

## BGR Energy Systems

### Performance Highlights

(₹ cr)	1QFY12	1QFY11	% chg (yoy)	4QFY11	% chg (qoq)
<b>Revenue</b>	<b>734</b>	<b>907</b>	<b>(19.0)</b>	<b>1,462</b>	<b>(49.8)</b>
EBITDA	96	104	(7.4)	167	(42.6)
EBITDA margin (%)	13.1	11.4	170bp	11.5	164bp
<b>Reported PAT</b>	<b>50</b>	<b>61</b>	<b>(17.0)</b>	<b>98</b>	<b>(48.9)</b>

Source: Company, Angel Research

After a strong performance in the past several quarters, BGR Energy Systems (BGR) stabilised in 1QFY2012. The company's revenue for the quarter declined by 19% yoy to ₹734cr on a high base, 4.7% lower than our estimates of ₹771cr. In tandem with lower sales, the bottom line decreased by 17% yoy to ₹50cr, but exceeded our estimates of ₹40cr, largely aided by margin expansion. Order backlog at the end of the quarter stood at ₹7,500cr. The stock has substantially declined due to lull order inflows. **We recommend Neutral on the stock.**

**Margins intact; High interest dents the bottom line:** For 1QFY2012, revenue and PAT fell by 19% and 17%, respectively, due to high base effect. EBITDA margin improved by 170bp yoy to 13.1% due to increased execution of high-margin BOP orders. Interest and depreciation costs rose by 55% and 20% yoy, respectively, which led to the 17% yoy decline in the bottom line to ₹50cr.

**Outlook and valuation:** In a scenario of nil order inflows (base case scenario) for the current year, the existing backlog is expected to deplete by ~70% if the desired target of 15% (management guidance) is to be achieved. Hence, future growth visibility diminishes to a large extent. The current issues outlined in the power sector, viz. coal linkages and environmental clearances, have led to delays in the ordering process, which is evident from the intake scale of the company's competitors. Key triggers to the stock would be order wins from Rajasthan SEB and the NTPC bulk tender. The stock continues to de-rate on account order intake concerns and has fully factored the pessimistic growth trajectory of the company, thus providing a limited upside to the stock. **We recommend Neutral on the stock.**

#### Key financials (Consolidated)

Y/E March (₹ cr)	FY2010	FY2011	FY2012E	FY2013E
<b>Net sales</b>	<b>3,073</b>	<b>4,763</b>	<b>5,122</b>	<b>4,714</b>
% chg	59.2	55.0	7.5	(8.0)
<b>Net profit</b>	<b>201</b>	<b>323</b>	<b>328</b>	<b>299</b>
% chg	74.4	60.5	1.7	(8.8)
EBITDA (%)	11.2	11.5	11.9	12.5
<b>EPS (₹)</b>	<b>28.0</b>	<b>44.8</b>	<b>45.5</b>	<b>41.5</b>
P/E (x)	17.3	10.8	8.7	9.6
P/BV (x)	4.9	3.7	2.4	2.1
RoE (%)	31.7	39.0	30.6	23.4
RoCE (%)	21.2	23.9	19.7	16.1
EV/Sales (x)	1.1	0.8	0.7	0.6
EV/EBITDA (x)	9.8	7.0	5.9	5.1

Source: Company, Angel Research

## NEUTRAL

CMP	₹397
Target Price	-

Investment Period	-
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#### Stock Info

Sector	Capital Goods
Market Cap (₹ cr)	3,481
Beta	1.2
52 Week High / Low	871/395
Avg. Daily Volume	482,980
Face Value (₹)	10
BSE Sensex	18,197
Nifty	5,482
Reuters Code	BGRE.BO
Bloomberg Code	BGRL@IN

#### Shareholding Pattern (%)

Promoters	81.1
MF / Banks / Indian Fls	5.0
FII / NRIs / OCBs	6.9
Indian Public / Others	7.0

Abs. (%)	3m	1yr	3yr
Sensex	(4.9)	1.1	31.9
BGR	(27.7)	(44.0)	23.9

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**Exhibit 1: Quarterly performance (Standalone)**

(₹ cr)	1QFY12	1QFY11	% chg (yoy)	4QFY11	% chg (qoq)	FY11	FY10	% chg (yoy)
<b>Net Sales</b>	<b>731</b>	<b>905</b>	<b>(19.2)</b>	<b>1,457</b>	<b>(49.8)</b>	<b>4,747</b>	<b>3,069</b>	<b>54.7</b>
Other operating income	3	1	-	4	-	13	5	-
<b>Total income</b>	<b>734</b>	<b>907</b>	<b>(19.0)</b>	<b>1,462</b>	<b>(49.8)</b>	<b>4,761</b>	<b>3,074</b>	<b>54.9</b>
Stock adjustments	(0)	(1.86)		2		(3)	2	
Raw Material	576	738	(21.9)	1,237	(53.4)	3,916	2,485	57.6
(% of total income)	78.4	81.2		84.8		82.2	80.9	
Employee Cost	34	33	4.5	35	(3.7)	143	125	14.7
(% of total income)	4.6	3.6		2.4		3.0	4.1	
Other Expenses	28	34	(18.1)	20	39.7	154	114	34.6
(% of total income)	3.8	3.8		1.4		3.2	3.7	
<b>Total Expenditure</b>	<b>638</b>	<b>803</b>	<b>(20.5)</b>	<b>1,294</b>	<b>(50.7)</b>	<b>4,210</b>	<b>2,726</b>	<b>54.5</b>
<b>EBITDA</b>	<b>96</b>	<b>104</b>	<b>(7.4)</b>	<b>167</b>	<b>(42.6)</b>	<b>551</b>	<b>348</b>	<b>58.2</b>
(EBITDA %)	13.1	11.4		11.5		11.6	11.3	
Interest	18	12	55.3	18	(1.6)	60	54	12.5
Depreciation	4	3	20.7	7	(46.8)	17	10	71.9
Other Income	0	3	(100.0)	2	(100.0)	9	20	(57.3)
<b>PBT</b>	<b>74</b>	<b>92</b>	<b>(18.9)</b>	<b>144</b>	<b>(48.3)</b>	<b>482</b>	<b>305</b>	<b>58.2</b>
(% of total income)	10.1	10.1		9.8		10.1	9.9	
Total Tax	24	31	(22.7)	45	(47.0)	158	104	52.2
(% of PBT)	31.6	34.0		31.6		32.7	34.0	
<b>PAT (Reported)</b>	<b>50</b>	<b>61</b>	<b>(17.0)</b>	<b>98</b>	<b>(48.9)</b>	<b>324</b>	<b>201</b>	<b>61.3</b>
(% of total income)	6.8	6.7		7.0		6.8	6.5	
<b>EPS (₹)</b>	<b>7.0</b>	<b>8.4</b>	<b>(17.1)</b>	<b>13.7</b>	<b>(49)</b>	<b>45.0</b>	<b>27.9</b>	<b>61.2</b>

Source: Company, Angel Research

**Exhibit 2: Actual vs. estimates**

(₹ cr)	Actual	Estimates	Var. (%)
<b>Revenue</b>	<b>734</b>	<b>771</b>	<b>(4.7)</b>
EBITDA	96	85	13.3
PAT	50	40	24.6
<b>EPS (₹)</b>	<b>7.0</b>	<b>5.6</b>	<b>24.4</b>

Source: Company, Angel Research

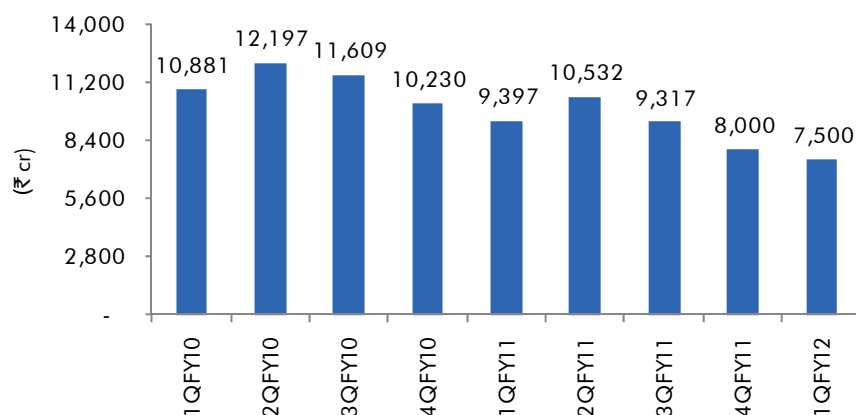
**Exhibit 3: Segment-wise performance**

Y/E March (₹ cr)	1QFY12	1QFY11	% chg (yoy)	4QFY11	% chg (yoy)	FY2011	FY2010	% chg (yoy)
<b>Revenue</b>								
Capital goods	58	27	116.6	121	(52.1)	266	168	58.2
Const. and EPC contracts	673	879	(23.4)	1,336	(49.6)	4,481	2901	54.5
<b>Total revenue</b>	<b>731</b>	<b>905</b>	<b>(19.2)</b>	<b>1,457</b>	<b>(49.8)</b>	<b>4,747</b>	<b>3,069</b>	<b>54.7</b>
<b>EBIT (excl. net unallocable inc.)</b>								
Capital goods	2	2	7.7	14	(83.3)	30	21	43.6
Const. and EPC contracts	90	100	(10.4)	146	(38.4)	510	158	222.3
<b>Total EBIT</b>	<b>92</b>	<b>103</b>	<b>(10.0)</b>	<b>160</b>	<b>(42.4)</b>	<b>540</b>	<b>179</b>	<b>201.7</b>
<b>Revenue mix (%)</b>								
Capital goods	8.0	3.0		8.3		5.6	5.5	
Const. and EPC contracts	92.0	97.0		91.7		94.4	94.5	
<b>EBIT margin (%)</b>								
Capital goods	4.1	8.2		11.7		11.1	12.3	
Const. and EPC contracts	13.4	11.4		10.9		11.4	5.5	
<b>Total</b>	<b>12.6</b>	<b>11.3</b>		<b>11.0</b>		<b>11.4</b>	<b>5.8</b>	

Source: Company, Angel Research

**Segmental performance:** The EPC segment declined by 23.4% yoy but fared better on the OPM front by a 200bp expansion mainly due to change in mix between EPC and BOP. The capital goods segment showed increased proportion of 8% to the top line compared to 3% in 1QFY2011. However, the segment's margin compressed by ~410bp yoy.

**Order intake disappoints:** Order inflows for the quarter stood dismal at mere ₹40cr. This resulted in a 20.2% yoy drop in the order backlog to ₹7,500cr (₹9,397cr). The order backlog mainly consists of the power projects division (~90%). The company desperately requires high-value orders to regain momentum. The two high-value EPC projects (Mettur TPS and Kalisindh TPS) are nearing completion, which implies that the order book has to be fast replenished with such big orders to provide growth visibility for the coming years. Management reiterated its optimistic stance on securing orders towards the estimated order pipeline worth ₹37,000cr, including the NTPC bulk tender.

**Exhibit 4: Order backlog**


Source: Company, Angel Research

## Key highlights of the management call

- Current order backlog is sufficient to achieve 15% growth for FY2012E.
- Optimistic on securing orders in response to the bids for projects worth ₹37,000cr, including the supply of BTG, EPC and BoP projects, representing a capacity of 19,700MW. This is constituted by NTPC tenders (~12,000 MW) and IPPs (~8,000MW).
- The EPC order backlog is expected to be over by the end of the current year. The Mettur and Kalisindh projects are nearing completion.
- The BTG JV with Hitachi is on track to start production in the next 14–18 months with land acquisition in process.
- Capex for FY2012 is estimated at ₹45cr.

## Recommendation rationale

**Key movers for the company yet to trigger:** The Rajasthan SEB order, the NTPC bulk tender and revival in the power sector space (which is currently marred with delays) are the key triggers for the company to position itself for the coming years. The company is currently placed at L2 in two EPC contracts of Rajasthan SEB (2X660MW of ₹6,100cr each). The tender conditions permit Rajasthan SEB to award one of the EPC contracts to the L2 bidder, provided the company matches the L1 price.

We would like to highlight that further delays in the awarding of the Rajasthan SEB EPC contracts and NTPC's bulk tender are likely to negatively affect BGR's FY2013 revenue and profitability.

**Outlook and valuation:** : In a scenario of nil order inflows (base case scenario) for the current year, the existing backlog is expected to deplete by ~70% if the desired target of 15% (management guidance) is to be achieved. Hence, future growth visibility diminishes to a large extent. The current issues outlined in the power sector, viz. coal linkages and environmental clearances, have led to delays in the ordering process, which is evident from the intake scale of the company's competitors. Key triggers to the stock would be order wins from Rajasthan SEB and the NTPC bulk tender. The stock continues to de-rate on account order intake concerns and has fully factored the pessimistic growth trajectory of the company, thus providing a limited upside to the stock. **We recommend Neutral on the stock.**

**Change in estimates:** We revise our estimates on the back of the company's pessimistic growth trajectory. The concerns are magnified on the order inflow front, which subsequently support FY2013 outlook. Despite securing some orders in the coming year (base case scenario), a decline is imminent in the long term. Accordingly, we lower our growth estimates for FY2012E and FY2013E.

**Exhibit 5: Actual vs. Estimates**

	FY2012E			FY2013E		
	Earlier estimates	Revised estimates	Var. (%)	Earlier estimates	Revised estimates	Var. (%)
Revenue	5,252	5,122	(2.5)	5,719	4714	(17.6)
EBITDA	576	610	5.9	630	588	(6.6)
PAT	321	328	2.3	526	299	(43.1)

Source: Company, Angel Research

**Exhibit 6: Key assumptions**

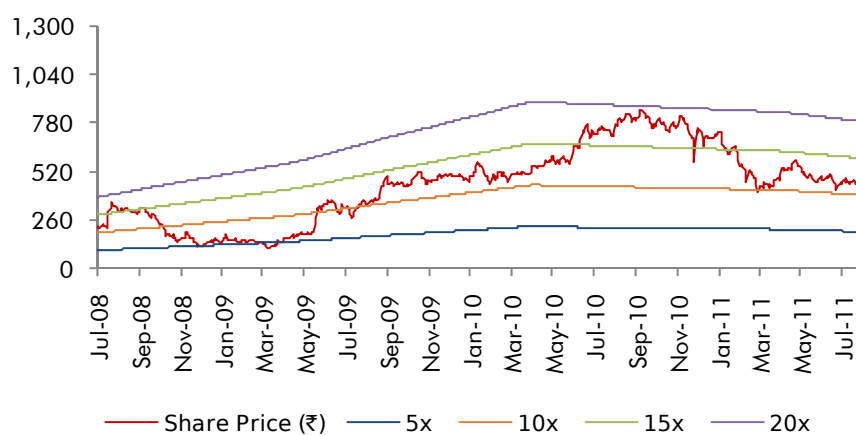
Particulars	FY2012E	FY2013E
Order inflow (₹ cr)	5,000	5,000

Source: Company, Angel Research

**Exhibit 7: Angel EPS forecast vs. consensus**

Y/E March	Angel forecast	Bloomberg consensus	Var. (%)
FY2012E	45.5	46.3	(1.7)
FY2013E	41.5	48.1	(13.7)

Source: Company, Angel Research

**Exhibit 8: One-year forward P/E band**


Source: Company, Angel Research

**Exhibit 9: Peer comparison**

Company	Reco.	CMP	Tgt. price	Upside/	P/BV(x)		P/E(x)		FY2011-13E		RoCE (%)		RoE (%)	
		(₹)	(₹)	(Downside) (%)	FY12E	FY13E	FY12E	FY13E	EPS CAGR	FY12E	FY13E	FY12E	FY13E	
ABB*	Sell	868	637	(26.6)	6.6	5.8	42.7	36.8	180.2	23.9	24.7	16.6	16.8	
Areva T&D*	Neutral	246	-	-	5.1	4.2	27.6	20.7	23.3	24.0	26.9	19.7	22.1	
BHEL	Neutral	1,839	-	-	3.7	3.0	13.5	11.6	19.5	40.0	37.3	29.4	27.3	
<b>BGR Energy</b>	<b>Neutral</b>	<b>397</b>	<b>-</b>	<b>-</b>	<b>2.4</b>	<b>2.1</b>	<b>8.7</b>	<b>9.6</b>	<b>(3.7)</b>	<b>19.7</b>	<b>16.1</b>	<b>30.6</b>	<b>23.4</b>	
Crompton Greaves	Accum	169	183	8.2	2.9	2.4	17.2	11.1	2.8	19.6	26.7	18.1	23.7	
Jyoti Structures	Buy	84	100	18.9	0.9	0.8	6.9	5.7	22.7	23.7	22.9	16.6	15.0	
KEC International	Buy	79	115	44.8	1.8	1.4	8.3	6.2	24.1	24.9	28.7	23.9	26.3	
Thermax	Neutral	570	-	-	4.2	3.4	16.3	13.9	13.1	33.6	32.7	28.3	26.7	

Source: Company, Angel Research; Note: \*December year ending

**Profit & loss account (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
<b>Operating income</b>	<b>1,521</b>	<b>1,930</b>	<b>3,073</b>	<b>4,763</b>	<b>5,122</b>	<b>4,714</b>
% chg	93.3	27.0	59.2	55.0	7.5	(8.0)
<b>Total Expenditure</b>	<b>1,365</b>	<b>1,721</b>	<b>2,729</b>	<b>4,214</b>	<b>4,512</b>	<b>4,125</b>
Raw Materials	1,108	1,352	2,187	3,677	3,766	3,442
Mfg costs	142	172	236	238	246	224
Personnel Costs	45	74	126	145	179	165
Other Costs	70	123	180	154	320	295
<b>EBITDA</b>	<b>155</b>	<b>209</b>	<b>344</b>	<b>550</b>	<b>610</b>	<b>588</b>
% chg	75.7	34.5	64.8	59.7	11.0	(3.6)
(% of Net Sales)	10.2	10.8	11.2	11.5	11.9	12.5
Depreciation & Amortisation	6	8	10	17	21	26
<b>EBIT</b>	<b>150</b>	<b>201</b>	<b>334</b>	<b>532</b>	<b>589</b>	<b>563</b>
% chg	88.3	34.4	65.8	59.4	10.7	(4.5)
(% of Net Sales)	9.9	10.4	10.9	11.2	11.5	11.9
Interest & other Charges	27	58	54	60	102	121
Other Income	7	32	25	9	10	12
(% of PBT)	5.1	18.1	8.2	1.8	2.0	2.6
Recurring PBT	130	175	305	481	498	454
% chg	109.4	35.2	74.2	57.6	3.5	(8.8)
Extraordinary Expense/(Inc.)	0	0	0	0	0	0
<b>PBT (reported)</b>	<b>130</b>	<b>175</b>	<b>305</b>	<b>481</b>	<b>498</b>	<b>454</b>
Tax	41	60	104	158	169	154
(% of PBT)	31.7	34.0	34.0	32.8	32.5	32.5
<b>PAT (reported)</b>	<b>88</b>	<b>116</b>	<b>201</b>	<b>323</b>	<b>328</b>	<b>299</b>
Add: Share of earnings of asso.	0	0	0	0	0	0
Less: Minority interest (MI)	1	0	0	0	0	0
Prior period items	0	0	0	0	0	0
<b>PAT after MI (reported)</b>	<b>87</b>	<b>115</b>	<b>201</b>	<b>323</b>	<b>328</b>	<b>299</b>
<b>ADJ. PAT</b>	<b>87</b>	<b>115</b>	<b>201</b>	<b>323</b>	<b>328</b>	<b>299</b>
% chg	110.8	32.2	74.4	60.5	1.7	(8.8)
(% of Net Sales)	5.7	6.0	6.6	6.8	6.4	6.4
<b>Basic EPS (₹)</b>	<b>12.1</b>	<b>16.0</b>	<b>28.0</b>	<b>44.8</b>	<b>45.5</b>	<b>41.5</b>
<b>Fully Diluted EPS (₹)</b>	<b>12.1</b>	<b>16.0</b>	<b>28.0</b>	<b>44.8</b>	<b>45.5</b>	<b>41.5</b>
% chg	(68.4)	32.2	74.4	60.1	1.7	(8.8)

**Balance sheet (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
<b>SOURCES OF FUNDS</b>						
Equity Share Capital	72	72	72	72	72	72
Preference Capital	0	0	0	0	0	0
Reserves & Surplus	402	492	634	880	1,124	1,297
<b>Shareholders' Funds</b>	<b>474</b>	<b>564</b>	<b>706</b>	<b>952</b>	<b>1,196</b>	<b>1,369</b>
Minority Interest	3	3	3	52	52	52
Total Loans	503	709	934	1,337	1,787	1,937
Deferred Tax Liability	36	75	155	308	308	308
<b>Total Liabilities</b>	<b>1,015</b>	<b>1,350</b>	<b>1,798</b>	<b>2,649</b>	<b>3,343</b>	<b>3,666</b>
<b>APPLICATION OF FUNDS</b>						
Gross Block	73	125	182	307	352	427
Less: Acc. Depreciation	21	27	37	54	75	101
Net Block	53	98	145	253	277	326
Capital Work-in-Progress	1	5	10	10	10	10
Goodwill	1	1	1	1	1	1
<b>Investments</b>	<b>151</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>350</b>	<b>700</b>
Deferred Tax Asset	0	0	0	0	0	0
<b>Current Assets</b>	<b>1,333</b>	<b>2,569</b>	<b>3,770</b>	<b>5,115</b>	<b>5,374</b>	<b>5,386</b>
Cash	307	615	1,028	1,045	782	1,155
Loans & Advances	266	643	727	840	1,163	1,071
Inventories	15	14	16	41	39	36
Debtors	736	1,279	1,980	3,158	3,368	3,100
Others	9	18	18	32	23	25
Current liabilities	484	1,233	1,896	2,397	2,167	2,229
<b>Net Current Assets</b>	<b>809</b>	<b>1,246</b>	<b>1,641</b>	<b>2,364</b>	<b>2,705</b>	<b>2,628</b>
Mis. Exp. not written off	-	-	-	-	-	-
<b>Total Assets</b>	<b>1,015</b>	<b>1,350</b>	<b>1,798</b>	<b>2,649</b>	<b>3,343</b>	<b>3,666</b>

**Cash flow statement (Consolidated)**

Y/E March (₹ cr)	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
<b>PAT</b>	<b>87</b>	<b>115</b>	<b>201</b>	<b>323</b>	<b>328</b>	<b>299</b>
Adjustments	72	118	168	236	292	301
Opr Profits Before WC Chng.	159	234	369	559	620	600
Changes in Working Capital	(323)	(153)	(67)	(1,017)	(141)	411
Taxes Paid during the year	(6)	(4)	25	(158)	(168)	(158)
<b>Cash Flow from Operations</b>	<b>(170)</b>	<b>77</b>	<b>327</b>	<b>(616)</b>	<b>312</b>	<b>854</b>
(Inc.)/Dec in Fixed Assets	(16)	(57)	(63)	(128)	(45)	(75)
(Inc.)/Dec in Investments	(151)	151	0	0	(350)	(350)
(Inc.)/Dec in Loans/advances	0	0	0	0	0	0
Other Income	4	2	0	0	0	0
<b>Cash Flow from Investing</b>	<b>(163)</b>	<b>97</b>	<b>(63)</b>	<b>(128)</b>	<b>(395)</b>	<b>(425)</b>
Issue of Equity	320	0	0	0	0	0
Inc/(Dec) in Loans	256	206	225	404	450	150
Dividend Paid (incl.Tax)	(3)	(14)	(22)	(84)	(84)	(84)
Others	(26)	(58)	(54)	(31)	(74)	(121)
<b>Cash Flow from Financing</b>	<b>547</b>	<b>134</b>	<b>149</b>	<b>289</b>	<b>292</b>	<b>(55)</b>
Cash generated/(utilised)	214	308	413	(455)	209	373
<b>Cash at start of the year</b>	<b>93</b>	<b>307</b>	<b>615</b>	<b>1,028</b>	<b>573</b>	<b>782</b>
<b>Cash at end of the year</b>	<b>307</b>	<b>615</b>	<b>1,028</b>	<b>1,045</b>	<b>782</b>	<b>1,155</b>

### Key Ratios

Y/E March	FY2008	FY2009	FY2010	FY2011	FY2012E	FY2013E
<b>Valuation Ratio (x)</b>						
P/E (on FDEPS)	32.8	24.8	14.2	8.9	8.7	9.6
P/CEPS	30.8	23.3	13.5	8.4	8.2	8.8
P/BV	6.0	5.1	4.1	3.0	2.4	2.1
Dividend yield (%)	0.5	0.8	1.8	2.5	2.5	3.8
EV/Sales	1.9	1.5	0.9	0.7	0.7	0.6
EV/EBITDA	18.7	14.2	8.0	5.8	5.9	5.1
EV / Total Assets	2.9	2.2	1.5	1.2	1.1	0.8
<b>Per Share Data (₹)</b>						
EPS (Basic)	12.1	16.0	28.0	44.8	45.5	41.5
EPS (fully diluted)	12.1	16.0	28.0	44.8	45.5	41.5
Cash EPS	12.9	17.1	29.4	47.2	48.4	45.0
DPS	2.0	3.0	7.0	10.0	10.0	15.0
Book Value	65.8	78.3	98.1	131.9	165.7	189.7
<b>DuPont Analysis(%)</b>						
EBIT margin	9.9	10.4	10.9	11.2	11.5	11.9
Tax retention ratio (%)	68.3	66.0	66.0	67.2	67.5	67.5
Asset turnover (x)	3.8	3.0	4.1	4.0	2.7	2.3
RoIC (Pre-tax)	37.8	31.2	44.4	44.9	30.9	28.0
RoIC (Post-tax)	25.8	20.6	29.3	30.2	20.9	18.9
Cost of Debt (Post Tax)	4.9	6.3	4.3	3.6	4.4	4.4
Leverage (x)	0.6	0.3	0.0	0.1	0.6	0.7
Operating ROE	38.9	24.6	29.3	33.3	30.8	29.0
<b>Returns (%)</b>						
RoCE (Pre-tax)	22.3	17.0	21.2	23.9	19.7	16.1
Angel RoIC (Pre-tax)	38.0	31.4	44.9	45.3	31.1	28.1
RoE	31.4	22.3	31.7	39.0	30.6	23.4
<b>Turnover ratios (x)</b>						
Asset Turnover (Gross Block)	22.4	19.6	20.1	19.5	15.6	12.1
Inventory / Sales (days)	5	3	2	2	3	3
Receivables (days)	133	190	194	197	233	250
Payables (days)	100	182	209	186	185	194
WC cycle (ex-cash) (days)	95	107	74	74	116	132
<b>Solvency ratios (x)</b>						
Net debt to Equity	0.4	0.2	(0.1)	0.3	0.8	0.6
Net debt to EBITDA	1.3	0.4	(0.3)	0.5	1.6	1.3
Interest Coverage	5.6	3.5	6.2	8.8	5.8	4.6

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### Disclosure of Interest Statement

1. Analyst ownership of the stock
2. Angel and its Group companies ownership of the stock
3. Angel and its Group companies' Directors ownership of the stock
4. Broking relationship with company covered

### BGR Energy Systems

No  
No  
No  
No

*Note: We have not considered any Exposure below Rs 1 lakh for Angel, its Group companies and Directors.*

### Ratings (Returns):

Buy (> 15%)

Reduce (-5% to 15%)

Accumulate (5% to 15%)

Sell (< -15%)

Neutral (-5 to 5%)