

14 March, 2008

**BUY**

Price <b>Rs 200</b>	Target <b>Rs 280</b>
<b>Sensex</b>	<b>15,357</b>

**Price Performance**

(%)	1M	3M	6M	12M
Absolute	-17	-37	-15	160
Rel to Sensex	-14	-16	-19	136

Source: Capitaline

**Stock Details**

Sector	Engineering
Bloomberg	SUHE.IN
Reuters	SUHT.BO
Equity Capital (Rs mn)	161
Face value Rs	10
52 week H/L Rs	415/67
Market Cap (Rs bn)	3.38
Daily Avg Volume (No of shares)	96261
Daily Avg Turnover (Rs mn)	24.1

**Shareholding Pattern (%)**

Promoters	65.2
FII/NRI	4.1
Institutions	0.9
Private Corp.	10.5
Public	19.4

(31<sup>st</sup> Dec '07)

Source: Capitaline

**Pankaj Kumar**

pankaj.kumar@emkayshare.com

+91 22 66121243

**Sunil Hitech Engineers Ltd.**Initiating  
Coverage**Empowered with strong order book**

Sunil Hitech Engineers Ltd (SHEL) is an emerging player in the business of fabrication, erection and commissioning related work for power plants. The company is taking positive cue from the expected large scale investment of Rs 4109 bn in power generation, Rs 1400 bn in transmission and Rs2870 bn in distribution space in the next 5 years. Leveraging on its engineering and execution capabilities in power plant related work, SHEL is planning to scale up in the value chain by undertaking turnkey BOP contracts. Further, it has diversified its area of operations to contracts related to power transmission & distribution, hydropower, steel plant and overhauling & maintenance of power plant. SHEL has strong diversified order backlog of Rs 8000 mn which are executable in the next 18-24 months. Looking at the sound execution track record along with the firm outlook for the order book position, we expect the topline, bottomline and diluted EPS of the company to grow at a CAGR of 55.6%, 62% and 63.3% respectively during FY07A-FY10E. The scrip currently discounts FY09E & FY10E fully diluted EPS of Rs 15 & Rs 20.5 by 14x & 10.3x respectively and is available at a discount to its peers. We recommend a BUY on the scrip with the target price of Rs 280 based on DCF valuation. At our target price the scrip discounts FY09E & FY10E EPS by 18.6x & 13.7x respectively.

**Order backlog is 5.5x of FY07 Net Sales**

SHEL has strong order backlog of Rs 8000 mn as on 31 January 2008 that is 5.5x its FY07 net sales. These orders are to be executed in the next 18-24 months. About 78% of its order book consists of power generation related contracts, followed by 11% from transmission, 5% from hydro power, 4% from steel structures and 2% from overhauling and maintenance contracts.

**Positive cue from large scale investment in power sector**

In the XI Five Year Plan, 78577 MW of fresh generation capacity is expected to be added. The company is taking a positive cue from the large scale investment of Rs 4109 bn in power generation, Rs 1400 bn in transmission and 2870 bn in distribution space in the next 5 years which gives firm outlook for its future order book position.

**Focusing of BOP projects**

SHEL has capability to execute 70-80% of the Balance of Plant (BOP) work. Going forward it has plans to scale up in the value chain in the power sector by undertaking turnkey BOP contracts through tying up with other EPC companies or Boiler, Turbine and Generator (BTG) manufacturer companies.

**Sound track record with attractive valuation**

In the last four years the Net Sales, EBITDA and Net Profit of the company grew at a CAGR of 60%, 82.6% and 120% respectively during FY03A-07A with 480 basis points improvement in EBITDA margins. The scrip currently discounts FY09E and FY10E fully diluted EPS of Rs 15 and Rs 20.5 by 14x and 10.3x respectively and thus looks attractive for long term investment.

**Financial Estimates:**

Y/E, March (Rs.mn)	Net Sales	EBIDTA	EBIDTA (%)	APAT	EPS (Rs)	EPS Grth (%)	ROCE (%)	P/E (x)	EV/EBITDA (x)	P/BV (x)
FY07A	1448	171	11.8	76	7.3	35.2	12.5	28.6	14.0	3.7
FY08E	2639	409	15.5	188	11.7	59.1	12.6	18.0	8.0	1.6
FY09E	3860	537	13.9	241	15.0	28.6	14.2	14.0	6.5	1.5
FY10E	5453	725	13.3	329	20.5	36.5	16.6	10.3	5.3	1.3

Source: Company, Emkay PCG Research

## Background

Sunil Hitech Engineers Ltd incorporated on May 29 1998, is engaged in the business of fabrication, erection and commissioning related works required for power plants. It carries out Fabrication, Erection & Testing and Commissioning of coal handling plants and ash handling plants, bunkers, turbine hall generator and boilers & auxiliaries for its clients present in private and public sector. With all these work SHEL executes the order, supplies the labour and materials, constructs and installs the plant, conduct the testings and hand over the plant in working condition to its customer. Its clients include BHEL, NTPC, Reliance Energy, Jindal Steel and Power, SEBs of Maharashtra, Chattisgarh, MP, etc. SHEL is also engaged in overhauling and maintenance of the plants. This ensures the proper functioning of the plant post installation. The company has established a subsidiary in November 2006 for the manufacture of pressure parts for boilers used for captive consumption. It also undertakes projects in the transmission and distribution segment. Thus SHEL is largely focused towards the growing power sector. Besides power sector related contracts, SHEL is also engaged in construction of steel plants.

### Business Summary

Business segment	Services and Products
Thermal Power projects	Fabrication and erection of super structures, civil work, erection of boilers & auxiliaries like ESP, Fabrication and erection of coal handling & ash
Hydro Power projects	Complete EPC for 15 MW, Civil Works, Hydro mechanical works
Transmission & Distribution projects	Erection of sub transmission lines, associated substation and switchyards, distribution networks, Erection of EHV transmission lines and substations
Steel plant projects	Structural steel works for - Castor Shop, Melt Shop, Sinter plant, blast furnace
Overhauling and Maintenance projects	Renovation of Boilers & Auxiliaries, Repair, modification & rehab for utility boilers, Pressure parts, Milling system, Ducting, HP/LP piping
Manufacturing through subsidiary	Reheater coils, LTSH coils, Economiser coils, Pressure parts bends, Water wall, Structures

Source: Company

*In the last four years the Net Sales, EBITDA and Net Profit of the company grew at a CAGR of 60%, 82.6% and 120% respectively during FY03A-07A.*

### Financial Performance

In the last four years the Net Sales, EBITDA and Net Profit of the company grew at a CAGR of 60%, 82.6% and 120% respectively during FY03A-07A. The performance was backed by continuous growth in the order book, quality orders, better execution skills, and improvement in operating efficiency, etc. The EBITDA margins of the company expanded by over 480 basis points to 11.7% in FY07 due to better order mix and improvement in operating efficiency. In 9MFY08, the topline and bottomline of the company grew by 97% and 219% respectively over the previous year. The higher growth in bottomline was driven by 536 basis points improvement in the EBITDA margins that stood at 16%.

### Recent Financial Performance

Particulars (Rs mn)	Q3FY08	Q3FY07	% Change	9MFY08	9MFY07	% Change
Net Sales	791.0	358.5	120.6	1939.4	984.7	97.0
Other Income	4.7	1.8	161.1	10.8	11.1	-2.7
Total Income	795.7	360.3	120.8	1950.2	995.8	95.8
Total Expenditure	669.8	314.9	112.7	1628.9	879.8	85.1
EBITDA	121.2	43.6	178.0	310.5	104.9	196.0
Interest	25.2	10.6	137.7	55.5	20.9	165.6
Depreciation	23.1	11.2	106.3	56.8	29.5	92.5
Tax	27.4	8.5	222.4	72.1	23.0	213.5
Adj PAT	52.4	16.4	219.5	139.1	44.7	211.2
Equity	100.3	100.3	0.0	100.3	100.3	0.0
EBITDA (%)	15.3	12.2	147.5	16.0	10.7	5.4
PATM (%)	6.4	4.3	49.4	7.2	4.5	2.6

Source: Company

## Investment Rationale

### Order backlog is 5.5x of FY07 Net Sales

*SHEL has strong order backlog of Rs 8000 mn as on January 2008 that is 5.5x of FY07 net sales.*

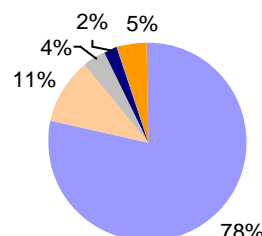
SHEL has strong order backlog of Rs 8000 mn as on January 2008 that is 5.5x of FY07 net sales. These orders are to be executed in the next 24 months. About 78% of its order book consists of power generation related contracts, followed by 11% from transmission, 5% from hydro power, 4% from steel structures and 2% from overhauling and maintenance. Order inflows in Q3FY08 were at Rs 2000 mn. Looking at the kind of investment expected to be made in power sector, the order book position of the company would remain strong for the next four to five years.

### Major orders bagged in the last one year

Order details	Value in Rs mn	Execution period in months	Client
Structural fabrication, erection works 4x300 MW thermal power Plant located at Jaigarh, dist. Ratnagiri	1117.5	18	JSW (Ratnagiri) Ltd
Complete supply, Fabrications & Erection of Structural Steel required in main plant building, Bunker Bay & Miscellaneous Structure for New Parli Project Unit - 2 (1X250MW)	763.64	24	MSPGCL
Complete supply, Fabrication & Erection of Structural Steel required in main plant building, Bunker Bay & Miscellaneous Structure for Paras Thermal Power Expansion Project Unit - 2 (1X250MW)	760.83	24	MSPGCL
Three Hydro Power Projects in Himachal Pradesh.	450	18	Dodson-Lindblom, USA
Structural fabrication erection works for 2x600MW Hissar Thermal Power Project at Hissar, Haryana	370	18	Reliance Energy Ltd
Structural Steel works for Steel Plant	253.2	24	RINL Visakapatnam
Erection work of Boiler 1 x 125 MW at Mangrol Dist: Gujarat,	119.5	24	BHEL
Steel works of 2 X 250 MW at Chhabra,	163.4	24	PLL
Structural steel work for 1 X 195 MW Unit	92.7	24	RRVUNAL

Source: Company

### Orderbook Breakup



■ Thermal Power Plants     
 ■ Transmission Substation     
 ■ Steel Structures  
■ Overhauling and Maintenance     
 ■ Hydro Power plants

Source: Company

### Positive cue from large scale investment in power sector

*SHEL being present in power generation, transmission and distribution contracts is expected to be benefited from these investments.*

In the XI Five Year Plan, 78577 MW of fresh generation capacity is expected to be added. Such a kind of capacity addition plan is expected to create an investment opportunity of Rs 4109 bn in power generation, Rs 1400 bn in transmission and 2870 bn in distribution space over the next 5 years. SHEL being present in power generation, transmission and distribution contracts is expected to be benefited from these investments.

### Focusing of BOP projects

Power generation EPC contracts include construction of main plant projects and Balance of Plant (BOP) projects. Main plant includes boilers, turbines and generators (BTG) whereas rest of the work comes under BOP. Components of BOP include Coal Handling Plant, Ash Handling Plant, Chimney, Cooling tower, Main Structural Steel Works, Water Treatment Plant, Electrical System and Civil Work. About 40-45% of the cost of

power plant comprises BOP related work. Except Chimney and cooling tower SHEL has expertise to carry out all other components of BOP projects. Thus, SHEL has an ability to take up 70-80% of the BOP work. Currently SHEL is executing works for various components of BOP up to 660 MW though it has not yet qualified for turnkey BOP contracts. Going forward it has plans to scale up the value chain in the power sector and undertake turnkey BOP contracts.

*SHEL is planning to achieve pre-qualification for tendering for up to 500 MW BOP turnkey contract by either tying up with other EPC companies or with a BTG manufacturer company.*

Currently there are very limited numbers of players engaged in BOP projects. Most of the large power EPC players like BHEL, L&T, Reliance Energy, BGR Energy System, Thermax, etc and power generation players like NTPC, Tata Power, etc take up BOP projects. These players sub contract the various components of BOP projects to smaller players like SHEL, Simplex Infrastructure, McNally Bharat, etc. BOP projects require prequalification in terms of expertise and balance sheet size. This is the reason why there is limited number of players in BOP projects. But looking at the kind of capacity expansion plans in the power generation space and lesser number of players in power EPC space, we believe that the new players like SHEL will get an opportunity to venture into complete BOP projects in future. SHEL is planning to achieve pre-qualification for tendering up to 500 MW BOP turnkey contract by either tying up with other EPC companies or with a BTG manufacturer company.

#### Diversification and backward integration strategy

The company has shown its expertise in power plant related work. By leveraging upon its existing engineering and execution capabilities, the company has diversified its area of operations to power transmission & distribution, hydropower and steel plant related work. It is also taking up overhauling and maintenance services for the boiler and auxiliaries upto 500 MW with supply of spares.

#### Risk and Concerns

**Delay in execution:** The orders bagged by the company are required to be executed within the execution period. Any delay in execution may result into cost over run and in turn may impact the margins of the company.

**Unavailability of skilled labours:** The company may not be able to bid for large number of contract if there is dearth of skilled labours. This may impact the order book and in turn growth in the financials.

### Industry

*The capacity addition is expected to create an investment opportunity of Rs 1643 mn in BOP projects.*

In the XI Five Year Plan, 78577 MW of fresh generation capacity is expected to be added. The capacity addition is expected to be met through participation of central government, state government and private players. Such a kind of capacity addition plan is expected to create an investment opportunity of Rs 4109 bn in power generation, Rs 1400 bn in transmission and 2870 bn in distribution space over the next 5 years. As per our estimates the capacity addition is expected to create an investment opportunity of Rs 1643 mn in BOP projects. The year-wise break of capacity addition and expected investment is stated below.

#### Year-wise break of capacity addition

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Thermal Power (MW)	12,704	5,077	10,773	14,140	15,950	58,644
Hydro Power (MW)	2,751	1,625	3,425	2,330	6,422	16,553
Nuclear Power (MW)	880	1,000	1,000	500		3,380
Total addition per annum (MW)	16,335	7,702	15,198	16,970	22,372	78,577
Expected investment (Rs mn)	854,201	402,758	794,744	887,406	1,169,891	4,109,000
Opportunity in BOP projects (Rs mn)	341,680	161,103	317,898	354,963	467,957	1,643,600

Source: CEA, Emkay PCG Research

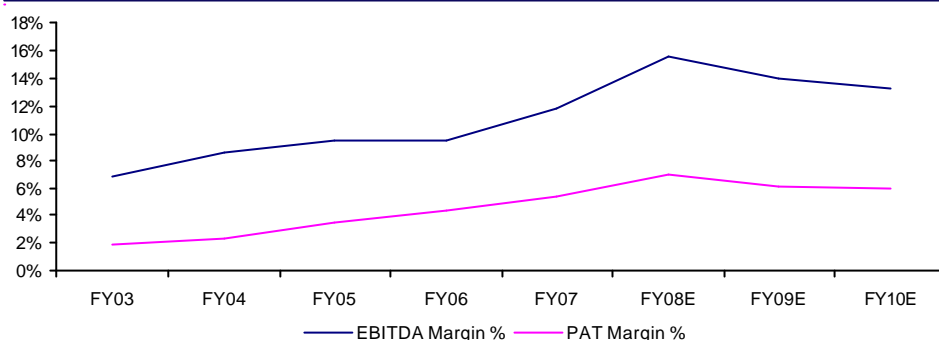
## Business Outlook and Valuation

### Topline and bottomline to grow at 55.6% and 63.3% respectively

We expect that the net sales and net profit of the company to grow at a CAGR of 55.6% and 63.3% respectively.

We expect that the orderbook position of the company to remain strong in the next three years with expected growth ranging between 15-20%. On the basis of sound track record, we believe that the company will be able to bag larger size contracts. We expect that the net sales and net profit of the company to grow at a CAGR of 55.6% and 63.3% respectively. Over the years the margins have witnessed rising trend and have improved to 16% in 9MFY08. But we believe that the company may not be able to sustain the same on account of higher raw material prices and employee expenses. We expect the EBITDA margins to stay in the range of 13-14%.

### EBITDA and PAT margins trend



Source: Company, Emkay PCG Research

### EPS to grow at a CAGR of 40.8% during FY07A-10E

After taking all dilution into account, we estimate the diluted EPS of the company to grow at a CAGR of 40.8% during FY07A-10E.

After taking all dilution into account, we estimate the diluted EPS of the company to grow at a CAGR of 40.8% during FY07A-10E. In our estimates we have included all expected equity dilution. Last year SHEL allotted 38 lakh convertible warrants to the promoters and non promoters at Rs 146 each which is expected to be converted into equity shares by April 2008. Besides the company raised Rs 810 mn through QIP route by issuing 2.25 mn shares of face value of Rs 10 to foreign and domestic institutional investors at Rs 360 per share. With all these, the diluted equity base of the company will be at Rs 160 mn. The ROE of the company is expected to be on the lower side on account of sudden rise in equity base resulted by recent fund raising exercise and thus is expected to be at 10.4% and 12.5% during FY09E and FY10E respectively.

### Comparative valuation

SHEL discounts FY09E EPS by 14x as against Simplex Infra trading at 19x, BHEL at 20x and L&T at 24.6x. Thus it is available at a discount to its peers.

The company looks attractive against its peers in terms of PEx multiple. We have compared SHEL with Simplex Infrastructure, BHEL and L&T which are also present in the similar kind of business. SHEL discounts FY09E EPS by 14x as against Simplex Infra trading at 19x, BHEL at 20x and L&T at 24.6x. Thus it is available at a discount to its peers.

### Peer Group Comparison:

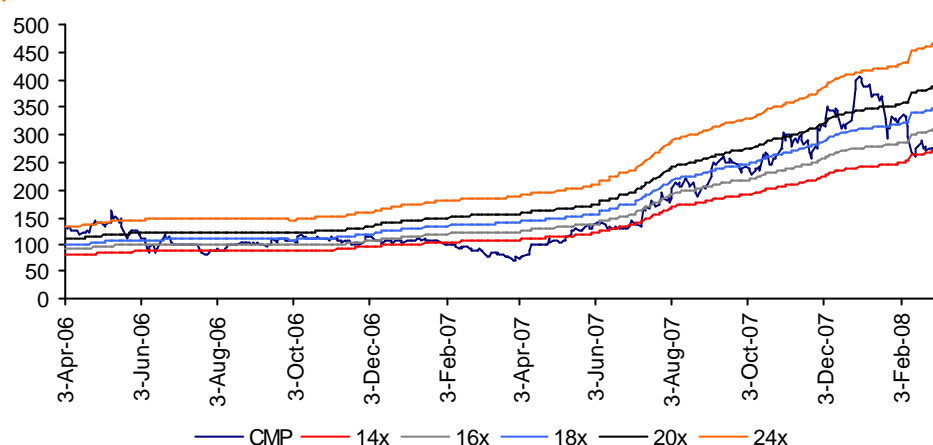
Peers	FY08E P/E	FY09E P/E	Mcap/Sales	FY07A EBITDA Margin %	FY07A PAT Margin %	3YCAGR Sales	3YCAGR NP	3YCAGR EPS
Sunil Hitech*	18.0	14.0	1.5	11.7	5.2	55.6%	62%	40.8%
Simplex Infra***	32.4	19.0	3.1	9.3	3.1	44.0%	68.5%	46.2%
BHEL**	27.3	19.8	13.9	20.0	13.9	31.5%	37.9%	37.9%
L&T**	31.2	24.6	11.0	13.4	11.0	32.1%	39.6%	36.4%

Source: \*Emkay PCG Research, \*\*Emkay Research, \*\*\*Consensus estimates

**DCF valuation**

*The scrip currently discounts FY09E & FY10E fully diluted EPS of Rs 15 & Rs 20.5 by 14x & 10.3x respectively*

The scrip currently discounts FY09E & FY10E fully diluted EPS of Rs 15 & Rs 20.5 by 14x & 10.3x respectively. We have valued the scrip on the basis of three stage DCF valuation. Post 2010 we expect the topline and bottomline to grow at 17% CAGR during 2010E-15E. We have assumed 4% as terminal growth rate and 13.1% as weighted average cost of capital (WACC). With all these assumptions we arrive at one year forward target price of Rs 280. At our target price, the scrip discounts FY09E and FY10E EPS by 18.6x & 13.7x respectively. In the last two years, the scrip has been trading in the range of 16-20x on the basis of trailing twelve months EPS. We recommend BUY on the stock with one year target price of Rs 280.

**P/E Band (on the basis of TTM EPS)**

Source: Emkay PCG Research

**DCF assumptions**

WACC	13.1%
TV grth	4
TV Rs mn	3514.8
NPV Rs mn	3,862
Net debt Rs mn	(99)
Value of Equity Rs mn	3,961
Value/share Rs	246
One year forward Rs	280

Source Emkay PCG Research



## Income Statement

Year Rs mn	FY07A	FY08E	FY09E	FY10E
Net Sales	1,448	2,639	3,860	5,453
% Growth	9%	82%	46%	41%
Other Income	16	5	5	5
Consumption of materials	522	1,185	1,745	2,470
Site and Operating Expenses	634	818	1243	1772
Employee Cost	70	143	216	316
Administration Expenses	52	84	120	169
Total Operating Exp	1,277	2,230	3,323	4,728
EBIDTA	171	409	537	725
% Growth	34%	140%	31%	35%
Depreciation	44	74	106	145
EBIT	215	483	642	870
Interest	33	51	64	78
PBT	120	289	371	507
Tax	41	101	130	177
PAT	76	188	241	329
% Growth	34%	148%	29%	36%

Source: Company , Emkay PCG Research

## Balance sheet

Year Rs mn	FY07A	FY08E	FY09E	FY10E
Equity Cap	100	161	161	161
Reserves	470	1,943	2,162	2,469
Networth	571	2,104	2,323	2,630
Secured loans	351	351	351	351
Unsecured loans	93	213	363	513
Total loans	444	564	714	864
<b>Total Liability</b>	<b>1,016</b>	<b>2,669</b>	<b>3,038</b>	<b>3,495</b>
Net Block	379	656	950	1,305
Investments	39	50	50	50
Inventory	117	172	237	315
Debtors	497	943	1,245	1,704
Cash balance	152	663	601	422
Other Current Assets	254	600	600	600
Total Current Assets	1,020	2,377	2,684	3,041
Creditors	380	372	604	860
Acceptance & others	56	56	56	56
Total Current Liabilities	436	427	660	915
Net Current Assets	584	1,949	2,024	2,126
<b>Total Assets</b>	<b>1,016</b>	<b>2,669</b>	<b>3,038</b>	<b>3,495</b>

Source: Company , Emkay PCG Research

## Key Financial Ratio

Year	FY07A	FY08E	FY09E	FY10E
EBITDA %	11.8%	15.5%	13.9%	13.3%
NPM %	5.4%	7.1%	6.3%	6.0%
ROE %	13.3%	8.9%	10.4%	12.5%
ROCE %	12.5%	12.6%	14.2%	16.6%
Int. Cover (x)	6.5	9.5	10.0	11.2
D/E (x)	0.8	0.3	0.3	0.3
Asset Turnover (x)	3.6	3.8	3.6	3.6
Debtors T/O (x)	3.7	2.8	3.1	3.2
Inventory T/O (x)	14.2	13.0	14.0	15.0
<b>Per Share Data</b>				
Diluted EPS (Rs)	7.3	11.7	15.0	20.5
CEPS (Rs)	11.9	16.3	21.6	29.5
BVPS (Rs)	56.3	130.8	144.4	163.5
<b>Valuation ratios</b>				
P/E (x)	28.6	18.0	14.0	10.3
P/CEPS (x)	17.6	12.9	9.7	7.1
EV/EBITDA (x)	14.0	8.0	6.5	5.3
EV/Sales (x)	1.7	1.2	0.9	0.7
Mcap/Sales(x)	1.5	1.3	0.9	0.6
P/BV (x)	3.7	1.6	1.5	1.3

Source: Company , Emkay PCG Research

## Cash Flow Statement

Year to Mar Rs mn	FY07A	FY08E	FY09E	FY10E
PBT	120	289	371	507
Depreciation	44	74	106	145
Tax	(30)	(101)	(130)	(177)
Change in WC	(243)	(855)	(136)	(281)
Operating CF	(90)	(542)	275	271
Inv in FA	(236)	(351)	(400)	(500)
Others	22	(11)	-	-
Investing CF	(213)	(362)	(400)	(500)
Equity capital inc premium	-	1,365	-	-
Debt	306	120	150	150
Dividends	(11)	(19)	(19)	(19)
Interest	(33)	(51)	(64)	(78)
Financing CF	261	1,415	66	53
Net Change	(41)	511	(58)	(176)
Opening Cash	170	128	639	580
Closing Cash	152	663	601	422

Source: Company , Emkay PCG Research

Name	Sector	Tel No	E-mail id
Daljeet S. Kohli	Head of Research	+91 22 6612 1205	daljeet.kohli@emkayshare.com
Urmil Negandhi	Auto, Auto Ancillary and Pharmaceutical	+91 22 6612 1280	urmil.negandhi@emkayshare.com
Pankaj Kumar	Engineering, Capital Goods and Mid-caps	+91 22 6612 1243	pankaj.kumar@emkayshare.com
Sweta Sinha	Hotels & IT	+91 22 6612 1282	sweta.sinha@emkayshare.com
Manas Jaiswal	Technical analyst	+91 22 6612 1274	manas.jaiswal@emkayshare.com
Suruchi Kapoor	Junior Technical Analyst	+91 22 6612 1275	suruchi.kapoor@emkayshare.com
Sameer Shetye	Associate Derivative Analyst	+91 22 6612 1276	sameer.shetye@emkayshare.com

**DISCLAIMER**

**Emkay Share & Stock Brokers Limited (Emkay)** has two separate independent equity research groups: Institutional Equities and Private Client Group. This document has been prepared by Emkay – Private Client Group (Emkay -PCG). Affiliates of Emkay Institutional Group may have issued other reports that are inconsistent with and reach different conclusions from the information presented in this report. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating and target price of the Institutional Equities Research Group of Emkay Share & Stock Brokers Limited. This document is not for public distribution and has been furnished to you solely for your information and any review, re-transmission, circulation or any other use is strictly prohibited. Persons into whose possession this document may come are required to observe these restrictions. This document is subject to changes without prior notice and is intended only for the person or entity to which it is addressed to and may contain confidential information and/or privileged material. We are not soliciting any action based upon this material. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of clients of Emkay -PCG. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Emkay-PCG will not treat recipients as customers by virtue of their receiving this report. We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable. It should be noted that the information contained herein is from publicly available data or other sources believed to be reliable. Neither Emkay, nor any person connected with it, accepts any liability arising from the use of this document. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Opinions expressed are our current opinions as of the date appearing on this material only. We do not undertake to advise you as to any change of our views expressed in this document. While we would endeavor to update the information herein on a reasonable basis, Emkay, its subsidiaries and associated companies, their directors and employees are under no obligation to update or keep the information current. Also there may be regulatory, compliance, or other reasons that may prevent Emkay and its affiliates from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Emkay and its affiliates, officers, directors, and employees may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Analyst's holding in the stocks mentioned in the report: **NIL**

## **Emkay Share and Stock Brokers Ltd.**

**Member: Bombay Stock Exchange Limited (BSE) and The National Stock Exchange (NSE).**

C-6, Ground Floor, Paragon Center, Pandurang Budhkar Marg, Worli, Mumbai – 400 013.

Tel No. 66121212. Fax: 66121299; e-mail: marketing@emkayshare.com;

Regn.Nos.PMS-INP 000000779; BSE (Cash) INB 010901838; BSE (Derivative) INF 010901838;

NSE (Cash) INB 230901838; NSE (Derivative) INF 230901838; DP CDSL IN-DP-CDSL-58-2000

**Call (Tollfree) 1-600-223-434 / 1-800-223-434**