Mahindra & Mahindra (MAHMAH)

ICICI direct Research

CMP: ₹ 580 | Target: ₹ 680 (17%) | Target Period: 12 months | BUY

November 11, 2019

Result Update

Better placed among OEM pack to tide downturn…

Mahindra & Mahindra (M&M) reported a relatively decent performance in Q2FY20. Standalone net sales for the quarter were at ₹ 11,076 crore (down 14.7% YoY), tracking automotive and tractor segment volume declines of 20.6% YoY & 8.0% YoY, respectively. Encouragingly, standalone EBITDA margins were unchanged QoQ at 12.6% (automotive EBIT margins down 70 bps to 4%, tractor EBIT margins unchanged at 19.3%). Consequent standalone PAT at ₹ 1,213 crore (down 26.5% YoY) was aided by a jump in other income (₹ 605 crore received as dividends).

Product profile augurs well for incremental market share gains!

M&M is uniquely positioned among Indian automakers wherein the company's PV and CV presence is tilted towards the faster growing segments within those industries, i.e. UV and LCV, respectively, (as of FY19, M&M's UV share in PV portfolio 92% vs. 27% for industry; LCV share in CV portfolio 95% vs. 60% for industry). By virtue of this product profile, M&M has been able to limit volume decline during the ongoing sharp slowdown in the domestic auto space (as of September 2019 on YTD basis, M&M PV domestic sales volumes down 14.3% YoY vs. 20%+ decline for most major peers; M&M CV volumes down 15.4% vs. 25%+ decline for major peers). This places M&M well in terms of gaining incremental market share.

Tractor segment to buffer automotive pains!

M&M is poised to realise the benefits of its diversified presence across the automotive and farm equipment segments. The domestic tractor industry is seen posting flattish to negative single digit growth in FY20E on the back of a high base courtesy ~50% rise in industry volumes in FY16-19, slowing farm incomes and inherent industry cyclicality. However, in the short-term, excellent monsoons and expected subsidy support from various state governments are seen aiding industry volumes in H2FY20E. M&M as the dominant player in the industry (~40%+ domestic market share) would also benefit, with the segment supporting total company volumes while automotive sector drags. Going forward, we build in tractor sales volume of 3.09 lakh units in FY20E, down 7% YoY & 3.24 lakh units in FY21E.

Valuation & Outlook

We expect sales to grow at 2.5% CAGR for M&M in FY19-21E (with PAT seen declining to ~₹ 4,287 crore in FY21E). While M&M remains better placed among the OEM pack with regard to its product segments vis-à-vis industry prospects, absolute growth still remains a challenge. Valuations, however, offer comfort. We retain our **BUY** rating on the stock with a revised target price of ₹ 680/share wherein we value standalone operations at 6x EV/EBITDA (FY21E basis) and value its investments at 25% holdco discount.

Mahindra Rise.

Particulars

Particular	Amount
Market Capitalization (₹ crore)	72,105.6
Total Debt (FY19, ₹ crore)	2,480.3
Cash and Investments (FY19, ₹ crore)	6,733.9
EV (FY19, ₹ crore)	67,852.0
52 week H/L (₹)	814 / 503
Equity capital (₹ crore) (FY19)	595.8
Face value (₹)	₹ 5

Key Highlights

- Sales decline of 14.7% YoY in Q2FY20 tracks 20.6%, 8% dip in automotive & tractor volumes, respectively
- Margins unchanged sequentially at 12.6%
- UV, LCV heavy product profile to help contain volume loss vis-à-vis industry on automotive side; relatively better prospects for tractor segment to help
- Healthy B/S, reasonable valuations, proactive approach towards EV remain further positives
- Maintain BUY with revised target price of ₹ 680 on SOTP basis

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Key Financial Summary

Key Financials	FY17	FY18	FY19	FY20E	FY21E	CAGR (FY19-21E)
Net Sales	44,053.5	48,685.6	53,614.0	50,996.3	56,304.3	2.5%
EBITDA	4,514.7	6,224.1	6,639.6	6,616.5	6,538.7	-0.8%
EBITDA Margins (%)	10.2	12.8	12.4	13.0	11.6	
Net Profit	3,643.4	4,356.0	4,796.1	5,738.4	4,287.4	-5.5%
EPS (₹)	29.3	35.0	38.6	46.2	34.5	
P/E	19.8	16.6	15.0	12.6	16.8	
RoNW (%)	12.0	13.4	14.1	12.1	10.3	
RoCE (%)	14.7	17.3	17.3	14.7	13.2	

Source: ICICI Direct Research, Company

Exhibit 1: Variance Analysis

	Q2FY20	Q2FY20E	Q2FY19	YoY (%)	Q1FY20	QoQ (%)	Comments
Total Operating Income	11076.1	11260.3	12988.6	-14.7	12922.7	-14.3	Topline performance broadly in line with estimates, dragged by automotive segment
Raw Material Expenses	7677.1	7899	9256	-17.1	9159	-16.2	
Employee Expenses	718.8	704	742	-3	784	-8	
Other expenses	1289.2	1,295	1,386	-7.0	1,357	-5.0	
EBITDA	1391.0	1,362.6	1,605.0	-13.3	1,622.7	-14.3	
EBITDA Margin (%)	12.6	12.1	12.4	20 bps	12.6	0 bps	Margins surprise positively as the company realises better gross margins than anticipated (160 bps QoQ expansion). Negative operating leverage, however, neutralises the impact. Overall margins remain unchanged QoQ, a credible development
Other income	827.7	335.8	846.3	-2.2	319.1	159.4	
Depreciation	539.9	537	461	17.0	545	-1.0	
Interest	30.2	29	28	9	27	11	
Tax	436.0	351	447	-2.4	423	3.2	
PAT	1212.6	781	1649	-26.5	2314	-47.6	Comprehensive beat on profitability front on account of higher-than-expected margins and large dividend income received from related parties during quarter
EPS	9.8	6.3	12.4	-21.5	9.3	4.7	
Key Metrics							
Auto revenues (₹ crore)	7029.7	7,208	8,639	-18.6	8,101	-13.2	A 20.6% volume drop weighs on auto revenues for quarter
FES revenues (₹ crore)	3631.5	3,663	4,028	-9.8	4,382	-17.1	FES segment volumes dip 8% YoY
EBITDA margins (%)	12.6	12.1	12.4	20 bps	12.6	0 bps	

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

	FY20E			FY21E			
(₹ Crore)	Old	New	% Change	Old	New	% Change	Comments
Revenue	55,380	50,996	-7.9	61,460	56,304	-8.4	We revise our revenue estimates downward, tracking persistent pain in industry and upcoming transition to BS-VI
EBITDA	6,966	6,617	-5.0	6,884	6,539	-5.0	
EBITDA Margin (%)	12.6	13.0	37 bps	11.2	11.6	41 bps	We expect M&M to experience some relief on margin front, going ahead, amid supportive prices of input commodities
PAT	5,470	5,738	4.9	4,251	4,287	0.9	
EPS (₹)	44.0	46.2	4.9	34.2	34.5	0.9	

Source: Company, ICICI Direct Research

Exhibit 3: Assumptions

			Current		Earlier		Comments
Units	FY18	FY19	FY20E	FY21E	FY20E	FY21E	
Automotive volumes	548,664	608,597	556,692	572,165	611,015	630,142	While our automotive segment volume estimates have been pared, they continue to factor in dominant UV share at M&M, with it expected to outperform industry over FY19-21E
Automotive ASP's (₹)	580,009	580,892	605,374	660,681	617,579	679,472	Automotive ASPs seen rising ~10% YoY in FY21E on the back of transition to BS-VI norms
FES Volumes	318,538	330,436	308,692	324,127	317,087	332,322	FES volumes seen declining in single digit for the industry, with market leader M&M expected to consolidate its market share via relative outperformance
FES ASPs (₹)	505,232	510,679	503,688	510,396	505,643	510,001	

Source: ICICI Direct Research

Conference Call Highlights

Management outlook

- ***The management sees UV segment growing 10% YoY in H2FY20E, with passenger car (PC) segment, de-growing ~12-13% in that time, leading to ~5% decline for PV industry.*** The auto outlook has improved slightly for remaining five months of FY20
- Decline on CV side expected to continue at similar rates as present
- ***M&M lowered FY20E tractor industry outlook to ~ (-) 7-8%.*** November would be decent for the industry (pent up demand from delayed harvest) while February-March expected to be strong

Festive demand

- While industry retails grew ~14% YoY, M&M posted 23% rise in automotive and 4% decline in tractors
- M&M festive discounts were higher by ~₹ 4,000/unit (auto), ~₹ 1,500/unit (tractors) (QoQ basis)
- Pickups retailed ~22,000 units in October

BS-VI & powertrain related discussion

- ***Logistic issues are brewing surrounding BS-VI grade fuel availability in run-up to April switchover.*** M&M would want diesel fuel to be available six to eight weeks before deadline (product dispatch to begin in January 2020 with feasible holding capacity of about three weeks at dealers)
- Under BS-VI, diesel is expected to vanish from 1.2L & lower engines; for 1.2-1.5L engines existing gasoline to diesel mix is seen reversing. Diesel is expected to be the dominant fuel in 1.5L & above engines
- M&M is exploring gasoline/CNG/EV options for SCV segment due to BS-VI pricing increase impact
- The company expects most 3-W to be electric in three years (with CNG co-existing). Primary e-3-W markets today are northern & eastern metros

Product development

- ***All new M&M products to be in UV, have gasoline and diesel variants***
- Three new product launches are in the pipeline starting Q4FY20

Electric Vehicles (EV)

- M&M retailed ~2,000 units in October (~1,300 e-Alfa, ~700 e-Treo, ~150 ~e-Verito); expects continued growth
- ***Electric KUV to be launched in Q4FY20, an electric last mile vehicle around Q3FY21 and electric XUV by Q1FY22***

SsangYong, Jawa update

- Losses at SsangYong have mounted in recent quarters due to – a) economic slowdown and rapid shift towards gasoline in home Korean market, b) region specific issues in large export markets, viz. Iran, Egypt & West Europe and c) high development costs and high variable expenses amid negative operating leverage
- M&M is working on reducing material costs and exploring new export markets
- EBITDA/EBT breakeven levels for SsangYong are at 140,000 units/155,000 units
- Jawa production has been ramped up to ~5,000 units per month

Inventory situation

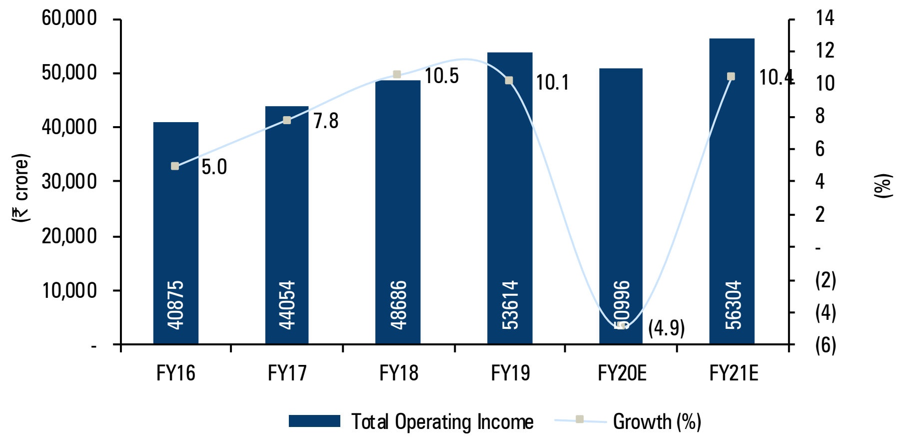
- Auto inventory at a multi month low level; tractor inventory could correct by further ~1,500 units

Others

- SCV market share crossed 50%, LCV market share up 200 bps to 9.5%

Financial story in charts

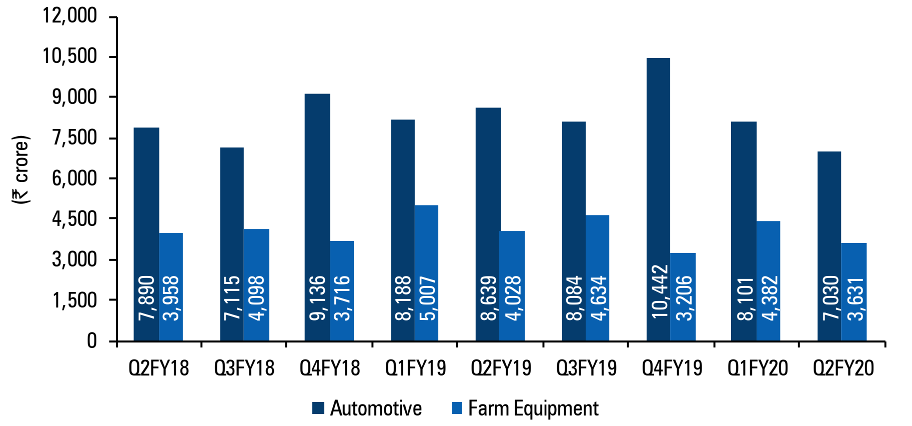
Exhibit 4: Topline trend



Source: Company, ICICI Direct Research

We expect sales to grow at a CAGR of 2.5% over FY19-21E

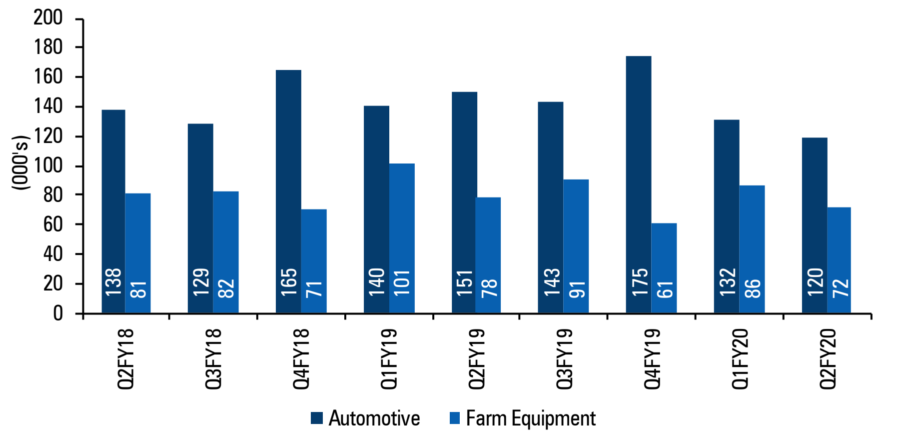
Exhibit 5: Segment wise revenue trend



Source: Company, ICICI Direct Research

Segment wise revenue mix for quarter i.e. Q2FY20 was at automotive: tractor: others: 63:33: 4

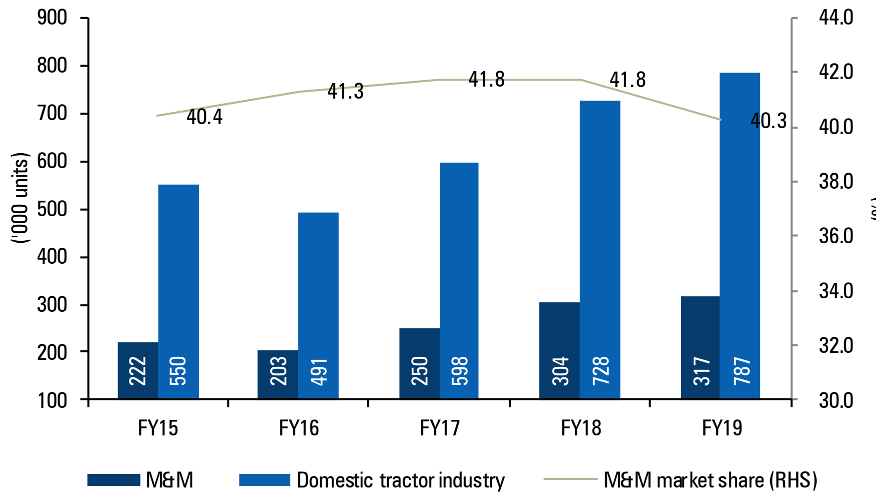
Exhibit 6: Segment wise volume trend



Source: Company, ICICI Direct Research

In Q2FY20; automotive segment volumes declined 20.6% YoY to 120,000 units while sales for tractors declined 8.0% YoY to ~72,000 units

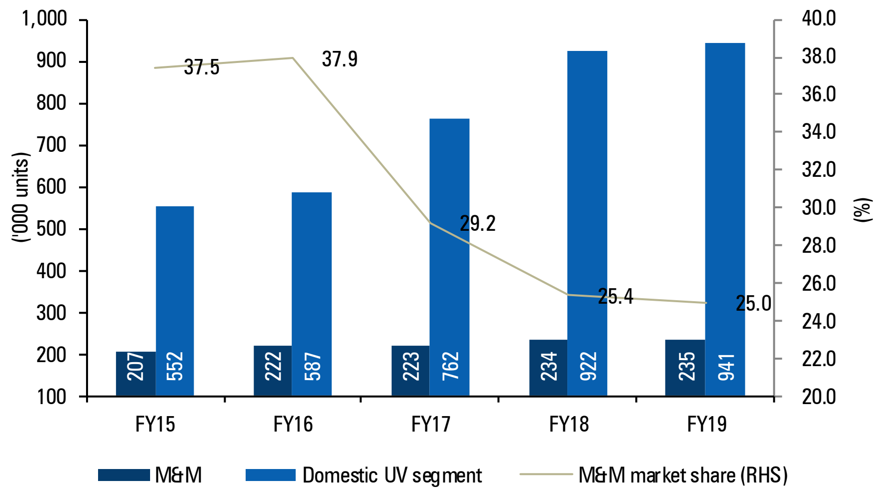
Exhibit 7: M&M tractor market share movement



Source: CRISIL, ICICI Direct Research

M&M's tractor market share was at 40.3% as of FY19

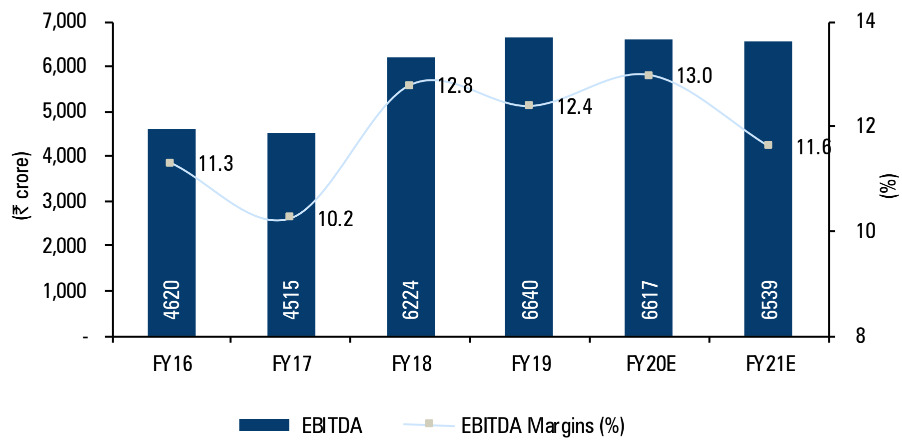
Exhibit 8: M&M UV market share movement



Source: SIAM, ICICI Direct Research

M&M's UV market share was at 25% as of FY19

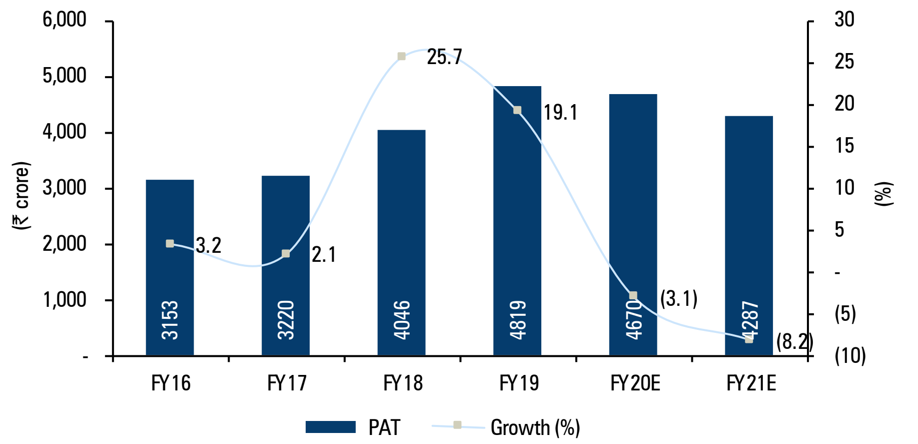
Exhibit 9: EBITDA and EBITDA margin trend



Source: Company, ICICI Direct Research

We build in 13.0% & 11.6% as EBITDA margins in FY20E and FY21E, respectively

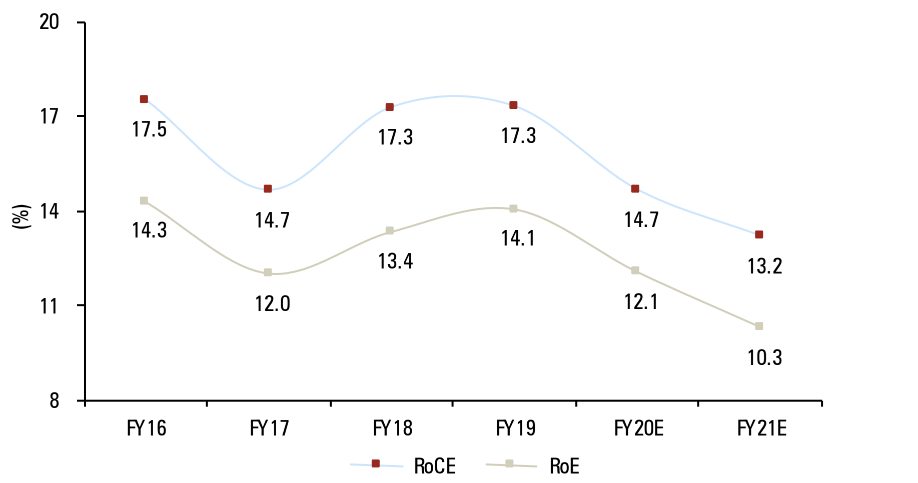
Exhibit 10: Profitability (adjusted PAT) trend



Source: Company, ICICI Direct Research

Adjusted PAT CAGR is in negative territory for M&M over FY19-21E primarily tracking high base in FY19

Exhibit 11: Return ratios trend



Source: Company, ICICI Direct Research

RoCE profile at M&M seen deteriorating to ~13% by FY21E

Exhibit 12: Valuation matrix (SOTP Valuation)

Valuation Matrix (SOTP)					
Automotive Business (UV+PV+CV+Tractors)		**₹ crore**		**₹/share**	
Standalone business					
FY21E EBITDA		6,539			
Assigning EV/EBITDA Multiple of 6x		6.0			
Enterprise Value		39,232		316	
Net Debt		(5,772)		-46	
Value of Standalone Business (A)		**45,004**		**362**	
Mahindra Vehicle Manufacturers Ltd					
Investment made by M&M (wholly owned subsidiary)		4,065			
Assigning 1x P/B on investment value		1.0			
Value of MVML attributable to M&M (B)		**4,065**		**33**	
Total value of automobile business (C= A+B)				**395**	
Value of Investments (listed companies)	**M&M stake**	**Estimated value**	**Contribution to M&M**		**Remark**
	(%)	**₹ crore**	**₹ crore**	**₹/share**	
Tech Mahindra	26	79,866	20,813	167	IDirect Target market cap*
M&M Financial Services	51	22,241	11,387	92	IDirect Target market cap*
Mahindra Life space	52	1,949	1,005	8	IDirect Target market cap*
Mahindra CIE	11	8,717	997.2	8	IDirect Target market cap*
Mahindra Holidays & Resorts	67	3,092	2080.9	17	Current market cap*
SsangYong Motors	75	2,100	1,575	13	Current market cap*
Other subsidiaries & investments			9,850	79	
Total Value of subsidiaries & associates (D)			**47,708.0**	**384**	
Value of investments post 25% holding company discount (E = 0.75*D)				**285**	
M&M Target Price (value of equity per share , C+E)				**680**	

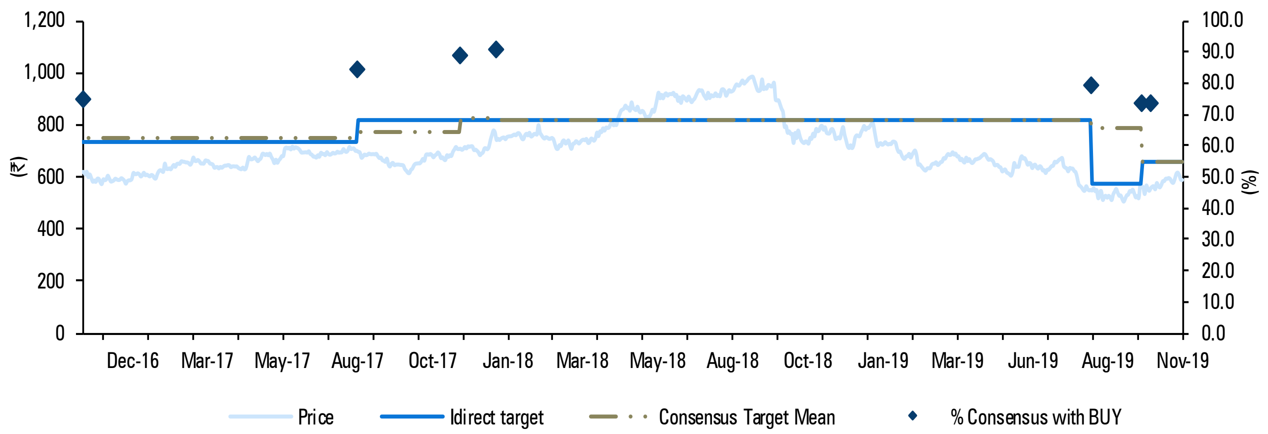
Source: ICICI Direct Research

Exhibit 13: Valuation Summary

	Sales	Growth	EPS	Growth	PE	EV/EBITDA	RoNW	RoCE
	(₹ cr)	(%)	(₹)	(%)	(x)	(x)	(%)	(%)
FY18	48,686	10.5	35.0	19.6	17.8	10.9	13.4	17.3
FY19	53,614	10.1	38.6	10.1	15.0	10.2	14.1	17.3
FY20E	50,996	(4.9)	46.2	19.6	15.4	10.1	12.1	14.7
FY21E	56,304	10.4	34.5	(25.3)	16.8	10.1	10.3	13.2

Source: Bloomberg, ICICI Direct Research

Exhibit 14: Recommendation history vs. consensus



Source: Reuters, ICICI Direct Research

Exhibit 15: Top 10 shareholders

Rank	Name	Latest Filing Date	% O/S	Position (m)	Change (m)
1	Prudential Management & Services Pvt. Ltd.	30-Sep-19	11.9	141.5	0.00
2	Life Insurance Corporation of India	30-Sep-19	11.3	134.2	0.73
3	M&M Benefit Trust	30-Sep-19	7.1	84.5	0.00
4	M&M Farm Equipment Employees Welfare Fund	3-Jun-19	7.1	84.5	84.47
5	Stewart Investors	31-Jul-19	4.9	57.8	4.82
6	Mahindra & Mahindra Employees Stock Option Trust	22-Oct-19	4.3	50.9	-0.06
7	SBI Funds Management Pvt. Ltd.	30-Sep-19	2.6	30.6	1.26
8	Caisse de Depot et Placement du Quebec	30-Sep-19	2.0	23.9	0.50
9	The Vanguard Group, Inc.	30-Sep-19	1.8	21.0	-0.33
10	BlackRock Institutional Trust Company, N.A.	30-Sep-19	1.7	20.8	0.09

Source: Reuters, ICICI Direct Research, ICICI Direct Research

Exhibit 16: Recent activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
M&M Farm Equipment Employees Welfare Fund	+802.98M	+84.47M	ICICI Prudential Life Insurance Company Ltd.	-125.08M	-13.16M
NPS Trust	+97.93M	+12.64M	GIC Private Limited	-27.42M	-3.54M
RBC Global Asset Management (UK) Limited	+71.61M	+9.25M	FIL Investment Management (Hong Kong) Limited	-15.63M	-1.68M
Stewart Investors	+38.46M	+4.82M	Franklin Templeton Asset Management (India) Pvt. Ltd.	-12.34M	-1.59M
ICICI Prudential Asset Management Co. Ltd.	+18.75M	+2.42M	UTI Asset Management Co. Ltd.	-11.92M	-1.54M

Source: Reuters, ICICI Direct Research

Exhibit 17: Shareholding pattern

(in %)	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Promoter	21.6	21.6	21.5	19.9	19.8
FII	34.0	33.0	31.3	34.5	34.2
DII	21.2	21.9	23.4	24.1	27.8
Others	23.2	23.6	23.8	21.6	18.1

Source: Company, ICICI Direct Research

Financial Summary

Exhibit 18: Profit and loss statement ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Total operating Income	**48,685.6**	**53,614.0**	**50,996.3**	**56,304.3**
Growth (%)	10.5	10.1	-4.9	10.4
Raw Material Expenses	34,134.7	38,256.5	35,686.0	40,614.0
Employee Expenses	2,840.9	2,980.2	3,015.0	3,111.7
Other Expenses	5,486.0	5,737.7	5,678.8	6,039.9
Total Operating Expenditure	42,461.5	46,974.4	44,379.8	49,765.6
EBITDA	**6,224.1**	**6,639.6**	**6,616.5**	**6,538.7**
Growth (%)	37.9	6.7	-0.3	-1.2
Depreciation	1,479.4	1,860.4	2,167.3	2,392.9
Interest	112.2	113.4	115.6	97.5
Other Income	1,036.4	1,689.0	1,641.6	1,683.5
PBT	**5,668.8**	**6,354.8**	**5,975.1**	**5,731.8**
Others (incl exceptional item)	-433.6	29.7	-1,367.1	0.0
Total Tax	1,746.4	1,529.0	1,603.8	1,444.4
PAT	**4,356.0**	**4,796.1**	**5,738.4**	**4,287.4**
Growth (%)	19.6	10.1	19.6	-25.3
EPS (₹)	**35.0**	**38.6**	**46.2**	**34.5**

Source: Company, ICICI Direct Research

Exhibit 19: Cash flow statement ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Profit after Tax	**4,356.0**	**4,796.1**	**5,738.4**	**4,287.4**
Add: Depreciation	1,479.4	1,860.4	2,167.3	2,392.9
(Inc)/dec in Current Assets	-2,219.3	-1,803.9	733.0	-1,045.8
Inc/(dec) in CL and Provisions	3,559.6	1,230.8	-1,356.5	1,227.0
CF from operating activities	**7,175.7**	**6,083.4**	**7,282.2**	**6,861.4**
(Inc)/dec in Investments	-2,784.7	-1,341.3	-2,700.0	-2,100.0
(Inc)/dec in Fixed Assets	-2,658.7	-3,373.7	-3,000.0	-3,000.0
Others	227.4	734.7	13.8	-28.0
CF from investing activities	**(5,216.0)**	**(3,980.4)**	**(5,686.2)**	**(5,128.0)**
Issue/(Buy back) of Equity	-2.5	-195.9	0.0	0.0
Inc/(dec) in loan funds	91.5	-384.1	-300.0	-300.0
Dividend paid & dividend tax	-1,118.9	-1,268.1	-1,268.1	-1,342.7
Others	276.4	582.9	-0.2	-0.2
CF from financing activities	**(753.5)**	**(1,265.2)**	**(1,568.3)**	**(1,642.9)**
Net Cash flow	1,206.2	837.8	27.7	90.6
Opening Cash	1,687.5	2,893.7	3,731.5	3,759.3
Closing Cash	**2,893.7**	**3,731.5**	**3,759.3**	**3,849.9**

Source: Company, ICICI Direct Research

Exhibit 20: Balance Sheet ₹ crore

(Year-end March)	FY18	FY19	FY20E	FY21E
Liabilities				
Equity Capital	595.0	595.8	595.8	595.8
Reserve and Surplus	29,699.1	33,613.4	38,083.7	41,028.4
Total Shareholders funds	**30,294.0**	**34,209.2**	**38,679.5**	**41,624.2**
Total Debt	2,864.4	2,480.3	2,180.3	1,880.3
Deferred Tax Liability	277.2	634.1	634.1	634.1
Others	1,326.4	1,487.9	1,415.2	1,562.5
Total Liabilities	**34,762.0**	**38,811.5**	**42,909.2**	**45,701.2**
Assets				
Gross Block	17,892.0	21,974.6	25,394.4	28,394.4
Less: Acc Depreciation	10,032.5	11,892.9	14,060.2	16,453.2
Net Block	**7,859.5**	**10,081.7**	**11,334.2**	**11,941.3**
Capital WIP	3,128.7	2,419.8	2,000.0	2,000.0
Total Fixed Assets	10,988.3	12,501.5	13,334.2	13,941.3
Other investments	16,645.5	19,032.1	21,032.1	23,032.1
Liquid Investments	4,047.6	3,002.4	3,702.4	3,802.4
Inventory	2,701.7	3,839.3	3,772.3	4,165.0
Debtors	3,173.0	3,946.3	4,191.5	4,627.8
Loans and Advances	975.2	673.4	385.5	425.7
Other current assets	581.4	539.2	2,061.8	2,321.8
Cash	**2,893.7**	**3,731.5**	**3,759.3**	**3,849.9**
Total Current Assets	9,549.0	9,001.3	12,426.9	15,068.6
Creditors	6,881.1	8,603.4	9,678.2	8,662.4
Provisions	565.5	667.4	688.7	703.0
Total Current Liabilities	7,446.6	9,270.8	10,366.9	9,365.4
Net Current Assets	**2,102.5**	**(269.5)**	**2,060.0**	**5,703.2**
Application of Funds	**34,762.0**	**38,811.5**	**42,909.2**	**45,701.2**

Source: Company, ICICI Direct Research

Exhibit 21: Key ratios

(Year-end March)	FY18	FY19	FY20E	FY21E
Per share data (₹)				
EPS	35.0	38.6	46.2	34.5
Cash EPS	46.9	53.5	63.6	53.7
BV	243.7	275.2	311.1	334.8
DPS	7.5	8.5	8.5	9.0
Cash Per Share	23.3	30.0	30.2	31.0
Operating Ratios (%)				
EBITDA Margin	12.8	12.4	13.0	11.6
PBT / Net sales	9.7	8.9	8.7	7.4
PAT Margin	11.3	11.3	9.0	8.3
Inventory days	20.3	26.1	27.0	27.0
Debtor days	23.8	26.9	30.0	30.0
Creditor days	64.5	65.9	62.0	62.0
Return Ratios (%)				
RoE	13.4	14.1	12.1	10.3
RoCE	17.3	17.3	14.7	13.2
RoIC	94.5	60.2	45.2	40.3
Valuation Ratios (x)				
P/E	16.6	15.0	12.6	16.8
EV / EBITDA	10.9	10.2	10.1	10.1
EV / Net Sales	1.4	1.3	1.3	1.2
Market Cap / Sales	1.5	1.3	1.4	1.3
Price to Book Value	2.4	2.1	1.9	1.7
Solvency Ratios				
Debt/Equity	0.1	0.1	0.1	0.0
Current Ratio	0.8	0.8	0.9	0.9
Quick Ratio	**0.5**	**0.5**	**0.5**	**0.5**

Source: Company, ICICI Direct Research

Exhibit 22: 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	FY21E
Apollo Tyre (APOTYR)	165	180	Hold	9447	11.9	10.3	12.0	13.9	16.0	13.7	7.5	7.5	6.3	8.0	5.8	6.7	8.3	5.7	6.3
Ashok Leyland (ASHLEY)	77	75	Hold	22471	6.8	5.8	6.2	11.3	13.1	12.4	5.8	6.3	5.8	26.9	22.7	22.2	24.3	18.8	18.1
Bajaj Auto (BAAUTO)	3246	3300	Hold	93916	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)	427	515	Buy	19864	22.2	23.5	24.9	19.2	18.1	17.1	11.5	11.5	10.8	17.9	16.0	16.3	19.1	17.6	16.9
Eicher Motors (EICMOT)	21700	22215	Hold	59154	808.1	848.2	1007.4	26.9	25.6	21.5	19.3	20.4	16.0	32.5	25.7	26.5	24.8	21.5	21.1
Exide Industries (EXIIND)	187	230	Buy	16150	9.9	11.2	12.7	18.8	16.6	14.6	11.2	9.8	8.5	18.4	18.8	19.2	12.9	14.3	14.6
Hero Moto (HERHON)	2700	3110	Buy	53919	169.5	195.0	182.9	15.9	13.8	14.8	10.0	10.5	9.7	37.1	30.1	29.8	26.3	23.9	23.0
M&M (MAHMAH)	580	680	Buy	72106	38.6	46.2	34.5	15.0	12.6	16.8	10.2	10.1	10.1	17.3	14.7	13.2	14.1	12.1	10.3
Maruti Suzuki (MARUTI)	7396	6420	Reduce	223418	248.3	212.7	257.9	29.8	34.8	28.7	17.1	21.7	17.6	16.3	9.4	11.5	16.3	12.9	14.3
Tata Motors (TATMOT)	169	175	Hold	54330	-84.6	-2.3	8.9	-2.0	-73.8	18.9	4.0	4.0	3.5	5.4	7.7	8.9	7.1	0.0	10.8

Source: Reuters, ICICI Direct Research

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