

23 January 2025

Elecon Q3FY25 Concall KTA's

Outlook: Elecon Engineering Company has delivered strong financial results for the quarter, showcasing a remarkable 19% growth in net profit year-over-year and a 23% increase sequentially. Both EBITDA and PAT exceeded our estimates by 1% and 3%, respectively. Notably, Elecon achieved its highest-ever consolidated EBITDA margin of 27% and PAT margin of 19.7%. The Gears segment also reported record EBIT margins of 27.9%, while the Material Handling Equipment (MHE) segment reached an impressive margin of approximately 32%. However, the topline growth fell short of expectations, coming in at 8% below estimates, primarily due to sluggish performance in the Gears and transmission segment.

Management outlook on Current Market Scenario:

Large greenfield capital expenditure projects are progressing well, with no anticipated slowdown. Conversely, smaller brownfield projects, particularly in the steel and sugar sectors, are losing momentum. *Management remains optimistic about a robust performance in the next 2 quarters*, supported by a strong order book and ongoing inquiries. However, external factors such as the national budget, policy decisions from the new U.S. administration, and macroeconomic geopolitical dynamics may naturally influence the Capital Goods Sector & eventually Elecon's growth trajectory as well in the coming years. Guidance for FY26 will be provided during the Q4 earnings call.

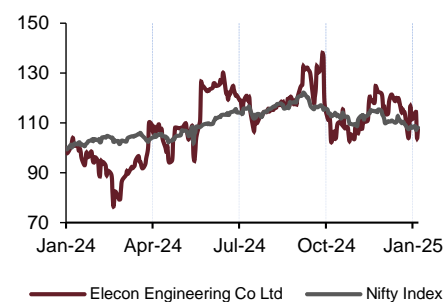
Rating	TP (Rs)	Up/Dn (%)
ACCUMULATE	624	10

Market data

Current price	Rs	569
Market Cap (Rs.Bn)	(Rs Bn)	128
Market Cap (US\$ Mn)	(US\$ Mn)	1,479
Face Value	Rs	1
52 Weeks High/Low	Rs	739.1 / 395.05
Average Daily Volume	('000)	2,025
BSE Code		505700
Bloomberg		ELCN.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Dec-24	Sep-24
Promoters	59.27	59.27
Public	40.73	40.73
Total	100	100

Source: BSE

Akash Vora
 +91 22 67141489
 akash.vora@dalal-broacha.com

Financial Summary

Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net sales	10,447	12,119	15,297	19,374	20,872	25,523	31,076
EBIDTA	1,856	2,464	3,389	4,744	5,148	6,383	7,842
Margins (%)	17.8	20.3	22.2	24.5	24.7	25.0	25.2
Adjusted net profit	576	1,405	2,375	3,556	3,776	4,562	5,600
EPS (Rs)	2.6	6.3	10.6	15.85	16.83	20.3	25.0
P/E (x)	221	91	54	36	34	28	23
EV/EBITDA (x)	70	52	37	27	24	19	15
RoCE (%)	15.40%	21.42%	26.49%	29.58%	26.34%	26.79%	26.65%
RoE (%)	6.27%	13.38%	18.57%	22.17%	19.32%	19.14%	19.03%

Source: Company

Key Financial Highlights

Revenue at Rs 5291 Mn vs 4736 Mn(+12% YoY) vs Rs 5081 Mn(+4% QoQ)

Highest Ever EBITDA at Rs 1426 Mn vs 1204 Mn(+18% YoY) vs Rs 1123 Mn (+27% QoQ)

Highest Ever PAT at Rs 1078 Mn vs 904 Mn (+19 % YoY) vs Rs 877 Mn (+23% QoQ)

Highest Ever Orderbook: Rs 11050 Mn vs 7910 Mn(+40% YoY)

Revenue Split for Q3FY25:

Product wise- Gears: MHE :- 4170 Mn (79%) : 1120 Mn (21%)

Geography wise – Domestic: Overseas :- 4030 Mn (76%) : 1260 Mn (24%)

➤ For Gears segment :

Revenue: 4030 Mn vs 4090 Mn (+2% YoY basis) vs 3997 Mn (+5% QoQ)

EBIT Margins : 27.9% vs 27.2% (YoY) vs 20.5%(QoQ)

Open Orders as on Dec'24 : 6840 Mn vs 5720 Mn in Q3FY24 (+20% on YoY basis)

Order Intake for Q3FY25 up 27% Y-o-Y: 4690 Mn vs 3680 Mn in Q3FY24

Gear Division: Other KTA's

- Catalogue Gears: Engineered Gears Mix for the 9MFY25 stands at 51%-49% which at the end of Q2FY25 stood at 54%:46% implying a relatively higher execution of engineered gears in Q3FY25 . This change in product mix eventually led to the margin improvement in Q3FY25 in the Gears division of 27.9% which is their highest ever in the Gears segment.
- In Q4 we can expect a surge in Gears segment topline considering the management targets to achieve a topline between 2050- 2150 Crs in FY25.
- The company received a marine order of ~65 Crs in Q3FY25, & expects chunky flows from the marine sector in H1FY26.
- The company expects cement, steel, power & sugar sectors to contribute in growth going forward. The company also anticipates some large marine segment orders from FY26 onwards.

➤ **For MHE Segment :**

- **Revenue:** 1120 Mn vs 650 Mn (+72% YoY basis) vs 1104 Mn (+1% QoQ)
- **EBIT Margins :** 31.6% vs 18.5% (YoY) vs 26%(QoQ)
- **Open Orders** as on Dec,2024 : 4210 Mn vs 2190 Mn in Dec'23 (+92%) vs 3390 Mn (+24% QoQ)
- **Order Intake** up 18% on YoY basis:- 1850 Mn vs 1570 Mn (in Dec'23)

Other KTA's for MHE Segment:

- Highest ever EBITDA margins achieved in MHE of 31.6% in Q3fy25 on owing to better product mix , higher aftersales revenue & strong order inflows. However margins in the current 2 quarters may not be sustainable. In the long term management remains confident about achieving 20-22% EBITDA margins in MHE Segment.
 - Company expects sectors like Power, Steel & Cement to drive growth in the MHE Segment for Fy26 & Fy27
 - Company expects some big orders in MHE segment from the power sector from H1FY26 onwards..
 - Company also started winning export orders in MHE of ~1.65 mn USD
 - Company is optimistic to be able to achieve an annual turnover of 600-700 Cr from the MHE segment in the next couple of years on the back of its existing capacity & setup provided the order momentum & capex activity in the country continues at the same pace. The company already has history of clocking ~664 Cr revenue in MHE segment a decade back in 2013.
- **Other KTA's:**
- **Aftersales:** 38% of the revenue in Q3FY25 vs 29% of total revenue in Q2FY25 is from aftersales in gears & MHE Segment. For 9MFY25 service based revenues have contributed ~34% to the topline.
 - **Capex :** Company had guided to incur ~200 Cr capex to buy machines this year – of which ~75 Cr capex already incurred in 9MFY25. By the end of FY25, Capex of 150 Crs will have been done with a spillover of ~50 Crs due to late arrival of machines in FY26. Capex completely funded out of internal accruals
 - Company anticipates growth in FY26 to outweigh growth n FY25.

Valuation

At the CMP of - it is valued at 34x FY25E EPS of 16.8; 28x on FY26E EPS of 20.3 and 23x FY27E EPS of Rs 25. We have adjusted our target multiple from 30x to 25x given the cautious commentary given by the management about the slowing down of momentum in the capital goods sector in the earnings call.

Hence arriving at a target of Rs 624 at a 25x Mar-26 Est. EPS of Rs 25 (10% upside). Owing to Elecon's attributes such as consistent strong execution by the company, net debt free entity & a dominance & strong reputation in the foreign market , better lead times, inventory management, & working capital management, higher growth in recent times, strong free cash flows & discount in valuation to some of its relatively smaller peers' such as Shanthi Gears – we assign a "ACCUMULATE" rating on Elecon.

Financials

P&L (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	10,447	12,119	15,297	19,374	20,872	25,523	31,076
Total Operating Expenses	5,621	6,613	8,357	10,183	10,937	13,463	16,470
Employee Cost	1,179	1,282	1,497	1,885	2,073	2,384	2,801
Other Expenses	1,790	1,761	2,054	2,563	2,713	3,292	3,962
Operating Profit	1,856	2,464	3,389	4,744	5,148	6,383	7,842
Depreciation	521	486	490	509	612	887	1,012
PBIT	1,335	1,979	2,898	4,235	4,536	5,496	6,831
Other income	57	86	201	441	463	486	511
Interest	598	373	133	86	50	-	-
PBT (Before share of JV/associates)	794	1,691	2,966	4,590	4,950	5,983	7,341
Share of JV/Associates	19	14	32	64	85	100	125
PBT	813	1,705	2,998	4,654	5,035	6,083	7,466
Provision for tax	237	300	623	1,098	1,259	1,521	1,867
PAT (From continuing operations)	576	1,405	2,375	3,556	3,776	4,562	5,600
PAT (From Discontinuing operations)	-	-	-	-	-	-	-
MI							
Reported PAT	576	1,405	2,375	3,556	3,776	4,562	5,600
Adjusted Profit	576	1,405	2,375	3,556	3,776	4,562	5,600

Balance Sheet (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity capital	224	224	224	224	224	224	224
Reserves	8,968	10,278	12,567	15,816	19,323	23,604	29,204
Net worth	9,192	10,502	12,791	16,040	19,547	23,828	29,428
Minority Interest	-	-	-	-	-	-	-
Non Current Liabilities	2,346	1,287	1,004	1,207	2,654	1,821	1,088
Current Liabilities	8,389	5,395	3,525	3,993	5,336	6,596	7,919
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-	-
TOTAL LIABILITIES	19,933	17,185	17,320	21,240	27,536	32,246	38,436
Non Current Assets	8,591	8,319	8,443	9,070	10,615	10,833	10,944
Fixed Assets	6,256	6,087	6,261	6,426	7,983	8,112	8,115
Goodwill	1,071	1,057	1,028	1,018	1,018	1,018	1,018
Non Current Investments	789	796	829	1,083	980	980	980
Loans							
Non-current assets tax (net)	202	229	104	105	105	105	105
Deferred Tax Asset	50	38	21	9	9	9	9
Other Financial Assets	105	19	85	55	70	70	70
Other Non Current Assets	118	94	117	375	449	539	647
Current Assets	11,336	8,865	8,876	12,171	16,922	21,413	27,492
Current investments		-	191	2,033	2,500	3,000	3,000
Inventories	2,502	2,617	2,788	2,297	3,717	4,545	5,534
Trade Receivables	5,077	4,151	3,458	4,451	4,289	5,244	6,386
Cash and Bank Balances	961	844	823	1,097	3,815	5,664	9,489
Other bank balances	453	278	1,280	1,536	1,750	2,000	2,000
Short Term Loans and Advances							
Other Financial Assets	1,961	681	86	564	621	683	751
Other current assets tax (net)							
Other current assets	380	296	250	192	230	276	331
Other Assets(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-	-
TOTAL ASSETS	19,933	17,185	17,320	21,240	27,536	32,246	38,436

Source: Dalal & Broacha Research, Company

Cash Flow St. (Rs. mn)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
PBT (excluding JV/Associates)	794	1,691	2,966	4,590	4,950	5,983	7,341
Dep. & Amort.	521	486	490	509	612	887	1,012
Interest Expenses	598	373	133	86	50	-	-
Operating profit before working capital change	1,913	2,550	3,589	5,185	5,612	6,869	8,353
Dec in							
ng capital adjustment	658	(727)	(47)	(697)	(338)	(1,147)	(1,369)
Gross cash generated from operations	2,571	1,823	3,542	4,488	5,273	5,723	6,984
taxes paid	(237)	(300)	(623)	(1,098)	(1,259)	(1,521)	(1,867)
Others	146	710	181	258	31	43	298
CF from Oper. activities	2,480	2,232	3,100	3,648	4,045	4,245	5,415
CF from Inv. activities	(187)	150	(1,668)	(2,790)	(2,068)	(1,015)	(1,015)
CF from Fin. activities	(2,105)	(2,500)	(1,452)	(585)	740	(1,381)	(576)
Cash generated/(utilised)	189	(118)	(20)	273	2,718	1,849	3,824
at start of the year	773	961	844	823	1,097	3,815	5,664
at end of the year	961	844	823	1,097	3,815	5,664	9,489
Balance sheet	961	844	823	1,097	3,815	5,664	9,489

Ratios	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
	17.77%	20.33%	22.15%	24.49%	24.67%	25.01%	25.24%
NPM	5.49%	11.51%	15.32%	17.95%	17.70%	17.54%	17.73%
Tax Rate	29.12%	17.61%	20.79%	23.59%	25.00%	25.00%	25.00%
Growth Ratios (%)							
Net Sales	-4.02%	16.01%	26.22%	26.66%	7.73%	22.28%	21.76%
Operating Profit	32.22%	32.77%	37.51%	40.00%	8.52%	23.98%	22.86%
PBT	316.66%	109.77%	75.82%	55.22%	8.18%	20.81%	22.75%
PAT	-35.74%	143.81%	69.04%	49.73%	6.19%	20.81%	22.75%
Per Share (Rs.)							
Net Earnings (EPS)	2.57	6.26	10.58	15.85	16.83	20.33	24.95
Cash Earnings (CPS)	4.89	8.43	12.77	18.12	19.55	24.28	29.46
Payout ratio	0%	0%	5%	3%	3%	2%	2%
Dividend	0.00	0.00	0.50	0.50	0.50	0.50	0.50
Book Value per share (BVPS)	40.96	46.80	57.00	71.48	87.11	106.19	131.14
Free Cash Flow	2,509	2,548	3,764	4,323	6,215	5,260	6,430
Valuation Ratios							
P/E(x)	220.81	90.56	53.57	35.78	33.70	27.89	22.72
P/B(x)	13.84	12.11	9.95	7.93	6.51	5.34	4.32
EV/EBIDTA(x)	69.57	51.69	37.30	26.59	23.97	19.05	15.01
Div. Yield(%)	-	-	0.09	0.09	0.09	0.09	0.09
FCFF Yield(%)	1.97	2.00	2.96	3.40	4.88	4.13	5.05
Return Ratios (%)							
ROE	6.27%	13.38%	18.57%	22.17%	19.32%	19.14%	19.03%
ROCE	15.40%	21.42%	26.49%	29.58%	26.34%	26.79%	25.61%

Source: Dalal & Broacha Research, Company

Financials

P&L (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
Net Sales	10,447	12,119	15,297	19,374	22,285	31,441
Expenses	5,621	6,613	8,357	10,183	11,711	16,506
Employee Cost	1,179	1,282	1,497	1,885	2,262	2,714
Other Expenses	1,790	1,761	2,054	2,563	2,897	4,024
Profit	1,856	2,464	3,389	4,744	5,416	8,196
Depreciation	521	486	490	509	1,244	1,262
PBIT	1,335	1,979	2,898	4,235	4,171	6,934
Other income	57	86	201	441	463	486
Interest	598	373	133	86	50	-
share of	794	1,691	2,966	4,590	4,585	7,420
JV/Associates	19	14	32	64	85	100
PBT	813	1,705	2,998	4,654	4,670	7,520
Provision for tax	237	300	623	1,098	1,167	1,880
continuing	576	1,405	2,375	3,556	3,502	5,640
Discontinuing	-	-	-	-	-	-
MI						
Reported PAT	576	1,405	2,375	3,556	3,502	5,640
Adjusted Profit	576	1,405	2,375	3,556	3,502	5,640

Balance Sheet (Rs mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity capital	224	224	224	224	224	224
Reserves	8,968	10,278	12,567	15,816	19,049	24,408
Net worth	9,192	10,502	12,791	16,040	19,273	24,633
Minority Interest	-	-	-	-	-	-
Non Current Liabilites	2,346	1,287	1,004	1,207	2,624	1,795
Current Liabilites	8,389	5,395	3,525	3,993	5,529	7,403
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-
TOTAL LIABILITIES	19,933	17,185	17,320	21,240	27,426	33,831
Non Current Assets	8,591	8,319	8,443	9,070	10,682	10,625
Fixed Assets	6,256	6,087	6,261	6,426	8,051	7,904
Goodwill	1,071	1,057	1,028	1,018	1,018	1,018
Non Current Investments	789	796	829	1,083	980	980
Loans						
Non-current assets tax (net)	202	229	104	105	105	105
Deferred Tax Asset	50	38	21	9	9	9
Other Financial Assets	105	19	85	55	70	70
Other Non Current Assets	118	94	117	375	449	539
Current Assets	11,336	8,865	8,876	12,171	16,744	23,206
Current investments		-	191	2,033	2,500	3,000
Inventories	2,502	2,617	2,788	2,297	3,969	5,599
Trade Receivables	5,077	4,151	3,458	4,451	4,579	6,460
Cash and Bank Balances	961	844	823	1,097	3,095	5,187
Other bank balances	453	278	1,280	1,536	1,750	2,000
Short Term Loans and Advances						
Other Financial Assets	1,961	681	86	564	621	683
Other current assets tax (net)						
Other current assets	380	296	250	192	230	276
Other Assets(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-
TOTAL ASSETS	19,933	17,185	17,320	21,240	27,426	33,831

Cash Flow St. (Rs. mn)	FY21	FY22	FY23	FY24	FY25E	FY26E
including JV/Associates)	794	1,691	2,966	4,590	4,585	7,420
Depreciation & Amort.	521	486	490	509	1,244	1,262
Interest Expenses	598	373	133	86	50	-
Operating profit before working capital change	1,913	2,550	3,589	5,185	5,879	8,682
Change in working capital adjustment	658	(727)	(47)	(697)	(687)	(2,257)
Gross cash generated from operations	2,571	1,823	3,542	4,488	5,192	6,425
Dividends paid	(237)	(300)	(623)	(1,098)	(1,167)	(1,880)
Others	146	710	181	258	31	43
CF from Oper. activities	2,480	2,232	3,100	3,648	4,055	4,588
CF from Inv. activities	(187)	150	(1,668)	(2,790)	(2,768)	(1,115)
CF from Fin. activities	(2,105)	(2,500)	(1,452)	(585)	710	(1,381)
Cash generated/(utilised)	189	(118)	(20)	273	1,998	2,092
Start of the year	773	961	844	823	1,097	3,095
End of the year	961	844	823	1,097	3,095	5,187
Balance sheet	961	844	823	1,097	3,095	5,187
Ratios	FY21	FY22	FY23	FY24	FY25E	FY26E
OPM	17.77%	20.33%	22.15%	24.49%	24.30%	26.07%
NPM	5.49%	11.51%	15.32%	17.95%	15.40%	17.67%
Tax Rate	29.12%	17.61%	20.79%	23.59%	25.00%	25.00%
Growth Ratios (%)						
Net Sales	-4.02%	16.01%	26.22%	26.66%	15.03%	41.08%
Operating Profit	32.22%	32.77%	37.51%	40.00%	14.16%	51.34%
PBT	316.66%	109.77%	75.82%	55.22%	0.34%	61.05%
PAT	-35.74%	143.81%	69.04%	49.73%	-1.51%	61.05%
Per Share (Rs.)						
Net Earnings (EPS)	5.14	12.52	21.17	31.69	31.21	50.27
Cash Earnings (CPS)	9.78	16.85	25.54	36.23	42.30	61.52
Payout ratio	0%	0%	2%	2%	2%	1%
Dividend	0.00	0.00	0.50	0.50	0.50	0.50
Book Value per share (BVPS)	81.93	93.60	114.00	142.96	171.78	219.54
Free Cash Flow	2,509	2,548	3,764	4,323	6,925	5,703
Valuation Ratios						
P/E(x)	249.43	102.30	60.52	40.42	41.04	25.48
P/B(x)	15.64	13.69	11.24	8.96	7.46	5.83
EV/EBIDTA(x)	78.46	58.39	42.17	30.06	25.97	16.90
Div. Yield(%)	-	-	0.04	0.04	0.04	0.04
FCFF Yield(%)	1.75	1.77	2.62	3.01	4.82	3.97
Return Ratios (%)						
ROE	6.27%	13.38%	18.57%	22.17%	18.17%	22.90%
ROCE	15.40%	21.42%	26.49%	29.58%	28.10%	33.27%

Source: Dalal & Broacha Research, Company

Disclaimer

Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.dalal-broacha.com

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. 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.

Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Disclosures in respect of Research Analyst:

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No

D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any

copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.

Tel: 91-22- 2282 2992 | E-mail: equity.research@dalal-broacha.com