Maruti Suzuki

Performance Highlights

Y/E March (₹ cr)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)
Net Sales	13,934	12,315	13.1	13,425	3.8
EBITDA	2,269	1,532	48.1	2,189	3.7
EBITDA Margin (%)	16.3	12.4	390 bp	16.3	-
Adj. PAT	1,226	863	42.1	1,193	2.7

Source: Company, Angel Research

Results in line with estimates: Maruti Suzuki India Ltd (MSIL)'s 2QFY2016 results have come in in line with our estimates. Its revenues grew 13% yoy to ₹13,934cr, in line with our expectations of ₹14,007cr. Volumes grew 10% yoy while the realization/vehicle grew 3% yoy on account of a better product mix. MSIL maintained its record high margins similar to 1QFY2016; margins rose sharply by 390bp yoy to 16.3%, and are in line with our estimate. A favorable currency movement (depreciation of Japanese Yen and Euro vis-a-vis the Indian Rupee) led to lower imported raw material costs. This, coupled with decline in discounts, boosted the operating margin. On the back of the robust operating performance, the net profit came in at ₹1,226cr, in line with our estimate of ₹1,248cr.

Outlook and valuation: The passenger vehicle (PV) industry is well poised to post double-digit growth over the next two years, given the improved consumer sentiments, better economic outlook, and softer fuel prices. Further, new launches by MSIL, with it having recently introduced the premium hatch - Baleno and a new compact SUV, would enable it to gain market share, going ahead. Also, we believe MSIL would be able to sustain higher margins (we have built in ~17% margin levels in our estimates for FY2016/17) given the subdued commodity prices and favorable currency rates. Reduction in discounts due to improved industry outlook coupled with new product launches and benefits of operating leverage would also enable MSIL to sustain margins at elevated levels. We view MSIL as the best play on passenger vehicle demand recovery and expect 36% earnings CAGR over FY2015-2017. **We have retained our earnings estimates given the inline results and maintain our Accumulate rating on the stock with a price target of ₹4,960 (based on a PE multiple of 22x FY2017 EPS).**

Key financials (post SPIL merger)

Y/E March (₹ cr)	FY2014	FY2015	FY2016E	FY2017E
Net Sales	43,701	49,971	57,865	68,104
% chg	1.4	14.3	15.8	17.7
Net Profit	2,783	3,711	5,324	6,810
% chg	21.0	33.4	43.5	27.9
EBITDA (%)	11.6	13.4	16.4	16.7
EPS (₹)	92.1	122.9	176.3	225.5
P/E (x)	48.8	36.6	25.5	19.9
P/BV (x)	6.5	5.7	5.0	3.4
RoE (%)	13.3	15.7	19.4	21.2
RoCE (%)	16.2	20.5	26.3	28.4
EV/Sales (x)	2.9	2.7	2.2	1.8
EV/EBITDA (x)	25.1	19.8	13.1	10.6

Source: Company, Angel Research

ACCUMULATE

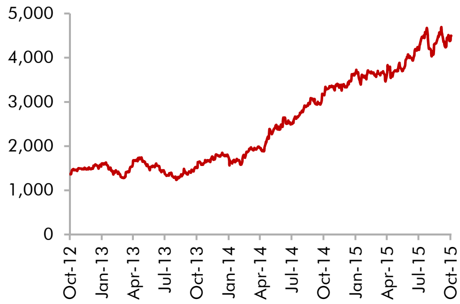
CMP	₹4,496
Target Price	₹4,960
Investment Period	12 Months

Stock Info	
Sector	Automobile
Market Cap (₹ cr)	135,802
Net Debt (₹ cr)	(12,652)
Beta	0.8
52 Week High / Low	4,763/3,130
Avg. Daily Volume	92,716
Face Value (₹)	5
BSE Sensex	27,040
Nifty	8,171
Reuters Code	MRTI.BO
Bloomberg Code	MSIL@IN

Shareholding Pattern (%)	
Promoters	56.2
MF / Banks / Indian FIs	18.9
FII / NRIs / OCBs	22.2
Indian Public / Others	2.7

Abs. (%)	3m	1yr	3yr
Sensex	(1.5)	0.6	45.2
Maruti Suzuki	7.1	42.7	228.9

3-year price chart



Source: Company, Angel Research

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Exhibit 1: Quarterly financial performance

Y/E March (₹ cr)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)	1HFY16	1HFY15	% chg (yoy)
Net Sales	**13,934**	**12,315**	*13.1*	**13,425**	**3.8**	**27,359**	**23,743**	*15.2*
Raw-material cost	9,312	8,775	*6.1*	9,045	*3.0*	18,357	16,959	*8.2*
(% of Sales)	*66.8*	*71.3*		*67.4*		*67.1*	*71.4*	
Staff cost	418	370	*13.0*	463	*(9.7)*	881	723	*21.8*
(% of Sales)	*3.0*	*3.0*		*3.4*		*3.2*	*3.0*	
Other Expenses	1,934	1,638	*18.0*	1,728	*11.9*	3,662	3,142	*16.5*
(% of Sales)	*13.9*	*13.3*		*12.9*		*13.4*	*13.2*	
Total Expenditure	**11,664**	**10,783**	*8.2*	**11,236**	**3.8**	**22,900**	**20,824**	*10.0*
Operating Profit	**2,269**	**1,532**	*48.1*	**2,189**	**3.7**	**4,458**	**2,919**	*52.8*
OPM (%)	*16.3*	*12.4*		*16.3*		*16.3*	*12.3*	
Interest	18	35	*(48.9)*	19	*(6.6)*	37	73	*(49.8)*
Depreciation	669	599	*11.8*	672	*(0.3)*	1,341	1,182	*13.4*
Other Income	137	182	*(24.6)*	172	*(20.3)*	309	420	*(26.4)*
PBT (excl. Extr. Items)	**1,719**	**1,080**	*59.1*	**1,671**	**2.9**	**3,390**	**2,083**	*62.7*
Extr. Income/(Expense)								
PBT (incl. Extr. Items)	**1,719**	**1,080**	*59.1*	**1,671**	**2.9**	**3,390**	**2,083**	*62.7*
(% of Sales)	*12.3*	*8.8*		*12.4*		*12.4*	*8.8*	
Provision for Taxation	494	218	*126.6*	478	*3.4*	971	458	*112.0*
(% of PBT)	*28.7*	*20.2*		*28.6*		*28.7*	*22.0*	
Reported PAT	**1,226**	**863**	*42.1*	**1,193**	**2.7**	**2,418**	**1,625**	*48.8*
Adj PAT	**1,226**	**863**	*42.1*	**1,193**	**2.7**	**2,418**	**1,625**	*48.8*
Adj. PATM	8.8	7.0		8.9		8.8	6.8	
Equity capital (cr)	151.0	151.0		151.0		151.0	151.0	
Reported EPS (₹)	**40.6**	**28.6**	*42.1*	**39.5**	**2.7**	**80**	**54**	*48.8*

Source: Company, Angel Research

Exhibit 2: 2QFY2016 – Actual vs Angel estimates

Y/E March (₹ cr)	Actual	Estimates	*Variation (%)*
Net Sales	**13,934**	**14,007**	*(0.5)*
EBITDA	2,269	2,265	*0.2*
EBITDA margin (%)	*16.3*	*16.2*	*10 bp*
Adj. PAT	**1,226**	**1,248**	*(1.8)*

Source: Company, Angel Research

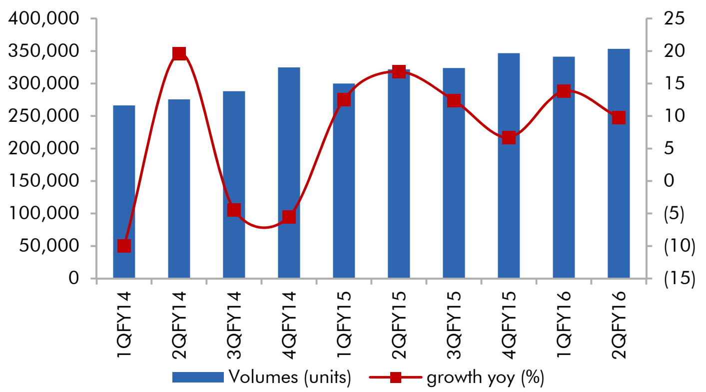
Exhibit 3: Quarterly volume performance

Volume (units)	2QFY16	2QFY15	% chg (yoy)	1QFY15	% chg (qoq)	1HFY16	1HFY15	% chg (yoy)
A: Mini: *M800, Alto, WagonR*	110,987	98,992	12.1	104,801	5.9	215,788	201,721	7.0
A: Compact: *Swift, Ritz, Celerio,Dzire*	144,439	136,402	5.9	137,833	4.8	282,272	259,699	8.7
A: Mid-Size: *Ciaz*	10,546	1,658	536.1	13,374	(21.1)	23,920	2,177	998.8
Total Passenger cars	265,972	237,052	12.2	256,008	3.9	521,980	463,597	12.6
B: Utility Vehicles: *Gypsy, Grand Vitara*	21,083	17,102	23.3	15,550	35.6	36,633	32,369	13.2
C: Vans: *Omni, Eeco*	36,214	33,533	8.0	34,136	6.1	70,350	62,364	12.8
Total Domestic	323,269	287,687	12.4	305,694	5.7	628,963	558,330	12.7
Total Exports	30,066	34,211	(12.1)	35,635	(15.6)	65,701	63,462	3.5
Total Volume	353,335	321,898	9.8	341,329	3.5	694,664	621,792	11.7

Source: Company, Angel Research

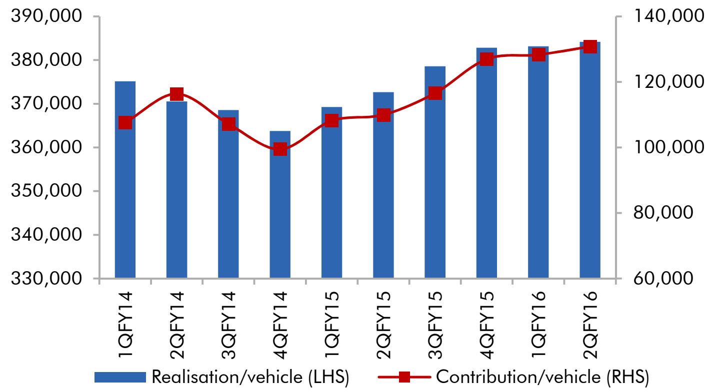
- MSIL maintained its outperformance during the quarter, reporting a double-digit volume growth. Improved consumer sentiments, better economic outlook, and declining fuel prices boosted sales.
- Realisation/vehicle grew 3% yoy owing to a better product mix with higher volumes of Ciaz and Celerio. Further, the Contribution/vehicle improved sharply by 19% due to currency benefits (weak Japanese Yen and Euro against the INR), soft commodity prices, and a better product mix.
- MSIL continued to outperform the domestic passenger vehicle industry, registering a growth of 12% yoy in 1HFY2016 as compared to industry growth of 6% yoy. Consequently, MSIL's market share improved from 44.6% in 1HFY2015 to 47.3% in 1HFY2016.

Exhibit 4: Volumes grow in double-digits



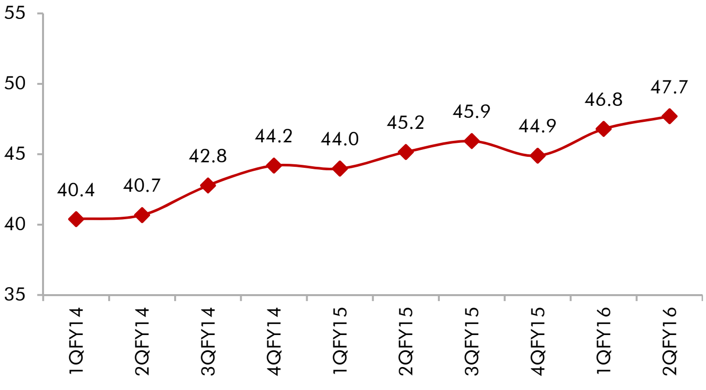
Source: Company, Angel Research

Exhibit 5: Realisation & contribution per vehicle



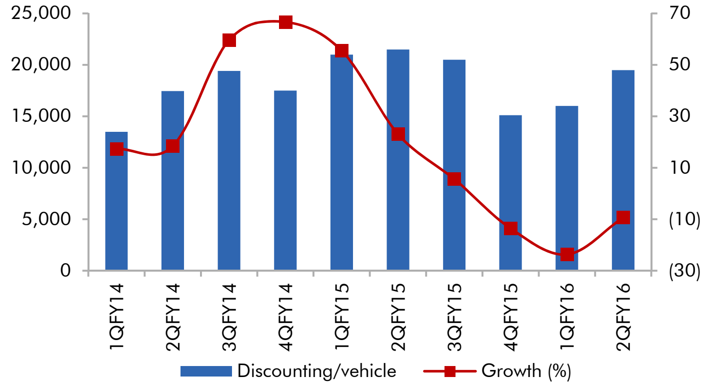
Source: Company, Angel Research

Exhibit 6: Domestic PV market share trend



Source: SIAM, Angel Research

Exhibit 7: Discounting continues to soften



Source: Company, Angel Research

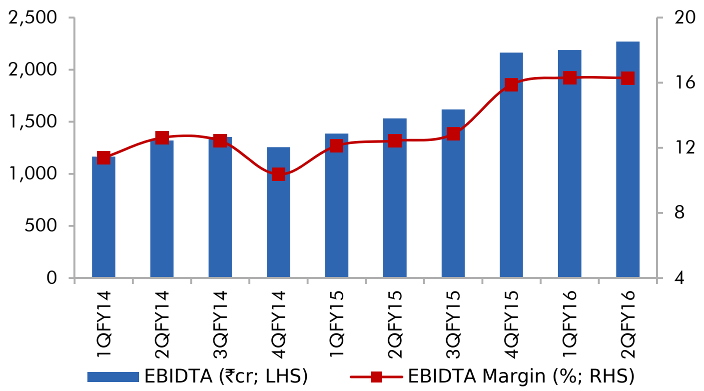
Exhibit 8: Quarterly revenue and realization performance

	2QFY2014	3QFY2014	4QFY2014	1QFY2015	2QFY2015	3QFY2015	4QFY2015	1QFY2016	2QFY2016
Domestic revenue (₹ cr)	8,693	9,691	10,696	9,831	10,595	11,039	12,070	11,694	12,447
Change yoy (%)	*31.5*	*0.6*	*(7.2)*	*8.2*	*21.9*	*13.9*	*12.8*	*19.0*	*17.5*
Domestic realization (₹)	359,859	361,343	358,214	363,228	368,294	373,952	380,539	382,550	385,029
Change yoy (%)	*14.3*	*0.8*	*(4.0)*	*(1.9)*	*2.3*	*3.5*	*6.2*	*5.3*	*4.5*
Export revenue (₹ cr)	1,519	929	1,122	1,243	1,401	1,224	1,203	1,384	1,128
Change yoy (%)	*84.3*	*(29.6)*	*(26.7)*	*37.0*	*(7.8)*	*31.8*	*7.2*	*11.3*	*(19.5)*
Export realization (₹)	446,450	465,291	427,038	424,943	409,517	426,347	407,217	388,382	375,175
Change yoy (%)	*10.6*	*14.5*	*(2.8)*	*(1.2)*	*(8.3)*	*(8.4)*	*(4.6)*	*(8.6)*	*(8.4)*

Source: Company, Angel Research

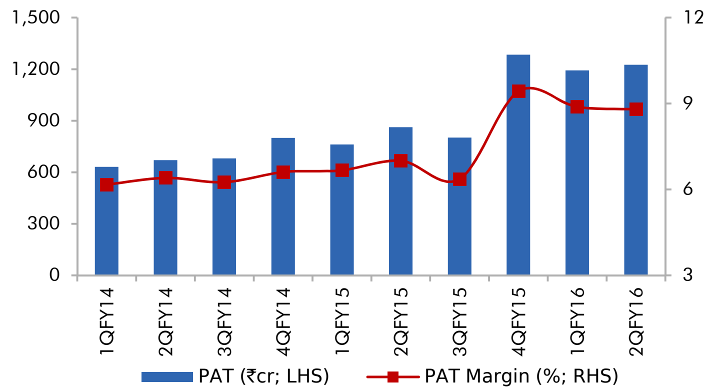
- MSIL maintained record high operating margins of 16.3%, similar to 1QFY2016. Margins improved sharply by 390bp yoy. Currency benefits (JPY and Euro depreciation against the INR) leading to lower raw material import costs, coupled with lower discounts boosted margins.
- The strong operating performance boosted profitability. The net profit grew by a robust 42% yoy to ₹1,226cr, and the same is in line with our estimate.

Exhibit 9: Maintains record EBITDA margin



Source: Company, Angel Research

Exhibit 10: Strong operating performance boosts PAT



Source: Company, Angel Research

Conference call – Key highlights

- The share of petrol vehicles in the passenger vehicle industry continues to rise given the narrowing differential between the price of petrol and diesel. The share of petrol vehicles in the industry volumes rose to 54% in 2QFY2016 as compared to 50% in 2QFY2015.
- MSIL has been consistently outperforming the passenger vehicle industry on back of new launches. In 1HFY2016, MSIL's volumes grew 12% as compared to the industry growth of 6%. Consequently, MSIL's market share has risen from 44.6% in 1HFY2015 to 47.3% in 1HFY2016. To further cement its leadership position, MSIL recently introduced the premium hatchback - Baleno, which would be exclusively sold through "Nexa" showrooms.
- MSIL continues to expand reach in rural areas. Despite weak sentiments in rural areas on account of deficient rainfall and moderate growth in MSPs, MSIL managed to report a 10% yoy growth in rural volumes in 2QFY2016. The rural segment currently contributes by about one-third to the company's overall volumes.
- MSIL is on track towards establishing its premium "Nexa" showroom network. It currently has 80 Nexa showrooms and plans to increase them to 100 by the end of FY2016. MSIL plans to further increase the Nexa count to 200 by FY2017. Apart from the S-Cross, the recently introduced hatchback Baleno would also be sold exclusively through the "Nexa" channel.
- As per the company, certain export markets in Africa and Latin America are facing a slowdown on account of slump in oil and commodity prices. Export sales are likely to remain sluggish in the near term.
- MSIL's capacity utilization currently is at about 90% levels. As per the company, the current production capacity of 1.5mn units is sufficient to meet demand for FY2016; but the same would be enhanced to cater to the anticipated increase in demand in FY2017. MSIL is in the process of debottlenecking the existing plants in order to increase capacity as the new Gujarat plant is expected to come on-stream only in FY2018.
- MSIL has guided for a capex of ₹3,500cr for FY2016, to be incurred towards new product introductions, enhancing the marketing infrastructure (particularly Nexa showrooms), research and development, and maintenance.
- MSIL indicated that the current dealer inventory stands at about 1 month, which is the normal trend.

Investment arguments

- **Per capita car penetration near inflexion point:** In FY2012, passenger vehicle penetration in India was estimated at around 16 vehicles/1,000 people compared to around 70 vehicles/1,000 people in China. Moreover, India's PPP-based per capita is estimated to approach US$7,000 over the next four to five years, which is expected to be the inflexion point for the country's car demand. Further, MSIL has a sizeable competitive advantage over new foreign entrants due to its widespread distribution network (nearly 3,000 and 1,200 service and sales outlets, respectively), which is not easy to replicate.

- **Product launches in new segments to help outpace the PV industry:** MSIL is targeting to launch products in new segments in order to outgrow the passenger vehicle industry. MSIL would introduce products in the compact utility vehicle space which currently accounts for about 10% of the industry volumes. Also, MSIL would introduce crossovers (vehicles combining features of a car and a SUV) which would further enable it to gain market share.

- **Merger with SPIL to be a positive in the long run:** MSIL has merged its associate company, Suzuki Powertrain India (SPIL) with itself. SPIL manufactures and supplies diesel engines and transmission components for vehicles. SPIL currently supplies ~90% of its production to MSIL. We believe the merger of SPIL with MSIL is a positive for MSIL given that MSIL itself is setting up a new diesel engine facility (capacity of 300,000 units by FY2015) in Gurgaon. Further, with increased product introductions in the diesel segment (LCV and compact utility vehicle), the integration of SPIL will result in better control over diesel engine sourcing, flexibility in production planning, and managing fluctuations in market demand. Additionally, single management control of diesel engine operations will result in better sourcing, localization, and cost-reduction.

Outlook and valuation

The passenger vehicle (PV) industry is well poised to post double-digit growth over the next two years, given the improved consumer sentiments, better economic outlook, and softer fuel prices. Further, new launches by MSIL, with it having recently introduced the premium hatch - Baleno and a new compact SUV, would enable it to gain market share, going ahead. Also, we believe MSIL would be able to sustain higher margins (we have built in ~17% margin levels in our estimates for FY2016/17) given the subdued commodity prices and favorable currency rates. Reduction in discounts due to improved industry outlook coupled with new product launches and benefits of operating leverage would also enable MSIL to sustain margins at elevated levels. We view MSIL as the best play on passenger vehicle demand recovery and expect 36% earnings CAGR over FY2015-2017. **We have retained our earnings estimates given the inline results and maintain our Accumulate rating on the stock with a price target of ₹4,960 (based on a PE multiple of 22x FY2017 EPS).**

Exhibit 11: Volume assumptions

Y/E March	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Mini: *M800, Alto, WagonR*	573,238	491,389	429,569	436,032	425,742	458,099	495,599
Compact: *Swift, Ritz, Celerio, Dzire*	369,754	345,886	424,873	450,393	514,638	571,248	651,223
Compact Utility Vehicle						12,000	36,000
Mid-Size: *Ciaz*	23,317	17,997	6,707	4,029	33,151	48,000	60,600
Executive: Kizashi	138	458	188	1	-		
Total passenger cars	**966,447**	**855,730**	**861,337**	**890,455**	**973,531**	**1,089,347**	**1,243,422**
UV - Gypsy, Vitara, Ertiga, S-Cross	5,666	6,525	79,192	61,119	68,198	77,746	85,520
Vans - Omni, Versa, Eeco	160,626	144,061	110,517	102,115	128,973	141,870	156,057
Total passenger vehicles - domestic	**1,132,739**	**1,006,316**	**1,051,046**	**1,053,689**	**1,170,702**	**1,308,963**	**1,485,000**
Total passenger vehicles - exports	138,266	127,379	120,388	101,352	121,713	133,701	146,000
Light Commercial Vehicle						**9,000**	**21,000**
Total sales (domestic + exports)	**1,271,005**	**1,133,695**	**1,171,434**	**1,155,041**	**1,292,415**	**1,451,664**	**1,652,000**
% chg	*24.8*	*(10.8)*	*3.3*	*(1.4)*	*11.9*	*12.3*	*13.8*

Source: Company, Angel Research

Company background

Maruti Suzuki (MSIL), a subsidiary of Suzuki Motor Corporation (SMC), Japan (which holds a 56% stake in MSIL), is the largest passenger car company in India, accounting for ~50% of the domestic passenger car market. MSIL derives ~60% of its overall sales from the small car segment and has a dominant position in the segment with a market share of ~50%, led by popular models like *Alto, Wagon R, Celerio* and *Swift*. The company operates from two facilities in India (Gurgaon and Manesar) with an installed capacity of 1.5mn units. Also, MSIL has steadily increased its presence internationally and exports now account for ~10% of its overall sales volume.

Profit and loss statement (post SPIL merger)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Total operating income	35,587	43,588	43,701	49,971	57,865	68,104
% chg	*(2.8)*	*22.5*	*1.4*	*14.3*	*15.8*	*17.7*
Total expenditure	33,074	39,358	38,611	43,268	48,381	56,698
Net raw material costs	28,108	32,559	31,314	35,008	38,764	45,571
Employee expenses	844	1,070	1,368	1,607	1,790	2,024
Other expenditure	4,122	5,730	5,928	6,654	7,826	9,103
EBITDA	2,513	4,230	5,090	6,703	9,484	11,406
% chg	*(30.9)*	*68.3*	*44.8*	*31.5*	*41.5*	*20.3*
(% of total op. income)	*7.1*	*9.7*	*11.6*	*13.4*	*16.4*	*16.7*
Depreciation & amortization	1,138	1,861	2,084	2,470	2,716	2,980
EBIT	1,375	2,368	3,834	5,074	7,497	9,449
% chg	*(47.6)*	*72.3*	*27.7*	*32.3*	*47.7*	*26.0*
(% of total op. income)	*3.9*	*5.4*	*8.8*	*10.2*	*13.0*	*13.9*
Interest and other charges	55	190	176	206	127	120
Other income	827	812	829	842	729	1023
Recurring PBT	2,146	2,991	3,659	4,868	7,370	9,329
% chg	*(31.0)*	*39.4*	*27.7*	*33.1*	*51.4*	*26.6*
Extraordinary income/ (exp.)	-	-	-			
PBT	2,146	2,991	3,659	4868.2	7370.3	9329.4
Tax	511	599	876	1,157	2,046	2,519
(% of PBT)	*23.8*	*20.0*	*23.9*	*23.8*	*27.8*	*27.0*
PAT (reported)	1,635	2,392	2,783	3,711	5,324	6,810
ADJ. PAT	1,635	2,392	2,783	3,711	5,324	6,810
% chg	*(28.6)*	*46.3*	*21.0*	*33.4*	*43.5*	*27.9*
(% of total op. income)	*4.6*	*5.5*	*6.4*	*7.4*	*9.2*	*10.0*
Basic EPS (₹)	54.1	79.2	92.1	122.9	176.3	225.5
Adj. EPS (₹)	54.1	79.2	92.1	122.9	176.3	225.5
% chg	*(28.6)*	*46.3*	*15.8*	*33.4*	*43.5*	*27.9*

Balance sheet statement (post SPIL merger)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
SOURCES OF FUNDS						
Equity share capital	145	151	151	151	151	151
Reserves & surplus	15,043	18,428	20,827	23,553	27,280	32,047
Shareholders' Funds	15,187	18,579	20,978	23,704	27,431	32,198
Total loans	1,078	1,389	1,685	180	200	200
Deferred tax liability	302	409	587	481	587	587
Other long term liabilities	97	104	239	105	105	105
Long term provisions	169	226	198	293	198	198
Total Liabilities	16,834	20,706	23,686	24,763	28,521	33,288
APPLICATION OF FUNDS						
Gross block	14,735	19,801	22,702	26,462	29,962	33,712
Less: Acc. depreciation	7,214	10,002	11,911	14,202	16,918	19,898
Net Block	7,521	9,799	10,790	12,259	13,043	13,813
Capital work-in-progress	942	1,942	2,621	1,883	2,500	2,500
Investments	6,147	7,078	10,118	12,814	9,849	10,849
Long term loans and adv.	1,341	1,279	1,638	1,349	1,970	2,319
Other noncurrent assets	26	895	9	44	44	44
Current assets	6,325	5,695	5,359	5,202	8,998	12,775
Cash	2,436	775	630	18	3,472	6,354
Loans & advances	778	1,115	1,251	1,173	1,581	1,846
Other	3,111	3,805	3,478	4,010	3,945	4,575
Current liabilities	5,468	5,982	6,849	8,788	7,883	9,011
Net current assets	857	(287)	(1,491)	(3,586)	1,115	3,764
Total Assets	16,834	20,706	23,686	24,763	28,521	33,288

Note: Cash and bank balance includes term deposits with banks

Cash flow statement (post SPIL merger)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Profit before tax	2,146	2,991	3,659	4,868	7,370	9,329
Depreciation	1,138	1,861	1,910	2,291	2,716	2,980
Change in working capital	227	512	2,112	1,440	(1,248)	233
Direct taxes paid	(251)	(533)	(876)	(1,157)	(2,046)	(2,519)
Others	(700)	(447)	(242)	154	(610)	(349)
Cash Flow from Operations	2,560	4,384	6,563	7,596	6,182	9,675
(Inc.)/Dec. in fixed assets	(2,963)	(3,810)	(3,580)	(3,021)	(4,117)	(3,750)
(Inc.)/Dec. in investments	(782)	(916)	(3,040)	(2,687)	2,966	(1,000)
Others	649	1,152	-			
Cash Flow from Investing	(3,096)	(3,574)	(6,620)	(5,708)	(1,152)	(4,750)
Issue of equity	-	-	-	-	-	-
Inc./(Dec.) in loans	911	(514)	296	(1,505)	20	-
Dividend paid (Incl. Tax)	(217)	(217)	(696)	(884)	(1,597)	(2,043)
Others	(78)	(235)	312	(101)	-	-
Cash Flow from Financing	617	(966)	(88)	(2,388)	(1,577)	(2,043)
Inc./(Dec.) in cash	81	(156)	(145)	(501)	3,453	2,882
Opening Cash balances	96	281	775	630	18	3,472
Closing Cash balances	176	125	630	18	3,472	6,354

Note: Closing Cash balances excludes term deposits with banks and unclaimed dividend accounts

Key ratios

Y/E March	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Valuation Ratio (x)						
P/E (on FDEPS)	83.1	56.5	48.8	36.6	25.5	19.9
P/CEPS	49.0	35.3	27.9	22.0	16.9	11.5
P/BV	8.9	7.0	6.5	5.7	5.0	3.4
Dividend yield (%)	0.2	0.2	0.3	0.6	1.2	1.5
EV/Sales	3.6	3.0	2.9	2.7	2.2	1.8
EV/EBITDA	48.4	37.3	25.1	19.8	13.1	10.6
EV / Total Assets	7.7	6.4	5.4	5.4	4.4	3.6
Per Share Data (₹)						
EPS (Basic)	54.1	79.6	92.1	122.9	176.3	225.5
EPS (fully diluted)	54.1	79.6	92.1	122.9	176.3	225.5
Cash EPS	91.8	127.5	161.1	204.6	266.2	324.1
DPS	7.5	8.4	12.0	25.0	52.9	67.6
Book Value	502.8	643.1	694.5	784.7	908.1	1065.9
Du-pont Analysis						
EBIT margin	3.9	7.0	8.8	10.2	13.0	13.9
Tax retention ratio	76.2	0.8	0.8	0.8	0.7	0.7
Asset turnover (x)	2.7	2.2	1.9	2.0	2.3	2.5
ROIC (Post-tax)	7.9	12.2	12.7	15.6	21.6	25.6
Cost of Debt (Post Tax)	6.1	7.9	7.9	87.2	45.8	43.8
Leverage (x)	(0.5)	(0.3)	(0.4)	(0.5)	(0.5)	(0.5)
Operating ROE	7.0	10.7	10.6	53.8	33.2	35.2
Returns (%)						
ROCE (Pre-tax)	8.8	14.7	16.2	20.5	26.3	28.4
Angel ROIC (Pre-tax)	18.3	15.2	16.6	20.5	29.9	35.1
ROE	11.3	12.4	13.3	15.7	19.4	21.2
Turnover ratios (x)						
Asset Turnover (Gross Block)	2.7	2.2	1.9	1.9	1.9	2.0
Inventory / Sales (days)	16	16	14	19	13	12
Receivables (days)	9	12	12	8	11	11
Payables (days)	37	45	52	54	45	43
WC cycle (ex-cash) (days)	(12)	(18)	(26)	(27)	(21)	(20)
Solvency ratios (x)						
Net debt to equity	(0.5)	(0.3)	(0.4)	(0.5)	(0.5)	(0.5)
Net debt to EBITDA	(3.0)	(1.8)	(1.8)	(1.9)	(1.4)	(1.5)
Interest Coverage (EBIT / Int.)	24.9	22.0	21.8	24.6	59.1	78.7

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Disclosure of Interest Statement	**Maruti Suzuki**
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors

Ratings (Based on expected returns over 12 months investment period):	*Buy (> 15%)*	*Accumulate (5% to 15%)* *Reduce (-5% to -15%)*	*Neutral (-5 to 5%)* *Sell (< -15)*