

Equity	% Chg			
	15-Jan	1-day	1-mth	3-mth
India				
Sensex	20,251	(2.3)	1.1	6.3
Nifty	6,074	(2.1)	0.4	7.2
Global/Regional markets				
Dow Jones	12,501	(2.2)	(6.3)	(10.1)
Nasdaq	2,418	(2.5)	(8.3)	(12.5)
FTSE	6,026	(3.1)	(5.8)	(8.9)
Nikkei	13,842	(0.9)	(10.8)	(19.2)
Hang Seng	24,885	(3.7)	(9.7)	(14.1)

Value traded (Rs bn)	BSE	NSE
Cash	81.7	192.0
Derivatives	12.0	655.7
Total	93.7	847.7

Net inflows (Rs bn)	Recent trends (days)			
	14-Jan	-7d	-15d	-30d
FII	1.7	14.1	75.1	84.1
MF	(5.5)	(3.2)	27.9	44.8

Forex / Crude	% Chg			
	15-Jan	1-day	1-mth	3-mth
Rs/US\$	39.3	0.0	0.7	0.2
Euro/US\$	1.5	0.2	3.0	4.6
Crude(\$/bbl)	91.8	(0.1)	0.6	4.8

Mkt movers (Rs)	Close	Pr. Cl.	% Chg
Top gainers			
Vakrangee Soft	259.2	228.7	13.3
Madhucon Proj	794.2	722.0	10.0
Gati	177.4	162.3	9.3
Top losers			
Parsvnath Dev	431.3	470.1	(8.2)
SpiceJet	84.2	91.4	(7.9)
GHCL	156.9	170.0	(7.7)

In focus

Indian Bank – Results Update

NII growth ahead of estimates CMP: Rs 219 Target: Rs 257 BUY

Elecon Engineering – Initiating Coverage

Equipped for success CMP: Rs 306 Target: Rs 424 BUY

Today's top Sell

Bharti Airtel, GMR Infra, Deccan Aviation, L&T, ABB

News track

- ❖ Avesthagen, the Bangalore-based life sciences company. will come out with an IPO by end-2008 to raise Rs 12bn. (ET)
- ❖ Videocon plans to enter into the lifestyle, grocery and cash & carry retail space. (ET)
- ❖ Wockhardt Hospitals will set up its fifth hospital in Bangalore in collaboration with the Ravi Kirloskar Memorial Hospital. (ET)
- ❖ NIIT has acquired a controlling interest in Evolv Management Services, a leading provider of English language and communication training, headquartered in Noida. (BS)
- ❖ Tata Motors will launch two Indica variants in FY09 that will run on Fiat engines. (BS)
- ❖ Great Offshore has made an offer to purchase a controlling stake in Sea Dragon, an oil services company, which owns two semi-submersible drilling rigs. The deal is expected to be over US\$ 1.4bn. (ET)
- ❖ Trai had specified that GSM operators should have 1.5mn subscribers in the metros, 3mn in A and B category circles and 2mn users in category C circles to be eligible for 8Mhz of spectrum. It has allowed operators only 7.2Mhz of radio frequencies against this subscriber base. (ET)

Source: BL: Business Line, BS: Business Standard, ET: Economic Times, FE: Financial Express

Volume shockers

(No of shares)	15-Jan	2-mth avg	Chg (x)	Company	Del (%)	Tot. vol	Cons days
Jubilant Organosys	549,933	70,310	7.8	Indiabulls Real Estate	74.1	5,113,698	3
Aurobindo Pharma	421,573	62,497	6.7	Patel Engineering	63.1	467,094	3
ACC	995,438	147,603	6.7	Aban Offshore	52.8	98,314	(2)

Delivery toppers

Indian Bank

Results Update

CMP: Rs 219

Target: Rs 257

BUY

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BSE code: 532814
 NSE code: INDIANB

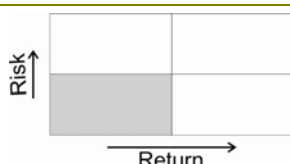
Company data

Particulars	
Market cap (Rs bn / US\$ bn)	94.5/ 2.4
Outstanding equity shares (mn)	429.8
52-week high/low (Rs)	229/77
Quarterly average daily volume	237,730

Financial snapshot

Particulars	FY07	FY08E	FY09E
NII (Rs bn)	18.7	20.9	23.6
Growth (%)	24.0	11.6	12.8
Adj net profit (Rs bn)	7.6	10.6	12.9
Growth (%)	50.6	39.6	22.1
FDEPS (Rs)	17.7	24.7	30.1
Growth (%)	50.6	39.6	22.1
P/ABV (x)	3.2	2.5	2.1
ROE (%)	24.5	27.6	28.6

Risk-return profile



Shareholding pattern

(%)	Dec-07	Sep-07
Promoters	80.0	80
FIIIs	14.2	14
Banks & FIs	2.0	2.3
Public	3.8	3.7

Stock performance

Returns (%)	CMP	1-mth	3-mth	6-mth
South Indian Bk	219	6.7	44.1	44.7
Sensex	20,251	1.1	6.3	32.6
BSE Bankex	12,258	8.1	26.3	48.0

Company website www.indianbank.co.in

NII growth ahead of estimates

Indian Bank has exceeded our NII estimate for Q3FY08 as margins witnessed a stronger-than-anticipated expansion during the quarter. The bank recorded a 36% YoY increase in NII to Rs 5.6bn, 13% ahead of our estimates, as the robust growth in advances continued along with a reduction in high-cost deposits. This led to a 48bps YoY increase in NIM to 3.7%. The bank's CD ratio improved sequentially to 69.4% as against 61% as at end-Q2FY08. Other income also grew sharply by 72% YoY primarily due to higher recoveries and strong growth in treasury income. With higher income and relatively lower operating costs, PAT increased 61% YoY to Rs 3.1bn.

As expected, Indian Bank has posted a significant improvement in its operating parameters during the quarter. The bank will continue to strengthen core operations by focusing on business growth and margins. We maintain our Buy recommendation on the stock with a target price of Rs 257 which is 2x FY10E adjusted book value.

Actual vs estimated performance

(Rs mn)	Actual	Estimated	% Variance
NII	5,616.9	4,957.3	13.3
PPP	4,632.2	4,096.2	13.1
PAT	3,075.0	3,055.1	0.7
EPS (Rs)	7.2	7.1	0.7

Source: Company, Religare Research

Quarterly results

(Rs mn)	Q3FY08	Q3FY07	% Chg YoY	Q2FY08	% Chg QoQ
Int on advances	9,662.9	6404.8	50.9	8,105.4	19.2
Inc on investments	4,039.0	3,967.7	1.8	4,299.3	(6.1)
Int on bal with RBI	52.2	171.9	(69.6)	114.3	(54.3)
Interest income	13,754.1	10,544.4	30.4	12,519.0	9.9
Interest expenses	8,137.2	6,406.5	27.0	7,862.0	3.5
Net interest income	5,616.9	4,137.9	35.7	4,657.0	20.6
Other income	3,005.9	1,751.0	71.7	2,412.4	24.6
Total income	8,622.8	5,888.9	46.4	7,069.4	22.0
Operating exp	3,990.6	2,986.9	33.6	3,635.0	9.8
PPP	4,632.2	2,902.0	59.6	3,434.4	34.9
Provisions & write-off	1,057.2	797.3	32.6	497.0	112.7
PBT	3,575.0	2,104.7	69.9	2,937.4	21.7
Taxes	500.0	200.0	150.0	461.4	8.4
PAT	3,075.0	1,904.7	61.4	2,476.0	24.2
NIM (%)	3.7	3.3	-	3.4	-
Cost to Income ratio	46.3	50.7	-	51.4	-

Source: Company, Religare Research

Result highlights

33% YoY growth in advances with a 48bps rise in NIM has fuelled the growth in NII

Margin expansion takes NII ahead of estimates

Indian Bank posted robust business growth of 24% YoY with advances and deposits growing at 33% and 15.7% respectively. An improvement in the net interest margin (NIM) paired with the strong growth in advances led to a 36% YoY increase in net interest income (NII) during Q3FY08.

The availability of funds from higher deposit acceptance in H1FY08 resulted in a sequential rise in the credit-deposit (CD) ratio to 69.4% at the end of Q3FY08 from 61%. The incremental CD ratio for the quarter stood at 116%. Indian Bank holds recapitalisation bonds worth Rs 45.7bn which are eligible to be included as SLR investments; this gives the bank enough room to further increase its CD ratio.

At present, around one-third of the advances are in the high-yield retail and SME segments, resulting in an improved yield on advances. Further, the bank has effectively curtailed the cost of deposits by shedding high-cost funds totalling Rs 2.4bn. This led to the improvement in NII and subsequently margins by 48bps YoY to 3.7%. Interest income also included Rs 1.1bn of interest recovered on NPAs as against Rs 179m in Q3FY07.

On a sequential basis, the cost of deposits remained flat at 5.95% at the end of Q3FY08. However, a 95bps improvement in yield on advances during the same period resulted in NIMs increasing 34bps sequentially. CASA deposits increased to 36% against 34% in Q2FY08. Going forward, the bank will sustain margins at ~3.5% by increasing CASA deposits and further enlarging its loan book.

Recoveries stood at Rs 1.2bn versus Rs 640mn in Q3FY07

Doubling of recoveries and higher fee income expand other income 72% YoY

Non-interest income showed a remarkable growth of 71.7% YoY to Rs 3bn mainly due to higher recoveries and fee income. Recoveries for the quarter stood at Rs 1.2bn (compared to Rs 640mn in Q3FY07), taking total recoveries for the first nine months of the fiscal to Rs 4.4bn.

With higher recoveries and lower incremental slippages, the bank's asset quality continued to improve. Gross and net NPAs for the quarter declined to 1.4% and 0.21% respectively from 2.1% and 0.44% in the corresponding period last year. Indian Bank has a written-off portfolio in excess of Rs 10bn and hence we expect the momentum in recoveries to continue for another two years at least, sustaining profitability and boosting asset quality.

Apart from higher recoveries, the quarter also witnessed a 16% YoY growth in fee income to Rs 1bn. The bank has over 98% of its business under CBS coverage, which widens the scope to further expand fee income. Treasury income also tripled to Rs 760mn for the quarter as against Rs 230mn a year ago.

Cost-income ratio declined to 46% on the back of flattish operating expenses

PAT up 61% YoY as operating expenses remain in check

The cost-income ratio declined to 46.3% at the end of Q3FY08 from 50.7% as at end-Q3FY07 on the back of higher income and sequentially flattish growth in operating expenses. The bank has started providing for the transitional liability towards employee benefits under the revised AS-15 norms.

The total shortfall on this account is estimated at Rs 4.6bn, which would be amortised over the next five years. It has made provisions of Rs 230mn in Q3FY08 for the same. Going forward, operating expenses as a percent of total income will dip as more than 1,000 employees are expected to retire next year.

CAR at 13.5%

The bank's capital adequacy stood at 13.5% at the end of Q3FY08 with tier I CAR at 12%. It can opt to raise further tier I and tier II capital to sustain the current rate of growth.

Focus on core operations paying off

Over the past few years, Indian Bank has recorded subdued growth in its core business largely due to unchecked lending towards unproductive sectors. Profitability, however, was maintained on the back of higher recoveries from its written-off portfolio. The management is now placing a strong emphasis on improving asset quality and on scaling up core operations.

This strategy is already yielding results with core parameters registering substantial improvement during the quarter, as reflected in the stronger margins, better asset quality and upturn in key ratios. We believe that the bank will maintain its growth momentum as core operations steadily improve and profitability remains intact led by higher recoveries.

Merits a premium to peers; we maintain our Buy rating

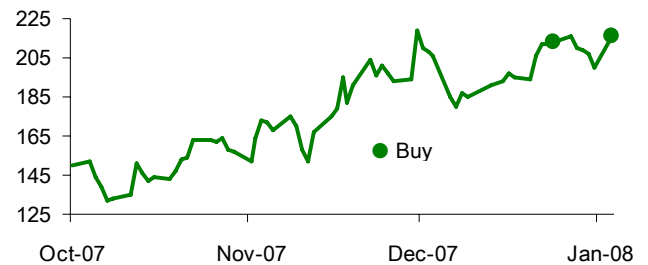
Indian Bank commands a premium to its peers as it has consistently maintained ROEs in excess of 20% on the back of higher profitability. We believe its existing capital base could be leveraged to further improve the ROE. The stock currently trades at a P/ABV of 2.1x and 1.7x on FY09E and FY10E respectively. We recommend a Buy on the stock with target price of Rs 257, based on a P/ABV of 2x on FY10E.

We value Indian Bank at a P/ABV of 2x on FY10E; Buy

Recommendation history

Date	Event	Reco price	Tgt price	Reco
4-Jan-08	Initiating Coverage	212	257	Buy
16-Jan-08	Results Update	219	257	Buy

Source: Religare Research

Stock performance

Source: Religare Research

Consolidated financials

Profit and Loss statement

(Rs bn)	FY07	FY08E	FY09E	FY10E
Interest earned	42.8	54.1	63.4	74.9
Interest expended	24.1	33.2	39.8	47.9
Net interest income	18.7	20.9	23.6	27.0
Growth (%)	24.0	11.6	12.8	14.6
Non-interest income	7.3	8.7	10.1	11.7
Comm, Exchange & Brokerage	1.5	1.7	2.0	2.3
Growth (%)	58.3	18.6	15.9	16.1
Operating expenses	12.5	13.9	15.0	16.2
Pre-provisioning profits	13.6	15.7	18.6	22.5
Growth (%)	52.0	15.8	18.2	20.9
Provisions & contingencies	4.7	3.3	3.4	3.5
PBT	8.8	12.5	15.2	18.9
Income tax, Interest tax	1.2	1.9	2.3	3.8
Net profit	7.6	10.6	12.9	15.2
Growth (%)	50.6	39.6	22.1	17.1

Source: Company, Religare Research

Balance sheet

(Rs bn)	FY07	FY08E	FY09E	FY10E
Cash in hand & bal with RBI	37.3	43.7	52.5	62.7
Balance with banks, Money at call	10.9	11.6	12.3	13.2
Investments	208.8	230.7	253.7	284.4
Advances	290.6	357.4	439.6	538.5
Fixed assets (net)	5.5	5.8	6.1	6.4
Other assets	8.4	8.3	14.4	15.8
Total assets	561.5	657.5	778.6	921.0
Equity capital	8.3	8.3	8.3	8.3
Reserves & surplus	30.1	35.8	43.9	53.9
Net worth	34.4	40.1	48.2	58.2
Deposits	470.9	560.4	672.5	803.6
Current deposits (a)	36.3	43.7	50.4	60.3
Savings bank deposits (b)	130.4	148.5	188.3	221.0
Term deposits (c)	304.1	368.2	433.7	522.3
Borrowings (incl sub-ord bonds)	22.4	20.7	19.2	17.9
Other liabilities & provisions	29.8	32.3	34.7	37.3
Total liabilities	561.5	657.5	778.6	921.0

Source: Company, Religare Research

Key ratios

Year-end March	FY07	FY08E	FY09E	FY10E
Per share data				
Shares outstanding (mn)	429.8	429.8	429.8	429.8
FDEPS (Rs)	17.7	24.7	30.1	35.3
DPS (Rs)	3.0	4.5	5.3	6.0
Book value (Rs)	80.1	93.4	112.1	135.4
Adjusted book value (Rs)	68.5	85.7	105.0	128.6

Valuation ratios

Market price	217.0	217.0	217.0	217.0
P/E (x)	12.3	8.8	7.2	6.2
P/BV (x)	2.7	2.3	1.9	1.6
P/ABV (x)	3.2	2.5	2.1	1.7

Earnings quality (%)

Net interest margin	3.7	3.5	3.4	3.3
Yield on advances	9.9	10.9	10.8	10.7
Yield on investments	8.2	8.2	8.1	8.1
Cost of funds	5.0	6.2	6.3	6.4
Cost/Income	47.9	46.8	44.7	41.9
Return on average net worth	24.5	27.6	28.6	27.9
Return on average assets	1.5	1.7	1.8	1.8

Growth ratios (%)

Net interest income	24.0	11.6	12.8	14.6
Other income	58.3	18.6	15.9	16.1
Total income	32.0	13.6	13.7	15.0
Pre-provisioning profit	52.0	15.8	18.2	20.9
Net profit	50.6	39.6	22.1	17.1
Advances	29.2	23.0	23.0	22.5
Deposits	15.4	19.0	20.0	19.5

Asset quality

Proportion of low-cost deposits (%)	35.4	34.3	35.5	35.0
Credit-Deposit ratio (x)	61.7	63.8	65.4	67.0
Investment/Deposit (%)	44.3	41.2	37.7	35.4
Net NPA ratio	0.9	0.32	0.2	0.2
CAR	14.1	13.7	12.9	12.6
Tier-I ratio	12.3	12.2	11.0	11.1

Source: Company, Religare Research

Elecon Engineering

Initiating Coverage

CMP: Rs 306
Target: Rs 424
BUY

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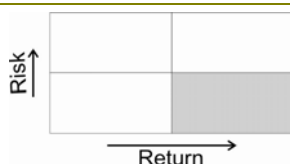
Company data

Particulars	
Market cap (Rs bn / US\$ mn)	28.3/721.8
Outstanding equity shares (mn)	92.8
52-week high/low (Rs)	343/111
2-month average daily volume	92,081

Financial snapshot

Particulars	FY07	FY08E	FY09E
Sales (Rs mn)	7,231.1	9,894.3	13,849.1
Growth (%)	63.4	36.8	40.0
Adj net inc (Rs mn)	572.0	964.0	1,406.6
Growth (%)	81.9	68.5	45.9
FDEPS (Rs)	6.2	10.4	15.1
Growth (%)	67.9	68.5	45.9
P/E (x)	49.6	29.4	20.2
ROE (%)	39.4	42.3	42.7

Risk-return profile



Shareholding pattern

(%)	Dec-07	Sep-07
Promoters	42.2	42.2
FIs	5.6	5.2
Banks & FIs	23.0	20.4
Public	29.2	32.2

Stock performance

Returns (%)	CMP	1-mth	3-mth	6-mth
Elecon	306	(7.6)	32.7	69.4
Sensex	20,251	1.1	6.3	32.6

Company website: www.elecon.com

Equipped for success

Experiencing strong growth amidst rising infrastructure spends

Investment rationale

- ❖ Leading manufacturer of bulk material handling equipment (MHE) and power transmission solutions. Huge infrastructure investment of US\$ 494bn under the 11th Plan provides healthy earnings visibility for the company over 2007–12, as its business model is directly linked to infrastructure spends.
- ❖ Core sector (power, steel, cement, mining) spend estimated at Rs 6.4tn over 2007–12, of which the market opportunity for MHE is placed at Rs 547bn.
- ❖ Order book already registering strong traction, with 200% growth in the past eight months to Rs 11.3bn (1.5x trailing year sales). This is expected to translate to a 36% sales CAGR for FY07–FY10.
- ❖ Market leader in industrial gears with a 26% share and an unexecuted order book of Rs 2.2bn as on November 30, 2007.
- ❖ Revenue share from MHE to increase to 66% by FY10 from 59% in FY07. EBIT margins in MHE are 12–12.5%, while gears record higher margins of 20–21%. Strong volume growth in MHE and consistent performance from the gear division would improve EBITDA margins to 18% by FY09E from 15.5% in FY07.
- ❖ New business initiatives including foray into high-end gearboxes for windmills and defence applications (prestigious order bagged to supply the Indian Navy), and technological collaborations to add new products would lead to further growth opportunities. Planned capex of Rs 2.5bn for FY07–FY09 towards new business areas.

Key concerns

- ❖ Slowdown or changes in core sector investments would impact the company's order book accretion, affecting our sales estimates.

Valuation

- ❖ Elecon has excellent return parameters with an ROE of 39.4% and ROCE of 25.5% for FY07, which are expected to increase to 43% and 29% respectively by FY09E.
- ❖ The company trades close to peers like BEML and TRF at ~22x one-year forwards. We have valued Elecon based on DCF at a WACC of 13.9%. We initiate Buy with a target price of Rs 424, at which Elecon will trade at a P/E of 28x on FY09E and 21x on FY10E.

Refer to our report dated 15 January 2008 for further details.

Financials

Profit and Loss statement

(Rs mn)	FY07	FY08E	FY09E	FY10E
Revenues	7,231.1	9,894.3	13,849.1	18,245.0
Growth (%)	63.4	36.8	40.0	31.7
EBITDA	1,117.4	1,731.5	2,492.8	3,284.1
Growth (%)	87.3	55.0	44.0	31.7
Depreciation	122.2	155.0	210.0	255.0
EBIT	995.2	1,576.5	2,282.8	3,029.1
Growth (%)	98.2	58.4	44.8	32.7
Interest	193.6	251.9	354.5	454.3
Other income	65.5	100.0	150.0	200.0
EBT	867.1	1,424.6	2,078.3	2,774.8
Income taxes	295.0	460.6	671.7	896.7
Effective tax rate (%)	34.0	32.3	32.3	32.3
Adjusted net income	572.0	964.0	1,406.6	1,878.1
Growth (%)	81.9	68.5	45.9	33.5
Extra-ordinary items	(23.0)	-	-	-
Min. int / inc. from associates	-	-	-	-
Reported net income	549.0	964.0	1,406.6	1,878.1
Growth (%)	96.9	75.6	45.9	33.5
Shares outstanding (mn)	30.9	92.8	92.9	93.6
Basic EPS (Rs) (adj)	6.2	10.4	15.2	20.2
FDEPS (Rs) (adj)	6.2	10.4	15.1	20.1
DPS (Rs)	1.5	1.5	1.8	2.0

Source: Company, Religare Research

Cash flow statement

(Rs mn)	FY07	FY08E	FY09E	FY10E
Net income	549.0	964.0	1,406.6	1,878.1
Depreciation	122.2	155.0	210.0	255.0
Other adjustments, net	353.8	(81.1)	62.2	437.3
Changes in working capital	(1,483.6)	(854.1)	(1,817.6)	(2,011.5)
Cash flow from operations	(458.6)	183.8	(138.8)	558.9
Capital expenditure	(377.4)	(1,150.0)	(1,100.0)	(950.0)
Change in investments	(17.5)	-	-	-
Other investing inc/(exp)	-	-	-	-
Cash flow from investing	(394.9)	(1,150.0)	(1,100.0)	(950.0)
Free cash flow	(853.5)	(966.2)	(1,238.8)	(391.1)
Issue of equity	4.8	128.2	0.2	1.4
Issue/repay debt	779.2	1,050.0	1,445.5	694.5
Dividends paid	(54.3)	(160.0)	(186.9)	(215.2)
Other financing cash flow	-	-	-	-
Cash flow from financing	729.7	1,018.1	1,258.8	480.7
Change in cash & cash eq	247.1	127.6	179.5	199.4
Opening cash & cash eq	(123.8)	51.9	20.0	89.6
Closing cash & cash eq	123.3	179.5	199.4	289.0

Source: Company, Religare Research

Balance sheet

(Rs mn)	FY07	FY08E	FY09E	FY10E
Cash and cash eq	127.6	179.5	199.4	289.0
Accounts receivable	3,879.9	5,222.0	7,386.2	9,832.0
Inventories	1,689.6	2,198.7	3,193.0	4,307.8
Others current assets	396.4	439.7	577.0	709.5
Current assets	6,093.4	8,040.0	11,355.6	15,138.5
Long-term investments	80.4	80.4	80.4	80.4
Net fixed assets	1,222.7	2,212.4	3,052.4	3,747.4
CWIP	44.7	50.0	100.0	100.0
Intangible assets	-	-	-	-
Deferred tax assets, net	-	-	-	-
Other assets	4.3	-	-	-
Total assets	7,445.5	10,382.8	14,588.4	19,066.2
Accounts payable	2,501.6	3,435.5	4,885.6	6,537.8
Others	60.5	167.2	195.2	224.7
Current liabilities	2,562.2	3,602.8	5,080.8	6,762.5
Debt funds	2,836.6	3,886.6	5,332.1	6,026.6
Other liabilities	167.7	210.4	272.8	356.0
Equity capital	61.8	185.5	185.7	187.1
Reserves	1,817.2	2,497.4	3,717.0	5,734.0
Shareholder's funds	1,879.0	2,683.0	3,902.7	5,921.1
Total liabilities	7,445.5	10,382.8	14,588.4	19,066.2
BVPS (Rs)	20.3	28.9	42.0	63.3

Source: Company, Religare Research

Financial ratios

	FY07	FY08E	FY09E	FY10E
EBITDA margin (%)	15.5	17.5	18.0	18.0
EBIT margin (%)	13.8	15.9	16.5	16.6
Net profit margin (%)	7.9	9.7	10.2	10.3
FDEPS growth (%)	67.9	68.5	45.9	33.5
Receivables (days)	193.2	190.0	192.0	194.0
Inventory (days)	84.1	80.0	83.0	85.0
Payables (days)	19.7	16.0	15.0	14.0
Current ratio (x)	2.4	2.2	2.2	2.2
Quick ratio (x)	1.7	1.6	1.6	1.6
Interest coverage ratio (x)	5.1	6.3	6.4	6.7
Debt / equity (x)	0.7	0.7	0.7	1.0
ROE (%)	39.4	42.3	42.7	38.2
ROA (%)	11.9	13.6	14.1	13.9
ROCE (%)	25.5	27.9	28.9	28.6
EV/Sales (x)	1.7	3.3	2.4	1.9
EV/EBITDA (x)	11.0	18.6	13.5	10.5
P/E (x)	49.6	29.4	20.2	15.2
P/BV (x)	15.1	10.6	7.3	4.8


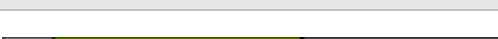

Source: Company, Religare Research

Recommendation tracker

Date	Company	Report type	Stock price (Rs)	Target (Rs)	Reco
28-Nov-07	Gujarat Industries Power Company	Initiating Coverage	105	153	BUY
29-Nov-07	Birla Corporation	Company Update	326	501	BUY
30-Nov-07	IVRCL Infrastructures & Projects	Company Update	460	608	BUY
30-Nov-07	C&C Constructions	Initiating Coverage	202	376	BUY
4-Dec-07	Asian Oilfield Services	Company Update	238	280	BUY
4-Dec-07	Maruti Suzuki	Company Update	1,029	1,225	BUY
5-Dec-07	State Bank of India	Company Update	2,317	2,790	BUY
6-Dec-07	Shri Lakshmi Cotsyn	Company Update	152	210	BUY
4-Dec-07	Ispat Industries	Initiating Coverage	52	101	BUY
6-Dec-07	Hindustan Construction Company	Initiating Coverage	209	333	BUY
10-Dec-07	Garware Offshore	Company Update	268	364	BUY
10-Dec-07	Deep Industries	Initiating Coverage	216	401	BUY
11-Dec-07	Parsvnath Developers	Company Update	407	512	BUY
13-Dec-07	HDIL	Company Update	978	1,076	BUY
14-Dec-07	Adhunik Metaliks	Company Update	215	246	BUY
17-Dec-07	Jindal Drilling & Industries	Company Update	1,317	1,305	HOLD
18-Dec-07	Hero Honda	Company Update	702	745	HOLD
19-Dec-07	PVR	Company Update	313	391	BUY
24-Dec-07	Vishal Retail	Company Update	777	1,018	BUY
24-Dec-07	Mercator Lines	Initiating Coverage	115	177	BUY
24-Dec-07	K P R Mill	Initiating Coverage	165	212	BUY
26-Dec-07	Tata Metaliks	Initiating Coverage	163	234	BUY
27-Dec-07	Apar Industries	Initiating Coverage	347	458	BUY
27-Dec-07	REI Agro	Initiating Coverage	728	1,007	BUY
28-Dec-07	Gulf Oil Corp	Initiating Coverage	291	477	BUY
31-Dec-07	Bank of India	Company Update	365	400	HOLD
1-Jan-08	Indoco Remedies	Company Update	313	383	BUY
1-Jan-08	Gremach Infrastructure Equipments	Initiating Coverage	360	529	BUY
2-Jan-08	Venus Remedies	Company Update	565	708	BUY
3-Jan-08	Ganesh Housing Corp	Initiating Coverage	751	1,201	BUY
4-Jan-08	Tulip IT	Company Update	1,118	1,015	HOLD
4-Jan-08	Indian Bank	Initiating Coverage	212	257	BUY
4-Jan-08	Indian Overseas Bank	Initiating Coverage	201	241	BUY
4-Jan-08	Allahabad Bank	Initiating Coverage	138	167	BUY
8-Jan-08	Information Technology	Quarterly Preview	NA	NA	NA
9-Jan-08	Mahindra & Mahindra	Company Update	830	940	BUY
10-Jan-08	Axis Bank	Results Update	1,095	1,272	BUY
10-Jan-08	Prism Cement	Results Update	67	91	BUY
10-Jan-08	Bank of India	Company Update	400	457	BUY
11-Jan-08	South Indian Bank	Results Update	237	271	BUY
14-Jan-08	Infosys Technologies	Results Update	1,580	1,935	HOLD
14-Jan-08	Reliance Power	IPO Note	405 - 450	NA	SUBSCRIBE
14-Jan-08	Future Capital Holdings	IPO Note	700 - 765	NA	SUBSCRIBE
15-Jan-08	Elecon Engineering	Initiating Coverage	306	424	BUY
16-Jan-08	Indian Bank	Results Update	219	257	BUY

Market trends

BSE sectoral indices

	% Chg				Constituent performance
	15-Jan	1-day	1-mth	3-mth	
Automobiles	5,335	(0.7)	(7.1)	(4.7)	
Banks	12,258	(2.4)	8.1	22.9	
Capital Goods	19,147	(1.9)	(3.6)	11.9	
Comm. & Tech.	3,624	(2.6)	(5.6)	(10.7)	
Consumer Durables	6,096	(0.4)	(1.8)	24.6	
FMCG	2,354	(2.3)	4.0	10.2	
Healthcare	4,165	(0.8)	(3.3)	8.1	
IT	3,911	(1.9)	(8.2)	(15.5)	
Metal	18,611	(1.3)	(5.8)	15.2	
Oil & Gas	13,856	(1.9)	6.7	26.0	
Mid-caps	9,432	(1.1)	(0.4)	21.2	
Small-caps	12,755	(0.8)	4.6	36.3	

Number of companies: 

Emerging markets

Country	% Chg				
	15-Jan	1-day	1-mth	3-mth	6-mth
Brazil	59,907	(3.7)	(4.1)	(2.9)	4.4
Shanghai	5,319	(2.3)	6.2	(12.7)	39.2
Hong Kong	24,885	(3.7)	(9.7)	(14.1)	8.4
India	20,251	(2.3)	1.1	6.3	32.3
South Korea	1,721	(1.5)	(9.2)	(14.2)	(11.7)
Taiwan	8,281	(1.8)	2.0	(13.7)	(12.1)

FII statistics

(US\$ mn)	1-day	WTD	MTD	YTD
India	43.2	43.2	504.7	504.7
South Korea	(417.6)	(1,005.7)	(2,949.7)	(2,949.7)
Taiwan	677.9	1,408.0	(533.7)	(533.7)
Thailand	(2,422.2)	(152.6)	(724.6)	(724.6)

Events calendar

Quarterly results

January 16, 2008		17	18
Zuari Industries	State Bank Of Mysore	Ranbaxy Laboratories	Wipro
Chambal Fertilisers & Chemicals	TCS	Biocon	HCC
Allahabad Bank	Petronet LNG	RNRL	HDFC
		Reliance Energy	Power Finance Corporation
		HCL Technologies - Dividend	Tayo Rolls
		HT Media	IFCI
19	20	21	
Idea Cellular	ICICI Bank	Nucleus Software Exports	Satyam Computer Services
Sagar Cements	Sasken Communication Technologies	Shasun Chemicals & Drugs	Glenmark Pharmaceuticals
Ipca Laboratories	Binani Industries		Canara Bank
			HDFC Bank
			Riddhi-Siddhi Gluco Biols
			Tanla Solutions
			Religare Enterprises
22	23	24	
Balaji Telefilms	Greenply Industries	Fortis Healthcare	3i Infotech
Excel Industries	Sparsh Bpo Services	Chennai Petroleum Corporation	South Asian Petrochem
MindTree Consulting	Bank of India	Sonata Software	Honeywell Automation India
Pantaloon Retail		MRO - TEK	Sun Pharma Advanced
		Mid-Day Multimedia	Mysore Paper Mills
		Ballarpur Industries	GMR Infrastructure
		Bank of Maharashtra	Gemini Communication
25	26	27	
Dr. Reddy's Laboratories	Blue Chip India	Century Enka	Mangalam Cement
Ashok Leyland	ICRA		
Tvs Motor	Century Textiles & Industries		
Zee News			

Trade data

Institutional bulk deals

Scrip	Client	Buy/Sell	Quantity	Avg Price (Rs)
Aries Agro	Standard Chartered Mutual Fund	B	88,169	226.9
Aries Agro	Transglobal Securities	B	168,609	235.9
Aries Agro	Transglobal Securities	S	171,768	235.3
Aurobindo Ph	Goldman Sachs Investments Mauritius	B	324,445	464.7
Burnpur Cement	Transglobal Securities	B	297,109	44.5
Burnpur Cement	Transglobal Securities	S	305,109	44.5
Gulsha Sug	Landmark Capital Markets	B	100,000	72.0
Indiabulls Financial Serv	Orient Global Tamarind (Mauritius)	B	1,500,000	879.1
Indiabulls Real Estate	Merrill Lynch Capital Markets Espana	S	1,613,232	746.6
Manap Gen	Gmo Emerging Illiquid Mauritius Fund	B	434,800	180.0
Marg Constru	CLSA Mauritius	B	138,000	508.7
Modern Daire	Amas India Investments Mauritius	B	100,000	85.0
NRB Bearing	ICICI Prudential Life Insurance Co	B	500,000	85.5
NRB Bearing	Morgan Stanley Mau Co	S	513,894	85.5
Rajesh Exports	Morgan Stanley Dean Witter Mauritius	B	270,050	881.9
Shree Renuka Sugars	T Rowe Price New Asia Fund	B	307,882	1,294.6
Shree Renuka Sugars	ICICI Prudential Mutual Fund	S	167,000	1,292.2

Source: BSE

Disclosures under insider trading regulations

Scrip	Acquirer/Seller	Buy/Sell	Shares transacted		Post-transaction holding	
			Qty	%	Qty	%
Aztecsoft	AztSoft & Tech Serv Emp Welf Trust	S	31,260	0.1	2,225,871	4.9
Bhagyanagar India	Bsma	S	550,000	0.7	3,734,016	5.0
Bharat Bijlee	Shome N Danani	B	500	-	978,366	17.3
Birla Capital & Financial Services	Birla Bombay	S	150,000	-	6,190,000	15.9
Cals	Sarvesh Goorha	B	101,900	1.7	165,744	2.8
Camlin Fine Chemicals	Saroj M Dandekar	S	3,000	0.1	32,600	0.7
Contech Software	Master Kahaan R Vasa	S	40,000	0.7	237,252	4.3
Cupid	Omprakash Garg	B	291,500	3.7	1,001,500	12.7
Dabur Pharma	Ajay Kumar Vij	S	9,500	-	231,558	0.1
Deccan Gold Mines	Rama Mines (Mauritius)	S	1,262,586	2.2	30,514,071	52.2
Dolat Investments	Pankaj D Shah	S	7,474	-	17,186,608	9.8
Gillanders Arbuthnot & Co	Sri Girdhar Das Kothari	S	1,900	-	40,000	0.4
Gillanders Arbuthnot & Co	Sri Girdhar Das Kothari	S	3,100	-	41,900	0.4
Housing Development Finance	Nm Munjee	B	5,000	-	16,280	-
ISMT	AKJain	B	9,715	-	1,679,267	-
Jenson & Nicholson (India)	Maurya Management	S	55,000	0.2	12,267,214	-
KS Oils	Ramesh Chand Garg	B	28,744	-	23,765,756	7.5
KS Oils	Ramesh Chand Garg	B	4,058	-	23,769,814	7.5
Kilburn Office Automation	Industrial Development Bank Of India	S	150,000	2.2	291,193	4.3
Kilburn Office Automation	Industrial Development Bank Of India	S	139,951	2.1	151,242	2.2
Kotak Mahindra Bank	Mr Jaimin Mukund Bhatt	B	8,975	-	195,800	-
Mathew Easow Research	Mathew Easow	S	2,935	0.1	11,800	0.4
Micro Technologies (India)	Goldman Sachs Inv (Mauritius) I	B	291,123	2.7	-	-
Micro Technologies (India)	Goldman Sachs Inv (Mauritius) I	S	604,311	5.8	540,678	5.0
Micro Technologies (India)	Goldman Sachs Inv (Mauritius) I	B	17,528	0.2	552,206	5.1
Modison Metals	Sureshchandra Mody	S	4,480	-	227,240	0.7

Scrip	Acquirer/Seller	Buy/Sell	Shares transacted		Post-transaction holding	
			Qty	%	Qty	%
Modison Metals	Girdharilal Modi(Behalf Of GI Modi Huf)	S	42,900	-	423,760	1.3
Modison Metals	Sanwarmal Mody (Behalf Of Sm Mody Huf)	S	37,270	-	360,130	1.1
Modison Metals	Modison Copper	S	294,070	0.9	-	-
Modison Metals	Modison	S	294,070	0.9	-	-
Modison Metals	Sanwarmal Mody (On Behalf Of Modison)	S	66,660	0.2	-	-
MSK Projects (India)	Grants Investment	B	2,353,768	10.3	2,353,768	10.3
Pasari Spinning Mills	Pasari Exports	S	75,000	0.8	4,566,250	45.7
Roselabs	Pawankumar Agrawal - Huf	S	130,000	1.1	-	-
Ruchi Soya Industries	Nitesh Shahra	B	15,000	-	177,120	0.1
Ruchi Soya Industries	Nitesh Shahra	B	25,000	-	202,120	0.1
Simmonds-Marshall	Clover Technologies	B	40,000	1.9	120,883	5.8
VB Desai Financial Services	Satyam P Shroff	S	5,000	-	36,430	0.8
VB Desai Financial Services	Dharati J Shroff	S	2,000	-	149,156	3.3
Virinchi Technologies	Sreenivasa Sreekanth Uppuluri	S	13,000	-	105,000	-
XI Telecom & Energy	Jm Financial Mutual Fund	B	20,000	0.1	1,091,484	-

Source: BSE

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Recommendation parameters

Large-caps*	> 10%	< - 5%	Returns	Absolute
	BUY	SELL		
Mid-caps**	> 25%	< 10%		

**Market cap over US\$ 1bn **Market cap less than US\$ 1bn*

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