

Healthy performance in tough times...

Bajaj Auto's (BAL) net revenues came in at ₹ 7,707 crore (down 3.5% YoY), with blended ASPs at ₹ 65,673/unit. Total volumes at 11.7 lakh units were down 12.4% YoY (2-W down 13% to 9.8 lakh units; 3-W volumes down 10.8% to 1.9 lakh units). Total exports were at 5.4 lakh units, up 1.7% YoY, with exports revenue at US\$415 million. EBITDA margins improved 113 bps QoQ to 16.6% on the back of 120 bps gross margin expansion. Consequent PAT grew robustly by 21.7% YoY to ₹ 1,402 crore, aided by adoption of new corporate tax rate (25.2%) and a tax reversal of ₹ 182 crore.

Product, geographical diversification key differentiator

BAL stands apart from the competitor pack given the scale of its presence across geographies in both 2-W as well as 3-W segments (FY19 volumes of 25.7 lakh units of which – 50% domestic 2-W, 34% export 2-W, 8% domestic 3-W, 8% export 3-W). It has been able to broadly outperform its peers during the ongoing slowdown given the strength of its export performance as well as concentrated focus on the motorcycle segment, which has fared better than scooters and mopeds. This reflects in its market share gains (domestic motorcycle market share of 18.1% as of September 2019 vs. 17.5% YoY). The pace of domestic 2-W outperformance has slowed significantly in Q2FY20. However, going forward, we believe the company's exports portfolio would continue to act as a hedge against the weak domestic scenario and drive relative performance. We build in 1.2% total volume CAGR in FY19-21E (2-W CAGR 2.0%, 3-W CAGR -2.9%).

Muted commodity prices to help sustain current margins

In recent times, margins at BAL have come under pressure on account of volume weakness and elevated marketing costs ('World's favourite Indian' campaign, higher discounting levels). Erstwhile ~20% margin profile has tapered to ~15-16% trajectory, with the upcoming BS-VI transition & expected negative operating leverage factors seen keeping margins under check. Going forward, however, muted commodity prices should help BAL sustain its EBITDA margins in the current range of 16-16.5% in FY19-21E.

Valuation & Outlook

For BAL, sales and PAT are expected to grow at 8.0% & 8.2% CAGR, respectively, in FY19-21E. We value BAL at ₹ 3,300 using SOTP method (implied P/E at 17.5x FY21E EPS) and assign a **HOLD** rating to the stock. We view Bajaj's foray into electric 2-W space i.e. "Chetak" under Urbanite brand as a positive development. It is indeed a pro-active step towards de-risking the existing business model. We also derive comfort from cash rich B/S at BAL and healthy cash flow generation with present CFO yield placed at ~5%. With minimal capex spent, FCF yield is also placed at ~5%.

Key Financial Summary

Key Financials	FY17	FY18	FY19	FY20E	FY21E	CAGR (FY19-21E)
Net Sales	21,766.7	25,164.9	30,250.0	31,680.4	35,300.6	8.0%
EBITDA	4,422.4	4,783.4	4,982.0	5,159.5	5,790.1	7.8%
EBITDA Margins (%)	20.3	19.0	16.5	16.3	16.4	
Net Profit	3,827.6	4,068.1	4,675.1	5,063.1	5,470.0	8.2%
EPS (₹)	132.3	140.6	161.6	175.0	189.0	
P/E	23.9	22.5	19.6	18.1	16.7	
RoNW (%)	22.5	21.5	19.9	20.6	19.8	
RoCE (%)	23.5	22.9	21.0	19.5	25.9	

Source: ICICI Direct Research, Company



Particulars

Particular	₹ crore
Market Capitalization	91,469.9
Total Debt (FY19)	124.5
Cash & Liquid Invests (FY19)	17,258.5
EV	74,335.9
52 week H/L (₹)	3236 / 2400
Equity capital (₹)	289.4
Face value (₹)	₹ 10

Key Highlights

- In Q2FY20, 12.4% decline in volumes (2-W down 13%, 3-W down 10.8%) led to 3.5% topline de-growth in Q2FY20. However, ASPs increase surprised us positively
- A 120 bps gross margin expansion was also encouraging. This helped EBITDA margin to increase to 16.6% for the quarter
- At BAL, de-risking of business via exports is a key differentiator with margin recovery to be sedate
- Maintain HOLD with revised target price of ₹ 3,300/share

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Exhibit 1: Variance Analysis

	Q2FY20	Q2FY20E	Q2FY19	YoY (%)	Q1FY20	QoQ (%)	Comments
Total Operating Income	7,707	7,507	7,987	-3.5	7,756	-0.6	Topline came in ahead of our estimates primarily tracking beat on domestic ASPs
Raw Material Expenses	5,437	5,340	5,783	-6.0	5,564	-2.3	RM cost as a percentage of sales came in at 70.5% vs. our estimate of 71.1%. Gross margins were up 120 bps QoQ
Employee Expenses	338	349	312	8.5	361	-6.2	
Other Expenses	663	624	555	19.3	639	3.7	Other expenses were contained at 8.6% of sales
EBITDA	1,278.1	1,200.6	1,343.0	-4.8	1,198.2	6.7	
EBITDA Margin (%)	16.6	16.0	16.8	-23 bps	15.4	113 bps	EBITDA margins came in ahead of our estimates at 16.6% primarily tracking savings realised in raw material costs
Other Income	393.4	475.0	381.5	3.1	441.3	-10.8	
Depreciation	61.3	61.9	71.5	-14.2	60.1	2.0	Depreciation came in on expected lines
Interest	1	0	0	NA	1	NA	
Total Tax	206	386	500	-58.7	453	-54.4	Tax rate came in substantially lower at 12.8% of PBT. It also includes tax reversal of ₹ 182 crore on account of reduced corporate tax rate (25.2%)
Reported PAT	1402.4	1227.3	1152.5	21.7	1125.7	24.6	
EPS (₹)	48.5	42.5	39.8	21.7	38.9	24.6	Reported PAT came in substantially higher tracking beat on ASPs and savings realised out of raw material costs
Key Metrics							
Revenue (₹ crore)							
Domestic	4,569	4,278	4,924	-7.2	4,515	1.2	Domestic revenues came in ahead of estimates
Exports	2,930	3,067	2,908	0.8	3,050	-3.9	Exports revenues came in lower than our estimates
Blended ASP (₹/ unit)							
Domestic	72,635	68,002	61,194	18.7	64,764	12.2	Domestic ASPs witnessed a robust uptick QoQ primarily tracking improved product mix and calibrated price hikes undertaken by the company
Exports	53,808	56,327	54,373	-1.0	55,452	-3.0	

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

(₹ Crore)	FY20E			FY21E			Comments
	Old	New	% Change	Old	New	% Change	
Revenue	32,249	31,680	-1.8	35,731	35,301	-1.2	We broadly maintain our topline estimates for FY20E & FY21E
EBITDA	5,065	5,160	1.9	5,275	5,790	9.8	
EBITDA Margin (%)	15.7	16.3	58 bps	14.8	16.4	164 bps	Benign commodity prices leads us to upgrade our margin estimates by 60 bps in FY20E and 160 bps in FY21E
PAT	4,993	5,063	1.4	5,261	5,470	4.0	
EPS (₹)	172.8	175.0	1.3	182.0	189.0	4.0	Increase in margin estimates leads to upgrade in EPS estimates

Source: Company, ICICI Direct Research

Exhibit 3: Assumptions

Units (mn)	Current				Earlier		Comments
	FY18	FY19	FY20E	FY21E	FY20E	FY21E	
Motorcycle volumes	3.4	4.2	4.2	4.4	4.4	4.7	Lower volume estimates tracking muted demand scenario domestically. We expect 2-W volumes at Bajaj Auto to grow at a CAGR of 2.0% over FY19-21E
Three-Wheeler volumes	0.6	0.8	0.7	0.7	0.7	0.7	Broadly maintain our 3-W estimates over FY19-21E
Quadricycle volumes	0.0	0.0	0.0	0.0	0.0	0.0	
Total volumes	4.0	5.0	4.9	5.1	5.1	5.4	Total volumes expected to grow at a CAGR of 1.2% over FY19-21E. It includes a decline in FY20E and then a growth in FY21E
Export volumes	1.7	2.1	2.2	2.3	2.1	2.3	
Domestic revenues (₹ crore)	15,396	18,099	19,019	21,931	19,472	22,126	
Export revenues (\$ mn)	1,400	1,642	1,680	1,762	1,723	1,834	
US\$INR Realisation rate	67	70	71	71	70	70	US\$: INR exchange rate expected in tight range of 70-71 levels
Export ASP (\$/unit)	872	790	777	761	802	797	
Blended ASP (₹/unit)	62,640	58,905	63,343	66,955	61,338	64,161	We upgrade our ASP estimates tracking healthy increase in ASPs in Q2FY20, consequent to better product mix and calibrated price hikes undertaken by the company

Source: Company, ICICI Direct Research

Conference call highlights

Management outlook/guidance and demand

- The company envisages a moderately negative growth for domestic 2-W industry in FY20E if BS-VI related pre-buy does not pan out
- Demand conditions have improved during the latter half of September compared to a weak July and August. On a like to like basis, festive sales are currently fairly even compared to last year. The management feels the demand decline could have bottomed out
- Export volumes to Egypt are slated to improve imminently as destocking exercise is complete
- Pulsar 125 has received encouraging response
- The company has gained significant market share in cargo 3-W segment (current share 31%) and sees it as a beneficiary under BS-VI as small 4-W cargo vehicles could lose competitiveness
- BAL sees little threat to CNG 3-W (BAL has ~80% market share) from electric versions on total cost of ownership (TCO) basis
- Improvement in Pulsar exports to Latin America, Bangladesh, Nepal, Malaysia, etc, have been driven by Pulsar 160 & Pulsar 200 NS

Sales, costs and margins

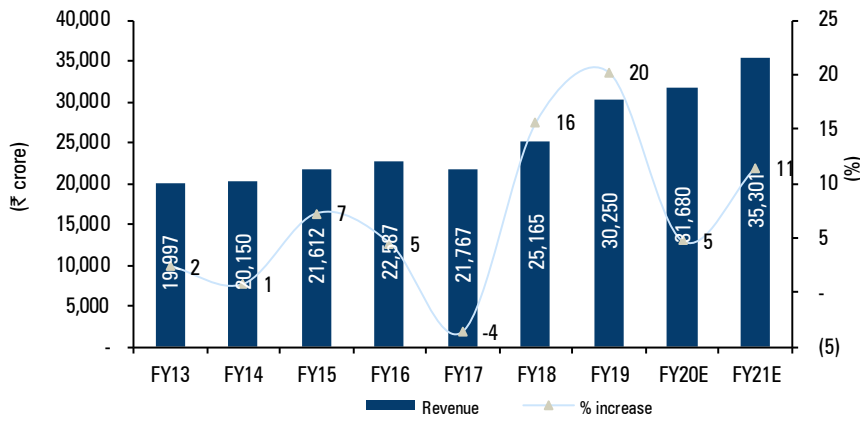
- Going forward, segmental margins are seen remaining range bound. However, evolution of product mix would impact upon blended margins
- Commodity costs are expected to act as a tailwind in Q3FY20E (largely due to lower steel prices) but they are seen rebounding in Q4FY20E
- Also, ~60% of 120 bps QoQ gross margin expansion during Q2FY20 was on account of product mix (higher 3-W) while rest was attributable to pricing and softer material costs
- BAL took price hikes in July (broad based) and September (largely sports segment, ~1%)
- Export sales for the quarter were at ₹ 3,108 crore
- Spares revenues for Q2FY20 were at ₹ 793 crore (vs. ₹ 811 crore YoY)

Other

- Channel inventory was at ~60 days of sales, which is usual for festive season. Factory inventory is also at normal levels
- The company would adopt 25.2% as the new tax rate, going forward
- Domestic 2-W financing penetration for BAL was at 70%+ (vs. 65% in Q1FY20), of which Bajaj Finance contributed >50%
- The company would commence commercial production of Husqvarna by end of CY19 and initially orient it towards exports

Financial story in charts

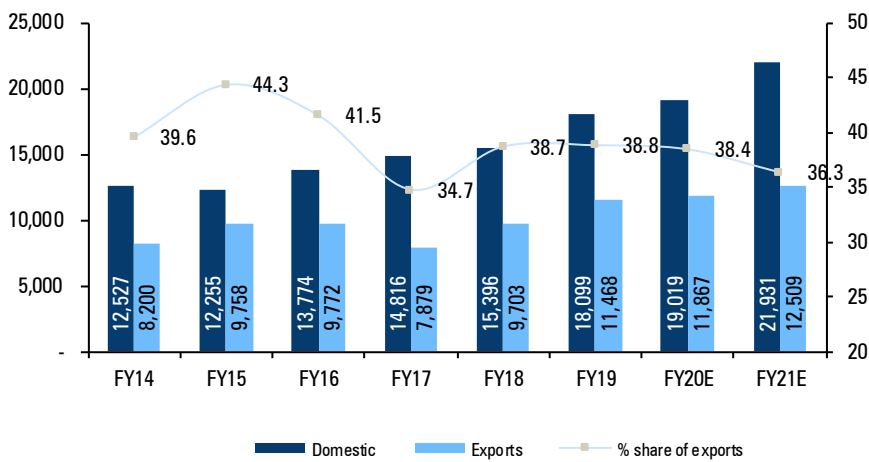
Exhibit 4: Total operating income trend



We expect total operating income to grow at a CAGR of 8.0% over FY19-21E. It includes volume growth CAGR of 1.2% and ASP's growth CAGR of 6.8% over the aforesaid period (largely on account of BS-VI related price increases)

Source: Company, ICICI Direct Research

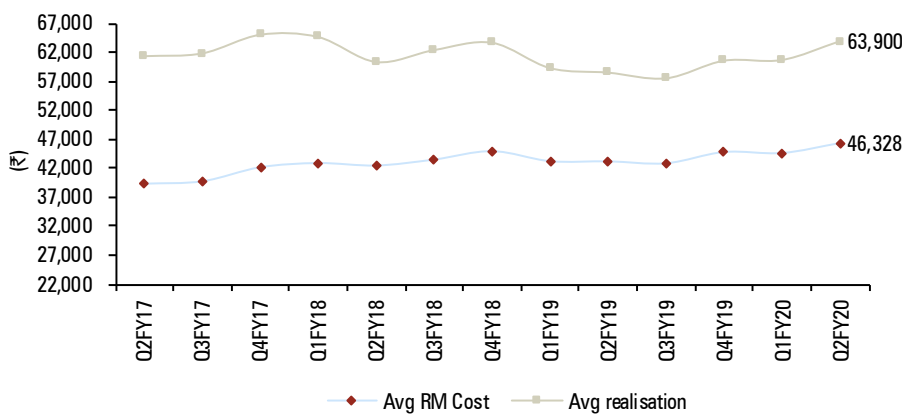
Exhibit 5: Revenue mix



Product mix expected to evolve against exports in FY21E as domestic market recovers from low base of FY20

Source: Company, ICICI Direct Research

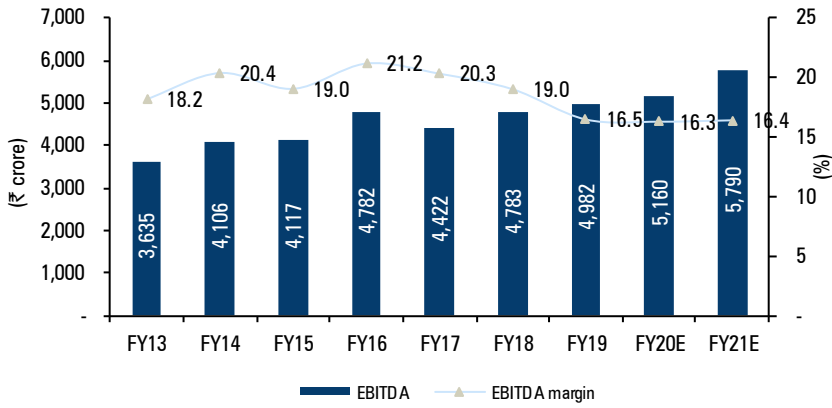
Exhibit 6: Per vehicle metrics and estimates



ASPs for the quarter were at ~₹ 63,900/unit

Source: Company, ICICI Direct Research

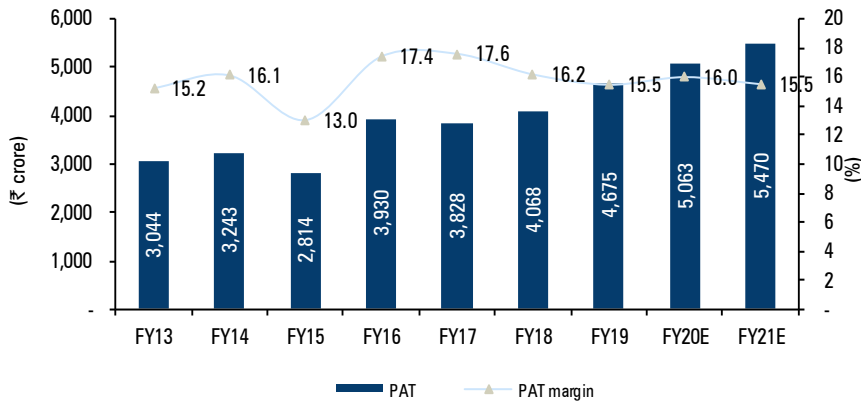
Exhibit 7: EBITDA trend and margin profile



Source: Company, ICICI Direct Research

Recovery in EBITDA margins is seen taking time amid overall industry weakness and upcoming transition to BS-VI norms, which would necessitate product cost increases

Exhibit 8: Profitability trend



Source: Company, ICICI Direct Research

PAT growth expected to be at 8.2% CAGR over FY19-21E, largely on account of adoption of new corporate tax rate of 25.2%. We expect Bajaj Auto to clock PAT of ₹ 5,790 crore in FY21E (₹ 4675 crore in FY19)

Exhibit 9: Segment-wise volume break-up for Q2FY20

	Q2FY19	Q2FY20	YoY %	Domestic market share % (YTD September 2019)
MOTORCYCLES	692,899	521,350	(24.8)	18.1
75-110cc	421,310	280,816	(33.3)	
<i>Discover</i>	19,278	5,491	(71.5)	
<i>CT</i>	248,587	134,084	(46.1)	
<i>Platina</i>	153,445	141,241	(8.0)	
110-125cc	12,704	51,305	303.8	
<i>Pulsar</i>	-	40,546	NA	
<i>Discover</i>	12,704	2,628	(79.3)	
<i>V 12</i>	-	-	-	
<i>KTM</i>	-	8,131	NA	
125-150cc	166,187	110,827	(33.3)	
<i>V 15</i>	4,855	-	(100.0)	
<i>Pulsar</i>	161,332	110,827	(31.3)	
150-200cc	56,091	50,502	(10.0)	
<i>Pulsar</i>	39,942	32,125	NA	
<i>KTM</i>	8,110	5,978	(26.3)	
<i>Avenger</i>	8,039	12,399	54.2	
200-250cc	31,219	23,588	(24.4)	
<i>KTM</i>	1,675	1,708	2.0	
<i>Avenger</i>	8,005	4,279	(46.5)	
<i>Pulsar</i>	21,539	17,601	(18.3)	
350-500cc	5,388	4,271	(20.7)	
<i>Dominar</i>	3,598	3,118	(13.3)	
<i>KTM</i>	1,790	1,153	(35.6)	
500-800cc	-	41	NA	
<i>KTM</i>	-	41	NA	
Total domestic	692,899	521,350	(24.8)	18.1
Total exports	433,643	462,890	6.7	
Total 2-W volumes	1,126,542	984,240	(12.6)	

Source: Company, ICICI Direct Research

Exhibit 10: Valuation Summary

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY17	21,766.7	(3.6)	132.3	(2.6)	23.9	17.9	22.5	23.5
FY18	25,164.9	15.6	140.6	6.3	22.5	15.9	21.5	22.9
FY19	30,250.0	20.2	161.6	14.9	19.6	14.9	19.9	21.0
FY20E	31,680.4	4.7	175.0	8.3	18.1	13.9	20.6	19.5
FY21E	35,300.6	11.4	189.0	8.0	16.7	11.9	19.8	25.9

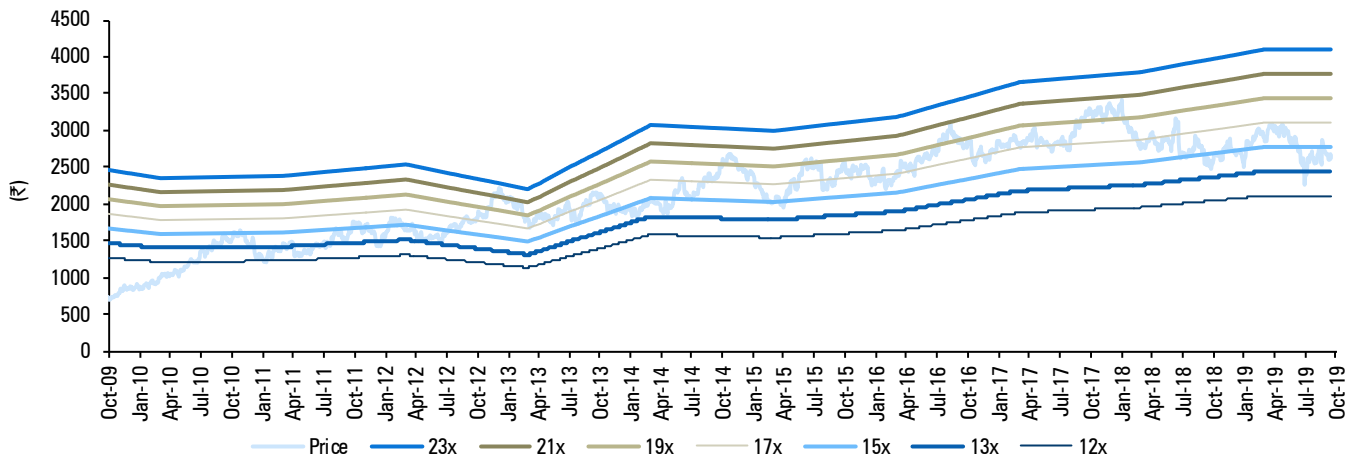
Source: Bloomberg, ICICI Direct Research

Exhibit 11: SOTP valuation

SOTP Valuation	Estimated value	Per share (₹)	Remark
Core Business			
FY21E EPS (₹)	189.0		
Multiple (x)	17.0		Largely inline with long period average
Value per share (₹)		3,213	
Stake in KTM (48%)			
KTM value derived back to Bajaj (₹ crore)	2440		2.0x of Invested Capital (₹ 1220 crore)
Value per share		84	
Total Value per Share (₹)		3,300	

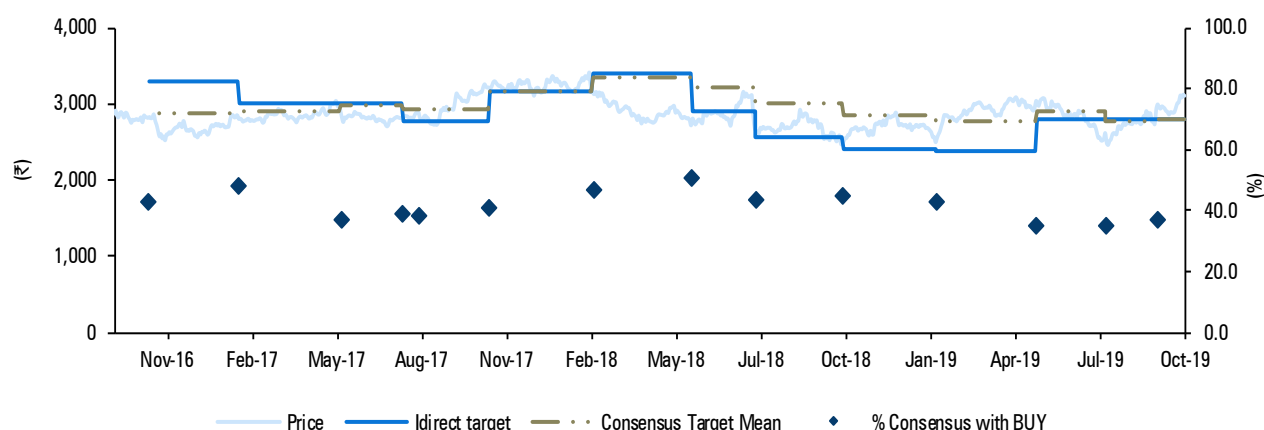
Source: Bloomberg, ICICI Direct Research

Exhibit 12: BAL currently trades at ~16.7x its FY21E EPS



Source: Bloomberg, ICICI Direct Research

Exhibit 13: Recommendation history vs. consensus



Source: Reuters, ICICI Direct Research

Exhibit 14: Top 10 shareholders

Rank	Name	Latest Filing Date	% O/S Position (m)	Change (m)
1	Bajaj Group of Industries	30-Jun-19	48.8	141.1
2	Life Insurance Corporation of India	30-Jun-19	4.6	13.3
3	Firodia Group of Industries	30-Jun-19	3.4	9.7
4	Yamuna Trust	30-Jun-19	1.3	3.7
5	SBI Funds Management Pvt. Ltd.	30-Sep-19	1.1	3.1
6	The Vanguard Group, Inc.	30-Sep-19	1.1	3.1
7	Lazard Asset Management, L.L.C.	30-Sep-19	1.0	2.8
8	Bajaj (Rahul Kumar)	30-Jun-19	1.0	2.8
9	BlackRock Institutional Trust Company, N.A.	30-Sep-19	0.8	2.3
10	Bajaj (Madhur)	30-Jun-19	0.6	1.7

Source: Reuters, ICICI Direct Research

Exhibit 15: Recent activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
Florida State Board of Administration	+12.35M	+0.29M	J.P. Morgan Asset Management (Hong Kong) Ltd.	-22.36M	-0.52M
Invesco Asset Management (India) Private Limited	+8.75M	+0.21M	Wellington International Management Company Pte. Ltd.	-5.66M	-0.14M
Eastspring Investments (Singapore) Limited	+1.66M	+0.04M	HSBC Global Asset Management (Hong Kong) Limited	-4.10M	-0.10M
IDFC Asset Management Company Private Limited	+1.44M	+0.03M	Kotak Mahindra Asset Management Company Ltd.	-3.97M	-0.10M
Reliance Nippon Life Asset Management Limited	+1.21M	+0.03M	Tredje AP Fonden	-3.57M	-0.09M

Source: Reuters, ICICI Direct Research

Exhibit 16: Shareholding pattern

(in %)	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Promoter	49.3	49.3	51.2	53.5	53.5
FII	16.4	16.1	15.6	15.7	14.1
DII	8.0	8.2	7.4	7.5	9.8
Others	26.3	26.4	25.8	23.3	22.6

Source: Company, ICICI Direct Research

Financial Summary

Exhibit 17: Profit and loss statement				
	₹ crore			
(Year-end March)	FY18	FY19	FY20E	FY21E
Total operating Income	25164.9	30250.0	31680.4	35300.6
Growth (%)	9.5	20.2	4.7	11.4
Raw Material Expenses	17,410.1	21,824.4	22,471.0	25,124.4
Employee Expenses	1,069.1	1,255.4	1,410.9	1,549.8
Other expenses	1,926.4	2,218.3	2,669.3	2,870.2
Total Operating Expenditure	20,381.5	25,268.0	26,520.8	29,510.5
EBITDA	4783.4	4982.0	5159.5	5790.1
Growth (%)	-10.3	4.2	3.6	12.2
Depreciation	314.8	265.7	253.4	282.4
Interest	1.3	4.5	4.3	0.8
Other Income	1,347.3	1,649.3	1,675.0	1,806.0
PBT	5,814.6	6,361.1	6,576.8	7,312.8
Total Tax	1,714.5	2,028.0	1,513.6	1,842.8
PAT	4068.1	4675.1	5063.1	5470.0
Growth (%)	6.3	14.9	8.3	8.0
EPS (₹)	140.6	161.6	175.0	189.0

Source: Company, ICICI Direct Research

Exhibit 18: Cash flow statement				
	₹ crore			
(Year-end March)	FY18	FY19	FY20E	FY21E
Profit after Tax	4,068.1	4,675.1	5,063.1	5,470.0
Add: Depreciation	314.8	265.7	253.4	282.4
(Inc)/dec in Current Assets	355.3	-1,871.0	-339.4	-560.3
Inc/(dec) in CL and Provisions	1,013.3	557.4	123.5	462.9
CF from operating activities	5638.2	3836.7	5152.1	5744.7
(Inc)/dec in Investments	-2,689.9	-1,571.1	-2,400.0	-2,800.0
(Inc)/dec in Fixed Assets	-205.7	-142.8	-315.0	-315.0
Others	-259.7	22.0	-95.0	-95.0
CF from investing activities	-3155.2	-1691.8	-2810.0	-3210.0
Inc/(dec) in loan funds	0.9	3.8	-20.0	-20.0
Dividend paid & dividend tax	-1,888.0	-2,083.5	-2,257.1	-2,430.7
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
CF from financing activities	-1998.9	-1999.8	-2295.3	-2465.5
Net Cash flow	484.2	145.1	46.8	69.2
Opening Cash	293.7	777.8	922.9	969.7
Closing Cash	777.8	922.9	969.7	1038.8

Source: Company, ICICI Direct Research

Exhibit 19: Balance Sheet				
	₹ crore			
(Year-end March)	FY18	FY19	FY20E	FY21E
Liabilities				
Equity Capital	289.4	289.4	289.4	289.4
Reserve and Surplus	18,814.5	21,490.5	24,282.6	27,307.8
Total Shareholders funds	19103.8	21779.9	24571.9	27597.2
Total Debt	120.8	124.5	104.5	84.5
Deferred Tax Liability	323.4	542.7	542.7	542.7
Other non-current liabilities	1.4	1.1	1.1	1.1
Total Liabilities	19708.2	22506.7	25288.7	28303.9
Assets				
Gross Block	4,506.3	4,637.8	4,929.3	5,229.3
Less: Acc Depreciation	2,627.9	2,893.6	3,147.1	3,429.5
Net Block	1,878.3	1,744.2	1,782.2	1,799.8
Capital WIP	11.2	11.5	20.0	20.0
Total Fixed Assets	1889.5	1755.7	1802.2	1819.8
Investments	17,588.3	19,159.4	21,609.4	24,459.4
Inventory	742.6	961.5	1,041.5	1,160.6
Debtors	1,491.9	2,559.7	2,777.5	3,094.8
Loans and Advances	6.3	6.3	6.6	7.4
Other current assets	216.3	295.6	212.3	417.1
Cash	777.8	922.9	969.7	1038.8
Total Current Assets	3,470.2	5,486.3	5,872.4	6,501.9
Creditors	3,244.3	3,786.7	3,905.8	4,352.1
Provisions	125.6	140.6	145.0	161.6
Other current liabilities	0	477.1	604.3	546.2
Total Current Liabilities	4,111.3	4,873.7	5,044.4	5,596.1
Net Current Assets	128.8	-641.1	612.6	828.1
Deferred Tax asset	0.0	0.0	0.0	0.0
Application of Funds	19708.2	22506.7	25288.7	28303.9

Source: Company, ICICI Direct Research

Exhibit 20: Key ratios				
(Year-end March)	FY18	FY19	FY20E	FY21E
Per share data (₹)				
EPS	140.6	161.6	175.0	189.0
Cash EPS	151.5	170.7	183.7	198.8
BV	660.2	752.7	849.2	953.7
DPS	60.0	60.0	65.0	70.0
Cash Per Share	26.9	31.9	33.5	35.9
Operating Ratios (%)				
EBITDA Margin	19.0	16.5	16.3	16.4
PBT / Net sales	17.8	15.6	15.5	15.6
PAT Margin	16.2	15.5	16.0	15.5
Inventory days	10.8	11.6	12.0	12.0
Debtor days	21.6	30.9	32.0	32.0
Creditor days	47.1	45.7	45.0	45.0
Return Ratios (%)				
RoE	22.9	21.0	19.5	25.9
RoCE	21.5	19.9	20.6	19.8
RoIC	123.7	101.9	100.0	110.1
Valuation Ratios (x)				
Core P/E	22.3	21.1	18.1	16.7
EV / EBITDA	15.9	14.9	13.9	11.9
EV / Net Sales	3.0	2.5	2.3	2.0
Market Cap / Sales	3.6	3.0	2.9	2.6
Price to Book Value	4.8	4.2	3.7	3.3
Solvency Ratios				
Current Ratio	0.7	1.0	1.1	1.1
Quick Ratio	0.5	0.8	0.8	0.8

Source: Company, ICICI Direct Research

Exhibit 21: ICICI Direct coverage universe (Auto & Auto Ancillary)

Sector / Company	CMP		M Cap	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)			
	(₹)	TP(₹)		Rating	(₹ Cr)	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E
Apollo Tyre (APOTYR)	184	200	Hold	10500	11.9	14.8	16.6	15.4	12.4	11.1	7.9	7.9	7.4	8.0	7.7	8.2	8.3	7.9	8.4
Ashok Leyland (ASHLEY)	75	75	Hold	22104	6.8	5.8	6.2	11.1	12.9	12.2	5.8	6.3	5.8	26.9	22.7	22.2	24.3	18.8	18.1
Bajaj Auto (BAAUTO)	3161	3300	Hold	91470	161.6	175.0	189.0	19.6	18.1	16.7	14.9	13.9	11.9	21.0	19.5	25.9	19.9	20.6	19.8
Bharat Forge (BHAFOR)	455	515	Buy	21174	22.2	23.5	24.9	20.5	19.3	18.3	11.5	11.5	10.8	17.9	16.0	16.3	19.1	17.6	16.9
Eicher Motors (EICMOT)	20521	18175	Hold	55941	808.1	907.0	1029.4	25.4	22.6	19.9	13.4	12.6	10.9	32.5	27.3	25.2	24.8	22.5	21.1
Exide Industries (EXIIND)	180	230	Buy	15270	9.9	12.3	14.1	18.1	14.6	12.7	10.6	8.5	7.5	18.4	20.8	20.5	12.9	15.5	15.7
Hero Moto (HERHON)	2713	3330	Buy	54177	169.5	209.0	196.0	16.0	13.0	13.8	10.7	10.6	9.5	37.1	31.1	30.2	26.3	24.8	23.4
Mahindra & Mahindra (MAHMAH)	520	660	Buy	64646	38.6	44.0	34.2	13.5	11.8	15.2	10.0	9.4	9.4	17.3	14.7	13.2	14.1	11.6	10.3
Maruti Suzuki (MARUTI)	7440	5700	Sell	224755	248.3	226.8	259.2	30.0	32.8	28.7	15.9	17.5	15.0	16.3	11.9	12.9	16.3	13.7	14.3
Tata Motors (TELCO)	133	125	Hold	50934	-84.6	9.3	21.4	-1.6	14.3	6.2	3.9	3.6	3.1	5.4	9.1	11.3	7.1	9.8	15.4

Source: Reuters, ICICI Direct Research

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Reduce: -15% to -5%;

Sell: <-15%



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