

WEEKLY | FUNDAMENTAL



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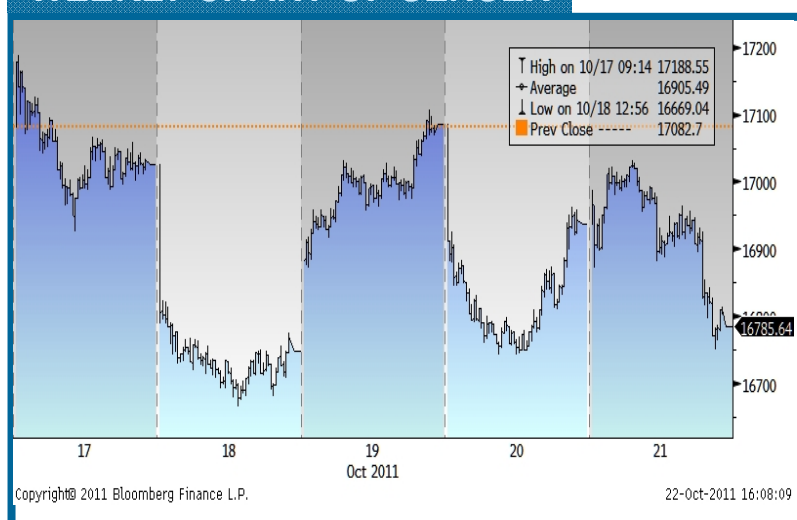
- Event Based Report
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- Annual Budget Review Report

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WEEKLY CHART OF SENSEX



WEEK IN RETROSPECT

Indian stock markets slipped around 2 percent last week amid mixed bag of earnings by India Inc and weak global cues over the divisions between France and Germany on debt crisis ahead of European Union summit.

India's Food Inflation rate for the week ended October 08, 2011 returned to double-digit after a month-and-a-half gap and stood at 10.60 percent due to increase in the prices of vegetables and pulses.

On the global front, France retreated in a clash with Germany over how to expand the power of Europe's bailout fund as finance ministers entered the second of a six-day marathon to stave off a Greek default and shield banks from the fallout. The French proposal that the fund, the European Financial Stability Facility, should get a banking license enabling it to borrow from the European Central Bank, "is no longer an option" said Dutch Finance Minister Jan Kees de Jager. He said two options were under consideration, declining to discuss them further. Still, there are "big differences" among countries, he said. The French flexibility indicated progress toward easing the threat to the global economy stemming from Greece. As they began their consultations yesterday, the euro-area finance chiefs received an assessment from auditors that Greek finances have taken a "turn for the worse," requiring more official aid and deeper investor write downs.

China's GDP expanded 9.1 percent year-on-year in Q3 of the year, marking the slowest pace since the third quarter of 2009. The growth rate was down from 9.5 percent in the second quarter of this year and 9.7 percent in the first quarter.

OUTLOOK

The upcoming week is going to be an eventful one for the Indian stock market as a slew of macro events and corporate earnings are lined up. A special Muhurat trading session is being held on the bourses on Wednesday 26 October 2011 on account of Diwali. A policy review from the Reserve Bank of India (RBI) and a European Union summit to finalise a package of comprehensive measures to tackle the euro-zone debt crisis will be in focus. Volatility may also increase because of expiry of the futures & options contracts. Among the majors, Gail India, ITC, Sterlite Industries, Dr. Reddy's Lab, Kotak Mahindra Bank, NTPC, Sesa Goa, Titan Industries, Union Bank of India, VIP Industries, Tata Coffee are scheduled to release their results during the week.

GLOBAL MARKET DURING LAST 5 DAYS

NAME	LAST PRICE	5D % CH	1M % CH	3M % CH	1Y % CH	Current P/E	FY12 EST P/E	Current P/B	FY12 EST P/B
DOW JONES	11808.79	1.41	9.63	(6.88)	6.07	12.60	12.09	2.51	2.42
NASDAQ	2637.46	(1.14)	6.21	(7.74)	6.38	20.19	15.87	2.62	2.59
S&P 500	1238.25	1.12	8.96	(7.94)	4.66	13.31	12.47	2.01	1.95
FTSE 100	5488.65	0.41	8.33	(7.52)	(4.40)	10.67	9.85	1.63	1.55
CAC 40	3171.34	(1.45)	12.85	(17.47)	(18.02)	9.12	8.87	1.08	1.01
DAX	5970.96	0.06	14.90	(18.50)	(9.61)	10.57	9.52	1.26	1.18
NIKKEI 225	8678.89	(0.79)	1.39	(14.34)	(7.93)	16.22	13.99	1.11	1.08
HANG SENG	18025.72	(2.57)	2.02	(19.69)	(23.35)	8.32	9.74	1.29	1.25
STRAITS TIMES	2712.41	(1.16)	0.50	(14.78)	(14.53)	7.61	12.50	1.30	1.30
TAIWAN TAIEX	7254.51	(1.41)	2.96	(17.24)	(11.18)	13.86	13.77	1.59	1.56
KOSPI	1838.38	0.16	8.30	(15.33)	(3.11)	12.00	9.26	1.06	1.17
BRAZIL BOVESPA	55255.23	0.41	3.80	(8.32)	(20.53)	8.54	9.72	1.23	1.09
RUSSIAN RTS	1460.52	2.33	10.99	(26.12)	(9.21)	5.38	5.17	0.95	0.82
SHANGHAI SE COMPOSIT	2317.28	(4.69)	(4.76)	(16.37)	(22.11)	12.38	10.75	1.93	1.65
BSE SENSEX	16785.64	(1.74)	3.86	(10.34)	(16.76)	14.98	14.26	2.74	2.47
NSE S&P CNX NIFTY	5049.95	(1.60)	3.74	(10.37)	(16.75)	14.54	14.03	2.56	2.32

MARKET STATS

MSCI INDICES

NAME	LAST PRICE	5D % CH	1M % CH	3M % CH
MSCI WORLD	1194.33	0.67	9.08	(11.45)
MSCI AC WORLD	302.26	0.37	8.79	(12.64)
MSCI AC ASIA PACIFIC	115.97	(0.72)	3.80	(16.59)
MSCI EM	920.07	(1.65)	6.79	(20.21)

VOLATILITY INDICES

NAME	LAST	5D % CH	1M % CH	3M % CH
CBOE SPX VOLATILITY	31.32	10.91	(24.07)	78.77
INDIA NSE VOLATILITY	26.30	1.23	(25.20)	46.85

10 YERS BOND MARKETS

NAME	YIELD	5D % CH	1M % CH	3M % CH
US Generic Govt 10 Year Yield	2.22	(1.27)	19.47	(26.36)
UK Govt Bonds 10 Year Note Gen	2.53	(2.92)	4.89	(20.28)
Brazil Government Generic Bond	3.97	(0.58)	(0.43)	(12.70)
Japan Govt Bond Year to maturity	1.01	(0.88)	1.82	(8.02)
Australia Govt Bonds Generic M	4.49	1.29	6.85	(9.40)
India Govt Bond Generic Bid Yi	8.82	0.33	5.88	6.61

FOREX MARKET

NAME	LAST	5D % CH	1M % CH	3M % CH
DOLLAR INDEX SPOT	76.40	(0.30)	(1.22)	3.22
EUR-USD X-RATE	1.39	0.10	2.38	(3.67)
USD-GBP X-RATE	0.63	(0.87)	(2.88)	2.34
USD-BRL X-RATE	1.78	(2.41)	5.64	(12.55)
USD-JPY X-RATE	76.29	1.22	0.22	2.63
USD-INR X-RATE	50.03	(2.00)	(3.38)	(11.02)
USD-CNY X-RATE	6.38	(0.07)	(0.03)	1.06
USD-KRW X-RATE	1147.50	0.75	0.20	(8.09)

MONEY MARKETS

NAME	LAST	5D % CH	1M % CH	3M % CH
BBA LIBOR USD 3M	0.42	3.36	17.65	65.35
MIBOR Offer Market 3M	1.59	1.27	3.25	(1.24)
India Indicative Call Rate	8.30	0.24	0.00	8.50

Data Source: Bloomberg, BSE, NSE

INDUSTRIAL METALS & ENERGY MARKETS

NAME	LAST PRICE	5D % CH	1M % CH	3M % CH
COPPER (USD/T)	7145.00	(5.50)	(13.92)	(26.19)
ALUMINUM (USD/T)	2125.00	(4.49)	(8.33)	(16.34)
ZINC (USD/T)	1805.00	(6.53)	(13.07)	(26.33)
LEAD (USD/T)	1915.00	(5.48)	(13.74)	(29.07)
OIL (USD/BBL)	87.40	0.69	1.72	(11.83)
NATURAL GAS (USD/MMBTU)	3.63	(2.00)	(5.00)	(19.05)

PRECIOUS METALS

NAME	LAST	5D % CH	1M % CH	3M % CH
GOLD (USD/OZ)	1642.38	(2.28)	(7.85)	3.25
SILVER (USD/OZ)	31.39	(2.52)	(20.91)	(20.36)

INDUSTRY INDICES

NAME	LAST PRICE	5D % CH	1M % CH	3M % CH
BALTIC DRY INDEX	2153.00	(0.92)	18.88	62.49
BBG WORLD IRON INDEX	209.56	(3.08)	2.56	(29.88)

AGRO MARKET

NAME	LAST	5D % CH	1M % CH	3M % CH
COFFEE (USD/IB)	244.85	2.21	(2.82)	(0.02)
COTTON (USD/IB)	97.10	(4.75)	(5.57)	(1.55)
SUGAR (USD/IB)	26.48	(5.19)	2.20	(7.80)
WHEAT (USD/BU)	632.00	1.49	(5.21)	(11.82)
SOYBEAN (USD/BU)	1220.75	(4.52)	(8.32)	(12.63)

INSTITUTIONAL FLOW IN Cr (17/10-21/10)

INSTRUMENT	PURCHASE	SALE	NET
FII (P)	8281.26	8908.20	(626.94)
DII	3770.82	4371.49	(600.67)
MUTUAL FUND (17/10-20/10)	1469.80	1970.90	(501.10)

FII DERIVATIVE SEGMENT IN Cr (17/10-19/10)

INSTRUMENT	PURCHASE	SALE	NET
INDEX FUTURE	7920.34	7732.71	187.63
INDEX OPTION	33069.66	32478.13	591.53
STOCK FUTURE	11700.67	12220.72	(520.05)
STOCK OPTION	1204.12	1186.95	17.17

TCS

TCS announced its Q2 FY2012 numbers on 17 October 2011. A brief of the same is as follows:

Particulars	Q2 12	Q2 12E	Q1 12	Q2 11	Variation (%)	QoQ (%)	YoY (%)
Revenues	11,633.5	11,533.7	10,797.0	9,286.4	0.9%	7.7%	25.3%
EBITDA	3,384.1	3,436.6	3,032.9	2,776.2	-1.5%	11.6%	21.9%
EBIDTA Margins	29.1%	29.8%	28.1%	29.9%	(71)bps	100 bps	(81)bps
Net Income	2,301.0	2,536.7	2,414.8	2,169.2	-9.3%	-4.7%	6.1%
Net Income Margins	19.8%	22.0%	22.4%	23.4%	(221)bps	(259)bps	(358)bps
Earnings Per Equity share	11.7	13.0	12.3	11.1	-9.4%	-4.8%	6.0%

All data in ₹ Crores unless specified, EPS represents Diluted EPS. Source: Company Data, Microsec Research

TCS' top line increased 7.7 percent q-o-q to INR11,633.5 Crores while its bottom line declined 4.7 percent sequentially to INR2,301.0 Crores during the quarter. In USD terms, the company's revenues grew 6.0 percent q-o-q to USD2.52 Bn. TCS' top line and EBIDTA largely remained in line with our estimates. However, the company's bottom line came below our estimates due to tax effect on dividend from foreign subsidiaries. Barring the same, the net income would have been INR2,514.9 Crores compared with our estimate of INR2,536.7 Crores.

The growth in top line was mainly driven by a 6.25 percent sequential increase in business volumes. While the company maintained its high utilization levels at 83.1 percent, attrition declined to 13.7 percent. TCS also declared an interim dividend of INR3 per share.

We reiterate the BUY rating on the stock. However, considering the current quarter performance, especially on the bottom line front, we may revise our target price downward from INR1,388.70 per share.

HCL Tech

HCL Tech announced its Q1 FY2012, September Quarter, numbers on 18 October 2011. A brief of the same is as follows:

Particulars	Q1 12	Q4 11	Q1 11	QoQ (%)	YoY (%)
Revenues	4,651.3	4,299.5	3,708.1	8.2%	25.4%
EBITDA	794.9	794.1	603.3	0.1%	31.8%
EBIDTA Margins	17.1%	18.5%	16.3%	(138)bps	82 bps
Net Income	496.7	510.5	331.1	-2.7%	50.0%
Net Income Margins	10.7%	11.9%	8.9%	(119)bps	175 bps
Earnings Per Equity share	7.1	7.3	4.8	-2.4%	48.7%

All data in ₹ Crores unless specified, EPS represents Diluted EPS

HCL's top line increased 8.2 percent q-o-q to INR4,651.3 Crores while its bottom line declined 2.7 percent sequentially to INR496.7 Crores during the quarter. Foreign exchange losses, of INR17.9 Crores, and higher SG&A costs remained the prime reasons for decline in net profits.

Idea Cellular

Idea Cellular Ltd announced its Q2 FY2012, September Quarter, numbers on 21 October 2011. A brief of the same is as follows:

Particulars	Q2 12	Q1 12	Q2 11	QoQ (%)	YoY (%)
Revenues	4,619.9	4,520.7	3,659.2	2.2%	26.3%
EBITDA	1,186.6	1,204.0	878.8	-1.4%	35.0%
EBITDA Margins	25.7%	26.6%	24.0%	(95)bps	167 bps
Net Income	105.8	177.3	179.7	-40.3%	-41.2%
Net Income Margins	2.3%	3.9%	4.9%	(163)bps	(262)bps
Earnings Per Equity share	0.3	0.5	0.5	-40.7%	-40.7%

All data in ₹ Crores unless specified, EPS represents Diluted EPS

Idea's top line increased 2.2 percent q-o-q to INR4,619.9 Crores while its bottom line declined 40.3 percent sequentially to INR105.8 Crores during the quarter.

The growth in top line was primarily driven by a 4.2 percent sequential increase in net realization to 42.7 paise per minute, which more than offset 2.2 percent seasonal q-o-q decline in MoU to 106.2 Bn minutes. Apart from higher depreciation and interest costs, the bottom line was negatively impacted by foreign exchange losses of INR31.3 Crores.

Dish TV India

Dish TV India Ltd announced its Q2 FY2012 results on 19 October 2011. While the company's top line came in line with our and Bloomberg Consensus Estimates, its losses came significantly higher than our as well as consensus estimates. A glimpse of the company's Q2 FY2012 results is as follows:

Particulars	Q2 12	Q2 12E	Q1 12	Q2 11	Variation (%)	QoQ (%)	YoY (%)
Revenues	482.3	485.5	460.4	326.1	-0.7%	4.8%	47.9%
EBITDA	121.8	124.0	112.2	49.8	-1.7%	8.6%	144.7%
EBITDA Margins	25.3%	25.5%	24.4%	15.3%	(27)bps	90 bps	999 bps
Net Income	(48.6)	(2.6)	(18.3)	(45.2)	1745.0%	165.1%	7.5%
Net Income Margins	-10.1%	-0.5%	-4.0%	-13.8%	(953)bps	(609)bps	378 bps
Earnings Per Equity share	(0.5)	(0.0)	(0.2)	(0.4)	2200.0%	170.6%	9.5%

All data in ₹ Crores unless specified, EPS represents Diluted EPS: Source: Company Data, Microsec Research

While Dish's top line increased 4.8 percent sequentially to INR482.3 Crores, its losses expanded 165.1 percent sequentially to INR48.6 Crores in Q2 FY2012. The company's top line growth was mainly driven by increase in subscribers. Dish added 575,000 new subscribers during the quarter. In addition, its ARPU improved from INR150 in Q1 FY2012 to INR152 during Q2 FY2012. The lower than expected bottom line performance can be attributed to significantly higher interest / finance costs. Interest / Finance Charges swelled to INR63.4 Crores in Q2 FY2012 vis-à-vis INR35.3 Crores a year earlier.

However, we continue to remain positive on the stock and suggest a BUY at the current juncture. A detailed analysis of the results, revised price target and outlook on the stock will be presented in our upcoming update report on the stock.

Hindustan Construction Company

Construction firm Hindustan Construction Company (HCC) posted a net loss for the second quarter ended September, 2011, at INR40.5 crore. The total income of the company for the quarter ended September 30, 2011, stood at INR828.58 crore, as against INR884.57 crore in the same period last fiscal.

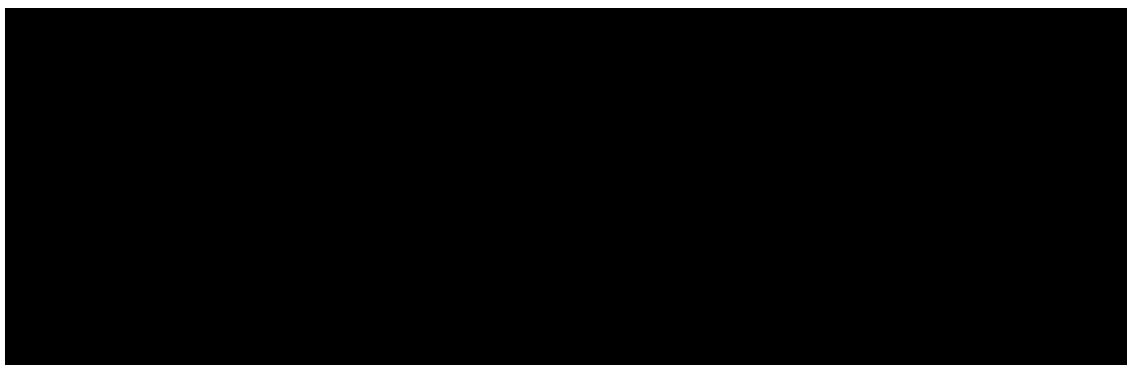
Interest cost was at INR110 crore as compared to INR67 crore in the corresponding quarter a year ago. Total cost for the company decreased 4 percent to INR776 crore as compared to INR807 crore in the same quarter last year. Forex loss for the firm stood at INR4.2 crore as compared to a gain of INR6 crore in the same quarter last fiscal. The September-end order book was seen at INR16,175 crore.

Hindustan Construction Q2 12 (Standalone Result)					
Particulars	Q2 12	Q1 12	Q2 11	QoQ (%)	YoY (%)
Revenues	828.58	1,057.93	884.57	-21.68%	-6.33%
EBITDA	93.70	137.91	113.28	-32.06%	-17.28%
EBITDA Margins	11.31%	13.04%	12.81%	(173)bps	(150)bps
Net Income	(40.53)	2.87	12.14	-1512.20%	-433.86%
Net Income Margins	-4.89%	0.27%	1.37%	(516)bps	(626)bps
Earnings Per Equity share	(0.66)	0.05	0.19	-1420.00%	-447.37%
All data in Rs Crores unless specified. EPS represents Diluted EPS					

Jindal Steel and Power Ltd (JSPL)

Jindal Steel and Power Ltd (JSPL) reported a marginal decline in consolidated net profits despite a 43.17 percent growth in revenues for the September quarter over corresponding last year.

Net sales of the company stood at INR4,406.61 crore during the quarter under review, registering a growth of 43.17 per cent vis-a-vis INR3,077.95 crore it had reported during the same quarter last fiscal.



IDBI Bank

IDBI Bank has announced its Q2FY12 result on 20th Oct 2011. The bank's second quarter profit rose to INR1601.11 crore increased by 53.96 percent QoQ and 20.23 percent YoY. Because of rising in interest rate, the Net Interest Margin of the bank stood at 2 percent as against 2.07 percent recorded in the Q1FY12. The bank has also improved its CASA by INR4258 crore or 3.94 percent YoY to INR23546 crore. Capital Adequacy Ratio of the bank stood at 13.34 percent.

IDBI Bank Quarterly-[INR-Crores]					
DESCRIPTION	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Interest Earned	5812.32	5628.93	4534.1	3.26%	28.19%
Interest Expended	4690.31	4476.49	3409.24	4.78%	37.58%
NII	1122.01	1152.44	1124.86	-2.64%	-0.25%
Other Income	479.1	430.9	535.15	11.19%	-10.47%
Total Income	1601.11	1583.34	1660.01	1.12%	-3.55%
Operating Expenses	594.65	552.54	634.52	7.62%	-6.28%
Operating Profit before Prov.& Cont.	1006.46	1030.8	1025.49	-2.36%	-1.86%
Provisions and Contingencies	320.55	425.7	441.39	-24.70%	-27.38%
PBT	685.91	605.1	584.1	13.35%	17.43%
Tax	170	270	155	-37.04%	9.68%
Profit After Tax	515.91	335.1	429.1	53.96%	20.23%
Adj Calculated EPS	5.24	3.4	4.77	54.12%	9.85%
Advances	155917.13	154984	130213.05	0.60%	19.74%
Deposits	174440.84	176282	154305.21	-1.04%	13.05%
	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Capital Adequacy Ratio Basel II	13.34%	13.83%	14.17%	-0.49%	-0.83%
% of Net NPAs	1.57%	1.25%	1.19%	0.32%	0.38%
% of Gross NPAs	2.47%	2.10%	1.88%	0.37%	0.59%
CASA%	19.19%	17.28%	15.25%	1.91%	3.94%
NIM %	2.00%	2.07%	2.27%	-0.07%	-0.27%
Provisions Coverage%	70.50%	73.98%	74.51%	-3.48%	-4.01%
C/D ratio	89.38%	87.92%	84.39%	1.46%	4.99%
C/I Ratio	37.14%	34.90%	38.22%	2.24%	-1.08%
OI/TI	62.86%	65.10%	61.78%	-2.24%	1.08%

ING Vysya Bank

The Net Profit (PAT) of the bank for the quarter ended 30 September 2011 increased significantly by 53.21 percent to INR1154 crores compared to INR75.3 crores reported in the corresponding quarter of the previous year. This was the eighth sequential quarter of PAT growth with PAT crossing INR100 crores for the first time. Net Interest Income (NII) for the quarter increased by 19.4 percent to INR303.6 crores from INR254.2 crores. The Net Interest Margins (NIM) expanded from 3.02 percent in Q1 12 to 3.35 percent in the current quarter due to repricing in our advances portfolio and capital infusion in end Q1 12.

Operating costs for the quarter increased to INR276.7 crores from INR263.3 crores in the quarter ending September 2010. The quality of the asset portfolio continued to be healthy and provisions and contingencies were down at INR17.5 crores against INR69.8 crores in quarter ending September 2010.

This is the sixth consecutive quarter of improvement in Gross NPA, Net NPA and provision cover ratio. Provision cover improved to 84.8 percent compared to 72.8 percent as at 30 September 2010. Return on assets improved significantly to 1.12 percent compared to 0.86 percent in quarter ending September 2010.

ING Vysya Bank -[INR-Millions]					
DESCRIPTION	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Interest Earned	9330.7	8707.7	6387.9	7.15	46.07
Interest Expended	6294.5	6088.1	3845.6	3.39	63.68
NII	3036.2	2619.6	2542.3	15.90	19.43
Other Income	1624.6	1405.2	1932.6	15.61	-15.94
Total Income	10,955.30	10112.9	8320.5	8.33	31.67
Operating Expenses	2704	2556.5	2632.9	5.77	2.70
Operating Profit before Prov.& Cont.	1894.2	1468.3	1842	29.01	2.83
Provisions and Contingencies	174.8	62.1	697.5	181.48	-74.94
PBT	1719.4	1406	1145	22.29	50.17
Tax	565.7	466	391.9	21.39	44.35
Profit After Tax	1153	940	753.1	22.66	53.10
Adj Calculated EPS	7.62	7.52	6.15	1.33	23.90
Advances (INR Bn)	248.59	242.56	202.42	2.49	22.81
Deposits (INR Bn)	307.12	313.13	260.69	-1.92	17.81
	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Capital Adequacy Ratio Basel II	15	15.9	13.5	-5.7	11.1
% of Net NPAs	0.31	0.35	0.8	-11.4	-61.3
% of Gross NPAs	2.02	2.15	2.8	-6.0	-27.9
CASA%	32.6	33.8	36	-3.6	-9.4
NIM %	3.35	3.02	3.3	10.9	1.5
Provisions Coverage%	84.8	83.91	73	1.1	16.2
C/D ratio	80.94	76.08	77.2	6.4	4.8
Tax rate%	32.9	33.14	34.23	-0.7	-3.9
C/I Ratio	82.7	63.52	58.8	30.2	40.6

South Indian Bank

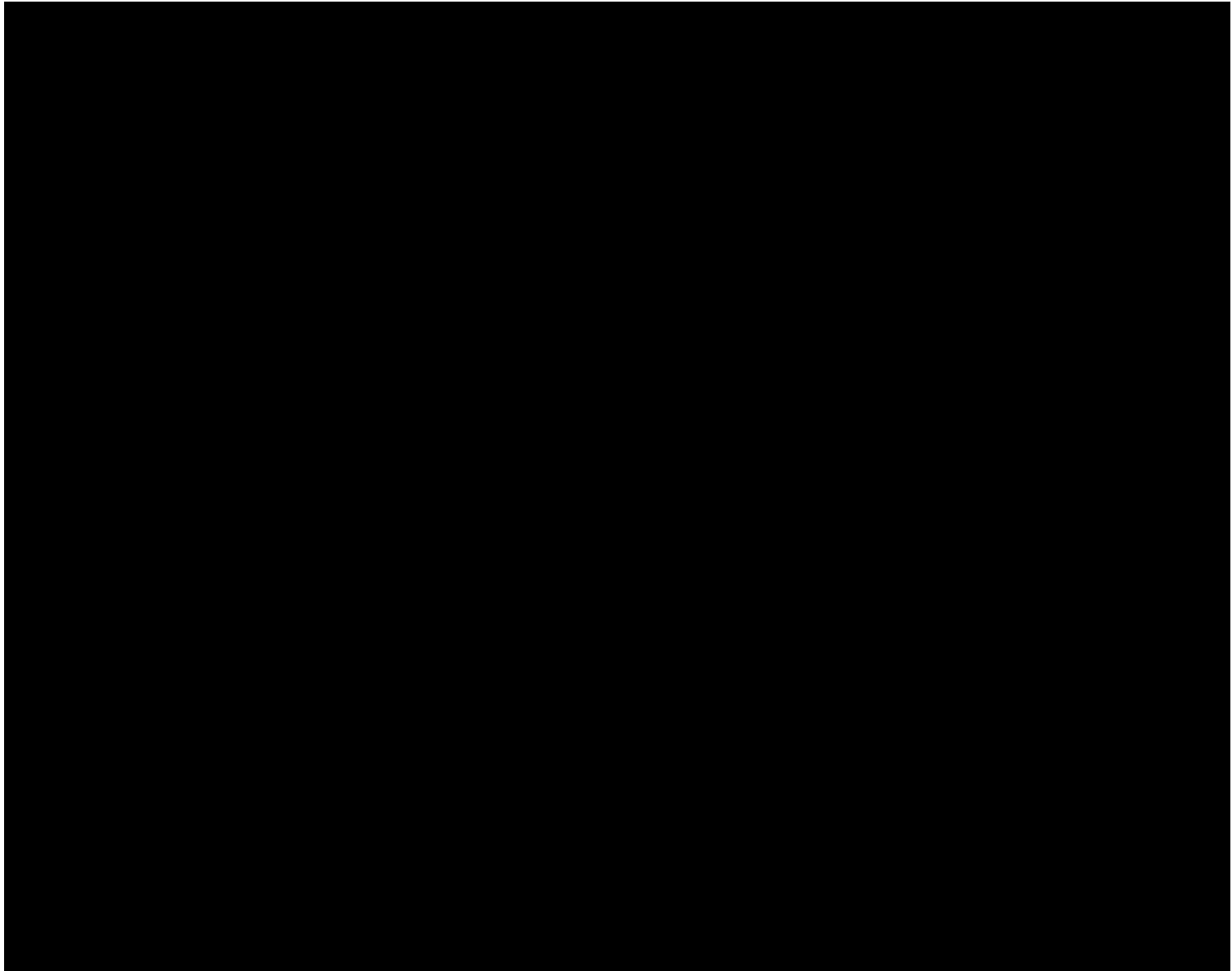
South Indian Bank announced its second quarter FY12 result. First cut of the same is as follows:-

South Indian Bank Quarterly-[INR-Millions]					
DESCRIPTION	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Interest Earned	8772.5	7687.2	5795.3	14.12%	51.37%
Interest Expended	6184.8	5637.5	3822.1	9.71%	61.82%
NII	2587.7	2049.7	1973.2	26.25%	31.14%
Other Income	530.8	516.3	448.5	2.81%	18.35%
Total Income	3118.5	2566	2421.7	21.53%	28.77%
Operating Expenses	1455.1	1134.6	1173.7	28.25%	23.98%
Operating Profit before Prov.& Cont.	1663.4	1431.4	1248	16.21%	33.29%
Provisions and Contingencies	238.3	208.4	68.1	14.35%	249.93%
PBT	1425.1	1223	1179.9	16.52%	20.78%
Tax	475.6	398.1	416.9	19.47%	14.08%
Profit After Tax	949.5	824.9	763	15.10%	24.44%
Adj Calculated EPS	0.84	0.73	0.68	15.07%	23.53%
Advances	230172.1		177178.9		29.91%
Deposits	330382.8		250603.6		31.83%
	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Capital Adequacy Ratio Basel II	13.48	13.51	15.86	-0.03	-2.38
% of Net NPAs	0.25%	0.29%	0.38%	-0.04%	-0.13%
% of Gross NPAs	0.99%	1.07%	1.27%	-0.08%	-0.28%
NIM %	3.00%	2.80%	3.00%	0.20%	0.00%
Provisions Coverage%	74.70%	73.10%	71.00%	1.60%	3.70%
C/D ratio	69.67%		70.70%		-1.03%
C/I Ratio	46.66%	44.22%	48.47%	2.44%	-1.81%
OI/TI	53.34%	55.78%	51.53%	-2.44%	1.81%

The company's total income grew 21.53 percent q-o-q to INR311.85 crores, where as Net profit increased by 15.10 percent q-o-q to INR95 crores. Deposits grew by 31.83 percent y-o-y to INR33038.28 Cr. While Advances grew by 29.91 percent and stood at INR23017.21 Cr. as compared to September 30,2010. Capital Adequacy Ratio is at 13.48 percent. The CASA increased by INR1059 crore from INR5979 crore to INR7038 crore, up 18 percent. The bank is also in well position to cover any time liabilities, provision coverage ratio of the bank is 74.70 percent and the Net Interest Margin at 3 percent for the current quarter.

IndusInd Bank

The Bank has posted a net profit of INR1930.90 million for the quarter ended September 30, 2011 as compared to INR1331.50 million for the quarter ended September 30, 2010. Total Income has increased from INR10292.00 million for the quarter ended September 30, 2010 to INR15630.70 million for the quarter ended September 30, 2011. Net interest income moved up 27 percent to INR4192 million from INR3297.3 million year-on-year. NPA declined to 0.31 percent as against 0.36 percent during the same period. Net interest margin came in at 3.35 percent versus 3.41 percent (YoY).



State Bank of Travancore

State Bank of Travancore has announced its Q2FY12 result on 20th Oct 2011. The bank's total income increased by 5.38 percent YoY whereas, PAT stood at INR116.95 crore decreased by 28.51 percent. Capital Adequacy Ratio is at 12.18 percent. Due to the hike in interest rate, bank's assets quality has come down, Net Non Performing Assets (NNPA) rose to 1.77 percent for Q2FY12 as against 1.17 percent for 30 September 2010.

State Bank of Travancore Quarterly-[INR-Crores]					
DESCRIPTION	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Interest Earned	1628.49	1569.88	1250.34	3.73%	30.24%
Interest Expended	1210.46	1113.72	835.40	8.69%	44.90%
NII	418.03	456.16	414.94	-8.36%	0.74%
Other Income	148.39	150.51	122.56	-1.41%	21.08%
Total Income	566.42	606.67	537.50	-6.63%	5.38%
Operating Expenses	266.9	326.8	275.83	-18.33%	-3.24%
Operating Profit before Prov.& Cont.	299.52	279.87	261.67	7.02%	14.46%
Provisions and Contingencies	124.08	137.66	60.53	-9.86%	104.99%
PBT	175.44	142.21	201.14	23.37%	-12.78%
Tax	58.49	4.07	37.54	1337.10%	55.81%
Profit After Tax	116.95	138.14	163.6	-15.34%	-28.51%
Adj Calculated EPS	23.39	27.85	32.72	-16.01%	-28.51%
Advances	47908.28	47515	40978.79	0.83%	16.91%
Deposits	62372.73	60839	53601.87	2.52%	16.36%
	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Capital Adequacy Ratio Basel II	12.18%	12.02%	12.93%	0.16%	-0.75%
% of Net NPAs	1.77%	1.19%	1.17%	0.58%	0.60%
% of Gross NPAs	2.84%	2.18%	2.02%	0.66%	0.82%
Return on Equity (ROE)% Annualized	12.40%		20.80%		-8.40%
C/D ratio	76.81%	78.10%	76.45%	-1.29%	0.36%
C/I Ratio	47.12%	53.87%	51.32%	-6.75%	-4.20%
OI/TI	52.88%	46.13%	48.68%	6.75%	4.20%

Federal Bank

Federal Bank announced its Q2FY12 results on 21st Oct 2011. The bank's Profit After Tax (PAT) increased by INR45 crore or 30.79 percent q-o-q to INR191.16 crore. Total advances of the bank increased to INR33606.69 crore for Q2FY12 from INR27635.64 crore corresponding last year, increased by 21.61 percent, while deposits increased by 30.87 percent y-o-y. The bank seems to be in good position to tame any time liabilities backed by 15.05 percent Capital Adequacy Ratio, which is approx 6 percent more than the stipulated norms of 9%. The bank has also maintained its Quality of Assets, Net Non Performing Assets as a proportion of Net advances is at 0.58 percent as at September 30, 2011 as against 0.68 percent as at September 30, 2010.

Federal Bank-[INR-Crores]					
DESCRIPTION	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Interest Earned	1367.83	1244.71	978.34	9.89%	39.81%
Interest Expended	893.42	784.96	539.97	13.82%	65.46%
NII	474.41	459.75	438.37	3.19%	8.22%
Other Income	116.96	116.9	144.04	0.05%	-18.80%
Total Income	591.37	576.65	582.41	2.55%	1.54%
Operating Expenses	230.1	222.6	197.43	3.37%	16.55%
Operating Profit before Prov.& Cont.	361.27	354.05	384.98	2.04%	-6.16%
Provisions and Contingencies	72.19	134.02	170.26	-46.13%	-57.60%
PBT	289.08	220.03	214.72	31.38%	34.63%
Tax	97.92	73.87	74.32	32.56%	31.75%
Profit After Tax	191.16	146.16	140.4	30.79%	36.15%
Adj Calculated EPS	11.18	8.54	8.21	30.91%	36.18%
Advances	33606.69	31972	27635.64	5.11%	21.61%
Deposits	47263.46	42936	36115.96	10.08%	30.87%
	Q2'12	Q1'12	Q2'11	QoQ%	YoY%
Capital Adequacy Ratio Basel II	15.05%	15.57%	17.23%	(52)bps	(218)bps
% of Net NPAs	0.58%	0.74%	0.68%	(16)bps	(10)bps
% of Gross NPAs	3.61%	3.94%	3.84%	(33)bps	(23)bps
CASA%	26%	26.60%	29.00%	(60)bps	(300)bps
NIM %	3.77%	4.17%	4.44%	(40)bps	(67)bps
Provisions Coverage%	82.97%	80.42%	82.19%	255bps	78bps
C/D ratio	71.11%	74.46%	76.52%	(335)bps	(541)bps
C/I Ratio	38.91%	38.60%	33.90%	31bps	501bps
OI/TI	61.09%	61.40%	66.10%	(31)bps	(501)bps

GIC Housing Finance

GIC Housing Finance Ltd has announced its Q2FY12 results on 21st Oct 2011. Company's top line increased by 23.58 percent y-o-y to INR105.44 crore, while bottom line decreased by 54.59 percent to INR9.30 crore backed by the high payment of interest during the year.

Particulars	Sep-11	Jun-11	Sep-10	QoQ(%)	YoY(%)
Net Sales & other operating income	105.44	102.56	85.32	2.81%	23.58%
Operating Profit(Excluding OI)	88.76	94.18	78.29	-5.75%	13.37%
OPM(%)	84.18%	91.83%	91.76%	(765)bps	(758)bps
PAT	9.30	17.56	20.48	-47.04%	-54.59%
PAT(%)	8.82%	17.12%	24.00%	(830)bps	(1518)bps
Diluted EPS	1.73	3.26	3.80	-46.93%	-54.47%

All data in Crores , EPS Represents Diluted EPS.

L&T

L&T announced its Q2 FY12 results on 21 Oct 2011. The company's Total Income increased by 21 percent to INR11245 crore YOY while its PAT increased by 15 percent YOY to INR798 crore. EBITDA Margin of the company comes at 10.4 percent. Both the Topline and bottomline were above expectation.

However biggest worry for the company was its order intake guidance which the company has reduced from 15 percent to 5 percent. Further, the company said it expects a margin contraction by 75-125 bps from the earlier 50-75 bps for FY12.

DESCRIPTION (Rs. crore)	Sep-11	Jun-11	Sep-10	QOQ	YOY
Net Sales	11245	9483	9261		
Other operating income	0	0	70		
Net Sales & Other Operating Income	11245	9483	9331	19%	21%
Total Expenditure	10071	8356	8325		
PBIDT (Excl OI)	1174	1126	1006	4%	17%
EBITDA (%)	10.4%	11.9%	10.8%		
Other Income	363	296	382		
Operating Profit	1537	1423	1388		
Interest	197	161	193		
PBDT	1340	1261	1195		
Depreciation	171	168	121		
PBT	1169	1094	1074		
Tax	371	347	379		
Profit After Tax	798	746	694	7%	15%
PAT (%)	7.1%	7.9%	7.4%		
Equity Capital	122.00	122.0	121.0		
Face Value (In Rs)	2.00	2.0	2.0		
No. of shares	61	61.0	60.5		
EPS	13.1	12.2	11.5	7%	14%

Thermax

Thermax announced its Q2 FY12 results on 20 Oct 2011. The company's Net Sales increased by 23 percent to INR1287 crore YOY and by 25 percent QOQ while its PAT increased by 14 percent YOY and 27 percent QOQ to INR102 crore. EBITDA Margin of the company comes at 10.8 percent. It has an Order backlog of INR5770 crore Vs. INR6602 crore as on Sep 2010.

DESCRIPTION	Sep-11	Jun-11	Sep-10	QOQ	YOY
Net Sales	1287	1033	1048	25%	23%
Other operating income	17	12	44		
Total Income	1303	1044	1092	25%	19%
Total Expenditure	1163	931	963		
EBITDA (Excl OI)	140	114	129	24%	9%
EBITDA (%)	10.8%	10.9%	11.8%		
Other Income	21	15	13		
Operating Profit	161	128	142		
Interest	1	0	0		
Exceptional Items		0	0		
PBDT	160	128	141		
Depreciation	12	11	11		
PBT	148	117	131		
Tax	47	37	41		
Profit After Tax	102	80	90	27%	14%
PAT (%)	7.8%	7.6%	8.2%		
Equity Capital	23.8	23.8	23.8		
Face Value (In Rs)	2.0	2.0	2.0		
No. of shares	11.9	11.9	11.9		
EPS	8.53	6.70	7.51	27%	14%

Exide Industries

Exide Industries Ltd has announced its Q2 FY2012 results on 20 October 2011. While the company's top line and bottom line are below our and Bloomberg Consensus Estimates, The revenue shows 5.5 percent qoq de-growth due to mainly the strike in the factory of one of the key customer Maruti.

Exide Industries Ltd Q2 12

Particulars (INR Mn)	Q2 12	Q1 12	Q2 11	QoQ (%)	YoY (%)
Revenues	11,761.0	12,444.1	11,272.0	-5.5%	4.3%
EBITDA	902.9	2,222.5	2,454.9	-59.4%	-63.2%
EBIDTA Margins	7.7%	17.9%	21.8%	(1,018)bps	(1,410)bps
Net Profit	511.5	1,632.0	2,129.3	-68.7%	-76.0%
Net Profit Margins	4.3%	13.1%	18.9%	(877)bps	(1,454)bps
Adj EPS	0.6	1.9	2.5	-68.7%	-75.9%

View; Our outlook is cautious for the near term as global slowdown, escalating fuel price, rising inflation and interest rate skid demand of auto sales which in turn may diminish the top line growth of the company. On the other hand, shortage of coal in Eastern region hampers the power supply which is likely to increase inverter sales, but for the longer term we remain positive as after sales services and price cut of 15 percent and 10 percent for inverter and car batteries may help to regain market share from Amara Raja.

Rallis India

Rallis India Ltd, subsidiary of Tata Chemicals is in the business of pesticides, fungicides, insecticides, seeds and plant growth nutrients. The company has declared its Q2 FY2012 results on 19 October 2011. The Q2 FY12 net profit is below our expectation. The continuous rainfall in July and August minimize fungal attack but through the launching of nine products in herbicides, insecticides and pesticides, the company is able to manage 19 percent yoy growth in top line. The bottom line is flat on yoy basis due to higher interest cost burden for acquiring seed research company Metahelix and setting up Dahej plant. Rallis is strengthening relationship with farming community through the launching agriculture training program for unemployed village youths in Bolpur (West Bengal), Dharwad (Karnataka) and Baramati (Maharashtra). Rallis is planning to launch this program in seven more villages. The company has approved the payment of interim dividend of INR1 per share to the equity shareholders. The brief result is as follows:

Rallis India Q2 12

Particulars (INR Mn)	Q2 12	Q2 12 E	Q1 12	Q2 11	Variation(%)	QoQ (%)	YoY (%)
Revenues	4,394.90	4,578.04	2,975.10	3,679.90	-4.00%	47.7%	19.4%
EBITDA	974.70	912.68	434.80	882.70	6.80%	124.2%	10.4%
EBIDTA Margins	22.18%	19.94%	14.61%	23.99%	224bps	756 bps	(181)bps
Net Profit	585.20	628.36	231.20	587.00	-6.87%	153.1%	-0.3%
Net Profit Margins	13.32%	13.73%	7.77%	15.95%	-41bps	554 bps	(264)bps
Adj EPS	30.09	32.31	11.89	30.19	-6.85%	153.1%	-0.3%

View: According to the management, the Dahej plant is fully operational and it will reach full capacity by December-January to serve its global client in better way. Our outlook for Rallis is positive for long term prospective.

Chambal Fertilizers & Chemicals

Chambal Fertilizers & Chemicals posted its Q2 FY12 result on 18 Oct 2011. The revenue is up by 6.5% on yoy basis while EBITDA margin is under pressure. The Board of Directors has decided to withdraw the Scheme of Arrangement & De merger of its Shipping Division into India due to the adverse development in shipping industry for European crisis.

Chambal Fertilizers Q2 12

Particulars (INR Mn)	Q2 12	Q1 12	Q2 11	QoQ (%)	YoY (%)
Revenues	16,422.8	11,644.2	15,415.3	41.0%	6.5%
EBITDA	1,899.8	1,704.3	2,093.3	11.5%	-9.2%
EBITDA Margins	11.6%	14.6%	13.6%	(307)bps	(201)bps
Net Profit	916.5	636.9	860.6	43.9%	6.5%
Net Profit Margins	5.6%	5.5%	5.6%	11 bps	(0)bps
Earnings Per Equity share	2.2	1.5	2.1	43.8%	6.3%

Hero Motocorp

Hero Motocorp announced its Q2 FY12 results on 18 Oct 2011. The company's Net Sales increased by 28 percent to INR5784 crore YOY and by 3 percent QOQ while its PAT increased by 19 percent YOY and 8 percent QOQ to INR604 crore. EBITDA Margin of the company comes at 15.8 percent. It has reported better than expected result. It sold 1.54 million 2-wheelers in the July-September quarter as against 1.29 million in same quarter the previous year. We recommend 'Buy' at the CMP of 1985.

DESCRIPTION (Rs. crore)	Sep-11	Jun-11	Sep-10	QOQ	YOY
Net Sales	5784	5638	4511	3%	28%
Other operating income	45	46	41		
Net Sales & Other Operating Income	5829	5683	4552	3%	28%
Total Expenditure	4911	4866	3944		
EBDITA (Excl OI)	919	818	608	12%	51%
EBITDA (%)	15.8%	14.4%	13.4%		
Other Income	84	92	80		
Operating Profit	1003	909	688		
PBDT	1003	909	688		
Depreciation	278	240	61		
PBT	724	670	628		
Tax	121	112	122		
Profit After Tax	604	558	506	8%	19%
PAT (%)	10.4%	9.8%	11.1%		
Equity Capital	39.94	39.94	39.94		
Face Value (In Rs)	2.00	2.00	2.00		
No. of shares	19.97	19.97	19.97		
EPS	30.23	27.94	25.32	8%	19%

October 24, 2011

- ◆ Earnings Expected: Gail India, ITC, Sterlite Industries, Titan Industries, Union Bank of India, VIP Industries, Tata Coffee and others.
- ◆ The Chicago Fed Nat Activity Index for September 2011.
- ◆ Germany Manufacturing and Services PMI data for October 2011.

October 25, 2011

- ◆ Earnings Expected: Dr. Reddy's Lab, Kotak Mahindra Bank, NTPC, Sesa Goa and others.
- ◆ **Reserve Bank of India's Monetary Policy Review.**
- ◆ The Richmond Fed Manufacturing Index data for October 2011.
- ◆ The U.S. House Price Index data for August 2011.

October 26, 2011

- ◆ The U.S. New Home Sales data for September 2011.
- ◆ The U.S. Durable Goods Orders data for September 2011.
- ◆ The U.S. MBA Mortgage Application data for the week ended October 21, 2011.

October 27, 2011

- ◆ India's Weekly Food and Fuel Inflation data for the week ended October 15, 2011.
- ◆ The U.S. GDP data for Q3 of 2011.
- ◆ The U.S. Pending Home Sales data for September 2011.
- ◆ The U.S. Initial Jobless Claims data for the week ended October 22, 2011.
- ◆ The U.S. Bloomberg Consumer Comfort data for the week ended October 23, 2011.

October 28, 2011

- ◆ Bank of Japan Policy Meeting.
- ◆ Germany CPI data for October 2011.

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