

April 8, 2011

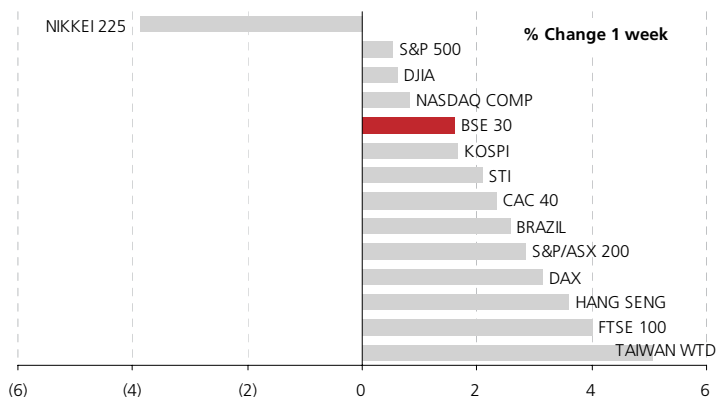
BSE-30: 19,591

Warming up for the earnings season. During the past week, the BSE-30 Index gained 146 points (+0.8%) to close at 19,591. BHEL, HDFC and Mahindra & Mahindra remained the largest gainers, together contributing 75 points to the index gain. FIIs remained net buyers, investing US\$1.9 bn in Indian market in the past five trading sessions. We expect 4QFY11E earnings of BSE-30 Index to grow at 17.6% yoy led by Automobiles, Banking and Energy. On an ex-Energy basis, we expect earnings of BSE-30 Index to grow 12% yoy.

Market highlights for the week ending Thursday, Apr 7, 2011

- Largest gainers: Unitech (22%), Suzlon Energy (21%), Punj Llyod (20%)
- Largest losers: Mahindra & Mahindra Financial (-3%), Puravankara Projects (-2%), Cairn India (-2%)

Relative performance of regional indices (% Change 1 week)



Note:
Returns are adjusted for currency changes

Source: Bloomberg, Kotak Institutional Equities

Flows in emerging markets

Date	Korea	Taiwan	Indonesia	Philippines	Thailand	India
Investments in past week (US\$ mn)						
28-Mar-11	130	71	23	(4)	22	108
29-Mar-11	150	98	(12)	(2)	11	336
30-Mar-11	464	188	19	(1)	208	233
4-Apr-11	181	-	26	22	160	915
5-Apr-11	213	-	(10)	220	75	352
Total	1,137	357	46	233	475	1,944

Source: Bloomberg, SEBI, Kotak Institutional Equities

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OUR TOP RECOMMENDATIONS

Kotak Institutional Equities, Top-10, March fiscal year-ends, 2011-13E

Companies	Sector	Rating	Mkt cap. (US\$ mn)	CMP (Rs)	Target (Rs)	EPS (Rs)			P/E (X)			EV/EBDITA (X)		
						2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E
Infosys Technologies	Technology	BUY	42,148	3,246	3,700	120.0	155.2	184.9	27.1	20.9	17.6	18.9	14.5	11.9
ICICI Bank	Banking	ADD	28,743	1,104	1,200	45.8	58.0	68.3	24.1	19.0	16.2	—	—	—
State Bank of India	Banking	BUY	40,400	2,813	3,300	175.2	225.2	272.1	16.1	12.5	10.3	—	—	—
Oil & Natural Gas Corporation	Energy	BUY	56,437	292	360	28.6	34.9	39.6	10.2	8.3	7.4	4.2	3.5	2.9
TCS	Technology	BUY	53,095	1,199	1,350	44.4	54.0	62.7	27.0	22.2	19.1	20.0	15.6	13.1
ITC	Consumer	ADD	31,535	183	205	6.6	8.0	9.1	27.8	22.8	20.1	18.5	15.3	13.0
Wipro	Technology	ADD	26,149	472	525	21.7	25.6	28.4	21.8	18.5	16.6	16.0	13.0	11.3
Tata Steel	Metals & Mining	BUY	14,632	638	710	64.4	69.7	87.5	9.9	9.2	7.3	7.1	6.1	5.0
Sterlite Industries	Metals & Mining	BUY	13,285	175	200	13.7	19.7	22.7	12.8	8.9	7.7	8.1	4.8	3.9
PSU bank basket														
Bank of Baroda	Banking	BUY	8,708	980	1,200	101.4	114.1	134.3	9.7	8.6	7.3	—	—	—
Indian Bank	Banking	BUY	2,387	246	320	37.9	43.5	53.3	6.5	5.6	4.6	—	—	—
Punjab National Bank	Banking	BUY	8,596	1,199	1,500	137.6	165.6	202.2	8.7	7.2	5.9	—	—	—
Union Bank	Banking	BUY	4,168	351	420	36.5	48.2	58.4	9.6	7.3	6.0	—	—	—
BSE-30				19,591										

Source: Company, Bloomberg, Kotak Institutional Equities estimates

OUR MODEL PORTFOLIO

Kotak Institutional Equities Model Portfolio

Company	07-Apr		Weightage (%)		Diff. (bps)
	Price (Rs)	Rating	BSE-30	KS reco.	
Bajaj Auto	1,440	ADD	1.3	1.3	—
Hero Honda	1,695	REDUCE	1.1	—	(107)
Mahindra & Mahindra	733	BUY	2.3	2.8	50
Maruti Suzuki	1,278	BUY	1.2	1.2	—
Tata Motors	1,291	ADD	3.9	1.9	(200)
Automobiles			9.8	7.2	(257)
Bank of Baroda	980	BUY	—	1.5	150
Indian Bank	246	BUY	—	1.0	100
Punjab National Bank	1,199	BUY	—	1.5	150
State Bank of India	2,813	BUY	5.1	6.6	150
Union Bank	351	BUY	—	1.0	100
PSU Banking			5.1	11.6	650
HDFC	716	REDUCE	5.8	3.8	(200)
HDFC Bank	2,355	ADD	5.6	6.6	100
ICICI Bank	1,104	ADD	8.1	9.6	150
Pvt. Banking/Financing			19.4	19.9	50
Jaiprakash Associates	98	BUY	0.8	0.8	—
Cement			0.8	0.8	—
Hindustan Unilever	276	SELL	1.9	—	(193)
ITC	183	ADD	6.3	7.8	150
Consumers			8.2	7.8	(43)
Bharat Petroleum	614	ADD	—	1.0	100
Oil & Natural Gas Corporation	292	BUY	3.3	4.8	150
Reliance Industries	1,042	REDUCE	10.9	7.0	(392)
Energy			14.2	12.8	(142)
Bharat Heavy Electricals	2,195	REDUCE	2.4	—	(241)

Note:

(a) Weights are with respect to April 6, 2011 prices.

Source: Company, Kotak Institutional Equities estimates

Company	07-Apr		Weightage (%)		Diff. (bps)
	Price (Rs)	Rating	BSE-30	KS reco.	
Larsen & Toubro	1,670	REDUCE	5.8	4.3	(150)
Industrials/Construction			8.2	4.3	(391)
Coal India	360	BUY	—	1.0	100
Hindalco Industries	216	ADD	1.8	2.3	50
Jindal Steel and Power	709	REDUCE	1.9	—	(191)
Sterlite Industries	175	BUY	1.7	3.2	150
Tata Steel	638	BUY	2.9	3.9	100
Metals & Mining			8.3	10.4	209
Cipla	320	REDUCE	1.1	—	(107)
Pharmaceuticals			1.1	—	(107)
DLF	270	ADD	0.7	0.7	—
Real estate			0.7	0.7	—
Infosys Technologies	3,246	BUY	10.2	11.7	150
TCS	1,199	BUY	4.6	6.1	150
Wipro	472	ADD	1.8	3.3	150
Technology			16.6	21.1	450
Bharti Airtel	357	REDUCE	3.0	—	(300)
Reliance Communications	111	SELL	0.5	—	(53)
Telecom			3.5	—	(353)
NTPC	186	REDUCE	2.0	2.0	—
Reliance Infrastructure	693	BUY	0.7	—	(65)
Tata Power	1,320	ADD	1.4	1.4	—
Utilities			4.1	3.5	(65)
BSE-30			19,591	100.0	100.0

SENSEX VALUATION SUMMARY

Valuation summary of BSE-30 sectors, March fiscal year-ends, 2011-13E

	Mkt-cap. (US\$ mn)	EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)		Div Yield (%)		RoE (%)	
		2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2011E	2012E	2011E	2012E
Automobiles	55,048	86.3	8.1	16.0	13.4	12.4	10.7	9.3	8.4	7.2	4.4	3.4	1.0	1.0	32.4	27.0
Banking	116,768	25.4	26.1	21.4	21.7	17.2	14.2	—	—	—	3.0	2.7	1.1	1.3	13.8	15.4
Consumers	45,157	17.0	19.8	13.7	27.9	23.3	20.5	19.7	16.4	14.0	9.6	8.3	1.9	2.4	34.5	35.8
Diversified	4,917	188.8	11.6	(4.3)	19.4	17.4	18.2	13.2	11.5	11.1	2.2	2.0	—	—	11.4	11.5
Energy	126,628	25.3	14.7	11.2	12.4	10.9	9.8	6.1	5.0	4.3	1.8	1.6	2.6	2.4	14.7	15.1
Industrials	47,166	29.3	17.3	14.0	20.7	17.6	15.5	13.4	11.1	9.5	4.4	3.7	0.9	1.1	21.4	20.9
Metals	52,200	62.4	18.6	17.8	12.8	10.8	9.2	8.2	6.7	5.6	2.0	1.7	0.7	0.3	15.6	15.8
Pharmaceuticals	5,821	(10.4)	32.3	15.6	26.5	20.1	17.4	21.2	15.6	13.0	3.9	3.3	0.8	0.8	14.6	16.7
Property	10,464	(5.5)	37.3	62.7	27.2	19.8	12.2	16.3	13.5	8.5	1.5	1.4	1.1	1.8	5.4	7.1
Technology	121,392	18.1	23.2	15.9	25.7	20.9	18.0	18.6	14.6	12.3	7.1	5.8	1.5	1.5	27.7	28.0
Telecom	36,012	(41.8)	22.8	21.4	20.0	16.3	13.4	9.5	7.8	6.5	1.7	1.5	—	—	8.5	9.5
Utilities	46,288	0.0	17.7	16.3	17.4	14.8	12.7	14.8	12.0	10.3	1.9	1.8	1.7	2.0	11.0	11.9
BSE-30 Index	667,860	22.5	18.4	16.2	17.7	15.0	12.9	10.2	8.6	7.4	2.8	2.5	1.4	1.5	16.0	16.6
BSE-30 ex-Energy	541,232	21.5	19.8	18.0	19.7	16.4	13.9	12.4	10.3	8.7	3.3	2.8	1.2	1.3	16.5	17.2
BSE-30 ex-Energy, Com.	489,032	16.3	19.9	18.1	20.9	17.4	14.8	13.6	11.3	9.5	3.5	3.0	1.2	1.4	16.7	17.5
BSE-30 ex-Technology	546,467	23.1	17.7	16.3	16.6	14.1	12.1	9.3	7.8	6.7	2.5	2.2	1.4	1.5	15.1	15.6

Note:

(1) EV/EBITDA excludes banks.

Source: Company, Kotak Institutional Equities estimates

NIFTY VALUATION SUMMARY

Valuation summary of Nifty sectors, March fiscal year-ends, 2011-13E

	Mkt cap. (US\$ mn)	EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)		Div yield (%)		RoE (%)	
		2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2011E	2012E	2011E	2012E
Automobiles	55,048	86.3	8.1	16.0	13.4	12.4	10.7	9.3	8.4	7.2	4.4	3.4	1.0	1.0	32.4	27.0
Banking	147,654	22.9	25.5	22.4	19.8	15.8	12.9	—	—	—	2.9	2.5	1.1	1.3	14.4	15.9
Consumers	45,157	17.0	19.8	13.7	27.9	23.3	20.5	19.7	16.4	14.0	9.6	8.3	1.9	2.4	34.5	35.8
Cement	15,245	(23.5)	9.2	21.1	15.9	14.6	12.0	8.9	7.1	5.9	2.3	2.1	1.6	1.6	14.7	14.3
Diversified	4,917	188.8	11.6	(4.3)	19.4	17.4	18.2	13.2	11.5	11.1	2.2	2.0	—	—	11.4	11.5
Energy	159,985	34.9	20.3	11.5	12.4	10.3	9.3	6.6	5.4	4.6	1.8	1.6	2.3	2.6	14.9	16.0
Industrials	53,994	29.9	17.7	14.6	22.0	18.7	16.4	14.1	11.7	10.0	4.7	3.9	0.9	1.0	21.5	21.0
Metals & Mining	58,556	65.7	17.7	13.1	11.4	9.7	8.5	7.6	6.6	5.7	2.0	1.7	0.7	0.4	17.6	17.4
Property	10,464	(5.5)	37.3	62.7	27.2	19.8	12.2	16.3	13.5	8.5	1.5	1.4	1.1	1.8	5.4	7.1
Pharmaceuticals	26,889	39.0	9.9	(9.1)	24.1	22.0	24.2	17.7	15.5	18.2	4.5	3.8	0.5	0.5	18.6	17.2
Telecom	36,012	(41.8)	22.8	21.4	20.0	16.3	13.4	9.5	7.8	6.5	1.7	1.5	-	—	8.5	9.5
Technology	129,332	18.8	23.6	15.9	25.4	20.6	17.7	18.2	14.3	12.0	6.9	5.7	1.5	1.5	27.0	27.5
Utilities	54,896	1.0	19.0	12.4	19.3	16.3	14.5	18.8	14.6	11.7	2.0	1.8	1.4	1.7	10.2	11.2
NIFTY	798,148	24.8	19.6	15.2	17.3	14.5	12.6	10.8	9.0	7.8	2.8	2.4	1.4	1.5	16.1	16.9
NIFTY ex-Energy	638,163	21.3	19.3	16.7	19.2	16.1	13.8	13.1	11.0	9.3	3.2	2.8	1.1	1.2	16.7	17.2
NIFTY ex-Energy ex Com	579,607	15.6	19.6	17.3	20.7	17.3	14.7	14.7	12.2	10.3	3.4	3.0	1.2	1.3	16.5	17.2

Note:

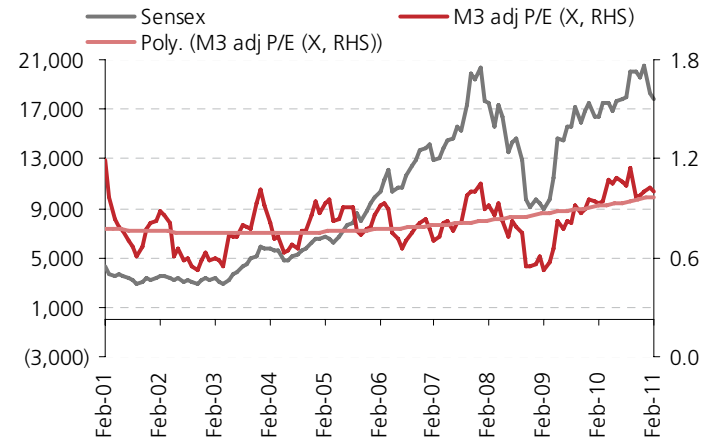
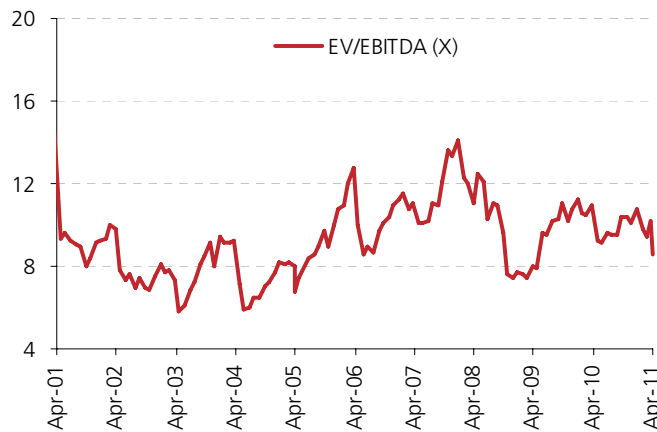
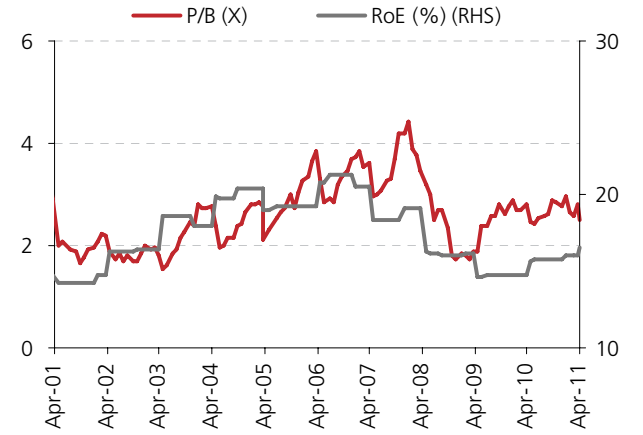
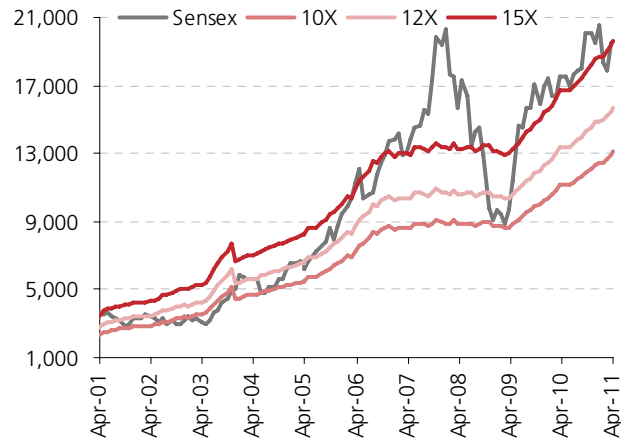
(a) Following companies are excluded: Kotak Mahindra Bank, Power Grid and SAIL.

Source: Company, Kotak Institutional Equities estimates

BSE-SENSEX KEY PARAMETERS

Key fundamental indicators of BSE-30 Index

BSE-30 Index P/B, EV/EBITDA and 12-month forward rolling P/E, Apr 2001- current



Source: Bloomberg, RBI, Kotak Institutional Equities

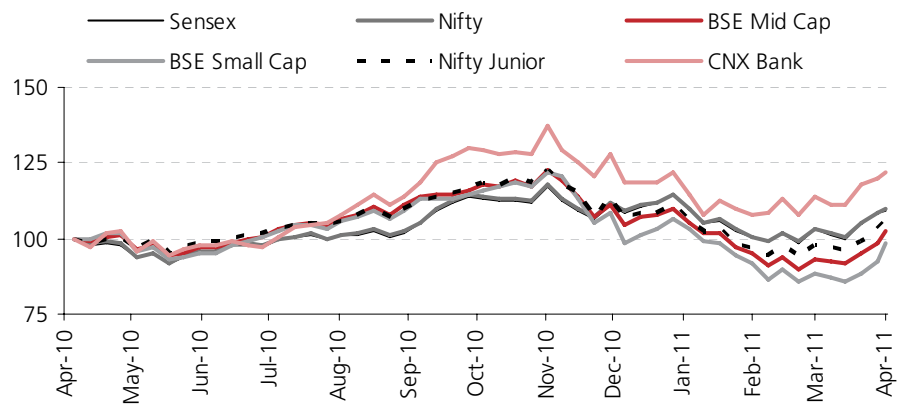
MARKET PERFORMANCE

- PERFORMANCE OF BENCHMARK INDICES
- PERFORMANCE OF SECTOR INDICES
- PERFORMANCE OF GLOBAL INDICES
- PRICING PERFORMANCE OF SENSEX SECTORS
- TOP GAINERS AND LOSERS (STOCKS UNDER KOTAK COVERAGE)
- TECHNICAL INDICATORS

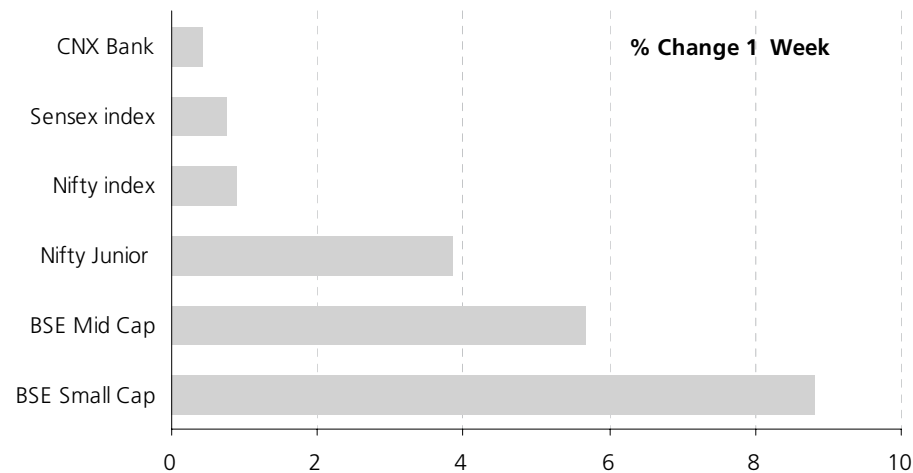
RELATIVE PERFORMANCE OF INDIAN MARKETS

Key performance of benchmark indices

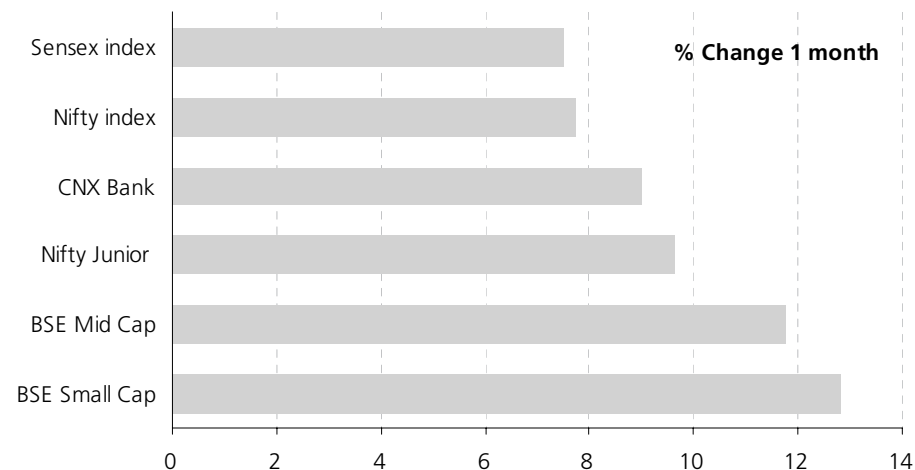
(base 100 as of April 2010)



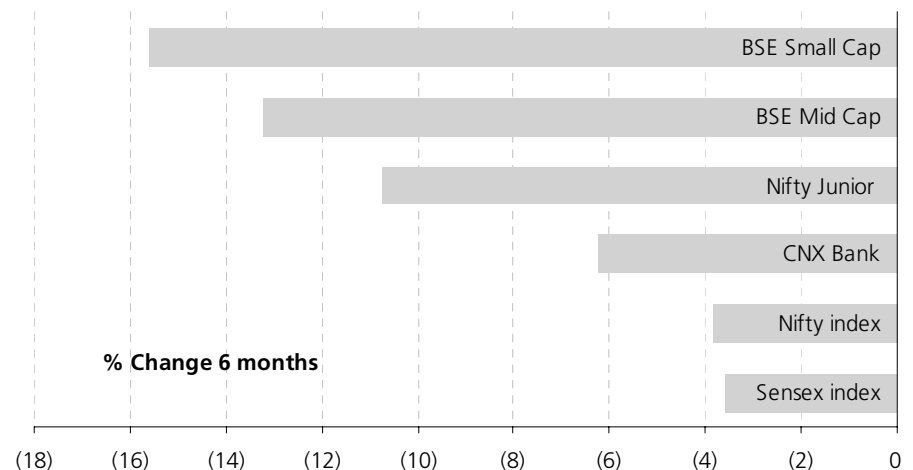
Weekly performance of the benchmark indices



1-month performance of the benchmark indices



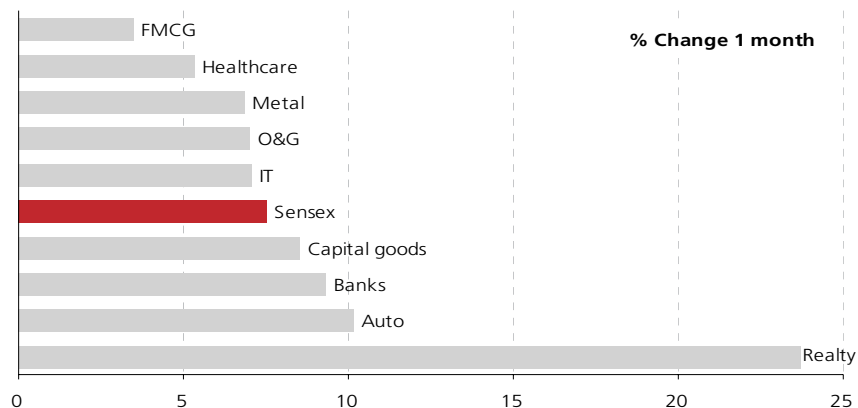
6-month performance of the benchmark indices



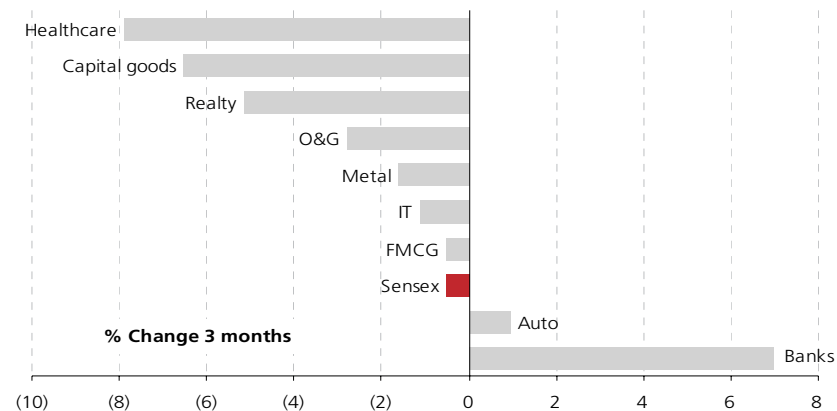
Source: Bloomberg, Kotak Institutional Equities

BSE-SENSEX VERSUS SECTOR PERFORMANCE

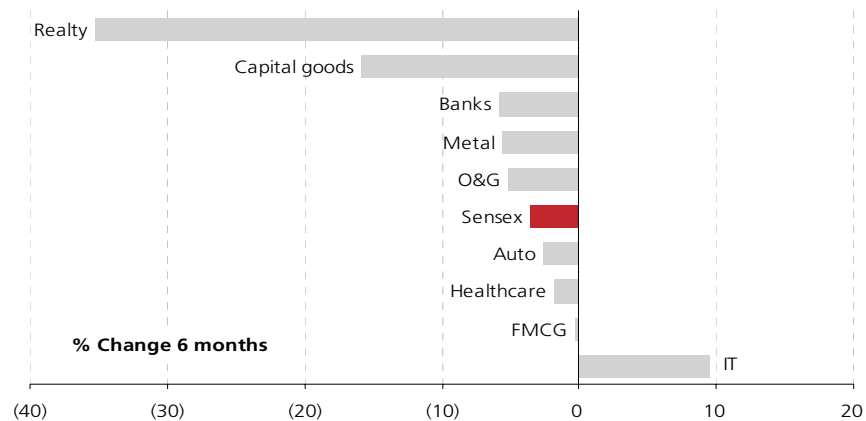
1-month performance



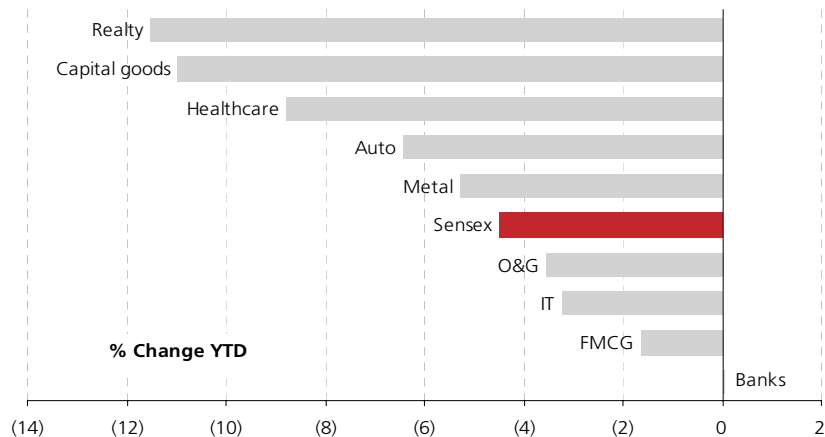
3-month performance



6-month performance



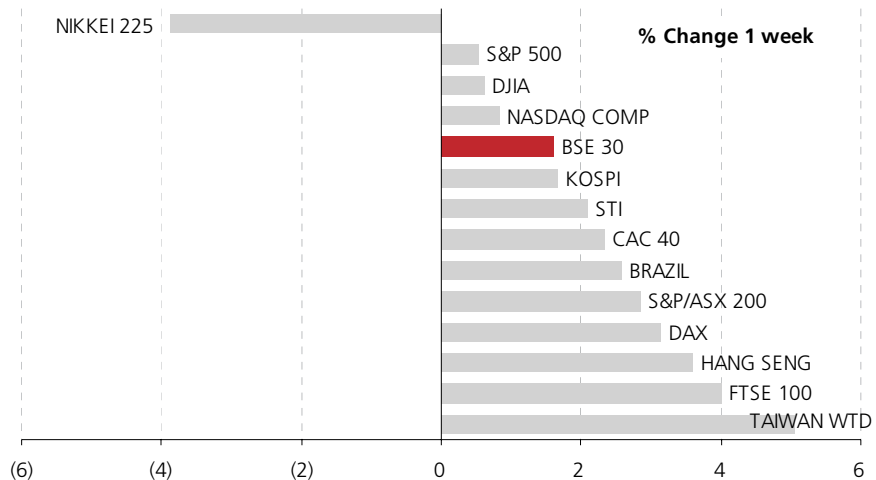
CYTD performance



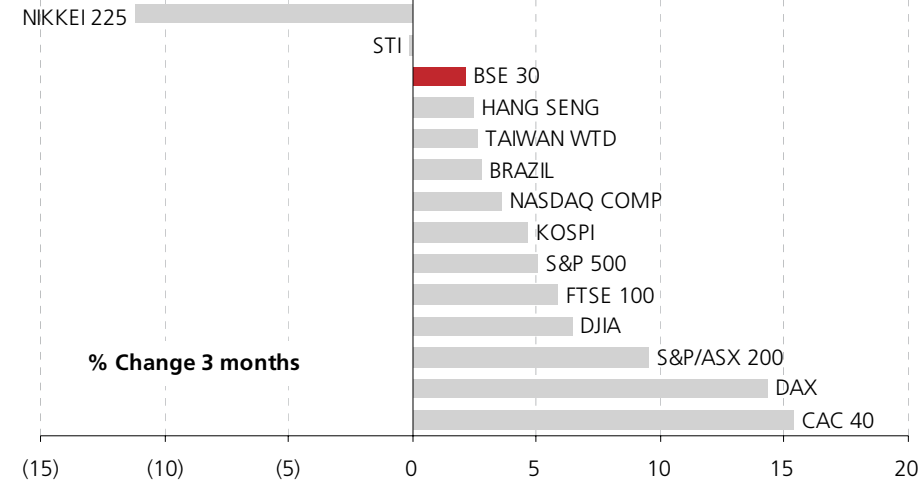
Source: Bloomberg, BSE, Kotak Institutional Equities

BSE-SENSEX VERSUS REGIONAL INDICES

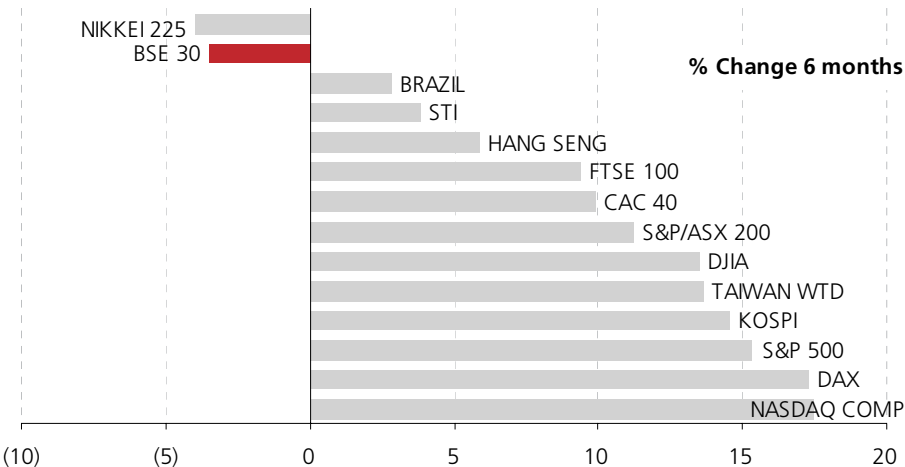
Weekly performance



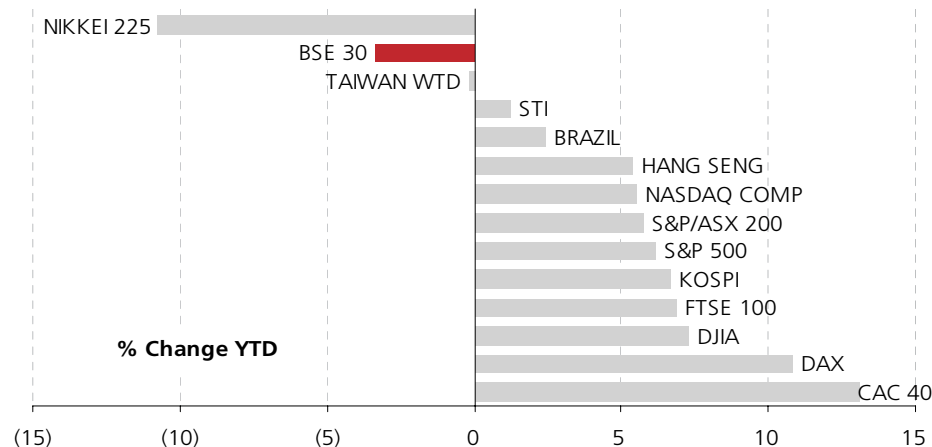
3-month performance



6-month performance



CYTD performance



Note:

(a) Returns are adjusted for the currency changes

Source: Bloomberg, BSE, Kotak Institutional Equities

SECTORAL PERFORMANCE

Market performance of Sensex sectors

Company	Mkt cap (US\$ m)	Change (%)				Relative Change (%)			
		1-Day	1-mo	6-mo	1-Year	1-Day	1-mo	6-mo	1-Year
Automobiles	55,048	(0.3)	8.2	0.8	26.3	(0.2)	1.8	4.1	14.2
Banking	116,768	0.6	6.8	(6.0)	26.2	0.7	0.6	(2.8)	14.1
Consumers	45,157	(0.3)	3.5	1.7	34.3	(0.2)	(2.5)	5.2	21.4
Diversified	4,917	(0.5)	16.6	(25.6)	(33.8)	(0.3)	9.7	(23.1)	(40.2)
Energy	126,628	(1.1)	6.4	(7.3)	0.6	(1.0)	0.1	(4.2)	(9.1)
Industrials	47,166	0.3	7.3	(16.6)	(5.4)	0.4	1.0	(13.8)	(14.5)
Metals	52,200	(0.1)	3.9	0.1	(3.9)	0.0	(2.2)	3.4	(13.1)
Pharmaceuticals	5,821	0.2	4.2	(5.0)	(4.1)	0.3	(1.9)	(1.8)	(13.3)
Property	10,464	(0.4)	21.2	(29.5)	(19.2)	(0.3)	14.1	(27.1)	(26.9)
Technology	121,392	(0.8)	5.7	13.6	30.5	(0.7)	(0.5)	17.4	18.0
Telecom	36,012	0.9	8.7	(7.7)	1.9	1.0	2.3	(4.6)	(7.9)
Utilities	46,288	(2.0)	4.8	(15.1)	(13.5)	(1.9)	(1.3)	(12.2)	(21.8)
Sensex sum	667,860	(0.1)	6.2	(3.3)	10.6				

Source: Bloomberg, Kotak Institutional Equities

TOP GAINERS AND LOSERS

Top gainers and losers (stocks in Kotak Institutional Equities universe)

1-week performance

Top Gainers		Top Losers	
Company	% Change	Company	% Change
1 Unitech	22.4	1 Mahindra & Mahindra Financial	(3.1)
2 Suzlon Energy	21.2	2 Puravankara Projects	(2.8)
3 Punj Lloyd	19.5	3 Cairn india	(2.3)
4 Housing Development & Infrastr	19.5	4 Hindustan Zinc	(1.8)
5 Eros International	19.3	5 SKS Microfinance	(1.4)
6 JSW Energy	19.2	6 NTPC	(1.2)
7 Jubilant Life Sciences	18.9	7 ABB	(1.1)
8 Indiabulls Real Estate	18.5	8 Bharti Airtel	(1.0)
9 Bajaj Hindustan	17.4	9 Tata Power	(0.8)
10 Thermax	16.4	10 Jyothy Laboratories	(0.8)

1- month performance

Top Gainers		Top Losers	
Company	% Change	Company	% Change
1 Unitech	31.9	1 SKS Microfinance	(13.4)
2 Indiabulls Real Estate	31.1	2 National Aluminium Co.	(13.3)
3 Hexaware Technologies	30.3	3 Piramal Healthcare	(6.0)
4 Reliance Capital	28.7	4 Jyothy Laboratories	(5.7)
5 IVRCL	28.5	5 Mphasis BFL	(5.6)
6 BGR Energy Systems	23.2	6 Hindustan Media Ventures	(3.9)
7 IRB Infrastructure	22.6	7 Nestle India (a)	(2.5)
8 Punj Lloyd	22.3	8 Cairn india	(2.2)
9 Reliance Communications	22.2	9 Hindustan Unilever	(2.0)
10 Sobha Developers	21.7	10 Zee Entertainment Enterprises	(0.8)

CYTD performance

Top Gainers		Top Losers	
Company	% Change	Company	% Change
1 Hexaware Technologies	20.9	1 SpiceJet	(44.4)
2 Polaris Software Lab	18.9	2 Jet Airways	(36.7)
3 LIC Housing Finance	18.2	3 Jubilant Life Sciences	(34.7)
4 Marico	16.2	4 Mphasis BFL	(34.6)
5 Mahindra Satyam	14.9	5 Dishman Pharma & chemicals	(31.8)
6 J&K Bank	13.3	6 Punj Lloyd	(31.8)
7 Titan Industries	11.0	7 Lanco Infratech	(29.8)
8 Sadbhav Engineering	10.7	8 Bajaj Hindustan	(29.5)
9 Bank of Baroda	9.3	9 Mindtree	(29.3)
10 Siemens	9.1	10 Unitech	(28.0)

1-year performance

Top Gainers		Top Losers	
Company	% Change	Company	% Change
1 Hexaware Technologies	111.8	1 Punj Lloyd	(57.4)
2 Titan Industries	111.6	2 Dishman Pharma & chemicals	(52.2)
3 Mahindra & Mahindra Financial	109.0	3 Jubilant Life Sciences	(45.4)
4 DishTV	78.7	4 IVRCL	(45.2)
5 Tata Motors	65.9	5 Aban Offshore	(43.8)
6 Indian Overseas Bank	59.7	6 Bajaj Hindustan	(39.0)
7 Petronet LNG	59.5	7 Unitech	(37.7)
8 Jubilant Foodworks	58.4	8 Reliance Communications	(36.9)
9 IndusInd Bank	53.6	9 Reliance Infrastructure	(36.7)
10 TCS	51.9	10 Sesa Goa	(35.6)

Source: Kotak Institutional Equities

TECHNICAL INDICATORS

Volume momentum analysis

Volume Positive Momentum (5-day volume v/s 30-day volume)

Company	5-day average		Price Change (%)
	volumes	% increase	(1 month basis)
Mahindra & Mahindra Financial	289,450	107	10.3
Polaris Software Lab	1,658,648	103	15.4
Siemens	1,257,813	95	4.5
Suzlon Energy	45,595,140	88	14.9
Jubilant Organosys	426,472	87	11.4
IDEA	8,096,139	77	10.9

Volume Negative Momentum (5-day volume v/s 30-day volume)

Company	5-day average		Price Change (%)
	volumes	% decrease	(1 month basis)
Phoenix Mills	52,610	(74)	15.4
Jyothy Laboratories	66,350	(72)	(4.2)
Jagran Prakashan	57,060	(69)	5.7
Container Corporation	11,287	(63)	3.8
Mphasis BFL	754,369	(61)	(6.0)
Puravankara Projects	29,174	(58)	5.9

Date	Sensex	Avg daily value traded	Institutional participation in total turnover	
		(US\$ mn)	FII%	MF%
Apr-10	17,559	4,083	15.4	3.7
May-10	16,495	3,782	15.2	4.0
Jun-10	17,701	3,674	12.1	3.4
Jul-10	17,868	3,642	14.8	3.7
Aug-10	17,971	4,069	13.5	3.6
Sep-10	20,069	4,471	15.4	3.6
Oct-10	20,032	5,032	15.6	3.4
Nov-10	19,521	4,942	17.3	3.2
Dec-10	20,509	4,355	16.4	3.5
Jan-11	18,226	3,646	18.4	3.6
Feb-11	18,490	3,638	18.4	3.8
Mar-11	19,445	3,289	14.1	3.1
Apr-11	19,591	3,643	18.5	1.1

Source: Bloomberg, Kotak Institutional Equities

EARNINGS MOMENTUM

- UPGRADES/DOWNGRADES IN EARNINGS IN PAST MONTH
- TOP CHANGES IN TARGET PRICES IN THE PAST MONTH
- CHANGES IN RATINGS IN THE PAST MONTH

CHANGES IN EARNINGS ESTIMATES

Changes in earnings estimates in the past one month

FY2011 earnings upgrades (KIE) (1 month)

Company	% Change
1 Shree Renuka Sugars	18.8
2 Cairn india	7.9
3 Sterlite Industries	5.4
4 Bharat Forge	3.9
5 Biocon	3.5
6 Jubilant Foodworks	2.8
7 Hindustan Unilever	1.9
8 Marico	1.6
9 Godrej Consumer Products	1.4
10 Hindustan Zinc	1.2

FY2012 earnings upgrades (KIE) (1 month)

Company	% Change
1 Hindustan Zinc	4.4
2 Shree Renuka Sugars	3.7
3 ITC	3.2
4 Jubilant Foodworks	2.7
5 Sterlite Industries	1.8
6 Marico	1.6
7 GlaxoSmithkline Consumer (a)	1.0
8 Asian Paints	0.7
9 LIC Housing Finance	0.3

FY2011 earnings downgrades (KIE) (1 month)

Company	% Change
1 United Spirits	(9.8)
2 Jyothy Laboratories	(8.8)
3 Union Bank	(6.3)
4 Bank of Baroda	(6.1)
5 Colgate-Palmolive (India)	(4.7)
6 GlaxoSmithkline Consumer (a)	(0.8)
7 Tata Global Beverages	(0.7)

FY2012 earnings downgrades (KIE) (1 month)

Company	% Change
1 United Spirits	(13.4)
2 Jyothy Laboratories	(7.3)
3 Union Bank	(6.1)
4 Bank of Baroda	(5.3)
5 Colgate-Palmolive (India)	(4.7)
6 Bharat Forge	(3.2)
7 Nestle India (a)	(3.0)
8 Dabur India	(1.2)
9 Tata Global Beverages	(0.7)

Source:Kotak Institutional Equities estimates

CHANGES IN OUR TARGET PRICES

Changes in target prices in the past one month

Upgrades in target prices (1 month)

	Company	% Change	New	Old
1	LIC Housing Finance	16.5	240	206
2	Titan Industries	14.6	4,700	4,100
3	ITC	10.8	205	185
4	Hindustan Zinc	4.6	160	153
5	Jubilant Foodworks	4.4	470	450
6	Marico	3.6	145	140
7	GlaxoSmithkline Consumer (a)	2.1	2,450	2,400
8	Hindustan Unilever	2.0	255	250
9	Asian Paints	2.0	2,600	2,550

Downgrades in target prices (1 month)

	Company	% Change	New	Old
1	Shree Renuka Sugars	(16.7)	75	90
2	United Spirits	(16.1)	1,300	1,550
3	Jyothy Laboratories	(11.1)	240	270
4	Nestle India (a)	(3.2)	3,000	3,100
5	Colgate-Palmolive (India)	(2.5)	780	800
6	Bharat Forge	(2.5)	395	405

Source: Kotak Institutional Equities estimates

CHANGES IN OUR RATINGS

Changes in ratings over the past one month

Company name		Rating	
		Current	Previous
Biocon	Upgraded	BUY	ADD
Hindustan Media Ventures	Upgraded	BUY	ADD
NHPC	Upgraded	BUY	REDUCE

Company name		Rating	
		Current	Previous
GAIL (India)	Downgraded	REDUCE	ADD

Source: Kotak Institutional Equities estimates

FLOWS

- TREND IN EQUITY FLOWS
- FII FLOWS IN OTHER EMERGING MARKETS
- IPO ANALYSIS
- BULK DEALS
- DELIVERY POSITION ANALYSIS
- NIFTY DELIVERY

TREND IN EQUITY FLOWS

Net investments by FIIs and mutual funds in the cash market (US\$ mn)

	FII	MF
CY1999	1,738	0
CY2000	1,469	(147)
CY2001	2,741	(1,063)
CY2002	738	(619)
CY2003	6,702	110
CY2004	8,627	(257)
CY2005	10,901	3,034
CY2006	8,338	3,379
CY2007	17,335	1,390
CY2008	(13,336)	3,253
CY2009	17,639	(1,154)
CY2010	29,321	(5,939)
CY2011	610	392
Jan	(1,387)	131
Feb	(826)	314
Mar	1,556	6
Apr	1,267	(60)

Net foreign flows in the Derivatives market (US\$ mn)

	Index Futures	Stock Futures
CY2004	(97)	(829)
CY2005	(670)	(663)
CY2006	293	(3,767)
CY2007	(834)	(12,568)
CY2008	3,901	1,356
CY2009	(1,560)	(2,232)
CY2010	(2,271)	(2,779)
CY2011	1,033	533
Jan	(1,254)	527
Feb	433	957
Mar	1,732	(495)
Apr	121	(457)

Source: Bloomberg, Kotak Institutional Equities

FII FLOWS IN OTHER EMERGING MARKETS

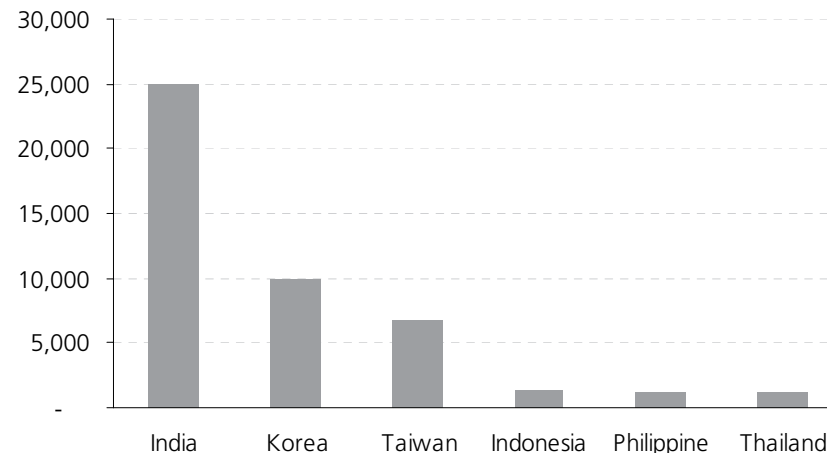
FII flows in the various countries (US\$ mn)

Flows in the cash markets

Date	Korea	Taiwan	Indonesia	Philippine	Thailand	India
7-Mar-11	(48)	(69)	67	3	32	1
8-Mar-11	(364)	17	3	14	108	82
9-Mar-11	(57)	(34)	39	2	33	46
10-Mar-11	(1,078)	(219)	(2)	16	(25)	(8)
11-Mar-11	(458)	(476)	(31)	8	10	(48)
14-Mar-11	106	(116)	22	46	108	112
15-Mar-11	(216)	(418)	5	14	(32)	48
16-Mar-11	(13)	(36)	(35)	(2)	(58)	(28)
17-Mar-11	81	(346)	(46)	(0)	(52)	(89)
18-Mar-11	129	(290)	10	7	(23)	(101)
21-Mar-11	101	(72)	(11)	(9)	(10)	(15)
22-Mar-11	186	(212)	(26)	(9)	68	70
23-Mar-11	93	(23)	26	1	23	87
24-Mar-11	221	32	98	(13)	23	77
25-Mar-11	295	410	69	(3)	93	340
28-Mar-11	130	71	23	(4)	22	108
29-Mar-11	150	98	(12)	(2)	11	336
30-Mar-11	464	188	19	(1)	208	233
4-Apr-11	181	-	26	22	160	915
5-Apr-11	213	-	(10)	220	75	352
Total	114	(1,495)	234	309	772	2,518

Source: Bloomberg, Kotak Institutional Equities

Net investments by FIIs in the cash market (US\$ mn) over last 1 year



IPO ANALYSIS

Market performance since IPO/ Follow on offering

Name	Shares (mn)	Price (Rs)	Value (Rs mn)	Date of Listing	Price		Performance (%)	
					Day 1	Latest	Day 1	since listing
Ptc India Financial Services	157	28	4,388	3/30/2011	25	23	(11)	(20)
Lovable Lingerie Ltd	5	205	934	3/24/2011	250	292	22	42
Sudar Garments Ltd	9	77	700	3/11/2011	113	117	47	52
Fineotex Chemical Ltd	4	70	295	3/11/2011	130	225	86	222
Acropetal Technologies Ltd	19	90	1,700	3/10/2011	98	53	9	(41)
Omkar Speciality Chemicals L	8	98	794	2/10/2011	46	57	(53)	(42)
Midvalley Entertainment Ltd	9	70	600	1/27/2011	56	122	(20)	75
C Mahendra Exports Ltd	15	110	1,650	1/20/2011	111	238	1	116
Shekhawati Poly-Yarn Ltd	12	30	360	1/12/2011	48	41	58	38
Ravi Kumar Distilleries Ltd	12	64	736	12/27/2010	80	34	25	(46)
Punjab & Sind Bank	40	120	4,800	2/18/2010	127	113	6	(5)
A2Z Maintenance And Engineer	19	400	7,763	12/23/2010	329	300	(18)	(25)
Claris Lifesciences Ltd	13	228	2,880	12/20/2010	206	196	(10)	(14)
Shipping Corp Of India Ltd	85	133	11,264	12/15/2010	133	118	(0)	(11)
Moil Ltd	34	375	12,600	12/15/2010	465	408	24	9
Power Grid Corp Of India Ltd	842	90	75,759	25-Nov-10	97	105	7	17
Gravita India Ltd	4	125	450	11/16/2010	210	386	68	209
Coal India Ltd	632	245	154,751	11/4/2010	343	360	40	47
Gyscoal Alloys Limited	8	71	547	10/27/2010	82	18	15	(75)
Bs Transcomm Ltd	8	248	1,904	10/27/2010	381	105	54	(57)
Prestige Estates Projects	65	183	11,817	10/27/2010	193	137	6	(25)
Commercial Engineers & Body	14	127	1,724	10/18/2010	113	42	(11)	(67)
Oberoi Realty Ltd	40	260	10,286	10/20/2010	283	256	9	(2)
Bedmutha Industries Ltd	9	102	918	10/14/2010	179	128	76	25
Sea Tv Network Ltd	5	100	502	10/14/2010	105	26	5	(74)
Ashoka Buildcon Ltd	7	324	2,250	10/14/2010	331	302	2	(7)
Va Tech Wabag Ltd	4	1,310	4,726	10/13/2010	1,708	1,297	30	(1)
Cantabil Retail India Ltd	8	127	1,050	10/12/2010	105	46	(17)	(64)
Tecpro Systems Ltd	8	355	2,680	10/12/2010	406	304	14	(14)
Gallantt Ispat Ltd	8	50	405	10/11/2010	81	84	62	68
Electrosteel Steels Ltd	226	11	2,481	10/8/2010	11	10	2	(10)
Orient Green Power Co Ltd	191	47	9,000	10/8/2010	45	27	(5)	(43)
Ramky Infrastructure Ltd	12	450	5,300	10/8/2010	387	292	(14)	(35)
Career Point Infosystems Ltd	4	310	1,151	10/6/2010	628	357	103	15
Eros International Media Ltd	20	175	3,500	10/6/2010	190	153	9	(13)
Microsec Financial Services	13	118	1,475	10/5/2010	111	44	(6)	(63)

Source: Bloomberg, Kotak Institutional Equities

Forthcoming IPO/Follow on offerings

Company Name	Issue
Jindal Power Ltd.	IPO
Power Finance Corp.Ltd.	FPO
Hindustan Copper Ltd.	FPO
Sahara Prime City Ltd.	IPO
Gujarat State Petroleum Corp.Ltd.	IPO
Embassy Property Developments Ltd.	IPO
Lavasa Corp.Ltd.	IPO
L&T Finance Holdings Ltd.	IPO
Emaar Mgf Land Ltd.	IPO
Bptp Ltd.	IPO
Muthoot Finance Ltd.	IPO
Avantha Power & Infrastructure Ltd.	IPO
Multi Commodity Exchange Of India Ltd.	IPO
Ind-Barath Power Infra Ltd.	IPO
Kalpataru Ltd.	IPO
Ortel Communications Ltd.	IPO
Reid & Taylor (India) Ltd.	IPO
Nimbus Communications Ltd.	IPO
Raheja Universal Ltd.	IPO
lot Infrastructure & Energy Services Ltd.	IPO
Future Ventures India Ltd.	IPO
Tata Autocomp Systems Ltd.	IPO
Joyalukkas India Ltd.	IPO
Powerica Ltd.	IPO
Entertainment World Developers Ltd.	IPO
Super Religare Laboratories Ltd.	IPO
Endurance Technologies Ltd.	IPO
Neptune Developers Ltd.	IPO
Micromax Informatics Ltd.	IPO
Intas Pharmaceuticals Ltd.	IPO
Greatship (India) Ltd.	IPO
Lokmat Media Ltd.	IPO
Vrl Logistics Ltd.*	IPO

Source: Prime Database

BULK DEALS

Major bulk deals

Date	Company	Action	Quantity	Value		Exchange
				Price	(Rs mn)	
1-Apr-11	Suzlon Energy	BUY	10,300,000	47	485	NSE
31-Mar-11	Bombay Rayon	SELL	1,317,000	258	339	NSE
31-Mar-11	Hathway Cable	SELL	2,258,016	97	220	NSE
31-Mar-11	Hathway Cable	BUY	2,250,000	97	219	NSE
4-Apr-11	Patel Engg.	SELL	463,110	167	77	NSE
6-Apr-11	Dev.Credit Bank	BUY	1,314,300	50	66	NSE
4-Apr-11	Future Capital	BUY	427,596	152	65	NSE
5-Apr-11	Setco Automotive	BUY	500,000	125	63	BSE
4-Apr-11	Surana Inds.	BUY	175,000	291	51	BSE
1-Apr-11	Patel Engg.	SELL	355,612	143	51	NSE
5-Apr-11	Polyplex Corpn	BUY	200,000	254	51	NSE
1-Apr-11	Talwal.Better	SELL	125,000	218	27	NSE
31-Mar-11	Diamant Infra.	BUY	425,000	59	25	BSE
1-Apr-11	McDowell Hold.	SELL	183,800	120	22	NSE
6-Apr-11	Raj Oil Mills	SELL	200,000	36	7	NSE
6-Apr-11	Agre Devel.	SELL	98,470	53	5	NSE

Source: BSE, NSE

DELIVERY POSITIONS

Top increase/(decrease) in delivery percentage

Increase in delivery % (KIE universe)

Name	Delivery %	
	Previous week	Current week
Oracle Financial Services	38	75
Indian Bank	35	70
Oil India Ltd	60	90
Colgate Palmolive (India)	60	89
Jyoti Structures Ltd	60	85
Gateway Distriparks Ltd	61	86
Dredging Corp Of India Ltd	11	36
Piramal Healthcare Ltd	47	72
Cadila Healthcare Ltd	72	96

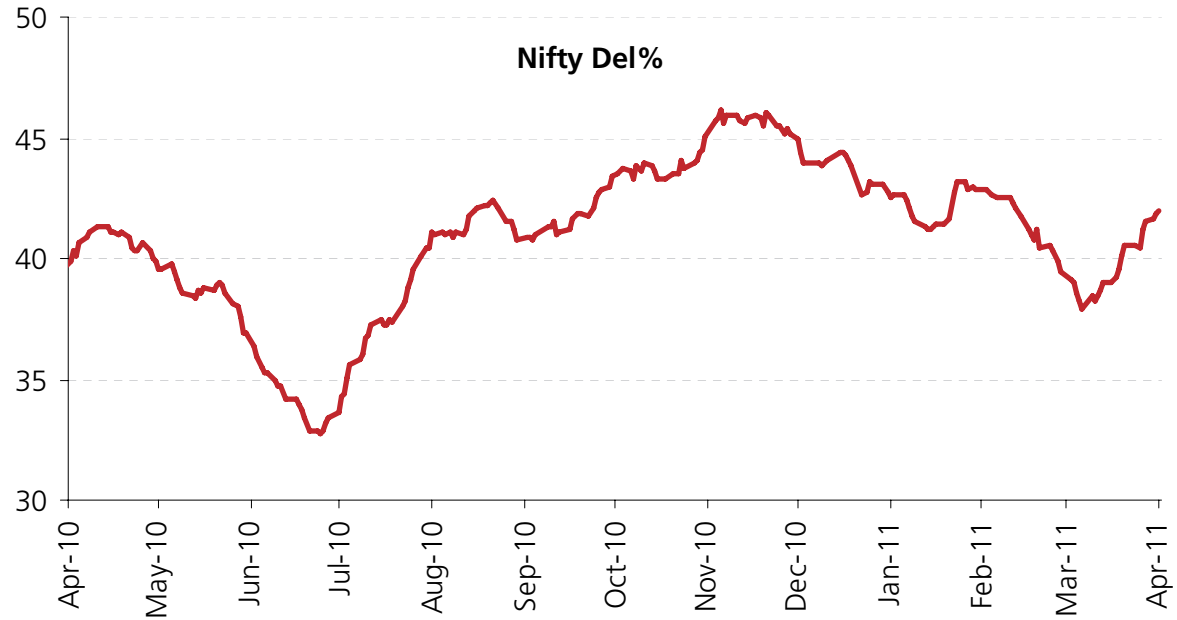
Decrease in delivery % (KIE universe)

Name	Delivery %	
	Previous week	Current week
Mindtree Ltd	95	19
United Breweries Ltd	88	14
Jubilant Foodworks Ltd	82	15
Ncc Ltd	95	27
Sadbhav Engineering Ltd	95	35
Jubilant Life Sciences Ltd	75	17
Shriram Transport Finance	93	38
Puravankara Projects Ltd	71	16
Jammu & Kashmir Bank Ltd	92	43

Source: Bloomberg, Kotak Institutional Equities

NIFTY DELIVERY

Nifty aggregate delivery percentage

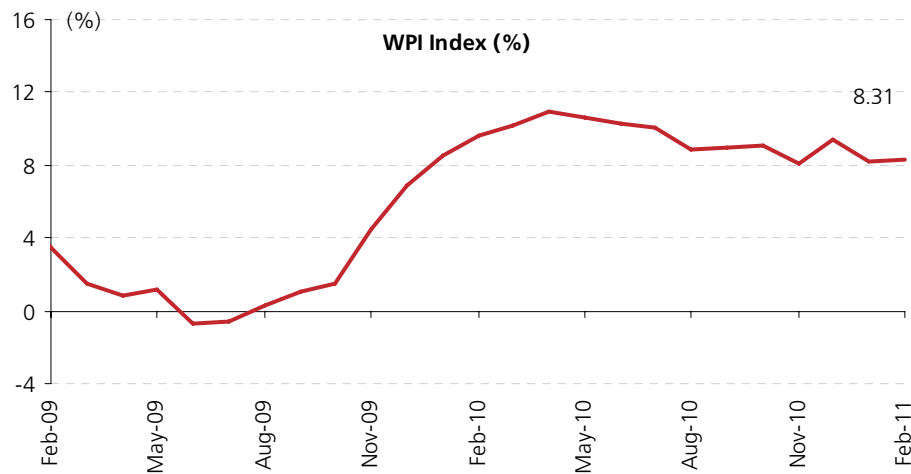
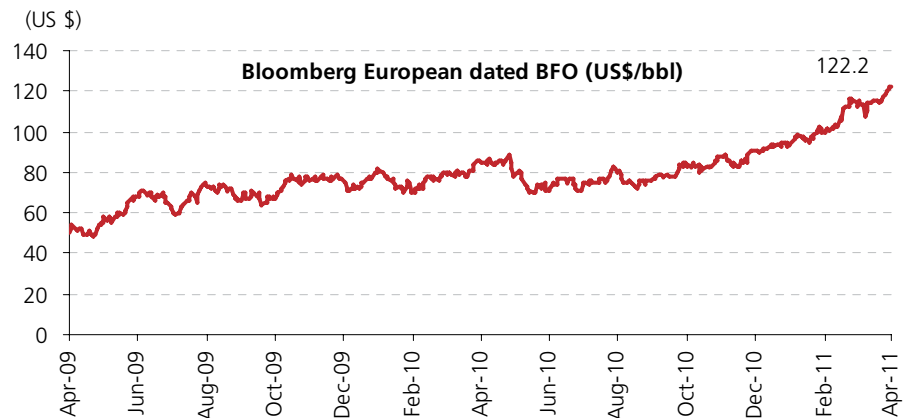
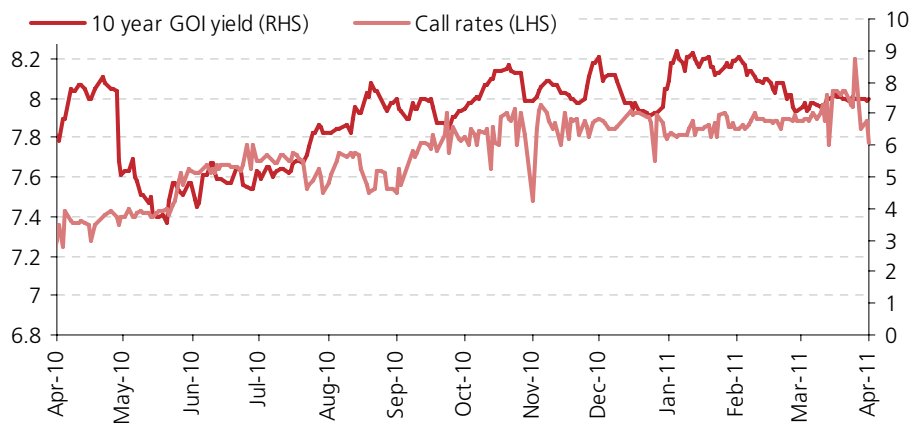


Source: Bloomberg, Kotak Institutional Equities

ECONOMIC INDICATORS

ECONOMIC INDICATORS

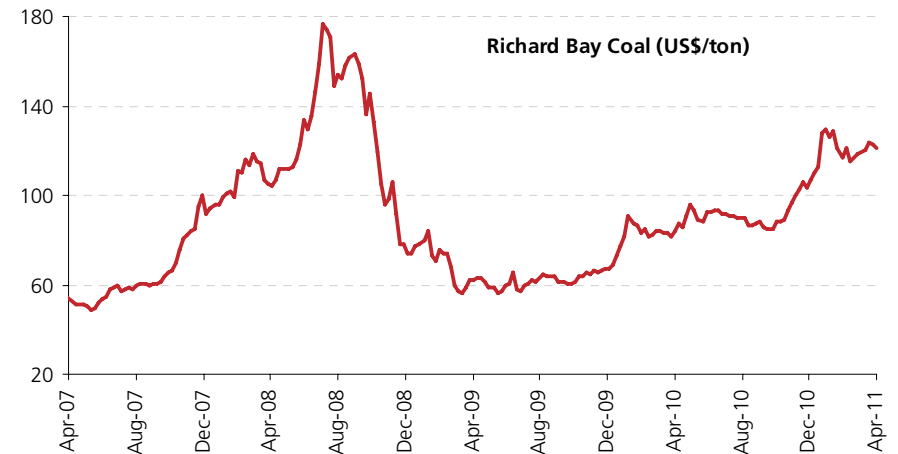
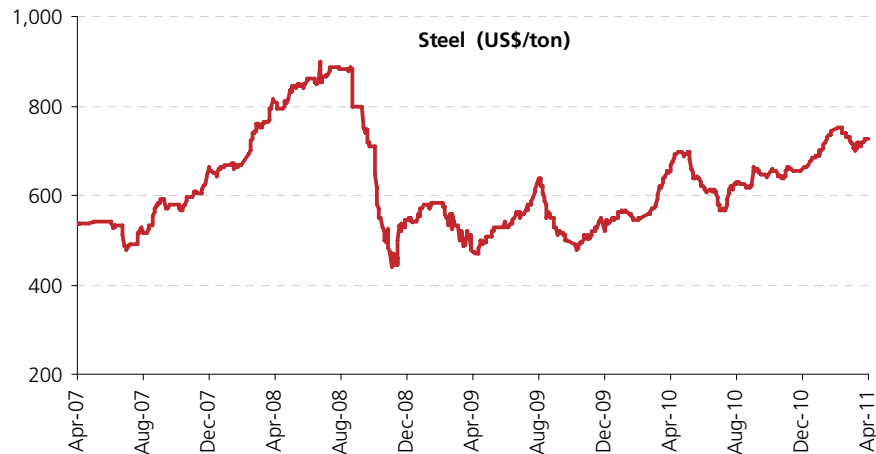
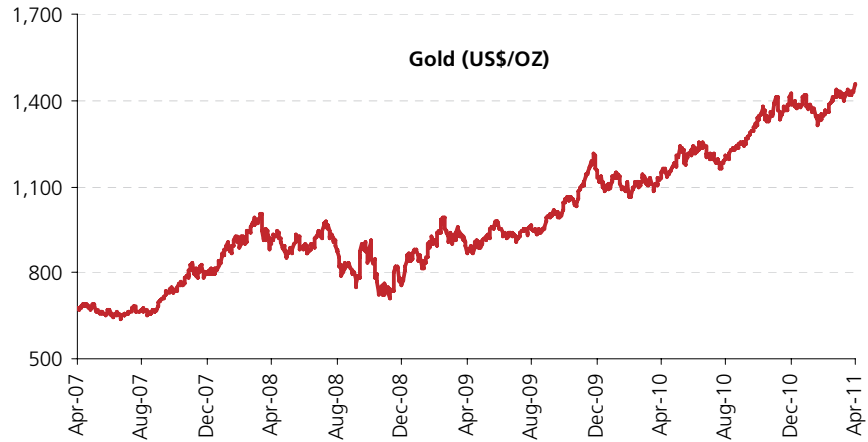
Key economic parameters



Source: Bloomberg, Kotak Institutional Equities

COMMODITIES

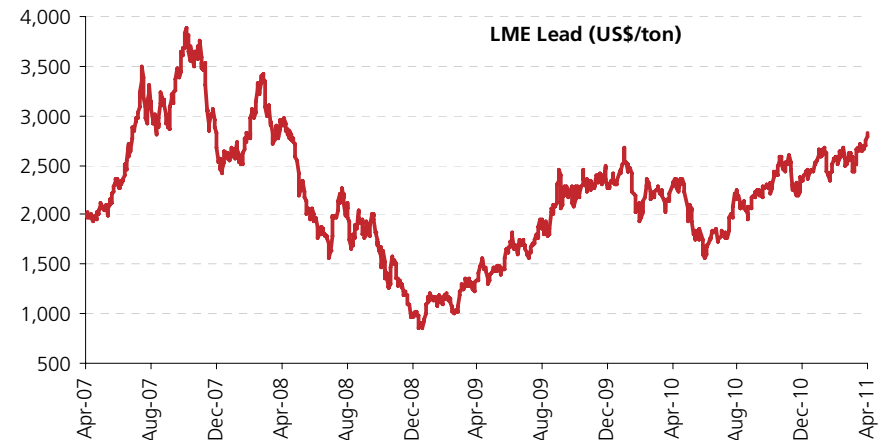
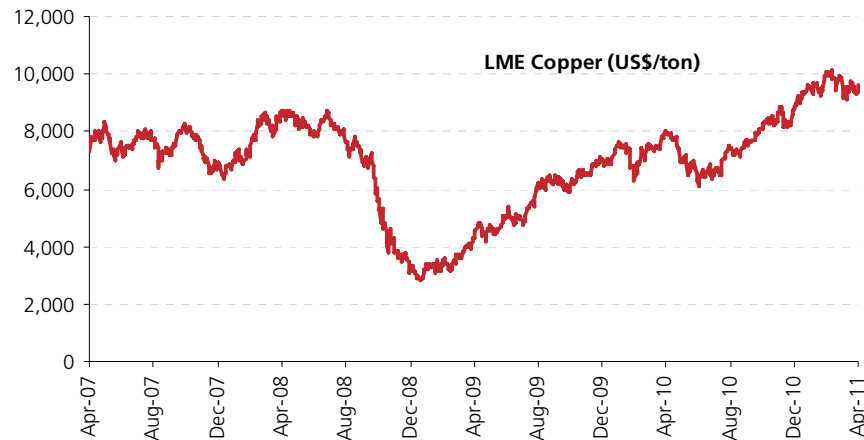
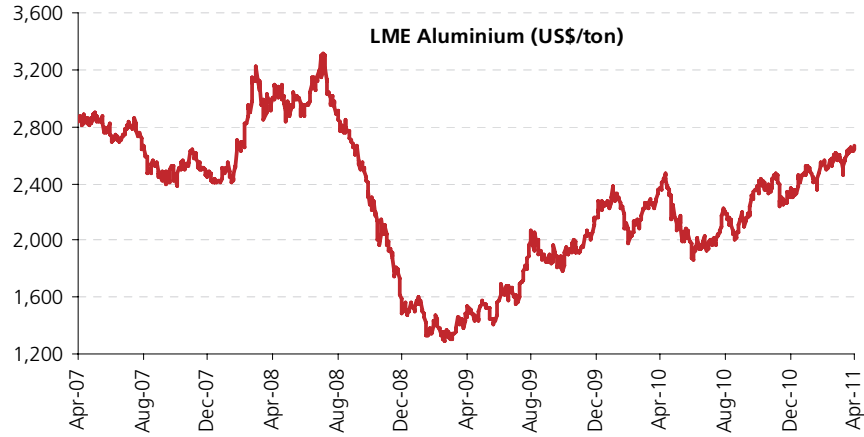
Prices of key commodities



Source: Bloomberg, Kotak Institutional Equities

COMMODITIES

Prices of key commodities



Source: Bloomberg, Kotak Institutional Equities

KOTAK VALUATION SUMMARY

VALUATION SUMMARY

Kotak Institutional Equities Universe

Company	07-Apr-11		Mkt cap.		O/S	EPS (Rs)			EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)			Dividend yield (%)			RoE (%)			Target price	Upside	ADVT-3mo
	Price (Rs)	Rating	(Rs mn)	(US\$ mn)	(mn)	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	(Rs)	(%)	(US\$ mn)
Automobiles																													
Ashok Leyland	58	SELL	76,758	1,736	1,330	4.3	4.7	5.7	53.5	8.1	22.3	13.3	12.3	10.1	8.8	8.4	6.3	1.7	1.5	1.4	1.7	1.7	1.7	13.6	13.4	14.7	56	(2.9)	7.5
Bajaj Auto	1,440	ADD	416,808	9,429	289	90.3	100.0	111.6	43.8	10.8	11.5	16.0	14.4	12.9	15.2	14.3	13.0	9.0	6.3	4.7	1.7	1.7	1.7	68.5	50.6	40.7	1,500	4.1	19.8
Bharat Forge	365	ADD	86,675	1,961	237	12.9	19.1	24.1	1,349.9	48.2	26.3	28.3	19.1	15.1	12.0	9.2	7.7	3.6	3.0	2.5	—	—	—	8.1	14.5	16.4	395	8.2	3.8
Exide Industries	147	ADD	124,823	2,824	850	7.1	8.4	9.8	12.6	17.9	17.4	20.6	17.5	14.9	14.6	11.9	10.1	4.5	3.6	3.0	0.4	0.4	0.4	24.1	22.8	21.8	160	9.0	6.9
Hero Honda	1,695	REDUCE	338,462	7,657	200	97.8	109.8	126.9	(12.5)	12.3	15.5	17.3	15.4	13.4	12.1	10.3	8.4	7.0	5.4	4.2	1.8	1.8	1.8	45.0	39.5	35.2	1,485	(12.4)	22.4
Mahindra & Mahindra	733	BUY	451,023	10,203	615	42.8	47.7	53.8	22.1	11.6	12.8	17.1	15.4	13.6	13.1	11.6	10.0	4.2	3.4	2.9	1.3	1.4	1.5	27.6	24.5	23.0	800	9.1	35.5
Maruti Suzuki	1,278	BUY	369,299	8,354	289	78.4	91.8	104.7	(9.3)	17.0	14.1	16.3	13.9	12.2	10.7	8.8	7.0	2.6	2.2	1.9	0.4	0.5	0.6	17.4	17.3	16.8	1,460	14.2	13.1
Tata Motors	1,291	ADD	857,817	19,405	665	129.9	133.6	159.2	603.4	2.9	19.1	9.9	9.7	8.1	6.7	6.3	5.4	4.0	2.9	2.1	0.4	0.4	0.4	58.6	34.9	30.5	1,305	1.1	91.6
Automobiles Cautious 2,721,664 61,569 83.9 9.0 16.4 13.9 12.8 11.0 9.5 8.6 7.3 4.2 3.2 2.6 1.0 1.0 1.0 29.9 25.5 23.6																													
Banks/Financial Institutions																													
Andhra Bank	156	BUY	81,982	1,855	526	24.1	26.4	30.6	12.0	9.5	15.9	6.5	5.9	5.1	—	—	—	1.4	1.2	1.0	3.6	3.9	4.6	24.4	21.4	21.2	180	15.5	3.8
Axis Bank	1,446	BUY	585,780	13,251	405	81.7	99.9	122.8	31.6	22.3	22.9	17.7	14.5	11.8	—	—	—	3.1	2.7	2.3	1.1	1.3	1.6	19.1	20.1	21.0	1,600	10.7	54.4
Bank of Baroda	980	BUY	384,928	8,708	393	101.4	114.1	134.3	21.2	12.5	17.7	9.7	8.6	7.3	—	—	—	2.0	1.7	1.4	1.9	2.1	2.5	24.1	21.2	21.1	1,200	22.5	9.4
Bank of India	490	ADD	267,887	6,060	547	49.7	62.7	68.5	50.1	26.1	9.2	9.8	7.8	7.1	—	—	—	1.7	1.5	1.3	2.1	2.7	3.0	19.0	20.0	18.9	560	14.4	10.3
Canara Bank	640	ADD	262,421	5,936	410	98.0	102.2	124.2	33.0	4.2	21.6	6.5	6.3	5.2	—	—	—	1.5	1.2	1.0	1.6	1.9	1.9	23.1	19.1	19.6	700	9.4	16.4
Corporation Bank	631	ADD	93,481	2,115	148	86.9	95.8	113.6	5.9	10.3	18.6	7.3	6.6	5.6	—	—	—	1.3	1.1	1.0	2.8	3.1	3.6	20.0	18.6	19.1	700	10.9	1.2
Federal Bank	421	BUY	71,945	1,628	171	34.3	44.5	52.4	26.3	29.7	17.8	12.3	9.4	8.0	—	—	—	1.4	1.3	1.1	1.5	1.9	2.3	11.9	14.0	14.7	450	7.0	4.5
HDFC	716	REDUCE	1,027,423	23,242	1,436	24.1	27.1	31.7	22.2	12.6	17.1	29.7	26.4	22.6	—	—	—	6.0	5.3	4.0	1.2	1.3	1.6	21.3	21.2	20.9	690	(3.6)	52.6
HDFC Bank	2,355	ADD	1,077,871	24,383	458	86.2	111.8	142.9	33.8	29.8	27.8	27.3	21.1	16.5	—	—	—	4.4	3.8	3.2	0.7	0.9	1.1	17.1	19.2	21.0	2,400	1.9	50.8
ICICI Bank	1,104	ADD	1,270,582	28,743	1,151	45.8	58.0	68.3	26.7	26.8	17.7	24.1	19.0	16.2	—	—	—	2.3	2.1	2.0	1.2	1.6	1.9	9.9	11.6	12.6	1,200	8.7	112.9
IDFC	163	ADD	245,792	5,560	1,506	9.1	10.9	14.1	8.3	19.5	29.5	18.0	15.0	11.6	—	—	—	2.3	1.9	1.7	1.0	1.3	1.6	15.0	13.9	15.5	175	7.2	28.6
India Infoline	83	BUY	27,126	614	327	7.4	8.0	9.4	(9.0)	8.1	17.4	11.2	10.4	8.8	—	—	—	1.6	1.3	1.2	3.5	2.1	2.4	13.2	13.8	14.1	100	20.6	2.6
Indian Bank	246	BUY	105,530	2,387	430	37.9	43.5	53.3	8.1	14.6	22.5	6.5	5.6	4.6	—	—	—	1.3	1.1	0.9	2.8	3.2	3.9	21.7	21.0	21.7	320	30.3	2.4
Indian Overseas Bank	155	BUY	96,292	2,178	619	15.8	21.9	29.5	21.6	38.9	34.7	9.8	7.1	5.3	—	—	—	1.2	1.0	0.9	2.5	2.7	3.0	11.6	13.8	16.4	180	15.8	3.3
IndusInd Bank	274	BUY	126,286	2,857	461	9.1	10.9	14.1	8.3	19.5	29.5	30.2	25.3	19.5	—	—	—	3.5	3.1	2.7	1.0	1.2	1.5	19.9	17.6	19.0	300	9.4	7.8
J&K Bank	887	ADD	43,008	973	48	123.5	136.6	154.0	16.9	10.6	12.8	7.2	6.5	5.8	—	—	—	1.3	1.1	1.0	2.9	3.2	3.6	18.5	17.8	17.6	850	(4.2)	0.8
LIC Housing Finance	231	ADD	109,737	2,482	475	19.5	21.5	26.2	40.0	10.0	22.2	11.8	10.8	8.8	—	—	—	2.7	2.3	1.9	1.8	2.0	2.4	24.8	22.9	23.5	240	3.9	50.5
Mahindra & Mahindra Financial	778	ADD	79,439	1,797	102	47.5	60.8	71.7	32.4	28.1	17.8	16.4	12.8	10.9	—	—	—	3.3	2.8	2.4	1.3	1.7	1.9	22.8	22.6	22.4	800	2.8	2.6
Oriental Bank of Commerce	389	ADD	113,524	2,568	292	52.0	58.7	66.0	14.9	12.7	12.5	7.5	6.6	5.9	—	—	—	1.1	1.0	0.9	2.7	3.0	3.4	15.7	14.6	14.8	450	15.7	5.9
PFC	261	REDUCE	299,740	6,781	1,148	24.1	28.2	33.0	17.5	17.0	16.8	10.8	9.3	7.9	—	—	—	2.0	1.8	1.5	1.8	2.2	2.5	19.3	19.5	19.6	300	14.9	4.1
Punjab National Bank	1,199	BUY	380,001	8,596	317	137.6	165.6	202.2	11.1	20.3	22.1	8.7	7.2	5.9	—	—	—	1.9	1.6	1.3	2.3	2.8	3.4	23.8	23.8	24.2	1,500	25.1	7.7
Reliance Capital	625	ADD	153,727	3,478	246	6.6	17.0	27.9	(49.8)	159.7	63.6	95.2	36.6	22.4	—	—	—	2.2	2.1	2.0	0.4	1.1	1.8	2.3	5.9	9.3	620	(0.7)	43.8
Rural Electrification Corp.	265	REDUCE	261,757	5,921	987	25.5	29.2	33.3	25.9	14.5	13.8	10.4	9.1	8.0	—	—	—	2.1	1.8	1.6	2.9	3.3	3.8	21.2	21.2	21.0	275	3.7	21.4
Shriram Transport	815	ADD	181,770	4,112	223	56.1	66.8	81.0	43.2	19.1	21.3	14.5	12.2	10.1	—	—	—	3.9	3.2	2.6	1.4	1.6	2.0	28.9	27.7	27.3	800	(1.8)	6.4
SKS Microfinance	526	REDUCE	39,610	896	75	24.2	36.5	62.3	(10.3)	50.9	70.8	21.8	14.4	8.4	—	—	—	2.1	1.8	1.5	—	—	—	12.6	13.5	19.5	700	33.1	5.6
State Bank of India	2,813	BUY	1,785,861	40,400	635	175.2	225.2	272.1	21.3	28.6	20.8	16.1	12.5	10.3	—	—	—	2.4	2.1	1.8	1.1	1.2	1.3	15.8	17.7	18.4	3,300	17.3	172.4
Union Bank	351	BUY	184,250	4,168	524	36.5	48.2	58.4	(11.0)	32.0	21.1	9.6	7.3	6.0	—	—	—	1.7	1.4	1.2	1.4	1.8	2.2	19.3	20.8	21.1	420	19.5	4.4
Yes Bank	330	BUY	112,192	2,538	340	21.4	26.4	33.1	42.4	23.5	25.4	15.5	12.5	10.0	—	—	—	3.0	2.5	2.0	0.6	0.8	1.0	21.3	21.7	22.4	370	12.0	21.6
Banks/Financial Institutions Attractive 9,469,942 214,228 24.4 21.3 20.7 15.0 12.4 10.2 — — — 2.4 2.1 1.8 1.4 1.6 1.9 16.2 17.1 17.7																													
Cement																													
ACC	1,129	SELL	212,088	4,798	188	51.7	54.5	68.0	(37.9)	5.4	24.9	21.8	20.7	16.6	12.7	10.2	8.1	3.1	2.8	2.5	2.1	2.1	2.1	16.4	15.8	17.3	920	(18.5)	8.8
Ambuja Cements	151	SELL	230,564	5,216	1,522	7.9	7.9	8.7	(0.7)	(0.1)	9.4	19.1	19.1	17.4	11.7	10.5	9.3	2.9	2.7	2.5	1.4	1.5	1.6	16.8	15.0	14.9	108	(28.7)	6.4
Grasim Industries	2,522	ADD	231,251	5,231	92	224.3	261.1	327.0	(25.5)	16.4	25.3	11.2	9.7	7.7	6.5	5.0	4.1	1.6	1.4	1.2	1.4	1.4	1.4	15.4	15.7	17.0	2,600	3.1	5.6
India Cements	103	SELL	31,639	716	307	3.0	6.8	11.7	(70.5)	130.5	71.9	34.8	15.1	8.8	12.7														

VALUATION SUMMARY

Kotak Institutional Equities Universe

Company	07-Apr-11		Mkt cap.		O/S	EPS (Rs)			EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)			Dividend yield (%)			RoE (%)			Target price	Upside	ADVT-3mo	
	Price (Rs)	Rating	(Rs mn)	(US\$ mn)	(mn)	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	(Rs)	(%)	(US\$ mn)	
Consumer products																														
Asian Paints	2,552	REDUCE	244,759	5,537	96	82.0	96.3	113.7	14.7	17.4	18.1	31.1	26.5	22.4	20.5	17.1	14.0	12.1	9.9	7.5	1.4	1.6	1.1	44.7	42.0	38.6	2,600	1.9	6.0	
Colgate-Palmolive (India)	846	SELL	115,098	2,604	136	29.5	34.3	39.3	(5.2)	16.2	14.7	28.7	24.7	21.5	24.5	21.2	17.7	30.7	26.7	21.8	2.6	3.0	3.3	114.5	115.7	111.5	780	(7.8)	2.7	
Dabur India	100	ADD	172,687	3,907	1,731	3.2	3.8	4.3	11.2	17.0	14.4	31.0	26.5	23.1	22.8	18.9	16.1	12.6	9.8	7.9	1.1	1.3	1.5	48.9	42.3	38.1	110	10.3	3.9	
GlaxoSmithkline Consumer (a)	2,254	ADD	94,772	2,144	42	71.3	85.0	102.0	28.8	19.2	20.0	31.6	26.5	22.1	22.6	19.3	15.6	10.2	8.2	6.7	2.2	1.2	1.5	32.2	33.4	32.6	2,450	8.7	0.7	
Godrej Consumer Products	390	ADD	126,216	2,855	324	13.8	17.1	20.7	21.7	23.7	21.3	28.3	22.9	18.9	21.3	16.9	13.6	6.9	6.5	5.9	0.8	0.8	0.8	32.3	29.4	32.8	440	12.8	1.6	
Hindustan Unilever	276	SELL	602,146	13,622	2,182	9.8	11.3	12.8	4.1	15.4	13.3	28.1	24.4	21.5	23.4	19.9	17.1	20.3	17.6	15.3	2.9	3.4	3.8	77.2	77.5	76.4	255	(7.6)	14.1	
ITC	183	ADD	1,394,016	31,535	7,636	6.6	8.0	9.1	23.6	21.9	13.7	27.8	22.8	20.1	18.5	15.3	13.0	7.8	6.8	5.9	1.5	2.1	2.5	32.3	33.2	32.8	205	12.3	33.1	
Jubilant Foodworks	615	SELL	39,278	889	64	11.8	14.9	19.9	110.1	26.2	33.9	52.2	41.3	30.9	31.8	21.9	16.5	20.4	13.6	9.5	—	—	—	48.6	39.6	36.2	470	(23.6)	10.6	
Jyothy Laboratories	218	ADD	17,562	397	81	10.4	12.7	14.7	(5.4)	21.3	15.8	20.9	17.2	14.8	15.2	11.6	9.2	2.5	2.3	2.1	1.6	2.1	2.7	11.8	13.8	—	240	10.2	1.0	
Marico	139	ADD	85,098	1,925	612	5.1	5.7	6.6	14.0	12.9	15.0	27.4	24.3	21.1	20.2	16.7	14.2	9.3	7.2	5.6	0.6	0.7	0.8	39.8	33.6	30.0	145	4.2	2.4	
Nestle India (a)	3,709	REDUCE	357,620	8,090	96	86.8	101.0	123.8	16.7	16.4	22.6	42.7	36.7	30.0	28.4	23.9	19.7	41.8	35.5	30.0	1.3	2.0	2.4	116.5	104.7	108.7	3,000	(19.1)	3.2	
Tata Global Beverages	109	ADD	67,344	1,523	618	5.2	5.9	6.9	(14.6)	14.3	17.0	21.1	18.4	15.8	10.5	9.5	8.0	1.3	1.3	1.2	1.6	1.8	2.1	8.4	9.1	10.0	110	1.0	3.7	
Titan Industries	3,992	ADD	177,187	4,008	44	107.1	125.9	145.6	87.1	17.5	15.6	37.3	31.7	27.4	27.1	22.5	17.9	15.3	10.7	8.0	0.3	0.3	0.4	50.3	39.8	33.5	4,700	17.7	35.7	
United Spirits	1,104	ADD	138,687	3,137	126	29.9	40.7	53.8	9.5	36.4	31.9	37.0	27.1	20.5	16.5	13.9	11.9	3.4	3.0	2.7	0.2	0.2	0.4	9.5	11.7	13.8	1,300	17.7	10.9	
Consumer products																														
Constructions																														
IVRCL	95	BUY	25,232	571	267	7.0	8.9	12.6	(11.7)	28.1	40.7	13.5	10.6	7.5	8.1	6.8	5.6	1.2	1.1	1.0	0.4	0.4	0.4	9.6	11.2	13.9	125	32.3	9.6	
Nagarjuna Construction Co.	116	BUY	29,764	673	257	7.2	9.7	13.1	1.2	34.3	35.4	16.1	12.0	8.8	9.9	8.2	6.3	1.3	1.2	1.0	1.7	1.7	1.7	8.0	10.1	12.5	160	37.9	2.9	
Punj Lloyd	76	REDUCE	25,893	586	340	1.3	8.5	12.6	(137.2)	567.0	48.2	59.8	9.0	6.1	8.6	6.1	5.0	0.8	0.8	0.7	0.1	1.0	1.4	1.4	9.0	12.2	9.0	18.0	11.2	
Sadbhav Engineering	130	BUY	19,568	443	150	6.2	8.7	10.0	20.2	41.0	14.4	21.1	15.0	13.1	11.4	9.2	8.2	3.8	3.6	3.3	4.6	4.6	4.6	17.8	23.9	25.2	175	34.2	0.5	
Construction																														
Energy																														
Aban Offshore	702	BUY	30,541	691	44	104.6	107.6	116.9	(1.9)	2.9	8.7	6.7	6.5	6.0	6.8	6.6	6.5	1.4	1.2	1.0	0.5	0.6	0.6	26.1	20.4	18.0	815	16.1	17.6	
Bharat Petroleum	614	ADD	221,913	5,020	362	51.9	46.5	65.7	(9.9)	(10.4)	41.2	11.8	13.2	9.3	9.1	9.8	7.1	1.5	1.4	1.2	2.6	2.5	3.5	12.2	10.1	13.2	655	6.7	9.4	
Cairn India	344	RS	652,464	14,760	1,897	33.3	56.8	58.1	501.7	70.3	2.3	10.3	6.1	5.9	8.0	4.6	4.1	1.6	1.4	1.3	—	4.4	5.8	17.1	25.2	22.7	—	—	21.2	
Castrol India (a)	461	SELL	114,083	2,581	247	19.8	20.5	21.1	28.7	3.2	3.1	23.3	22.6	21.9	14.7	14.5	14.1	22.1	20.5	19.6	3.3	3.5	3.7	100.5	94.4	91.5	370	(19.8)	0.7	
GAIL (India)	473	REDUCE	600,181	13,577	1,268	29.3	34.7	43.6	18.5	18.4	25.4	16.1	13.6	10.9	10.3	9.9	7.6	2.9	2.5	2.1	1.8	2.1	3.0	18.1	18.6	19.8	510	7.8	13.6	
GSPL	102	REDUCE	57,426	1,299	562	8.5	8.6	10.4	16.8	0.9	20.9	12.0	11.9	9.8	7.4	6.9	6.0	2.7	2.3	2.1	2.1	3.4	5.1	24.9	21.1	22.6	90	(11.9)	3.2	
Hindustan Petroleum	367	BUY	124,332	2,813	339	46.5	35.0	49.9	(9.9)	(24.8)	42.8	7.9	10.5	7.3	3.2	3.5	2.6	0.8	0.8	0.7	4.0	3.0	4.3	10.6	7.4	9.8	420	14.5	8.0	
Indian Oil Corporation	336	BUY	814,941	18,436	2,428	35.1	33.2	39.6	(28.5)	(5.4)	19.1	9.6	10.1	8.5	7.2	7.1	5.5	1.4	1.3	1.2	3.2	3.0	3.6	14.2	12.4	13.5	390	16.2	6.2	
Oil India	1,345	BUY	323,303	7,314	240	140.9	151.2	181.7	22.3	7.3	20.2	9.5	8.9	7.4	4.4	3.8	3.0	1.9	1.7	1.5	3.3	3.7	4.5	18.9	17.9	18.9	1,550	15.3	2.0	
Oil & Natural Gas Corporation	292	BUY	2,494,798	56,437	8,556	28.6	34.9	39.6	24.5	22.3	13.3	10.2	8.3	7.4	4.2	3.5	2.9	1.7	1.5	1.4	4.8	4.1	4.8	16.5	18.5	18.5	360	23.5	30.3	
Petronet LNG	128	SELL	96,225	2,177	750	8.1	8.9	8.6	49.3	10.9	(3.7)	15.9	14.4	14.9	9.5	9.0	9.1	3.2	2.7	2.4	1.9	2.3	2.3	20.4	19.3	16.1	100	(22.1)	5.4	
Reliance Industries	1,042	REDUCE	3,102,778	70,191	2,978	62.7	66.3	71.9	26.3	5.8	8.4	16.6	15.7	14.5	8.9	7.6	6.7	1.9	1.7	1.6	0.8	1.0	1.2	13.2	12.6	12.4	1,000	(4.0)	133.2	
Energy																														
Industrials																														
ABB	806	REDUCE	170,735	3,862	212	9.8	26.0	31.4	(41.6)	165.6	20.7	82.4	31.0	25.7	57.0	20.4	16.6	6.7	5.6	4.7	0.4	0.4	0.4	8.3	19.7	20.0	660	(18.1)	2.5	
BGR Energy Systems	536	REDUCE	38,596	873	72	40.9	46.4	46.0	46.3	13.4	(0.9)	13.1	11.5	11.7	8.1	7.0	6.5	4.1	3.3	2.7	1.5	1.7	1.7	36.0	31.6	25.2	600	11.9	6.2	
Bharat Electronics	1,828	REDUCE	146,200	3,307	80	101.3	124.9	145.8	5.4	23.2	16.8	18.0	14.6	12.5	10.3	7.8	6.5	2.9	2.5	2.2	1.4	1.4	1.4	17.0	18.3	18.5	1,875	2.6	1.1	
Bharat Heavy Electricals	2,195	REDUCE	1,074,570	24,309	490	115.5	140.1	156.2	31.4	21.3	11.5	19.0	15.7	14.1	13.1	10.3	8.9	5.3	4.2	3.5	1.1	1.4	1.5	31.0	30.2	27.1	2,400	9.3	40.6	
Crompton Greaves	288	BUY	184,720	4,179	642	14.4	16.2	18.9	12.0	12.5	16.5	20.0	17.8	15.3	12.3	10.4	8.7	5.6	4.4	3.5	0.7	0.7	0.8	31.9	27.8	25.8	310	7.7	7.4	
Larsen & Toubro	1,670	REDUCE	1,010,381	22,857	605	73.0	82.0	96.4	26.0	12.3	17.6	22.9	20.4	17.3	13.8	11.7	10.1	3.8	3.2	2.8	0.7	0.8	0.8	17.9	17.0	17.2	1,775	6.3	81.8	
Maharashtra Seamless	365	ADD	25,740	582	71	44.2	39.3	43.7	14.3	(10.9)	11.1	8.3	9.3	8.4	3.9	4.1	3.4	1.0	0.9	0.9	2.2	2.2	2.4	12.8	10.5	10.9	418	14.5	0.4	
Siemens	895	REDUCE	301,859	6,829	337	22.4	27.4	33.2	39.5	21.9	21.3	39.9	32.7	27.0	23.7	21.3	17.1	9.3	7.6	6.3	0.6	0.6	0.7	25.2	25.6	25.5	735	(17.9)	13.4	
Suzlon Energy	53	REDUCE	85,184	1,927	1,594	(3.7)	3.5	7.1	(40.3)	(196.0)	102.1	(14.5)	15.1	7.5	18.8	8.1	6.0	1.2	1.2	1.0	—	—	—	0.4	(8.6)	7.9	14.8	45	(15.8)	27.3
Thermax	683	BUY	81,373	1,841	119	32.3	3																							

VALUATION SUMMARY

Kotak Institutional Equities Universe

Company	07-Apr-11		Mkt cap.		O/S	EPS (Rs)			EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)			Dividend yield (%)			RoE (%)			Target price	Upside	ADVT-3mo
	Price (Rs)	Rating	(Rs mn)	(US\$ mn)	shares (mn)	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	(Rs)	(%)	(US\$ mn)
Media																													
DB Corp	256	BUY	46,467	1,051	182	12.6	14.0	17.0	18.8	10.8	21.6	20.2	18.3	15.0	11.9	10.9	8.9	5.9	5.0	4.4	1.6	2.3	3.1	31.8	29.7	31.2	325	27.1	0.3
DishTV	67	ADD	71,267	1,612	1,062	(1.6)	0.2	1.3	(33.2)	(109.5)	719.1	(40.7)	430.1	52.5	32.2	15.4	10.8	31.7	29.5	18.9	—	—	—	(56.0)	7.1	43.8	66	(1.6)	3.6
Eros International	153	BUY	14,157	320	93	12.6	16.6	20.9	30.1	32.5	25.3	12.2	9.2	7.3	8.4	6.7	4.9	2.0	1.6	1.3	—	—	—	24.7	19.8	20.1	200	31.0	0.6
Hindustan Media Ventures	144	BUY	10,563	239	73	7.9	10.0	13.0	220.4	27.5	29.7	18.3	14.4	11.1	14.6	11.9	9.8	2.5	2.1	1.8	5.2	6.9	9.7	23.7	16.4	18.3	200	38.9	0.1
HT Media	159	ADD	37,259	843	235	7.0	8.5	11.2	15.4	21.0	31.9	22.5	18.6	14.1	10.3	8.3	6.5	2.7	2.5	2.4	1.3	2.5	4.4	13.8	13.9	17.3	170	7.2	0.3
Jagran Prakashan	125	BUY	37,659	852	301	7.0	7.9	9.3	19.2	13.4	18.4	18.0	15.8	13.4	10.5	9.4	7.8	5.5	5.1	4.6	3.2	4.0	4.8	32.4	33.4	36.1	155	24.0	0.5
Sun TV Network	449	REDUCE	176,863	4,001	394	18.3	22.7	27.2	39.7	24.1	20.2	24.6	19.8	16.5	14.6	11.9	9.8	7.7	6.4	5.5	1.7	2.2	3.1	34.2	35.5	36.4	450	0.3	7.1
Zee Entertainment Enterprises	125	ADD	122,491	2,771	978	4.8	6.2	7.8	(9.7)	28.4	26.4	26.0	20.2	16.0	16.4	12.6	9.8	2.9	2.9	2.8	1.0	1.2	1.3	11.8	14.7	18.1	130	3.8	7.2
Media																													
Metals & Mining																													
Coal India	360	BUY	2,271,680	51,390	6,316	17.0	24.0	28.0	11.7	41.0	16.8	21.1	15.0	12.8	13.3	9.8	8.0	6.7	5.2	4.1	1.4	2.0	2.3	35.1	39.0	36.0	390	8.4	30.1
Hindalco Industries	216	ADD	413,520	9,355	1,914	16.2	16.9	18.6	(18.8)	4.3	9.8	13.3	12.8	11.6	7.7	7.9	7.6	1.7	1.5	1.4	0.6	0.6	0.6	13.6	12.7	12.4	250	15.7	50.7
Hindustan Zinc	139	BUY	588,754	13,319	4,225	10.5	13.1	14.6	9.7	24.9	11.6	13.3	10.6	9.5	8.3	5.4	4.1	2.5	2.1	1.7	0.4	0.4	0.4	22.0	22.3	20.3	160	14.8	6.0
Jindal Steel and Power	709	REDUCE	659,872	14,928	931	41.0	48.0	55.6	7.1	17.3	15.6	17.3	14.7	12.8	11.6	9.6	7.8	4.4	3.4	2.7	0.3	0.3	0.3	29.2	26.0	23.5	640	(9.7)	19.8
JSW Steel	1,001	REDUCE	248,495	5,621	248	67.1	99.2	110.9	(16.5)	47.9	11.8	14.9	10.1	9.0	8.7	5.8	5.2	1.4	1.1	1.0	0.9	0.9	0.9	11.6	12.1	11.3	1,000	(0.1)	48.5
National Aluminium Co.	98	SELL	252,827	5,719	2,577	4.6	5.1	6.2	50.5	12.0	20.2	21.4	19.1	15.9	12.1	10.4	8.2	2.3	2.1	1.9	1.3	1.3	10.9	11.3	12.5	76	(22.5)	1.8	
Sesa Goa	316	REDUCE	280,968	6,356	890	53.2	60.6	57.2	79.9	13.9	(5.5)	5.9	5.2	5.5	3.7	6.0	5.9	2.1	1.5	1.2	1.2	1.2	1.2	36.4	34.0	23.7	275	(12.9)	25.6
Sterlite Industries	175	BUY	587,281	13,285	3,362	13.7	19.7	22.7	13.8	44.3	14.9	12.8	8.9	7.7	8.1	4.8	3.9	1.4	1.2	1.1	0.5	0.5	0.5	11.8	15.0	14.9	200	14.5	23.5
Tata Steel	638	BUY	646,829	14,632	1,013	64.4	69.7	87.5	(2,051.8)	8.2	25.6	9.9	9.2	7.3	7.1	6.1	5.0	1.8	1.6	1.3	1.2	—	—	22.4	18.4	19.5	710	11.2	98.8
Metals & Mining																													
Pharmaceutical																													
Apollo Hospitals	491	BUY	63,174	1,429	129	14.0	19.0	22.1	28.2	35.7	16.0	35.0	25.8	22.2	15.4	12.2	10.7	3.5	3.0	2.6	—	—	—	10.4	12.1	12.2	565	15.2	1.9
Biocon	375	BUY	74,940	1,695	200	18.9	22.7	25.9	27.7	20.0	13.8	19.8	16.5	14.5	11.5	10.0	8.3	3.6	3.0	2.6	—	—	—	19.9	20.4	19.7	445	18.8	4.3
Cipla	320	REDUCE	257,296	5,821	803	12.1	16.0	18.5	(11.9)	32.3	15.6	26.5	20.1	17.4	21.2	15.6	13.0	3.9	3.3	2.9	0.8	0.8	0.8	15.4	17.9	—	300	(6.4)	10.9
Cadila Healthcare	829	ADD	169,737	3,840	205	33.3	38.2	47.7	34.9	14.7	24.7	24.9	21.7	17.4	20.1	16.1	13.0	7.8	6.1	4.8	0.8	0.9	1.2	35.9	31.6	31.0	880	6.2	1.8
Dishman Pharma & chemicals	107	SELL	8,682	196	81	8.8	8.2	9.8	(39.2)	(6.4)	19.1	12.2	13.0	10.9	10.7	8.0	7.1	1.0	1.0	0.9	—	—	—	8.7	7.6	8.5	85	(20.4)	0.4
Divi's Laboratories	696	REDUCE	92,233	2,086	133	26.8	37.1	45.7	3.9	38.6	23.4	26.0	18.8	15.2	20.5	13.7	10.8	5.3	4.4	3.7	—	—	—	21.7	25.6	26.3	700	0.6	2.1
GlaxoSmithKline Pharmaceuticals (a)	2,149	REDUCE	182,014	4,117	85	68.3	79.5	90.4	15.5	16.4	13.8	31.5	27.0	23.8	21.2	18.0	15.5	9.3	8.6	7.8	—	—	—	31.0	33.0	34.4	2,000	(6.9)	1.9
Glenmark Pharmaceuticals	304	REDUCE	84,991	1,923	280	17.6	20.6	25.9	38.3	17.3	25.9	17.3	14.7	11.7	15.3	12.2	10.0	3.0	2.6	2.2	—	—	—	18.4	18.2	19.3	330	8.7	5.1
Jubilant Life Sciences	182	REDUCE	29,056	657	159	14.6	16.9	(0.6)	(45.1)	15.9	(103.4)	12.5	10.8	####	10.2	8.3	7.1	1.4	1.2	1.1	1.1	1.4	1.9	11.9	12.1	—	220	20.6	0.9
Lupin	408	ADD	181,237	4,100	445	17.6	22.4	25.8	15.0	26.9	15.3	23.1	18.2	15.8	19.1	14.9	12.6	5.7	4.6	3.7	0.9	1.1	1.1	27.3	28.0	—	465	14.1	9.7
Ranbaxy Laboratories	462	SELL	197,707	4,472	428	23.4	20.3	21.9	231.8	(13.3)	7.6	19.7	22.7	21.1	14.5	15.1	14.5	3.6	3.1	2.6	—	—	—	19.5	13.9	13.0	365	(20.9)	10.0
Sun Pharmaceuticals	441	ADD	456,959	10,337	1,036	17.4	19.7	24.1	33.4	13.1	22.6	25.4	22.4	18.3	21.2	17.4	13.8	4.8	4.0	3.3	0.6	0.6	0.6	21.0	19.9	20.5	480	8.8	11.4
Pharmaceuticals																													
Property																													
DLF	270	ADD	462,543	10,464	1,714	10.0	13.8	22.4	(5.5)	37.3	62.7	26.9	19.6	12.0	16.3	13.5	8.5	1.5	1.4	1.3	1.1	1.8	1.8	5.5	7.3	11.1	265	(1.8)	20.4
Housing Development & Infrastructure	196	ADD	86,393	1,954	441	23.0	28.4	34.2	44.0	23.9	20.1	8.5	6.9	5.7	9.4	5.8	4.1	0.9	0.8	0.7	—	—	—	11.8	12.5	13.1	180	(8.1)	47.4
Indiabulls Real Estate	143	RS	57,500	1,301	402	3.1	8.5	15.5	(865.5)	178.9	81.5	46.9	16.8	9.3	62.1	18.5	8.1	0.5	0.5	0.5	—	—	—	1.0	2.9	5.1	—	—	12.2
Mahindra Life Space Developer	400	BUY	16,324	369	41	21.0	29.7	35.0	9.8	41.1	18.0	19.0	13.5	11.4	16.1	9.5	7.2	1.6	1.5	1.3	1.0	1.1	1.3	8.8	11.4	12.2	435	8.7	0.4
Oberoi Realty	256	BUY	84,381	1,909	330	18.7	24.9	44.0	36.9	32.7	77.2	13.7	10.3	5.8	9.6	6.3	3.1	2.5	2.0	1.5	0.4	0.6	1.0	23.3	21.5	29.8	305	19.2	0.3
Phoenix Mills	200	BUY	28,940	655	145	6.1	7.6	11.6	48.6	24.2	51.4	32.5	26.2	17.3	24.3	18.6	13.0	1.8	1.7	1.6	0.8	1.0	1.0	5.7	6.7	9.6	300	50.2	0.5
Puravankara Projects	111	REDUCE	23,637	535	213	7.3	8.8	15.0	7.6	19.9	70.6	15.1	12.6	7.4	16.9	12.1	6.5	1.5	1.4	1.2	1.8	1.8	—	10.5	11.6	17.4	100	(9.7)	0.1
Sobha Developers	324	BUY	31,802	719	98	18.8	24.0	31.9	33.4	27.9	33.0	17.3	13.5	10.2	13.2	10.1	7.4	1.7	1.5	1.3	0.4	0.5	—	10.1	11.7	13.7	380	17.2	2.1
Unitech	48	RS	127,316	2,880	2,666	2.4	3.9	5.3	(21.3)	62.1	37.1	20.0	12.3	9.0	19.9	11.2	7.5	1.1	1.0	0.9	—	—	—	5.6	8.3	10.3	—	—	42.0
Property																													

VALUATION SUMMARY

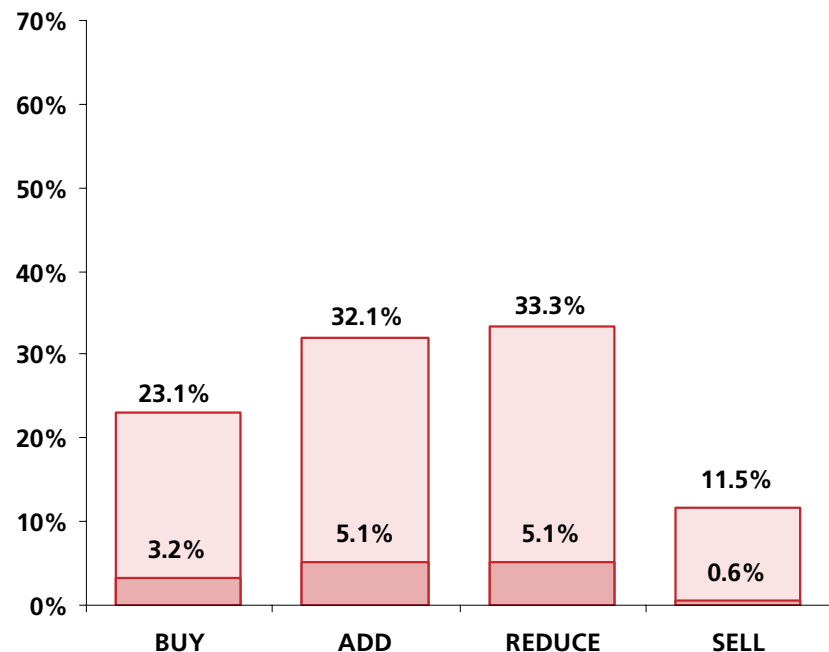
Kotak Institutional Equities Universe

Company	07-Apr-11		Mkt cap.		O/S	EPS (Rs)			EPS growth (%)			PER (X)			EV/EBITDA (X)			Price/BV (X)			Dividend yield (%)			RoE (%)			Target price	Upside	ADVT-3mo
	Price (Rs)	Rating	(Rs mn)	(US\$ mn)	shares (mn)	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	2011E	2012E	2013E	(Rs)	(%)	(US\$ mn)
Sugar																													
Bajaj Hindustan	84	SELL	16,036	363	191	(7.9)	0.2	6.4	(343.6)	(102.5)	3,238.8	(10.7)	434.5	13.0	10.7	6.5	4.8	0.8	0.8	0.7	0.8	0.8	0.8	(7.1)	0.2	5.8	80	(4.5)	3.6
Bairampur Chini Mills	77	ADD	19,719	446	257	0.8	8.3	8.4	(89.9)	974.0	1.0	99.1	9.2	9.1	12.9	5.8	4.8	1.5	1.3	1.1	0.6	0.6	0.6	1.5	14.8	13.1	90	17.2	3.0
Shree Renuka Sugars	77	REDUCE	51,541	1,166	670	10.5	4.6	7.0	214.4	(56.2)	53.4	7.3	16.8	10.9	5.1	3.4	2.4	2.0	1.7	1.4	1.3	1.3	1.3	34.4	11.9	16.3	75	(2.5)	17.5
Sugar		Cautious	87,296	1,975					19.1	(8.3)	54.5	15.2	16.6	10.8	7.6	4.6	3.3	1.5	1.3	1.2	1.1	1.1	1.1	9.6	7.8	10.7			
Technology																													
HCL Technologies	498	REDUCE	350,984	7,940	705	22.8	29.6	34.1	30.3	29.4	15.3	21.8	16.8	14.6	13.3	10.5	8.9	4.5	3.8	3.3	1.5	1.6	1.6	21.7	24.5	24.4	440	(11.6)	12.5
Hexaware Technologies	70	BUY	20,312	459	291	3.0	5.7	6.5	(36.5)	90.9	14.4	23.5	12.3	10.8	18.1	8.9	7.3	2.1	1.9	1.7	2.1	1.8	2.1	9.4	16.1	16.3	68	(2.6)	4.4
Infosys Technologies	3,246	BUY	1,863,147	42,148	574	120.0	155.2	184.9	10.8	29.3	19.1	27.1	20.9	17.6	18.9	14.5	11.9	7.2	5.9	4.8	1.8	1.4	1.7	28.1	30.9	30.2	3,700	14.0	83.0
Mahindra Satyam	76	REDUCE	89,376	2,022	1,176	3.1	4.3	5.6	24.7	37.4	32.5	24.5	17.8	13.5	15.4	9.2	6.5	4.3	4.0	3.3	—	—	—	18.5	23.2	26.9	70	(7.9)	10.8
Mindtree	396	REDUCE	16,314	369	41	23.8	33.8	38.4	(54.5)	42.3	13.5	16.7	11.7	10.3	8.4	5.7	4.8	2.1	1.8	1.6	0.6	0.9	2.9	13.6	16.8	16.7	370	(6.7)	0.9
Mphasis BFL	440	SELL	92,728	2,098	211	51.8	37.3	38.1	18.8	(28.0)	2.2	8.5	11.8	11.6	7.2	8.7	7.5	2.8	2.3	2.0	0.9	1.0	1.1	38.6	21.6	18.6	420	(4.6)	11.5
Polaris Software Lab	208	SELL	20,698	468	100	19.5	19.5	21.5	26.8	0.3	9.8	10.7	10.6	9.7	8.6	7.3	6.6	2.0	1.8	1.5	1.8	1.9	2.0	20.5	17.7	17.0	175	(15.7)	5.1
TCS	1,199	BUY	2,347,074	53,095	1,957	44.4	54.0	62.7	26.4	21.6	16.1	27.0	22.2	19.1	20.0	15.6	13.1	9.2	7.5	6.2	1.5	1.8	2.1	37.4	37.2	35.6	1,350	12.6	49.3
Tech Mahindra	750	REDUCE	92,962	2,103	124	65.1	65.9	71.2	(0.1)	1.3	8.1	11.5	11.4	10.5	10.1	9.4	8.7	2.6	2.2	2.0	0.3	0.3	1.3	26.3	22.1	20.8	720	(4.0)	5.1
Wipro	472	ADD	1,155,928	26,149	2,447	21.7	25.6	28.4	15.2	17.7	11.2	21.8	18.5	16.6	16.0	13.0	11.3	4.8	4.0	3.4	0.9	1.1	1.3	24.4	23.7	22.0	525	11.1	16.8
Technology		Attractive	6,129,340	138,657					17.4	20.0	15.4	23.7	19.7	17.1	17.1	13.6	11.5	6.2	5.2	4.3	1.6	1.5	1.7	26.3	26.2	25.3			
Telecom																													
Bharti Airtel	357	REDUCE	1,355,743	30,669	3,798	17.1	21.3	24.9	(27.7)	24.6	16.7	20.9	16.8	14.4	9.8	7.8	6.5	2.8	2.4	2.0	—	—	—	14.3	15.3	15.4	305	(14.6)	33.6
IDEA	66	REDUCE	218,942	4,953	3,300	2.4	1.2	2.6	(11.2)	(48.9)	107.7	27.3	53.5	25.7	9.4	8.1	6.6	1.8	1.7	1.6	—	—	—	6.9	3.5	6.8	55	(17.1)	7.1
MTNL	50	SELL	31,689	717	630	(10.4)	(9.1)	(8.4)	(33.7)	(11.9)	(8.1)	(4.8)	(5.5)	(6.0)	(0.7)	(1.0)	(1.2)	0.3	0.3	0.3	—	—	—	(6.1)	(5.7)	(5.5)	35	(30.4)	1.2
Reliance Communications	111	SELL	236,177	5,343	2,133	6.9	7.9	11.3	(65.2)	15.0	43.6	16.1	14.0	9.8	8.5	7.7	6.4	0.5	0.5	0.5	—	—	—	3.3	3.7	5.1	90	(18.7)	30.9
Tata Communications	255	REDUCE	72,732	1,645	285	15.2	15.7	15.9	8.2	3.5	1.5	16.8	16.3	16.0	7.7	7.3	6.9	1.0	1.0	0.9	2.9	3.3	3.5	5.5	5.5	5.4	225	(11.8)	2.1
Telecom		Cautious	1,915,283	43,327					(38.9)	17.9	25.7	22.4	19.0	15.1	9.7	7.9	6.6	1.6	1.4	1.3	0.1	0.1	0.1	6.9	7.6	8.7			
Utilities																													
Adani Power	120	ADD	261,709	5,920	2,180	2.8	16.5	20.0	252.0	500.1	20.7	43.5	7.3	6.0	36.2	6.7	4.9	4.1	2.6	1.8	—	—	—	9.9	44.1	35.8	140	16.6	4.0
CESC	318	BUY	39,730	899	125	36.6	42.7	51.6	5.8	16.8	20.7	8.7	7.4	6.2	5.5	6.3	6.0	0.8	0.8	0.7	1.4	1.7	1.9	10.2	10.8	11.6	459	44.3	1.0
JSW Energy	85	REDUCE	139,236	3,150	1,640	5.2	10.3	7.9	14.2	97.6	(22.8)	16.4	8.3	10.7	13.8	5.8	5.6	2.5	1.9	1.6	—	—	—	16.3	26.0	16.3	82	(3.4)	2.1
Lanco Infratech	45	BUY	99,035	2,240	2,223	3.1	4.9	5.1	44.5	59.8	3.1	14.5	9.1	8.8	12.4	8.1	7.9	2.3	1.8	1.5	—	—	—	17.9	22.0	18.1	65	45.9	10.2
NHPC	26	BUY	314,284	7,110	12,301	1.5	1.7	2.1	(19.4)	15.6	20.0	17.1	14.8	12.3	12.7	10.0	8.4	1.2	1.1	1.1	1.6	1.8	2.2	7.1	7.8	8.9	28	9.6	3.8
NTPC	186	REDUCE	1,534,893	34,722	8,245	10.1	11.9	13.5	(3.2)	17.6	12.8	18.3	15.6	13.8	16.7	12.9	11.9	2.2	2.1	1.9	1.9	2.2	2.5	12.6	13.7	14.2	195	4.8	8.9
Reliance Infrastructure	693	BUY	185,477	4,196	267	60.8	70.8	84.0	(1.9)	16.3	18.7	11.4	9.8	8.3	8.6	6.6	5.0	0.8	0.7	0.7	1.3	1.5	1.6	9.1	10.7	12.8	1,030	48.5	49.6
Reliance Power	136	SELL	380,509	8,608	2,805	2.9	4.0	2.5	0.1	38.4	(36.7)	47.5	34.3	54.2	250.3	53.6	20.9	2.3	2.2	2.1	—	—	—	5.2	6.6	4.0	115	(15.2)	13.4
Tata Power	1,320	ADD	325,784	7,370	247	70.7	84.4	110.6	11.3	19.4	31.0	18.7	15.6	11.9	12.9	12.0	8.7	2.3	2.1	1.8	1.1	1.1	1.3	13.0	14.0	16.2	1,415	7.2	8.7
Utilities		Cautious	3,280,656	74,215					3.4	41.2	11.6	19.3	13.7	12.3	17.5	11.5	9.5	1.9	1.7	1.6	1.2	1.4	1.6	10.0	12.7	12.7			
Others																													
Havells India	390	ADD	48,712	1,102	125	23.2	28.9	32.0	278.2	24.5	10.7	16.8	13.5	12.2	11.2	8.9	7.7	7.1	4.8	3.5	0.6	0.7	0.8	52.1	42.4	33.3	425	8.9	2.1
Jaiprakash Associates	98	BUY	217,338	4,917	2,214	5.1	5.6	5.4	188.8	11.6	(4.3)	19.4	17.4	18.2	13.2	11.5	11.1	2.2	2.0	1.8	—	—	—	12.2	12.1	10.6	135	37.5	32.0
Jet Airways	485	BUY	41,827	946	86	15.7	38.7	70.8	(122.5)	146.7	82.9	30.9	12.5	6.8	8.2	7.2	5.9	2.2	1.9	1.5	—	—	—	7.5	16.4	24.4	650	34.2	17.8
Sintex	169	SELL	45,968	1,040	272	14.8	16.1	18.1	22.1	9.0	12.6	11.4	10.5	9.3	9.3	8.2	7.3	1.8	1.6	1.3	0.8	0.8	0.8	16.0	14.9	14.4	140	(17.2)	5.9
SpiceJet	45	BUY	18,115	410	403	4.3	4.6	6.3	69.4	7.0	36.9	10.4	9.8	7.1	7.0	10.0	7.1	4.7	3.2	2.2	—	—	—	766.4	38.6	36.3	65	44.6	4.3
Tata Chemicals	360	REDUCE	87,633	1,982	243	26.8	35.4	44.2	1.5	31.9	24.8	13.4	10.2	8.2	6.4	4.9	3.9	1.7	1.4	1.2	2.6	2.6	3.3	16.9	19.3	—	370	2.7	3.2
United Phosphorus	155	BUY	71,500	1,617	462	12.9	17.6	20.7	8.3	37.3	17.1	12.0	8.8	7.5	6.1	5.0	4.1	1.9	1.6	1.3	1.3	1.3	1.6	17.5	19.4	19.1	220	42.3	4.7
Others			531,093	12,014					133.0	26.1	17.4	15.8	12.5	10.7	9.9	8.7	8.0	2.2	1.9	1.6	0.7	0.7	0.9	13.8	15.0	15.2			
KS universe (b)			51,093,701	1,155,835																									

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Source: Kotak Institutional Equities

As of September 30, 2010

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ADD: We expect this stock to outperform the BSE Sensex by 0-10% over the next 12 months.

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Old rating system

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