

Tepid performance; outlook softens...

Bharat Forge reported weak numbers in Q1FY20. Standalone revenues came in at ₹ 1,347 crore, down 8.6% YoY (domestic revenues down 7.4% YoY and export revenues down 10.8% YoY), tracking 8.9% drop in total shipment tonnage to 60,874 MT. Standalone EBITDA stood at ₹ 350 crore, down 17.2% YoY, with attendant EBITDA margins at 26.0% (down sharply by 504 bps QoQ). Margins were hurt by rise in employee costs and other expenses as a percentage of sales. Consequently, reported standalone PAT came in at ₹ 174 crore, down 23.7% YoY.

CV segment down-cycle weighs, more pain in store!

The CV space accounted for ~41% of BFL's standalone revenues in FY19 (Domestic CV ~24%, global CV ~17%). Domestically, the M&HCV segment remains the hardest hit from the ongoing liquidity tightness brought on by the NBFC crisis, overcapacity caused by axle load norms and poor freight demand. Structural issues combined with the usual cyclicity of the business, uncertainty around extent of pre-buy before BS-VI rollout and lack of a firm scrappage policy clouds the recovery outlook for the space, translating into a delay in recovery for downstream players such as BFL. Furthermore, with new US Class 8 truck orders at a multi-year low, CV exports are unlikely to come to the rescue. Management, however, expects existing order backlog to provide an element of stability, with CY20E Class 8 production numbers seen declining 10% YoY to ~3 lakh units.

Margin recovery slated to be gradual; FY20E a lost year!

While outlook on the industrial segment (oil & gas, defence, aerospace, agri and railways) is also fairly muted in the near term, we believe BFL's diversification efforts away from CVs will bear fruit in the medium to long term, with new client wins and ramp-up of won orders seen to be aiding performance. In the meantime, however, lack of meaningful volume growth is seen weighing on margins. With the company's focus on cost control and improvement of operating efficiencies in place, we build in flattish margin trajectory at BFL over FY19-21E. We have built in EBITDA margins of 19.7% in FY20E & 20.4% in FY21E vs. 20.3% clocked in FY19.

Valuation & Outlook

For BFL, we factor in sales, EBITDA, PAT CAGR of -0.7%, -0.4% & -1.4% respectively over FY19-21E. With imminent growth challenges in the near term, our outlook on volume growth over this period remains benign. However, we continue to derive comfort from the company's healthy return ratio profile (RoCE 17.0%), ~7% FCF yield (FY20-21E) and limited leverage on balance sheet. Valuing the stock at 20x FY21E EPS of ₹ 21.5, we arrive at a target price of ₹ 430 and downgrade the stock to **HOLD**.



Particulars

Particular	Amount
Market Capitalization	₹ 18623 Crore
Total Debt (FY19)	₹ 4022.8Crore
Cash and Investments (FY19)	₹ 1015.7Crore
EV	₹ 21629.9crore
52 week H/L (₹)	693 / 384
Equity capital	₹ 93.1 Crore
Face value	₹ 2

Key Highlights

- Standalone revenues down 8.6% YoY in Q1FY20 with tonnage slipping 8.9% YoY
- EBITDA margins at standalone level drop ~500 bps QoQ to 26%, dragged by negative operating leverage
- Muted outlook for domestic and global CV space and slowness in industrial segments to weigh; PV to provide solace. Margins to revive only by FY21E
- Downgrade from BUY to HOLD with revised target price of ₹ 430/share, valuing it at 20x FY21E EPS of ₹21.5

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Key Financial Summary

Key Financials	FY17	FY18	FY19	FY20E	FY21E	CAGR (FY19-21E)
Net Sales	6,396.2	8,357.7	10,145.7	10,105.7	10,001.9	-0.7%
EBITDA	1,251.1	1,723.0	2,055.6	1,991.8	2,038.3	-0.4%
EBITDA Margins (%)	19.6	20.6	20.3	19.7	20.4	
Net Profit	697.6	754.0	1,032.6	954.3	1,003.0	-1.4%
EPS (₹)	15.0	16.2	22.2	20.5	21.5	
P/E	26.7	24.7	18.0	19.5	18.6	
RoNW (%)	14.5	17.3	19.1	15.7	15.3	
RoCE (%)	17.6	12.9	17.0	17.9	16.1	

Source: ICICI Direct Research, Company

Exhibit 1: Variance Analysis

	Q1FY20	Q1FY20E	Q1FY19	YoY (%)	Q4FY19	QoQ (%)	Comments
Total Operating Income	1,347	1,545	1,473	-8.6	1,669	-19.3	Topline came in lower than our estimates tracking muted shipment in the industrial export segment (Oil & gas)
Raw Material Expenses	498	572	535	-6.8	622	-19.8	
Employee Expenses	124	128	123	0.7	119	3.8	Employee costs came in higher than our estimates at 9.2% of sales vs. our expectation of 8.3% of sales
Other Expenses	375	390	394	-4.7	411	-8.7	
EBITDA	350	455	422	-17.2	517	-32.4	
EBITDA Margin (%)	26.0	29.4	28.7	-270 bps	31.0	-504 bps	EBITDA margin came in lower tracking negative operating leverage amidst decline in sales. EBITDA margin declined 500 bps QoQ to 26.0% in Q1FY20
Depreciation	88.6	94.2	82.4	7.5	82.1	7.9	
Interest	38.8	23.3	25.3	53.4	31.5	23.2	
Other Income	40	45	34	17.1	50	-20.0	
PBT	262.3	382.6	348.8	-24.8	453.8	-42.2	
Tax	88.1	130.1	120.7	-27.0	154.3	-42.9	Tax rate came in at its usual run rate of 34%
Reported PAT	174.2	252.5	228.1	-23.6	299.5	-41.8	
Key Metrics							
Domestic revenues	556	570	600	-7.4	658	-15.5	Drop in domestic revenues is tracking decline in CV volumes
Export revenues	753	937	844	-10.8	963	-21.8	Export revenues declined primarily tracking decline in the industrial segment (Oil & gas)

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

₹ Crore	FY20E			FY21E			Comments
	Old	New	% Change	Old	New	% Change	
Revenue	10,680	10,106	-5.4	10,788	10,002	-7.3	We have downward revised our estimates tracking management commentary amidst muted demand prospects both domestically as well as globally.
EBITDA	2,175	1,992	-8.4	2,239	2,038	-9.0	
EBITDA Margin (%)	20.4	19.7	-66 bps	20.8	20.4	-38 bps	Negative operating leverage to weigh on margin estimates
PAT	1,112	954	-14.2	1,186	1,003	-15.4	
EPS (₹)	23.9	20	-14.2	25.5	22	-15.4	Downward revision in sales and margin estimates leads to sharp 14-15% downward revision in EPS estimates for FY20E, FY21E

Source: Company, ICICI Direct Research

Exhibit 3: Assumptions

₹ crore	Current		Earlier		Comments		
	FY18	FY19	FY20E	FY21E			
Domestic Revenues	2,227	2,627	2,646	2,837	2,895.0	3,099	We have revised downward our sales estimates for domestic business tracking muted CV demand domestically over FY20E, FY21E
Export revenues							
Americas (\$ mn)	296	369	363	336	380	373	Downward revised sales estimates in the international markets tracking demand concerns and management commentary over 10% YoY decline in class-8 truck production numbers in CY20E
Europe (Euro mn)	102	125	111	113	127	129	
Asia Pac (\$ mn)	21	18	25	30	19	21	
USD/INR	68.0	70.4	70.3	71.0	70.0	70.0	
EUR/USD	1.2	1.1	1.1	1.1	1.1	1.1	Broadly maintained our currency estimates over FY20E, FY21E

Source: Company, ICICI Direct Research

Conference Call Highlights

Management outlook/guidance and demand

- Management expects domestic M&HCV volumes to remain under pressure in Q2FY20E, as OEMs focus on inventory control in the festive season run-up. Stocks could lose value after that period as BS-VI transition approaches.
- BFL anticipates US Class 8 trucks production to be ~300,000 units in CY20E vs. 330,000 units in CY19
- PV segment is expected to continue to do well courtesy new products, new customers and ramp-up of large export orders
- On the industrial side, management expects volumes to be adversely impacted in Q2FY20E given production cuts at OEMs. It sees further pain in the segment given slowness in capex investments and capital formation, with mining being the only relative bright spot.
- De-stocking of Oil & Gas exports impact export revenues to the US. Revenues from Oil & Gas are expected to de-grow YoY in FY20E and then rebound. New client win on the Oil & Gas side would contribute 20% of FY20E segment revenues, increasing to 35% in FY21E
- Company secured US\$ 30 million worth new orders during the quarter (mainly passenger cars), with full ramp up seen in FY21E
- Construction of Light Weighting Centre at Nellore is complete, with production slated to commence from September, with revenue potential from the facility pegged at ₹ 300 crore by FY22E.
- BFL would be supplying forging components for the US\$ 100 million defence order won by its subsidiary's JV.
- On the electrification front, BFL would be engaged in production of inverters for e-mobility (2/3 W and CV), DC-DC converters, DC-AC converters and controllers (including BMS), with revenue contribution from this segment seen at ₹ 150-200 crore in FY21E.

Sales, costs and margins

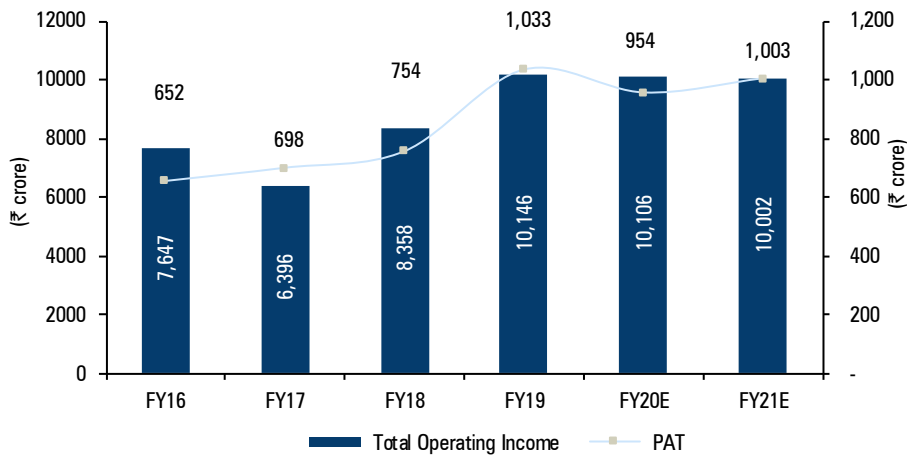
- BFL anticipates returning to erstwhile margin profile only by FY21E.
- To mitigate tough business conditions, BFL would be focusing on reduction in fixed operating expenses going forward.
- ASP decline during the quarter was largely on account of Oil & Gas destocking and rundown of lumpy defence order

Others

- Incremental expansion capex domestically stands largely frozen
- The company is undertaking long term oriented steps in overseas subsidiaries on the products and costs fronts to improve profitability
- Capacity utilisation levels stand at ~60% overall
- Working capital debt stands at ~₹ 1,300 crore, with net long term negligible

Financial story in charts

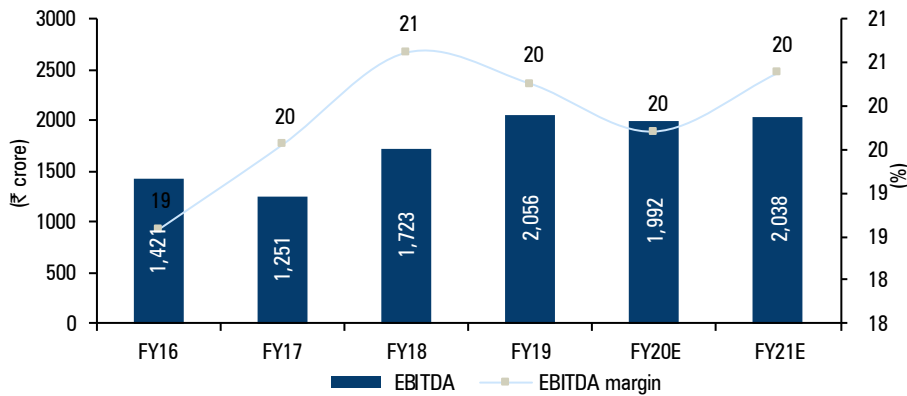
Exhibit 4: Top line trend



Source: Company, ICICI Direct Research

We expect sales to remain flattish over FY19-21E while PAT is seen declining by 1.4% CGAR over the same time period

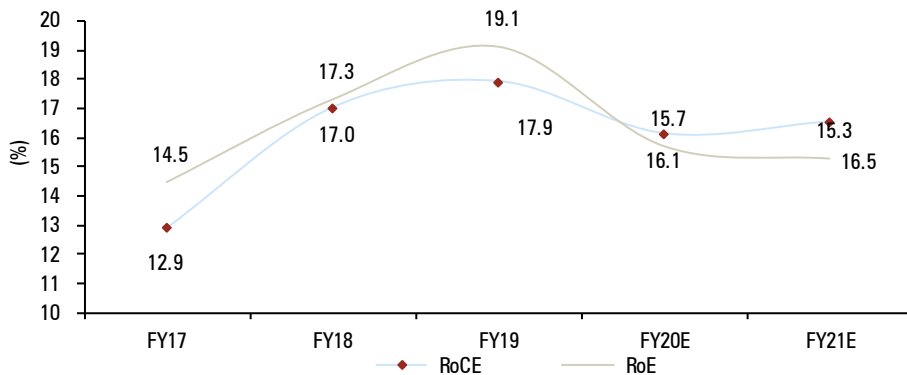
Exhibit 5: EBITDA and EBITDA margin trend



Source: Company, ICICI Direct Research

We do not expect meaningful EBITDA margin expansion at BFL over the medium term

Exhibit 6: Return ratio trend



Source: Company, ICICI Direct Research

Exhibit 7: Segment-wise and geography-wise revenue mix at BFL

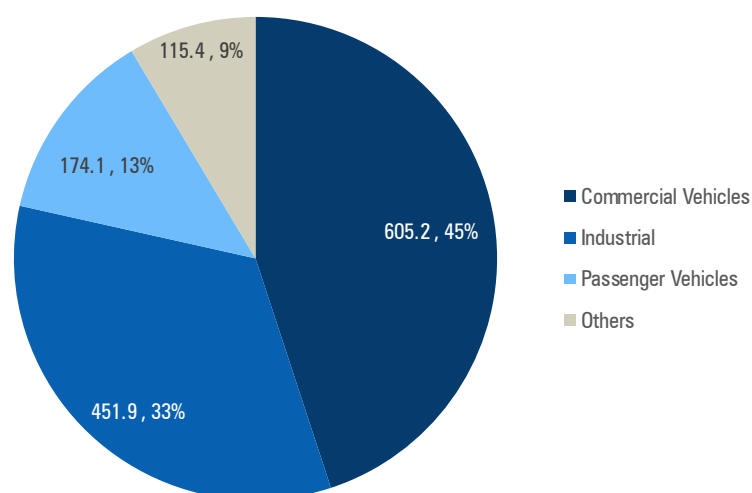
India Revenues (Segmental Bifurcation)						
Particulars	% Share	Q1FY20	Q1FY19	YoY	Q4FY19	QoQ
		₹ crore	₹ crore	%	₹ crore	%
Commercial Vehicles	36.4	215.9	312.1	(30.8)	227.8	(5.2)
Industrial	35.2	209.0	179.6	16.4	287.3	(27.3)
Passenger Vehicles	9.0	53.6	47.4	13.1	67.2	(20.2)
Others	19.4	115.4	96.3	19.8	123.7	(6.7)
Total	100.0	593.9	635.4	(6.5)	706.0	(15.9)

International Revenues (Segmental Bifurcation)						
Particulars	% Share	Q1FY20	Q1FY19	YoY	Q4FY19	QoQ
		₹ crore	₹ crore	%	₹ crore	%
Commercial Vehicles	51.7	389.3	350.5	11.1	392.5	(0.8)
Industrial	32.3	242.9	369.6	(34.3)	434.6	(44.1)
Passenger Vehicles	16.0	120.5	124.2	(3.0)	135.5	(11.1)
Total	100.0	752.7	844.3	(10.8)	962.6	(21.8)

International Revenues (Geographical Bifurcation)						
Particulars	% Share	Q1FY20	Q1FY19	YoY	Q4FY19	QoQ
		₹ crore	₹ crore	%	₹ crore	%
Americas	70.4	530.2	573.9	(7.6)	707.5	(25.1)
Europe	24.6	185.3	250.3	(26.0)	223.3	(17.0)
Asia Pacific	4.9	37.2	20.1	85.1	31.8	17.0
Total	100.0	752.7	844.3	(10.8)	962.6	(21.8)

Source: Company, ICICI Direct Research

Exhibit 8: Segment-wise Q1FY20 standalone revenue mix (₹ crore, %)



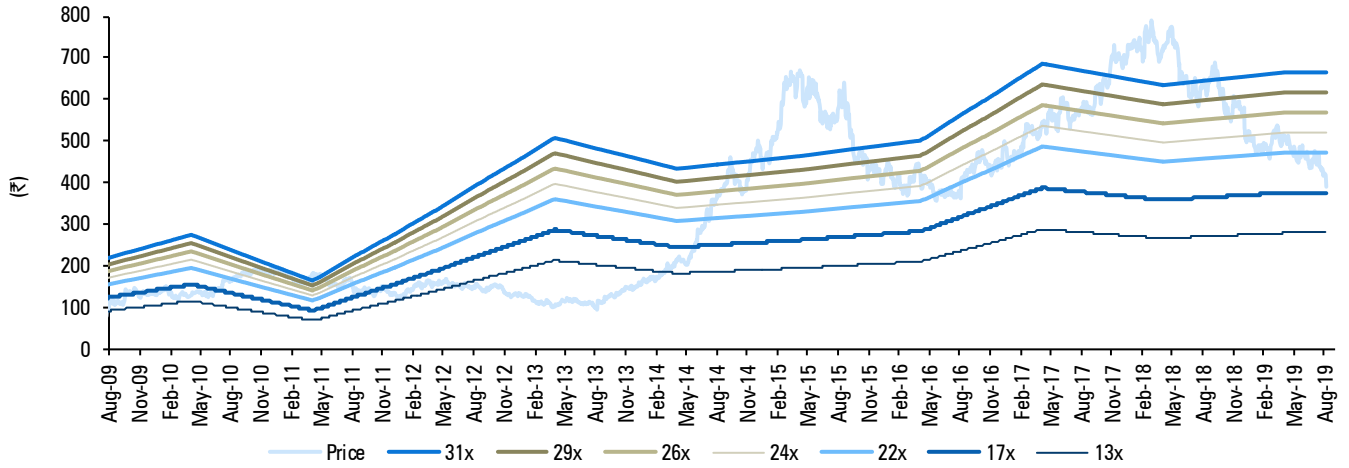
Source: Company, ICICI Direct Research

Exhibit 9: Key Valuation metrics (Consolidated)

	Sales	Growth	EPS	Growth	PE	EV/EBITDA	RoNW	RoCE
	(₹ cr)	(%)	(₹)	(%)	(x)	(x)	(%)	(%)
FY17	6,396	-16.4	15.0	6.9	26.7	15.8	14.5	12.9
FY18	8,358	30.7	16.2	8.1	24.7	12.3	17.3	17.0
FY19	10,146	21.4	22.2	37.0	18.0	10.5	19.1	17.9
FY20E	10,106	-0.4	20.5	-7.6	19.5	10.5	15.7	16.1
FY21E	10,002	-1.0	21.5	5.1	18.6	9.9	15.3	16.5

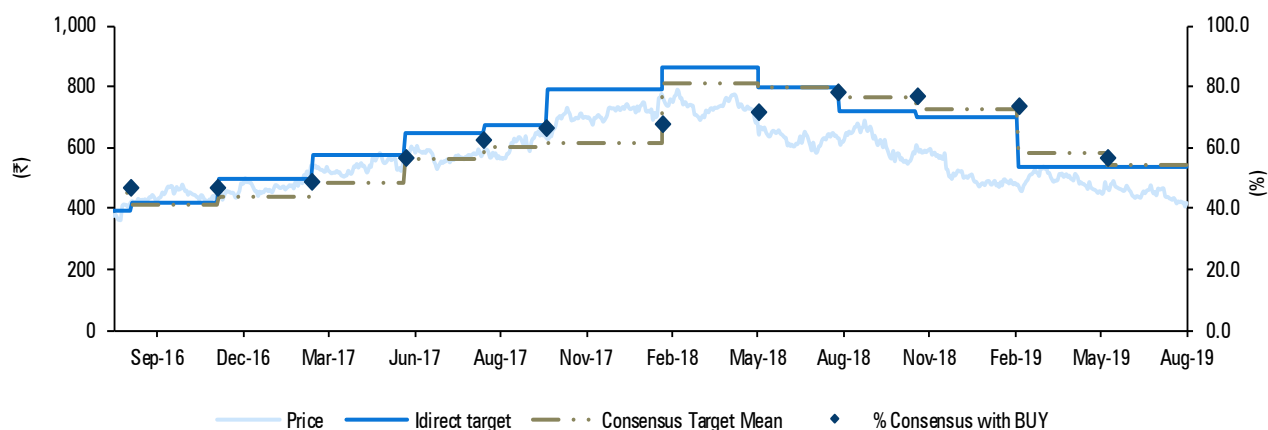
Source: Bloomberg, ICICI Direct Research

Exhibit 10: BFL currently trades at ~18.5x FY21E EPS



Source: Company, ICICI Direct Research

Exhibit 11: Recommendation history vs. consensus



Source: Reuters, ICICI Direct Research

Exhibit 12: Top 10 shareholders

Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)
1	Kalyani Group	30-Jun-19	17.0	78.9	0.00
2	Sundaram Trading & Investment Pvt. Ltd.	30-Jun-19	11.9	55.2	0.00
3	KSL Holding Pvt. Ltd.	30-Jun-19	9.9	46.3	0.00
4	Reliance Nippon Life Asset Management Limited	30-Jun-19	4.2	19.7	1.10
5	Ajinkya Investment & Trading Co., Pvt. Ltd.	30-Jun-19	4.2	19.6	0.00
6	Life Insurance Corporation of India	30-Jun-19	3.5	16.4	0.00
7	Amansa Capital Pte Ltd.	30-Jun-19	2.5	11.7	1.50
8	Hermes Investment Management Ltd.	31-May-19	1.8	8.4	0.00
9	Gagandeep Credit Capital Pvt. Ltd.	30-Jun-19	1.6	7.3	7.26
10	The Vanguard Group, Inc.	30-Jun-19	1.5	6.9	-0.20

Source: Reuters, ICICI Direct Research

Exhibit 13: Recent activity

Buys			Sells		
Investor name	Value (\$mn)	Shares (mn)	Investor name	Value (\$mn)	Shares (mn)
Gagandeep Credit Capital Pvt. Ltd.	+47.40M	+7.26M	Invesco Hong Kong Limited	-26.55M	-3.58M
HDFC Asset Management Co., Ltd.	+36.37M	+5.57M	Aditya Birla Sun Life AMC Limited	-3.35M	-0.51M
Amansa Capital Pte Ltd.	+9.80M	+1.50M	Florida State Board of Administration	-2.38M	-0.32M
Reliance Nippon Life Asset Management Limited	+7.15M	+1.10M	Edelweiss Asset Management Ltd.	-1.66M	-0.25M
Columbia Threadneedle Investments (US)	+2.46M	+0.38M	The Vanguard Group, Inc.	-1.29M	-0.20M

Source: Reuters, ICICI Direct Research

Exhibit 14: Shareholding pattern

(in %)	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19
Promoter	45.8	45.8	45.8	45.8	45.8
FII	20.2	20.2	19.3	19.3	18.9
DII	12.9	12.2	12.5	12.9	13.5
Others	21.2	21.9	22.5	22.0	21.9

Source: Company, ICICI Direct Research

Financial Summary

Exhibit 15: Profit and loss statement ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Total operating Income	8357.7	10145.7	10105.7	10001.9
Growth (%)	30.7	21.4	-0.4	-1.0
Raw Material Expenses	3,281.1	4,214.3	4,244.4	4,200.8
Employee Expenses	1,089.2	1,246.3	1,313.7	1,400.3
Other expenses	2,264.4	2,629.5	2,555.7	2,362.5
Total Operating Expenditure	6,634.7	8,090.2	8,113.9	7,963.6
EBITDA	1,723.0	2,055.6	1,991.8	2,038.3
Growth (%)	37.7	19.3	-3.1	2.3
Depreciation	466.9	520.8	565.9	580.1
Interest	106.5	127.2	144.9	128.9
Other Income	142.0	202.8	184.5	207.1
PBT	1,291.6	1,610.4	1,465.5	1,536.4
Others	0	0	0	0
Total Tax	441.8	566.4	502.7	527.0
PAT	754.0	1,032.6	954.3	1,003.0
Growth (%)	8.1	37.0	-7.6	5.1
EPS (₹)	16.2	22.2	20.5	21.5

Source: Company, ICICI Direct Research

Exhibit 16: Cash flow statement ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Profit after Tax	754.0	1032.6	954.3	1003.0
Add: Depreciation	466.9	520.8	565.9	580.1
(Inc)/dec in Current Assets	-832.0	-630.3	-103.0	47.5
Inc/(dec) in CL and Provisions	-315.0	135.4	17.6	-18.3
CF from operating activities	180.4	1185.7	1579.7	1741.3
(Inc)/dec in Investments	439.2	-156.3	-200.0	-400.0
(Inc)/dec in Fixed Assets	-580.1	-1097.7	-450.0	-250.0
Others	-680.0	-70.4	-47.6	-43.9
CF from investing activities	-820.9	-1324.4	-697.6	-693.9
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	607.2	262.3	-400.0	-400.0
Dividend paid & dividend tax	-504.3	-280.2	-280.2	-512.9
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	505.6	328.0	-144.9	-128.9
CF from financing activities	608.4	310.1	-825.1	-1041.9
Net Cash flow	-32.0	171.4	57.0	5.6
Opening Cash	336.1	304.0	475.4	532.4
Closing Cash	304.0	475.4	532.4	538.0

Source: Company, ICICI Direct Research

Exhibit 17: Balance Sheet ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Liabilities				
Equity Capital	93.1	93.1	93.1	93.1
Reserve and Surplus	4,614.6	5,312.7	5,986.9	6,477.0
Total Shareholders funds	4,707.7	5,405.9	6,080.0	6,570.1
Total Debt	3,251.1	4,022.8	3,622.8	3,222.8
Deferred Tax Liability	254.4	270.2	270.2	270.2
Minority Interest / Others	200.8	178.8	178.8	178.8
Total Liabilities	8,413.9	9,877.7	10,151.9	10,242.0
Assets				
Gross Block	8,026.0	8,636.8	9,586.8	9,986.8
Less: Acc Depreciation	4,526.6	5,047.4	5,613.3	6,193.4
Net Block	3,499.4	3,589.4	3,973.5	3,793.4
Capital WIP	343.8	830.7	330.7	180.7
Total Fixed Assets	3,843.2	4,420.1	4,304.2	3,974.1
Investments	1,528.0	1,558.8	1,808.8	2,258.8
Inventory	1,359.9	1,844.7	1,882.7	1,863.4
Debtors	1,937.1	2,147.8	2,214.9	2,192.2
Loans and Advances	42.7	2.8	2.8	2.7
Other Current Assets	553.1	527.9	525.8	520.4
Cash	304.0	475.4	532.4	538.0
Total Current Assets	4,196.8	4,998.6	5,158.6	5,116.6
Creditors	1,326.8	1,366.4	1,384.3	1,370.1
Provisions	63.2	72.6	73.5	72.8
Other Current Liabilities	239.1	325.5	324.2	320.9
Total Current Liabilities	1,629.1	1,764.5	1,782.1	1,763.8
Net Current Assets	2,567.8	3,234.1	3,376.5	3,352.9
Other non-current assets	474.9	664.7	662.3	656.2
Application of Funds	8,413.9	9,877.7	10,151.9	10,242.0

Source: Company, ICICI Direct Research

Exhibit 18: Key ratios

(Year-end March)	FY18	FY19	FY20E	FY21E
Per share data (₹)				
EPS	16.2	22.2	20.5	21.5
Cash EPS	26.2	33.4	32.7	34.0
BV	101.1	116.1	130.6	141.1
DPS	4.5	5.0	5.0	5.0
Cash Per Share	6.5	10.2	11.4	11.6
Operating Ratios				
EBITDA Margin (%)	20.6	20.3	19.7	20.4
PBT / Net sales (%)	15.0	15.1	14.1	14.6
PAT Margin (%)	10.9	9.0	10.2	9.4
Inventory days	59.4	66.4	68.0	68.0
Debtor days	84.6	77.3	80.0	80.0
Creditor days	57.9	49.2	50.0	50.0
Return Ratios (%)				
RoE	17.0	17.9	16.1	16.5
RoCE	17.3	19.1	15.7	15.3
RoIC	18.3	20.9	18.2	19.0
Valuation Ratios (x)				
P/E	22.9	18.0	19.5	18.6
EV / EBITDA	12.3	10.5	10.5	9.9
EV / Net Sales	2.5	2.1	2.1	2.0
Market Cap / Sales	2.2	1.8	1.8	1.9
Price to Book Value	4.0	3.4	3.1	2.8
Solvency Ratios				
Debt/EBITDA	1.9	2.0	1.8	1.6
Debt / Equity	0.7	0.7	0.6	0.5
Current Ratio	2.4	2.6	2.6	2.6
Quick Ratio	1.6	1.5	1.5	1.5

Source: Company, ICICI Direct Research

Exhibit 19: ICICI Direct Research coverage universe (Auto & Auto Ancillary)

Sector / Company	CMP			M Cap (₹ Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	TP(₹)	Rating		FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E
Amara Raja (AMARAJ)	629	590	Reduce	10743	28.3	31.1	33.8	22.3	20.3	18.6	11.0	9.7	8.7	21.2	21.0	20.5	14.5	14.3	14.0
Apollo Tyre (APOTYR)	162	145	Hold	9276	11.9	14.8	16.2	12.6	10.1	9.3	6.8	6.8	6.4	8.0	7.7	8.2	8.3	8.0	8.2
Ashok Leyland (ASHLEY)	63	70	Hold	18508	6.8	5.3	5.5	9.3	11.9	11.5	6.1	6.6	6.2	26.9	23.1	22.7	24.3	17.4	16.7
Bajaj Auto (BAAUTO)	2740	2360	Reduce	79287	161.6	160.5	168.7	15.4	15.5	14.8	11.0	10.3	9.4	21.0	19.2	25.3	19.9	19.1	18.1
Balkrishna Ind. (BALIND)	736	700	Hold	14233	40.5	39.6	43.9	18.2	18.6	16.7	10.8	11.3	9.8	20.4	18.6	19.3	16.7	18.6	19.3
Bharat Forge (BHAFOR)	400	430	Hold	18623	22.2	20.5	21.5	18.0	19.5	18.6	10.5	10.5	9.9	17.9	16.1	16.5	19.1	15.7	15.3
Bosch (MICO)	13497	15550	Reduce	41193	523.6	538.6	573.1	32.5	31.6	29.7	23.3	22.0	20.5	17.5	15.9	15.0	25.8	23.5	22.3
Eicher Motors (EICMOT)	16798	15875	Hold	45792	808.1	821.9	903.2	20.2	19.9	18.1	14.3	13.6	11.7	32.5	27.7	26.1	24.8	20.8	19.4
Escorts (ESCORT)	469	430	Reduce	4170	54.6	47.3	53.4	8.5	9.8	8.6	5.1	4.9	4.2	21.6	18.0	18.0	15.6	12.3	12.3
Exide Industries (EXIIND)	182	205	Hold	15462	9.1	11.2	12.4	18.1	16.1	14.6	10.6	8.5	7.6	18.4	20.9	20.9	12.9	14.2	14.2
Hero Moto (HERHON)	2640	2200	Hold	52724	169.5	187.4	175.5	13.6	12.3	13.1	8.4	8.2	7.4	37.1	32.0	31.5	26.3	22.5	22.1
JK Tyre & Ind (JKIND)	56	60	Hold	1259	7.8	3.4	9.1	7.3	16.8	6.3	6.3	6.8	5.6	10.2	7.9	10.1	10.3	3.5	8.9
Mahindra & Mahindra (MAHMAH)	520	570	Hold	64646	38.6	44.4	31.8	13.5	11.7	16.4	9.1	8.5	8.6	17.3	14.7	13.2	14.1	11.7	9.6
Mahindra CIE (MAHAUT)	159	230	Buy	6006	13.2	14.1	17.1	14.8	13.8	11.4	7.8	7.8	6.4	12.4	11.1	11.9	13.2	12.6	14.2
Maruti Suzuki (MARUTI)	5903	5000	Reduce	178324	248.3	221.2	250.0	22.8	25.5	22.6	12.3	13.6	11.6	16.3	12.0	13.0	16.3	13.4	13.9
Motherson (MOTSUM)	100	100	Hold	31453	5.1	4.6	5.6	20.6	22.6	18.8	7.7	7.5	6.1	13.2	11.7	14.6	14.7	12.4	13.7
Tata Motors (TELCO)	121	160	Hold	50934	-84.6	9.3	21.4	-1.8	16.1	7.0	3.9	3.6	3.1	5.4	9.1	11.3	7.1	9.8	15.4
Wabco India (WABTVS)	6091	6510	Hold	11553	148.8	157.7	178.3	41.7	39.3	34.8	26.6	24.5	21.5	15.9	14.5	14.3	23.0	21.4	21.0

Source: Reuters, ICICI Direct Research

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