

**Target revised**

CMP	132
Price Target	150
Upside (%)	14
Sensex	70514
Nifty	21182
	<b>15-12-2023</b>

**Stock Details**

Industry	Auto Component
Market Cap (₹ Cr)	142
O/S Shares (Cr)	5.0
52 Week H/L	144/61.7
Avg 1 wk daily Vol1(L)	50,000
Face Value (₹)	5
Bloomberg	AKT :IN
Reuters	AKAA.BO
BSE Code	530621
NSE Code	-

**Shareholding Pattern (%)**

	<u>Sep'23</u>	<u>June'23</u>	<u>Mar'23</u>
Promoters	73.06	73.06	73.06
FII	-	-	-
DII	-	-	-
Retail	26.9	26.9	26.9

**Note:** As on 30<sup>th</sup>Sep 2023 no share of promoter's holding pledged.  
Source: BSE

We had initiated our coverage on Akar auto Industries with 'Buy' as on 09-August 2023 at ₹93 with a TP of ₹128 (upside 40%)

Currently the stock is trading above our target price of ₹128. Looking at the current fundamental shaping we hereby upgrade our TP on the stock to ₹150.

**Company Over-view**

Akar Auto Industries Limited is an auto ancillary company involved in the manufacturing, distribution, and export of precision-engineered hand tools for auto. The company offers automotive and non-automotive tools such as hand tools, tool kits, forging and leaf springs, and others. Its hand tools portfolio includes spanners, wrenches, automotive working tools, plumbing tools, electrical and electronics tools, striking tools, lubricating tools, tool aprons, and trucks, among others. The company's leaf springs products include multi-leaf springs, parabolic leaf springs, and air links. Akar Tool's limited Infrastructure comprises a tool room, heat treatment facility, machining capability, surface treatment, forgings capability, design, engineering, lab, and testing facility. Its carters to clients across automotive, engineering, industrial equipment, valve pumps, and other related industries. The company runs its operations through its production and marketing facilities across India. Akar Auto Industries Limited is headquartered in Waluj, Aurangabad, Maharashtra, India.

**Reputed and established clientele base**

The company clientele consists of reputed names including Ashok Leyland Limited, Volvo, Eicher Commercial Vehicle Ltd, Bajaj Auto Limited, BHEL, Force Motors, Mahindra & Mahindra, Piaggio Ape, etc

**Global exports**

Akar Auto Industries limited exports to major countries like the USA, Canada, Mexico, Europe, Turkey, Egypt, Japan, and Australia. It has a Diversified revenue stream with a presence in both domestic and export markets. Exports account for ~30% of its revenue and the rest constitute domestic sales. Exports of the company have increased steadily over the years and are expected to increase to ~35% in the coming years as the company remains focussed on scaling up the same.

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**Stock Rating Scale**

Particulars	Price Appreciation (%)
Strong Buy	>25%
Accumulate	12-25%
Hold	7-12%
Reduce	0- 7%
Sell	< 0

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