



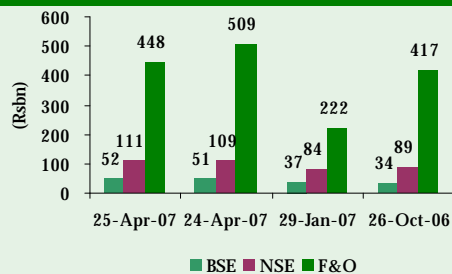
26 April 2007

Indices	%Change			
	25-Apr-07	1mth	3mth	6mth
Sensex	14,218	8.3	0.0	12.0
Nifty	4,167	9.1	1.0	13.3
CNX Midcap	5,267	8.8	(1.1)	10.2
Banking	7,237	8.2	(0.8)	14.6
Capital Goods	9,803	8.5	1.9	14.6
IT	4,962	(1.0)	(6.7)	3.6
Healthcare	3,832	7.7	0.4	6.3
NASDAQ	2,548	3.8	4.6	7.1
Dow Jones	13,090	5.0	4.8	7.6

Net Inflows

Rsbm	24-Apr-07	23-Apr-07	MTD	YTD
FII	(1)	7	51	117.0
Mutual Fund	4	3	7	(25.7)
FII - F&O	(1)	14	53.4	130.6

Turnover



Commodity & Currency	% Change			
	25-Apr-07	1mth	3mth	6mth
Crude (US\$/barrel)	65.8	4.7	18.8	9.1
Gold (US\$/Oz)	686.3	2.6	6.2	15.3
US\$	41.0	(5.6)	(7.5)	(9.6)
Euro	56.9	(1.2)	(0.4)	(0.5)

Debt

%	25-Apr-07	1mth	3mth	6mth
RBI Reverse Repo	6.0	6.0	6.0	6.0
10 yr G-Sec yld	8.0	8.0	7.9	7.6
Spread 1 & 10 yr G-Sec	0.8	0.7	0.4	0.6
US 10 yr treasury	4.7	4.6	4.9	4.7
Surplus liquidity (Rsbm)	17.4	367.2	44.1	(163.3)

India Cements Rs179 - Results Review
Market Performer - Price Target: Rs201

Amit Srivastava

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ICL has given excellent result in this quarter which is in line with our expectation. Net sales grew by 36.2% YoY to Rs 5.75 bn mainly on the back of growth in cement realizations by 33.5% YoY basis to Rs. 2846 per tones and volume growth of 4%. The higher price realization, increase in sales of blended cement and cost reduction measures has increased the EBIDTA by 149.5% YoY to Rs. 1.90bn and EBIDTA per tone to Rs. 925. Lower tax provision has spurred the net profit by 474% to Rs. 1.39 bn. Due to government's continued intervention to curb the cement prices and overhang of supply by end of FY09; we maintained our Market Performer rating.

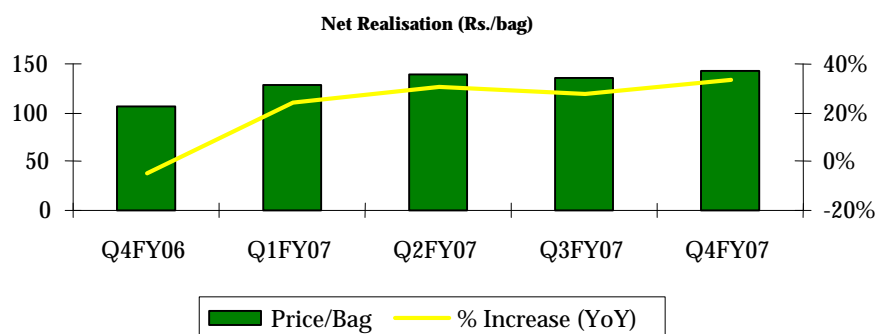
	Q4FY07	Q3FY07	Q4FY06	QoQ Growth	YoY Growth
Net Sales	5,758	4,724	4,228	22	36
Total Expenditures	3,852	3,394	3,464	13	11
EBIDTA	1,906	1,331	764	43	150
EBIDTA Margin	33	28	18		
Others	22	17	47	28	(54)
Interest	331	347	314	(5)	5
Depreciation	194	198	197	(2)	(2)
Profit before tax	1,381	786	252	76	448
Tax Exp.	5	5	29		
Net Income	1,398	798	270	75	417
Extraordinary Items	-	-	27		
Reported Income	1,398	798	243	75	474

India Cements	Rsmn	FY2005	FY2006	FY2007	FY2006E	FY2009E
Reuters/Bloomberg Code	ICMN.BO/ICEM@IN	Net Sales	11,621	15,418	20,497	27,734
Market Cap. (Rsmn)	39,446	EBITDA	1,365	2,610	6,617	9,295
Market cap. (US\$m)	88	Net Profit	(588)	453	4,495	6,555
Shares Outstanding (mn)	220.37	EPS (Rs)	(4.2)	2.5	20.4	25.2
52-week High/Low (Rs)	250/69	EPS Growth (%)	N/A	N/A	702.1	23.4
Major Share Holders (%)		EBITDA margin (%)	11.7	16.9	32.3	33.5
Promoter/Majority		PER (x)	N/A	68.8	8.6	7.0
FIs		26.9 P/BV (x)	8.6	4.6	3.0	2.3
Banks/Fis/MFs		35.7 Price/sales (x)	3.4	2.6	1.9	1.4
Others		22.8 EV/EBITDA (x)	35.5	20.1	7.6	5.7
Public		5.2 Dividend Yield (%)	-	-	-	-
		9.5 ROCE (%)	3.0	8.4	24.6	31.4
		ROE (%)	(17.2)	5.4	34.6	32.9
		EV/Ton	140.1	151.9	140.1	106.8
						95.5

Source: Company and Karvy Estimates

Turnover driven by realization: The Company has increased net sales by 36.2% to Rs. 5.75 bn primarily on account of realization growth by 33.5% YoY basis to Rs. 142 per bag. The increase in sales of blended cement and full capacity utilization has given the volume growth of 4% to 2.06 Mn tones from 1.98 Mn tones YoY basis. The current realization is at historical high so even after the commitment of the industry to hold the price has not wiped out much appreciation. Hence we expect the ICL's realization would be firm for next 12-18 months except for the normal marginal dip during the monsoon.

Improving margins: The Company has increased its EBIDTA per tone from Rs. 325 to Rs. 925 mainly on account of robust growth in realization and reduction in usage of high cost power. The EBIDTA margin has improved by 1500 bps to 33% from 18% on YoY basis. Net profit margin has also improved by 1800 bps to 24% from 6% on YoY basis due to lower tax provision and decreasing interest cost.



Reduction in usage of high cost power: The power cost has gone down by 4% on YoY basis to Rs.1.22bn due to reduction in the usage of power from grid which is the expensive source of power. Power cost on per tonne basis has decreased by 7% on YoY basis from Rs. 679 to Rs.593. This is due to company's initiatives in the form of availing additional gas-based power, installation of waste heat recovery system which gives power at negligible cost and wind power to reduce the high cost of power.

Cost break up:

Rs./Tonnes	Q4FY06	% of Sales	Q3FY07	% of Sales	Q4FY07	% of Sales
Raw Material	277	13%	285.6	11%	299	11%
Staff Costs	100	5%	127.4	5%	123	4%
Power & Fuel	639	30%	626.7	25%	593	21%
Transportation Cost	374	18%	405.1	16%	459	16%
Other Expenditures	299	14%	312.9	13%	362	13%

Capacity expansion at opportune time: The Company's plan of 2 Mn tones brownfield capacity expansion is on track and would be completed by end of Dec. 2007. The expansions will cost Rs. 3450 Mn which is being funded through the amount raised by FCCB in May 2006. We believe the company is increasing its capacity at opportune time when the prices are historical high and demand is robust.

Plant	Incremental Capacity	Completion
Modernisation of Sankaridrug Plant	0.6 Mn tones	Dec. 2007
Expansion of Vishnupuram plant	0.8 Mn tones	March.2008
Up gradation of other plants	0.6 Mn tones	Dec. 2007
Cement grinding unit	...	Dec. 2007

Merger with Visaka EPS accretive: The Company has announced to merge its associate Visaka Cement which is EPS accretive as well as provide significant tax shelter. As the Visaka has operating margin of 36.5% and ICL has 32%. Hence we expect the merger would be EPS accretive for the ICL. Apart from that Visaka Cement has accumulated loss of Rs. 3300 Mn which will provide significant tax shelter. We believe the company would have to pay only MAT for next two years.

Valuation: At the current price of Rs179 the company is trading at PER multiple of 7x its FY09E earnings and EV/EBIDTA multiple of 5.2x. On EV/ton basis is trading at \$ 95 per ton tones in FY09E earnings. Due to government's continued intervention to curb the cement prices and overhang of supply by end of FY09; we maintained our Market Performer rating with the target price of Rs. 201.

BULK DEALS ON NSE - 25 April 2007

Symbol	Scrip Name	Client Name	Buy/Sell	Quantity Traded	Price
AML	Abhishek Mills Ltd	HARSIDDH ONLINE	BUY	86,865	72
ASTRAL	Astral Poly Technik Limit	ASIT C MEHTA INVESTMENT INTERRMEDIATES LTD	BUY	63,584	100
CTE	Cambridge Technology Ente	VAIBHAV DOSHI	BUY	125,194	67
GESCOCORP	Mahindra Gesco Developers	SCHRODER INV MAN NORTH AMER INC A/C SCHROD	BUY	257,716	691
GTL	GTL Limited	EAST INDIA SECURITIES LTD.	BUY	476,539	191
GTL	GTL Limited	P R B SECURITIES PRIVATE LTD	BUY	587,372	190
GTL	GTL Limited	SURAJ STOCK BROKING LTD	BUY	670,785	188
IFCI	IFCI Ltd.	JAYPEE CAPITAL SERVICES LTD.	BUY	11,879,627	39
IVRCLINFRA	IVRCL Infra & Proj Ltd	SCMCT INDIA MAURITIUS LIMITED	BUY	1,047,800	325
KLGSYSEL	KLG Systel Ltd.	21ST CENTURY MNG SER LTD	BUY	88,500	343
KLGSYSEL	KLG Systel Ltd.	ASTUTE COMMODITIES & DERIVATIVES Pvt Ltd	BUY	64,020	357
KLGSYSEL	KLG Systel Ltd.	DEUTSCHE SECURITIES MAURITIUS LTD	BUY	138,477	330
LUMAXTECH	Lumax Auto Technologies L	JUSAL TRANDING PVT LTD.	BUY	87,364	101
ORBITCORP	Orbit Corporation Limited	BHARAT PATEL	BUY	267,283	187
ORBITCORP	Orbit Corporation Limited	PRASHANT JAYANTILAL PATEL	BUY	331,082	183
VISUALSOFT	VisualSoft Techno Ltd.	DYANAMIC CONSULTANCY PRIVATE LIMITED	BUY	150,000	74
VISUALSOFT	VisualSoft Techno Ltd.	TUNGARLITRADEPLACE PRIVATE LIMITED	BUY	200,000	73
AML	Abhishek Mills Ltd	HARSIDDH ONLINE	SELL	86,865	68
ASTRAL	Astral Poly Technik Limit	ASIT C MEHTA INVESTMENT INTERRMEDIATES LTD	SELL	63,584	102
CIMCOBIRLA	Cimmco Birla Ltd	VIAJ SANKAR	SELL	74,698	19
CTE	Cambridge Technology Ente	VAIBHAV DOSHI	SELL	105,311	67
GTL	GTL Limited	CITIGROUP GLOBAL MARKETS MAURITIUS PVT LTD	SELL	1,532,207	189
GTL	GTL Limited	EAST INDIA SECURITIES LTD.	SELL	521,539	191
GTL	GTL Limited	P R B SECURITIES PRIVATE LTD	SELL	573,872	190
GTL	GTL Limited	SURAJ STOCK BROKING LTD	SELL	668,883	188
IFCI	IFCI Ltd.	JAYPEE CAPITAL SERVICES LTD.	SELL	11,789,684	39
KLGSYSEL	KLG Systel Ltd.	21ST CENTURY MNG SER LTD	SELL	5,000	357
KLGSYSEL	KLG Systel Ltd.	ASTUTE COMMODITIES & DERIVATIVES Pvt Ltd	SELL	56,994	356
KLGSYSEL	KLG Systel Ltd.	SWIFT TELECOM PVT. LTD	SELL	100,000	330
NAGARFERT	Nagarjuna Fert & Chem	LOK PRAKASHAN LTD	SELL	2,950,000	17
ORBITCORP	Orbit Corporation Limited	BHARAT PATEL	SELL	267,283	188
ORBITCORP	Orbit Corporation Limited	PRASHANT JAYANTILAL PATEL	SELL	328,076	182
VISUALSOFT	VisualSoft Techno Ltd.	DYNAMIC CONSULTANCY PVT LTD	SELL	350,000	73

Source: NSE

BULK DEALS ON BSE - 25 Apr 2007

Symbol	Scrip Name	Client Name	Buy/Sell	Quantity Traded	Price
524448	AHLCON PAREN	RAJENDRA KHEMKA	S	45,035	76
532831	AML	RAJESH NAVINCHANDRA SHAH	B	1,133,422	70
532831	AML	RAJESH NAVINCHANDRA SHAH	S	113,422	68
531591	BAMPSL SECUR	LILAC FARMS PRIVATE LTD	B	2,374,056	1
531591	BAMPSL SECUR	ODUH FINANCE AND INVESTME	S	950,001	1
512332	BIRLA CAP	PRADEEP BHAT	B	199,300	4
526574	ENTERPR.INTE	SUNCHAN FINANCIAL	B	16,900	5
526574	ENTERPR.INTE	RADHA CHEMICAL CO LTD	B	70,000	5
526574	ENTERPR.INTE	SHREE KARNIP LTD	S	87,000	5
522017	FLUIDOMAT LT	BOSCO ARMANDO MENEZES	S	25,000	15
532836	GREMAC INFRA	RASHMIKANT ASHOKBHAI DAVE	B	168,839	147
532836	GREMAC INFRA	HITESH JAYANTILAL PATEL	B	90,000	151
532836	GREMAC INFRA	HARSHIDDH ONLINE	B	578,824	156
532836	GREMAC INFRA	RAJESH NAVINCHANDRA SHAH	B	207,503	152
532836	GREMAC INFRA	RASHMIKANT ASHOKBHAI DAVE	S	168,839	159
532836	GREMAC INFRA	HITESH JAYANTILAL PATEL	S	90,000	161
532836	GREMAC INFRA	HARSHIDDH ONLINE	S	625,824	150
532836	GREMAC INFRA	RAJESH NAVINCHANDRA SHAH	S	207,503	155
506480	GULF OIL COR	ABN AMRO MUTUAL FUND	S	131,147	1,000
532129	HEXAWARE LTD	CLSA MAURITIUS LIMITED	B	6,390,000	180
532129	HEXAWARE LTD	HSBC GLOBAL INVESTMENT FU	S	2,427,428	180
532129	HEXAWARE LTD	UBS SECURITIES ASIA LTD	S	3,487,753	180
530885	JAISAL SECUR	CANOXTRADING PVT LTD.	B	50,000	28
531269	KLG SYSTEL	DEUTSCHE SECURITIES MAURI	B	150,000	330
531269	KLG SYSTEL	TWENTY FIRST CENTURY MANA	S	150,000	330
519570	LAKSHMI OVER	MERRILL LYNCH CAPITAL MARK	B	292,079	158
519570	LAKSHMI OVER	ADVANTAGE ADVISORS INC AC	S	292,079	158
531522	MAHARASTRA	DAKSH PROFESSIONAL CON PV	B	50,000	125
531522	MAHARASTRA	VIKAS JAIN	S	39,500	125
511276	MEFCOM AGR I	COSMO CORPORATE SERVICES	S	55,318	19
530257	MIDA PHARMAS	NTIN BHALCHANDRA PARIKH	S	18,830	13
531453	MOHIT INDUST	SUPREME INDIA COTTEX PVT	B	30,000	39
500307	NIRLON LTD	FAST TRACK IMPEX PVT LTD	B	300,000	80
532837	ORBITCO	MBL AND COMPANY LIMITED	B	241,783	176
532837	ORBITCO	MBL AND COMPANY LIMITED	S	241,783	176
524336	SH HARI CH E	SUDHIRKUMAR JHUNJHUNWALA	B	50,000	42
524336	SH HARI CH E	MADHU SUDHIRKUMAR JHUNJHU	B	50,000	43
524336	SH HARI CH E	BHANU JAYANTILAL	B	23,800	41
524336	SH HARI CH E	SUDHIR JHUNJHUNWALA	B	50,000	42
524336	SH HARI CH E	GIRISH GULATI	S	24,312	42
524336	SH HARI CH E	BHANU JAYANTILAL	S	100,855	42
532323	SHIVA CEMENT	BISHWANATH INDUSTRIES LTD	B	400,000	9
532323	SHIVA CEMENT	SHILPI K MODI	S	730,676	9
532323	SHIVA CEMENT	ISF SECURITIES LTD	S	351,123	9
531418	SYSTEL INFOT	ENCA FINLEASE LTD.	S	202,588	0
531774	TRIPEX OVER	RASHMIKANT ASHOKBHAI DAVE	B	74,076	51
531774	TRIPEX OVER	BLISS INVESTMENT CONSULTA	B	50,000	51
531774	TRIPEX OVER	RASHMIKANT ASHOKBHAI DAVE	S	74,076	51
532619	UTV SOFTWARE	M2M CHIPS P LTD	S	145,000	322
590038	VISU INTL	LILAC FARMS PRIVATE LTD	S	304,670	13

Source: BSE

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Stock Ratings		Absolute Returns		Stock Ratings		Absolute Returns
Buy	:	> 25%		Market Performer	:	0 - 15%
Out Performer	:	16 - 25%		Under Performer	:	< 0%

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