



# Weekly Market Strategy

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## Technical View: Cash Market

After showing selling pressure previous week, Bulls managed to show strength from 5530 levels. Nifty is still trading in 5550-5650 zone. Further strength may be seen if Nifty manages to show strength above 5650 levels else profit booking may also be seen. Nifty July future expiry is due in this week and volatility may be continuing.

For trading during the coming sessions, trend deciding level is 5650. If Nifty shows strength above 5650 levels then we may see rally 5700/5750/5800/5850 levels. If Nifty doesn't sustain above 5650 levels then profit booking till 5600/5550/5500/5450 may also be seen.

## Recommendation for Monday- Intra Day Trading

Scrip (LTP)	Action	At Price	For Target of	Stop Loss	Duration
CIPLA ( 322.70)	BUY	322-320	328	316	1 day
IBREALEST (114.55)	SELL	BELOW 115	112	118	1 day

## Technical View: NIFTY Future

Duration	Action	Entry Zone	For Target of	Stop Loss
For Monday	SELL	5660-5680	5620-5590	5700
For the Week	SELL	5680-5730	5600-5550	5755

## Fundamental Calls

Company	Recommendation	CMP(Rs)	Target(Rs)
Strides Acrolab Ltd	Buy	363.55	415
Gulf Oil Corp. Ltd.	Buy	95.25	105

## News Roundup

- After two consecutive weeks with negative closing, India's benchmark indices ended this week with good gains. Sensex up by 0.86% to close at 18722 and Nifty closed above the psychological level of 5600, at 5633.95 up by 0.95%. Among the sectoral indices, Except Pharma, all the indices closed in positive territory. CNX Realty and FMCG were the top performer of the week followed by Banks & IT
- India's Food inflation measured by wholesale price index (WPI) eased to 7.58% for week ended July 9 from 8.31% in the previous week due to moderation in prices of food items like pulses, onions, cereals, milk and Egg, Meat & Fish. However, the inflation in fuel and power remained unchanged at 11.89%.
- As per the commerce secretary, Uncertainty in the global economic environment will restrict the growth of exports going forward. Average growth in export for the first five months of 2011-12 has been around 40-45% and it registered growth of 46.4% to \$29.2 billion in June. However, as per wide expectation, the sector may not be able to sustain its high growth rate for the coming months.
- With the predefined target of disinvestment policy to raise Rs 40,000 crore from disinvestment of public sector companies. As of now, government has raised only Rs 1,144.55 crore through disinvestment of Power Finance Corporation. Finance minister had expressed his confidence on meeting the disinvestment target for the current financial year in the right market conditions. In the current financial year, government is expected to go for disinvestment of, SAIL, Oil and Natural Gas Corporation, Hindustan Copper, Rashtriya Ispat Nigam Limited.
- To discuss the macro economic situation of the country in the fear of economic slowdown, RBI Governor D Subbarao met Finance Minister Pranab Mukhejee. Despite the fear of economic slowdown, RBI is expected to hike its key policy rate to control the sticky inflation. In the quarterly policy review, RBI is expected to hike its short term leading (repo) and borrowing rate (reverse repo) rates by another 25 basis points
- India's foreign exchange reserves declined by \$112 million to stand at \$314.507 billion for the week ended July 15 against \$314.62 billion in the previous week on the back of a dip in foreign currency assets (FCAs).
- European leaders agreed to a new US\$229bn bailout plan for debt-plagued Greece that includes private sector support. They also strengthened their 440-bn euro rescue fund to buy debt of the struggling eurozone nations. The heads of state, including France's Nicolas Sarkozy and Germany's Angela Merkel, also agreed to extend the maturity of future loans for Greece to a maximum 30 years from the current 7.5 years. The new funds will be provided to Greece at about 3.5%.
- With the Aug. 2 deadline to raise the debt ceiling approaching, in an effort to avoid unprecedented US defaults, President Barack Obama may agree a deal to raise the country's \$14.3 trillion. With other senior officials, President has worked out a plan that could include up to \$3 trillion in spending cuts, but might leave tax reform for later.
- Oil headed for a fourth week of gains in New York as signs Europe and the U.S. will contain their debt crises eased speculation that demand for raw materials may falter. Prices also rose amid speculation. Moreover The Organization of Petroleum Exporting Countries, led by Saudi Arabia, will boost supply this month, the International Energy Agency predicted yesterday.
- The U.S., the U.K., Italy and France have decided to accept an outcome in Libya that would allow Muammar Qaddafi avoid exile or a trial on war crimes charges. After conducting four months of daily bombings, NATO-led allies are willing to let Qaddafi stay in Libya on the condition that he gives up power.
- Market sentiments are likely to be affected by the corporate results outcome of Reliance Ind., Sterlite Tech. and Idea, which are due in the coming week. RBI policy on 26 July 2011 will also have its impact on the market, particularly on interest rate sensitive sectors.

## Market Indices

SECTORAL INDICES				
INDICES	15-Jul-11	22-Jul-11	Change (%)	Difference
<b>BSE</b>				
Sensex	18561.92	18722.30	0.86	160.38
Bankex	12846.94	12908.66	0.48	61.72
IT Index	5856.64	5932.69	1.30	76.05
Metal Index	14610.04	14762.11	1.04	152.07
FMCG Index	4039.31	4109.78	1.74	70.47
Cap. Goods Index	13739.69	13711.01	-0.21	-28.68
Realty Index	2186.65	2204.39	0.81	17.74
Consumer Durables Index	6886.48	6772.57	-1.65	-113.91
OIL & GAS	9121.12	9189.19	0.75	68.07
AUTO	8993.51	8859.46	-1.49	-134.05
Healthcare Index	6518.25	6418.16	-1.54	-100.09
PSU Index	8541.96	8565.87	0.28	23.91
Mid-Cap Index	7066.75	7046.12	-0.29	-20.63
<b>NSE</b>				
S&P CNX Nifty	5581.10	5633.95	0.95	52.85
Bank Nifty	11234.55	11291.95	0.51	57.40
CNX IT Index	6346.05	6438.50	1.46	92.45
S&P CNX 500	4514.65	4544.30	0.66	29.65

GLOBAL INDICES				
INDICES	15-Jul-11	22-Jul-11	Change (%)	Difference
<b>US Market</b>				
NASDAQ	2789.80	2858.83	2.47	69.03
Dow Jones	12479.73	12681.16	1.61	201.43
S & P 500	1316.14	1345.02	2.19	28.88
<b>European Market</b>				
FTSE 100	5843.66	5935.02	1.56	91.36
CAC 40	3726.59	3842.70	3.12	116.11
<b>Asian Market</b>				
Nikkei	9974.47	10132.11	1.58	157.64
Strait Times	3084.24	3182.95	3.20	98.71
Hang seng	21875.38	22444.80	2.60	569.42
Shanghai Comp.	2820.17	2770.79	-1.75	-49.38

## Institutional Activity (Equity)

### INSTITUTIONAL ACTIVITY (Equity)

			(Rs. In Cr)
Day Wise	Purchase	Sale	Net
<b>FII Activity</b>			
Friday	1656.80	1511.90	144.90
Monday	1969.50	2022.20	-52.70
Tuesday	1981.80	1564.30	417.50
Wednesday	1880.70	1911.80	-31.10
Thursday	1952.90	2124.90	-172.00
Friday (Provisonal)	2718.66	2273.75	444.91
<b>Total</b>	<b>12160.36</b>	<b>11408.85</b>	<b>751.51</b>
<b>DII Activity</b>			
Friday	687.05	726.19	-39.14
Monday	797.83	634.21	163.62
Tuesday	802.67	1029.59	-226.92
Wednesday	1198.73	1178.25	20.48
Thursday	1223.92	815.56	408.36
Friday	1329.71	1086.66	243.05
<b>Total</b>	<b>6039.91</b>	<b>5470.46</b>	<b>569.45</b>

## Weekly Sectoral Roundup

Out performer	Under performer	Neutral
FMCG (+1.74%)	BANK (+0.48)	REALTY (+0.81%)
IT (+1.3%)	CG (-0.21%)	OIL&GAS (+0.75%)
METAL (+1.04%)	POWER (-1.05%)	
	AUTO (-1.49%)	
	HC (-1.54%)	

## Weekly Top Gainers

Name	close	pclose	%change
PRAJIND	93.65	74.7	25.37
PETRONET	175.4	145.55	20.51
GSPL	107.75	93.55	15.18
HEXAWARE	80.9	72.15	12.13
TTKPRESTIG	3102.4	2799.6	10.82

## Weekly Top Losers

Name	close	pclose	%change
CROMPGREAV	182.6	242.9	-24.83
GTL	74.3	89.05	-16.56
EXIDEIND	149.6	168.75	-11.35
LITL	20.65	22.9	-9.83
VOLTAS	147.2	160	-8

## Outlook for the Week

Nifty opened the week on negative note at 5576.95 levels and showed volatility in 5532.70-5645.40 range during the week and closed the week in green at 5633.95 level with 0.94% gains. Volumes were higher than previous week. After showing selling pressure previous week, Bulls managed to show strength from 5530 levels. Nifty is still trading in 5550-5650 zone. Further strength may be seen if Nifty manages to show strength above 5650 levels else profit booking

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## NIFTY Futures View

Nifty July Future opened at 5590 then due to short buildup tested the low of 5532.50 later due to short covering closed at 5645.55, increased by 58.60 pts. (1.05%) on weekly basis. Technically speaking 5500-5550 range would act as a support & 5700-5750 range would act as a resistance for the coming week.

**View for Medium term Traders:** On Medium term basis, Nifty has support around 5500 levels. Medium term resistance would be around 5750 mark.

**Trading strategy for Short term Traders:** We are recommending selling strategy for short term traders. Short position may be taken in the zone of 5680-5730 with the SL of 5755 for the target of 5600-5550.

**For day-trading purpose on Monday:** Sell position may be taken in the range of 5660-5680 with the SL of 5700 for the target of 5620-5590.

## Nifty Trend Watch

Date	Nifty	Cash	July Future
22-07-2011	Close Today	5633.95	5645.55
Week Beginning 25-07-2011	R2	5800/5850	5800/5850
	R1	5700/5750	5700/5750
	Weekly Trend Deciding	5650	5650
	S1	5600/5550	5600/5550
	S2	5500/5450	5500/5450

## Nifty Weekly



## INVESTMENT IDEA

**Strides Acrolab Lab.  
Update**

**Buy**

**CMP: Rs. 363.55  
Date: 22<sup>nd</sup> July, 2011**

### Company Back ground

Strides Arcolab Limited (SAL) is a mid-sized pharma company engaged in the manufacture of pharmaceutical dosage forms in branded as well as generic categories. It offers a wide range of products covering Orals, Semi Solids and Specialty injectables including Beta-lactams, Cephalosporins, Oncolytics and Penems. SAL has 14 manufacturing facilities across 6 countries with marketing presence in more than 75 countries covering developed and emerging markets. These manufacturing facilities have received approval from various regulatory authorities namely USFDA, WHO, MHRA of UK, MCC South Africa, HAS Singapore, Health Canada, ANVISA Brazil etc.

SAL operates in two major segments of **specialties** and **pharma**.

**Specialties business** is a high margin segment and accounted 39% and 57 % of SAL revenue and EBITDA, respectively, in CY10. Specialty products include Sterile injectable across a wide range of therapeutic areas ( anti-infective, oncology , analgesic, anti-thrombotic, Central Nervous System and Gastroenterology), Lyophilized vials, Liquid vials, Dry powder, vials, Pre-filled syringes, Ampoules and Devices. The key customers of the specialty segment are Pfizer, GSK, Teva, Actavis, Sagent, Novartis etc. SAL has recently announced re-branding of this business under the brand name of 'Agila Specialties'.

**Pharma segment** accounted 61% of SAL's revenue in CY10. Pharma business is further divided into branded generics, soft gels and global disease initiative business. SAL markets branded generics in Australasia, Africa and India. The global disease initiative business mainly comprises supplies to various agencies to counter AIDs, TB and Malaria (ATM) in various markets. SAL is a significant player in the international field of tenders for disease initiatives. The key customers in this segment are Pfizer, Aspen, and Sandoz, Apotex, Galen etc and Multilateral agencies including UNICEF, PEPFAR, and Clinton Foundation etc

### Investment rationale

#### Result review of Q1CY11

- In Q1CY11 SAL's consolidated revenue grew by 30.5% y-o-y to Rs 487cr on account of sharp growth in speciality business segment (93% y-o-y) while pharma segment reported a muted growth of 1% y-o-y due to lower institutional business and a weeklong shutdown in a manufacturing plant.
- During Q1CY11, EBDITA grew by 19% y-o-y to Rs 102.3cr as against Rs 86cr in Q1CY10. However EBDITA margin declined by 193 bps to 20.58%
- PAT registered y-o-y growth of only 4.5%, to Rs 45cr, mainly on account of higher interest cost and tax provision.

#### High margin speciality business would ramp up future growth:

Strong performance is expected from speciality business on the back of new manufacturing facilities and marketing and supply tie ups with global majors like Pfizer and GSK. Recent USFDA approval for the new sterile facilities would solve the capacity constraints of some speciality products which SAL was facing earlier. Management is also positive about the performance of injectables business in regulated markets as it foresees demand in these markets. Strides currently has 35 ANDA approvals in the sterile segment in US but it has launched only 10 products and the balance are expected to be launched at accretive rates, with the help of new USFDA approved ( got approval in May'2011) manufacturing facility. Management is also positive to garner 15-25% market share in these

products in regulated markets, backed by strong marketing and distribution set-up from Pfizer and GSK. Low competition is another aspect which supports its growth prospects.

#### **New oncology plant (got US FDA approval) would be a future growth driver**

SAL has filed approx. 32 Oncology ANDAs in US over the last 3 years and is building capabilities to file over 100 oncology products in the coming years. The recent US FDA approval for its new Oncology plant in Bangalore would unlock higher sterile capacities and contribute higher revenue and especially margins, going forward. ~35% of the injectables generics approved in the US are used in cancer therapy. SAL, an emerging player in global injectables market, would derive higher benefit from this high margin oncology segment.

#### **Focusing on US drug shortages list**

As per the disclosure by US FDA through its list of drug shortages, sterile product continues to dominate the US drugs shortage list for last few years (grew from 39% of the total drug shortages in 2008 to 57% of in 2010). Realizing this demand supply gap in sterile products, in US shortage list, SAL has identified this opportunity to cash on the benefits.

- SAL gets quick approvals from US FDA for products targeting drug shortages.
- SAL would enjoy pricing power for these products due to demand supply gap.
- Helps SAL in gaining higher market share.

#### **Partnership with big pharma companies to result in higher licensing income in future**

SAL has partnerships with pharmaceutical majors such as Pfizer, GSK, Novartis, Teva and Aspen in US, Europe, Australia and South Africa. Recent partnerships with Pfizer and GSK have laid the foundation for a global injectables franchise. Under this collaboration SAL would receive licensing fees and would share profit on commercialization of the products. New sterile facility at Bangalore which got the USFDA approval will drive the growth in sterile space.

#### **Diversified portfolios across specialties and pharma**

SAL has a diversified product range covering Orals, Semi Solids and Specialty injectable including Beta-lactams, Cephalosporins, Oncolytics and Penems etc. SAL has remained focused largely on product development and manufacturing of niche drugs while entering into marketing tie ups across geographies. SAL's attractive product portfolio has made it a partner of choice for global pharma players like Pfizer, GSK, and Aspen etc. Presently (in Q1CY11) SAL has an impressive product pipeline in the specialty segment (30), with total 35 product approvals and 80 ANDAs awaiting approvals.

#### **Significant investment in manufacturing facilities completed**

Foreseeing the future demand, SAL has made a capex of around Rs 900cr during 2006-09 as upfront investment to create high quality manufacturing capacities for the complex sterile products. This manufacturing facility increased SAL's sterile capabilities by manifolds and its steriles business is set to generate significant value with the recent USFDA approval for large no. of products in the pipe line. This shows a formidable growth trajectory with higher revenue pick-up in the coming years.



## Peer group Analysis

TTM/Rs in Cr	Strides Acrolab	Sun Pharma	Dr reddy's Lab
Gross Sales	1809.77	5721.43	7764.47
PBDIT	412.71	2239.87	1719.69
Net Profit	143.14	1907.37	1156.94
Cash profit	209.41	2111.43	1597.49
PBDITM (%)	22.80%	39.15%	22.15%
PATM (%)	7.91%	33.34%	14.90%
Equity	57.77	103.56	84.74
Face Value (Rs.)	10.00	1.00	5.00
EPS (Rs.)	24.78	18.42	68.26
CMP (Rs.)	356.75	502.90	1531.70
PE( X)	14.40	27.30	22.44
P/BV(X)	1.46	7.80	4.34

SAL looks undervalued in term of P/E and P/BV as compared to its peers.

## Risk & Concerns

- Significant volatility in exchange rates can negatively impact revenue and profitability.
- SAL significantly depends on US FDA approvals for its plants and products. If Strides does not get timely approval for any plant and for a large product range it could adversely affect SAL's earnings and profitability.
- SAL does not have API manufacturing capacities and sources its API requirements from outside leading to supply side risk.

## Recommendation

SAL new manufacturing facilities to meet the future demand in the regulated markets are complete with USFDA approvals. Going forward, high margin speciality business coupled with marketing and supply tie ups with global majors would generate higher profitability.

At CMP Rs 363.55 the stock is trading at earnings multiple of 12.5x of CY11E. Investors can buy this counter for a target of Rs 415 in medium term.

## Financials:

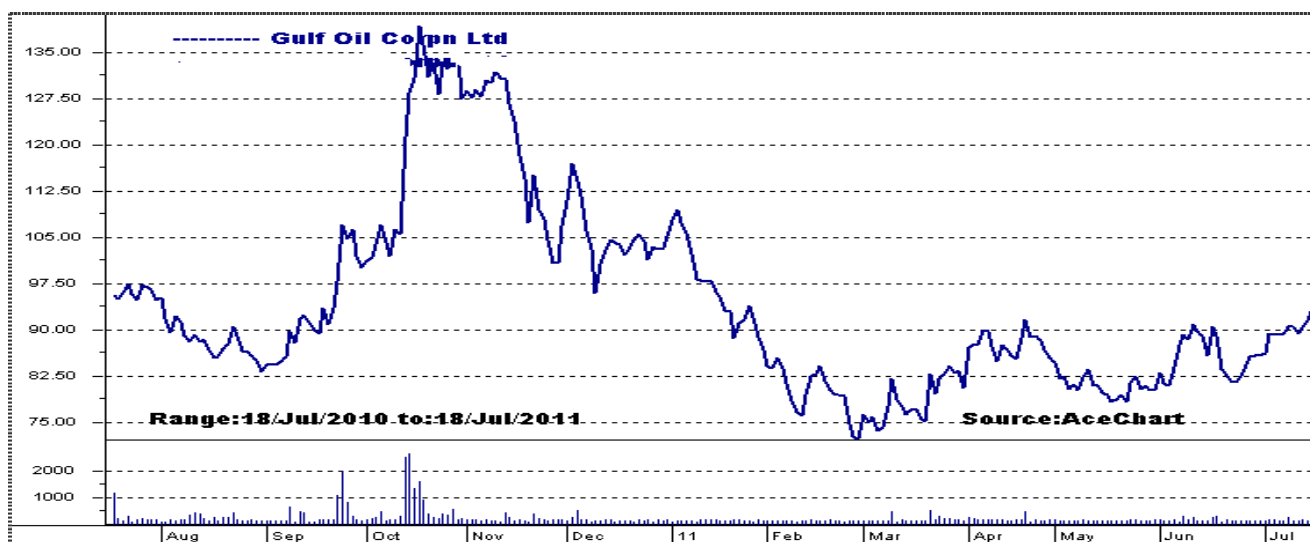
<b>Earnings Table</b>				
	<b>(Rs Cr)</b>			
<b>Particulars</b>	<b>CY08</b>	<b>CY09</b>	<b>CY10</b>	<b>CY11E</b>
Net Sales	1020.33	1304.77	1695.84	2119.80
Change %	8.37	27.88	29.97	25.00
Total Income	1331.24	1328.34	1765.54	2184.80
Total Expenses	950.70	1117.84	1369.27	1717.03
PBDIT	129.21	210.49	391.79	462.76
Depreciation	40.06	49.19	63.85	84.79
PBIT	340.48	161.31	332.42	382.97
Interest	84.70	75.91	146.65	148.38
PBT	114.88	142.93	186.37	234.59
Tax	10.79	21.90	45.19	49.26
Reported PAT	104.09	121.03	141.18	185.33
Adjusted PAT	107.97	109.67	122.45	166.70
Change %	-21.28	1.57	11.65	36.14
Cash Profit	148	158.86	186.30	251.49

<b>Key Ratios</b>				
<b>Particulars</b>	<b>CY08</b>	<b>CY09</b>	<b>CY10</b>	<b>CY11E</b>
EBDIT (%)	12.66	16.13	23.10	21.83
PBIT (%)	25.58	12.14	18.83	17.53
PAT (%)	10.58	8.41	7.22	7.86
RoCE (%)	5.19	7.05	9.96	10.65
RoE (%)	25.99	13.20	9.55	11.60
Debt-Equity	3.13	1.75	1.57	1.47

<b>Balance Sheet</b>				
	<b>(Rs Cr)</b>			
<b>Particulars</b>	<b>CY08</b>	<b>CY09</b>	<b>CY10</b>	<b>CY11E</b>
Share Capital	89.21	89.38	57.75	57.75
Reserves	324.41	724.09	1222.95	1379.65
Shareholder's Fund	415.41	831.07	1282.79	1437.40
Loan Funds	1302.01	1456.87	2009.84	2110.33
Minority Int	180.28	258.50	272.47	272.47
<b>Total Liabilities</b>	<b>1897.70</b>	<b>2546.44</b>	<b>3565.10</b>	<b>3820.20</b>
Net Fixed Assets	1229.07	1941.25	2519.73	2479.94
Investments	346.40	341.36	1.76	50.00
Net Current Assets	322.23	263.83	1043.61	1290.26
<b>Total Assets</b>	<b>1897.70</b>	<b>2546.44</b>	<b>3565.10</b>	<b>3820.20</b>

<b>Valuations</b>				
<b>Particulars</b>	<b>CY08</b>	<b>CY09</b>	<b>CY10</b>	<b>CY11E</b>
Adj. EPS (Rs)	12.10	12.27	21.20	28.87
Cash EPS (Rs)	16.59	17.77	32.26	43.55
BV Per Share	46.57	92.98	222.13	248.90
Div. per share	0.00	1.50	1.50	1.50
P/E	30.04	29.63	17.15	12.59
P/BV	7.81	3.91	1.64	1.46
M-Cap/Sales	3.18	2.49	1.24	0.99

<b>Report Date</b>	<b>18 July 2011</b>
<b>Company Name</b>	<b>Gulf Oil Corporation Ltd</b>
<b>Recommendation</b>	<b>Buy at CMP Rs. 95.25 (Medium risk-Medium return)</b>
<b>Target price</b>	<b>Rs 105</b>
<b>Stop loss</b>	<b>Rs. 89</b>



### Technical View & Recommendation

The stock, after getting good support around 70 levels, is in uptrend since last couple of months. The stock has recently given a breakout above its 20, 50 and 200 days SMA indicating the short to medium term trend of the counter to remain bullish. Other oscillators on daily charts such as MACD and RSI both are in uptrend and are indicating more scope for upside in coming days. As per retracement level of 38.20%, Small resistance is placed at 99.60 levels, above which the stock has potential to reach 105-108 in medium term. A buy is recommended in the stock at CMP for the immediate target of Rs 105 with a stop loss of 89 on daily closing basis.

### Company profile

Gulf Oil Corporation Ltd.(GOCL), a part of the international Hinduja Group Company, has diversified business interests. The company is a manufacturer of lubricants, industrial explosives, detonators and provides mining & infrastructure services. The business operations are carried out through 4 main divisions - lubricants, industrial explosives, mining & infrastructure and property development. The lubricating oil segment manufactures diesel engine oils for commercial and heavy vehicles and the products include motor oil, gear oil, industrial oils, greases and speciality products. The explosive segment manufactures industrial explosives, blasting accessories and metal cladding which are used for different applications like mining, infrastructure, oil prospecting, defence and space.

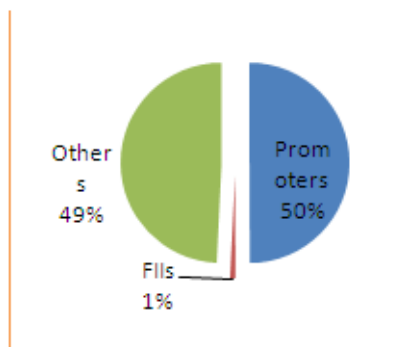
The mining and infrastructure division offers mining services to coal and non-coal sectors and civil construction services such as tunnelling, roads and building construction. The consulting segment deals with mining and infrastructure contracts. The property segment manages development of IT park, office apartments, service apartments and commercial areas. The company is executing a IT/ITES SEZ at Yelahanka in Bangalore, Karnataka.

## Recent developments

- For the audited full year FY2010-11, Net profit rose 20.24% to Rs. 54.19 crore in the year ended March 2011 as against Rs. 45.07 crore during the previous year ended March 2010. Sales declined 7.66% to Rs. 901.27 crore in the year ended March 2011 as against Rs. 976.06 crore during the previous year ended March 2010.
- During Q4FY11, Net profit of the company rose 274.06% to Rs. 18.89 crore in the quarter ended March 2011 as against Rs. 5.05 crore during the previous quarter ended March 2010. However Sales declined 17.66% to Rs. 226.01 crore in the quarter ended March 2011 as against Rs. 274.47 crore during the previous quarter ended March 2010.
- During the last quarter, Lubricants division launched the Gulf Bikestops – a branded workshop concept & covered more than 125 locations across India with this. The Division continued its technological up-gradation of Product portfolio in commercial vehicles and launched an Advanced Engine Oil Gulf Super Fleet Dura Max with an oil service period of 80,000 Kms for the Next generation “U” trucks launched by Ashok Leyland. The Division has also forged tie-ups with leading OEM’s like Mahindra (Automotive Division) by launching a co-branded range of lubricants with them in Quarter 3 of 2010-11, which has also contributed to the overall growth. Moreover as a part of increasing brand visibility & brand building, the division invested in launching mass media campaigns on television and outdoor.
- Under Explosive division, A new range of field programmable electronic detonators have been developed and are at various stages of the product introduction process. Use of this product ensures that vibrations are reduced significantly, contributing to the mine safety in addition to improvement in blast efficiency. Various projects on quality improvement and cost reduction have yielded good results. Investment in an advanced version of Raytube is complete and the products are soon to be made available to customers.
- Uranium ore mining project for Uranium Corporation of India under the Department of Atomic Energy completed its first year of operation, started on Feb 2010. Installation of all equipment has been completed during the last quarter of the financial year.
- It recently restructured itself by hiving off its explosives division into a subsidiary. As part of the restructure process, it had also hived off its pharmaceuticals business to Biocon.
- Post restructure, the company is looking at the next phase of growth with lubricants playing a larger role. It has a lubricants manufacturing plant at Silvassa and is planning to set up a second plant in South India at an investment of Rs 150 crore.
- In the Real Estate segment, along with its group company Hinduja Estates, Gulf Oil is set to commence work on its mixed-use Bangalore property within two-three months. It will invest Rs 1,350 crore for the development of about 5 million sq ft of mixed-use area. Moreover with the ongoing Hyderabad property Development plan, GOCL is looking out for strategic partners
- Going forward, the management is confident of achieving consolidated revenue of Rs.1500 crore in FY12 up from Rs.1,200 crore it achieved in FY11 due to the recent restructuring exercise. Moreover the management is also confident of reducing margins pressure, which was witnessed due to increase in base oil prices besides increase in fuel and interest rates. It also expects its mining business to turn around this year.

## Key Financial Data

Key Details	
Share Capital (Rs Cr)	19.83
Face Value(Rs)	2
52 Wk High/Low	146/72
Market Cap ( Rs Cr)	929.48
EPS (Rs.TTM)	5.47
PE (X)	17.15
Price/BV (X)	2.53
Shareholding Patten As on June'11	



Particulars	Mar'11	Mar'10	% chg	Dec'10	% chg
(Rs. Crores)			YoY		QoQ
Net Sales	226.01	274.47	-17.66	258.34	-12.51
Other Op Inc.	0.00	0.00		0.00	
Total Inc.	226.01	274.47	-17.66	258.34	-12.51
Total Exp.	216.26	261.85	-17.41	246.03	-12.10
PBIDT	9.75	12.62	-22.74	12.31	-20.80
Dep.	4.30	4.23	1.65	3.87	11.11
Other Inc.	16.67	3.58	365.64	10.69	55.94
Interest		5.75		4.68	
Exceptional Item	3.28	0.82	300.00	4.67	-29.76
PBT	25.40	7.04	260.80	19.12	32.85
Tax	6.51	1.98	228.79	3.87	68.22
PAT	18.89	5.06	273.32	15.25	23.87
PBDITM	0.04	0.05	-28.40	0.05	-45.11
PATM	0.08	0.02	651.45	0.06	245.50
EPS	1.91	0.68		1.54	
Cash EPS	2.34	1.25		1.93	

## Concerns

- The high inflation and fluctuating global prices for crude could affect raw material prices and impact margins.
- GOCL is exposed to foreign currency risk as it earns its significant portion of revenue from exports business.

## Derivatives Statistics

SYMBOL	PREV. WEEK	PCR OI		% CHANGE	TOTAL FUTURES OI		% CHANGE
		CURR. WEEK			OI PREV. WEEK	OI CURR WEEK	
<b>BANKNIFTY</b>	<b>1.29</b>	<b>1.37</b>		<b>-3.88</b>	<b>1,056,675</b>	<b>1,074,825</b>	<b>1.72</b>
<b>MININIFTY</b>	<b>1.03</b>	<b>1.13</b>		<b>9.71</b>	<b>771,660</b>	<b>875,980</b>	<b>13.52</b>
<b>NIFTY</b>	<b>1.18</b>	<b>1.24</b>		<b>5.08</b>	<b>23,126,000</b>	<b>22,901,400</b>	<b>-0.97</b>
ACC	0.81	1.06		30.86	1,286,250	1,450,500	12.77
AMBUJACEM	0.28	0.40		42.86	13,764,000	13,554,000	-1.53
AXISBANK	0.52	1.23		136.54	2,706,000	3,176,500	17.39
BAJAJ-AUTO	1.00	0.94		-6.00	1,182,000	1,263,250	6.87
BHARTIARTL	0.37	0.55		48.65	13,128,000	14,690,000	11.90
BHEL	0.36	0.47		30.56	2,368,125	2,356,500	-0.49
BPCL	0.43	0.42		-2.33	1,575,500	1,298,500	-17.58
CAIRN	0.47	0.55		17.02	14,399,000	14,513,000	0.79
CIPLA	0.44	0.42		-4.55	3,603,000	4,161,000	15.49
DLF	0.64	1.00		56.25	26,322,000	24,543,000	-6.76
DRREDDY	0.88	0.60		-31.82	930,750	992,250	6.61
GAIL	0.45	0.76		68.89	2,708,000	2,453,000	-9.42
GRASIM	0.22	0.49		122.73	497,625	506,875	1.86
HCLTECH	0.33	0.37		12.12	3,040,000	3,165,000	4.11
HDFC	0.37	0.40		8.11	6,132,000	6,963,500	13.56
HDFCBANK	0.80	0.81		1.25	18,828,750	20,954,375	11.29
HEROHONDA	0.63	1.01		60.32	2,247,000	2,583,750	14.99
HINDALCO	0.36	0.35		-2.78	18,649,000	19,110,000	2.47
HINDUNILVR	0.48	0.53		10.42	19,782,000	21,130,000	6.81
ICICIBANK	0.43	0.45		4.65	8,836,000	9,730,750	10.13
IDFC	0.96	0.90		-6.25	24,580,000	22,804,000	-7.23
ITC	0.79	1.00		26.58	20,532,000	21,672,000	5.55
JINDALSTEL	0.42	0.38		-9.52	4,392,000	4,517,500	2.86
JPASSOCIAT	0.24	0.21		-12.50	50,964,000	57,632,000	13.08
KOTAKBANK	1.29	0.69		-46.51	3,947,000	5,326,000	34.94
LT	0.53	0.65		22.64	3,490,000	3,728,500	6.83
M&M	0.89	0.92		3.37	3,073,000	3,163,000	2.93
MARUTI	0.56	0.53		-5.36	3,809,250	3,750,250	-1.55
NTPC	0.31	0.26		-16.13	21,400,000	19,912,000	-6.95
ONGC	0.38	0.39		2.63	11,509,000	11,453,000	-0.49
PNB	2.11	1.43		-32.23	3,646,250	4,252,750	16.63
POWERGRID	0.27	0.28		3.70	12,100,000	11,432,000	-5.52
RANBAXY	0.33	0.38		15.15	2,035,000	2,082,000	2.31

RCOM	0.40	0.39	-2.50	26,644,000	29,188,000	9.55
RELCAPITAL	0.51	0.60	17.65	4,509,000	4,434,500	-1.65
RELIANCE	0.45	0.43	-4.44	18,368,750	18,321,000	-0.26
RELINFRA	0.42	0.44	4.76	6,591,500	6,543,500	-0.73
RPOWER	0.25	0.27	8.00	21,190,000	22,406,000	5.74
SAIL	0.21	0.22	4.76	14,726,000	14,856,000	0.88
SBIN	0.97	1.01	4.12	3,697,375	3,773,125	2.05
SESAGOA	0.48	0.78	62.50	9,238,000	10,163,000	10.01
SIEMENS	0.85	0.91	7.06	654,000	681,250	4.17
STER	0.26	0.34	30.77	18,410,000	17,292,000	-6.07
SUNPHARMA	3.58	2.92	-18.44	3,110,000	3,124,500	0.47
TATAMOTORS	0.43	0.33	-23.26	7,029,750	8,456,500	20.30
TATAPOWER	0.79	0.75	-5.06	956,500	1,107,750	15.81
TATASTEEL	0.38	0.40	5.26	15,596,500	16,226,000	4.04
TCS	0.62	0.53	-14.52	5,918,500	6,011,000	1.56
WIPRO	0.97	0.71	-26.80	3,581,500	3,952,500	10.36

## Nifty Stock Level (Cash)

SCRIPS	LTP	R1	R2	S1	S2	trend
ACC	995.05	1006.00	1017.00	976.00	956.00	Uptrend
AMBUJACEM	129.55	132.00	135.00	126.00	122.00	Uptrend
AXISBANK	1296.90	1329.00	1362.00	1248.00	1199.00	Uptrend
BAJAJ-AUTO	1448.55	1463.00	1478.00	1422.00	1395.00	Uptrend
BHARTIARTL	411.15	420.00	429.00	396.00	380.00	Uptrend
BHEL	1975.40	2006.00	2038.00	1932.00	1889.00	Uptrend
BPCL	668.95	679.00	690.00	656.00	643.00	Uptrend
CAIRN	325.85	332.00	338.00	317.00	307.00	Uptrend
CIPLA	321.45	327.00	333.00	314.00	306.00	downtrend
DLF	241.05	248.00	256.00	232.00	223.00	Uptrend
DRREDDY	1569.85	1618.00	1666.00	1526.00	1481.00	downtrend
GAIL	466.50	475.00	484.00	451.00	435.00	Uptrend
GRASIM	2220.80	2248.00	2275.00	2172.00	2122.00	Uptrend
HCLTECH	504.90	513.00	522.00	494.00	483.00	Uptrend
HDFC	707.85	717.00	727.00	694.00	680.00	Uptrend
HDFCBANK	501.55	516.00	531.00	491.00	480.00	downtrend
HEROHONDA	1820.75	1863.00	1906.00	1754.00	1687.00	downtrend
HINDALCO	176.70	184.00	192.00	172.00	167.00	downtrend
HINDUNILVR	333.70	339.00	345.00	328.00	322.00	Uptrend
ICICIBANK	1068.05	1080.00	1093.00	1046.00	1024.00	Uptrend
IDFC	141.65	146.00	150.00	137.00	131.00	Uptrend
INFY	2828.25	2880.00	2932.00	2742.00	2655.00	Uptrend
ITC	207.40	211.00	215.00	202.00	196.00	Uptrend
JINDALSTEL	627.70	636.00	644.00	622.00	615.00	downtrend
JPASSOCIAT	75.30	78.00	81.00	73.00	70.00	downtrend
KOTAKBANK	485.55	506.00	527.00	469.00	452.00	downtrend
LT	1827.25	1845.00	1863.00	1795.00	1762.00	Uptrend
M&M	724.35	735.00	746.00	705.00	685.00	Uptrend
MARUTI	1161.60	1185.00	1209.00	1143.00	1124.00	downtrend
NTPC	183.20	189.00	195.00	180.00	176.00	downtrend
ONGC	279.60	283.00	287.00	275.00	270.00	downtrend
PNB	1169.70	1186.00	1203.00	1142.00	1114.00	Uptrend
POWERGRID	109.55	112.00	115.00	107.00	104.00	downtrend
RANBAXY	542.75	555.00	568.00	530.00	517.00	downtrend
RCOM	93.60	98.00	103.00	89.00	84.00	downtrend
RELCAPITAL	598.25	607.00	616.00	587.00	575.00	Uptrend
RELIANCE	873.35	888.00	903.00	858.00	842.00	Uptrend
RELINFRA	580.40	589.00	598.00	569.00	557.00	Uptrend
RPOWER	114.60	117.00	120.00	112.00	109.00	Uptrend
SAIL	131.65	134.00	137.00	129.00	126.00	downtrend
SBIN	2498.40	2537.00	2576.00	2452.00	2405.00	Uptrend
SESAGOA	284.75	298.00	312.00	268.00	251.00	downtrend



SIEMENS	932.05	950.00	968.00	904.00	875.00	Uptrend
STER	168.85	172.00	175.00	164.00	158.00	Uptrend
SUNPHARMA	512.25	520.00	529.00	500.00	488.00	Uptrend
TATAMOTORS	996.95	1042.00	1088.00	957.00	917.00	downtrend
TATAPOWER	1301.75	1330.00	1359.00	1268.00	1234.00	Uptrend
TATASTEEL	584.25	591.00	598.00	573.00	561.00	Uptrend
TCS	1133.40	1151.00	1169.00	1118.00	1102.00	downtrend
WIPRO	405.85	418.00	431.00	393.00	380.00	downtrend

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