

## Robust performance, cautious export outlook to weigh

**About the stock:** Bajaj Auto (BAL) is second largest motorcycle manufacturer and largest 3-W OEM domestically (FY22 market share at 18.2%, 61.5% respectively).

- Exports comprised ~58% of FY22 volumes; 2-W:3-W mix at ~89:11 (overall)
- Strong b/s with ~₹ 15,000 crore cash on books (Dec'22 end), history of ~20% return ratios & one of the highest dividend yields among Nifty stocks

### Q3FY23 Results: BAL reported a healthy performance in Q3FY23

- Net revenues in Q3FY23 came in at ₹ 9,315 crore, down 8.7% QoQ
- Blended ASPs for the quarter were at ₹ 92,015/unit, up 6.9% QoQ with total volumes in Q3FY23 at 9.8 lakh units, down 14.6% QoQ. Exports share in total volumes for the quarter was pegged at 45% vs. 40% in Q2FY23
- EBITDA in Q3FY23 was at ₹ 1,777 crore, margins:19.1% (up 184 bps QoQ)
- PAT was down 2.5% QoQ to ₹ 1,491 crore, aided by higher margins

**What should investors do?** BAL's stock price has grown ~2.8% CAGR (from ₹ 3,240 in January 2018) over five years in line with the broader Nifty Auto index.

- We maintain **HOLD** rating on BAL following slower pace of volume recovery in export markets and gradual inching up the play in EV domain by the company with captive electric-3-W launch expected in March 2023

**Target Price and Valuation:** Introducing FY25E, we now value BAL at ₹ 4,100 on SOTP basis (15x PE on FY24-25E average EPS, stake in PMAG; earlier TP: ₹ 3,910).

### Key triggers for future price performance:

- Ramp-up of volumes in electric 2-W space, expansion of network to 100 cities by April 2023 from current ~65 cities and unveiling of captive offering in electric-3-W space with deliveries to commence from March 2023
- Replication of success of its partnership with KTM to Triumph channels. Further leveraging its partnership with KTM to export Chetak in Q1CY24
- With a gradual recovery in sales volume and near normal supply chain we expect volume, net sales CAGR of ~3.5%, ~10.9% over FY22-25E
- Margins, RoCE to reach 19.6%, 31% levels, respectively, by FY25E amid operating leverage gains, stable prices & healthy export realisations

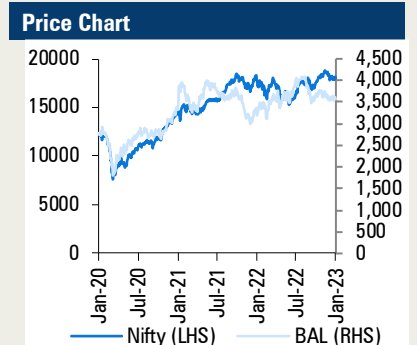
**Alternate Stock Idea:** In our auto OEM coverage we like M&M.

- Focused on prudent capital allocation, UV differentiation & EV proactiveness
- BUY with target price of ₹ 1,590



Particulars	
Particular	₹ crore
Market Capitalization	1,07,646
Total Debt (FY22)	0.0
Cash & Invsts (FY22)	21,261
EV	86,385
52 week H/L (₹)	4,132 / 3,125
Equity capital (₹)	283.0
Face value (₹)	₹ 10

Shareholding pattern				
	Mar-22	Jun-22	Sept-22	Dec-22
Promoter	53.8	53.8	54.8	55.0
FII	10.5	11.2	11.6	11.8
DII	13.2	12.4	11.5	10.9
Other	22.6	22.7	22.1	22.3



### Recent event & key risks

- BAL reports healthy Q3FY23
- Key Risk:** (i) Deterioration of margin profile amid pick-up in sales volume in entry segment, (ii) Higher-than-expected uptick in sales volumes over FY22-25E

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### Key Financial Summary

Key Financials	FY19	FY20	FY21	FY22	5 year CAGR (FY17-22)	FY23E	FY24E	FY25E	3 year CAGR (FY22-25E)
Net Sales	30,250.0	29,918.6	27,741.1	33,144.7	8.8%	36,367.7	41,219.6	45,259.3	10.9%
EBITDA	4,982.0	5,096.2	4,928.5	5,258.7	3.5%	6,459.2	7,990.5	8,881.0	19.1%
EBITDA Margins (%)	16.5	17.0	17.8	15.9		17.8	19.4	19.6	
Net Profit	4,675.1	5,100.0	4,554.6	5,018.9	5.6%	5,587.9	6,817.8	7,473.0	14.2%
EPS (₹)	161.6	176.2	157.4	173.4		197.5	240.9	264.1	
P/E	23.0	21.1	23.6	21.4		18.8	15.4	14.1	
RoNW (%)	19.9	25.6	18.1	17.6		22.3	26.1	27.5	
RoCE (%)	21.1	23.9	18.2	18.4		24.2	29.0	31.0	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results:

- Net sales came in at ₹ 9,315 crore down 8.7% QoQ. Blended ASPs for the quarter were at ₹ 92,015/unit, up 6.9% QoQ. Total volumes for the quarter were at 9.8 lakh units, down 14.6% QoQ with exports share in volumes pegged at 45% vs. 40% in Q2FY23. The 3-W share in volume rose ~200 bps QoQ to 13.4% in Q3FY23
- Reported EBITDA in Q3FY23 was at ₹ 1,777 crore, with EBITDA margins coming in at 19.1% (up 184 bps QoQ). Margin beat was on account of higher than anticipated gross margin expansion, which was at 280 bps QoQ against our estimate of ~180 bps QoQ. The management informed about judicious pricing, better dollar realisation and richer product mix aided margin performance
- Consequent reported PAT was down 2.5% QoQ to ₹ 1,491 crore, supported by higher than anticipated margin

### Q3FY23 Earnings Conference Call highlights

- Q3FY23 performance was record breaking for the company and reported highest ever quarterly EBITDA for the second time in a row primarily aided by margin expansion despite difficulties faced in overseas market
- Exports continue to face strong headwinds due to adverse macroeconomic environment as industry retails in South Asia, Africa & Latin America were down ~30% YoY
- Inventory in foreign market remained at low level due to less availability of forex (i.e. US\$) and is facing stockout situation in some markets. Also, the company expects its largest export market Nigeria to remain muted due to election in that company in February 2023
- The management expects industry to grow by 3-5% in FY23E, primarily driven by >125 cc segment, which was up 28% YoY. The company has gained ~2% market share sequentially in >125 cc segment. This now forms ~65% of overall company's sale vs. ~60% in Q2FY23
- The company's market share in 3-W space stayed at ~76% in Q3FY23 and same is ~86% in CNG. In 3-W space CNG contributes to ~72% of product portfolio and at ~15% premium in pricing to regular ICE counterpart
- The company informed about unveiling its first E-3-W in coming months with deliveries set to commence in March, 2023. However, deliveries initially will start in a few cities only
- On the electrification front the company informed about expanding to 80 cities with aim to expand to 100 cities by April, 2023. Further, it is setting up separate showrooms for its EV Chetak franchise. Also, the company will supply slow speed scooters to Yulu in Q4FY23 and launch a range of products in FY24E based on pricing ranges, different demographics, etc

BAL-ESG Disclosure Score*			
Score	FY20	FY21	FY22
Environmental	16.5	16.5	16.5
Social	27.0	27.0	27.0
Governance	84.9	84.9	84.9
<b>Overall ESG Score</b>	<b>42.8</b>	<b>42.8</b>	<b>42.8</b>

Source: Bloomberg, ICICI Direct Research, \*Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures

The management informed about its recent launch of N160 and P125 carbon fibre, which continued to display solid traction across markets

The company has taken ~5% price hike in the last 12 months and has been largely flattish sequentially

₹/US\$ realisation was at ~₹ 81.7 for Q3FY23 vs. ~₹ 79.8 in Q2FY23 vs. ~₹ 75.1 in Q3FY22

Spares revenue for Q3FY23 was at ~₹ 1,100 crore

The company informed about ECU supply is being near normal to industry level

Margin performance was due to commodity cost moderation with steel, aluminium witnessing drastic drop. However, during Q4FY23 the company witnessed a slight uptick in nickel & steel & margins to remain largely flat

The company plans to replicate success of Bajaj KTM partnership to its partnership with Triumph

On E-2-W front, the company continues to focus on building capabilities and reducing cost rather than depending on subsidies to reduce cost of products & consequent market share gains

Export revenue was at ~US\$450 million

## Peer comparison

Exhibit 1: ICICI Direct coverage universe (2-W OEMs)

Company	CMP	TP	Rating	Mcap	2-W Lakh volumes			EBITDA margin (%)			RoCE (%)			P/E		
	₹	₹		₹ crore	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Bajaj Auto (BAAUTO)	3,720	4,100	Hold	1,07,646	43.1	40.1	44.4	15.9	17.8	19.4	18.4	24.0	29.2	21.4	18.8	15.4
Hero Moto (HERHON)	2,785	2,910	Hold	55,653	49.4	55.1	59.0	11.5	11.6	13.2	16.3	19.4	23.9	22.5	20.2	15.6
Eicher Motors (EICMOT)	3,215	4,310	Buy	87,892	6.0	8.5	9.7	21.1	24.6	26.1	13.3	20.5	21.6	52.4	32.4	26.4

Source: Company, ICICI Direct Research

Currently, we ascribe HOLD to Bajaj Auto and Hero MotoCorp amid slower pace of volume recovery and are just positive on the premium leg of the segment with BUY rating on Eicher Motors amid healthy volume prints post Hunter 350 launch.

**Exhibit 2: Variance Analysis**

	Q3FY23	Q3FY23E	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	Comments
Total Operating Income	9,315	8,952	9,022	3.3	10,203	-8.7	Topline came in much ahead of estimates tracking beat on ASP's due to better product mix
Raw Material Expenses	6,578	6,405	6,743	-2.5	7,486	-12.1	RM costs were contained at 70.6% of sales, down 275 bps QoQ vs. our estimates of ~190 bps decline
Employee Expenses	351	348	340	3.3	352	-0.3	
Other Expenses	616	594	570	8.2	610	1.1	Other expenses were on expected lines at 6.6% of sales
EBITDA	1,777	1,609	1,372	29.5	1,759	1.0	
EBITDA Margin (%)	19.1	18.0	15.2	386 bps	17.2	184 bps	EBITDA margins came in ahead of estimates tracking higher than anticipated gross margin expansion due to better product mix as well as higher spare sales
Other Income	269	277	273	-1.3	333	-19.2	
Depreciation	74	73	70	5.9	67	10.4	Depreciation was on expected lines
Interest	8	1	2	373.7	11	-22.3	
PBT	1964	1813	1573	24.8	2014	-2.5	
Total Tax	472	435	359	31.5	484	-2.5	Tax rate came in on usual lines of 24% of PBT
Reported PAT	1491	1378	1214	22.8	1530	-2.5	
EPS (₹)	52.7	48.7	42.0	25.6	54.1	-2.5	PAT came in higher than estimates tracking beat on margin
<b>Key Metrics</b>							
Blended ASP (₹/ unit)	92,015	88,388	74,537	23.4	86,107	6.9	ASP's for the quarter were up 7% QoQ at ₹92,015/unit

Source: Company, ICICI Direct Research

**Exhibit 3: Change in estimates**

(₹ Crore)	FY23E			FY24E			FY25E	Comments
	Old	New	% Change	Old	New	% Change	Introduced	
Revenue	38,084	36,368	-4.5	42,585	41,220	-3.2	45,259	Marginally tweaked topline estimates. Introduced FY25E numbers. We expect topline at the company to grow at a CAGR of ~11% over FY22-25E
EBITDA	6,552	6,459	-1.4	7,671	7,991	4.2	8,881	
EBITDA Margin (%)	17.2	17.8	56 bps	18.0	19.4	137 bps	19.6	Upgraded margin estimates tracking upbeat Q3FY23 performance and stable commodity prices
PAT	5,664	5,588	-1.3	6,569	6,818	3.8	7,473	
EPS (₹)	200	197	-1.3	232	241	3.8	264	FY23-24E estimates get a marginal tweak. Introduced FY25E numbers. We expect EPS at the company to grow at a CAGR of 14.2% over FY22-25E

Source: ICICI Direct Research

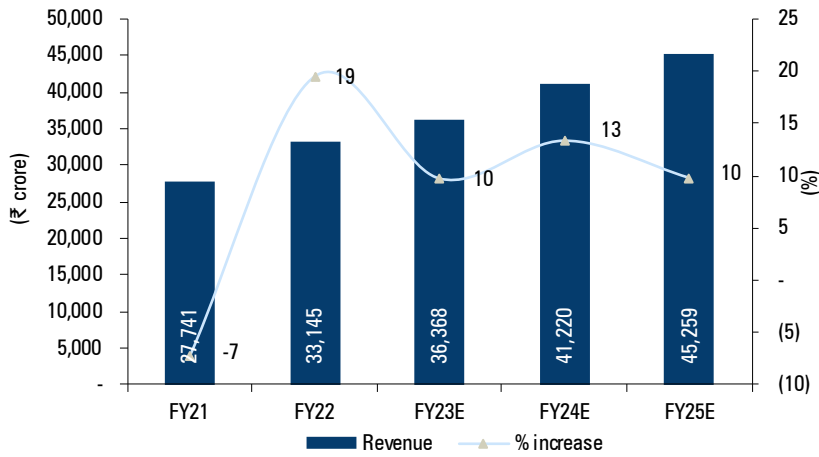
**Exhibit 4: Assumptions**

Units (lakh)	Current							Earlier		Comments
	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E	FY23E	FY24E	
Motorcycle volumes	42.4	39.5	36.1	38.4	35.5	39.2	42.1	38.5	43.1	Lowered export volumes given the management cautious outlook in the near term. We expect total sales volume at the company to grow at a CAGR of ~3.5% over FY22-25E amidst dip expected in FY23E due to decline in exports. ASP's are seen much higher amid innovative product launches at the company
Three-Wheeler volumes	7.8	6.7	3.7	4.7	4.6	5.2	5.6	4.9	5.5	
<b>Total volumes</b>	<b>50.2</b>	<b>46.2</b>	<b>39.7</b>	<b>43.1</b>	<b>40.1</b>	<b>44.4</b>	<b>47.7</b>	<b>43.4</b>	<b>48.6</b>	
Export volumes	20.8	21.7	20.5	25.1	19.1	21.9	23.6	22.0	25.7	
Domestic revenues (₹ crore)	18,099	17,169	14,609	14,924	19,943	21,967	23,859	19,354	20,272	
Export revenues (\$ mn)	1,642	1,677	1,694	2,298	1,921	2,201	2,391	2,194	2,570	
US\$INR Realisation rate	70	71	74	75	80	82	84	80	82	
Export ASP (\$/unit)	790	772	822	917	1003	1006	1012	1000	1001	
Blended ASP (₹/unit)	58,905	63,077	68,295	74,589	88,007	90,110	92,044	85,229	85,090	

Source: ICICI Direct Research

Financial story in charts....

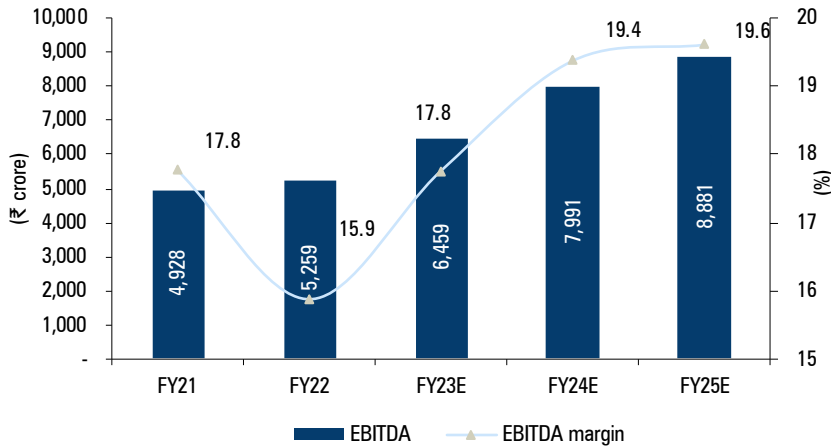
Exhibit 5: Trend in topline



We expect total operating income to grow at ~10.9% CAGR over FY22-25E on the back of ~3.5% volume CAGR

Source: Company, ICICI Direct Research

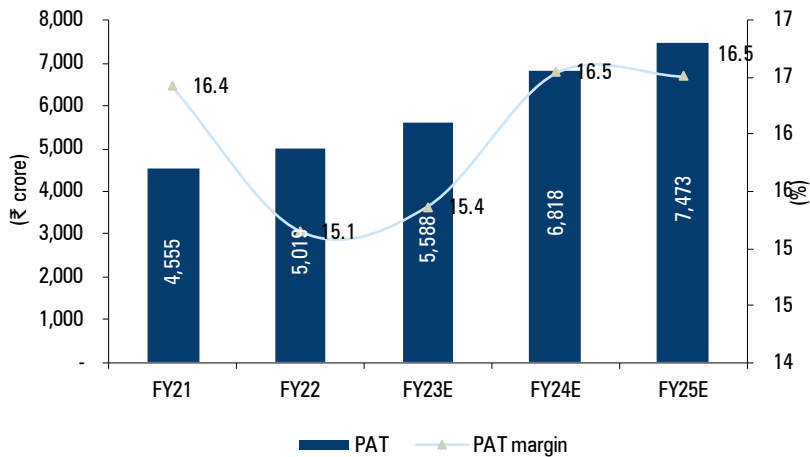
Exhibit 6: Trend in EBITDA and EBITDA margins



Margins are seen in the range of 18-20% over FY22-25E amid operating leverage benefits and stable input prices

Source: Company, ICICI Direct Research

Exhibit 7: Trend in profitability



PAT is expected to grow at ~14.2% CAGR over FY22-25E to ₹ 7,473 crore

Source: Company, ICICI Direct Research

Exhibit 8: Valuation summary

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY20	29,918.6	(1.1)	176.2	9.1	21.1	17.7	25.6	23.9
FY21	27,741.1	-7.3	157.4	-10.7	23.6	17.7	18.1	18.2
FY22	33,144.7	19.5	173.4	10.2	21.4	16.4	17.6	18.4
FY23E	36,367.7	9.7	197.5	13.9	18.8	13.8	22.3	24.2
FY24E	41,219.6	13.3	240.9	22.0	15.4	11.1	26.1	29.0
FY25E	45,259.3	9.8	264.1	9.6	14.1	9.9	27.5	31.0

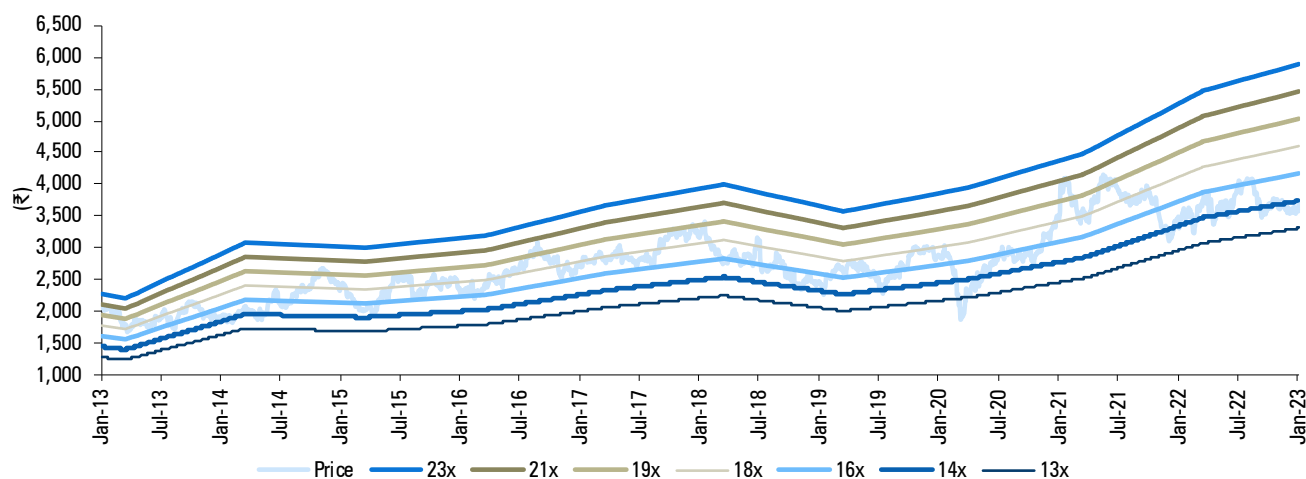
Source: Company, ICICI Direct Research

Exhibit 9: SOTP valuation

SOTP Valuation	Estimated value	Per share (₹)	Remark
Core Business			
FY24-25E Average EPS (₹)	252.5		
Multiple (x)	15.0		In tandem with long period averages and ~1x PEG
<b>Value per share (₹)</b>		<b>3,790</b>	
<b>Market Capitalisation of PMAG (₹ crore)</b>	<b>23,903</b>		PMAG houses KTM AG
BAL's effective stake (%)	36.7		
BAL's stake value (₹ crore)	8,773		
<b>Value per share (₹)</b>		<b>310</b>	
<b>Total Value per Share (₹)</b>		<b>4,100</b>	

Source: ICICI Direct Research

Exhibit 10: Long term forward PE; BAL currently trading at PE ratio of ~15.4x, 14.1x on FY24E, FY25E basis, respectively



Source: ICICI Direct Research

## Financial Summary

Exhibit 11: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Total operating Income	33,145	36,368	41,220	45,259
Growth (%)	19.5	9.7	13.3	9.8
Raw Material Expenses	24,329.8	26,084.1	29,093.4	31,944.7
Employee Expenses	1,358.8	1,435.0	1,548.2	1,669.8
Other expenses	2,210.8	2,411.5	2,616.6	2,795.8
Total Operating Expenditure	27,886.1	29,908.6	33,229.1	36,378.3
<b>EBITDA</b>	<b>5,258.7</b>	<b>6,459.2</b>	<b>7,990.5</b>	<b>8,881.0</b>
Growth (%)	6.7	22.8	23.7	11.1
Depreciation	269.2	290.9	309.1	339.4
Interest	8.7	25.2	12.6	6.3
Other Income	1,209.2	1,212.2	1,302.1	1,297.7
PBT	6,190.0	7,355.2	8,970.8	9,832.9
Total Tax	1,486.5	1,767.4	2,153.0	2,359.9
<b>PAT</b>	<b>5,018.9</b>	<b>5,587.9</b>	<b>6,817.8</b>	<b>7,473.0</b>
Growth (%)	10.2	11.3	22.0	9.6
<b>EPS (₹)</b>	<b>173.4</b>	<b>197.5</b>	<b>240.9</b>	<b>264.1</b>

Source: Company, ICICI Direct Research

Exhibit 12: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Profit after Tax	5,018.9	5,587.9	6,817.8	7,473.0
Add: Depreciation	269.2	290.9	309.1	339.4
Sub: Other Income	1,209.2	1,212.2	1,302.1	1,297.7
(Inc)/dec in Current Assets	1,182.7	-1,403.0	-779.1	-648.7
Inc/(dec) in CL and Provisions	-939.3	886.5	623.5	519.1
<b>CF from operating activities</b>	<b>4,316.4</b>	<b>4,244.5</b>	<b>5,775.9</b>	<b>6,473.1</b>
(Inc)/dec in Investments	-548.8	2,650.0	-500.0	-500.0
(Inc)/dec in Fixed Assets	-499.1	-765.0	-515.0	-515.0
Others	-855.7	-95.0	-95.0	-195.0
Add: Other Income	1,209.2	1,212.2	1,302.1	1,297.7
<b>CF from investing activities</b>	<b>(694.4)</b>	<b>3,002.2</b>	<b>192.1</b>	<b>87.7</b>
Inc/(dec) in loan funds	0.0	0.0	0.0	0.0
Dividend paid & dividend tax	-4,051.2	-4,668.8	-5,800.7	-6,366.6
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	490.3	-2,539.2	-26.6	-20.3
<b>CF from financing activities</b>	<b>(3,560.9)</b>	<b>(7,208.0)</b>	<b>(5,827.3)</b>	<b>(6,386.9)</b>
Net Cash flow	61.1	38.7	140.7	173.9
Opening Cash	527.3	588.3	627.0	767.7
<b>Closing Cash</b>	<b>588.3</b>	<b>627.0</b>	<b>767.7</b>	<b>941.7</b>

Source: Company, ICICI Direct Research

Exhibit 13: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Liabilities</b>				
Equity Capital	289.4	283.0	283.0	283.0
Reserve and Surplus	26,379.4	24,790.9	25,794.1	26,886.5
<b>Total Shareholders funds</b>	<b>26,668.8</b>	<b>25,073.9</b>	<b>26,077.1</b>	<b>27,169.5</b>
Total Debt	-	-	-	-
Deferred Tax Liability	403.3	403.3	403.3	403.3
Other non-current liabilities	0.3	0.3	0.3	0.3
<b>Total Liabilities</b>	<b>27,232.5</b>	<b>25,647.6</b>	<b>26,660.8</b>	<b>27,763.2</b>
<b>Assets</b>				
Gross Block	4,535.7	5,262.5	5,812.5	6,312.5
Less: Acc Depreciation	2,726.9	3,017.9	3,327.0	3,666.5
Net Block	1,808.7	2,244.6	2,485.5	2,646.0
Capital WIP	76.8	100.0	50.0	50.0
<b>Total Fixed Assets</b>	<b>1,885.6</b>	<b>2,344.6</b>	<b>2,535.5</b>	<b>2,696.0</b>
Investments	23,818.8	21,218.8	21,768.8	22,418.8
Inventory	1,230.5	1,494.6	1,694.0	1,860.0
Debtors	1,516.4	2,490.9	2,823.3	3,100.0
Loans and Advances	4.2	4.6	5.2	5.7
Other current assets	1,685.9	1,849.9	2,096.7	2,302.2
<b>Cash</b>	<b>588.3</b>	<b>627.0</b>	<b>767.7</b>	<b>941.7</b>
Total Current Assets	5,025.3	6,467.0	7,386.8	8,209.4
Creditors	3,633.2	4,483.7	5,081.9	5,579.9
Provisions	153.8	189.7	215.1	236.1
Other current liabilities	505.5	554.7	628.7	690.3
Total Current Liabilities	4,689.4	5,645.1	6,362.6	6,963.3
<b>Net Current Assets</b>	<b>335.9</b>	<b>821.9</b>	<b>1,024.2</b>	<b>1,246.1</b>
Deferred Tax asset	-	-	-	-
<b>Application of Funds</b>	<b>27,232.5</b>	<b>25,647.6</b>	<b>26,660.8</b>	<b>27,763.2</b>

Source: Company, ICICI Direct Research

Exhibit 14: Key ratios				
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS	173.4	197.5	240.9	264.1
Cash EPS	182.7	207.8	251.9	276.1
BV	921.6	886.1	921.6	960.2
DPS	140.0	165.0	205.0	225.0
Cash Per Share	20.3	22.2	27.1	33.3
<b>Operating Ratios (%)</b>				
EBITDA Margin	15.9	17.8	19.4	19.6
PBT / Net sales	15.1	17.0	18.6	18.9
PAT Margin	15.1	14.7	15.0	16.0
Inventory days	13.6	15.0	15.0	15.0
Debtor days	16.7	25.0	25.0	25.0
Creditor days	40.0	45.0	45.0	45.0
<b>Return Ratios (%)</b>				
RoE	18.4	24.2	29.0	31.0
RoCE	17.6	22.3	26.1	27.5
RoIC	87.0	91.7	107.6	113.0
<b>Valuation Ratios (x)</b>				
P/E	22.9	18.8	15.4	14.1
EV / EBITDA	16.4	13.8	11.1	9.9
EV / Net Sales	2.6	2.4	2.1	1.9
Market Cap / Sales	3.2	3.0	2.6	2.4
Price to Book Value	4.0	4.2	4.0	3.9
<b>Solvency Ratios</b>				
Current Ratio	1.0	1.1	1.1	1.1
<b>Quick Ratio</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>

Source: Company, ICICI Direct Research

Exhibit 15: 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)	321	350	Buy	20,385	10.1	16.2	26.1	31.9	19.9	12.3	9.7	7.5	5.5	6.3	9.6	13.9	5.4	8.2	12.2
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
<b>Bajaj Auto (BAAUTO)</b>	<b>3,720</b>	<b>4,100</b>	<b>Hold</b>	<b>1,07,646</b>	<b>173.4</b>	<b>197.5</b>	<b>240.9</b>	<b>21.4</b>	<b>18.8</b>	<b>15.4</b>	<b>16.4</b>	<b>13.8</b>	<b>11.1</b>	<b>18.4</b>	<b>24.2</b>	<b>29.0</b>	<b>17.6</b>	<b>22.3</b>	<b>26.1</b>
Balkrishna Ind. (BALIND)	2,250	2,200	Buy	43,496	73.0	72.4	100.1	30.8	31.1	22.5	22.9	24.2	15.8	15.9	12.5	19.9	20.4	17.6	20.7
Bharat Forge (BHAFOR)	868	1,050	Buy	40,411	23.1	17.5	28.2	37.5	49.5	30.7	21.6	23.0	16.7	9.6	8.4	12.6	15.2	11.4	16.4
Eicher Motors (EICMOT)	3,214	4,310	Buy	87,839	61.3	101.4	124.6	52.4	31.7	25.8	36.6	22.0	17.7	13.3	20.5	21.6	13.3	19.2	20.4
Escorts Kubota (ESCORT)	2,075	2,365	Buy	27,380	58.0	47.8	73.7	35.8	43.4	28.2	23.7	27.2	19.2	10.4	7.8	10.4	9.7	8.4	10.5
Hero Moto (HERHON)	2,767	2,910	Hold	55,257	123.8	138.0	178.2	22.3	20.1	15.5	13.9	11.8	9.3	16.3	19.4	23.9	15.7	16.8	20.6
M&M (MAHMAH)	1,324	1,590	Buy	1,64,544	41.4	54.7	72.0	32.0	24.2	18.4	22.6	16.0	12.1	9.3	13.0	16.2	13.1	15.4	17.1
Maruti Suzuki (MARUTI)	8,700	11,200	Buy	2,62,810	124.7	261.9	369.0	69.8	33.2	23.6	38.8	20.2	14.5	5.1	12.9	16.9	7.0	13.3	16.7
Uno Minda (MININD)	500	650	Buy	28,588	6.2	10.4	14.4	80.3	48.2	34.7	32.9	25.1	19.5	10.2	13.5	16.9	10.3	14.9	17.4
Tata Motors (TATMOT)	420	530	Buy	1,60,818	-29.9	-3.1	24.3	-14.1	-137.1	17.3	7.0	6.2	4.2	4.8	7.9	15.1	-23.5	-2.5	16.3

Source: Company, ICICI Direct Research



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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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