

## Best play on capex cycle...

**About the stock:** Larsen & Toubro (L&T) is India's largest engineering & construction (E&C) company, with interest in EPC projects, hi-tech manufacturing and services.

- The company primarily operates in infrastructure, heavy engineering, defence engineering, power, hydrocarbon, services business segments
- Infrastructure segment contributes ~45% to consolidated revenue followed by services (~30%)

**Q3FY23 Results:** L&T reported a decent set of Q3FY23 numbers.

- Adjusted standalone revenue was up 8.3% YoY to ₹ 27785.4 crore
- Standalone EBITDA was up 10.3% YoY to ₹ 2316.9 crore. Margins remained flat on a YoY basis at 8.3%
- Consequently, standalone adjusted PAT at ₹ 1825.4 crore remained flat YoY
- Order inflows came in at ₹ 60,710 crore, up 21% YoY

**What should investors do?** L&T reported a strong order book of ₹ 372381 crore, suggesting good revenue visibility in coming years.

- We maintain our **BUY** rating on the stock

**Target Price and Valuation:** We value L&T at ₹ 2795 on an SoTP basis.

**Key triggers for future price performance:**

- L&T has targeted revenues and order inflow CAGR of 15% and 14%, respectively, over FY21-26 with a consolidated RoE of 18%
- L&T will focus on emerging portfolios like green EPC, manufacturing of electrolysers, battery & cell manufacturing, data centres and platforms (Sufin & Edutech) in the next five years
- Focus on asset monetisation to further strengthen the balance sheet and improve return ratios. Strong b/s, controlled working capital and strong cash generation

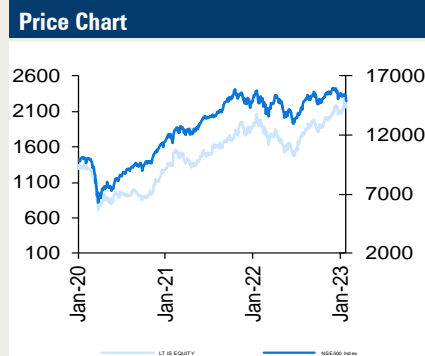
**Alternate Stock Idea:** Apart from L&T, in our coverage we also like Siemens.

- Strong focus on technology leadership in digitisation and automation products to further strengthen its market share
- BUY with target price of ₹ 3630



Particulars	
Particular	Amount
Market Capitalization	₹297759 Crore
Total Debt (FY22)	₹22808.7 Crore
Cash & Inv. (FY22)	₹5904.1 crore
EV	₹314663.6 Crore
52 week H/L	₹298 / ₹1456
Equity capital	₹277.5 Crore
Face value	₹2

Shareholding pattern				
(in %)	Mar-22	Jun-22	Sep-22	Dec-22
Promote	0.0	0.0	0.0	0.0
FII	22.4	21.1	22.1	23.3
DII	33.7	34.9	40.9	40.1
Others	43.9	44.1	37.0	36.6



### Recent event & Key risks

- Key Risks:** (i) Any execution headwinds, order deferrals (ii) Delay in sale of non-core assets

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### Key Financial Summary (Standalone)

Particulars (₹crore)	FY21*	FY22*	FY23E	5-Year CAGR (FY18-FY23)	FY24E	FY25E	2-Year CAGR (FY23-FY25E)
Net Sales	73,315.6	1,01,000.4	1,16,406.3	9.3%	1,33,149.5	1,53,827.6	15.0%
EBITDA	7,266.2	9,055.5	9,352.2	4.8%	12,023.9	14,353.9	23.9%
EBITDA Margin (%)	9.9	9.0	8.0		9.0	9.3	
Adj. Net Profit	6,287.5	7,669.0	8,298.0	10.4%	10,329.2	12,504.8	22.8%
Adj. EPS (₹)	81.9	56.8	59.8		74.5	90.1	
P/E (x)	25.9	37.4	35.5		28.5	23.5	
RoNW (%)	18.8	12.1	11.8		13.4	14.6	
RoCE (%)	7.4	8.9	8.7		10.7	12.1	

\*PAT, EPS adjusted for E&A business sale and exceptional items.

Source: Company, ICICI Direct Research

## Key takeaways of recent quarter & conference call highlights

### Q3FY23 Results: Strong order inflows with decent execution

- L&T's adjusted standalone revenues (ex- E&A) for the quarter grew 8.3% YoY to ₹ 27785.4 crore (vs. our estimate of ₹ 29226.7 crore). On a standalone basis, infrastructure segment revenue grew 13.8% to ₹ 20294 crore YoY, driven by smooth execution of a large order book. Energy segment revenue came in at ₹ 4928.2 crore, down 9.7% YoY. Hi-Tech manufacturing segment posted revenue of ₹ 1863.1 crore and grew 20.3% YoY with accelerated progress in few jobs. Others segment reported growth of 6.3% YoY to ₹ 1078.7 crore, primarily due to lower pace of execution in the SWC business
- Standalone EBITDA was up 10.3% YoY to ₹ 2316.9 crore with margins flat YoY at 8.3% (in Q2FY23 it was 7.4%). On a consolidated basis, EBITDA margins came in at 10.9%
- For Q3FY23, L&T registered strong order inflows at the group level worth ₹ 60710 crore, up 21% YoY. Orders were received across multiple segments like oil & gas, public spaces, hydel & tunnels, irrigation systems, ferrous metals and power transmission & distribution. International orders at ₹ 15,294 crore during the quarter comprised 25% of the total order inflow. Overall infrastructure segment secured orders worth ₹ 32,530 crore (~53.5% of total inflows). L&T's order backlog as on Q3FY23 was at ₹ 3,86,588 crore with international orders contributing 26%
- Consequently, for Q3FY23, standalone adjusted PAT (ex-E&A) came in at ₹ 1825.4 crore, flat YoY (vs. our estimate of ₹ 2032.2 crore). Other income came in at ₹ 833 crore, down 9.8% YoY while, interest expense increased 22.5% to ₹ 508 crore. Consolidated adjusted PAT for Q3FY23 came in at ₹ 2553 crore (vs. ₹ 2054.7 crore in Q3FY22)
- From a balance sheet perspective, net working capital to sales ratio improved to 19% in 9MFY23 from 22.9% in 9MFY22

### Q3FY23 Earnings Conference Call highlights

- L&T's total ordering prospects/pipeline for Q4FY23 was at ₹ 487000 crore, comprising ₹ 382000 crore of domestic and ₹ 105000 crore of international pipeline. L&T has become more selective in choosing business opportunities coupled with a strong backlog giving convenience to the company to use discretion in winning relatively profitable orders. The prospect pipeline is quite robust given Q4FY23 opportunity pie of ₹487000 crore is still 50% of opportunity pie at the beginning of FY23E. From a segment perspective, infrastructure segment prospects are pegged at ₹ 3,89,000 crore, out of which ₹ 320000 crore pertains to the domestic segment. On hydrocarbon, prospects are at ₹ 61,000 crore while on power ₹ 23,000 crore and for the hi tech manufacturing side (defence and heavy engineering), the same is at ₹ 17,000 crore. Healthy award to tender ratio for 9MFY23 at 52% vs. 48% in Q3FY22. The same ratio for Q3FY23 was at 56% in Q3FY23 vs. 57% in Q3FY22. The win ratio for L&T has improved from 15-16% in FY22 to 20% in FY23. In the private sector capex, the market share of L&T's win-ability ratio has improved from 32% in 9MFY23 from 18% in 9MFY22
- In Q3FY23, domestic order inflows grew 53% YoY to ₹ 42500 crore while for 9MFY23, the same grew 54% YoY. With respect to international markets, ordering was flat to negative as most tenders facing a delay in ordering have spilled over to Q4FY23E. However, at the same time, the management reiterated the fact that GCC countries have robust prospects. International orders contributed to 26% of the order backlog. Domestic backlog was at 72% of the overall book while Middle East share was at 21%

- During the quarter, orders were received across segments such as oil & gas, public spaces, hydel & tunnels, irrigation systems, ferrous metals and power T&D. L&T is witnessing green shoots in private capex as new investments announced by private sector at an all-time high and saw 10-15% of share in orders prospects for Q4FY23. Also The Gulf Cooperation Council (GCC) countries are doing strong capex in both oil & non-oil (renewables, green hydrogen, water, etc) segments
- The management is confident of achieving and exceeding its revenue and order inflow growth guidance of 15% for FY23E. However, on the EBITDA margin guidance, L&T has slashed 30-50 bps for FY23E at ~8.8-9.0% given low margins reported in the first six months for the fiscal year on account of fixed price orders taken before the commodity hike came into execution. On the working capital to sales ratio, L&T had guided for a range of 20-22% in the beginning of FY23 but now the company is quite confident of ending at 19-20% given pick-up in execution and normalisations of debtor's/collection cycle. Net working capital to sales ratio improved to 19% in 9MFY23 from 22.9% in 9MFY22, an improvement of 390 bps YoY
- Developments at Hyderabad Metro: Hyderabad Metro is witnessing a resurgence in ridership with daily ridership at over 394000 passengers in Q3FY23 (vs. 355000 passengers in Q2FY23). It touched a peak of 471000 passengers in January 2023. The management is hopeful that the ridership will touch the 550000-600000 mark in the next six quarters as there are no Covid restrictions. The subsidiary posted a positive EBITDA. The loss for Q3FY23 was at ₹ 330 crore vs. ₹ 480 crore in Q3FY22. L&T has refinanced the debt undertaken for the development of Hyderabad Metro leading to a favourable interest rate outgo and is planning monetisation of the real estate space of the metro network (₹ 1500 crore per annum for the next two to three years) and seeking government grants to be able to lower the debt burden, which is currently at ~₹ 13,000 crore. In Q2-Q3FY23, the company has received ₹100 crore soft loan assistance from Telangana government while in Q4FY23E they are expected to receive ₹ 900 crore of remaining soft loan for first year
- The company has incurred a capex of ₹ 2500 crore for procurement of construction equipment in 9MFY23, given they have bagged too many mega projects over the last few quarters and in also a lead indication that execution will remain strong and robust tendering activity will convert into business opportunity over the next one to three years
- On the green hydrogen, the company has invested ₹ 35 crore in a pilot project. Now the focus will be to tie up with a technology partner by Q1FY24 and put a manufacturing plant in FY24 with a capex of ₹ 1500 crore (L&T's share) and the manufacturing will commence over FY25-26E
- From a balance sheet perspective, total debt on the standalone business and development assets was at ₹ 21300 crore flat YoY and ₹ 18400 crore, up by ₹ 300 crore. From a cash flow perspective, the company generated cash flow from operations to the tune of ₹ 5370 crore while the free cash flow for Q3FY23 was at ₹ 4000 crore. For 9MFY23, L&T generated FCF of ₹ 5570 crore
- As part of its five-year strategic plan 'Lakshya 26' the company is looking to divest its investment in non-core areas, which includes road concessions and power business and minimising its stake in Hyderabad Metro. During the quarter, the company entered into a share purchase agreement, to sell its entire shareholding in L&T IDPL. Under the strategic plan, the company plans to focus on green energy, cell and battery manufacturing, the development of data centres, tech education, and B2B e-commerce in the coming years

**Exhibit 1: Variance Analysis (Standalone)**

	Q3FY23	Q2FY23E	Q3FY22 'oY (Chg %)	Q2FY23	QoQ (Chg %)	Comments	
Revenue	27,785.4	29,226.7	25,665.1	8.3	25,769.8	7.8	Infrastructure business drive revenue growth
Other Income	833.0	1,000.1	924.0	-9.8	1,554.2	-46.4	
Employee Expenses	2,014.8		1,877.8	7.3	2,109.7	-4.5	
Raw Material Expense	22,746.3		20,952.2	8.6	21,213.1	-40.3	
Other Operating Exper	707.5		735.4	-3.8	539.3	31.2	
EBITDA	2,316.9	2,425.8	2,099.8	10.3	1,907.6	21.5	
EBITDA Margin (%)	8.3	8.3	8.2	16 bps	7.4	94 bps	
Depreciation	334.8	317.6	287.0	16.6	337.6	-0.8	
Interest	508.1	436.2	414.7	22.5	578.6	-12.2	
PBT (befor exp. Item)	2,306.9	2,672.1	2,322.1	-0.7	2,545.6	-9.4	
PBT (after exp. Item)	2,306.9	2,672.1	2,322.1	-	2,545.6	-	
Total Tax	481.5	639.9	498.9	-3.5	436.1	10.4	
Adj. PAT (Ex-E &A)	1,825.4	2,032.2	1,823.2	0.1	2,109.5	-13.6	

**Key Metrics**

Order inflows	60,710		50,359	20.6	51,914	16.9	Decent order inflows seen YoY
Order backlog	3,86,588		3,40,000	13.7	3,72,381	3.8	Backlog provides strong visibility for next two to three years

\* Adjusted for E &A

Source: Company, ICICI Direct Research

**Exhibit 2: Change in estimates**

(₹C crore)	FY24E			FY25E		
	Old	New	% Change	Old	New	% Change
Revenue	1,31,404.9	1,33,149.5	1.3	-	1,53,827.6	-
EBITDA	12,856.2	12,023.9	-6.5	-	14,353.9	-
EBITDA Margin (%)	9.8	9.0	-77 bps	-	9.3	-
PAT	10,637.5	10,329.2	-2.9	-	12,504.8	-
EPS (₹)	76.6	74.5	-2.8%	-	90.1	-

Source: Company, ICICI Direct Research

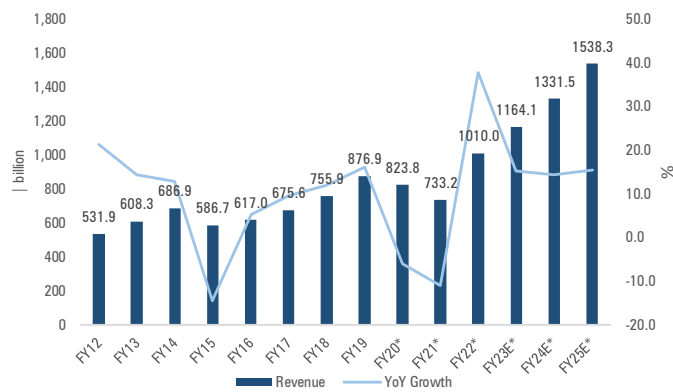
**Exhibit 3: Assumptions**

	Current				Earlier	
	FY22*	FY23E	FY24E	FY25E	FY23E	FY24E
Order Inflow growth	-1.3	44.8	15.2	17.1	22.0	11.9
Order Backlog growth	11.7	0.2	22.5	19.0	0.4	12.0
Revenue growth	37.8	15.3	14.4	15.5	20.7	7.8
EBITDA Margins	9.0	8.0	9.0	9.3	8.1	9.8

Source: Company, ICICI Direct Research

## Financial Story in Charts

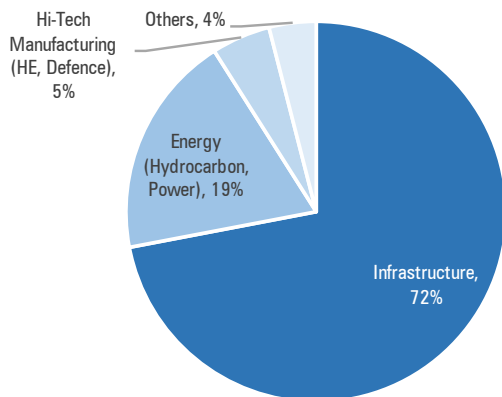
Exhibit 4: Trend in revenue growth



\*E&A business has been restated as discontinued Ops.

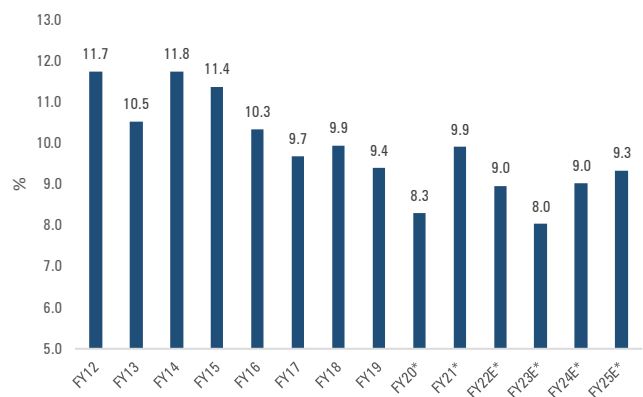
Source: ICICI Direct Research, Company

Exhibit 5: Break-up of consolidated backlog...



Source: Company, ICICI Direct Research

Exhibit 6: Trend in EBITDA margins...



\*E&A business has been restated as discontinued ops.

Source: Company, ICICI Direct Research

Exhibit 7: SoTP valuation of L&T

Company (₹ per share)	Bull case	% of total	Base Case	% of total	Bear Case	% of total
Base Business	2406.1	70.2	2049.7	73.4	891.2	63.1
L&T Finance Holdings	78	2.3	68	2.4	49	3.5
L&T IT Subsidiaries	748	21.8	581	20.8	415.3	29.4
L&T Power Developme	13	0.4	8.6	0.3	7.7	0.5
L&T MHI JV	12	0.3	5.0	0.2	5.7	0.4
L&T ID PL	144	4.2	65.3	2.3	30.9	2.2
Other E&C, MIP & E&E	29	0.8	14.3	0.5	12.3	0.9
<b>Total</b>	<b>3430</b>	<b>100.0</b>	<b>2793</b>	<b>100.0</b>	<b>1412</b>	<b>100.0</b>

Source: Company, ICICI Direct Research

## Financial summary

### Exhibit 8: Profit and loss statement ₹ crore

(Year-end March)	FY22*	FY23E*	FY24E*	FY25E*
<b>Total operating Inco</b>	<b>1,01,000.4</b>	<b>1,16,406.3</b>	<b>1,33,149.5</b>	<b>1,53,827.6</b>
Growth (%)	37.8	15.3	14.4	15.5
Raw Material Expense	13,365.0	13,398.6	15,217.6	18,045.9
Employee Expenses	7,396.9	8,566.8	9,368.4	11,020.8
Other Operating Exper	57,682.5	68,929.9	79,021.5	90,614.7
Sales, admin & Other l	2,982.7	3,635.7	4,798.2	5,677.0
Other Mfg. Expenses	10,517.9	12,523.1	12,719.9	14,115.4
Total Operating Expen	91,944.9	1,07,054.1	1,21,125.6	1,39,473.7
<b>EBITDA</b>	<b>9,055.5</b>	<b>9,352.2</b>	<b>12,023.9</b>	<b>14,353.9</b>
Growth (%)	24.6	3.3	28.6	19.4
Depreciation	1,172.5	1,310.0	1,493.1	1,611.9
Interest	1,754.2	1,856.5	1,771.3	1,686.2
Other Income	3,612.7	4,234.2	4,208.2	4,614.8
PBT	9,741.4	10,420.0	12,967.7	15,670.6
Others	0.0	0.0	0.0	0.0
Total Tax	2,129.3	2,122.1	2,638.6	3,165.7
<b>Adj. PAT (Ex-E&amp;A)</b>	<b>5,414.6</b>	<b>8,298.0</b>	<b>10,329.2</b>	<b>12,504.8</b>
Growth (%)	-13.9	53.3	24.5	21.1
<b>Adj. EPS ₹</b>	<b>39.0</b>	<b>54.2</b>	<b>74.5</b>	<b>90.1</b>

\*E&A business has been restated as discontinued ops.

Source: Company, ICICI Direct Research

### Exhibit 9: Cash flow statement ₹ crore

(Year-end March)	FY22*	FY23E*	FY24E*	FY25E*
Profit after Tax	7,879.3	8,298.0	10,329.2	12,504.8
Add: Depreciation	1,172.5	1,310.0	1,493.1	1,611.9
(Inc)/dec in Current Assets	-22,458.8	-4,868.5	-16,468.1	-17,828.3
Inc/(dec) in C L and Provisi	23,445.4	-1,623.0	14,112.7	10,840.3
Others	-	-	-	-
<b>CF from operating activi</b>	<b>10,038.4</b>	<b>3,116.4</b>	<b>9,466.8</b>	<b>7,128.7</b>
(Inc)/dec in Investments	2,000.0	500.0	500.0	500.0
(Inc)/dec in Fixed Assets	-2,056.8	-2,700.0	-1,200.0	-1,200.0
Others	0.0	0.0	0.0	0.0
<b>CF from investing activit</b>	<b>-3,281.8</b>	<b>-684.4</b>	<b>-2,667.1</b>	<b>-1,597.8</b>
Issue/(Buy back) of Equity	0.0	0.0	0.0	0.0
(Inc)/dec in loan funds	0.0	0.0	0.0	0.0
Dividend paid & dividend t	-3,087.0	-3,367.7	-3,788.6	-4,209.6
(Inc)/dec in Sec. premium	50.0	50.0	50.0	50.0
Others	0.0	7.6	0.0	0.0
<b>CF from financing activit</b>	<b>-3,915.0</b>	<b>-4,195.7</b>	<b>-4,616.6</b>	<b>-5,037.6</b>
Net Cash flow	2,841.5	-1,763.7	2,183.1	493.3
Opening Cash	3,062.6	5,904.1	4,140.4	6,323.5
<b>Closing Cash</b>	<b>5,904.1</b>	<b>4,140.4</b>	<b>6,323.5</b>	<b>6,816.8</b>

Source: Company, ICICI Direct Research

### Exhibit 10: Balance sheet ₹ crore

(Year-end March)	FY22*	FY23E*	FY24E*	FY25E*
<b>Liabilities</b>				
Equity Capital	280.9	280.9	280.9	280.9
Reserve and Surplus	65,009.3	70,111.5	76,824.0	85,291.3
Total Shareholders fun	65,290.2	70,392.4	77,104.9	85,572.2
Total Debt	22,808.7	21,808.7	20,808.7	19,808.7
Deferred Tax Liability	0.0	0.0	0.0	0.0
Minority Interest / Othe	0.0	0.0	0.0	0.0
<b>Total Liabilities</b>	<b>88,981.1</b>	<b>93,148.4</b>	<b>98,925.9</b>	<b>1,06,458.1</b>
<b>Assets</b>				
Gross Block	14,369.0	16,869.0	18,069.0	19,269.0
Less: Acc Depreciatio	6,172.2	7,389.6	8,790.2	10,309.5
Net Block	8,196.8	9,479.4	9,278.8	8,959.5
Capital WIP	900.0	1,100.0	1,100.0	1,100.0
Total Fixed Assets	9,096.8	10,579.4	10,378.8	10,059.5
Investments	45,674.2	45,174.2	44,674.2	44,174.2
Inventory	4,225.3	3,747.7	5,372.1	5,585.5
Debtors	35,972.7	41,459.8	48,517.5	56,052.2
Loans and Advances	746.8	743.2	961.1	1,007.9
Other Current Assets	62,928.1	62,790.7	70,358.8	80,392.2
Cash	5,904.1	4,140.4	6,323.5	6,816.8
Total Current Assets	1,09,777.0	1,12,881.8	1,31,533.0	1,49,854.6
Creditors	48,424.9	51,027.4	58,366.9	67,431.3
Provisions	2,033.8	2,296.2	2,626.5	3,169.3
Total Current Liabilitie:	86,344.1	84,721.1	98,833.8	1,09,674.0
Net Current Assets	23,432.9	28,160.7	32,699.2	40,180.6
Others Assets	0.0	0.0	0.0	0.0
<b>Application of Funds</b>	<b>88,981.1</b>	<b>93,148.4</b>	<b>98,925.9</b>	<b>1,06,458.1</b>

Source: Company, ICICI Direct Research

### Exhibit 11: Key ratios ₹ crore

(Year-end March)	FY22*	FY23E*	FY24E*	FY25E*
<b>Per share data (₹)</b>				
EPS	39.0	54.2	74.5	90.1
Cash EPS	65.2	69.3	85.2	101.8
BV	471.2	508.0	556.4	617.4
DPS	22.0	24.0	27.0	30.0
Cash Per Share	42.6	29.8	45.6	49.1
<b>Operating Ratios (%)</b>				
EBITDA Margin	9.0	8.0	9.0	9.3
PBT / Total Operating inco	9.9	9.0	9.7	10.2
PAT Margin	7.8	7.1	7.8	8.1
Inventory days	12.8	12.5	12.5	13.0
Debtor days	130.0	130.0	133.0	133.0
Creditor days	175.0	160.0	160.0	160.0
<b>Return Ratios (%)</b>				
RoE	10.7	10.4	13.4	14.6
RoCE	8.9	8.7	10.7	12.1
RoIC	10.4	9.0	11.4	12.8
<b>Valuation Ratios (x)</b>				
P/E	37.4	35.5	28.5	23.5
EV / EBITDA	34.4	33.4	25.7	21.4
EV / Net Sales	3.1	2.7	2.3	2.0
Market Cap / Sales	2.9	2.5	2.2	1.9
Price to Book Value	4.5	4.2	3.8	3.4
<b>Solvency Ratios</b>				
Debt/EBITDA	2.5	2.3	1.7	1.4
Debt / Equity	0.3	0.3	0.3	0.2
Current Ratio	1.3	1.3	1.3	1.4
<b>Quick Ratio</b>	<b>1.2</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>

\*Adjusted for E&A business

Source: Company, ICICI Direct Research

Exhibit 13: ICICI Direct coverage universe (Capital Goods)

Company	CMP		Rating	M Cap (₹Cr)	EPS (₹)			P/E (x)			RoCE (%)			RoE (%)		
	₹	TP (₹)			FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E	FY22	FY23E	FY24E
L&T (LARTOU)	2,113	2,795	Buy	296482	59.8	74.5	90.1	35.3	28.4	23.4	8.7	10.7	12.1	11.8	13.4	14.6
Siemens Ltd	2,917	3,630	Buy	103882	35.4	46.4	53.8	82.3	62.9	54.2	15.6	18.2	19.1	11.3	13.4	14.0
AIA Engineering (AIAENG)	2,645	3,132	Buy	24946	107.3	97.9	107.0	24.7	27.0	24.7	23.5	18.6	18.2	18.5	14.9	14.3
Thermax (THERMA)	1,901	2,536	Hold	22650	36.5	51.7	61.0	52.1	36.8	31.2	14.6	18.3	18.7	11.4	14.3	14.4
KEC International (KECIN)	459	515	Buy	11794	12.9	15.4	30.3	35.5	29.8	15.1	11.9	13.8	20.5	10.6	10.7	17.9
Greaves Cotton (GREAVE)	141	209	Buy	3252	0.7	3.9	3.6	198.7	36.2	39.4	2.5	10.4	10.6	1.3	7.5	7.7
Elgi Equipment (ELGEQU)	361	520	Hold	11453	7.2	9.4	11.4	50.5	38.5	31.7	19.0	21.4	22.0	19.8	21.3	21.1
Bharat Electronics (BHAELE)	89	135	Buy	65020	3.2	3.8	4.5	27.8	23.4	19.8	26.1	28.4	30.0	19.5	21.2	22.4
Cochin Shipyard (COCSHI)	487	745	Buy	6410	42.9	38.6	42.8	11.4	12.6	11.4	10.9	10.5	10.6	12.7	11.0	11.3
SKF (SKFIND)	4,288	5,215	Buy	21199	77.0	108.7	130.3	55.7	39.4	32.9	26.0	30.7	31.3	20.6	23.3	23.4
Timken India (TIMIND)	3,049	3,560	Buy	22932	43.5	61.3	71.2	70.1	49.7	42.8	25.3	36.2	42.0	19.7	27.9	32.2
NRB Bearing (NRBBEA)	143	220	Buy	1384	7.8	9.2	12.1	18.3	15.5	11.8	15.0	15.3	19.2	12.6	12.6	14.8
Action Construction (ACTCON)	322	385	Buy	3836	8.8	15.1	19.2	36.6	21.3	16.8	23.0	25.6	26.7	13.9	18.3	18.9
Data Patterns (DATPAT)	1292	1,555	Buy	6704	18.1	22.0	30.4	71.3	58.8	42.5	23.8	24.9	28.4	16.4	18.2	21.0
HAL (HINAER)	2,471	3,300	Buy	82641	151.9	132.7	145.0	16.3	18.6	17.0	27.4	30.5	30.1	26.3	23.1	22.8
ABB (ABB)	2,815	3,275	Buy	59649	25.5	40.5	37.2	110.5	69.5	75.6	45.0	49.2	57.3	11.2	12.9	15.1
Ador Welding (ADOWEL)	790	1,014	Buy	1074	33.2	34.1	48.3	23.8	23.2	16.4	19.9	21.6	26.5	13.6	15.7	19.3
Bharat Dynamics (BHADYN)	911	1,200	Buy	16694	27.3	33.0	42.7	33.4	27.6	21.4	24.6	24.7	27.9	17.3	17.7	20.0
Mazagon Dock (MAZDOC)	763	1,025	Hold	15394	30.3	39.8	46.6	25.2	19.2	16.4	20.0	22.9	23.5	16.1	18.2	18.5
Solar Industries India (SOLIN)	4,030	4,700	Buy	36468	48.8	76.6	99.7	82.6	52.6	40.4	22.5	32.5	34.6	23.9	29.0	28.8
Anup Engineering (THEANU)	1,033	1,080	Buy	1023	62.7	49.5	72.3	16.5	20.9	14.3	15.3	16.6	19.4	12.2	12.5	14.5
Control Prints (CONTROLPR)	449	555	Buy	733	24.7	28.7	34.6	18.1	15.6	13.0	17.9	21.4	23.4	13.8	15.4	16.3
KSB Ltd. (KSBPUM)	1,770	2,180	Buy	6159	43.7	50.0	62.2	40.5	35.4	28.5	15.7	16.0	18.3	14.7	14.9	15.9

Source: Company, ICICI Direct Research

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Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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