

# BHEL (BHEL IN)

Rating: SELL | CMP: Rs59 | TP: Rs34

July 31, 2021

## Q1FY22 Result Update

■ Change in Estimates | ■ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY22E	FY23E	FY22E	FY23E
Rating	SELL		SELL	
Target Price	34		34	
Sales (Rs. m)	226,247	307,287	226,247	307,287
% Chng.	-	-	-	-
EBITDA (Rs. m)	(6,154)	17,308	(6,154)	17,308
% Chng.	-	-	-	-
EPS (Rs.)	(2.1)	2.9	(2.1)	2.9
% Chng.	-	-	-	-

### Key Financials - Standalone

Y/e Mar	FY20	FY21	FY22E	FY23E
Sales (Rs. bn)	215	173	226	307
EBITDA (Rs. bn)	(2)	(31)	(6)	17
Margin (%)	(1.1)	(18.1)	(2.7)	5.6
PAT (Rs. bn)	(15)	(27)	(7)	10
EPS (Rs.)	(4.2)	(7.8)	(2.1)	2.9
Gr. (%)	(222.2)	84.5	(72.7)	(234.6)
DPS (Rs.)	1.2	-	-	-
Yield (%)	2.0	-	-	-
RoE (%)	(4.9)	(9.8)	(2.8)	3.8
RoCE (%)	(2.2)	(11.0)	(3.6)	3.8
EV/Sales (x)	0.9	1.1	0.9	0.6
EV/EBITDA (x)	(83.0)	(6.0)	(31.9)	11.1
PE (x)	(14.0)	(7.6)	(27.8)	20.7
P/BV (x)	0.7	0.8	0.8	0.8

### Key Data

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52-W High / Low	Rs.80 / Rs.27
Sensex / Nifty	52,587 / 15,763
Market Cap	Rs.207bn / \$ 2,779m
Shares Outstanding	3,482m
3M Avg. Daily Value	Rs.12531.42m

### Shareholding Pattern (%)

Promoter's	63.17
Foreign	5.09
Domestic Institution	18.14
Public & Others	13.60
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	(9.4)	64.8	61.4
Relative	(9.6)	45.0	15.8

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## Loss at operating level continues

### Quick Pointers

- Delay in order finalization and procurement of new order resulted in OI of Rs32.5bn, translating into OB of Rs1.02trn (5.6x TTM revenue).
- Withdrawal of provision worth Rs1.8bn due to improved receivable quality, resulted in narrowing down of EBITDA loss.

**BHEL reported subdued quarter led by poor execution owing to second wave of Covid, diversion of oxygen cylinders for medical usage and lower labor availability. During 1Q, withdrawal of provision worth Rs1.8bn resulted in EBITDA loss narrowing down to Rs4.7bn (vs Rs11bn in Q1FY21 and Rs12.6bn in Q4FY21). Management indicated impact on ordering activity due to delay in order finalization, resulting in OI of Rs32.5bn. OI was mainly driven by order wins in Power (Rs25bn) and Industry (Rs6.9bn). OB stands at Rs1.02trn (Power- 83%, Industry-11%, Exports-6%) as on Q1FY21, providing revenue visibility going ahead. Going forward focus will be on scaling up revenues, cost optimization, improving operational efficiency, cash collection and high margin project (Aerospace, Defence, Railways, etc).**

**We believe BHEL would continue to face challenges with its 1) legacy orders, 2) softer execution and 3) margin pressures in the short run. However, strategy to diversify in non-power business like defence, railway, aerospace, solar, green hydrogen will aid long term revenue visibility. The stock is currently trading at 20.7x FY23E. We maintain 'Sell' rating on stock with TP of Rs34 (same as earlier). Further, an optimism towards the stock is mainly due to divestment plan and strategic tie ups, which would be key monitorable.**

**Second wave of Covid Impact execution:** On standalone basis, BHEL reported sales of ~Rs29bn, up 46% YoY (PLe ~Rs38.5bn), led by ramp up in execution of power segment (up 89% YoY), while industry segment declined 22% YoY. EBITDA reported a loss of Rs4.7bn v/s (PLe loss of Rs5.7bn) led by higher fix cost and lower revenue. Other expenses declined sharply 78% YoY, while employee cost declined 2% YoY. On account of poor operating performance, BHEL reported a PBT loss to the tune of Rs5.9bn vs (Rs12bn) in 1QFY21. On bottom line front, the company reported a loss of Rs4.5bn (PLe loss of ~Rs6.8bn).

**OB stands comfortable at Rs1.02trn:** OI was impacted due to delay in ordering activity and procurement for new order and came in at Rs32.5bn. Power segment OI was Rs25.0bn and Industry Rs6.9bn. OB stands at Rs1.02trn (5.6x TTM revenue) as on Q1FY22, Power (Rs 846bn), Industry (Rs112bn) and Exports (Rs63bn). Off the total OB, executable OB is Rs 708.3bn of which FGD accounts for 15%. BHEL is L1 in order from NPCIL for 6x700 turbine package (Rs108bn) and other orders like 2x660 MW NTPC Talcher main plant package, FGD and boiler modification plant.

## Exhibit 1: Second wave of Covid impact execution

Y/e March (Rs mn)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	YoY gr. (%)	QoQ gr. (%)	FY21	FY20	YoY gr. (%)
Revenue	19,909	36,852	44,514	71,710	29,013	45.7	(59.5)	173,084	214,592	(19.3)
Total Revenues	19,909	36,852	44,514	71,710	29,013	45.7	(59.5)	173,084	214,592	(19.3)
Expenditure	30,498	43,276	46,310	84,353	33,753	10.7	(60.0)	204,437	216,921	(5.8)
as % of sales	153.2	117.4	104.0	117.6	116.3			118.1	101.1	
Consumption of RM	13,115	23,832	29,411	49,461	19,371	47.7	(60.8)	115,819	136,847	(15.4)
as % of sales	65.9	64.7	66.1	69.0	66.8			66.9	63.8	
Employee Cost	13,788	13,816	13,796	12,323	13,574	(1.5)	10.2	53,723	54,266	(1.0)
as % of sales	69.3	37.5	31.0	17.2	46.8			31.0	25.3	
Other expenditure	3,595	5,629	3,103	22,569	808	(77.5)	(96.4)	34,896	25,807	35.2
as % of sales	18.1	15.3	7.0	31.5	2.8			20.2	12.0	
EBITDA	(10,589)	(6,425)	(1,796)	(12,643)	(4,740)	(55.2)	(62.5)	(31,353)	(2,329)	1,246.3
Depreciation	1,185	1,152	1,128	1,266	1,112	(6.2)	(12.2)	4,731	5,029	(5.9)
EBIT	(11,774)	(7,577)	(2,924)	(13,909)	(5,852)	(50.3)	(57.9)	(36,084)	(7,357)	390.4
Other Income	955	1,048	853	842	750	(21.5)	(11.0)	3,698	5,806	(36.3)
Interest	1,146	945	858	783	836	(27.0)	6.9	3,731	5,070	(26.4)
PBT	(11,964)	(7,474)	(2,929)	(13,849)	(5,938)	(50.4)	(57.1)	(36,116)	(6,621)	445.5
Total Tax	(2,993)	(1,813)	(619)	(3,520)	(1,485)	(50.4)	(57.8)	(8,945)	8,109	(210.3)
Adjusted PAT	(8,972)	(5,661)	(2,310)	(10,329)	(4,454)	(50.4)	(56.9)	(27,171)	(14,730)	84.5
(Profit)/loss from JV's/Ass/MI	-	-	-	-	-	-	-	-	-	-
PAT after MI	(8,972)	(5,661)	(2,310)	(10,329)	(4,454)	(50.4)	(56.9)	(27,171)	(14,730)	84.5
Extra ordinary items	-	-	-	-	-	-	-	-	-	-
Reported PAT	(8,972)	(5,661)	(2,310)	(10,329)	(4,454)	(50.4)	(56.9)	(27,171)	(14,730)	84.5
Adjusted EPS	(2.6)	(1.6)	(0.7)	(3.0)	(1.3)	(50.4)	(56.9)	(7.8)	(4.2)	84.5
Margins (%)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	bps	bps	FY21	FY20	bps
EBIDTA	(53.2)	(17.4)	(4.0)	(17.6)	(16.3)	3,685	129	(18.1)	(1.1)	(1,703)
EBIT	(59.1)	(20.6)	(6.6)	(19.4)	(20.2)	3,897	(77)	(20.8)	(3.4)	(1,742)
EBT	(60.1)	(20.3)	(6.6)	(19.3)	(20.5)	3,963	(116)	(20.9)	(3.1)	(1,778)
PAT	(45.1)	(15.4)	(5.2)	(14.4)	(15.4)	2,971	(95)	(15.7)	(6.9)	(883)
Effective Tax rate	25.0	24.3	21.1	25.4	25.0	(2)	(42)	24.8	(122.5)	NA

Source: Company, PL

## Exhibit 2: Segmental Performance

Y/e March (Rs mn)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	YoY gr. (%)	QoQ gr. (%)	FY21	FY20	YoY gr. (%)
Revenue										
Power	11,194	24,917	29,857	47,893	21,169	89.1	(55.8)	113,861	149,604	(23.9)
Industry	7,772	9,518	12,174	19,631	6,069	(21.9)	(69.1)	49,095	55,302	(11.2)
Total	18,966	34,435	42,030	67,524	27,238	43.6	(59.7)	162,956	204,906	(20.5)
EBIT										
Power	(5,680)	(3,716)	1,144	(4,209)	(1,802)	(68.3)	(57.2)	(12,462)	8,043	NA
EBIT margin (%)	(50.7)	(14.9)	3.8	(8.8)	(8.5)			(10.9)	5.4	
Industry	(2,530)	(901)	(1,186)	(3,889)	(1,244)	(50.8)	(68.0)	(8,505)	(2,058)	313.2
EBIT margin (%)	(32.5)	(9.5)	(9.7)	(19.8)	(20.5)			(17.3)	(3.7)	

Source: Company, PL

## Conference call highlights

- Management indicated Q1FY22 execution was impacted owing to second wave of Covid, diversion of industrial oxygen towards medical usage and lower labor availability. Though operation have started to reach normalcy, Q2 onwards.
- Management indicated focus is on scaling up revenue, cost optimization and increasing procurement efficiency.
- Other expenses were lower due to withdrawal of provision worth Rs1.8bn in Q1FY22, due to improved quality of receivables.
- Going forward focus will be towards non power business like defence, railways, aerospace, solar and green hydrogen.
  - BHEL has setup dedicated Hydrogen business group to identify and develop opportunity in Hydrogen value chain.
- BHEL has identified high value items worth Rs12bn for in-house manufacturing, which are currently being imported by BHEL and other companies
- Cash balance as on Q1FY22 stood at Rs16bn v/s Rs18.7bn as on Q4FY21.
- Trade receivable stands at Rs73.4bn (vs Rs72bn in Q4FY21), contract assets Rs235bn (vs Rs240.1bn in Q4FY21) and total debtors stood at Rs 308.9bn (vs Rs312.9bn in Q4FY21). Off the total receivables, Central PSU accounted 36%, State Utility is 43%, Private is 13% and Exports is 8%.
- OI during Q1FY21 stood at Rs32.53bn which was mainly impacted due to delay in ordering activity, delay in procurement for new order. Power segment OI was Rs25.0bn and Industry Rs6.9bn. During the quarter BHEL won order from NPCIL for supply of reactor header assembly as well as for steam generator and won 1<sup>st</sup> large pure design order from Indian Navy (Rs850mn) in its engineering service verticals.
- OB stands at Rs1021bn as on Q1FY22, Power (Rs 846bn), Industry (Rs112bn) and Exports (Rs63bn). Off the total OB executable OB is Rs 708.3bn of which FGD accounts for 15%. BHEL is L1 in order from NPCIL for 6\*700 turbine package (Rs108bn) and other orders like 2x660 MW NTPC Talcher main plant package, some FGD and boiler modification plant.

## Financials

### Income Statement (Rs m)

Y/e Mar	FY20	FY21	FY22E	FY23E
<b>Net Revenues</b>	<b>214,592</b>	<b>173,084</b>	<b>226,247</b>	<b>307,287</b>
YoY gr. (%)	(29.5)	(19.3)	30.7	35.8
Cost of Goods Sold	136,847	115,819	151,585	196,664
Gross Profit	77,745	57,266	74,661	110,623
Margin (%)	36.2	33.1	33.0	36.0
Employee Cost	54,266	53,723	54,797	56,441
Other Expenses	23,253	30,569	20,362	29,192
<b>EBITDA</b>	<b>(2,329)</b>	<b>(31,353)</b>	<b>(6,154)</b>	<b>17,308</b>
YoY gr. (%)	(110.9)	1,246.3	(80.4)	(381.2)
Margin (%)	(1.1)	(18.1)	(2.7)	5.6
Depreciation and Amortization	5,029	4,731	5,172	5,372
<b>EBIT</b>	<b>(7,357)</b>	<b>(36,084)</b>	<b>(11,326)</b>	<b>11,936</b>
Margin (%)	(3.4)	(20.8)	(5.0)	3.9
Net Interest	5,070	3,731	4,028	4,725
Other Income	5,806	3,698	5,430	6,146
<b>Profit Before Tax</b>	<b>(6,621)</b>	<b>(36,116)</b>	<b>(9,924)</b>	<b>13,357</b>
Margin (%)	(3.1)	(20.9)	(4.4)	4.3
Total Tax	8,109	(8,945)	(2,493)	3,355
Effective tax rate (%)	(122.5)	24.8	25.1	25.1
<b>Profit after tax</b>	<b>(14,730)</b>	<b>(27,171)</b>	<b>(7,431)</b>	<b>10,002</b>
Minority interest	-	-	-	-
Share Profit from Associate	-	-	-	-
<b>Adjusted PAT</b>	<b>(14,730)</b>	<b>(27,171)</b>	<b>(7,431)</b>	<b>10,002</b>
YoY gr. (%)	(222.2)	84.5	(72.7)	(234.6)
Margin (%)	(6.9)	(15.7)	(3.3)	3.3
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>(14,730)</b>	<b>(27,171)</b>	<b>(7,431)</b>	<b>10,002</b>
YoY gr. (%)	(222.2)	84.5	(72.7)	(234.6)
Margin (%)	(6.9)	(15.7)	(3.3)	3.3
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(14,730)	(27,171)	(7,431)	10,002
<b>Equity Shares O/s (m)</b>	<b>3,482</b>	<b>3,482</b>	<b>3,482</b>	<b>3,482</b>
<b>EPS (Rs)</b>	<b>(4.2)</b>	<b>(7.8)</b>	<b>(2.1)</b>	<b>2.9</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY20	FY21	FY22E	FY23E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>60,508</b>	<b>62,145</b>	<b>64,645</b>	<b>67,145</b>
Tangibles	60,508	62,145	64,645	67,145
Intangibles	-	-	-	-
<b>Acc: Dep / Amortization</b>	<b>33,153</b>	<b>37,884</b>	<b>43,055</b>	<b>48,427</b>
Tangibles	33,153	37,884	43,055	48,427
Intangibles	-	-	-	-
<b>Net fixed assets</b>	<b>27,355</b>	<b>24,262</b>	<b>21,590</b>	<b>18,718</b>
Tangibles	27,355	24,262	21,590	18,718
Intangibles	-	-	-	-
Capital Work In Progress	3,926	4,817	4,817	4,817
Goodwill	-	-	-	-
Non-Current Investments	7,527	7,674	7,919	10,755
Net Deferred tax assets	27,562	36,598	36,598	36,598
Other Non-Current Assets	163,617	168,524	180,997	199,736
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	89,055	71,912	80,581	105,235
Trade receivables	116,411	72,134	89,879	113,654
Cash & Bank Balance	64,186	67,014	60,915	65,969
Other Current Assets	100,131	101,796	117,648	122,915
<b>Total Assets</b>	<b>574,795</b>	<b>520,415</b>	<b>567,061</b>	<b>645,488</b>
<b>Equity</b>				
Equity Share Capital	6,964	6,964	6,964	6,964
Other Equity	284,848	257,876	250,445	260,447
<b>Total Networth</b>	<b>291,812</b>	<b>264,841</b>	<b>257,409</b>	<b>267,411</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	49,901	48,820	49,820	50,820
Provisions	-	-	-	-
Other non current liabilities	-	-	-	-
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	754	534	534	534
Trade payables	98,999	85,588	99,177	126,282
Other current liabilities	160,892	157,230	196,719	237,038
<b>Total Equity &amp; Liabilities</b>	<b>574,795</b>	<b>520,415</b>	<b>567,061</b>	<b>645,488</b>

Source: Company Data, PL Research

**Cash Flow (Rs m)**

Y/e Mar	FY20	FY21	FY22E	FY23E
PBT	(6,621)	(36,116)	(9,924)	13,357
Add. Depreciation	5,029	4,731	5,172	5,372
Add. Interest	5,070	3,731	4,028	4,725
Less Financial Other Income	5,806	3,698	5,430	6,146
Add. Other	(2,972)	8,950	-	-
Op. profit before WC changes	505	(18,705)	(724)	23,454
Net Changes-WC	(26,203)	26,226	(2,252)	(6,388)
Direct tax	(3,219)	(1,904)	2,493	(3,355)
<b>Net cash from Op. activities</b>	<b>(28,917)</b>	<b>5,617</b>	<b>(484)</b>	<b>13,710</b>
Capital expenditures	(3,847)	(2,485)	(2,500)	(2,500)
Interest / Dividend Income	5,387	3,431	-	-
Others	17,230	(1,372)	(87)	(2,431)
<b>Net Cash from Inv. activities</b>	<b>18,770</b>	<b>(426)</b>	<b>(2,587)</b>	<b>(4,931)</b>
Issue of share cap. / premium	(828)	(733)	1,000	1,000
Debt changes	25,017	(996)	-	-
Dividend paid	(5,046)	(7)	-	-
Interest paid	(2,924)	(2,213)	(4,028)	(4,725)
Others	-	-	-	-
<b>Net cash from Fin. activities</b>	<b>16,220</b>	<b>(3,949)</b>	<b>(3,028)</b>	<b>(3,725)</b>
<b>Net change in cash</b>	<b>6,073</b>	<b>1,243</b>	<b>(6,099)</b>	<b>5,054</b>
Free Cash Flow	(32,857)	3,113	(2,984)	11,210

Source: Company Data, PL Research

**Key Financial Metrics**

Y/e Mar	FY20	FY21	FY22E	FY23E
<b>Per Share(Rs)</b>				
EPS	(4.2)	(7.8)	(2.1)	2.9
CEPS	(2.8)	(6.4)	(0.6)	4.4
BVPS	83.8	76.1	73.9	76.8
FCF	(9.4)	0.9	(0.9)	3.2
DPS	1.2	-	-	-
<b>Return Ratio(%)</b>				
RoCE	(2.2)	(11.0)	(3.6)	3.8
ROIC	(5.9)	(10.4)	(3.4)	3.6
RoE	(4.9)	(9.8)	(2.8)	3.8
<b>Balance Sheet</b>				
Net Debt : Equity (x)	0.0	(0.1)	0.0	(0.1)
Net Working Capital (Days)	181	123	115	110
<b>Valuation(x)</b>				
PER	(14.0)	(7.6)	(27.8)	20.7
P/B	0.7	0.8	0.8	0.8
P/CEPS	(21.3)	(9.2)	(91.5)	13.5
EV/EBITDA	(83.0)	(6.0)	(31.9)	11.1
EV/Sales	0.9	1.1	0.9	0.6
Dividend Yield (%)	2.0	-	-	-

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

Y/e Mar	Q2FY21	Q3FY21	Q4FY21	Q1FY22
<b>Net Revenue</b>	<b>36,852</b>	<b>44,514</b>	<b>71,710</b>	<b>29,013</b>
YoY gr. (%)	(40.8)	(21.6)	42.8	45.7
Raw Material Expenses	23,832	29,411	49,461	19,371
Gross Profit	13,020	15,103	22,249	9,642
Margin (%)	35.3	33.9	31.0	33.2
<b>EBITDA</b>	<b>(6,425)</b>	<b>(1,796)</b>	<b>(12,643)</b>	<b>(4,740)</b>
YoY gr. (%)	(340.7)	(154.6)	125.1	(55.2)
Margin (%)	(17.4)	(4.0)	(17.6)	(16.3)
Depreciation / Depletion	1,152	1,128	1,266	1,112
<b>EBIT</b>	<b>(7,577)</b>	<b>(2,924)</b>	<b>(13,909)</b>	<b>(5,852)</b>
Margin (%)	(20.6)	(6.6)	(19.4)	(20.2)
Net Interest	945	858	783	836
Other Income	1,048	853	842	750
<b>Profit before Tax</b>	<b>(7,474)</b>	<b>(2,929)</b>	<b>(13,849)</b>	<b>(5,938)</b>
Margin (%)	(20.3)	(6.6)	(19.3)	(20.5)
Total Tax	(1,813)	(619)	(3,520)	(1,485)
Effective tax rate (%)	24.3	21.1	25.4	25.0
<b>Profit after Tax</b>	<b>(5,661)</b>	<b>(2,310)</b>	<b>(10,329)</b>	<b>(4,454)</b>
Minority interest	-	-	-	-
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>(5,661)</b>	<b>(2,310)</b>	<b>(10,329)</b>	<b>(4,454)</b>
YoY gr. (%)	(577.4)	(245.4)	(32.7)	(50.4)
Margin (%)	(15.4)	(5.2)	(14.4)	(15.4)
Extra Ord. Income / (Exp)	-	-	-	-
<b>Reported PAT</b>	<b>(5,661)</b>	<b>(2,310)</b>	<b>(10,329)</b>	<b>(4,454)</b>
YoY gr. (%)	(577.4)	(245.4)	(32.7)	(50.4)
Margin (%)	(15.4)	(5.2)	(14.4)	(15.4)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(5,661)</b>	<b>(2,310)</b>	<b>(10,329)</b>	<b>(4,454)</b>
Avg. Shares O/s (m)	3,482	3,482	3,482	3,482
<b>EPS (Rs)</b>	<b>(1.6)</b>	<b>(0.7)</b>	<b>(3.0)</b>	<b>(1.3)</b>

Source: Company Data, PL Research

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


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	6-Jul-21	Sell	34	64
2	15-Jun-21	Sell	34	67
3	7-Apr-21	Hold	34	49
4	8-Jan-21	Hold	34	39
5	8-Oct-20	Hold	34	28
6	12-Sep-20	Hold	34	37

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	ABB India	Hold	1,687	1,684
2	Ahluwalia Contracts (India)	Accumulate	410	392
3	Apar Industries	BUY	790	680
4	Ashoka Buildcon	BUY	160	115
5	Bharat Electronics	BUY	208	181
6	BHEL	Sell	34	64
7	Capacite's Infraprojects	BUY	270	213
8	Container Corporation of India	Hold	607	634
9	Cummins India	UR	-	869
10	Engineers India	BUY	129	79
11	GE T&D India	Hold	141	140
12	H.G. Infra Engineering	BUY	476	414
13	IRB Infrastructure Developers	BUY	179	158
14	ITD Cementation India	BUY	97	88
15	J.Kumar Infraprojects	BUY	272	190
16	Kalpataru Power Transmission	UR	-	422
17	KEC International	UR	-	420
18	KNR Constructions	Accumulate	253	245
19	Larsen & Toubro	BUY	1,855	1,598
20	NCC	BUY	111	91
21	PNC Infratech	UR	-	306
22	Power Grid Corporation of India	BUY	205	170
23	Sadbhav Engineering	Accumulate	97	82
24	Siemens	Accumulate	2,101	2,029
25	Thermax	Accumulate	1,559	1,484
26	Triveni Turbine	BUY	156	125
27	Voltamp Transformers	Accumulate	1,565	1,462

**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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