

## Poised to encash cyclical recovery in user industries...

**About the stock:** Bharat Forge (BFL) is India's leading auto component exporter with strong engineering, technological competencies in forging and metallurgy. With total capacity of 6.83 lakh MT per annum, its products find application in domestic, exports markets across PV, CV, oil & gas, construction & mining, power, defence, etc.

- FY21 standalone segment mix – ~40% CV, ~36% Industrial, ~18% PV
- FY21 standalone regional mix - ~46% India, ~31% Americas, ~20% Europe

**Q1FY22 Results:** The company posted robust Q1FY22 results.

- Standalone net sales increased 4.9% QoQ to ₹ 1,372 crore
- EBITDA was at ₹391 crore, with margins up 105 bps QoQ to 28.5%
- Consequent standalone PAT was down 18.9% sequentially to ₹166.6 crore

**What should investors do?** BFL's share price has grown at ~12% CAGR over the past five years (from ~₹ 420 levels in August 2016), outperforming Nifty Auto index.

- We retain **BUY** rating on strong demand, margin expansion visibility

**Target Price and Valuation:** We value the company at revised target price of ₹ 1,000 i.e. 40x P/E on FY23E EPS (earlier target price ₹ 875)

### Key triggers for future price performance:

- Expected cyclical rebound in India CV, US Class 8 truck revival, healthy outlook for PV segment across geographies and pick-up in drilling activity amid higher oil prices lead to robust 29% FY21-23E net sales CAGR
- Defence, e-mobility, aluminium growth to de-risk away from CV, oil & gas
- Prime candidate for auto component PLI scheme benefits
- Operating leverage, mix improvement to expand margins to 21.5% (FY23E)

**Alternate Stock Idea:** Besides BFL, in our ancillary coverage we like Apollo Tyres.

- India CV revival beneficiary focused on debt reduction, higher return ratios
- **BUY** with target price of ₹275



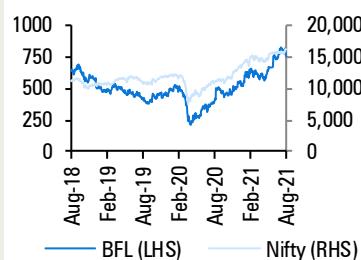
### Particulars

Particular	Amount
Market Capitalization	₹ 38410 crore
Total Debt (FY21)	₹ 4995 crore
Cash and Inv. (FY21)	₹ 2550 crore
EV	₹ 40855 crore
52 week H/L (₹)	846 / 408
Equity capital	₹ 93.1 Crore
Face value	₹ 2

### Shareholding pattern

	Sep-20	Dec-20	Mar-21	Jun-21
Promoter	45.8	45.8	45.8	44.8
FII	21.9	23.5	24.9	25.3
DII	11.5	12.3	12.2	12.1
Other	20.8	18.5	17.1	17.8

### Price Chart



### Recent event & key risks

- Posted robust Q1FY22 results
- **Key Risk:** (i) Slower than anticipated recovery in sales over FY21-23E, (ii) More than estimated rise in RM costs and consequent muted margin profile

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### Key Financial Summary

Key Financials	FY19	FY20	FY21	5 year CAGR (FY16-21)	FY22E	FY23E	2 year CAGR (FY21-23E)
Net Sales	10,145.7	8,055.8	6,336.3	-3.7%	8,919.4	10,546.5	29.0%
EBITDA	2,055.6	1,114.8	861.7	-9.5%	1,810.6	2,269.6	62.3%
EBITDA Margins (%)	20.3	13.8	13.6		20.3	21.5	
Net Profit	1,032.6	349.2	(127.0)	PL	800.3	1,168.6	LP
EPS (₹)	22.2	7.5	(2.7)		17.2	25.1	
P/E	37.2	110.0	(302.3)		48.0	32.9	
RoNW (%)	19.1	7.8	3.3		14.0	16.8	
RoCE (%)	15.5	5.6	2.2		9.3	12.7	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q1FY22 Results: Sequential topline growth, margin expansion

- Total operating income was higher sequentially despite 4.2% tonnage decline to 53,512 MT. The growth was on account of 25.3% sequential increase in export sales to ₹ 916 crore, with India revenues down 21.8%
- Among segments, industrial revenues grew 29% while PV and CV revenues declined ~6% each. On the geographical front, Americas posted ~31% increase in revenues, with Europe following behind at ~16%
- Margins at 28.5% were a substantial beat on our estimates of 25.2%, largely due to QoQ gross margin uptick of ~230 bps, favourable product mix and previously implemented cost reduction measures
- There was a one-off impact of ₹ 61.6 crore related to VRS compensation for employees at Chakan, Pune. At the consolidated level, BFL reported share of loss from JVs/associates at ₹ 9.1 crore vs. ₹ 24.5 crore in Q4FY21

### Q1FY22 Earnings Conference Call highlights

- The management expects overall growth to continue in Q2FY22E supported by domestic M&HCV recovery and sustained exports improvement, with semiconductor shortages and input cost spikes flagged as monitorables
- US Class 8 truck production for CY21E is estimated at 2.9-3 lakh units. Order backlog is strong (~10 months of production), with recently announced stimulus package set to be a large driver in coming months
- Sanghvi Forging would be consolidated into financials from Q2FY22E and would likely be profitable from Q3FY22E. BFL said that its capacity could be tripled with debottlenecking spend of ₹ 20-25 crore. It has a revenue potential of ₹ 500-600 crore down the line
- Revenue from US aluminium forging business could grow to US\$80-85 million by FY24E (from current product lines). Overall aluminium forging revenues have scope to double in 2-2.5 years, with present capacities adequate for the ramp up
- Aerospace division has revenue potential of ~US\$20 million in two years vs. ~US\$6 million at present. The company has won orders for high value machined and forged jet engine components
- BFL expects standalone margins to stabilise around current 28-29% levels
- FY22E India capex guidance is at ₹ 200-250 crore

*BFL is looking to introduce medical grade aluminium oxygen cylinders as a new product.*

*The company has won some orders in axle, driveline and chassis components for electric trucks in US*

### Peer comparison

Exhibit 1: Peer Comparison (forging)

Company	CMP	TP	Rating	Mcap	EBITDA margin (%)			RoE (%)			RoCE (%)			P/E (x)		
	₹	₹		₹ crore	FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E	FY21	FY22E	FY23E
Bharat Forge (BHAFOR)	825	1,000	Buy	38,410	13.6	20.3	21.5	3.3	14.0	16.8	2.2	9.3	12.7	(302.3)	48.0	32.9
MM Forging (MMFORG)	767	790	Buy	1,852	16.7	16.0	18.5	9.3	11.1	16.5	5.7	7.8	11.9	39.7	30.3	17.5

Source: Company, ICICI Direct Research

We like BFL for strong revenue growth prospects over FY21-23E amid improved outlook for CV, PV and oil & gas segments. The company continues to focus on de-risking dependence on CV and oil & gas via thrust on defence, EVs, renewable energy and aluminium businesses. Higher capacity utilisation and improved product mix (increasing share of aluminium in overall revenues) are seen leading to incremental gains on margins and return ratios front. Sustained turnaround in subsidiary financials is a key monitorable for BFL.

## Key highlights from FY21 Annual Report

- In the worst case scenario of complete shift away from internal combustion engines (ICE), the company estimates a hit of 10-12% on revenues in the medium to long term. Focus on e-mobility and other businesses is expected to more than offset this potential impact
- In EVs, BFL provides sub-systems to complete electric powertrains including power electronics (motor controller, DC-DC convertor, on-board charger, electric drive units, etc) It is aiming at 5-6% market share by 2025, leveraging upon Kalyani Powertrains (EV focused 100% subsidiary) expertise in 2-W, 3-W, buses and trucks
- BFL plans to add magnesium, composites and carbon fibre to present aluminium die casting in lightweighting portfolio over time. It will supply structural parts to automotive and industrial clients globally to address opportunities arising out of stricter emission norms and EV
- On the defence side, the company would venture into fields of marine systems including weapon control systems, command & control systems and product improvements/upgrades
- It is currently working with four OEMs for supplying engine and structural components in its aerospace division. Areas of competencies include engine fan blades, structural and landing gear parts, transmission parts, jet engines and components and gearboxes. The company is looking for acquisition and tie up opportunities in aerospace
- Land parcel acquired in Khed SEZ near Pune would be used for development of BFL's next manufacturing facility, including for defence and e-mobility
- As a de-risking measure away from oil & gas, the company is focusing on high growth domestic sectors ripe for import substitution, such as renewable energy (wind power) and steel. Global wind turbine OEMs are setting up or enhancing India capacities, which provide opportunities for BFL in supplies of castings, gear boxes, bearings, etc
- Introduction of aluminium forging products in overseas subsidiaries is seen as being vital to their operational turnaround efforts. With combined capacity of 40,000 MT per annum across Europe and North America, the company is targeting revenues of €200 million per annum in the next four to five years vs. ~€60 million as of CY20

Exhibit 2: Region-wise, technology-wise capacities at BFL

Region	Steel forging	Aluminium forging	Aluminium casting
India (own)	4,03,750	-	2,400
India (Sanghvi Forging)	20,000	-	-
India (total)	4,23,750	-	2,400
Europe (own)	1,90,000	30,000	-
North America (own)	30,000	10,000	-
Grand total	6,43,750	40,000	2,400

Source: Company, ICICI Direct Research

## Exhibit 3: Variance Analysis

	Q1FY22	Q1FY22E	Q1FY21	YoY (%)	Q4FY21	QoQ (%)	Comments
Total Operating Income	1,372	1,135	427	221.3	1,307	4.9	Topline came in ahead of estimates tracking beat on export revenues, which were up 25% QoQ
Raw Material Expenses	521	468	184	182.5	527	-1.0	
Employee Expenses	122	112	114	6.9	113	7.3	Employee costs for the quarter at 8.9% of sales
Other Expenses	338	269	132	156.7	308	9.6	
EBITDA	391	286	-3	-14,076.2	359	9.0	
EBITDA Margin (%)	28.5	25.2	-0.7	2918 bps	27.5	105 bps	EBITDA margins came in much ahead of estimates tracking expansion of gross margins due to favourable product mix as well as various cost control initiatives
Depreciation	101.9	101.3	80.8	26.1	100.6	1.3	
Interest	40.6	18.6	29.9	35.7	13.7	197.1	Interest costs came in a tad higher and it includes translational impact
Other Income	33	34	42	-20.7	32	4.2	
PBT	220.5	200.0	-71.6	-408.1	276.1	-20.1	
Tax	53.9	50.4	-15.3	-452.1	70.5	-23.6	
Reported PAT	166.6	149.6	-56.3	-396.1	205.5	-18.9	PAT was ahead of estimates tracking beat on sales and margins; partially mitigated by the exceptional charge involving VRS outlay (₹ 62 crore)
<b>Key Metrics</b>							
Domestic revenues	442	447	154	186.7	565	-21.8	Domestic revenues were broadly on expected lines
Export revenues	916	671	259	253.2	731	25.3	Export revenues grew healthy 25% QoQ to ₹ 916 crore

Source: Company, ICICI Direct Research

## Exhibit 4: Change in estimates

₹ Crore	FY22E			FY23E			Comments
	Old	New	% Change	Old	New	% Change	
Revenue	8,332	8,919	7.1	10,052	10,546	4.9	Upgraded our sales estimates tracking upbeat management commentary on demand prospects across user segments (CV, oil & gas among others)
EBITDA	1,585	1,811	14.2	2,171	2,270	4.5	
EBITDA Margin (%)	19.0	20.3	128 bps	21.6	21.5	-8 bps	Upgraded margin estimates for FY22E tracking robust performance in Q1FY22 and operating leverage benefits likely to accrue due to increase in scale of operations
PAT	738	800	8.4	1,163	1,169	0.5	
EPS (₹)	15.9	17.2	8.4	25.0	25.1	0.5	Upward revision in sales and margin estimates leads to upward revision in PAT estimates, going forward

Source: ICICI Direct Research

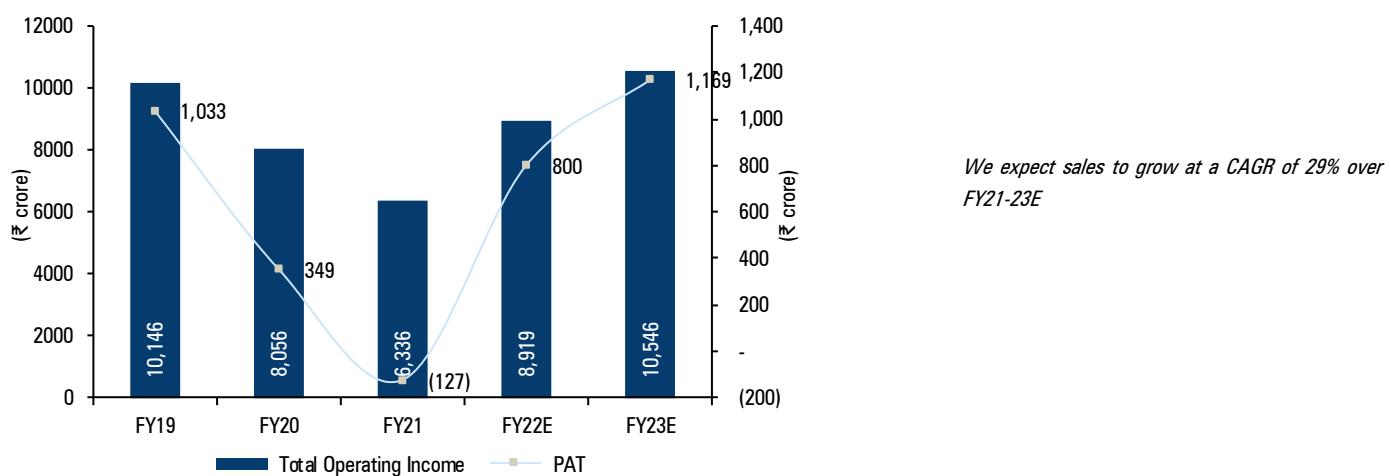
## Exhibit 5: Assumptions

₹ crore	Current				Earlier			Comments	
	FY18	FY19	FY20	FY21	FY22E	FY23E	FY22E	FY23E	
Domestic Revenues	2,227	2,627	1,782	1,639	2,081	2,463	2,205	2,646	We expect Bharat Forge to report a consolidated sales CAGR of 29% over FY21-23E amid cyclical recovery underway in its core commercial vehicle segment (domestically & globally) as well as improved outlook in the industrial segment. On a standalone basis, domestic revenues are seen growing at 22.6% CAGR in FY21-23E while export revenues are seen growing at a CAGR of 45.4% in the aforesaid timeframe, albeit on a low base. Leading the export growth will be the US
Export revenues	2,971	3,726	2,650	1,964	3,559	4,151	2,829	3,418	geography wherein revenues are seen growing in excess of 50% CAGR in FY21-23E
Americas (\$ mn)	296	369	265	165	327	377	230	276	
Europe (Euro mn)	102	125	87	78	112	129	108	130	
Asia Pac (\$ mn)	21	18	14	12	18	21	18	22	
USD/INR	68.0	70.4	70.6	73.3	73.9	75.0	74.5	75.0	
EUR/US\$	1.2	1.1	1.1	1.2	1.2	1.2	1.2	1.2	

Source: ICICI Direct Research

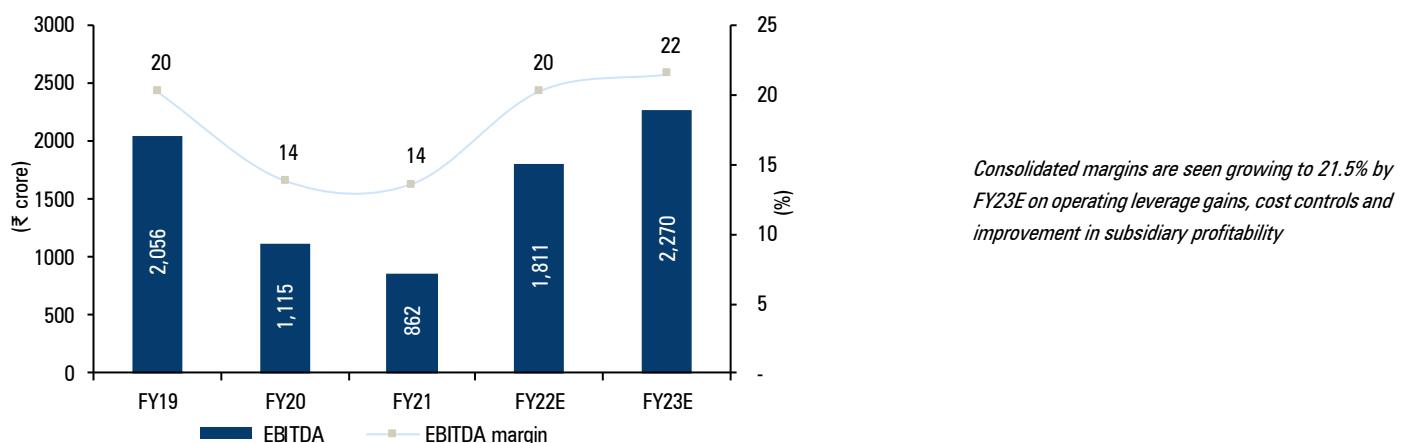
## Financial story in charts

### Exhibit 6: Topline trend



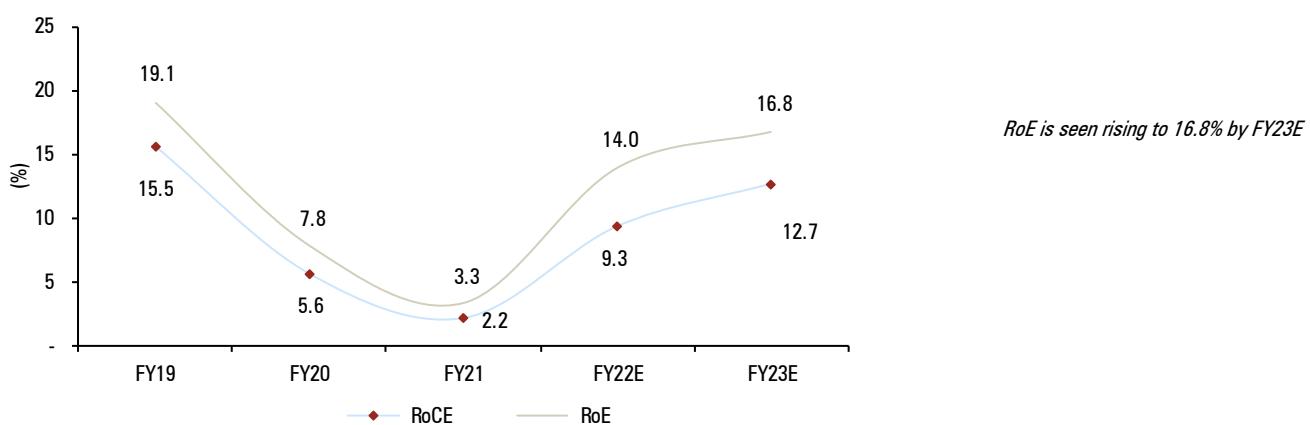
Source: Company, ICICI Direct Research

### Exhibit 7: Trend in margins



Source: Company, ICICI Direct Research

### Exhibit 8: Trend in return ratios



Source: Company, ICICI Direct Research

## Exhibit 9: Q1FY22 revenue segmentation

India Revenues (Segmental Bifurcation)					
Particulars	% Share	Q1FY22 ₹ crore	Q4FY21 ₹ crore	QoQ	
Commercial Vehicles	27.9	127.1	222.2	(42.8)	
Industrial	40.2	183.6	204.9	(10.4)	
Passenger Vehicles	13.0	59.2	69.1	(14.3)	
Others	18.9	86.3	80.2	7.6	
<b>Total</b>	<b>100.0</b>	<b>456.2</b>	<b>576.4</b>	<b>(20.9)</b>	

International Revenues (Segmental Bifurcation)					
Particulars	% Share	Q1FY22 ₹ crore	Q4FY21 ₹ crore	QoQ	
Commercial Vehicles	49.6	453.8	395.8	14.7	
Industrial	33.0	301.9	171.5	76.0	
Passenger Vehicles	17.5	159.9	163.7	(2.3)	
<b>Total</b>	<b>100.0</b>	<b>915.6</b>	<b>731.0</b>	<b>25.3</b>	

International Revenues (Geographical Bifurcation)					
Particulars	% Share	Q1FY22 ₹ crore	Q4FY21 ₹ crore	QoQ	
Americas	68.2	624.7	477.1	30.9	
Europe	28.9	264.5	228.0	16.0	
Rest of World	2.9	26.5	25.9	2.3	
<b>Total</b>	<b>100.0</b>	<b>915.7</b>	<b>731.0</b>	<b>25.3</b>	

Source: Company, ICICI Direct Research

## Exhibit 10: Valuation Summary

	Sales	Growth	EPS	Growth	PE	EV/EBITDA	RoNW	RoCE
	(₹ cr)	(%)	(₹)	(%)	(x)	(x)	(%)	(%)
FY18	8,358	30.7	16.2	8.1	50.9	23.8	17.3	14.9
FY19	10,146	21.4	22.2	37.0	37.2	20.1	19.1	15.5
FY20	8,056	-20.6	7.5	-66.2	110.0	36.9	7.8	5.6
FY21	6,336	-21.3	-2.7	NM	NA	47.4	3.3	2.2
FY22E	8,919	40.8	18.2	NM	45.4	22.4	14.0	9.3
FY23E	10,546	18.2	25.1	38.1	32.9	17.5	16.8	12.7

Source: Company, ICICI Direct Research

## Financial Summary

## Exhibit 11: Profit and loss statement

(Year-end March)	FY20	FY21	FY22E	₹ crore FY23E
<b>Total operating Income</b>	<b>8055.8</b>	<b>6336.3</b>	<b>8919.4</b>	<b>10546.5</b>
Growth (%)	-20.6	-21.3	40.8	18.2
Raw Material Expenses	3,576.4	2,634.2	3,567.8	4,324.0
Employee Expenses	1,195.5	1,071.1	1,293.3	1,371.0
Other expenses	2,169.1	1,769.3	2,247.7	2,581.8
Total Operating Expenditure	6,941.1	5,474.6	7,108.8	8,276.9
<b>EBITDA</b>	<b>1,114.8</b>	<b>861.7</b>	<b>1,810.6</b>	<b>2,269.6</b>
Growth (%)	-45.8	-22.7	110.1	25.3
Depreciation	547.7	612.2	713.6	764.6
Interest	171.3	107.7	140.9	118.4
Other Income	187.9	168.9	155.3	153.6
<b>PBT</b>	<b>583.6</b>	<b>310.7</b>	<b>1,111.5</b>	<b>1,540.2</b>
Others	-43	-30	15	16
Total Tax	112.5	101.5	264.6	388.1
<b>PAT</b>	<b>349.2</b>	<b>-127.0</b>	<b>800.3</b>	<b>1,168.6</b>
Growth (%)	-66.2	-136.4	LP	46.0
<b>EPS (₹)</b>	<b>7.5</b>	<b>-2.7</b>	<b>17.2</b>	<b>25.1</b>

Source: Company, ICICI Direct Research

## Exhibit 12: Cash flow statement

(Year-end March)	FY20	FY21	FY22E	₹ crore FY23E
<b>Profit after Tax</b>	<b>349.2</b>	<b>-127.0</b>	<b>800.3</b>	<b>1168.6</b>
Add: Depreciation & Interest	719.0	719.9	854.4	883.0
(Inc)/dec in Current Assets	893.3	-34.6	-560.7	-665.3
Inc/(dec) in CL and Provisions	-270.7	245.7	189.4	351.9
<b>CF from operating activities</b>	<b>1690.8</b>	<b>804.0</b>	<b>1283.4</b>	<b>1738.2</b>
(Inc)/dec in Investments	-525.8	-1011.1	-50.0	-50.0
(Inc)/dec in Fixed Assets	-1235.0	-1122.3	-325.0	-300.0
Others	518.9	365.5	-293.6	-206.4
<b>CF from investing activities</b>	<b>-1242.0</b>	<b>-1767.9</b>	<b>-668.6</b>	<b>-556.4</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	325.5	647.0	-300.0	-750.0
Dividend paid & dividend tax	-196.1	-93.1	-186.2	-279.3
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	-478.6	307.6	-140.9	-118.4
<b>CF from financing activities</b>	<b>-349.2</b>	<b>861.5</b>	<b>-627.1</b>	<b>-1147.7</b>
Net Cash flow	99.7	-102.3	-12.3	34.1
Opening Cash	475.4	575.1	472.8	460.5
<b>Closing Cash</b>	<b>575.1</b>	<b>472.8</b>	<b>460.5</b>	<b>494.5</b>

Source: Company, ICICI Direct Research

## Exhibit 13: Balance Sheet

(Year-end March)	FY20	FY21	FY22E	₹ crore FY23E
<b>Liabilities</b>				
Equity Capital	93.1	93.1	93.1	93.1
Reserve and Surplus	5,158.6	5,353.7	5,967.7	6,857.0
<b>Total Shareholders funds</b>	<b>5,251.7</b>	<b>5,446.8</b>	<b>6,060.9</b>	<b>6,950.1</b>
Total Debt	4,348.4	4,995.4	4,695.4	3,945.4
Deferred Tax Liability	131.1	234.6	234.6	234.6
Minority Interest / Others	337.9	761.6	761.6	761.6
<b>Total Liabilities</b>	<b>10,069.0</b>	<b>11,438.4</b>	<b>11,752.5</b>	<b>11,891.7</b>
<b>Assets</b>				
Gross Block	9,559.8	10,924.7	11,499.7	12,049.7
Less: Acc Depreciation	5,595.1	6,207.3	6,920.8	7,685.4
Net Block	3,964.8	4,717.4	4,578.8	4,364.2
Capital WIP	1,142.7	900.1	650.1	400.1
<b>Total Fixed Assets</b>	<b>5,107.4</b>	<b>5,617.5</b>	<b>5,228.9</b>	<b>4,764.3</b>
Investments	1,655.2	2,639.4	2,789.4	2,989.4
Inventory	1,734.7	1,793.9	1,954.9	2,311.6
Debtors	1,493.8	1,409.6	1,710.6	2,022.6
Loans and Advances	5.2	2.8	4.0	4.7
Other Current Assets	396.1	458.1	555.6	551.5
<b>Cash</b>	<b>575.1</b>	<b>472.8</b>	<b>460.5</b>	<b>494.5</b>
Total Current Assets	4,205.0	4,137.2	4,685.6	5,384.9
Creditors	1,030.9	1,206.8	1,221.8	1,444.7
Provisions	98.5	108.3	109.6	129.7
Other Current Liabilities	364.3	424.4	597.4	706.4
Total Current Liabilities	1,493.8	1,739.5	1,928.9	2,280.8
<b>Net Current Assets</b>	<b>2,711.2</b>	<b>2,397.7</b>	<b>2,756.7</b>	<b>3,104.1</b>
Other non-current assets	595.2	783.8	977.5	1,033.9
<b>Application of Funds</b>	<b>10,069.0</b>	<b>11,438.4</b>	<b>11,752.5</b>	<b>11,891.7</b>

Source: Company, ICICI Direct Research

## Exhibit 14: Key ratios

(Year-end March)	FY20	FY21	FY22E	FY23E
<b>Per share data (₹)</b>				
EPS	7.5	-2.7	17.2	25.1
Cash EPS	19.3	10.4	32.5	41.5
BV	112.8	117.0	130.2	149.3
DPS	3.5	2.0	4.0	6.0
Cash Per Share	35.3	54.8	55.6	57.4
<b>Operating Ratios</b>				
EBITDA Margin (%)	13.8	13.6	20.3	21.5
PBT / Net sales (%)	7.0	3.9	12.3	14.3
PAT Margin (%)	4.3	-2.0	9.0	11.1
Inventory days	78.6	103.3	80.0	80.0
Debtor days	67.7	81.2	70.0	70.0
Creditor days	46.7	69.5	50.0	50.0
<b>Return Ratios (%)</b>				
RoCE	5.6	2.2	9.3	12.7
RoE	7.8	3.3	14.0	16.8
RoIC	7.8	3.1	12.9	17.1
<b>Valuation Ratios (x)</b>				
P/E	93.6	NM	45.4	32.9
EV / EBITDA	36.9	47.4	22.4	17.5
EV / Net Sales	5.1	6.4	4.5	3.8
Market Cap / Sales	4.8	6.1	4.3	3.6
Price to Book Value	7.3	7.1	6.3	5.5
<b>Solvency Ratios</b>				
Debt/EBITDA	3.9	5.8	2.6	1.7
Debt / Equity	0.8	0.9	0.8	0.6
Current Ratio	2.4	2.1	2.2	2.1
<b>Quick Ratio</b>	<b>1.3</b>	<b>1.1</b>	<b>1.2</b>	<b>1.1</b>

Source: Company, ICICI Direct Research



## Exhibit 15: ICICI Direct coverage universe (Auto &amp; Auto Ancillary)

Sector / Company	CMP	TP	Rating	M Cap	EPS (₹)			P/E (x)			EV/EBITDA (x)			RoCE (%)			RoE (%)		
	(₹)	(₹)		(₹ Cr)	FY21P	FY22E	FY23E	FY21P	FY22E	FY23E	FY21P	FY22E	FY23E	FY23E	FY21P	FY22E	FY23E		
Apollo Tyre (APOTYR)	225	275	Buy	14,257	5.5	10.2	16.6	40.7	21.9	13.5	6.7	7.0	5.1	7.6	6.1	9.1	6.4	5.5	8.4
Ashok Leyland (ASHLEY)	134	150	Buy	39,106	-1.1	1.1	4.4	-125.0	121.2	30.4	78.6	32.0	15.7	-1.9	4.8	15.7	-4.4	4.5	16.5
Bajaj Auto (BAAUTO)	3,769	4,350	Hold	1,09,064	157.4	167.7	193.6	23.9	22.5	19.5	17.7	16.5	13.9	18.2	19.3	22.5	18.1	18.9	21.4
Balkrishna Ind. (BALIND)	2,300	2,825	Buy	44,463	59.8	67.0	78.4	38.5	34.3	29.3	25.2	22.1	19.1	19.3	19.9	21.0	19.2	18.7	19.0
<b>Bharat Forge (BHAFOR)</b>	<b>825</b>	<b>1,000</b>	<b>Buy</b>	<b>38,410</b>	<b>-2.7</b>	<b>17.2</b>	<b>25.1</b>	<b>NM</b>	<b>48.0</b>	<b>32.9</b>	<b>47.4</b>	<b>22.4</b>	<b>17.5</b>	<b>2.2</b>	<b>9.3</b>	<b>12.7</b>	<b>3.3</b>	<b>14.0</b>	<b>16.8</b>
Eicher Motors (EICMOT)	2,617	2,970	Hold	71,339	49.3	66.7	87.4	53.1	39.2	30.0	35.8	27.4	20.8	11.3	13.5	15.8	11.8	14.3	16.6
Escorts (ESCORT)	1,265	1,325	Hold	15,506	71.2	67.7	78.2	17.8	18.7	16.2	11.1	11.9	9.7	18.7	14.7	15.1	16.2	13.6	13.8
Hero Moto (HERHON)	2,783	3,440	Buy	55,577	148.4	170.8	196.5	18.7	16.3	14.2	11.9	10.0	8.6	20.8	23.1	24.5	19.5	20.7	21.7
M&M (MAHMAH)	776	1,000	Buy	96,472	2.3	33.6	39.1	344.7	23.1	19.9	14.4	13.5	11.8	9.5	9.8	10.9	2.7	10.9	11.4
Maruti Suzuki (MARUTI)	7,012	6,400	Reduce	2,11,818	140.0	153.1	228.5	50.1	45.8	30.7	31.5	26.3	18.0	4.3	5.9	9.5	8.2	8.5	11.7
Minda Industries (MININD)	719	725	Buy	19,556	7.6	10.9	19.1	94.6	66.1	37.6	28.1	23.5	16.6	9.1	10.6	16.7	10.4	14.2	19.6
Motherson (MOTSUM)	224	270	Buy	70,738	3.3	5.4	9.0	NM	41.3	24.9	15.6	11.3	8.3	6.7	12.4	19.5	8.8	12.7	18.8
Tata Motors (TATMOT)	306	375	Buy	1,17,167	-35.0	0.9	37.9	NM	355.3	8.1	5.2	5.0	3.3	6.3	7.9	14.8	-23.6	0.6	20.3

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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