MM Forgings

Performance highlights

Y/E March (₹ cr)	2QFY16	2QFY15	% chg. (yoy)	1QFY16	% chg. (qoq)
Net sales	128	125	1.8	124	2.9
EBITDA	28	28	0.2	27	4.5
EBITDA Margin (%)	*21.9*	*22.3*	*(37)*	*21.6*	*34*
Adjusted PAT	13	13	(0.5)	13	1.2

Source: Company, Angel Research

For 2QFY2016, MM Forgings (MMFL) reported disappointing numbers on the top-line and bottom-line fronts. The top-line during the quarter grew marginally by 1.8% yoy to ₹128cr. The raw material cost declined by 111bp yoy to 38.2% of sales, but the benefits were offset by an increase in employee and power costs. Employee and power costs rose by 162bp yoy and 17bp yoy to 11.1% and 10.4% of sales, respectively. As a result, the EBITDA margin witnessed a slight decline of 37bp yoy to 21.9%. The other income came in at ₹1.3cr vs ₹0.4cr in 2QFY2015. The net profit remained flat at ₹13cr.

Sufficient capacity to cater to improving demand across the globe: MMFL is in the midst of increasing its capacity to 65,000MT, which should be in place by 4QFY2016. The company mainly caters to global markets (Europe and USA) with a focus on the commercial vehicle (CV) industry. The company is witnessing healthy demand from USA and we expect demand from the region to remain intact over the next 12-15 month period. We expect demand from Europe to be subdued in the near term and recover thereafter. Additionally, appreciation of the USD against the INR will provide a boost to the company's top-line by way of higher realization in INR terms.

Improvement in demand from domestic CV industry: The domestic CV industry's performance over the past three years had been lackluster amidst a pronounced slowdown. However, there has been an evident recovery in the domestic CV industry, ie in the medium and heavy commercial vehicle (MHCV) segment, where vehicle sales have grown by 54.9% in 1HFY2016. Going ahead, the outlook on the domestic CV industry remains positive on the back of increase in government spending on infrastructure coupled with stable diesel cost and possible interest rate cuts in the near future.

Outlook and valuation: We expect MMFL to register a revenue CAGR of 10.6% over FY2015-17E to ₹615cr with an EBITDA margin of 21.6% in FY2017E. The profit is expected to improve to ₹67cr in FY2017E. At the current market price, the stock is trading at a P/E of 9.3x its FY2017E earnings. **We have a Buy rating on the stock with a revised target price of ₹614 based on target P/E of 11.0x for FY2017E.**

Key financials

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Net Sales	361	411	503	511	615
% chg	*3.1*	*13.9*	*22.1*	*1.7*	*20.3*
Adj. Net Profit	24	28	51	52	67
% chg	*14.8*	*14.8*	*80.0*	*3.0*	*29.4*
OPM (%)	16.0	19.2	22.0	21.7	21.6
EPS (₹)	20.3	23.3	41.9	43.1	55.8
P/E (x)	25.5	22.2	12.3	12.0	9.3
P/BV (x)	3.6	3.2	2.6	2.2	1.8
RoE (%)	15.1	15.3	23.3	19.9	21.2
RoCE (%)	11.7	12.9	19.4	16.0	18.1
EV/Sales (x)	2.1	1.8	1.4	1.4	1.1
EV/EBITDA (x)	13.3	9.5	6.5	6.6	5.0

Source: Company, Angel Research, CMP as of November 9, 2015

BUY

CMP	₹516
Target Price	₹614
Investment Period	12 months

Stock Info	
Sector	Others
Market Cap (₹ cr)	623
Net debt (₹ cr)	101
Beta	0.8
52 Week High / Low	751/ 229
Avg. Daily Volume	7,533
Face Value (₹)	10
BSE Sensex	26,121
Nifty	7,915
Reuters Code	MMFO.BO
Bloomberg Code	MMFG IN

Shareholding Pattern (%)	
Promoters	56.4
MF / Banks / Indian Fls	13.5
FII / NRIs / OCBs	3.2
Indian Public / Others	26.9

Abs.(%)	3m	1yr	3yr
Sensex	(7.2)	(5.8)	39.6
MMFL	(24.3)	0.9	397.3

3 year price chart

Source: Company, Angel Research

Milan Desai
022-40003600 Ext: 6846
milan.desai@angelbroking.com

Exhibit 1: 2QFY2016 performance

Y/E March (₹ cr)	2QFY16	2QFY15	% chg. (yoy)	1QFY16	% chg. (qoq)	1HFY16	1HFY15	% chg
Net Sales	**128**	**125**	*1.8*	**124**	*2.9*	**252**	**250**	*0.8*
Net raw material	49	49	*(1.0)*	49	*(0.1)*	98	105	*(7.1)*
(% of Sales)	*38.2*	*39.3*	*(111)bp*	*39.3*	*(115)bp*	*38.7*	*42.0*	*(328)bp*
Employee Cost	14	12	*19.2*	14	*0.9*	28	22.6	*25.1*
(% of Sales)	*11.1*	*9.5*	*162bp*	*11.4*	*(22)bp*	*11.2*	*9.1*	*219bp*
Power, Oil & Fuel	13	13	*3.6*	14	*(2.5)*	27	25	*9.5*
(% of Sales)	*10.4*	*10.2*	*17bp*	*11.0*	*(57)bp*	*10.7*	*9.8*	*85bp*
Other Expenses	24	23	*0.1*	21	*12.8*	44	42	*5.1*
(% of Sales)	*18.4*	*18.7*	*(31)bp*	*16.8*	*161bp*	*17.6*	*16.9*	*73bp*
Total Expenditure	**100**	**97**	*2.3*	**97**	*2.5*	**197**	**194**	*1.4*
Operating Profit	**28**	**28**	*0.2*	**27**	*4.5*	**55**	**56**	*(1)*
OPM (%)	*21.9*	*22.3*	*(37)bp*	*21.6*	*34bp*	*21.7*	*22.2*	*(48)*
Interest	2	2	*9.9*	2	*5.9*	5	4	*4.7*
Depreciation	9	9	-	9	-	18	18	-
Other Income	1	0	*230.3*	1	*8.4*	2	1	*207.9*
PBT	**18**	**17**	*4.1*	**17**	*7.0*	**35**	**34**	*1.9*
(% of Sales)	*14.0*	*13.7*		*13.4*		*13.7*	*13.6*	
Tax	5	4	*19.0*	4	*27.0*	9	8	*13.5*
(% of PBT)	*26.7*	*23.3*		*22.5*		*24.7*	*22.1*	
Reported PAT	**13**	**13**	*(0.5)*	**13**	*1.2*	**26**	**26**	*(1.4)*
Extraordinary Expense/(Inc.)	-	-		-		-	-	
Adjusted PAT	**13**	**13**	*(0.5)*	**13**	*1.2*	**26**	**26**	*(1.4)*
PATM	*10.2*	*10.5*		*10.4*		*10.3*	*10.6*	

Source: Company, Angel Research

Exhibit 2: Actual vs. Angel estimates (2QFY2016)

	Actual (₹ cr)	Estimate (₹ cr)	Var (%)
Total Income	**128**	**139**	*(8.1)*
EBIDTA	28	31	*(8.6)*
EBIDTA margin (%)	*21.9*	*22.0*	*(12)*
Adjusted PAT	**13**	**15**	*(13.4)*

Source: Company, Angel Research

Numbers disappoint on top and bottom line front

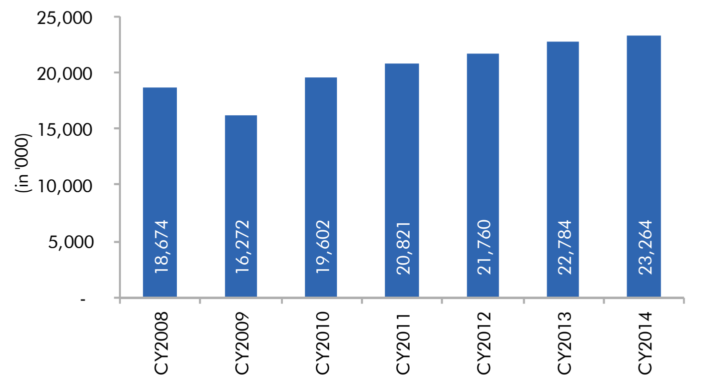
For 2QFY2016, the company reported numbers that disappointed on the top-line front. The top-line during the quarter grew marginally by 1.8% yoy to ₹128cr. The same was below our estimate of ₹139cr. The raw material cost declined by 111bp yoy to 38.2% of sales and other expenses declined by 31bp yoy to 18.4% of sales, but the benefits were offset by an increase in employee and power costs. Employee and power costs rose by 162bp yoy and 17bp yoy to 11.1% and 10.4% of sales, respectively. As a result, the EBITDA margin witnessed a slight decline of 37bp yoy to 21.9%, which is in-line our estimate of 22.0%. Other income came in at ₹1.3cr against ₹0.4cr in the same quarter of the previous year and consequently, the net profit remained flat at ₹13cr vis-à-vis our expectation of ₹15cr.

Investment arguments

Sufficient capacity to cater to improving demand across the globe

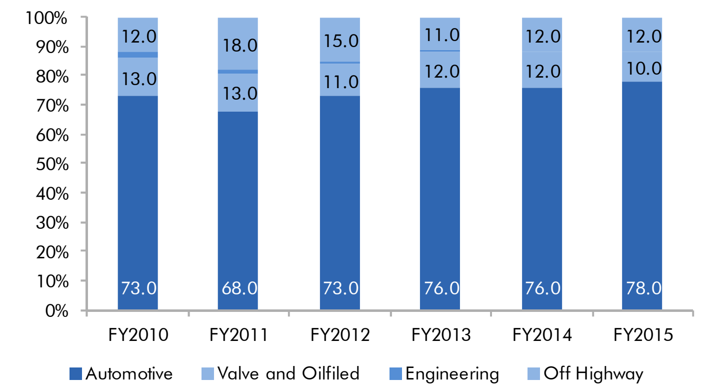
The company is in the midst of increasing its capacity from 40,000MT to ~65,000MT by the end of FY2016. The company caters mainly to the global markets (Europe and USA) with a focus on the CV industry; its overall exports accounted for ~72% of sales in FY2015. In terms of global CV sales by region, USA accounts for 39.3% of Global CV sales and Europe accounts for 10.4%.

Exhibit 3: Global CV sales



Source: OICA, Angel Research

Exhibit 4: Automotive segment's contribution increases in net sales



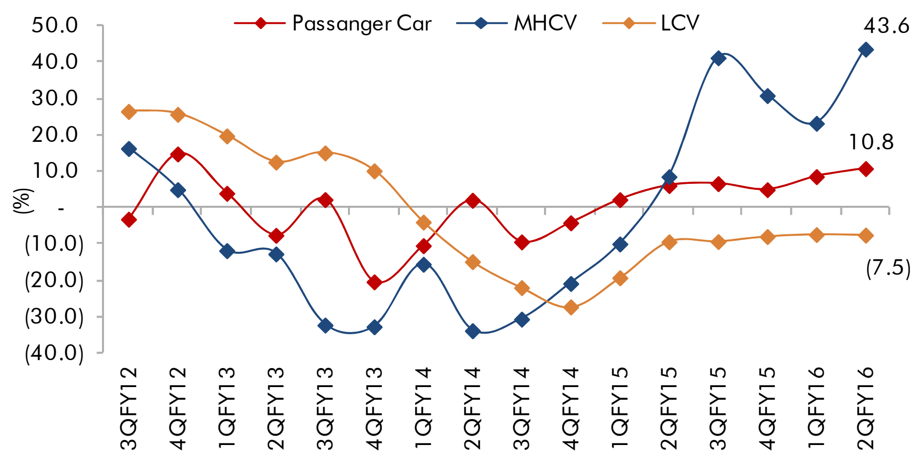
Source: Company, Angel Research

As of FY2015, the CV industry accounted for ~63% of net sales while passenger cars accounted for ~15% of company's net sales. We expect the demand for CVs to remain intact, mainly from US and India. A recovery in the US economy has positively impacted the company's performance in FY2015 and the Management expects the better demand scenario to spill into FY2016. In the near term, we expect demand from Europe to be muted owing to the subdued economic scenario prevalent in the region. Although Europe CV sales data (OICA) for the first half of 2015 suggests that the volumes are picking up, particularly in UK, Spain and Italy, we expect the demand scenario to stabilize across the continent in the longer run.

Improvement in demand from domestic CV industry

As per the Association of Indian Forging Industry (AIFI), the demand for forgings is largely dependent on the health of the automotive industry. Within the automotive sector, CVs account for a major share followed by passenger vehicle (PV)s. The demand from the domestic CV industry had been lackluster over the last three years as the sector faced a pronounced slowdown. However, domestic CV sales have been on an uptick in the past year, ie mainly MHCVs, the sales of which have grown by ~54.9% yoy in 1HFY2016. The outlook for MHCVs remains positive on the back of increase in government spending on infrastructure coupled with stable diesel cost and possibility of further interest rate cuts in the near future.

Exhibit 5: Domestic CV and Passenger Sales

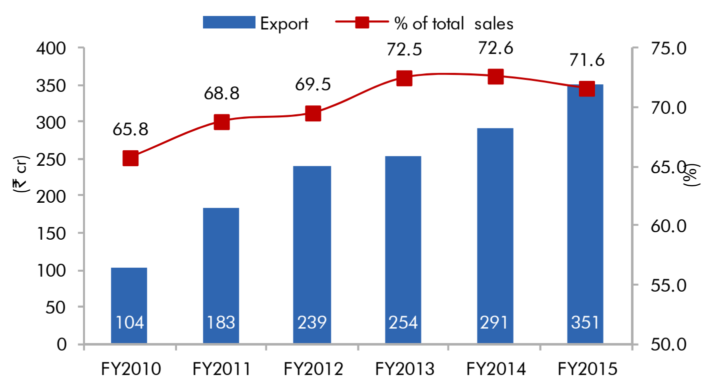


Source: SIAM, Angel Research

Stronger Dollar to boost top-line

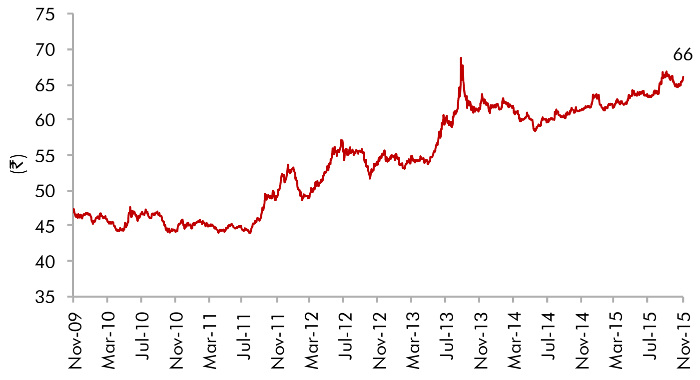
Exports have been a major contributor to the company's revenues over the years with contribution increasing to 71.6% in FY2015 from 65.8% in FY2010. Considering that US is one of the major markets to which the company exports to, the Indian Rupee (INR)'s depreciation against the US Dollar (USD) is favorable for the company. The INR has depreciated against the USD by close to 6% in FY2016 and is likely to remain weak owing to impending interest rate hike by the Federal Reserve in the near future. We expect the company's top-line to receive a boost on back of potential strengthening of the USD, thus aiding the company's realizations.

Exhibit 6: Increasing contribution from exports



Source: Company, Angel Research

Exhibit 7: INR/USD trend



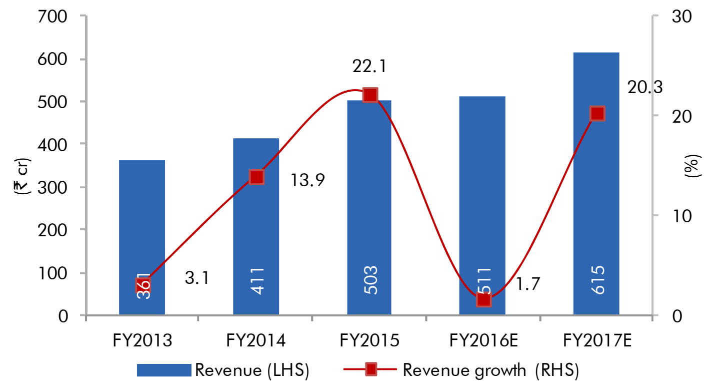
Source: Company, Angel Research

Financials

Revenue to grow on the back of global CV industry recovery

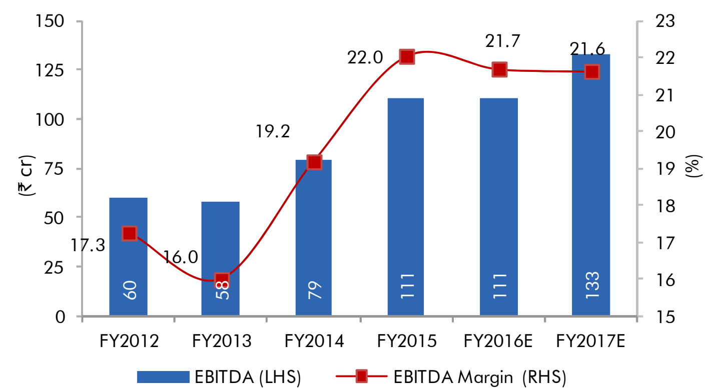
The company has witnessed a top-line CAGR of 25.0% over FY2010-15 while the global CV industry's sales have grown by close to 7.4% during the same period. The company is in the process of increasing its capacity to 65,000MT by the end of FY2016. On the back of improving demand in the CV industry across the globe and the company's strong relationship with its customers, we expect the company to successfully utilize its extended capacity and witness a strong top-line CAGR of 10.6% over FY2015-17E to ₹615cr.

Exhibit 8: Improving CV sales to drive volume



Source: Company, Angel Research

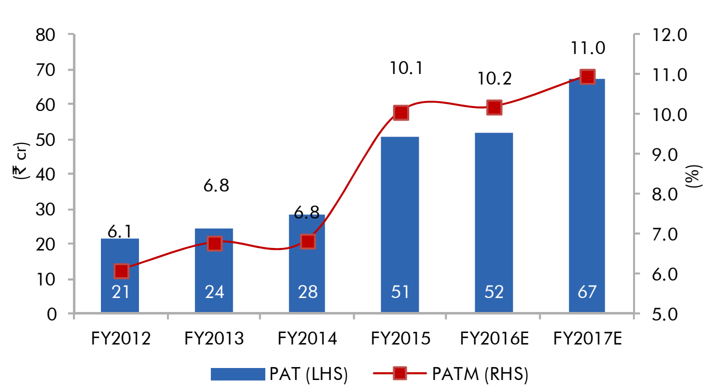
Exhibit 9: EBITDA margin to improve



Source: Company, Angel Research

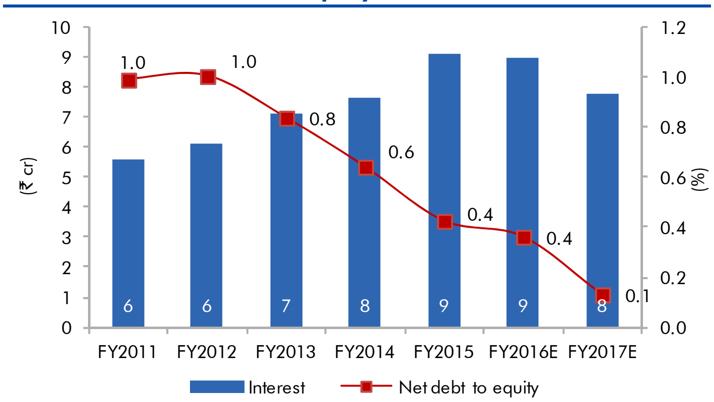
Raw material prices are expected to remain at lower levels largely due to lower commodity prices. We expect the EBITDA margin to be at 21.6% in FY2017E. Consequently, we expect the profit to be at ₹67cr in FY2017E.

Exhibit 10: PATM to improve



Source: Company, Angel Research

Exhibit 11: Net debt to equity to decrease



Source: Company, Angel Research

Exhibit 12: Relative valuation (Trailing twelve months)

Company	Mcap (₹ cr)	Sales (₹ cr)	OPM (%)	PAT (₹ cr)	EPS (₹)	RoIC (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)	EV/ Sales (x)
M M Forgings	623	508	21.6	50	41.6	19.8	12.4	2.4	6.7	1.4
Ramkrishna Forgings	1,481	929	19.3	87	31.6	11.0	17.0	3.3	12.7	2.4

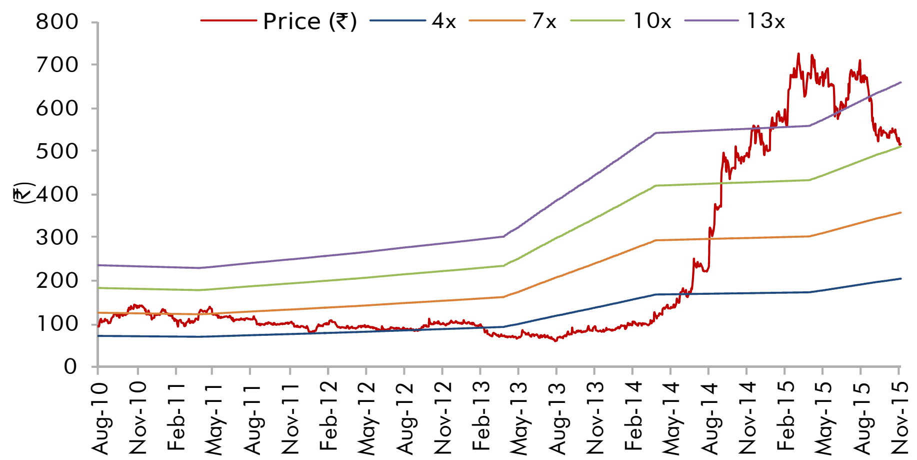
Source: Company, Angel Research;

Outlook and valuation: We expect MMFL to register a revenue CAGR of 10.6% over FY2015-17E to ₹615cr in FY2017E. The company's EBITDA margin is expected to stabilize at 21.6% for FY2017E. Consequently, the net profit is expected to improve to ₹67cr in FY2017E.

Given that the company is increasing its capacity to cater to improving demand from domestic CV industry as well as from its major export market - USA, we are positive on the company from a long term perspective.

At the current market price, the company is trading at a P/E of 9.3x its FY2017E earnings. **We have a Buy rating on the stock with a target price of ₹614 based on a target P/E of 11.0x its FY2017E earnings.**

Exhibit 13: One-year forward P/E band



Source: Company, Angel Research

Concerns

Continued slowdown in CV industry: The company earns a major portion of its revenue from the CV industry, mainly in the US and Europe. Any prolonged slowdown in these economies can adversely affect the company's performance.

Adverse movement in currency: Rupee depreciation is an added advantage for the company. In case of any appreciation, the revenue of the company will be adversely affected.

Fluctuations in steel price: Any substantial fluctuation in the price of steel can lead to margin compression for the company.

Company background

MM Forgings (MMFL) was incorporated in 1946 as Madras Motors Ltd. and was renamed MM Forgings Ltd. in the year 1993. It is engaged in the manufacturing of steel forgings, with a work force of 1,105 employees. It manufactures steel forgings in raw, semi-machined and fully machined stages in various grades of Carbon, Alloy, Micro-Alloy and Stainless Steels in the weight range of 0.20Kg to 60Kg. The company caters to the forging requirements of almost all sections of the industry – Automotive, Valve and Oil-filed, Engineering and Off Highway.

The company's manufacturing plants are located at Singampunari-Pasumpon Muthuramalingam District, Viralimalai-Pudukkottai District and Karainaithangal Village- Kanchipuram District, all in Tamil Nadu. The company has its Wind Farm at Panakudi Village- Tirunelveli District and at Meenakshipuram, Theni District and the power generated is utilised for captive use.

Profit and loss statement

Y/E Mar. (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Net Sales	361	411	503	511	615
Other operating income	-	-	-	-	-
Total operating income	**361**	**411**	**503**	**511**	**615**
% chg	*3.1*	*13.9*	*22.1*	*1.7*	*20.3*
Net Raw Materials	154	176	207	203	249
% chg	*4.9*	*14.4*	*17.3*	*-2.1*	*22.9*
Power and Fuel	46	44	49	51	61
% chg	*2.7*	*(5.0)*	*12.1*	*4.1*	*20.3*
Personnel	31	39	48	55	65
% chg	*11.8*	*25.1*	*24.9*	*15.0*	*17.0*
Other	72	74	87	91	106
% chg	*2.6*	*2.0*	*18.8*	*4.0*	*17.0*
Total Expenditure	303	332	392	400	482
EBITDA	**58**	**79**	**111**	**111**	**133**
% chg	*(4.4)*	*36.6*	*40.3*	*0.1*	*20.0*
(% of Net Sales)	*16.0*	*19.2*	*22.0*	*21.7*	*21.6*
Depreciation	21	36	35	38	41
EBIT	**37**	**43**	**75**	**73**	**92**
% chg	*(1.9)*	*17.1*	*75.7*	*(2.8)*	*25.4*
(% of Net Sales)	*10.1*	*10.4*	*15.0*	*14.3*	*14.9*
Interest & other Charges	**7**	**8**	**9**	**9**	**8**
Other Income	1	3	2	5	5
(% of Net Sales)	*0.1*	*0.8*	*0.5*	*0.9*	*0.9*
Recurring PBT	**30**	**35**	**66**	**64**	**84**
% chg	*(5.5)*	*19.5*	*87.9*	*(3.0)*	*30.8*
PBT (reported)	**30**	**38**	**69**	**69**	**89**
Tax	6	9	18	17	22
(% of PBT)	*18.6*	*23.7*	*26.4*	*24.6*	*24.6*
PAT (reported)	**24**	**29**	**51**	**52**	**67**
Extraordinary Expense/(Inc.)	0	1	0	0	0
ADJ. PAT	**24**	**28**	**51**	**52**	**67**
% chg	*14.8*	*14.8*	*80.0*	*3.0*	*29.4*
(% of Net Sales)	*6.8*	*6.8*	*10.1*	*10.2*	*11.0*
Basic EPS (₹)	**20.3**	**23.3**	**41.9**	**43.1**	**55.8**
Fully Diluted EPS (₹)	**20.3**	**23.3**	**41.9**	**43.1**	**55.8**
% chg	*14.8*	*14.8*	*80.0*	*3.0*	*29.4*

Balance sheet

Y/E Mar. (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
SOURCES OF FUNDS					
Equity Share Capital	12	12	12	12	12
Reserves& Surplus	160	184	226	274	337
Shareholders' Funds	**172**	**196**	**238**	**286**	**349**
Total Loans	146	151	190	200	180
Other Long Term Liabilities	1	1	1	1	1
Long Term Provisions	0	0	0	0	0
Deferred Tax (Net)	11	11	12	12	12
Total liabilities	**329**	**359**	**441**	**499**	**542**
APPLICATION OF FUNDS					
Gross Block	398	438	499	524	595
Less: Acc. Depreciation	202	238	273	311	352
Net Block	**196**	**200**	**225**	**213**	**243**
Capital Work-in-Progress	4	7	11	51	6
Goodwill	-	-	-	-	-
Investments	0	0	0	0	0
Long Term Loans and adv.	14	16	15	18	18
Other Non-current asset	3	4	4	4	5
Current Assets	**146**	**151**	**218**	**239**	**301**
Cash	1	25	89	96	134
Loans & Advances	39	20	21	21	26
Inventory	71	76	79	92	106
Debtors	34	29	29	30	36
Other current assets	0	0	0	0	0
Current liabilities	**34**	**19**	**32**	**26**	**31**
Net Current Assets	**112**	**132**	**186**	**213**	**270**
Misc. Exp. not written off	-	-	-	-	-
Total Assets	**329**	**359**	**441**	**499**	**542**

Cash flow statement

Y/E Mar. (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Profit before tax	30	38	69	69	89
Depreciation	21	36	35	38	41
Change in Working Capital	2	4	10	(20)	(20)
Direct taxes paid	(6)	(9)	(17)	(17)	(22)
Others	10	(34)	9	(5)	(5)
Cash Flow from Operations	**57**	**35**	**106**	**65**	**83**
(Inc.)/Dec. in Fixed Assets	(30)	(43)	(65)	(65)	(26)
(Inc.)/Dec. in Investments	(0)	-	-	-	-
(Incr)/Decr In LT loans & adv.	(5)	(3)	2	(3)	(1)
Others	6	6	0	5	5
Cash Flow from Investing	**(30)**	**(40)**	**(63)**	**(63)**	**(22)**
Issue of Equity	0	-	-	-	-
Inc./(Dec.) in loans	(9)	6	39	10	(20)
Dividend Paid (Incl. Tax)	(4)	(6)	(8)	(4)	(4)
Others	(15)	6	(10)	-	-
Cash Flow from Financing	**(28)**	**6**	**21**	**5**	**(24)**
Inc./(Dec.) in Cash	(0)	1	64	7	38
Opening Cash balances	**1**	**24**	**25**	**89**	**96**
Closing Cash balances	**1**	**25**	**89**	**96**	**134**

Key ratios

Y/E Mar.	FY2013	FY2014	FY2015	FY2016E	FY2017E
Valuation Ratio (x)					
P/E (on FDEPS)	25.5	22.2	12.3	12.0	9.3
P/CEPS	13.7	9.7	7.3	7.0	5.7
P/BV	3.6	3.2	2.6	2.2	1.8
EV/Net sales	2.1	1.8	1.4	1.4	1.1
EV/EBITDA	13.3	9.5	6.5	6.6	5.0
EV / Total Assets	2.4	2.2	1.7	1.5	1.3
Per Share Data (₹)					
EPS (Basic)	20.3	23.3	41.9	43.1	55.8
EPS (fully diluted)	20.3	23.3	41.9	43.1	55.8
Cash EPS	37.8	53.1	71.2	74.3	89.9
DPS	3.0	4.0	6.0	6.0	6.0
Book Value	142.6	162.2	197.1	236.7	289.1
DuPont Analysis					
EBIT margin	10.1	10.4	15.0	14.3	14.9
Tax retention ratio	0.8	0.8	0.7	0.8	0.8
Asset turnover (x)	1.2	1.3	1.6	1.5	1.7
ROIC (Post-tax)	9.7	10.4	17.2	16.6	19.0
Cost of Debt (Post Tax)	3.9	3.9	3.9	3.5	3.1
Leverage (x)	0.8	0.6	0.4	0.4	0.1
Operating ROE	14.6	14.6	22.9	21.3	21.1
Returns (%)					
ROCE (Pre-tax)	11.7	12.9	19.4	16.0	18.1
Angel ROIC (Pre-tax)	11.9	13.7	23.4	22.0	25.2
ROE	15.1	15.3	23.3	19.9	21.2
Turnover ratios (x)					
Asset TO (Gross Block)	0.9	1.0	1.1	1.0	1.1
Inventory / Net sales (days)	79	65	56	61	59
Receivables (days)	29	28	21	21	21
Payables (days)	34	29	24	24	24
WC cycle (ex-cash) (days)	113	96	74	76	75
Solvency ratios (x)					
Net debt to equity	0.8	0.6	0.4	0.4	0.1
Net debt to EBITDA	2.5	1.6	0.9	0.9	0.3
Int. Coverage (EBIT/ Int.)	5.1	5.6	8.2	8.2	11.8

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	**M M Forgings**
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%)*