

January 31, 2023

## Q3FY23 Result Update

Change in Estimates |  Target |  Reco

### Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	BUY		BUY	
Target Price	2,260		1,834	
Sales (Rs. m)	1,64,516	1,84,088	1,25,912	1,40,503
% Chng.	30.7	31.0		
EBITDA (Rs. m)	11,615	13,107	8,663	9,920
% Chng.	34.1	32.1		
EPS (Rs.)	143.7	162.0	110.8	131.0
% Chng.	29.7	23.7		

### Key Financials - Consolidated

Y/e Mar	FY22	FY23E	FY24E	FY25E
Sales (Rs. m)	93,200	1,46,852	1,64,516	1,84,088
EBITDA (Rs. m)	5,479	10,324	11,615	13,107
Margin (%)	5.9	7.0	7.1	7.1
PAT (Rs. m)	2,566	4,844	5,499	6,200
EPS (Rs.)	67.1	126.6	143.7	162.0
Gr. (%)	59.9	88.7	13.5	12.7
DPS (Rs.)	4.5	6.0	7.5	7.5
Yield (%)	0.3	0.4	0.4	0.4
RoE (%)	16.4	26.8	26.3	24.8
RoCE (%)	25.1	44.5	43.1	41.3
EV/Sales (x)	0.7	0.4	0.4	0.4
EV/EBITDA (x)	11.7	6.3	5.6	4.9
PE (x)	25.2	13.3	11.7	10.4
P/BV (x)	3.8	3.4	2.8	2.4

### Key Data

APAR.BO | APR IN

52-W High / Low	Rs.1,865 / Rs.556
Sensex / Nifty	59,550 / 17,662
Market Cap	Rs.65bn / \$ 788m
Shares Outstanding	38m
3M Avg. Daily Value	Rs.256.7m

### Shareholding Pattern (%)

Promoter's	60.64
Foreign	6.73
Domestic Institution	17.53
Public & Others	15.10
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	(5.9)	50.1	141.5
Relative	(3.9)	45.1	135.2

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## Robust show led by premiumisation, exports

### Quick Pointers:

- Revenue grew 76.9% YoY, driven by strong volume growth, product mix and exports market.
- Conductor segment EBITDA/ton were highest at Rs49,942/ton.

**We revise our FY23/24/25E estimates by 40%/30%/24% after factoring in 1) increasing share of premiumisation & exports along with strong volume growth across segments, 2) expanding international footprints and 3) strong outlook for cables business. Apar Industries (APR) reported robust quarterly performance with revenue growing 76.9% YoY and EBITDA margins expanding 360bps YoY, aided by product and geography mix. Conductor segment growth (up 103% YoY) is driven by conventional conductors in exports market and premium products in domestic markets, thereby driving profitability. Cable business is likely to continue with its robust show led by strong demand of elastomeric cables from renewable energy installations, railways & defence. Going forward, conductors and cables business likely to witness strong traction from exports led by increased infrastructure spends in key markets such as USA, Europe etc.**

**We believe, APR's focus towards value added products and exports business will drive strong topline and profitability in the long run. The stock is currently trading at PE of 13.3x/11.7x/10.3x FY23/24/25E. Maintain 'BUY' rating with revised TP of Rs2,260 (Rs1,834 earlier), valuing it at PE of 14x FY25E.**

### Product mix, volumes, exports led to robust operating profits of Rs3.5bn:

Consolidated sales grew 76.9% YoY to Rs39.4bn (PL estimate of Rs35.5bn), comprising of Conductors/ Speciality Oil/ Cables at ~48%/~32%/~23% of total sales. Gross margin expanded by 330bps YoY to 25.5% aided by better product & geography mix and robust exports growth. EBITDA grew 199% YoY to Rs3.5bn (PL estimate of ~Rs2.6bn), with margins expanding by 360bps YoY to 8.8%, owing to better gross margins. PAT grew ~209% YoY to Rs1.7bn (PL estimate ~Rs1.3bn).

### Strong topline growth of 76.9% YoY led by conductors and cables:

Conductors segment reported a growth of 103.3% YoY to Rs19.1bn, owing to strong volume growth (up 99% YoY), higher share of premium product and strong exports growth (up 288% YoY). Cables reported a 89.5% YoY growth to Rs9.2bn, owing to strong growth in exports and elastomeric products. Speciality oil segment revenue grew 37.5% YoY to Rs11.8bn, driven by volume growth (up 9% YoY) and base oil price.

### Guided 25-30% growth in cables for next couple of years:

Conductor business is likely to grow at 15-20% CAGR, with EBITDA/ton of ~Rs22,000-25,000/ton in long run, driven by increasing premium products share and exports. Cable business likely to grow at 25-30% CAGR driven by strong growth in Elastomeric, exports and growth in Annushakti cables. Speciality oil division likely to grow by 5-7%.

**Exhibit 1: Strong revenue growth of 76.9% drives profitability**

Y/E March	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	YoY gr. (%)	QoQ gr. (%)	9MFY23	9MFY22	YoY gr. (%)
<b>Revenue</b>	<b>22,288</b>	<b>30,125</b>	<b>30,932</b>	<b>32,349</b>	<b>39,424</b>	<b>76.9</b>	<b>21.9</b>	<b>102,705</b>	<b>63,075</b>	<b>62.8</b>
<b>Total Revenues</b>	<b>22,288</b>	<b>30,125</b>	<b>30,932</b>	<b>32,349</b>	<b>39,424</b>	<b>76.9</b>	<b>21.9</b>	<b>102,705</b>	<b>63,075</b>	<b>62.8</b>
<b>Expenditure</b>	<b>21,131</b>	<b>28,389</b>	<b>28,558</b>	<b>30,090</b>	<b>35,957</b>	<b>70.2</b>	<b>19.5</b>	<b>94,605</b>	<b>59,350</b>	<b>59.4</b>
<i>as % of sales</i>	<i>94.8</i>	<i>94.2</i>	<i>92.3</i>	<i>93.0</i>	<i>91.2</i>			<i>92.1</i>	<i>94.1</i>	
Consumption of RM	17,271	23,443	23,374	24,517	29,377	70.1	19.8	77,268	48,636	58.9
<i>as % of sales</i>	<i>77.5</i>	<i>77.8</i>	<i>75.6</i>	<i>75.8</i>	<i>74.5</i>			<i>75.2</i>	<i>77.1</i>	
Employee Cost	443	437	483	507	515	16.4	1.6	1,505	1,288	16.9
<i>as % of sales</i>	<i>2.0</i>	<i>1.5</i>	<i>1.6</i>	<i>1.6</i>	<i>1.3</i>			<i>1.5</i>	<i>2.0</i>	
Other expenditure	3,417	4,509	4,702	5,066	6,065	77.5	19.7	15,832	9,427	68.0
<i>as % of sales</i>	<i>15.3</i>	<i>15.0</i>	<i>15.2</i>	<i>15.7</i>	<i>15.4</i>			<i>15.4</i>	<i>14.9</i>	
<b>EBITDA</b>	<b>1,158</b>	<b>1,736</b>	<b>2,374</b>	<b>2,259</b>	<b>3,467</b>	<b>199.5</b>	<b>53.5</b>	<b>8,099</b>	<b>3,725</b>	<b>117.4</b>
Depreciation	249	248	249	261	261	4.8	0.1	771	730	5.5
<b>EBIT</b>	<b>909</b>	<b>1,487</b>	<b>2,125</b>	<b>1,998</b>	<b>3,206</b>	<b>252.8</b>	<b>60.4</b>	<b>7,329</b>	<b>2,995</b>	<b>144.7</b>
Other Income	86	89	45	122	32	(63.0)	(74.0)	199	254	(21.8)
Interest	256	458	613	711	940	266.9	32.1	2,264	949	138.7
Extra ordinary items	-	-	-	-	-			-	-	
<b>PBT</b>	<b>739</b>	<b>1,118</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>	<b>211.1</b>	<b>63.1</b>	<b>5,264</b>	<b>2,301</b>	<b>128.8</b>
Total Tax	190	293	332	383	599	215.8	56.5	1,314	560	134.7
<b>PAT</b>	<b>549</b>	<b>826</b>	<b>1,225</b>	<b>1,026</b>	<b>1,699</b>	<b>209.5</b>	<b>65.5</b>	<b>3,950</b>	<b>1,741</b>	<b>126.9</b>
(Profit)/loss from JV's/Ass/MI	0.6	0.6	-	-	-			-	1	-
<b>PAT after JV</b>	<b>550</b>	<b>826</b>	<b>1,225</b>	<b>1,026</b>	<b>1,699</b>	<b>209.1</b>	<b>65.5</b>	<b>3,950</b>	<b>1,741</b>	<b>126.8</b>
<b>Adjusted PAT</b>	<b>550</b>	<b>826</b>	<b>1,225</b>	<b>1,026</b>	<b>1,699</b>	<b>209.1</b>	<b>65.5</b>	<b>3,950</b>	<b>1,741</b>	<b>126.8</b>
<b>Adjusted EPS</b>	<b>14.4</b>	<b>21.6</b>	<b>32.0</b>	<b>26.8</b>	<b>44.4</b>	<b>209.1</b>	<b>65.5</b>	<b>71.2</b>	<b>31.1</b>	<b>128.7</b>
<b>Margins (%)</b>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>	<b>Q3FY23</b>	<b>bps</b>	<b>bps</b>	<b>9MFY23</b>	<b>9MFY22</b>	<b>bps</b>
EBIDTA	5.2	5.8	7.7	7.0	8.8	360	181	7.9	5.9	198
EBIT	4.1	4.9	6.9	6.2	8.1	405	195	7.1	4.7	239
EBT	3.3	3.7	5.0	4.4	5.8	251	147	5.1	3.6	148
PAT	2.5	2.7	4.0	3.2	4.3	184	114	3.8	2.8	109
Effective Tax rate	25.7	26.2	21.3	27.2	26.1	39	(110)	25.0	24.3	63

Source: Company, PL

**Exhibit 2: Conductor segment grew 98.7% YoY and cables segment grew 89.5% YoY**

Segmental Performance	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	YoY gr. (%)	QoQ gr. (%)	9MFY23	9MFY22	YoY gr. (%)
<b>Conductor</b>										
Volume (MT)	22,415	33,850	35,877	30,227	44,538	98.7	47.3	110,642	73,507	50.5
Revenue	9,390	15,034	15,480	14,390	19,120	103.6	32.9	48,990	26,990	81.5
EBITDA	440	592	850	1,230	2,270	415.9	84.6	4,350	1,300	234.6
EBITDA margin (%)	4.7	3.9	5.5	8.5	11.9	719	332	8.9	4.8	406
EBITDA Adj. (Rs/MT)	19,835	19,227	23,670	40,531	50,886	156.5	25.5	37,900	16,863	124.8
<b>Speciality Oil &amp; Lubricant</b>										
Volume (KL)	116,109	117,021	115,359	113,360	126,731	9.1	11.8	355,450	344,568	3.2
Revenue	9,050	9,284	10,680	11,760	12,450	37.6	5.9	34,890	26,320	32.6
EBITDA	740	765	1,180	580	270	(63.5)	(53.4)	2,030	2,190	(7.3)
EBITDA margin (%)	8.2	8.2	11.0	4.9	2.2	(73)	(56)	5.8	8.3	(250)
EBITDA Adj. (Rs/KL)	6,401	6,033	10,238	5,083	2,099	(67.2)	(58.7)	5,190	6,472	(19.8)
<b>Cables</b>										
Revenue	4,860	6,827	6,380	7,620	9,210	89.5	20.9	23,210	13,110	77.0
EBITDA	160	225	520	720	1,090	581.3	51.4	2,330	600	288.3
EBITDA margin (%)	3.3	3.3	8.2	9.4	11.8	259.5	25.3	10.0	4.6	546

Source: Company, PL

## Conference Call Highlights:

- **Revenue growth (up ~76% YoY)** was on account of volume growth across divisions and growth in export of cable and conductor businesses.
- **Exports revenue contribution increased to 49% in Q3FY23** of total revenue vs 35% in Q3FY22.
- **Over next 15 months' capex is expected to be ~Rs3bn**, majorly for green field expansion in cables and conductor's business. Product premiumisation and geographical mix to be key drivers for growth for Cables business.
- **Conductors revenue growth (up 103% YoY)** was driven by strong volume growth (2x YoY) higher share of premium products and exports (conventional conductors).
  - High value products contribution was at 44% in Q3FY23. EBITDA per ton was at highest level, on back of improved mix of premium products, higher conventional conductor exports and benefit from softening steel price and freight cost.
  - EBITDA/ton to be ~Rs30,000-35,000 in medium term and ~Rs20,000-25,000/ton in the long run.
  - Conductor business is seeing strong traction from exports geographies such as USA, Australia, Latin America for its conventional conductors.
  - Conductor segment is expected to grow 15-20% over next couple of years.
- **Speciality oil revenue growth (up 38% YoY)** was driven by volume growth (up 9% YoY) and base oil price. Volume growth was driven by transformer oil business from domestic as well as exports market. Specialty oil segment is expected to grow ~5-7% for next couple of years.
- **Cables revenue growth (up 89% YoY)** was driven by strong growth in Elastomeric products (up 29% YoY) and exports. Elastomeric growth was driven by increased business opportunity from renewable energy installations, railways & defence. EBITDA growth was due to improved product mix and scale of economies.
  - Anushakti reported a revenue of Rs1bn in FY22 and is likely to be ~Rs2bn for FY23 and Rs3.5bn for FY24.
  - Management is confident to meet its overall revenue guidance of Rs30bn for FY23 and grow ~25-30% going forward driven by healthy demand from railways, defence, wind energy.

## Financials

### Income Statement (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
<b>Net Revenues</b>	<b>93,200</b>	<b>1,46,852</b>	<b>1,64,516</b>	<b>1,84,088</b>
YoY gr. (%)	45.9	57.6	12.0	11.9
Cost of Goods Sold	72,078	1,11,314	1,24,539	1,39,244
Gross Profit	21,122	35,538	39,977	44,844
Margin (%)	22.7	24.2	24.3	24.4
Employee Cost	1,725	2,115	2,468	2,761
Other Expenses	13,918	23,100	25,895	28,975
<b>EBITDA</b>	<b>5,479</b>	<b>10,324</b>	<b>11,615</b>	<b>13,107</b>
YoY gr. (%)	30.7	88.4	12.5	12.8
Margin (%)	5.9	7.0	7.1	7.1
Depreciation and Amortization	978	1,061	1,251	1,382
<b>EBIT</b>	<b>4,500</b>	<b>9,262</b>	<b>10,363</b>	<b>11,725</b>
Margin (%)	4.8	6.3	6.3	6.4
Net Interest	1,406	3,157	3,377	3,826
Other Income	325	397	395	423
<b>Profit Before Tax</b>	<b>3,419</b>	<b>6,502</b>	<b>7,381</b>	<b>8,322</b>
Margin (%)	3.7	4.4	4.5	4.5
Total Tax	853	1,658	1,882	2,122
Effective tax rate (%)	24.9	25.5	25.5	25.5
<b>Profit after tax</b>	<b>2,566</b>	<b>4,844</b>	<b>5,499</b>	<b>6,200</b>
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>2,566</b>	<b>4,844</b>	<b>5,499</b>	<b>6,200</b>
YoY gr. (%)	59.9	88.7	13.5	12.7
Margin (%)	2.8	3.3	3.3	3.4
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>2,566</b>	<b>4,844</b>	<b>5,499</b>	<b>6,200</b>
YoY gr. (%)	59.9	88.7	13.5	12.7
Margin (%)	2.8	3.3	3.3	3.4
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	2,566	4,844	5,499	6,200
<b>Equity Shares O/s (m)</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>
<b>EPS (Rs)</b>	<b>67.1</b>	<b>126.6</b>	<b>143.7</b>	<b>162.0</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY22	FY23E	FY24E	FY25E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>13,201</b>	<b>13,801</b>	<b>14,401</b>	<b>15,201</b>
Tangibles	13,184	13,784	14,384	15,184
Intangibles	16	16	16	16
<b>Acc: Dep / Amortization</b>	<b>4,387</b>	<b>5,448</b>	<b>6,699</b>	<b>8,081</b>
Tangibles	4,387	5,448	6,699	8,081
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>8,814</b>	<b>8,353</b>	<b>7,701</b>	<b>7,120</b>
Tangibles	8,798	8,336	7,685	7,103
Intangibles	16	16	16	16
Capital Work In Progress	383	283	383	383
Goodwill	-	-	-	-
Non-Current Investments	5	5	5	5
Net Deferred tax assets	(523)	(523)	(523)	(523)
Other Non-Current Assets	1,173	881	1,069	1,344
<b>Current Assets</b>				
Investments	300	300	300	300
Inventories	21,387	30,577	35,157	39,339
Trade receivables	25,424	35,405	40,115	44,887
Cash & Bank Balance	2,666	2,368	2,963	3,057
Other Current Assets	5,841	5,874	6,992	7,824
<b>Total Assets</b>	<b>66,075</b>	<b>84,121</b>	<b>94,768</b>	<b>1,04,351</b>
<b>Equity</b>				
Equity Share Capital	383	383	383	383
Other Equity	16,770	18,593	22,442	26,782
<b>Total Networkth</b>	<b>17,152</b>	<b>18,975</b>	<b>22,825</b>	<b>27,165</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	1,954	2,404	2,704	2,904
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	575	575	575	575
Trade payables	41,225	56,327	62,651	67,078
Other current liabilities	4,646	5,317	5,490	6,106
<b>Total Equity &amp; Liabilities</b>	<b>66,075</b>	<b>84,121</b>	<b>94,768</b>	<b>1,04,351</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY22	FY23E	FY24E	FY25E
PBT	3,419	6,502	7,381	8,322
Add. Depreciation	979	1,061	1,251	1,382
Add. Interest	608	3,157	3,377	3,826
Less Financial Other Income	325	397	395	423
Add. Other	480	-	-	-
Op. profit before WC changes	5,486	10,720	12,010	13,530
Net Changes-WC	(2,140)	(3,132)	(4,106)	(5,028)
Direct tax	908	1,658	1,882	2,122
<b>Net cash from Op. activities</b>	<b>2,438</b>	<b>5,930</b>	<b>6,021</b>	<b>6,381</b>
Capital expenditures	(1,293)	(500)	(700)	(800)
Interest / Dividend Income	-	-	-	-
Others	386	-	-	-
<b>Net Cash from Inv. activities</b>	<b>(906)</b>	<b>(500)</b>	<b>(700)</b>	<b>(800)</b>
Issue of share cap. / premium	-	-	-	-
Debt changes	(226)	450	300	200
Dividend paid	(364)	(969)	(1,650)	(1,860)
Interest paid	(474)	(3,157)	(3,377)	(3,826)
Others	-	(2,052)	-	-
<b>Net cash from Fin. activities</b>	<b>(1,064)</b>	<b>(5,728)</b>	<b>(4,727)</b>	<b>(5,486)</b>
<b>Net change in cash</b>	<b>468</b>	<b>(298)</b>	<b>595</b>	<b>94</b>
Free Cash Flow	1,133	5,430	5,321	5,581

Source: Company Data, PL Research

**Key Financial Metrics**

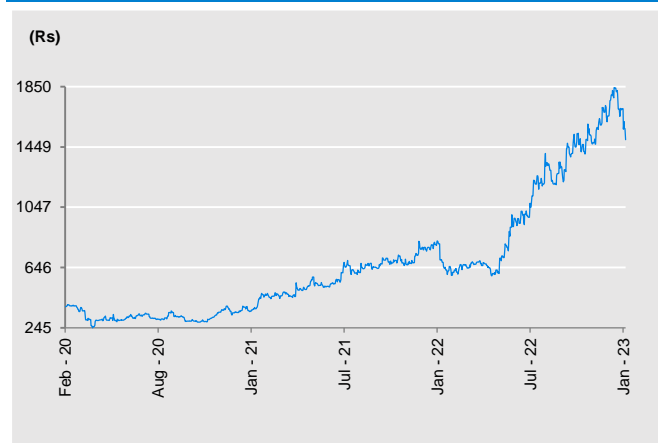
Y/e Mar	FY22	FY23E	FY24E	FY25E
<b>Per Share(Rs)</b>				
EPS	67.1	126.6	143.7	162.0
CEPS	92.6	154.3	176.4	198.1
BVPS	448.2	495.8	596.4	709.8
FCF	29.6	141.9	139.0	145.8
DPS	4.5	6.0	7.5	7.5
<b>Return Ratio(%)</b>				
RoCE	25.1	44.5	43.1	41.3
ROIC	22.5	38.0	37.2	34.9
RoE	16.4	26.8	26.3	24.8
<b>Balance Sheet</b>				
Net Debt : Equity (x)	0.0	0.0	-	-
Net Working Capital (Days)	22	24	28	34
<b>Valuation(x)</b>				
PER	25.2	13.3	11.7	10.4
P/B	3.8	3.4	2.8	2.4
P/CEPS	18.2	10.9	9.6	8.5
EV/EBITDA	11.7	6.3	5.6	4.9
EV/Sales	0.7	0.4	0.4	0.4
Dividend Yield (%)	0.3	0.4	0.4	0.4

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q4FY22	Q1FY23	Q2FY23	Q3FY23
<b>Net Revenue</b>	<b>30,125</b>	<b>30,932</b>	<b>32,349</b>	<b>39,424</b>
YoY gr. (%)	58.6	70.9	42.6	76.9
Raw Material Expenses	23,443	23,374	24,517	29,377
Gross Profit	6,682	7,558	7,832	10,047
Margin (%)	22.2	24.4	24.2	25.5
<b>EBITDA</b>	<b>1,736</b>	<b>2,374</b>	<b>2,259</b>	<b>3,467</b>
YoY gr. (%)	66.2	83.8	77.0	199.5
Margin (%)	5.8	7.7	7.0	8.8
Depreciation / Depletion	248	249	261	261
<b>EBIT</b>	<b>1,487</b>	<b>2,125</b>	<b>1,998</b>	<b>3,206</b>
Margin (%)	4.9	6.9	6.2	8.1
Net Interest	458	613	711	940
Other Income	89	45	122	32
<b>Profit before Tax</b>	<b>1,118</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>
Margin (%)	3.7	5.0	4.4	5.8
Total Tax	293	-	-	-
Effective tax rate (%)	26.2	-	-	-
<b>Profit after Tax</b>	<b>826</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>
Minority interest	-	-	-	-
Share Profit from Associates	1	-	-	-
<b>Adjusted PAT</b>	<b>826</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>
YoY gr. (%)	73.5	149.9	147.7	318.1
Margin (%)	2.7	5.0	4.4	5.8
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>826</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>
YoY gr. (%)	73.5	149.9	147.7	318.1
Margin (%)	2.7	5.0	4.4	5.8
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>826</b>	<b>1,556</b>	<b>1,409</b>	<b>2,298</b>
Avg. Shares O/s (m)	38	38	38	38
<b>EPS (Rs)</b>	<b>21.6</b>	<b>40.7</b>	<b>36.8</b>	<b>60.0</b>

Source: Company Data, PL Research

**Price Chart**
**Recommendation History**


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	04-Jan-23	BUY	1,834	1,789
2	04-Nov-22	BUY	1,834	1,464
3	04-Oct-22	UR	-	1,445
4	30-Jul-22	Accumulate	1,194	1,124
5	05-Jul-22	UR	-	941
6	31-May-22	BUY	855	691
7	08-Apr-22	BUY	830	666

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Accumulate	3,291	2,689
2	Apar Industries	BUY	1,834	1,789
3	Bharat Electronics	BUY	125	94
4	BHEL	Sell	36	80
5	Cummins India	Accumulate	1,514	1,396
6	Engineers India	BUY	89	80
7	GE T&D India	Hold	102	116
8	Kalpataru Power Transmission	Accumulate	549	570
9	KEC International	Accumulate	495	474
10	Larsen & Toubro	BUY	2,481	2,113
11	Praj Industries	BUY	520	367
12	Siemens	Accumulate	3,290	2,837
13	Thermax	Accumulate	2,556	1,956
14	Triveni Turbine	BUY	340	276
15	Voltamp Transformers	Hold	3,150	2,691

**PL's Recommendation Nomenclature (Absolute Performance)**

<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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