

January 15, 2007

FOR PRIVATE CIRCULATION

Equity

	12 Jan 07	% Chg		
		1 Day	1 Mth	3 Mths
Indian Indices				
Sensex	14,057	3.1	3.2	10.4
Nifty	4,052	2.8	4.2	10.2
Banking	7,383	6.8	5.6	20.9
IT	3,693	2.4	2.7	15.2
Healthcare	3,872	1.9	4.6	5.9
FMCG	1,927	1.0	(1.3)	(5.3)
PSU	6,215	2.8	4.1	5.6
CNX Midcap	5,228	1.7	4.3	9.5
World indices				
Nasdaq	2,502.8	0.7	1.9	6.2
Nikkei	17,057	1.3	1.8	4.1
Hangseng	19,613	1.2	4.0	10.5

Value traded (Rs cr)

	12 Jan 07	% Chg - 1 Day
Cash BSE	4,271	2.3
Cash NSE	10,016	1.6
Derivatives	37,648	6.2

Net inflows (Rs cr)

	11 Jan 07	% Chg	MTD	YTD
FII 10 Jan	(1,106.8)	(200.6)	(1,251)	(1,251)
Mutual Fund	(250.7)	(102.7)	(707)	(707)

FII open interest (Rs cr)

	11 Jan 07	% chg
FII Index Futures	12,006.9	(7.1)
FII Index Options	6,360.4	16.1
FII Stock Futures	15,513.6	4.8
FII Stock Options	125.8	9.2

Advances/Declines (BSE)

12 Jan 07	A	B1	B2	Total	% Total
Advances	172	401	458	1031	62
Declines	36	239	325	600	36
Unchanged	1	8	17	26	2

Commodity

	12 Jan 07	% Chg		
		1 Day	1 Mth	3 Mths
Crude (NYMEX) (US\$/BBL)	53.0	2.1	(13.2)	(8.4)
Gold (US\$/OZ)	627.2	2.6	1.7	6.0
Silver (US\$/OZ)	12.9	4.3	0.2	10.7

Debt/forex market

	12 Jan 07	1 Day	1 Mth	3 Mths
10 yr G-Sec yield	7.72	7.53	7.65	7.62
Re/US\$	44.43	44.57	44.84	45.62

Sensex


Source: Bloomberg

ECONOMY NEWS

- The Government is likely to concede the longstanding demand of industry to axe the 10% surcharge on corporate and personal income tax. The Government is seriously considering removal of surcharge in the forthcoming Budget, sources said. (ET)
- Sebi is all set to put an end to the trend of corporates misusing venture capital funds. The market regulator plans to redefine 'associate companies' to include group companies, to stop corporates funneling sponsored venture funds to group companies. (ET)
- The India-Asean summit meeting on Sunday firmed up the principles on which the two sides will base a comprehensive free trade agreement by July. (ET)
- The Railway Ministry has projected a 37% rise in its annual plan for 2007-08 to around Rs.322.25 bn with lesser borrowings and much higher internal revenue generation. The annual Plan size for the current financial year 2006-07 is Rs.234.75 bn. (BS)
- The Government has decided to extend financial assistance to exporters for contesting anti-dumping duty related litigations in foreign countries. (BL)

CORPORATE NEWS

- The Mukesh Ambani-led **Reliance** group has decided to buy land outright from farmers, instead of involving any government agency to acquire it. (ET)
- Delhi-based real estate developer **Parsvnath Developers** is in advanced discussions with Dubai-based \$30-bn real estate company, Nakheel Group, to set up a 50:50 joint venture for developing commercial, residential, and office properties on a pan-India basis. (ET)
- The tussle between Cairn India and MRPL over the evacuation of crude from Cairn's Rajasthan fields to Gujarat is over. MRPL's parent company **ONGC** has agreed to lay the 340-km pipeline along with Cairn India, sources said. (ET)
- The special purpose vehicle set up by **Madhucon Projects** for undertaking the 129-km stretch of the National Highway between Madurai and Tuticorin achieved financial closure. (BL)
- With a deadline set by British regulators approaching fast, the market is abuzz with hopes of a fresh offer from **Tata Steel** for Anglo-Dutch steelmaker Corus this week, a media report said. (BS)
- The **Tata** group may take on global automobile giants such as Ford and Renault-Nissan for in an attempt to buy Daewoo Automobile Romania, the privatization of which the Romanian government has put on the fast track. (BS)
- **Amtek Auto** is renewing its bid to acquire JL French Automotive Casting's Whitham plant in Essex in the UK, six months after its first abortive attempt. The talks between the two parties were at a preliminary stage and Amtek might take some time to table a formal bid for the plant. (BS)
- With increase in oil exploration activity worldwide due to rising price of crude, **Bhel** is considering reviving its oil rigs business and scouting for partners for the venture. (BS)
- **Gati** has signed a comprehensive memorandum of understanding (MoU) with China Railway Express International Logistics Company Ltd, a market leader in China, for rail and road cargo and package delivery. (BS)
- The **Tatas** are learnt to have initiated talks to buy out Sri Lanka's premier private telecom operator, Suntel. The group, through its international arm VSNL Global recently bagged international long distance and internet service provider licenses in Sri Lanka. (ET)

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

FROM OUR RESEARCH TEAM

ECONOMY UPDATE

Saday Sinha
saday.sinha@kotak.com
+91 22 66341440

IIP PERFORMANCE: CONCERN ON SLOWDOWN REMOVED

The index of industrial production (IIP) rose 11.4 % in November 2006 compared to 6.0% in November '05. Cumulative growth for April-November 2006-07 stands at 10.6% over the corresponding period of the previous year. This is the fastest growth in the past 11 years buoyed by strong growth in manufacturing, mining and intermediate goods.

Key Highlights

- The manufacturing sector recorded 15.7% growth during this month, which is the fastest since June 1996. The cumulative growth during April-November, 2006-07 stands at 11.5% over the corresponding period of last year.
- The mining sector grew by 7.0% (YoY) and the cumulative growth during April-November, 2006-07 stands at 3.8% over the corresponding period of last year.
- The electricity sector grew 8.7% (YoY) and cumulative growth during April-November, 2006-07 stands at 7.3% over the corresponding period of last year.
- In terms of industries, 16 out of 17 industry groups have shown positive growth during this month as compared to the corresponding month of the last year.
- The industry groups that have shown the highest growth in this month are...
 - Basic metal and alloy industries: 25.4%
 - Rubber, plastic, petroleum and coal products: 23.2%
 - Transport equipment and parts: 21.8%
- Sectoral growth (use-based classification):
 - Basic goods: 11.6%
 - Capital goods: 25.3%
 - Intermediate goods: 16.7%
- Consumer durables and consumer non-durables in November have grown 11.4% and 12.1%, respectively, with overall growth in consumer goods being 11.9%.
- Apart from this, IIP for October 2006 has been revised downwards to 4.38% from the previously reported 6.16% due to downward revision of 2.1% point in respect of the manufacturing sector.

Index of industrial production

	Mining (10.47%)	Growth (%)	Manufacturing (79.36%)	Growth (%)	Electricity (10.17%)	Growth (%)	General (100%)	Growth (%)
Apr-06	157.1	3.4%	237.7	11.0%	198.0	5.9%	225.2	9.9%
May-06	162.0	2.9%	252.0	13.3%	206.3	5.0%	237.9	11.7%
Jun-06	156.2	4.7%	249.4	10.7%	198.3	4.9%	234.4	9.7%
Jul-06	152.1	5.1%	250.9	14.3%	201.1	8.9%	235.5	13.2%
Aug-06	136.0	-1.7%	252.1	11.9%	201.4	4.1%	234.8	10.3%
Sep-06	146.8	4.3%	260.0	12.0%	201.4	11.5%	242.2	11.4%
Oct-06	160.2	5.2%	246.1	3.8%	212.5	9.7%	233.7	4.4%
Nov-06	161.1	7.0%	262.9	15.7%	199.3	8.7%	245.8	14.4%

Source: MOSPI

Although high growth rate for this month seems very good, it has come about on a lower base for the same month last year. In November '05, the general index was 214.8, which increased to 245.8 in this month. However, December onwards this index has generally stayed at greater than 230 levels. We feel that, in future we may have high and sustainable growth but any super-normal growth rate may not be seen due to high base effect.

Index of industrial production				
	Mining	Manufacturing	Electricity	General
Oct-05	152.3	237.2	193.7	223.9
Nov-05	150.5	227.3	183.3	214.8
Dec-05	165.2	246.3	193.8	232.5
Jan-06	168.6	252.0	199.4	237.9
Feb-06	158.3	241.6	186.3	227.3
Mar-06	181.6	267.4	203.0	251.9
Oct-06	160.2	246.1	212.5	233.7
Nov-06	161.1	262.9	199.3	245.8

Source: MOSPI

A strong growth in consumer durables and non-durables and capital goods shows that the growth drivers of our economy are still intact. Going forward, we can expect a surge in infrastructure spending, capex plans by corporates along with service driven consumption growth. In our view, the whole economy would benefit from this through both forward and backward linkages.

As we know, the industrial sector contributes slightly more than a quarter to the GDP. So, better performance in these seven months will definitely provide a cushion against any drop in the contribution from agriculture or services to the GDP. The numbers are in line with our expectations. In our view, industrial production is likely to rise by around 9-10% in the coming months of FY07 because of the higher base.

On the flip side, this will also provide the central bank further reason to raise interest rates to curb inflation. We believe rising consumer spending may stoke up inflation, prompting the central bank to raise its 6% benchmark rate as soon as January 31, 2007.

RESULT UPDATE

Saday Sinha
saday.sinha@kotak.com
+91 22 66341440

UTI BANK

(RS.499, P/E: 15.9, P/ABV: 3.6X, BUY)

UTI Bank, the third-largest private sector bank in India, reported very strong growth in its net interest income (NII) and net profit for Q3FY07, on the back of strong growth in its core business accompanied by margin expansion.

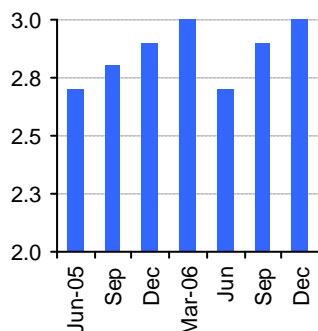
Key highlights

- Net interest income (NII) grew by a healthy 45% from Rs.2.87 bn to Rs.4.16 bn on the back of robust credit growth and margin expansion.
- Total advances grew 66% YoY and now stands at Rs.323.4 bn while total deposits grew 50% to Rs.509.2 bn. Commendably savings and current account grew 59% and 61%, respectively, taking the share of CASA deposits to 37%, an improvement of 240 bps (YoY).
- Retail assets continued to drive growth of the bank, which grew by 59% to Rs.92 bn. Its growth is primarily driven by mortgages, which now constitute around 43% of retail loans.
- Other income too has improved significantly by 61% from Rs.1.73 bn in Q3FY06 to Rs.2.8 bn in Q3FY07.
 - Fee Income grew 59% YoY to Rs.2.01 bn.
 - Trading profit grew by 68% YoY to Rs.0.79 bn.
- Operating expenses rose 64.6% mainly due to higher salaries and costs of new branches. The bank recruited 3300 new employees during nine months of FY07 to run the branches, which will be set up in H2FY07.
- Net profit rose 40% to Rs.1.85 bn from Rs.1.32 bn, primarily led by strong credit flow and net interest income along with the lower than expected provisions.
- NIMs rose to 3.0% in Q3FY07 from 2.94% in Q3FY06 and 2.92 % in Q2FY07. Although there was a slight pressure on the cost of funds, it was compensated by higher average yields. Now, the bank is also focusing on the corporate segment, which offers greater profitability. This would lead to further improvement in its margins.
- Net NPAs declined substantially to 0.68% compared to 0.95% in Q3FY07.
- Tier-I capital adequacy stands at 7%. To finance its balance sheet growth and improve its Tier-I ratio, the bank would further raise hybrid capital. It has already raised hybrid capital worth \$150 mn and Rs.2 bn by way of upper Tier-II Bonds and \$46 mn and Rs.2.1 bn by way of Tier-I Perpetual Debt during the nine months of FY07. This capital raising is a part of the US\$700 mn capital raising announced by the bank some time ago in the form of hybrid Tier-I, Upper Tier-II and subordinated bonds during FY07.
- The bank added 12 branches & extension counters and 105 ATMs during this quarter.

Summary table

(Rs bn)	FY06	FY07E	FY08E
Interest income	28.89	43.98	56.08
Interest expense	18.11	29.36	36.91
Net interest income	10.78	14.62	19.17
Other income	7.3	9.73	12.65
Gross profit	9.94	13.2	16.9
Net profit	4.85	6.36	8.73
Gross NPA (%)	1.5	1.4	1.4
Net NPA (%)	1	0.7	0.7
Net interest margin (%)	2.6	2.7	2.7
RoE (%)	18.4	20.3	23.1
RoAA (%)	1.1	1.1	1.2
Dividend Yield (%)	0.8	0.8	0.8
EPS (Rs)	17.4	22.8	31.3
Adjusted BVPS (Rs)	96.1	113.3	138.1
P/E (x)	28.4	21.9	15.9
P/ABV (x)	5.2	4.4	3.6

Source: Company & Kotak Securities - Private Client Research

Trends in NIMs (%)

Source: Company

Quarterly performance (Rs mn)			
	Q3FY07	Q3FY06	% change
Interest on advances	7053.0	3931.9	79.4
Interest on investments	4572.8	3358.4	36.2
Int. on other advances	135.1	111.0	21.7
Other interest	135.3	65.7	105.9
Total interest earned	11896.2	7467.0	59.3
Other income	2797.4	1734.2	61.3
Total income	14693.6	9201.2	59.7
Employee expenses	1146.6	622.3	84.3
Selling & Administrative Expenses			
Other operating expenses	2222.9	1424.3	56.1
Interest expenses	7737.8	4592.6	68.5
Total operating expenses	11107.3	6639.2	67.3
Operating profit	3586.3	2562.0	40.0
Provisions	762.8	592.0	28.9
Tax provision	977.4	652.9	49.7
Net profit	1846.1	1317.1	40.2
EPS-Unit Curr	6.59	4.74	39.0
Net interest income	4158.4	2874.4	44.7

Source: Company

Valuation

We have decided to value UTI Bank on P/E rather than the P/BV-RoE methodology, which is more commonly used to arrive at the fair book value multiple. This methodology assumes steady growth to perpetuity. Therefore, this becomes unsuitable for private sector banks like UTI bank, which has grown by over 30% YoY in 26 out of the last 28 quarters.

We expect that net profit for FY07E and FY08E to be Rs.6.36 bn and Rs.8.73 bn, respectively resulting into an EPS of Rs.22.8 and Rs.31.3, respectively. The adjusted book value for FY07E and FY08E is forecasted at Rs.113.3 and Rs.138.1 respectively. The stock is now trading at 15.9x its FY08 earnings and 3.6x its FY08E adjusted book value.

We have arrived at the price target of Rs.563 based on a P/E ratio of 18x on FY08E earnings. The EPS is expected to grow at a CAGR of 34% during FY06-08E, which places the PEG ratio at around 0.53x.

Peer Group Comparison				
	Year	HDFC Bank	ICICI Bank	UTI Bank
P/E (x)	FY07E	28.7	27.5	21.9
	FY08E	22.1	21.3	15.9
P/ABV (x)	FY07E	5.3	3.5	4.4
	FY08E	4.4	3.1	3.6
RoE (%)	FY07E	20.0	13.7	20.3
	FY08E	22.0	15.9	23.1
RoA (%)	FY07E	1.4	1.1	1.1
	FY08E	1.5	1.1	1.2
NIM (%)	FY07E	4.1	2.2	2.7
	FY08E	4.1	2.2	2.7

Source: Kotak Securities - Private Client Research

We recommend **BUY** on the stock with a price target of Rs.563, an upside of 13% from the current level.

EVENT UPDATE

Awadhesh Garg
awadhesh.garg@kotak.com
+91 22 6634 1406

NICHOLAS PIRAMAL INDIA LTD. (Rs.258, FY08E PE: 16.3x, BUY)

Raising target price to Rs.300, maintain BUY

New drug development collaboration with Eli Lilly & Company

- Eli Lilly has licensed to Nicholas a novel, patented, pre-clinical, drug candidate for development
- Nicholas will design and execute the global clinical development program, namely, IND-enabling non-clinical studies, human clinical trials up to Phase-III
- Agreement will serve as prototype for additional drug candidates across multiple therapeutic areas, accelerate the clinical trials and reduce to drug development costs significantly
- Nicholas would receive potential milestone payments of up to US\$100 mn on successful completion of phase I & II and up on successful registration and launch by Eli Lilly, plus royalties on sales upon launch of the product and commercialization rights in select markets

Nicholas Piramal India Ltd and Eli Lilly and Co have signed a landmark new drug development agreement to develop and, in certain regions, commercialize a select group of Lilly's pre-clinical drug candidates that span multiple therapeutic areas.

The alliance seeks to increase productivity in drug development by synergizing the unique strengths of both companies and equitably sharing risk and reward. Nicholas will be responsible for the design and execution of the global clinical development program, including IND-enabling non-clinical studies and human clinical trials up to Phase-III.

The management has reiterated that the deal will have three revenue streams, namely, milestone payments, royalty income and sales revenue in certain geographies. The company would receive a call-back payment, and potential milestone payments of up to US\$100 mn up on successful completion of phase I & II and up on successful registration and launch by Eli Lilly, plus royalties on sales upon successful launch of the first compound and commercialization rights in select markets.

The company expects phase-I to be completed by the end of 2007 or mid-2008 and phase-II by mid-2009 and phase-III by 2010. The product then will be returned to Eli Lilly after phase-III completion for registration and global launch. According to the terms of the agreement, Eli Lilly will have marketing rights in the US, Europe and Japanese markets and Nicholas will receive royalty on sale of product in these geographies, while Nicholas will have the marketing rights in the remaining markets.

Risk adjusted milestone cash flow

Year	FY09E	FY10E	FY11E
Molecule 1 (Metabolic Syndrome)			
Expected time to Complete Clinical Trials	Phase-I	Phase-II	Phase-III
Amount expected to be received (US\$m)	10	20	70
Rs./US\$ Exchange Rate	44	44	44
Amount expected to be received (Rs. mn)	440	880	3080
Probability of Success in Clinical Trials	80%	50%	20%
Probable amt expected to received	352	440	616

Source: Kotak Securities - Private Client Research

The agreement, which will serve as a prototype for joint development of several pre-clinical drug candidates from Lilly in multiple therapeutic areas, will be a new paradigm for global alliances in drug discovery and development.

Summary table

(Rs mn)	FY06	FY07E	FY08E
Sales	15,984	22,568	25,886
Growth (%)	21.5	41.2	14.7
EBITDA	2,136	3,611	4,789
EBITDA margin (%)	13.4	16.0	18.5
Net profit	1,246	2,282	3,302
Net Margin (%)	7.8	10.1	12.8
EPS diluted (Rs)	6.0	10.9	15.8
Growth (%)	(31.1)	83.2	44.6
DPS (Rs)	3.0	3.0	3.0
RoE (%)	15.9	21.1	25.8
RoCE (%)	13.8	18.2	21.6
EV/Sales (x)	3.4	2.4	2.0
EV/EBITDA (x)	25.3	15.0	10.7
P/E (x)	41.9	23.6	16.3
P/BV (x)	5.4	4.8	3.9

Source: Company & Kotak Securities - Private Client Research

Valuations and recommendation

We expect the company to register a 28% and 63% consolidated revenues and earnings CAGR over FY06-08E, respectively, while improving return on equity (RoE) to 25.8% in FY08E. In our estimates, we have considered potential milestones payments (based on probability) from this Eli Lilly deal in discounted cash flow valuation. However, we have not considered royalty and sales revenues from the product in our estimates.

The company has posted EPS of Rs6 in FY06 and we expect EPS to grow by 83% and 45% to Rs10.9 and Rs15.8 in FY07E and FY08E, respectively. At the current market price Rs.258, the stock is trading at 23.6x FY07E and 16.3x FY08E earnings and 10.7x FY08E EV/EBITDA. We are raising our DCF-based target price to Rs300 per share. Maintain **BUY**.

Key risks

- Price cut in domestic market
- Integration risk of acquisitions
- Delay in execution of contracts
- Risk of break-up of association or termination of contracts

Bulk deals

Trade details of bulk deals					
Date	Scrip name	Name of client	Buy/ Sell	Quantity of shares	Avg. Price (Rs)
12-Jan	BCC Fuba Ind	Hitesh Jhaveri	B	34,947	20.75
12-Jan	Bilpower Lt	Mittal Securities and Fin	B	27,597	172.05
12-Jan	Bilpower Lt	Diamant Investment and Fin	B	54,267	172.12
12-Jan	Bilpower Lt	Palladium Investments Pvt	S	50,000	172.05
12-Jan	Class Diam I	Rajshah Enterprises	B	41,822	479.79
12-Jan	Crew Bos	Jain Orna Pvt Ltd	S	75,000	235.08
12-Jan	Dagger Forst	Ayodhyapati Investment	S	55,400	86.25
12-Jan	Dagger Forst	Pari Stock Trading Pvt Ltd	S	28,796	84.46
12-Jan	Gemstone Inv	Bhavesht Prakash Pabari	B	50,000	17.30
12-Jan	Gemstone Inv	Nehal Premchand Shah	S	100,000	17.30
12-Jan	Goldston Tec	Savitri Minerals Pvt. Ltd	B	80,000	90.45
12-Jan	Goldston Tec	Umang Nemani	S	82,680	90.43
12-Jan	GuptaSynthe	Sonia Chand	S	21,100	89.49
12-Jan	IFCI Ltd	Morgan Stanley and Co Int	B	3,700,000	22.81
12-Jan	Innocorp L	A C Agrawal Sons Share St	B	46,658	20.53
12-Jan	Ion Exchange	UBS Securities Asia Ltd.	B	135,000	126.11
12-Jan	K S Oils Ltd	Quantum M Limited	B	150,000	296.79
12-Jan	Karur Kcp Pk	AAP Investments	B	50,000	65.00
12-Jan	Karur Kcp Pk	Shilpa Ketan Shah	S	112,000	65.00
12-Jan	KEI Industri	HSBC Financial Services M	B	75,000	93.99
12-Jan	KEI Industri	Volga International Ltd	S	61,510	93.20
12-Jan	KEI Industri	Lopa S Bhavnagri	S	65,000	93.25
12-Jan	Kovilp Lak R	Elgitread India Ltd	B	170,000	55.35
12-Jan	Madhav Mar G	Emerging Capital Advisor	S	50,000	139.28
12-Jan	Maharastra	Kalpesh C Visharia	B	45,000	96.22
12-Jan	Maharastra	Arvind Mulraj Udesht	S	55,000	96.35
12-Jan	Marg Constru	Ashita Bhavin Parekh	B	80,000	286.00
12-Jan	Marg Constru	R.V.Mercantile Pvt Ltd	S	136,239	285.60
12-Jan	Mohit Indust	Hemraj Sinh Vaghela	B	69,000	64.92
12-Jan	Mohit Indust	Amit M Sanghrajka	S	30,000	65.00
12-Jan	Mohit Indust	A V Investments Corporation	S	50,000	64.98
12-Jan	Mount Shiv I	Vinod N.Doshi	S	32,112	129.36
12-Jan	Nitinspinner	Rakesh Agarwal	B	270,623	19.03
12-Jan	Paramo Commu	Ellara India Opportunity	B	183,271	224.00
12-Jan	Paramo Commu	HSBC Financial Services	S	143,370	224.00
12-Jan	Pioner Embro	Matribhumi Dealers Pvt Ltd	S	52,000	272.82
12-Jan	RadhaMadhav	BSMA Ltd	S	269,247	52.30
12-Jan	RajRayon	Jigneshbhai Hiralal Shah	B	225,000	50.00
12-Jan	RajRayon	Hem Kanak Mercantile P. L	S	91,901	50.03
12-Jan	RajRayon	Superline Trading Company	S	250,350	49.92
12-Jan	Royale M H I	Ayodhyapati Investment	S	254,434	40.76
12-Jan	Royale M H I	Zaveri Finstock Pvt Ltd	S	200,000	40.00
12-Jan	Sarda Plyw I	Hemant Kumar Motihar	B	26,540	40.79
12-Jan	Shah Alloy	UBS Securities Asia Ltd.	B	100,000	152.71
12-Jan	Silktex Ltd	A C Agrawal Sons Share St	S	81,768	40.80
12-Jan	Spectra Indu	Mukeshkumar K Varna	B	70,113	24.83
12-Jan	Vakran Softw	Peance Commercial Pvt.	S	100,000	264.60
12-Jan	Vimal Oil Fo	Videocon Industries Ltd	B	65,327	46.25
12-Jan	Visu Intl	Lilac Farms Pvt. Ltd.	S	183,079	21.07
12-Jan	Woolite Merc	Srinivas Rao Akunuru	B	25,000	19.06
12-Jan	Woolite Merc	Harinath Reddy P	B	18,000	19.05
12-Jan	Woolite Merc	Umesh Purushottam Chamdia	S	90,000	19.06
12-Jan	Yashraj Secr	Kanta Subhash Jain	B	15,000	154.50

Source: BSE

Gainers & Losers

Nifty Gainers & Losers

	Price (Rs)	% change	Index points	Volume (mn)
Gainers				
ICICI Bank	972	9.0	14.4	2.2
Reliance Ind	1,340	3.3	12.0	4.5
Bharti Airtel	664	4.3	10.4	1.1
Losers				
Zee Entt	275	0.1	0.0	1.8
Jet Airways	681	0.2	0.0	0.5
IPCL	285	0.6	0.1	1.5

Source: Bloomberg

Forthcoming events

COMPANY/MARKET

Date	Event
15-18 Jan	Initial Public Offers of Global Broadcast News, Pochiraju Industries opens
15-19 Jan	Initial Public Offer of Akruti Nirman News opens
15-Jan	HCL Technologies, Geometric Software, TCS, Motor Industries, IPCL, Container Corporation earnings expected; TCS to announce earnings and dividend
16-22 Jan	Initial Public Offer of Yogindera Worsted opens
16-23 Jan	Initial Public Offer of House of Pearl Fashions opens
16-Jan	Bajaj Auto, Escorts earnings expected
17-Jan	Lupin, Wipro, Infotech Enterprises, NIIT Technologies earnings expected
18-23 Jan	Initial Public Offer of Technocraft Industries opens
18-Jan	Ranbaxy Laboratories to announce earnings & dividend; Reliance Industries, Reliance Energy, Chambal Fertilizers, Exide Industries, Shasun Chemicals, Biocon, Siemens, Nicholas Piramal earnings expected
19-Jan	Dabur India, Ramond, IDFC, Ballarpur Industries, Hindustan Construction, Satyam Computers, Gujarat Narmada Valley Fertilizers company, ING Vysya Bank, Dena Bank, Indo Rama Synthetics, NIIT Ltd, Orchid Chemicals, Tata Teleservices (M), Sonata Software, Wyeth, Jain Irrigation, Deccan Chronicle, Jet Airways earnings expected
20-Jan	ICICI Bank, Godrej Cons, Gujarat Alk, Chennai Pet, Pfizer earnings expected

Source: Bloomberg

Research Team

Name	Sector	Tel No	E-mail id
Dipen Shah	IT, Media, Telecom	+91 22 6634 1376	dipen.shah@kotak.com
Sanjeev Zarbade	Capital Goods, Engineering	+91 22 6634 1258	sanjeev.zarbade@kotak.com
Teena Virmani	Construction, Mid Cap, Power	+91 22 6634 1237	teena.virmani@kotak.com
Awadhesh Garg	Pharmaceuticals	+91 22 6634 1406	awadhesh.garg@kotak.com
Apurva Doshi	Logistics, Textiles, Mid Cap	+91 22 6634 1366	doshi.apurva@kotak.com
Saurabh Gurnurkar	IT, Media, Telecom	+91 22 6634 1273	saurabh.gurnurkar@kotak.com
Vinay Goenka	Auto, Auto Ancillary, Sugar	+91 22 6634 1291	vinay.goenka@kotak.com
Saday Sinha	Economy, Banking	+91 22 6634 1440	saday.sinha@kotak.com
Lokendra Kumar	Oil & Gas	+91 22 6634 1540	lokendra.kumar@kotak.com
Shrikant Chouhan	Technical analyst	+91 22 6634 1439	shrikant.chouhan@kotak.com
Kaustav Ray	Editor	+91 22 6634 1223	kaustav.ray@kotak.com
K. Kathirvelu	Production	+91 22 6634 1557	k.kathirvelu@kotak.com

Disclaimer

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.

This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of clients of Kotak Securities Ltd. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed. Neither Kotak Securities Limited, nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

Kotak Securities Limited has two independent equity research groups: Institutional Equities and Private Client Group. This report has been prepared by the Private Client Group. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, target price of the Institutional Equities Research Group of Kotak Securities Limited.

We and our affiliates, officers, directors, and employees world wide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions.

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

No part of this material may be duplicated in any form and/or redistributed without Kotak Securities' prior written consent.

Registered Office: Kotak Securities Limited, Bakhtawar, 1st floor, 229 Nariman Point, Mumbai 400021 India.