

Ashok Leyland

Performance Highlights

Quarterly highlights (Standalone)

Y/E March (₹ cr)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)
Net Sales	4,940	3,218	53.5	3,841	28.6
EBITDA	594	229	159.8	389	52.9
EBITDA margin (%)	12.0	7.1	490 bp	10.1	190 bp
Adj. PAT	287	121	137.6	159	80.0

Source: Company, Angel Research

Results miss estimates: Ashok Leyland (ALL)'s 2QFY2016 results have come in below our estimates on account of a lower-than-anticipated top-line.

Revenue grew by a robust 54% yoy and by 29% on a sequential basis to ₹4,940cr, but still, is below our estimate of ₹5,281cr. Volumes grew strongly by 51% yoy, led by a sharp 64% yoy growth in the MHCV segment. However, the blended realization grew only marginally; it came in at ₹14.08 lakh/unit, up 2% yoy, declined 4% sequentially, and is below our estimate of ₹15 lakh/unit. Lower proportion of defence supplies and exports led to a sequential dip in the realisation. Operating margin at 12% is at a record five-year high, improving sharply by 490bp yoy, and is broadly in line with our estimates of 12.6%. Soft commodity prices, better product mix (with greater proportion of higher-tonnage vehicles) and cost control initiatives implemented by the company enabled ALL to report a double-digit margin. The adj net profit, at ₹292cr, missed our estimate of ₹355cr.

Outlook and valuation: ALL results were below estimates primarily due to lower realization on account of unfavourable mix. However, we expect the mix to be favourable in 2HFY2016 due to higher defence supplies and recovery in exports which would boost realisations. Given the improvement in fleet operators' sentiments due to revival in the economy, improvement in profitabilities due to falling diesel prices, and policy action initiated in the infrastructure and the mining space, the MHCV demand would continue to grow in double digits. The MHCV industry is clearly in an up-cycle and we estimate ~17% CAGR in volume over FY2015- FY2017. Also, a better mix (higher proportion of MHCVs), reduction in record high discounts due to volume growth, and operating leverage would result in margin expansion, going forward. We expect operating margin to improve from 7.6% in FY2015 to 11.6% in FY2017 (in line with the margins witnessed in the previous up-cycle in FY2011). **We maintain our Buy on the stock with a revised price target of ₹111 (based on 13x FY2017 EV/EBITDA).**

Key financials (Standalone)

Y/E March (₹ cr)	FY2014	FY2015	FY2016E	FY2017E
Net Sales	9,943	13,562	17,995	21,544
% chg	(20.3)	36.4	32.7	19.7
Adjusted net profit	(476)	234	979	1,331
% chg	-	-	318.5	36.0
EBITDA (%)	1.7	7.6	11.4	11.6
EPS (₹)	(1.8)	0.8	3.4	4.7
P/E (x)	-	107.1	25.6	18.8
P/BV (x)	5.3	4.9	4.5	4.2
RoE (%)	(10.7)	4.6	17.7	22.2
RoCE (%)	(6.0)	5.6	17.9	22.7
EV/Sales (x)	2.7	2.0	1.5	1.2
EV/EBITDA (x)	161.5	25.8	13.0	10.4

Source: Company, Angel Research; Note: CMP as of November 7, 2015

BUY

CMP	₹88
Target Price	₹111

Investment Period	12 Months
-------------------	-----------

Stock Info

Sector	Automobile
Market Cap (₹ cr)	24,916
Net Debt (₹ cr)	1,432
Beta	1.4
52 Week High / Low	100/34
Avg. Daily Volume	2,520,012
Face Value (₹)	1.0
BSE Sensex	26,265
Nifty	7,954
Reuters Code	ASOK.BO
Bloomberg Code	AL@IN

Shareholding Pattern (%)

Promoters	38.8
MF / Banks / Indian Fls	15.0
FII / NRIs / OCBs	23.7
Indian Public / Others	22.5

Abs. (%)	3m	1yr	3yr
Sensex	(7.2)	(5.9)	39.6
Ashok Leyland	0.5	87.3	260.3

3 year price chart



Source: Company, Angel Research

Bharat Gianani

022-3935 7800 Ext: 6817

bharat.gianani@angelbroking.com

Exhibit 1: Quarterly financial performance (Standalone)

Y/E March (₹ cr)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)	1HFY16	1HFY15	% chg (yoy)
Net Sales	4,940	3,218	53.5	3,841	28.6	8,781	5,695	54.2
Consumption of RM (% of sales)	3,032 61.4	1,968 61.2	54.0	2,312 60.2	31.1	5,344 60.9	3,511 61.6	52.2
Staff costs (% of sales)	378 7.7	291 9.1	29.8	330 8.6	14.5	709 8.1	575 10.1	23.3
Purchase of traded goods (% of sales)	446 9.0	400 12.4	11.5	355 9.2	25.6	801 9.1	673 11.8	19.0
Other expenses (% of sales)	490 9.9	329 10.2	48.7	455 11.8	7.6	944 10.8	607 10.7	55.5
Total Expenditure	4,345	2,989	45.4	3,453	25.9	7,798	5,366	45.3
Operating Profit	594	229	159.8	389	52.9	983	329	198.5
OPM (%)	12.0	7.1		10.1		11.2	5.8	
Interest	70	101	(30.3)	77	(8.3)	147	207	(29.1)
Depreciation	113	103	9.6	104	8.3	217	206	5.3
Other income	26	31	(15.4)	27	(2.3)	54	70	(23.4)
PBT (excl. Extr. Items)	438	56		235		673	(14)	
Extr. income/expense	(5)	109		0		(5)	109	(104.7)
PBT (incl. Extr. Items)	433	165	161.8	235	84.2	668	95	
(% of sales)	8.8	5.1		6.1		7.6	1.7	
Provision for taxation (% of PBT)	146 33.3	45 79.2		76 32.2		221 32.9	22 (155.4)	
Reported PAT	287	121	137.6	159	80.0	446	73	513.3
Adj PAT	292	12		159		451	(36)	
Adj. PATM	5.9	0.4		4.1		5.1	(0.6)	
Equity capital (cr)	285	266		285		285	266	
Adjusted EPS (₹)	1.0	0.0		0.6		2	(0)	

Source: Company, Angel Research

Exhibit 2: 2QFY2016 – Actual vs Angel estimates

Y/E March (₹ cr)	Actual	Estimates	Variation (%)
Net Sales	4,940	5,281	(6.5)
EBITDA	594	668	(11.0)
EBITDA margin (%)	12.0	12.6	(60 bp)
Adj. PAT	292	355	(17.9)

Source: Company, Angel Research

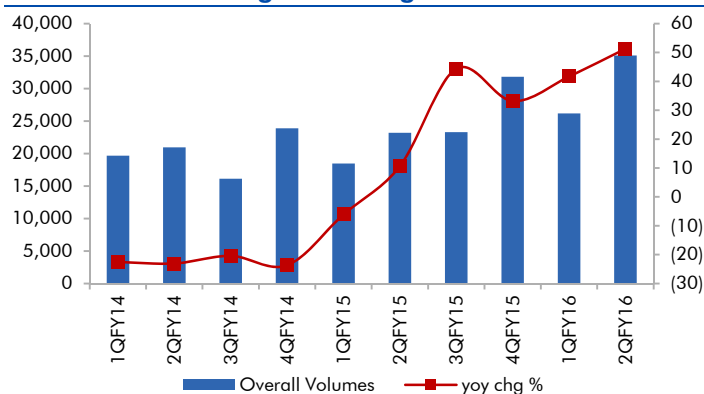
Exhibit 3: Quarterly volume performance

(units)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)	1HFY16	1HFY15	% chg (yoy)
MHCV passenger	7,051	5,314	32.7	5,167	36.5	12,218	9,264	31.9
MHCV goods	22,800	12,895	76.8	16,314	39.8	39,114	23,854	64.0
Total volume (ex. Dost)	29,851	18,209	63.9	21,481	39.0	51,332	33,118	55.0
LCV	7,428	7,051	5.3	6,673	11.3	14,101	12,014	17.4
Total volume (incl. Dost)	37,279	25,260	47.6	28,154	32.4	65,433	45,132	45.0

Source: Company, Angel Research

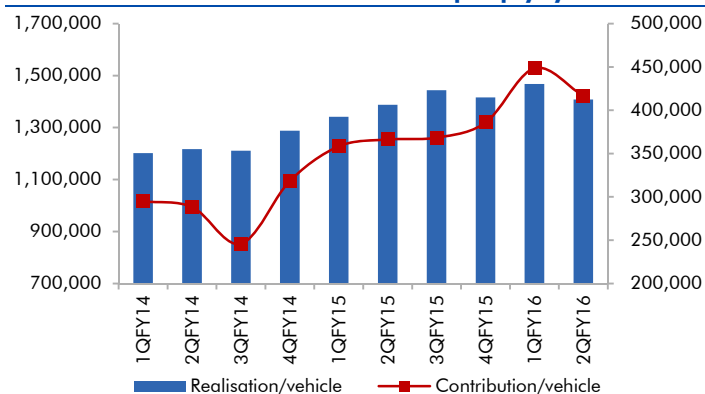
- ALL's volumes continued to improve, reporting double-digit growth for the fifth consecutive quarter. During 2QFY2016, volumes grew by a robust 51% yoy. The MHCV segment continued to outperform, growing by 77% yoy, helped to an extent by pre-buying ahead of the application of new safety features from October 2015, while LCV volumes grew by a subtle 5% yoy, reflecting the sluggish trend in this segment.
- Realisation/vehicle grew 2% yoy to ₹1,407,762, led by higher proportion of MHCVs and price hikes. Contribution/vehicle grew 14% yoy to ₹416,738, given the favourable product mix and soft commodity prices.
- ALL continued to gain market share on back of higher proportion of the fast growing heavy trucks and geographical expansion. ALL's MHCV market share improved 570bp yoy from 27.1% in 1HFY2015 to 32.8% in 1HFY2016. Its MHCV truck market share improved 550bp yoy from 25.6% in 1HFY2015 to 31.1% in 1HFY2016. Similarly, ALL's market share in the MHCV passenger segment increased 700bp from 35% in 1HFY2015 yoy to 42% in 1HFY2016.

Exhibit 4: Double-digit volume growth continues



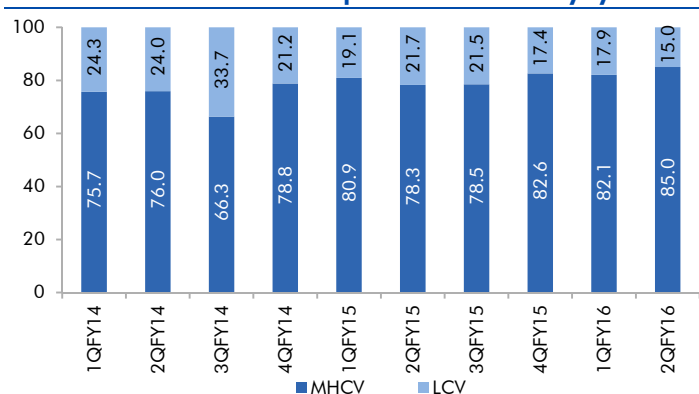
Source: Company, Angel Research

Exhibit 5: Realisation & contribution jump yoy



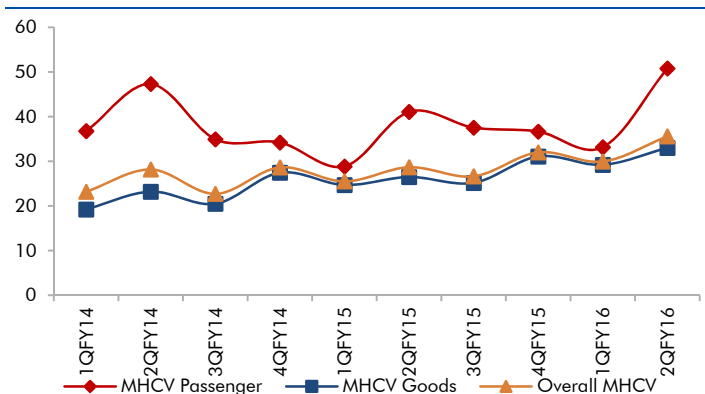
Source: Company, Angel Research

Exhibit 6: MHCVs share in product mix rises yoy



Source: SIAM, Angel Research

Exhibit 7: Domestic market share trend

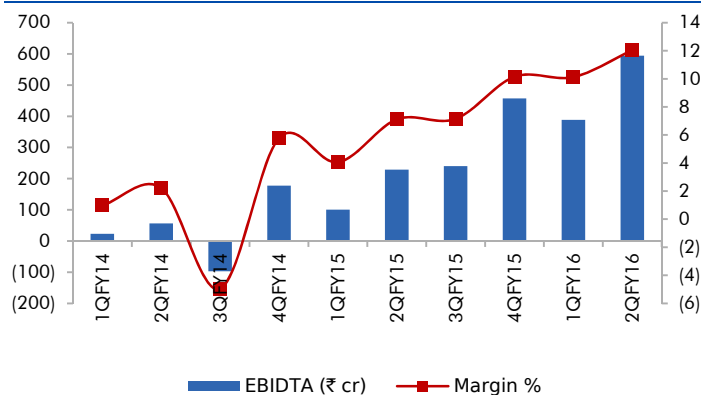


Source: SIAM, Angel Research

- ALL maintained its double-digit margin for the third consecutive quarter, reporting a five-year record high margin of 12% in 2QFY2016. Higher proportion of MHCVs in the product mix and operating leverage led to the steep improvement in margins on a yoy basis.

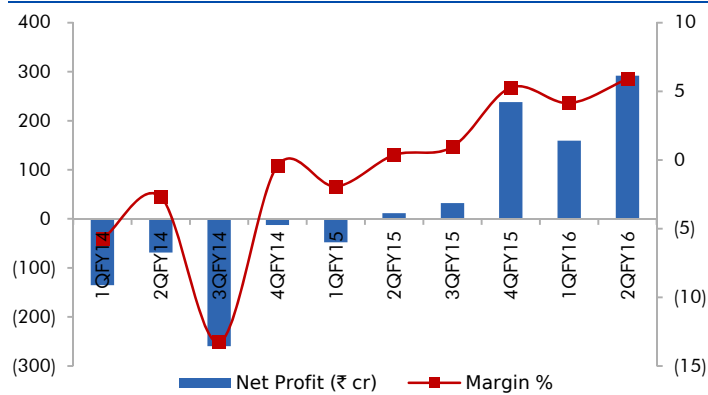
- ALL's profits continue to improve led by a strong operating performance.

Exhibit 8: EBITDA margin improves sharply yoy



Source: Company, Angel Research

Exhibit 9: Bottom-line continues to improve yoy



Source: Company, Angel Research

Conference call – Key highlights

- The MHCV industry continues to maintain its strong momentum, reporting a 43% yoy growth in 2QFY2016. Better freight movement on back of improved economic growth and improvement in fleet operators' sentiment due to firm freight rates and decline in diesel prices are spurring demand for MHCVs. The MHCV demand is estimated to remain robust with the Management expecting a more than 20% industry growth for FY2016.
- As per the Management, the fleet replacement demand being witnessed currently is being driven by improvement in fleet operators' sentiments. An expected improvement in core industries on account of economic growth and pick-up in mining would drive new fleet demand, which would help maintain double-digit growth momentum in the MHCV industry.
- ALL continues to gain market share in the MHCV segment with its strengthening presence in non-South markets. ALL's market share improved from 28.2% in FY2015 to 32.8% in 1HFY2016.
- Discounting/vehicle in the MHCV space continues to remain high at ₹2 lakh to ₹2.25 lakh. ALL however has been taking periodic price increases to neutralize the impact of high discounts. ALL undertook a price increase of 1% to 1.5% in 2QFY2016.
- ALL expects commodity prices to remain soft in the near term as in 2QFY2016 and expects the benefits of the same to accrue in 3Q as well, as lower raw material prices flow into the P&L with a lag of a quarter.
- ALL continues to focus on the export markets, particularly the Middle East and Africa to enable diversification and reduce cyclicalities. ALL aims to increase the export contribution from 15% currently to 33% over the next three to five years.
- As per the Management, the company's current MHCV capacity stands at 1.5 lakh units per annum which would suffice for the demand in the near term. ALL is not contemplating any capacity addition in MHCV as of now.

- ALL has guided for overall capex and subsidiary investment of ₹500cr in FY2016. The capex would be towards new product development and R&D. Further ALL would invest for meeting the funding requirements of its subsidiaries and investment.

Investment arguments

Double-digit volume growth over medium term as ALL would be a direct beneficiary of the improving CV cycle: ALL is a pure CV play and is poised to report strong double digit growth (~20% over FY2015-FY2017), given the uptrend in the CV cycle. The MHCV segment, accounting for 80% of ALL's total volumes, has undergone a sharp improvement in FY2015 (industry grew 16% yoy). Improvement in fleet operators' sentiments on back of better economic outlook, and increase in profitability due to fall in diesel prices, would lead to continued improvement in demand. The MHCV industry has shown improvement after a gap of three years and we believe the industry would remain in an upcycle in the medium term. Further we also expect improvement in the LCV segment in FY2016 on back of gradual improvement in sentiments.

EBITDA margin to improve amid volume improvement and operating leverage: We expect ALL's margins to improve sharply in FY2016/FY2017 and reach the pre-down cycle levels. We estimate ALL's margins to improve from 7.6% in FY2015 and reach ~11% in FY2017 (margin levels reported by the company in the FY2011 up-cycle). We believe the margin improvement would be driven by: (a) steep improvement in MHCV volumes, (b) reduction in discounting levels. Currently the discount/vehicle, at ₹2 lakh, is at record levels and is expected to come down with pick-up in demand, (c) benefits of operating leverage, given the sharp improvement in volumes.

Outlook and valuation

ALL results were below estimates primarily due to lower realization on account of unfavourable mix. However, we expect the mix to be favourable in 2HFY2016 due to higher defence supplies and recovery in exports which would boost realisations. Given the improvement in fleet operators' sentiments due to revival in the economy, improvement in profitabilities due to falling diesel prices, and policy action initiated in the infrastructure and the mining space, the MHCV demand would continue to grow in double digits. The MHCV industry is clearly in an up-cycle and we estimate ~17% CAGR in volume over FY2015- FY2017. Also, a better mix (higher proportion of MHCVs), reduction in record high discounts due to volume growth, and operating leverage would result in margin expansion, going forward. We expect operating margin to improve from 7.6% in FY2015 to 11.6% in FY2017 (in line with the margins witnessed in the previous up-cycle in FY2011). **We maintain our Buy on the stock with a revised price target of ₹111 (based on 13x FY2017 EV/EBIDTA).**

Exhibit 10: Key assumptions

(units)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
MHCV passenger	26,312	23,472	19,328	20,722	24,866	27,602
MHCV goods	67,425	55,442	40,976	56,938	78,409	92,546
LCV	7,593	34,918	28,205	26,904	30,573	34,231
Total volume (units)	101,990	114,612	88,509	104,564	133,849	154,379
% yoy chg	8.4	12.4	(22.8)	18.1	28.0	15.3

Source: Company, Angel Research

Company background

Ashok Leyland Ltd (ALL) is the country's second largest CV manufacturer. The company has a strong presence in the MHCV segment, with a domestic market share of ~28% as of FY2015. ALL enjoys a dominant position in southern India, with an ~50% market share, and is currently focusing on expanding its presence in northern and western India by increasing its touch points in the region. The company, through its JV with Nissan Motor and John Deere, intends to expand its product portfolio and has launched *Dost* to tap the growing LCV demand, and a backhoe loader used in the construction industry.

Profit and loss statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Total operating income	12,904	12,481	9,943	13,562	17,995	21,544
% chg	13.0	(3.3)	(20.3)	36.4	32.7	19.7
Total expenditure	11,807	11,650	9,777	12,536	15,948	19,035
Net raw material costs	9,464	9,123	7,603	9,965	12,605	15,240
Employee expenses	1,036	1,087	1,000	1,184	1,479	1,535
Other	1,030	1,140	925	1,386	1,864	2,260
EBITDA	1,098	831	167	1,027	2,047	2,509
% chg	(9.6)	(24.2)	(81.0)	516.4	99.4	22.6
(% of total op. income)	8.5	6.7	1.7	7.6	11.4	11.6
Depreciation & amortization	353	381	377	416	447	455
EBIT	745	451	(530)	466	1,555	2,057
% chg	(21.3)	(39.5)	NA	NA	233.8	32.3
(% of total op. income)	5.8	3.6	(5.3)	3.4	8.6	9.5
Interest and other charges	255	377	453	394	302	308
Other income	201	397	67	124	129	155
Recurring PBT	690	471	(597)	341	1,426	1,902
% chg	(13.9)	(31.8)	NA	NA	317.9	33.3
Extraordinary income/(exp.)	4	271	506	101	(5)	
PBT	686	200	(91)	442	1,426	1,902
Tax	124	37	(121)	107	447	570
(% of PBT)	18.1	18.5	132.2	24.3	31.4	30.0
PAT (reported)	566	434	29	335	974	1,331
ADJ. PAT	562	163	(476)	234	979	1,331
% chg	(10.7)	(71.0)	NA	NA	318.5	36.0
(% of total op. income)	4.4	1.3	(4.8)	1.7	5.4	6.2
Basic EPS (₹)	2.1	1.6	0.1	1.2	3.4	4.7
Adj. EPS (₹)	2.1	0.6	(1.8)	0.8	3.4	4.7
% chg	(10.7)	(71.0)	NA	NA	318.5	36.0

Balance sheet statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
SOURCES OF FUNDS						
Equity share capital	266	266	266	285	285	285
Reserves & surplus	3,942	4,189	4,182	4,834	5,240	5,715
Shareholders' Funds	4,208	4,455	4,448	5,119	5,525	5,999
Total loans	2,395	3,505	3,884	2,591	2,500	2,400
Deferred tax liability	490	527	407	510	510	510
Other long term liabilities	4	2	2	2	4	4
Long term provisions	77	79	68	79	126	151
Total Liabilities	7,174	8,568	8,809	8,301	8,665	9,064
APPLICATION OF FUNDS						
Gross block	7,256	7,991	8,699	8,555	8,755	8,955
Less: Acc. depreciation	2,343	2,709	3,012	3,300	3,747	4,202
Net Block	4,914	5,282	5,686	5,256	5,008	4,753
Capital work-in-progress	548	689	155	120	155	155
Goodwill	-	-	-	-	-	-
Investments	1,534	2,338	2,790	2,649	2,990	3,340
Long term loans and adv.	608	480	673	983	990	1,185
Other noncurrent assets	7	12	33	19	60	75
Current assets	4,304	4,297	3,471	4,285	6,610	8,115
Cash	33	14	12	751	332	550
Loans & advances	810	967	801	569	1,513	1,896
Other	3,461	3,315	2,659	2,964	4,765	5,669
Current liabilities	4,741	4,529	3,999	5,011	7,149	8,559
Net current assets	(438)	(233)	(528)	(726)	(539)	(444)
Misc. exp. not written off	-	-	-	-	-	-
Total Assets	7,174	8,568	8,809	8,301	8,665	9,064

Cash flow statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Profit before tax	690	471	(91)	442	1,426	1,902
Depreciation	353	381	303	287	447	455
Change in working capital	22	(47)	274	609	(607)	123
Others	407	359	(325)	146	2	(185)
Other income	(201)	(397)	-			
Direct taxes paid	(124)	(37)	121	(107)	(447)	(570)
Cash Flow from Operations	1,147	730	281	1,377	821	1,724
(Inc./Dec. in fixed assets)	(755)	(876)	(174)	178	(235)	(200)
(Inc./Dec. in investments)	(304)	(803)	(452)	141	(342)	(350)
Other income	201	397	-	-		
Cash Flow from Investing	(859)	(1,282)	(626)	319	(576)	(550)
Issue of equity	0	(1)	-	19	-	-
Inc./Dec. in loans	47	1,110	379	(1,293)	(91)	(100)
Dividend paid (Incl. Tax)	309	187	-	(128)	(573)	(857)
Others	(793)	(761)	(37)	446	-	-
Cash Flow from Financing	(436)	534	342	(957)	(664)	(957)
Inc./Dec. in cash	(148)	(18)	(2)	740	(419)	218
Opening Cash balances	180	32	14	12	751	332
Closing Cash balances	32	14	12	751	332	550

Key ratios

Y/E March	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Valuation Ratio (x)						
P/E (on FDEPS)	41.9	158.0	NA	107.1	25.6	18.8
P/CEPS	25.9	44.3	NA	38.5	17.6	14.0
P/BV	8.1	5.3	5.3	4.9	4.5	4.2
Dividend yield (%)	1.1	0.7	NA	NA	2.0	2.9
EV/Sales	2.0	2.1	2.7	2.0	1.5	1.2
EV/EBITDA	23.9	30.2	161.5	25.8	13.0	10.4
EV / Total Assets	3.7	3.1	3.1	3.2	3.1	2.9
Per Share Data (₹)						
EPS (Basic)	2.1	0.6	(1.8)	0.8	3.4	4.7
EPS (fully diluted)	2.1	0.6	(1.8)	0.8	3.4	4.7
Cash EPS	3.4	2.0	(0.4)	2.3	5.0	6.3
DPS	1.0	0.6	-	-	1.7	2.6
Book Value	10.9	16.7	16.7	18.0	19.4	21.1
Dupont Analysis						
EBIT margin	5.8	2.0	(5.3)	3.4	8.6	9.5
Tax retention ratio	0.8	0.9	(0.3)	0.8	0.7	0.7
Asset turnover (x)	2.3	1.5	1.1	1.8	2.2	2.5
ROIC (Post-tax)	10.9	2.6	1.9	4.7	12.8	16.9
Cost of Debt (Post Tax)	8.8	9.9	NA	11.5	8.3	9.0
Leverage (x)	0.2	0.8	0.8	0.3	0.3	0.2
Operating ROE	11.4	(3.1)	NA	2.8	14.1	18.4
Returns (%)						
ROCE (Pre-tax)	10.6	2.8	(6.0)	5.6	17.9	22.7
Angel ROIC (Pre-tax)	12.8	2.8	(6.0)	6.2	18.7	24.2
ROE	13.8	3.2	(10.7)	4.6	17.7	22.2
Turnover ratios (x)						
Asset Turnover (Gross Block)	1.9	1.5	1.1	1.6	2.1	2.4
Inventory / Sales (days)	63	55	44	45	45	45
Receivables (days)	34	42	48	48	48	48
Payables (days)	108	123	144	145	145	145
WC cycle (ex-cash) (days)	(6)	(26)	(52)	(52)	(52)	(52)
Solvency ratios (x)						
Net debt to equity	0.2	0.8	0.8	0.3	0.3	0.2
Net debt to EBITDA	0.8	4.0	20.9	1.4	0.8	0.5
Interest Coverage (EBIT / Int.)	2.9	0.6	(1.2)	1.2	5.2	6.7

Research Team Tel: 022 - 39357800

 E-mail: research@angelbroking.com

 Website: www.angelbroking.com

DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange of India Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates including its relatives/analyst do not hold any financial interest/beneficial ownership of more than 1% in the company covered by Analyst. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months. Angel/analyst has not served as an officer, director or employee of company covered by Analyst and has not been engaged in market making activity of the company covered by Analyst.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Pvt. Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Pvt. Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Pvt. Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Pvt. Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.

Note: Please refer to the important 'Stock Holding Disclosure' report on the Angel website (Research Section). Also, please refer to the latest update on respective stocks for the disclosure status in respect of those stocks. Angel Broking Pvt. Limited and its affiliates may have investment positions in the stocks recommended in this report.

Disclosure of Interest Statement	Ashok Leyland
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹ 1 lakh for Angel, its Group companies and Directors

Ratings (Based on expected returns over 12 months investment period):	Buy (> 15%)	Accumulate (5% to 15%) Reduce (-5% to -15%)	Neutral (-5 to 5%) Sell (< -15)
---	-------------	--	------------------------------------