

Tata Motors (TATMOT)

₹ 300

Clear roadmap for all business segments...

- Tata Motors' (TML) Q4FY18 consolidated revenues were at ₹ 91279 crore (up 18.2% YoY, 23.1% QoQ), vs. our estimate of ₹ 76654 crore. The beat on consolidated revenue is mainly after JLR revenues came in at ₹7.6 bn vs. estimate of ₹6.0 bn. JLR wholesale volumes were at 182757 units (up 4.4% YoY) against our estimate of 155,005 units
- Consolidated EBITDA margins were at 13.1% (our estimate: 11.1%) down 226 bps YoY, up 30 bps QoQ. Reported EBITDA margin of JLR for Q4FY18 was at 12.2%, above our estimate of 12.6%. However, reported EBITDA margins were lower than consensus estimates on account of one-time provision related to impairment of intangibles
- Reported consolidated PAT was at ₹ 2175 crore (our estimate: ₹ 1494.5 crore) against ₹ 4336.4 crore in Q4FY17 & ₹ 1214.6 crore in Q3FY18. Tata Motors has reviewed its assets based on future profitability that has led to a provision of ₹ 2110 crore, thus depressing consolidated profits
- China JV profits grew ~93% YoY to ₹89 mn
- In standalone operations, net revenues came in at ₹ 19,779 crore (up 45.6% YoY) as total automotive volumes (CV & PV) were up 35% YoY. Reported EBITDA margin came in at 6.9% (up 91 bps YoY, down 185 bps QoQ) against our estimate of 4.4%
- JLR declared a dividend of ₹225 mn (20% of PAT) for FY18, which will be 25%, going forward
- In terms of region, China & Indian markets continue to do well while UK, US & European markets face growth challenges on account of diesel uncertainty, market cyclicity, Brexit & UK taxation

FY19 to be better year

FY18 was a challenging year for JLR, with volumes growing by merely 1.7% YoY, with growth in China offset by decline in UK & Europe due to structural factors. Going ahead in FY19E, the management expects growth in JLR wholesale volumes (6.6% CAGR in FY18-FY20E) & profitability (13.5% CAGR in FY18-20E) on the back of 1) new launches (ramp up of new Velar, E-Pace & 18MY RR/RR Sport), 2) ramp up of low cost Slovakia plant by CY18E, 3) Convergence of forex hedge rate & spot rate in next two years will reduce forex loss. The management has set an EBIT margin target of 4-7% for FY19-21 (3.8% in FY18) & 7-9% as long term EBIT target. We expect EBITDA margins of 12.2%, 13.1% for FY19E, FY20E, respectively.

Turnaround strategy in standalone business to reap benefits!

TML is implementing a turnaround programme in the standalone business by filling product gaps, rigorous cost reduction & consolidating its supplier base. Its market share has improved in both CV (from 42.8% in FY17 to 44% in FY18) and PV (from 5.7% in FY17 to 6.4% in Q4FY18). The management has targeted EBIT margin of 3-5% (0.5% in FY18E) in FY19-21E & 5-7% in the long term driven by higher volumes & cost reduction initiatives. Overall, we expect standalone revenues to grow at 17% CAGR in FY18-20E & expect the business to report profits in FY19E.

Favourable valuations; maintain BUY

We value the stock on an SOTP basis, with JLR (ex-China JV) at 2.8x EV/EBITDA basis contributing ~₹ 278/share while the domestic business contributes ₹ 86/share. Inclusive of other subsidiaries, we arrive at a target price of ₹ 430.

Rating matrix		
Rating	:	Buy
Target	:	₹ 430
Target Period	:	12 months
Potential Upside	:	43%

What's Changed?	
Target	Changed from ₹ 475 to ₹ 430
EPS FY19E	Changed from ₹ 44.3 to ₹ 35.4
EPS FY20E	Introduced at ₹ 43.6
Rating	Unchanged

Quarterly Performance					
	Q4FY18	Q4FY17	YoY (%)	Q3FY18	QoQ (%)
Revenue	91,279.1	77,217.2	18.2	74,156.1	23.1
EBITDA	11,925.2	11,832.7	0.8	9,467.1	26.0
EBITDA (%)	13.1	15.3	-226 bps	12.8	30 bps
PAT	2,175.2	4,336.4	-49.8	1,214.6	79.1

Key Financials				
₹ Crore	FY17E	FY18E	FY19E	FY20E
Net Sales	269,693	294,619	328,059	375,343
EBITDA	33,002	38,058	43,608	50,986
Net Profit	7,557	9,091	12,010	14,800
EPS (₹)	22.3	26.8	35.4	43.6

Valuation summary				
	FY17E	FY18E	FY19E	FY20E
P/E (x)	11.4	10.3	6.8	5.7
Target P/E (x)	19.3	16.1	12.2	9.9
EV/EBITDA (x)	4.6	3.7	3.1	2.5
P/BV (x)	1.7	1.1	0.9	0.8
RoNW (%)	15.3	10.3	13.5	14.0
RoCE (%)	12.0	10.5	11.8	12.8

Stock data	
Particular	Amount
Market Capitalization	₹ 101868 Crore
Total Debt (FY17)	63,938.6
Cash and Investments (FY17)	34,613.9
EV (FY17)	150,546.3
52 week H/L (₹)	487 / 285
Equity capital (₹ crore)	₹ 679.2 Crore
Face value (₹)	₹ 2

Price performance (%)				
	1M	3M	6M	12M
Tata Motors	-10.5	-18.3	-30.9	-38.2
M&M Ltd	0.5	19.3	19.6	29.2
Maruti Suzuki India	-4.3	-1.7	0.7	22.4

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Variance analysis- Consolidated

	Q4FY18	Q4FY18E	Q4FY17	YoY (%)	Q3FY18	QoQ (%)	Comments
Total Operating Income	91,279	76,654	77,217	18.2	74,156	23.1	Revenue came in higher than our estimate mainly due to higher than estimated JLR performance
Raw Material Expenses	57,105	49,814	47,515	20.2	47,282	20.8	
Employee Expenses	8,352	7,586	7,027	18.9	7,576	10.2	
Other expenses	19622	15467	14886	31.8	14371	36.5	
Operating Profit (EBITDA)	11,925.2	8,527.1	11,832.7	0.8	9,467.1	26.0	
EBITDA Margin (%)	13.1	11.1	15.3	-226 bps	12.8	30 bps	The 226 bps decline in consolidated margins is on account of 231 bps YoY decline in JLR margins due to 1) 130 bps YoY due to one-time impairment provision related to intangibles, 2) 60 bps due to staff cost & 3) 70 bps due to weak mix
Depreciation	6488.4	5270.8	4670.2	38.9	5570.8	16.5	
Interest	1178	1164	1164	1.2	1247	-5.5	
Product Development expenditure	1030.8	970.4	986.4	4.5	923.6	11.6	
Tax	977	343	1240	-21.2	1068	-8.5	
PAT	2175.2	1494.5	4336.4	-49.8	1214.6	79.1	
EPS	6.4	4.4	12.8	-49.8	3.6	79.1	
Key Metrics							
JLR sales (mn GBP)	7555	6021	7268	3.9	6310	15.2	Higher due to higher than estimated volumes
JLR margins (%)	12.2	10.0	14.5	-231 bps	10.9	137 bps	YoY decline in JLR margins is due to 1) 130 bps yoy due to one-time impairment provision related to intangibles 2) 60 bps due to staff cost & 3) 70 bps due to weak mix
JLR PAT (mn GBP)	264	160	557	-52.6	115	384.3	
Domestic revenues (₹ crore)	19779.3	18781.8	13586.7	45.6	16101.6	22.8	Higher than estimates on account of higher than estimated ASP
Domestic margins (%)	6.9	4.4	6.0	91 bps	8.5	-167 bps	Turnaround strategy in domestic business going smoothly thereby driving margins
Domestic PAT (₹ crore)	-499.9	-441.3	-829.0	39.7	183.7	-372.2	

Source: Company, ICICI Direct Research

Change in estimates

(₹ Crore)	FY19E			FY20E		Comments
	Old	New	% Change			
Revenue	350,141	328,059	-6.3	375,343		We reduce our revenue estimate; mainly after lower estimation of JLR volumes which is facing some pressure in the US, UK and European market
EBITDA	48,196	43,608	-9.5	50,986		
EBITDA Margin (%)	13.8	13.3	-47 bps	13.6		Reduced margin estimates post management guidance of lower EBIT margins on account of accounting change and also a weaker product mix with incline towards Jaguar
PAT	15,040	12,010	-20.1	14,800		
EPS (₹)	44.3	35.4	-20.2	43.6		

Source: Company, ICICI Direct Research

Assumptions

Units	FY17		Current		Earlier	Comments
	FY17	FY18E	FY19E	FY20E	FY19E	
Jaguar Land Rover	600,806	633,510	676,335	720,419	739,279	Volume estimates of JLR reduced mainly due to challenges in UK and European market
Jaguar	176,560	176,246	205,353	225,888	222,371	
Land Rover	424,246	457,264	470,982	494,531	516,908	
China JV	66,100	84,300	113,411	119,153	113,605	
Avg ASP/vehicle (£)	41,975.3	40,676.1	42,089.5	44,768.6	46,386.5	
RM/Unit (GBP)	25183	25774	26514	27954	28213	
Capitalised expenses (mn £)	1,426	1,610	1,765	1,998	1,926	
India						
M&HCV	175,808	190,367	212,427	236,708	192,164	Strong M&HCV growth momentum is likely to continue, going forward
LCV	207,934	259,072	293,503	329,832	252,957	Growth likely to be largely back-ended in recovery cycle
PV	158,884	189,619	223,813	251,256	225,965	Passenger volumes likely to grow on the back of new product launches

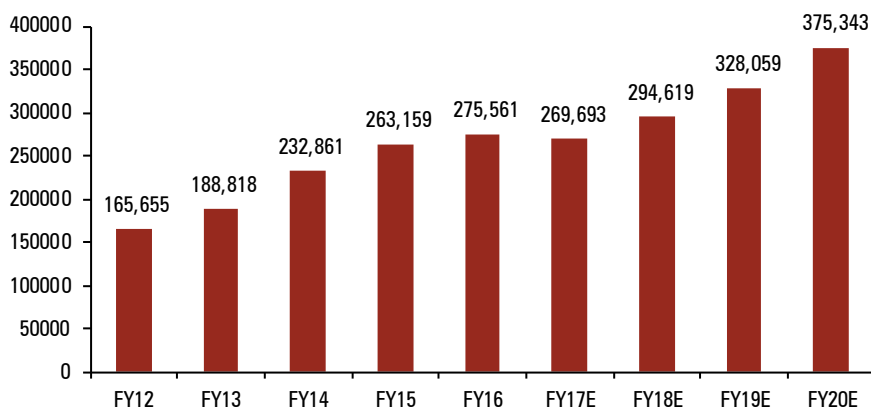
Source: Company, ICICI Direct Research

Company Analysis

Revenues to grow at 13% CAGR in FY18-20E!

We expect consolidated revenues to grow at ~13% CAGR in FY18E-20E to ~₹ 375,343 crore driven by JLR's revenue growth of ~12% in the same period at ~£32.2 billion. On the India side, we expect revenues to rise at 17% CAGR to ~₹ 80,528 crore by FY20E.

Exhibit 1: We build revenue growth at 13% CAGR in FY18-20E

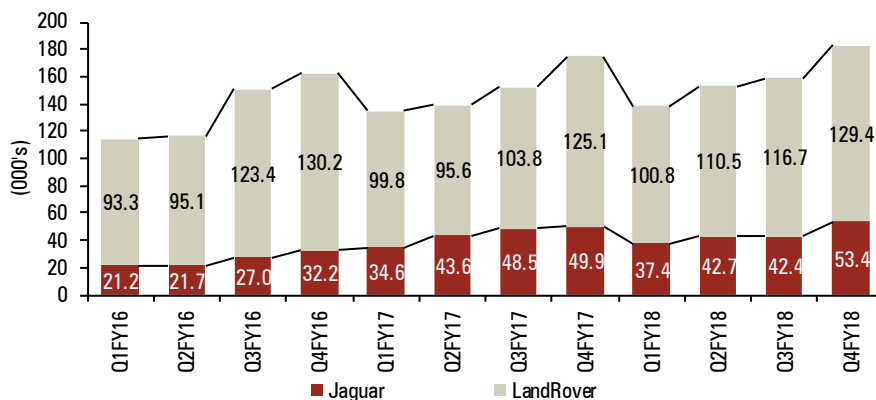


Source: Company, ICICI Direct Research

JLR product story to continue in coming years!

The management has given a capex guidance of ~£4.5 billion. It is towards new products, technology & expansion of manufacturing capacity. They expect capex to remain in the range of 15-17% of sales in the medium term on significant investments in platform development. Thus, we believe the roadmap for new product launches (and refreshes) in the medium term looks clear.

Exhibit 2: JLR volumes trend

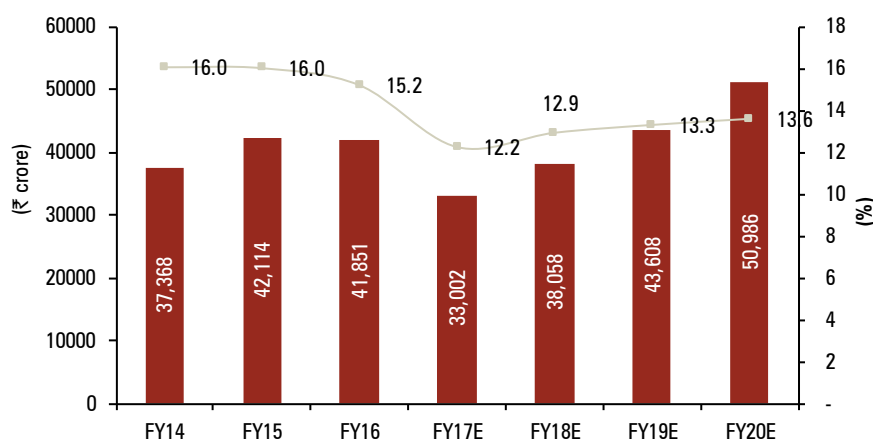


Source: Company, ICICI Direct Research

EBITDA margins to trend higher

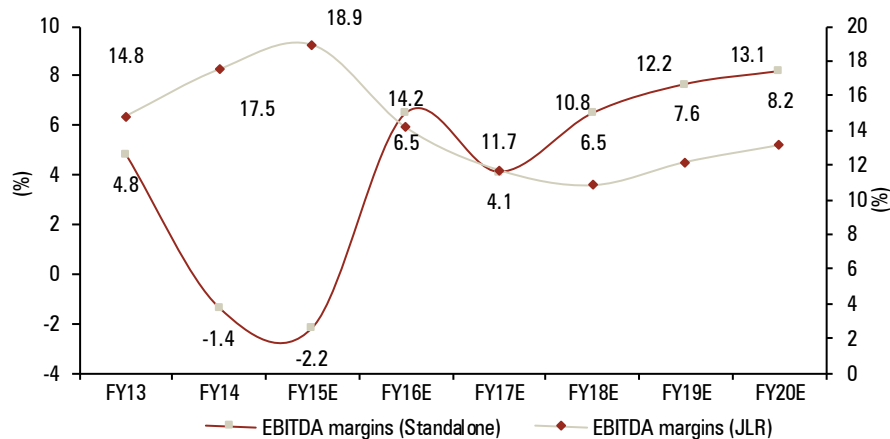
Tata Motors remains a unique case that in India has a combination of high leverage CV business along with a financial dragger on the PV side. On the other hand, on the global front with JLR, it has been one of the most profitable luxury carmakers in the world. The variation is mind boggling in itself with the number of levers towards EBITDA ranging from financial leverage to operating leverage to FX to product mix as well as market mix. Thus, in a nutshell, it remains a company that can have large variations from analyst estimates on a quarterly basis. We expect JLR's EBITDA margins to increase to 13.1% for FY20E. In the domestic business, we expect PAT to be positive by FY19E.

Exhibit 3: Consolidated EBITDA margins to increase



Source: Company, ICICI Direct Research

Exhibit 4: Margins trend on standalone and JLR

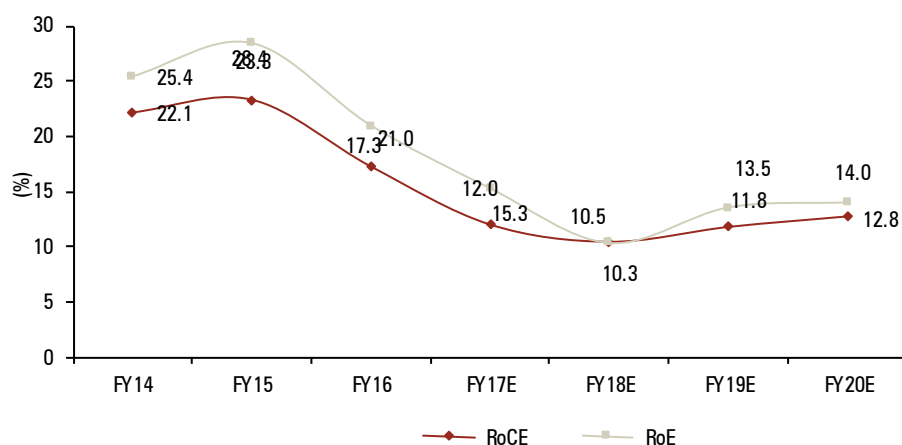


Source: Company, ICICI Direct Research

Return ratios to increase to reflect rising margins

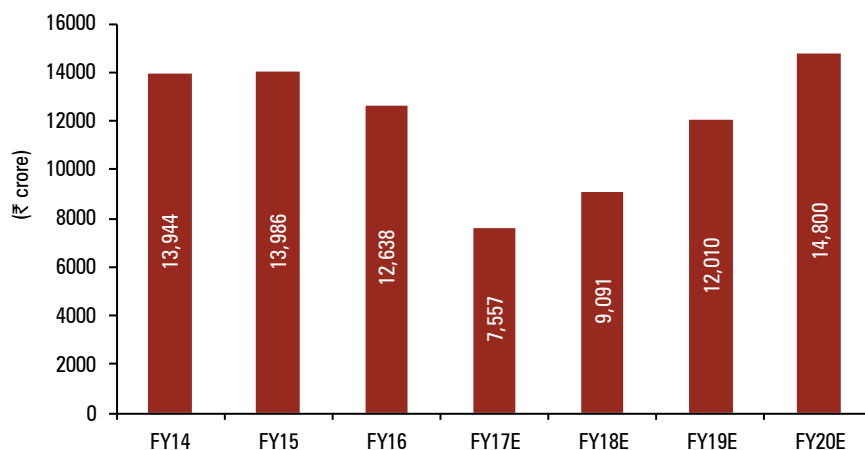
Return ratios witnessed a decline since FY12 primarily due to the significant investment in both JLR and domestic business, with the latter failing badly in generating strong returns. Going ahead, we expect high JLR margins to positively impact return ratios. Return ratios in FY16 appear lower on account of the recent rights issue, which led to an equity dilution of ~5%. At the consolidated level, we expect PAT of ₹ 14,800 crore in FY20E.

Exhibit 5: Returns ratios trend



Source: Company, ICICI Direct Research

Exhibit 6: Trend in net profit



Source: Company press release, ICICI Direct Research

Outlook and valuation

Tata Motors' business has been increasingly skewed towards the global business of JLR. We believe that with JLR's product line-up and planned product refreshes, the market share march is likely to continue. We remain positive on sustained earnings growth for the JLR business as the product pipeline grows and market share increases across geographies. We value the stock on an SOTP basis, with JLR on 2.8x EV/EBITDA basis contributing ~₹ 278/share (excluding JV) while the domestic business contributes ₹ 86/share. Inclusive of other subsidiaries, we arrive at a target price of ₹ 430.

Exhibit 7: Valuation on SOTP method

	Parameters	Basis	Multiple	Per Share
Tata Motors Core business	FY20E EBITDA	6,573	6	86
JLR	FY20E Adj EV/EBITDA	32,316	2.8	278
China JV @50% stake	FY20E EPS	8.7	6.0	52
Subsidiary valuation				
Tata Daewoo	FY19E EPS	0.4	7.0	2
Tata Motor Finance	FY19E Adj BV	4.7	1.0	5
Tata Technologies	FY19E EPS	1.3	7.0	9
Value of investments	0.1x BV of unquoted invst			3
Value of subsidiaries, investments				21
Value post discount	Holding co discount @ 35%			14
Total value per share				430
TML DVR inferred target value @ 30% discount				300

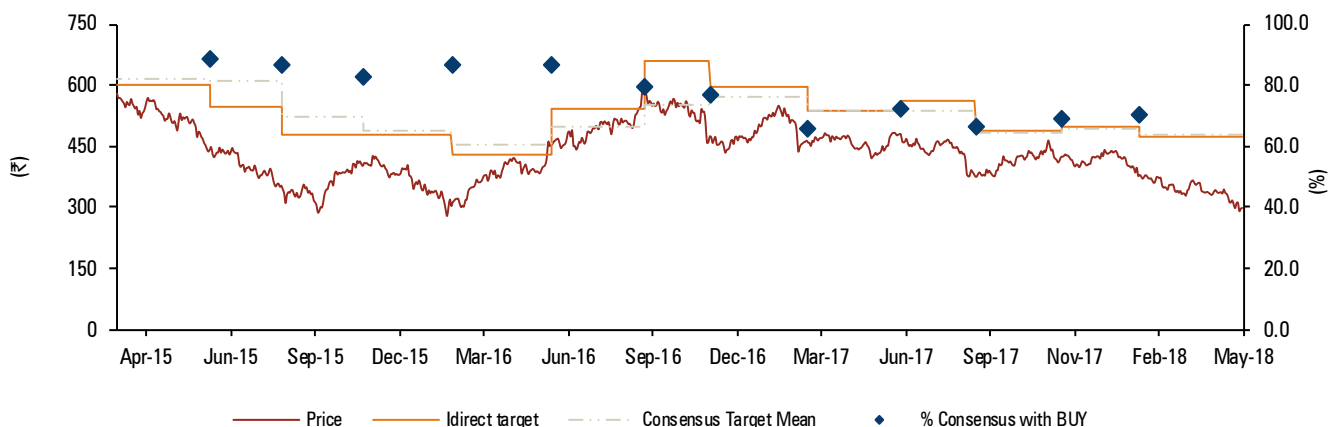
Source: Company, ICICI Direct Research

Exhibit 8: Valuation

	Revenues (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY17E	269,692.5	(2.1)	22.3	(40.2)	13.5	4.6	15.3	12.0
FY18E	294,619.2	9.2	26.8	20.3	11.2	3.7	10.3	10.5
FY19E	328,058.7	11.4	35.4	32.1	8.5	3.1	13.5	11.8
FY20E	375,343.2	14.4	43.6	23.2	6.9	2.5	14.0	12.8

Source: Company, ICICI Direct Research

Recommended History vs. consensus



Source: Bloomberg, Company, ICICI Direct Research

Key events

Date	Event
Jan-08	Much touted "Nano" is unveiled at Auto Expo along with new 1 tonne LCV's "ACE".
Jun-08	Acquisition of Jaguar & Land Rover for \$2.3 billion
Jan-09	Tata Motors posts losses as domestic economy sales weaken and global foray causes drag
Jul-09	Tata Motors' Q1FY10 results rise 58% YoY beat estimates ,early signs of recovery of economy. Nano dispathces rise to 9,000 units
May-10	JLR turns profitable for Tata Motors with FY10 PAT of £32 million, big earnings beat
Dec-10	Nano sales fall 85% to 509 units on unavailability of vehicle financing options amid fire incidents
Jun-11	JLR announces £1.5 billion capex spends, Tata Motors CDS rises as European region problems flare up
Oct-11	JLR launches its path breaking mini-SUV "Evoque"
Aug-12	Karl Slym becomes MD of Tata Motor's domestic business
Jan-12	JLR reports highest rise in sales since June 2010 on the back of "Evoque"
May-12	JLR reports tax credits to boost profit amid weaker than estimated JLR margins
Oct-12	Siam cuts India auto sales forecast second time in a year
Aug-13	JLR reports stronger than estimated margins in Q1FY14 even as domestic business struggles in losses
Feb-14	JLR outlines timelines for new engine plant, new launches, China JV

Source: Company, ICICI Direct Research

Top 10 Shareholders

Top 10 Shareholders						Shareholding Pattern					
Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)	(in %)	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
1	Tata Group of Companies	31-Mar-18	0.36	1,046.7	1.67	Promoter	34.7	34.7	36.4	36.4	36.4
2	Life Insurance Corporation of India	31-Mar-18	0.0517	149.3	0.00	FII	42.3	41.4	40.1	37.7	37.7
3	ICICI Prudential Life Insurance Company Ltd.	31-Mar-18	0.0181	52.2	5.67	DII	15.8	16.0	15.9	17.8	17.8
4	GIC Private Limited	31-Mar-18	0.0175	50.5	4.79	Others	7.2	8.0	7.7	8.1	8.1
5	BlackRock Institutional Trust Company, N.A.	30-Apr-18	0.017	49.2	-0.20						
6	Reliance Nippon Life Asset Management Limited	31-Mar-18	0.0144	41.6	3.13						
7	The Vanguard Group, Inc.	30-Apr-18	0.0127	36.5	0.18						
8	APG Asset Management	31-Mar-17	0.0102	29.4	13.17						
9	ICICI Prudential Asset Management Co. Ltd.	30-Apr-18	0.0091	26.3	0.31						
10	Dimensional Fund Advisors, L.P.	31-Mar-18	0.0091	26.2	0.00						

Source: Reuters, ICICI Direct Research

Recent Activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
Norges Bank Investment Management (NBIM)	+50.5M	+7.5M	Aditya Birla Sun Life AMC Limited	-39.0M	-7.6M
ICICI Prudential Life Insurance Company Ltd.	+28.4M	+5.7M	T. Rowe Price International (UK) Ltd.	-38.2M	-7.6M
GIC Private Limited	+24.0M	+4.8M	Fidelity International	-30.1M	-6.0M
Nuveen LLC	+18.9M	+3.8M	JM Financial Asset Management Pvt. Ltd.	-15.5M	-3.1M
Reliance Nippon Life Asset Management Limited	+15.7M	+3.1M	American Century Investment Management, Inc.	-14.5M	-2.1M

Source: Reuters, ICICI Direct Research

Financial summary

Profit and loss statement				
₹ Crore				
(Year-end March)	FY17E	FY18E	FY19E	FY20E
Total operating Income	269,693	294,619	328,059	375,343
Growth (%)	-2.1	9.2	11.4	14.4
Raw Material Expenses	165,894	185,850	206,042	234,370
Employee Expenses	28,333	30,300	32,083	35,392
Marketing Expenses	59,340	58,999	65,291	72,960
Capitalised Expenses	-16,877	-18,588	-18,964	-18,364
Total Operating Expenditure	236,690	256,561	284,451	324,357
EBITDA	33,002	38,058	43,608	50,986
Growth (%)	-21.1	15.3	14.6	16.9
Product development Expenses	3414	3532	3694	3892
Depreciation	17905	21554	22964	26274
Interest	4238	4682	4732	4832
Other Income	755	889	700	700
PBT	11614	12712	16612	20580
Minority Interest	0	0	0	0
Total Tax	3251	4342	3359	4339
Reported PAT	7,557	9,091	12,010	14,800
Growth (%)	-40.2	20.3	32.1	23.2
EPS (₹)	22.3	26.8	35.4	43.6

Source: Company, ICICI Direct Research

Cash flow statement				
₹ Crore				
(Year-end March)	FY17E	FY18E	FY19E	FY20E
Profit after Tax	8,944.1	9,911.8	14,891.5	17,827.8
Add: Depreciation	17,905	21,554	22,964	26,274
(Inc)/dec in Current Assets	-1,779	-21,197	-1,716	-12,071
Inc/(dec) in CL and Provisions	16,033	27,590	-8,697	12,509
Others	0	0	0	0
CF from operating activities	41,103	37,858	27,442	44,540
(Inc)/dec in Investments	0	0	0	0
(Inc)/dec in Fixed Assets	-18,024	-53,915	-38,000	-38,000
Others	2,666	-4,833	12,232	-2,522
CF from investing activities	(15,357)	(58,748)	(25,768)	(40,522)
Issue/(Buy back) of Equity	0	0	0	0
Inc/(dec) in loan funds	8,939	-8,100	0	0
Dividend paid & dividend tax	0	0	0	0
Inc/(dec) in Sec. premium	0	0	0	0
Others	-33,101	27,526	-934	-409
CF from financing activities	(24,162)	19,426	(934)	(409)
Net Cash flow	1,583	-1,464	741	3,609
Opening Cash	34,495	36,078	34,614	35,354
Closing Cash	36,078	34,614	35,354	38,963

Source: Company, ICICI Direct Research

Balance sheet				
₹ Crore				
(Year-end March)	FY17E	FY18E	FY19E	FY20E
Liabilities				
Equity Capital	679	679	679	679
Reserve and Surplus	57,383	94,749	109,231	126,650
Total Shareholders funds	58,062	95,428	109,911	127,330
Total Debt	72,039	63,939	63,939	63,939
Deferred Tax Liability	1,174	6,126	6,821	7,804
Long term provisions	9004	10948	12191	13948
Minority Interest / Others	17,846	11,690	12,432	14,224
Total Liabilities	158,125	188,131	205,294	227,245
Assets				
Gross Block	237,466	285,424	339,517	377,517
Less: Acc Depreciation	118,683	140,236	163,201	189,475
Net Block	118,783	145,188	176,317	188,043
Capital WIP	10,187	16,143	50	50
Total Fixed Assets	128,970	161,331	176,367	188,093
Investments	10,594	11,303	11,303	11,303
Inventory	35,085	42,138	46,920	53,683
Debtors	14,076	19,893	22,151	25,344
Loans and Advances	14,757	710	2,280	2,538
Other Current Assets	101,079	120,812	123,268	138,948
Cash	36,078	34,614	35,354	38,963
Total Current Assets	101,079	120,812	123,268	138,948
Creditors	57,698	72,038	62,915	71,984
Provisions	5,808	7,954	6,946	7,947
Total Current Liabilities	115,630	143,219	134,522	147,031
Net Current Assets	-14,551	-22,408	-11,254	-8,083
Deferred Tax Asset	4,457	4,159	4,631	5,298
Application of Funds	158,125	188,131	205,294	227,245

Source: Company, ICICI Direct Research

Key ratios				
(Year-end March)	FY17E	FY18E	FY19E	FY20E
Per share data (₹)				
EPS	22.3	26.8	35.4	43.6
Cash EPS	75.0	90.2	103.0	121.0
BV	172.3	282.6	323.7	375.0
DPS	0.0	0.0	0.0	0.0
Cash Per Share	24.5	32.1	35.7	40.9
Operating Ratios				
EBITDA Margin (%)	12.2	12.9	13.3	13.6
PBT / Net sales (%)	5.6	5.6	6.3	6.6
PAT Margin (%)	2.8	7.6	8.2	5.2
Inventory days	47.5	52.2	52.2	52.2
Debtor days	19.0	24.6	24.6	24.6
Creditor days	78.1	89.2	70.0	70.0
Return Ratios (%)				
RoE	15.3	10.3	13.5	14.0
RoCE	12.0	10.5	11.8	12.8
RoIC	18.9	16.7	14.0	15.6
Valuation Ratios (x)				
P/E	11.4	10.3	6.8	5.7
EV / EBITDA	4.6	3.7	3.1	2.5
EV / Net Sales	0.6	0.5	0.4	0.3
Market Cap / Sales	0.4	0.3	0.3	0.3
Price to Book Value	1.7	1.1	0.9	0.8
Solvency Ratios				
Debt/EBITDA	2.2	1.7	1.5	1.3
Debt / Equity	1.2	0.7	0.6	0.5
Current Ratio	0.6	0.6	0.7	0.8
Quick Ratio	0.2	0.3	0.3	0.3

Source: Company, ICICI Direct Research

ICICI Direct coverage universe (Auto & Auto Ancillary)

Sector / Company	CMP			M Cap (₹ Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	TP(₹)	Rating		FY18E	FY19E	FY20E	FY18E	FY19E	FY20E	FY18E	FY19E	FY20E	FY18E	FY19E	FY20E	FY18E	FY19E	FY20E
Amara Raja (AMARAJ)	789	875	Hold	13484	27.6	32.8	41.0	28.6	24.0	19.2	15.5	13.2	10.6	23.3	23.4	25.0	16.0	16.3	17.3
Apollo Tyre (APOTYR)	287	325	Buy	16421	12.7	19.9	25.0	22.7	14.4	11.5	7.9	7.9	6.5	7.8	11.1	12.6	7.4	10.6	12.0
Ashok Leyland (ASHLEY)	147	180	Buy	41415	5.3	7.7	9.3	27.5	19.1	15.8	13.3	9.7	7.7	28.5	34.9	35.4	21.9	26.0	25.9
Bajaj Auto (BAAUTO)	2790	2900	Hold	80739	140.6	169.1	194.5	19.4	16.1	14.0	15.1	12.0	10.3	29.6	31.3	31.5	21.5	22.5	22.5
Balkrishna Ind. (BALIND)	1147	1215	Hold	22171	38.2	52.3	63.9	30.1	22.0	18.0	20.2	14.5	11.9	22.4	26.5	27.4	18.1	26.5	27.4
Bharat Forge (BHAFOR)	763	859	Buy	35523	15.0	19.3	26.9	50.9	39.5	28.3	28.5	19.1	14.5	16.7	23.2	29.1	15.4	19.0	22.9
Bosch (MICO)	18094	19500	Hold	56815	449.1	573.8	645.4	40.1	31.4	27.9	24.9	20.2	17.7	14.4	15.9	16.1	21.4	23.7	24.0
Eicher Motors (EICMOT)	30683	35600	Buy	82874	725.5	1114.9	1325.3	42.3	27.5	23.2	28.2	21.3	16.9	39.1	36.9	34.6	29.9	31.3	28.1
Exide Industries (EXIIND)	261	300	Buy	22219	8.2	10.1	12.4	31.7	25.9	21.1	18.1	15.2	12.5	19.1	20.1	21.9	13.0	14.2	15.5
Hero Moto (HERHON)	3600	4300	Buy	71888	185.1	221.9	254.2	19.4	16.2	14.2	12.8	10.8	9.0	43.7	43.9	44.0	32.1	32.7	31.7
JK Tyre & Ind (JKIND)	135	150	Hold	3060	2.9	14.6	24.3	46	9.2	5.6	10.8	6.7	4.9	7.8	12.0	15.7	3.7	14.9	20.4
Mahindra CIE (MAHAUT)	235	280	Buy	8879	9.5	12.8	15.3	24.8	18.4	15.3	12.3	10.0	8.4	9.8	11.6	12.3	11.2	13.4	15.1
Maruti Suzuki (MARUTI)	8709	10500	Buy	228550	255.6	340.0	403.6	34.2	25.7	21.6	21.8	17.5	14.5	25.9	28.2	28.5	18.5	21.0	21.1
Motherson (MOTSUM)	319	335	Hold	67128	7.6	12.0	14.5	42.0	26.6	22.1	13.9	10.0	8.1	16.3	23.5	27.0	17.4	24.2	24.5
Tata Motors (TELCO)	296	430	Buy	89440	26.8	35.4	43.6	11.2	8.5	6.9	3.7	3.1	2.5	10.5	11.8	12.8	10.3	13.5	14.0
Wabco India (WABTVS)	7578	7700	Hold	14399	145.9	180.4	219.7	52.0	42.0	34.5	34.8	28.9	23.4	18.3	18.7	18.7	24.9	25.2	25.2

Source: Company, ICICI Direct Research

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