

**BUY**

<b>Price</b>	<b>Rs244</b>
<b>Target Price</b>	<b>Rs299</b>
<b>Investment Period</b>	<b>12 months</b>

**Stock Info**

Sector	Infrastructure
Market Cap (Rs cr)	7,411
Beta	1.3
52 Week High / Low	317/67
Avg Daily Volume	2289646
Face Value (Rs)	2
BSE Sensex	15,231
Nifty	4,524
BSE Code	532693
NSE Code	PUNJLLOYD
Reuters Code	PUJL.BO
Bloomberg Code	PUNJ@IN

**Shareholding Pattern (%)**

Promoters	41.3		
MF / Banks / Indian FIs	24.3		
FII / NRIs / OCBs	19.3		
Indian Public / Others	15.1		
Abs.	3m	1yr	3yr
Sensex (%)	36.8	1.9	51.0
Punj (%)	122.1	(9.5)	118.3

**Shailesh Kanani**

Tel: 022 - 4040 3800 Ext: 321  
 E-mail: shailesh.kanani@angeltrade.com

**Aniruddha Mate**

Tel: 022 - 4040 3800 Ext: 335  
 E-mail: aniruddha.mate@angeltrade.com

**Out of the Maze**

*Punj Lloyd (Punj), a diversified global infrastructure conglomerate, posted low Earnings CAGR of 9.8% over FY2007-09 primarily on the back of the poor performance registered in FY2009. We believe that the worst is over for the company and expect it to post a CAGR of 63.4% in Bottom-line (excluding exceptional losses in FY2009) over FY2009-11E owing to strong Topline growth, sharp Margin expansion and lower Interest costs. We believe at the CMP of Rs244, the stock is trading at attractive valuations for investors to participate in the story of this global infrastructure conglomerate amidst an overall improvement in the economic environment. We Initiate Coverage on the stock with a Buy recommendation and SOTP Target Price of Rs299, implying an upside of 23%.*

■ **Diversified Infrastructure conglomerate with target to become US \$5bn entity:** We believe that Punj is set to become a player of reckoning in the domestic and global infrastructure space due to its diverse operations. The company's diverse operations have, to a large extent, not only insulated it from any potential slowdown, but also helped it gain experience in niche areas. We are optimistic about the company's future growth prospects and estimate it to cross the US \$5bn mark on the Top-line front in future.

■ **Strong Earnings growth over FY2009-11E:** In FY2009 Punj posted huge adjusted Losses of Rs250cr due to the SABIC episode. However, our recent interaction with management suggests that there are no further liabilities on the SABIC order and its overall legacy Order Book is mere Rs300cr, which is insignificant compared to its total Order Book of Rs30,436cr. Hence, we expect an uptick on the OPM front going ahead and expect Punj to post strong Earnings CAGR of 63.4% (over Bottom-line of Rs241.5cr excluding exceptional losses of Rs473cr) FY2009-11E.

■ **Culmination of negatives that were an overhang on the stock price:** We believe that concerns relating to SEC's low-Margin Order Book are done away with as the same hardly accounts for 1% of the company's Order backlog now. Moreover, the company's OPMs have seen their nadir and with declining commodity prices we expect Margins to improve. The SABIC issue was also accounted for completely in FY2009. We believe that most of the negatives that have dogged the stock price this far are either exaggerated, particularly the concerns on Order inflow, or are factored in the reasonable valuations. Hence, we are optimistic on the company and bullish on its future performance.

**Key Financials (Consolidated)**

Y/E March (Rs cr)	FY2008	FY2009	FY2010E	FY2011E
<b>Net Sales</b>	<b>7,753</b>	<b>11,912</b>	<b>13,047</b>	<b>16,629</b>
% chg	51.2	53.6	9.5	27.4
<b>Adj.Net Profit</b>	<b>320.6</b>	<b>(250.3)</b>	<b>371.2</b>	<b>644.8</b>
% chg	62.9	-	-	73.7
<b>FDEPS (Rs)</b>	<b>10.6</b>	<b>(8.2)</b>	<b>12.2</b>	<b>21.3</b>
EBITDA Margin (%)	8.9	3.7	8.4	9.1
P/E (x)	23.1	-	20.0	11.5
RoE (%)	15.8	-	13.9	20.5
RoCE (%)	14.5	4.9	13.2	16.8
P/BV (x)	2.7	2.9	2.6	2.1
EV/Sales (x)	1.1	0.9	0.8	0.7
EV / EBITDA	12.0	23.1	10.0	7.7

Source: Company, Angel Research

## **Company Background**

### ***The company's forte is laying Pipelines***

Punj Lloyd (Punj) is the flagship company of the Gurgaon-based Atul Punj Group. Incorporated as a private limited company post separating from the Punj Group in 1988, Punj became a public limited company in 1992. Punj is a well-established business conglomerate having interest in diverse range of businesses. Punj, a geo-segmental diversified infrastructure conglomerate, started operations with laying of pipes and has come a long way to providing services in areas of Tankages, Infrastructure projects and Process Plants. Over the years (1992-2005), the company has worked at building its expertise in laying Pipelines, Refinery projects, Tankage construction in diverse geographies. In wake of its expanding global footprint, Punj further diversified its portfolio by entering niche segments and capitalising on infrastructure opportunities as well.

The company's forte has been laying Pipelines and it bagged its first pipeline laying contract from the Asia-Pacific region (Indonesia) in 1992. Since then the company has never looked back and bagged orders from India and abroad from regions like the Middle East (Oman) and South-East Asia (Malaysia). Punj has also been active in Refinery projects and in the Tankage Construction Segment as an EPC contractor.

Punj's impressive clientele includes bellwethers like RIL, GAIL India, ONGC, IOC, Engineers India, etc. on the domestic front and Petroleum Development of Oman in the Middle East, Ras Laffan Olefins Co. Ltd, Qatar, Eastern Bechtel Co. Ltd, Abu Dhabi, Yemen LNG, Yemen, etc.

### ***Diversified product offering, client profile and repeat orders highlight Punj's quality of work not only in India, but in the international markets as well***

Overall, this diversified product offering, client profile and repeat orders highlight Punj's quality of work not only in India, but in the international markets as well. Notably, Punj is slowly and steadily increasing its scope of operations to include works related to the Energy Sector, Petrochemicals, Utilities and buildings. Thus, Punj has been building on its core strengths along with carrying out timely acquisitions overseas.

## **SembCorp Engineers and Constructors (SEC)**

In line with its ambitious plans to increase its global presence, Punj acquired SEC an erstwhile Singapore government-owned entity. The SEC group is a prominent design, engineering and construction sub-contractor (EPC) with its core capabilities encompassing heavy civil engineering, building and process plant engineering, SEZ infrastructure projects and light rail transport/monorail transport (LRT/MRT) projects.

### ***Acquisition of SEC further enhanced Punj's capabilities***

At the time of the acquisition, SEC though had an impressive Top-line and also low on leverage was plagued by problems of a stagnating local market and reeled under Margin pressures due to heavy sub-contracting. Further, SEC had acquired Manchester-based engineering consultant, Simon Carves (SC) in 2001, to augment its Process Plant Engineering skill-set. Overall, for Punj, acquisition of SEC further enhanced its capabilities.

## **Simon Carves (SC)**

SC, now based in Abu Dhabi, offers a range of services for process plant capex. It also undertakes projects on EPC basis where procurement and construction are sub-contracted. Polymers & Petrochemicals, Chemical Engineering outsourcing and Power-related services have been SC's

key areas of operations. Notably, SC has completed over 4,000 capital projects across 50 countries including more than 350 sulphuric acid plants worldwide.

***Punj, to an extent, has been able to de-risk its business from the crude oil price fluctuations***

Thus, Punj which started with pipelines as its main area of operations followed by Tankage construction related to refineries has to an extent been able to de-risk itself from the vagaries of crude oil price movement (as pipeline and related capex are impacted by crude oil prices).

**Exhibit 1: Punj Corporate Structure**

Punj Lloyd (Punj)		Sembawang Engineers & Constructors (SEC)		Simon Carves (SC)	
Subsidiaries	Joint Ventures	Subsidiaries	Joint Ventures	Subsidiaries	Joint Ventures
Punj Lloyd Pte Ltd, Singapore EPC for Oil & Gas and Infrastructure	Pipavav Shipyard Ltd, INDIA Shipbuilding, Platforms, Vessels & Columns	Sembawang (Tianjin) Construction Engg. Co. Ltd Design, Engineering & Construction of Buildings & Infrastructure	Sembawang Precast Systems LLC, UAE Manufacturing of Precast Components for Engineering & Constructing Industry	Simon Carves Singapore PTE Ltd. Engineering Services	Simon Carves India Ltd. Engineering Outsourcing
Punj Lloyd Pte Ltd, INDONESIA EPC for Oil & Gas and Infrastructure	Dayim Punj Lloyd Construction Contracting Co. Ltd, Saudi Arabia EPC for Oil & Gas & Infrastructure in Saudi Arabia	Sembawang Infrastructure (India) Pvt. Ltd Design, Engineering & Construction of Buildings & Infrastructure			
Pt Sempec, Indonesia Engineering of Oil & Gas Onshore and Offshore Facilities	Kafer Punj Lloyd Ltd, India Insulation Solutions	Sembawang Engineering & Constructors Middle East FZE Design, Engineering & Construction of Buildings & Infrastructure			
Punj Lloyd Kazakhstan LP Oil & Gas in the Caspian	Swiss Port Punj Lloyd India Pvt. Ltd Ground & Cargo Handling	Sembawang (Malaysia) SDN BHD Design, Engineering & Construction of Buildings & Infrastructure			
Pin Constructions Ltd, INDIA Horizontal Directional Drilling		Sembawang Baharin S.P.C Design, Engineering & Construction of Buildings & Infrastructure			
Spectra Punj Lloyd Ltd, INDIA Equipment Management		SC Architects & Engineering PTE LTD Singapore Master Planning, Engineering & Design Consultancy Services			
Punj Lloyd Upstream LTD, INDIA Integrated Drilling Services		Construction Technology PTE Ltd, Singapore Manufacturing of Precast Components for Engineering & Constructing Industry			

Source: Company, Angel Research

## Investment Arguments

### Diversified Infra conglomerate - On the way to become US \$5bn entity

***In FY2010E and FY2011E, we expect Punj to register an Order inflow of Rs20,000cr each year***

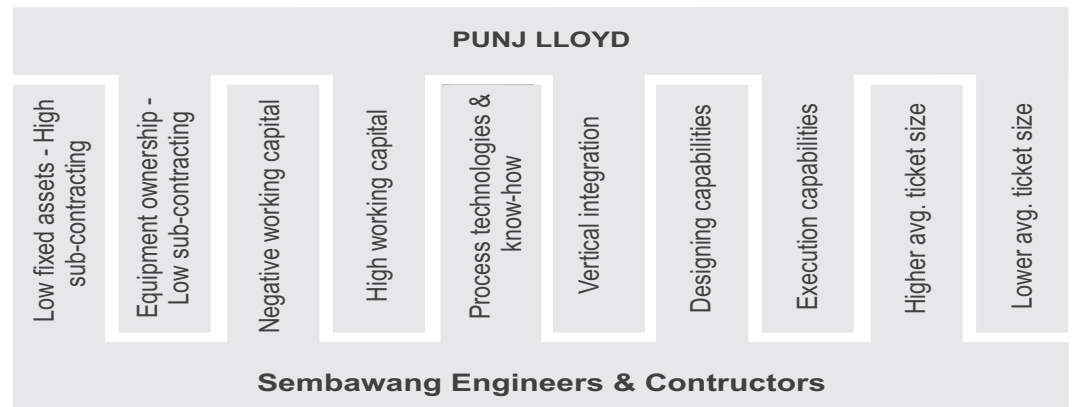
We believe that Punj is set to become a player of reckoning in the domestic and global infrastructure space due to its diverse and wide range of operations. The company's diverse operations have, to a large extent, not only insulated it from any potential slowdown, but have also helped it gain experience in niche areas. Reflecting the same, the company registered robust 91.9% CAGR in Top-line from Rs1,685cr to Rs11,912cr during FY2006-09 primarily on the back of the 69% CAGR clocked by its outstanding Order Book over the same period. This adequately portrays the company's aggressive expansion plans and its capability to bag orders in different verticals. Going ahead, in FY2010E and FY2011E, we expect Punj to register an Order inflow of Rs20,000cr each year. We are optimistic about the company's future growth prospects and estimate it to cross the US \$5bn mark on the Top-line front in future.

### Widening reach through inorganic growth and strategic alliances

***We believe that the complementary business models of Punj and SEC make them a perfect fit while simultaneously increasing Punj's gamut of offerings***

Punj acquired the leading utilities group, SEC Singapore, in 2006. This acquisition has widened Punj's reach to South-East Asia, Europe, Africa and the Middle East. We believe that the complementary business models of Punj and SEC make them a perfect fit while simultaneously increasing Punj's gamut of offerings.

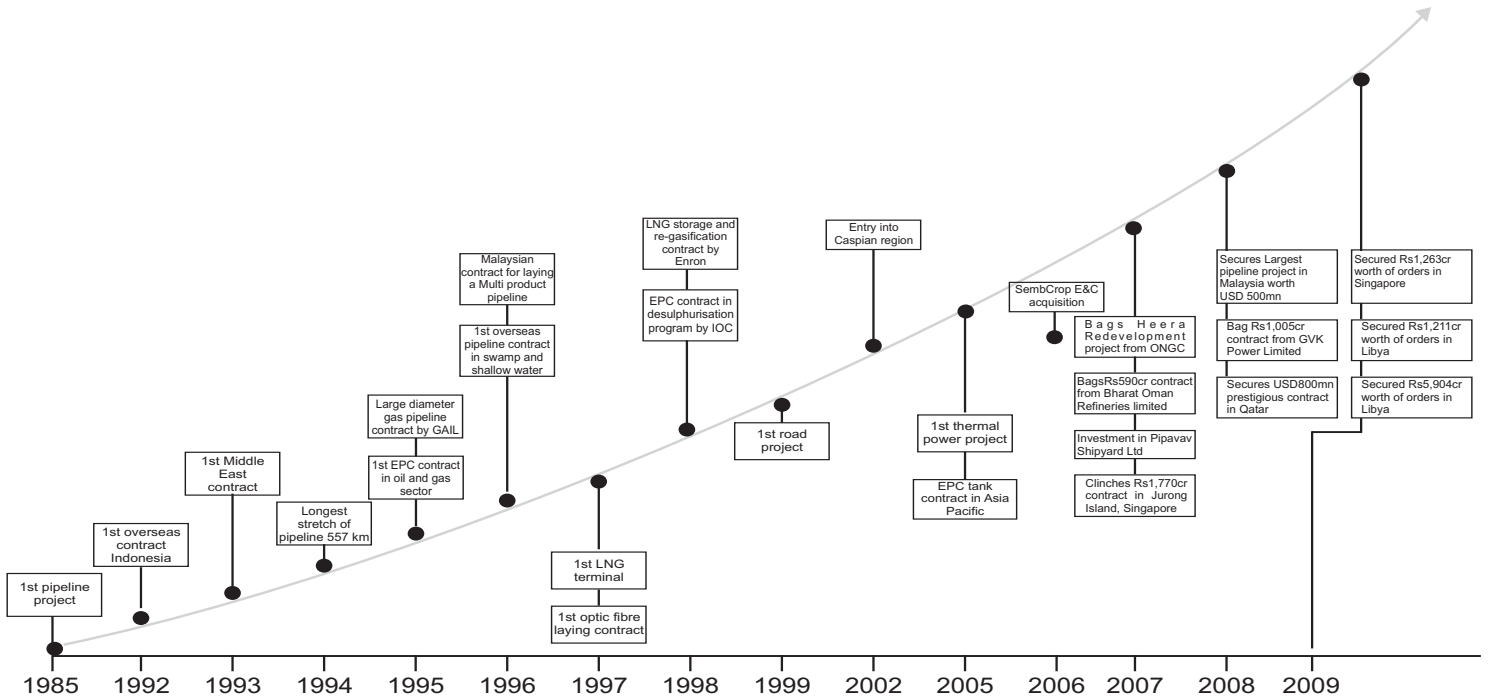
#### Exhibit 2: Punj Lloyd and SEC - Complementary business models



Source: Angel Research

Punj has also entered in strategic tie ups over the last few years, in its bid to have a larger and more diversified clientele. The strategic alliances corroborate with Punj's intention of bagging orders in newer geographies and verticals. However, it should be noted that these joint ventures (JVs) are at a nascent stage.

**Exhibit 3: Key Milestones**



Source: Company, Angel Research

**Oil & Gas Segment - Punj's forte**

***Punj provides comprehensive EPC solutions and is a significant pipeline contractor with international presence***

The company's Oil and Gas Segment provides comprehensive EPC solutions including setting up complex storage tanks and terminals, refinery and process facilities, cross-country oil and gas pipelines and platforms. In the Tankage Segment, Punj is one of the few players in the world to have in-house design capabilities and construction expertise and executes complete EPC projects for tank farms and terminals, including cryogenic storage. Punj is also a strong player in the storage system EPC business. Notably, Punj has constructed storage capacities in excess of six million cubic meters, which exemplifies its offerings in the Tankage Segment.

Punj is also a significant pipeline contractor with international presence. The company is adept at laying of pipelines even in difficult of terrains. It has the required resources, experience and expertise to provide EPC solutions for pipeline projects up to 56" in diameter in terrains as diverse as deserts, rain forests and rocky and marshy areas. Punj has laid in excess of 8,000km of cross-country pipelines for Hydro-Carbon Segment.

Traditionally, the Oil and Gas space, Punj's forte, has been the major contributor to its Total Revenue. For FY2009, the Segment contributed 61% of its overall revenues. Going ahead as well we expect the trend to continue.

**Exhibit 4: Major Projects awarded and under execution**

Project	Client	Contract Value (Rs cr)
Delayed Coker Unit	IOCL, Vadodara	590
Sulphur Block for Bina Refinery Project	Bharat Oman Refinery, Bina	590
Motor Spirit Quality Upgradation	IOCL, Barauni	649
EPC Contract for Pipeline Heated and Insulated Gas	Gujarat State Petronet Ltd	239
Pipeline: Three Sections	Cairn India Ltd	141
Dense Phase Ethylene and Butane Pipelines between Ras Laffan and Mesaieed	Ras Laffan Olefins Company Ltd, Qatar	191
EPC for 21 Storage Tanks	Eastern Bechtel Co. Ltd, Abu Dhabi	140
Offsite and Utilities	Yemen LNG, Yemen	322
Construction for Two Gas Pipelines in Libya	Sirte Oil Company of Libya	1,349

Source: Company

**Opportunities in the 'Pipe' line**

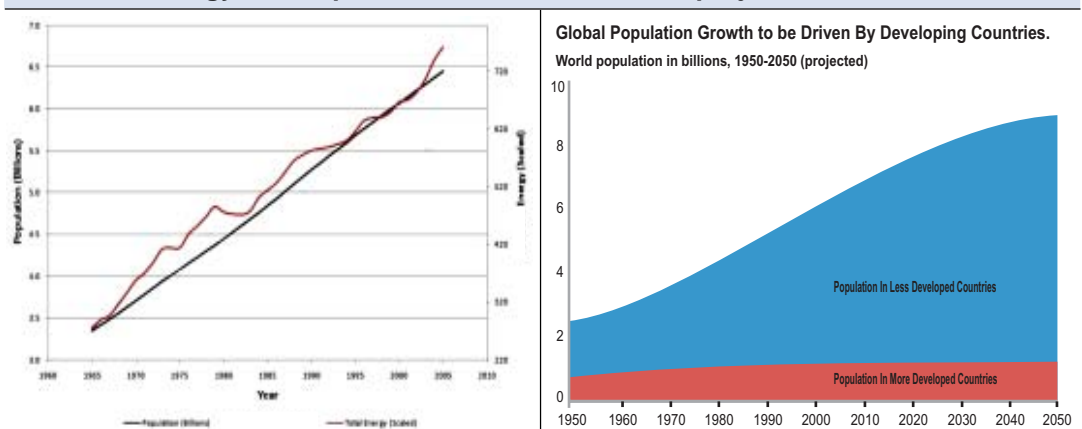
**Global demand for energy is on the rise on account of growing population and increasing shift of populace from rural areas to urban ones**

We expect huge Order inflow for Punj from this Segment going ahead as Pipeline has emerged as one of the most preferred modes of transportation for petroleum products mainly on account of being eco-friendly and due to the savings in transportation costs (about 60% and 40% cheaper than Road and Rail respectively). Inherent advantages of the pipeline mode of transportation and latent demand offer huge opportunities for companies like Punj in the domestic arena. Similar is the case with other developing nations where Punj has its presence.

We believe that the global demand scenario for energy is on the rise on account of growing population and increasing shift of populace from rural areas to urban ones resulting in an increase in energy consumption, particularly in the developing countries.

**1) Growing population:** World population is expected to grow at an average of 1% over the next couple of decades to nearly more than 8.2bn in 2030, an increase of 1.7bn from 2006. More than 90% of the growth is expected to occur in developing economies.

**Exhibit 5: Energy and Population co-relation, Growth projections**

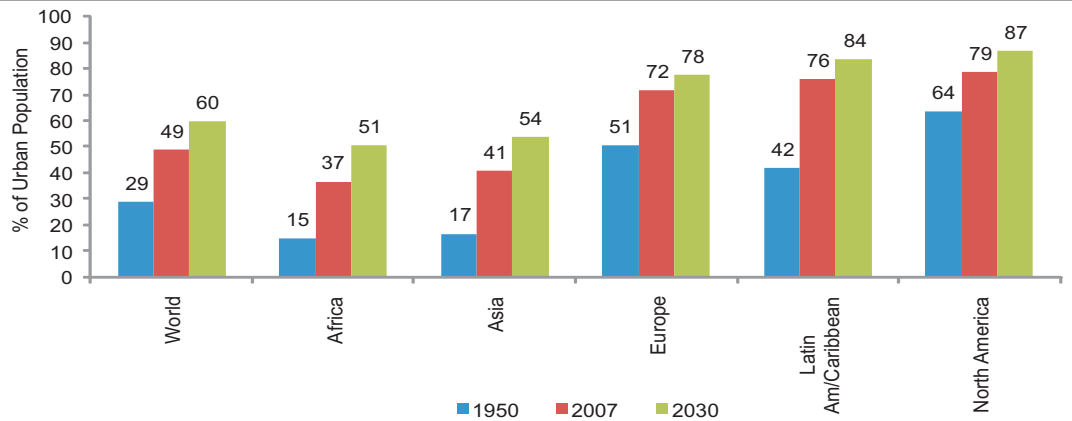


Source: Industry, Angel Research

**We expect energy requirements to increase at greater pace in developing nations (where Punj has presence) than in developed countries**

**2) Increasing shift of populace from Rural areas to Urban ones:** The world is on the verge of a shift predominantly from rural areas to urban ones. In 2008, more than half the world's population was living in urban areas whereas it is expected that by 2030, urban dwellers will roughly constitute nearly 60% of the world's population. This rate of shift would be greater in developing nations as against developed ones for quite obvious reasons that as developing economies grow at a faster pace than developed ones and thereby results in more people moving from the rural areas to urban areas in search of better livelihood. This rural to urban change would grow at 3.4x in Africa, 3.2x in Asia and 2x in Latin America/Caribbean (accounted in the developing nations category). Importantly, energy consumption tends to lag GDP growth in developed economies whereas reverse is true for the developing economies. Therefore, we expect energy requirements to increase at greater pace in developing nations (where Punj has presence) than in developed countries.

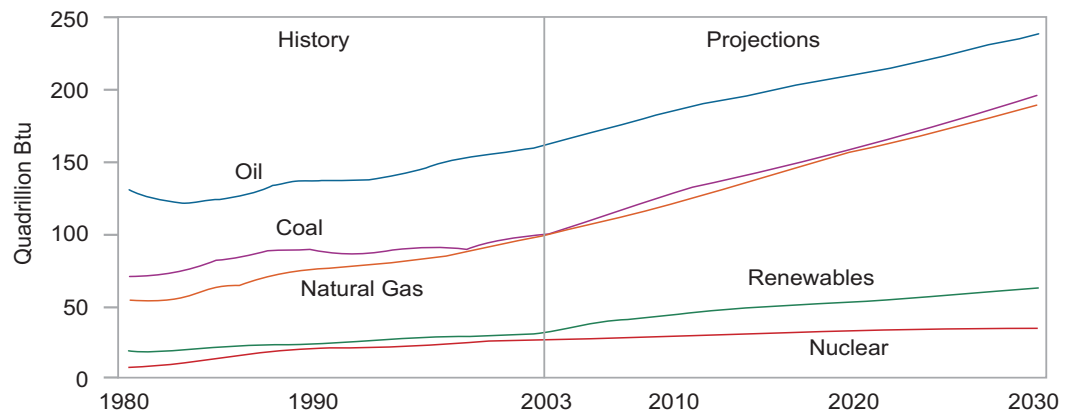
**Exhibit 6: Urban Population (as a % of Total Population)**



Source: Industry, Angel Research

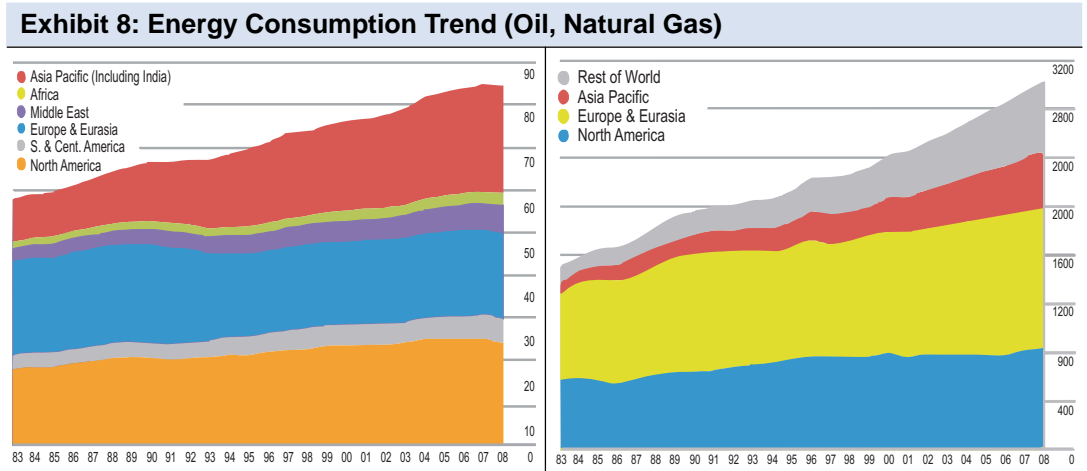
Thus, energy consumption projections highlight increasing usage of oil and natural gas going ahead vis-à-vis other sources of energy, which would be beneficial for players in the Pipeline Segment. Moreover, as in the past, the rate of growth of energy has been steep for the developing regions of Asia-Pacific and the African countries.

**Exhibit 7: World Energy usage projections**



Source: History: Energy Information Administration (EIA), International Energy Annual 2003 (May-July 2005), web site: [www.eia.doe.gov/iea/](http://www.eia.doe.gov/iea/). Projections: EIA, System for the Analysis of Global Energy Markets (2006)

**India lags its global peers in terms of pipeline usage with a mere 32% of the country's petroleum products**



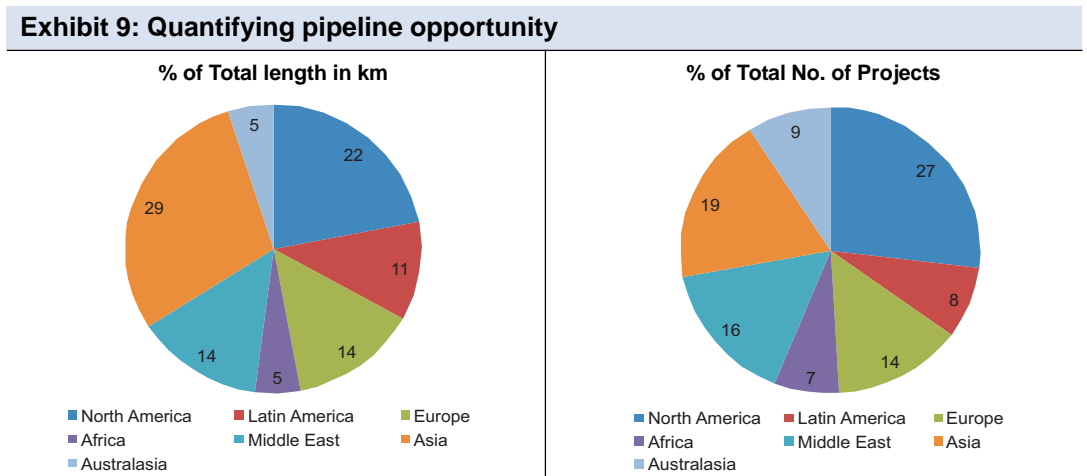
Source: BP Statistical Review, Angel Research

India lags its global peers in terms of pipeline usage with a mere 32% of the country's petroleum products being transported by pipes v/s 60% in the US. India has a miniscule pipeline network of around 19,520km (mostly in the Western and Northern regions) as compared to 1,70,000km of pipeline in France and 3,29,600km in USA. Overall, penetration level of pipeline in India is also at a low 30% as against 65% and 59% for France and USA, respectively.

**Quantifying opportunity**

**Area-wise expansion suggests that major opportunities lie in developing nations**

As per the Future Pipeline Projects World Guide, Simdex, in the next five years pipeline capex worldwide would be substantial. It is projected that planned capex could be as high as 3,17,608km of pipeline network. Area-wise expansion (as shown in Exhibit 9) suggests that major opportunities lie in developing nations.



Source: Simdex

***GAIL and GSPL have lined up number of cross-country and regional pipeline projects, which highlights the opportunity in the Pipeline Segment in the domestic space***

India has a total pipeline network of around 19,520km, which supplies gas to the tune of 106mmcmd excluding gas requirements for internal consumption. GAIL is the country's largest gas transmission and marketing company, owning and operating around 36% of total pipeline network, majority being concentrated in North-West India. Against this backdrop of the advantages of Pipeline transportation, players like GAIL and Gujarat State Petronet have lined up number of cross-country and regional pipeline projects (refer Annexure - III), which highlights the opportunity in the Pipeline Segment in the domestic space.

### **Riding on dual benefits**

***Punj stands to benefit on account of its expertise in laying pipelines as well as being present in developing nations***

Overall, we believe that Punj stands to benefit on account of its expertise in laying pipelines as well as being present in developing nations. Increasing use of energy sources (entailing setting up of pipelines and storage terminals) would result in setting up underlying infrastructure, which is Punj's forte.

Going ahead, we expect the company's Oil and Gas Segment to continue to be a major Revenue contributor, albeit declining gradually as share of the Infrastructure Segment is picking up and accounting for larger share of the company's overall Order Book.

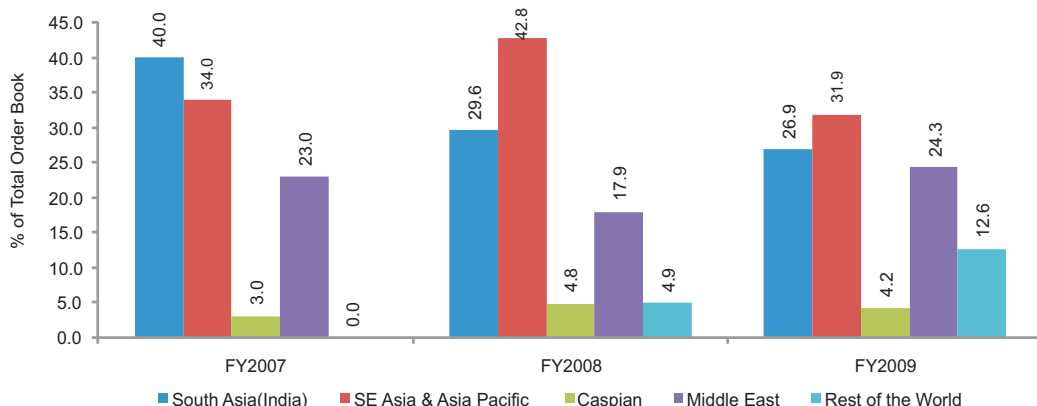
### **Robust Order Book**

***Punj has a diversified Order Book of Rs30,436cr or 2.6x its FY2009 Revenues***

Punj, prior to its acquisition of SEC, was primarily a pipe laying company handling projects across India and few other countries with a small presence in the Tankage Segment as well. Punj's acquisition of SEC aided it to not only tap diverse geographies, but also to become a global player of reckoning.

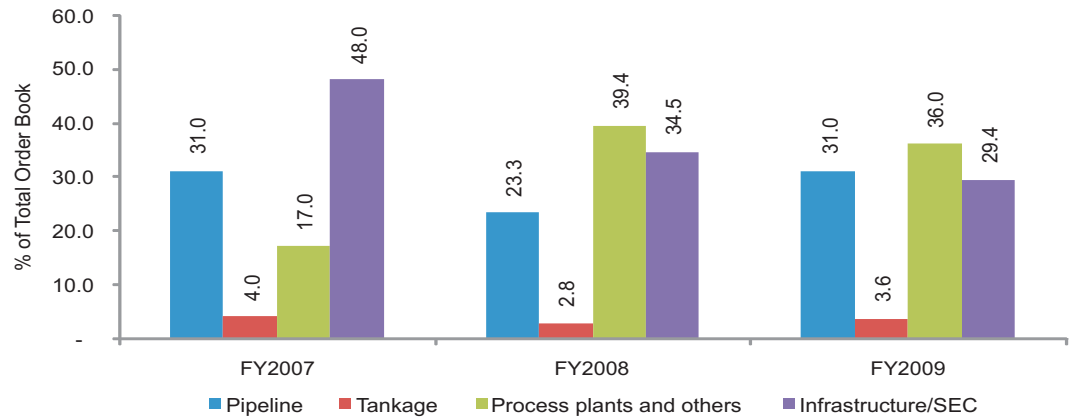
Punj has a diversified Order Book (across geographies and verticals) of Rs30,436cr or 2.6x its FY2009 Revenues. The company has bagged orders from geographies including South Asia (India), South East Asia, Asia-Pacific and the Middle East. Segment-wise Pipelines, Process Plant related works and general Infrastructure work constitute 31%, 36% and 29% of the company's outstanding Order Book respectively. We believe that diversification holds the key to counter any potential slowdown.

**Exhibit 10: Order Book - Geographical Breakdown**



Source: Company, Angel Research

**Exhibit 11: Order Book - Segmental Breakdown**



Source: Company, Angel Research

**Our talks with most of the construction companies suggest us that Libya is a land of opportunities**

### Libya - Opportunities gallore

Libya, a country located in African continent, has 53.5% and 8.7% of land area and GDP respectively as compared to India. The Libyan economy is a primarily dependent on Oil sector which contributes about 95% of its export earnings and because of very small population is one of the highest GDP per capita in the world. Therefore crude plays a very pivotal role in its scheme of things. The country has off late embarked upon a massive infrastructure development program. The government have earmarked a record US \$40 Billion for a nation-wide infrastructure and housing program to revamp a decaying public infrastructure. (Source: Phoenicia Group, a U.S.-Libyan diversified business firm and consultancy group). This fund will allocate approximately US \$13 Billion to housing, US \$10.5 Billion to infrastructure, and US \$4 Billion to local regions, promising to transform the country's infrastructure.

In line with this our talks with most of the construction companies suggest us that Libya is a land of opportunities. Similarly Punj's management has concentrated in this region and has won some important orders through its subsidiary, SEC. As of the total Order Book of Rs30,436cr, Libya accounts for nearly 30%, thanks to the recent orders won.

**We believe this strong Earnings growth makes Punja very good investment bet**

### Strong Earnings growth over FY2009-11E

FY2009 was an absolutely forgettable year for Punj as it posted huge adjusted losses of Rs250cr due to the exceptional SABIC episode (refer Annexure - II) on account of which the company booked losses of Rs473cr during the year. Our recent interaction with management suggests that there are no further liabilities on the SABIC Order and its overall legacy Order Book is mere Rs300cr, which is insignificant compared to its total Order Book of Rs30,436cr. Hence, we expect some uptick on the Operating Margin front.

On the back of strong Order Book and culmination of most negatives we estimate the company to post an Earnings CAGR of 63.4% (excluding the exceptional losses) over FY2009-11E. We believe this strong Earnings growth makes Punj a very good investment bet. Further, we have also factored in unforeseen exceptional losses of Rs100cr each in FY2010E and FY2011E.

### **Culmination of negatives that were an overhang on the stock price**

***We believe that concerns relating to SEC's low-Margin Order Book no longer exist***

In 2006, Punj had acquired SEC for a consideration of Singaporean \$40mn to expand its international footprint and get pre-qualifications as well as to complement its existing asset-intensive low sub-contracting business model. Post the acquisition, Punj took over SEC's ongoing EPC projects and its outstanding Order Book of about Singaporean \$1.9bn. However, SEC's Order Book had low Operating Margins of 1-2% due to its high sub-contracting and on account of SEC being in sell mode for more than 2-3years. Hence, post this acquisition there has been a complete change in the profitability matrix of Punj. Since the acquisition, Punj has experienced a southwards movement on the operating margin front and company clocked the lowest EBITDA margin in its history at 3.7% for the year FY2009, not to mention the overall adjusted loss of Rs250cr for the year. Moreover, during FY2009, the company experienced slowdown in Order inflow, there was profit reversal in one of its prestigious order (HEERA project), Infrastructure Sector got de-rated due to the Election overhang and liquidity concerns emerged.

***Hangovers relating to the SABIC issue were accounted for completely in FY2009***

We believe that concerns relating to SEC's low-Margin Order Book are done away with as the same hardly accounts for 1% of the company's Order backlog now. Moreover, the company's OPMs have seen their nadir and with declining commodity prices we expect OPMs to post an uptick. Also, hangovers relating to the SABIC issue were accounted for completely in FY2009 and any outcome from the same would only have a positive effect going ahead.

***We believe that most negatives are either exaggerated or are factored in the cheap valuations***

Thus, at the current juncture, we believe that most negatives that have dogged the stock are either exaggerated, particularly the concerns on Order inflow or are factored in the cheap valuations. Hence, we are optimistic on the overall outlook for the company and are bullish on its performance going ahead.

## Financial Outlook - Strong Performance on cards

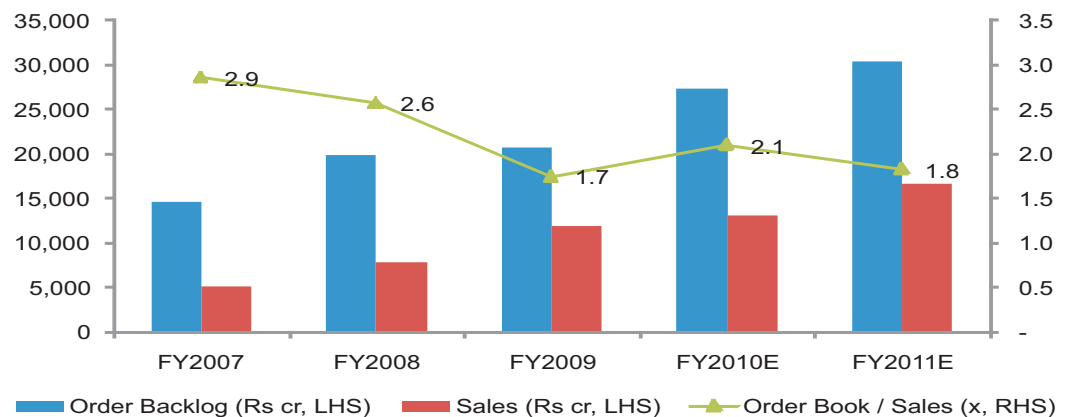
### Top-line - Time to consolidate after a sprint in last three years

***Punj witnessed a surge in Top-line over FY2006-09 registering a CAGR of 91.9% to Rs11,912cr thanks to the SEC acquisition***

Punj witnessed a surge in Top-line over FY2006-09 registering a CAGR of 91.9% to Rs11,912cr thanks to the SEC acquisition. This was in line with the bulge in Order Book experienced by Punj over the mentioned period to Rs20,803cr, a CAGR of nearly 70%, and yoy Order inflow outpaced Order burning. During the period, significant Order inflow traction was witnessed particularly in the Oil & Gas Sector, which has lower execution period of 8-15 months. Thus, execution or conversion of these orders into turnover was faster. High Order inflow coupled with high conversion were the other important factors apart from the SEC acquisition that helped Punj register a sharp increase in Turnover during the period.

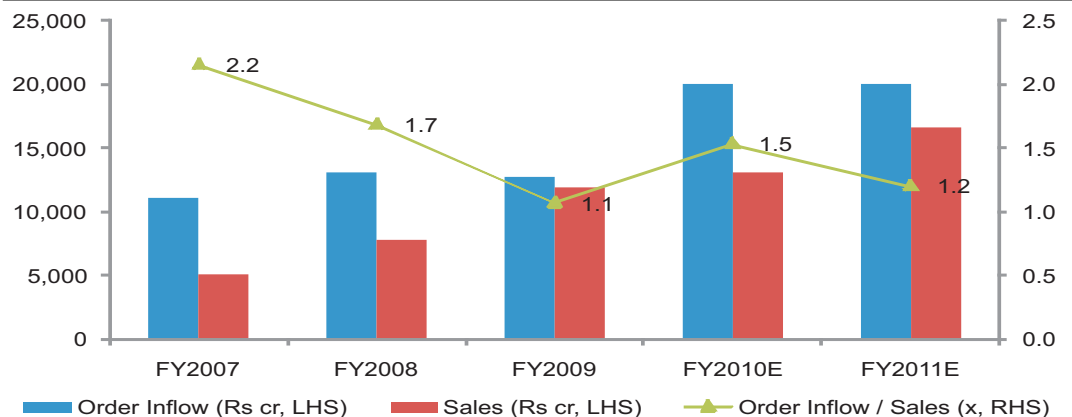
In FY2009 however, the company registered slowdown in Order intake due to the delays in orders getting awarded specially in the Oil & Gas space. FY2009 was also a challenging year for the global economy, which was plagued by liquidity concerns, volatility in commodity prices and overall slowdown in demand. Mirroring the same, Punj's Order intake was just a tad above its Top-line to Rs12,759cr in FY2009. As a result, the company's Order Book to Sales ratio dipped substantially from 2.9x in FY2007 to 1.7x in FY2009.

**Exhibit 12: Order Book/Sales Ratio**



Source: Company, Angel Research

**Exhibit 13: Order Inflow/Sales Ratio**



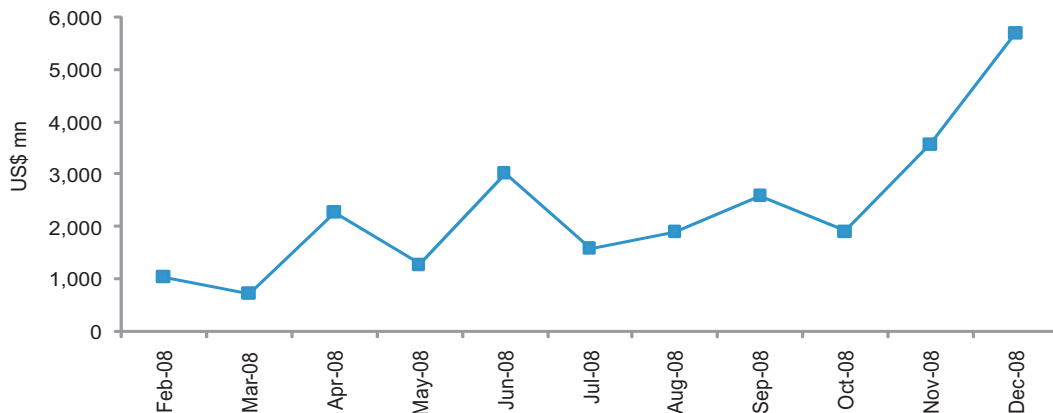
Source: Company, Angel Research

***Punj expects Order inflow in FY2010 to be much better than FY2009 owing to its strong bidding activities over the past few months***

We believe that this decline in the Order Book to Sales ratio will impact Punj's FY2010E Top-line registering a mere 9.5% yoy growth. Punj however, expects Order inflow in FY2010E to be much better than FY2009 owing to its strong bidding activities over the past few months. The company has bid for projects worth US \$16bn in the last few months and primarily from the Oil & Gas space including some infrastructure projects in Libya and India, and upstream and refinery projects in Abu Dhabi and Qatar. Over the last twelve months, the company has enjoyed a success rate of 8-10%, which supports our Order intake assumption. 1QFY2010 was also good with Punj bagging orders worth US \$2.5bn.

In FY2011E, we expect the company to be back on high growth trajectory and post 27.4% growth in Top-line to Rs16,629cr. Further, it may be noted that these projections are on the assumption that Order inflow in FY2010E and FY2011E would be Rs20,000cr each following revival of the global economy.

**Exhibit 14: Bidding activity**



Source: Company, Angel Research

***We believe that most negatives have now started to ebb owing to which we expect the company to record strong momentum in Operating Profit***

### **Operating performance can only head northwards**

In FY2009 things couldn't have gone more wrong for Punj than the plethora of negatives that impacted its performance including: write down of Rs473cr on its Book when SABIC refused to pay for cost escalations and invoked the performance guarantee, the company had to revoke Profits on ONGC's HEERA project following cost escalation issues, translation losses of Rs44.8cr and commodity prices spiking. These factors combined resulted in the company's Operating Profit declining by a substantial 36.4 % to Rs440cr (Rs692cr) while OPMs hit historical lows of 3.7%. Excluding the above-mentioned exceptional loss (SABIC), the company's core EBITDA Margins stood at 7.7% for the year.

On a positive note, we believe that most of these negatives have now started to ebb owing to which we expect the company to record strong momentum on the Operating Profit front going ahead. Accordingly, we expect the company to post robust CAGR of 84.9% in Operating Profit over FY2009-11E to Rs1,505cr primarily on account of the following:

**We believe that SEC's low-Margin orders was one of the primary reasons that impacted OPM**

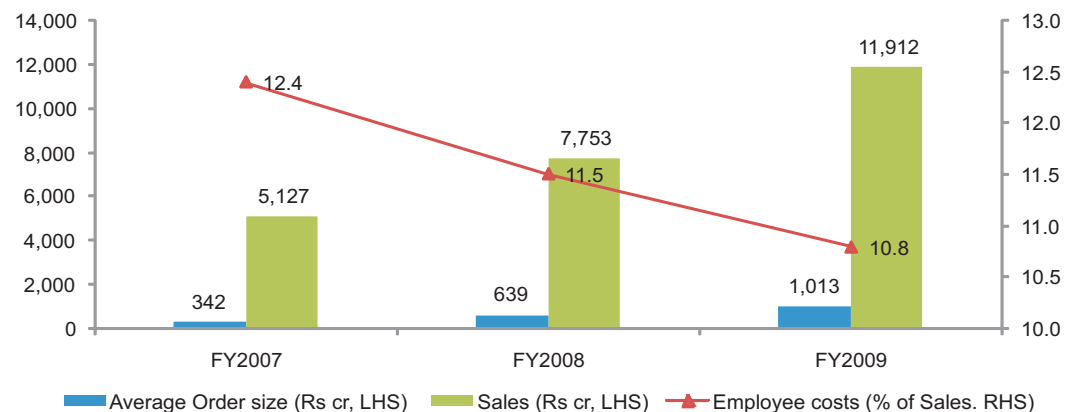
**Legacy Orders completed:** At the time of acquisition, SEC had an Order backlog of around Rs6,500cr or 60% of its consolidated Order Book of Punj. These orders were secured at low EBIDTA Margins of 1-2%, which were far below the Margins being registered by Punj (Standalone). The impact of this was very much reflected in numbers posted by the consolidated entity post acquisition and the company's margins decreased from 11.3% in FY2006 to around 9% (excluding SABIC losses) in FY2009. Therefore, we believe that SEC's low-Margin orders was one of the primary reasons that impacted OPM. Now with the legacy orders at a mere Rs300cr or 1% of Punj's overall Order Book, we expect Margins to witness a sharp uptick going ahead.

**SABIC no longer a negative:** During FY2009, Punj booked losses to the tune of Rs473cr on one of its orders bagged from SABIC. The case is in dispute and is at the court of justice for the verdict. But, since Punj lost the case during the early adjudicating process and following the conservative accounting norms, the loss has been recognised to reflect the appropriate accounting treatment. Importantly, management has categorically guided that the SABIC episode is over and would not be hit whatsoever may be the outcome of the case. Hence, we believe that there could be a positive surprise on this front with minimal chances of negatives cropping up from this saga. Accordingly, going ahead we do not expect Punj's OPMs to get dented by the SABIC episode.

**Punj achieved its target of increasing average Order size while simultaneously pruning Employee costs, as a % of Sales**

**Riding high on Operating leverage benefits:** Acquisition of SEC in June 2006 made Punj stand out among the league of big boys not only in terms of expanded geographic reach, but also in terms of foraying into new domains in the Infrastructure Sector. As a result, Punj bid for bigger size orders and in new domains. The company had targeted to increase its average value of a single contract from US \$33mn to around US \$200mn over the next few years, as the same set of people have to employ on larger single sized contract, which would bring in operating leverage benefits. The company achieved its target of increasing average Order size (currently US \$225mn) while simultaneously pruning Employee costs, as a percentage of Sales. We believe that the learning curve and operating leverage benefits have already started accruing to the company and would continue as and when the company further steps up its aggressive bidding in new geographies.

**Exhibit 15: Average Order size and Employee costs**



Source: Company, Angel Research

It may be noted here that we do not expect the company to enjoy the pre-SEC era OPM of more than 11% as management has guided that the Margins earned by SEC are +7%, which are lower than Punj (Standalone) Margins. We estimate the company to register Margins of 8.4% and 9.1% in FY2010E and FY2011E, respectively. Also, our sensitivity analysis indicates that a 100bp change in our Margin assumption for FY2011E would affect our Earnings estimate by 18.9%.

### Bottom-line to spurt

We estimate the company to post Bottom-line of Rs371.2cr and Rs644.8cr in FY2010E and FY2011E respectively, on the back of robust Top-line growth and sharp Margin expansion. We expect Punj's RoE to improve significantly during FY2009-11E to 20.5% owing to strong Earnings growth, Legacy orders getting exhausted and better Operating leverage. We believe that Punj is extremely well placed in terms of funding its future operations as its Debt/Equity ratio stood at a stable 1.4x in FY2009. Further, its capex requirements would be low as growth is expected to be muted compared to its past. We have factored in capex of Rs302cr and Rs317cr in FY2010E and FY2011E, respectively. Moreover, the company reported Tax liabilities of Rs226cr on PBT of Rs1.3cr in FY2009. According to management, Tax implications of the SABIC write-downs are unclear owing to which full Tax has been provided, which could be a positive trigger (by way of Tax write back) going ahead. Nonetheless, we have not built in any Tax reversal in our Earnings model. We have estimated lower Tax rate of around 26.2% in FY2010E and 26.5% in FY2011E mainly on account of Punj's operations in different geographies. Our Sensitivity analysis shows that a 100bp change in the Tax rate could impact Earnings by 1.3%.

We are not assuming any FCCB conversion and hence our fully diluted equity share capital is Rs60.7cr. Accordingly, we have arrived at an EPS of Rs12.2/share and Rs21.3/share for FY2010E and FY2011E, respectively.

#### Exhibit 16: Sensitivity Analysis

Impact of change in OPM, Tax rate on FY2011E Earnings (Rs cr)		Operating Margin (%)				
		7.1	8.1	9.1	10.1	11.1
Tax Rate (%)	24.5	411.3	536.8	662.4	787.9	913.5
	25.5	405.8	529.7	653.6	777.5	901.4
	26.5	400.4	522.6	644.8	767.0	889.3
	27.5	394.9	515.5	636.1	756.6	877.2
	28.5	389.5	508.4	627.3	746.2	865.1

Source: Company, Angel Research

#### Exhibit 17: Du-Pont Analysis

Parameter	FY2006	FY2007	FY2008	FY2009	FY2010E	FY2011E
EBITDA/Sales (%)	11.3	8.0	8.9	3.7	8.4	9.1
Sales/Total Assets	1.0	1.7	1.7	1.9	1.8	2.0
PBT/EBITDA	0.4	0.6	0.6	(0.1)	0.5	0.6
Adj. PAT/PBT	0.6	0.7	0.7	10.3	0.7	0.7
Total Assets / Net Worth	1.5	2.4	2.2	2.4	2.7	2.6
<b>RoE (%)</b>	<b>4.8</b>	<b>15.3</b>	<b>15.8</b>	<b>(9.5)</b>	<b>13.9</b>	<b>20.5</b>

Source: Company, Angel Research

## **Concerns**

### **Continued Order inflow essential to sustain Top-line growth**

In FY2009, Punj had witnessed deterioration in its Order Book to Sales ratio from 2.9x in FY2007 to 1.7x in FY2009. This was because of the company's policy of not accepting orders below a minimum ticket size. However, the company has recently bagged orders to the tune of almost Rs10,000cr, which augurs well for it and lends support to our Order inflow assumption.

### **Execution risks**

Around 86% of the company's Order Book comprises overseas projects covering the geographies of the Middle East, Africa, Europe and South East Asia, which would require world class execution skills. Punj also undertakes projects in the Indian space from PSU majors like ONGC, which have a history of getting delayed or changed leading to cost overruns. We believe non-compensation of such cost escalations may hit Punj's Profitability going ahead. For instance, in FY2009, Punj had cost overruns to the tune of Rs507cr for which claims have been forwarded to the clients in question and have not been provided in the accounts. If these claims are not accepted by the clients then it can severely impact the company's Profitability going ahead. Pertinently, we have not factored in the cost overrun of Rs507cr in our FY2010E estimates.

### **Volatility in Oil prices**

Punj derives substantial Revenues from the Middle East with orders primarily flowing from the Pipeline and Allied Segments. Capital expenditure in the oil-rich Gulf Co-operation Council (GCC) countries is a function of crude oil prices as oil sales and related revenues constitute a substantial part of the overall income of GCC nations. Thus, any fluctuation in the oil prices has a direct bearing on the planned investment in infrastructure (read Pipelines and Related Infrastructure). Therefore, any dip in the crude oil prices below the US \$60/barrel - most economies have factored in those levels for infra spend - will directly impact Punj's Order Inflow.

### **Risks to Currency fluctuation**

Punj operates in 18 countries owing to which it is exposed to currency fluctuation risks. Being an Indian-based company, Punj reports its consolidated revenues in Indian Rupees and accounts for Losses because of currency fluctuations as "Translational Losses", which impact its Profitability. In FY2009, Punj booked Translational Loss of Rs34.7cr affecting its Net Profitability. Thus, adverse currency movements may be a concern for Punj's Profitability.

## Outlook - Brighter than most

Punj has seen multiple re-ratings and de-ratings in its short trading history. The re-ratings and rich valuations were owing to its comparison with L&T post its listing in FY2006 (*commonly termed as the next L&T in making*) and strong Earnings growth, long-term potential (due to its presence across segments and geographies) and entry into new markets and segments through acquisitions. However, the stock got de-rated owing to issues like high commodity prices, SABIC episode and overall downgrading of the Sector. In the last 12-18 months valuation gap between L&T and Punj has however been widening, rightly so, due to litigation/order cancellation related issues dogging Punj. We believe that things have now changed and there are significant chances of this steep valuation gap getting narrowed down on the back of the following:

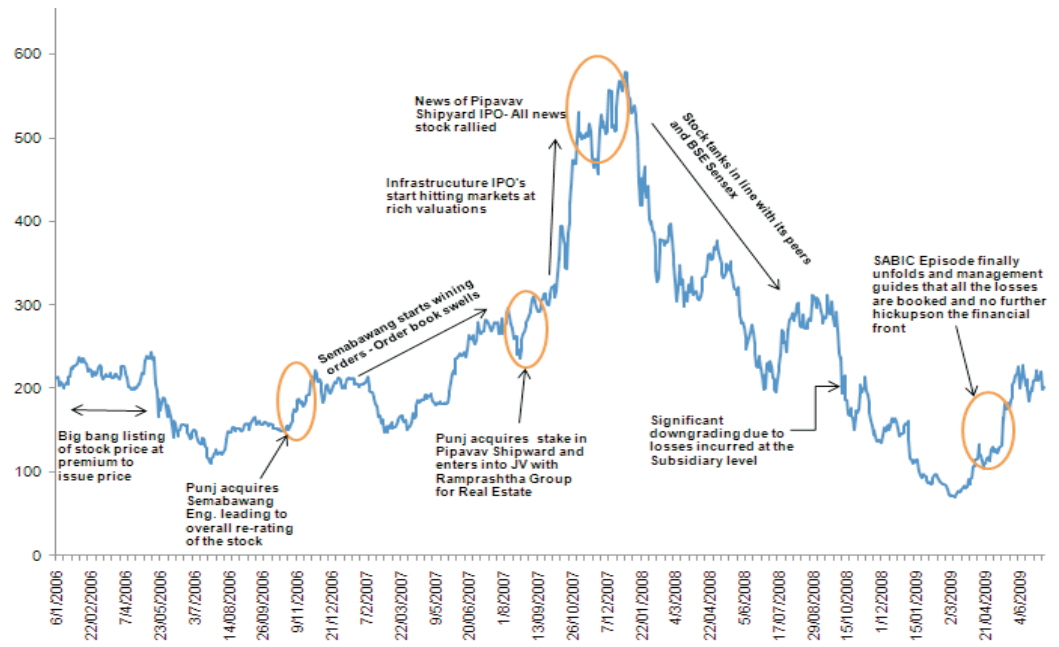
**Superior management - Qualitative pivotal factor:** Punj is spearheaded by 52-year old Mr. Atul Punj, who is the recipient of Ernst & Young 2007, Entrepreneur of the year award in the Infrastructure and Construction domain (*which itself has a two-decade history to its name*). Besides, Punj has also received NDTV's Infrastructure company of the year-2008 award. Moreover, Punj is ranked 55 out of 225 among the Top international contractors in 2008 by enr.com (*a McGraw Hill company*). Such recognition bears testimony to the quantum and quality of work done by the company and instills confidence in the vision of the leaders at the helm of affairs.

Consider, Punj secured its first Indonesian pipe contract under dire conditions where almost no banker was willing to be guarantor to project, without which the contract would not have been secured. It was Mr. Atul Punj's sheer dedication to work and pro-activeness that made ICICI Bank's then chairman Mr. N. Vaghul stand guarantor for the project and marked the beginning of Punj becoming an infrastructure conglomerate. We believe that a superior and focused management is crucial for the making of an infrastructure conglomerate.

**Expanded addressable market:** Punj has in the last few years expanded its domains, which earlier were restricted to a select few in India like the Petrochemical, Oil & Gas and Offshore Segments. We believe that following increase in the ambit of services being provided, Punj would be a force to reckon with in the Infra space going ahead and fetch the same multiple that the behemoths of the industry fetch going ahead.

**Superior Earnings growth:** Over FY2007-09, Punj posted low Earnings CAGR of 9.8% primarily on the back of the poor performance registered in FY2009. However, we believe that the worst is over for the company and going ahead we estimate it to post a CAGR of 63.4% over FY2009-11E. Further, it should be noted that the management has passed a resolution of raising Rs1,500cr which we think it will be able to achieve on account of its strong brand name, excellent business opportunities and overall improvement in the global liquidity environment. Thus, if Punj is able to raise money it will not only de-leverage its Balance Sheet, but will also strengthen its Equity and help it bag big ticket size orders.

**Exhibit 18: Stock Price movement**



Source: Company, Angel Research

For a major part of the last fiscal, the Punj Lloyd stock traded volatile owing to broader market correction, the SABIC episode and heightened concerns over rising commodity prices. As a result, it has not yielded returns for the investors during the period. Nonetheless, at current levels the stock price offers an attractive entry point for investors to participate in the story of this global infrastructure conglomerate. At the CMP of Rs244, the stock is trading at 11.5x FY2011E Earnings and 2.1x FY2011E P/BV. We have valued Punj on a sum-of-the-parts (SOTP) basis by ascribing separate values to its core Construction business on a P/E basis and investments in subsidiaries using the P/BV multiple methodology.

**We have valued the core Construction business at Rs298/share**

For the core Construction Business, we have assigned a 14x P/E similar to other mid-size construction companies like IVRCL Infra, Hindustan Construction (HCC), Nagarjuna Construction (NCC), etc. Though we believe that Punj deserves a premium over these mid-size companies owing to its scale of operations and diversified presence, on the conservative side we have assigned the same P/E multiple since Punj has a history of litigations and Top-line growth is expected to be subdued in the near future.

**We value its Investments at Rs12/share**

Punj has made strategic investments, which would help it grow in the different domains and give it the necessary pre-qualifications too. Punj has invested Rs352cr in Pipavav Shipyard, which we have valued at 1.0x equity in line with the current trading multiple of the other listed shipyards in India. As such, we have valued its investment in Pipavav Shipyard at Rs12/share. Punj has also made investments in different segments like Aviation (Rs49.2cr) and Up-stream business (Rs120cr), which we have not factored in our SOTP.

**We do not expect the FCCBs to get converted, liability of Rs11/share**

In FY2009, Punj had a FCCB liability of Rs278cr carrying a maturity date of March 2011 with a conversion price of Rs272. We estimate that the stock price needs to trade above Rs343 to be in the money for the bondholder. Based on the current market price and our Target Price, we do not expect the FCCB to get converted. Therefore, we have assumed a liability of Rs317cr in FY2011. We do not see that the company not being able to refinance it (via debt and equity) as its expected cash balance on March FY2011E would be Rs275cr.

Our SOTP Target Price is Rs299 based on FY2011E numbers, translating into a potential upside of 23% from current levels. **We Initiate Coverage on the stock, with a Buy recommendation.**

**Exhibit 19: SOTP Valuation (FY2011E)**

Business Segment	Methodology	Remarks	Rs cr	Rs/share
Construction	P/E (x)	14x	9,028	298
Investments	P/B (x)	1.0x	352	12
FCCB Liability	Book Value	1.0x	317	(11)
<b>Total</b>				<b>299</b>

Source: Company, Angel Research

**Exhibit 20: Comparative Valuation - Domestic**

Company	Price (Rs)	Revenue (Rs cr)				Net Profit (Rs cr)				EPS (Rs)			
		FY09	FY10E	FY11E	CAGR (%)	FY09	FY10E	FY11E	CAGR (%)	FY09	FY10E	FY11E	CAGR (%)
HCC	111	3,313.7	4,097.2	4,630.4	11.8	76.0	131.2	146.5	24.5	2.5	4.3	4.8	24.5
IVRCL Infra	330	4,881.9	6,425.9	7,933.1	17.6	226.3	290.2	335.3	14.0	16.3	20.9	24.1	14.0
L&T*	1,489	33,926.4	39,216.7	44,966.5	9.8	3,004.6	3,434.3	3,817.7	8.3	51.5	58.8	65.4	8.3
NCC	136	4,151.4	4,885.4	5,912.9	12.5	153.9	195.3	254.6	18.3	6.7	8.5	11.1	18.3
Simplex Infra	381	4,742.1	6,174.2	7,553.7	16.8	130.2	162.9	196.2	14.7	26.3	32.9	39.7	14.7
<b>Average</b>		<b>10,203.1</b>	<b>12,159.9</b>	<b>14,199.3</b>	<b>13.7</b>	<b>718.2</b>	<b>842.8</b>	<b>950.1</b>	<b>15.9</b>	<b>20.7</b>	<b>25.1</b>	<b>29.0</b>	<b>15.9</b>
Punj Lloyd^	244	11,912.0	13,047.4	16,628.5	11.8	222.7	371.2	644.8	42.5	7.3	12.2	21.3	42.8

Company	P/E(x)			*Adj P/E (x)			Rating
	FY09	FY10E	FY11E	FY09	FY10E	FY11E	
HCC	44.5	25.8	23.1	18.8	10.9	9.8	<b>Neutral</b>
IVRCL Infra	20.2	15.8	13.7	16.5	12.9	11.1	<b>Buy</b>
L&T*	28.9	25.3	22.8	24.6	21.5	19.3	<b>Not Rated</b>
NCC	20.3	16.0	12.3	15.6	12.3	9.4	<b>Neutral</b>
Simplex Infra	14.5	11.6	9.6	14.5	11.6	9.6	<b>Buy</b>
<b>Average</b>	<b>25.7</b>	<b>18.9</b>	<b>16.3</b>	<b>18.0</b>	<b>13.8</b>	<b>11.9</b>	
Punj Lloyd^	33.5	20.0	11.5	32.7	19.5	11.2	<b>Buy</b>

Source: Company, Angel Research \*Note : (1) For Hindustan Construction value of Lavasa, Vikhroli Project , and Road BOT Total to Rs64.3/share ; (2) For IVRCL value of IVR Prime and BOT projects amount total to Rs61.0/share; (3) \*Bloomberg Consensus, For L&T investments are valued at Rs224; (4) For Nagarjuna - value of land bank , BOT projects and investments amount total to Rs31.4/share ; (5) For Simplex Infra there are no major investments in subsidiary (6) For Punj we have valued its investments in Pipavav Shipyard at 1x P/BV at Rs12/share ^ Adjusted for exceptional loss of Rs473cr in FY2009.

**Exhibit 21: Comparative Valuation - Global**

Company	Currency	Price	Mkt Cap (US \$Mn/Rs cr)	P/E(x)		P/BV(x)		RoE(%)	
				CY09/FY10E	CY10/FY11E	CY09/FY10E	CY10/FY11E	CY09/FY10E	CY10/FY11E
Fluor	US\$	51	9,147	13.3	15.0	2.7	2.3	20.8	13.4
Jacobs Engineering	US\$	40	4,984	12.1	12.9	1.9	1.7	15.9	10.9
Shaw Group	US\$	29	2,387	14.3	12.1	1.7	1.5	7.2	13.1
Foster Wheelers	US\$	20	2,756	8.9	9.6	5.9	3.8	94.2	48.1
Technip	US\$	41	4,514	12.0	15.9	1.6	1.5	14.2	9.8
L&T	INR	1,489	87,275	25.3	22.8	5.2	4.6	20.4	18.7
<b>Punj Lloyd</b>	<b>INR</b>	<b>244</b>	<b>7,411</b>	<b>20.0</b>	<b>11.5</b>	<b>2.6</b>	<b>2.1</b>	<b>13.9</b>	<b>20.5</b>

Source: Bloomberg, Industry, Company, Angel Research

## **Annexure I**

### **Macro environment specific**

#### **Business development and growth plans - Excerpts from the Annual Report**

- In India, capital investments in the upstream oil and gas sector are expected to grow. Hindustan Petroleum Corporation Limited (HPCL) is planning to upgrade both its Vizag and Mumbai plants to conform to Euro-IV emission norms. There are also plans for Diesel Hydrotreater (DHT) units, in which Hydrogen Units and Sulphur Recovery Units form a part. These projects have an estimated spend of Rs3,500cr. In addition, Mangalore Refinery & Petrochemicals (MRPL) is expanding its operations; Punj Lloyd is bidding for major packages, especially for the Delayed Coker Unit. The Government of India is planning to build an Underground Strategic Reserve, for which Punj Lloyd has bid for the topside of the cavern storage.
- On the pipelines side, Gas Authority of India Ltd (GAIL) is putting in a parallel pipeline between Dahej and Vijaypur, which is about 550km long; Punj Lloyd has already submitted its bid. The Bawana Nangal gas pipeline project is also in the offing. According to newspaper reports - (The Economic Times, 13th April 2009)
- GAIL has upped its planned expenditure for 2009-10 by as much as 56% compared to the previous fiscal. The gas major has pegged its ca-pex for 2009-10 at Rs5,588cr against a revised estimate of Rs3,559cr for 2008-09"
- Punj Lloyd also plans to enter new geographies. The Company is one of the four international pre-qualified bidders for a mega pipeline project in Papua New Guinea. Though crude oil prices have come down from US \$147 per barrel to around US \$70 per barrel, oil producing nations and oil majors have not cut back significantly on their expansion and investment plans, as can be seen from the following comments and reports:
  1. *The onshore division of UAE state-run oil firm ADNOC plans to award around \$2bn of contracts to expand capacity before the end of year 2009.*
  2. *The Abu Dhabi Government is going ahead with its plan to invest as much as \$20 billion by 2010 to increase its crude output capacity and also pump in \$25 billion over the coming five to six years into its gas industry.*
  3. *Libya's National Oil Corporation (NOC) has approved the development plan which is aimed at improving the economics of refinery, cementing its position in the local market, and also allowing it to meet new production specification. A UAE-based consortium of Trans-Asia and Star Petro Energy have agreed to take a 50% stake in Ras Lanuf, Libya's largest refinery.*
  4. *In India, about 27million tonnes per annum additional capacity is planned to come up under PSUs. Under joint venture, 43million tones per annum capacity will be added in the next four to six years creating additional refining capacity of about 110million tones per annum during the near future and will require an investment of over US\$22billion. Given the increasing demand for oil and petroleum products from developing economies, it is unlikely that oil companies will 'shut down' their offshore plans. In India, ONGC is going ahead with its offshore projects: the Heera project is ongoing and ONGC has major investment plans in their offshore operations, giving rise to optimism about business prospects in the offshore segment.*

## Annexure II

### The SABIC episode

***SABIC episode not only impacted the company's profitability but also put tremendous pressure on the stock since the break out of this issue***

Simon Carves, a subsidiary of SEC, had secured orders worth Pounds 140mn from Huntsman Petrochemicals, UK (which was subsequently acquired by SABIC) in 2006 to design, build and pre-commission a 400 kte per annum Low density polyethylene plant (LDPE) plant at Wilton, Teeside in UK. This contract was entered into between Simon Carves and SABIC prior to the Punj's acquisition of SEC. There were changes in the terms of the contract, post completion of the initial front end engineering design works for the proposed plant, and was converted into a lump sum EPC contract.

However, things went wrong for Punj on this order in FY2009 when SABIC terminated the contract citing reasons that Simon Carves failed to undertake completion of the contractual works with due diligence. SABIC also invoked performance guarantee bonds citing reasons of poor quality of work, sub contractors and engineering. This whole episode not only impacted the company's profitability but also put tremendous pressure on the stock since the break out of this issue.

#### Exhibit 19: SABIC Order

Details	£ mn
Initial contract value	140.0
Deadline for completion of contract (Period)	Apr-08
Original bank guarantee	13.5
<b>Mar-08</b>	
Expected cost of completion	178.0
Auditor qualification in accounts	38.0
<b>Jun-08</b>	
Interim settlement and client agrees to pay extra	15.0
Bank guarantee given by Punj Lloyd for above amount	15.0
Auditor qualification in accounts after above reduction	23.00
<b>Sep-08</b>	
Estimated cost of completion increases by	2.0
New estimated cost of completion	180.0
Auditor qualification in accounts	25.0
<b>Dec-08</b>	
Project completed 99% according to Punj Lloyd	
SABIC terminates contract	
SABIC en-cashes original bank guarantees totalling to	28.5
Punj Lloyd's Total Exposure	53.5
Bank guarantees en-cashed by SABIC	28.5
Disputed amount in contract	25.0
<b>3QFY09 Results</b>	
Punj writes of auditor qualifications (Rs cr)	207.2
Classifies performance guarantees en-cashed as recoverable from client (Rs cr)	217.6
<b>4QFY09 Results</b>	
Performance guarantee encashment written off (Rs cr)	223.5

Source: Industry

***We believe that going ahead Punj would be in a better position as far as its overseas project acceptance and execution is concerned***

As per the management the negatives from the SABIC issue have been done away with and Punj has approached the higher court in UK on this issue. Further, Punj has also not accounted for tax benefit for the same in FY2009 as the tax implications because of the SABIC write-downs were not clear. Any write backs of Tax on account of this front would serve as a positive trigger going ahead.

In the backdrop of these events (the SABIC issue) we believe that the worst is over, but with a lot of learning's for Punj Lloyd in terms of bagging overseas contracts and executing them. Also on the financial front all the losses have been booked and accounted for. Thus, we believe that going ahead Punj would be in a better position as far as its overseas project acceptance and execution is concerned. Moreover, the low margin legacy order book is also getting exhausted thereby alleviating concerns over low blended operating margins for Punj.

### Annexure III

#### Exhibit 20: Pipeline projects planned in the Domestic space

Network/region	Length (km)	Capacity (mmscmd)	Cost (Rs bn)	Scheduled compl. date	Pipeline route
Dabhol-Bengaluru	1,370	16.0	45.0	2012-13	Maharashtra: Ratnagiri and Kolhapur Karnataka: Belgaum, Dharwad, Haveri, Davanagere, Chitradurga, Tumkur and Bengaluru
Kochi-Kanjirkod- Mangalore-Bengaluru	1,110	16.0	28.5	2012-13	Kerala: Ernakulam, Alwaye, Kanjirakode, Palakkad, Mallapuram, Kozhikode, Kannur and Kasaragod; Tamil Nadu: Coimbatore, Tiruppur, Erode, Salem and Krishnagiri; Karnataka: Dakshin Kannad, Chamrajnagar, Mandya, Bengaluru
Jagdishpur-Haldia	2,050	32.0	70.0	2012-13	UP: Jagdishpur, Rae Bareli, Sultanpur, Jaunpur, Varanasi and Chandauli; Jharkhand: Bhabhua, Rohtas, Aurangabad and Gaya in Bihar, Hazaribagh and Bokaro; West Bengal: Puruliya, Bankura, Medinipur and Haldia
Dadri-Bawana-Nangal	459	31.0	23.6	2010-11	UP: Dadri, Gautum Budh Nagar and Ghaziabad; Haryana: Sonapat, Panipat, Karnal, Kurukshetra, Yamunanagar and Kaithal; Punjab: Sangrur, Bhatinda and Ludhiana
Chainsa-Jhajjar Hissar	449	35.0	12.5	2011-12	Haryana: Chainsa, Gurgaon, Jhajjar and Hissar Rajasthan: Alwar
Dahej-Vijaipur Phase II	1,108	60.0	81.8	2010-11	Gujarat, Madhya Pradesh, Rajasthan, Uttar Pradesh, Haryana and Punjab
<b>Total</b>	<b>6,546</b>	<b>190.0</b>	<b>261.4</b>		

Source: CRISIL Research

**Profit & Loss Statement (Consolidated) Rs crore**

Y/E March	FY2008	FY2009	FY2010E	FY2011E
<b>Net Sales</b>	<b>7,753</b>	<b>11,912</b>	<b>13,047</b>	<b>16,629</b>
% chg	51.2	53.6	9.5	27.4
Total Expenditure	7,061	11,472	11,951	15,124
<b>EBITDA</b>	<b>692.2</b>	<b>440.4</b>	<b>1,096.0</b>	<b>1,504.9</b>
(% of Net Sales)	8.9	3.7	8.4	9.1
Other Income	81.1	71.1	(78.4)	(76.8)
Depreciation & Amortisation	146.8	177.1	209.3	226.3
Interest & other Charges	180.6	351.9	305.3	324.4
<b>PBT</b>	<b>444.1</b>	<b>(24.3)</b>	<b>502.9</b>	<b>877.3</b>
(% of Net Sales)	5.7	(0.2)	3.9	5.3
Extraordinary Expense/(Inc.)	(37.1)	(18.8)	-	-
Tax	123.5	226.0	131.8	232.5
(% of PBT)	27.8	-	26.2	26.5
<b>PAT</b>	<b>357.7</b>	<b>(231.5)</b>	<b>371.2</b>	<b>644.8</b>
% chg	81.7	-	(264.8)	73.7
(% of Net Sales)	4.6	(1.9)	2.8	3.9
<b>Adj. PAT</b>	<b>320.6</b>	<b>(250.3)</b>	<b>371.2</b>	<b>644.8</b>
% chg	62.9	-	-	73.7
(% of Net Sales)	4.1	(2.1)	2.8	3.9

**Balance Sheet (Consolidated) Rs crore**

Y/E March	FY2008	FY2009	FY2010E	FY2011E
<b>SOURCES OF FUNDS</b>				
Equity Share Capital	60.7	60.7	60.7	60.7
Reserves & Surplus	2,657.2	2,423.8	2,725.4	3,356.0
<b>Shareholders Funds</b>	<b>2,765.5</b>	<b>2,526.5</b>	<b>2,828.1</b>	<b>3,458.7</b>
Total Loans	1,607.2	3,559.2	4,128.6	4,486.1
Deffered Tax Liability	110.8	174.2	174.2	174.2
<b>Total Liabilities</b>	<b>4,484</b>	<b>6,260</b>	<b>7,131</b>	<b>8,119</b>
<b>APPLICATION OF FUNDS</b>				
Gross Block	2,083.4	2,652.7	3,077.7	3,377.7
Less: Acc. Depreciation	672.6	777.4	986.7	1,213.0
<b>Net Block</b>	<b>1,410.8</b>	<b>1,875.3</b>	<b>2,091.0</b>	<b>2,164.7</b>
Capital Work-in-Progress	212.5	297.4	173.7	190.4
<b>Investments</b>	<b>545.8</b>	<b>660.9</b>	<b>660.9</b>	<b>660.9</b>
Current Assets	5,601.3	8,321.4	10,145.7	12,711.2
Current liabilities	3,286.9	4,895.2	5,940.4	7,608.3
<b>Net Current Assets</b>	<b>2,314.4</b>	<b>3,426.2</b>	<b>4,205.3</b>	<b>5,102.9</b>
Mis. Exp. not written off	0.0	0.0	0.0	0.0
<b>Total Assets</b>	<b>4,484</b>	<b>6,260</b>	<b>7,131</b>	<b>8,119</b>

**Cash Flow Statement (Consolidated) Rs crore**

Y/E March	FY2008	FY2009	FY2010E	FY2011E
Profit before tax	444.1	(24.3)	502.9	877.3
Depreciation	146.8	177.1	209.3	226.3
Change in Working Capital	1,090.7	982.8	1,050.1	1,164.3
Direct taxes paid	123.5	226.0	131.8	232.5
<b>Cash Flow from Operations (623.3)</b>	<b>(1,056.0)</b>	<b>(469.7)</b>	<b>(293.2)</b>	<b>(293.2)</b>
Inc./ (Dec.) in Fixed Assets	351.6	653.2	302.2	316.7
<b>Free Cash Flow</b>	<b>(974.9)</b>	<b>(1,709.3)</b>	<b>(771.9)</b>	<b>(609.9)</b>
Inc./ (Dec.) in Investments	376.0	115.1	-	-
Issue of Equity	1,130.0	-	-	-
Inc./ (Dec.) in loans	(92.0)	1,952.0	569.4	357.5
Dividend Paid (Incl. Tax)	14.2	10.7	14.2	14.2
Others	14.2	5.4	-	-
<b>Cash Flow from Financing</b>	<b>662.0</b>	<b>1,831.7</b>	<b>555.2</b>	<b>343.2</b>
Inc./ (Dec.) in Cash	(312.9)	122.4	(271.1)	(266.7)
<b>Opening Cash balances</b>	<b>1,002.7</b>	<b>689.8</b>	<b>812.2</b>	<b>541.1</b>
<b>Closing Cash balances</b>	<b>689.8</b>	<b>812.2</b>	<b>541.1</b>	<b>274.5</b>

**Key Ratios**

Y/E March	FY2008	FY2009	FY2010E	FY2011E
<b>Per Share Data (Rs)</b>				
EPS (fully diluted)	10.6	-	12.2	21.3
Cash EPS	15.4	-	19.1	28.7
DPS	0.4	0.3	0.4	0.4
Book Value	91.1	83.3	93.2	114.0
<b>Operating Ratio (%)</b>				
Raw Material / Sales (%)	36.5	31.5	28.3	28.6
Inventory (days)	96.9	112.4	122.0	123.0
Debtors (days)	98.4	81.8	108.0	110.0
Debt / Equity (x)	0.6	1.4	1.5	1.3
<b>Returns (%)</b>				
RoE	15.8	-	13.9	20.5
RoCE	14.5	4.9	13.2	16.8
Dividend Payout	3.8	-	3.3	1.9
<b>Valuation Ratio (x)</b>				
P/E	23.1	-	20.0	11.5
P/E (Cash EPS)	15.9	-	12.8	8.5
P/BV	2.7	2.9	2.6	2.1
EV / Sales	1.1	0.9	0.8	0.7
EV / EBITDA	12.0	23.1	10.0	7.7

<b>Fund Management &amp; Investment Advisory</b>	<b>(☎ 022 - 3952 4568)</b>	
P. Phani Sekhar	Fund Manager - (PMS)	phani.sekhar@angeltrade.com
Siddharth Bhamre	Head - Derivatives and Investment Advisory	siddharth.bhamre@angeltrade.com
Devang Mehta	AVP - Investment Advisory	devang.mehta@angeltrade.com
<b>Research Team</b>	<b>(☎ 022 - 3952 4568)</b>	
Hitesh Agrawal	Head - Research	hitesh.agrawal@angeltrade.com
Sarabjit Kour Nangra	VP-Research, Pharmaceutical	sarabjit@angeltrade.com
Vaibhav Agrawal	VP-Research, Banking	vaibhav.agrawal@angeltrade.com
Vaishali Jajoo	Automobile	vaishali.jajoo@angeltrade.com
Harit Shah	IT, Telecom	harit.shah@angeltrade.com
Deepak Pareek	Oil & Gas	deepak.pareek@angeltrade.com
Pawan Burde	Metals & Mining, Cement	pawan.burde@angeltrade.com
Girish Solanki	Power, Mid-cap	girish.solanki@angeltrade.com
Shailesh Kanani	Infrastructure, Real Estate	shailesh.kanani@angeltrade.com
Anand Shah	FMCG , Media	anand.shah@angeltrade.com
Puneet Bambha	Capital Goods, Engineering	puneet.bambha@angeltrade.com
Sushant Dalmia	Pharmaceutical	sushant.dalmia@angeltrade.com
Param Desai	Logistics	paramv.desai@angeltrade.com
Sageraj Bariya	Fertiliser, Mid-cap	sageraj.bariya@angeltrade.com
Viraj Nadkarni	Retail	virajm.nadkarni@angeltrade.com
Amit Vora	Research Associate (Oil & Gas)	amit.vora@angeltrade.com
Laxmikant Waghmare	Research Associate (Metals & Mining, Cement)	laxmikant.w@angeltrade.com
Aniruddha Mate	Research Associate (Infra, Real Estate)	aniruddha.mate@angeltrade.com
V Srinivasan	Research Associate (Power, Mid-cap)	v.srinivasan@angeltrade.com
Jaya Agrawal	Jr. Derivative Analyst	Jaya.agrawal@angeltrade.com
Amit Bagaria	PMS	amit.bagaria@angeltrade.com
Sandeep Wagle	Chief Technical Analyst	sandeep@angeltrade.com
Ajit Joshi	AVP Technical Advisory Services	ajit.joshi@angeltrade.com
Brijesh Ail	Manager - Technical Advisory Services	brijesh@angeltrade.com
Vaishnavi Jagtap	Sr. Technical Analyst	vaishnavi.jagtap@angeltrade.com
Milan Sanghvi	Sr. Technical Analyst	milan.sanghvi@angeltrade.com
Mileen Vasudeo	Technical Analyst	vasudeo.kamalakant@angeltrade.com
Krunal Dayma	Derivative Analyst - (TAS)	krunal.dayma@angeltrade.com
Sanket Padhye	AVP Mutual Fund	sanket.padhye@angeltrade.com
Pramod Rathod	Research Associate (MF)	pramod.rathod@angeltrade.com
Poonam Jangid	Research Associate (MF)	poonam.Jangid@angeltrade.com
<b>Commodities Research Team</b>		
Amar Singh	Research Head (Commodities)	amar.singh@angeltrade.com
Samson P	Sr. Technical Analyst	samsomp@angeltrade.com
Anuj Gupta	Sr. Technical Analyst	anuj.gupta@angeltrade.com
Girish Patki	Sr. Technical Analyst	girish.patki@angeltrade.com
Abhishek Chauhan	Technical Analyst	abhishek .chauhan@angeltrade.com
Parag Joshi	Technical Analyst	parag.joshi@angeltrade.com
<b>Commodities Research Team (Fundamentals)</b>		
Badruddin	Sr. Research Analyst (Agri)	badruddin@angeltrade.com
Mandar Pote	Research Analyst (Energy Complex)	mandar.pote@angeltrade.com
Reena Wallia	Research Analyst ( Base Metals)	reena.wallia@angeltrade.com
Vedika Narvekar	Research Analyst ( Agri)	vedika.narvekar@angeltrade.com
Nalini Rao	Research Analyst (Agri)	nalini.rao@angeltrade.com
Bharathi Shetty	Research Editor	bharathi.shetty@angeltrade.com
Dharmil Adhyaru	Assistant Research Editor	dharmil.adhyaru@angeltrade.com
Bharat Patil	Production	bharat.patil@angeltrade.com

Research & Investment Advisory: Acme Plaza, 3rd Floor 'A' wing, M.V. Road, Opp Sangam Cinema, Andheri (E), Mumbai - 400 059

#### Disclaimer

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.

Opinion expressed is our current opinion as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us 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. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true and are for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company takes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action.

Recipients of this material should rely on their own investigations and take their own professional advice. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment. 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. Certain transactions - futures, options and other derivatives as well as non-investment grade securities - involve substantial risks and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

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, Angel Broking, 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 Angel Broking and 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. Angel Broking Limited and affiliates, including the analyst who has issued this report, may, on the date of this report, and from time to time, have long or short positions in, and buy or sell the securities of the companies mentioned herein or engage in any other transaction involving such securities and earn brokerage or compensation or act as advisor or have other potential conflict of interest with respect to company/ies mentioned herein or inconsistent with any recommendation and related information and opinions.

Angel Broking Limited and affiliates may seek to provide or have engaged in providing corporate finance, investment banking or other advisory services in a merger or specific transaction to the companies referred to in this report, as on the date of this report or in the past.

**Ratings (Returns) :** Buy (Upside > 15%)  
Reduce (Downside upto 15%)

Accumulate (Upside upto 15%)  
Sell (Downside > 15%)

Neutral (5 to -5%)

Corporate & Marketing Office	: 612, Acme Plaza, M.V. Road, Opp Sangam Cinema, Andheri (E), Mumbai - 400 059	Tel : (022) 3952 7100 / 4000 3600
NRI Helpdesk	: e-mail : nri@angeltrade.com	Tel : (022) 4000 3622 / 4026 2700
Investment Advisory Helpdesk	: e-mail : advisory@angeltrade.com	Tel : (022) 3958 4000
Commodities	: e-mail : commodities@angeltrade.com	Tel : (022) 3081 7400
PMS	: e-mail : pmshelpdesk@angeltrade.com	Tel : (022) 3953 2800
Feedback	: e-mail : feedback@angeltrade.com	Tel : (022) 2835 5000

**Regional Offices:**

Ahmedabad - Tel: (079) 3941 3940	Indore - Tel: (0731) 3941 394	Nagpur - Tel: (0712) 3941 394	Rajkot - Tel : (0281) 3941 394
Bengaluru - Tel: (080) 3941 3940	Jaipur - Tel: (0141) 3941 394	Nashik - Tel: (0253) 3941 394	Surat - Tel: (0261) 3941 394
Chennai - Tel: (044) 3941 3940	Kanpur - Tel: (0512) 3941 394	Mumbai (Goregoan) Tel: (022) 2879 0411-15	Visakhapatnam - Tel : (0891) 3941 394
Cochin - Tel: (0484) 3941 394	Kolkata - Tel: (033) 3941 3940	Mumbai (Powai) - Tel: (022)3952 6500	
Coimbatore - Tel: (0422) 3941 394	Lucknow - Tel: (0522) 3941 394	New Delhi - Tel: (011) 3941 3940	
Hyderabad - Tel: (040) 3941 3940	Ludhiana - Tel: (0161) 3941 394	Pune - Tel: (020) 3941 3940	

**Private Client Group Offices:**

Ahmedabad (C. G. Road) - Tel: (079) 3982 9934	Surat - Tel: (0261) 3071 600	Rajkot (Race course) - Tel: (0281) 2490 847	Sub - Broker Marketing:
			Powai - Tel: (022) 3952 6500

**Branch Offices:**

Andheri (Lokhandwala) - Tel: (022) 2639 2626	Ahmeda. (Ramdevnagar) - Tel : (079) 4024 3842 / 43	Jalgaon - Tel: (0257) 2234 832	Pune (Camp) - Tel: (020) 3092 1800
Andheri (W) - Tel: (022) 2635 2345 / 6668 0021	Ahmedabad (Sabarmati) - Tel : (079) 3091 6100 / 01	Jamnagar(Indraprashta) - Tel: (0288) 3941 394	Pune - Tel: (020) 6640 8300 / 3052 3217
Bandra (W) - Tel: (022) 2655 5560 / 70	Ahmedabad (Satellite) - Tel: (079) 4000 1000	Jamnagar (Cross Word) - Tel: (0288) 2751 118	Rajamundhry - Tel: (0883) 3941 394
Bandra (W) - Tel: (022) 6643 2694 - 99	Ahmedabad (Shahibaug) -Tel: (079)3091 6800 / 01	Jamnagar (Moti Khawdi) - Tel: (0288) 2846 026	Rajkot (Ardella) Tel.: (0281) 2926 568
Borivali (W) - Tel: (022) 3952 4787	Amreli - Tel: (02792) 228 800/231039-42	Jamnagar(Madhav Plaza) - Tel: (0288) 2665 708	Rajkot (University Rd.) - Tel: (0281) 2331 418
Borivali (Punjabi Lane) - Tel: (022) 3951 5700.	Amritsar - Tel: (0183) 3941 394	Jodhpur - Tel: (0291) 3941 394 / 99280 24321	Rajkot - (Bhakti Nagar) Tel: (0281) 2361 935
Chembur - Tel: (022) 6703 0210 / 11 /12	Anand - Tel: (02692) 398 400 / 3	Junagadh - Tel : (0285) 3941 3940	Rajkot - (Indira circle) Tel : 99258 84848
Chembur - (Basant) - Tel:(022) 022) 6156 1111 / 01	Ankleshwar - Tel: (02646) 398 200	Keshod - Tel: (02871) 234 027 / 233 967	Rajkot (Orbit Plaza) - Tel: (0281) 3983 485
Fort - Tel: (022) 3958 1887	Baroda - Tel: (0265) 2226 103-04 / 6624 280	Kolhapur - Tel: (0231) 6632 000	Rajkot (Pedak Rd) - Tel: (0281) 3985 100
Ghatkopar (E) - Tel: (022) 3955 8400/2510 1525	Baroda (Akota) - Tel: (0265) 2355 258 / 6499 286	Kolkata (N. S. Rd) - Tel: (033) 3982 5050	Rajkot (Ring Road)- Mobile: 99245 99393
Kalbadevi - Tel: (022) 2243 5599 / 2242 5599	Baroda (Manjalpur) - Tel: (0265) 6454280-3	Kolkata (P. A. Shah Rd) - Tel: (033) 3001 5100	Rajkot (Star Chambers) - Tel : (0281)3981 200
Kandivali (W) - Tel: (022) 2867 3800/2867 7032	Bengaluru - Tel: (080) 4072 0800 - 29	Kota - Tel : (0744) 3941 394	Rajkot - (Star Chambers) - Tel : (0281) 2225 401-3
Kandivali - Tel: (022) 4245 1300	Bhavnagar - Tel: (0278) 3941 394	Madurai Tel: (0452) 3941 394	Salem - Tel: (0427) 3941 394
Malad (E) - Tel: (022) 2880 4440	Bhavnagar (Shastrinagar)- Mobile: 92275 32302	Mangalore - Tel: (0824) 3982 140	Secunderabad - Tel : (040) 3093 2600
Malad (Natraj Market) - Tel:(022) 28803453 / 24	Bhopal - Tel : (0755) 3941 394	Mansarovar - Tel: (0141) 3057 700/99836 74600	Surat (Mahidharpura) - Tel: (0261) 3092 900
Masjid Bander - Tel: (022) 2345 5130 /1 / 8 / 42/28	Bikaner - Tel: (0151) 3941 394 / 98281 03988	Mehsana - Tel: (02762) 645 291 / 92	Surat - (Parle Point) - Tel : (0261) 3091 400
Mulund (W) - Tel: (022) 2562 2282	Chandigarh - Tel: (0172) 3092 700	Mysore - Tel: (0821) 4004 200 - 30	Surat (Ring Road) - Tel : (0261) 3071 600
Nerul - Tel: (022) 2771 9012 - 17	Deesa - Mobile: 97250 01160	Nadiad - Tel : (0268) - 2527 230 / 34	Surenranagar - Tel : (02752) 223305
Powai (E) - Tel: (022) 3952 5887	Erode - Tel: (0424) 3982 600	Nashik - Tel: (0253) 3011 500 / 1 / 11	Udaipur - (0294) 3941 394
Sion - Tel: (022) 3952 7891	Faridabad - Tel: (0129) 3984 000	New Delhi (Bhikaji Cama) - Tel: (011) 41659711	Valsad - Tel - (02632) 645 344 / 45
Thane (W) - Tel: (022) 2539 0786 / 0650 / 1	Gajuwaka - Tel: (0891) 3987 100 - 30	New Delhi (Lawrence Rd.) - Tel: (011) 3262 8699 / 8799	Vapi - Tel: (0260) 3941 394
Vashi - Tel: (022) 2765 4749 / 2251	Gandhinagar - Tel: (079) 4010 1010 - 31	New Delhi (Pitampura) - Tel: (011) 4751 8100	Varachha - (0261) 3091 500
Vile Parle (W) - Tel: (022) 2610 2894 / 95	Gandhidham - Tel: (02836) 237 135	New Delhi (Nehru Place) - Tel: (011) 3982 0900	Varanasi - Tel: (0542) 2221 129, 3058 066
Wadala - Tel: (022) 2414 0607 / 08	Gondal - Tel: (02825) 398 200	New Delhi (Preet Vihar) - Tel: (011) 4310 6400	Vijayawada - Tel : (0866) 3984 600
Agra - Tel: (0562) 4037200	Ghaziabad - Tel: (0120) 3980 800	Noida - Tel : (0120) 4639 900 / 1 / 9	Warangal - Tel: (0870) 3982 200
Ajmer - Tel: (0145) 3941 394	Gurgaon - Tel: (0124) 3050 700	Palanpur - Tel: (02742) 308 060 - 63	Nagaur - Tel: (01582) 244 648
Alwar - Tel: (0144) 3941 394 / 99833 60006	Himatnagar - Tel: (02772) 241 008 / 241 346	Patan - Tel: (02766) 222 306	
Ahmeda. (Bapu Nagar) - Tel : (079) 3091 6900 - 02	Hyderabad - A S Rao Nagar Tel: (040) 4222 2070-5	Patel Nagar - Tel : (011) 45030 600	
Ahmedabad (C. G. Road) - Tel: (079) 4021 4023	Hubli - Tel: (0836) 4267 500 - 22	Porbandar - Tel : (0286) 3941 394	
Ahmeda. (Gurukul) - Tel: (079) 3011 0800 / 01	Indore - Tel: (0731) 3049 400	Porbandar (Kuber Life Style) - Mob.-98242 53737	
Ahmedabad (Kalapur) - Tel: (079) 3041 4000 / 01	Indore - Tel: (0731) 4238 600	Pune - Tel : (020) 3093 4400 / 3052 3217	
Ahmedabad (Maninagar) - Tel: (079) 3981 7430 / 1	Jaipur - (Rajapark) Tel: (0141) 3057 900 / 99833 40004	Pune (Aundh) - Tel: (020) 4104 1900	

Central Support &amp; Registered Office: G-1, Akruiti Trade Centre, Road No. 7, MIDC Marol, Andheri (E), Mumbai - 400 093 Tel : 2835 8800 / 3083 7700