

Freight Index Movement - June 2010

Asset Class	Current	Change (%)		
		3M	6M	1Yr.
Dirty Tanker Index	855	-11	5	32
Clean Tanker Index	785	11	24	69
Baltic Dry Index	2,406	-20	-20	-36
Capesize Index	2,711	-21	-30	-63
Panamax Index	2,748	-25	-23	-5
Supramax Index	2,066	-15	-7	21

Freight Rates – June 2010

VLCC	↑
Suezmax	↓
Aframax	↓
Capesize	↓
Panamax	↓
Supramax	↓
Handysize	↓

Top Picks – June 2010

Top Picks	% Upside
Garware Offshore	38
Bharati Shipyard	35
GE Shipping	29
Mercator Lines	24

Analyst's name

Bharat Chhoda
bharat.chhoda@icicisecurities.com

Jehangir Master
jehangir.master@icicisecurities.com

Slide continues: Likely to get much worse...

- The Baltic Dry Index (BDI) corrected by 41% to 2406 in June 2010 as against 4078 in May 2010. The fall was led by a 48% correction in the Capesize index to 2711 and 35% correction in the Panamax index to 2748. The main factor leading to the steep correction in dry bulk freight rates was the drop in iron ore shipments by China
- The Dirty Tanker Index declined by 11% to touch 855 level while Clean Tanker Index gained 15% to touch 785 level in June 2010. The Clean Tanker Index has reported significant strength over the last month, which has stemmed the decline of the last six months
- LPG freight rates for VLGC reported a 26% rise. Rates for LGC rose by 4% while rates for MGC declined marginally in June 2010
- Utilisation levels for drill ships, semi-subs and jack-up rigs were reported at 74%, 84% and 79%, respectively, in June 2010
- New build as well as second hand asset prices for tankers gained in the previous month. Dry bulk asset prices reported a marginal movement over the same period
- New building orders for dry bulkers increased from 63 to 75 vessels while that for tankers increased from 20 to 32 vessels in June 2010
- Demolition of vessels declined from 141 vessels in the previous month to 63 vessels in June 2010. Demolitions consisted of six dry bulk carriers, followed by three crude/product tankers. Average scrap prices declined from \$352 to \$351 per LDT in June 2010

Outlook

Dry bulkers

Dry bulk freight rates are expected to slide further in July on account of a drop in iron ore shipments by China. Quarterly iron ore contracts have been negotiated at ~20% higher prices while prices of finished products have softened over the same period. Steel production and credit growth in China has reported a drop. Hence, we expect Chinese manufacturers to prefer to reduce their inventory levels over the next three months resulting in a drop in shipments and decline in freight rates, which could exert pressure on BDI and drag it down possibly to ~sub 1000 level.

Tankers

Crude oil tanker freight rates are likely to remain weak in July on account of weak demand and drop in crude oil shipments. The recovery in product carrier rates is expected to continue in July.

LPG carriers

LPG rates, for VLGC and LGC are expected to rise while rates for MGC are likely to remain firm in July.

Offshore vessels

Utilisation levels are likely to remain firm, while vessel rates are expected to move upwards in July. Despite the clampdown on offshore drilling by the US, firmness in crude oil prices is likely to attract fresh investments towards the oil and gas sector.

Tanker freight rates reported a sharp drop with rates for Suezmax and Aframax carriers declining by 42% to \$15651 and 36% to \$13084, respectively, in the last one month. The only exception was the rates for VLCC carriers, which rose by 6% to \$29,199 over the same period.

Dry bulk freight rates also reported a sharp fall in June and the benchmark index (BDI) corrected by 41% during June 2010. Capesize vessel rates corrected by 16% while rates for mid-sized Panamax vessels corrected by 21%. The correction in smaller vessels was even higher with 21% and 26% correction in Supramax and Handysize vessel freight rates, respectively.

Suezmax and Aframax vessel rates decreased by 42% and 36%, respectively, while the VLCC segment was the only exception reporting a 6% rise in rates

The dry bulk segment also reported a wide scale correction across segment freight rates across segments with smaller vessels taking the maximum hit

LPG freight rates for LGC rose in May 2010 while rates for mid-sized gas carriers declined marginally in May

China's iron ore inventory level dropped marginally to 71 million tonnes (MT) in June 2010 from 72 MT in May 2010

The new iron ore contracts have been negotiated at 20% higher levels while finished steel prices have softened globally

This is likely to lead to a marginal drop in steel production in China accompanied by a steep drop in iron ore inventory levels over the next couple of months

As China is the main driver of dry bulk freight rates we expect rates to be under pressure over the next month

Exhibit 1: Tankers & bulkers T/C (US\$ per day)

Asset class	Mar ,10	Apr ,10	May ,10	June ,10
VLCC	29491	37368	27588	29199
Suezmax	17407	21900	26869	15651
Aframax	13401	8863	20554	13084
Capesize	33365	34622	44871	37854
Panamax	31816	31330	34270	27220
Supramax	31358	29071	32556	25743
Handysize	20896	21421	22854	17000

T/C- term charter

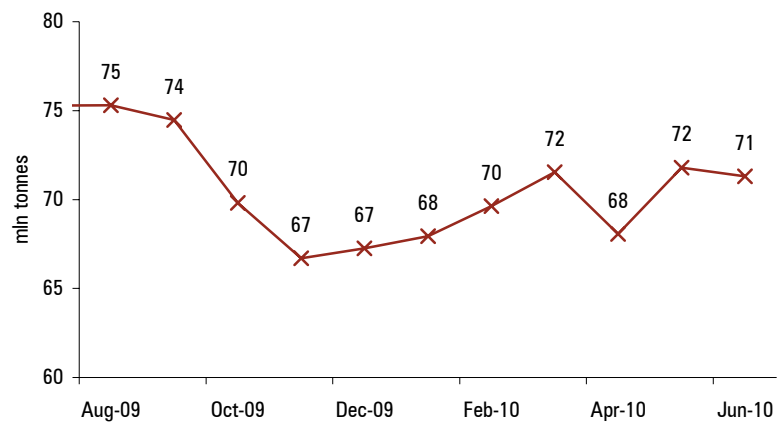
Source: Bloomberg, ICICIdirect.com Research

Exhibit 2: LPG T/C (US\$ per day)

Asset class	May-10		Jun-10	
	Monthly	Daily	Monthly	Daily
VLGC-TC 78,000 cbm	475,000	15,625	600,000	19,737
LGC-TC 57,000 cbm	625,000	20,560	650,000	21,381
MGC-TC 35,000 cbm	570,000	18,750	560,000	18,421
MGC-TC 30,000 cbm	558,000	18,355	550,000	18,092
MGC- TC 28,000 cbm	505,000	16,612	500,000	16,447
MGC- TC 24,000 cbm	478,000	15,724	470,000	15,460

Source: Bloomberg, ICICIdirect.com Research

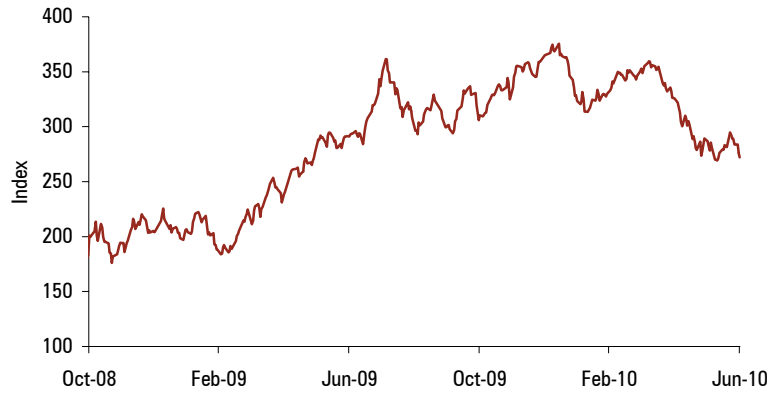
Exhibit 3: China's monthly iron ore inventory



Source: Bloomberg, ICICIdirect.com Research

Exhibit 4: Asia Pacific Iron Ore Index

The Asia Pacific Iron Ore Index declined by 5% in June from 287 to 272 levels

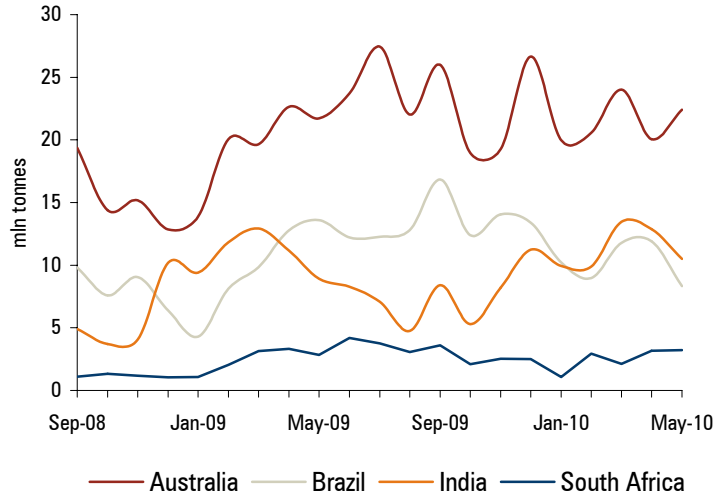


Source: Bloomberg, ICICIdirect.com Research

Exhibit 5: China iron ore import trend analysis

China's iron ore import from Australia and South Africa increased by 12% and 2%, respectively, while imports from Brazil and India decreased by 30% and 19% in May 2010, respectively

India continued to be the second largest exporter of iron ore to China with 10.5 MT of exports behind Australia (22.4 MT) and ahead of Brazil (8.3 MT) in May 2010



Source: Bloomberg, ICICIdirect.com Research

Exhibit 6: China's monthly steel production

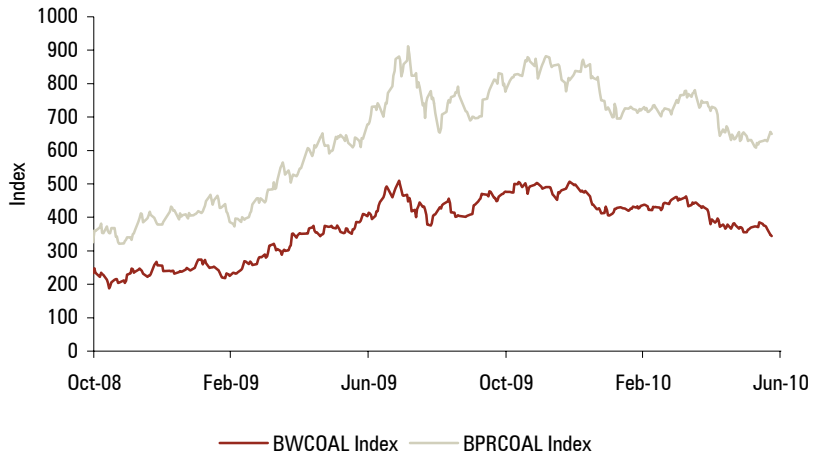
Steel production in China rose by 0.7 MT (1.3%) in May 2010 to 56.1 MT in May 2010



Source: Bloomberg, ICICIdirect.com Research

Exhibit 7: Coal Index

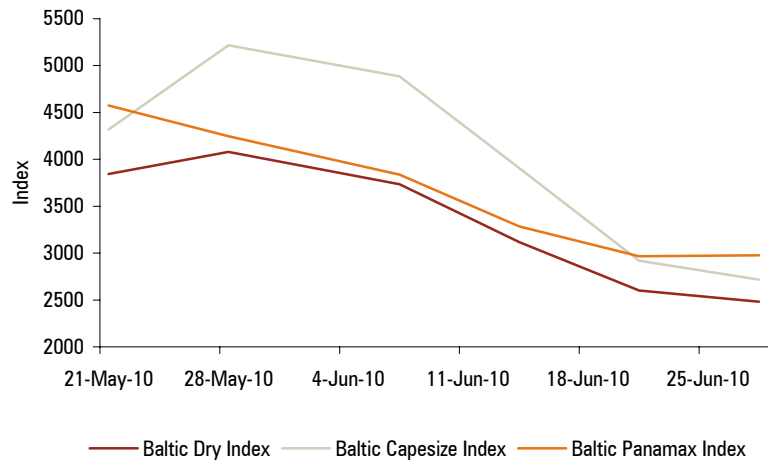
The World Coal Index as well as Asia Pacific Coal Index both declined sharply by 9% each in June 2010



Source: Bloomberg, ICICIdirect.com Research

Exhibit 8: Weekly dry bulk indices movement

Capesize Index was the major loser and declined by 48% in June while Panamax Index declined by 35% resulting in a 41% drop in BDI



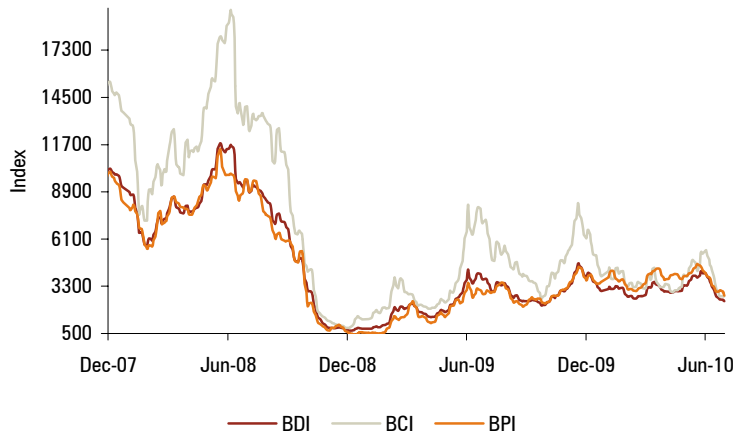
Source: Bloomberg, ICICIdirect.com Research

Exhibit 9: Dry bulk indices

The BDI declined by 41% in June to 2406 level

The Baltic Capesize index declined by 48% in June to 2711 levels

The Baltic Panamax index declined by 35% in June to 2748 level

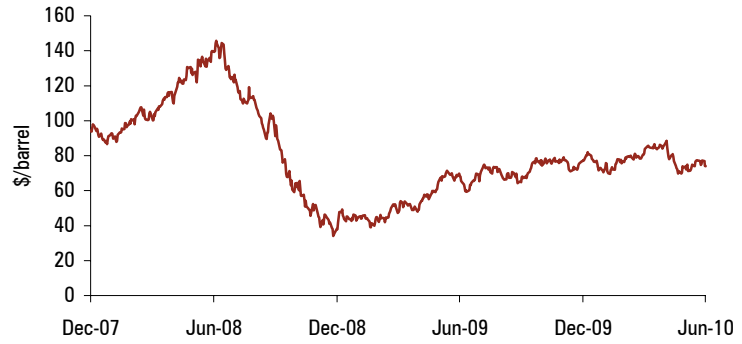


Source: Bloomberg, ICICIdirect.com Research

Exhibit 10: International crude oil prices

Crude oil prices in June 2010 gained marginally by 0.2% to \$74/barrel

Crude oil prices remained range bound throughout June



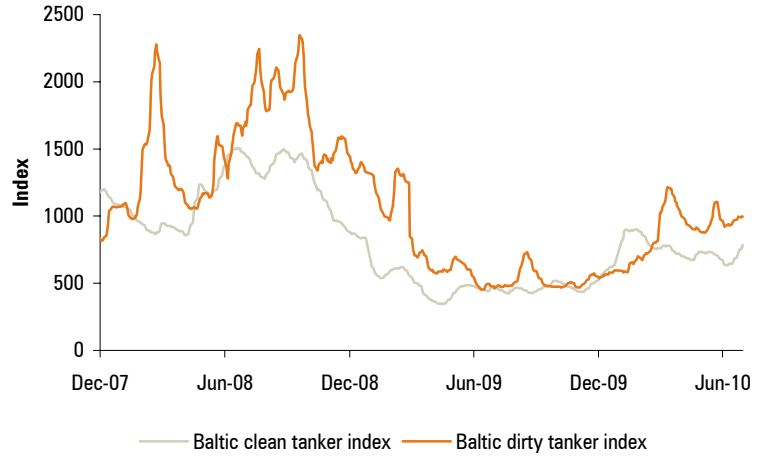
Source: Bloomberg, ICICIdirect.com Research

Exhibit 11: Baltic clean & dirty tanker index

The BCTI rose by 15.4% to 785 level while the BDTI declined by 11.1% to 855 level in June 2010

The Dirty tanker index is showing signs of weakness since the last two months in a row

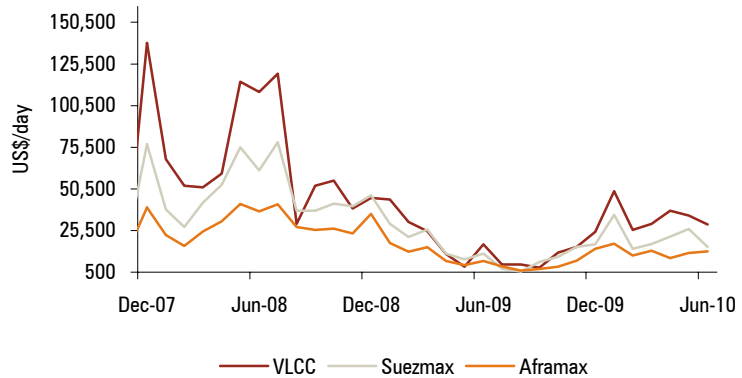
The Clean tanker index has shown the first real signs of recovery in the last six months as it rose by 15.4% in June to 785 levels



Source: Bloomberg, ICICIdirect.com Research

Exhibit 12: Tanker rates trend

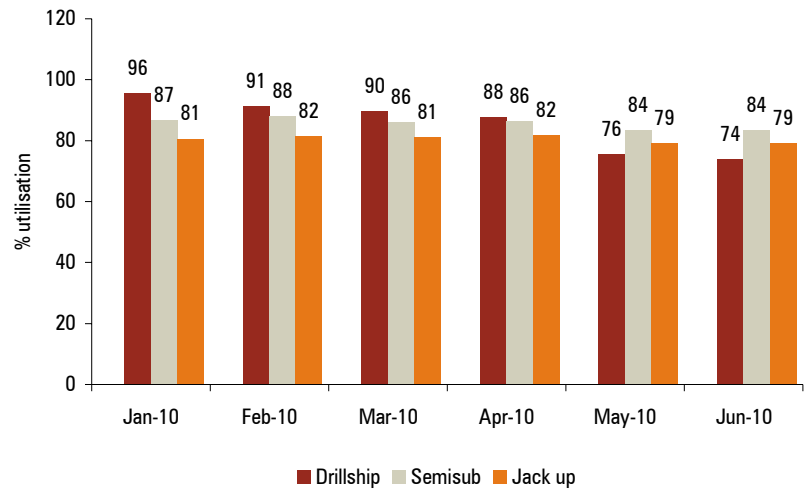
Freight rates for VLCC vessels increased by 6% to \$29199/day while Suezmax rates dropped by 42% to \$15651/day and rates for Aframax tankers dropped by 36% to \$13084/day in June 2010



Source: Bloomberg, ICICIdirect.com Research

Exhibit 13: Offshore vessel utilisation levels

Utilisation levels for drill ships dropped to 74% while utilisation levels for semi subs and jack-up rigs remained constant at 84% and 79%, respectively, in June 2010



Source: Bloomberg, ICICIdirect.com Research

Exhibit 14: BPR Asia Pacific Shipbuilding Index

The BPR Asia Pacific Shipbuilding Index gained 1.1% in June 2010 to 369 levels



Source: Bloomberg, ICICIdirect.com Research

Exhibit 15: Vessel value (US\$ million)

New build asset prices of tankers increased on an average by 2-12% while new build asset prices of bulk carriers reported a mixed trend

The second hand market was very active in June for tankers, which reported a rise of 2-9% while not much activity was observed on the dry bulk side

The main factor driving the rise in asset prices was the revival in buying interest by shipping companies having a long-term view with the intention of purchasing the asset at lower rates to benefit from the revival in freight rates over the long-term

Asset Class	nt (USD Mn)			1 M Change (%)		3 M Change (%)		1Yr. Change (%)	
	DWT	NB	5Yr.	NB	5Yr.	NB	5Yr.	NB	5Yr.
Tankers									
VLCC/ULCC	300,000	104.0	86.0	6.1	7.5	6.1	10.3	-4.6	13.2
SUEZMAX	150,000	71.0	61.0	2.9	3.4	4.4	7.0	-7.8	1.7
AFRAMAX	105,000	57.0	44.0	11.8	4.8	14.0	10.0	7.5	4.8
PANAMX	70,000	45.0	37.0	2.3	8.8	7.1	12.1	-4.3	0.0
MR TANKERS	47,000	36.0	26.5	5.9	1.9	9.1	15.2	-8.9	-11.7
Bulk	DWT								
CAPE SIZE	170,000	73.0	60.0	0.0	-1.6	2.8	3.4	12.3	20.0
PANAMAX	74,000	44.2	39.0	-0.9	0.0	4.3	11.4	8.1	18.2
SUPRAMAX	52,000	34.9	29.5	3.2	1.7	5.9	5.4	12.5	9.3

Source: Bloomberg, ICICIdirect.com Research

New build as well as second hand asset prices for tankers reported a significant appreciation across segments with VLCC, Aframax and Panamax vessels registering significant gains.

Exhibit 16: Global order book size

Tanker rates are expected to gradually improve over the course of 2010 with the phasing out of single hull tankers. However, new vessel deliveries would cap upsides in freight rates

Bulk rates would remain under pressure due to new vessel additions leading to supply glut. Demand remains tentative and controlled deceleration of the Chinese economy would act as a dampener for the shipping industry, which is already reeling from excess supply of vessels

Asset Class	2010	2011	2012	2013	Total Order Book
Tankers					
VLCC/ULCC	71	88	13	0	172
SUEZMAX	44	57	9	1	111
AFRAMAX	83	49	7	3	142
PANAMAX	29	36	2	2	69
MR TANKERS	192	114	17	2	325
0-35K DWT	183	62	13	1	259
Total(a)	602	406	61	9	1078
Bulk					
CAPESIZE	328	217	103	36	684
80-100k WT	192	187	62	23	464
PANAMAX	84	65	35	9	193
SUPRAMAX	363	245	73	7	688
HANDYMAX	301	249	103	9	662
Total(b)	1268	963	376	84	2691
Total Vessel(a + b)	1870	1369	437	93	3769

Source: Bloomberg, ICICIdirect.com Research

Exhibit 17: New building orders

New build orders for dry bulk vessels and tankers both increased to 75 and 32 vessels, respectively, in June 2010

	Dry Bulk	Tankers	Containers	LPG/LNG	Others	Total
Jan-10	42	12	0	6	8	68
Feb-10	35	18	0	4	18	75
Mar-10	71	29	5	3	13	121
Apr-10	32	16	0	1	0	49
May-10	63	20	0	2	3	88
Jun-10	75	32	1	0	14	122
Total	318	127	6	16	56	523

Source: Bloomberg, ICICIdirect.com Research

Exhibit 18: Sale of vessels in second-hand market

Sale of dry bulk vessels increased in June 2010 with 81 vessels being sold in the second-hand market. The tanker segment reported a drop in sales with 18 vessels sales in June 2010

	Dry	Wet	Total
Nov-09	44	23	67
Dec-09	42	11	53
Jan-10	86	57	143
Feb-10	82	33	115
Mar-10	161	37	198
Apr-10	71	37	108
May-10	72	45	117
Jun-10	81	18	99
Total	639	261	900

Source: Bloomberg, ICICIdirect.com Research

Demolition activities reported a drop with 66 vessel demolitions in June 2010. India (15 demolitions) lost its leading position and dropped to second place behind China (24 demolitions)

Exhibit 19: Leading countries involved in demolition work

	India	China	Bangladesh	Pakistan	All Others	Total Units
Nov-09	30	27	28	7	6	98
Dec-09	32	11	5	5	2	55
Jan-10	56	11	12	4	2	85
Feb-10	35	7	10	5	10	67
Mar-10	45	29	37	17	39	167
Apr-10	57	13	18	16	44	148
May-10	57	13	8	16	44	138
Jun-10	15	24	3	4	20	66

Source: Bloomberg, ICICIdirect.com Research

Demolition activities registered a sharp decline with 66 vessels being scrapped in June 2010 as against 138 vessels in the previous month

Exhibit 20: Demolition statistics by vessel type

	Dry Bulk	Tankers	Containers	Others	Total
Jan-10	13	38	25	9	85
Feb-10	24	10	14	19	67
Mar-10	37	57	47	26	167
Apr-10	49	52	11	36	148
May-10	46	45	11	36	138
Jun-10	9	3	15	39	66

Source: Bloomberg, ICICIdirect.com Research

Scrap prices declined marginally from \$352 per LDT to \$351 per LDT in June 2010

Exhibit 21: Demolition by DWT & scrap prices

	DWT	LDT	Scrap rate \$/LDT
Jan-10	3936396	908085	353
Feb-10	2621157	643697	340
Mar-10	4621959	1017093	367
Apr-10	2610182	647013	337
May-10	1935613	434922	352
Jun-10	1797135	440396	351

Source: Bloomberg, ICICIdirect.com Research

Recent Events**▪ GE Shipping**

GE Shipping terminated bareboat charter and delivered its AHTS vessel "GREATSHIP ABHA" to buyers.

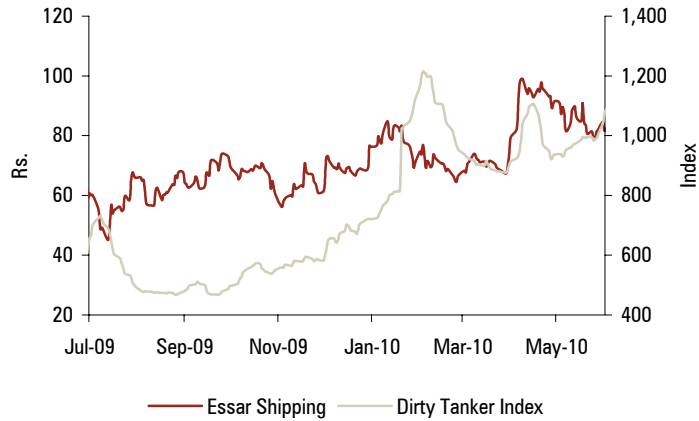
GE Shipping also delivered its MR Product Carrier "JAG PAVITRA" to buyers.

▪ SCI

SCI delivered two tankers "M T LANCE NAIK" and "MAJOR SHAITAN SINGH" to the buyers.

The company also intends to pass by way of postal ballot a resolution to increase the authorised share capital of the company from Rs 450 crore to Rs1000 crore.

Exhibit 22: Essar Shipping price movement



Source: Bloomberg, ICICIdirect.com Research

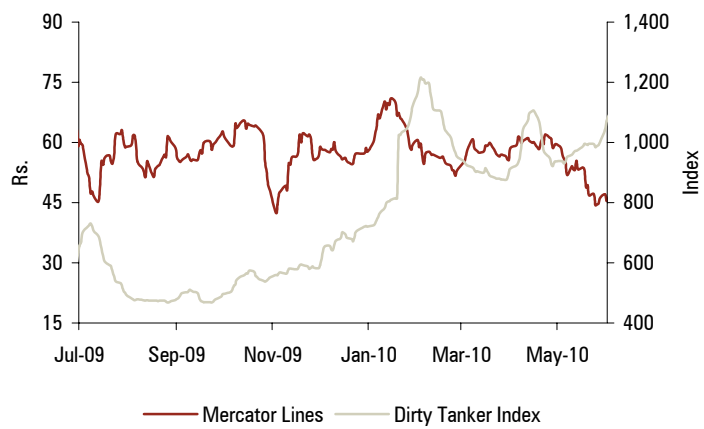
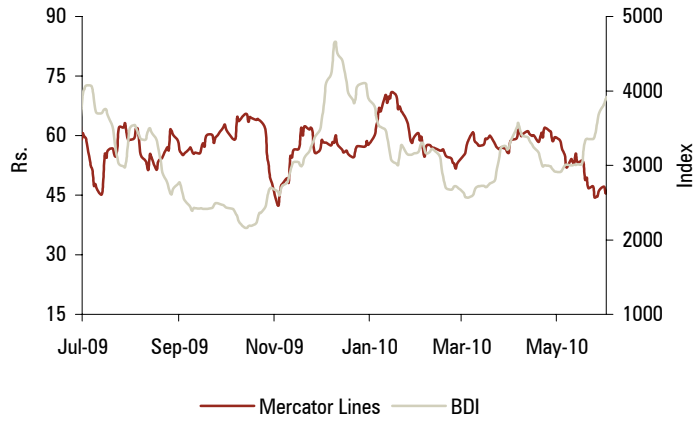
Exhibit 23: GE Shipping price movement





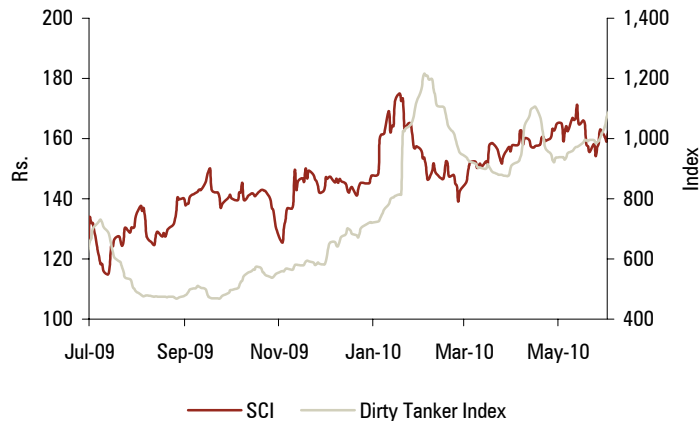
Source: Bloomberg, ICICIdirect.com Research

Exhibit 24: Mercator Lines price movement



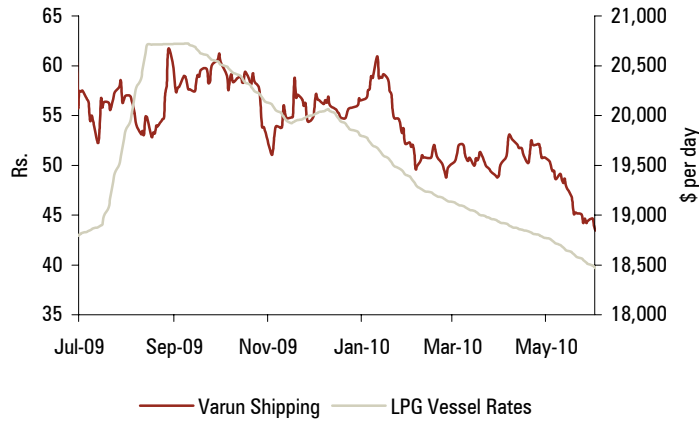
Source: Bloomberg, ICICIdirect.com Research

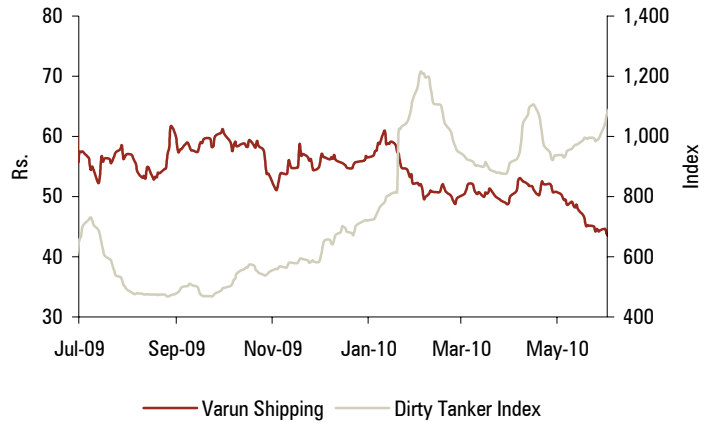
Exhibit 25: SCI price movement



Source: Bloomberg, ICICIdirect.com Research

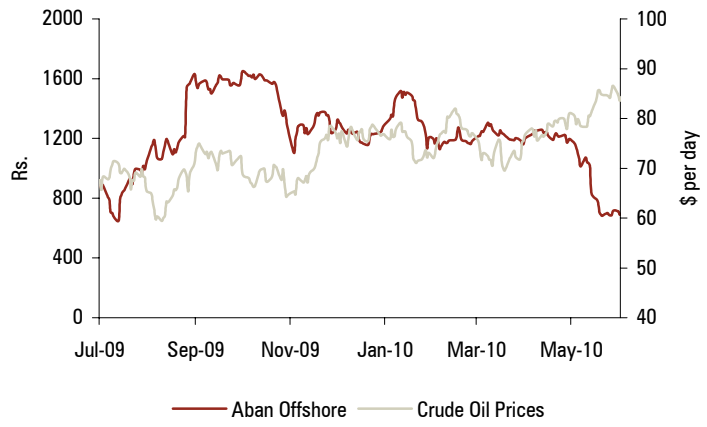
Exhibit 26: Varun Shipping price movement





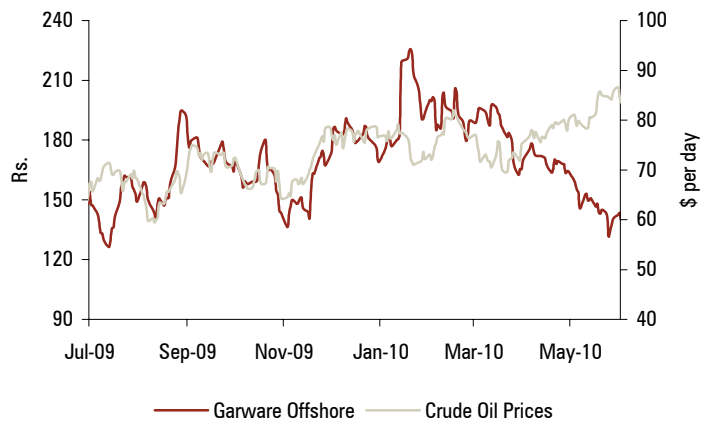
Source: Bloomberg, ICICIdirect.com Research

Exhibit 27: Aban Offshore price movement



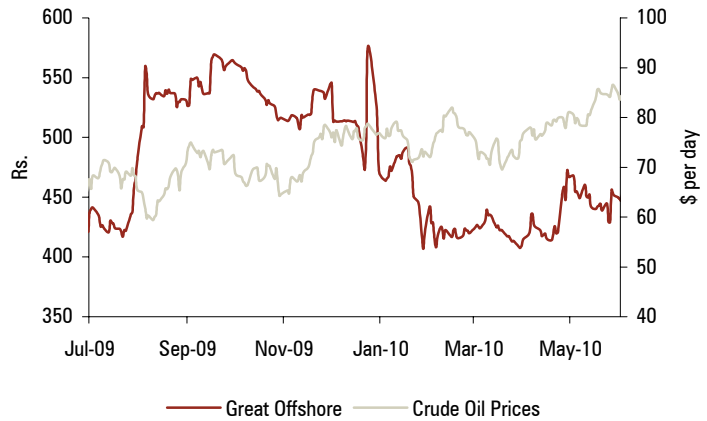
Source: Bloomberg, ICICIdirect.com Research

Exhibit 28: Garware Offshore price movement



Source: Bloomberg, ICICIdirect.com Research

Exhibit 29: Great Offshore price movement



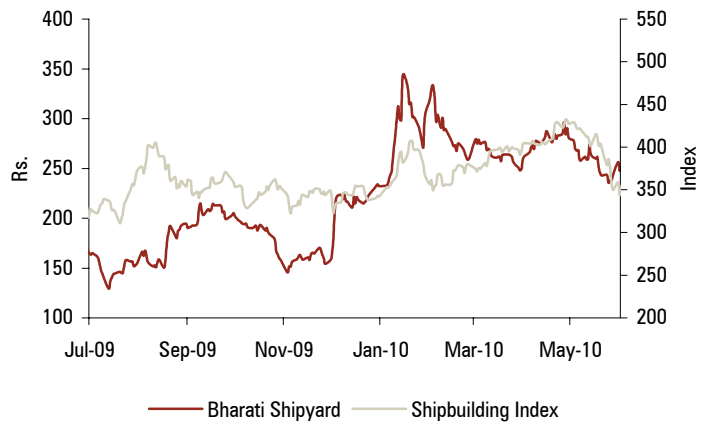
Source: Bloomberg, ICICIdirect.com Research

Exhibit 30: ABG Shipyard price movement



Source: Bloomberg, ICICIdirect.com Research

Exhibit 31: Bharati Shipyard price movement



Source: Bloomberg, ICICIdirect.com Research

Global Valuations

Company	Country	P/BV (x)			P/E (x)			EV/EBITDA (x)			ROE (%)		
		CY09	CY10E	CY11E	CY09	CY10E	CY11E	CY09	CY10E	CY11E	CY09	CY10E	CY11E
Dry Bulk/Tankers													
Teekay Corp.*	USA	0.9	0.9	0.9	-	29.6	17.6	11.9	9.0	8.6	-	4.6	6.2
Diana Shipping*	USA	1.0	0.9	0.9	8.0	7.7	8.0	6.1	5.7	5.7	13.5	11.5	10.2
Genco Shipping*	USA	0.6	0.5	0.4	3.5	3.7	6.2	5.5	5.2	5.9	18.0	13.1	7.0
DryShips*	USA	0.4	0.4	0.4	3.9	5.0	3.6	7.1	6.3	4.8	7.2	6.2	9.9
Frontline Ltd*	Norway	3.2	2.8	2.6	21.3	9.5	9.4	10.1	7.8	7.7	14.9	29.5	24.2
ESPLL#	India	0.6	0.6	0.6	139.2	87.4	21.4	12.4	11.8	9.0	0.5	0.9	3.2
GE Shipping#	India	0.8	0.7	0.7	8.8	7.8	5.4	8.7	6.8	4.8	9.1	9.5	12.4
Mercator Lines#	India	0.5	0.5	0.4	20.8	35.6	9.2	4.9	4.7	3.3	2.3	1.3	4.9
SCI#	India	1.0	1.0	0.9	18.5	17.1	20.0	15.7	14.5	11.2	5.3	5.6	4.7
LPG/LNG													
BW Gas*	Norway	-	-	-	-	6.7	-	-	-	-	-	-	-
Exmar*	Belgium	0.7	0.9	0.9	-	-	23.1	14.4	12.3	9.9	1.6	0.7	11.7
Mitsui OSK Lines*#	Japan	1.1	1.0	0.9	71.3	11.2	9.7	14.2	7.2	6.4	1.7	9.2	9.2
Varun Shipping#	India	0.8	0.9	0.9	53.7	-	-	13.0	10.8	8.5	1.5	-	-
Offshore													
Transocean*	USA	0.8	0.7	0.7	4.4	6.5	5.9	4.1	5.1	4.9	18.7	12.2	12.0
Hercules Offshore*	USA	0.3	0.3	0.4	-	-	-	6.7	7.0	6.3	-	-	-
ENSCO*	USA	1.0	0.9	0.9	7.5	10.6	9.4	4.2	5.5	4.8	14.9	9.5	10.4
Diamond Offshore*	USA	2.4	2.3	2.1	6.3	8.4	8.5	4.2	4.8	4.8	39.8	29.5	28.9
Aban Offshore#	India	1.6	1.5	1.1	11.2	13.9	3.9	8.2	6.8	6.1	14.3	10.5	27.6
Garware Offshore#	India	1.2	1.1	1.0	7.8	13.9	7.8	7.5	10.4	8.1	15.4	8.1	12.9
Great Offshore#	India	1.6	1.5	1.3	7.1	14.8	6.0	7.7	8.1	4.9	23.0	10.3	20.8
Shipbuilding													
Hyundai Heavy Industries*	South Korea	2.4	1.5	1.3	9.2	6.6	7.5	7.1	5.6	6.1	29.9	25.7	18.4
Samsung Heavy Industries*	South Korea	1.9	1.6	1.4	7.8	7.1	7.5	6.4	6.2	6.4	27.2	24.7	19.4
Daewoo Shipbuilding*	South Korea	1.4	1.0	0.9	5.5	5.7	6.5	5.7	5.2	5.6	27.8	18.8	14.9
Keppel Corp. Ltd*	Singapore	2.3	2.0	1.8	10.8	12.2	12.7	9.5	10.0	10.3	27.9	17.3	15.5
Sembcorp Marine*	Singapore	4.9	3.7	3.3	15.4	13.3	15.4	8.7	7.4	8.6	35.5	30.3	23.1
ABG Shipyard#	India	1.2	1.0	0.8	5.9	5.7	5.3	7.2	6.0	5.4	19.6	17.2	15.7
Bharati Shipyard#	India	0.8	0.8	0.7	5.2	4.5	3.3	8.1	7.3	7.1	16.0	10.1	8.4

*consensus

Source: Bloomberg, ICICIdirect.com Research

ICICIdirect.com coverage universe

ESPLL			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	ESSSHI CMP (Rs.)	85 FY10E	3000.5	1.5	52.6	12.4	1.2	3.7
	Target (Rs.)	93 FY11E	3416.7	2.9	89.5	11.8	0.9	3.7
MCap	5234.3 % Upside	9 FY12E	4511.0	6.7	20.9	9.0	3.3	5.2
G.E Shipping			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	GESHIP CMP (Rs.)	300 FY10E	2856.5	33.7	8.9	8.7	9.1	4.7
	Target (Rs.)	387 FY11E	3184.0	34.0	8.8	7.2	8.7	5.7
MCap	4560.0 % Upside	29 FY12E	3747.0	46.8	6.4	5.3	10.9	7.5
Mercator Lines			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	MERLIN CMP (Rs.)	49 FY10E	1808.7	2.2	22.2	4.9	2.3	5.2
	Target (Rs.)	61 FY11E	1826.2	1.3	37.9	4.7	1.3	4.6
MCap	1156.4 % Upside	24 FY12E	2103.8	5.0	9.8	3.3	4.9	6.4
SCI			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	SCI CMP (Rs.)	161 FY10E	3485.6	7.9	20.4	15.7	5.3	5.9
	Target (Rs.)	159 FY11E	3590.9	8.5	18.9	14.5	5.6	6.0
MCap	6818.4 % Upside	-1 FY12E	3738.8	7.3	22.1	11.2	4.7	5.4
Varun Shipping			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	VARSHI CMP (Rs.)	43 FY10E	666.2	0.8	52.5	12.9	1.5	0.1
	Target (Rs.)	36 FY11E	667.7	-	-	11.0	-	1.0
MCap	645.0 % Upside	-16 FY12E	734.7	-	-	8.2	-	3.5
Aban Offshore			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	ABALLO CMP (Rs.)	880 FY10E	3358.7	71.5	12.3	8.2	14.3	10.0
	Target (Rs.)	884 FY11E	3566.7	57.6	15.3	6.8	10.5	12.3
MCap	3326.4 % Upside	0 FY12E	3708.0	204.4	4.3	6.1	27.6	12.9
Garware Offshore			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	GARSHI CMP (Rs.)	132 FY10E	163.2	17.8	7.4	9.1	15.4	7.9
	Target (Rs.)	182 FY11E	232.3	17.4	7.6	7.8	16.2	9.3
MCap	314.2 % Upside	38 FY12E	234.7	21.1	6.3	7.4	14.4	9.2
Great Offshore			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	GREOFF CMP (Rs.)	437 FY10E	1172.7	54.6	8.0	7.5	19.4	12.2
	Target (Rs.)	468 FY11E	1198.9	39.7	11.0	5.7	17.8	11.1
MCap	1621.3 % Upside	7 FY12E	1515.9	69.3	6.3	4.4	20.0	15.1
ABG Shipyard			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	BHASHI CMP (Rs.)	259 FY10E	1812.4	42.8	6.0	7.2	19.6	13.3
	Target (Rs.)	239 FY11E	2307.8	41.7	6.2	6.7	16.3	13.8
MCap	714.8 % Upside	-8 FY12E	2452.0	43.0	6.0	6.0	14.6	13.7
Bharati Shipyard			Sales (Rs. Crore)	EPS (Rs.)	PE (x)	EV/EBITDA (x)	RoNW (%)	RoCE (%)
Idirect Code	BHASHI CMP (Rs.)	242 FY10E	1349.0	47.4	5.5	8.3	16.0	10.3
	Target (Rs.)	327 FY11E	1334.1	55.6	4.7	7.6	10.1	10.1
MCap	667.9 % Upside	35 FY12E	1287.2	74.5	3.5	7.4	8.4	9.7

Source: ICICIdirect.com Research

Glossary**Tankers**

VLCC	Very large crude carrier tanker of 200,000+ DWT
Suezmax	A vessel of 120,000 to 200,000 DWT, whose dimension enables her to pass through the Suez Canal
Aframax	A tanker measuring between 80,000 and 120,000 in DWT terms primarily used for the carriage of crude oil
Small Tankers	A vessel of 10,000-60,000 DWT

Bulkers

Capesize	Dry bulk carrier of 80,000-200,000 DWT
Panamax	A vessel of 60,000 to 100,000 DWT, whose dimension enables her to pass through the Panama Canal
Handymax	Bulk carrier vessel of 40,000-60,000 DWT
Handysize	Bulk carrier vessel of 10,000-40,000 DWT

Offshore

AHTSV	Anchor handling tug supply vessel, a vessel specially designed to handle offshore oil & gas platforms and rigs.
PSV	Platform supply vessel, a vessel specially designed for providing support services to offshore oil & gas platforms and drilling rigs.
Drill ship	A maritime vessel that has been fitted with drilling apparatus and is able to drill in water depths of over 2000 meters.
Jack up rig	Mobile offshore oil and gas drilling platform that is able to stand still on the sea floor, resting on a number of supporting legs. Jack up rigs can only be placed in shallow water (Up to 1000 feet).

LPG

VLGC	Very large gas carrier of 70,000+ CBM
MGC	Medium gas carrier with a capacity of 20,000-50,000 CBM
LGC	Large gas carrier of 50,000-70,000 CBM

Miscellaneous

DWT	Dead Weight Tonne
LDT	Light Displacement Tonne

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Pankaj Pandey

Head - Research

pankaj.pandey@icicisecurities.com

**ICICIdirect.com Research Desk,
ICICI Securities Limited,
7th Floor, Akruti Centre Point,
MIDC Main Road, Marol Naka
Andheri (East)
Mumbai – 400 093**

research@icicidirect.com

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