,070	3,878	4,096	3,726
Effective tax rate (%)	21.6	27.0	24.9	23.1
<b>Profit after Tax</b>	<b>11,142</b>	<b>10,481</b>	<b>12,345</b>	<b>12,377</b>
Minority interest	-	-	-	-
Share Profit from Associates	2,480	1,571	1,349	1,829
<b>Adjusted PAT</b>	<b>13,622</b>	<b>12,052</b>	<b>13,695</b>	<b>14,632</b>
YoY gr. (%)	27.3	9.4	24.5	25.0
Margin (%)	26.0	23.9	22.2	23.9
Extra Ord. Income / (Exp)	-	-	-	426
<b>Reported PAT</b>	<b>13,622</b>	<b>12,052</b>	<b>13,695</b>	<b>14,206</b>
YoY gr. (%)	27.3	9.4	24.5	21.4
Margin (%)	26.0	23.9	22.2	23.2
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Avg. Shares O/s (m)	274	274	274	274
<b>EPS (Rs)</b>	<b>49.7</b>	<b>43.9</b>	<b>49.9</b>	<b>53.3</b>

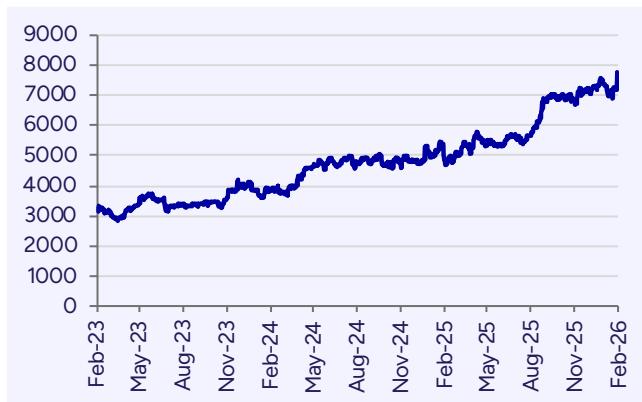
Source: Company Data, PL Research

**Key Operating Metrics**

Y/e Mar	FY25	FY26E	FY27E	FY28E
Royal volumes (in units)	10,09,899	12,52,047	13,84,108	15,10,255
YoY gr. (%)	10.6	24.0	10.5	9.1
VECV volumes (in units)	90,161	1,02,949	1,06,513	1,10,241
YoY gr. (%)	5.4	14.2	3.5	3.5

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-26	Hold	7,350	7,583
2	18-Nov-25	Hold	6,840	6,799
3	08-Oct-25	Hold	6,729	6,903
4	08-Apr-25	BUY	5,835	5,231

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Bajaj Auto	Hold	9,500	9,500
2	Eicher Motors	Hold	7,350	7,583
3	Hero Motocorp	Accumulate	6,575	5,754
4	Mahindra & Mahindra	Accumulate	4,100	3,749
5	Maruti Suzuki	Hold	15,750	14,580
6	TVS Motor Company	Accumulate	4,200	3,655

PL's Recommendation Nomenclature (Absolute Performance)

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

## **ANALYST CERTIFICATION**

### **(Indian Clients)**

We/I, Mr. Aditya Jakhotia- MBA Finance, Passed CFA Level II Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### **(US Clients)**

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

## **DISCLAIMER**

### **Indian Clients**

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at [www.plindia.com](http://www.plindia.com).

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Aditya Jakhotia- MBA Finance, Passed CFA Level II Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts 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.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses 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.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

### **US Clients**

This research report is a product of Prabhudas Lilladher Pvt. Ltd., 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 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 by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). 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, Prabhudas Lilladher Pvt. Ltd. has entered into an 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.

## **Prabhudas Lilladher Pvt. Ltd.**

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

[www.plindia.com](http://www.plindia.com)