

## Government infrastructure spend to support growth

Ashok Leyland (ALL) reported a steady Q4FY19 performance. Revenues came in at ₹ 8,846 crore (up 0.8% YoY), with total CV sales volume at 59,521 units (up 1.3% YoY; M&HCV down 0.9% YoY & LCV up 8.3 % YoY). ASP was at ₹ 14.86 lakh/unit. Reported EBITDA was at ₹ 985 crore, down 4.6% YoY with margins at 11.1%. Consequently, PAT for the quarter came in at ₹ 653 crore. ALL declared a final dividend of ₹ 3.1/share for FY19.

### Pre-buying to aid double digit growth in FY20E!

FY19 was a tale of two halves for the domestic CV space. While during H1FY19 CV, volumes grew 37.8% YoY, the pace of growth dipped to a mere 3.3% YoY in H2FY19. The decline was on account of a difficult half for the M&HCV industry, which grappled with the near concurrent impact of a liquidity crunch in the NBFC space and overcapacity caused by revised axle load norms. On the other hand, LCV segment managed a much healthier 19.5% volume growth for FY19 as a whole amid continued demand necessitated by further evolution of hub-and-spoke model under GST and need for last mile connectivity. In FY20E, the CV industry demand scenario is expected to improve (chiefly Q2 & Q3), tracking pre-buying ahead of BS-VI rollout. Accordingly, we build in 10.1% volume growth for ALL in FY20E. In FY21E, however conservatively we have built volume growth of 2.0% and await further trigger on infrastructure spend by the central government.

### Retains market leadership; LCV focus to alter product mix!

The M&HCV space witnessed intense competition as players resort to all-time high discounting levels to gain market share. Despite industry wide headwinds in its core M&HCV-goods i.e. trucks segment, ALL has managed to protect its market share (32.9% as of March 2019 vs. 33.8% in March 2018; down ~80 bps YoY). Going forward, however, with project "Phoenix" under way, ALL is likely to focus more towards sustainable growth in the LCV segment both in the domestic as well as export markets. This is expected to alter the product mix in favour of LCVs, going forward, with M&HCV: LCV ratio expected to decline to 60: 40 by FY21E vs. 62: 38 in FY19.

### Valuation & Outlook

ALL will be a key beneficiary of infrastructure spend by the central government (roads, metro, airports, etc) and deserves to be in one's portfolio given net debt free B/S and healthy return ratios profile (RoCE >25%). For ALL, we factor in 6% volume CAGR, with consequent net sales CAGR at 11% in FY19-21E. PAT CAGR, however, is expected to be flat primarily tracking lower effective tax rate in FY19P (20.6%). We value the stock at ₹ 100 using SOTP valuation methodology valuing core CV business at 7.0x EV/EBITDA on FY21E numbers. We have a **HOLD** rating on the stock.



Particulars	
Particular	Amount
Market Capitalization (₹ Crore)	26,343.9
Total Debt (FY19P) (₹ Crore)	433.0
Cash & Investments (FY19P) (₹ Crore)	1,370.4
EV (₹ Crore)	25,406.5
52 week H/L (₹)	152 / 78
Equity capital (₹ crore)	293.6
Face value (₹)	₹ 1

### Key Highlights

- Management guided for ~10-12% industry volume growth for FY20E
- Q2 & Q3FY19 are expected to be strong on account of pre-buying before BS-VI
- Capex intensity is expected to increase with capex schedule of ~₹ 2,500 crore spread over FY20 & FY21E
- Earnings growth is expected to moderate. Maintain HOLD with a revised target price of ₹ 100
- Positive risk to our call is introduction of scrappage policy, which will arrest the volume decline for the industry in FY21E

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### Key Financial Summary

Key Financials	FY17	FY18	FY19P	FY20E	FY21E	CAGR (FY19P-21E)
Net Sales	20,018.7	26,356.4	29,055.0	32,150.1	35,913.2	11.2%
EBITDA	2,202.5	2,963.5	3,135.7	3,250.5	3,413.0	4.3%
EBITDA Margins (%)	11.0	11.2	10.8	10.1	9.5	
Net Profit	1,223.1	1,717.7	1,983.1	1,884.7	1,966.5	-0.4%
EPS (₹)	4.3	5.9	6.8	6.4	6.7	
P/E	20.9	15.3	13.3	14.0	13.4	
RoNW (%)	25.0	24.0	24.4	20.7	19.7	
RoCE (%)	23.3	29.7	27.5	25.9	25.0	

Source: ICICI Direct Research, Company

Exhibit 1: Variance Analysis

	Q4FY19	Q4FY19E	Q4FY18	YoY (%)	Q3FY19	QoQ (%)	Comments
Total Operating Income	8,845.9	8,734.0	8,772.5	0.8	6,325.2	39.9	Topline came in marginally ahead tracking better realisations in the quarter
Raw Material Expenses	6,429.2	6,124.0	6,306.1	2.0	4,435.7	44.9	RM costs came in at elevated levels with RM to sales at 72.7%
Employee Expenses	573.5	576.4	454.9	26.1	500.1	14.7	
Other expenses	857.8	1,048.1	978.8	-12.4	739.8	15.9	Other expenses witnessed a sharp fall and was at 9.7% of sales
EBITDA	985.4	985.4	1,032.7	-4.6	649.7	51.7	
EBITDA Margin (%)	11.1	11.3	11.8	-70 bps	10.3	80 bps	EBITDA margins came in at 11.1% aided by control of other expenses amid an increase in RM costs
Other Income	9.1	50.8	57.7	-84.3	20.8	-56.3	Other income came in substantially lower than the usual run rate
Depreciation	159.8	163.3	146.3	9.2	160.7	-0.6	
Interest	16.6	19.2	20.1	-17.2	19.2	-13.5	
Tax	153.5	197.9	262.6	-41.5	102.7	49.4	Tax rate for the quarter was at 19%
Reported PAT	653.0	655.9	667.4	-2.2	380.8	71.5	
EPS	2.2	2.2	2.3	-2.2	1.3	71.5	PAT for the quarter was broadly in line with our estimates
<b>Key Metrics</b>							
ASPs (₹ '000s)	1,486	1467	1,494	-0.5	1,446	2.8	Realisations came in ahead of our estimates at ₹ 14.9 lakh/unit
Average discount M&HCV (₹)	430,000	420,000	350,000	22.9	425,000	1.2	Aggressive discounting continues in the marketplace with discounts for the quarter coming in at ~₹ 4.25-4.4 lakh/unit

Source: Company, ICICI Direct Research

Exhibit 2: Change in estimates

(₹ Crore)	FY20E		FY21E		Comments
	Old	New	% Change	Introduced	
Revenue	33,595	32150	-4.3	35913	Lower FY20E estimates tracking muted demand sentiments. Introduce FY21E numbers. Expect sales to grow at CAGR of 11% in FY19-21E
EBITDA	3,861	3251	-15.8	3413	
EBITDA Margin (%)	11.5	10.1	-138 bps	9.5	Adverse product mix to weigh on margins, going forward
PAT	2,283	1885	-17.4	1966	
EPS (₹)	7.8	6.4	-17.4	6.7	Decline in sales and margins lead to downward revision in PAT estimates for FY20E. Introduce FY21E numbers. Expect earnings to be largely flat in FY19-21E

Source: Company, ICICI Direct Research

Exhibit 3: Assumptions

	Current		Introduced		Earlier	Comments
	FY18	FY19P	FY20E	FY21E	FY20E	
M&HCV Passenger volumes	20,221	19,871	21,851	21,994	21,647	
M&HCV Goods volumes	111,212	122,987	134,423	135,941	135,977	
LCV volumes	43,419	54,508	60,948	63,550	61,557	
<b>Total Sales Volume</b>	<b>174,852</b>	<b>197,366</b>	<b>217,221</b>	<b>221,485</b>	<b>219,181</b>	<b>Broadly maintain FY20E estimates. Expect volume to grow ~10% in FY20E and ~2% thereafter in FY21E</b>
ASPs (₹ '000s)	1,482.7	1,460.6	1,480.1	1,621.5	1,532.7	Adverse product mix in favour of LCVs leads to downward revision in ASPs, going forward. Introduce FY21E numbers
RMC/Unit (₹ '000s)	970.6	1,051.1	1,069.6	1,190.8	1,080.9	
M&HCV discount (₹)	350,000	395,000	400,000	400,000	425,000	

Source: Company, ICICI Direct Research

## Conference Call Highlights

### Management outlook/guidance and demand

- The Management believes the FY20E demand scenario is healthy, anticipating 10-12% YoY growth in industry volumes with positive pre-buying impact in Q2 and Q3
- Exports (Africa & recovery in traditional markets of Middle East and Bangladesh) would be a key focus area for FY20E, with 15%+ growth YoY targeted. From FY21E onwards, new buses & light trucks, introduction of left hand drive system across product portfolio and expansion into Asean markets would be growth avenues

### Sales, costs and margins

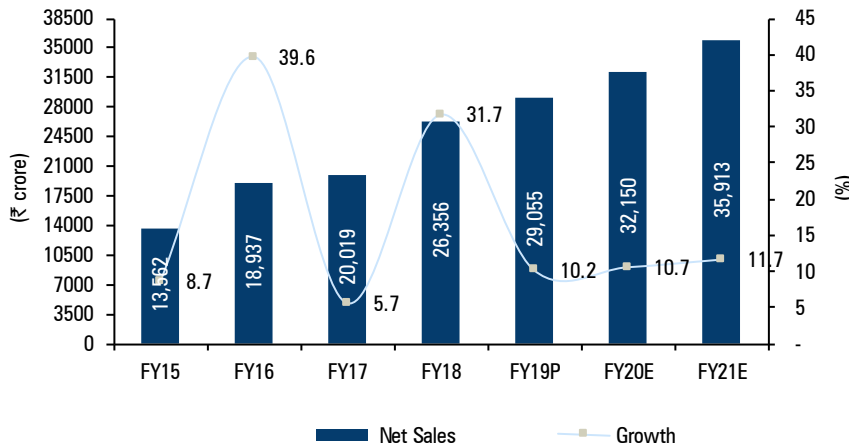
- Cost and mix management helped the margin performance in Q4FY19 although discounting pressure (average discounting level ~₹ 425,000-440,000/unit) impacted realisations
- Reduction in other expenses in Q4FY19 was achieved via rationalisation of regional sales offices and intense cost focus
- Export business was weaker-than-expected in Q4FY19 owing to softness in key markets of Middle East, Bangladesh & Sri Lanka
- ALL is hopeful of a better performance in the defence division, going ahead, owing to clarity on government stability

### Others

- FY19 capex was at ~₹ 950 crore, with another ~₹ 1,500 crore capex lined up in FY20E towards LCV project 'Phoenix', BS-VI rollout, modular business programme, electric vehicles and some capacity enhancement. Further ~₹ 1,000 crore capex has been outlined for FY21E
- While demand for higher tonnage vehicles is increasing, tippers constituted ~20% of FY19 volumes
- Project Phoenix aims to bridge the product gap currently existing in the 3/3.5-5 tonne LCV category
- Modular programme rollout would be in concurrence with BS-VI and would be for 16 tonne+ category
- Factory gate inventory as of March 2019 was at ~15 days of sales, in line with usual levels
- Working capital cycle was elongated in FY19 due to normalisation of extraordinary benefits realised in FY18 due to healthy advances from customers. It is expected to be at similar levels, going forward

## Financial story in charts

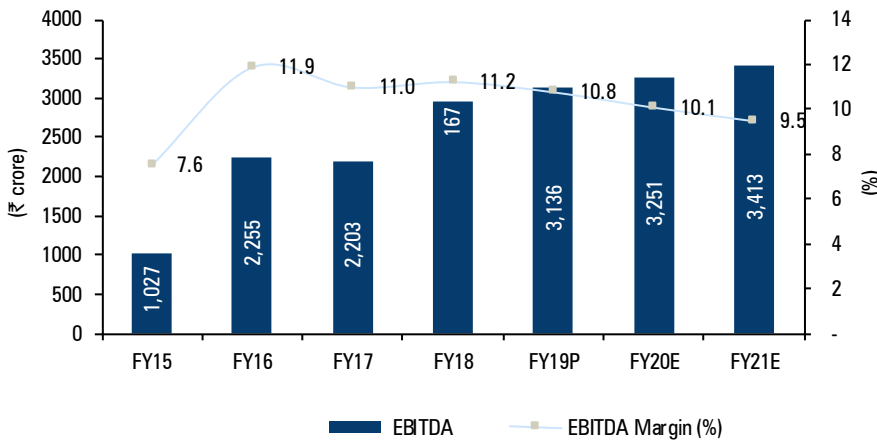
Exhibit 4: Topline trend



We expect sales to grow at a CAGR of 11.0% over FY19-21E, factoring in ~6% volume CAGR

Source: Company, ICICI Direct Research

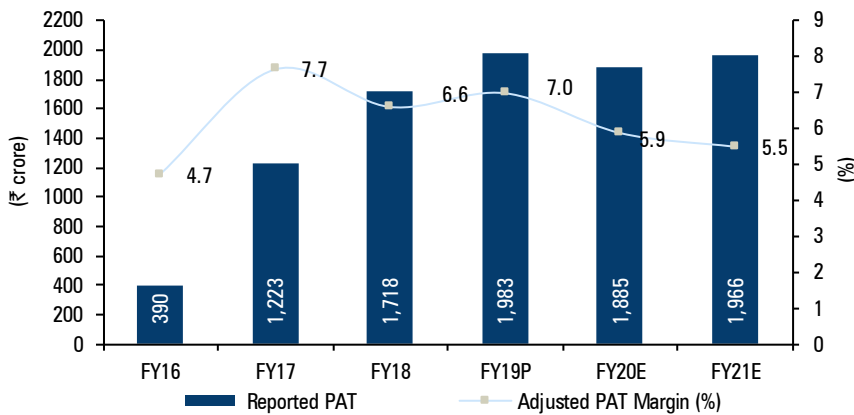
Exhibit 5: EBITDA and EBITDA margin trend



With adverse product mix and lesser propensity to pass on the cost increase on account of BS-VI introduction, we expect EBITD margins to optically decline, going forward

Source: Company, ICICI Direct Research

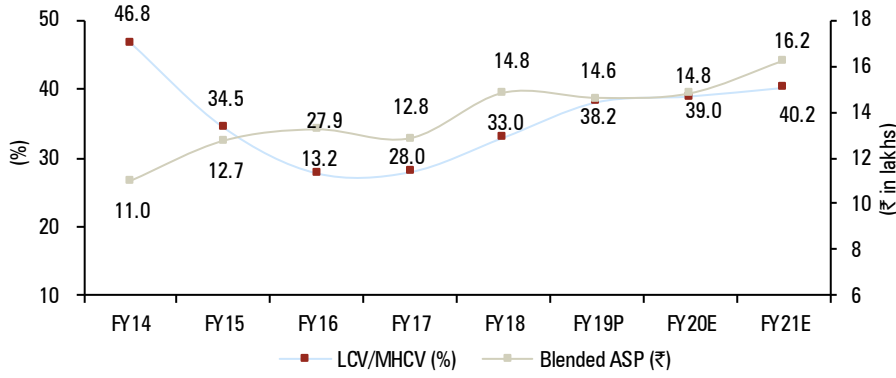
Exhibit 6: Profitability trend



PAT expected to be largely flat over FY19-21E

Source: Company, ICICI Direct Research

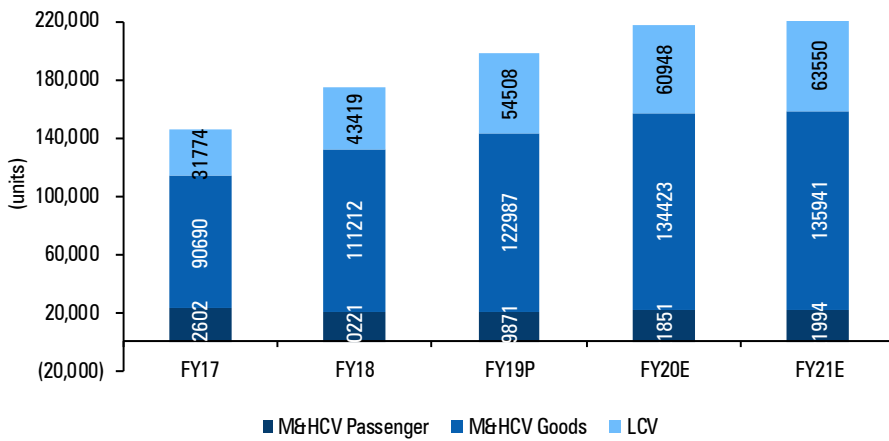
Exhibit 7: Product mix and realisation trend



Source: Company, ICICI Direct Research

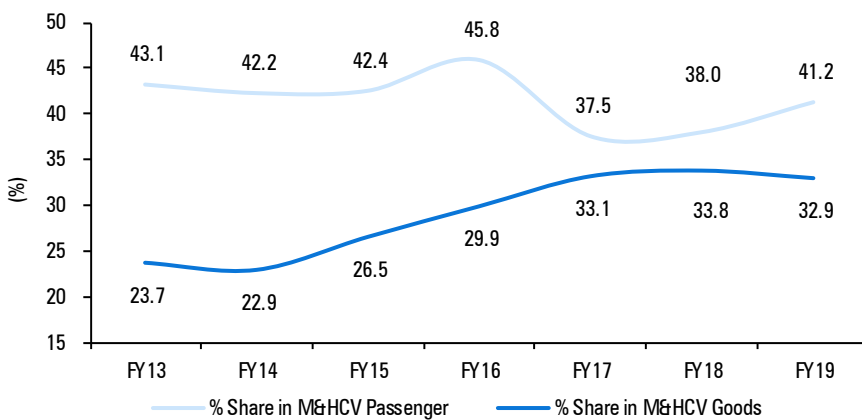
With increasing focus on LCVs, the product mix is expected to become adverse, going forward

Exhibit 8: Segment wise volume breakup



Source: Company, ICICI Direct Research

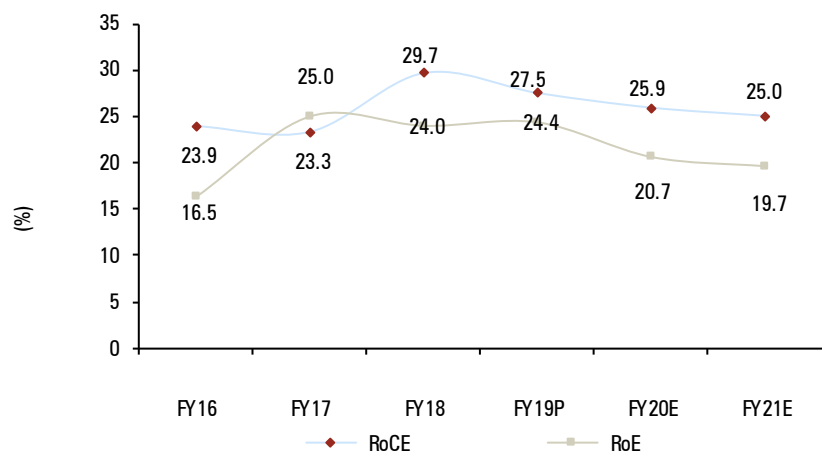
Exhibit 9: Segment wise market share movement



Source: Company, ICICI Direct Research

ALL has broadly maintained its market leadership in the M&HCV goods segment while it impressively improved its market share in the M&HCV passenger segment

Exhibit 10: Return ratio profile



Return ratios profile is healthy with RoCE consistently above the 25% mark

Source: Company, ICICI Direct Research

Exhibit 11: Key valuation metrics

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
FY17	20,019	5.7	4.3	213.9	20.9	11.7	25.0	23.3
FY18	26,356	31.7	5.9	36.6	15.3	7.7	24.0	29.7
FY19P	29,055	10.2	6.8	15.1	13.3	8.1	24.4	27.5
FY20E	32,150	10.7	6.4	(5.0)	14.0	7.9	20.7	25.9
FY21E	35,913	11.7	6.7	4.3	13.4	7.3	19.7	25.0

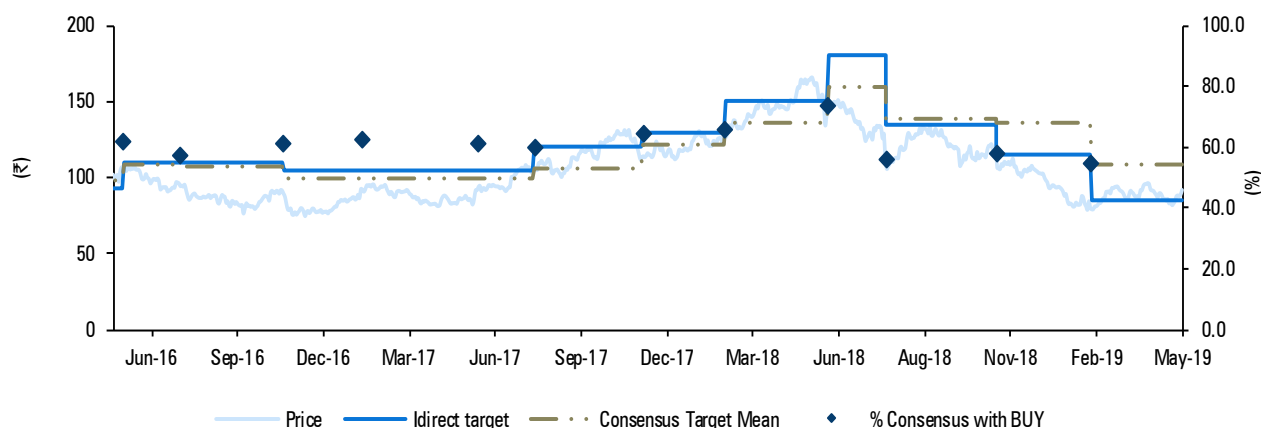
Source: Bloomberg, ICICI Direct Research

Exhibit 12: SOTP based target price calculation

SOTP	
<b>Target EV/EBITDA (x)</b>	<b>7.0</b>
EBITDA (FY21E)	3,413.0
Net Debt	(1,402.3)
Enterprise Value (₹ Crore)	23,891.2
Target Market cap Core business (₹ crore)	25,293.4
<b>Value/Share</b>	<b>85</b>
Strategic Investments FY21E (₹ crore)	2,936.5
P/BV(x)	1.5
Total Value/Share	15.0
<b>Price target (₹)</b>	<b>100</b>

Source: Company, 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	Hinduja Group Ltd.	31-Mar-19	34.7	1,019.4
2	Hinduja Bank (Switzerland) Ltd	31-Mar-19	4.9	144.9
3	Reliance Nippon Life Asset Management Limited	30-Apr-19	2.6	76.7
4	ICICI Prudential Life Insurance Company Ltd.	31-Mar-19	1.7	50.4
5	Norges Bank Investment Management (NBIM)	31-Mar-19	1.6	47.7
6	Kuwait Investment Authority	31-Mar-19	1.6	45.5
7	The Vanguard Group, Inc.	30-Apr-19	1.4	42.0
8	Life Insurance Corporation of India	31-Mar-19	1.4	40.1
9	J.P. Morgan Asset Management (Hong Kong) Ltd.	31-Mar-19	1.2	35.6
10	BlackRock Institutional Trust Company, N.A.	30-Apr-19	1.2	34.4

Source: Reuters, ICICI Direct Research

Exhibit 15: Recent activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
Reliance Nippon Life Asset Management Limited	+17.95M	+14.38M	American Century Investment Management, Inc.	-14.52M	-11.00M
Tata Asset Management Limited	+8.08M	+6.47M	Kuwait Investment Authority	-6.36M	-4.82M
ICICI Prudential Life Insurance Company Ltd.	+8.34M	+6.32M	Motilal Oswal Asset Management Company Ltd.	-5.04M	-3.82M
Kotak Mahindra Asset Management Company Ltd.	+4.23M	+3.38M	HSBC Global Asset Management (Hong Kong) Limited	-5.36M	-3.32M
IDFC Asset Management Company Private Limited	+1.62M	+1.30M	Franklin Templeton Asset Management (India) Pvt. Ltd.	-3.75M	-3.00M

Source: Reuters, ICICI Direct Research

Exhibit 16: Shareholding pattern

(in %)	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Promoter	51.3	51.1	51.1	51.1	51.1
FII	23.3	23.5	22.9	21.9	19.1
DII	11.1	10.1	9.9	9.1	10.0
Others	14.4	15.2	16.1	17.9	19.8

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 17: Profit and loss statement				
	₹ crore			
(Year-end March)	FY18	FY19P	FY20E	FY21E
Total operating Income	26,356.4	29,055.0	32,150.1	35,913.2
Growth (%)	31.7	10.2	10.7	11.7
Raw Material Expenses	18,431.1	20,679.6	23,233.8	26,373.8
Employee Expenses	1,837.8	2,098.8	2,290.0	2,535.1
Other Expenses	3,124.0	3,140.9	3,375.8	3,591.3
Total Operating Expenditure	23,392.9	25,919.3	28,899.5	32,500.2
<b>EBITDA</b>	<b>2963.5</b>	<b>3135.7</b>	<b>3250.5</b>	<b>3413.0</b>
Growth (%)	34.6	5.8	3.7	5.0
Depreciation	598.5	621.0	675.2	754.2
Interest	147.3	70.4	53.7	40.7
Other Income	196.6	109.9	95.9	113.1
<b>PBT</b>	<b>2414.3</b>	<b>2554.2</b>	<b>2617.6</b>	<b>2731.2</b>
Others	0.0	0.0	0.0	0.0
Total Tax	668.1	513.6	732.9	764.7
<b>PAT</b>	<b>1717.7</b>	<b>1983.1</b>	<b>1884.7</b>	<b>1966.5</b>
Growth (%)	40.4	15.5	-5.0	4.3
<b>EPS (₹)</b>	<b>5.9</b>	<b>6.8</b>	<b>6.4</b>	<b>6.7</b>

Source: Company, ICICI Direct Research

Exhibit 18: Cash flow statement				
	₹ crore			
(Year-end March)	FY18	FY19P	FY20E	FY21E
Profit after Tax	1,717.7	1,983.1	1,884.7	1,966.5
Add: Depreciation	598.5	621.0	675.2	754.2
(Inc)/dec in Current Assets	321.9	-2,988.0	-712.4	-885.7
Inc/(dec) in CL and Provisions	2,491.6	-25.6	818.3	1,112.8
<b>CF from operating activities</b>	<b>5277.0</b>	<b>-339.1</b>	<b>2719.5</b>	<b>2988.5</b>
(Inc)/dec in Investments	-2,155.0	3,155.2	0.0	-100.0
(Inc)/dec in Fixed Assets	-970.5	-850.6	-1,500.0	-1,000.0
Others	-690.9	-337.5	-228.4	-229.1
<b>CF from investing activities</b>	<b>-3816.4</b>	<b>1967.1</b>	<b>-1728.4</b>	<b>-1329.1</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	-778.2	-181.0	-20.0	-100.0
Dividend paid & dividend tax	-856.4	-1,095.6	-1,095.6	-1,095.6
Others	304.2	-23.1	-53.7	-40.7
<b>CF from financing activities</b>	<b>-1330.4</b>	<b>-1299.7</b>	<b>-1169.3</b>	<b>-1236.3</b>
<b>Net Cash flow</b>	<b>130.3</b>	<b>328.2</b>	<b>-178.3</b>	<b>423.1</b>
Opening Cash	912.0	1,042.2	1,370.4	1,192.2
<b>Closing Cash</b>	<b>1042.2</b>	<b>1370.4</b>	<b>1192.2</b>	<b>1615.3</b>

Source: Company, ICICI Direct Research

Exhibit 19: Balance Sheet				
	₹ crore			
(Year-end March)	FY18	FY19P	FY20E	FY21E
<b>Liabilities</b>				
Equity Capital	292.7	293.6	293.6	293.6
Reserve and Surplus	6,952.8	8,035.8	8,824.8	9,695.6
<b>Total Shareholders funds</b>	<b>7245.5</b>	<b>8329.3</b>	<b>9118.4</b>	<b>9989.2</b>
Total Debt	614.0	433.0	413.0	313.0
Deferred Tax Liability	298.6	249.7	249.7	249.7
Other non-current liabilities	203.7	270.7	270.7	270.7
<b>Total Liabilities</b>	<b>8616.9</b>	<b>9532.3</b>	<b>10301.4</b>	<b>11072.2</b>
<b>Assets</b>				
Gross Block	5,939.7	6,555.3	7,712.9	9,212.9
Less: Acc Depreciation	1,128.3	1,749.3	2,424.5	3,178.6
<b>Net Block</b>	<b>4811.4</b>	<b>4806.0</b>	<b>5288.4</b>	<b>6034.3</b>
Capital WIP	422.6	657.6	1,000.0	500.0
Total Fixed Assets	5,234.0	5,463.6	6,288.4	6,534.3
Investments	2,451.5	2,636.5	2,786.5	2,936.5
Inventory	1,758.3	2,684.7	3,082.9	3,443.7
Debtors	944.8	2,505.5	2,642.5	2,951.8
Loans and Advances	24.1	22.5	24.9	27.8
Other current assets	0.0	0.0	0.0	0.0
<b>Cash</b>	<b>1042.2</b>	<b>1370.4</b>	<b>1192.2</b>	<b>1615.3</b>
Total Current Assets	3,769.4	6,583.1	6,942.4	8,038.5
Creditors	4,887.9	5,018.9	5,461.1	6,100.3
Provisions	820.1	802.8	873.5	975.7
Other current Liabilities	1,212.6	1,266.9	1,401.9	1,566.0
Total Current Liabilities	5,708.0	5,821.7	6,334.6	7,076.1
Net Current Assets	-1,938.6	761.4	607.8	962.5
<b>Application of Funds</b>	<b>8616.9</b>	<b>9532.3</b>	<b>10301.4</b>	<b>11072.2</b>

Source: Company, ICICI Direct Research

Exhibit 20: Key ratios				
(Year-end March)	FY18	FY19P	FY20E	FY21E
<b>Per share data (₹)</b>				
EPS	5.9	6.8	6.4	6.7
Cash EPS	7.9	8.9	8.7	9.3
BV	24.8	28.4	31.1	34.0
DPS	2.9	3.7	3.7	3.7
Cash Per Share	3.6	4.7	4.1	5.5
<b>Operating Ratios (%)</b>				
EBITDA Margin	11.2	10.8	10.1	9.5
PBT / Net sales	9.0	8.7	8.0	7.4
PAT Margin	6.5	6.8	5.9	5.5
Inventory days	24.4	33.7	35.0	35.0
Debtor days	13.1	31.5	30.0	30.0
Creditor days	67.7	63.0	62.0	62.0
<b>Return Ratios (%)</b>				
RoE	24.0	24.4	20.7	19.7
RoCE	29.7	27.5	25.9	25.0
RoIC	56.2	34.9	32.6	30.3
<b>Valuation Ratios (x)</b>				
P/E	15.2	13.0	14.0	13.4
EV / EBITDA	7.7	8.1	7.9	7.3
EV / Net Sales	0.9	0.9	0.8	0.7
Market Cap / Sales	1.0	0.9	0.8	0.7
Price to Book Value	3.6	3.2	2.9	2.6
<b>Solvency Ratios</b>				
Debt/Equity	0.1	0.1	0.0	0.0
Current Ratio	0.6	1.0	1.0	1.0
<b>Quick Ratio</b>	<b>0.3</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>

Source: Company, ICICI Direct Research



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

Sector / Company	CMP			M Cap (₹ Cr)	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	TP(₹)	Rating		FY18	FY19P	FY20E	FY18	FY19P	FY20E	FY18	FY19P	FY20E	FY18	FY19P	FY20E	FY18	FY19P	FY20E
Amara Raja (AMARAJ)	616	590	Reduce	10524	27.6	28.3	30.0	22.8	22.3	21.0	12.0	11.0	10.2	23.3	21.2	20.2	16.0	14.5	13.9
Apollo Tyre (APOTYR)	183	180	Hold	10480	12.7	11.9	15.3	14.9	15.8	12.3	7.5	7.5	7.3	7.8	8.2	8.0	7.4	8.3	8.2
Ashok Leyland (ASHLEY)	90	100	Hold	26420	5.9	6.8	6.4	15.3	13.3	14.0	7.7	8.1	7.9	29.7	27.5	25.9	24.0	24.4	20.7
Bajaj Auto (BAAUTO)	3047	2800	Reduce	88177	140.6	161.6	165.6	21.7	18.9	18.4	15.2	14.3	13.0	22.9	21.0	20.0	21.5	19.9	19.7
Balkrishna Ind. (BALIND)	776	740	Hold	15004	40.5	40.3	45.9	19.2	19.3	16.9	11.8	10.6	9.0	20.4	18.8	19.5	16.7	18.8	19.5
Bharat Forge (BHAFOR)	465	535	Buy	32590	16.2	22.2	23.9	28.7	21.0	19.5	13.7	11.9	10.9	18.2	18.4	18.5	17.3	19.1	17.9
Bosch (MICO)	17000	15550	Reduce	51885	449.1	523.6	538.7	37.9	32.5	31.6	23.4	23.3	21.9	14.4	17.5	15.9	21.4	25.8	23.6
Eicher Motors (EICMOT)	21225	19000	Hold	57858	718.9	808.1	912.5	26.1	23.2	20.5	16.8	16.6	14.3	39.1	32.5	29.6	29.9	24.8	22.8
Escorts (ESCORT)	594	600	Hold	7286	28.1	39.6	43.1	23.5	16.7	15.3	13.1	10.6	8.9	18.8	19.6	19.8	13.5	16.0	15.0
Exide Industries (EXIIND)	209	200	Reduce	17761	8.2	9.1	10.1	27.3	21.7	21.2	14.5	12.7	11.2	19.0	18.4	18.7	12.9	12.9	12.9
Hero Moto (HERHON)	2700	2700	Hold	53912	185.1	169.5	171.2	13.6	14.8	14.7	8.2	9.2	8.7	42.4	37.1	34.2	31.4	26.3	24.1
JK Tyre & Ind (JKIND)	79	100	Buy	1793	2.9	7.8	8.2	27.5	10.3	9.8	9.3	6.3	6.2	7.8	10.9	10.7	3.7	10.3	9.8
Mahindra CIE (MAHAUT)	227	275	Buy	8601	13.2	15.1	17.4	17.1	14.9	12.9	8.9	7.6	6.5	12.4	11.8	12.0	13.2	13.9	14.9
Maruti Suzuki (MARUTI)	6900	5815	Sell	208429	255.6	248.3	256.3	27.0	27.8	26.9	14.5	15.8	14.4	21.1	16.3	15.9	18.5	16.3	15.2
Motherson (MOTSUM)	119	125	Hold	37500	5.1	5.3	7.0	25.7	24.5	18.6	9.3	8.5	6.8	16.3	15.2	18.0	17.4	15.7	18.0
Tata Motors (TELCO)	179	185	Hold	53137	26.8	-84.6	14.5	6.7	NA	12.4	2.6	4.1	3.3	9.1	5.6	10.2	10.3	7.1	13.5
Wabco India (WABTVS)	6206	7000	Hold	11771	143.8	172.2	212.3	46.9	39.2	31.8	30.4	26.2	20.8	17.9	17.8	18.2	25.1	25.7	26.0

Source: Reuters, ICICI Direct Research

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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