ASHOK LEYLAND LTD - PICK OF THE WEEK **DATE - 17-11-2025**

THE INVESTMENT TRUST OF INDIA
RETAIL BROKING

Ashok Leyland, the flagship company of the Hinduja Group, is India's 2nd largest commercial vehicle manufacturer with a strong presence in 50+ countries. It holds a 31% market share in M&HCVs and operates across trucks, buses, LCVs, power solutions, defence, and financial services. The company's commercial vehicle business drives 89% of revenues, supported by 943+ touchpoints and 8 manufacturing plants. Its EV arm, Switch Mobility, has deployed 950+ electric buses globally and is expanding into heavy EV trucks.

INR (CR)

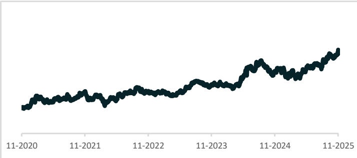
Key financial metrix	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Total sales	19454.10	26237.15	41672.60	45790.64	42333.28
Sales growth (y-o-y)	*-11.38%*	*34.87%*	*58.83%*	*9.88%*	*-7.55%*
Gross profit margins(%)	97.50%	96.54%	97.69%	98.40%	98.27%
EBITDA margins (%)	12.66%	10.54%	12.22%	17.35%	7.10%
EBIT MARGINS (%)	12.76%	11.31%	8.36%	7.24%	10.06%
Net profit Margins (%)	6.26%	1.53%	-0.85%	-1.37%	2.97%
EPS	-0.28	-0.61	2.11	4.23	5.29
EPS Growth	*-83.80%*	*-149.08%*	*117.04%*	*-445.35%*	*100.48%*
Dividend per share	-	-	1.30	2.47	3.12

Cmp (Rs.)	**148.26**
Target Price (Rs.)	**163**
Potential Upside (%)	**10**

Company info	
NSE Code	**ASHOKLEY**
Face value	1
52 Week High (Rs.)	153
52 WeekLow(Rs.)	95
FY25 EPS (Rs.)	5.55

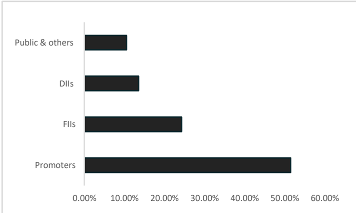
Key financial ratios	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Price to earning ratio	-201.65x	-95.99x	32.99x	20.25x	19.30x
EV/EBITDA	18.83x	23.36x	10.95x	5.84x	25.29x
EV/SALES	1.25x	2.86x	2.38x	2.46x	1.34x
Return on Equity (%)	-2%	-5%	14%	28%	25%
Return on capital employed (%)	6%	5%	12%	16%	15%

5 YEARS PERFORMANCE



Top Eight shareholders	N.Share (in crs)	% Holding	Market value (in crs)
HINDUJA AUTOMOTIVE LIMITED	203.88574	35.00	5189.10
JP MORGAN CHASE BANK NA	65.84003	11.30	1675.34
HINDUJA BANK (SWITZERLAND) LTD (BENEFICIARY - HIND	28.98081	4.97	736.85
GOVERNMENT OF SINGAPORE	13.41223	2.30	341.00
SBI MUTUAL FUND (Under Different sub accounts)	11.02240	1.89	280.21
GOVERNMENT PENSION FUND GLOBAL	10.17191	1.75	259.46
SBI LIFE INSURANCE CO. LTD	9.49147	1.63	241.66
LIFE INSURANCE CORPORATION OF INDIA (Under differer	8.83898	**1.52**	225.36

Shareholding pattern



Managemnet Info	Designantion	Experience	Remuneration (In Cr)
Shenu Agarwal	CEO	30+	12.29
K. M. Balaji	CFO	30+	4.72
Dheeraj G. Hinduja	Chairman	20+	2.16
Jitendra Kumar	CS	NOT DISCLOSE	NOT DISCLOSE

Capital Structure	
Share price	148.26
Number of shares o/s	587
Market capitlization	**87,086**
Less : Cash & Equivalent	7263.44
Add:Total Debt	49962.11
Enterprises value	**1,29,784**

Summary

Ashok Leyland reported a strong FY25 performance driven by healthy growth in its M&HCV truck segment and steady momentum in the LCV business. Revenue and margins improved because of a richer product mix, cost optimisation, and network expansion. The company advanced its clean-energy roadmap through Switch Mobility, focusing on electric buses, hydrogen solutions, and alternate fuel CVs. Automation, digitalisation, and connected platforms like i-Alert enhanced service efficiency and customer experience. Export markets delivered robust volume growth, contributing to diversification. Sustainability initiatives in energy, water, and safety continued to strengthen ESG positioning. In Q1, Ashok Leyland faced a temporary moderation in volumes due to election-related slowdown and softer demand, but performance recovered sharply post-Q1, helping regain momentum for the rest of FY25. Supported by a strong balance sheet, improving demand outlook, and a solid EV pipeline, Ashok Leyland is well-positioned for sustained growth ahead. We recommend a BUY with a Target Price of ₹163, indicating ~10% upside from the CMP of ₹148.26.

Disclaimer

This report has been prepared by ITI Securities Broking Limited (hereinafter referred to as ITISBL) to provide information about the company(ies) and/sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies). ITISBL is a Stock Broker and Depository Participant registered with and regulated by Securities & Exchange Board of India. ITISBL and its affiliates are a full-service, integrated investment banking, investment management, brokerage and financing group.

This report is for personal information of the selected recipient/s and does not construe to be any investment, legal or taxation advice to you. This research report does not constitute an offer, invitation or inducement to invest in securities or other investments and ITISBL is not soliciting any action based upon it. This report is not for public distribution and has been furnished to you solely for your general information and should not be reproduced or redistributed to any other person in any form. This report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.. Before acting on any advice or recommendation in this material, investors should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur. We and our affiliates have investment banking and other business relationships with a some companies covered by our Research Department. Our research professionals may provide input into our investment banking and other business selection processes. Investors should assume that ITISBL and/or its affiliates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material and that the research professionals who were involved in preparing this material may educate investors on investments in such business. The research professionals responsible for the preparation of this document may interact with trading desk personnel, sales personnel and other parties for the purpose of gathering, applying and interpreting information. Our research professionals are paid on the profitability of ITISBL which may include earnings from investment banking and other business.

ITISBL generally prohibits its analysts, persons reporting to analysts, and members of their households from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover. Additionally, ITISBL generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our salespeople, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing among other things, may give rise to real or potential conflicts of interest. ITISBL and its affiliated company(ies), their directors and employees and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the affiliates of ITISBL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Reports based on technical and derivative analysis center on studying charts company'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 fundamental analysis. In addition ITISBL has different business segments / Divisions with independent research separated by Chinese walls catering to different set of customers having various objectives, risk profiles, investment horizon, etc, and therefore may at times have different contrary views on stocks sectors and markets.

Unauthorized disclosure, use, dissemination or copying (either whole or partial) of this information, is prohibited. The person accessing this information specifically agrees to exempt ITISBL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold ITISBL or any of its affiliates or employees responsible for any such misuse and further agrees to hold ITISBL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays. The information contained herein is based on publicly available data or other sources believed to be reliable. Any statements contained in this report attributed to a third party represent ITISBL's interpretation of the data, information and/or opinions provided by that third party either publicly or through a subscription service, and such use and interpretation have not been reviewed by the third party. This Report is not intended to be a complete statement or summary of the securities, markets or developments referred to in the document. While we would endeavour to update the information herein on reasonable basis, ITISBL and/or its affiliates are under no obligation to update the information. Also there may be regulatory, compliance, or other reasons that may prevent ITISBL and/or its affiliates from doing so. ITISBL or any of its affiliates or employees shall not be in any way responsible and liable for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. ITISBL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations. This report is intended for distribution to investors. Recipients who are not investors should seek advice of their independent financial advisor prior to taking any investment decision based on this report or for any necessary explanation of its contents ITISBL and its associates may have managed or co-managed public offering of securities, may have received compensation for investment banking or merchant banking or brokerage services, may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. ITISBL and its associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. Subject Company may have been a client of ITISBL or its associates during twelve months preceding the date of distribution of the research report. ITISBL and/or its affiliates and/or Research analyst / or relative of research analyst or Employees may have interests/positions, financial or otherwise of over 1% at the end of the month immediately preceding the date of publication of the research in the securities mentioned in this report. To enhance transparency, ITISBL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. Neither the Research Analysts nor ITISBL have been engaged in market making activity for the companies mentioned in the report. ITISBL and/or its affiliates and/or Research analyst/ relative of research analyst have not any material conflict of interest at the time of publication of this report. There are no material disciplinary action that been taken by any regulatory authority impacting equity research analysis activities Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. The research analysts, strategists, or research associates principally responsible for preparation of ITISBL research receive compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues

Disclosure of Interest Statement - Companies where there is interest

Analyst ownership of the stock: No

Served as an officer, director or employee: No

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ITISBL & its group companies to registration or licensing requirements within such jurisdictions.

ITI Securities Broking Limited
SEBI – Research Analyst REG. NO. : INH000001535
SEBI REG. NO: NSE&BSE: INZ000005835, CDSL-IN-DP-70-2015, AMFI Reg. No. ARN-12576,
CIN NO: U74120MH1994PLC077946
ITI House, 36, Dr. R. K. Shirodkar Road,
Parel, Mumbai - 400 012,
Boardline - (91) 22 69093600 Fax- 022 69093700

THE INVESTMENT
TRUST OF INDIA
RETAIL BROKING