

Bajaj Auto

Performance Highlights

Y/E March (₹ cr)	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)
Net Sales	6,098	5,963	2.3	5,613	8.6
EBITDA	1,317	1,127	16.9	1,140	15.6
EBITDA Margin (%)	21.6	18.9	270 bp	20.3	130 bp
Adj. net profit	933	833	12.0	1,015	(8.1)

Source: Company, Angel Research

Results marginally ahead of estimates on strong operating performance: Bajaj Auto (BAL)'s 2QFY2016 results have come in marginally ahead of our estimates, owing to a robust operating performance, despite flattish volumes and high competitive intensity.

Revenues grew marginally by 2% yoy to ₹6,098cr, coming slightly ahead of our estimates of ₹5,960cr. Volumes remained flat in both the domestic (due to rural weakness) as well as export (due to slowdown in Nigeria and high base effect of the corresponding previous year) markets. However, higher INR/USD realization during the quarter of INR65.2/USD as against INR61.5/USD in 2QFY2015, coupled with a better product, mix led to a marginal top-line growth. Operating margin at 21.6% was ahead of our estimate of 21.1%, primarily driven by higher export realisation. Given the robust operating performance, the Adj Net Profit at ₹933cr, was slightly ahead of our expectation of ₹919cr.

Outlook and valuation: The domestic motorcycle industry is likely to remain sluggish in the near term given the weakness in rural demand. However, BAL is likely to outperform the industry with new launches scheduled in both the commuter and the sport segments. Also, the relatively higher contribution of urban geographies in BAL's sales should help the company in mitigating the rural slowdown. Further, export volumes are expected to revive from 2HFY2016, given the company's entry into newer markets, initiation of price cuts by partly passing on the benefits of higher USD realization, and owing to the low base effect of the corresponding previous year period. Also given the trend of INR depreciation vis a vis the USD, the margins are likely to remain high for BAL. **Given the above positives, we upgrade our recommendation on the stock from "Neutral" to "Accumulate" with a revised price target of ₹2,672 based on 17x FY2017 earnings.**

Key financials (Standalone)

Y/E March (₹ cr)	FY2014	FY2015	FY2016E	FY2017E
Net Sales	20,150	21,612	24,115	27,600
% chg	0.8	7.3	11.6	14.4
Net Profit	3,242	3,101	3,957	4,545
% chg	6.5	(4.4)	27.6	14.9
EBITDA (%)	20.4	19.0	21.3	21.0
EPS (₹)	112.1	107.2	136.8	157.2
P/E (x)	22.4	23.4	18.4	16.0
P/BV (x)	7.8	7.0	5.9	5.0
RoE (%)	34.8	27.0	32.2	31.5
RoCE (%)	46.8	40.3	44.8	43.5
EV/Sales (x)	3.2	3.0	2.6	2.2
EV/EBITDA (x)	15.8	15.6	12.3	10.5

Source: Company, Angel Research; Note: CMP as of October 23, 2015

ACCUMULATE

CMP	₹2,514
Target Price	₹2,672

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

Stock Info

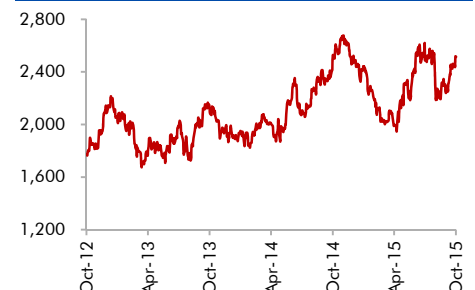
Sector	Automobile
Market Cap (₹ cr)	72,075
Net Debt (₹ cr)	(9,628)
Beta	0.8
52 Week High / Low	2,690/1,914
Avg. Daily Volume	48,189
Face Value (₹)	10
BSE Sensex	27,471
Nifty	8,295
Reuters Code	BAJA.BO
Bloomberg Code	BJAUT@IN

Shareholding Pattern (%)

Promoters	49.3
MF / Banks / Indian FIs	16.4
FII / NRIs / OCBs	18.1
Indian Public / Others	16.2

Abs. (%)	3m	1yr	3yr
Sensex	(3.2)	2.3	46.8
Bajaj Auto	1.0	(0.6)	42.0

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)
Total operating income	6,098	5,963	2.3	5,613	8.6	11,711	11,216	4.4
Raw material consumption	4,055	4,110	(1.3)	3,773	7.5	7,828	7,790	0.5
% of total operating income	66.5	68.9		67.2		66.8	69.5	
Employee expense	242	210	15.0	244	(0.8)	485	425	14.3
% of total operating income	4.0	3.5		4.3		4.1	3.8	
Other expenditure	484	516	(6.2)	457	5.8	949	977	(2.8)
% of total operating income	7.9	8.7		8.1		8.1	8.7	
Total expenditure	4,781	4,836	(1.2)	4,474	6.9	9,263	9,192	0.8
% of total operating income	78.4	81.1		79.7		79.1	82.0	
EBITDA	1,317	1,127	16.9	1,140	15.6	2,449	2,023	21.0
EBITDA margin (%)	21.6	18.9		20.3		20.9	18.0	
Depreciation	78	69	13.7	78	(0.5)	156	138	13.5
EBIT	1,392	1,172	18.8	1,498	(7.1)	2,890	2,247	28.6
Other Income	153	114	34.4	437	(65.1)	589	333	77.1
Net Interest exp (inc)	0	0	440.0	0	237.5	0	0	118.8
Profit before tax (PBT)	1,391	1,172	18.8	1,498	(7.1)	2,889	2,247	28.6
Taxes	458	241	90.6	483	(5.1)	942	576	63.6
% of PBT	32.9	20.5		32.3		32.6	25.6	
Profit after tax (PAT)	933	591	57.9	1,015	(8.1)	1,948	1,331	46.4
Extraordinary income/(expense)	-	(242)		-			(242)	
Adjusted PAT	933	833	12.0	1,015	(8.1)	1,948	1,573	23.9
Equity capital	289.4	289.4		289.4		289.4	289.4	
Reported EPS (₹)	32.2	20.4	57.9	35.1	(8.1)	67.3	46.0	46.4
Adjusted EPS (₹)	32.3	28.8	12.0	35.1	(8.1)	67.4	54.4	23.9

Source: Company, Angel Research

Exhibit 2: 2QFY2016 – Actual vs Angel estimates

Y/E March (₹ cr)	Actual	Estimates	Variation (%)
Net Sales	6,098	5,960	2.3
EBITDA	1,317	1,258	4.7
EBITDA margin (%)	21.6	21.1	50 bp
Adjusted PAT	933	919	1.5

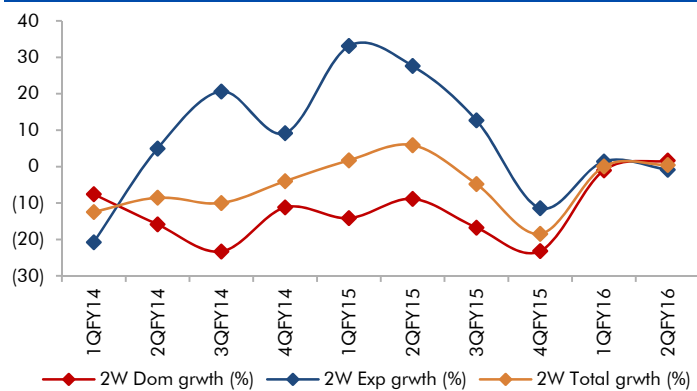
Source: Company, Angel Research

Exhibit 3: Quarterly volume performance

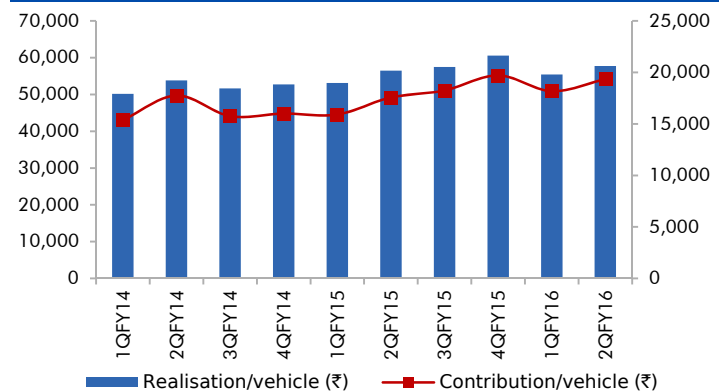
Y/E March	2QFY16	2QFY15	% chg (yoy)	1QFY16	% chg (qoq)	1HFY2016	1HFY2015	% chg (yoy)
Motorcycles (Domestic)	469,330	461,651	1.7	485,818	(3.4)	955,148	952,492	0.3
Motorcycles (Exports)	433,767	437,502	(0.9)	389,417	11.4	823,184	821,519	0.2
Total Motorcycles	903,097	899,153	0.4	875,235	3.2	1,778,332	1,774,011	0.2
Three wheeler (Domestic)	67,117	74,838	(10.3)	50,715	32.3	117,832	130,460	(9.7)
Three wheeler (Exports)	86,382	81,591	5.9	87,079	(0.8)	173,461	139,541	24.3
Total Three wheeler	153,499	156,429	(1.9)	137,794	11.4	291,293	270,001	7.9
Overall Domestic	536,447	536,489	(0.0)	536,533	(0.0)	1,072,980	1,082,952	(0.9)
Overall Exports	520,149	519,093	0.2	476,496	9.2	996,645	961,060	3.7
Total volumes	1,056,596	1,055,582	0.1	1,013,029	4.3	2,069,625	2,044,012	1.3

Source: Company, Angel Research

- BAL's motorcycle volumes remained flat for a second consecutive quarter. In the domestic market, BAL continued to gain market share in a sluggish industry scenario, reporting a marginal growth of 2%. In the export markets, sales dipped marginally, impacted by weak demand in Nigeria and owing to the high base of the corresponding previous year period.
- Realisation/vehicle grew 2% yoy to ₹57,712, mainly due to higher export realization, higher spare part revenues, and implementation of price hikes. Contribution/vehicle improved 10% yoy due to soft commodity prices and a better mix.

Exhibit 4: 2W volumes remain flat


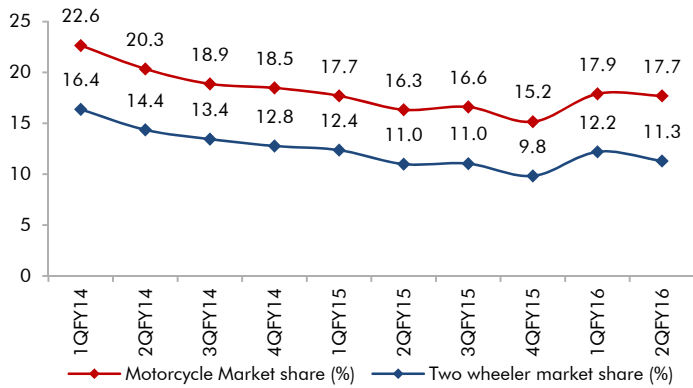
Source: SIAM, Angel Research

Exhibit 5: Realisation and contribution/vehicle trend


Source: Company, Angel Research

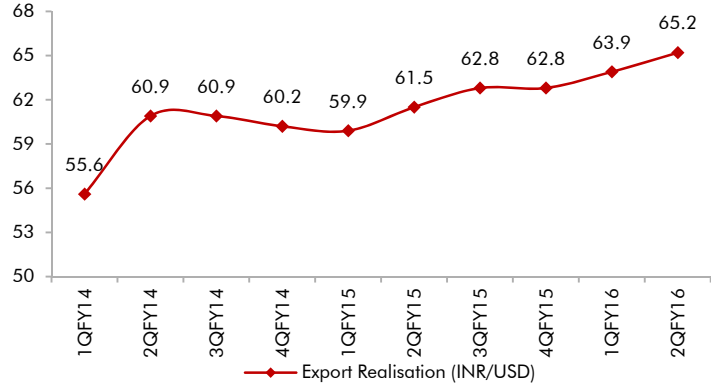
- BAL's market share in the motorcycle segment remained stable at 17.7% in 2QFY2016. However, its overall two-wheeler market share declined owing to its absence in the fast growing scooter segment.
- Export realization continued to improve, given the favourable INR/USD movement. BAL realized INR65.2/USD in 2QFY2016 as against INR61.5/USD accrued in 2QFY2015.

Exhibit 6: Domestic market share stable



Source: SIAM, Angel Research

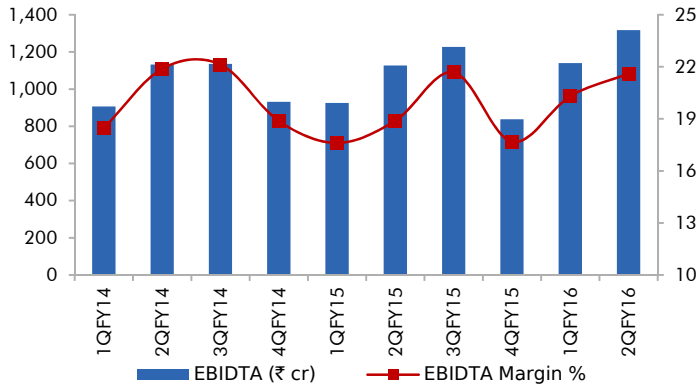
Exhibit 7: Export Realisation trend



Source: Company, Angel Research

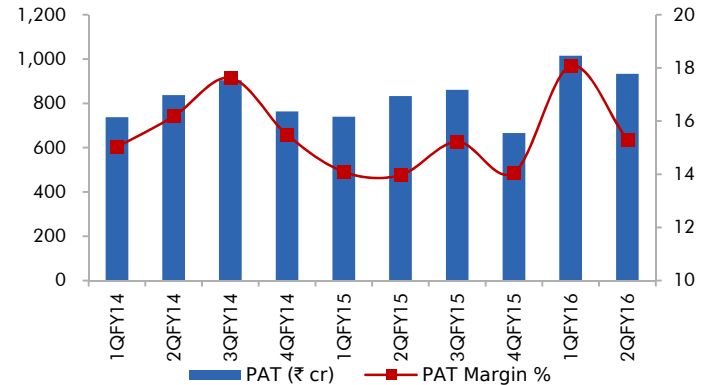
- BAL's operating margin at 21.6% for the quarter was ahead of our estimate of 21.1%. Soft commodity prices coupled with higher export realization boosted margins.
- Buoyed by the robust operating performance, the Adj Net Profit at ₹933cr was marginally ahead of our estimates of ₹919cr.

Exhibit 8: Operating margin beats estimate



Source: Company, Angel Research

Exhibit 9: Adj PAT ahead of expectations



Source: Company, Angel Research

Conference call – Key highlights

- The domestic motorcycle industry continues to remain under pressure, declining by 4% yoy in 1HFY2016. Weak rural sentiments on account of deficient rains and only a moderate increase in MSPs impacted demand. As per BAL, the early part of the festive season (upto Dusherra) was sluggish with retail sales continuing to decline by 5-7%. BAL expects industry volumes to remain sluggish in the near term given the weak rural sentiments.
- BAL expects to regain market share with the launch of new products. It aims to launch a new brand in the commuter M3 segment in 4QFY2016 and new Avenger bikes in the sport segment. BAL is aiming for a market share of 21% by end of FY2016 as against its current market share of 17.7%.
- Recently the Maharashtra government has released 1.5 lakh permits for three-wheelers. BAL expects the benefits of these permit sales to start accruing from 4QFY2016. Also, BAL expects export of three-wheelers (3W) to pick up in 2HFY2016. Overall, BAL is expecting total 3W sales of 585,000 units in FY2016, implying a growth of 13%.
- BAL has commenced initial shipments of the quadricycle “Qute” to select export markets where it has received the EU emission approval. It expects sales momentum to pick up in FY2017, after the initial feedback. It is awaiting the Supreme Court’s judgment before it can launch the product in the domestic market. BAL currently has a capacity to manufacture 60,000 units per annum.
- BAL is planning to re-enter the 3W cargo segment with a new launch in 4QFY2016.
- BAL has commenced taking range forward hedges for FY2017 exports. It is targeting to get a minimum rate of INR66 per USD for FY2017.
- BAL expects commodity prices to remain benign in the near term.
- BAL has hiked domestic two-wheeler prices by ₹500-₹2,000/unit from September 1, 2015. In the domestic three-wheeler segment, BAL hiked prices by ₹2,000-3,000/unit.
- BAL has guided for a capex of ₹300-400cr per annum over the next two years.
- Effective October 1, 2015, BAL has cut prices in export markets, to partly pass on the benefits of higher dollar realization. As per the Management, the company has rationalized prices to expand in the export markets. As per BAL, the net impact of price hikes in the domestic market and price cuts in the export markets would lead to improvement in the overall realization.

Investment arguments

- **Exports to be the key growth driver:** BJAUT registered a strong exports CAGR of ~11% during FY2011-15. We expect volumes to grow in double digits, ie at a CAGR of ~12% over FY2015-17E. We expect growth to be driven by market share gains in Africa and Latin America at the expense of Chinese players who currently dominate these regions with a market share of ~70%. BAL, with the first mover advantage, wide-spread reach with an established distribution network and a strong brand presence in the major markets of Africa and Latin America is well poised to capitalize on the growth opportunity.
- **Demand recovery, new launches key to domestic growth:** BAL's domestic motorcycle performance had been severely impacted during FY2014-2015 period due to slowdown in demand and increasing competition, leading to poor volumes (down ~15% yoy) and erosion in market share (down ~800bp to 16.5%). We attribute this to the disappointing performance of the flagship brand, *Discover* whose monthly run rate has dropped by 25-30%. We expect new launches across segments (commuter, executive and premium) to provide stability to domestic volumes going ahead and gradually help the company to consolidate its market share. Also, we expect demand in the premium motorcycle segment to accelerate in FY2016/17 on expected recovery in urban demand and expect BAL to be the key beneficiary of this trend. Thus, we expect domestic motorcycle volumes to grow at a CAGR of 10% over the next two years.
- **Three-wheelers registering healthy growth; quadricycles provide additional growth opportunity:** BAL has a strong presence in the three-wheeler market, with an overall market share (including exports) of ~55%. The three-wheeler segment fetches higher margins than the company's two-wheeler business. The outlook for three-wheelers remains strong (we expect 7% CAGR over the next two years) backed by healthy demand in both the domestic as well as export markets. Further, BAL aims to launch the new quadricycle (RE60) in 4QFY2016, providing an additional growth opportunity.

Outlook and valuation

The domestic motorcycle industry is likely to remain sluggish in the near term given the weakness in rural demand. However, BAL is likely to outperform the industry with new launches scheduled in both, the commuter and the sports segments. Also, the relatively higher contribution of urban geographies in BAL's sales should help the company in mitigating the rural slowdown. Further, export volumes are expected to revive from 2HFY2016, given the company's entry into newer markets, initiation of price cuts by partly passing on the benefits of higher USD realization, and owing to the low base effect of the corresponding previous year period. Also given the trend of INR depreciation vis a vis the USD, the margins are likely to remain high for BAL. **Given the above positives, we upgrade our recommendation on the stock from "Neutral" to "Accumulate" with a revised price target of ₹2,672 based on 17x FY2017 earnings.**

Exhibit 10: Key assumptions - Volumes

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Motorcycles (Domestic)	2,566,757	2,463,863	2,099,230	1,770,778	1,942,148	2,160,000
Motorcycles (Exports)	1,267,648	1,293,231	1,323,173	1,521,306	1,663,184	1,866,000
Total Motorcycles	3,834,405	3,757,094	3,422,403	3,292,084	3,605,332	4,026,000
Three wheeler (Domestic)	202,979	226,131	186,856	234,345	250,749	265,794
Three wheeler (Exports)	312,176	253,926	260,762	284,772	326,544	324,206
Total Three wheeler	515,155	480,057	447,618	519,117	577,293	590,000
Quadricycles				-	15,000	60,000
Total volumes	4,349,560	4,237,151	3,870,021	3,811,201	4,197,625	4,676,000
% chg	13.7	(2.6)	(8.7)	(1.5)	10.1	11.4

Source: Company, Angel Research

Company background

Bajaj Auto (BJAUT) is the third largest 2W manufacturer in the country (~18% market share) and a market leader in the 3W segment (~45% market share). BJAUT has three manufacturing facilities in India, located at Waluj, Chakan and Pantnagar, with a total installed capacity (2W - 4.8mn and 3W - 0.6mn) of 5.4mn units. BJAUT also happens to be one of India's largest auto exporters, with exports forming ~50% of revenue in FY2015. The two dominant brands, *Discover* and *Pulsar* account for ~65% of the company's motorcycle volumes.

Profit and loss statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Total operating income	19,529	19,997	20,150	21,612	24,115	27,600
% chg	19.1	2.4	0.8	7.3	11.6	14.4
Total expenditure	15,809	16,362	16,044	17,495	18,980	21,800
Net raw material costs	14,103	14,407	13,877	14,850	16,117	18,595
Other mfg costs	327	382	434	485	535	585
Employee expenses	540	639	727	897	982	1,119
Other	839	934	1,007	1,263	1,347	1,501
EBITDA	3,720	3,635	4,106	4,117	5,135	5,800
% chg	17.3	(2.3)	12.9	0.3	24.7	13.0
(% of total op. income)	19.0	18.2	20.4	19.0	21.3	21.0
Depreciation & amortization	146	164	180	267	304	313
EBIT	3,574	3,471	4,633	4,432	5,740	6,517
% chg	17.3	(2.9)	8.6	(4.3)	29.5	13.5
(% of total op. income)	18.3	17.4	23.0	20.5	23.8	23.6
Interest and other charges	22	1	0	6	1	1
Other income	608	795	706	582	909	1,030
Recurring PBT	4,160	4,266	4,632	4,425	5,739	6,516
% chg	14.8	2.5	8.6	(4.5)	29.7	13.5
Extraordinary income/(exp.)	(134)	-	0	(340.3)	0	0
PBT (reported)	4,026	4,266	4,632	4,085	5,739	6,516
Tax	1,022	1,223	1,362	1,271	1,782	1,971
(% of PBT)	25.4	28.7	29.4	28.7	31.1	30.3
PAT (reported)	3,004	3,044	3,242	2,814	3,957	4,545
ADJ. PAT	3,138	3,044	3,242	3,101	3,957	4,545
% chg	20.0	(3.0)	6.5	(4.4)	27.6	14.9
(% of total op. income)	16.1	15.2	16.1	13.0	16.4	16.5
Basic EPS (₹)	103.8	105.2	112.1	107.2	136.8	157.2
Adj. EPS (₹)	108.4	105.2	112.1	107.2	136.8	157.2
% chg	20.0	(3.0)	6.5	(4.4)	27.6	14.9

Balance sheet statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
SOURCES OF FUNDS						
Equity share capital	289	289	289	289	289	289
Reserves & surplus	5,752	7,613	9,319	10,787	12,626	14,684
Shareholders' funds	6,041	7,902	9,608	11,076	12,916	14,973
Total loans	97	71	145	145	145	145
Deferred tax liability	48	115	143	143	143	143
Other long term liabilities	157	122	-	-	-	-
Long term provisions	112	135	121	120	120	130
Total Liabilities	6,456	8,345	10,017	11,485	13,324	15,392
APPLICATION OF FUNDS						
Gross block	3,396	3,829	4,077	4,427	4,727	5,027
Less: Acc. depreciation	1,914	2,024	2,071	2,338	2,633	2,945
Net Block	1,482	1,804	2,006	2,089	2,094	2,082
Capital work-in-progress	42	294	144	150	150	150
Investments	4,883	6,430	8,550	9,000	10,000	11,000
Long term loans and adv.	601	462	720	970	1,240	1,540
Other noncurrent assets	1	1	1	1	1	1
Current assets	4,076	3,487	3,327	3,243	4,065	4,206
Cash	1,654	559	495	292	918	691
Loans & advances	1,025	1,312	978	969	956	1,031
Other	1,397	1,616	1,853	1,983	2,190	2,484
Current liabilities	4,628	4,134	4,730	3,968	4,226	3,587
Net current assets	(553)	(647)	(1,403)	(725)	(161)	619
Misc. exp. not written off	-	-	-	-	-	-
Total Assets	6,456	8,345	10,017	11,485	13,324	15,392

Note: Cash and bank balance includes term deposits with banks

Cash flow statement (Standalone)

Y/E March (₹ cr)	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Profit before tax	4,026	4,266	4,632	4,372	5,510	6,164
Depreciation	146	164	47	267	295	313
Change in working capital	332	(521)	693	(882)	63	(1,007)
Direct taxes paid	(1,148)	(1,239)	(1,390)	(1,271)	(1,625)	(1,818)
Less: Others	(162)	(535)	(87)	(251)	(270)	(290)
Cash Flow from Operations	3,193	2,134	3,894	2,235	3,972	3,361
(Inc.)/Dec. in fixed assets	(338)	(488)	(99)	(356)	(300)	(300)
(Inc.)/Dec. in investments	(94)	(1,353)	(2,119)	(450)	(1,000)	(1,000)
Others	(250)	563				
Cash Flow from Investing	(682)	(1,278)	(2,218)	(806)	(1,300)	(1,300)
Issue of equity	-	-	-	-	-	-
Inc./(Dec.) in loans	(158)	-	(48)	-	-	-
Dividend paid (Incl. Tax)	(1,154)	(1,300)	(1,692)	(1,633)	(2,045)	(2,288)
Others	(252)	(179)	-	-	-	-
Cash Flow from Financing	(1,564)	(1,479)	(1,740)	(1,633)	(2,045)	(2,288)
Inc./(Dec.) in cash	947	(622)	(63)	(204)	627	(227)
Opening Cash balances	229	1,176	559	495	292	918
Closing Cash balances	1,176	553	495	292	918	691

Note: Closing Cash balances excludes term deposits with banks

Key ratios

Y/E March	FY2012	FY2013	FY2014	FY2015	FY2016E	FY2017E
Valuation Ratio (x)						
P/E (on FDEPS)	23.2	23.9	22.4	23.4	18.4	16.0
P/CEPS	22.1	22.7	21.3	23.6	17.1	15.0
P/BV	12.0	9.6	7.8	7.0	5.9	5.0
Dividend yield (%)	1.8	1.8	2.0	1.9	2.4	2.8
EV/Sales	3.5	3.4	3.2	3.0	2.6	2.2
EV/EBITDA	18.2	18.4	15.8	15.6	12.3	10.5
EV / Total Assets	10.5	8.0	6.5	5.8	4.9	4.0
Per Share Data (₹)						
EPS (Basic)	108.4	105.2	112.1	107.2	136.8	157.2
EPS (fully diluted)	108.4	105.2	112.1	107.2	136.8	157.2
Cash EPS	113.5	110.9	118.3	106.5	147.3	167.9
DPS	45.0	45.0	50.0	48.2	61.6	70.7
Book Value	208.8	263.2	322.2	359.7	424.5	498.9
Dupont Analysis						
EBIT margin	18.3	21.3	23.0	20.5	23.8	23.6
Tax retention ratio	74.6	0.7	0.7	0.7	0.7	0.7
Asset turnover (x)	3.9	2.6	2.1	2.1	2.0	1.9
ROIC (Post-tax)	52.7	40.0	34.4	30.1	32.5	31.5
Cost of Debt (Post Tax)	8.5	0.2	0.6	4.1	0.5	0.6
Leverage (x)	(1.1)	(0.9)	(0.9)	(0.9)	(0.8)	(0.8)
Operating ROE	5.6	5.8	2.8	6.7	5.4	7.3
Returns (%)						
ROCE (Pre-tax)	59.5	52.0	46.8	40.3	44.8	43.5
Angel ROIC (Pre-tax)	72.6	54.8	49.1	42.2	47.1	45.1
ROE	57.3	40.0	34.8	27.0	32.2	31.5
Turnover ratios (x)						
Asset Turnover (Gross Block)	5.8	5.2	4.9	5.3	5.4	5.7
Inventory / Sales (days)	11	12	12	14	12	12
Receivables (days)	7	14	14	12	13	13
Payables (days)	43	46	52	43	44	43
WC cycle (ex-cash) (days)	(35)	(20)	(26)	(17)	(19)	(18)
Solvency ratios (x)						
Net debt to equity	(1.1)	(0.9)	(0.9)	(0.9)	(0.8)	(0.8)
Net debt to EBITDA	(1.7)	(1.9)	(2.2)	(2.3)	(2.1)	(2.0)
Interest Coverage (EBIT / Int.)	160.7	7,901.4	9,454.2	682.8	7,653.6	6,517.4

Research Team Tel: 022 - 39357800

 E-mail: research@angelbroking.com

 Website: www.angelbroking.com

DISCLAIMER

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.

Angel Broking Pvt. Limited, its affiliates, directors, its proprietary trading and investment businesses may, from time to time, make investment decisions that are inconsistent with or contradictory to the recommendations expressed herein. The views contained in this document are those of the analyst, and the company may or may not subscribe to all the views expressed within.

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 endeavours 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.

Angel Broking Pvt. Limited and its affiliates may seek to provide or have engaged in providing corporate finance, investment banking or other advisory services in a merger or specific transaction to the companies referred to in this report, as on the date of this report or in the past.

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	Bajaj Auto
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 (Returns):	Buy (> 15%) Reduce (-5% to -15%)	Accumulate (5% to 15%) Sell (< -15%)	Neutral (-5 to 5%)
---------------------------	-------------------------------------	---	--------------------