

ASHOK LEYLAND LTD



Ashok Leyland Limited is an Indian multinational commercial vehicle manufacturer, headquartered in Chennai and part of the Hinduja Group, primarily engaged in producing trucks, buses, light commercial vehicles, defence vehicles, and engines. Founded in 1948 (as Ashok Motors) and renamed after collaborating with British Leyland in 1955, it has grown to become the 2nd largest commercial vehicle maker in India and one of the leading bus and truck manufacturers globally, with operations spanning multiple plants in India and a presence in over 50 countries.

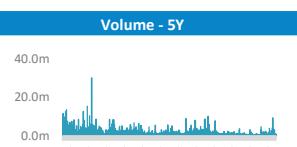
INR (Cr\$)

Key Financial Metrics	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Share Price - 5Y	
Total Sales	19,454	26,237	41,673	45,703	48,535	200	
Sales Growth (y-o-y)	-11.38%	34.87%	58.83%	9.67%	6.20%	150	
Gross Profit Margins (%)	24.60%	20.95%	20.75%	25.79%	28.61%	100	
EBITDA Margins (%)	12.66%	10.54%	12.22%	17.19%	18.97%	50	
EBIT Margins (%)	8.36%	7.24%	10.06%	15.16%	16.73%	0	
Net Margins (%)	-1.42%	-0.21%	2.86%	5.55%	6.13%		
Earnings Per Share (in Rs.)	0.47	-0.09	2.03	4.32	5.07		
EPS Growth (y-o-y)	-168.81%	-79.91%	-2244.21%	112.57%	17.38%		
Dividend Per Share (in Rs.)	0.30	0.50	1.30	2.47	3.12		
DPS Growth (y-o-y)	20.00%	66.67%	160.00%	90.38%	26.26%		



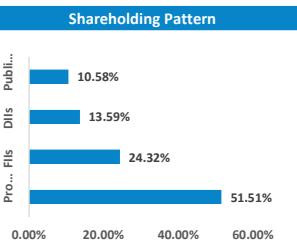
Key Financial Ratios

Key Financial Ratios	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Volume - 5Y
Price to Earnings	-120.35x	-618.77x	34.26x	19.83x	20.14x	40.0m
EV/EBITDA	25.01x	23.98x	24.11x	37.67x	41.40x	20.0m
EV/Sales	2.86x	2.15x	1.68x	1.84x	2.12x	0.0m
Price to Book Value	4.24x	4.71x	4.78x	5.58x	4.90x	
Return on Equity	-3.52%	-0.76%	13.95%	28.17%	24.34%	
Return on Capital Employed	5.09%	6.04%	10.56%	13.91%	13.06%	



Top 10 Shareholders

Top 10 Shareholders	No. of Shares (in Crs)	% Holding	Market Value (in Crs)	Shareholding Pattern
Hinduja Automotive Limited	203.9	35.00%	35802.3	
JP Morgan Chase Bank NA	65.8	11.30%	11561.5	
Hinduja Bank (Switzerland) Ltd	29.0	4.97%	5089.0	
Government of Singapore	13.4	2.30%	2355.2	
SBI Mutual Fund	11.0	1.89%	1935.5	
Government Pension Fund Global	10.2	1.75%	1786.2	
SBI Life Insurance Co. Ltd	9.5	1.63%	1666.7	
Life Insurance Corporation of India	8.8	1.52%	1552.1	
T. Rowe Price Emerging Markets Discovery Stock Trust	7.7	1.32%	1351.3	
Kotak Mahindra Trustee Co. Ltd	6.4	1.10%	1125.9	



Managerial Remuneration

Managerial Remuneration	Designation	Remuneration (INR Crs.)	X of Median Salary	Capital Structure
Mr. Dheeraj G Hinduja	Executive Chairman	28.72	221:1	Share Price as on XXX 173.56
Mr. Shenu Agarwal	Managing Director & CEO	12.30	95:1	Number of Shares o/s 587
Mr. Gopal Mahadevan	Strategic Finance and M&A Director	16.38	126:1	Market Capitalisation 1,01,947
Mr. K M Balaji	Chief Financial Officer	4.73	36:1	Less: Cash -7,263.44
Mr. N Ramanathan	Company Secretary	2.41	19:1	Add: Total Debt 49962.11



Recent Updates

- Reported strong Q2 FY26 results with consolidated revenue around ₹12,577 crore, up about 13% year-on-year, and net profit around ₹756–820 crore, up 7–7.5% YoY.
- PAT in Q2 FY26 hit an all-time high of about ₹771 crore on a standalone basis, with EBITDA of about ₹1,162 crore and margins near 12.1%.
- The company remains net cash positive, ending Q2 FY26 with an estimated net cash position of around ₹1,000 crore, a sharp improvement versus last year.
- Stock has been active, hitting new 52-week highs recently on the back of strong sales, earnings momentum, and positive brokerage views on the CV upcycle.
- Ashok Leyland plans to add over 50 new dealerships and service outlets in North India in 2025 to strengthen its network and capture regional growth.
- The company is aggressively pushing alternate-fuel solutions, including electric and LNG trucks, with several LNG products already launched and more planned by FY26.
- Switch Mobility, its EV arm, continues to expand electric buses and LCV offerings in India and overseas, contributing to the group's sustainable mobility strategy.
- Recently showcased a new compact engine line at EXCON 2025, targeting better performance, fuel efficiency, and compliance with stricter emission norms.

(Amount in INR Cr.)

Years	Historical Financial Statement - ASHOK LEYLAND LTD										
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	LTM
Income Statement											
Sales	₹ 21,259.9	₹ 22,871.0	₹ 29,635.6	₹ 33,196.8	₹ 21,951.3	₹ 19,454.1	₹ 26,237.2	₹ 41,672.6	₹ 45,703.3	₹ 48,535.1	₹ 50,976.2
Sales Growth	-	7.58%	29.58%	12.02%	-33.88%	-11.38%	34.87%	58.83%	9.67%	6.20%	5.03%
COGS	₹ 16,069.6	₹ 17,104.0	₹ 22,107.3	₹ 24,963.8	₹ 16,086.5	₹ 14,668.2	₹ 20,740.3	₹ 33,026.1	₹ 33,915.9	₹ 34,651.3	₹ 41,034.6
COGS % sales	75.59%	74.78%	74.60%	75.20%	73.28%	75.40%	79.05%	79.25%	74.21%	71.39%	80.50%
Gross Profit	₹ 5,190.34	₹ 5,766.98	₹ 7,528.34	₹ 8,233.08	₹ 5,864.81	₹ 4,785.87	₹ 5,496.82	₹ 8,646.46	₹ 11,787.45	₹ 13,883.84	₹ 9,941.54
Gross Margins	24.41%	25.22%	25.40%	24.80%	26.72%	24.60%	20.95%	20.75%	25.79%	28.61%	19.50%
Selling & General Expenses	₹ 2,211.42	₹ 2,722.03	₹ 3,279.91	₹ 3,323.08	₹ 2,631.46	₹ 2,323.93	₹ 2,731.58	₹ 3,553.56	₹ 3,931.88	₹ 4,676.09	₹ 0.00
S&G Exp % Sales	10.40%	11.90%	11.07%	10.01%	11.99%	11.95%	10.41%	8.53%	8.60%	9.63%	0.00%
EBITDA	₹ 2,978.92	₹ 3,044.95	₹ 4,248.43	₹ 4,910.00	₹ 3,233.35	₹ 2,461.94	₹ 2,765.24	₹ 5,092.90	₹ 7,855.57	₹ 9,207.75	₹ 9,960.91
EBITDA Margins	14.01%	13.31%	14.34%	14.79%	14.73%	12.66%	10.54%	12.22%	17.19%	18.97%	19.54%
Interest	₹ 925.05	₹ 1,048.80	₹ 1,227.38	₹ 1,502.24	₹ 1,801.65	₹ 1,900.64	₹ 1,869.05	₹ 2,093.50	₹ 2,982.25	₹ 3,930.21	₹ 4,328.01
Interest % sales	4.35%	4.59%	4.14%	4.53%	8.21%	9.77%	7.12%	5.02%	6.53%	8.10%	8.49%
Depreciation	₹ 523.94	₹ 572.79	₹ 645.89	₹ 675.56	₹ 749.99	₹ 835.62	₹ 865.96	₹ 900.22	₹ 927.29	₹ 1,086.65	₹ 1,148.83
Depreciation % sales	2.46%	2.50%	2.18%	2.04%	3.42%	4.30%	3.30%	2.16%	2.03%	2.24%	2.25%
Earnings Before Tax	₹ 1,529.93	₹ 1,423.36	₹ 2,375.16	₹ 2,732.20	₹ 681.71	(₹ 274.3)	₹ 30.23	₹ 2,099.18	₹ 3,946.03	₹ 4,190.89	₹ 4,484.07
EBT % Sales	7.20%	6.22%	8.01%	8.23%	3.11%	-1.41%	0.12%	5.04%	8.63%	8.63%	8.80%
Tax	₹ 496.57	₹ 196.12	₹ 751.11	₹ 677.06	₹ 279.36	₹ 2.52	₹ 85.86	₹ 906.11	₹ 1,409.73	₹ 1,213.54	₹ 1,225.22
Effective Tax Rate	32.46%	13.78%	31.62%	24.78%	40.98%	-0.92%	284.02%	43.16%	35.73%	28.96%	27.32%
Net profit	₹ 1,033.36	₹ 1,227.24	₹ 1,624.05	₹ 2,055.14	₹ 402.35	(₹ 276.8)	(₹ 55.6)	₹ 1,193.07	₹ 2,536.30	₹ 2,977.35	₹ 3,258.85
Net Margins	4.86%	5.37%	5.48%	6.19%	1.83%	-1.42%	-0.21%	2.86%	5.55%	6.13%	6.39%
No. of Equity Shares	569.18	569.18	585.42	587.11	587.11	587.11	587.11	587.23	587.27	587.31	0
Earnings per Share	1.82	2.16	2.77	3.50	0.69	-0.47	-0.09	2.03	4.32	5.07	0.00
EPS Growth %	18.76%	28.66%	26.18%	-80.42%	-168.81%	-79.91%	-2244.21%	112.57%	17.38%	-100.00%	
Dividend per Share	0.47	0.78	1.22	1.55	0.25	0.30	0.50	1.30	2.47	3.12	0.00
Dividend payout ratio	26.16%	36.18%	43.80%	44.28%	36.48%	-63.62%	-527.68%	63.99%	57.31%	61.64%	0.00%
Retained earnings	73.84%	63.82%	56.20%	55.72%	63.52%	0.00%	0.00%	36.01%	42.69%	38.36%	0.00%
Balance Sheet											
Equity Share Capital	₹ 284.59	₹ 284.59	₹ 292.71	₹ 293.55	₹ 293.55	₹ 293.55	₹ 293.55	₹ 293.61	₹ 293.63	₹ 293.65	
Reserves	₹ 4,979.11	₹ 6,108.36	₹ 7,127.88	₹ 8,452.02	₹ 7,495.26	₹ 7,568.47	₹ 7,010.34	₹ 8,258.15	₹ 8,710.99	₹ 11,938.44	
Borrowings	₹ 11,053.57	₹ 13,167.93	₹ 15,791.04	₹ 19,167.91	₹ 22,417.19	₹ 24,077.17	₹ 24,145.02	₹ 31,160.93	₹ 40,802.18	₹ 49,962.11	
Other Liabilities	₹ 5,805.70	₹ 7,048.18	₹ 10,171.23	₹ 11,212.12	₹ 7,923.97	₹ 10,118.77	₹ 12,124.74	₹ 14,984.24	₹ 17,788.31	₹ 19,352.11	
Total Liabilities	₹ 22,122.97	₹ 26,609.06	₹ 33,382.86	₹ 39,125.60	₹ 38,129.97	₹ 42,057.96	₹ 43,573.65	₹ 54,696.93	₹ 67,595.11	₹ 81,546.31	
Fixed Assets Net Block	₹ 5,889.78	₹ 6,590.79	₹ 6,596.14	₹ 6,695.47	₹ 8,030.93	₹ 8,484.22	₹ 7,894.58	₹ 8,146.31	₹ 8,156.51	₹ 8,836.79	
Capital Work in Progress	₹ 87.37	₹ 244.19	₹ 439.42	₹ 677.61	₹ 573.89	₹ 335.54	₹ 240.01	₹ 268.12	₹ 414.82	₹ 577.29	
Investments	₹ 1,031.08	₹ 1,933.32	₹ 4,382.58	₹ 1,491.88	₹ 960.34	₹ 1,095.63	₹ 2,652.12	₹ 4,852.35	₹ 2,328.61	₹ 6,609.65	
Other Assets	₹ 10,014.51	₹ 12,583.51	₹ 17,344.37	₹ 22,688.75	₹ 23,277.61	₹ 24,847.28	₹ 24,844.14	₹ 31,615.64	₹ 41,708.96	₹ 50,926.19	
Total Non Current Assets	₹ 17,022.74	₹ 21,351.81	₹ 28,762.51	₹ 31,553.71	₹ 32,842.77	₹ 34,762.67	₹ 35,630.85	₹ 44,882.42	₹ 52,608.90	₹ 66,949.92	
Receivables	₹ 1,461.38	₹ 1,238.40	₹ 1,175.51	₹ 2,717.18	₹ 1,504.69	₹ 3,020.91	₹ 3,264.09	₹ 4,187.36	₹ 3,898.15	₹ 3,346.87	
Inventory	₹ 1,922.33	₹ 2,955.24	₹ 2,214.33	₹ 3,077.42	₹ 1,547.21	₹ 2,495.85	₹ 2,540.55	₹ 3,440.43	₹ 4,008.01	₹ 3,986.08	
Cash & Bank	₹ 1,716.52	₹ 1,063.61	₹ 1,230.51	₹ 1,777.29	₹ 2,235.30	₹ 1,778.53	₹ 2,138.16	₹ 2,186.72	₹ 7,080.05	₹ 7,263.44	
Total Current Assets	₹ 5,100.23	₹ 5,257.25	₹ 4,620.35	₹ 7,571.89	₹ 5,287.20	₹ 7,295.29	₹ 7,942.80	₹ 9,814.51	₹ 14,986.21	₹ 14,596.39	
Total Assets	₹ 22,122.97	₹ 26,609.06	₹ 33,382.86	₹ 39,125.60	₹ 38,129.97	₹ 42,057.96	₹ 43,573.65	₹ 54,696.93	₹ 67,595.11	₹ 81,546.31	

Years	Ratio Analysis - ASHOK LEYLAND LTD											
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Trend	Mean
Sales Growth	7.58%	29.58%	12.02%	-33.88%	-11.38%	34.87%	58.83%	9.67%	6.20%		12.61%	9.67%
EBITDA Growth	2.22%	39.52%	15.57%	-34.15%	-23.86%	12.32%	84.18%	54.25%	17.21%		18.58%	15.57%
EBT Growth	-6.97%	66.87%	15.03%	-75.05%	-140.24%	-111.02%	6844.03%	87.98%	6.21%		742.98%	6.21%
Net Profit Growth	18.76%	32.33%	26.54%	-80.42%	-168.81%	-79.91%	-2244.65%	112.59%	17.39%		-262.91%	17.39%
Dividend Growth	64.21%	55.77%	27.57%	-83.87%	20.00%	66.67%	160.00%	90.38%	26.26%		47.44%	55.77%
Gross Margin	24.41%	25.22%	25.40%	24.80%	26.72%	24.60%	20.95%	20.75%	25.79%		24.72%	25.01%
EBITDA Margin	14.01%	13.31%	14.34%	14.79%	14.73%	12.66%	10.54%	12.22%	17.19%		14.28%	14.17%
EBIT Margin	11.55%	10.81%	12.16%	12.76%	11.31%	8.36%	7.24%	10.06%	15.16%		11.61%	11.43%
EBT Margin	7.20%	6.22%	8.01%	8.23%	3.11%	-1.41%	0.12%	5.04%	8.63%		5.38%	6.71%
Net Profit Margin	4.86%	5.37%	5.48%	6.19%	1.83%	-1.42%	-0.21%	2.86%	5.55%		3.66%	5.11%
Sales Expenses % Sales	10.40%	11.90%	11.07%	10.01%	11.99%	11.95%	10.41%	8.53%	8.60%		10.45%	10.41%
Depreciation % Sales	2.46%	2.50%	2.18%	2.04%	3.42%	4.30%	3.30%	2.16%	2.03%		2.66%	2.35%
Operating Income % Sales	11.55%	10.81%	12.16%	12.76%	11.31%	8.36%	7.24%	10.06%	15.16%		11.61%	11.43%
Return on Capital Employed	15.05%	12.64%	15.52%	15.17%	8.22%	5.09%	6.04%	10.56%	13.91%		11.53%	12.85%
Retained Earnings %	73.84%	63.82%	56.20%	55.72%	63.52%	0.00%	0.00%	36.01%	42.69%		38.36%	49.21%
Return on Equity %	19.63%	19.20%	21.89%	23.50%	5.17%	-3.52%	-0.76%	13.95%	28.17%		24.34%	19.41%
Self sustained Growth Rate	14.50%	12.25%	12.30%	13.09%	3.28%	0.00%	0.00%	5.02%	12.03%		9.34%	10.68%
Interest Coverage Ratio	2.65x	2.36x	2.94x	2.82x	1.38x	0.86x	1.02x	2.00x	2.32x		2.07x	2.19x
Debtor Turnover Ratio	14.55x	18.47x	25.21x	12.22x	14.59x	6.44x	8.04x	9.95x	11.72x		14.50x	13.36x
Creditor Turnover Ratio	3.66x	3.24x	2.91x	2.96x	2.77x	1.92x	2.16x	2.78x	2.57x		2.51x	2.78x
Inventory Turnover	11.06x	7.74x	13.38x	10.79x	14.19x	7.79x	10.33x	12.11x	11.40x		12.18x	11.23x
Fixed Asset Turnover	3.61x	3.47x	4.49x	4.96x	2.73x	2.29x	3.32x	5.12x	5.60x		5.49x	4.05x
Capital Turnover Ratio	4.04x	3.58x	3.99x	3.80x	2.82x	2.47x	3.59x	4.87x	5.08x		3.97x	3.88x
Debtor Days	25	20	14	30	25	57	45	37	31		25	28
Creditor Days	100	112	125	123	132	190	169	131	142		146	132
Inventory Days	33	47	27	34	26	47	35	30	32		30	33
Cash Conversion Cycle	-42	-46	-84	-60	-81	-86	-88	-64	-79		-90	-80
CFO/Sales	-21.13%	-7.95%	0.33%	-32.05%	-3.70%	-15.48%	17.14%	-28.22%	-37.66%		-10.38%	-12.93%
CFO/Total Assets	-20.30%	-6.84%	0.29%	-27.19%	-2.13%	-7.16%	10.32%	-21.50%	-25.46%		-6.18%	-7.00%
CFO/Total Debt	-40.64%	-13.81%	0.61%	-55.50%	-3.63%	-12.51%	18.63%	-37.74%	-42.19%		-10.08%	-13.16%

Common Size Income Statement - ASHOK LEYLAND LTD

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Sales	100.00%									
Raw Material Cost	67.91%	67.65%	60.97%	67.83%	54.84%	64.65%	66.95%	70.67%	65.20%	60.61%
Change in Inventory	2.18%	3.23%	-3.88%	2.77%	-5.95%	2.72%	-0.18%	1.51%	1.24%	-0.54%
Power and Fuel	0.59%	0.82%	0.80%	0.78%	0.84%	0.87%	0.72%	0.67%	0.66%	0.65%
Other Mfr. Exp	1.17%	1.31%	1.23%	1.18%	1.25%	1.16%	1.13%	1.51%	1.45%	0.85%
Employee Cost	8.09%	8.24%	7.72%	8.17%	10.40%	11.44%	10.06%	7.91%	8.15%	8.74%
Selling and admin	10.83%	11.05%	10.53%	9.83%	12.10%	9.37%	8.37%	7.69%	8.09%	7.76%
Other Expenses	-0.43%	0.85%	0.53%	0.18%	-0.11%	2.57%	2.04%	0.83%	0.51%	1.87%
Other Income	-1.51%	1.77%	0.64%	0.42%	0.26%	1.07%	-0.88%	0.40%	0.35%	0.84%
Depreciation	2.46%	2.50%	2.18%	2.04%	3.42%	4.30%	3.30%	2.16%	2.03%	2.24%
Interest	4.35%	4.59%	4.14%	4.53%	8.21%	9.77%	7.12%	5.02%	6.53%	8.10%
Profit before tax	5.69%	8.00%	8.65%	8.65%	3.37%	-0.34%	-0.76%	5.44%	8.98%	9.47%
Tax	2.34%	0.86%	2.53%	2.04%	1.27%	0.01%	0.33%	2.17%	3.08%	2.50%
Net profit	3.21%	6.95%	5.94%	6.26%	1.53%	-0.85%	-1.37%	2.97%	5.43%	6.40%
Dividend Amount	1.27%	1.94%	2.40%	2.74%	0.67%	0.91%	1.12%	1.83%	3.18%	3.78%
EBITDA	12.36%	14.90%	14.80%	14.86%	14.43%	13.23%	9.38%	12.33%	17.07%	19.24%

Common Size Balance Sheet - ASHOK LEYLAND LTD

Particulars	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Total Liabilities	100.00%									
Equity Share Capital	1.29%	1.07%	0.88%	0.75%	0.77%	0.70%	0.67%	0.54%	0.43%	0.36%
Reserves	22.51%	22.96%	21.35%	21.60%	19.66%	18.00%	16.09%	15.10%	12.89%	14.64%
Borrowings	49.96%	49.49%	47.30%	48.99%	58.79%	57.25%	55.41%	56.97%	60.36%	61.27%
Other Liabilities	26.24%	26.49%	30.47%	28.66%	20.78%	24.06%	27.83%	27.40%	26.32%	23.73%
Total Assets	100.00%									
Net Block	26.62%	24.77%	19.76%	17.11%	21.06%	20.17%	18.12%	14.89%	12.07%	10.84%
Capital Work in Progress	0.39%	0.92%	1.32%	1.73%	1.51%	0.80%	0.55%	0.49%	0.61%	0.71%
Investments	4.66%	7.27%	13.13%	3.81%	2.52%	2.61%	6.09%	8.87%	3.44%	8.11%
Other Assets	45.27%	47.29%	51.96%	57.99%	61.05%	59.08%	57.02%	57.80%	61.70%	62.45%
Receivables	6.61%	4.65%	3.52%	6.94%	3.95%	7.18%	7.49%	7.66%	5.77%	4.10%
Inventory	8.69%	11.11%	6.63%	7.87%	4.06%	5.93%	5.83%	6.29%	5.93%	4.89%
Cash & Bank	7.76%	4.00%	3.69%	4.54%	5.86%	4.23%	4.91%	4.00%	10.47%	8.91%

ASHOK LEYLAND LTD

(ASHOKLEY | BSE Code: 500477)



ASHOK LEYLAND LTD - Sales Forecasting				ASHOK LEYLAND LTD - EBITDA Forecasting				ASHOK LEYLAND LTD - Earnings per Share Forecasting			
Year Weight	Year	Sales	Sales Growth	Year Weight	Year	Sales	Sales Growth	Year Weight	Year	Sales	Sales Growth
1	2016A	21,259.9		1	2016A	1,520.9		1	2016A	1.8	
2	2017A	22,871.0	7.58%	2	2017A	1,825.7	20.04%	2	2017A	2.2	18.76%
3	2018A	29,635.6	29.58%	3	2018A	1,958.7	7.29%	3	2018A	2.8	28.66%
4	2019A	33,196.8	12.02%	4	2019A	2,497.5	27.51%	4	2019A	3.5	26.18%
5	2020A	21,951.3	-33.88%	5	2020A	1,862.9	-25.41%	5	2020A	0.7	-80.42%
6	2021A	19,454.1	-11.38%	6	2021A	2,223.5	19.36%	6	2021A	-0.5	-168.81%
7	2022A	26,237.2	34.87%	7	2022A	2,353.5	5.85%	7	2022A	-0.1	-79.91%
8	2023A	41,672.6	58.83%	8	2023A	2,897.4	23.11%	8	2023A	2.0	-2244.21%
9	2024A	45,703.3	9.67%	9	2024A	2,229.9	-23.04%	9	2024A	4.3	112.57%
10	2025A	48,535.1	6.20%	10	2025A	2,480.2	11.23%	10	2025A	5.1	17.38%
11	2026E	45,788.8	-5.66%	11	2026E	2,721.2	9.72%	11	2026E	3.1	-38.11%
12	2027E	48,468.2	5.85%	12	2027E	2,818.7	3.58%	12	2027E	3.3	5.56%
13	2028E	51,147.7	5.53%	13	2028E	2,916.1	3.46%	13	2028E	3.5	5.26%
14	2029E	53,827.2	5.24%	14	2029E	3,013.6	3.34%	14	2029E	3.7	5.00%
15	2030E	56,506.7	4.98%	15	2030E	3,111.1	3.23%	15	2030E	3.8	4.76%



Dupont Analysis - Return on Equity & Return on Asset

	Return on Equity (ROE)						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Profit	2,078.7	336.7	-165.2	-358.6	1,238.7	2,483.5	3,106.8
Average Shareholder Equity	12,455.9	12,161.6	11,756.4	11,234.9	12,203.7	13,280.5	16,734.4
Return on Equity	16.69%	2.77%	-1.41%	-3.19%	10.15%	18.70%	18.57%

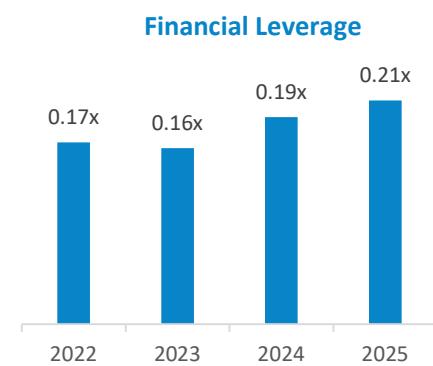
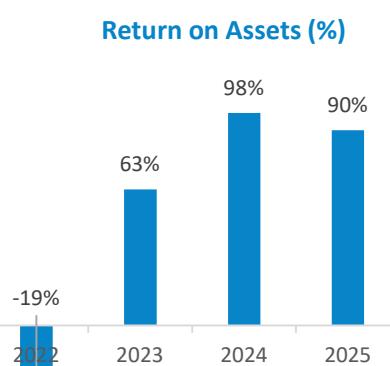
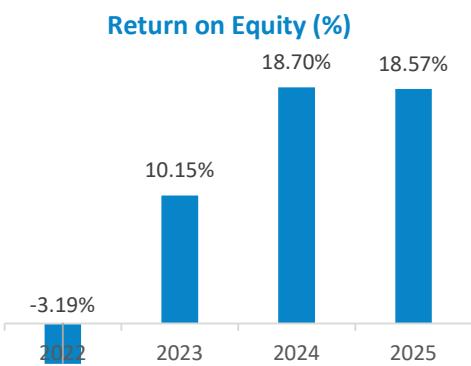
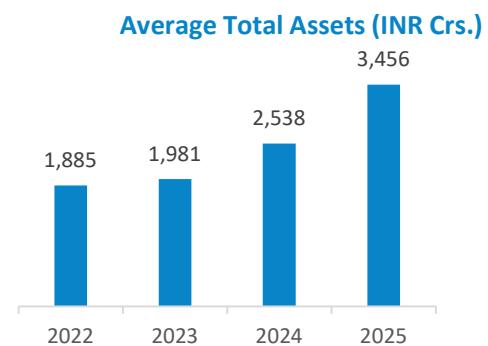
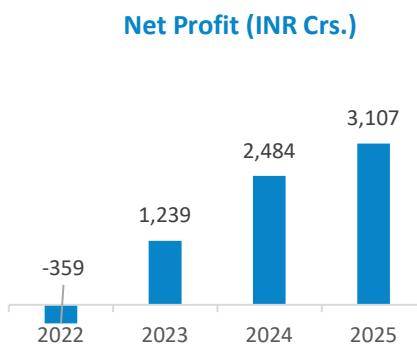
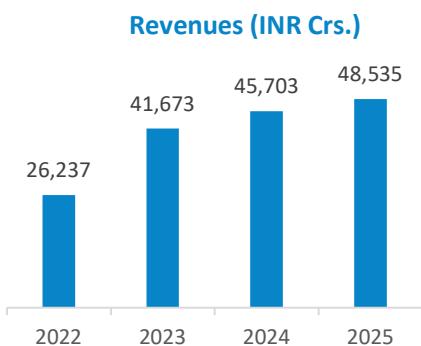
	ROE - Dupont Equation						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Profit	2,078.7	336.7	-165.2	-358.6	1,238.7	2,483.5	3,106.8
Revenue	33,196.8	21,951.3	19,454.1	26,237.2	41,672.6	45,703.3	48,535.1
Net Profit Margin (A)	6.26%	1.53%	-0.85%	-1.37%	2.97%	5.43%	6.40%
Revenue	33,196.8	21,951.3	19,454.1	26,237.2	41,672.6	45,703.3	48,535.1
Average Total Asset	1,364.8	1,651.9	1,851.1	1,884.8	1,981.3	2,537.9	3,456.2
Asset Turnover Ratio (B)	24.3x	13.3x	10.5x	13.9x	21.0x	18.0x	14.0x
Average Total Asset	1,364.8	1,651.9	1,851.1	1,884.8	1,981.3	2,537.9	3,456.2
Average Shareholder Equity	12,455.9	12,161.6	11,756.4	11,234.9	12,203.7	13,280.5	16,734.4
Equity Multiplier (C)	0.11x	0.14x	0.16x	0.17x	0.16x	0.19x	0.21x
Return on Equity (A*B*C)	16.69%	2.77%	-1.41%	-3.19%	10.15%	18.70%	18.57%

	Return on Asset						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Profit	2,078.7	336.7	-165.2	-358.6	1,238.7	2,483.5	3,106.8
Average Total Asset	1,364.8	1,651.9	1,851.1	1,884.8	1,981.3	2,537.9	3,456.2
Return on Asset	152.31%	20.38%	-8.93%	-19.03%	62.52%	97.86%	89.89%

	ROA - Dupont Equation						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Profit	2,078.7	336.7	-165.2	-358.6	1,238.7	2,483.5	3,106.8
Revenue	33,196.8	21,951.3	19,454.1	26,237.2	41,672.6	45,703.3	48,535.1
Net Profit Margin (A)	6.26%	1.53%	-0.85%	-1.37%	2.97%	5.43%	6.40%
Revenue	33,196.8	21,951.3	19,454.1	26,237.2	41,672.6	45,703.3	48,535.1
Average Total Asset	1,364.8	1,651.9	1,851.1	1,884.8	1,981.3	2,537.9	3,456.2
Asset Turnover Ratio (B)	24.3x	13.3x	10.5x	13.9x	21.0x	18.0x	14.0x
Return on Asset (A*B)	152.31%	20.38%	-8.93%	-19.03%	62.52%	97.86%	89.89%

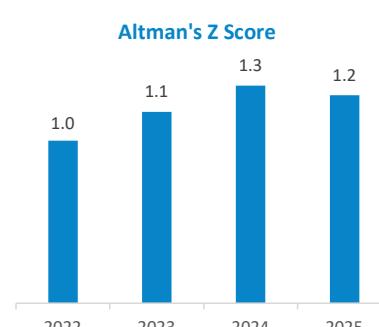
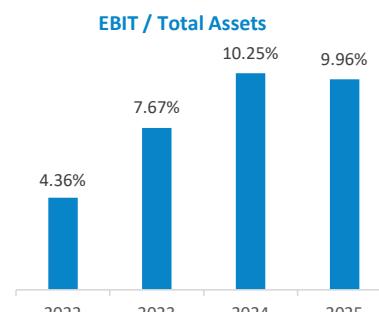
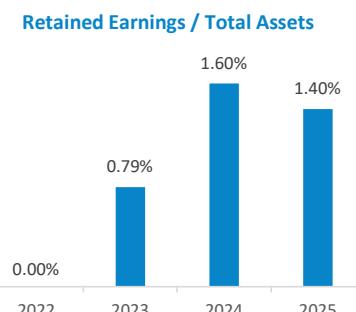
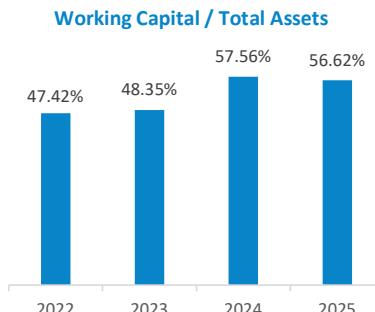
Dupont Summary

- Ashok Leyland's ROE improved sharply from negative levels in FY21–FY22 to about 18–19% by FY24–FY25, indicating a strong recovery in shareholder returns.
- The main driver of ROE improvement is the rise in net profit margin from negative in FY21–FY22 to above 5% by FY24–FY25, showing better profitability and cost control.
- Asset turnover, though declining from very high levels in FY19, remains healthy, meaning the company is still using its asset base efficiently to generate revenue.
- The equity multiplier is low (around 0.1–0.2), suggesting relatively conservative leverage; ROE gains are coming more from operating performance than from high debt.
- ROA followed a similar pattern to ROE, moving from deep negatives in FY21–FY22 to very strong levels in FY23–FY25, confirming that both profitability and asset efficiency have improved significantly.



Altman's Z Score Analysis

Financial Summary



Altman's Z Score Analysis Calculation

	Working Capital / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Working Capital	19,048.5	20,640.8	22,023.8	20,662.2	26,445.9	38,906.9	46,170.5
Total Assets	39,125.6	38,130.0	42,058.0	43,573.7	54,696.9	67,595.1	81,546.3
Working Capital / Total Assets (A)	48.69%	54.13%	52.37%	47.42%	48.35%	57.56%	56.62%

	Retained Earnings / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Retained Earnings	1,145.1	255.6	0.0	0.0	429.7	1,082.8	1,142.0
Total Assets	39,125.6	38,130.0	42,058.0	43,573.7	54,696.9	67,595.1	81,546.3
Retained Earnings / Total Assets (%)		2.93%	0.67%	0.00%	0.00%	0.79%	1.60%

	EBIT / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
EBIT	4,234.4	2,483.4	1,626.3	1,899.3	4,192.7	6,928.3	8,121.1
Total Assets	39,125.6	38,130.0	42,058.0	43,573.7	54,696.9	67,595.1	81,546.3
EBIT/Total Assets (%)	10.82%	6.51%	3.87%	4.36%	7.67%	10.25%	9.96%

	Market Cap / Long term Liabilities						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Market Cap	13,400.7	6,320.2	16,659.1	17,211.0	20,435.3	25,143.8	29,984.9
Long term Liabilities	19,167.9	22,417.2	24,077.2	24,145.0	31,160.9	40,802.2	49,962.1
Market Cap / Long term Liabilities (%)	60.81%	28.19%	69.18%	71.28%	65.58%	61.62%	60.02%

	Sales / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Total Sales	33,196.8	21,951.3	19,454.1	26,237.2	41,672.6	45,703.3	48,535.1
Total Assets	39,125.6	38,130.0	42,058.0	43,573.7	54,696.9	67,595.1	81,546.3
Ratio / Asset (%)	84.85%	57.57%	46.26%	60.21%	76.16%	67.61%	59.52%

Weighted Average Cost of Capital

All Figures are in INR Cr. unless stated otherwise

Peer Comps

Name of the Comp	Country	Total Debt	Total Equity	Tax Rate ¹	Debt/ Equity	Debt/ Capital	Levered Beta ²	Unlevered Beta ³
Ashok Leyland	India	54513.09	103009.28	30.00%	52.92%	34.61%	1.15	0.84
Tata Motors	India	5983	150568.3	30.00%	3.97%	3.82%	1.28	1.24
SML Mahindra	India	253.67	5369.52	30.00%	4.72%	4.51%	1.81	1.76
Atul Auto	India	145.18	1223.41	30.00%	11.87%	10.61%	1.64	1.52
				Average	30.00%	18.37%	13.39%	1.47
				Median	30.00%	8.30%	7.56%	1.46
								1.34
								1.38

Cost of Debt

Pre-Tax Cost of Debt	7.94%
Tax Rate	30.00%
Post-Tax Cost of Debt	5.56%

Cost of Equity

Risk Free Rate	6.54%
Equity Risk Premium	8.77%
Levered Beta ⁴	1.90
Cost of Equity	23.19%

Capital Structure

		Current	Target
Total Debt	54513.09	34.61%	35.00%
Market Capitalization	103009.28	65.39%	65.00%
Total Capital	157522.37	100.00%	100.00%
Debt / Equity		52.92%	53.85%

Notes

1. Tax Rate considered as marginal tax rate for the country
2. Levered Beta is based on 5 year monthly data
3. Unlevered Beta = Levered Beta/(1+(1-Tax rate)*Debt/Equity)
4. Levered Beta = Unlevered Beta*(1+(1-Tax rate)*Debt/Equity)

Levered Beta

Comps Median	1.38
Target Debt / Equity	53.85%
Tax Rate	30.00%
Levered Beta	1.90

Weighted Average Cost of Capital

Cost of Equity	23.19%
Equity Weight	65.00%
Cost of Debt	5.56%
Debt Weight	35.00%

WACC

17.02%

(Amount in INR Cr.)

Calculation of PV of FCFF	Mar-25A	Mar-26F	Mar-27F	Mar-28F	Mar-29F	Mar-30F
EBIT	8,250.55	10,608.60	13,640.58	17,539.13	22,551.89	28,997.33
Tax Rate	30%	30%	30%	30%	30%	30%
EBIT(1-T)	5,775.39	7,426.02	9,548.41	12,277.39	15,786.33	20,298.13
Less: Reinvestment Rate	178.47%	152.61%	126.74%	100.87%	75.00%	75.00%
Free Cash Flow to Firm (FCFF)	(4,532.20)	(3,906.52)	(2,552.98)	(106.64)	3,946.58	5,074.53
Mid Year Convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		0.924	0.790	0.675	0.577	0.493
PV of FCFF	(3,611.27)	(2,016.78)	(71.99)	2,276.73	2,501.66	

Expected Growth	28.58%
Terminal Growth	6.80%
WACC	17.02%

Calculation of Terminal Value

FCFF (n+1)	6,524.86
WACC	17.02%
Terminal Growth Rate	6.80%
Terminal Value	63844.78

Sensitivity Analysis

12.00%	14.00%	17.02%	20.00%
3.00%	131.5	120.5	109.7
4.50%	143.7	128.3	114.4
6.80%	176.0	146.7	124.3
8.00%	207.6	161.9	131.4
10.00%	344.5	207.6	148.7
			125.4

Calculation of Equity Value per Share

PV of FCFF	(921.65)
PV of Terminal Value	31,474.36
Value of Operating Assets	30,552.72

Cash	7263.44
Debt	49701.00
Value of Equity	72,990.28
No of Shares	587.39
Equity Value per Share	124.26

Share price	174.5
Discount/Premium	1.40x

Calculation of ROIC	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
(Amount in INR Cr.)					
Current Assets					
Inventories	2496.0	2541.0	3440.0	4008.0	3986.0
Trade receivables	3,021.0	3,264.0	4,187.0	3,898.0	3,347.0
Loans n Advances	6,360.0	7,207.0	8,995.0	11,286.0	13,599.0
Other asset items	18,487.0	17,637.0	22,621.0	30,423.0	37,327.0
Total Current Assets	30,364.0	30,649.0	39,243.0	49,615.0	58,259.0
Current Liabilities					
Trade Payables	5,346.0	7,250.0	7,582.0	6,798.0	8,019.0
Advance from Customers	151.0	198.0	183.0	258.0	220.0
Other liability items	3,353.0	3,391.0	4,975.0	7,922.0	7,500.0
Total Current Liabilities	8,850.0	10,839.0	12,740.0	14,978.0	15,739.0
Net Working Capital	21,514.0	19,810.0	26,503.0	34,637.0	42,520.0
Non Current Assets					
Land	1,110.0	1,096.0	1,047.0	1,050.0	1,084.0
Building	2,002.0	2,027.0	2,191.0	2,242.0	2,413.0
Plant Machinery	5,478.0	5,724.0	6,023.0	6,161.0	6,440.0
Equipments	227.0	241.0	272.0	336.0	408.0
Computers	26.0	36.0	64.0	84.0	-
Furniture n fittings	121.0	119.0	132.0	149.0	160.0
Vehicles	202.0	234.0	408.0	818.0	1,284.0
Intangible Assets	2,870.0	2,722.0	3,723.0	3,833.0	4,265.0
Other fixed assets	380.0	296.0	385.0	415.0	510.0
Gross Block	12,416.0	12,495.0	14,245.0	15,088.0	16,564.0
Accumulated Depreciation	(3,932.0)	(4,600.0)	(6,098.0)	(6,931.0)	(7,727.0)
Net Non Current Assets	8,484.0	7,895.0	8,147.0	8,157.0	8,837.0
Invested capital	29,998.0	27,705.0	34,650.0	42,794.0	51,357.0
EBIT	1,626.3	1,899.3	4,192.7	6,928.3	8,121.1
ROIC	5.421%	6.855%	12.100%	16.190%	15.813%

Calculation of Reinvestment Rate	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
(Amount in INR Cr.)					
Net Capex	726.0	402.0	854.0	1,088.0	1,599.0
Change in Working Capital		(1,704.0)	6,693.0	8,134.0	7,883.0
EBIT	1,626.3	1,899.3	4,192.7	6,928.3	8,121.1
Marginal Tax Rate	30%	30%	30%	30%	30%
EBIT(1-T)	1,138.4	1,329.5	2,934.9	4,849.8	5,684.8
Reinvestment		(1,302.0)	7,547.0	9,222.0	9,482.0
Reinvestment Rate		-97.93%	257.15%	190.15%	166.80%

4 Year Average	129.04%
4 Year Median	178.47%

Calculation of Growth Rate	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
(Amount in INR Cr.)					
Reinvestment Rate	-97.93%	257.15%	190.15%	166.80%	
ROIC	6.86%	12.10%	16.19%	15.81%	
Intrinsic Growth	-6.71%	31.12%	30.79%	26.38%	

4 Year Average	20.39%
4 Year Median	28.58%

ASHOK LEYLAND LTD

(ASHOKLEY | BSE Code: 500477)


Comparable Company Valuation

(Amount in INR Cr.)

Company	Ticker	Market Data				Financials			Valuation			
		Share Price	Shares Outstanding	Equity Value	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E	
Ashok Leyland	ASHOKLEY	175	587	1,02,605	47,250	1,49,855	50,976	9,532	3,543	2.9x	15.7x	29.0x
Tata Motors	TATAMOTORS	409	368	1,50,477	28,150	1,78,627	4,39,695	73,452	34,611	0.4x	2.4x	4.3x
SML Mahindra	SMLMAH	3,629	1	5,262	234	5,496	2,504	240	141	2.2x	22.9x	37.2x
Atul Auto	ATULAUTO	438	3	1,216	125	1,342	759	55	23	1.8x	24.6x	52.1x
High										2.9x	24.6x	52.1x
75th Percentile										2.4x	23.3x	40.9x
Average										1.8x	16.4x	30.7x
Median										2.0x	19.3x	33.1x
25th Percentile										1.4x	12.4x	22.8x
Low										0.4x	2.4x	4.3x

Cipla Comparable Valuation

EV/Revenue EV/EBITDA P/E

Implied Enterprise Value		1,01,005	1,83,866	1,55,856
Net Debt		47,250	47,250	47,250
Implied Market Value		53,755	1,36,617	1,08,606
Shares Outstanding		587	587	587
Implied Value per Share		92	233	185

Overvalued Undervalued Undervalued

ASHOK LEYLAND LTD

(ASHOKLEY | BSE Code: 500477)



Date	Price	Return	Sorted Returns	Calculation of Value at Risk - Ashok Leyland (Historical)				
				Percentile	Confidence	VAR %	Stock Price	VAR (INR)
26-03-2020	21.58	-0.37684	0.252466628	Mean		0.09%		
20-09-2019	34.63	3.743836	0.187178608	Std Deviation		2.67%		
19-05-2009	7.30	-0.38707	0.181229773	Min		-49.91%		
27-11-2007	11.91	0.275161	0.166503428	Max		25.25%		
23-01-2008	9.34	-0.43118	0.151664612	CMP			174.68	
23-05-2014	16.42	-0.56959	0.13633218					
25-09-2020	38.15	0.25	0.133729569					
13-08-2020	30.52	3.938511	0.131208302					
18-05-2009	6.18	0.082312	0.12568306	5.0%	95.00%	-3.67%	168.26	6.42
23-04-2009	5.71	-0.56111	0.119607843	1.0%	99.00%	-6.26%	163.74	10.94
01-03-2011	13.01	1.506744	0.113869863	0.5%	99.50%	-8.16%	160.43	14.25
03-11-2008	5.19	-0.53949	0.113733906	10.0%	90.00%	-2.58%	170.17	4.51
26-03-2014	11.27	-0.0351	0.112537019					
22-12-2011	11.68	-0.80893	0.112380952					
01-02-2021	61.13	6.183314	0.104825592					
09-07-2009	8.51	-0.67983	0.103761349					
08-06-2020	26.58	0.213699	0.100621118					
08-04-2020	21.90	-0.41475	0.09939759					
14-09-2020	37.42	3.701005	0.098004695					
05-08-2008	7.96	-0.23828	0.097931034					



Date	Price	Return	Sorted Returns	Replication	Simulated Returns
26-03-2020	21.58	-0.37684	0.252466628	1	-0.002130089
20-09-2019	34.63	3.743836	0.187178608	2	-0.055197388
19-05-2009	7.30	-0.38707	0.181229773	3	-0.019890498
27-11-2007	11.91	0.275161	0.166503428	4	0.004283514
23-01-2008	9.34	-0.43118	0.151664612	5	0.013727961
23-05-2014	16.42	-0.56959	0.13633218	6	0.028737403
25-09-2020	38.15	0.25	0.133729569	7	0.040488149
13-08-2020	30.52	3.938511	0.131208302	8	-0.01982316
18-05-2009	6.18	0.082312	0.12568306	9	0.002819892
23-04-2009	5.71	-0.56111	0.119607843	10	0.010863018
01-03-2011	13.01	1.506744	0.113869863	11	-0.037522594
03-11-2008	5.19	-0.53949	0.113733906	12	-0.017787267
26-03-2014	11.27	-0.0351	0.112537019	13	0.025781535
22-12-2011	11.68	-0.80893	0.112380952	14	0.000967173
01-02-2021	61.13	6.183314	0.104825592	15	-0.010618737
09-07-2009	8.51	-0.67983	0.103761349	16	-0.004179399
08-06-2020	26.58	0.213699	0.100621118	17	-0.012437388
08-04-2020	21.90	-0.41475	0.09939759	18	-0.021077654
14-09-2020	37.42	3.701005	0.098004695	19	-0.033346548
05-08-2008	7.96	-0.23828	0.097931034	20	0.025634709
23-04-2008	10.45	0.042914	0.097689076	21	-0.025692684
26-10-2007	10.02	-0.56866	0.097480832	22	-0.064670465
01-06-2020	23.23	-0.32116	0.093176471	23	0.004831396
18-08-2020	34.22	0.307604	0.091547049	24	0.001179571
30-04-2020	26.17	2.22688	0.091326105	25	0.012762671
29-05-2009	8.11	-0.45897	0.087131367	26	0.003366972
30-04-2010	14.99	0.603209	0.087019579	27	0.007997265
30-06-2006	9.35	0.044693	0.085946574	28	-0.022616366
24-07-2009	8.95	-0.76152	0.084848485	29	0.027735226
23-09-2019	37.53	0.297718	0.08374242	30	0.010356824
05-01-2015	28.92	-0.56281	0.083146067	31	-0.021096247
02-02-2021	66.15	3.918216	0.082120072	32	0.007276841
19-01-2012	13.45	-0.0756	0.082059533	33	0.061114998
19-05-2014	14.55	2.91129	0.081784387	34	0.055306046
16-12-2008	3.72	-0.97179	0.081395349	35	-0.015748479
18-08-2025	131.85	18.1087	0.081180812	36	0.023501501
18-07-2005	6.90	-0.84845	0.079812207	37	0.028574026

Calculation of Value at Risk - Ashok Leyland (Simulation)

Historical Approach

Mean	0.09%
Std Deviation	2.67%
Min	-49.91%
Max	25.25%
CMP	174.68

Monte Carlo Simulation

Mean	0.11%
Std Deviation	2.64%
Min	-10.02%
Max	9.51%
CMP	174.68

Percentile	Confidence	VAR %	Stock Price	VAR (INR)
5.0%	95.00%	-4.23%	167.30	7.38
1.0%	99.00%	-5.79%	164.56	10.12
0.5%	99.50%	-6.49%	163.34	11.34
10.0%	90.00%	-3.37%	168.80	5.88

Daily Returns Distribution

