

CMP: ₹ 152

Target: ₹ 185 (21%)

Target Period: 12 months

BUY

February 3, 2023

## Firing on all cylinders, structural levers to aid growth...

**About the stock:** Ashok Leyland (ALL) is a pure-play CV manufacturer domestically, with H1FY23 market share pegged at 17.5%. The company is present in M&HCV trucks and buses as well as LCV goods segments. It also has a formidable presence in the e-mobility (electric buses) domain through Switch Mobility.

- FY22 product mix – LCV goods 42%, trucks 52%, buses 6%

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

- Standalone operating income for Q3FY23 was up 9.2% QoQ to ₹ 9,030 crore, amid 5% sequential growth in volumes to 47,562 units
- EBITDA came in at ₹ 797 crore with margins at 8.8%, up 233 bps QoQ
- Gross margin expanded 173 bps QoQ & was further supported by positive operating leverage (employee & other expenses each down 30 bps QoQ)
- Consequent PAT in Q3FY23 came in at ₹ 361 crore vs. ₹199 crore in Q2FY23

**What should investors do?** ALL's share price has grown at ~4.5% CAGR over the past five years (from ~₹ 122 in February 2018), outperforming the Nifty Auto index.

- We retain **BUY** rating driven by cyclical recovery underway in domestic CV space amid robust capex allocation by government in budget 2023-24

**Target Price and Valuation:** Introducing FY25E, we value ALL at unchanged SOTP based target price of ₹ 185 (12x core FY24-25E avg. EV/EBITDA, 2.0x P/B for invests).

### Key triggers for future price performance:

- Robust capex allocation in Union Budget 2023-24 at ~₹ 10 lakh crore (up 33% YoY), uptick in core industrial activities, high fleet utilisation to aid healthy volume growth over FY22-25E (led by M&HCV space)
- Demonstrated impressive capabilities at the Auto Expo 2023 for all powertrains, including a double-decker electric bus with agreement in place to supply hydrogen powered vehicles on pilot basis to key industrial houses
- We build 22% volume & 43% net sales CAGR over FY22-25E; margins seen rising to 9.5% levels by FY25E on the back of operating leverage benefits and normalised input cost. Return ratios are seen at ~28% levels by FY25E
- Equity raise and valuation pegging for its EV business i.e. Switch mobility & healthy tender wins in recent CESL tender for 2,500 buses

**Alternate Stock Idea:** Besides ALL, 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



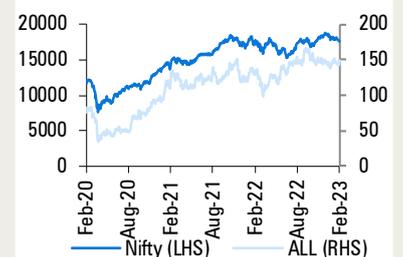
### Particulars

Particular	₹ crore
Market Capitalization	44,492.0
Total Debt (FY22)	3,507.1
Cash & Inv. (FY22)	2,345.0
EV (₹ Crore)	45,654.1
52 week H/L (₹)	169 / 93
Equity capital (₹ crore)	293.6
Face value (₹)	1.0

### Shareholding pattern

	Mar-22	Jun-22	Sep-22	Dec-22
Promoter	51.5	51.5	51.5	51.5
FII	13.5	15.0	17.6	15.3
DII	21.9	21.7	19.5	21.2
Other	13.1	11.7	11.4	12.0

### Price Chart



### Recent event & key risks

- Posted healthy Q3FY23 results
- Key Risk:** (i) Tapering of growth in CV space on account of high base attained in FY23E (ii) High competitive intensity (discounts) in marketplace thereby limiting margin expansion gains

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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	29,055.0	17,467.5	15,301.5	21,688.3	1.6%	34,742.8	40,005.1	44,297.1	42.9%
EBITDA	3,135.7	1,173.6	535.1	994.5	-14.7%	2,599.9	3,604.7	4,196.8	105.4%
EBITDA Margins (%)	10.8	6.7	3.5	4.6		7.5	9.0	9.5	
Net Profit	1,983.2	239.5	(313.7)	541.9	-15.0%	1,139.6	1,988.5	2,449.9	112.6%
EPS (₹)	6.8	0.8	(1.1)	1.8		3.9	6.8	8.3	
P/E	22.5	186.3	NM	82.3		39.2	22.4	18.2	
RoNW (%)	24.3	4.7	(4.4)	0.2		14.1	22.0	23.5	
RoCE (%)	25.7	4.5	(1.9)	2.1		15.9	23.3	27.8	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results:

- Standalone operating income came in ₹ 9,030 crore up 9.2% QoQ. Total volumes for the quarter were at 47,562 units, up 5% sequentially
- ASPs for the quarter came in at ₹ 19 lakh/unit, up 4% QoQ
- M&HCV volumes in the total sales volume mix (~64.7% in Q3FY23 vs. ~61.5% in Q2FY23). ALL further consolidated its positioning in domestic M&HCV space with market share as of Q3FY22 pegged at ~33%
- EBITDA for the quarter came in at ₹ 797.3 crore with corresponding margins at 8.8%, up 233 bps QoQ. Gross margin expanded ~173 bps QoQ and was further supported positive operating leverage
- Consequent reported profit after tax was at ₹ 361 crore

### Q3FY23 Earnings Conference Call highlights

- The management informed about Q3FY23 remaining strong for company and third consecutive quarter with 30%+ market share in the truck segment with market share in this space increasing to 33% vs ~32.2% in Q2FY23 & ~25.3% on Q3FY22. The company remains confident about retaining market share amid new launches and network expansion
- The management added better realisation, improved product mix, commodity benefits, operating leverage driving overall margins for quarter
- The management said demand remained strong from first time fleet buyers and large fleet operators despite moderation in fleet rate post festive season. Demand was further aided by increased infra spends by government, healthy replacement cycles of BS IV vehicles and increased industrial activity with industry volumes eventually crossing FY19 peak
- The company's truck volumes rose ~1.3x higher than industry volume growth, with LCV Dost and Bada Dost continuing to perform very well
- Debt equity at the quarter end was at ~0.3x. Net debt was at ~₹ 2,043 crore as of December 2022 end vs ~₹ 2,677 as of Q2FY23 end
- The company maintained its capex guidance of ~₹ 600 crore for FY23E with 9MFY23 capex spend at ~₹ 320 crore. Further, it said capex requirement for Switch Mobility (~\$200-250 million) to be funded by Switch only and will not have impact on company's book. The company also said development expenditure for Bada Dost EV to be borne by Switch as the company & Switch have agreement in place for sharing products
- On the EV front, the company's subsidiary Switch Mobility has received ~2,100 E-Buses order in recent CESL Tender & ~500 buses from Telangana state transport corporation. Further the company plans to launch Bada Dost EV by June 23 and its double decker bus in UK in CY24E

ALL - ESG Disclosure Score*			
Score	FY18	FY19	FY20
Environmental	73.9	63.9	64.1
Social	28.0	31.2	29.4
Governance	84.9	84.9	84.9
<b>Overall ESG Score</b>	<b>62.3</b>	<b>60.0</b>	<b>59.5</b>

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

*LCV segment demand to be driven by boost in agricultural & allied services amid improving last mile mobility*

*The company expects commodity prices to remain largely stable in Q4FY23*

*The company informed about moderating discounts in coming time and will continue to see net realisation for the company rising sequentially*

*It has ready technology for upcoming OBD Phase II & does not expect any major pre buying from fleet aggregators*

*The company added that focusing on (i) increasing market share; (ii) increasing exports & aftermarket share; (iii) margin improvement*

*Aftermarket segment grew ~20% YoY (9MFY23)*

*The company is working on networks expansion and financing in African markets*

*Leyland Finance recently raised ~₹ 900 crore through QIB and has enough funds for its growth. ALL did not participate in this equity raise*

*The management said ~9 lakh government vehicles (PV+CV) falling under scrappage policy*

## Peer comparison

Exhibit 1: Peer Comparison (4-W)

Company	CMP	TP	Rating	Mcap	Total lakh volumes			EBITDA margin (%)			RoCE (%)			EV/EBITDA (x)		
	₹	₹		₹ crore	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Ashok Leyland (ASHLEY)	152	185	Buy	44,492	1.3	1.9	2.1	4.6	7.5	9.0	2.1	15.9	23.3	45.9	17.4	12.3
Tata Motors (TATMOT)	445	530	Buy	1,70,391	7.3	9.6	10.5	12.2	11.7	13.3	4.8	7.9	15.1	7.3	6.4	4.3
M&M (MAHMAH)	1,353	1,590	Buy	1,68,205	4.7	6.9	8.1	12.3	12.2	13.5	9.3	13.0	16.2	23.2	16.3	12.4

Source: Company, ICICI Direct Research; Note – volume data above is for Tata Motors' India business and M&M's automotive business only

We believe ALL would be an outsized beneficiary of the ongoing CV revival domestically given its presence across industry segments. Blended realisations are set to improve amid exports focus and improved mix. Riding on operating leverage gains, margins and RoCE are set to expand to 9.5%, 27.8% by FY25E, respectively.

**Exhibit 2: Variance Analysis**

	Q3FY23	Q3FY23E	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	Comments
Total Operating Income	9,029.7	9,025.2	5,535.2	63.1	8,266.0	9.2	Topline came in line with our estimates
Raw Material Expenses	6,885.9	6,903.3	4,313.1	59.6	6,446.6	6.8	RM costs came in marginally lower than our estimates at 76.3% of sales vs. our estimates of 76.5% of sales
Employee Expenses	549.5	550.5	432.4	27.1	527.1	4.3	
Other expenses	797.0	834.8	565.8	40.9	755.0	5.6	Savings were also realised on the other expenses front which were down 30 bps QoQ at 8.8% of sales
EBITDA	797.3	736.5	223.9	256.1	537.3	48.4	
EBITDA Margin (%)	8.8	8.2	4.0	479 bps	6.5	233 bps	EBITDA margins came in ahead of estimates at 8.8% tracking higher than anticipated gross margins and lower other expenses (operating leverage gains)
Other Income	31.6	24.9	17.6	79.1	20.0	58.0	
Depreciation	189.0	198.0	189.7	-0.4	176.8	6.9	Depreciation came in on expected lines
Interest	80.4	75.2	66.8	20.3	77.1	4.3	
Tax	205.2	123.0	21.3	863.3	112.4	82.5	Tax rate came in higher at 36% of PBT
Reported PAT	361.3	365.2	5.8	-6,162.4	199.3	81.3	
EPS	1.2	1.2	0.0	-6,162.4	0.7	81.3	PAT came inline with our estimates
<b>Key Metrics</b>							
ASPs (₹ lakh/unit)	19.0	19.0	16.2	16.9	18.2	4.0	APS's came in on expected lines at ₹ 19 lakh/unit

Source: Company, ICICI Direct Research

**Exhibit 3: Change in estimates**

(₹ Crore)	FY23E			FY24E			FY25E	Comments
	Old	New	% Change	Old	New	% Change	Introduced	
Revenue	31,644	34,743	9.8	38,274	40,005	4.5	44,297	Upgraded revenue estimates for FY24-25E tracking better volume performance as well as pricing discipline in market place resulting in rise in net ASP's. Introduced FY25E
EBITDA	2,088	2,600	24.5	3,261	3,605	10.5	4,197	
EBITDA Margin (%)	6.6	7.5	89 bps	8.5	9.0	49 bps	9.5	Upgraded our margin estimates over FY23E-24E tracking robust performance in Q3FY23. Introduced FY25E numbers
PAT	785	1,140	45.1	1,697	1,988	17.2	2,450	
EPS (₹)	2.7	3.9	45.1	5.8	6.8	17.2	8.3	Upgrade in sales and margin estimates leads to healthy double digit growth in PAT estimates for FY23-24E. Introduced FY25E PAT at ₹ 2,450 crore

Source: ICICI Direct Research

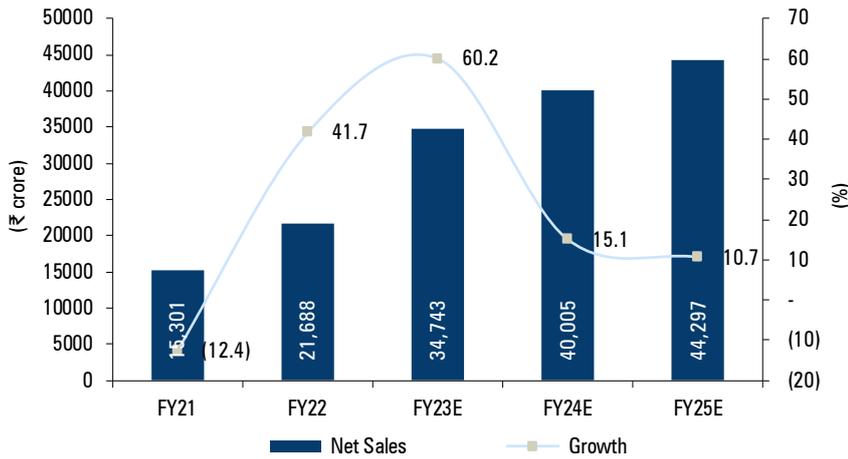
**Exhibit 4: Assumptions**

	FY19	FY20	FY21	FY22	Current			Earlier		Comments
					FY23E	FY24E	FY25E	FY23E	FY24E	
M&HCV Passenger volumes	19,871	23,323	5,629	7,799	17,717	21,260	23,386	14,635	17,562	Upgraded volume estimates tracking robust performance in YTD FY23 as well as upbeat management commentary on demand prospects. We expect total volumes at the company to grow at a CAGR of 21.7% over FY22-25E. M&HCV volumes in the aforesaid period are seen growing at 27.1% CAGR while LCV sales are seen growing at 13.4% CAGR aided by higher export sales. However, post high base in FY23E, growth is seen tapering over FY24-25E
M&HCV Goods volumes	1,22,987	55,231	46,178	66,086	1,01,447	1,16,664	1,28,330	91,876	1,10,359	
Total M&HCV Sales Volume	1,42,858	78,554	51,807	73,885	1,19,164	1,37,924	1,51,717	1,06,511	1,27,921	
LCV volumes	54,508	46,646	48,908	54,441	66,247	73,580	79,466	64,926	72,094	
Total Sales Volume	1,97,366	1,25,200	1,00,715	1,28,326	1,85,411	2,11,504	2,31,183	1,71,437	2,00,016	
YoY Growth (%)		-37%	-20%	27%	44%	14%	9%			
ASPs (₹ lakh/unit)	14.4	12.8	15.2	16.9	18.6	18.9	19.2	18.2	19.0	

Source: ICICI Direct Research

## Financial story in charts

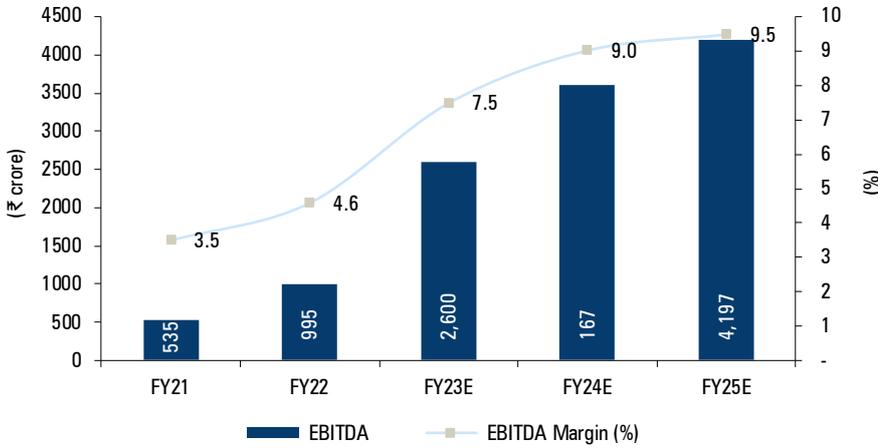
Exhibit 5: Topline trend



We expect sales to grow at a CAGR of 42.9% over FY22-25E backed by 21.7% volume CAGR in the aforesaid period, led by M&HCV segment

Source: Company, ICICI Direct Research

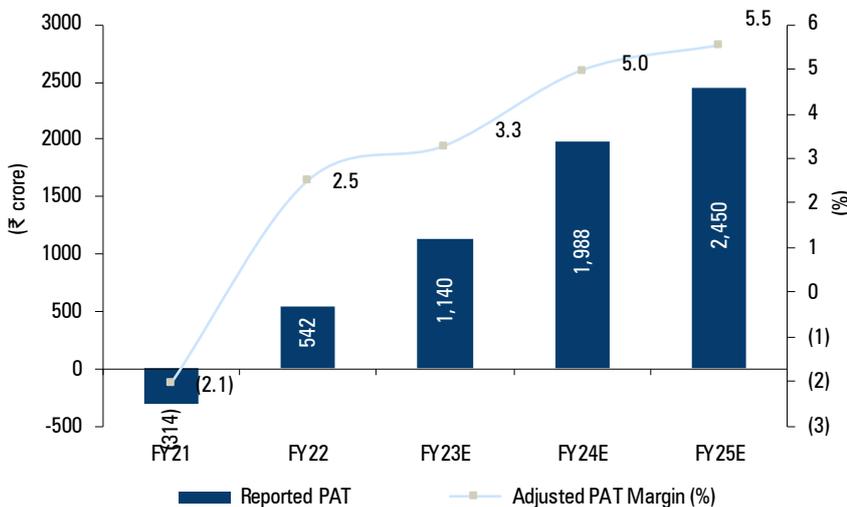
Exhibit 6: Trend in margins



We expect ALL margins to be at 9.5% by FY25E, riding on substantial operating leverage gains and cost control measures

Source: Company, ICICI Direct Research

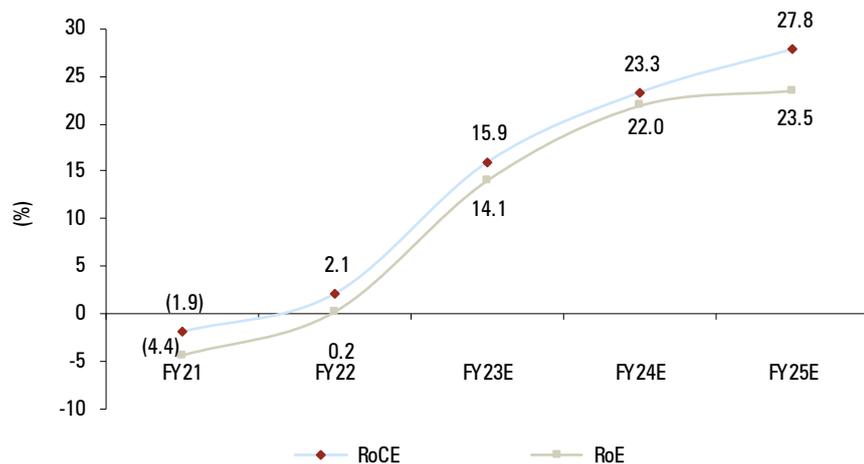
Exhibit 7: Trend in profitability



PAT is expected to reach ₹ 2,450 crore in FY25E

Source: Company, ICICI Direct Research

Exhibit 8: Trend in return ratios



The company is positioned to post healthy double digit return ratios of >20% starting FY24E

Source: Company, ICICI Direct Research

Exhibit 9: SOTP-based valuation

SOTP	
<b>Target EV/EBITDA (x)</b>	<b>12.0</b>
EBITDA (₹ crore; FY24-25E average)	3,901
Enterprise Value (₹ Crore)	46,809
Net Debt (₹ crore; FY24-FY25E average)	(945)
Target Market cap Core business (₹crore)	47,753
<b>Value/Share (A)</b>	<b>163</b>
Strategic Investments FY24-25E average (₹ crore)	4,022
P/BV(x)	2.0
<b>Total Value/Share post applying 20% Holdco. Discount (B)</b>	<b>22</b>
<b>Price target (₹, A+B)</b>	<b>185</b>

Source: Company, ICICI Direct Research

Exhibit 10: Valuation Summary

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY18	26,356	31.7	5.9	36.6	25.9	14.0	24.0	25.6
FY19	29,055	10.2	6.8	15.1	22.5	14.0	24.3	25.7
FY20	17,467	(39.9)	0.8	(87.9)	NM	39.6	4.7	4.5
FY21	15,301	(12.4)	(1.1)	NA	NM	88.6	(4.4)	(1.9)
FY22	21,688	41.7	1.8	NM	NM	45.9	0.2	2.1
FY23E	34,743	60.2	3.9	NM	39.2	17.4	14.1	15.9
FY24E	40,005	15.1	6.8	74.5	22.4	12.3	22.0	23.3
FY25E	44,297	10.7	8.3	23.2	18.2	10.2	23.5	27.8

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 11: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Total operating Income	21,688.3	34,742.8	40,005.1	44,297.1
Growth (%)	41.7	60.2	15.1	10.7
Raw Material Expenses	16,761.1	26,857.3	30,507.1	33,695.6
Employee Expenses	1,694.6	2,084.3	2,252.9	2,418.0
Other Expenses	2,238.1	3,201.3	3,640.5	3,986.7
Total Operating Expenditure	20,693.8	32,142.9	36,400.4	40,100.3
<b>EBITDA</b>	<b>994.5</b>	<b>2599.9</b>	<b>3604.7</b>	<b>4196.8</b>
Growth (%)	85.9	161.4	38.6	16.4
Depreciation	752.8	757.4	800.1	885.9
Interest	301.1	307.8	270.7	165.7
Other Income	76.1	106.1	124.5	130.1
<b>PBT</b>	<b>16.8</b>	<b>1640.8</b>	<b>2658.4</b>	<b>3275.2</b>
Exceptional chages	-510.8	-28.2	0.0	0.0
Total Tax	-14.2	529.3	669.9	825.4
<b>PAT</b>	<b>541.9</b>	<b>1139.6</b>	<b>1988.5</b>	<b>2449.9</b>
Growth (%)	-272.7	110.3	74.5	23.2
<b>EPS (₹)</b>	<b>1.8</b>	<b>3.9</b>	<b>6.8</b>	<b>8.3</b>

Source: Company, ICICI Direct Research

Exhibit 12: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
Profit after Tax	541.9	1,139.6	1,988.5	2,449.9
Add: Depreciation	752.8	757.4	800.1	885.9
(Inc)/dec in Current Assets	-511.2	-2,108.6	-1,206.4	-1,125.6
Inc/(dec) in CL and Provisions	1,787.7	2,216.2	1,096.8	1,309.3
<b>CF from operating activities</b>	<b>2872.2</b>	<b>2312.4</b>	<b>2949.7</b>	<b>3685.2</b>
(Inc)/dec in Investments	-1,750.9	-200.0	-400.0	-150.0
(Inc)/dec in Fixed Assets	-249.7	-600.0	-600.0	-600.0
Others	57.3	-166.3	-141.7	-138.6
<b>CF from investing activities</b>	<b>-1943.3</b>	<b>-966.3</b>	<b>-1141.7</b>	<b>-888.6</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	-221.7	-500.0	-600.0	-1,500.0
Dividend paid & dividend tax	-293.6	-513.7	-895.3	-1,100.8
Others	-189.8	-307.8	-270.7	-165.7
<b>CF from financing activities</b>	<b>-705.0</b>	<b>-1321.5</b>	<b>-1766.0</b>	<b>-2766.5</b>
<b>Net Cash flow</b>	<b>223.9</b>	<b>24.6</b>	<b>42.0</b>	<b>30.1</b>
Opening Cash	823.0	1,046.9	1,071.5	1,113.5
<b>Closing Cash</b>	<b>1046.9</b>	<b>1071.5</b>	<b>1113.5</b>	<b>1143.6</b>

Source: Company, ICICI Direct Research

Exhibit 13: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Liabilities</b>				
Equity Capital	293.6	293.6	293.6	293.6
Reserve and Surplus	7,043.4	7,669.3	8,762.4	10,111.5
<b>Total Shareholders funds</b>	<b>7336.9</b>	<b>7962.8</b>	<b>9056.0</b>	<b>10405.0</b>
Total Debt	3,507.1	3,007.1	2,407.1	907.1
Deferred Tax Liability	144.4	144.4	144.4	144.4
Other non-current liabilities	254.4	254.4	254.4	254.4
<b>Total Liabilities</b>	<b>11443.0</b>	<b>11568.9</b>	<b>12062.1</b>	<b>11911.1</b>
<b>Assets</b>				
Gross Block	9,134.0	9,828.2	10,478.2	11,078.2
Less: Acc Depreciation	3,860.3	4,617.7	5,417.8	6,303.7
<b>Net Block</b>	<b>5273.7</b>	<b>5210.6</b>	<b>5060.5</b>	<b>4774.5</b>
Capital WIP	194.3	100.0	50.0	50.0
Total Fixed Assets	5,468.0	5,310.6	5,110.5	4,824.5
Investments	3,521.6	3,721.6	3,921.6	4,121.6
Inventory	2,075.2	2,855.6	3,288.1	3,640.9
Debtors	3,111.0	4,283.4	4,932.1	5,461.3
Loans and Advances	0.0	0.0	0.0	0.0
Other current assets	1990.6	2146.5	2271.6	2515.3
<b>Cash</b>	<b>1046.9</b>	<b>1071.5</b>	<b>1113.5</b>	<b>1143.6</b>
Total Current Assets	8,223.7	10,356.9	11,605.3	12,761.0
Creditors	6,875.2	8,566.7	9,316.2	10,315.8
Provisions	470.3	585.9	637.2	705.6
Other current Liabilities	1,545.3	1,954.3	2,250.3	2,491.8
Total Current Liabilities	8,890.8	11,107.0	12,203.8	13,513.1
Net Current Assets	-667.1	-750.1	-598.5	-752.1
<b>Application of Funds</b>	<b>11443.0</b>	<b>11568.9</b>	<b>12062.1</b>	<b>11911.1</b>

Source: Company, ICICI Direct Research

Exhibit 14: Key ratios				
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS	1.8	3.9	6.8	8.3
Cash EPS	4.4	6.5	9.5	11.4
BV	25.0	27.1	30.8	35.4
DPS	1.0	1.8	3.1	3.8
Cash Per Share	3.6	3.7	3.8	3.9
<b>Operating Ratios (%)</b>				
EBITDA Margin	4.6	7.5	9.0	9.5
PBT / Net sales	0.1	4.7	6.6	7.4
PAT Margin	2.5	3.3	5.0	5.5
Inventory days	34.9	30.0	30.0	30.0
Debtor days	52.4	45.0	45.0	45.0
Creditor days	115.7	90.0	85.0	85.0
<b>Return Ratios (%)</b>				
RoE	0.2	14.1	22.0	23.5
RoCE	2.1	15.9	23.3	27.8
RoIC	2.7	20.2	29.8	35.7
<b>Valuation Ratios (x)</b>				
P/E	82.3	39.2	22.4	18.2
EV / EBITDA	45.9	17.4	12.3	10.2
EV / Net Sales	2.1	1.3	1.1	1.0
Market Cap / Sales	2.1	1.3	1.1	1.0
Price to Book Value	6.1	5.6	4.9	4.3
<b>Solvency Ratios</b>				
Debt/Equity	0.5	0.4	0.3	0.1
Current Ratio	0.9	0.9	0.9	0.9
<b>Quick Ratio</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</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)	331	350	Buy	21,020	10.1	16.2	26.1	32.9	20.5	12.7	9.9	7.7	5.7	6.3	9.6	13.9	5.4	8.2	12.2
<b>Ashok Leyland (ASHLEY)</b>	<b>152</b>	<b>185</b>	<b>Buy</b>	<b>44,492</b>	<b>1.8</b>	<b>3.9</b>	<b>6.8</b>	<b>82.3</b>	<b>39.2</b>	<b>22.4</b>	<b>45.9</b>	<b>17.4</b>	<b>12.3</b>	<b>2.1</b>	<b>15.9</b>	<b>23.3</b>	<b>0.2</b>	<b>14.1</b>	<b>22.0</b>
Bajaj Auto (BAAUTO)	3,794	4,100	Hold	1,09,787	173.4	197.5	240.9	21.9	19.2	15.7	16.8	14.1	11.3	18.4	24.2	29.0	17.6	22.3	26.1
Balkrishna Ind. (BALIND)	2,279	2,200	Buy	44,057	73.0	72.4	100.1	31.2	31.5	22.8	23.2	24.5	16.0	15.9	12.5	19.9	20.4	17.6	20.7
Bharat Forge (BHAFOR)	872	1,050	Buy	40,598	23.1	17.5	28.2	37.7	49.7	30.9	21.7	23.1	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)	2,050	2,365	Buy	27,048	58.0	47.8	73.7	35.3	42.9	27.8	23.3	26.8	18.9	10.4	7.8	10.4	9.7	8.4	10.5
Hero Moto (HERHON)	2,673	2,910	Hold	53,380	123.8	138.0	178.2	21.6	19.4	15.0	13.3	11.3	9.0	16.3	19.4	23.9	15.7	16.8	20.6
M&M (MAHMAH)	1,353	1,590	Buy	1,68,205	41.4	54.7	72.0	32.7	24.7	18.8	23.2	16.3	12.4	9.3	13.0	16.2	13.1	15.4	17.1
Maruti Suzuki (MARUTI)	8,865	11,200	Buy	2,67,794	124.7	261.9	369.0	71.1	33.8	24.0	39.7	20.7	14.8	5.1	12.9	16.9	7.0	13.3	16.7
Uno Minda (MININD)	492	650	Buy	28,130	6.2	10.4	14.4	79.1	47.5	34.2	32.4	24.7	19.1	10.2	13.5	16.9	10.3	14.9	17.4
Tata Motors (TATMOT)	445	530	Buy	1,70,391	-29.9	-3.1	24.3	-14.9	-145.3	18.3	7.3	6.4	4.3	4.8	7.9	15.1	-23.5	-2.5	16.3

Source: Company, ICICI Direct Research

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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