

High dividend yield stocks offer a safe haven to investors where safety has greater priority compared to high returns. Hence, even if the market remains volatile, going ahead, an investor can still get a decent return on investment, thanks to good dividend yielding stocks. The dividends are paid no matter what direction the stocks move and can provide a higher yield on investment in a weak market.

We have short-listed companies that would provide a decent dividend yield in the near future. For this purpose, we have filtered companies that have had at least 75% of FY10 profits in the nine months ended December 2010 and assumed that the companies would maintain their FY10 dividend payout ratio. We have forecasted the FY11E PAT by taking the actual PAT of nine months ended December 2010 and assumed Q4FY11 as an average of last three quarters net profit. Based on the FY11E net profit and FY10 payout ratio, we have calculated the dividend percent for FY11E. Finally, we have deducted the interim dividends already paid in FY11 to arrive at the expected final dividend and dividend yield.

### Exhibit 1: High dividend yield stocks

Company Name	Idirect code	PAT (₹ Cr) FY10	Dividend Payout (%) FY10	Dividend % FY10	PAT (₹ Cr)		Dividend Amt		Face Value (₹)	CMP (₹ Cr)	Total Dividend % expected for FY11E	FY11 interim dividend % already paid	Final Dividend % expected for FY11	Expected Dividend Yield %
					month ended December 2010	PAT FY11E	FY11E (₹ Cr)	Equity (₹ Cr)						
S C I	SCI	376.9	62.0	50.0	565.2	753.6	466.8	465.8	10	106.0	100	30	70	6.63
Indiabulls Fin.	INDBUL	264.2	73.1	250.0	449.9	599.8	438.5	62.2	2	147.5	705	250	455	6.18
T N Newsprint	TAMNEW	126.1	25.8	45.0	129.4	172.6	44.5	69.2	10	122.6	64	0	64	5.24
Edelweiss Cap.	EDECAP	34.2	271.1	200.0	45.1	60.1	163.0	75.2	1	37.3	217	25	192	5.14
G N F C	GNFC	123.8	43.8	32.5	129.6	172.9	75.6	155.4	10	99.8	49	0	49	4.88
Delta Corp	ARRWEB	13.6	38.6	25.0	130.2	173.5	67.0	20.2	1	68.8	332	0	332	4.83
SRF	SRF	309.4	28.7	140.0	347.4	463.1	133.0	60.5	10	321.2	220	70	150	4.66
SJVN	SJVLIM	972.7	35.8	8.0	801.9	1069.1	382.2	4136.6	10	20.4	9	0	9	4.53
Vijaya Bank	VIJBAN	507.3	23.9	25.0	469.6	626.1	149.5	433.5	10	77.4	34	0	34	4.46
Balmer Lawrie	BALLAW	117.3	33.7	230.0	86.8	115.7	39.0	16.3	10	547.0	240	0	240	4.38
Jagran Prakashan	JAGPRA	175.9	66.7	175.0	163.8	218.3	145.7	60.2	2	115.9	242	0	242	4.18
SREI Infra. Fin.	SREINT	111.5	12.8	12.0	118.1	157.4	20.1	116.3	10	43.3	17	0	17	3.99
Chambal Fert.	CHAFER	249.1	33.5	19.0	257.5	343.3	115.1	416.2	10	70.2	28	0	28	3.94
J & K Bank	JAMKAS	512.4	21.6	220.0	476.5	635.3	137.1	48.5	10	752.6	283	0	283	3.76
Jindal Poly Film	JINPOL	208.4	11.3	100.0	484.3	645.8	72.6	46.0	10	420.4	158	0	158	3.75
Mcleod Russel	MCLRUS	240.3	18.8	80.0	355.2	473.6	88.9	54.7	5	222.0	162	0	162	3.66
G S F C	GSFC	254.5	14.4	45.0	544.2	725.6	104.7	79.7	10	363.9	131	0	131	3.61
Nag. Fert & Chem	NAGFER	66.4	34.1	5.0	88.9	118.5	40.4	428.2	10	27.2	9	0	9	3.47
Brigade Enterpr.	BRIENT	46.2	30.7	12.0	92.0	122.7	37.6	112.3	10	97.3	34	0	34	3.44
Indian Metals	INDMFA	41.0	33.9	50.0	141.0	187.9	63.8	26.3	10	564.8	242	50	192	3.40
Sasken Comm.Tec.	SASCOM	76.0	22.2	60.0	71.2	94.9	21.1	27.6	10	152.2	77	25	52	3.38
Gateway Distr.	GATDIS	77.2	53.3	35.0	58.5	78.0	41.6	108.0	10	113.9	38	0	38	3.38
Guj NRE Coke	GUJNRE	51.9	129.6	10.0	51.0	68.0	88.1	558.0	10	47.4	16	0	16	3.33
Rotla India	ROLIND	360.5	14.9	32.5	395.1	526.8	78.4	161.3	10	147.7	49	0	49	3.29
Guj Inds. Power	GUJIP	106.8	37.6	25.0	81.7	109.0	41.0	151.3	10	88.6	27	0	27	3.06
Deepak Fert.	DEEFER	172.1	23.8	45.0	133.9	178.5	42.4	88.2	10	159.1	48	0	48	3.02
Tata Chemicals	TATCHE	434.8	55.0	90.0	334.7	446.2	245.2	254.8	10	330.6	96	0	96	2.91
Opto Circuits	OPTCIR	147.0	61.4	40.0	164.3	219.1	134.5	183.3	10	258.1	73	0	73	2.84
BASF India	BASF	96.8	35.7	80.0	118.2	157.6	56.2	40.8	10	493.4	138	0	138	2.80
Ackruti City	AKRNIR	173.8	21.7	50.0	150.7	200.9	43.6	72.7	10	217.3	60	0	60	2.76
Polaris Soft.	POLSOF	130.6	27.8	70.0	136.0	181.3	50.3	49.6	5	184.9	101	0	101	2.74
G M D C	GUJMI	279.9	29.9	125.0	262.1	349.4	104.3	63.6	2	123.5	164	0	164	2.66
TVS Motor Co.	TVSSUZ	88.0	34.1	120.0	150.9	201.2	68.6	47.5	1	55.0	144	0	144	2.63
Bajaj Fin.	BAJAF	89.4	25.6	60.0	175.9	234.6	60.1	36.6	10	637.2	164	0	164	2.57
O N G C	ONGC	16767.6	45.2	330.0	16133.1	21510.9	9729.4	2138.9	5	268.6	455	320	135	2.51
BGR Energy Sys.	BGRENE	201.0	26.2	70.0	225.9	301.1	78.9	72.1	10	441.4	109	0	109	2.48
Dena Bank	DENBAN	511.3	11.4	20.0	454.6	606.2	69.3	286.8	10	98.1	24	0	24	2.47
City Union Bank	CITUNI	152.8	20.3	75.0	163.7	218.2	44.3	40.4	1	45.1	110	0	110	2.43
Bank of India	BANIND	1741.1	21.9	70.0	1995.1	2660.1	582.8	525.9	10	460.3	111	0	111	2.41
IDBI Bank	IDBI	1031.1	21.8	30.0	1134.1	1512.1	328.9	984.5	10	139.6	33	0	33	2.39
Bajaj Auto	BAAUTO	1702.7	36.0	400.0	1939.3	2585.8	931.4	289.4	10	1377.7	322	0	322	2.34
Akzo Nobel	ICIIND	159.3	39.4	160.0	118.8	158.4	62.4	36.8	10	729.0	169	0	169	2.33
Punjab Natl.Bank	PUNBAN	3905.4	18.3	220.0	3232.6	4310.1	789.2	315.3	10	1080.6	250	0	250	2.32
South Ind.Bank	SOUINO	233.8	20.0	40.0	210.8	281.1	56.2	113.0	1	21.6	50	0	50	2.30
Vardhman Textile	MAHSPI	213.8	8.2	30.0	330.2	440.3	36.2	63.7	10	258.1	57	0	57	2.20

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**Pankaj Pandey**

**Head – Research**

**pankaj.pandey@icicisecurities.com**

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

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