

CMP: ₹ 1,287

Target: ₹ 1,590 (24%)

Target Period: 12 months

BUY

November 13, 2022

Capacity expansion plans to propel volume growth...

About the stock: Mahindra & Mahindra (M&M) is a conglomerate with a presence in auto, IT, financial services, logistics, hospitality and real estate among others. At standalone level it is India's largest tractor manufacturer (41.5% H1FY23 market share) second largest CV, fourth largest PV maker (27%, 8.7% H1FY23 market share).

- FY22 standalone revenue mix – ~62% automotive, ~34% tractors

Q2FY23 Results: The company posted steady Q2FY23 results.

- Standalone net sales rose 6.3% QoQ to ₹ 20,839 crore
- EBITDA margins at 12% were flat QoQ
- Standalone PAT for the quarter came in at ₹ 2,090 crore up 46.1% QoQ, aided by higher other income amid dividend from investee companies

What should investors do? M&M's stock price has grown at ~12.8% CAGR from ~₹ 710 levels in November 2017, outperforming the wider Nifty Auto index.

- We retain **BUY** rating on the stock amid sturdy demand prospects across M&M's product profile, record order-book, firm commitment towards the EV space and gross margin expansion on the anvil starting Q2FY23

Target Price & Valuation: We value M&M at SOTP-based unchanged TP of ₹ 1,590 (8.5x FY24E standalone EV/EBITDA; 30% hold company discount to investments, ₹ 225/share value accrued pursuant to recently equity raise for electric PV arm)

Key triggers for future price performance:

- We build 22%, 29% total volume, sales CAGR, respectively, in FY22-24E on healthy order book, upcoming strong product launches in EV, ICE
- With operating leverage benefits at play, improving product mix, softening of commodity and focus on cost optimising; we expect 13.5% EBITDA margins and ~16% standalone RoCE by FY24E
- Continued focus on prudent capital allocation (>18% RoCE), leadership position in E-3-W space along with increasing market share in LCV space & revival of rural demand to act as structural positives
- Expanding capacities across models to fulfil current pending order book

Alternate Stock Idea: Apart from M&M, in our coverage we like Maruti Suzuki.

- Best placed to play upon the under-penetrated PV space domestically
- BUY with target price of ₹ 11,200



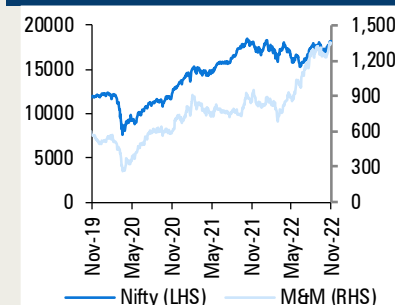
Particulars

Particular	Amount
Market Capitalization (₹ crore)	1,60,000
Total Debt (FY22, ₹ crore)	6,490
Cash and Inv (FY22, ₹ crore)	11,552
EV (₹ crore)	1,54,937
52 week H/L (₹)	1,367/ 671
Equity capital (₹ crore) (FY22)	598.2
Face value (₹)	₹ 5

Shareholding pattern

	Dec-21	Mar-22	Jun-22	Sep-22
Promoter	19.5	19.5	19.5	19.4
FII	38.7	37.3	37.9	38.3
DII	27.8	28.8	28.9	28.5
Other	14.1	14.4	13.7	13.8

Price Chart



Recent event & key risks

- Posted steady Q2FY23 results
- Key Risk:** (i) Supply chain issues limiting ramp up in volumes over FY23-24E, (ii) Currency headwind (rupee depreciation) limiting margin recovery

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Key Financial Summary

Particulars	FY19	FY20	FY21	FY22	5 year CAGR (FY17-22)	FY23E	FY24E	2 year CAGR (FY22-24E)
Net Sales	53,614.0	45,487.8	44,629.9	57,446.0	5.5%	81,450.6	95,775.9	29.1%
EBITDA	6,639.6	5,798.0	6,957.5	7,042.3	9.3%	9,946.4	12,957.5	35.6%
EBITDA Margins (%)	12.4	12.7	15.6	12.3		12.2	13.5	
Net Profit	4,796.1	1,330.4	984.2	4,935.2	6.3%	6,528.9	8,591.3	31.9%
Adjusted Net Profit	4,818.6	2,190.4	2,303.2	5,100.4	9.6%	6,749.5	8,591.3	29.8%
EPS (₹)	40.2	11.2	8.2	41.4		54.7	72.0	
P/E	32.0	115.4	156.0	31.1		23.5	17.9	
RoNW (%)	14.1	6.4	6.6	13.1		15.4	17.1	
RoCE (%)	12.3	8.8	10.0	9.3		13.0	16.2	

Source: Company, ICICI Direct Research

Key takeaways of recent quarter & conference call highlights

Q2FY23 Results:

- M&M's automotive revenues rose 19.7% QoQ to ₹ 14,725 crore amid 17.1% QoQ rise in volumes at ~1.8 lakh units & 2.2% ASP growth to ₹ 8.2 lakh/unit. Tractor revenues de-grew 17.2% QoQ to ₹ 5,538.1 crore tracking 21% QoQ volume de-growth at 93,540 units (seasonality impact) and 5% QoQ increase in ASPs at ₹ 5.9 lakh/unit
- Standalone EBITDA in Q2FY23 was at ₹ 2,496 crore with attendant EBITDA margins at 12% (flat QoQ). Gross margin remained flat QoQ. For Q2FY23, automotive segment posted ~42 bps increase in EBIT margins QoQ to 6.1% while tractor segment EBIT margins grew ~42 bps QoQ to 16.4%
- PAT for the quarter came in at ₹ 2,090 crore, up 46.1% QoQ

M&M's performance is not strictly comparable on YoY basis as it has restated base quarter numbers pursuant to absorption of MVML into M&M

Q2FY23 Earnings Conference Call highlights

- Outperformance during the quarter was led primarily by auto segment, which witnessed robust demand especially for new Scorpio-N
- M&M continues to count itself as market leader in SUV space with Q2FY23 revenue market share pegged at 19% vs. 17.1% in Q1FY23. Also, it continues to dominate electric 3-W space with 67.2% market share. On tractor front, M&M domestic market share was at 41.5%, up 50 bps YoY
- During the quarter, the company witnessed highest ever quarterly volumes in both domestic and export market (across auto as well as farm side)
- M&M continued to remain focused toward margin improvement targets in automotive division by 3% given in Q3FY22 and has improved the same by 2.4% till date
- The company said 53,000+ bookings were received during September 2022 with current order-book (as of November 1, 2022) pegged at 2.6 lakh units
- M&M is likely to launch five door Thar in CY24E along with various special edition models for existing Thar
- The management continues to maintain its guidance with respect to growth in tractor industry by mid-single digit in FY23 (~5-6%+) amid healthy reservoir levels and ~7-8% CAGR in the longer term i.e. seven to eight years
- Price hike taken in tractor was ~2% in July 2022 and ~1% in November 2022. For auto space, price hike taken during the quarter was ~1.5-2%

The company continues to remain positive in auto space and has planned series of product launches to keep customers interested and line-up refreshed

BS VI Phase 2 norms the increase in cost of vehicles is pegged at ~₹ 9,000-15,000 depending upon models

M&M is not lowering price in LCV space to gain market share

The management informed about commodity cost benefit to come in effect from Q3FY23 onwards

For XUV 300, petrol mix was at ~50% whereas for models like XUV 700, Thar, Scorpio it was at ~20-25%.

The company remains committed towards its RoCE target of 18% through greater focus on cost control measures & better profitable growth at its international farm subsidiaries

Peer comparison

Exhibit 1: ICICI Direct coverage universe (4-W OEMs, tractor OEM's)

Company	CMP	TP	Rating	Mcap	Total lakh volumes			EBITDA margin (%)			RoCE (%)			P/E		
	₹	₹		₹ crore	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
M&M (MAHMAH)	1,287	1,590	Buy	1,60,000	8.2	10.7	12.1	12.3	12.2	13.5	9.3	13.0	16.2	31.1	23.5	17.9
Maruti Suzuki (MARUTI)	9,109	11,200	Buy	2,75,165	16.5	20.0	22.5	6.5	9.0	10.5	5.1	12.5	16.7	73.1	38.8	26.0
Tata Motors (TATMOT)	423	465	Hold	1,61,967	7.3	9.6	10.7	12.2	10.3	12.7	4.8	4.4	11.9	(14.2)	(18.9)	51.6
Escorts (ESCORT)	1,981	2,330	Buy	26,133	0.9	1.0	1.1	13.3	9.8	12.0	10.4	7.8	10.0	34.1	41.5	27.3

Source: Company, ICICI Direct Research; Note – Total volumes above are for Tata Motors' Indian operations and Escorts' tractor division

We believe M&M's renewed pivot towards efficient capital allocation (vision for >18% RoCE at consolidated level) and aggressive EV launch pipeline are structural positives. Its standalone return ratios look optically muted vs. peers due to high quantum of investments in subsidiaries (listed and unlisted).

Exhibit 2: Strong order backlog of 2,60,000+ units

Highest Ever Monthly Bookings – 53k+ (Sept'22)
Maintained Strong Pipeline with highest ever Sales



Open Bookings as on 1st Nov'22: 260k

Source: Company, ICICI Direct Research

Exhibit 3: Prudent capacity expansion plans

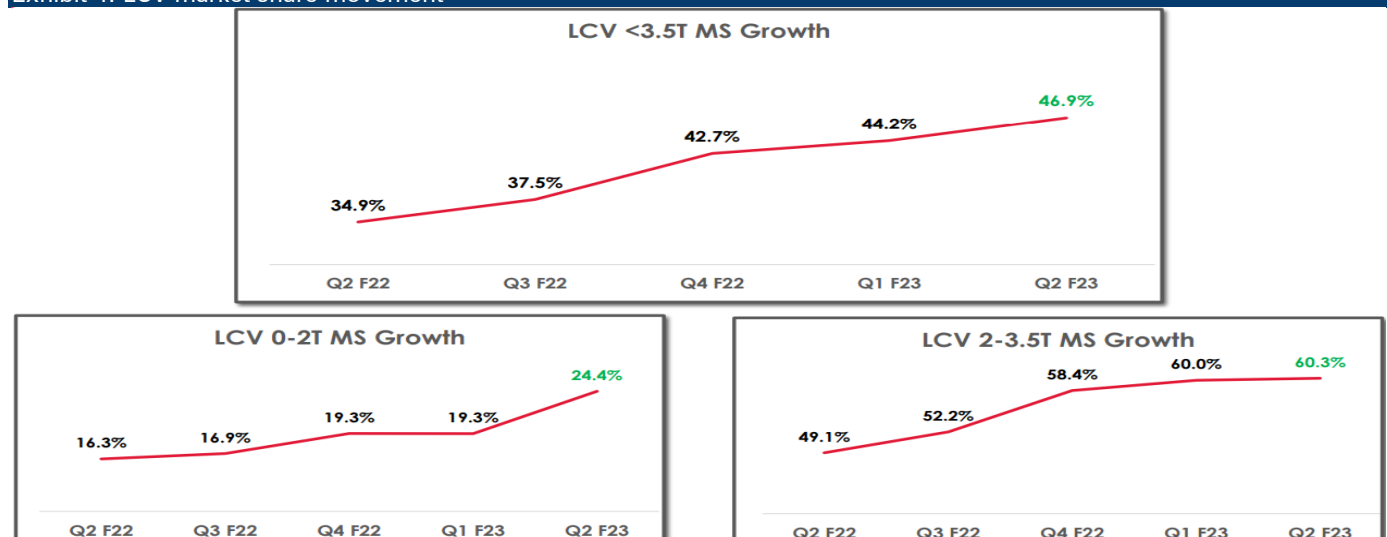
Per Month Capacity	Q4 F22 Exit Capacity	Q4 F23 Exit Capacity	Q4 F24 Exit Capacity	H1 F25 Exit Capacity
Thar Family	4k	6k	6k	+
XUV300 & XUV400	5k	7.5k	9.5k (Q3 F24)	+
XUV700	6k	6k	10k (Q3 F24)	=
Bolero Family	9.5k	9.5k	9.5k	=
Scorpio-N	-	6k	10k	=
Scorpio Classic (incl IO PU)	5.5k	5.5k	5.5k	=
BEVs	-	-	-	+
Overall SUVs Capacity*	29k	39k	49k	+

The above capacity is being built for:

- Cater to continued robust demand for new launches
- Clear existing bookings, Reduce waiting period for the new launches
- Export upside
- Gearing up for EVs

Source: Company, ICICI Direct Research

Exhibit 4: LCV market share movement



Source: Company, ICICI Direct Research

Exhibit 5: Variance Analysis

	Q2FY23	Q2FY23E	Q2FY22	YoY (%)	Q1FY23	QoQ (%)	Comments
Total Operating Income	20,839.3	20,815.9	13,305.4	56.6	19,612.6	6.3	Topline was broadly in line with our estimates
Raw Material Expenses	15,949.0	15,900.4	9,680.8	64.7	15,024.0	6.2	RM costs was largely flat QoQ at 76.5% of sales
Employee Expenses	912.9	853.5	796.5	14.6	836.2	9	
Other expenses	1,481.1	1,519.6	1,168.2	26.8	1,411.4	4.9	Other expenses came in a tad lower at 7.1% of sales, down 10 bps QoQ
EBITDA	2,496.4	2,542.5	1,659.8	50.4	2,341.0	6.6	
EBITDA Margin (%)	12.0	12.2	12.5	-50 bps	11.9	4 bps	EBITDA margins came in marginally lower than our estimates tracking sequential growth in employee costs which for Q2FY23 stood at 4.4% of sales
Other income	1,325.9	1,050.1	1,104.8	20.0	238.6	455.7	
Depreciation	775.6	701.4	580.7	33.6	680.6	14.0	
Interest	63.7	61.1	42.5	50	69.8	-9	Interest expense was broadly on expected lines
Tax	645.2	713.2	454.8	41.9	358.1	80.2	
PAT	2,089.9	2,116.9	1,431.7	46.0	1,430.2	46.1	PAT came in line with estimates at ~₹ 2,100 crore
EPS	17.5	17.7	12.0	46.0	12.0	46.1	

Key Metrics

Auto revenues (₹ crore)	14,725.0	14,985.4	7,917.1	86.0	12,306.3	19.7	Auto segment revenues came in marginally lower tracking lower than anticipated ASP's, which for the quarter stood at ₹ 8.2 lakh/unit, up 2.2% QoQ vs. our expectation of ₹ 8.34 lakh/unit
FES revenues (₹ crore)	5,538.1	5,305.8	4,903.3	12.9	6,688.6	-17.2	Tractor segment revenues came in higher tracking higher than anticipated ASPs, which for the quarter were at ₹ 5.9 lakh/unit, up 4.9% QoQ

Source: Company, ICICI Direct Research; PI Note: Q1FY23 numbers have not been reinstated to reflect merger of MVML into M&M

Exhibit 6: Change in estimates

(₹ Crore)	FY23E			FY24E			Comments
	Old	New	% Change	Old	New	% Change	
Revenue	76,520	81,451	6.4	87,503	95,776	9.5	Upgrade our volume and ASP estimates with consequent single digit rise in our revenue estimates. We expect revenues to grow at a CAGR of 29.1% over FY22-24E
EBITDA	8,801	9,946	13.0	11,100	12,957	16.7	
EBITDA Margin (%)	11.5	12.2	71 bps	12.7	13.5	84 bps	Upgrade margin estimates tracking commodity costs decline benefits which will start to accrue from Q3FY23
PAT	5,814	6,529	12.3	7,231	8,591	18.8	
EPS (₹)	48.7	54.7	12.3	60.6	72.0	18.8	Upgrade in our sales and margin estimates leads to double digit upgrade in earnings. We expect earnings at the company to grow at a CAGR of 31.9% over FY22-24E

Source: ICICI Direct Research

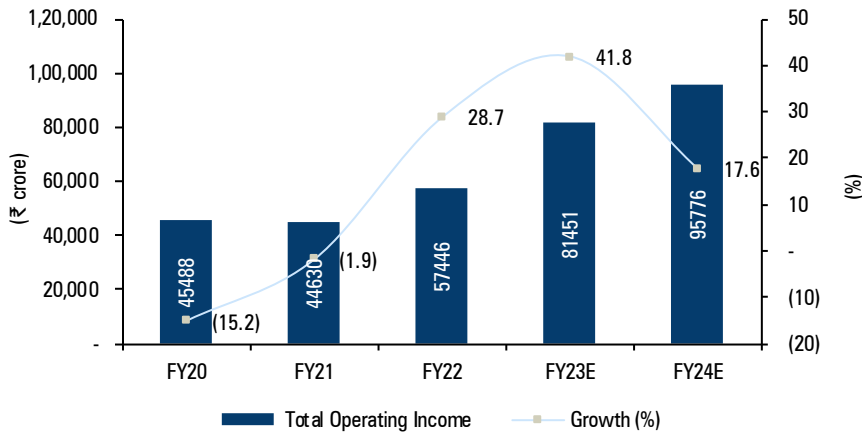
Exhibit 7: Assumptions

Units	Current			Earlier			Comments		
	FY19	FY20	FY21	FY22	FY23E	FY24E			
Automotive volumes	6,08,597	4,76,043	3,52,281	4,65,597	6,94,722	8,05,546	6,47,880	7,24,679	Upgrade our volume estimates tracking upbeat demand prospects, healthy order book and incremental capacities in place. We expect total volumes to grow at a CAGR of 21.6% over FY22-24E wherein Auto segment volumes are seen growing 31.5% CAGR while farm segment volumes are seen growing 7.1% CAGR in the same period
Automotive ASPs (₹)	5,80,892	5,96,766	7,10,075	7,64,323	8,22,049	8,57,072	8,20,692	8,55,496	
FES Volumes	3,30,436	3,01,915	3,54,498	3,54,678	3,79,883	4,06,474	3,73,638	3,99,990	
FES ASPs (₹)	5,10,679	5,10,158	5,19,983	5,57,318	5,80,815	6,00,504	5,68,253	5,84,026	
Total Volumes	9,39,033	7,77,958	7,06,779	8,20,275	10,74,604	12,12,021	10,21,517	11,24,669	

Source: ICICI Direct Research

Financial story in charts

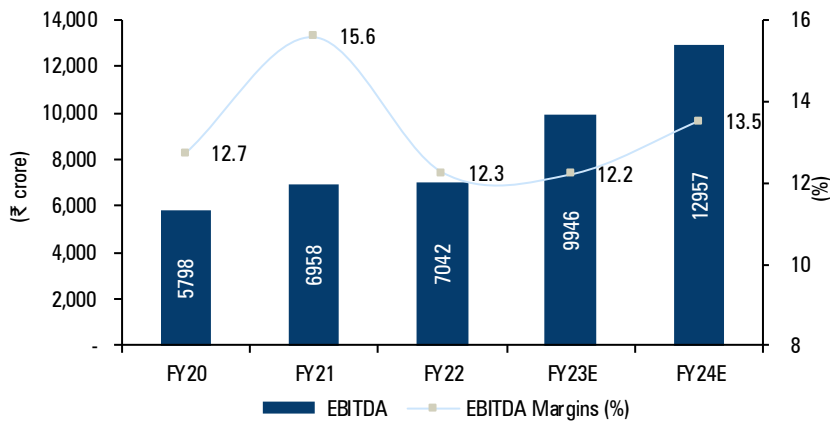
Exhibit 8: Topline trend



We expect sales to grow at 29.1% CAGR in FY22-24E amid 21.6% blended volume CAGR

Source: Company, ICICI Direct Research

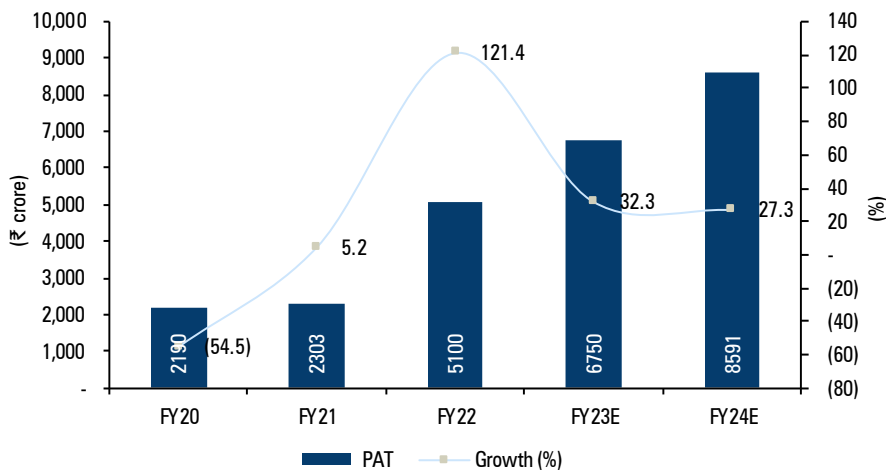
Exhibit 9: EBITDA and EBITDA margin trend



We build in 12.2% & 13.5% as EBITDA margins in FY23E and FY24E, respectively

Source: Company, ICICI Direct Research

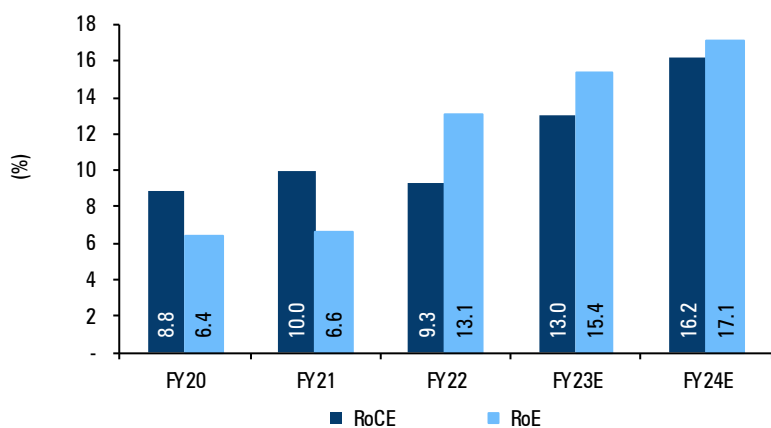
Exhibit 10: Profitability (adjusted PAT) trend



Adjusted PAT is expected to grow to ₹8,591 crore by FY24E

Source: Company, ICICI Direct Research

Exhibit 11: Return ratios trend



RoE profile at M&M is seen improving to ~17% levels (on standalone basis) gradually by FY24E

Source: Company, ICICI Direct Research

Exhibit 12: Valuation matrix (SOTP Valuation)

Valuation Matrix (SOTP)					
Automotive Business (UV+PV+CV+Tractors)	₹crore	₹/share	Remark		
Standalone business					
FY24E EBITDA	12,957				
Assigning EV/EBITDA Multiple of 8.5x	8.50				
Enterprise Value	1,10,138	926			
Net Debt (FY24E)	(7,582)	-64			
Value of Standalone Business	1,17,720	990			
Valuation Pegging of electric PV business at lower valuation band (@₹1,925 crore for 4.76% stake) & 30% holding company discount	26,961	225			
Total value of automobile business including electric PV company (A)		1215			
Value of Investments (listed companies)	M&M stake (%)	Co's Market Capitalisation ₹ crore	Contribution to M&M ₹crore	₹/share	Remark
Tech Mahindra	26	1,02,900	26,754	224	Current market cap
M&M Financial Services	52	27,801	14,501	122	Current market cap
Mahindra Life space	52	6,350	3,270	27	Current market cap
Mahindra CIE	9	11,025	1,020	9	Current market cap
Mahindra Holidays & Resorts	67	5,445	3,664	31	Current market cap
Mahindra Logistics	58	3,635	2,119	18	
Other subsidiaries & investments			11,787	99	
Total Value of subsidiaries & associates (B)			63,116	529	
Value of investments post 30% holding company discount (C = 0.7*B)				375	
M&M Target Price (value of equity per share , A+C)				1,590	

Source: ICICI Direct Research

Exhibit 13: Valuation Summary

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY19	53,614	10.1	40.2	14.7	31.9	23.5	14.1	12.3
FY20	45,488	(15.2)	11.2	(72.3)	70.1	27.0	6.4	8.8
FY21	44,630	(1.9)	8.2	(26.0)	66.7	22.5	6.6	10.0
FY22	57,446	28.7	41.4	NM	30.1	22.0	13.1	9.3
FY23E	81,451	41.8	54.7	32.3	22.7	15.5	15.4	13.0
FY24E	95,776	17.6	72.0	31.6	17.9	11.8	17.1	16.2

Source: Company, ICICI Direct Research

Financial Summary

Exhibit 14: Profit and loss statement				
	₹ crore			
(Year-end March)	FY21	FY22	FY23E	FY24E
Total operating Income	44,629.9	57,446.0	81,450.6	95,775.9
Growth (%)	-1.9	28.7	41.8	17.6
Raw Material Expenses	30,176.6	42,341.6	62,045.2	72,224.9
Employee Expenses	3,252.0	3,306.0	3,594.0	3,889.2
Other Expenses	4,243.9	4,756.2	5,864.9	6,704.3
Total Operating Expenditure	37,672.4	50,403.7	71,504.2	82,818.5
EBITDA	6,957.5	7,042.3	9,946.4	12,957.5
Growth (%)	20.0	1.2	41.2	30.3
Depreciation	2,369.9	2,451.1	2,932.2	3,352.2
Interest	396.3	223.0	255.7	193.6
Other Income	1,199.5	2,075.9	2,076.2	2,073.9
PBT	5,390.8	6,444.1	8,834.6	11,485.6
Others (incl exceptional iter)	3,087.3	208.7	41.0	247.9
Total Tax	1,319.3	1,300.2	2,016.9	2,894.4
PAT	984.2	4,935.2	6,528.9	8,591.3
Adjusted PAT	2,303.2	5,100.4	6,749.5	8,591.3
Growth (%)	-26.0	401.5	32.3	31.6
EPS (₹)	8.2	41.3	54.7	72.0

Source: Company, ICICI Direct Research

Exhibit 15: Cash flow statement				
	₹ crore			
(Year-end March)	FY21	FY22	FY23E	FY24E
Profit after Tax (adj)	4,071.5	4,935.2	6,528.9	8,591.3
Add: Depreciation	2,369.9	2,451.1	2,932.2	3,352.2
(Inc)/dec in Current Assets	-1,212.2	-4,437.6	-5,155.7	-3,233.0
Inc/(dec) in CL and Provisions	5,579.2	2,492.3	5,219.1	3,797.8
CF from operating activities	10,808.4	5,441.0	9,524.5	12,508.2
(Inc)/dec in Investments	-4,931.8	-3,327.2	-500.0	-1,100.0
(Inc)/dec in Fixed Assets	-6,102.6	-3,881.1	-6,000.0	-7,000.0
Others	-1,708.8	1,120.5	-122.5	-73.1
CF from investing activities	(12,743.2)	(6,087.9)	(6,622.5)	(8,173.1)
Issue/(Buy back) of Equity	0.9	0.8	0.0	0.0
Inc/(dec) in loan funds	4,594.3	-1,172.4	-750.0	-1,800.0
Dividend paid & dividend tax	-1,043.9	-1,378.0	-1,670.3	-2,147.5
Others	542.0	451.8	0.0	0.0
CF from financing activities	4,093.3	(2,097.7)	(2,420.3)	(3,947.5)
Net Cash flow	2,158.6	-2,744.6	481.7	387.7
Opening Cash	4,236.4	6,395.0	3,650.4	4,132.1
Closing Cash	6,395.0	3,650.4	4,132.1	4,519.8

Source: Company, ICICI Direct Research

Exhibit 16: Balance Sheet				
	₹ crore			
(Year-end March)	FY21	FY22	FY23E	FY24E
Liabilities				
Equity Capital	597.4	598.2	598.2	598.2
Reserve and Surplus	34,353.6	38,362.7	43,221.3	49,665.1
Total Shareholders funds	34,951.0	38,960.9	43,819.5	50,263.3
Total Debt	7,662.3	6,490.0	5,740.0	3,940.0
Deferred Tax Liability	1,449.7	1,700.8	1,700.8	1,700.8
Others	1,985.5	1,970.2	2,793.5	3,284.8
Total Liabilities	46,048.5	49,121.8	54,053.7	59,188.8
Assets				
Gross Block	28,496.7	33,485.1	40,503.3	48,503.3
Less: Acc Depreciation	16,485.4	18,936.5	21,868.7	25,220.9
Net Block	12,011.3	14,548.6	18,634.6	23,282.4
Capital WIP	6,125.4	5,018.2	4,000.0	3,000.0
Total Fixed Assets	18,136.7	19,566.8	22,634.6	26,282.4
Other investments	17,291.8	17,207.8	18,207.8	19,707.8
Liquid Investments	4,490.8	7,902.1	7,402.1	7,002.1
Inventory	4,783.0	5,882.9	7,810.3	9,184.0
Debtors	2,202.8	3,035.1	4,463.0	5,248.0
Loans and Advances	284.5	1,845.5	2,616.7	3,076.9
Other current assets	1,887.9	2,462.7	3,491.7	4,105.8
Cash	6,395.0	3,650.4	4,132.1	4,519.8
Total Current Assets	16,322.5	18,015.5	23,652.9	27,273.5
Creditors	10,642.7	12,893.5	16,736.4	19,680.0
Provisions	492.2	453.6	588.8	692.4
Total Current Liabilities	11,134.9	13,347.2	17,325.2	20,372.4
Net Current Assets	5,187.5	4,668.3	6,327.7	6,901.2
Application of Funds	46,048.5	49,121.8	54,053.7	59,188.8

Source: Company, ICICI Direct Research

Exhibit 17: Key ratios				
(Year-end March)	FY21	FY22	FY23E	FY24E
Per share data (₹)				
EPS	8.2	41.4	54.7	72.0
Cash EPS	28.1	61.9	79.3	100.1
BV	293.0	326.6	367.3	421.3
DPS	8.8	11.6	14.0	18.0
Cash Per Share	91.2	96.8	96.7	96.6
Operating Ratios (%)				
EBITDA Margin	15.6	12.3	12.2	13.5
PBT / Net sales	10.3	8.0	8.6	10.0
PAT Margin	2.2	8.6	8.0	9.0
Inventory days	39.1	37.4	35.0	35.0
Debtor days	18.0	19.3	20.0	20.0
Creditor days	87.0	81.9	75.0	75.0
Net Working Capital days	-29.9	-25.3	-20.0	-20.0
Return Ratios (%)				
RoE	6.6	13.1	15.4	17.1
RoCE	10.0	9.3	13.0	16.2
RoIC	15.8	14.1	18.2	21.5
Valuation Ratios (x)				
P/E	156.0	31.1	23.5	17.9
EV / EBITDA	22.5	22.0	15.5	11.8
EV / Net Sales	3.5	2.7	1.9	1.6
Market Cap / Sales	3.6	2.8	2.0	1.7
Price to Book Value	4.4	3.9	3.5	3.1
Solvency Ratios				
Debt/Equity	0.2	0.2	0.1	0.1
Current Ratio	0.7	0.8	0.9	0.9
Quick Ratio	0.3	0.5	0.5	0.5

Source: Company, ICICI Direct Research

Exhibit 18: ICICI Direct coverage universe (Auto & Auto Ancillary)

Sector / Company	CMP	TP	Rating	M Cap	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	(₹)		(₹ Cr)	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Apollo Tyre (APOTYR)	290	335	Buy	18,404	10.1	16.5	25.0	28.8	17.5	11.6	8.9	6.9	5.2	6.3	9.4	13.0	5.4	8.4	11.7
Ashok Leyland (ASHLEY)	148	185	Buy	43,321	1.8	2.7	5.8	80.2	55.3	25.6	44.7	21.4	13.4	2.1	11.5	20.9	0.2	10.0	20.0
Bajaj Auto (BAAUTO)	3,731	3,910	Hold	1,07,958	173.4	200.2	232.2	21.5	18.6	16.1	16.5	13.6	11.6	18.4	24.7	28.0	17.6	22.6	25.4
Balkrishna Ind. (BALIND)	1,888	2,550	Buy	36,498	73.0	65.3	98.3	25.9	28.9	19.2	19.3	20.2	13.3	15.9	13.1	19.7	20.4	16.0	20.4
Bharat Forge (BHAFOR)	880	900	Buy	40,970	23.1	19.8	28.3	38.0	44.5	31.1	21.9	21.3	16.7	9.6	9.2	12.2	15.2	12.7	16.1
Eicher Motors (EICMOT)	3,519	4,310	Buy	96,174	61.3	101.4	124.6	57.4	34.7	28.2	40.4	24.4	19.7	13.3	20.5	21.6	13.3	19.2	20.4
Escorts Kubota (ESCORT)	1,981	2,330	Buy	26,133	58.0	47.8	72.5	34.1	41.5	27.3	22.4	25.7	18.4	10.4	7.8	10.0	9.7	8.4	10.4
Hero Moto (HERHON)	2,665	2,910	Hold	53,220	123.8	138.0	178.2	21.5	19.3	15.0	13.3	11.3	8.9	16.3	19.4	23.9	15.7	16.8	20.6
M&M (MAHMAH)	1,287	1,590	Buy	1,60,000	41.4	54.7	72.0	31.1	23.5	17.9	22.0	15.5	11.8	9.3	13.0	16.2	13.1	15.4	17.1
Maruti Suzuki (MARUTI)	9,109	11,200	Buy	2,75,165	124.7	234.9	350.2	73.1	38.8	26.0	40.9	22.0	15.6	5.1	12.5	16.7	7.0	12.0	16.0
Uno Minda (MININD)	560	650	Buy	32,018	6.2	10.4	14.4	90.0	54.0	38.9	36.8	28.0	21.8	10.2	13.5	16.9	10.3	14.9	17.4
Tata Motors (TATMOT)	423	465	Hold	1,61,967	-29.9	-22.3	8.2	-14.2	-18.9	51.6	7.0	7.4	4.9	4.8	4.4	11.9	-23.5	-21.3	7.2

Source: Company, ICICI Direct Research

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