

SML Mahindra – Recommended Stock -Target Price Raised

Dear Investors,

We are pleased to inform you that our recommended stock, **SML Mahindra, has successfully achieved its initial target price of 3,665 on 10 December 2025 and further scaled a high of 3,920 on 11 December 2025, delivered a strong return of ~39% within just one month—well ahead of our original 12-month investment horizon.**

We had initiated coverage on 18 November 2025 at 2,845, with a 12-month target price of 3,665. The early achievement of this target highlights the company's robust operational momentum, supported by healthy sales performance during October and November months, encouraging management commentary and forward guidance and renewed strategic direction under the Mahindra Group's leadership following its acquisition on 1 August 2025.

The outlook for SML Mahindra remains constructive, driven by improving financial metrics, a favourable demand environment in the CV segment, benefits from the GST rate cut, declining interest rates and a supportive regulatory backdrop for the commercial vehicle industry. These factors collectively enhance earnings visibility and growth sustainability over the medium term.

In view of the strong fundamentals and improved business visibility, **we have revised our target price upward to 4,242, implying an upside potential of ~16% from the current market price of 3,656 over the next 12 months. We maintain our positive stance on the stock.**

We continue to recommend accumulating SML Mahindra from a medium- to long-term investment perspective, as the company remains well positioned to benefit from cyclical recovery of CV industry, improving demand conditions and sustained execution momentum.

Happy Investing!

Thank you and best regards,

On behalf of Research Team

Bajaj Capital, Gurgaon