

Key Data	
Bloomberg Code	BEL
NSE Code	BEL
BSE Code	500049
Industry	Aerospace & Defense
Face Value (₹)	1.0
BV per share (₹)	20
52 Week L/H(₹)	89/ 217
Market Cap. (₹ Mn.)	14,43,680
No. of Shares (Mn.)	7,310

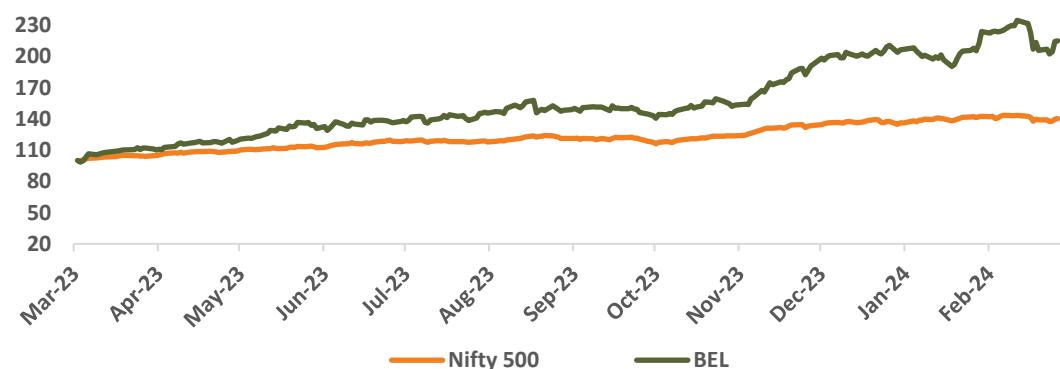
## Shareholding Pattern (as on Dec'23)

Particulars	Mar-23	Jun-23	Sep-23	Dec-23
Promoter	51.1%	51.1%	51.1%	51.1%
Institutions	44.2%	44.4%	43.6%	43.4%
Others	6.9%	6.7%	7.5%	7.7%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company, Anand Rathi Research, Bloomberg

(In ₹ mn)	FY-22	FY-23	FY-24E	FY-25E
Net Sales	1,53,682	1,77,344	2,05,644	2,45,775
EBITDA	33,221	39,969	47,556	61,355
EBITDA Margin	22%	23%	23%	25%
PAT	24,002	29,863	35,181	44,437
PAT Margin	16%	17%	17%	18%
EPS (₹)	3.28	4.09	4.81	6.08
P/E (x)	60	48	41	33

## Relative stock performance (Mar 23=100)



## Emerging Make in India Sector

- Bharat Electronics Ltd. (BEL), a prestigious Defense Public Sector Undertaking (DPSU), was founded in 1954 under the aegis of the Government of India's Ministry of Defence, with a primary objective to fulfill the electronic equipment necessities of the defence sector. Holding the majority ownership stake of 51.14%, the Government of India maintains its position as BEL's principal shareholder. Recognized as a Navratna PSU in June 2007, BEL stands as a key supplier of cutting-edge radar, communication, and electronic warfare systems to the Indian armed forces.
- The evolution of the company reflects the progress in defense electronics within India. Over the years, BEL has marked numerous significant achievements. A prime illustration of BEL's commitment to indigenous innovation is evident in the Akash Air Defence Weapon System, showcasing its prowess in design, development, and manufacturing. Additionally, the Coastal Surveillance System, tailored to bolster surveillance along India's extensive coastline spanning over 7,500 kilometers, is now being extended to allied nations. Advancements in radar technology, including the integration of the Weapon Locating Radar and 3D Tactical Control Radar, underscore BEL's significant strides in this domain.
- In the non-Defence business segment, company is into areas such as Homeland Security & Smart Cities, Solar, Satellite Integration & Space Electronics, Transportation Solutions (Railways/Metro, AAI, etc), Artificial Intelligence, Cyber Security, Software as a Service, Energy Storage Products and Electronic Voting Machines (EVMs), besides Composite Shelters & Masts.
- **Expanding frontiers globally:** India is increasingly asserting itself on the global stage, positioning as a dependable and credible provider of defense equipment and sophisticated electronics. BEL is steadily cementing its position as a leading global player in the field of electronics engineering. Fueled by its extensive proficiency in electronics and software, coupled with an unwavering commitment to innovation, BEL has remained at the forefront of equipping their nation's defense forces with pioneering solutions. Moreover, company is harnessing this expertise to expand their horizons, branching out into the development of comprehensive solutions spanning various disciplines for both civilian and international markets.
- BEL's products are exported to Algeria, Armenia, Australia, Austria, Bahrain, Bangladesh, Belgium, Botswana, Brazil, Canada, Czech, Egypt, Finland, France, Germany, Ghana, Honduras, Hong Kong, Indonesia, Israel, Italy, Japan, Kenya, Kuwait, Malaysia, Maldives, Mauritius, Namibia, Netherlands, New Zealand, Nigeria, Oman, Philippines, Saudi Arabia, Scotland, Singapore, Slovakia, South Korea, Sri Lanka, Suriname, Sweden, Switzerland, Turkey, UAE, Uganda, UK, Ukraine, USA, Vietnam, Zambia, & Zimbabwe.
- We expect BEL to see strong growth going forward due to many factors such as: 1) Moving towards self reliance in defence, 2) Robust pipeline and focus of exports by GOI 3) Strong order inflow to drive the revenue growth 4) Healthy profitability and return indicators. We re-initiate a '**BUY**' coverage with a target price of **Rs 250**.

## Diversified Product Portfolio

Products	Details
RADARS	<ul style="list-style-type: none"> <li>Country's prime Radar production house with modern facilities at Bangalore and Ghaziabad</li> <li>80% of Radars from BEL are indigenously developed</li> </ul> <p><b><u>ASLESHA</u></b></p> <ul style="list-style-type: none"> <li>Low Level Light-Weight, 3D Surveillance Radar having solid state transmitter and receiver with capability to detect formations of aircraft in horizontal and vertical planes</li> </ul> <p><b><u>LYNX SERIES</u></b></p> <ul style="list-style-type: none"> <li>LYNX series of Naval Gun Fire Control Systems are Quick Reaction, Multi Sensor (Radar/EO), Multiple Weapon Fire Control Systems for short/medium/long range panoramic defence of ships against air/surface/shore targets.</li> </ul> <p><b><u>WEAPON LOCATING RADAR</u></b></p> <ul style="list-style-type: none"> <li>Weapon Locating Radar (WLR) locates hostile guns, mortars and rockets impeding armed forces' operations. In its secondary role, the radar tracks and observes the fall of shot from own weapons to provide corrections to the fire.</li> </ul>   
MISSILE SYSTEM	<p><b><u>AKASH MISSILE SYSTEM</u></b></p> <ul style="list-style-type: none"> <li>The Akash air defense missile system represents a medium-range, surface-to-air missile platform designed to safeguard mobile, semi-mobile, and stationary forces and regions against diverse aerial threats.</li> <li>Akash is a great success story of 'Make In India' initiative with almost 95% material sourced from within the country</li> </ul> <p><b><u>QRSAM WEAPON SYSTEM</u></b></p> <ul style="list-style-type: none"> <li>Under development in collaboration with DRDO</li> <li>Meant for providing air defence coverage for moving mechanised combat forces</li> <li>Capable of Search, Detection and Tracking of air threats on the move with firing capability on halt</li> </ul>   

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Products	Details
DEFENCE COMMUNICATION	<ul style="list-style-type: none"> <li>Since its inception, BEL has been supplying secure communication radio products to the Indian Defence and Paramilitary forces in all frequency bands like VLF, HF, VHF, UHF and other higher bands.</li> </ul> <p><b><u>SOFTWARE DEFINED RADIOS</u></b></p> <ul style="list-style-type: none"> <li>Multiband, multirole radio capable of operating from 30Mhz to 2 Ghz</li> <li>Backward compatible and inter-operable with legacy radios</li> <li>Capable of High Data rates and frequency hopping</li> <li>Various form factors and platforms for all three Services</li> </ul> <p><b><u>STRATEGIC COMMUNICATION SYSTEMS</u></b></p> <ul style="list-style-type: none"> <li>Advanced Composite Communication System</li> <li>Digital Mobile Radio Relay</li> <li>Secure Cellular Mobile Network</li> <li>Troposcatter Communication System</li> </ul>
ELECTRONIC WARFARE & AVIONICS	<ul style="list-style-type: none"> <li>BEL is the leading EW&amp;A production house meeting the Indian Defence Forces' requirements for land, naval and airborne EW systems, in partnership with DRDO</li> <li>A number of EW systems including Radar Warning Receivers have been supplied for aircraft and helicopters (MIG 29, Jaguar and LCA)</li> <li>The EW systems have now been upgraded to EW suites for aircraft and self-protection suites for helicopters</li> </ul> <p><b>AIRBORNE EW SYSTEMS</b></p> <ul style="list-style-type: none"> <li>AVIONICS PRODUCTS-LCA (Tejas)</li> <li>LAND/NAVAL BASED EW SYSTEMS</li> </ul> 

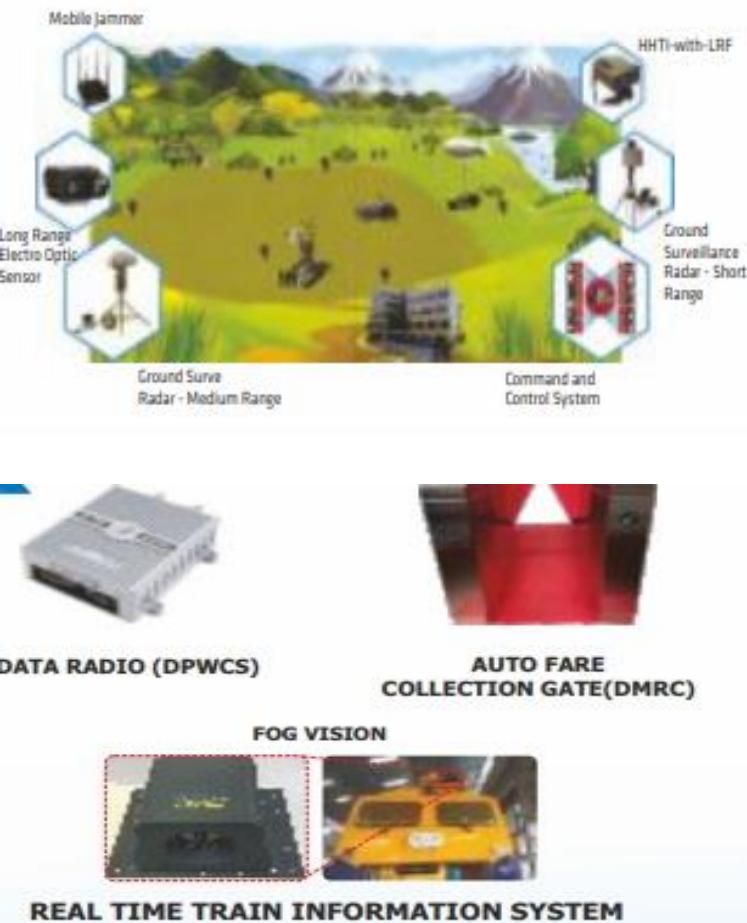
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Products	Details
NAVAL SYSTEM	<ul style="list-style-type: none"> <li>Exclusive Strategic Business Units to develop various Naval Systems</li> <li>BEL provides Indian Navy with indigenously developed solutions for Defence against sub-surface, surface and air threats Coastal Surveillance System.</li> </ul> <p><b><u>LRSAM (LONG RANGE SURFACE TO AIR MISSILE)</u></b></p> <ul style="list-style-type: none"> <li>BEL is the lead integrator of Long-Range Surface-to-Air Missile (LRSAM) System for the Navy's P-17A stealth frigates</li> <li>The system is capable of simultaneously tracking multiple seaborne targets Systems Developed / Under Development</li> </ul>
ELECTRO OPTICS	<ul style="list-style-type: none"> <li>Cooled &amp; Uncooled Thermal Imager for Long &amp; Medium Range Surveillance Systems, Coastal Surveillance System and Tank Sights</li> <li>State-of-the-art Passive Night Vision Devices with Auto-gated XD4 and XR5 technologies</li> <li>Laser based EO systems for ranging &amp; target designation</li> </ul>
TANK ELECTRONICS & GUN UPDATES	<p><b><u>UPGRADED L-70 GUN</u></b></p> <ul style="list-style-type: none"> <li>State-of-the-art Fire Control Computer</li> <li>Electra Optical Fire Control System</li> <li>Day and night vision with Automatic Target Tracking</li> </ul> <p><b><u>UPGRADED L-70 GUN</u></b></p> <ul style="list-style-type: none"> <li>An improvised version of the manually operated air defence gun</li> <li>Enables the soldier to aim and fire at aerial targets from the safe interiors of the battle tank</li> <li>Can also be mounted on hovercraft/fast moving boats for the Coast Guard</li> </ul>

## Non-Defense Space an Exciting Opportunity

- ❑ Apart from its core Defence business, BEL has ventured into several non-Defence areas like Homeland Security, Smart City, Energy Storage Products, Solar, Space Electronics, Network & Cyber Security, Railways & Metro Solutions, Medical Electronics & Healthcare Solutions, and Software Solutions, etc.
- ❑ **Homeland Security-** The Homeland Security market in India is spread across Central / State Governments, government entities including PSUs and private sector organizations. A significant market opportunity exists in police modernization, critical infrastructure protection, border management, counter terrorism, urban area security, ground transportation, port & maritime security, etc. In the FY 2023-24, the Ministry of Home Affairs (MHA) has been allocated ` 1.96 Lakh Crore, with an increase of 1.1% over the revised estimate of ` 1.93 Lakh Crore for 2022-23. Of the Ministry's total budget, 65% of expenditure is on police, 31% on grants to UTs and 4% on other items such as disaster management, rehabilitation of refugees and migrants, and conducting the census.
- ❑ **Railways and Metro-** The Indian Railways has formulated a National Rail Plan for the year 2030. This blueprint aims to bolster the nation's self-reliance (Atmanirbhar Bharat) and advance the Make-In-India initiative by establishing a modernized railway infrastructure. The objective is to reduce logistical expenses for domestic industries. BEL has engaged in collaborative efforts with DMRC, RDSO, NCRTC, and a multitude of public and private entities, focusing on i-ATS System, Mission Critical Communication System, Composite Panel, Platform Screen Doors, and other related areas.
- ❑ The organization is expanding its operations into diverse sectors beyond defense, particularly emphasizing energy storage products for electric vehicles (EVs), including both lithium-ion batteries and fuel cells, as well as the establishment of charging stations. In the fiscal year 2023, BEL's defense segment constituted approximately 87% of its total annual sales, while the non-defense segment accounted for around 11%. The contribution from non-defense activities fluctuated between 11% and 20%. The company's objective is to increase the non-defense sector's revenue share to 25% by fiscal years 2024-2025.

Source: Company, F&S, Anand Rathi Research



## Manufacturing Units



**BANGALORE**



**GHAZIABAD**



**PUNE**



**NAVI MUMBAI**



**HYDERABAD**



**CHENNAI**



**MACHILIPATNAM**

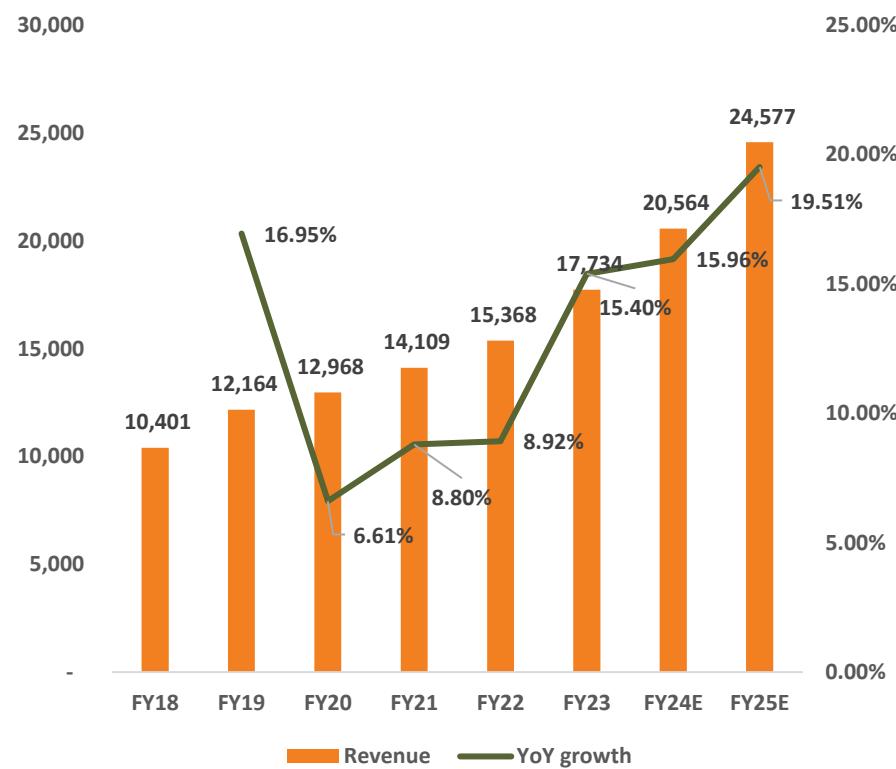


**KOTDWARA**

## Proven record of consistent financial performance

- **Revenue maintain at double digit growth:** Coming to quarterly and annual performance, top-line increased 1.8% YoY to Rs 4,120 crore. The growth in revenue has lagged behind the expansion in order inflows in recent quarters, primarily due to obstacles in the supply chain. During the third quarter, BEL encountered supply chain disruptions originating from Israel, resulting in a revenue shortfall of Rs. 500 crore.
- **Consistent EBITDA margins going forward :** The consolidated EBITDA for the quarter was Rs. 1,072 crore. The EBITDA margin for the quarter was 25.7%. Their consolidated PAT for the quarter was Rs. 893 crore, up 49.2% year-on-year with a PAT margin of 20%. For the FY24, BEL has provided guidance indicating gross margin expectations within the range of 40% to 42%, while the anticipated EBITDA margin is projected to range between 21% and 23%. The company's strategic focus has been on implementing stringent cost-control initiatives and ramping up efforts towards indigenization to enhance overall profitability. These endeavors are poised to potentially enable BEL to meet its margin targets effectively.
- **Strong Balance sheet:** BEL has been focusing on cost control and indigenization to improve the profitability. Company has been maintaining the ratio of current assets to current liabilities remains at around 1.5. Company have cash of ~ Rs 8,000 crore, trade receivable of ~ Rs. 7,700 crore. The capital expenditure (Capex) for the first nine months has hovered around Rs. 400 crores, with projections indicating an increase to approximately Rs. 700 crores by the end of March '24. Moreover, company anticipate Capex for the upcoming fiscal year to remain consistent within the same range. Financial profile remains strong because of healthy profitability and return indicators, zero debt, superior liquidity and strong debt coverage metrics.

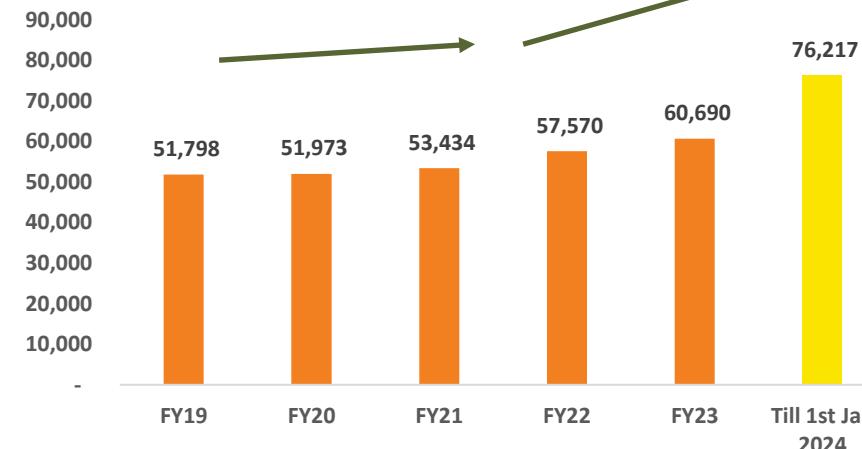
## Consistent double-digit growth to maintain (in crores)



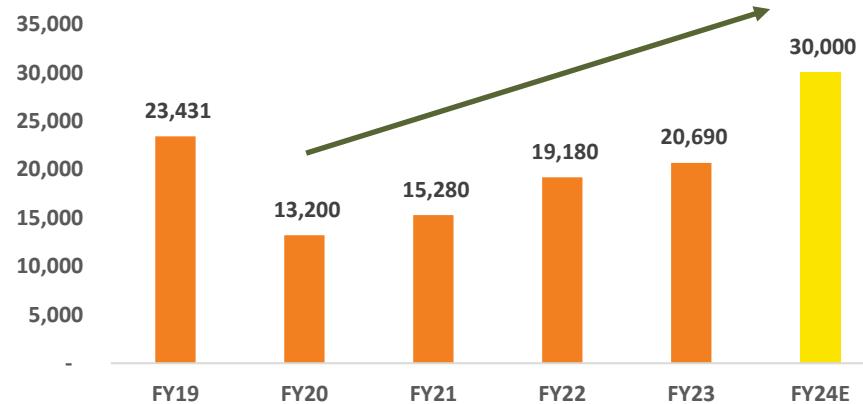
## Strong order book provides revenue visibility

- As of January 1, 2024, the company's unexecuted order book totaled Rs. 76,217 crore. Moreover, the Government's escalating capital budget allocations in the defense sector, amounting to ~ Rs. 1,72,000 crore for FY2025 with a year-on-year growth of 5.8%, coupled with its emphasis on implementing conducive reforms to bolster India's defense manufacturing capabilities and gradually diminish imports, are poised to bolster order inflows in the medium-to-long term.
- In FY24, the company has witnessed robust order inflows that have exceeded BEL's initial guidance of Rs 20,000 crore for the fiscal year. Company has already received 26,760 crore of order till December and still expects more orders to come. We anticipate the order inflow to reach Rs 30,000 crore in FY24. Looking ahead to FY25, the company expects orders of 50,000 crore for next 2 years to be executed in next 2-3 years. Out of 50,000 crore, 20,000 crore can be QRSAM if Air force and Army taken together but it does not include MRSAM.
- Factor that will drive further order intake in FY25-26 includes Shakti system which is the EW system in pipeline. Next year both air force and army are working on making QRSAM which is likely to materialize. Several Electronic Warfare (EW) Systems designed for avionics and airborne platforms are anticipated to be introduced, all of which are integral components of significant government initiatives. Additionally, ongoing upgrades and refits from shipyards, alongside standalone requirements from various service branches, continue to contribute to the influx of projects.
- The non-defense segment's incoming project pipeline will primarily be propelled by sectors such as air traffic management, metro systems, cybersecurity, Electronic Voting Machines (EVM), and Voter Verified Paper Audit Trail (VVPAT) systems. Presently, the company is actively engaged in collaborating with AIIMS to bolster cybersecurity frameworks, while also partnering with the Ministry of Health for projects focused on upgrading IT infrastructure.

Order book has seen a sharp jump over the years (in crore)

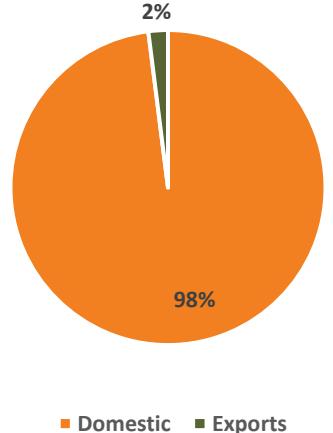


Order Inflow ( in crore)

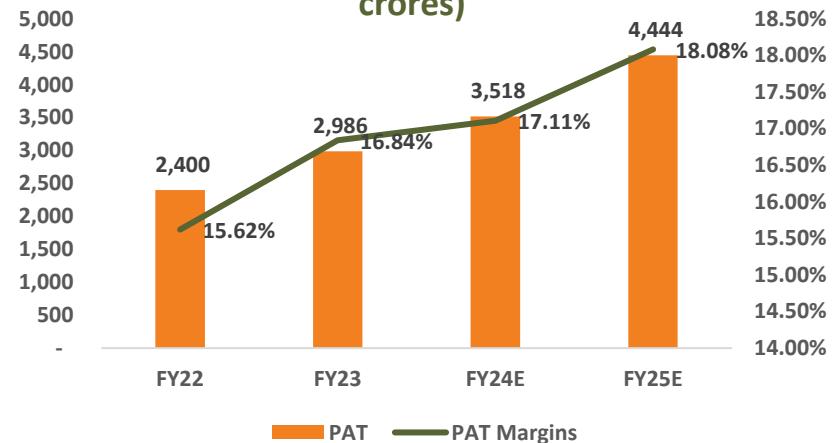


## Story in charts

Revenue across geography

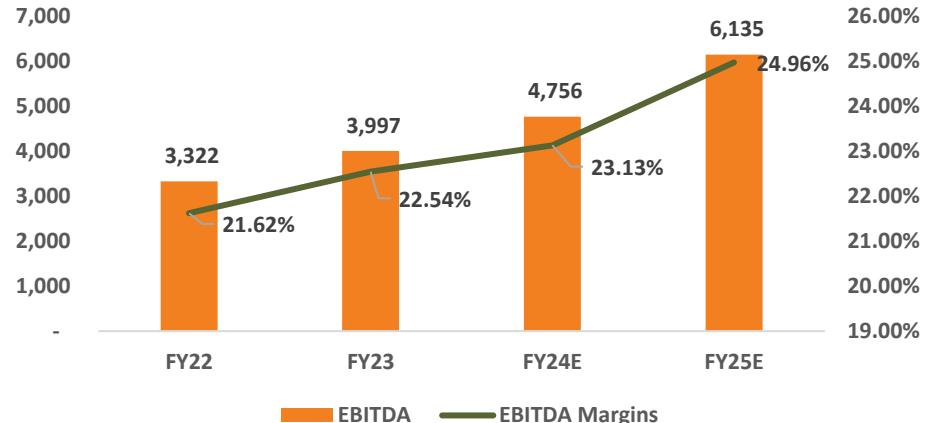


PAT to grow at CAGR of ~23% for FY22-25E (in crores)

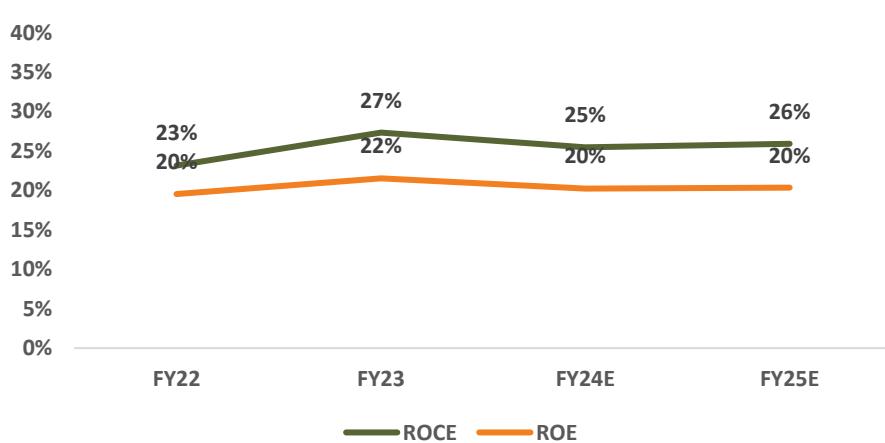


Source: Company, F&amp;S, Anand Rathi Research

EBITDA Margins to remain consistent (in crores)



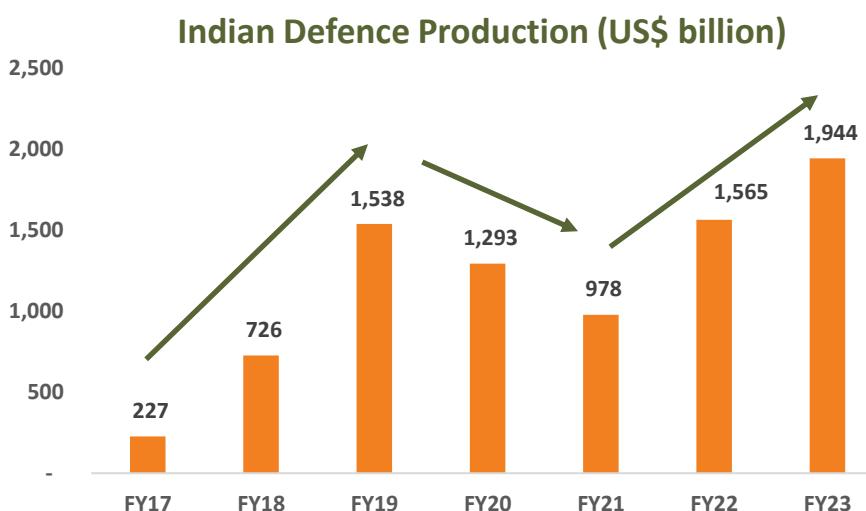
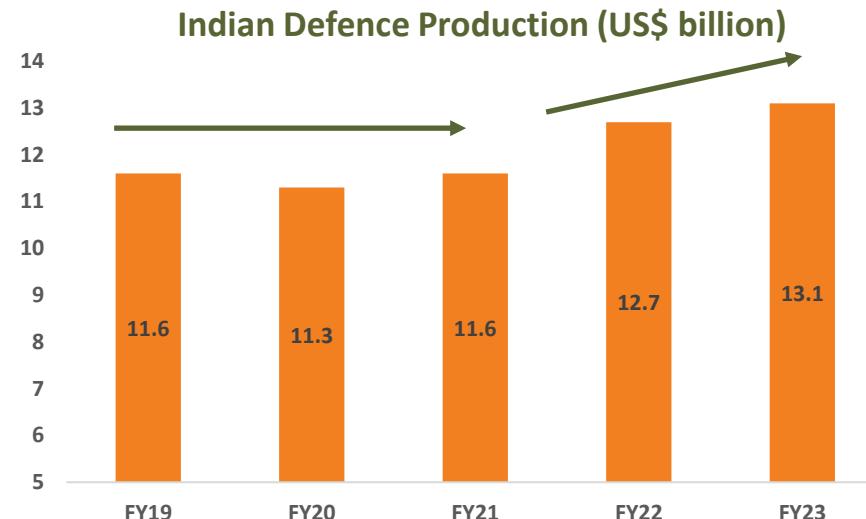
Consistent margin to maintain return ratios



## India's Defence Production and Exports

- The nation's defense manufacturing sector has achieved a milestone, surpassing Rs. 1 lakh crore (US\$ 12 billion) for the first time. This remarkable growth is attributed to significant reforms implemented to stimulate the sector, which boasts immense potential. In the fiscal year 2022-23, the sector recorded a value of Rs. 1,08,330 crore (US\$ 13.07 billion), compared to Rs. 95,000 crore (US\$ 11.47 billion) in FY22 and Rs. 54,951 crore (US\$ 6.63 billion) five years prior.
- India's defense industry ranks among the globe's largest and most lucrative sectors, boasting a decade-long investment plan exceeding US\$ 223 billion in aerospace and defense capital expenditure, alongside an anticipated medium-term spending of US\$ 130 billion.
- Among the large defence programs expected to be shifted to "Buy Global – Manufacture in India" are 114 multirole fighter aircraft (MRFA), with a gradual increase in domestic production.
- Over the past five years, there has been a remarkable surge of 334% in defense exports, enabling India to establish trade relations with more than 75 nations through collaborative endeavors. The central government has set a target to elevate India's defense exports to US\$ 5 billion by the fiscal year 2024-25. The Defense Production and Export Promotion Policy 2020 (DPEPP) serves as the cornerstone guiding framework of the Ministry of Defense, strategically aimed at bolstering the nation's defense production capabilities for fostering self-reliance and facilitating exports.
- The policy has the following goals:
  - The objective is to attain a revenue of Rs. 1,75,000 crore (US\$ 25 billion) by 2025, which encompasses Rs. 35,000 crore (US\$ 5 billion) from the export of aerospace and defense goods and services.
  - To reduce dependence on imports and take forward "Make in India" initiatives through domestic design and development
  - To develop a dynamic, robust and competitive Defence industry, including the Aerospace and Naval Shipbuilding industry to cater to the needs of Armed forces with quality products.

Source: Company, F&S, Anand Rathi Research



## Developments in Defence Manufacturing Industry

### Thrust on Modernization & Infrastructure Development Sustained in Union Budget 2023

- In the Union Budget for the fiscal year 2023-24, there was a notable surge in the Capital Investment Outlay, marking the third consecutive year of a substantial increase by 33% to reach Rs. 10 lakh crore (US\$ 121 billion), equivalent to 3.3% of the GDP. This elevation represents nearly three times the outlay recorded in 2019-20.
- Consequently, the Capital Allocations designated for the modernization and infrastructure enhancement of the Defence Services witnessed a notable uptick to Rs. 1,62,600 crore (US\$ 19.7 billion), indicating a rise of Rs. 10,230 crore (US\$ 1.2 billion) (6.7%) compared to the previous fiscal year, 2022-23. Furthermore, the surge in the Capital Budget since 2019-20 amounted to Rs. 59,200 crore (US\$ 7.2 billion) (57%). This substantial increase underscores the Government's unwavering commitment to fostering sustainable growth in the realms of modernization and infrastructure development within the Defence Services.

### Major Milestones in Fighter Jets and Missiles

- The successful launch of the Supersonic Missile Assisted Torpedo (SMART) system developed by DRDO took place at Wheeler Island in Odisha. This cutting-edge system represents a next-generation advancement in missile-based standoff torpedo delivery technology. Its design aims to significantly extend the range of anti-submarine warfare capability beyond traditional torpedo limitations. The deployment of this system is poised to bolster the Navy's capabilities and foster self-sufficiency in defense, leveraging indigenous expertise and capabilities to a greater extent.

### Man Portable Anti-Tank Guided Missile

- In January 2022, DRDO accomplished the successful flight testing of the ultimate deliverable setup of the Man Portable Anti-Tank Guided Missile. This domestically developed anti-tank missile is characterized by its lightweight design and fire-and-forget capability, launched from a portable launcher equipped with a thermal sight. During the test, the missile precisely hit its intended target, effectively neutralizing it.

Source: Company, Anand Rathi Research

## Developments in Defence Manufacturing Industry

### AI in Defence:

- During the inaugural 'AI in Defence' symposium and exhibition held in New Delhi, Mr. Rajnath Singh, the Raksha Mantri, unveiled a total of 75 newly-developed Artificial Intelligence (AI) products and technologies. These products span across diverse domains, including AI Platform Automation, Autonomous/Unmanned/Robotics systems, Block Chain-based Automation, Command, Control, Communication, Computer and Intelligence, Surveillance and Reconnaissance, Cyber Security, Human Behavioural Analysis, Intelligent Monitoring Systems, Lethal Autonomous Weapon Systems, Logistics and Supply Chain Management, Operational Data Analytics, Manufacturing and Maintenance, Simulators/Test Equipment, and speech/voice analysis utilizing Natural Language Processing.

### IAF Weapon Systems branch:

- In a momentous decision for the Indian Air Force, the Government has granted approval for the establishment of a novel branch known as the 'Weapon Systems (WS) branch'. This strategic move involves consolidating all weapon system operators under a single entity dedicated to the operational utilization of both ground-based and specialized airborne weapon systems.
- The newly formed branch will incorporate operators from four distinct specialized streams, including Surface-to-Surface missiles, Surface-to-Air missiles, Remotely Piloted Aircraft, and Weapon System Operators in twin/multi-crew aircraft. By bringing together these diverse operational roles, the branch is poised to significantly bolster the Indian Air Force's combat effectiveness.

### AGNI:

- In November, India executed a proficient training launch of the Intermediate Range Ballistic Missile, Agni-3, from APJ Abdul Kalam Island, Odisha. This exercise formed an integral part of routine user training operations overseen by the Strategic Forces Command. The launch was conducted within predefined parameters to ascertain the effectiveness of the system's operational facets. Preceding this event, in June, a successful training launch of Agni-4 was conducted, further validating both operational parameters and system reliability. This achievement underscores India's steadfast commitment to maintaining a policy of 'Credible Minimum Deterrence' Capability.

Source: Company, Anand Rathi Research

## Latest Orders Received

- Bharat Electronics Limited (BEL) finalized a contract valued at Rs.847.70 Crore, inclusive of taxes, with Larsen & Toubro Limited (L&T). This agreement pertains to the procurement of 14 advanced Communication and Electronic Warfare (EW) sensors and systems. Manufactured domestically by BEL, these cutting-edge systems will be installed aboard three Cadet Training Ships for the Indian Navy. The collaboration between BEL and L&T showcases the robust partnership between the two entities and underscores broader cooperation within the Indian industrial landscape.
- Company has signed a contract for a value of Rs.2,167.47 crore plus taxes with Indian Navy on 13th Feb 2024 for the supply of state of the art indigenously designed and developed EW suite for use on-board warship. This EW suite is a big leap towards the Aatmanirbhar Bharat initiative of BEL.
- Company has finalized a contract with the CBIC, under the Ministry of Finance, GOI, on January 30, 2024. This contract, secured through open bidding, is valued at Rs. 665.84 crores, exclusive of taxes. The project's scope entails the implementation and management of IT infrastructure, including the supply, installation, and maintenance of IT and networking infrastructure, as well as field IT support and centralized management and monitoring. Under this agreement, BEL will provide maintenance support for a duration of 5 years, encompassing the implementation period. Notably, this project stands out as one of the largest civilian projects secured competitively by BEL in the ongoing financial year.
- On December 23, 2023, a contract valued at Rs. 445 crore was formalized between BEL and the UP Government for the advancement of the next-generation UP Dial 112 project. Under this collaboration, BEL will furnish cutting-edge hardware, AI-driven software tools, and cybersecurity solutions to facilitate the implementation of the Dial 112 project, covering the entirety of Uttar Pradesh. Expressing satisfaction, BEL looks forward to its partnership with the UP Government, recognizing the significance of this initiative as one of Asia's largest emergency response systems. Additionally, BEL plans to engage a network of domestic suppliers, including MSMEs, to ensure the smooth execution of this project.



Source: Company, Anand Rathi Research

- BEL heavily relies on the Indian defense sector as its primary client, representing approximately 85% of its total turnover. Any alterations to the procurement policies of the defense forces or substantial reductions in defense expenditures could potentially result in adverse effects on the company's revenue and order backlog.
- Elevated raw material costs and a scarcity of essential components like semiconductors may potentially impact both execution timelines and earnings.
- Delayed order execution and slower pace of fresh orders can affect revenue growth.

## Consolidated Financials

(In ₹ Mn)	FY-22	FY-23	FY-24E	FY-25E
<b>Net Sales</b>	<b>1,53,682</b>	<b>1,77,344</b>	<b>2,05,644</b>	<b>2,45,775</b>
Operating Expense	1,20,461	1,37,376	1,58,089	1,84,420
<b>EBITDA</b>	<b>33,221</b>	<b>39,969</b>	<b>47,556</b>	<b>61,355</b>
Other Income	2,538	3,737	3,812	3,888
Depreciation	4,011	4,288	4,423	5,997
<b>EBIT</b>	<b>31,748</b>	<b>39,417</b>	<b>46,945</b>	<b>59,246</b>
Interest	86	188	188	188
PBT before Exceptional Item	31,662	39,229	46,756	59,057
Exceptional Item	457	459	-	-
<b>PBT</b>	<b>32,119</b>	<b>39,688</b>	<b>46,756</b>	<b>59,057</b>
Tax	8,118	9,826	11,575	14,621
<b>PAT</b>	<b>24,002</b>	<b>29,863</b>	<b>35,181</b>	<b>44,437</b>
<b>Margins</b>	<b>FY-22</b>	<b>FY-23</b>	<b>FY-24E</b>	<b>FY-25E</b>
Sales Growth %	-	15.40%	15.96%	19.51%
PAT Growth %	-	24.42%	17.81%	26.31%
Operating Margin %	21.62%	22.54%	23.13%	24.96%
Net Margin %	15.62%	16.84%	17.11%	18.08%

Source: Company, Anand Rathi Research

(In ₹ Mn)`	FY-22	FY-23	FY-24E	FY-25E
<b>Liabilities</b>				
Equity Share Capital	2,437	7,310	7,310	7,310
Reserves & Surplus	1,20,423	1,31,307	1,66,487	2,10,924
<b>Total Shareholder's Funds</b>	<b>1,22,859</b>	<b>1,38,616</b>	<b>1,73,797</b>	<b>2,18,234</b>
Minority Interest	163	178	-	-
Long-Term Liabilities	18,056	8,450	8,450	8,450
Other Long-term Liabilities	2,202	1,981	1,981	1,981
Deferred Tax Liability	(6,195)	(5,008)	-	-
Short-term Liabilities	1,95,811	2,05,658	2,30,746	2,84,504
<b>Total</b>	<b>3,32,896</b>	<b>3,49,875</b>	<b>4,14,974</b>	<b>5,13,169</b>
<b>Assets</b>				
Net Fixed Assets	36,812	38,178	40,756	42,759
Long-Term L&A	7,063	5,029	5,029	5,029
Investments	15,720	6,500	6,500	6,500
Other Non-Current Assets	364	(310)	(310)	(310)
Current Asset	2,72,937	3,00,478	3,62,999	4,59,191
<b>Total</b>	<b>3,32,896</b>	<b>3,49,875</b>	<b>4,14,974</b>	<b>5,13,169</b>

## Rating &amp; Target Price History

BEL rating history &amp; price chart



BEL rating details

Date	Rating	Target Price (₹)	Share Price (₹)
22-February-22	BUY	243	197
26-March-24	BUY	250	199

NOTE: Prices are as on 26<sup>th</sup> March 2024 close.

Source: Bloomberg, Anand Rathi Research

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