

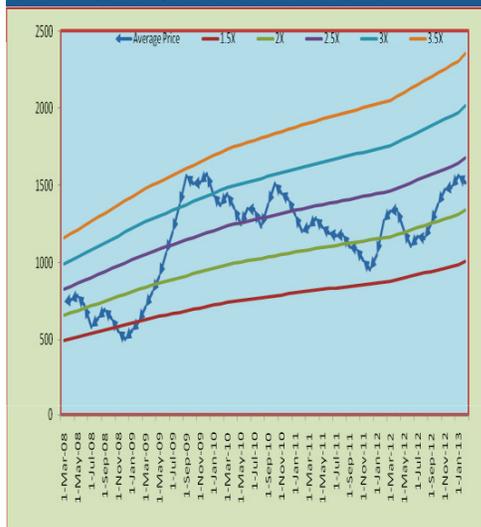
Result Update	BUY
CMP	1412
Target Price	1800
Previous Target Price	-
Upside	27%
Change from Previous	-

Market Data	
BSE Code	532500
NSE Symbol	MARUTI
52wk Range H/L	1773/1082
Mkt Capital (Rs, Cr)	42,720
Average Daily Volume	423015
Nifty	5907

Stock Performance-%			
	1M	1yr	YTD
Absolute	-8.0	28.0	22.0
Rel. to Nifty	-14.0	13.0	10.0

Share Holding Pattern-%			
	Current	4QFY13	3QFY1
Promoters	56.2	56.2	54.2
FII	22.0	22.4	23.1
DII	13.1	12.6	14.4
Others	8.7	8.8	8.3

One Year Forward P/Bv Band



Better than expected 1QFY14 Results

Result Analysis

Maruti Suzuki India Limited posted its 1QFY14 results marginally better than street expectation. The net sales for the quarter came at Rs 9995 Cr down 5 % YoY led by volume decline for the quarter. The total number of vehicles sold including domestic and export stands at 266434 units down 10 % YoY.

The grand total volume includes 245346 vehicles sold in domestic markets while 21088 vehicles sold in the export markets.

The operating EBITDA for the quarter came at Rs 1168 Cr and OPM at 11.41 %. There is sharp improvement of almost 450 bps in the OPM on yearly basis. The improvement in the OPM came on the back of cost cutting strategies that management has undertaken. The raw material as the percentage of sales stands at 61 % for the quarter while it was 68% for the same quarter last fiscal however the other expenses as percentage of sales have shoot up to 13 % from 11% a year ago.

The Net profits came at Rs 633 and NPM at 6.18% for the quarter. The other income for the quarter came at Rs 204 Cr and tax rate remains the almost same at 20% .Apart from currency movement benefit the management said that PAT improvement was due to cost cutting measures taken and benefit from merger of Suzuki Powertrain India Ltd with the company last fiscal.

The average realization per vehicle for the quarter came at Rs 375144. The export realization for the quarter was boosted by favorable currency movement and on the back of better export realization the bottom line showed northward movement despite of net sales decline

Post the result the management said that company is seeking to sell more cars overseas to offset slowing demand at home. Further more company expects sales volumes to grow between 0-5 % in the current financial year.

View and Valuation.

At CMP of Rs 1412 the stock is trading at 14.12x of one year forward FY14E EPS of Rs 100 and on the back of improving operational efficiency , favorable currency movement and management focus towards export markets we maintain our previous recommendation BUY for the stock with TP 1800.

Financials

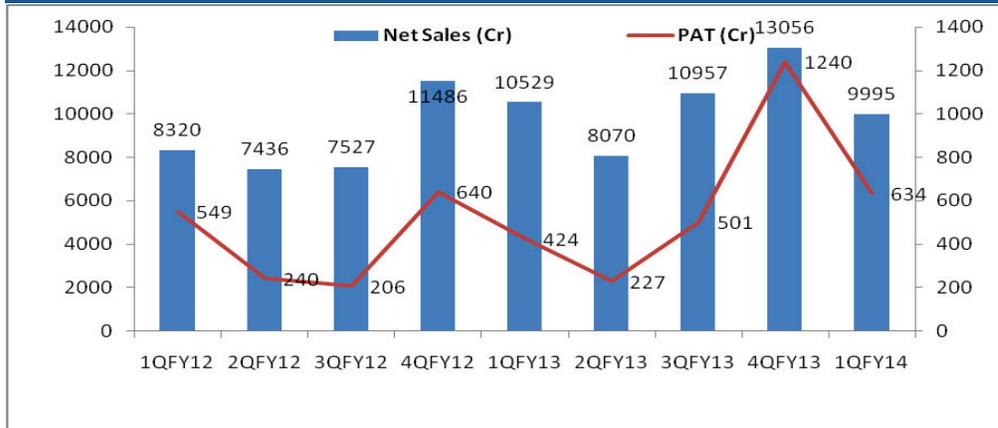
	1QFY14	4QFY13	(QoQ)-%	1QFY13	(YoY)-%
Revenue	10237	13304	(23.1)	10778	-5.0
EBITDA	1167	2000	(41.7)	786	48.5
PAT	633	1240	(49.0)	423	49.6
EBITDA Margin	11.4%	15.0%	(360bps)	7.3%	410bps
PAT Margin	6.2%	9.3%	(310bps)	3.9%	230bps

(Source: Company/Eastwind)

Maruti Suzuki India Limited

Graphical Representation

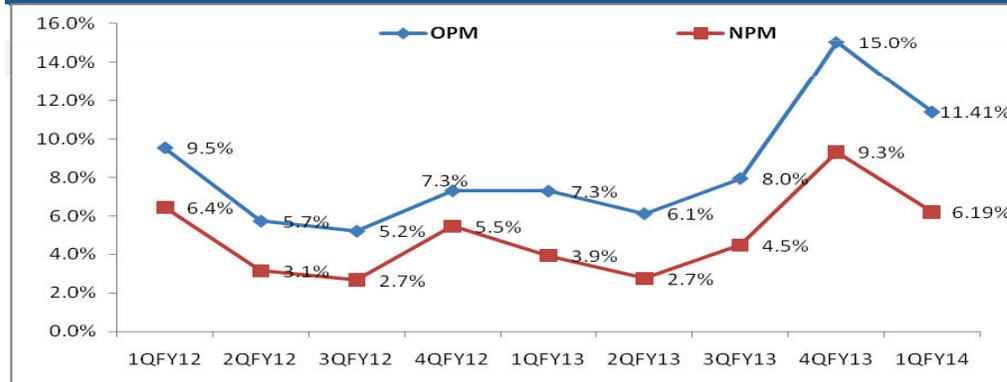
SALES & PAT TREND



(Source: Company/Eastwind)

The net sales for the quarter came at Rs 9995 Cr down 5 % YoY led by volume decline for the quarter.

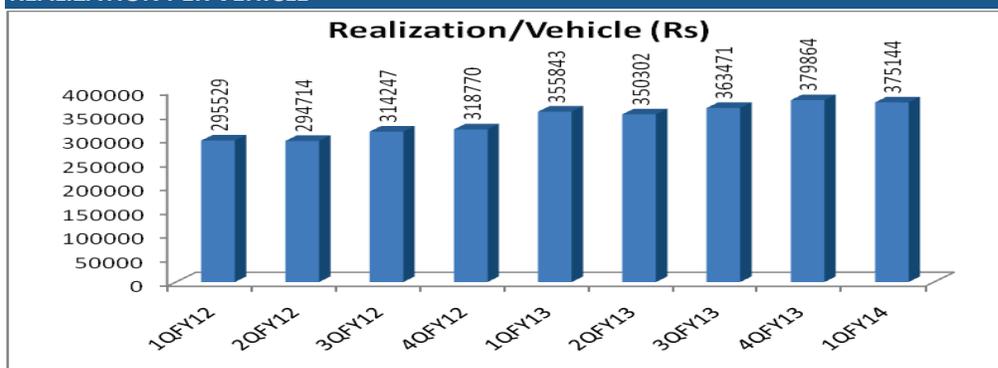
OPM & NPM TREND



(Source: Company/Eastwind)

The improvement in the OPM came on the back of cost cutting strategies that management has undertaken.

REALIZATION PER VEHICLE



(Source: Company/Eastwind)

The export realization for the quarter was boosted by favorable currency movement