

Investment Picks

FOR PRIVATE CIRCULATION ONLY

May 2007



Aloke Ind **CMP:Rs.64.10** **SL:Rs.54.50** **TGT:Rs. 76.00-82.00**
FV: 10 **EQ:170.93** **EPS : 5.7** **BV: 52.1** **DIV%: 12** **OPM %: 19.8** **P/E: 11. 24**

Aloke Ind, after multiplying by almost 10 times from a low of Rs.9.70 in March 2003 to a high of Rs.99.20 in May 2006, has reacted sharply to a level of Rs.50.45 in March 2007. At the current price of Rs.64.10 it is trading in **3B Zone** i.e. short term average has moved below the long-term average but medium term average remains above the long-term average and the current price is placed between short term and medium term averages. **Buy at declines in the range of Rs.60-63 with a stop loss below Rs.54.50 in close for a conservative upper target of Rs.76 and an optimistic upper target of Rs.82.** Holding period can be 3-4 months.

Accumulate gradually.

Share holding: Promoters 28.89%, Inst.56.97 %.

Average daily volume: 2,75,000



Arvind Mill **CMP:Rs.44.95** **SL:Rs.38.50** **TGT:Rs.58.00/64.00**
FV:10 **EQ : 200.38** **EPS : 5.3** **BV: 70.50** **DIV%: 10** **OPM%: 25.1** **P/E: 8.48**

Arvind Mills, after multiplying by almost 20 times from a low of Rs.7 in September 2001 to a high of Rs.143.90 in September 2005, has reacted to a level of Rs.42. Short term downtrend appears to have exhausted. At the current price of Rs.44.95, it is trading in **4E ZONE** i.e. all the averages are in **BEAR PHASE** and the current price is placed below all the averages. **Buy at declines in the range of Rs.41-44 with a stop loss below Rs.38.50 in close for a conservative upper target of Rs.58 and an optimistic target of Rs.64.** Holding period can be 4-6 months.

Buy in small lots only.

Share holding: Promoters 33.9%, Inst.36.21 %.

Average daily volume: 14,46,000



Bajaj Hind **CMP:Rs.161.45** **SL:Rs.148.00** **TGT: Rs.192.00/215.00**

FV: 1.00 **EQ: 14.10** **EPS : 13.5** **BV: 96.8** **DIV%: 80** **OPM%: 6.50** **P/E: 11.95**

Bajaj Hind, after an unmatched multifold improvement from its historic low of Rs3.37 in October 2001 to a record high of Rs.568.80 in April 2006, has reacted sharply to a level of Rs134.20 in February 2007. The short-term downtrend appears to be over. At the current price of Rs.161.45, it is trading in **4E ZONE** i.e. all the averages are in **BEAR PHASE** and the current price is placed below all the averages. **Buy at declines in the range of Rs.154-159 with a stop loss below Rs.148 in close for a conservative upper target of Rs.192 and an optimistic target of Rs.213.** Holding period can be 4-6 months.

Buy in small lots only.

Share holding: Promoters 37.7%, Inst 32.56 %.

Average daily volume: 1,44,000



Balrampur C **CMP:Rs.61.70** **SL:Rs.53.00** **TGT:Rs.84.00/93.00**

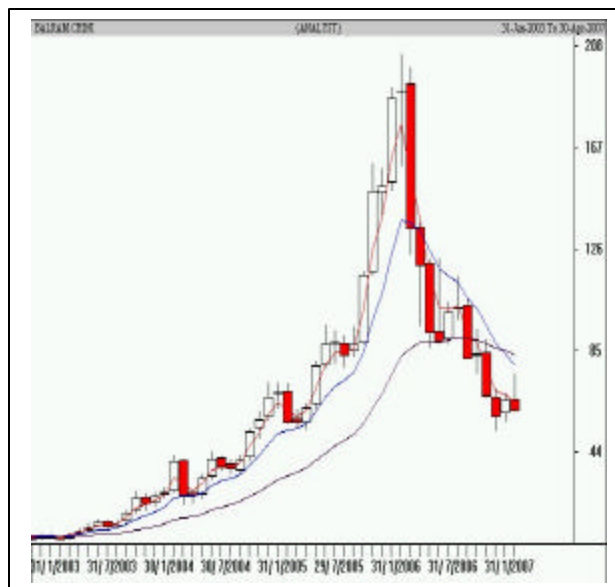
FV: 1.00 **EQ: 24.82** **EPS : 7.5** **BV: 36.5** **DIV%: 350** **OPM%:24.0** **P/E: 8.23**

Balrampur C, after multiplying itself by more than 33 times from a low of Rs.6.30 in June 2001 to a high of Rs.205 in April 2005, has reacted sharply to a level of Rs.53.10 in February 2007. At the current price of Rs.61.70, it is trading in **4E ZONE** i.e. all the averages are in **BEAR PHASE** and the current price is placed below all the averages. **Buy at declines in the range of Rs.58-61 with a stop loss below Rs.53 in close for a conservative upper target of Rs.84 and an optimistic target of Rs.93.** Holding period can be 4-6 months.

Buy in small lots only.

Share holding: Promoters 31.81 %, Inst 31.60 %.

Average daily volume: 4,10,000



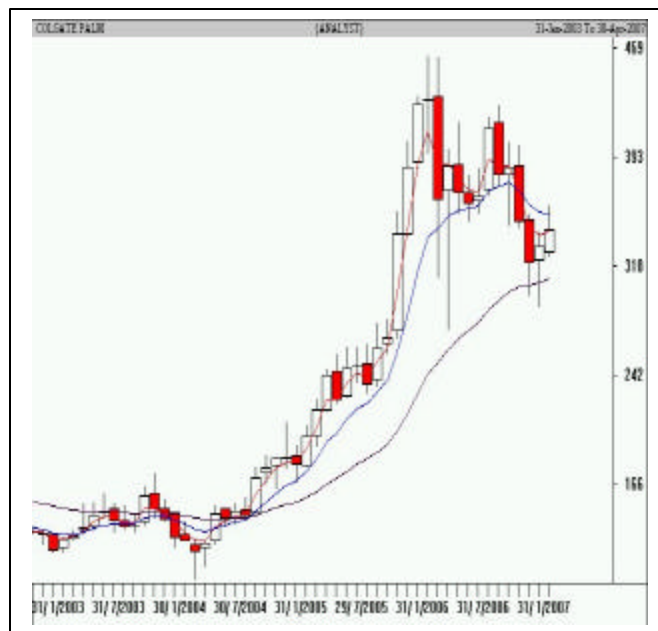
Colgate **CMP:Rs.344.10** **SL:Rs.321.00** **TGT:Rs.390.00/405.00**

FV: 10 **EQ: 136.00** **EPS : 38.7** **BV: 19.9** **DIV%: 75** **OPM%: 17.2** **P/E: 8.89**

Colgate, after by more than 4 times from a low of Rs101.05 in May 2004 to a high of Rs463.90 in April 2006, has reacted sharply to a level of Rs.275.15 in June 2006. It has been since then shuttling in a broad trading range. At the current price of Rs.344.10, it is trading in **2C ZONE** i.e. short term average has moved below the medium term average which in turn remains above the long term average and the current price is placed between medium term and long term averages **Buy at declines in the range of Rs.330-340 with a stop loss below Rs.322 in close for a conservative upper target of Rs.390 and an optimistic target of Rs.407.** Holding period can be 2-3 months.

Accumulate in moderate lots.

Share holding: Promoters 50.98 %,Inst. 21.94 %.
Average daily volume: 50,790



Hind Lever **CMP:Rs.199.40** **SL:Rs.185.00** **TGT:Rs. 232.00/247.00**

FV: 1.00 **EQ: 220.67** **EPS : 7.0** **BV: 12.3** **DIV%: 600** **OPM%: 13.80** **P/E: 28.48**

Hind Lever, after improving from a low of Rs.104 in August 2004 to a lower top of Rs.296 in April 2006 has reacted moderately to a level of Rs166 in March 2007. At the current price of Rs.199.40, it is trading in **3 D Zone**, i.e. short term average has moved below the long term average but the medium term average remains above the long term average and the current price is placed below all the averages. **It is a case of an imbalanced reaction in price.** **Buy at declines in the range of Rs.191-196 with a stop loss below Rs.184 in close for a conservative upper target of Rs.233 and an optimistic target of Rs.247.** Holding period can be 3-4 months.
Accumulate in moderate lots.

Share holding: Promoters 51.42%, Inst.28.93 %



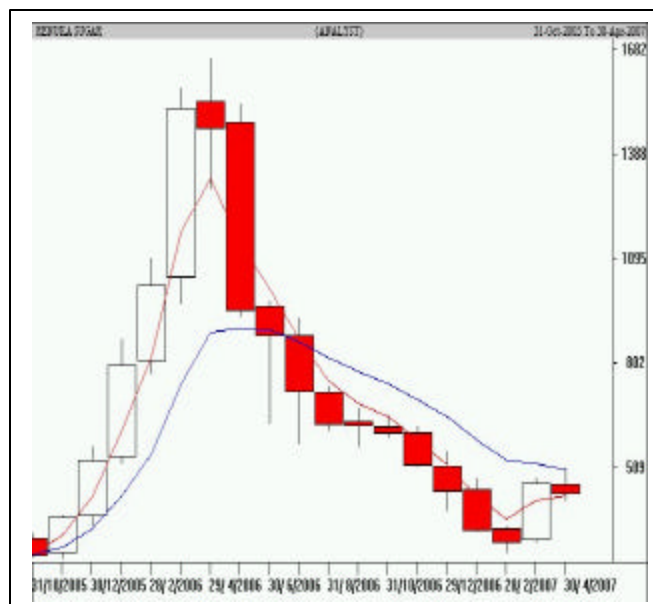
Renuka Sugar CMP:Rs.438.95 SL:Rs.395.00 TGT:Rs.560.00/590.00

FV: 10 EQ: 21.8 EPS : 29.4 BV: 98.6 DIV%: 27 OPM%: 22.3 P/E: 18.32

Renuka Sugar, after its extraordinarily strong shoot out from a low of Rs.256 in October 2005 to a **NEW HIGH** of Rs.1660 in April 2006, went into a total reverse gear to a level of Rs.272 in February 2007. At the current price of Rs.438.95, it is trading in **4F ZONE** i.e. all the averages are in **BEAR PHASE** and the current price has been placed between short term and medium term averages. **Buy at declines in the range of Rs.425-435 with a stop loss below Rs.395 in close for a conservative upper target of Rs.565 and an optimistic target of Rs.590.** Holding period can be 4-5 months.

Buy in small lots only.

Share holding: Promoters 40.35%, Inst.19.02 %.
Average daily volume: 37.520



Triveni Engg CMP:Rs.48.10 SL:Rs.40.00 TGT:Rs.68.00/76.00

FV: 1.00 EQ: 26.78 EPS : 5.0 BV: 19.9 DIV%: 50 OPM%: 16.8 P/E: 9.62

Triveni Engg, after multiplying itself from a low of Rs.22.70 in September 2001 to a high of Rs.129.95 in March 2006, reacted sharply to a level of Rs.38.15 in February 2007. At the current price of Rs.48.10, it is trading in **4E ZONE** i.e. all the averages are in **BEAR PHASE** and the current price is placed below all the averages. **Buy at declines in the range of Rs.44-47 with a stop loss below Rs.40 in close for a conservative upper target of Rs.68 and an optimistic target of Rs.76.** Holding period can be 4-6 months.

Buy in small lots only.

Share holding: Promoters 69.45%, Inst.16.48 %.
Average daily volume: 3,88,480



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