

## Unchanged robust fundamentals, positivity retained...

**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.

- FY22 standalone segment mix – ~30% CV, ~47% Industrial, ~12% PV
- FY22 standalone export mix – ~68% America, ~29% Europe, ~3% other

**Q3FY23 Results:** BFL reported a healthy Q3FY23 performance on standalone basis.

- Standalone sales were up 5.9% QoQ to ₹ 1,952 crore, tonnage up 2.6% QoQ
- EBITDA was at ₹ 535 crore, with margins up 310 bps QoQ to 27.4%
- PAT was up 7.8% QoQ to ₹ 289.1 crore
- Domestic operations secured new business amounting to ~₹ 265 crore across automotive & industrial application. The defence vertical of the company also secured an export order worth ~₹ 600 crore with total order book in this domain pegged at ~₹ 1,950 crore (primarily exports)

**What should investors do?** BFL's share price has grown at ~4% CAGR over the past five years (~₹ 742 levels in February 2018), broadly in line with Nifty Auto index.

- We retain **BUY** rating amid robust order wins in domestic and foreign businesses, healthy export order book in defence, turnaround visibility in foreign operations and potential healthy wins in domestic defence space

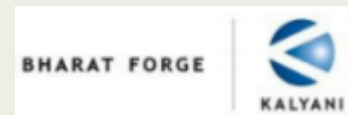
**Target Price and Valuation:** Revising our estimates, we value BFL at unchanged target price of ₹ 1,050 i.e. 35x P/E on average FY24-25E EPS of ₹ 30/share

### Key triggers for future price performance:

- Multiple growth levers in domestic, export market amid cyclical upswing in CV space, robust demand in PV category amid easing chip issues & focus on EV space. We expect sales to grow at 17.5% CAGR over FY22-25E
- Strong double digit growth in non-auto business (industrial, defence, aerospace) amid robust order booking to aid margin, reach ~18% by FY25E. Hence, RoCE, RoE is seen reaching ~15%, 18%, respectively, by FY25E
- Ambitious Vision 2030 with financial contours as: (i) 12-15% revenue CAGR, (ii) EBITDA margin >20% at consolidated level, (iii) RoCE at 25% at consolidated level, (iv) capital allocation for organic/inorganic growth

**Alternate Stock Idea:** Besides BFL, in our auto coverage we like M&M.

- Focused on prudent capital allocation, UV differentiation & EV proactiveness
- BUY with target price of ₹ 1,665



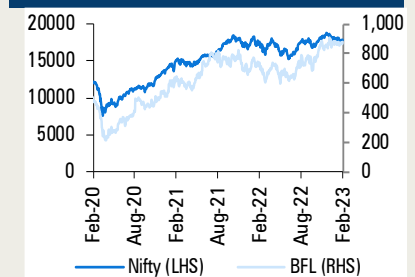
### Particulars

Particular	Amount
Market Capitalization	₹ 38410 crore
Total Debt (FY22)	₹ 5655 crore
Cash and Inv. (FY22)	₹ 2511 crore
EV	₹ 41553 crore
52 week H/L (₹)	920 / 595
Equity capital	₹ 93.1 Crore
Face value	₹ 2

### Shareholding pattern

	Mar-22	Jun-22	Sep-22	Dec-22
Promoter	45.3	45.3	45.3	45.3
FII	19.8	18.8	19.3	17.9
DII	23.6	24.3	24.6	26.1
Other	11.4	11.6	10.9	10.8

### Price Chart



### Recent event & key risks

- Posts healthy standalone performance in Q2FY23
- Key Risk:** (i) Unable to fully leverage its investments in newer businesses verticals (ii) Slower than expected recovery of margins in foreign operations

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### Key Financial Summary

Key Financials	FY20	FY21	FY22	5 year CAGR (FY17-22)	FY23E	FY24E	FY25E	3 year CAGR (FY22-25E)
Net Sales	8,055.8	6,336.3	10,461.1	10.3%	12,895.2	14,749.8	16,975.3	17.5%
EBITDA	1,114.8	861.7	2,016.0	10.0%	1,859.5	2,461.7	3,036.9	14.6%
EBITDA Margins (%)	13.8	13.6	19.3		14.4	16.7	17.9	
Net Profit	349.2	(127.0)	1,077.2	9.1%	593.0	1,173.9	1,603.9	14.2%
EPS (₹)	7.5	(2.7)	23.1		12.7	25.2	34.4	
P/E	110.0	(302.3)	35.7		64.8	32.7	23.9	
RoNW (%)	7.8	(125.9)	15.2		8.5	15.0	18.0	
RoCE (%)	5.6	2.2	9.6		8.0	11.7	14.8	

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results:

- Standalone revenues came in at ₹ 1,952 crore (up 4.7% QoQ), amid 2.6% tonnage growth to 62,755 MT. The growth was led by international operations wherein revenues grew 9.4% QoQ to ₹ 1,166 crore (CV up 5.1%, PV up 10.2%, industrial up 14.2%). Domestic revenues were down 1.7% QoQ at ₹ 759 crore (CV up 3.8%, PV down 6.4%, industrials flat QoQ)
- Standalone EBITDA in Q3FY23 was at ₹ 535 crore, with consequent margins at 27.4% (up 310 bps QoQ). Gross margin expanded 37 bps QoQ (vs. our expectations of ~180 bps QoQ) but savings were realised in other expense (down ~250 bps QoQ) primarily tracking exchange gains
- Reported standalone PAT was at ₹ 289.1 crore, up 7.8% QoQ, primarily tracking higher absolute EBITDA but was offset by higher interest expense (includes one-time MTM notional loss)

BFL- ESG Disclosure Score*			
Score	FY19	FY20	FY21
Environmental	23.0	23.0	53.8
Social	20.8	29.8	37.2
Governance	78.6	78.6	78.6
<b>Overall ESG Score</b>	<b>40.9</b>	<b>43.9</b>	<b>56.5</b>

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

### Q3FY23 Earnings Conference Call highlights

- The management informed about higher interest costs was due to one-time MTM loss of ~₹ 35 crore due to forex excluding which interest expense was at ~₹ 55 crore and will remain at this level, going forward
- For Q3FY23, the management informed about domestic operations securing new business worth ~ ₹ 265 crore across automotive & industrial application vs. ~₹ 850 crore order won during Q2FY23. Also, KSSL, the defence vertical of the company (wholly owned subsidiary) also secured an export order worth ~₹ 600 crore with order book at ~₹ 1,950 crore (all export) to be executed over two years
- JS Auto also received orders worth ₹ 153 crore during Q3FY23
- For Q4FY23, the management informed about stable performance across both domestic and export markets and expects new business to be accretive from FY24E onwards
- The company incurred ~₹ 62 crore of EBITDA loss in foreign operations due to low utilisation in Germany and North America. BFL has capacity of ~7.5 million units in foreign operations and utilisation of ~50%. Further, management informed about some plants in US working at ~25% utilisation
- On its recent acquisition, the JS Auto management remained bullish about overall growth with the target of increasing revenue at double digit CAGR over the next three years, with total order book post acquisition coming in at ₹ 250 crore. Further, the company acquired one plant post which capacity will increase to ~75,000 tons with desired margins to be in excess of 15%

USD/INR realization for quarter stood at ₹81.5.

QoQ decline in domestic operations was due to lower production in PV space & inventory correction in tractor space

Management do not foresee disruption in production schedule due to RDE norms.

Out of defence orderbook ~50% is related to capital good and 50% for consumables.

## Peer comparison

Exhibit 1: Peer Comparison (Forging)

Company	CMP	TP	Rating	Mcap	EBITDA margin (%)			RoE (%)			RoCE (%)			P/E (x)		
	₹	₹		₹ crore	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
Bharat Forge (BHAFOR)	825	1,050	Buy	38,410	19.3	14.4	16.7	15.2	8.5	15.0	9.6	8.0	11.7	35.7	64.8	32.7
Ramkrishna Forging (RAMFOR)	275	335	Buy	4,397	22.3	21.8	21.9	18.4	17.5	20.0	12.5	16.4	17.9	22.2	18.4	13.0
MM Forging (MMFORG)	858	1,250	Buy	2,071	18.4	19.0	20.0	19.4	22.8	23.6	11.1	14.6	16.7	18.5	12.6	9.6

Source: Company, ICICI Direct Research

We like BFL for strong revenue growth prospects over FY22-25E 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.

Exhibit 2: Variance Analysis

	Q3FY23	Q3FY23E	Q3FY22	YoY (%)	Q2FY23	QoQ (%)	Comments
Total Operating Income	1,952	1,828	1,602	21.8	1,864	4.7	Topline came in ahead of estimates tracking beat on exports, which were up 9.4% QoQ
Raw Material Expenses	860	779	668	28.7	828	3.9	RM costs came in a tad higher than expectations at 44.1% of sales, down 40 bps QoQ
Employee Expenses	136	135	128	6.3	135	1.0	
Other Expenses	420	449	398	5.7	448	-6.1	Other expenses came in much lower and was driven by one-off gains (MTM) amounting to ~₹32 crore
EBITDA	535	465	408	31.2	453	18.1	
EBITDA Margin (%)	27.4	25.4	25.5	195 bps	24.3	311 bps	EBITDA margins came in much ahead of estimates tracking lower than anticipated other expenses, which had an element of one-off MTM gains
Depreciation	107.9	114.0	103.1	4.6	106.6	1.3	
Interest	84.9	37.5	11.8	618.1	35.7	137.4	Interest costs came in much higher due to one time MTM loss on b/s debt, amounting to ~₹ 30 crore
Other Income	38	36	36	5.4	48	-20.9	
PBT	384.3	349.3	424.7	-9.5	357.8	7.4	
Tax	95.2	88.0	87.3	9.1	89.7	6.1	
Reported PAT	289.1	261.3	337.4	-14.3	268.1	7.8	PAT came in ahead of estimates tracking beat on topline as well as margins
<b>Key Metrics</b>							
Domestic revenues	759	794	722	5.1	772	-1.7	Domestic revenues were lower 1.7% QoQ at ₹ 759 crore
Export revenues	1,166	1,008	862	35.3	1,066	9.4	Export revenues for the quarter came in robust 9.4% QoQ at ₹ 1,166 crore

Source: Company, ICICI Direct Research

Exhibit 3: Change in estimates

₹ Crore)	FY23E			FY24E			FY25E			Comments
	Old	New	% Change	Old	New	% Change	Old	New	% Change	
Revenue	12,055	12,895	7.0	13,701	14,750	7.7	15,726	16,975	7.9	Upgrade topline estimates tracking upbeat management commentary on existing as well as new business segments. We expect topline to grow at a CAGR of 17.5% over FY22-25E
EBITDA	1,897	1,859	-2.0	2,580	2,462	-4.6	3,051	3,037	-0.5	
EBITDA Margin (%)	15.7	14.4	-132 bps	18.8	16.7	-214 bps	19.4	17.9	-151 bps	We lower margin estimates tracking gradual recovery in overseas operations
PAT	816	593	-27.3	1,315	1,174	-10.7	1,636	1,604	-1.9	
EPS (₹)	18	13	-27.3	28	25	-10.7	35	34	-1.9	We expect net earnings to grow at a CAGR of 14.2% over FY22-25E

Source: ICICI Direct Research

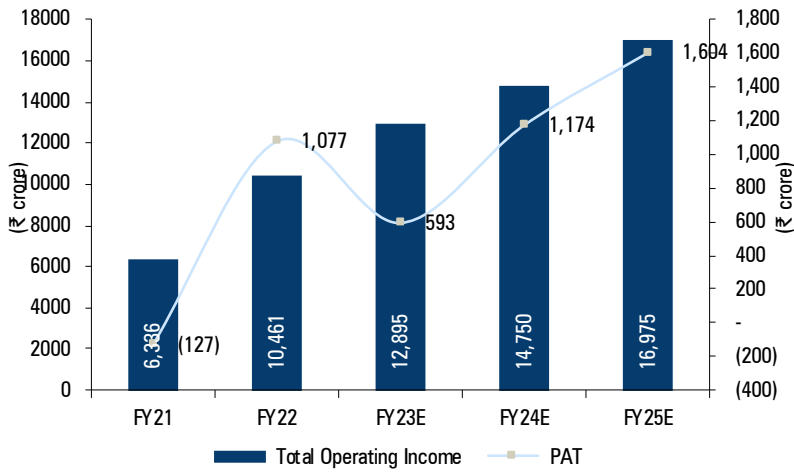
Exhibit 4: Assumptions

₹ crore)	Current						Earlier			Comments		
	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E	FY23E		FY24E	FY25E
<b>Domestic Revenues</b>	2,227	2,627	1,782	1,639	<b>2,500</b>	<b>3,023</b>	<b>3,778</b>	<b>4,723</b>	3,080	3,850	4,812	We expect domestic revenue to grow at a CAGR of 23.6% over FY22-25E led by cyclical recovery under way in the CV space, healthy growth prospects in PV category and expectation of new order wins in defence and aerospace domain.
<b>Export revenues</b>	2,971	3,726	2,650	1,964	<b>3,670</b>	<b>4,433</b>	<b>4,879</b>	<b>5,294</b>	4,170	4,458	4,726	Exports revenues are expected to grow at a CAGR of 13% in the same timeframe led by healthy demand prospects in overseas CV and industrial markets
Americas (\$ mn)	296	369	265	165	<b>336</b>	<b>378</b>	<b>406</b>	<b>427</b>	358	376	399	
Europe (Euro mn)	102	125	87	78	<b>122</b>	<b>141</b>	<b>151</b>	<b>159</b>	139	146	155	
Asia Pac (\$ mn)	21	18	14	12	<b>13</b>	<b>28</b>	<b>36</b>	<b>44</b>	20	21	22	
USD/INR	68.0	70.4	70.6	73.3	<b>74.7</b>	<b>80.7</b>	<b>82.0</b>	<b>84.0</b>	80.2	82.0	82.0	
EUR/US\$	1.2	1.1	1.1	1.2	<b>1.2</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	1.0	1.0	1.0	

Source: ICICI Direct Research

## Financial story in charts

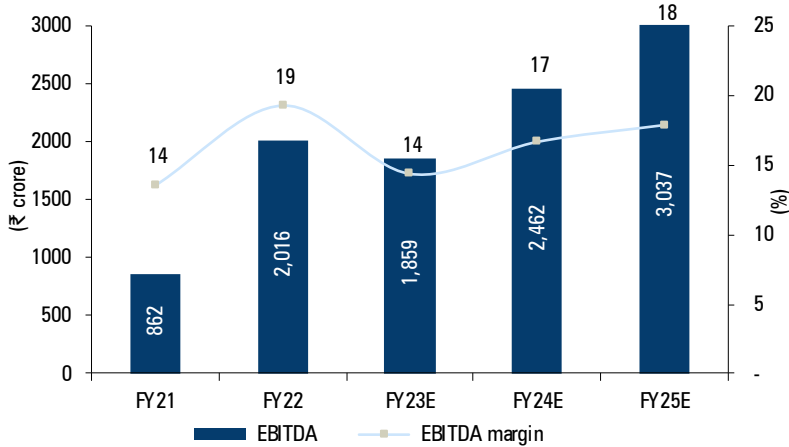
Exhibit 5: Topline trend



We expect sales to grow at a CAGR of 17.5% over FY22-25E

Source: Company, ICICI Direct Research

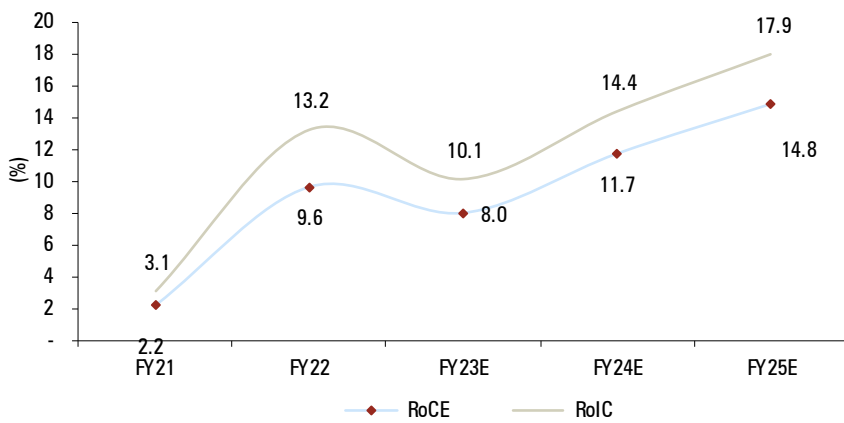
Exhibit 6: Trend in margins



Consolidated margins are seen growing to 18% by FY25E on operating leverage gains, cost controls & improved product mix.

Source: Company, ICICI Direct Research

Exhibit 7: Trend in return ratios



RoCE is seen rising to ~18% by FY25E

Source: Company, ICICI Direct Research

**Exhibit 8: Revenue segmentation (Q3FY23)**

Particulars	India Revenues (Segmental Bifurcation)					
	% Share	Q3FY23 ₹ crore	Q3FY22 ₹ crore	YoY %	Q2FY23 ₹ crore	QoQ %
Commercial Vehicles	33.2	252.0	195.5	28.9	242.8	3.8
Industrial	44.5	337.9	376.2	(10.2)	339.6	(0.5)
Passenger Vehicles	12.2	92.9	75.2	23.5	99.3	(6.4)
Others	10.0	76.0	75.2	1.1	90.6	(16.1)
<b>Total</b>	<b>100.0</b>	<b>758.8</b>	<b>722.1</b>	<b>5.1</b>	<b>772.3</b>	<b>(1.7)</b>

Particulars	International Revenues (Segmental Bifurcation)					
	% Share	Q3FY23 ₹ crore	Q3FY22 ₹ crore	YoY %	Q2FY23 ₹ crore	QoQ %
Commercial Vehicles	41.7	486.8	383.0	27.1	463.0	5.1
Industrial	35.4	412.4	357.2	15.5	361.1	14.2
Passenger Vehicles	22.9	267.1	121.6	119.7	242.3	10.2
<b>Total</b>	<b>100.0</b>	<b>1,166.3</b>	<b>861.8</b>	<b>35.3</b>	<b>1,066.4</b>	<b>9.4</b>

Particulars	International Revenues (Geographical Bifurcation)					
	% Share	Q3FY23 ₹ crore	Q3FY22 ₹ crore	YoY %	Q2FY23 ₹ crore	QoQ %
Americas	69.8	813.5	577.5	40.9	718.6	13.2
Europe	24.3	283.2	254.5	11.3	286.0	(1.0)
Rest of World	6.0	69.6	29.8	133.6	61.8	12.6
<b>Total</b>	<b>100.0</b>	<b>1,166.3</b>	<b>861.8</b>	<b>35.3</b>	<b>1,066.4</b>	<b>9.4</b>

Source: Company, ICICI Direct Research

**Exhibit 9: Valuation Summary**

	Sales (₹ cr)	Growth (%)	EPS (₹)	Growth (%)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
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	-125.9	2.2
FY22	10,461	65.1	21.6	NM	38.2	20.6	15.2	9.6
FY23E	12,895	23.3	12.8	-40.7	64.4	22.6	8.5	8.0
FY24E	14,750	14.4	25.2	96.8	32.7	16.9	15.0	11.7
FY25E	16,975	15.1	34.4	36.6	23.9	13.4	18.0	14.8

Source: Company, ICICI Direct Research

## Financial Summary

Exhibit 10: Profit and loss statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Total operating income</b>	<b>10461.1</b>	<b>12895.2</b>	<b>14749.8</b>	<b>16975.3</b>
Growth (%)	65.1	23.3	14.4	15.1
Raw Material Expenses	4,215.9	5,802.9	6,563.7	7,554.0
Employee Expenses	1,464.7	1,547.4	1,696.2	1,867.3
Other expenses	2,764.5	3,685.5	4,028.2	4,517.1
Total Operating Expenditure	8,445.1	11,035.7	12,288.1	13,938.4
<b>EBITDA</b>	<b>2,016.0</b>	<b>1,859.5</b>	<b>2,461.7</b>	<b>3,036.9</b>
Growth (%)	134.0	-7.8	32.4	23.4
Depreciation	730.3	760.8	826.0	891.2
Interest	160.4	268.6	227.5	178.2
Other Income	195.9	143.2	136.9	140.4
<b>PBT</b>	<b>1,321.2</b>	<b>973.3</b>	<b>1,545.2</b>	<b>2,107.9</b>
Others	-33	-36	18	27
Total Tax	303.5	338.8	389.4	531.2
<b>PAT</b>	<b>1,077.2</b>	<b>593.0</b>	<b>1,173.9</b>	<b>1,603.9</b>
Growth (%)	LP	-44.9	98.0	36.6
<b>EPS (₹)</b>	<b>23.1</b>	<b>12.7</b>	<b>25.2</b>	<b>34.4</b>

Source: Company, ICICI Direct Research

Exhibit 11: Cash flow statement				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Profit after Tax</b>	<b>1077.2</b>	<b>593.0</b>	<b>1173.9</b>	<b>1603.9</b>
Add: Depreciation & Interest	890.7	1029.4	1053.4	1069.4
(Inc)/dec in Current Assets	-1755.5	-1131.6	-794.8	-938.6
Inc/(dec) in CL and Provisions	507.5	637.8	414.9	497.8
<b>CF from operating activities</b>	<b>719.9</b>	<b>1128.6</b>	<b>1847.5</b>	<b>2232.5</b>
(Inc)/dec in Investments	169.2	500.0	100.0	-150.0
(Inc)/dec in Fixed Assets	-1056.6	-965.0	-650.0	-650.0
Others	-303.7	-173.6	-88.3	-120.9
<b>CF from investing activities</b>	<b>-1191.1</b>	<b>-638.6</b>	<b>-638.3</b>	<b>-920.9</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	659.1	0.0	-600.0	-600.0
Dividend paid & dividend tax	-325.9	-186.2	-372.5	-512.1
Inc/(dec) in Sec. premium	0.0	0.0	0.0	0.0
Others	268.2	-268.6	-227.5	-178.2
<b>CF from financing activities</b>	<b>601.4</b>	<b>-454.8</b>	<b>-1199.9</b>	<b>-1290.3</b>
Net Cash flow	130.2	35.2	9.3	21.3
Opening Cash	472.8	603.0	638.2	647.5
<b>Closing Cash</b>	<b>603.0</b>	<b>638.2</b>	<b>647.5</b>	<b>668.8</b>

Source: Company, ICICI Direct Research

Exhibit 12: Balance Sheet				
	₹ crore			
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Liabilities</b>				
Equity Capital	93.1	93.1	93.1	93.1
Reserve and Surplus	6,533.6	6,940.4	7,741.9	8,833.6
<b>Total Shareholders funds</b>	<b>6,626.7</b>	<b>7,033.5</b>	<b>7,835.0</b>	<b>8,926.7</b>
Total Debt	5,654.5	5,654.5	5,054.5	4,454.5
Deferred Tax Liability	288.9	288.9	288.9	288.9
Minority Interest / Others	791.7	791.7	791.7	791.7
<b>Total Liabilities</b>	<b>13,361.9</b>	<b>13,768.7</b>	<b>13,970.1</b>	<b>14,461.9</b>
<b>Assets</b>				
Gross Block	11,756.6	12,971.6	13,871.6	14,771.6
Less: Acc Depreciation	6,937.5	7,698.4	8,524.4	9,415.6
Net Block	4,819.1	5,273.2	5,347.3	5,356.1
Capital WIP	1,124.8	874.8	624.8	374.8
<b>Total Fixed Assets</b>	<b>5,943.8</b>	<b>6,148.0</b>	<b>5,972.0</b>	<b>5,730.8</b>
Investments	2,654.7	2,254.7	2,254.7	2,554.7
Inventory	2,710.5	3,356.3	3,839.0	4,418.2
Debtors	2,162.3	2,649.7	3,030.8	3,488.1
Loans and Advances	16.7	20.6	23.5	27.1
Other Current Assets	530.5	525.0	453.0	351.6
<b>Cash</b>	<b>603.0</b>	<b>638.2</b>	<b>647.5</b>	<b>668.8</b>
Total Current Assets	6,022.9	7,189.7	7,993.8	8,953.7
Creditors	1,631.4	2,119.8	2,424.6	2,790.5
Provisions	91.6	119.1	136.2	156.8
Other Current Liabilities	524.0	645.9	738.8	850.3
Total Current Liabilities	2,247.0	2,884.8	3,299.7	3,797.5
<b>Net Current Assets</b>	<b>3,775.9</b>	<b>4,304.9</b>	<b>4,694.1</b>	<b>5,156.2</b>
Other non-current assets	987.5	1,061.1	1,049.3	1,020.2
<b>Application of Funds</b>	<b>13,361.9</b>	<b>13,768.7</b>	<b>13,970.1</b>	<b>14,461.9</b>

Source: Company, ICICI Direct Research

Exhibit 13: Key ratios				
(Year-end March)	FY22	FY23E	FY24E	FY25E
<b>Per share data (₹)</b>				
EPS	23.1	12.7	25.2	34.4
Cash EPS	38.8	29.1	43.0	53.6
BV	142.3	151.1	168.3	191.7
DPS	7.0	4.0	8.0	11.0
Cash Per Share	53.9	44.0	42.0	45.7
<b>Operating Ratios</b>				
EBITDA Margin (%)	19.3	14.4	16.7	17.9
PBT / Net sales (%)	12.3	8.5	11.1	12.6
PAT Margin (%)	10.3	4.6	8.0	9.4
Inventory days	94.6	95.0	95.0	95.0
Debtor days	75.4	75.0	75.0	75.0
Creditor days	56.9	60.0	60.0	60.0
<b>Return Ratios (%)</b>				
RoCE	9.6	8.0	11.7	14.8
RoE	15.2	8.5	15.0	18.0
RoIC	13.2	10.1	14.4	17.9
<b>Valuation Ratios (x)</b>				
P/E	38.2	64.4	32.7	23.9
EV / EBITDA	20.6	22.6	16.9	13.4
EV / Net Sales	4.0	3.3	2.8	2.4
Market Cap / Sales	3.7	3.0	2.6	2.3
Price to Book Value	5.8	5.5	4.9	4.3
<b>Solvency Ratios</b>				
Debt/EBITDA	2.8	3.0	2.1	1.5
Debt / Equity	0.9	0.8	0.6	0.5
Current Ratio	2.4	2.3	2.2	2.2
<b>Quick Ratio</b>	<b>1.2</b>	<b>1.1</b>	<b>1.1</b>	<b>1.0</b>

Source: Company, ICICI Direct Research

Exhibit 14: 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)	328	390	Buy	20,829	10.1	15.9	25.2	32.6	20.6	13.0	9.9	7.6	5.8	6.3	10.0	13.8	5.4	8.1	11.8
Ashok Leyland (ASHLEY)	149	185	Buy	43,614	1.8	3.9	6.8	80.7	38.4	22.0	45.0	17.0	12.0	2.1	15.9	23.3	0.2	14.1	22.0
Bajaj Auto (BAAUTO)	3,876	4,100	Hold	1,12,160	173.4	197.5	240.9	22.3	19.6	16.1	17.3	14.5	11.6	18.4	24.2	29.0	17.6	22.3	26.1
Balkrishna Ind. (BALIND)	1,996	2,170	Hold	38,586	73.0	52.1	77.5	27.4	38.3	25.7	20.4	27.7	17.4	15.9	8.6	15.8	20.4	13.2	17.3
<b>Bharat Forge (BHAFOR)</b>	<b>825</b>	<b>1,050</b>	<b>Buy</b>	<b>38,410</b>	<b>23.1</b>	<b>12.7</b>	<b>25.2</b>	<b>35.7</b>	<b>64.8</b>	<b>32.7</b>	<b>20.6</b>	<b>22.6</b>	<b>16.9</b>	<b>9.6</b>	<b>8.0</b>	<b>11.7</b>	<b>15.2</b>	<b>8.5</b>	<b>15.0</b>
Eicher Motors (EICMOT)	3,175	4,065	Buy	86,773	61.3	101.5	123.4	51.8	31.3	25.7	36.1	22.4	18.6	13.3	19.8	20.2	13.3	19.2	20.3
Escorts Kubota (ESCORT)	2,052	2,165	Hold	27,074	58.0	45.1	60.7	35.4	45.5	33.8	23.4	29.9	23.7	10.4	6.9	8.4	9.7	8.0	9.0
Hero Moto (HERHON)	2,542	2,770	Hold	50,764	123.8	137.2	169.7	20.5	18.5	15.0	12.6	11.2	9.0	16.3	18.4	22.2	15.7	16.6	19.5
M&M (MAHMAH)	1,363	1,665	Buy	1,69,448	41.4	54.9	66.3	32.9	24.8	20.6	23.3	16.0	13.6	9.3	13.1	14.3	13.1	16.6	15.9
Maruti Suzuki (MARUTI)	8,774	11,200	Buy	2,65,045	124.7	261.9	369.0	70.4	33.5	23.8	39.2	20.4	14.6	5.1	12.9	16.9	7.0	13.3	16.7
Uno Minda (MININD)	524	630	Buy	29,960	6.2	11.5	15.6	84.2	45.7	33.5	34.5	23.8	18.9	10.2	15.2	18.0	10.3	16.3	18.4
Tata Motors (TATMOT)	441	530	Buy	1,68,859	-29.9	-3.1	24.3	-14.8	-144.0	18.2	7.2	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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Reduce: -15% to -5%;

Sell: <-15%



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