

## Maruti Suzuki

### Performance Highlights

Y/E March (₹ cr)	3QFY17	3QFY16	% chg (yoy)	2QFY17	% chg (qoq)
<b>Net Sales</b>	<b>16,865</b>	<b>15,013</b>	<b>12.3</b>	<b>17,843</b>	<b>(5.5)</b>
EBITDA	2,489	2,145	16.0	3,037	(18.1)
EBITDA Margin (%)	14.8	14.3	46 bp	17.0	(226) bp
<b>Adj. PAT</b>	<b>1,745</b>	<b>1,183</b>	<b>47.5</b>	<b>2,398</b>	<b>(27.3)</b>

Source: Company, Angel Research

**Strong operating performance aided by decent UV volumes:** Maruti Suzuki (MSIL) reported a good set of numbers for 3QFY2017 with yoy 12.3% revenue growth and yoy 47.5% growth in its PAT. EBITDA came at ₹2,489cr, a yoy growth of 16.0%. EBITDA margins were at 14.8% v/s. 14.3% in 3QFY2016 and 17.0% in 2QFY2017. On sequential basis, revenue witnessed a 5.5% decline due to demonetization. On the volume front, company reported yoy 5.8% and 1.6% decline in mini and compact segment vehicles respectively. The UV segment, however, reported yoy 25.5% growth due to the performance of recently launched models. Net realizations remained at ₹429,272 per unit showing a yoy growth of 8.65%. RM cost per unit at ₹301,453 increased by 9.59% yoy due to the rise in input costs. Management has indicated that showroom footfalls have come back to normalcy indicating that 4QFY2017 numbers are likely to be better than 3QFY2017.

**Outlook and valuation:** MSIL has continued to report double digit numbers due to the strong performance of its utility vehicles. Company expects to launch one model each year, which is likely to sustain its growth momentum in the near term. MSIL has indicated that showroom footfalls have come back to normalcy, which were impacted immediately after the demonetisation announcement. We believe that 4QFY2017 revenue growth is likely to be better than 3QFY2017. With the Gujarat plant nearing commissioning, the company will see de-bottlenecking of capacity constraints. With the strong performance, MSIL is likely to gain further market share. At CMP, MSIL is trading at P/E of 22.8x and 18.6x its FY2017E and FY2018E earnings respectively. **We value MSIL on 21x of its FY2018E EPS of ₹312 with a target price of ₹6,560 with Accumulate rating on the stock.**

#### Key financials (post SPIL merger)

Y/E March (₹ cr)	FY2015	FY2016	FY2017E	FY2018E
<b>Net Sales</b>	<b>48,606</b>	<b>56,350</b>	<b>66,847</b>	<b>82,165</b>
% chg	14.0	15.9	18.6	22.9
<b>Net Profit</b>	<b>3,711</b>	<b>4,571</b>	<b>7,664</b>	<b>9,433</b>
% chg	33.4	23.2	67.7	23.1
OPM (%)	13.8	15.9	16.3	16.6
<b>EPS (Rs)</b>	<b>122.9</b>	<b>151.4</b>	<b>253.8</b>	<b>312.4</b>
P/E (x)	47.2	38.3	22.8	18.6
P/BV (x)	7.4	6.5	5.2	4.2
RoE (%)	15.7	16.9	23.0	22.9
RoCE (%)	17.5	22.6	24.0	25.3
EV/Sales (x)	3.3	2.7	2.2	1.7
EV/EBITDA (x)	24.3	17.5	14.0	10.7

Source: Company, Angel Research; Note: CMP as of January 25, 2016

## ACCUMULATE

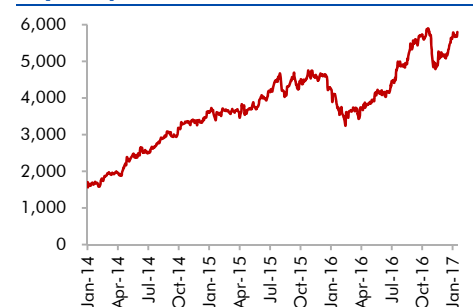
CMP	₹5,797
Target Price	₹6,560
Investment Period	12 Months
Stock Info	
Sector	Automobile
Market Cap (₹ cr)	175,110
Net Debt (₹ cr)	(17,593)
Beta	0.8
52 Week High / Low	5,972/3,202
Avg. Daily Volume	76,907
Face Value (₹)	5
BSE Sensex	27,708
Nifty	8,603
Reuters Code	MRTI.BO
Bloomberg Code	MSIL@IN

#### Shareholding Pattern (%)

Promoters	56.2
MF / Banks / Indian Fls	12.2
FII / NRIs / OCBs	24.7
Indian Public / Others	6.9

Abs. (%)	3m	1yr	3yr
Sensex	(0.5)	13.2	31.1
Maruti Suzuki	(1.3)	41.9	227.0

#### 3-year price chart



Source: Company, Angel Research

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**Exhibit 1: Quarterly financial performance**

Y/E March (₹ cr)	3QFY17	3QFY16	% chg (yoy)	2QFY17	% chg (qoq)	9MFY17	9MFY16	% chg (yoy)
<b>Net Sales</b>	<b>16,865</b>	<b>15,013</b>	<b>12.3</b>	<b>17,843</b>	<b>(5.5)</b>	<b>49,628</b>	<b>42,141</b>	<b>17.8</b>
Raw-material cost	11,674	10,293	13.4	12,074	(3.3)	33,873	28,579	18.5
(% of Sales)	69.2	68.6		67.7		68.3	67.8	
Staff cost	617	502	22.9	519	18.8	1,715	1,381	24.2
(% of Sales)	3.7	3.3		2.9		3.5	3.3	
Other Expenses	2,085	2,073	0.6	2,212	(5.7)	6,298	5,724	10.0
(% of Sales)	12.4	13.8		12.4		12.7	13.6	
<b>Total Expenditure</b>	<b>14,376</b>	<b>12,868</b>	<b>11.7</b>	<b>14,805</b>	<b>(2.9)</b>	<b>41,886</b>	<b>35,683</b>	<b>17.4</b>
<b>Operating Profit</b>	<b>2,489</b>	<b>2,145</b>	<b>16.0</b>	<b>3,037</b>	<b>(18.1)</b>	<b>7,742</b>	<b>6,458</b>	<b>19.9</b>
OPM (%)	14.8	14.3		17.0		15.6	15.3	
Interest	29	24	18.9	20	47.2	68	61	10.8
Depreciation	635	722	(12.1)	630	0.8	1,904	2,063	-7.7
Other Income	592	243	144.1	813	(27.2)	1,888	923	104.6
<b>PBT (excl. Extr. Items)</b>	<b>2,417</b>	<b>1,641</b>	<b>47.3</b>	<b>3,200</b>	<b>(24.5)</b>	<b>7,658</b>	<b>5,256</b>	<b>45.7</b>
Extr. Income/(Expense)								
<b>PBT (incl. Extr. Items)</b>	<b>2,417</b>	<b>1,641</b>	<b>47.3</b>	<b>3,200</b>	<b>(24.5)</b>	<b>7,658</b>	<b>5,256</b>	<b>45.7</b>
(% of Sales)	14.3	10.9		17.9		15.4	12.5	
Provision for Taxation	673	458	46.8	802	(16.2)	2,031	1,468	38.3
(% of PBT)	27.8	27.9		25.1		26.5	27.9	
<b>Reported PAT</b>	<b>1,745</b>	<b>1,183</b>	<b>47.5</b>	<b>2,398</b>	<b>(27.3)</b>	<b>5,628</b>	<b>3,788</b>	<b>48.6</b>
<b>Adj PAT</b>	<b>1,745</b>	<b>1,183</b>	<b>47.5</b>	<b>2,398</b>	<b>(27.3)</b>	<b>5,628</b>	<b>3,788</b>	<b>48.6</b>
Adj. PATM	10.3	7.9		13.4		11.3	9.0	
Equity capital (cr)	151	151		151		151	151	
<b>Reported EPS (₹)</b>	<b>57.75</b>	<b>39.16</b>	<b>47.5</b>	<b>79.38</b>	<b>(27.3)</b>	<b>186.30</b>	<b>125.40</b>	<b>48.6</b>

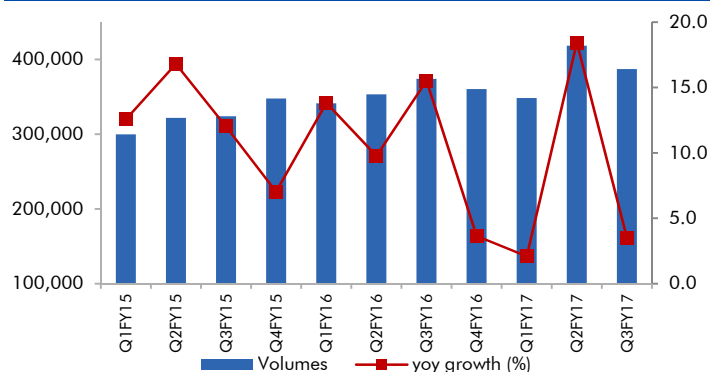
Source: Company, Angel Research

**Exhibit 2: Quarterly volume performance**

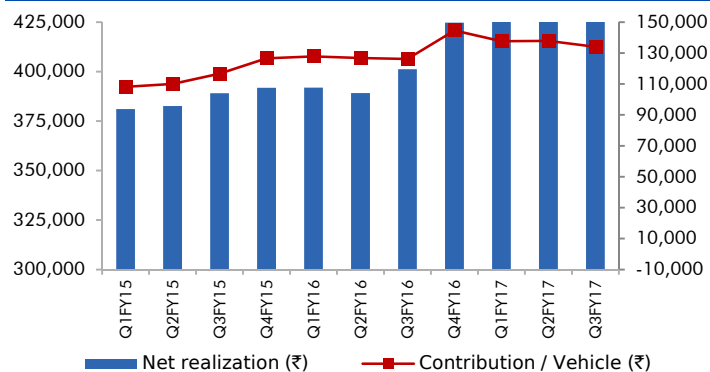
Volume (units)	Q3FY17	Q3FY16	% chg (yoy)	Q2FY17	% chg (qoq)	9MFY17	9MFY16	% chg (yoy)
A: Mini: Alto, WagonR	104,342	110,810	(5.8)	114,936	(9.2)	312,001	326,598	(4.5)
A: Compact: Swift, Celerio, Dzire, Baleno	150,899	153,423	(1.6)	156,284	(3.4)	447,204	435,695	2.6
A: Mid-Size: Ciaz	15,504	14,240	8.9	17,920	(13.5)	47,114	38,160	23.5
<b>Total Passenger cars</b>	<b>270,745</b>	<b>278,473</b>	<b>(2.8)</b>	<b>289,140</b>	<b>(6.4)</b>	<b>8,06,319</b>	<b>8,00,453</b>	<b>0.7</b>
B: Utility Vehicles: Gypsy, Ertiga	34,252	27,291	25.5	52,611	(34.9)	126,211	79,055	59.6
C: Vans: Omni, Eeco	51,295	37,231	37.8	41,197	24.5	129,050	92,450	39.6
D: LCV	211	0		83		294	0	n.a
<b>Total Domestic (includes LCV)</b>	<b>356,503</b>	<b>342,995</b>	<b>3.9</b>	<b>383,031</b>	<b>(6.9)</b>	<b>10,61,874</b>	<b>971,958</b>	<b>9.3</b>
Total Exports	30,748	31,187	(1.4)	35,440	(13.2)	92,291	96,888	(4.7)
<b>Total Volume</b>	<b>387,251</b>	<b>374,182</b>	<b>3.5</b>	<b>418,471</b>	<b>(7.5)</b>	<b>11,54,165</b>	<b>10,68,846</b>	<b>8.0</b>

Source: Company, Angel Research

- MSIL saw reduced footfalls immediately after the demonetisation announcement, however, footfalls have been restored, indicating that the impact of note ban is likely to vanish earlier than expected.
- Total volumes during the quarter were at 387,251 showing a yoy growth of 3.5%. Domestic volumes grew by 3.94% while export volumes contracted by 1.4%.
- Company reported 5.84% decline in its mini vehicle segment; the compact class vehicle sales growth was flat. Mid size, vans and UV segment vehicles showed growth of 8.9%, 37.8% and 25.5% respectively, indicating that the performance was better than entry level cars.
- During the quarter, company sold 211 LCVs compared to 83 LCVs in 3QFY2017.
- Company continues to outperform the industry growth. During the quarter industry growth was 1.8% while company growth was at 3.9%.
- Realisation per vehicle grew 8.65% yoy owing to a better product mix with higher volumes of utility vehicles. The contribution/vehicle also improved by ~9.6% due to better product mix.
- We estimate domestic and export realizations to be ₹4.27 lakh and ₹4.50 lakh showing yoy growth 8.31% and 12.54% respectively.
- During the quarter company paid royalty at 5.5% of net sales v/s. 6.1% of net sales in 2QFY2017.
- Company is targeting millennial group (age group 18-28) as potential customers for newly launched hatchback Ignis.

**Exhibit 3: Growth slows due to demonetisation**


Source: Company, Angel Research

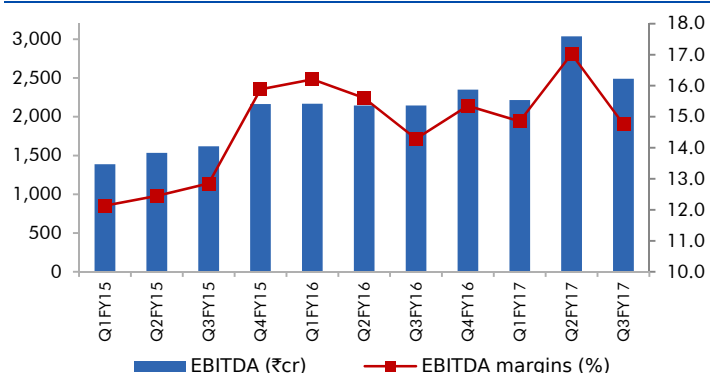
**Exhibit 4: Realisation & contribution per vehicle**


Source: Company, Angel Research

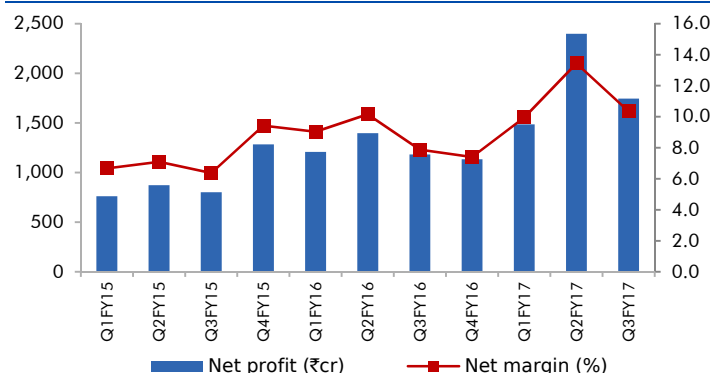
**Exhibit 5: Quarterly revenue and realization performance**

	Q1FY16	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17	*Q3FY17
<b>Domestic revenue (₹ cr)</b>	<b>11,698</b>	<b>12,360</b>	<b>13,523</b>	<b>13,548</b>	<b>13,334</b>	<b>16,030</b>	<b>15,242</b>
Change yoy (%)	19.00	16.66	22.50	12.25	13.98	29.69	12.58
<b>Domestic realization (₹)</b>	<b>382,680</b>	<b>382,344</b>	<b>394,254</b>	<b>406,352</b>	<b>413,663</b>	<b>418,494</b>	<b>427,547</b>
Change yoy (%)	5.36	3.82	5.43	7.12	8.10	9.45	8.31
<b>Export revenue (₹ cr)</b>	<b>1,380</b>	<b>1,130</b>	<b>1,245</b>	<b>1,382</b>	<b>1,352</b>	<b>1,565</b>	<b>1,381</b>
Change yoy (%)	11.0	(19.3)	1.7	14.9	(2.0)	38.5	11.0
<b>Export realization (₹)</b>	<b>387,260</b>	<b>375,840</b>	<b>399,077</b>	<b>511,681</b>	<b>517,948</b>	<b>441,591</b>	<b>449,272</b>
Change yoy (%)	(8.87)	(8.22)	(6.40)	25.65	33.75	17.49	12.54

Source: Company, Angel Research, \* Estimates

**Exhibit 6: EBITDA growth at 16%, margins at 14.8%**


Source: Company, Angel Research

**Exhibit 7: PAT grows despite demonetisation impact**


Source: Company, Angel Research

### Conference call – Key highlights

- Company has indicated that share of diesel vehicles has declined to 40% and company has 30% market share in the diesel vehicles.
- While exports showed flat growth, company expects to reach the target of 124,000 exports by end of the year.
- The discount during the quarter was at ₹19,048 v/s. 21,997 in 3QFY2016 and ₹16,100 in 2QFY2017.
- Company has said that demand scenario remains strong but has ruled out price increase of its products.
- It has also said that recovery in the rural market is on the lines of recovery of urban markets, implying that rural demand has picked up very strong and that entry level volumes are likely to show good numbers in 4QFY2017.
- The commissioning of the Gujarat plant is around the corner, and it will ease capacity constraints.
- Government employees segment constitute ~20% of MSIL's sales v/s. 14-15% in the last quarter. In the last quarter, company had indicated that it had dedicated a team to cater to this segment and we believe that 20% contribution from govt. employees is an effect of this.
- It also indicated that inquiries are growing from the first time buyers, however, the sentiment of small business owners remained impacted.
- Waiting period for Baleno is 24 weeks while that for Ignis is 8-10 weeks.
- Company has indicated that Suzuki will take care of the Gujarat plant capex.
- MSIL has guided FY2017E full year capex of ₹3,500cr.
- Company expects higher maintenance capex due to its aging plants (Gurgaon and Manesar).

## Investment arguments

- **MSIL seeing faster recovery after demonetisation:** The automobile demand in India has seen the impact of demonetization in 3QFY2017 however Maruti with its strong performance has continued to grow in double digits. We believe, MSIL is seeing faster recovery than its peers. Further, the low interest rate is expected to boost the consumer sentiment, which will benefit MSIL due to its high market share. Overall, we expect resilient demand in 4QFY2017, which will result in growth in volumes for the Automobile companies.
- **MSIL expected to gain market share:** MSIL is the largest passenger car manufacturer in the country and enjoys a leadership position. MSIL's major product portfolio is towards the petrol cars, where it enjoys highest market shares among its peers. The lower petrol prices have benefitted the company and continued weakness in crude prices is expected to benefit the company by keeping petrol prices at lower levels. In 2QFY2017, MSIL's share of petrol vehicles in total passenger vehicle industry stood at 59.2% compared to 53.7% in 2QFY2016. Strong dealership network and improved product mix is expected to benefit the company in gaining further market share. We also expect the passenger vehicle penetration to go up in the country, which will help MSIL, as it already covers most parts of the country through its robust dealership network.
- **Gujarat plant to ease capacity constraints:** MSIL is currently seeing capacity constraints, which have led to company overstretching its existing capacity. In 2QFY2017, MSIL's capacity utilization was more than 100% and indicates that it may not be able to cater the strong demand without capacity expansion. Gujarat capacity is expected to address these constraints by adding additional capacity of 250,000 vehicles per annum from 4QFY2017 onwards.
- **Ignis to help MSIL reporting double digit growth:** MSIL's new launch, Ignis – a hatchback, is likely to take the company's growth story forward. The last few launches have been received well by the market and we expect the same to continue. Ignis is targeted for tech savvy millennial consumers (18-25 age groups). Company has started booking and has already received ~10,000+ booking and the waiting period is 8-10 weeks.

## Outlook and valuation

MSIL has continued to report double digit numbers due to the strong performance of its utility vehicles. Company expects to launch one model each year, which is likely to sustain its growth momentum in the near term. MSIL has indicated that showroom footfalls have come back to normalcy, which were impacted immediately after the demonetisation announcement.

We believe that 4QFY2017 revenue growth is likely to be better than 3QFY2017. With the Gujarat plant nearing commissioning, the company will see de-bottlenecking of capacity constraints. With the strong performance, MSIL is likely to gain further market share. At CMP, MSIL is trading at P/E of 22.8x and 18.6x its FY2017E and FY2018E earnings respectively. **We value MSIL on 21x of its FY2018E EPS of ₹312 with a target price of ₹6,560 with Accumulate rating on the stock.**

### Exhibit 8: Key assumptions

Y/E March	FY2013	FY2014	FY2015	FY2016E	FY2017E	FY2018E
Domestic unit sales	1,050,859	1,053,688	1,170,702	1,305,351	1,424,099	1,575,324
YoY growth (%)	4.4	0.3	11.1	11.5	9.1	10.6
Exports unit sales	120,388	101,352	121,713	123,897	124,000	145,721
YoY growth (%)	(5.5)	(15.8)	20.1	1.8	0.1	17.5
<b>Total volumes</b>	<b>1,171,247</b>	<b>1,155,040</b>	<b>1,292,415</b>	<b>1,429,248</b>	<b>1,548,099</b>	<b>1,721,045</b>
<b>YoY growth (%)</b>	<b>3.3</b>	<b>(1.4)</b>	<b>11.9</b>	<b>10.6</b>	<b>8.3</b>	<b>11.2</b>
Per unit domestic realization	405,502	404,719	415,183	431,688	425,888	466,969
Per unit exports realization	378,784	408,645	380,641	386,797	499,737	590,330
Per unit realisation (blended)	363,822	369,206	376,083	394,266	431,803	477,414
YoY growth (%)	18.8	1.5	1.9	4.8	9.5	10.6
Per unit RM	277,611	271,112	270,873	271,331	297,209	326,934
YoY growth (%)	12.1	(2.3)	(0.1)	0.2	9.5	10.0

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 ~47% of the domestic passenger car market. MSIL operates from two facilities in India (Gurgaon and Manesar) with an installed capacity of 1.5mn units. Company is also in process of commissioning production at Gujarat plant, which will help the company to ease its capacity constraints. Company in the last two years has moved in premium products with launch of Baleno, Vitara, S-Cross and Ciaz. Also, MSIL has steadily increased its presence internationally, and exports now account for ~9% of its overall sales volume and same is expected to increase going ahead.

**Profit and loss statement (post SPIL merger)**

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
<b>Total operating income</b>	<b>43,792</b>	<b>49,971</b>	<b>57,746</b>	<b>67,822</b>	<b>83,288</b>
% chg	2.8	14.1	15.6	17.4	22.8
<b>Total Expenditure</b>	<b>38,605</b>	<b>43,258</b>	<b>48,768</b>	<b>56,958</b>	<b>69,635</b>
Cost of Materials	31,315	35,008	38,780	46,011	56,267
Personnel	1,368	1,607	1,989	2,406	3,098
Others Expenses	5,922	6,643	7,999	8,541	10,271
<b>EBITDA</b>	<b>5,187</b>	<b>6,713</b>	<b>8,979</b>	<b>10,865</b>	<b>13,653</b>
% chg	22.6	29.4	33.7	21.0	25.7
(% of Net Sales)	11.8	13.4	15.5	16.0	16.4
Depreciation & Amort.	2,084	2,470	2,824	2,804	3,155
<b>EBIT</b>	<b>3,103</b>	<b>4,243</b>	<b>6,155</b>	<b>8,060</b>	<b>10,498</b>
% chg	122.7	36.7	45.1	31.0	30.2
(% of Net Sales)	7.1	8.5	10.7	11.9	12.6
Interest & other Charges	176	206	82	91	103
Other Income	732	832	462	2,479	2,707
(% of PBT)	20.0	17.1	7.1	23.7	20.7
<b>Recurring PBT</b>	<b>3,659</b>	<b>4,868</b>	<b>6,535</b>	<b>10,448</b>	<b>13,102</b>
% chg	81.5	33.1	34.2	59.9	25.4
Prior Period & Extra. Exp./ (Inc.)	-	-	-	-	-
<b>PBT (reported)</b>	<b>3,659</b>	<b>4,868</b>	<b>6,535</b>	<b>10,448</b>	<b>13,102</b>
Tax	876	1,157	1,964	2,784	3,669
(% of PBT)	23.9	23.8	30.0	26.6	28.0
<b>PAT (reported)</b>	<b>2,783</b>	<b>3,711</b>	<b>4,571</b>	<b>7,664</b>	<b>9,433</b>
Add: Share of earnings of asso.	-	-	-	-	-
Less: Minority interest (MI)	-	-	-	-	-
<b>PAT after MI (reported)</b>	<b>2,783</b>	<b>3,711</b>	<b>4,571</b>	<b>7,664</b>	<b>9,433</b>
<b>ADJ. PAT</b>	<b>2,783</b>	<b>3,711</b>	<b>4,571</b>	<b>7,664</b>	<b>9,433</b>
% chg	16.3	33.4	23.2	67.7	23.1
(% of Net Sales)	6.4	7.4	7.9	11.3	11.3
<b>Basic EPS (₹)</b>	<b>92.1</b>	<b>122.9</b>	<b>151.4</b>	<b>253.8</b>	<b>312.4</b>
<b>Fully Diluted EPS (₹)</b>	<b>92.1</b>	<b>122.9</b>	<b>151.4</b>	<b>253.8</b>	<b>312.4</b>
% chg	16.3	33.4	23.2	67.7	23.1



**Balance sheet statement (post SPIL merger)**

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
<b>SOURCES OF FUNDS</b>					
Equity Share Capital	151	151	151	151	151
Reserves & Surplus	20,827	23,553	26,856	33,218	41,047
<b>Shareholders' Funds</b>	<b>20,978</b>	<b>23,704</b>	<b>27,007</b>	<b>33,369</b>	<b>41,198</b>
Minority Interest	-	-	-	-	-
Total Loans	1,824	516	231	231	231
Deferred Tax Liability	691	587	625	625	625
Other Liabilities	437	398	424	424	424
<b>Total Liabilities</b>	<b>23,930</b>	<b>25,205</b>	<b>28,288</b>	<b>34,649</b>	<b>42,479</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	22,702	26,462	29,409	32,909	37,209
Less: Acc. Depreciation	11,911	14,202	16,641	19,446	22,601
<b>Net Block</b>	<b>10,790</b>	<b>12,259</b>	<b>12,768</b>	<b>13,463</b>	<b>14,608</b>
Capital Work-in-Progress	2,621	1,883	1,007	1,007	1,007
Investments	10,118	12,814	17,786	22,060	27,936
Current Assets	7,070	6,593	7,635	9,881	13,223
Inventories	1,706	2,686	3,132	3,663	4,502
Sundry Debtors	1,414	1,070	1,299	1,648	2,026
Cash	630	18	39	1,093	1,683
Loans & Advances	1,629	1,426	1,807	1,939	2,876
Other Assets	1,692	1,393	1,359	1,537	2,136
Current liabilities	6,775	8,451	11,059	11,913	14,447
<b>Net Current Assets</b>	<b>295</b>	<b>(1,857)</b>	<b>(3,424)</b>	<b>(2,032)</b>	<b>(1,224)</b>
<b>Deferred Tax Asset</b>	<b>105</b>	<b>106</b>	<b>151</b>	<b>151</b>	<b>151</b>
Mis. Exp. not written off	-	-	-	-	-
<b>Total Assets</b>	<b>23,930</b>	<b>25,205</b>	<b>28,288</b>	<b>34,649</b>	<b>42,479</b>

Note: Cash and bank balance includes term deposits with banks

**Cash flow statement (post SPIL merger)**

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
Profit before tax	3,659	4,868	6,535	10,448	13,102
Depreciation	2,084	2,470	2,824	2,804	3,155
Change in Working Capital	756	746	1,466	(337)	(219)
Interest / Dividend (Net)	(106)	43	(80)	91	103
Direct taxes paid	(832)	(1,041)	(1,910)	(2,784)	(3,669)
Others	(658)	(766)	(401)	-	-
<b>Cash Flow from Operations</b>	<b>4,904</b>	<b>6,321</b>	<b>8,433</b>	<b>10,222</b>	<b>12,473</b>
(Inc.)/ Dec. in Fixed Assets	(3,498)	(3,157)	(2,594)	(3,500)	(4,300)
(Inc.)/ Dec. in Investments	(1,395)	(1,253)	(4,582)	(4,274)	(5,876)
<b>Cash Flow from Investing</b>	<b>(4,893)</b>	<b>(4,410)</b>	<b>(7,176)</b>	<b>(7,774)</b>	<b>(10,176)</b>
Issue of Equity	-	-	1	-	-
Inc./(Dec.) in loans	378	(1,328)	(235)	0	0
Dividend Paid (Incl. Tax)	(242)	(363)	(755)	(1,303)	(1,604)
Interest / Dividend (Net)	(293)	(831)	(246)	(91)	(103)
<b>Cash Flow from Financing</b>	<b>(156)</b>	<b>(2,522)</b>	<b>(1,236)</b>	<b>(1,394)</b>	<b>(1,707)</b>
Inc./(Dec.) in Cash	(145)	(611)	21	1,054	590
<b>Opening Cash balances</b>	<b>775</b>	<b>630</b>	<b>18</b>	<b>39</b>	<b>1,093</b>
<b>Closing Cash balances</b>	<b>630</b>	<b>18</b>	<b>39</b>	<b>1,093</b>	<b>1,683</b>

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

**Key ratios**

Y/E March	FY2014	FY2015	FY2016	FY2017E	FY2018E
<b>Valuation Ratio (x)</b>					
P/E (on FDEPS)	62.9	47.2	38.3	22.8	18.6
P/CEPS	36.0	28.3	23.7	16.7	13.9
P/BV	8.3	7.4	6.5	5.2	4.2
Dividend yield (%)	0.1	0.2	0.4	0.7	0.9
EV/Sales	3.8	3.3	2.7	2.2	1.7
EV/EBITDA	32.0	24.3	17.5	14.0	10.7
EV / Total Assets	5.4	4.8	4.0	3.3	2.6
<b>Per Share Data (₹)</b>					
EPS (Basic)	92.1	122.9	151.4	253.8	312.4
EPS (fully diluted)	92.1	122.9	151.4	253.8	312.4
Cash EPS	161.1	204.7	244.9	346.6	416.8
DPS	8.0	12.0	25.0	43.1	53.1
Book Value	694.5	784.7	894.3	1,104.9	1,364.2
<b>Returns (%)</b>					
ROCE	13.6	17.5	22.6	24.0	25.3
Angel ROIC (Pre-tax)	25.7	37.3	65.4	77.2	88.9
ROE	13.3	15.7	16.9	23.0	22.9
<b>Turnover ratios (x)</b>					
Asset Turnover (Gross Block)	1.9	1.9	2.0	2.1	2.2
Inventory / Sales (days)	15	20	20	20	20
Receivables (days)	12	8	8	9	9
Payables (days)	46	45	49	44	44
WC cycle (ex-cash) (days)	(20)	(17)	(21)	(15)	(15)

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### Maruti Suzuki

1. Financial interest of research analyst or Angel or his Associate or his relative	No
2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

**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)