

## Apr-Jun'23 Earnings Preview

July 6, 2023

### Exhibit 1: PL Universe

Companies	Rating	CMP (Rs)	TP (Rs)
ABB India*	Acc	4,400	4,119
Apar Industries	Buy	3,493	3,725
Bharat Electronics	BUY	125	125
BHEL	Reduce	93	67
Carborundum Universal	BUY	1,203	1,501
Engineers India	Acc	120	116
GE T&D India	Hold	216	184
Grindwell Norton	BUY	2,191	2,604
Harsha Engineers Int.	Acc	469	475
KEC International	Acc	598	578
Cummins India	Acc	1,916	1,750
Kalpataru Projects Int.	BUY	555	625
Larsen & Toubro	BUY	2,489	2,615
Praj Industries	BUY	371	475
Siemens#	Acc	3,731	4,018
Thermax	Buy	2,240	2,613
Triveni Turbine	Acc	396	416
Voltamp Transformers	Hold	4,069	3,961

Source: PL

\* Y/e Dec / # Y/e Sep / Acc=Accumulate

### Top Picks

**Siemens**

**Larsen & Toubro**

**Apar Industries**

**Cummins India**

**Bharat Electronics**

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### Gradual pickup in margins; healthy outlook

We expect our capital goods coverage universe to report healthy performance in Q1FY24, owing to strong opening order books, continued execution momentum, favorable product mix and better demand/orders/volumes from domestic as well as key export markets such as Middle East (ME), Americas, SAARC, Africa etc. We expect overall revenue/Adj. PAT growth of ~13.6%/34% YoY (13.5%/25.4% YoY ex-BHEL) for our coverage universe. Key monitorables would be margin guidance, demand outlook, order/ inquiries pipeline and working capital management. Our top picks are Siemens, L&T, APAR, CUMI and BEL.

**Order inflows (OI) likely to be strong in Q1FY24**, owing to substantial order wins announced by companies like BEL/L&T/KEC/KPP across segments like T&D, water, hydrocarbon, railways, defence, data centers, digitalization, energy efficiency etc. along with uptick in private capex. During the quarter, L&T's announced OI stands in range of Rs75-175bn, while T&D EPC companies such as KEC/ Kalpataru announced robust OI worth ~Rs34bn/~Rs51.2bn respectively. BEL announced orders worth ~Rs81bn. Going forward inquiries/tendering activities are expected to remain healthy from sectors such as T&D, railways, Data center, Defence etc. in domestic & key exports market like Middle East, USA, SAARC etc.

**Product/consumables companies' revenue to grow by 14% YoY**, led by decent volume growth in domestic market and continued traction from export markets. EBITDA margins for most of the product companies are likely to expand on back of favorable product mix and normalizing freight & commodity cost. Within product companies, we expect Industrial consumable to report ~14% YoY growth, (CUMI- ~11.2% YoY & GWN- ~19% YoY) mainly driven by strong growth in ceramics business and continued strong demand across key industrial sectors.

**EPC companies revenue to grow ~13.5% YoY** led by healthy execution and opening order book, while EBITDA margins likely to gradually pickup with increasing execution of newer order amid stable commodity prices.

### Exhibit 2: 1QFY24E YoY growth (%)

Companies	Sales		EBITDA		PAT	
	Rs mn	YoY gr.	Rs mn	YoY gr.	Rs mn	YoY gr.
ABB	24,562	19.7%	2,653	33.5%	2,100	42.8%
Apar Industries	34,712	12.2%	3,275	37.9%	1,676	36.9%
Bharat Electronics	35,002	12.4%	6,300	22.7%	4,652	7.8%
BHEL	53,798	15.2%	1,345	NA	464	NA
Carborundum Universal	12,677	11.2%	1,610	26.3%	1,066	35.3%
Cummins	19,226	14.0%	2,749	28.6%	2,536	21.0%
Engineers India	9,408	16.9%	809	75.7%	842	66.7%
GE T&D India	6,827	15.1%	314	40.2%	113	78.3%
Grindwell Norton	7,584	18.9%	1,494	15.9%	1,065	15.2%
Harsha Engineering	3,671	-7.7%	551	11.2%	365	18.4%
Kalpataru Power	39,187	24.8%	3,331	23.8%	1,529	-6.8%
KEC International	38,225	15.2%	2,141	27.1%	504	62.3%
Larsen & Toubro	4,02,820	12.4%	45,611	15.3%	21,274	25.0%
Praj Industries	9,023	23.6%	794	51.0%	593	43.9%
Siemens	47,264	11.0%	5,435	31.9%	4,119	36.2%
Thermax	18,638	12.7%	1,519	58.2%	1,025	73.9%
Triveni Turbine	3,333	28.7%	633	30.1%	506	31.9%
Voltamp Transformers	3,078	13.9%	400	10.3%	358	34.3%

Source: Company, PL

## Top Picks

**Siemens:** We remain positive on SIEM from a long-term perspective given 1) its strong and diversified presence across industries through focus on electrification, digitization & automation products, 2) product localization, 3) strong balance sheet, 4) healthy public & private capex, 5) focus on cost efficiencies and 6) recent large order wins in mobility business. Considering healthy public & private demand outlook and focus on cost efficiencies we expect Revenue/PAT CAGR of 14.2%/25.8% between SY22-SY25E. Maintain 'Accumulate' rating on the stock with revised TP of Rs4,018, valuing it at 57X Sep'25.

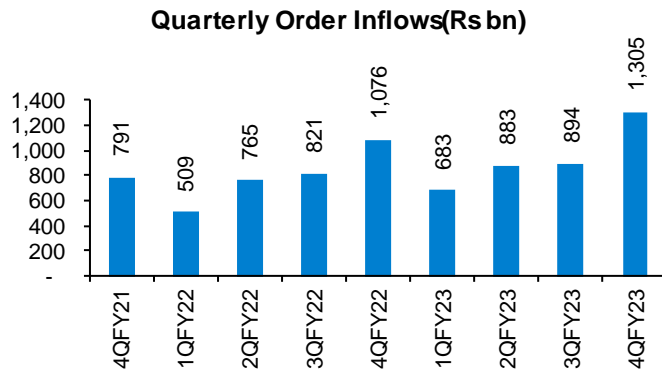
**L&T:** L&T is well-placed to benefit from overall diversified tender prospects with 1) better order conversion in domestic market, 2) significant traction in capex from oil exporting countries, mainly hydrocarbon segment and 3) expected uptick in private capex. **We expect L&T to report revenue and PAT CAGR of 12% and 18.3% between FY23-FY25E.** We have 'Buy' rating on stock with TP of Rs2615.

**Apar Industries:** We believe, APR's focus towards value added products and strong traction in exports business will drive strong topline and profitability in the long run. Hence, we expect revenue/PAT CAGR of 16.5%/5% from FY23-25E, amid high PAT base. We maintain 'Buy' rating on stock with SoTP based TP of Rs3,725 valuing Cables/Conductors/Speciality oil business at PE of 25x/21x/9x on FY25E EPS.

**Carborundum Universal:** We believe CUMI will benefit from broad-capex across automotive, general engineering, construction, defence, railways, process industries (Steel, Cement) and T&D. Also new products, better reach, strong export and likely improvement in recently acquired subsidiaries augurs well for CUMI. We expect Revenue/PAT CAGR of 16%/28% over FY23-26E. We have 'Buy' rating on stock with TP of Rs1,501 valuing it at 38x Sep'25E.

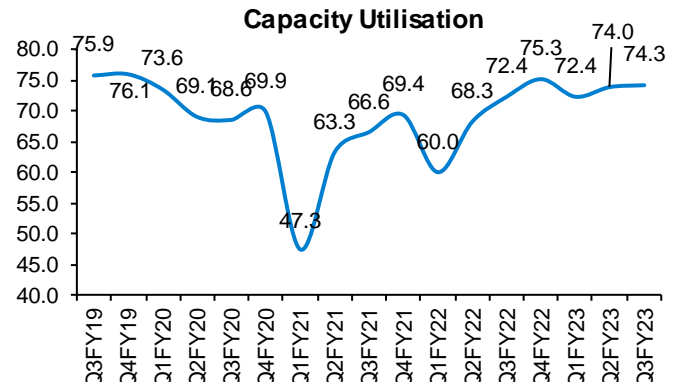
**BEL:** We remain positive on long-term growth story of BEL given 1) strong order backlog & order pipeline 2) diversification in newer business verticals like, medical equipment's, hydrogen fuel cell, EV batteries etc., 3) focus on export markets (Egypt, Malaysia etc.) and 4) govt's focus on product indigenization. We expect Revenue and PAT CAGR of 16.7%/15.1% between FY23-FY25E. We have 'Buy' rating on stock with TP of Rs125, valuing at PE of 23x FY25E EPS. ***We remain positive on long term growth story of BEL, however given the recent rally in stock price, we may revisit our estimates and multiple post quarterly result.***

**Exhibit 3: Order intake reported strong growth in Q4FY23**



Source: Company, PL

**Exhibit 4: Utilization level continues to remain healthy**



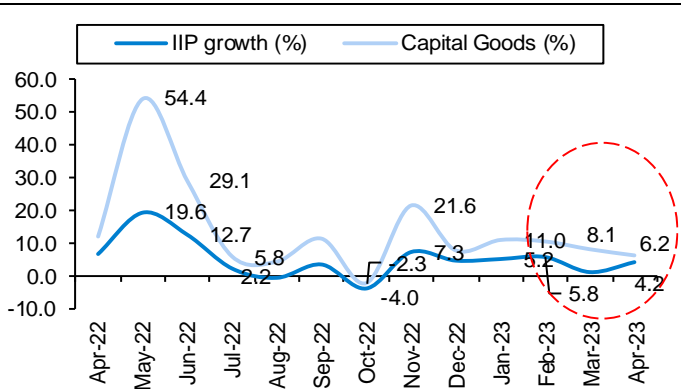
Source: RBI, PL

**Exhibit 5: New projects continues growth momentum in Q1**

Rs trillion	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
<b>New projects</b>	5.8	5.1	8.0	12.2	6.0
YoY gr.	106%	56%	99%	41%	3%
<b>Completed projects</b>	1.2	1.4	1.8	1.8	7.7
YoY gr.	68%	8%	-35%	34%	533%
<b>Stalled projects</b>	0.5	0.1	0.0	0.0	0.9
YoY gr.	65%	-70%	-69%	-92%	74%
<b>Revived projects</b>	0.3	0.2	0.7	1.0	0.1
YoY gr.	113%	-60%	-66%	200%	-73%

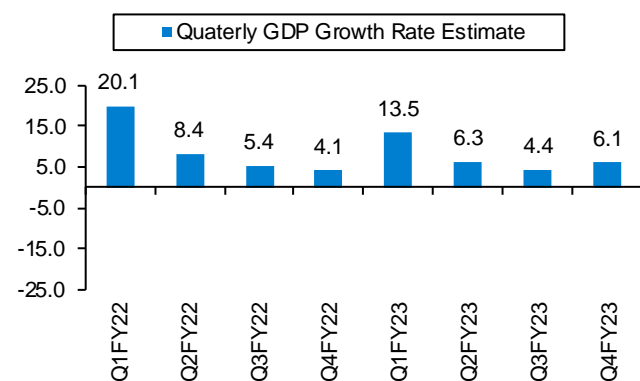
Source: CMIE, PL

**Exhibit 6: IIP reported healthy growth in Apr'23**



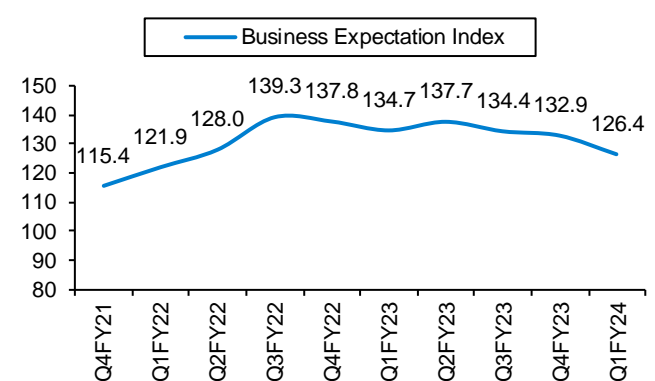
Source: MOSPI, PL

**Exhibit 7: GDP estimates for Q4FY23 remains healthy**



Source: MOSPI, PL

**Exhibit 8: Business expectation sentiments declined in Q1**



Source: RBI, PL

**Exhibit 9: Q1FY24 Result Preview**

Company Name		Q1FY24E	Q1FY23	YoY gr. (%)	Q4FY23	QoQ gr. (%)	Remark
ABB India	Sales	24,562	20,525	19.7	24,112	1.9	We expect revenue to grow by 19.7% YoY, driven by healthy growth across key segments and strong opening order book. Margins are likely to expand by ~111bps YoY, led by better business mix. Order inflows for the quarter are likely to be driven by short cycle orders in high growth segments like data centres, railways, Metros, renewables etc.
	EBITDA	2,653	1,988	33.5	2,853	(7.0)	
	Margin (%)	10.8	9.7		11.8		
	PBT	2,807	1,959	43.3	3,279	(14.4)	
	Adj. PAT	2,100	1,471	42.8	2,452	(14.4)	
Apar Industries	Sales	34,712	30,932	12.2	40,886	(15.1)	We expect revenues to grow by ~12% YoY, factoring in increasing product premiumisation, healthy exports and volume growth. We expect conductors business to report healthy volume growth on low base, while Speciality oil segment is expected to report modest performance. Cable business is expected to report strong growth driven by product diversification and strong exports growth. Management's commentary on exports market, volumes and segmental EBITDA guidance will be key monitorables.
	EBITDA	3,275	2,374	37.9	4,239	(22.7)	
	Margin (%)	9.4	7.7		10.4		
	PBT	2,235	1,556	43.6	3,282	(31.9)	
	Adj. PAT	1,676	1,225	36.9	2,428	(30.9)	
Bharat Electronics	Sales	35,002	31,128	12.4	64,566	(45.8)	We expect decent performance with revenue growth of 12.4% YoY and margins are expected to expand ~150bps YoY, driven by increased execution. During the quarter, BEL announced orders worth ~Rs81bn. Management's commentary on status of key orders (QRSAM, LRSAM, naval system etc.) will be key monitorables.
	EBITDA	6,300	5,135	22.7	18,248	(65.5)	
	Margin (%)	18.0	16.5		28.3		
	PBT	6,202	5,781	7.3	17,815	(65.2)	
	Adj. PAT	4,652	4,315	7.8	13,654	(65.9)	
BHEL	Sales	53,798	46,720	15.2	82,270	(34.6)	Revenue is expected to grow ~15% YoY, led by pickup in execution amid low base. Management commentary on execution pace, working capital situation, order pipeline, diversification into non-power segment, margins will be key monitorables.
	EBITDA	1,345	-1,699	NA	9,861	(86.4)	
	Margin (%)	2.5	-3.6		12.0		
	PBT	619	-2,547	NA	8,641	(92.8)	
	Adj. PAT	464	-1,919	NA	5,981	(92.2)	
Carborundum Universal	Sales	12,677	11,398	11.2	11,996	5.7	We expect consolidated revenue growth of ~11% YoY driven by strong growth in Industrial Ceramics, steady performance in Electrominerals segment and pickup in Abrasives volume. Margins are expected to expand 152 bps YoY amid revival in Abrasives margins on low base. Management commentary on subsidiary performance, demand outlook and margins will be key monitorable.
	EBITDA	1,610	1,275	26.3	1,903	(15.4)	
	Margin (%)	12.7	11.2		15.9		
	PBT	1,371	1,051	30.5	1,503	(8.8)	
	Adj. PAT	1,066	788	35.3	1,180	(9.7)	
Engineers India	Sales	9,408	8,050	16.9	8,661	8.6	We expect overall revenue growth of ~16.9%, factoring in ~56% contribution from Turnkey segment vs 56.4% in Q1FY23. Margins are expected to expand 288bps YoY to 8.6% amid low base factoring in commodity prices. Order pipeline will be key monitorables.
	EBITDA	809	460	75.7	843	(4.0)	
	Margin (%)	8.6	5.7		9.7		
	PBT	1,123	680	65.0	1,261	(11.0)	
	Adj. PAT	842	505	66.7	799	5.3	
GE T&D India	Sales	6,827	5,930	15.1	7,031	(2.9)	We expect revenue to grow by ~15% driven by execution pickup and low base. Margins are expected to expand to 4.6% vs 3.8% in Q1FY23 factoring in execution of legacy projects and cost saving efforts. Key monitorables in management's commentary would be on order inflows, execution pace and working capital.
	EBITDA	314	224	40.2	279	12.5	
	Margin (%)	4.6	3.8		4.0		
	PBT	162	103	57.8	43	273.3	
	Adj. PAT	113	64	78.3	-109	NA	
Grindwell Norton	Sales	7,584	6,380	18.9	6,648	14.1	We expect revenue growth of 18.9% YoY driven by healthy growth in Abrasives & Ceramics segment and revenue contribution from PRS Permacel business. On like to like basis (ex- PRS Permacel) we expect revenue growth of ~11%YoY. Margins are expected decline by ~50bps on high base. Segment wise EBIT margins and volume growth be key monitorable
	EBITDA	1,494	1,289	15.9	1,293	15.6	
	Margin (%)	19.7	20.2		19.4		
	PBT	1,432	1,256	14.1	1,333	7.4	
	Adj. PAT	1,065	924	15.2	992	7.3	
Harsha Engineers International	Sales	3,671	3,977	-7.7	3,437	6.8	We estimate revenue to decline by 7.7% YoY in Q1, owing to pass through of lower raw material costs YoY and relative weakness in the European market. However, revenue should rise 6.8% QoQ given rising metal prices in the first quarter of CY2023. Margins should expand YoY as a result of the lower input costs. Overall, H1 is expected to be weaker than H2 as the wind market for bronze bushings is expected to revive only from H2 onwards. Performance in Romania and China operations, and European market outlook will be key monitorables.
	EBITDA	551	495	11.2	508	8.4	
	Margin (%)	15.0	12.5		14.8		
	PBT	494	415	18.9	449	9.9	
	Adj. PAT	365	309	18.4	326	12.0	

Company Name		Q1FY24E	Q1FY23	YoY gr. (%)	Q4FY23	QoQ gr. (%)	Remark
KEC International	Sales	38,225	33,181	15.2	55,250	(30.8)	We expect a 15.2% revenue growth, mainly driven by strong growth in non-T&D (Civil, railways etc.) segments. Margins likely to improve gradually on YoY basis by ~50bps, owing to competition of legacy projects in SAE Brazil and execution of newer projects. During the quarter, KEC announced strong orders intake worth ~Rs34bn spread across key verticals.
	EBITDA	2,141	1,684	27.1	2,835	(24.5)	
	Margin (%)	5.6	5.1		5.1		
	PBT	671	371	80.9	859	(21.8)	
	Adj. PAT	504	310	62.3	722	(30.2)	
Cummins India	Sales	19,226	16,867	14.0	19,260	(0.2)	During the quarter, revenue is expected to grow 14% YoY, led by strong exports growth and pre-buying expected due to CPCB-IV norms. We expect margins in Q1FY24 to expand by ~162bps owing to price pass through, better demand being witnessed across domestic and exports markets for HHP. Management's commentary on CPCB transition, demand outlook on key sectors and exports momentum will be key monitorables.
	EBITDA	2,749	2,138	28.6	3,261	(15.7)	
	Margin (%)	14.3	12.7		16.9		
	PBT	3,381	2,784	21.5	4,129	(18.1)	
	Adj. PAT	2,536	2,096	21.0	3,185	(20.4)	
Kalpataru Projects International	Sales	39,187	31,390	24.8	43,960	(10.9)	We expect KPIL (merged entity) to report healthy 24.8% YoY growth driven by water, Urban Infra, T&D international and B&F segments amid low base. Margins are likely to be stable at 8.5% with continued execution. During the quarter, company announced robust orders worth Rs40.9bn. Management commentary on execution, margins and order inflows, merger synergy benefits for FY24 will be key monitorables.
	EBITDA	3,331	2,690	23.8	3,110	7.1	
	Margin (%)	8.5	8.6		7.1		
	PBT	2,039	2,080	(2.0)	1,660	22.8	
	Adj. PAT	1,529	1,640	(6.8)	1,147	33.3	
Larsen & Toubro	Sales	4,02,820	3,58,532	12.4	5,83,352	(30.9)	We expect consolidated revenue growth of 12.4% YoY, led by growth in IT, Energy Projects, Hi-Tech Manufacturing and developmental projects. Strong tender pipeline from domestic as well as exports market is likely to drive order inflows. During the quarter, L&T announced orders in range of Rs75-175bn. Management commentary on status of non-core assets like Nabha power, metro ridership & financial assistance will be key monitorable.
	EBITDA	45,611	39,567	15.3	68,329	(33.2)	
	Margin (%)	11.3	11.0		11.7		
	PBT	36,008	29,319	22.8	59,074	(39.0)	
	Adj. PAT	21,274	17,021	25.0	39,868	(46.6)	
Praj Industries	Sales	9,023	7,299	23.6	10,040	(10.1)	Praj is expected to report a strong revenue growth of ~23.6% YoY, owing to healthy opening order book and strong execution in Bio-energy segment. However, order inflows would be in focus amid 1G ethanol orders peaking out in medium term and muted inflows in 2G and CBG. Management commentary on updated exports in bio-energy, new initiatives in Engineering segment, order intakes front will be key monitorables.
	EBITDA	794	526	51.0	1,045	(24.0)	
	Margin (%)	8.8	7.2		10.4		
	PBT	791	542	45.9	1,128	(29.9)	
	Adj. PAT	593	412	43.9	881	(32.6)	
Siemens	Sales	47,264	42,583	11.0	48,578	(2.7)	We expect Siemens to report 11% YoY revenue growth driven by strong opening order book across segments. Margins likely to improve on YoY basis, owing to favorable business mix and operating leverage. Order inflows likely to be driven by short cycle orders with increasing interest in digital and sustainability solutions.
	EBITDA	5,435	4,122	31.9	6,212	(12.5)	
	Margin (%)	11.5	9.7		12.8		
	PBT	5,567	4,078	36.5	6,494	(14.3)	
	Adj. PAT	4,119	3,025	36.2	4,718	(12.7)	
Thermax	Sales	18,638	16,545	12.7	23,108	(19.3)	TMX is expected to report healthy revenue growth of ~12.7% YoY, led by strong opening order book. We expect margins to expand by ~235bps YoY driven by revival in Chemical segment margins (on low base) and margins threshold recognition in FGD orders amid stabilizing commodity prices. Key monitorables would be management's commentary on margins specially in environment and chemicals segment and order/inquiry pipeline.
	EBITDA	1,519	960	58.2	1,999	(24.0)	
	Margin (%)	8.2	5.8		8.7		
	PBT	1,366	814	67.7	2,140	(36.2)	
	Adj. PAT	1,025	589	73.9	1,562	(34.4)	
Triveni Turbine	Sales	3,333	2,590	28.7	3,698	(9.9)	We expect Triveni turbine to report strong 28.7% revenue growth, owing to robust demand in domestic as well as exports market. Margins are expected to expand by 20bps YoY due to higher exports contribution and low base. Enquiry pipeline continues to remain strong for both <30 and 30.1-100 MW segments and its conversion to order inflow along with commentary on aftermarket segment will be a key monitorable.
	EBITDA	633	487	30.1	663	(4.5)	
	Margin (%)	19.0	18.8		17.9		
	PBT	674	508	32.8	733	(8.1)	
	Adj. PAT	506	383	31.9	556	(9.1)	
Voltamp Transformers	Sales	3,078	2,701	13.9	4,399	(30.0)	We expect Voltamp to report a revenue growth of ~14% YoY driven by decent volume growth. Key monitorables will be management commentary on competition, pricing power, capacity expansion and demand outlook.
	EBITDA	400	363	10.3	928	(56.9)	
	Margin (%)	13.0	13.4		21.1		
	PBT	478	334	42.9	1,008	(52.6)	
	Adj. PAT	358	267	34.3	766	(53.2)	

Source: Company, PL



## Exhibit 10: Valuation Summary

Company Names	S/C Rating	CMP (Rs)	TP (Rs)	MCap (Rs bn)	Sales (Rs bn)				EBITDA (Rs bn)				PAT (Rs bn)				EPS (Rs)				RoE (%)				PE (x)			
					FY22	FY23	FY24E	FY25E	FY22	FY23	FY24E	FY25E	FY22	FY23	FY24E	FY25E	FY22	FY23	FY24E	FY25E	FY22	FY23	FY24E	FY25E	FY22	FY23	FY24E	FY25E
ABB India*	S Acc	4,400	4,119	932.4	69.3	85.7	103.7	121.5	5.6	9.6	12.0	14.5	4.4	7.7	9.6	11.7	20.9	36.4	45.5	55.1	11.6	17.2	18.3	19.4	210.3	120.8	96.7	79.8
Apar Industries	C Buy	3,493	3,725	133.7	93.2	143.5	169.6	194.8	5.5	12.3	11.6	13.9	2.6	6.4	5.6	7.0	67.1	166.6	146.4	183.8	16.4	32.3	23.0	24.5	52.1	21.0	23.9	19.0
Bharat Electronics**	S BUY	125	125	912.3	153.1	176.5	206.5	240.1	33.1	40.5	45.4	53.8	23.5	30.1	33.8	39.8	3.2	4.1	4.6	5.4	20.6	23.5	23.6	24.6	38.8	30.3	27.0	22.9
BHEL	S Reduce	93	67	324.2	212.1	233.6	280.8	324.9	7.4	7.2	14.6	23.2	4.1	4.5	8.8	15.5	1.2	1.3	2.5	4.5	1.5	1.7	3.2	5.4	79.0	72.4	36.7	20.9
Carborundum Universal	C BUY	1,203	1,501	228.4	33.2	46.5	55.9	63.7	5.4	6.5	8.5	10.6	3.3	4.0	5.2	6.7	17.6	20.8	27.2	35.5	14.8	15.3	17.0	19.0	68.5	57.8	44.2	33.9
Engineers India	C Acc	120	116	67.3	29.1	33.3	37.5	42.4	3.4	3.1	4.1	5.6	1.4	3.5	4.2	5.5	2.5	6.2	7.5	9.7	7.9	18.6	20.4	23.3	48.2	19.4	15.9	12.3
GE T&D India	S Hold	216	184	55.3	30.7	27.7	34.1	41.3	-1.1	1.0	1.9	3.2	-1.3	0.0	0.9	1.9	-5.0	-0.1	3.7	7.4	-11.6	-0.2	8.5	15.4	-43.1	NA	58.8	29.3
Grindwell Norton	C BUY	2,191	2,604	242.6	20.1	25.4	29.6	34.4	4.0	5.0	5.9	7.0	3.0	3.6	4.3	5.1	26.7	32.7	38.8	46.3	20.2	21.5	22.2	23.0	82.1	67.0	56.4	47.3
Harsha Engineers International	C Acc	469	475	42.7	13.2	13.6	15.3	17.5	1.7	1.9	2.3	2.8	0.9	1.2	1.6	2.0	11.9	13.5	17.1	21.6	19.4	15.5	13.6	15.1	39.4	34.6	27.4	21.7
KEC International	C Acc	598	578	153.6	137.4	172.8	199.1	227.3	9.0	8.3	13.8	21.7	3.7	1.8	5.4	11.4	14.3	6.8	20.9	44.5	10.6	4.8	13.4	24.5	41.7	87.3	28.6	13.4
Cummins India	S Acc	1,916	1,750	531.1	61.4	77.4	85.8	95.9	8.9	12.4	13.1	15.8	7.9	11.4	11.7	13.9	28.3	41.1	42.4	50.0	17.0	22.3	21.1	23.1	67.6	46.6	45.2	38.3
Kalpataru Projects International	S BUY	555	625	90.1	124.1	143.4	184.0	211.7	8.5	11.6	15.1	18.6	3.1	4.9	6.5	8.6	18.8	30.4	40.2	53.2	6.2	9.6	11.7	13.8	29.5	18.3	13.8	10.4
Larsen & Toubro	C BUY	2,489	2,615	3,496.6	1565.2	1833.4	2071.7	2299.3	182.2	207.5	241.2	274.3	86.0	103.7	124.5	146.4	61.2	73.8	88.6	104.2	10.9	12.1	13.1	13.7	40.7	33.7	28.1	23.9
Praj Industries	C BUY	371	475	68.1	23.4	35.3	39.4	41.2	1.9	3.1	4.0	4.3	1.5	2.4	3.0	3.2	8.2	13.1	16.3	17.5	17.5	24.1	25.6	23.8	45.3	28.4	22.8	21.1
Siemens#	C Acc	3,731	4,018	1,328.1	132.0	161.4	190.2	208.4	14.9	17.6	24.7	27.6	10.3	12.6	18.7	21.1	28.9	35.4	52.4	59.4	10.4	11.5	15.2	15.4	129.0	105.2	71.2	62.8
Thermax	C Buy	2,240	2,613	252.2	61.3	80.9	88.8	97.6	4.2	6.0	7.8	9.2	3.1	4.5	5.8	6.8	27.7	40.0	51.4	60.8	9.3	12.2	14.2	15.2	80.8	56.0	43.6	36.9
Triveni Turbine//	C Acc	396	416	125.8	8.5	12.5	16.2	20.1	1.6	2.3	3.3	4.4	1.2	1.9	2.6	3.6	3.8	6.1	8.3	11.3	16.4	23.8	31.3	34.1	104.2	65.3	47.5	35.2
Voltamp Transformers	S Hold	4,069	3,961	41.2	11.3	13.9	15.6	17.6	1.4	2.3	2.2	2.6	1.3	2.0	1.9	2.2	131.3	197.6	192.2	220.1	15.0	19.5	16.6	17.0	31.0	20.6	21.2	18.5

Source: Company, PL \* Y/e Dec / # Y/e Sep S=Standalone / C=Consolidated / Acc=Accumulate

Some stocks have variation from our rating system with regards to target prices and upsides given increased market volatility. We shall review the same at the time of results.

\*\* Bharat Electronics: We remain positive on long term growth story of BEL, however given the recent rally in stock price, we may revisit our estimates and multiple post quarterly result.



## Exhibit 11: Change in Estimates

	Rating		Target Price			Sales						PAT						EPS					
						FY24E			FY25E			FY24E			FY25E			FY24E			FY25E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
ABB India*	Acc	Acc	4,119	4,119	0.0%	85,693	85,693	0.0%	1,03,712	1,03,712	0.0%	7,720	7,720	0.0%	9,646	9,646	0.0%	36.4	36.4	0.0%	45.5	45.5	0.0%
Apar Industries	Buy	Buy	3,725	3,725	0.0%	1,43,522	1,43,522	0.0%	1,69,628	1,69,628	0.0%	6,377	6,377	0.0%	5,601	5,601	0.0%	166.6	166.6	0.0%	146.4	146.4	0.0%
Bharat Electronics	BUY	BUY	125	125	0.0%	1,76,462	1,76,462	0.0%	2,06,515	2,06,515	0.0%	30,067	30,067	0.0%	33,842	33,842	0.0%	4.1	4.1	0.0%	4.6	4.6	0.0%
BHEL	Reduce	Reduce	67	67	0.0%	2,33,649	2,33,649	0.0%	2,80,754	2,80,754	0.0%	4,475	4,475	0.0%	8,826	8,826	0.0%	1.3	1.3	0.0%	2.5	2.5	0.0%
Carborundum Universal	BUY	BUY	1,501	1,501	0.0%	46,543	46,543	0.0%	55,926	55,926	0.0%	3,954	3,954	0.0%	5,171	5,171	0.0%	20.8	20.8	0.0%	27.2	27.2	0.0%
Engineers India	Acc	Acc	116	116	0.0%	33,301	33,301	0.0%	37,512	37,512	0.0%	3,463	3,463	0.0%	4,232	4,232	0.0%	6.2	6.2	0.0%	7.5	7.5	0.0%
GE T&D India	Hold	Hold	184	184	0.0%	27,732	27,732	0.0%	34,133	34,133	0.0%	-21	-21	0.0%	941	941	0.0%	-0.1	-0.1	0.0%	3.7	3.7	0.0%
Grindwell Norton	BUY	BUY	2,604	2,604	0.0%	25,413	25,413	0.0%	29,621	29,621	0.0%	3,619	3,619	0.0%	4,299	4,299	0.0%	32.7	32.7	0.0%	38.8	38.8	0.0%
Harsha Engineers International	Acc	Acc	475	475	0.0%	13,640	13,640	0.0%	15,296	15,296	0.0%	1,233	1,233	0.0%	1,555	1,555	0.0%	13.5	13.5	0.0%	17.1	17.1	0.0%
KEC International	Acc	Acc	578	578	0.0%	1,72,817	1,72,817	0.0%	1,99,083	1,99,083	0.0%	1,760	1,760	0.0%	5,375	5,375	0.0%	6.8	6.8	0.0%	20.9	20.9	0.0%
Cummins India	Acc	Acc	1,750	1,750	0.0%	77,444	77,444	0.0%	85,758	85,758	0.0%	11,406	11,406	0.0%	11,749	11,749	0.0%	41.1	41.1	0.0%	42.4	42.4	0.0%
Kalpataru Projects International	BUY	BUY	625	625	0.0%	1,43,370	1,43,370	0.0%	1,83,976	1,83,976	0.0%	4,932	4,921	0.2%	6,535	6,534	0.0%	30.4	30.3	0.2%	40.2	40.2	0.0%
Larsen & Toubro	BUY	BUY	2,615	2,615	0.0%	18,33,407	18,33,407	0.0%	20,71,710	20,71,710	0.0%	1,03,704	1,03,704	0.0%	1,24,505	1,24,505	0.0%	73.8	73.8	0.0%	88.6	88.6	0.0%
Praj Industries	BUY	BUY	475	475	0.0%	35,280	35,280	0.0%	39,378	39,378	0.0%	2,398	2,398	0.0%	2,992	2,992	0.0%	13.1	13.1	0.0%	16.3	16.3	0.0%
Siemens#	Acc	Acc	4,018	4,018	0.0%	1,61,378	1,61,378	0.0%	1,90,235	1,90,235	0.0%	12,619	12,619	0.0%	18,661	18,661	0.0%	35.4	35.4	0.0%	52.4	52.4	0.0%
Thermax	Buy	Buy	2,613	2,613	0.0%	80,898	80,898	0.0%	88,751	88,751	0.0%	4,507	4,507	0.0%	5,783	5,783	0.0%	40.0	40.0	0.0%	51.4	51.4	0.0%
Triveni Turbine	Acc	Acc	416	416	0.0%	12,476	12,476	0.0%	16,184	16,184	0.0%	1,925	1,925	0.0%	2,647	2,647	0.0%	6.1	6.1	0.0%	8.3	8.3	0.0%
Voltamp Transformers	Hold	Hold	3,961	3,961	0.0%	13,851	13,851	0.0%	15,594	15,594	0.0%	1,999	1,999	0.0%	1,945	1,945	0.0%	197.6	197.6	0.0%	192.2	192.2	0.0%

Source: Company, PL \* Y/e Dec / # Y/e Sep C=Current / P=Previous / Acc=Accumulate

## Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Accumulate	4,119	3,719
2	Apar Industries	BUY	3,725	2,993
3	Bharat Electronics	BUY	125	109
4	BHEL	Reduce	67	79
5	Carborundum Universal	BUY	1,501	1,193
6	Cummins India	Accumulate	1,750	1,649
7	Engineers India	Accumulate	116	111
8	GE T&D India	Hold	184	188
9	Grindwell Norton	BUY	2,604	2,200
10	Harsha Engineers International	Accumulate	475	436
11	Kalpataru Projects International	BUY	625	527
12	KEC International	Accumulate	578	552
13	Larsen & Toubro	BUY	2,615	2,364
14	Praj Industries	BUY	475	374
15	Siemens	Accumulate	4,018	3,723
16	Thermax	BUY	2,613	2,280
17	Triveni Turbine	Accumulate	416	398
18	Voltamp Transformers	Hold	3,961	3,871

## PL's Recommendation Nomenclature

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly



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