



CONTENTS

INDUSTRY AT A GLANCE	2
KEY DEVELOPMENTS	3
OPERATIONS	3
CORPORATE.....	4
FINANCE.....	5
MERGERS AND ACQUISITIONS	5
OTHERS.....	5
INDUSTRY STATISTICS	6
PRODUCT FOCUS	7
HYDRAULIC EXCAVATORS	7
Introduction.....	7
Types of Hydraulic Excavators.....	7
Working.....	7
Excavator attachments	7
Applications	7
Market Scenario	8
Outlook	8
COMPANY SCAN.....	9
EIMCO ELECON INDIA LTD.....	9
Overview	9
Business strategies.....	9
Company's Performance at a Glance.....	9
Key Ratios at a Glance	10
Performance Analysis of the Company	10
Cost Structure Analysis	11
Common size comparison.....	11
Stock Performance.....	12
Outlook	12
STOCK SCAN	13
UPCOMING EVENTS	15

INDUSTRY AT A GLANCE

OPERATIONS

- Moog likely to acquire GE Aviation subsidiary, US
- Engineering boss eyes major projects, Australia
- Alstom to pick stake in Bhel-Nuclear Power JV, India
- BHEL, BEL to float joint venture for solar panels facility, India
- Alstom led consortium bags Rs5.63bn contract from BMRCL, India
- Bhel, GE to build turbine workshop, India
- BHEL bags Rs13bn order for Vallur project, India
- Sadbhav Engineering bags order for Rs2.25bn from CIL's subsidiary, India
- BHEL to supply 150 electric locomotives to railways, India
- Thermax bags Rs10bn power plant order, India
- BEML to establish R&D hub in Bangalore, India
- Punj Lloyd bags Rs5.50bn contract from MRPL, India

CORPORATE

- L&T pays Rs2.1bn advance tax, India

FINANCE

- Aban Offshore to raise US\$1 billion via GDR, share sale to QIB, India
- Punj Lloyd raises Rs6bn via debenture issue, India

MERGERS AND ACQUISITIONS

- SAIL buys Bharat Refractories, India

OTHERS

- Engineering exports plunged by 31% in August, India

KEY DEVELOPMENTS

OPERATIONS**Americas****US: Moog likely to acquire GE Aviation subsidiary news**

Moog Inc., the US-based global designer, manufacturer, and integrator of precision control components and systems mainly used in aircraft, has expressed its intention to buy GE Aviation Systems' flight control actuation product line in Wolverhampton, UK. "GE's Wolverhampton arm designs and manufactures primary and secondary flight control actuation for a number of commercial and military programmes, and the product line would be complementary to its aircraft controls segment," the company said. Moog and GE have initiated the applicable regulatory filings and expect to sign an agreement very shortly, it said, adding that it has sufficient cash on hand and availability under its revolving credit facility to finance the acquisition.

Australia: Engineering boss eyes major projects

Adelaide engineering company Built Environs aims to almost double its revenue to more than US\$500m a year by 2011. New managing director Jim Frith says the company is well positioned to bid for work on the state's large infrastructure projects, given its financial backing from engineering and construction firm McConnell Dowell. The company, which employs about 300 South Australians, is constructing US\$100m buildings for the Adelaide Desalination project and a US\$100m transfer pipeline in a joint venture. It is also building the redeveloped western grandstand at Adelaide Oval for US\$100m

Asia Pacific**India: Alstom to pick stake in Bhel-Nuclear Power JV**

The first tranche of foreign investment in the Indian nuclear sector will come from France. Bharat Heavy Electricals (Bhel) and Nuclear Power Corporation of India (NPCIL) have picked Alstom of France as partner in a three-way joint venture. It will manufacture equipment for uranium-fed power plants. Bhel and NPCIL, which are 50:50 partners in a joint venture, may offload up to 30% equity in it to Alstom.

India: BHEL, BEL to float joint venture for solar panels facility

State-run Bharat Heavy Electricals Ltd (BHEL) and Bharat Electronics Ltd (BEL) will form a Rs20 billion joint venture by March 2010 to manufacture 250mw solar photovoltaic (PV) production facility for processing silicon wafers, solar cells and PV modules.

India: Alstom led consortium bags Rs5.63bn contract from BMRCL

Alstom Projects, rail transportation equipment and services provider has bagged Rs5.63 billion contract in consortium with global players for providing signalling system to the Bangalore Metro Rail Corporation Ltd (BMRCL). Besides, Alstom Projects India, the consortium includes Alstom Transport SA, Thales Security Solutions & Services and Sumitomo Corporation. The order entails supply of the signalling system to BMRCL for the first two lines of the new Bangalore metro system. The contract includes manufacturing, installation, and commissioning of modern Signalling and Telecommunication systems for two corridor lines of Bangalore metro system. Both the lines of BMRCL would enter into revenue services in September 2012.

India: BHEL, GE to build turbine workshop

To allay fears arising from turbine problems at NTPC Ltd's joint venture Dabhol plant, Bharat Heavy Electricals Ltd (Bhel) will set up a workshop at Hyderabad to repair and maintain 9 FA class turbines in collaboration with General Electric Co. (GE). The Union government had earlier said four of the six 9 FA class turbines that GE supplied to the 2,150MW power project of NTPC's joint venture Ratnagiri Gas and Power Pvt. Ltd in Maharashtra were defective and broke down frequently. GE provides the state-owned Bhel, India's largest power generation equipment manufacturer, with gas turbines and has transferred some technology as well to the firm. Bhel pays GE royalty for technology. It also has an equal joint venture with GE called Bhel-GE Gas Turbine Services Pvt. Ltd, which provides repair and maintenance services for GE's gas turbines.

India: BHEL bags Rs13bn order for Vallur project

Bharat Heavy Electricals Ltd (BHEL) has won a Rs13 billion order from NTPC Tamil Nadu Energy Co Ltd (NTECL) for supplying boilers, turbines and generators. NTECL, which is setting up a 3x500 MW power plant at Vallur, is a joint venture between power utility NTPC and Tamil Nadu Electricity Board. BHEL's scope of work in the present order includes designing, engineering, manufacturing, supplying, erecting and commissioning steam turbines, generators, boilers and associated equipment besides controls and instrumentation systems.

India: Sadbhav Engineering bags order for Rs2.25bn from CIL's subsidiary

Infrastructure firm Sadbhav Engineering has bagged a contract worth Rs2.25 billion from a subsidiary of Coal India Ltd (CIL) for mining related works. The company has received the mining project from Mahanadi Coalfields (subsidiary of CIL). The scope of the work includes transportation of materials in various strata including drilling, excavation, dumping, spreading, dozing, and other allied works in specified areas.

India: BHEL to supply 150 electric locomotives to railways

Bharat Heavy Electricals Limited has bagged Rs9900m contract for the manufacture and supply of 150 electric locomotives from Indian Railways. The company is already executing an order for 50 numbers of similar rating locomotives for Indian Railways and the present order is in addition to the ongoing order. The company will manufacture and supply these locos at the rate of 50 per year from its Jhansi unit.

India: Thermax bags Rs10bn power plant order

Thermax Ltd has bagged an order for the turnkey supply of a 270 MW power plant being set up by a Hyderabad-based infrastructure company. The contract is valued at Rs10.01 billion. The Pune-based Thermax will design, construct and commission the coal-based 2x135 MW plant on an engineering, procurement and construction (EPC) basis. The boilers for this project will be manufactured by Thermax using the circulating fluidised bed combustion (CFBC) technology licensed from Babcock & Wilcox, US. The power plant will have the option of using both imported as well as low-grade Indian coal. Apart from supplying the largest in the CFBC range of boilers, Thermax will also supply the air pollution control, water treatment and effluent treatment systems. The power plant will use sea water for its cooling requirements.

India: BEML to establish R&D hub in Bangalore

State-run Bharat Earth Movers (BEML) is in the process of establishing a centre of excellence for research and development at a cost of Rs1.25 billion. "The proposal is in the final stages of approval and once cleared, the centre will come up on 10 acres of land on the present campus," BEML Chairman and Managing Director told reporters. He said the company was working towards lowering the cost of metro rail infrastructure by maximising indigenisation and looking forward to compete in global tenders overseas and bag majority of orders.

India: Punj Lloyd bags Rs5.50bn contract from MRPL

Engineering major, Punj Lloyd has bagged an order worth Rs5.50 billion from state-run Mangalore Refinery and Petrochemicals (MRPL) for construction related works. Under the project, the company would construct coke drum structure package for Mangalore refinery.

CORPORATE

Asia Pacific**India: L&T pays Rs2.1bn advance tax**

Engineering conglomerate Larsen & Toubro said it had paid an advance tax of Rs2.10 billion in the July-September quarter. Larsen & Toubro had paid Rs1.5 billion in the same quarter a year back.

FINANCE

Asia Pacific

India: Aban Offshore to raise US\$1bn via GDR, share sale to QIB

Aban Offshore Ltd, India's largest offshore drilling service contractor in the private sector, said it would raise US\$1 billion (about Rs44.22 billion) through issue of GDRs in the international markets and issue of shares to qualified institutional buyers (QIB). The company is planning to use the proceeds from the issue to repay its part of the debt, which is currently around Rs152 billion.

India: Punj Lloyd raises Rs6bn via debenture issue

Engineering major Punj Lloyd has raised Rs6 billion by issuing debentures on private placement basis. The committee of directors has allotted 1,750 and 42,500 secured redeemable non-convertible debentures, totalling to Rs6 billion on private placement basis. The company has allotted 1,750 secured redeemable non convertible debentures of Rs1m each aggregating to Rs1750m and has issued 42,500 secured redeemable non convertible debentures of Rs0.1m each totalling to Rs4250m on private placement basis.

MERGERS AND ACQUISITIONS

Asia Pacific

India: SAIL buys Bharat Refractories

Steel Authority of India (SAIL) has taken over state-owned Bharat Refractories (BRL) and merged it with itself. The merger, effective April 1, 2007, has also got approval from corporate affairs ministry. BRL makes high temperature-bearing refractory materials used in the inner linings of blast furnaces. The merger will help the country's largest steel producer utilise BRL's excess capacity for its present and future refractory needs. For BRL, the merger will provide an opportunity to upgrade its technology and resource management.

OTHERS

Asia Pacific

India: Engineering exports plunged by 31% in August

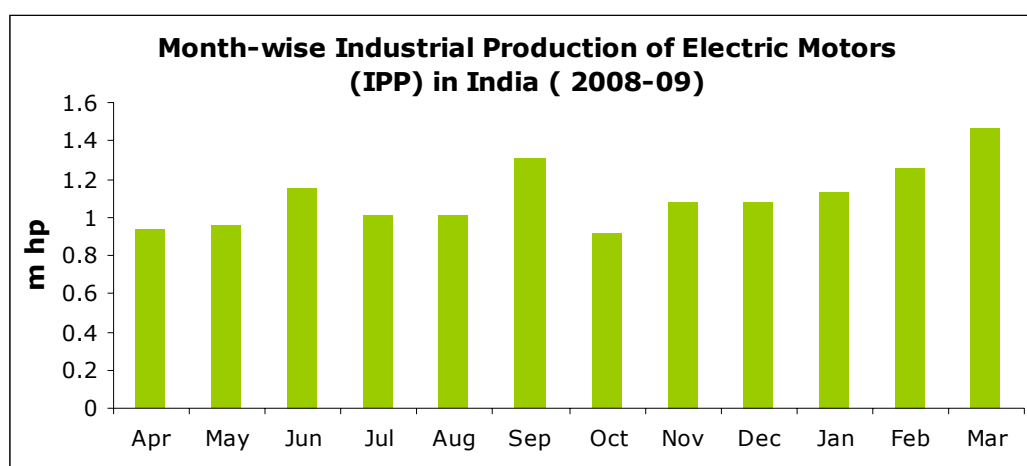
India's engineering exports plunged by around 31% to US\$2.6 billion in August due to a slump in demand in major markets like the US and Europe. The exports stood at US\$3.8 billion in August 2008. Engineering goods exporters are not hopeful of recovery in demand in the international market in the coming months. Exporters are pinning their hopes on revival of demand in the major markets due to large stimulus packages. However, at best, only tentative revival signs have been perceived in select export destinations. The sector, which had contributed US\$37.5 billion in India's total exports of US\$168 billion in 2008-09, employs over 4 million people.

INDUSTRY STATISTICS

Month-wise Industrial Production of Electric Motors (IPP*) in India (April 2003-04 to March 2008-09)

Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Apr	0.46	0.72	0.69	0.65	0.70	0.94
May	0.49	0.78	0.93	0.76	0.86	0.96
Jun	0.56	1.03	0.77	1.04	1.00	1.15
Jul	0.48	0.84	0.68	0.93	0.98	1.01
Aug	0.64	0.77	0.85	0.99	0.96	1.01
Sep	0.68	0.89	0.92	1.21	1.16	1.31
Oct	0.71	0.77	0.75	0.72	1.08	0.91
Nov	0.81	0.82	0.75	0.97	1.12	1.08
Dec	0.88	0.95	1.08	1.27	1.19	1.08
Jan	0.80	0.92	0.78	0.97	1.21	1.13
Feb	0.81	0.87	0.90	1.32	1.16	1.26
Mar	1.36	1.45	1.35	1.58	1.46	1.46

*Note: * IPP: Industrial Pretreatment Programme, Source: Data as per Central Statistical Organisation (CSO), Compiled by Indiatat; Cygnus Research*



*Note: * IPP: Industrial Pretreatment Programme, Source: Data as per Central Statistical Organisation (CSO), Compiled by Indiatat, Cygnus Research*

PRODUCT FOCUS

HYDRAULIC EXCAVATORS

Introduction

The construction equipment industry is changing its face. Recent studies have shown that technological advances and quality production have extended the machine life cycles. An excavator is one of the technologically advanced engineering vehicles consisting of an articulated arm, bucket and cab mounted on a pivot atop an undercarriage with tracks or wheels. Their design is a natural progression from the steam shovel. From the construction of building and roads to the restoration of disaster stricken areas, hydraulic excavators are being utilised across the world for improving and building the social infrastructure that support people's lives.



Types of Hydraulic Excavators

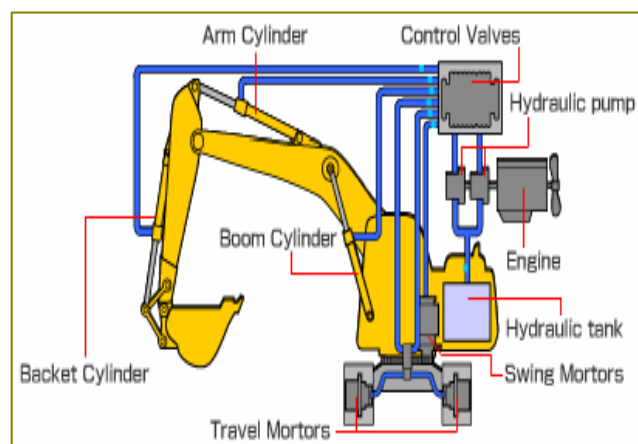
- **Crawler:** Belt-like shaped fit can turn and hold the ground. They have to be carried on big trucks when they need to be moved to other locations.
- **Wheeler:** The one with tires similar to regular cars is called “wheel type”. They are more used in Europe as they can move gently without scratching asphalt pavements or old roads made of stone and blocks.

Types of Excavators

- Compact excavator (Mini Excavator)
- Dragline excavator
- Bucket-wheel excavator
- Long-reach excavator
- Long front excavator
- Hydraulic excavator (Hydro excavator)

Working

A hydraulic excavator is a high performance machine used in excavation work at confined sites where conventional counterparts cannot work effectively. The operation body of a hydraulic excavator generally has three cylinders—boom cylinder, arm cylinder and bucket cylinder. The all-purpose hydraulic excavators offers lower noise levels, superior traction force and have a wheel loader that offers a combination of traction and breakout force to maximise the use of rated capacity. The heavy duty excavators are useful in logging road works where the short tail swing radius is effective when the machine is operating on narrow roads on steep slopes.



Excavator attachments

Various attachments are available to be fitted to the tip portion of the arm for different purposes. With the advent of hydraulic powered attachments such as a breaker, a grapple or auger hydraulic excavator capabilities have expanded. Many excavators feature quick-attach mounting systems for simplified attachment mounting, dramatically increasing the machine's utilisation.

Applications

Hydraulic excavators are used for a wide variety of construction applications, including non-residential construction and residential construction. Some of the uses are:

- Digging of trenches, holes, foundations
- Material handling
- Brush cutting with hydraulic attachments
- Demolition
- General grading/landscaping
- Heavy lift, e.g. lifting and placing of pipes
- Mining, especially, but not only open-pit mining
- River dredging

Market Scenario

India has potential to become the largest market for construction and mining equipment in future. India's market for mining and construction equipment is growing at 30-35% per annum. The annual market size of the Indian hydraulic excavator industry has been estimated at around 7,000 units in 2006-07 and is estimated to grow by 30,000 units in 2015. In the same period, 40,000 hydraulic excavators were sold in China and 20,000 in Japan and around 30,000 hydraulic excavators were sold in the US. In the European market 25,000 hydraulic excavators were sold in 2006-07 of which more than 5000 were sold in Germany.

Major Players

- Caterpillar
- Komatsu
- Volvo
- JCB
- Hitachi

Anticipating huge opportunity, almost all the major mining equipment makers are trying to enlarge their presence in the country. While some like Caterpillar of the US and Komatsu Ltd., of Japan have set up their own units, others like Bucyrus, Atlas Copco, and P&H have extended operations through units in partnership with Indian companies.

There are six companies engaged in the manufacture of hydraulic excavators: Bharat Earth Mover Limited (BEML); Heavy Engineering Corporation; Hindustan Motors Limited; Larsen & Tourbo Limited; Stanford engineering Limited and Tata Engineering Locomotive Co. Ltd (TELCO).

Telco Construction Equipment Company is the largest manufacturer of hydraulic excavators in India. It has over 66% market share in hydraulic excavators, 100% in crawler crane and 20% in wheel loader. It possesses indigenous design and development capabilities. The company offers the widest available range of hydraulic excavators—eight models ranging from 2 tonnes to 60 tonnes in size—and have remained the market leader despite the stiff competition. The company's hydraulic excavators are manufactured in technical collaboration with the Hitachi Construction Machinery Company of Japan.

Indian Company	Foreign Collaborator/County
BEML	M/s Komatsu, Japan
HEC	M/s O&K(Orenstein & Koppel) Germany
HM	M/s Mannesmann demag Baumashines, Germany also M/s Caterpillar, USA
L&T	M/s Poclain SA, France
Stanford	M/s Franz Eder Maschinenfabric, Germany
Telco	M/s Hitachi construction Machinery Co. Ltd, Japan

Outlook

In India, the construction equipment industry is witnessing a growth of 30-35%. The booming infrastructure and real estate industry will drive the growth. Growing commercial and residential construction activities around the country is creating demand for hydraulic excavators. The demand for construction equipment is likely to not just grow but multiply over the coming years. The commitment by Indian government to invest in infrastructure sector will drive the demand for hydraulic excavators with the outsourcing opportunities from the foreign market.

COMPANY SCAN

EIMCO ELECON INDIA LTD

Overview

Eimco Elecon India Ltd (EEL) is a leading manufacturer and supplier of various Mining and Construction Equipment in India with operations supported by network of Sales and Service establishments at various strategic locations throughout the country. Eimco claims to be the first to introduce continuous mining technology an application made possible with its continuous miners, face roof drills, coal haulers, and several series of LHDs and SDLs. The company also customises machines for the specific project, allowing for higher bucket capacity as is needed for underground mining projects. To date, Eimco has produced more than 2550 machine models that continue to work mining sites throughout the world.



Envirotech USA, the parent company of Eimco Group, currently holds 25% of Eimco's market shares. Former parent company, Tamrock, is still relevant to the company and provides technical support.

Products and Services

EEL produces a very wide range of underground mining machinery Viz. Air Powered Rocker Shovels, Electro hydraulic Side Dump Loaders and Electro Hydraulic and Air Powered Load Haul Dumpers used as loading machines in both the underground Coal mines and Metalliferous mines. It also manufactures Air Motors for captive consumption and other OEM manufacturers, company also manufactures hydraulic Drilling and Roof bolting jumbos and Auger-cum-Drills and Tugger Hoists. Side Dump Loaders, Load Haul Dumpers and Auger-cum-Drills forms backbone of the mechanisation system of underground coal mines.

Products

- Auger drill
- Blasthole drill
- Continuous miner
- Drilling jumbo
- Load haul dumper
- Roof Bolter
- Rocker shovel
- Side dump loader
- Tugger hoist
- Wheel loader

Business strategies

It has its manufacturing facilities at Vallabh Vidyanagar, Gujarat. It also has a collaboration agreement with VOEST-ALPINE Bergtechnik, Austria. It provide sales and after sales support through the net work of branch offices and parts depots across the country. Eimco Elecon's major clients are the subsidiaries of Coal India, namely Bharat Cooking Coal, Eastern Coalfield etc. Other clients include Singanery Collieries Co., Uranium Corporation of India, Bharat Gold Mines, Hindustan Copper, Hindustan Zinc, Larsen & Toubro, Ferro Alloys Corporation etc. The company has embarked on export of its mining machinery to France, the UK, Canada, Peru, Zimbabwe, Bangladesh etc.

Company's Performance at a Glance

Company's Performance at a Glance (Rs m)				
	2008-09	2007-08	2006-07	2005-06
Net Sales	1477.38	1162.78	959.32	911.73
Operating Profit/(Loss)	316.51	288.69	232.83	218.68
OPM (%)	21.42	24.83	24.27	23.99
NPM (%)	10.31	11.47	9.05	9.04
Depreciation	74.18	74.28	76.45	67.02
Interest	8.77	10.09	27.34	27.43
PAT	152.27	133.35	86.79	82.40
Source : BSE India; Cygnus Research				

Key Ratios at a Glance

KEY RATIOS					
	2008-09	2007-08	2006-05	2005-06	2004-05
Debt-Equity Ratio	0.17	0.06	0.24	0.43	0.53
Long Term Debt-Equity Ratio	0.02	0.04	0.14	0.22	0.23
Current Ratio	3.87	4.28	4.32	3.36	3.26
OPM (%)	21.42	24.83	24.27	23.99	22.98
NPM (%)	10.31	11.47	9.05	9.04	9.00
ROCE (%)	20.67	18.99	14.63	14.38	16.38
RONW (%)	12.78	12.51	9.02	9.17	10.43

Source: Company; Cygnus Research

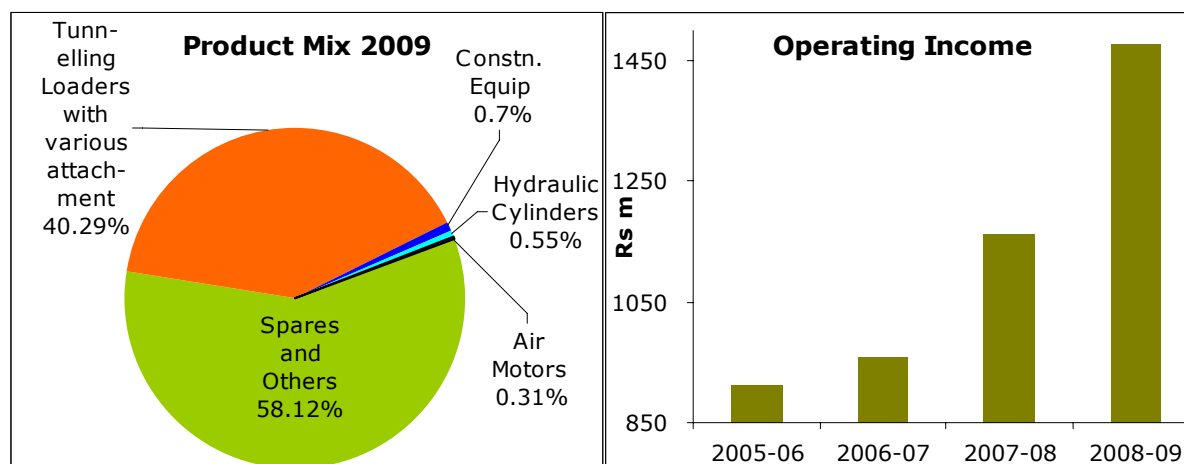
Performance Analysis of the Company

PERFORMANCE ANALYSIS OF EIMCO ELECON INDIA LTD						
	Quarterly Performance			Financial Year Performance		
	AMJ09	AMJ08	Var (%)	2008-09	2007-08	Var (%)
Sales	279.96	279.86	0.04	1477.38	1162.78	27.06
Other Income	0.30	8.27	(96.37)	3.41	27.57	(87.63)
PBIDT	56.07	74.32	(24.56)	316.51	288.69	9.64
Interest	2.60	1.60	62.50	8.77	10.09	(13.08)
PBDT	53.47	72.72	(26.47)	307.74	278.60	10.46
Depreciation	17.01	18.36	(7.35)	74.18	74.28	(0.13)
PBT	36.46	54.37	(32.94)	233.56	204.32	14.31
TAX	11.96	18.85	(36.55)	81.29	70.97	14.54
PAT	24.50	35.51	(31.01)	152.27	133.35	14.19

Source: BSE India; Cygnus Research

During the year 2008-09, the company has achieved the turnover or Rs1480.78m a growth of 27.06% over the previous year. PBIDT increased by 9.64% at Rs316.51m. A considerable decrease in the interest charges was seen, resulting in increased in PBDT by 10.46% at 307.74m. The net profit stood at Rs152.27m as against Rs133.35m previous year.

For the quarter AMJ09, the company saw a nominal growth in the sales at Rs279.96m against Rs279.86m in AMJ08. Increase in operating cost and financial charges affected the overall performance of the company. Net profit during the quarter has declined by 31.01% at Rs24.50m as compared to same period previous year.



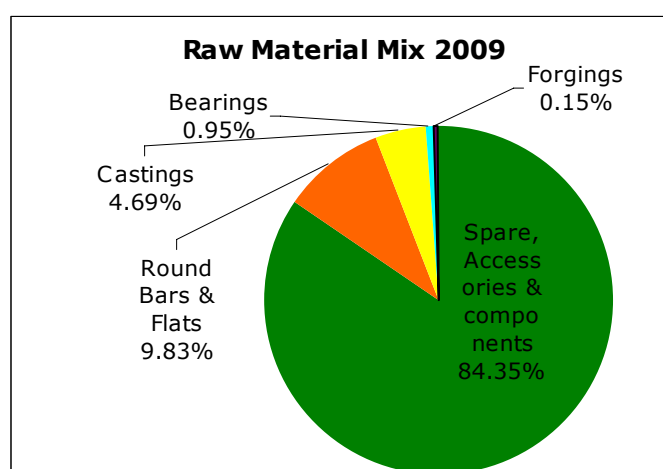
Source: BSE India; Cygnus Research

Cost Structure Analysis

Cost Structure as Percentage of Operating Income				
	2008-09	2007-08	2006-07	2005-06
(Inc)/Dec in stock in trade	-0.07	3.24	2.61	-3.11
Raw Material	49.99	42.04	28.08	30.73
Staff Expenses	4.71	3.58	3.61	3.25
Other Expenses	11.38	10.18	7.86	8.44
Depreciation	5.02	5.03	5.17	4.54
Interest	0.59	0.68	1.85	1.86
Tax	5.50	4.80	2.86	2.83

Source: BSE India; Cygnus Research

Overall cost structure of the company has increased over the years. For the year 2008-09, the overall cost structure was at 71.69% of the operating income as against 61.51% of the operating income in 2007-08 an increase of 1017.54bps. Being in the manufacturing of mining equipment, raw material is the major driver of the cost structure, in which spare, accessories and components form 84.35% of the raw material mix. Raw material cost during the fiscal 2008-09 increased by 794.92 bps at 49.99% of the operating income. Increase in staff expenses by 112.83 bps at 4.71% of the operating income was seen during the year 2008-09 as compared to 2007-08. Other expenditure increased by 119.40 bps at 11.38% of the operating income. Tax expense increased by 69.85bps at 5.50% of the operating income.



Source: Company; Cygnus Research

Common size comparison

When compared to its peers Alfa Laval Ltd and Disa India Ltd, operating income of EIMCO is better than Disa India Ltd but less than Alfa Laval Ltd. The company beats its peers in terms of the operating costs.

Raw material expenses for the company are at 49.99% of the operating income while it is 56.70% and 61.51% of the operating income for Alfa Laval Ltd and Disa India Ltd respectively. Staff expenses for the company are 4.71% of the operating income while it is 9.30% and 12.88% of operating income for Alfa Laval Ltd and Disa India Ltd respectively.

Common Size Comparison (% of net sales)			
	EIMCO	Alfa Laval LTd	Disa India Ltd
Other Income	2.72	1.04	3.97
Raw Material	49.99	56.70	61.51
Staff Expenses	4.71	9.30	12.88
Other Expenses	11.38	11.12	14.47
Interest	0.59	0.17	0.65
Depreciation	5.02	1.65	1.97
PBT	15.81	18.64	21.25
Tax	5.50	6.53	7.36
PAT	10.31	12.12	13.88

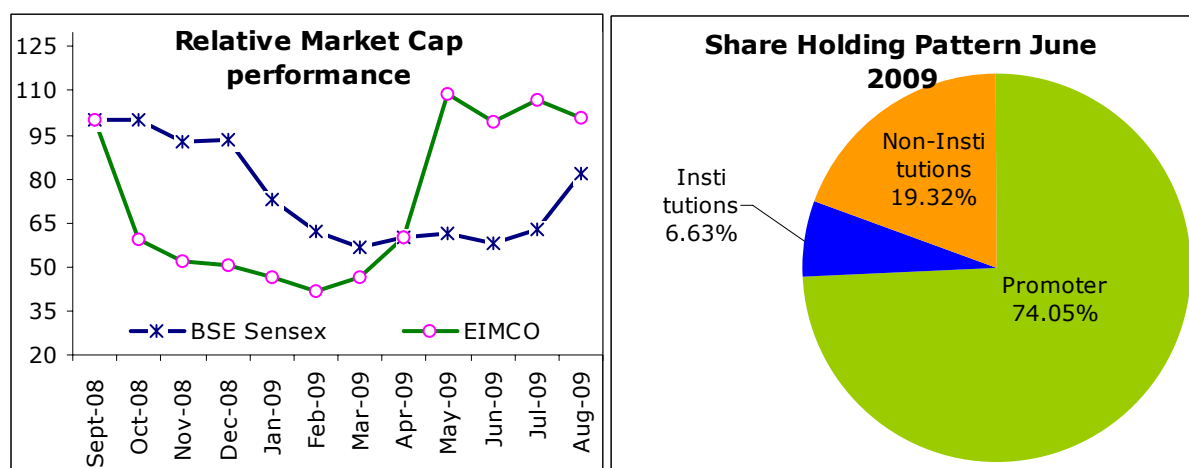
Source: BSE India; Cygnus research

Interest charges paid by the company are 0.59% of the operating income while it is 0.17% and 0.65% of operating income for Alfa Laval Ltd and Disa India Ltd respectively. PAT for the company is 10.31% of the operating income and 12.12% and 13.88% of operating income for Alfa Laval Ltd and Disa India Ltd respectively.

Stock Performance

During the 52 week long period under consideration, BSE sensex declined by 2806.21 points from 15666.64 in Sep08 to 12860.43 in Aug08. After passing through the rough phase of economic slowdown, sensex is regaining its lost shine on better corporate earning in the first quarter of the fiscal and economy recovery.

During the same period, share price of the company increased by 0.85% from Rs280.9 to Rs283.3; the 52 week long period saw a high of Rs305.45 in May09 and a low of Rs118 in Feb09. The relative market capitalisation in Aug09 was at 100.85% as against 106.67% in Jul09.



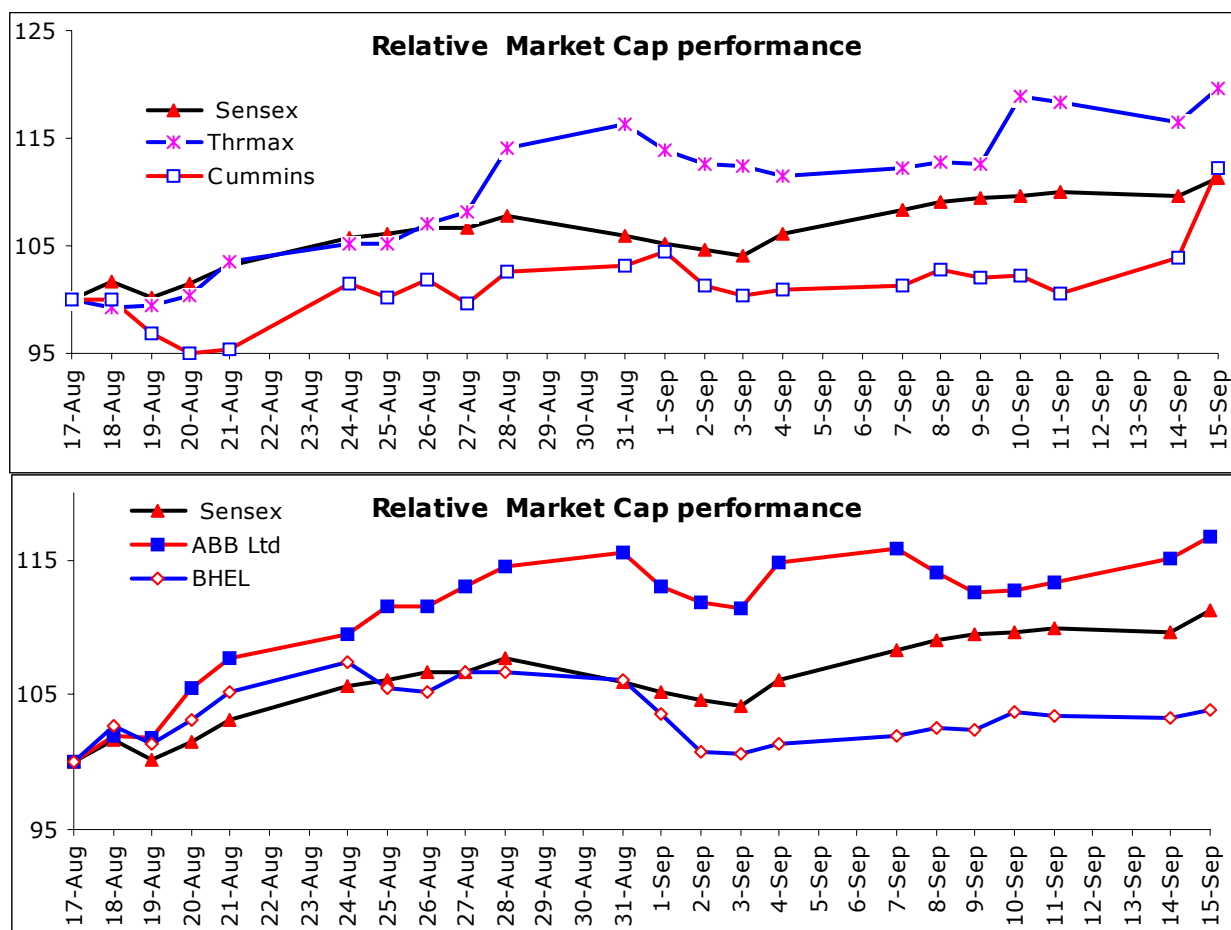
Source: BSE India; Cygnus Research

Outlook

The current market turmoil has dented the growth curve of various industries such as infrastructure and Construction, which, in turn, has hit the engineering industry also. But with the government's plans to boost up the economy by injecting funds in various industries like infrastructure, construction, automobile and power, near future is expected to see growth, particularly for the Material Handling Equipment division.

With booming infrastructure sector, demand for all kinds of construction equipment will grow. Thereby, with the all-round revival of coal companies and introduction of state-of-the-art technologies products for mining sector as-well-as for construction sector, the company is likely to do better in the coming years.

STOCK SCAN



Source: BSE India; Cygnus Research

	17 Aug-21 Aug	24 Aug-28 Aug	31 Aug-04 Sep	07 Sep-15 Sep
SENSEX	Sensex ended on a positive note with an increase of 3.08% to 15,240.83 bps on increased capital inflow by funds as long-term investors looked to enter the market.	Sensex ended on a positive note with an increase of 1.88% to 15,922.34 bps as fund houses picked up stocks following strong global cues.	Sensex ended on a positive note by increasing slightly with 0.14% to 15,689.12 bps driven by bullish Asian markets and a strong start in European bourses.	Sensex ended on a positive note during this period with an increase of 2.74% to 16,454.45 bps due to signs of US economic recovery added to the upbeat hopes for robust quarterly earnings.

ABB Ltd	Share price increased by 7.71% due to positive sentiments of the investors.	Share price increased by 4.68% due to increase in order books.	Share price declined marginally by 0.69%.	Share price remained flat during the period.
BHEL	Share price increased by 5.26% due to increase in order book.	Share price declined marginally by 0.57%.	Share price declined by 4.40% due to negative sentiments of the investors.	Share price gained marginally by 1.89%.
Thermax	Share price increased by 3.44% due to increase in order book.	Share price increased by 8.42% due to increase in order book.	Share price declined by 4.12% due to negative sentiments of the investors.	Share price increase by 6.64%.
Cummins	Share price declined by 4.66% due to negative sentiments of the investors.	Share price gained marginally by 1.05%.	Share price declined by 2.16% due to negative sentiments of the investors.	Share price increased by 10.78% due to buying sentiments prevailing in the market.

UPCOMING EVENTS

1.	Event	EMO-The World of Machine Tools
	Date	Oct 05-10, 2009
	Venue	Fiera Milano, Milan, Lombardia, Italy
	Highlights	EMO, the absolute leading trade fair for the sector and venue for the highest provider and user competence. Exhibitors from all over the world once again will put their efficiency and innovative power to the test before the best qualified international specialists.
	Contact Details	Deutsche Messe AG. Messagelande, 30521, Hannover, Germany, Tel: +(49)-(511)-890; Fax: +(49)-(511)-8932626 Web: www.messe.de
2.	Event	Machinery Mart
	Date	Oct 08-11, 2009
	Venue	Bangkok International Trade & Exhibition Centre, Bangkok, Thailand
	Highlights	Machinery Mart, the absolute leading trade fair for the sector and venue for the highest provider and user competence, exhibitors from all over the world once again will put their efficiency and innovative power to the test before the best qualified international specialists.
	Contact Details	CMP Media (Thailand) Co Ltd 503/23 K.S.L. Tower 14th Floor Sri Ayuthaya Road Kwaeng Thanon Phayathai, Khet Rajathewee, Bangkok, Thailand Tel: +(66)-(2642)-6911; Fax: +(66)-(2642)-7433
3.	Event	Modern Machine Shop 2009
	Date	Nov 05-09, 2009
	Venue	Auto Cluster Exhibition Centre, H-Block, Plot No. C-181, Chinchwad, Pune.
	Highlights	It brings live, a complete range of metal working machinery, low-cost automation, material handling & quality control systems & equipment, together with off-the-shelf production aids, accessories, consumables, software & consultancy to address today's rapidly changing productivity & quality requirements.
	Contact Details	Indian Machine Tool Manufacturers' Association. 10th Mile, Tumkur Road, Madavara Post, Bangalore, India. Tel: +(91)-(80)-66246600; Fax: +(91)-(80)-66246661
4.	Event	Engineering Expo-Pune
	Date	Nov 19-22, 2009
	Venue	Hindustan Antibiotics Ltd Ground, Pune, India
	Highlights	It is a perfect opportunity for Indian & Foreign companies to exhibit their products and services, interact with buyers and sellers and make new tie-ups. Engineering Expo, will be spread across 1,00,000 sq ft, with 400 + participants and an estimated 65,000 footfalls including a flurry of engineers, technocrats, manufactures, traders, government officials and corporate.
	Contact Details	Infomedia India Limited, Mumbai. Ruby House, A-Wing, J K Sawant Marg, Dadar (W), Mumbai, India. Tel: +(91)-(22)-24232323; Fax: +(91)-(22)-24302707

5.	Event	InstrumentAsia
	Date	Dec 01-04, 2009
	Venue	Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore
	Highlights	This event has engineering technology & process control, automation, instrumentation, analytical & laboratory technology and services. InstrumentAsia is set to seize the opportunity to meet ever-growing demand for the latest process engineering, instrumentation and control equipment needs.
	Contact Details	Singapore Exhibition Services Pte Limited. No.1 Jalan Kilang Timor #09-02 Pacific Tech Centre, Singapore, Singapore. Tel:+(65)-(65)-62336638; Fax:+(65)-(65)-62722962
6.	Event	Engineering Expo – Ahmedabad
	Date	Dec 17-21, 2009
	Venue	Ahmedabad Education Society Grounds, Ahmedabad, India
	Highlights	It provides a perfect opportunity for Indian & Foreign companies to exhibit their products and services, interact with buyers and sellers to make new tieups.
	Contact Details	Infomedia 18 Limited. 'A' Wing, Ruby House, J K Sawant Marg, Dadar (W), Mumbai, India. Tel:+(91)-(22)-40302323; Fax:+(91)-(22)-24302707
7.	Event	Bangladesh Industrial Engineering Technology Expo & Conference
	Date	Jan 07-10, 2010
	Venue	Bangladesh-China Friendship Conference Centre, Dhaka, Bangladesh
	Highlights	It will have a display of latest technological advancements of industrial, engineering equipments, materials, services and technology in related fields from Bangladesh and overseas, providing an opportunity for joint ventures, transfer of technologies and appointing agents/distributors/partners.
	Contact Details	Ask Trade & Exhibitions Pvt. Ltd. 27, Dillu Road, 2nd Floor, New Eskaton, Dhaka, Bangladesh. Tel:88-017-32398998
8.	Event	Engineering Expo - Indore
	Date	Jan 15-17, 2010
	Venue	Maharaja Shivajirao Higher Secondary School, Indore, India
	Highlights	Engineering Expo provides a perfect opportunity for Indian & Foreign companies to exhibit their products and services, interact with buyers and sellers and make new tie-ups. Engineering Expo, will be spread across 1,00,000 sq ft, with 400+ participants and an estimated 65,000 footfalls including a flurry of engineers, technocrats, manufactures, traders, government officials and corporate.
	Contact Details	Infomedia 18 Limited. 'A' Wing, Ruby House, J K Sawant Marg, Dadar (W), Mumbai, India. Tel:+(91)-(22)-40302323; Fax:+(91)-(22)-24302707

9.	Event	Pacific Design & Manufacturing
	Date	Feb 09-11, 2010
	Venue	Anaheim Convention Centre, Anaheim, United States of America.
	Highlights	It is the best place in the market to exhibit every type of system, tool and technology for manufacturing companies. It is recognised as one of the most important exhibitions among designers and developers from all areas of the manufacturing industry. In the booths, exhibitors and visitors discuss concrete details of the best solutions and achieve good business outcomes.
	Contact Details	Canon Communications 11444 W. Olympic Blvd., Ste. 900, Los Angeles, USA. Tel:+(310)-(4)-454200; Fax:+(310)-(4)-454299
10.	Event	Electric West
	Date	Mar 15-18, 2008
	Venue	Las Vegas Convention Centre Las Vegas, United States of America
	Highlights	Electric West delivers a full spectrum of highly qualified buyers of electrical equipment—including electrical contractors, consultants, electrical engineers, plant and facility managers, wholesalers, end users and distributors.
	Contact Details	Prism Business Media5680 Greenwood Plaza Boulevard, Suite 100, Greenwood Village, United States of America. Tel:+(1)-(800)-2888606; Fax:+(1)-(720)-4893101