



CUMMINS INDIA LTD(CUMMINSIND)

Buy between 880-900 TARGET 1200 and 1400

Cummins India Ltd (CIL) is a leading manufacturer of diesel engines. The company is engaged in designing, manufacturing, distribution of service engines and related technologies, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. The company operates the following divisions Power generation, Industrial engine business unit- This division serves an entire solution for diesel engine requirement for the industrial sector The company serves to various segments such as construction, mining, compressors, marine, rail, pumps, gas compression, oilfield, defense and re – power. Automobile business unit- This division provides technologies such as filtration, exhaust, turbo technologies, fuel systems and lubrication to serve truck customers better. Distribution unit- Operates under the brand name 'Cummins Sales and Service India', with the objective of providing products, packages, services and solutions for uptime of Cummins equipments.

(Source- Ace Equity)

Company Details		Price Vs Sensex Chart						
Industry	Diesel Engines							
Chairman	Anant J Talaulicar							
Managing Director	Anant J Talaulicar							
Company Secretary	K Venkata Ramana							
ISIN	INE298A01020							
Bloomberg Code	KKC IN							
Reuters Code	CUMM.BO							
Key Market Indicators (Consolidated)								
Latest Date	28-Feb-2017							
Latest Price (Rs)	895.00							
Previous Close (Rs)	892.05							
1 Day Price Var%	1.00							
1 Year Price Var%	10.29							
52 Week High (Rs)	946.50	Inc/Exp Statement(Consolidated)				(Rs in Crore)		
52 Week Low (Rs)	746.80	Description	201603	201503	201403	201303	201203	
Beta	0.76	Net Sales	5252.22	4916.08	3558.77	2691.71	2156.83	
Face Value (Rs)	2.00	Total Income	5369.43	5123.75	3680.72	2797.25	2227.63	
Industry PE	30.60	Total Expenditure	4371.36	4100.87	3029.28	2317.83	1811.41	
TTM Period	201603	PBIDT	998.07	1022.88	651.44	479.42	416.22	
TTM EPS(Rs)	26.45	PAT	713.95	757.43	445.24	298.98	247.59	
TTM CEPS(Rs)	28.95	Dividend %	700.00	700.00	450.00	230.00	200.00	
Price/TTM CEPS(x)	30.83	Adj. EPS(Rs)	26.45	27.85	16.70	11.72	9.67	
TTM PE (x)	33.75	Assets and Liabilities (Consolidated) as on 201603					(Rs in Crore)	
Price/BV(x)	7.42	Share Capital	55.44	Net Block		1359.72		
EV/TTM EBIDTA(x)	24.70	Reserve	3277.77	Long term Investments		96.75		
EV/TTM Sales(x)	4.69	Share Holder's Funds	3333.21	Short term investments		300.26		
Dividend Yield%	1.57	Long Term Debt - Calc	0.00	Total Investments		397.01		
MCap/TTM Sales(x)	4.71	Short Term Debt - Calc	3.01	Cash and Bank Bal		101.78		
Latest Book Value (Rs)	120.25	Total Debt - Calc	3.01	Net Current Assets		1154.56		
Market Cap (Rs. In Crores)	24748.42	Quarter On Quarter (Standalone)					(Rs in Crore)	
EV (Rs. In Crores)	24649.65	Particulars	201612	201609	Q on Q Var%	201512	Y on Y Var%	
Latest no. of shares (In Crores)	27.72	Net Sales	1324.13	1249.97	5.93	1106.94	19.62	
Share Holding Pattern as on 201606		Total Expenditure	1128.52	1079.98	4.49	965.50	16.88	
Promoter No of shares (In Crores)	14.14	PBIDT (Excl OI)	23.53	226.48	198.99	13.81	172.72	
Promoter %	51.00	PAT	198.09	196.90	0.60	177.99	11.29	
FII No of Shares (In Crores)	-	PBIDTM% (Excl OI)	15.58	14.63	6.49	14.01	11.21	
FII %	-	PBIDTM%	18.76	19.72	-4.87	18.59	0.91	
Total No of Shares (In Crores)	27.72	PATM%	13.63	14.48	-5.87	14.43	-5.54	
Free Float %	49.00	Adj. EPS(Rs)	7.15	7.10	0.70	6.42	11.37	



Technical Outlook

CUMMINSIND - Weekly Chart



- CUMMINSIND currently trading near 895 levels, looking at weekly chart it has taken support of 750 levels which has also made double bottom formation pattern on weekly chart with MACD positive divergence.
- Prices have immediate resistance of 915 once prices will close above the same it is likely to trade higher till 1200 which is 100% range of 371-1250 level, break above this it may extend these levels till 127.2% which is 1400 level. Prices have also given breakout of 885 of regression channel which has mentioned in chart.
- While looking at lagging indicator MACD on weekly chart it has made a positive divergence which has mentioned on chart that is also supportive for the market.
- MACD also give zero cutting line breaks out on upside shows that upside likely to see in the market in future as well.
- Going by the above outlook CUMMINSIND likely to trade higher for long term, Investors may go long in this with given levels.
- **Recommendation: Buy between 880-900 Upside Targets 1200 and 1400**

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