



RESULT PREVIEW Q2FY10

10th October 2009

www.anagram.co.in

BANKING & ENGINEERING TO SURPRISE THE STREET

We expect companies to show marginal improvements this quarter after reporting strong numbers in the previous as the Indian economy continues to improve in the post 'Lehman collapse' era.

Auto, Cement, Banking and Capital Goods sectors are likely to report strong growth in sales and net profits whereas companies in Metal sector are likely to register a YoY de-growth. Companies in Construction space are likely to post strong revenue growth owing to huge order-book, their bottom line performance might not be as rosy due to increasing interest and depreciation charges.

We see Banking companies under our coverage to beat street expectations significantly. We also expect companies in Engineering sector are likely to report better numbers than the market.

Loose monetary policy followed across the globe has seen Indian companies indulging in fund raising binges. Many corporate could garner resources, which were considered beyond their reach. We hope, this mullah will put to constructive uses, and that will keep fuelling the earnings growth momentum in quarters ahead.

(Rs crores)										
Company	Recommendation	Price	Sales			Net profit				
			Sep-09	YoY (%)	QoQ (%)	Sep-09	YoY (%)	QoQ (%)	EPS	P/E
Automobiles										
Bajaj Auto	Neutral	1590	2996	18%	28%	397	115%	25%	76.8	20.7
Hero Honda	Sell	1645	4102	29%	7%	538	76%	8%	78.2	21.0
Maruti Suzuki	Sell	1475	6723	39%	6%	585	98%	0%	56.3	26.2
Banking										
Axis Bank	Neutral	996	3951	22.0%	2.3%	641	59.1%	14.1%	51.4	19.4
HDFC Bank	Sell	1674	5245	13.2%	2.1%	699	32.3%	15.3%	55.9	30.0
PNB	Neutral	821	6387	20.2%	3.4%	964	36.4%	15.9%	108.2	7.6
SBI	Sell	2066	22306	24.5%	6.0%	2978	31.8%	27.8%	154.5	13.4
Cement										
Ultratech Cement	Buy	867	1585	13.5%	-18.8%	312	90.3%	-25.2%	100.4	8.63
India Cement	Neutral	129	999	5.7%	4.8%	136	1.2%	4.1%	19.2	6.70
Birla Corporation	Accumulate	297	534	43.6%	8.9%	126	111.8%	-18.6%	65.7	4.53
Shree Cement	Accumulate	1567	890	41.5%	-3.5%	251	147.6%	-15.0%	287.6	5.45
Construction										
HCC	Neutral	129	890	37.1%	1.6%	15	196.0%	-28.4%	4	32
IVRCL	Buy	373	1465	26.4%	34.9%	53	-6.9%	51.5%	17	22
NCC	Neutral	164	1165	10.3%	16.4%	47	11.8%	23.8%	7	23
Sadbhav Engineering	Buy	836	160	28.8%	-46.6%	5	15.8%	-72.3%	53	16
Simplex Infra	Neutral	519	1171	16.2%	3.6%	27	-2.4%	-3.6%	22	23

Engineering & Capital Goods

ABB	Sell	780	1620	6.7%	7.0%	113	8.2%	35.0%	5.3	147.2
Alstom Projects	Buy	552	709	22.0%	30.0%	69	16.0%	89.0%	1027.0	0.5
BEML	Buy	1074	706	15.2%	34.0%	58	4.5%	994.0%	13.9	77.3
BGR Energy	Buy	484	505	19.0%	38.0%	42	79.0%	109.0%	5.8	83.4
BHEL	Netural	2429	6799	27.0%	18.0%	873	4200.0%	85.0%	17.8	136.5
Crompton greaves	Netural	320	2292	9.5%	4.0%	179	4800.0%	11.0%	4.8	66.7
L&T	Buy	1632	9070	18.0%	19.0%	646	4000.0%	-11.0%	22.1	73.8
Punj Lloyd	Buy	270	3277	12.0%	10.0%	184	2700.0%	48.0%	6.1	44.3
REL Infra	Buy	1292	2955	19.5%	19.0%	383	3300.0%	21.0%	17.0	76.0
Siemens	Netural	570	2712	0.12	0.3	271	20	0.44	8.1	70.4
Suzlon	Netural	85	1625	-0.61	-1.56	-325	-	0.28	-2.17	-39.2
Thermax	Netural	580	723	-0.1	0.28	57	1	0.23	4.8	120.8
TRF	Buy	518	141	0.55	0.23	13	5.4	1.31	13.7	37.8

FMCG

HUL	Sell	287	4456	10.6%	-0.4%	493	-10.0%	-9.3%	9.0	31.9
ITC	Neutral	248	4034	7.2%	-1.2%	838	4.4%	1.1%	8.9	27.9
MARICO	Buy	90	701	16.3%	0.7%	56	18.9%	-4.9%	3.7	24.2

Metals and Mining

Tata Steel (Standalone)	Sell	532	6115	-10.7%	10.1%	1090.3	-48.9%	38.0%	51.3	10.4
SAIL	Neutral	174	10955	-13.5%	20.9%	1589.0	-20.9%	19.8%	12.6	13.8
JSW Steel	Sell	890	4553	6.6%	16.9%	417.0	-23.2%	22.6%	45.7	19.5
Hindustan Zinc	Neutral	837	1727	-1.0%	14.2%	870.5	-9.3%	13.9%	60.5	13.8

Oil & Gas

Gujarat Gas Company Ltd	Neutral	196	365	13.1%	10.0%	51	31.8%	6.3%	12	17
GSPL	Buy	81	234	97.0%	10.7%	89	212.6%	10.3%	3	27
Indraprastha Gas Ltd	Neutral	163	253	17.5%	8.0%	53	6.1%	10.6%	13	13
Petronet LNG Ltd	Neutral	73	2750	66.2%	5.3%	138	33.5%	33.5%	7	11
Selan Exploration and Technology Ltd	Buy	328	22.8	-39.8%	25.3%	9.348	-59.5%	35.5%	25	13

Pharma

Biocon	Neutral	257	515	16.5%	3.9%	64	155.1%	10.9%	13	19
Dishman Pharma	Neutral	228	233	-7.4%	2.5%	40	22.4%	1.0%	23	10
Jubilant Organosys	Neutral	218	969	3.0%	8.1%	142	27.2%	12.7%	22	10
Piramal Healthcare	Neutral	382	968	8.8%	17.8%	101	-11.9%	18.2%	19	20

Power

GIPCL	NEUTRAL	115	262	-10%	5%	30	21%	3%	6.4	17.9
NTPC	SELL	209	11587	20%	-3%	2375	13%	8%	10.8	19.3

BAJAJ AUTO

Volume during the quarter up by 7%. Recovery in volumes kicked in August. We expect better realisation YoY as due to improved product mix and hedges at higher levels. We expect higher operating margins as sale of high margin pulsar segment more during the quarter.

(Rs crores)

We expect sales to increase by 29% YoY in Q2 FY10 due to rise in volumes by 22%. Margins to remain flat QoQ at 16%.

(Rs crores)

Volumes during the quarter to go up by 30%. While net realisation to move by 10% as reflected by better export realisations due to hedges at higher levels.

Axis Bank

NPM	21.5%	15.8%	19.3%
EPS	63.6	30.0	57.0

(Rs crores)

Net Interest Income	1935	1867	3.7%	1856	4.3%	Decelerating of business activities along with high base effect would result in to marginal NII growth at Rs 1935 Cr on YoY basis. Non interest income is expected to report healthy growth as compared to previous year. We expect net profit to grow by 32% YoY at Rs 699 Cr. At CMP of Rs 1674, the stock is trading at 4.8 times of its book value.
Net Profit	699	528	32.3%	606	15.3%	
NPM	16.7%	13.2%		14.8%		
EPS	60.1	48.8		56.1		

(Rs 0)

Net Profit	965	707	36.4%	832	15.9%	credit off take in the second quarter as compared to first one. Restructuring of assets would help the bank to steady its net delinquency rate at around 0.2% while the coverage ratio would be sustained at high level. At CMP of Rs 821, the stock is trading at 2x its BV.
NPM	18.0%	16.0%		15.2%		

(Rs c

Net Interest Income	5675	5455	4.0%	5025	12.9%	Net Profit is expected to grow by 32% YoY at Rs 2978 Cr. NII growth would remain subdued on yearly basis due to high base effect however on sequential basis it will report healthy growth following the credit off take in late days of the quarter. The net interest margin is expected to remain flat at 2.3-4 per cent. At CMP of Rs 2066, the stock is trading at 2.3 times of its book value.
Net Profit	2978	2260	31.8%	2330	27.8%	
NPM	16.2%	13.3%		14.5%		
EPS	165.8	125.6		154.5		

* Standalone basis

Ultratech Cement

OPM	35.4%	21.3%	36.7%
NPM	19.7%	11.8%	21.4%
EPS	35.4	13.3	33.6

(Rs crores)

OPM	28.5%	27.6%	30.0%
NPM	13.6%	14.2%	13.7%
EPS	1.8	6.2	1.6

(Rs crores)

OPM	34.5%	20.9%	35.8%
NPM	23.7%	16.1%	31.7%
EPS	16.8	7.8	20.2

(Rs crores)

EBITDA	483	173	158.1%	421	2.7%
Net Profit	251	101	147.6%	295	-15.0%
OPM	45.9%	27.5%		45.6%	
NPM	28.1%	16.1%		31.9%	
EPS	31.6	28.6		24.6	

Sadbhav Engineering

The company will post a 29% and 16% yoy growth in topline and bottomline respectively. The current orderbook stands at around Rs 5000 Cr which is almost 5 times its TTM sales. We believe the BOT projects of the company can provide a fillip to its valuations and remain bullish on the growth prospects it commands. We retain our 'OUTPERFORMER' rating on the

(Rs crores)

NCC is expected to report 10.3% and 11.9% growth in sales and net profit respectively. The current orderbook of the company is Rs 13900 Cr i.e. More than 3 times its TTM Sales. The company trades at 23 times TTM EPS of Rs 7.

(Rs crores)

We expect IVRCL to report 27% growth in topline whereas the bottom line may witness a 7% degrowth mainly owing to relatively stronger result in the same quarter previous year. The company has orders around Rs 13700 Cr which is dominated by water and irrigation projects. We retain our **OUTPERFORMER** rating on the stock with the SOTP based target price of Rs

(Rs crores)

Simplex Infra is likely to report revenue growth of 16% yoy and around 37% growth in operating profit owing to 156 bps expansion in OPM. The orderbook of the company is slightly in excess of 2 times its TTM sales. The company trades at 23 times its TTM EPS of 22.5. We leave our rating on the stock unchanged.

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	890	649	37.1%	876	1.6%	Recco	Neutral	CMP	129		P/E	32.3
EBITDA	116	84	38.3%	115	0.6%	HCC is likely to report 37% growth in topline aided by strong orderbook. The operating margins are likely to improve by 11 bps yoy due to decrease in raw material cost. While the real estate market in india has improved significantly over the last quarter, HCC has not yet managed to fully lease its 247 park at Vikhroli and progress at other real estate venture also is not so encouraging. The company trades at 32 times TTM EPS of Rs 4.						
Net Profit	15	5	196.0%	21	-28.4%							
OPM	13.0%	12.9%		13.1%								
NPM	1.7%	0.8%		2.4%								
EPS	4	3		4								

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	1620.0	1519.0	6%	1505.0	7%	Recco	Sell	CMP	780	P/E	147.2
EBITDA	162.0	135.0	17%	128.0	27%	ABB is expected to report 6.7% in top line growth & 8.2% in Net Profit.					
Net Profit	113.0	104.0	8%	83.6	35%	EBIDTA margin is expected at 10%					
						Order book is around Rs. 7110 Crore .					
OPM	10.0%	8.9%		8.5%		At CMP of Rs. 780, the stock trading at 36.80x CY09E with an EPS of Rs.					
NPM	7.0%	6.9%		5.6%		21.19					
EPS	5.3	4.9		3.9							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	709.0	581.0	22%	498.0	30%	Recco	Buy	CMP	552	P/E	53.7
EBITDA	93.0	79.0	15%	79.0	18%	Order backlog is expected to be more than than Rs. 3000 Crore. In Q2FY10, company has bagged more than Rs. 1000 crore of disclosed orders. At CMP of Rs. 552, stock trades at 15.7x FY10E earnings with an EPS of Rs. 35.					
Net Profit	68.0	59.0	16%	36.0	89%						
OPM	13.6%	13.1%		11.4%							
NPM	9.7%	10.1%		7.3%							
EPS	10.27	8.8		5.4							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	705.0	613.0	13%	465.0	34%	Recco	Buy	CMP	1074		P/E	77.3
EBITDA	75.9	58.0	24%	11.6	554%	Order backlog as on Q1FY10 is around Rs. 5036 Crore. Company is looking at huge opportunity of Rs. 25,000 Crore in the Metro & Rail Coaches. Company Plans to Invest Rs. 410 Crore to upgrades its existing facility. At CMP of 1074, stock trades at 10.07x FY10E earnings with an EPS of 106.64.						
Net Profit	58.0	55.5	4%	5.3	994%							
OPM	10.8%	9.5%		8.5%								
NPM	8.2%	9.0%		5.6%								
EPS	13.9	13.3		1.2								

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	9069.0	7686.0	18%	7362.0	19%	Recco	Buy	CMP	1632		P/E	73.8
EBITDA	987.0	676.8	46%	776.3	27%	L&T Finance has entered into the agreement to buy 100% stake in DBS Cholamandlam AMC for the consideration of Rs. 45 crore. Order book is more than Rs. 80000 crore. In Q2FY10, L&T has already bagged (disclosed) order worth of Rs. 15000 Crore & It is expected to bag more than Rs. 9000 crore of more orders in next 1-2 month. At CMP of 1632, stock trades at 23.13x FY10E earnings with an EPS of Rs. 70.5.						
Net Profit	646.0	460.0	40%	727.0	-11%							
OPM	10.9%	8.8%		10.5%								
NPM	7.1%	6.0%		9.9%								
EPS	22.1	15.7		24.9								

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	3277.2	2926.0	12%	2955.0	10%	Recco	Buy	CMP	270	P/E	44.3
EBITDA	326.0	272.4	20%	290.0	12%	Total Order book is expected to be around Rs. 31000 crore. At CMP of 270, Stock trades at 17.25x FY010E (consolidated) earnings with an EPS of Rs. 15.65					
Net Profit	183.0	144.7	27%	124.0	48%						
OPM	10.0%	9.3%		9.8%							
NPM	5.6%	4.9%		4.1%							
EPS	6.1	4.8		4.2							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	2955.0	2473.0	20%	2407.0	19%	Recco	Buy	CMP	1292		P/E	76.0
EBITDA	359.0	277.0	30%	260.0	38%	Order book is expected to be around at 30000. REL infra has bagged orders from Mumbai Metro II project worth of Rs. 11000 Cr. REL infra is one of the bidders for RS. 12132Crore Hyderabad Metro Project. At CMP of 1292, stock trades at 18x FY10E earnings with an EPS of Rs. 71.8.						
Net Profit	383.0	289.0	33%	316.0	21%							
OPM	12.2%	11.2%		10.8%								
NPM	13.0%	11.6%		13.2%								
EPS	17	12.6		14								

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	2712.0	2421.0	12%	1909.0	30%	Recco	NEUTRAL	CMP	570	P/E	70.4
EBITDA	394.0	302.0	30%	249.0	58%	Order Book is is expected to be around 11000 Crore. Company has bagged disclosed orders worth of more than Rs. 800 crore in past 2-3 months. At CMP, 570 stock trades 25x FY09E earnings (September ending quarter), with an EPS of Rs.23					
Net Profit	271.0	225.0	20%	188.0	44%						
OPM	14.6%	8.9%		13.0%							
NPM	10.0%	6.9%		9.9%							
EPS	8.1	4.9		5.6							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	1625.0	4181.0	-61%	4152.0	-156%	Recco	NEUTRAL	CMP	85	P/E	-39.2
EBITDA	-75.0	412.0	-118%	-6.4		Suzlon has raised USD 202 million through the combination of FCCB & GDR in Q2FY10 which has resulted in equity dilution of 7.2%. Besides this, company has raised Rs. 690 Crore through stake sale of 70 million shares (4.5%). Current order book stands at 1557MW. Management is expecting orders worth of 500MW in next 3-4 months. At CMP of 85, stock trades at 11x FY11E (Consolidated) earnings with an EPS of Rs. 8.73.					
Net Profit	-325.0	-130.0		-452.0	28%						
OPM	-4.6%	9.9%		-0.2%							
NPM	-20.0%	-3.0%		-10.9%							
EPS	-2.17	-0.9		-3.56							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	723.0	804.0	-10%	522.0	28%	Recco	NEUTRAL	CMP	580	P/E	120.8
EBITDA	92.6	93.0	0%	54.0	71%	Total Order is expected at Rs. 4500 crore . At CMP of 580, stock trades at 27.2x FY09E (consolidated) earnings with an EPS of Rs. 21.3					
Net Profit	57.0	57.0	0%	46.5	23%						
OPM	12.8%	11.6%		10.3%							
NPM	7.9%	7.1%		8.9%							
EPS	4.8	4.8		3.9							

(Rs crores)	Oct-09	Oct-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	141.0	91.0	55%	109.0	23%	Recco	Buy	CMP	580	P/E	42.3
EBITDA	21.8	13.9	57%	12.1	80%	TRF has signed an agreement to acquire Dutch Lanka Trailer manufacture LTD. In first phase, TRF would acquire a 51% stake for USD 8.67 million and also sign a call & Put Option agreement for acquisition of the balance 49% for USD 8.33 million. Total Order of company is around Rs. 1370 crore. Orders in pipe line are about Rs. 700 Crore. At CMP of 518, stock trades at 8.57x FY10E earnings with an EPS of Rs. 60.45.					
Net Profit	15.1	12.4	21%	6.5	131%						
OPM	15.5%	15.3%		11.0%							
NPM	10.7%	13.7%		5.9%							
EPS	13.7	11.29		5.91							

HUL											
(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	4456	4028	10.6%	4476	-0.4%	Recco	Sell	CMP	287	P/E	31.7
EBITDA	646	476	35.7%	688	-6.1%	We expect HUL to post a sales growth of 11% on YoY. We expect the profit to decline by -10% YoY and -9% on QoQ basis. Due to the continous loss in marketshare the company has continued to take steps to increase consumer value this will put some preassure on the margins.					
Net Profit	493	547	-10.0%	543	-9.3%						
OPM	14.5%	11.8%		15.0%							
NPM	11.1%	13.6%		13.2%							
EPS	9.0	10.1		9.9							

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	4034	3763	7.2%	4083	-1.2%	Recco	HOLD	CMP	248	P/E	27.9
EBITDA	1331	1116	19.3%	1337	-0.5%	We expect ITC to post a 7% revenue growth on YoY basis and -1% on QoQ basis and profit to grow by 4% YoY and 1% on QoQ basis. We expect a continued slowdown in the hotel business due to the low occupancy rates and the decline in the average revenue per room. expect the agri business to do well on account of high tobacco prices.					
Net Profit	838	803	4.4%	828	1.1%						
OPM	33.0%	29.7%		32.0%							
NPM	20.8%	21.3%		20.9%							
EPS	8.9	8.5		8.8							

Marico

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	701	603	16.3%	696	0.7%	Recco	BUY	CMP	89.5	P/E	24.2
EBITDA	87	74	16.9%	92	-6.0%	We expect Marico to post a robust 16% topline growth and 19% revenue growth on YoY basis.					
Net Profit	56	47	18.9%	59	-4.9%						
OPM	12.3%	12.3%		13.2%		We expect this strong growth to continue in the future. a loss in the kaya skin clinic business might put pressure on the margins but we expect the skin clinic business to turn profitable in FY11.					
NPM	8.0%	7.8%		8.5%							
EPS	3.7	3.1		3.9							

METALS AND MINING
Tata Steel (Standalone)

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	6115	6851	-10.7%	5554	10.1%	Recco	Sell	CMP	532	P/E	10.4
EBITDA	1932	3183	-39.3%	1742	10.9%	Tata Steel India is expected to show sequential improvement due to increase in blended realisations by 7% (~42000/tonne) and steady sales volume (~1.45 MT) resulting from strong domestic steel demand. 15% fall in realizations on YoY basis are expected to result in sharp decline in Operating profit margins. YoY decline in net profit is due to fall in realizations and higher interest cost. Corus is expected to remain in net loss for the third straight quarter resulting in an overall loss for the group on a consolidated basis. 30% on YoY basis. At CMP 537, stock trades at FY10 EPS of 40 and P/E of 13.4					
Net Profit	1090	2133	-48.9%	790	38.0%						
OPM	31.6%	46.5%		31.4%							
NPM	17.8%	31.1%		14.2%							
TTM EPS	51.3	87.2		61.2							

SAIL

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	10955	12661	-13.5%	9064	20.9%	Recco	Neutral	CMP	174	P/E	13.8
EBITDA	2817	3434	-18.0%	2415	16.6%	Increase in sales volume and realisation will result in higher sales sequentially due to robust domestic steel demand during the quarter. Sales volume is expected to grow by 8% QoQ and realisations also improve by 12%. EBITDA is expected to improve QoQ due to fall in coking coal costs. We expect the margin to improve and higher net profits on a sequential basis despite an increase in interest and depreciation costs. At CMP 174, stock trades at FY10 EPS of 14 and P/E of 12.4					
Net Profit	1589	2010	-20.9%	1326	19.8%						
OPM	25.7%	27.1%		26.6%							
NPM	14.5%	15.9%		14.6%							
TTM EPS	12.6	19.7		13.6							

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	4553	4269	6.6%	3894	16.9%	Recco	Sell	CMP	890	P/E	19.5
EBITDA	1165	910	28.0%	988	17.9%	JSW Steel is likely to see marginal improvement in the bottomline in Q2FY10E, due to better demand, improvement in realisation and full effect of lower raw material costs. The company has been able to increase its steel production to 1.54 mn tonnes substantially during the quarter. However, it was still behind its YoY growth target of 78%. Overall blended realisation are likely to be around Rs 33000/ tonne, higher by 20% on QoQ basis but lower by 30% on YoY basis. At CMP 890, stock trades at FY10 EPS of 70 and P/E of 12.7					
Net Profit	417	543	-23.2%	340	22.6%						
OPM	25.6%	21.3%		25.4%							
NPM	9.2%	12.7%		8.7%							
TTM EPS	45.7	67.9		52.5							

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	1727	1744	-1.0%	1512	14.2%	Recco	Neutral	CMP	837	P/E	13.8	QoQ improvement in sales expected as average LME Zinc prices during Q2 were 17% higher and average LME Lead prices were 30% higher than Q1FY10. Margins are expected to be better on account of better realizations and cost cutting measures undertaken by the company. Other income is expected to increase due to higher accumulation of cash and equivalents, which will cushion the decline of the bottom line. 30% on YoY basis. At CMP 837, stock trades at FY10 EPS of 70 and P/E of 11.9
EBITDA	1176	935	25.7%	962	22.2%							
Net Profit	871	960	-9.3%	764	13.9%							
OPM	68.1%	53.6%		63.6%								
NPM	50.4%	55.0%		50.5%								
TTM EPS	60.5	91.6		62.5								

Biocon

Top line is expected to grow by 16% YoY primarily driven by the contract Research business. The margins are expected to increase to 22% on account of better product mix.

(Rs crores)

Net Sales is expected to be subdued and degrow 7% YoY with Operating Margins of 24%. We expect the company to benefit from the Solvay-Abbott deal and help its topline in future.

(Rs crores)

Jubilant is expected to record 3% topline growth YoY, mainly on account of slowdown in the global CRAMS business, though we expect the situation to improve owing to the recovery in the global economy.

(Rs crores)

Sales of Piramal is expected to grow by 9% YoY, driven by the robust performance in domestic formulation business. We expect the margins not to deviate much from its current levels.

NTPC

NTPC											
(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	11587	9661	20%	12003	-3%	Recco	SELL	CMP	209	P/E	19.3
EBITDA	3186	2547	25%	3176	0%	We expect 83% PLF for coal plant and 79% PLF for gas based plant. Generation during the quarter to be at 50.3 BU. During the quarter company has signed 0.67 mmcmd gas for three gas plants.RGGPL will start receiving gas to tune of 5 mmcmd in the month, which will help loss making associate to generate profit in coming quarters.					
Net Profit	2375	2111	13%	2194	8%						
OPM	27.5%	26.4%		26.5%							
NPM	20.5%	21.8%		18.3%							
EPS	10.8	8.4		10.51							

(Rs cro

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	262	291	-10%	250	5%	Recco	NEUTRAL	CMP	115	P/E	17.9
EBITDA	62	55	11%	59	4%	We expect company to generate 1121 MU during the quarter. The company commissioned first unit of SLPP II in August and another unit 2 of 125 MW will get commissioned during Q3 FY10. SLPP II tariffs have ROE of 15.5% while previous capacity had regulated reutrnr of 13%. We expect Sales and profits to increase substantially in coming quarters as full capacity comes					
Net Profit	30	25	21%	29	3%						
OPM	23.5%	19.0%		23.7%							
NPM	11.5%	8.5%		11.8%							
EPS	6.4	6.0		6.1							

Petronet LNG Ltd

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks						
Net Sales	2750	1655	66%	2612.00	5%	Recco	Neutral	CMP	73	P/E	10.0	
EBITDA	261	176	48%	182	44%	We expect sales volume ti increase by 5% QoQ with the increase in demand for spot LNG. Depreciation is likely to increase because of the commissioning of Dahej Project.						
Net Profit	138	103	33%	103	33%							
OPM	9.5%	10.6%		7.0%								
NPM	5.0%	6.2%		4%								
EPS	1.8	1.4		1.4								

(Rs crores)	\$
-------------	----

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	252.7	215	18%	234	8%	Recco	Neutral	CMP	163	P/E	10.7
EBITDA	91.0	85	7%	86	6%	Volumes are likely to increase from 150 mmscm to 169 mmscm YoY for CNG and PNG is likely to grow from 11mmscm to 13 mmscm YoY. Currently, IGL currently operates 182 CNG stations.					
Net Profit	53.1	50	6%	48	11%						
OPM	36%	40%		36.8%							
NPM	21%	23%		20.5%							
EPS	3.8	3.6		3.4							

Gujarat Gas Company Ltd

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	365	323	13%	332	10%	Recco	Neutral	CMP	196	P/E	12.3
EBITDA	81	66	22%	82	-1%	Gas Sourcing is the main concern for the company since long as supply from the PMT gas is reducing every year.Volumes from LNG supply are likely to increase this quarter.					
Net Profit	51	39	32%	48	6%						
OPM	22.2%	20.6%		24.6%							
NPM	14.0%	12.0%		14.5%							
EPS	4.0	3.0		3.7							

15.90643

GSPL

64125000 64.125

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	233.6	118.6	97%	211.0	11%	Recco	Buy	CMP	81	P/E	12.8
EBITDA	212.6	109.7	94%	198.0	7%	Volumes are expected to increase from 25 mmscmd to 31 mmscmd on Q-Q basis. But the realisations are likely to go down by 10% for this quarter. Incremental volume from KG D6 gas and higher demand for spot LNG.					
Net Profit	88.8	28.4	213%	80.5	10%						
OPM	91.0%	92.5%		93.8%							
NPM	38.0%	23.9%		38.2%							
EPS	1.6	0.5		1.5							

Selan Exploration and Technology Ltd

(Rs crores)	Sep-09	Sep-08	YoY	Jun-09	QoQ	Remarks					
Net Sales	22.8	37.9	-40%	18.2	25%	Recco	Buy	CMP	327.65	P/E	12.4
EBITDA	15.5	33.2	-53%	11.8	31%	We expect sales increase by 25% QoQ as the crude prices realizations are likely to improve for Q2FY10. For Q1FY10 average crude prices were USD 59/bbl but for this quarter average prices have increased to USD 68/bbl.					
Net Profit	9.3	23.1	-60%	6.9	35%						
OPM	68.0%	87.6%		64.8%							
NPM	41.0%	60.9%		37.9%							
EPS	6.6	16.3		4.9							

DISCLAIMER

This document has been prepared by Anagram Stock broking Ltd. (Anagram), for use by the recipient only and not for circulation. The information and opinions contained in the document have been compiled from sources believed to be reliable. Anagram does not warrant its accuracy, completeness and correctness. This document is not, and should not be construed as, an offer to sell or solicitation to buy any securities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from us. Anagram and the analyst(s), including his dependant family members may have an interest in the securities recommended above. To unsubscribe, send a mail to unsubscribeanagram@gmail.com

RATING INTERPRETATION

Buy Expected to appreciate more than 20% over a 12-month period

Accumulate Expected to appreciate up to 20% over a 12-month period

Neutral Expected to remain in a narrow range

Sell Expected to depreciate more than 10% over a 12-month period

Copyright in this document vests exclusively with Anagram Stock broking Limited.