Economy News

- The government ended the confusion over pricing of diesel saying the fuel has not been decontrolled like petrol, but reiterated its commitment to cutting wasteful subsidies. We have not thought about decontrolling LPG (cooking gas), kerosene or diesel right now. We have to look at a lot of things, like (its) effect on consumer, before we do that, Cabinet secretary KM Chandrasekhar said on Tuesday. (ET)
- The Prime Ministers Economic Advisory Council is likely to upgrade India's growth projection to 8.5% plus for 2010-11 from its earlier forecast of 8.2%, bringing its estimates in line with the official forecast. (ET)
- The centre looks all set to bring the direct taxes code bill and the constitutional amendments required to roll out the goods and services tax in the forthcoming Monsoon session of the Parliament beginning next week. (ET)
- Inadequate monsoon rains, especially in the surplus states, and a surge in the "unscheduled interchange (UI) rate" have led to a rise in the prices of electricity in short-term trading. The UI rate is a variable depending on the grid frequency. When the frequency dips below the stipulated level, the rate increases, which induces discipline among overdrawing power utilities. The average price, which was ranging between Rs 3 and Rs 3.50 per unit since April till last week, has suddenly soared to Rs 4.70-4.85 per unit. On certain occasions, the price even soared to Rs 7 per unit. (BS)

Corporate News

- **IDBI Bank** plans to raise Rs 3,119 crore through preferential issue of equity shares to the Government. The infusion will augment the bank's capital adequacy and help grow its balance-sheet. The bank currently does not have much headroom to raise capital through a follow-on public offer as the statute stipulates that the Government's shareholding cannot fall below 51 per cent. The Government's shareholding in the bank, as of March 31, 2010, was 52.67 per cent. The capital injection will raise the Government's stake to 65 per cent. (BL)
- Fortis Healthcare Holdings, the promoter firm that owns majority stake in **Fortis Healthcare**, pledged 33 million additional shares, around 10 per cent of the 329.59 million shares it owns, on July 9. The move comes within three weeks of the promoter firm revoking 44.78 million pledged shares of Fortis in two tranches, on June 22 and July 7. (BS)
- Power trader **PTC India** is talking to private equity firms to dilute stake in its unit PTC India Financial Services, before going in for an initial public offer some time this year. It expects to meet the capital needs of the financial serivces unit, pegged at 57 billion rupees, via the sale, IPO and other means. (FE)
- Leading aluminium maker **Hindalco Industries** today said production of the metal this fiscal will be 20,000 tonnes lower, as bad weather has affected operations of its Hirakud unit in Orissa. The unit has an annual production capacity of 1.43 lakh tonnes per annum. (BS)
- Mining equipment manufacturing major **BEML** has asked for a majority 52 per cent stake in the joint venture company that is set to acquire the closed facility of the Durgapur-based Mining and Allied Machinery Corporation (MAMC). According to the original understanding between the consortium partners, BEML was to hold 48 per cent stake as the lead partner and Coal India Ltd (CIL) and Damodar Valley Corporation (DVC) 26 per cent each. (BL)

Source: ET = Economic Times, BS = Business Standard, FE = Financial Express, BL = Business Line, ToI: Times of India, BSE = Bombay Stock Exchange

Equity

	20 Jul 10	% Chg 1 Day	1 Mth	3 Mths
Indian Indices				
SENSEX Index	17,878	(0.3)	0.0	2.3
NIFTY Index	5,368	(0.3)	0.3	2.3
BANKEX Index	11,375	(0.4)	2.5	5.2
BSET Index	5,430	(0.2)	(0.1)	1.0
BSETCG INDEX	15,048	0.0	1.6	7.9
BSEOIL INDEX	10,448	(0.4)	0.6	5.5
CNXMcap Index	8,385	(0.4)	3.8	5.1
BSESMCAP INDEX	9,432	(0.3)	5.3	3.1
World Indices				
Dow Jones	10,230	0.7	(2.0)	(8.0)
Nasdaq	2,222	1.1	(2.9)	(11.3)
FTSE	5,139	(0.2)	(3.0)	(10.2)
Nikkei	9,300	(1.1)	(9.0)	(15.9)
Hangseng	20,265	0.9	(2.4)	(5.1)

Value traded (Rs cr)

	20 Jul 10	% Chg - Day
Cash BSE	3,370	2.8
Cash NSE	10,837	(3.6)
Derivatives	75,806.5	(3.6)

Net inflows (Rs cr)

	19 Jul 10	% Chg	MTD	YTD
FII	204	(73.2)	9,247	39,492
Mutual Fund	(176)	(76.3)	(1,458)	(9,585)

FII open interest (Rs cr)

	19 Jul 10	% Chg
FII Index Futures	17,711	(0.4)
FII Index Options	55,324	(0.1)
FII Stock Futures	33,448	1.1
FII Stock Options	1,590	0.1

Advances / Declines (BSE)

20 Jul 10	A	B	S	Total	% total
Advances	73	813	212	1,098	41
Declines	130	1099	223	1,452	55
Unchanged	2	82	18	102	4

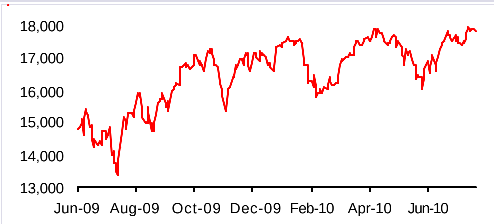
Commodity

		20 Jul 10	% Chg 1 Day	1 Mth	3 Mths
Crude (NYMEX)	(US$/BBL)	78	(0.0)	(0.3)	(7.3)
Gold	(US$/OZ)	1,192	0.8	(3.5)	3.8
Silver	(US$/OZ)	18	0.6	(5.3)	(2.0)

Debt / forex market

	20 Jul 10	1 Day	1 Mth	3 Mths
10 yr G-Sec yield %	7.66	7.62	7.57	N/A
Re/US$	47.36	47.13	45.75	44.51

Sensex



RESULT UPDATE

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NIIT TECHNOLOGIES LTD (NIITT)

PRICE: RS.186 **RECOMMENDATION: BUY**
TARGET PRICE: RS.240 **FY11E P/E: 6.9x**

NIITT's 1QFY11 results were in line with our estimates. Excluding bought-outs for the BSF order, revenues grew by about 3% QoQ while EBIDTA margins fell by about 73bps over this period. The global scenario, ex-Europe, continues to be encouraging for the company. In fact, revenues from US have risen QoQ by 12% in INR terms, which is encouraging. While EMEA revenues in INR terms are lower QoQ, volumes rose over this period, we understand. New clients are coming in at higher-than-average rates. Non-linear revenues formed 26% of 1QFY11 revenues, marginally lower v/s 27% in the previous quarter. While revenues have risen, the volume growth at about 4% (according to the management) is lower than the growth reported by larger peers. Hardware component in BSF order is expected to push up revenue growth in FY11 while impacting margins. We now estimate FY11 EPS at Rs.26.9 (Rs.24.4) and change our DCF based price target to Rs.240 (Rs.236), based on DCF method. We have already incorporated a benign macro scenario into our DCF model. The company has net cash of about Rs.32 per share. We maintain BUY.

Summary table

(Rs mn)	FY09	FY10	FY11E
Sales	9,799	9,138	10,218
Growth (%)	4.1	-6.7	11.8
EBITDA	1,763	1,889	2,183
EBITDA margin (%)	18.0	20.7	21.4
Net profit	1,147	1,263	1,583
Net cash (debt)	1,237	1,678	3,188
EPS (Rs)	19.6	21.5	26.9
Growth (%)	-15.2	9.9	25.4
CEPS	26.8	27.6	33.2
DPS (Rs)	6.0	7.0	8.0
ROE (%)	27.7	26.1	24.9
ROCE (%)	31.4	29.1	28.7
EV/Sales (x)	1.1	1.2	1.1
EV/EBITDA (x)	5.5	4.9	3.5
P/E (x)	9.5	8.7	6.9
P/Cash Earnings	6.9	6.7	5.6
P/BV (x)	2.8	1.9	1.6

Source: Company, Kotak Securities - Private Client Research

1QFY11 results

(Rs mn)	1QFY11	4QFY10	% Chg	1QFY10	% Chg
Income	**2914**	**2392**	**21.8**	**2182**	**33.5**
Expenditure	2373	1863		1788	
Operating Profit	**541**	**529**	**2.3**	**394**	**37.3**
Depreciation	80	86		95	
Gross Profit	**461**	**443**	**4.1**	**299**	**54.2**
Interest	0	0		0	
Other Income	24	-25		-84	
PBT	**485**	**418**	**16.0**	**215**	**125.6**
Tax	70	-3		37	
PAT	**415**	**421**	**-1.4**	**178**	**133.2**
Minority interest	6	8		2	
Adjusted PAT	**409**	**413**	**-1.0**	**176**	**132.4**
Shares (mns)	59	59		59	
EPS (Rs)	**7.0**	**7.0**		**3.0**	
Margins					
OPM (%)	18.6	22.1		18.1	
GPM (%)	15.8	18.5		13.7	
NPM (%)	14.2	17.6		8.2	

Source : Company

Revenues grow by 3% QoQ (excluding bought-outs for BSF deal)

- During the quarter, NIITT started executing the BSF project, which it had won in the previous quarter.
- The initial phase involves building the infrastructure and the same was partially carried out in 1QFY11.
- The revenues of 1QFY11 include about Rs.450mn of bought out components towards this.
- Excluding these, revenues grew by about 3%, in our view.

- Revenues also include forex loss (on hedging) of Rs.79mn as against a loss of Rs.129mn in the previous quarter.
- Thus, excluding these, revenues were higher by about 1% QoQ.
- According to the management, volumes grew by about 4% QoQ, but cross currency impact set off a large part of the same.
- This is lower than the growth reported by larger peers during the quarter.
- The growth was led by US, which saw revenues spike up by about 12% QoQ.
- While revenues from Europe fell QoQ, volumes were higher.
- The Top 20 accounts grew by 6% QoQ (excl bought outs), reflecting deeper penetration in larger accounts.

Macro scene improving...

- The company has witnessed an overall improvement in the macro scene, especially in USA and in India.
- The overall spending on IT is on the rise, buoyed by the release of pent-up demand of the past few quarters.
- The off-shore component in budgets has increased and this move towards off-shoring is helping Indian vendors who are receiving larger order-flows.
- BFSI and Travel & Transportation (T&T) verticals have seen further improvement in demand. The retail vertical has also seen traction.
- Within T&T, the airlines vertical has seen a re-emergence of spending. According to the management, as compared to a combined loss of about $10bn in CY2009, airlines are expected to rake in profits of about $2.5bn in CY2010.
- The company has also been able to penetrate its larger accounts deeper whereas new clients are also helping growth rates, especially in APAC region.
- In fact, the company has won orders in the current quarter in the BFSI vertical in USA.
- Moreover, within India, one of the non-BFSI client has scaled up fast.

...Europe situation is uncertain

- However, the evolving situation in Europe has led to some uncertainty in order flows and we believe that, the geography may have witnessed a slowdown in order-flows.
- More than 35% of NIITT's revenues come from Europe.
- The decision making cycle has become longer and the pace of order flows from Europe has slackened.
- However, the company has not experienced any client specific issues in the form of order cancellations or execution delays from existing clients.

Non-linear initiatives

- Non-linear initiatives has continued to scale in the current quarter.
- Non-linear initiatives formed 26% of overall revenues in 1QFY11 v/s 27% QoQ and we expect them to continue to form about 27% of overall revenues in the near term.
- However, the contribution is expected to increase as the business gains greater scale.
- The various initiatives on the non-linear side include Infrastructure management services, Platform based services and Managed services. The company has platforms like Subscribe (ROOM) & Monalisa (SofTec).

- The platform based services should gather steam in the future quarters (with ROOM's platform gaining traction) while the IMS business is expected to contribute for the whole fiscal.
- ROOM's scale up has been a bit slow in the current quarter because of the issues faced by clients in Europe, where most of ROOM's revenues emanate from.
- ROOM is more into the non-life market, which had not been impacted significantly.
- The company has plans of introducing ROOM's platform to the US markets. This is expected to be done by implementing the PF at the Bermuda location of an existing European client.
- We expect the entry into US to be slow because of the need to incorporate changes required by different regulations.
- The company has also launched the SaaS initiative and the Cloud initiative recently.
- It has announced a partnership with Hitachi Information Systems, Ltd., Japan FY10 to offer Cloud services. Revenues from this partnership are expected to start from 2QFY11.
- Initially, non-critical applications like HR, Payroll, etc will be offered by NIITT on Cloud.
- As part of the non-linear initiative, NIITT has bagged an order in 4QFY10 to implement and maintain the state of art cargo operations system (COSYS IS) to support the cargo handling operations at Jakarta, Bali and Surabaya Airports for PT JAS (PT Jasa Angkasa Semesta).
- COSYS was developed by NIITT for Singapore Airport Terminal Services (SATS) and the same is now being licensed from SATS for implementing it in Indonesia.
- These non-linear initiatives are expected to help the company restrict impact on margins due to salary hikes and potential rupee appreciation, if any.

BSF order on schedule; implementation revenues expected to accrue from 2Q, though

- The company announced an order from BSF (Border Security Force) worth Rs.2.28bn in 4QFY10, to be implemented over a five year period. The order involves the entire gamut of operations including troop movement, payrolls, accounting, etc.
- This SI order also includes a hardware component which, we believe, is about Rs.1bn.
- The order has started in 1QFY11, with the hardware component being supplied. Revenues of about Rs.450mn were booked during the quarter. The implementation revenues should start from 2QFY11, we believe.
- Thus, while we expect substantial growth in revenues in FY11 from this project, margins in this project are expected to be lower vis-à-vis company average as the hardware component will be a pass-through for NIITT (about 3% - 4% margins, we understand).

Attrition rises; staggered salary hikes

- In 1QFY11, NIITT added about 109 employees, which was lower than our expectations. We note that, in the previous quarter, the company had added nearly 10% of the previous quarter's base.
- At 82%, the company may not have the liberty to expand the utilization levels further.

- Attrition rose to 18% (LTM basis) v/s 16% QoQ.
- The company has given staggered salary hikes to off-shore employees.
- The 9% average hike has been divided equally between 1QFY11 and 3QFY11E, we believe.
- On-site employees will be given an average hike of 2% - 3% WEF 2QFY11.

Margins lower

- EBIDTA margins during the quarter were lower by about 73bps. This was largely due to the rupee appreciation v/s major currencies and also due to the salary hikes given during the quarter. On-site content also increased in revenues.
- However, the company controlled opex to sustain margins. Non-linear revenues formed 26% of the quarter revenues and also helped in restricting further impact on margins.

Exchange rate movement - company has started hedging against Euro and GBP

- NIITT had forex gain of about Rs.6mn (loss of Rs.35mn) during the quarter.
- The company has $73mn ($99mn) of hedges at an average of about Rs.43.21 / USD maturing over the next 4 quarters. Of these, $65mn worth of hedges are expected to mature in FY11.
- NIITT has also started hedging its Euro and GBP revenues, though to a smaller extent.

Future prospects

- We tweak our earnings estimates. We have assumed the rupee to appreciate to Rs.45.5 per USD by in FY11-end.
- For FY11, we expect USD revenues (ex bought-outs) to grow by 15% on the back of a 19% rise in volumes. The expected rupee appreciation may impact overall revenue growth.
- EBIDTA margins are expected to be lower as against FY10 levels because of the exchange rate, the expected salary increments in FY11 and the hardware component in the BSF order.
- Net profits are expected to be Rs.1.58bn in FY11, translating into earnings of Rs.26.9 in FY11.

Valuations and recommendation

- We have incorporated a benign operating environment in our near term assumptions for the company.

We maintain BUY on NIIT Technologies with a revised price target of Rs.240

- A WACC of 13% and terminal growth of 3% leads us to a fair value of Rs.239 for the stock, based on FY11 estimates.
- At those levels the stock will quote at about 9x FY11 earnings, which is reasonable, in our view.
- We maintain a **BUY.**
- The company has net cash of more than Rs.32 per share.

Concerns

- Rupee appreciation beyond our assumed levels could provide a downward bias to our earnings estimates.
- A delayed recovery in major global economies could impact growth prospects of NIITT.

RESULT UPDATE

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CONTAINER CORPORATION OF INDIA (CONCOR)

PRICE: RS.1405 **RECOMMENDATION: REDUCE**
TARGET PRICE: RS.1250 **FY11E P/E: 21.3X**

- **The Q1FY11 results of CONCOR were marginally above our estimates on the profitability front due to higher other income**
- **Volumes growth of 7.8% YoY in EXIM and 6.0% YOY in Domestic segment**
- **Expect another round of hike in railway haulage charges - negative for CONCOR**
- **PFT and SFTO - long term positive**
- **Maintain FY11 earning estimates**
- **Stock richly valued at 21.3x FY11E EPS of Rs.66.0**
- **Due to 11% downside potential from the current levels, we continue to recommend REDUCE on CONCOR with unchanged price target of Rs.1250.**

Summary table

(Rs mn)	FY09	FY10	FY11E
Sales	34,172	37,057	40,725
Growth (%)	2.1	8.4	9.9
EBITDA	9,311	9,616	11,028
EBITDA margin (%)	27.2	26.0	27.1
Net profit	7,912	7,867	8,576
Net debt	(17,635)	(19,895)	(21,372)
EPS (Rs)	60.9	60.5	66.0
Growth (%)	5.2	(0.6)	9.0
DPS (Rs)	14.0	15.0	16.0
ROE (%)	21.0	18.1	18.5
ROCE (%)	27.3	23.2	23.7
EV/Sales (x)	4.8	4.4	4.0
EV/EBITDA (x)	17.7	16.9	14.6
P/E (x)	23.1	23.2	21.3
P/CEPS (x)	20.1	19.8	18.1
P/BV (x)	4.9	4.2	3.7

Source: Company, Kotak Securities - Private Client Research

Quarterly performance

(Rs mn)	Q1FY11	Q1FY10	YoY%	Q4FY10	QoQ (%)
Net Sales	9,159	9,074	0.9	9,505	(3.6)
Staff cost	202	198	2.5	190	6.4
Rail expenditure	5,274	5,269	0.1	5,571	(5.3)
Other exp	1,213	1,129	7.4	1,543	(21.4)
Total Exp.	6,689	6,595	1.4	7,305	(8.4)
EBIDTA	2,470	2,478	(0.3)	2,201	12.2
Other income	359	413	(13.0)	383	(6.2)
Depreciation	352	316	11.5	365	(3.4)
EBIT	2,476	2,575	(3.8)	2,219	11.6
Interest	-	-	-	-	-
PBT	2,476	2,575	(3.8)	2,219	11.6
Tax & deferred tax	541	566	(4.4)	492	10.1
Net Profit	1,935	2,009	(3.7)	1,727	12.0
Equity shares o/s (mn)	130.0	130.0		130.0	
Ratios					
Operting profit margin (%) excluding other income	27.0	27.3	down 30 bps	23.2	up 380 bps
Staff cost / sales (%)	2.2	2.2		2.0	
Rail exp. / sales (%)	57.6	58.1		58.6	
Other Exp. / Sales (%)	13.2	12.4		16.2	
Tax % of PBT	21.9	22.0		22.2	
EPS (Rs)	14.9	15.5	(3.7)	13.3	12.0
CEPS (Rs)	17.6	17.9	(1.6)	16.1	9.4

Source: Company

Segmental table

(Rs mn)	Q1FY11	Q1FY10	YoY (%)	Q4FY10	QoQ (%)
Segmental Revenue					
EXIM	7,202	7,243	(0.6)	7,257	(0.8)
Domestic	1,957	1,831	6.9	2,249	(13.0)
TEU (lakh nos.)					
EXIM	4.9	4.5	7.8	4.9	(0.2)
Domestic	1.3	1.2	6.0	1.5	(16.4)
Revenue per TEU					
EXIM	14,709	15,943	(7.7)	14,789	(0.5)
Domestic	15,361	15,227	0.9	14,752	4.1
Segmental Results - PBIT (Rs mn)					
EXIM	1,986	1,961	1.3	1,603	23.9
Domestic	266	307	(13.4)	362	(26.5)
Segmental Margins (%)					
EXIM	27.6	27.1	1.9	22.1	24.8
Domestic	13.6	16.8	(19.0)	16.1	(15.5)

Source: Company

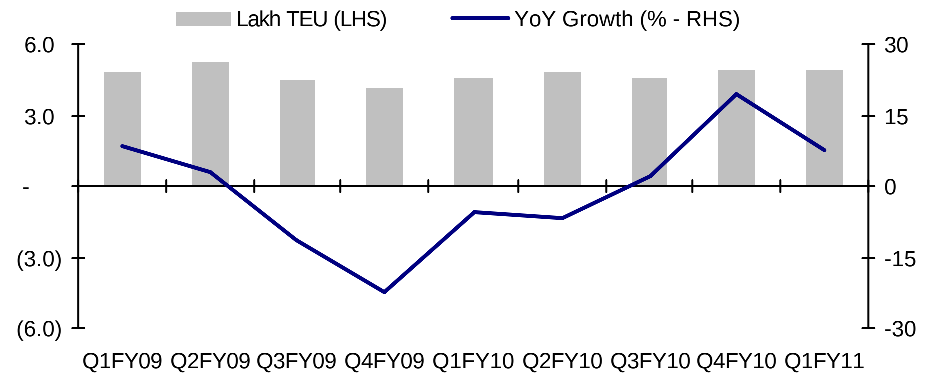
- For Q1FY11, EXIM business reported volume growth of 7.8% on YoY basis. This was primarily due to pick up in exports on the back of pick in the global economy. The domestic business also reported volume growth of 6.0% on YoY basis. This was due to its focus on end-to-end domestic solutions.
- Net Sales for Q1FY11 was at Rs.9.2 bn, which is up just 0.9% on YoY basis and is actually down 3.6% on sequential basis. This was due to 0.6% YOY 0.8% QoQ de-growth in the revenues of the EXIM business.
- Despite volume growth the revenue growth is flat due to lower lead distances. The lead distance in the Domestic segment reduced from 1507 km in Q1FY10 to 1418 km in Q1FY11. The lead distance in the EXIM segment reduced from 1203 km in Q1FY10 to 1097 km in Q1FY11. Overall lead distance for the company declined from 1284 km in Q1FY10 to 1186 km in Q1FY11.
- The operating margin during Q1FY11 is down by 30 bps to 27.0% on YoY basis on account of increase in other expenditure. EBIDTA for the Q1FY11 was at Rs.2.5 bn down 0.3% on YoY basis.
- The company has reduced the cost of empty running from Rs.330 mn in Q1FY10 to Rs.200 mn in Q1FY11 which helped to improve the PBIT margin of EXIM business by 50 bps to 27.6%. However the PBIT margin of domestic segment is down sharply by 320 bps to 13.6% primarily due to focus of the company to increase the business and thus it did not pass on the complete hike in railway haulage charges.
- The other income of the company has dropped by 13.0% on YoY basis due to drop in interest rates and the fact that cash of the company is being deployed in ramping up the assets of the company.
- PBT for the Q1FY11 was down 3.8% on YoY basis to Rs.2.5 bn.
- PAT for Q1FY11 was at Rs.1.9 bn down 3.7% on YoY basis thereby translating into quarterly EPS of Rs.14.9 and quarterly CEPS of Rs.17.6.

Revenue Breakup

(Rs mn)	Q1FY11	Q1FY10	Shift %
Railway Freight	7,237	7,096	2.0
Transport Service	337	296	13.7
Handling Charges	902	878	2.7
Terminal Service	504	579	(12.9)
Warehouse Charges	47	56	(16.1)
Other Services	132	169	(21.9)
Total	9,159	9,074	0.9

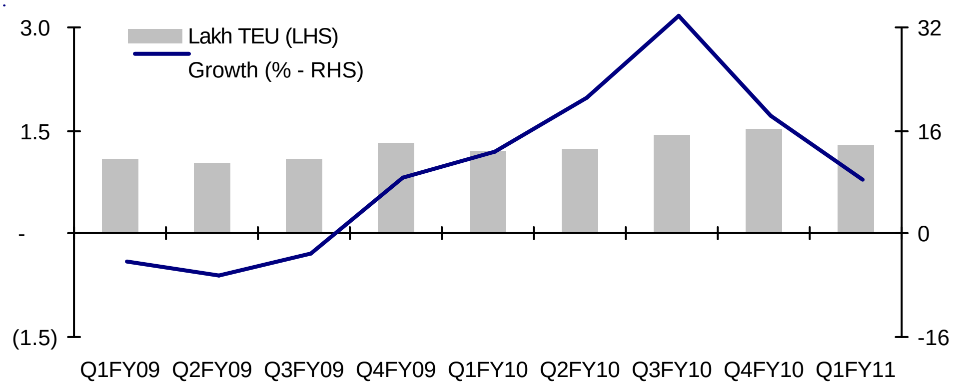
Source: Company

Quarterly EXIM TEU and growth



Source: Company, Kotak Securities - Private Client Research

Quarterly Domestic TEU and growth



Source: Company, Kotak Securities - Private Client Research

Expect another round of hike in railway haulage charges - negative for CONCOR

In response to hike in diesel prices the Indian Railways is considering a hike in railway haulage charges. We feel there is no choice for the Indian Railways but to hike the haulage charges. This is negative for CONCOR as even in last year it could pass on only 80-85% of the hike in haulage charges thereby impacting its margins. With increased competition from the private players we expect that CONCOR would only be able to pass on 75-80% of the expected hike in haulage charges and this would lead to lower operating margins going forward.

Fire to have limited impact on its operations and profitability

In April 2010 fire broke out in one of the export warehouses at its key ICD at Delhi. However the management has clarified that they have been successful in restricting the business loss by operating form another warehouse. Initially it received claims worth Rs.830 mn out of which some were withdrawn later. Finally there are claims worth Rs.420 mn based on FOB price of the material. However as per CONCOR policy maximum liability of CONCOR is only to the tune of Rs.50 per kg and thus total liability works out to only Rs.60 mn. Thus we do not expect any significant impact of fire on its operations or profitability.

Maintaining its market leadership despite heavy rakes addition by private players

Currently CONCOR enjoys overall market share of ~77-80%. In the EXIM segment it enjoys market share of 72-73% and on domestic routes it enjoys market share of 78-80%. However it is important to note that the private operators are adding rakes and this can bring down its market share further going forward. Despite this we expect CONCOR to maintain its market leadership position due to its strong base of low cost assets and terminal handling capacity

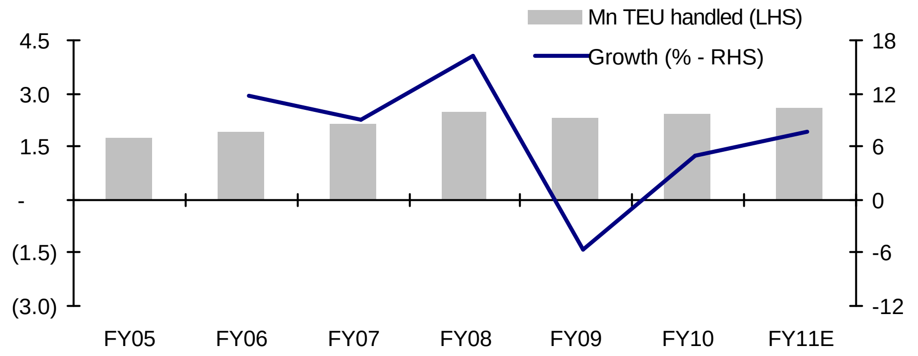
CAPEX plans

CONCOR had 230 rakes as of March 2010. It added 2 rakes in Q1FY11 and is looking to add 18 more rakes in FY11E. CONCOR had 59 terminals as of March 2010 and it plans to add 6 new terminals in FY11E. Some of the locations for new terminals are Punjab, Himachal Pradesh, Andhra Pradesh, Gujarat and Rajasthan. CONCOR is looking to incur capex of ~Rs.6.1 bn in FY11E.

PFT and SFTO - long term positive

- The Indian Railways has recently allowed the private players including CONCOR to operate Private Freight Terminals (PFT) and also run Special Freight Train Operator. (SFTO).
- PFT would enable rapid development of net work of freight handling terminals with the participation of Private Sector. PFT is expected to divert high rated finished traffic so far predominantly moving by road to rail and attain increased rail freight volumes by offering integrated, efficient and cost effective logistics and warehousing solutions to users.
- SFTO would help to increase Railways share in transportation of non conventional traffic in high capacity and special purpose wagons thereby increasing commodity base of Rail traffic. This would facilitate induction of better design of wagons to increase through put per train. SFTO provides an opportunity to logistics service provider or manufacturers to invest in wagon, use advantages of rail transport to tie up with the end users and market the train services owned by them for rail transportation of selected commodity to create a win-win situation for railways and themselves.
- CONCOR is undertaking several studies to examine the economics of above opportunities. One has to remember that lucrative commodities like coal and iron ore are kept out of purview of PFT and SFTO. Initially CONCOR is looking at Car carriers and Oil wagons.
- However it would take at least six to nine months to develop private freight terminal and also acquire specialized wagons. Thus we feel that any major benefit of this can only be seen in from FY12 onwards.

Mn TEU handled and Growth



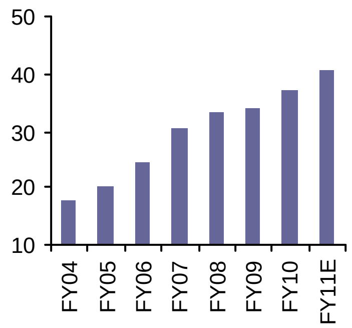
Source: Company, Kotak Securities - Private Client Research

Recommendation and Valuation

We recommend REDUCE on CONCOR with a price target of Rs.1250

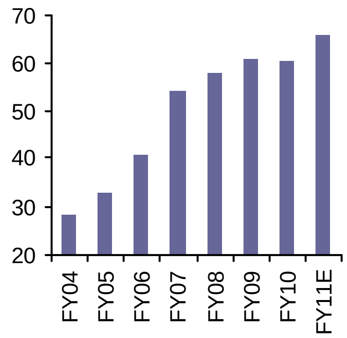
- We maintain our earning estimates and expect CONCOR to report EPS of Rs.66.0 in FY11E.
- The company is debt free and in fact has cash surplus of Rs.21 bn on the books as of June 2010 which translates into cash of Rs.162 per share.
- At the current market price of Rs.1405, the stock trades at rich valuations of 3.7x book value, 21.3x earnings and 18.1x cash earnings based on FY11E. This is also above its top end of the historical P/E band of 20x.
- Due to 11% downside potential from the current levels we continue to recommend REDUCE on CONCOR with unchanged price target of Rs.1250.
- Our price target does not include value of its stakes in ports (JNPT third terminal) as we feel these are long-term strategic investments.

Net sales (Rs bn)



Source: Company, Kotak Securities - Private Client Research

EPS (Rs)



Source: Company, Kotak Securities - Private Client Research

RESULT UPDATE

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CROMPTON GREAVES

PRICE: RS.264 **RECOMMENDATION: ACCUMULATE**
TARGET PRICE: RS.280 **FY11E P/E: 18.6x**

- **CGL's reported numbers were in line with our expectations. As was expected, the profit growth has been largely led by margin expansion and other income. The management believes there is room for further cost optimization.**
- **Overseas subsidiaries posted a degrowth of 6% but higher productivity resulted in margin expansion.**
- **We maintain ACCUMULATE with an unchanged price target of Rs 280.**

Summary table - Consolidated

(Rs mn)	FY09	FY10	FY11E
Sales	87,373	91,409	103,553
Growth (%)	27.6	4.6	13.3
EBITDA	9,956	12,770	13,876
EBITDA margin (%)	11.4	14.0	13.4
Net profit	5,599	8,241	9,094
Net cash (debt)	-1,527	1,677	6,719
EPS (Rs)	8.7	12.8	14.2
Growth (%)	37.7	47.2	10.4
ROE (%)	30.6	32.9	27.2
ROCE (%)	40.2	43.5	38.9
EV/Sales (x)	2.0	1.8	1.6
EV/EBITDA (x)	17.2	13.1	11.7
P/E (x)	30.3	20.6	18.6
P/BV (x)	9.3	6.8	5.1

Source: Company, Kotak Securities - Private Client Research

Quarterly performance (Standalone Financials)

(Rs mn)	Q1 FY11	Q1 FY10	% YoY
Gross sales	**14,155**	**12,212**	**16**
excise duty	725.60	477.70	52
Net Sales	**13,429**	**11,735**	**14**
RM costs	6,060	5,491	10
Purchase of traded goods	3,045	2,380	28
Staff costs	726	630	15
Other costs	1,505	1,493	1
Total Expenditure	11,335	9,994	13
PBIDT	**2,094**	**1,740**	**20**
Interest	-	-	
Other Income	154	90	71
PBDT	**2,248**	**1,830**	**23**
Depreciation	172	128	34
PBT	**2,075**	**1,702**	**22**
Tax	654	555	18
Reported Profit After Tax	**1,422**	**1,147**	**24**
Excise rate (%)	5.1	3.9	
RM costs to sale (%)	67.8	67.1	
staff costs (%)	5.4	5.4	
other costs (%)	11.2	12.7	
OPM (%)	15.6	14.8	
Total tax rate (%)	31	33	

Source: Company

Result Highlights

- On standalone basis revenues have gone up by 16% YoY to Rs.14.1 bn with impressive growth in all the four segments.
- Power systems division revenues remained flat for the quarter. We opine that spending from PGCIL remained sluggish for Q4FY10 and up tick in this would provide thrust to the company's performance. CGL is the market leader in power transformers with a share of close to 27%.
- Growth has been muted as customers have delayed taking deliveries. The situation should correct in the coming quarters. Management believes this is a temporary phenomenon as the demand growth as reflected by order intake is robust.

Consolidated

(Rs mn)	Q1FY11	Q1FY10	YoY (%)
Net Sales	**23,022**	**21,975**	**5**
Raw Matl costs	11,079	11,149	-1
Purchase of traded goods	3,104	2,429	28
Staff costs	2,994	2,865	5
Other expenditure	2,871	3,055	-6
Total Expenditure	20,049	19,499	3
PBIDT	**2,973**	**2,476**	**20**
Other Income	183	239	-23
Interest	50.1	45	11
PBDT	**3,106**	**2,670**	**16**
Depreciation	415.1	371	12
PBT	**2,691**	**2,299**	**17**
Tax	793.8	695	14
Reported Profit After Tax	**1,897**	**1,605**	**18**
Minority interest	-1	-8	-87
Share of associates	12	7	77
Net Profit	**1,909**	**1,604**	**19**
OPM (%)	12.9	11.3	
Raw material cost to sales (%)	48.1	50.7	
Staff cost to sales (%)	13.0	13.0	
Other expenditure to sales (%)	12.5	13.9	
Tax rate (%)	29.5	30.2	
EPS (Rs)	**3.0**	**2.5**	

Source: Company

Segment Revenues (standalone)

(Rs mn)	Q1 FY11	Q1 FY10	% YoY
power	5101	5084	0
Consumer	5318	4129	29
Industrial	3112	2539	23
others	54	76	-28
Total Revenues	13585	11828	15

Source: Company

- Consumer Product division sales grew by robust 29% YoY. Expanding real estate activity and increasing replacement demand auger well for the division growth. The company plans to expand in rural areas for sustaining growth momentum.
- Industrial division observed 23% YoY revenue growth at Rs. 3.1 bn driven by upsurge in demand for motors and drives. The company intends to increase the share of industrial segment in the coming years.
- On a consolidated basis revenue growth remained sedate (grew by 5% YoY) mainly on account of depressed performance in the overseas geographies as a result of ongoing subdued demand scenario in Euro zone and the US.
- International revenues were also impacted by a 3% depreciation of EURO against Rupee during the quarter. Exports are likely to post a degrowth of close to 10% in FY11.

Margins expansion across all divisions

- On a standalone basis operating margins increased from 14.8% in Q1FY10 to 15.6% in Q1FY11.
- On consolidated basis margins improved by 160 bps to 12.9% because of cost optimization efforts and employee productivity.

Segment margins (Standalone)

(%)	Q1 FY11	Q1 FY10	Q4 FY10
power	17	16	19
Consumer	15	14	15
Industrial	21	20	23
Segmental margin	17	16	19

Source: Company

Recently acquired the Scada division of Nelco for Rs. 920 mn

- The acquisition should provide CGL the Traction Electronics which deals with railways as the main customer, supplying electronics used in loco main power converters, auxiliary converter.
- In addition to this, the acquisition also offers CGL access to Nelco's Supervisory Control And Data Acquisition systems (SCADA) where the main customers are railways and transmission utilities like PGCIL.
- The third addition to the CGL portfolio is Nelco's Industrial Drives which is controlling the speed of the motors for energy efficiency through a variable voltage or variable frequency drives.

Order intake has grown well

- Consolidated order backlog stood at Rs 68 bn up 7.7% yoy.
- Consolidated order intake grew 34.5% yoy to Rs 27.3 bn.

Business Outlook

- CGL expects T&D spending in the country to grow 12-15% in FY11 and expects itself to outperform the industry growth rate.
- Outlook on the international operations remain subdued (45% of revenues). Order intake for overseas operations registered a degrowth of 25% in 3Q FY10.
- Revenue outlook for the international operations is flat in FY11.
- The management believes that attractive opportunities exist in the market for more acquisitions.

Valuation

- Currently CGL is trading at 18.6x FY11 consolidated earnings. On an EV/EBITDA basis, the stock is trading at 11.7x on a forward basis.
- We value the stock based on 20x FY11 earnings thus leading to a target price of Rs 280.
- Near-term triggers to watch out for the stock would be the progress on listing of Avantha Power, in which the company has a 32% stake. Management has stated the red hearing filing of its 32% holding company-Avantha power and Infrastructure limited (APIL) with SEBI for a public issue. Company has invested a sum of Rs 2.27 bn in APIL at Rs 10 per share for the stake. APIL is an established power generation company with 191 MW of operational thermal power capacity; 2,400 MW of generating capacity under various stages of implementation; and 1,320 MW of generating capacity under planning spread across India. Once all the projects under implementation and development have achieved commercial operation, the company is expected to have a total installed capacity of 3,911 MW.

We maintain ACCUMULATE on Compton Greaves with a price target of Rs.280

RESULT UPDATE

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SESA GOA

PRICE: RS.354 **RECOMMENDATION: ACCUMULATE**
TARGET PRICE: RS.390 **FY11E P/E: 7.9X; EV/EBIDTA: 4.4X**

Best ever quarterly profits delivered, above expectations - Maintain Accumulate

Sesa Goa results were excellent on profitability front (best ever), good overall and were much above our expectations. But there are concerns both at company and industry levels which restrains us from upgrading the stock for the time being even after its recent stock price correction which has made valuation quite attractive.

- **Company concern** - Sesa Goa expansion plans to 50 mn tonnes organically within next 2-3 years may not be that smooth as street had begun to expect. There might be big hurdles in the form of (i) statuary environment and forest clearance in Goa even as (ii) dark clouds on Orissa expansions persist as management has failed to renew 10 year old agreement with the mine lease owner even after a year since it lapsed. (iii) Political sensitivity on iron ore mining is on rise in Karnataka and this might pose problems in getting approvals for additional mining capacity in the state in the medium term.
- **Industry concern** - Chinese steel mills who had been relentlessly increasing production for time memorial have been restrained in last few months with (i) Chinese government finally putting some restrictions on booming reality sector and (ii) its tightening monetary policy measures to tame inflation. Chinese steel mills had been finding it tedious to liquidate volumes in domestic market and so started exporting in large quantity in last few months but now rebate removal of 9% on steel exports from 15 July 2010 onwards would virtually make steel exports unviable and further burden the domestic market with export diversions. Steel inventories had piled up in China and further steel production moderation is very likely scenario in coming months. Hence, we believe Chinese demand for imported iron ore is likely to decline further in the near term which can adversely impact sales volume and realizations. Spot iron ore prices have already corrected by 35% in the last three months and it can correct further.
- **Valuation change** - We are further moderating are iron ore sales volume estimates to 23mn tonnes (up 12.2% Y/Y vs. management guidance of 20-25% Y/Y) in FY11E. We have cut our average iron ore spot realization expectations for FY11E to $75.6/t. Our EPS estimates for FY11E is revised 5% downward to Rs.44.8 vs. Rs.47.2 earlier. We value the company on 5x (vs.5.25x) EV/EBITDA for FY11E and assign a target price of Rs.390. We maintain our accumulate rating as we believe the valuation are very attractive @ 4.4x EV/EBITDA and 7.9x P/E for FY11E for a company which has a remarkably strong balance sheet, proven management capabilities alongwith delivered and further expected growth story.

Summary table - Amalgamated

(Rs mn)	FY10	FY11E	FY12E
Sales (Rs. mn)	58031	86577	96148
Growth (%)	17.8	49.2	11.1
EBITDA (Rs. mn)	31448	49402	53855
EBITDA Margins (%)	53.7	56.6	55.6
Net Profit (Rs. mn)	26291	39875	42620
EPS (Rs.)	31.6	44.8	47.9
Growth (%)	24.9	41.7	6.9
ROE (%)	33.2	29.3	24.3
ROAE(%)	41.6	37.1	27.4
EV/Sales (x)	4.2	2.5	1.9
EV/ EBITDA (x)	7.8	4.4	3.4
P/E (x)	11.2	7.9	7.4
P/B (x)	3.7	2.3	1.8
BVPS (x)	95.3	152.9	197.0

Source: Company, Kotak Securities - Private Client Research

Q1FY11 results and conference call highlights

- Sesa Goa reported Q1FY11 net sales jump of 140% Y/Y to Rs.23.94bn. This performance was on back of primarily 148% Y/Y jump in average iron ore price realisations and 15% Y/Y growth in iron shipments. On sequential basis, though the net sales are almost flat (marginally down 0.4%), the composition is entirely different as Q1 sales volumes plummeted by 26% Q/Q while average realisation shot up by 36% Q/Q on back on strength in iron ore prices.
- Sesa Goa reported Q1FY11 EBITDA of Rs.15.5bn up whopping 242% Y/Y and EBITDA margin of 64.3% up 1950bps Y/Y. On sequential basis, EBITDA is up 3.2% Q/Q while EBITDA margin also improved by 220bps Q/Q.
- Sesa Goa reported Q1FY11 net profit of Rs.13.02bn up 208% Y/Y and 7.3% Q/Q and this is best quarterly profits ever achieved in its corporate history. Q1FY11 EPS works out to Rs.15.15 up 193% Y/Y and 3.7% Q/Q.

- Sesa Goa in Q1FY11 produced and sold 6.4mn tonnes and 5.44mn tonnes of iron ore, an increase of 36% and 15% Y/Y respectively. But this increase in production was on account of contribution from Dempo's operations (which contributed 1.3mn tonnes in production and 1.2 mn tonnes in sales). Adjusted for this iron ore sales have actually seen de-growth and is a sign of caution.
- As per management, iron ore sales volumes were negatively affected by forest permit related issues and political hue and cry on illegal iron ore mining in Karnataka along with logistics constraints in Orissa. Even shipments from Goa were hit from second half of May due to strict control on moisture by port authorities.
- Management maintains that the ban on iron ore imports below 60% Fe grade is restricted to iron ore traders who do not have back to back purchase contracts from the steel mills. It has mentioned that state owned large traders like Sinosteel, CNBM and Minmetal have not been restricted. In last year Sesa Goa sales through other small traders had been 11% of the sales volume. We believe, trading shipments through this channel has been adversely impacted in Q1 and this is primarily the reason why the sales volume has fallen short of company expectations by almost 1mn tonnes.
- Q1 Iron ore sales mix for spot and long term pricing was 65:35. Long term pricing includes sales linked to long term benchmark contract prices and also those linked to spot price levels.
- Iron ore sales volume breakup for Q1 is 3mt for Goa ex Dempo, 0.54mt for Karnataka, 0.64 mt for Orissa and 1.2mt for Dempo.
- Average realization on iron ore in Q1 was ~$ 85/t and average cost of production was ~$25/t. It has assumed increase of ~99 % on long term contract prices which have not yet been decided.
- In Q1, almost 70% of the shipments were on CFR basis and thus there was on average higher net realizations of $2-2.5/t.
- Iron ore inventory during Q1 has increased by 1mn tonnes to 4 mn tonnes at end of Q1.
- Other expenditure has shot up 54% Y/Y primarily because of ten fold jump in royalty rates which stood @ Rs.140/t on average in Q1. Freight charges are up 18.5% Y/Y primarily because of steep increase in railway freight charges. Railways have since 17 May increase freight by Rs.700/t for transport of exported iron ore.
- Iron ore spot prices have corrected 35% from its peak over last two months. Spot prices for 63% Fe grade is $100-105/t FOB and 58% Fe grade is $65-70/t FOB. As spot prices are now trading below long term contracted prices, management has indicated repeat of dis-honour of long term contracts by buyers is a likely scenario in Q2.
- Pig iron and coking coal expansion plans to 0.625 mn tonnes and 0.56 mn tonnes along with sinter plant and power plant of 30MW is progressing well as per schedule and is expected to be commissioned by June 2011.
- Pig iron production in Q1 was 70K tonnes but sales volumes dropped sharply by 24% Q/Q to 54K tonnes, due to lower demand from foundries. Company has booked an export order to reduce inventory in Q2.
- Sesa Goa has reported tax rate of just 17.8% in Q1. Management has guided a tax rate of 18-20% for FY11 which is much lower than 23.4% in FY10, 26.4% in FY09 and 33.4% in FY08. Though the management has told that this is due to tax benefits for EOUs in Goa and Karnataka region still we believe the tax benefits are on higher side and some caution is warranted given consistent sharp fall in tax rate over last few years post change in management.

- Sesa Goa's cash and cash equivalents (MFs, FDs) as on 30 June 2010 stood at Rs. 80.54bn (excluding inter corporate deposit of Rs.10bn). This consists of Rs. 64.95bn in debt mutual funds and Rs. 15.59bn in fixed deposits and cash with banks.

We now recommend to ACCUMULATE on Sesa Goa with a price target of Rs.390

- Sesa Goa management has indicated that Q2 sales from Karnataka region would see good growth as it is unaffected by monsoons. Dispatches from the region have been reported good for last fortnight.

Quartarly Results Comparative

(Rs mn)	Q1FY11	Q4FY10	Q/Q (%)	Q1FY10	Y/Y (%)
Net Sales	**24,131**	**24,189**	**-0.2**	**10,115**	**138.6**
Raw material consumption (incl. inventory changes)	-537	242	-321.9	994.1	-154.0
Stores and spares	737	686	7.5	535.4	37.7
Purchase of Ore	1471	1,621	-9.2	273.1	438.6
Transportation charges	3,457	3,649	-5.3	2920.3	18.4
Wages and Salaries	444	447	-0.6	394.8	12.6
Export Duty	1,276	1,215	5.0	39.3	3146.3
Other administrative expenses	1,776	1,300	36.6	427.2	315.7
Total operating expenditure	8624	9159	-5.8	5584	54.4
EBITDA	**15507**	**15030**	**3.2**	**4531**	**242.2**
% margin	64.3	62.1	220bps	44.8	1950bps
Other Income	**1,609**	**1,291**	**24.7**	**751.5**	**114.2**
Depreciation	191	166	15.0	151.8	26.1
Interest	137.4	227	-39.3	20.3	576.8
MTM Forex Loss(Gains)	911				
PBT	**15,877**	**15,928**	**-0.3**	**5,110**	**210.7**
Taxes	2,832	3,777	-25.0	869	225.7
Current (%)	17.8	23.7	-24.8	17.0	-100.0
PAT	**13,045**	**12,151**	**7.4**	**4,241**	**207.6**
Reported PAT	13,018	12,129	7.3	4,223	208.3
EPS (Rs)	**15.14**	**14.60**	**3.7**	**5.17**	**193.0**

Source: Company

Segmental Performance

(Rs mn)	Q1FY11	Q4FY10	Q/Q (%)	Q1FY10	Y/Y (%)
Sales Breakup					
Iron Ore	22685.3	22601.9	0.4	8557.2	165.1
Met Coke	1160.2	1029.1	12.7	1007.6	15.1
Pig Iron	1367.7	1500.5	-8.9	1325.9	3.2
Total	25213	25132	0.3	10891	131.5
EBIT Breakup					
Iron Ore	14744.4	14510.8	1.6	3925.7	275.6
Met Coke	280.9	122.4	129.5	254.1	10.5
Pig Iron	309.8	266.7	16.2	206.6	50.0
Total	15335.1	14899.9	2.9	4386.4	249.6
EBIT Margin (%)					
Iron Ore	65.0	64.2	80bps	45.9	1910bps
Met Coke	24.2	11.9	1230bps	25.2	(100bps)
Pig Iron	22.7	17.8	4901bps	15.6	(710bps)
Total	60.8	59.3	150bps	40.3	2050bps
Iron Ore Sales Volume (mn tonnes)	5.442	7.4	-26.5	4.73	15.1
Realisations (Rs./MT)	4168.6	3054.3	36.5	1809.1	130.4
Realisations (US$/MT)	91.6	67.1	36.5	37.0	147.6

Source: Company

Valuation

Assumptions - With Key Changes

	Old estimates		New estimates		
	FY10	FY11E	FY10	FY11E	FY12E
Sales Volume (mn tonnes)	20.5	24.6	20.5	23.0	28
Contract Prices (US$/t)	44.6	84.6	44.6	84.6	67.7
Spot Prices (US$/t)	56.0	81.2	56.0	75.6	69.9
Exchange Rate (US$/INR)	47.0	45.0	47.0	45.0	45.0
Realisations in USD/ton	53.7	82.1	53.7	77.9	69
Realisations in Rs/ton	2524	3693	2524	3504	3107
EBITDA Margins (%)	53.7	60.1	53.7	56.6	55.6
EPS (Rs.)	31.6	50.3	31.6	44.8	47.9

Source: Kotak Securities - Private Client Research

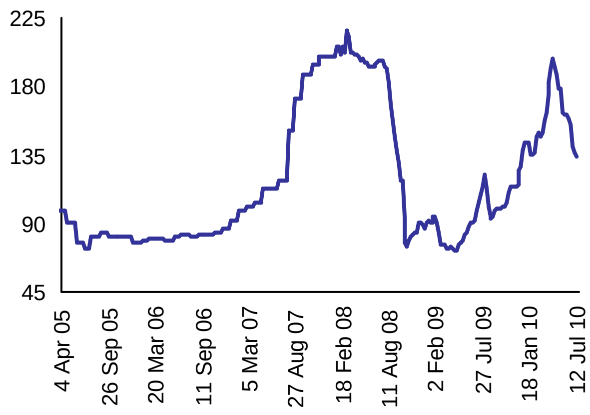
Target price based on FY11E amalgated earnings

	EBITDA (Rs mn)	Multiple (x)	Valuation (Rs mn)	Value (Rs/Share)
Enterprise Value	49,402	5.00	247,008	277.6
Add: Net Cash (at end of FY11E)			98,665	110.9
Target Market Capitalization			345,674	388.5
Target Price				390.0

Source: Kotak Securities - Private Client Research

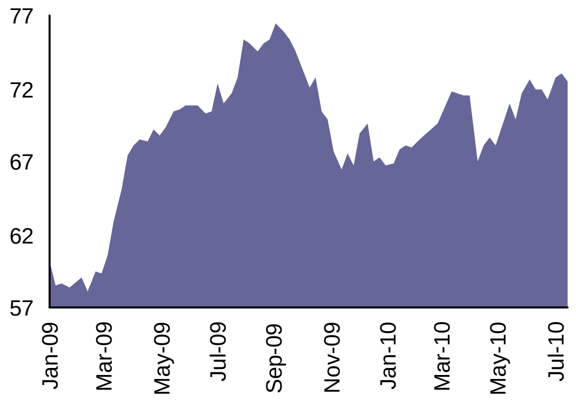
Industry charts

Indian iron ore (63% Fe dry) export prices to China CIF in USD/t



Source: Steel Business Briefing

China iron ore port inventory (mn tonnes)



Source: Bloomberg

FINANCIALS: SESA GOA

Profit and Loss Statement (Rs mn)

(Year-end March)	FY10	FY11E	FY12E
Net Sales	**58,031**	**86,577**	**96,148**
EBITDA	**31,448**	**49,402**	**53,855**
Other Income	3,050	4,861	4,485
Depreciation	745	968	1,123
Interest	517	490	-
PBT	**34,446**	**52,805**	**57,217**
Taxes	8,056	12,805	14,447
PAT	**26,291**	**39,875**	**42,620**
Shares Outstanding mn	831.0	889.7	889.7
EPS (Rs)	**31.6**	**44.8**	**47.9**

Source: Company, Kotak Securities - Private Client Research

Cash Flow Statement (Rs mn)

(Year-end March)	FY10	FY11E	FY12E
Net Profits	26,291	39,875	42,620
Add Depreciation	745	968	1,123
Decrease in Working Capital	3,397	(3,612)	(405)
Increase in Deferred Tax	86	(86)	-
Cash flow from Operations	**30,519**	**37,144**	**43,338**
Capital Expenditure	(18,945)	(5,000)	(5,000)
Increase in Investments	(14,397)	(29,098)	(34,955)
Increase in Loans and advances	(423)	-	-
Other items	24,913	48,982	34,955
Cash flow from investing	**(8,852)**	**14,884**	**(5,000)**
Increase in Equity	44	59	-
Increase in Borrowings	19,587	(19,606)	-
Dividend Payment	(3,160)	(3,383)	(3,383)
Cash flow from financing	16,471	(22,930)	(3,383)
Total Cash Flow	**38,137**	**29,098**	**34,955**
Opening Cash in Hand	31,429	69,567	98,665
Closing Cash in Hand	69,567	98,665	133,620
Change in Cash Balance	38,138	29,098	34,955

Source: Company, Kotak Securities - Private Client Research

Balance sheet (Rs mn)

(Year-end March)	FY10	FY11E	FY12E
LIABILITIES			
Equity Share Capital	831.0	889.7	889.7
Reserves & Surplus	78,346.1	135,154.6	174,391.4
Net Worth	**79,177**	**136,044**	**175,281**
Short Term Loans	0	0	0
Long Term Loans	19,606	0	0
Deferred Tax Liabilities	750	664	664
Total Liabilities	**99,966**	**136,708**	**175,945**
ASSETS			
Gross Block	27,510	32,048	37,048
Less Depreciation	5,741	6,709	7,831
Net Block	**21,770**	**25,339**	**29,216**
CWIP	**787**	**1,250**	**1,250**
Investments	**45,649**	**74,747**	**109,702**
of which financial investments	0	0	0
Total Current Assets	44,160	47,234	48,892
Total Current Liabilities	12,400	11,861	13,115
Net Current Assets	31,760	35,372	35,777
Total Assets	**99,966**	**136,708**	**175,945**

Source: Company, Kotak Securities - Private Client Research

Key ratios

(Year-end March)	FY10	FY11E	FY12E
EBITDA Margins (%)	53.7	56.6	55.6
NPM Margins (%)	45.0	45.9	44.2
ROE on yr-end equity (%)	33.2	29.3	24.3
ROAE (%)	41.6	37.1	27.4
EPS growth (%)	24.9	41.7	6.9
P/E (x)	11.2	7.9	7.4
EV/sales (x)	4.2	2.5	1.9
EV/EBITDA (x)	7.8	4.4	3.4
P/B (x)	3.7	2.3	1.8
BVPS (Rs)	95.3	152.9	197.0

Source: Company, Kotak Securities - Private Client Research

Bulk deals

Trade details of bulk deals

Date	Scrip name	Name of client	Buy/ Sell	Quantity of shares	Avg. price (Rs)
20-Jul	20 Microns	Sar Auto Products Limited	S	92,592	59.6
20-Jul	ACI Infocom	Abhay Kumar Mehta	B	55,000	30.5
20-Jul	Ador Multi	Chander Mohan Bhatia	B	16,202	26.7
20-Jul	Aishwarya Tele	Paresh Ramjibhai Chauhan	B	130,000	33.5
20-Jul	B&A	Ashok Kumar Bilgaiyan	S	17,718	155.6
20-Jul	Balaji Dist	Surbhi Investments & Trading Co	B	327,517	44.0
20-Jul	Bgil Films	Amit Vijay Shah	S	57,500	16.7
20-Jul	Channel Guide	Vithal Prasad Sarda	B	67,000	14.5
20-Jul	Channel Guide	Roopshri Finvest Pvt Ltd	S	67,000	14.5
20-Jul	Comfort Intech	Bharat Shantilal Thakkar	S	805,000	15.5
20-Jul	Comfort Intech	Hemant Madhusudan Sheth	S	1,175,000	15.6
20-Jul	Cosboard Inds	Shree Vihar Housing & Developers (P) Ltd	B	70,000	40.1
20-Jul	Dazzel Conf	Gale Inc-(Prop. Hemant Suresh Lokhnade)	B	30,000	31.6
20-Jul	ECE Inds	Ruchit Bharat Patel	B	100,000	121.1
20-Jul	ECE Inds	Minal Bharat Patel	B	225,682	123.7
20-Jul	ECE Inds	Hardik Bharat Patel	B	56,053	132.1
20-Jul	ECE Inds	Pat Financial Consultant Pvt Ltd	S	400,682	122.1
20-Jul	Filatex Fash	Narendra Kumar Agarwal	B	115,000	14.6
20-Jul	Filatex Fash	Bharti Sehrawat Dabas	S	115,000	14.6
20-Jul	Filatex India	Raj Kumar Saraf	S	119,697	59.3
20-Jul	Finaventure Cap	Finaventure Advisory Services India	S	79,805	146.1
20-Jul	Galada Power	Hemant Gupta	B	50,996	10.0
20-Jul	Golden Sec	Ratan Sen	S	22,136	13.5
20-Jul	Gujarat Capital	Alankrit Retails Private Limited	B	75,000	132.8
20-Jul	Hindustan Har	Kamal Kumar Dugar and Co (Prop : Kamal Kumar Dugar)	B	15,423	125.1
20-Jul	Hindustan Har	Vaijayanti Prakash Nayak	S	8,500	125.0
20-Jul	ICSA India	Madhukar Chimanlal Sheth	B	300,000	139.8
20-Jul	ICSA India	Jacquard Foods Private Limited	S	311,865	139.8
20-Jul	IFL Promoters	DMC International Limited	S	35,459	16.6
20-Jul	Jaihind Syn	Jignesh J Dhabalia	B	26,460	21.3
20-Jul	Kailash Ficom	Shingar Dyes And Chemicals Ltd	B	65,160	45.6
20-Jul	Kailash Ficom	Abhijai Investment	S	58,760	45.7
20-Jul	Kay Power	Bampsl Securities Ltd	B	116,234	19.3
20-Jul	Kay Power	Ashok Kumar Soni	S	80,000	19.4
20-Jul	Kreon Fin	Bharat Jain Tatia	S	31,046	10.0
20-Jul	Master	Mallikhar Junarao V	B	62,903	47.6
20-Jul	Moldtek Tech	Passage To India Master Fund Limited	B	35,000	113.0
20-Jul	Nexxoft Info	Samir Ashok Bhanushali	S	38,727	98.2
20-Jul	Niraj Cement	Ronak Devendra Chheda	B	62,919	65.3
20-Jul	Omkar Overs	Pankaj B Kotecha Huf	B	27,000	78.3
20-Jul	Omkar Overs	Ekta Sujal Patel	B	25,000	78.5
20-Jul	Omkar Overs	Dhirendra Girish Chakravarty	S	73,658	78.3
20-Jul	Oregon Comm	Anitaben Bharatbhai Patel	B	8,000	492.2
20-Jul	Oregon Comm	Harshil Dipak Shah	S	4,967	450.0
20-Jul	Polypro Fibrils	Forever Merchants Private Limited	B	76,500	22.8
20-Jul	Polypro Fibrils	Ajay Ravindra Shah	S	61,841	24.8
20-Jul	Polypro Fibrils	Murli Manohar Lahoti	S	47,361	23.0
20-Jul	Ranklin Sol	Mallikhar Junarao V	B	33,606	138.9
20-Jul	Remi Metals	Welspun Steel Limited	S	700,000	13.0

Trade details of bulk deals

Date	Scrip name	Name of client	Buy/ Sell	Quantity of shares	Avg. price (Rs)
20-Jul	Roselabs Inds	Ramesh Mohod	B	151,675	43.8
20-Jul	Sterling Green	Devang Mukund Ray Patel	S	21,890	23.6
20-Jul	Stone India	Lakshmi Mehrotra	B	50,000	67.3
20-Jul	Sujana Metal	Sparrow India Diversified Opp Fund I Gdr	S	800,000	19.5
20-Jul	TGF Media	Goodwill Trades Private Limited	B	27,900	15.5
20-Jul	TGF Media	Regent Finance Corporation Private Ltd	S	43,000	15.5
20-Jul	Transwarranty	Swiss Finance Corporation (Mauritius) Ltd	B	680,000	20.9
20-Jul	Transwarranty	Daivi Venture	S	680,000	20.9
20-Jul	VB Desai	Saurabh Kumar Rasiklal Gandhi	B	34,870	36.4
20-Jul	VB Desai	Dharati Jitendra Shroff	S	50,000	36.3
20-Jul	Virat Inds	Hitesh Shashikant Jhaveri	B	45,001	48.7

Source: BSE

Gainers & Losers

Nifty Gainers & Losers

	Price (Rs)	chg (%)	Index points	Volume (mn)
Gainers				
L&T	1,904	0.5	1.8	1.0
Sterlite Ind	166	1.6	1.4	6.6
Unitech Ltd	84	2.5	0.9	27.8
Losers				
ICICI Bank	887	(1.5)	(5.1)	1.5
HDFC	3,014	(1.5)	(4.1)	0.3
Reliance Ind	1,053	(0.3)	(1.8)	1.6

Source: Bloomberg

Forthcoming events

Company/Market

Date	Event
21-Jul	Abhishek Ind, Alstom Proj, Birla Corp, EIL, Ingersoil, Kotak Mah Bank, Mastek, NIIT, Orchid Chem, Pidilite Ind, REC, Thermax, TVS Motors, Unted Brew, Yes Bank, J Kumar Infra, Esab India earnings expected
22-Jul	ACC, Ambuja Cements, Bajaj Auto, Bajaj Holdings, CRISIL, Deepak Fert, Dish TV, DRL, Gujarat Gas, IDBI Bank, Idea Cellular, ITC, Lumax Ind, PNB, Power Finance, Shriram Transport, Vijaya Bank, Wipro, Zee News earnings expected
23-Jul	Allahabad Bank, Areva T&D, BHEL, Geometric, HPCL, IFCI, Indiabulls Sec, Jaiprakash Associates, Jet Air India, JSL, JSW Energy, Praj Ind, SRF, Thomas Cook, TV Today, Uco Bank, Wipro earnings expected

Source: Bloomberg

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