Q3FY10 Preview

Improved volumes to boost earnings

The low-base effect during Q3FY09 is expected to result in companies reporting volume-driven topline growth and robust improvement in earnings for Q3FY10. For our universe, we estimate 6% QoQ and 20% YoY growth in net sales and 11% QoQ and 44% YoY growth in earnings (ex-banks). The non-ferrous sector is expected to post significant expansion in earnings. For our universe cost pressures are likely to impact margins sequentially for most sectors. We expect some disappointments from the banking sector and modest earnings from the IT sector.

- **Manufacturing to benefit from low-base effect:** The manufacturing sector is likely to benefit from the low-base effect and report significant YoY growth in topline and profits. Sectors such as automobiles, metals, real estate and pharma are likely to benefit the most.
- **Metals – solid margin expansion:** Steel manufacturers are likely to see 2-3 fold increase in margins on the back of lower raw material costs and higher volume growth. However, realizations are likely to remain muted. Non-ferrous metal companies would see significant QoQ improvement in margins on account of 7-12% rise in prices.
- **Cement - weak realizations to hit profits:** The sector is expected to see weak profit growth on account of correction in cement prices across most regions, despite reasonable dispatch growth during the quarter.
- **Capital goods – strong order flows to boost revenue:** The sector is expected to see strong revenue growth of 21.4% YoY on the back of strong order book flows in early 2009, primarily in BHEL and Siemens. However, the sector is expected to witness 200bp YoY contraction in margins due to intensifying competition, causing a 15-20% fall in T&D equipment prices. We expect 22.1% PAT growth in Q3FY10.
- **IT – revenue growth in rupee terms to be muted:** The IT sector too is expected to see good volume growth, improvement in utilization and incremental hiring. However, revenue growth in rupee terms is likely to be muted on account of 3.7% appreciation in INR/USD during the quarter. Benefits from cross-currency movements are also not expected to be significant.
- **Banking – weak treasury gains to erode profitability:** The banking sector is expected to see a decline in profits on weak treasury gains and modest credit allocation resulting in growth in low increments in net interest income. However, some benefits from re-pricing of term deposits are expected.

Sectoral returns

Equities	Current level	Change % 1mth	6mth	3mth
SENSEX Index	17,616	3.7	24.3	4.8
Nifty Index	5,263	3.9	25.2	5.6
BSEAUTO Index	7,402	3.9	59.7	14.6
Bankex Index	10,196	0.1	30.6	3.7
BSETCG Index	14,201	5.7	15.4	2.3
BSETCD Index	3,941	12.9	33.8	8.7
BSETMCG Index	2,848	(0.7)	18.6	5.4
BSETHC Index	5,116	2.8	41.8	16.0
BSETECK Index	3,238	5.0	26.8	6.1
BSEMETL Index	18,223	11.7	72.8	25.8
BSEOIL Index	10,733	4.5	20.3	5.6
BSEPOWR Index	3,234	8.1	16.7	4.8
BSEREAL Index	3,946	2.3	24.0	(8.9)
spx Index	1,137	3.1	29.1	7.5
ccmp Index	2,301	5.1	31.8	9.0
rtsi$ Index	1,445	2.0	47.7	14.0

Source: Bloomberg, Centrum Research Estimates

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Top Buys	Top Buys	Top Sells	Top Sells
Bharti Airtel	IPCA lab	BHEL	Areva T&D
Tata Power	PTC India	DLF	Monnet Ispat
Jindal Steel & Power	South Indian Bank	Tata Motors	Rolta India
Federal Bank	JK Tyre	Jet Airways	ING Vysya Bank
Aban Offshore	Sarda Energy	ACC	Balaji Telefilms
Patni Computers	Everonn Education		

Source: Centrum Research

The Centrum Universe is expected to see robust YoY topline and PAT growth. Several sectors like auto, capital goods, metals and real estate have experienced large volume growth.

YoY PAT for non-bank sectors is expected to grow substantially, led by auto, metals and capital goods

Exhibit 1: Estimated sectoral breakup of our universe (Q3FY10E)

Sector	Net Sales		Adj PAT	
	QoQ (%)	YoY (%)	QoQ (%)	YoY (%)
Automobiles and Auto Ancillaries	6.4	59.9	11.0	605.7
Capital Goods	15.9	21.4	44.7	22.1
Cement	(2.4)	5.9	(19.7)	1.1
IT	0.4	3.6	(0.9)	5.3
Logistics	8.9	8.1	8.2	10.6
Media	0.3	5.5	(1.2)	41.9
Metals and Mining	9.4	23.6	15.6	73.2
Pharmaceuticals	(0.5)	5.5	7.8	19.8
Power	(3.5)	0.5	6.5	13.6
Real Estate	11.2	39.8	26.6	10.5
Retail	11.0	25.7	7.7	49.5
Sugar	44.3	128.1	181.9	468.2
Miscellaneous	18.5	1.7	(304.4)	(311.4)
Our universe ex-banks	**5.7**	**20.3**	**11.0**	**43.6**
Banks	5.6	4.3	(1.5)	(13.2)

Source: Centrum Research Estimate

Ex-banks, margin is estimated at 24.3% in Q3FY10E, higher by 22bp QoQ and 327bp YoY

However, several sectors including auto, cement, IT, and real estate are expected to see sequential margin decline

Sequential expansions are expected in pharmaceuticals, power, metals and capital goods sectors

Exhibit 2: Estimated sectoral margins of our universe (Q3FY10E)

Sector	EBITDA (%)				
	Q3FY10E	Q3FY09	Q2FY10	YoY bp	QoQ bp
Automobiles and Auto Ancillaries	14.8	6.6	15.4	*825*	*(60)*
Capital Goods	17.3	19.1	15.4	*(183)*	*188*
Cement	28.8	23.7	33.1	*508*	*(425)*
IT	26.8	26.1	27.1	*69*	*(29)*
Logistics	19.5	19.2	19.6	*28*	*(12)*
Media	32.4	26.1	32.1	*630*	*34*
Metals and Mining	27.7	21.7	26.4	*603*	*131*
Pharmaceuticals	22.1	22.1	21.1	*(3)*	*100*
Power	33.4	27.9	32.1	*549*	*127*
Real Estate	45.1	47.4	48.6	*(234)*	*(348)*
Retail	9.6	8.9	9.5	*71*	*3*
Sugar	26.3	18.9	20.2	*748*	*612*
Miscellaneous	22.7	16.2	16.0	*650*	*670*
Our universe ex-banks	24.3	21.0	24.0	*327*	*22*

Source: Centrum Research Estimate

Exhibit 3: Top 10 companies by net sales growth

Company	YoY (%)	Sector	Company	QoQ (%)	Sector
Orbit Corp	*208.0*	Real Estate	Sesa Goa	*207.9*	Metals, Mining & Pipes
Hindustan Zinc	*117.3*	Metals, Mining & Pipes	Sobha Developers	*54.5*	Real Estate
Sobha Developers	*89.6*	Real Estate	Unitech	*44.6*	Real Estate
Puravankara Projects	*87.5*	Real Estate	Sarda Energy	*39.1*	Metals, Mining & Pipes
Tata Motors	*84.4*	Automobiles & Tyres	ABB	34.5	Capital Goods
Everonn Systems	*73.5*	Education	Jet Airways	*30.7*	Airlines
Maruti Suzuki India	*65.7*	Automobiles & Tyres	Areva T&D	*30.0*	Capital Goods
Ashok Leyland	*65.7*	Automobiles & Tyres	Hindustan Zinc	*27.8*	Metals, Mining & Pipes
Bajaj Auto	*64.8*	Automobiles & Tyres	HDIL	*23.2*	Real Estate
Mahindra & Mahindra	*52.2*	Automobiles & Tyres	Allcargo Global	*22.9*	Logistics

Source: Centrum Research Estimate

Exhibit 4: Top 10 companies by adj PAT growth

Company	YoY (%)	Sector	Company	QoQ (%)	Sector
Apollo Tyres	1413.0	Automobiles & Tyres	Sarda Energy	567.7	Metals, Mining & Pipes
Mahindra & Mahindra	800.5	Automobiles & Tyres	Sesa Goa	305.7	Metals, Mining & Pipes
Orbit Corp	693.4	Real Estate	Aban Offshore	134.2	Oil & Gas
Sobha Developers	549.9	Real Estate	Areva T&D	123.8	Capital Goods
Ashok Leyland	434.2	Automobiles & Tyres	ABB	79.7	Capital Goods
HT Media	369.2	Media	Sobha Developers	77.2	Real Estate
Hindustan Zinc	249.0	Metals, Mining & Pipes	Tata Motors	71.0	Automobiles & Tyres
Maruti Suzuki India	204.4	Automobiles & Tyres	Dishman Pharma	63.0	Pharmaceuticals
NIIT	195.4	Education	Ranbaxy	53.2	Pharmaceuticals
Welspun-Gujarat	185.2	Metals, Mining & Pipes	DLF	50.6	Real Estate

Source: Centrum Research Estimate

Exhibit 5: Bottom 10 companies by net sales growth

Company	YoY (%)	Sector	Company	QoQ (%)	Sector
Anant Raj Industries	(78.5)	Real Estate	Anant Raj Industries	(82.5)	Real Estate
Sarda Energy	(34.7)	Metals, Mining & Pipes	PTC India	(34.3)	Power
Gateway Distriparks	(25.6)	Logistics	Puravankara Projects	(33.8)	Real Estate
Balaji Telefilms	(24.8)	Media	India Cements	(17.9)	Cement
PTC India	(23.7)	Power	Welspun-Gujarat	(17.6)	Metals, Mining & Pipes
Jindal Saw	(22.1)	Metals, Mining & Pipes	NIIT	(17.0)	Education
Jindal Steel & Power	(13.1)	Metals, Mining & Pipes	Jindal Saw	(12.2)	Metals, Mining & Pipes
ABB	(10.7)	Capital Goods	Biocon	(11.9)	Pharmaceuticals
Monnet Ispat	(10.7)	Metals, Mining & Pipes	Ipca Labs	(10.9)	Pharmaceuticals
Ranbaxy	(8.9)	Pharmaceuticals	Sun Pharma	(8.6)	Pharmaceuticals

Source: Centrum Research Estimate

Exhibit 6: Bottom 10 companies by adj PAT growth

Company	YoY (%)	Sector	Company	QoQ (%)	Sector
Balaji Telefilms	(274.8)	Media	Balaji Telefilms	(197.0)	Media
ENIL	(85.9)	Education	Anant Raj Industries	(75.6)	Real Estate
Anant Raj Industries	(73.7)	Real Estate	PTC India	(68.9)	Power
PTC India	(49.6)	Power	India Cements	(44.1)	Cement
Orient Paper	(44.0)	Cement	NIIT	(38.2)	Education
NALCO	(36.4)	Metals, Mining & Pipes	Puravankara Projects	(32.8)	Real Estate
Gateway Distriparks	(32.7)	Logistics	JSW Steel	(32.0)	Metals, Mining & Pipes
Rolta India	(31.0)	IT	Ipca Labs	(30.0)	Pharmaceuticals
Areva T&D	(29.0)	Capital Goods	Jindal Saw	(29.8)	Metals, Mining & Pipes
HCL Tech	(26.2)	IT	Orient Paper	(29.2)	Cement

Source: Centrum Research Estimate

Sectoral Views

Sector	
Automobiles/Auto Ancillaries	❍ We expect a robust Q3 performance by the auto industry, which can be partly attributed to the low-base effect. We expect the sector to register 38.3% YoY sales growth (but down 1.2% QoQ). This high growth would be on account of the economic revival, easy availability of finance and discounts offered by auto manufacturers. ❍ We expect margins to improve significantly YoY on account of higher sales. However, on a QoQ basis, there will be pressure on margins on account of rising input costs. ❍ The outlook ahead is that of caution as rising input costs along with the likely reversal of fiscal stimulus and rising interest rates may impact demand.
Banks and Financial Services	❍ After a stupendous surge in treasury profits in H1FY10, we expect banks to report weak treasury performance in Q3 eroding operating profit margins across the sector. However, a marginal pick-up in loan growth, coupled with better margins due to the re-pricing of term deposits would act as a savior. ❍ Parallel shift of ~33bp in yield curve should cause some treasuries to bleed. We expect quite a few disappointments across the sector. ❍ We expect our banking universe to register 11% YoY decline in profit (public sector banks likely to report 13% decline in profits and private banks 6% decline). HDFC Bank and South Indian Bank are likely to deliver highest growth while Indian Overseas Bank and Federal Bank likely to disappoint.
Capital Goods	❍ We maintain our Underweight stance on the sector. ❍ We expect ~Rs80bn worth order flow from Power Grid Corporation over the next 3-4 months. This would benefit Siemens India, ABB and Areva T&D. ❍ We expect power sector investments to continue with Rs3.3tn worth of order flows for generation equipment in during the 12th Five Year Plan target and Rs2.4tn orders for T&D products to be placed over next four years.
Cement	❍ We expect a somewhat muted performance by cement producers in Q3FY10 mainly on account of the correction in cement prices, especially in the southern, western and central regions. ❍ We expect our cement universe of seven companies to post 5.9% YoY increase (and 2.4% QoQ fall) in net sales to Rs101,209mn. ❍ We expect 28.5% YoY increase (but 14.9% QoQ decline) in operating profit and 1.1% YoY increase (19.7% QoQ decline) in net profit.
Information Technology	❍ We expect Q3FY10 to be driven by strong volume growth. ❍ Revenue growth in rupee terms is likely to be flat for most companies on account of the 3.7% appreciation of the INR vs USD during the quarter. ❍ We expect commentary to revolve around improving deal flows. Commentary on ability to sustain margins needs to be watched.
Logistics	❍ Container movement registered a positive volume growth of 1.1% YoY in the months of Oct and Nov 2009. Container volumes had declined 8.4% YoY in Q1FY10 and 4.3% in Q2FY10. ❍ We expect logistics companies to benefit from this increase and report higher volumes for Q3. However, the expected decline in average realisations would impact revenues and margins.
Media	❍ We expect the advertising industry to register 8%-10% YoY growth during Q3FY10. However, on a QoQ basis, growth would be flat-to-negative due to the early onset of the festive season. The low-base of Q3FY09 would further add to the growth in the industry. ❍ Advertisement revenues for Hindi GECs are expected to show a positive growth after three quarters, while regional broadcasters are expected to register 7%-10% growth. Low production cost and cost rationalization moves are expected to boost margins. ❍ The print media is expected to register significant margin expansion on the back of lower newsprint costs and lower SG&A expenses. The maximum benefit of lower newsprint costs would accrue in Q3FY10. Advertising revenues for regional publishers are expected to rise 15%, while that for national dailies are expected to remain flat.

Sector	
Metals & Mining	❍ On the back of improving demand, we expect most steel manufacturers to register significant increase in sales volumes. However, lower realizations (both YoY and QoQ) would restrict top-line growth. ❍ Steel makers are expected to post stable-to-improved margins on a sequential basis, largely due to lower raw material cost. On a YoY basis, all companies under our coverage are likely to post two-to-three-fold rise in earnings on the back of higher volumes and lower raw material costs. ❍ LME prices of most base metals spiked by ~7%-12% QoQ in Q3 and 30%-130% YoY. As a result we expect significant improvement in earnings on a QoQ basis. However, we do not see significant fundamental change in demand for base metals, as inventories have increased substantially.
Pharmaceuticals	❍ We believe pharma companies that cater mainly to the domestic market would report good Q3 results. Revenues of companies involved in CRAMS that had been impacted by the recent slowdown are expected to stabilize and in some instances show growth momentum. ❍ Generic exports are expected to continue to grow at about 15-20% YoY on the back of patent expiries and continuous new product launches. ❍ We don't expect any major impact on exchange gain/loss as currency remained more or less steady during the quarter.
Power	❍ Against the 11th Five-Year Plan (2007-12) power generation capacity addition target of 78.7GW, only 23.5GW was added till Nov 2009. This means another 55GW needs to be added over FY10-12E. We believe the target is too ambitious and estimate addition of 63GW. ❍ During the 11th Plan, the private sector added a 10.2GW capacity, central government entities added 5.4GW and state government entities added 7.9GW till Nov 2009. More than 43% of the capacity addition has come from private sector. ❍ Peak power deficit was 12.2% in Nov 2009.
Real Estate	❍ The sector is showing signs of a recovery with a pick-up in transaction volumes, especially in the affordable housing segment. ❍ The low-base effect of a lacklustre H2FY09 would lead to a strong revenue and profit growth in H2FY10 on the back of increased pace of construction activity. ❍ The commercial/retail segment continues to lag owing to acute oversupply in spite of increased in demand for office space.
Retail	❍ With consumer confidence reviving, we expect retailers to post higher revenues on the back of increased same-store-sales and space addition during Q3FY10. ❍ The marginal increase in costs would be off-set by higher same-store-sales resulting in higher margins. ❍ QIPs would help ease funding pressure and pay-off debt which in-turn would reduce interest costs and result in profitability growth.
Sugar	❍ Sugar prices remained firm at an average of Rs32,000 per tonne (ex-mill UP) due to the expected shortage of sugar during season 2009-10. Prices of other products like alcohol and molasses also remained firm. ❍ We expect all sugar companies to register significant inventory gains. Hence, the quarter (Q1FY10) would be a one-off quarter. ❍ We expect sugar companies to report excellent numbers. We expect an increase in revenue and EBITDA on the back of sharp increase in sugar prices. Shree Renuka is expected to witness highest sales/profit growth on account of the 218% YoY increase in sugar volumes.

Automobiles/Auto Ancillaries

Automobiles

Sectoral View

- We expect a robust Q3 performance by the auto industry, partly attributed to the low-base effect. We expect the sector to register 38.3% YoY sales growth (but down 1.2% QoQ). This high growth would be on account of the revival in the economy, easy availability of finance and discounts offered by auto manufacturers.
- Commercial vehicle (CV) sales are expected to grow 82.4% YoY and M&HCVs sales double.
- Passenger vehicle (PV) sales are expected to grow 49.0% YoY on the back of the low-base effect and new launches, primarily by Maruti Suzuki and Tata Motors (Nano).
- We expect margins to improve significantly on a YoY basis on account of higher sales. However, QoQ, there will be pressure on margins due to rising input prices.
- Going forward, the outlook for the auto industry is that of caution as rising input costs along with a likely reversal of fiscal stimulus and rising interest rates could impact demand adversely. However, with the change in emission norms becoming effective April 2010, demand for CVs is expected to remain strong.

Ashok Leyland (Rating – Hold; Target Price – Rs40)

- We expect ALL to report 65.7% YoY increase in sales to Rs16.6bn.
- We expect margin to recover 261bp YoY to 10.9% with the increase in volumes.
- PAT is expected to increase to Rs1.0bn from Rs0.2bn.

Bajaj Auto (Rating – Sell; Target Price – Rs1,420)

- Buoyed by strong sales growth, we expect 64.8% YoY revenue growth to Rs34.7bn.
- We expect robust EBIDTA margin of 21.8%, up 721bp YoY (but down 29bp QoQ).
- Adjusting for the VRS compensations, PAT is expected to increase 144.8% YoY to Rs5.1bn.

Hero Honda Motors (Rating – Sell; Target Price – Rs1,385)

- HH is expected to report 31.2% YoY revenue growth to Rs37.8bn. PAT is expected to grow much faster at 79.7% YoY to Rs5.4bn.
- Though margin is expected to decline 58bp QoQ, it would still be up 328bp YoY at 17.8%.

Mahindra & Mahindra (Rating – Buy; Target Price – Rs1,085)

- With strong volume growth, we anticipate 52.2% YoY growth in revenue to Rs47.0bn.
- We expect margin to improve 1,370bp YoY to 17.1% on account of a better product mix from high-margin farm equipment division. However, with input costs rising sequentially, margin would contract 117bp QoQ.

Maruti Suzuki India (Rating – Hold; Target Price – Rs1,377)

- MSIL's revenue is expected to grow 65.7% YoY to Rs76.7bn, aided by robust sales from its new launches, A-Star and Ritz
- High volume growth and lower input costs would help boost EBITDA margin 602bp YoY to 12.4%. We expect the company to report a PAT of Rs6.5bn

Tata Motors (Rating – Sell; Target Price – Rs241)

- We anticipate 84.4% YoY revenue growth to Rs87.7bn.
- A better mix, attributable to a higher share of M&HCVs, and lower material cost are expected to boost margin 1,123bp YoY to 13.2%. We expect the company to report a PAT of Rs6.14bn.

Auto Ancillaries

Apollo Tyres (Rating – Hold; Target Price – Rs51)

- We expect Apollo Tyres to report 44.8% YoY sales growth to Rs13.0bn.
- With rubber prices rising, we expect margin to dip 308bp QoQ to 13.3%.
- The company is expected to report a PAT of Rs833mn.

Ceat (Rating – Hold; Target Price – Rs167)

- We expect 32.8% YoY revenue growth to Rs7.7bn.
- We expect the company to report EBITDA margin of 12.5%, resulting in a PAT of Rs531mn.

JK Tyre & Industries (Rating – Buy; Target Price – Rs230)

- JK Tyres is expected to report 30.0% YoY revenue increase to Rs10.2bn.
- We expect margin to improve significantly to 12.3%, resulting in a PAT of Rs516mn vs loss of Rs274mn in Q3FY09

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	Q3FY09	Q3FY10E	YoY (%)	QoQ (%)	FY10E
Ashok Leyland	16,584	65.7	5.1	76,085	1,811	117.8	9.1	7,053	10.9	8.3	1,008	434.2	13.7	3,159
Bajaj Auto	34,655	64.8	20.0	96,811	7,537	146.5	18.4	21,218	21.8	14.5	5,103	144.8	17.4	14,796
Hero Honda Motor	37,795	31.2	(6.9)	140,584	6,709	60.9	(9.9)	23,127	17.8	14.5	5,400	79.7	(9.6)	17,856
Mahindra & Mahindra	47,033	52.2	3.2	158,528	8,029	670.8	(3.4)	21,807	17.1	3.4	5,706	800.5	(2.6)	14,664
Maruti Suzuki India	76,653	65.7	6.4	242,612	9,536	221.3	4.1	30,354	12.4	6.4	6,502	204.4	14.1	20,871
Tata Motors	87,733	84.4	10.0	288,250	11,539	1,159.1	8.3	36,615	13.2	1.9	6,142	NM	71.0	12,738
Apollo Tyres	13,080	44.8	7.2	44,916	1,742	230.8	(12.9)	6,636	13.3	5.8	833	1,413.0	(18.4)	2,564
Ceat	7,714	32.8	7.2	26,571	961	4,795.5	(9.8)	3,664	12.5	0.3	531	NM	(13.7)	1,699
JK Tyre & Ind. @	10,167	30.0	8.0	33,919	1,255	1,192.6	(8.3)	3,931	12.3	1.2	516	NM	(13.3)	1,241

Source: Company, Centrum Research Estimates
@FY09E pertains to an 18 month period (Oct 2007 - Mar 2009)

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Banks and Financial Services

Sectoral View

- After a stupendous surge in treasury profits in H1FY10, we envisage banks to report weak treasury performance in Q3 eroding operating profit margins. However, a marginal pick-up in loan growth coupled with better margins due to the re-pricing of term deposits would act as a savior.
- Parallel shift of ~33bp in yield curve should cause some treasuries to bleed. Expect some disappointments across the sector.
- We expect out overall banking universe to register 11% YoY decline in profit (public sector banks likely to report 13% decline in profits and private banks 6% decline). HDFC Bank and South Indian Bank are likely to deliver the highest growth rates, while Indian Overseas Bank and Federal Bank likely to disappoint.

Axis Bank (Rating – Sell; Target Price – Rs744)

- We expect Q3FY10 PAT to grow 11% YoY to Rs5.6bn, primarily on higher NII growth and robust increase in other income.
- We expect 29% YoY NII growth as the bank benefits from re-pricing of deposits despite the muted 11% YoY loan growth.
- The bank's asset quality would be under pressure and higher NPL charges are expected.

Bank of Baroda (Rating – Hold; Target Price – Rs520)

- We expect PAT to decline 17% YoY to Rs5.9bn on account of weak treasury performance.
- We believe the bank would continue to register steady topline underpinned by improved margin resulting in an NII of Rs15bn.
- We expect provision charges to remain flat owing to higher provision coverage and stable asset quality trends.

Bank of India (Rating – Hold; Target Price – Rs338)

- We expect 19% YoY decline in PAT to Rs7.1bn, primarily on account of higher provision charges. We expect the balance sheet clean up, which started in Q2, to continue in Q3 as well.
- We expect 8% YoY NII growth on the back of improved margin and 17% loan book growth.
- The bank is expected to report lower non-interest income of Rs6.2bn after the robust growth in the preceding five quarters, primarily on account of muted treasury performance expected during the quarter.

Federal Bank (Rating – Buy; Target Price – Rs372)

- We expect the bank to report a PAT of Rs990mn, up just 1% YoY, primarily due to muted balance sheet growth and subdued treasury performance (the bank had registered strong treasury performance during the previous four quarters).
- We expect 2% QoQ NII growth to Rs3.36bn on account of improved margin.
- We believe provision charges would be higher at Rs1.4bn for the quarter primarily on account of higher slippages.

HDFC Bank (Rating – Hold; Target Price – Rs1,716)

- Post the successful integration of Centurion Bank of Punjab (CBoP), we expect HDFC Bank to register higher-than-industry growth in profitability and business. We expect 30% YoY PAT growth on the back of higher NII at Rs21.5bn and lower provisions at Rs5bn.
- However, the bank is expected to register a 4% decline in other income primarily on account of lower treasury gains. We expect improved cost efficiency at 45% levels to boost operating profit at Rs17bn.

ICICI Bank (Rating – Sell; Target Price – Rs633)

- We expect PAT to decline 26% YoY to Rs9.4bn, primarily due to lackluster treasury performance.
- We expect NII to grow 4.5% YoY on the back of flat margin. We expect flat sequential growth in balance sheet, putting an end to the shrinking balance sheet for the past 6 quarters.

Indian Bank (Rating – Buy; Target Price – Rs210)

- We expect the bank to record stable top-line and register 12% YoY NII growth predicated on strong business performance.
- However, weak treasury performance coupled with higher provisions to the tune of Rs1.8bn would impact profitability. We expect 14% YoY decline in PAT to Rs3bn.

Indian Overseas Bank (Rating – Hold; Target Price – Rs97)

- Q3 PAT is expected to decline 51% YoY primarily due to higher NPL provisions (amounting to Rs1.6bn). After the bank restructured assets amounting to 9% of total assets (vs the industry's average of 6%) during Q2, higher provision charges are expected in Q3.
- We expect costs to remain subdued, but lower other income at Rs2.5bn would result in operating profit declining 19% QoQ to Rs4.5bn.

ING Vysya Bank (Rating – Sell; Target Price – Rs185)

- We expect the bank to report a Q3 PAT of Rs547.3mn, up 5% YoY. After a subdued business performance during Q2, the bank is expected to record 6% YoY growth in loan book and 8% growth in deposits translating into a better margin. In this backdrop, we expect 15% YoY NII growth.
- However, we expect subdued treasury performance with other income growing by a paltry 2% YoY. Considering the bank's weakened asset quality in Q2, we expect higher provisions.

Punjab National Bank (Rating – Buy; Target Price – Rs916)

- We expect the bank to report sedate profitability at Rs9.3bn (down 8% YoY) on the back of higher operating costs at Rs12bn and increased provisions at Rs2.4bn.
- We expect 8% YoY NII growth on account of stable margins. Non-interest income is likely to decline 23% to R7.3bn, unlike the stupendous growth observed in the past 4 quarters.

SBI (Rating – Buy; Target Price – Rs2,200)

- We expect 12% YoY decline in PAT to Rs21.7bn primarily on account of higher provision charges.
- We expect flat NII growth on a YoY basis, while non-interest income is likely to remain muted primarily on account of lower treasury income growth.

South Indian Bank (Rating – Buy; Target Price – Rs165)

- We expect the bank to log 16% YoY PAT growth on the back of superior NII growth of 20%. Robust loan growth (28% YoY), coupled with C/D ratio of 70%, is expected to boost the NII growth.
- Other income is expected to contract 15% YoY owing to muted treasury performance during the quarter.
- We expect asset quality to remain stable at current levels with no negative surprises on this front.

Union Bank of India (Rating – Hold; Target Price – Rs230)

- We expect PAT to remain sedate at Rs4.5bn in Q3FY10.
- We envisage robust 20% QoQ NII growth primarily on account of re-pricing of liabilities benefit that would accrue during this quarter.
- However, after a strong treasury performance over the preceding two quarters, we expect the bank to report decline in other income growth by 12% due to subdued treasury gains driving down operating profit at Rs8bn.

Y/E Mar	NII (Rsmn)				Other Income (Rsmn)				PPP (Rsmn)				Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E
Axis Bank	12,009	*29.2*	*4.5*	48,501	8,100	*10.6*	*(24.0)*	33,654	11,619	*27.7*	*(11.0)*	46,113	5,603	*11.9*	*5.4*	19,234
Bank of Baroda	14,807	*1.3*	*6.6*	58,099	5,901	*(30.3)*	*(0.9)*	27,759	11,183	*(21.0)*	*8.4*	47,255	5,850	*(17.4)*	*(7.7)*	25,099
Bank of India	16,378	*7.6*	*16.2*	63,044	6,250	*(40.5)*	*(7.6)*	29,512	13,648	*(22.5)*	*13.1*	57,662	7,103	*(18.6)*	*119.5*	26,836
Federal Bank	3,361	*(12.6)*	*1.9*	13,779	1,200	*(27.2)*	*(12.0)*	5,564	2,911	*(24.3)*	*(4.0)*	12,652	989	*0.9*	*(2.2)*	5,038
HDFC Bank	21,461	*8.4*	*9.7*	84,060	9,010	*(4.1)*	*(10.6)*	39,253	16,671	*14.3*	*4.6*	62,927	8,086	*30.1*	*17.6*	27,620
ICICI Bank	20,800	*4.5*	*2.2*	83,850	15,547	*1.0*	*1.8*	80,502	22,451	*(19.0)*	*(7.8)*	92,007	9,400	*(26.1)*	*(9.6)*	40,892
Indian Bank	8,037	*11.7*	*5.9*	30,491	2,495	*(13.2)*	*5.2*	11,596	6,029	*(3.3)*	*8.8*	25,487	3,029	*(13.6)*	*(18.6)*	13,256
Indian Overseas Bank	8,065	*(2.0)*	*2.7*	32,308	2,480	*(55.0)*	*(33.4)*	12,426	4,485	*(48.3)*	*(19.2)*	24,508	1,909	*(50.8)*	*(26.2)*	11,237
ING Vysya Bank	1,993	*15.4*	*4.1*	7,876	1,516	*1.7*	-	5,769	1,329	*24.7*	*(7.5)*	5,117	547	*5.1*	*2.3*	2,310
Punjab National Bank	21,202	*7.8*	*1.2*	83,973	7,299	*(22.8)*	*9.2*	26,966	16,590	*(8.1)*	*3.3*	65,640	9,296	*(7.6)*	*0.3*	34,963
South Indian Bank	1,788	*22.3*	*8.2*	6,501	393	*(15.4)*	*(40.0)*	2,188	1,163	*16.1*	*(13.1)*	4,758	678	*25.1*	*(6.6)*	2,505
Union Bank of India	10,400	*(7.8)*	*20.4*	38,815	3,450	*(12.0)*	*(37.8)*	17,466	7,650	*(10.5)*	*(5.5)*	32,002	4,529	*(32.6)*	*(10.3)*	18,037

Source: Company, Centrum Research Estimates

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Capital Goods

Sectoral View

- We maintain our Underweight stance on the sector.
- We expect ~Rs80bn order flow from Power Grid Corporation over the next 3-4 months. This would benefit Siemens India, ABB and Areva T&D.
- We expect power sector investments to continue with Rs3.3tn worth of order flows for generation equipment during the 12th Five Year Plan and Rs2.4tn orders for T&D products to be placed over next four years.
- The NTPC-DVC plan to float tenders for 11x660 MW supercritical bulk orders would benefit BHEL. We estimate BHEL's total FY10 order flow at ~ Rs599bn.
- Total order flows for power automation and T&D (which constitute ~55-60% of ABB's and Siemens' order books and 80-90% of Areva's order book) in CY09 are estimated at ~Rs437bn, up 29% YoY

ABB (Rating – Sell; Target Price – Rs517)

- We expect Q4CY09 revenue to decline 10.7% YoY (but increase 34.5% QoQ) to Rs19.7bn.
- EBITDA is estimated to decline 30.6% YoY (increase 58.0% QoQ) to Rs2.2bn due to competition from Chinese and South Korean players in the sector.
- We expect PAT to decline 22.7% YoY (up 79.7% QoQ) to Rs1.5bn.
- During Q4CY09, the company bagged Rs5bn order from Bangalore Metro Rail Corporation Ltd (BMRCL) to provide power solutions for a planned metro network.
- We estimate ABB's total order flows during the quarter at Rs21.8bn

Areva T&D (Rating – Sell; Target Price – Rs235)

- We expect 2.5% YoY (and 30% QoQ) increase in Q4CY09 revenue to Rs9.6bn.
- We estimate 18.7% YoY decline in EBITDA to Rs1.1bn due to increased competition.
- We expect 29.0% YoY decline in PAT to Rs501mn, mainly on account of high depreciation cost (due to new manufacturing facilities started during last 12 months) and increased interest cost.
- The T&D business of parent Areva, France, was sold globally to Alstom/Schneider consortium.
- Among the major orders received during the quarter was an Rs9bn agreement to supply 36 substations to the Maharashtra State Electricity Transmission Co over the next 3 years, and Rs500mn order for power supply system package for Kamraj Domestic Terminal and Anna International Terminal at Chennai Airport.
- We expect total order flows during the quarter at Rs16.9bn.

BHEL (Rating – Sell; Target Price – Rs2,050)

- We expect 30.0% YoY (and 18.8% QoQ) increase in revenue in Q3FY10 to Rs79.9bn.
- EBITDA is expected to grow 17.1% YoY (and 30.8% QoQ) to Rs17.2bn and PAT increase 40.9% YoY (and 47.4% QoQ) to Rs12.6bn.
- We expect total order flows of Rs147bn during the quarter.

Siemens India (Rating – Hold; Target Price – Rs476)

- We expect 43.3% YoY growth in revenue in Q1FY10 to Rs23.5bn.
- EBITDA is expected to increase 43.6% YoY (but remain flat QoQ) to Rs2.4bn.
- We expect 5.3% YoY decline and flat QoQ growth in PAT to Rs1.6bn.
- Among the major orders received during the quarter was an Rs6bn order from Qatar General Electric and Rs4bn order from Ezdan International Housing Project, Qatar.
- We expect Siemen's total order during the quarter at Rs24.2bn.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				*EBITDA Margin (%)*		Adj. PAT (Rsmn)			
(Rsmn)	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	***Q3FY10E***	***Q3FY09***	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**
ABB #	19,751	*(10.7)*	*34.5*	60,755	2,172	*(30.6)*	*58.0*	6,624	*11.0*	*14.1*	1,493	*(22.7)*	*79.7*	4,049
Areva T&D #	9,619	*2.5*	*30.0*	34,369	1,121	*(18.5)*	*76.3*	4,563	*11.7*	*14.7*	501	*(29.0)*	*123.8*	2,198
BHEL	79,937	*30.0*	*18.8*	334,311	17,187	*17.1*	*30.8*	68,019	*21.5*	*23.9*	12,644	*40.9*	*47.4*	49,392
Siemens*	23,501	*43.3*	*(6.7)*	102,398	2,444	*43.6*	*(1.0)*	11,438	*10.4*	*10.4*	1,597	*(5.3)*	*0.9*	8,007

Source: Company, Centrum Research Estimates

*Y/E Sep

Y/E Dec

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Cement

Sectoral View

- We expect a somewhat muted performance by cement producers in Q3FY10 mainly on account of the correction in cement prices, especially in the southern, western and central regions.
- We expect our cement universe of seven companies to post 5.9% YoY increase (and 2.4% QoQ decline) in net sales to Rs101,209mn.
- We expect a 28.5% YoY increase (but 14.9% QoQ decline) in operating profit and 1.1% YoY increase (19.7% QoQ decline) in net profit.
- All-India despatches grew by a tepid 8.25% YoY to 31.04mt during the first two months of Q3FY10. Cement prices dropped sharply in the southern and western regions by 10%-40% (prices in Andhra Pradesh crashed to a low of Rs 130 a bag from a high of Rs225 in May/June 2009). In Uttar Pradesh, cement prices declined by over 20% after surging during the first nine months of 2009.
- Prices remained relatively stable in the northern region and declined marginally (5%-10%) in the eastern region.
- Cement manufacturers that have substantial exposure to the southern and western regions (India Cements, Orient Paper & Industries, UltraTech Cement and Ambuja Cement) as well as the central region (ACC and Grasim Industries) are expected to be impacted more by the fall in realizations.

ACC (Rating– Sell; Target Price – Rs 590)

- We expect flat YoY sales growth in Q4CY09 to Rs18,916mn.
- Operating profit is expected to grow 28.6% YoY (down 21.1% QoQ) to Rs5,273mn. Adjusted PAT is expected to increase 7.7% YoY (down 26.5% QoQ) to Rs3,203mn.
- Sales would be driven by the 3% YoY volume decline to 5.25mt and 3.9% YoY increase (7.8% QoQ decline) in realizations to Rs3,620/tonne. Margin would expand 613bp YoY (but fall 604bp).

Ambuja Cements (Rating – Sell; Target Price – Rs83)

- We expect Q4CY09 sales to grow 4% YoY to Rs16,879mn. EBIDTA and PAT are expected to grow 14 % and 10.5% to Rs4,483mn and Rs2,750mn, respectively
- The increase in sales would be driven by the 3.3% volume growth to 4.72mt and 0.7% YoY increase (7.5% QoQ decline) in blended realization to Rs3,578/tonne.
- Lower energy costs would be offset by flat realizations and higher purchase of clinker during the quarter, curtailing EBIDTA margin expansion to 233bp YoY (down 140bp QoQ) to 26.6%.

Grasim Industries (Rating – Hold; Target Price – Rs2,418)

- We expect Q3FY10 sales to grow 10.4% YoY to Rs29,286mn and EBIDTA rise 76.6% to Rs9,465mn. PAT is expected to increase 69.7% YoY to Rs5,592mn. However, the results are not comparable as the company sold its sponge iron unit in Q1FY10.
- Sales would be driven by the 18.8% YoY growth in cement revenue to Rs20,498mn and 39.7% growth in VSF revenue to Rs7,876mn.
- We expect the cement segment's EBIDTA to grow 53.7% YoY to Rs6,142mn with EBIDTA/tonne of Rs1,256 vs. Rs979 in Q3FY09. The VSF segment's EBIDTA is expected to grow 346% to Rs2,835mn.
- Overall margin is expected to increase 1,211bp YoY (down 314bp QoQ) to 32.3%.

India Cements (Rating – Sell; Target Price – Rs91)

- We expect Q3FY10 sales to grow 8.6% YoY to Rs8, 173mn.
- EBIDTA is expected to grow 9.9% YoY to Rs1,980mn, while PAT is expected to grow 9.8% to Rs769mn.
- Sales would be driven by 25% growth in volumes to 2.54mt and 9% YoY decline in realizations to Rs3,216/tonne.
- We expect flat growth in margin at 24.2% (up 30bp YoY, down 624bp QoQ).

Orient Paper & Industries (Rating – Under Review)

- We expect flat sales growth in Q3FY10 to Rs3,479mn (up 0.6% YoY), while EBIDTA and PAT are expected to decline 47% and 44% to Rs481mn and Rs287mn, respectively.
- We expect 5.4% decline in cement revenue to Rs2,084mn due to the 11% fall in realization to Rs2,622/tonne and 6.5% growth in volume to 0.79mt. We have assumed flat revenue growth from the paper segment to Rs691mn and 25% YoY growth in the electrical division's revenue to Rs704mn.
- We expect EBIDTA margin to decline 1,244bp YoY and 454bp QoQ to 13.8%.

Shree Cement (Rating – Hold; Target Price – Rs1,728)

- We expect Q3FY10 sales to grow 23.7% YoY to Rs8,231mn and EBIDTA to increase 29.9% YoY to Rs2,947mn.
- Sales would be driven by the 13.2% volume growth to 2.38mt, 8.2% increase in realizations to Rs3,300/tonne and Rs364mn revenue from power sales.
- However, PAT is expected to decline 75% YoY to Rs728mn mainly on account of higher depreciation provisions.

UltraTech Cement (Rating – Hold; Target Price – Rs771)

- We expect Q3FY10 sales to decline 0.4% YoY to Rs16,244mn. EBIDTA and PAT are expected to decline 3.7% and 12.1 % to Rs4,524mn and Rs2,205mn, respectively.
- Sales would be driven mainly by the 7% YoY (and 15% QoQ) volume growth to 4.79mt and 2% YoY (and 7.6% QoQ) decline in domestic realizations to Rs3,391/tonne.
- Savings in energy cost would result in a 143bp YoY margin expansion (but down 265bp QoQ) to 27.8%.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	Q3FY09	Q3FY10E	YoY (%)	QoQ (%)	FY10E
ACC	18,916	0.3	(4.0)	85,447	5,273	28.6	(21.1)	26,318	27.9	21.7	3,203	7.7	(26.5)	16,128
Ambuja Cements	16,879	4.0	3.7	70,321	4,484	14.0	(1.5)	19,220	26.6	24.2	2,750	10.5	(3.6)	12,177
Grasim Inds	29,286	10.4	(1.8)	202,041	9,465	76.6	(10.6)	57,568	32.3	20.2	5,592	69.7	(17.1)	27,979
India Cements	8,173	8.6	(17.9)	36,780	1,980	9.9	(34.7)	10,050	24.2	23.9	769	9.8	(44.1)	4,128
Orient Paper	3,479	0.6	(1.5)	15,362	481	(47.0)	(25.8)	3,558	13.8	26.3	287	(44.0)	(29.2)	1,765
Shree Cement	8,231	23.7	(8.5)	34,716	2,947	29.9	(27.8)	14,198	35.8	34.1	728	(74.8)	(41.2)	6,837
Ultratech Cement	16,244	(0.4)	5.4	70,360	4,524	5.0	(3.7)	21,077	27.8	26.4	2,205	(12.1)	(7.5)	11,113

Source: Company, Centrum Research Estimates

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Information Technology

Sectoral View

- We expect Q3FY10 would be a robust quarter with IT companies under our coverage likely to posting 2.6%-5% QoQ revenue growth in dollar terms.
- However, the 3.7% QoQ appreciation of the INR vs USD during the quarter is likely to result in a flat-to-marginal revenue growth QoQ in rupee terms
- The quarter is likely to be driven by strong volume growth, higher utilization and incremental hiring. Commentary around new deal flows and pipelines are likely to be key things to watch for during the quarter.

HCL Tech (Rating – Hold; Target Price – Rs314)

- HCL Tech is likely to report 2.7% QoQ revenue growth in dollar terms to US$$647mn. However, growth in rupee terms is likely to remain flat at Rs30.28bn.
- We expect margin to decline 110bp, less than the management's guidance of 130bp decline as higher volume marginally offset the impact of salary hikes.
- PAT is likely to decline by 14% to Rs2.75bn on lower other income.

Infosys Tech (Rating – Hold; Target Price – Rs2195)

- We expect Infosys to report 3.3% QoQ volume growth and 4% growth in dollar terms, aided by the 0.7% cross currency tail wind. However, revenue is likely to be flat in rupee terms (just 0.2% QoQ growth to Rs55.94bn) on the back of the 3.7% appreciation of the INR vs USD.
- Margin is likely to dip 141bp as the company hiked salaries in Q3. However, it would be less than the management's guidance of a 200bp dip as the 190bp increase in utilization on higher volumes would reduce the impact on margin.

Patni Computers (Rating – Buy; Target Price – Rs540)

- We expect Patni to beat the top end of its QoQ revenue growth guidance of US$169mn by posting 2.6% growth at $171mn. In rupee terms, revenue is likely to remain flat at Rs7.97bn.
- We expect PAT to be lower at Rs1.23bn due to an exceptional tax write back of US$8.1mn in the previous quarter.
- Commentary on closure of large deals would be a key thing to watch for.

Rolta India (Rating – Sell; Target Price – Rs158)

- Rolta is expected to report a 6.3% QoQ revenue growth aided by growth from the GIS and EDA segments.
- Margin is expected to remain stable and PAT is likely to grow 2.4% to Rs574mn.

TCS (Rating – Hold; Target Price – Rs650)

- We expect TCS to report 4% QoQ revenue growth in dollar terms. However, growth in rupee terms would be flat at Rs74.53bn.
- The company is likely to report another quarter of margin improvement with 70bp QoQ increase.
- Growth for the quarter would be led by the BFSI space and is expected to surpass the 6.5% QoQ growth achieved last quarter.

Tech Mahindra (Rating – Buy; Target Price – Rs1080)

- We expect Tech Mahindra to post a 1.2% QoQ growth in volumes and benefit from the 2.5% depreciation in the GBP, thereby reporting a growth of 3.7% in dollar terms. However revenue growth in rupee terms is likely to be flat at Rs11.43bn.
- Margin is likely to decline 100bp on the back of lower utilization as the company steps up hiring.
- PAT is expected to increase by 6.5% to Rs1.79bn on lower interest costs.

Wipro (Rating – Hold; Target Price – Rs623)

- Wipro is expected to beat the top end of its revenue guidance of a 4.5% QoQ growth posting a 5.2% rise to $1.12bn in dollar terms for the IT services business. Consolidated revenues are likely to flat at Rs68.7bn.
- PAT is likely to remain flat on a consolidated basis at Rs11.71bn.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	*Q3FY10E*	*Q3FY09*	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E
HCL Tech^	30,285	*22.7*	*(0.1)*	119,828	6,546	*21.6*	*(4.9)*	25,409	*21.6*	*21.8*	*2,752*	*(26.2)*	*(13.9)*	11,044
Infosys Tech	55,942	*(3.3)*	*0.2*	224,150	18,619	*(8.3)*	*(3.9)*	75,974	*33.3*	*35.1*	*14,792*	*(9.9)*	*(4.2)*	61,036
Patni Computers#	7,973	*(7.0)*	*(0.8)*	31,570	1,631	*6.9*	*1.7*	6,060	*20.5*	*17.8*	*1,233*	*58.1*	*(28.1)*	4,978
Rolta India^	3,723	*2.9*	*6.3*	15,514	1,336	*5.9*	*6.5*	5,825	*35.9*	*34.8*	*574*	*(31.0)*	*2.4*	2,773
TCS	75,446	*3.7*	*1.5*	296,923	21,905	*12.5*	*2.6*	83,251	*29.0*	*26.8*	*17,297*	*27.9*	*6.5*	64,610
Tech Mahindra	11,429	*1.0*	*0.1*	45,742	2,809	*(11.7)*	*(4.0)*	11,400	*24.6*	*28.1*	*1,794*	*(19.6)*	*6.1*	6,690
Wipro	68,701	*4.3*	*(0.3)*	270,046	15,026	*18.3*	*0.6*	59,903	*21.9*	*19.3*	*11,708*	*15.8*	*(0.5)*	44,710

Source: Company, Centrum Research Estimates

* Q1 for these companies

^Y/E June

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Logistics

Sectoral View

- Container movement improved during Q3FY10 with volumes growing 1.1% YoY in October and November 2009. Container volumes had declined 8.4% YoY in Q1FY10 and 4.3% in Q2FY10. Container volumes for the period April-Nov 2009 are still 4.5% YoY lower at 4.45mn TEUs vs. 4.66mn TEUs during April-Nov 2008.
- We expect logistics companies to benefit from this increase and report higher volumes for Q3. However, the expected decline in average realisations will impact revenues and margins.
- India's Exim trade too improved during Q3, with exports and imports declining just 6.6% YoY and 15.0% YoY, respectively, in Oct 2009, much lower that reported during Q2FY10. We expect this would result in higher movement of goods at the ports.

Aegis Logistics (Rating – Buy; Target Price – Rs164)

- We expect net sales to grow 5.1% YoY to Rs816mn, largely driven by growth in the liquid logistics division. Liquid logistics division's revenues are likely to increase 12.1% on account of higher throughput.
- Operating profit is expected to jump 32.4% YoY on the back of the 429bp YoY expansion in margin to 20.8% as profitability in the auto-gas business improves.

Allcargo Global (Rating – Buy; Target Price – Rs235)

- Consolidated revenue is likely to decline 4.1% YoY at Rs6,120mn due to lower realisations. However, we expect volumes to register a sharp improvement as trade activity is much healthier than last year.
- The CFS segment's volumes are expected to grow 32.2% YoY (and 9.6% QoQ) to 51,750 TEUs (9.6% QoQ). The global MTO business (ECU Line) volumes are likely to increase 22.7% YoY (3.3% QoQ) to 44,502 TEUs.

Concor (Rating – Hold; Target Price – Rs1,114)

- We expect standalone revenue to grow 18.5% YoY to Rs10,027mn led by the overall growth in business. We expect EXIM container volumes to increase 15.0% YoY to 510,661 TEUs and volumes in the domestic segment to rise 18.0% YoY to 128,423 TEUs.
- Operating profit is expected to increase 11.5% YoY despite the 172bp YoY decline in margins to 27.1% due to higher rail freight expenses.

Gateway Distriparks (Rating – Hold; Target Price – Rs111)

- We expect standalone CFS revenue to decline 25.6% YoY to Rs448mn and net profit to fall 32.7% YoY to Rs193mn. While the Mumbai CFS's volumes are likely to increase 27.6% YoY to 68,625 TEUs, we expect a 9.0% YoY drop in average realisations to Rs7,250 per TEU leading to decline in revenues.
- The company's rail business subsidiary, Gateway Rail Freight Ltd (GRFL), is expected to register a 12.5% YoY revenue growth to Rs 699mn as volumes are likely to jump 41.6% YoY to 28,125 TEUs.

Transport Corporation (Rating – Hold; Target Price – Rs73)

- TCI's standalone net sales is expected to increase 11.8% YoY to Rs3,599mn on the back of growth in its core freight business and increased traction in the SCS and shipping divisions.
- Operating profit is expected to increase 13.3% YoY to Rs256mn, while operating profit margin is likely to remain flat at 7.1% (vs 7.0% last year). Net profit is likely to jump 76.2% YoY to Rs100mn as net margin is expected to expand 102bp to 2.8% vs. 1.8% last year due to lower interest and tax expenses.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				*EBITDA Margin (%)*		Adj. PAT (Rsmn)			
(Rsmn)	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	***Q3FY10E***	***Q3FY09***	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**
Aegis Logistics	816	*5.1*	*8.3*	3,179	170	*32.4*	*(8.6)*	689	*20.8*	*16.6*	*93*	*47.2*	*(14.1)*	383
Allcargo Global #	6,120	*(4.1)*	*22.9*	21,137	726	*26.4*	*25.1*	2,488	*11.9*	*9.0*	*471*	*74.5*	*30.1*	1,706
Concor	10,027	*18.5*	*4.5*	39,342	2,722	*11.5*	*7.4*	10,675	*27.1*	*28.9*	*2,172*	*5.3*	*6.3*	8,563
Gateway Distriparks**	448	*(25.6)*	*13.2*	1,697	217	*(39.6)*	*11.9*	815	*48.5*	*59.7*	*193*	*(32.7)*	*7.4*	718
Transport Corportion**	3,599	*11.8*	*0.8*	13,965	256	*13.3*	*(10.5)*	1,027	*7.1*	*7.0*	*100*	*76.2*	*(6.7)*	422

Source: Company, Centrum Research Estimates

**Standalone

Y/E Dec

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Media

Sectoral View

- We expect the advertising industry to register 8%-10% YoY growth during Q3FY10. However, on a QoQ basis, growth would be flat-to-negative due to early onset of the festive season. The low-base of Q3FY09 would further add to the growth in the industry.
- Advertisement revenues for Hindi GECs are expected to show a positive growth after three quarters, while regional broadcasters are expected to register 7%-10% growth. Low production cost as well as cost rationalization is expected to boost margins.
- The print media is expected to show significant margin expansion on the back of a reduction in newsprint costs and lower SG&A expenses. The maximum benefit of lower newsprint cost would accrue in Q3FY10. Advertising revenues for regional publishers are expected to rise 15%, while that for national dailies are expected to remain flat.

Balaji Telefilms (Rating – Sell; Target Price – Under Review)

- We expect 25% YoY decline in revenue on the back of lower programming hours and decrease in realizations per hour during the quarter.
- We expect the company to register negative EBITDA margin of 8% vs 4.8% in Q3FY09 due to lower realization per hour for commissioned programmes.
- However, net losses would be contained to Rs9.9mn on higher other income

ENIL (Rating – Sell; Target Price – Rs160)

- We expect ENIL to report 12.8% QoQ (and 1% YoY) growth in sales due to the up-tick in advertisement growth in the out-of-home (OOH) business.
- Operating profit margin is expected to turn positive to 11% due to the prudent cost rationalization initiatives taken during the last fiscal and revival in advertisement growth
- The company is expected to report a net loss of Rs15mn on account of depreciation, amortization and interest expenses.

HT Media (Rating – Hold; Target Price – Rs144)

- We expect flat growth in advertisement revenue, both YoY and QoQ. We believe the Hindi daily *Hindustan* would continue to register 20% YoY growth, while flagship newspaper *Hindustan Times'* advertisement revenue would continue to decline as a major part of festival season was in Q2FY10 and the government curtailed advertising as part of its austerity measures.
- Margin is expected to expand 333bp QoQ and 863bp YoY on the back of lower newsprint prices and cost-cutting. The radio business is also expected to breakeven at operating level during the quarter.
- We expect the company to report a PAT of Rs366mn (up 369% YoY and 16.7% QoQ) on the back of margin expansion and revenue growth. We believe the company will disclose consolidated results during the quarter (the Hindi daily was de-merged to a subsidiary in Dec 2009).

Info Edge (Rating – Hold; Target Price – Rs757)

- Revenue is expected to rise 1% YoY to Rs595mn. We expect the company to turnaround as recruitment in many sectors has picked-up. New verticals are expected to show strong growth as well.
- Operating margin is expected to expand 294bp YoY to 28.3% on the back of higher revenue and mostly fixed costs. Employee cost is expected to rise sequentially as the company hiked salaries in Oct 2009. Losses in new verticals are also expected to decline as jeevansaathi.com had broken even last quarter.
- We expect PAT of Rs159mn (down 7.6% YoY, up 7.9% QoQ). Other income will likely continue to be high on account of more than Rs3.5bn of cash and cash equivalents

Jagran Prakashan (Rating – Buy; Target Price – Rs143)

- We expect the company to post 12% YoY growth in advertising revenue in Q3. Circulation revenue is expected to grow 12%. With the government curtailing advertising and part of the festival season falling in Q2FY10, sequential growth in ad revenue is likely to be lower, though Q3 is historically is the best quarter.
- Operating margin is expected to expand to 28.8% (from 14.5% in Q2FY09) on lower newsprint prices and across-the-board cost rationalization. However, we expect margin to decline sequentially.
- We estimate 148% YoY growth in PAT at Rs384mn, backed by strong revenue and margin expansion. However, PAT may fall 23.6% QoQ.

Sun TV Network (Rating – Buy; Target Price – Rs380)

- Revenue is expected to grow 13% YoY to Rs3,070mn on the back of the 10% growth in advertising revenue and 26% increase in subscription. Two movies released during the quarter would further add to revenue.
- Operating profit is expected to rise 15.9% YoY to Rs2,333mn on the back of strong revenue growth and margin expansion. Margin is expected to expand 166bp YoY to 76%.
- We expect PAT to grow 9.6% YoY to Rs1,230mn (down 5.8% QoQ). We believe the high cost of acquiring movies would significantly increase depreciation and amortization expenses.

Zee Entertainment (Rating – Buy; Target Price – Rs279)

- We estimate 3.1% YoY rise in net sales to Rs5,624mn on account of the 2% increase in advertisement revenue. Subscription revenue is slated to register 9% growth, supported by 88% growth in DTH revenues
- Operating profit is expected to rise 29.9% YoY on the back of higher advertisement revenues and lower programming & carriage costs. Margin is expected to expand 572bp.
- Adj. PAT is expected to rise 39.6% YoY (but decline 2.2% QoQ) to Rs1,116mn.

Zee News (Rating – Buy; Target Price – Rs60)

- Zee News is expected to report 13.7% YoY growth in sales on the back of an up-tick in volumes in regional general entertainment and news channels. The company is gaining strength in most of the regions, which would continue to drive sales
- Operating margin would contract ~200bp to 18.8%, mainly on account of lower administration, marketing and distribution expenses. The new businesses would continue to put pressure on operating profit margin
- Net profit is likely to decline 6% YoY, driven by higher interest expenses and lower other income assumption for Q3FY10.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	Q3FY09	Q3FY10E	YoY (%)	QoQ (%)	FY10E
Balaji Telefilms	381	(24.8)	(6.4)	1,538	(30)	(225.3)	59.9	(110)	(8.0)	4.8	(10)	(274.8)	(197.0)	14
ENIL	1,110	0.6	12.8	4,271	124	111.2	(1,610.0)	192	11.2	5.3	(15)	(85.9)	(89.1)	(337)
HT Media	3,457	2.5	(0.7)	14,431	767	67.8	16.9	2,548	22.2	13.6	366	369.2	16.7	1,146
Info Edge	595	1.0	5.9	2,318	168	12.7	11.0	628	28.3	25.4	159	(7.6)	7.9	575
Jagran Prakashan	2,311	11.6	(6.4)	9,604	666	121.6	(20.0)	2,926	28.8	14.5	384	148.3	(23.6)	1,770
Sun TV Network	3,070	13.4	(4.2)	13,267	2,333	15.9	(4.2)	11,112	76.0	74.3	1,230	9.6	(5.8)	5,835
Zee Entertainment	5,624	3.1	4.1	21,791	1,559	29.9	3.4	5,908	27.7	22.0	1,116	39.6	(2.2)	4,420
Zee News	1,626	13.7	0.8	6,022	306	2.3	18.8	1,050	18.8	20.9	142	(6.1)	8.0	418

Source: Company, Centrum Research Estimates

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Metals & Mining, Pipes

Sectoral View

- On back of improving demand, we expect most steel manufacturers to register significant increase in sales volumes. However, lower realizations (both YoY and QoQ) would restrict top-line growth.
- Steel makers are expected to post stable-to-improved margins on a sequential basis, largely due to lower raw material cost vs Q2. However, on YoY basis, companies under our coverage are likely to post two-to-three-fold rise in earnings on the back of higher volumes and lower raw material cost. Margins are likely to improve substantially due to the fall in coking coal and iron ore prices. All companies have signed new contracts for coking coal at lower rates of $125-$130 for FY10 vs $300 in FY09 and the full benefits would be accruing from Q3FY10E onwards.
- LME prices of most base metals spiked by around 7%-12% QoQ in Q3 and 30%-130% YoY. As a result we expect significant improvement in earnings on a QoQ basis. However, we do not see significant fundamental change in demand for base metals, as inventories have increased substantially.

Hindalco Industries (Rating -Hold; Target Price –Under review)

- We expect sales to grow 40.5% YoY to Rs57,838mn during Q3FY10 on the back of improved realizations. However, we expect EBITDA to fall marginally by 3.4% YoY to Rs7,526mn on account of increased costs.
- Margin is likely to decline 590bp mainly on account of lower realization PAT is expected to decline 23.5% to Rs4,170mn.

Hindustan Zinc (Rating -Buy; Target Price –Under review)

- We expect Q3FY10 sales to grow 117.3% YoY to Rs23,234mn and EBITDA to grow four-fold to Rs15,371mn.
- We expect margin to surge 3,770bp YoY to 66.2%, due to 83% and 130% rise in LME prices of zinc and lead, respectively, resulting in more than two-fold increase in PAT to Rs12,875mn.

Jindal Steel & Power (JSPL) (Rating -Buy; Target Price –Rs752)

- We expect Q3FY10 sales (consolidated) to decline 13.1% YoY to Rs25,846mn, largely due to the 18% fall in average power tariff to Rs4.5/unit. EBITDA is expected to decline 13.7% to Rs11,416mn.
- PAT is expected to fall 24.7% to Rs6,717mn.

JSW Steel (Rating -Hold; Target Price –Rs887)

- We expect sales to grow 35.4% YoY to Rs44,950mn on the back of higher sales volume and EBITDA to increase 86.2% to Rs9,395mn.
- Margin is likely to expand 570bp to 20.9% due to the decline in overall cost, resulting in a 217% surge in PAT to Rs2,196mn.

Monnet Ispat (Rating -Sell; Target Price –Rs280)

- We expect Q3FY10 sales to fall 10.7% YoY to Rs3,575mn. However, EBITDA is expected to increase 31.6% to Rs1,051mn on the back of lower cost.
- Margin is likely to expand 950bp to 29.4%, resulting in a 76.4% increase in PAT to Rs591mn.

Nalco (Rating -Sell; Target Price –Rs240)

- We expect Q3FY10 sales to grow 17% YoY to Rs12,125mn due to improved realization for alumina and higher sales volumes.
- EBITDA is expected to decline 30.9% to Rs1,836mn and margin is expected to contract 1,050bp YoY to 15.1%%, primarily due to the increase in cost of raw materials like CPC, caustic soda and imported coal. PAT is expected to decline 36.4% YoY to Rs1,395mn.

SAIL (Rating -Buy; Target Price –Rs205)

- We expect Q3FY10 sales to increase 25% to Rs111,520mn and EBITDA surge 129% YoY to Rs25,873mn on the back of better operating efficiency.
- Margin is likely to expand 1,050bp YoY to23.2% due to lower cost. PAT is expected to increase 111.6% YoY to Rs17,845mn.

Sarda Energy (Rating -Buy; Target Price –Rs290)

- We expect Q3FY10 sales to decline 34.7% to Rs1,419mn. However, EBITDA is expected to grow marginally by 2% to Rs253mn mainly on account of lower cost.
- Margin is likely to expand 640bp to 17.8%. We expect PAT to grow 40% to Rs103mn.

Sesa Goa (Rating -Hold; Target Price –Under review)

- We expect Q3FY10 sales to increase 22% to Rs16,595mn and EBITDA to grow 53.2% to Rs8,480mn, mainly on account of higher iron ore volume and better realisation.
- Margin is likely to increase 1,040bp to 51.1% and PAT expected to increase 43.5% to Rs6,754mn.

Tata Steel (Rating -Sell; Target Price –Rs340)

- We expect standalone Q3FY10 sales to grow 22.7% to Rs58,900mn, primarily due to higher sales volume and EBITDA to increase 41.9% to Rs20,979mn due to lower coking coal cost.
- Margin is likely to expand 480bp to 35.6% resulting in a 128.7% increase in PAT to Rs10,664mn.

Pipes

Jindal Saw (Rating -Hold; Target Price –Rs146)

- We expect Q4FY10 sales to decline 22.1% to Rs12,060mn, while EBITDA to is expected to register marginal growth of 1.2% to Rs1,966mn largely due to reduction in other expenditure.
- Margin is likely to expand 380bp to 16.3% and PAT 18.6% to Rs1,028mn.

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Welspun-Gujarat (Rating -Buy; Target Price –Rs414)

- We expect Q3FY10 sales to grow 22.9% to Rs17,904mn primarily due to volume growth and EBITDA to increase 105.9% to Rs2,942mn.
- Margin is likely to expand 660bp to 16.4% and PAT expected to grow 185.2% to Rs1,292mn.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	Q3FY09	Q3FY10E	YoY (%)	QoQ (%)	FY10E
Hindalco Inds**	57,838	40.5	17.6	709,908	7,526	(3.4)	23.5	61,410	13.0	18.9	4,170	(23.5)	21.2	11,879
Hindustan Zinc	23,234	117.3	27.8	74,543	15,371	403.9	42.9	47,220	66.2	28.5	12,875	249.0	37.7	39,944
Jindal Steel & Power (JSPL)	25,846	(13.1)	5.7	111,816	11,416	(13.7)	(12.6)	57,668	44.2	44.5	6,717	(24.7)	(16.9)	34,240
JSW Steel	44,950	35.4	(4.3)	191,250	9,395	86.2	(7.5)	43,399	20.9	15.2	2,196	216.9	(32.0)	14,247
Monnet Ispat	3,575	(10.7)	13.9	13,502	1,051	31.6	9.0	4,072	29.4	19.9	591	76.4	(7.8)	1,865
NALCO	12,125	17.0	2.8	60,580	1,836	(30.9)	29.6	6,925	15.1	25.6	1,395	(36.4)	(12.5)	5,040
SAIL	111,520	25.0	11.1	403,000	25,873	129.2	8.3	91,481	23.2	12.7	17,845	111.6	7.3	58,486
Sarda Energy	1,419	(34.7)	39.1	5,227	253	2.0	310.4	908	17.8	11.4	103	40.0	567.7	633
Sesa Goa	16,595	22.0	207.9	56,565	8,480	53.2	464.6	21,070	51.1	40.7	6,754	43.5	305.7	16,720
Tata Steel**	58,900	22.7	3.5	893,388	20,979	41.9	9.1	41,743	35.6	30.8	10,664	128.7	18.1	(18,767)
Jindal Saw	12,060	(22.1)	(12.2)	62,559	1,966	1.2	(22.9)	8,793	16.3	12.5	1,028	18.6	(29.8)	4,502
Welspun-Gujarat	17,904	22.9	(17.6)	71,084	2,942	105.9	(18.6)	11,620	16.4	9.8	1,292	185.2	(21.8)	5,134

Source: Company, Centrum Research Estimates

**Standalone

Pharmaceuticals

Sectoral View

- We believe pharma companies that cater mainly to the domestic market would report good Q3 results. Revenues of companies involved in CRAMS and had been impacted by the recent slowdown would stabilize and in some instances show growth momentum.
- Generic exports are expected to continue to grow at about 15-20% on the back of patent expiries and continuous new product launches.
- The USFDA has become more stringent in checking manufacturing facilities as is evident from the review of facilities of Ranbaxy, Lupin and Sun Pharma.
- We don't expect any major impact on exchange gain/loss as currency remained more or less steady during the quarter.

Aurobindo Pharma (Rating – Buy; Target Price – Rs1,025)

- We expect topline to grow 17.4% YoY to Rs9.6bn on the back of strong growth in exports formulations to regulated markets backed by Pfizer deal. We expect the company to notch dossier and licensing income of Rs406mn during the quarter.
- EBITDA margin is expected to improve 380bp YoY to 23% on the back of higher revenue from regulated markets and increased capacity utilization.
- Adjusted PAT is expected to grow 34.8% YoY to Rs1.2bn on account of strong revenue growth and higher EBITDA margin.

Biocon (Rating – Sell; Target Price – Rs242)

- We expect the company to register 17.1% YoY topline growth to Rs5.1bn on the back of steady growth in bio-pharmaceutical and contract research services businesses.
- EBITDA margin is expected to decline 80bp YoY to 20.4% on account of increasing proportion of low-margin Axi Corp sales and higher staff expenses.
- We expect PAT to grow 19.9% YoY to Rs794mn on account of steady margin and lower tax rate.

Cipla (Rating – Hold; Target Price – Rs283)

- We expect 14.2% YoY topline growth to Rs15.3bn on the back of robust growth in both the domestic and export businesses.
- EBITDA margin is expected to decline slightly 320bp YoY to 22% on account of lower technological fees vs Q3FY09.
- Adjusted PAT, excluding forex gains or losses, is expected to grow by just 0.7% YoY to Rs2.6bn.

Dishman Pharma (Rating – Hold; Target Price – Rs230)

- We expect topline to decline 6.6% YoY to Rs2.6bn due to lower revenue from Solvay contracts and delay in commercialization of new facilities. Strong growth is expected from Q1FY11 onwards.
- EBITDA margin is expected to decline 220bp YoY to 23.2% due to the high base in Q3FY09.
- Adjusted PAT is expected to decline 8.6% YoY to Rs328mn.

Dr Reddy's Labs (Rating – Buy; Target Price – Rs1,225)

- We expect topline to decline 8% YoY to Rs16.9bn. The company notched substantial sales from Imitrex (a drug to treat migraine headache) in Q3FY09, which was launched with 180-day exclusivity.
- EBITDA margin is expected to decline 420bp YoY to 16.8% due to higher margin from Imitrex.
- Adjusted PAT is expected to grow just 18.1% YoY to Rs2.3bn.

Glenmark Pharma (Rating – Buy; Target Price – Rs273)

- We expect topline to grow 9.3% YoY to Rs6.4bn, driven mainly by growth in the domestic and semi-regulated markets and recovering US business. Latin America is expected to pick up from Q1FY11.
- We expect EBITDA margin to decline 720bp YoY to 25.3% due to significant price erosion in developed markets and high R&D expenditure.
- We expect adjusted PAT to grow 15.4% YoY to Rs939mn on account of the recovery in business in various markets and lower interest cost.

Ipca Labs (Rating – Buy; Target Price – Rs1,434)

- Ipca is expected to report 22.4% YoY revenue growth to Rs3.9bn on the back of strong exports business and growing domestic formulations.
- EBITDA margin is expected to decline 130bp YoY to 21.4% due to higher proportion of APIs and high EBITDA base in Q3FY09.
- We expect adjusted net profit to grow 19% YoY to Rs450mn.

Jubilant Organosys (Rating – Buy; Target Price – Rs334)

- We expect Jubilant to report 15.3% YoY topline growth to Rs10.5bn on the back of five new contracts signed in Q2FY10 (supply started in Q3FY10).
- EBITDA margin is expected to increase 380bp YoY to 19.3% due to the low base in Q2FY09 and increasing proportion of high-margin CRAMS business.
- We expect adjusted PAT to grow 52.1% YoY to Rs838mn.

Piramal Healthcare (Rating – Hold; Target Price – Rs386)

- We expect 18.8% YoY topline growth to Rs9.9bn driven by the strong growth in domestic branded formulations and integration of Minrad.
- We expect operating margin to improve 140bp YoY to 20.6% on the back of lower fixed cost and higher revenue from domestic formulations.
- We expect adjusted PAT to rise 82.1% YoY to Rs1.2bn.

Ranbaxy (Rating – Hold; Target Price – Rs533)

- We expect 8.9% YoY decline in topline to Rs18.2bn, mainly due to launch of Imitrex in Q4CY08 with exclusivity.
- We expect EBITDA margin to improve 730bp YoY to 19.9% on the back of a turnaround in business and operations.
- We estimate 78.2% YoY increase in adjusted PAT on the back of higher EBITDA margin.

Sun Pharma (Rating – Hold; Target Price – Rs1,344)

- We expect 8.4% YoY growth in topline to Rs10bn, mainly driven by domestic business. Pantaprazole sales may again surprise on the positive side with higher sales.
- We expect EBITDA margin to decline 750bp YoY to 37.5% (the company recorded higher *Protonix* sales in Q3FY09 which was launched at risk).
- We estimate 6% YoY decline in adjusted PAT to Rs3.8bn.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				*EBITDA Margin (%)*		Adj. PAT (Rsmn)			
(Rsmn)	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	***Q3FY10E***	***Q3FY09***	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**
Aurobindo	9,659	*17.4*	*9.4*	38,979	2,220	*40.7*	*7.2*	8,776	*23.0*	*19.2*	1,215	*34.8*	*13.8*	4,947
Biocon	5,109	*17.1*	*(11.9)*	21,049	1,044	*12.9*	*(7.7)*	4,302	*20.4*	*21.2*	794	*19.9*	*7.0*	2,842
Cipla	15,326	*14.2*	*6.2*	59,000	3,372	*(0.4)*	*(9.7)*	14,211	*22.0*	*25.2*	2,616	*0.7*	*(3.0)*	10,703
Dishman Pharma	2,633	*(6.6)*	*21.1*	10,303	610	*(15.0)*	*22.6*	2,385	*23.2*	*25.4*	328	*(8.6)*	*63.0*	1,249
Dr Reddy's	16,928	*(8.0)*	*(7.8)*	73,446	2,850	*(26.2)*	*(6.0)*	14,447	*16.8*	*21.0*	2,273	*18.1*	*(14.3)*	8,052
Glenmark Pharma	6,353	*9.3*	*7.6*	24,410	1,608	*(15.0)*	*2.9*	6,138	*25.3*	*32.5*	939	*15.4*	*16.2*	3,233
Ipca Labs	3,835	*22.4*	*(10.9)*	15,486	820	*15.1*	*(19.7)*	3,311	*21.4*	*22.7*	450	*19.0*	*(30.0)*	1,934
Jubilant Organosys	10,492	*15.3*	*12.4*	40,618	2,027	*43.7*	*9.5*	7,848	*19.3*	*15.5*	1,156	*110.9*	*31.5*	3,805
Piramal Healthcare	9,889	*18.8*	*(1.1)*	38,105	2,038	*27.5*	*14.9*	7,472	*20.6*	*19.2*	1,248	*82.1*	*18.8*	4,384
Sun Pharma	9,950	*8.4*	*(8.6)*	37,885	3,735	*(9.7)*	*(3.6)*	12,691	*37.5*	*45.0*	3,841	*(6.0)*	*6.6*	13,047
Ranbaxy	18,197	*(8.9)*	*(3.5)*	71,618	3,625	*43.5*	*49.4*	6,644	*19.9*	*12.6*	2,025	*78.7*	*53.2*	3,101

Source: Company, Centrum Research Estimates

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Power

Sectoral View

- Against the 11th Five-Year Plan (2007-12) power generation capacity addition target of 78.7GW, only 23.5GW was added till Nov 2009. This means another 55GW needs to be added over FY10-12E. We believe this is too ambitious and estimate addition of 63GW.
- During the 11th Plan, the private sector added a 10.2GW capacity, central government entities added 5.4GW and state government entities added 7.9GW till Nov 2009. More than 43% of the capacity addition has come from private sector.
- Peak power deficit was 12.2% in Nov 2009.
- We expect higher PLF levels (> 90%) for most of coal stations during Q3FY10.

CESC (Rating – Buy; Target Price – Rs417)

- We expect 27.1% YoY increase and flat QoQ growth in Q3FY10 revenue to Rs9.7bn on the back of increased PLF and higher realization.
- We expect EBITDA to increase 41.4% YoY (and 1.8% QoQ) to Rs2.3bn.
- We expect PAT to increase 30.6% YoY to Rs1.3bn.
- Two of CESC's projects are close achieving to financial closure. For instance, Dhariwal in which CESC would eventually hold 100% stake is likely to see financial closure in 15 days and Haldia Phase 1 before end FY10.

NTPC (Rating – Sell; Target Price – Rs192)

- We expect revenue to be flat, both on a YoY and QoQ basis, in Q3FY10 at Rs113.7bn.
- We expect EBITDA to increase 15.0 % YoY (and 0.2% QoQ) to Rs36.9bn.
- We expect PAT to grow 7.1% YoY and 12.0% QoQ to Rs24.1bn.

Power Grid Corporation (Rating – Hold; Target Price – Rs118)

- We expect 19.1% YoY increase in net revenue in Q3FY10 to Rs17.6bn on the back of capacity addition during the year.
- We expect 21.4% YoY (and 1.2% QoQ) growth in EBITDA to Rs14.9bn.
- We expect 32.9% YoY increase in PAT to Rs4.9bn due to high revenue growth.

PTC India (Rating – Buy; Target Price – Rs145)

- We expect Q3FY10 revenue to decline 23.7% YoY and 34.3% QoQ to Rs16.2bn.
- We expect EBITDA to grow 9% YoY to Rs53mn.
- We expect PAT to decline 49.6% YoY and 68.9% QoQ to Rs127mn because of lower other income.

Tata Power (Rating – Hold; Target Price – Rs1,321

- Q3FY10 net revenue growth is expected to be flat YoY and up 3.4% QoQ to Rs17.8bn.
- We expect EBIDTA to grow 68.2% YoY and 3.2% QoQ to Rs4.3bn.
- PAT is expected to increase 91.9% YoY and decline by 18.9% QoQ to Rs1.8bn.

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Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	YoY (%)	QoQ (%)	FY10E	Q3FY10E	Q3FY09	Q3FY10E	YoY (%)	QoQ (%)	FY10E
CESC	9,700	27.1	0.6	31,601	2,290	41.4	1.8	6,979	23.6	21.2	1,280	30.6	1.6	4,151
NTPC	113,776	0.9	1.1	475,531	36,900	15.0	0.2	135,515	32.4	28.5	24,100	7.1	12.0	87,349
Power Grid	17,600	19.1	0.7	76,323	14,900	21.4	1.2	64,282	84.7	83.0	4,950	32.9	1.6	21,267
PTC India	16,161	(23.7)	(34.3)	73,880	53	9.0	(82.4)	380	0.3	0.2	127	(49.6)	(68.9)	829
Tata Power	17,800	0.2	3.4	79,719	4,300	68.0	3.2	17,177	24.2	14.4	1,850	91.9	(18.9)	9,012

Source: Company, Centrum Research Estimates

Real Estate

Sectoral View

- The realty sector is showing signs of a recovery with volumes picking up, especially in the affordable housing segment. However, the commercial/retail segments continue to languish
- Construction activities on ongoing projects have resumed again due to improved liquidity conditions.
- We expect a mixed performance across real estate companies, mainly owing to different methods of revenue recognition and reporting. However, we expect strong revenue and profit growth due to the low-base effect in H2FY09.
- Most real estate companies have resolved their near-term funding issues through QIPs and asset sales which is expected to enable them to continue to launch new projects

Anant Raj Industries (Rating – Buy; Target Price – Rs209)

- Anant Raj's Q3FY10 results are not comparable on YoY or QoQ basis as a majority of sales accrued from asset/land sales in Q2FY09/Q2FY10.
- We expect rental revenues of Rs152mn, mainly flowing from the Manesar IT Park, Jhandewalan commercial property, Karol Bagh Mall and Exotica and Retreat Hotels.
- The status of the intended launch of Hauz Khas, a Delhi residential project in January 2010, will be a key development to watch.

Brigade Enterprises (Rating – Buy; Target Price – Rs124)

- We expect the company to report 22% QoQ growth in revenue owing to greater pace of construction activity and increased apartment sales (50 flats per month) in ongoing projects. However, we expect marginal 2% YoY drop in revenues due to large share of bookings from Metropolis project at lower margins.
- The confirmation of outright sale of North Star commercial building of ~1msf for Rs5-6bn will bring down the debt to under Rs1bn and enable Brigade to launch new projects or acquire fresh parcels of land at reduced prices.
- The response to new project affordable housing launches through Brigade Value Homes would be a key point to watch and we will upgrade our NAV estimates depending on Brigade's ability to monetize its land bank.

DLF (Rating – Sell; Target Price – Rs305)

- We expect 5% QoQ (34% YoY) growth in revenue owing to bookings from Phase I and II of Delhi Shivaji Marg (SBM) project and other project launches. We do not expect any further DAL revenue bookings post the integration of DAL into DLF Cyber City Developers (DCCDL).
- Volume off-take in housing projects at Delhi, Gurgaon, Goa and Bangalore is expected to accrue to the topline numbers during Q3FY10.
- Incremental leasing activity in commercial/retail projects would be a key development as positive news flow may result in faster than expected Singapore REIT listing for DAL in CY10.

HDIL (Rating – Buy; Target Price – Rs353)

- We expect 23% QoQ (and 39% YoY) increase in revenue owing to recovery in TDR sales through higher volumes and realizations of Rs2,000-2,500psf and bookings from other ongoing projects.
- The success of new launches at Kurla, Andheri and Bhandup is likely to marginally improve the company's liquidity position, but is unlikely to have any immediate impact on top line owing to project completion accounting method followed by the company.

Indiabulls Real Estate (Rating – Under Review; Target Price – Under Review)

- We expect lease revenues to accrue from the Jupiter Mills project in central Mumbai and revenue bookings from its NCR and Chennai projects. However, estimates are not comparable on a QoQ or YoY basis.
- The company's recent fund-raising activities are expected to help it proceed with construction on ongoing projects. However, the projects are expected to contribute to revenue only in FY11 owing to conservative accounting method followed by the company.

Orbit Corporation (Rating – Buy; Target Price – Rs281)

- We expect 6% QoQ and 208% YoY growth in revenue due to increased sales in new project launches and revenue booking from ongoing projects.
- The good response to company's new project launches in Mumbai at Sakinaka, Andheri (30% of 275 apartments sold at realization of Rs7,300-8,100psf) and Orbit Terraces, Lower Parel (60% sold) will likely result in improved liquidity position.
- Customers' response to the company's new project launch at Mandhwa (close to Mumbai) comprising of high-end villas at Rs10,000-12,000psf would be a key point to watch.

Puravankara Projects (Rating – Hold; Target Price – Rs101)

- We expect revenue to increase 88% YoY owing mainly to higher sales volumes and construction activity across ongoing projects. The Q3 results are not comparable on a QoQ basis as Q2FY10 sales were inflated by a one-time sale of a land parcel in Kochi, Kerala for Rs1.6bn.
- The good response to the company's affordable housing projects at Chennai and Bangalore is expected to improve liquidity, but may not contribute to revenue.

Sobha Developers (Rating – Hold; Target Price – Rs223)

- We expect 55% QoQ and 90% YoY increase in revenue owing to revival in construction activity in ongoing projects and fresh sales of ~0.6mn sq ft in Bangalore and Chennai projects.
- Fund raising through QIP has brought down the company's debt-equity ratio to 0.85x, but its high gross debt of Rs14.5bn remains a cause for concern

Unitech (Rating – Hold; Target Price – Rs99)

- Core business revenue is expected to increase 45% QoQ (and 51% YoY) through revenue booking of through completion of old projects and asset sales in H1FY10. Revenue from booking of new apartments of over 12mn sq ft may not accrue immediately.
- Faster-than-expected ramp-up in execution of new projects is the key upside risk to our Hold rating.

Y/E Mar	**Net Sales (Rsmn)**				**EBITDA (Rsmn)**				***EBITDA Margin (%)***		**Adj. PAT (Rsmn)**			
(Rsmn)	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**	***Q3FY10E***	***Q3FY09***	**Q3FY10E**	***YoY (%)***	***QoQ (%)***	**FY10E**
Anant Raj Industries	152	*(78.5)*	*(82.5)*	4,700	117	*(82.1)*	*(85.4)*	2,655	*77.0*	*92.4*	174	*(73.7)*	*(75.6)*	2,278
Brigade Ent	1,024	*(2.2)*	*21.9*	3,874	154	*(12.3)*	*33.5*	892	*15.0*	*16.7*	61	*179.2*	*36.5*	502
DLF	18,320	*34.0*	*4.6*	65,297	9,012	*16.7*	*(1.4)*	28,592	*49.2*	*56.5*	6,621	*(1.3)*	*50.6*	14,708
HDIL	4,357	*38.8*	*23.2*	12,139	2,035	*114.2*	*13.2*	6,099	*46.7*	*30.3*	1,730	*(6.4)*	*16.4*	4,950
Orbit Corp	1,488	*208.0*	*5.7*	5,816	595	*71.5*	*2.4*	2,348	*40.0*	*71.8*	238	*693.4*	*(4.4)*	980
Puravankara Projects	1,500	*87.5*	*(33.8)*	6,157	525	*220.1*	*(41.3)*	2,321	*35.0*	*20.5*	409	*134.0*	*(32.8)*	1,885
Sobha Developers	3,482	*89.6*	*54.5*	11,776	836	*65.1*	*68.5*	3,277	*24.0*	*27.6*	487	*549.9*	*77.2*	1,592
Unitech	7,369	*50.6*	*44.6*	26,870	3,721	*52.3*	*25.0*	12,920	*50.5*	*49.9*	2,432	*78.7*	*36.7*	10,748

Source: Company, Centrum Research Estimates

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Retail

Sectoral View

- With consumer confidence reviving, we expect retailers to post higher revenues on the back of increased same-store-sales and space addition during Q3FY10.
- The marginal increase in costs would be off-set by higher same-store-sales which would help garner higher margins.
- QIPs would help ease funding pressure and pay-off debt which in-turn would reduce interest costs and result in profitability growth.

Bata India (Rating – Buy; Target Price – Rs190)

- We expect the company to report 17% YoY sales growth to Rs3.0bn in Q4CY09 due to the opening of new stores.
- EBITDA margin is expected to decline 74bp to 9.8% due to the increase in other operating cost.
- PBT is expected to 13.9% to Rs282mn. However, the increase in effective tax rate would result in PAT declining 8.7% to Rs206mn.

Pantaloon Retail (Rating – Not Rated; Target Price – Rs389)

- We estimate 32.6% YoY sales growth on the back of 1.1mn space addition and improved same-store-sales growth in the lifestyle segment.
- We expect gross margin to stay stable at 29.9% and operating margin to expand 70bp to 11.1% due to increase in same-store-sales in the lifestyle and value segment.
- We expect interest cost (as a percentage of sales) to decline on account of certain loan repayments. This would boost PAT margin by 79bp YoY to 3.0%.

Shoppers Stop (Rating – Buy; Target Price – Rs332)

- We expect 15.2% YoY increase in sales to Rs4.1bn on the back of a 4.0% increase in average sales per sq ft Rs2,126.
- This could be attributed to the shift in the festival sales season which was brought forward to the last week of Sept and first week of Oct 2009.
- We expect EBITDA margin to expand 135bp, mainly on account of rationalization in operational costs and higher same-store-sales growth in other formats.
- We expect the company to report a PAT of Rs154mn vs loss of Rs205mn in Q3FY10 on account of higher operating profit and change in its depreciation policy

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Titan Industries (Rating – Hold; Target Price – Rs1,296)

- We expect 21.3% YoY net sales growth on the back of higher throughput in all divisions (watches and jewellery).
- Operating margin is likely to expand 104bp YoY to 6.5% and gross margin to remain at 23.9%.
- We expect 44.3% YoY growth to Rs607mn in net profit due to lower base effect.

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	*Q3FY10E*	*Q3FY09*	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E
Bata India#	2,998	*17.0*	*15.0*	11,031	294	*8.7*	*14.6*	1,124	*9.8*	*10.5*	206	*(8.7)*	*43.8*	656
Pantaloon Retail^	20,234	*32.6*	*13.9*	86,157	2,248	*41.5*	*15.4*	8,863	*11.1*	*10.4*	606	*80.8*	*38.4*	2,685
Shoppers Stop	4,101	*15.3*	*3.6*	14,740	267	*16.4*	*76.0*	870	*6.5*	*6.4*	154	*118.4*	*27.3*	259
Titan Industries	12,422	*21.3*	*8.3*	42,659	1,002	*39.3*	*(5.8)*	3,201	*8.1*	*7.0*	607	*44.1*	*(19.9)*	1,972

Source: Company, Centrum Research Estimates

^Y/E June

Sugar

Sectoral View

- Sugar prices remained high at an average of Rs32,000 per tonne (ex-mill UP) due to the expected shortage of sugar during season 2009-10. Prices of other products like alcohol and molasses also remained firm.
- We expect all sugar companies to register significant inventory gains. Hence, the quarter (Q1FY10) would be a one-off quarter.
- We expect sugar companies to report excellent numbers. We expect an increase in revenue and EBITDA on the back of sharp increase in sugar prices. Shree Renuka is expected to witness highest sales/profit growth on account of 218% YoY increase in sugar volumes.

Bajaj Hindusthan (Rating – Under Review; Target Price – N/A)

- We expect net sales to increase 107% YoY to Rs7.4bn. A substantial increase in total sales would be on account of the 16% increase in sugar volumes and 70% increase in average sugar prices to Rs31,020/tonne.
- The sale of carry-over inventory of 0.18 tonnes (valued at Rs20,940/tonne) is likely to help boost EBITDA margin by 2,060bp YoY to 30.1%.
- We expect the company to report an adjusted PAT of Rs1,216mn (vs. loss of Rs386mn in Q1FY09) on lower interest cost (down 40% YoY).

Balrampur Chini (Rating – Under Review; Target Price – N/A)

- Despite the 74% YoY increase in sugar prices to Rs 30,815/tonne, the 39% decline in volume is expected to restricted overall net sales growth to 4.6%.
- The sale of carry-over inventory of 93,000 tonnes (valued at Rs20,940/tonne) is likely to help expand EBITDA margin by 460bp YoY to 31.6%.
- We expect the company to report a net profit of Rs763mn, up 48.7% YoY.

Shree Renuka Sugars (Rating – Under Review; Target Price – N/A)

- The 218% YoY increase in sugar volumes to 0.42mt coupled with 97% increase in sugar prices is expected to result in a 357% increase in net sales during the quarter.
- The sale of carry-over inventory of 0.29 tonnes (valued at Rs22,700/tonnes) is expected to boost EBITDA margin by 880bp YoY to 24.0%, resulting in 622% YoY EBITDA growth to Rs4.3bn.
- We expect 2,459.3% YoY increase in net profit to Rs2,815mn.

Triveni Engineering (Rating – Under Review; Target Price – N/A).

- We expect net sales to grow 43.8% YoY to Rs5,258mn (sugar segment's sales at Rs3,408mn and engineering at Rs1,850mn).
- EBITDA margin is likely to expand 190bp YoY to 24.5% on account of the better-than-expected performance in sugar segment.
- We expect the company to report a PAT of Rs604mn during the quarter.

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Y/E Sep	Net Sales (Rsmn)				EBITDA (Rsmn)				*EBITDA Margin (%)*		Adj. PAT (Rsmn)			
(Rsmn)	Q1FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q1FY10E	*YoY (%)*	*QoQ (%)*	FY10E	*Q1FY10E*	*Q1FY09*	Q1FY10E	*YoY (%)*	*QoQ (%)*	FY10E
Bajaj Hindusthan	7,453	*107.0*	*72.0*	45,220	2,244	*558.1*	*101.3*	11,582	*30.1*	*9.5*	1,216	*NM*	*431.0*	5,446
Balrampur Chini	4,493	*4.6*	*18.6*	22,091	1,418	*22.6*	*87.1*	5,157	*31.6*	*26.9*	763	*48.7*	*78.7*	2,709
Shree Renuka Sugars	18,275	*356.6*	*67.2*	54,819	4,391	*622.2*	*159.1*	12,301	*24.0*	*15.2*	2,815	*2,459.1*	*176.0*	7,313
Triveni Engineering	5,258	*43.8*	*(5.1)*	25,498	1,288	*55.9*	*(8.1)*	5,324	*24.5*	*22.6*	604	*(15.3)*	*152.7*	2,753

Source: Company, Centrum Research Estimates

Miscellaneous

Oil & Gas

Aban Offshore (Rating – Buy; Target Price – Rs1,600)

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- Aban Offshore's Q3FY10 results are expected to be robust with revenue contributions from four new contracts and resumption of the Aban Abraham contract.
- We expect to report a strong YoY PAT growth of 134% (adjusted for forex gains), considering better operating margins due to utilisation of idle assets.
- The company is expected to announce new long-term contracts in next 1-2 months, which could possibly result in a re-rating of the stock.

Aviation

Jet Airways (Rating – Sell; Target Price – Rs331)

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- Jet Airways is likely to report near flat net sales of Rs30.4bn on a YoY basis (up just 0.5%) as the 33.6% growth in revenue passengers would be offset by the drop in the yields. However, we expect Jet to report 30.7% QoQ growth aided by Jet Konnect (its low-cost carrier).
- This, combined with cost reduction initiatives and better aircraft utilization, would help boost EBITDAR margin to 19.9% from 11.8% in Q3FY09.
- We expect Jet to post a marginal profit of Rs0.14bn vs loss of Rs2.14bn in Q3FY09.

Education

Everonn Systems India (Rating – Buy; Target Price – Rs535)

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- We expect the company to register 73% YoY revenue growth on the back of an increase in VITELS business.
- Operating margin is expected to be 37%. The company is in expansion mode and incurring advertisement and marketing expenses on its new initiatives such as Educating India.
- We expect net profit to grow 73.8% YoY on the back of strong topline growth

NIIT (Rating – Hold; Target Price – Rs58)

- We expect revenue to grow 7% YoY in Q3FY10 driven by the individual learning solutions (ILS) and school learning solutions (SLS) segments
- Cost rationalization is expected to lead to ~438bp expansion in operating profit margin to 12.6%
- We expect net profit to grow by 195% YoY on the back of improvement in operating profit margin

Y/E Mar	Net Sales (Rsmn)				EBITDA (Rsmn)				EBITDA Margin (%)		Adj. PAT (Rsmn)			
(Rsmn)	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E	*Q3FY10E*	*Q3FY09*	Q3FY10E	*YoY (%)*	*QoQ (%)*	FY10E
Aban Offshore	8,396	*0.3*	*1.2*	12,230	5,076	*7.6*	*12.1*	8,910	*60.5*	*56.3*	1,673	*65.9*	*134.2*	3,928
Jet Airways	30,388	*0.5*	*30.7*	106,140	3,909	*137.4*	*783.5*	8,879	*12.9*	*5.4*	141	*NM*	*(106.6)*	(5,780)
Everonn Systems	756	*73.5*	*3.3*	2,519	281	*63.0*	*6.7*	941	*37.2*	*39.5*	137	*73.7*	*16.3*	428
NIIT	2,987	*7.1*	*(17.0)*	12,447	377	*63.9*	*(24.0)*	1,582	*12.6*	*8.2*	162	*195.4*	*(38.2)*	716

Source: Company, Centrum Research Estimates

Coverage Universe

	Rating	Target Price	CMP (Rs) 6-Jan-10	Market Cap (Rsmn)	Net Sales (Rsmn) Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	EBITDA (%) Q3FY10E	Q3FY09	Q2FY10	Adj. PAT (Rsmn) Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	EPS (Rs) FY09E	FY10E	FY11E	P/E (x) FY09E	FY10E	FY11E	P/BV (x) FY09E	FY10E	FY11E	EV/EBITDA (x) FY09E	FY10E	FY11E
Automobiles &Tyres																													
1 Ashok Leyland	Hold	40	52	53,280	16,584	10,008	65.7	15,777	5.1	10.9	8.3	10.5	1,008	189	434.2	886	13.7	1.3	2.4	3.1	39.6	21.9	16.9	2.0	1.9	1.8	18.7	12.2	11.2
2 Bajaj Auto	Sell	1,420	1,713	217,315	34,655	21,031	64.8	28,875	20.0	21.8	14.5	22.0	5,103	2,085	144.8	4,347	17.4	54.0	102.3	103.8	31.7	16.8	16.5	13.3	9.2	6.8	20.9	11.0	11.5
3 Hero Honda Motor	Sell	1,385	1,695	328,207	37,795	28,813	31.2	40,594	(6.9)	17.8	14.5	18.3	5,400	3,004	79.7	5,971	(9.6)	64.2	89.4	93.7	26.4	19.0	18.1	8.9	6.9	5.5	17.4	12.7	11.9
4 Mahindra & Mahindra	Buy	1,085	1,178	254,385	47,033	30,909	52.2	45,578	3.2	17.1	3.4	18.2	5,706	634	800.5	5,856	(2.6)	38.9	58.9	58.2	30.3	20.0	20.2	5.0	3.6	3.2	11.6	9.1	8.6
5 Maruti Suzuki India	Hold	1,377	1,462	462,039	76,653	46,258	65.7	72,026	6.4	12.4	6.4	12.7	6,502	2,136	204.4	5,700	14.1	42.2	72.2	74.9	34.6	20.2	19.5	4.5	3.7	3.1	20.8	12.7	11.2
6 Tata Motors	Sell	241	813	278,515	87,733	47,586	84.4	79,788	10.0	13.2	1.9	13.4	6,142	(3,111)	NM	3,592	71.0	(56.6)	(28.8)	(15.8)	(14.4)	(28.2)	(51.5)	8.4	6.4	7.8	36.8	17.3	14.0
7 Apollo Tyres	Hold	51	52	22,152	13,080	9,033	44.8	12,203	7.2	13.3	5.8	16.4	833	55	1413.0	1,021	(18.4)	2.8	5.4	7.1	19.0	9.7	7.4	2.0	1.7	1.4	7.6	6.2	5.2
8 Ceat	Hold	167	150	5,270	7,714	5,807	32.8	7,194	7.2	12.5	0.3	14.8	531	(220)	NM	615	(13.7)	(4.7)	47.5	49.6	(32.0)	3.2	3.0	1.1	0.8	0.7	18.6	3.2	3.1
9 JK Tyre & Ind	Buy	230	157	5,327	10,167	7,822	30.0	9,414	8.0	12.3	1.2	14.5	516	(274)	NM	595	(13.3)	(25.3)	39.8	45.0	(6.2)	3.9	3.5	0.9	0.8	0.7	7.8	3.5	3.4
Capital Goods																													
10 ABB #	Sell	517	764	167,397	19,751	22,112	(10.7)	14,689	34.5	11.0	14.1	9.4	1,493	1,931	(22.7)	831	79.7	27.8	19.1	23.5	27.5	40.0	32.5	7.6	6.6	5.7	16.8	23.5	18.3
11 Areva T&D #	Sell	261	269	75,629	9,619	9,388	2.5	7,397	30.0	11.7	14.7	8.6	501	706	(29.0)	224	123.8	11.0	9.2	11.4	24.5	29.2	23.6	8.9	7.2	5.9	15.1	15.1	12.9
12 BHEL	Sell	1,554	2,426	1,183,610	79,937	61,489	30.0	67,275	18.8	21.5	23.9	19.5	12,644	8,974	40.9	8,579	47.4	76.4	100.9	131.9	31.8	24.0	18.4	9.1	7.2	5.7	20.9	16.0	11.5
13 Siemens*	Hold	476	594	187,326	23,501	16,399	43.3	25,180	(6.7)	10.4	10.4	9.8	1,597	1,687	(5.3)	1,582	0.9	11.8	22.4	23.8	50.3	26.5	24.9	9.7	6.8	5.6	(1.6)	(1.5)	(1.7)
Cement																													
14 ACC	Sell	590	908	170,475	18,916	18,865	0.3	19,694	(4.0)	27.9	21.7	33.9	3,203	2,975	7.7	4,356	(26.5)	58.5	85.8	47.5	15.5	10.6	19.1	3.5	2.8	2.6	10.2	6.4	10.4
15 Ambuja Cements	Sell	83	106	161,319	16,879	16,228	4.0	16,284	3.7	26.6	24.2	28.0	2,750	2,490	10.5	2,852	(3.6)	7.2	8.0	7.2	14.7	13.2	14.8	2.8	2.5	2.2	8.8	8.2	8.4
16 Grasim Inds	Hold	2,418	2,737	250,951	29,286	26,536	10.4	29,838	(1.8)	32.3	20.2	35.5	5,592	3,295	69.7	6,743	(17.1)	238.5	305.1	178.3	11.5	9.0	15.3	2.6	2.0	1.9	6.7	4.7	6.3
17 India Cements	Sell	91	127	35,968	8,173	7,529	8.6	9,949	(17.9)	24.2	23.9	30.5	769	700	9.8	1,377	(44.1)	17.3	14.6	5.5	7.4	8.7	23.2	1.2	1.1	1.1	5.6	5.8	9.0
18 Orient Paper	Hold	56	54	10,455	3,479	3,459	0.6	3,532	(1.5)	13.8	26.3	18.4	287	512	(44.0)	405	(29.2)	12.0	9.1	7.9	4.5	5.9	6.9	1.6	1.3	1.2	3.9	4.3	4.3
19 Shree Cement	Hold	0	2,119	73,829	8,231	6,653	23.7	8,996	(8.5)	35.8	34.1	45.4	728	2,889	(74.8)	1,238	(41.2)	175.8	290.7	177.4	12.1	7.3	11.9	3.9	2.6	2.2	8.0	6.0	7.1
20 Ultratech Cement	Hold	771	987	122,909	16,244	16,308	(0.4)	15,408	5.4	27.8	26.4	30.5	2,205	2,509	(12.1)	2,384	(7.5)	78.6	89.3	54.7	12.6	11.1	18.0	3.4	2.7	2.4	8.2	6.5	10.1
IT																													
21 HCL Tech^	Hold	314	368	246,704	30,285	24,691	22.7	30,308	(0.1)	21.6	21.8	22.7	2,752	3,730	(26.2)	3,196	(13.9)	19.1	16.1	21.0	19.3	22.8	17.5	4.3	3.9	3.5	11.1	9.8	9.9
22 Infosys Tech	Hold	2,195	2,583	1,480,568	55,942	57,861	(3.3)	55,850	0.2	33.3	35.1	34.7	14,792	16,411	(9.9)	15,446	(4.2)	104.4	106.5	115.5	24.7	24.3	22.4	8.1	6.6	5.6	19.0	17.6	15.1
23 Patni Computers#	Buy	540	492	64,628	7,973	8,570	(7.0)	8,040	(0.8)	20.5	17.8	20.0	1,233	780	58.1	1,716	(28.1)	37.5	37.9	42.9	13.1	13.0	11.5	2.3	2.0	1.7	9.2	7.7	6.5
24 Rolta India^	Sell	158	199	34,984	3,723	3,619	2.9	3,504	6.3	35.9	34.8	35.8	574	832	(31.0)	561	2.4	16.7	15.8	18.6	11.9	12.6	10.7	2.2	1.9	1.7	9.3	7.1	5.9
25 TCS	Hold	650	735	1,438,328	75,446	72,770	3.7	74,351	1.5	29.0	26.8	28.7	17,297	13,522	27.9	16,237	6.5	25.9	33.0	36.1	28.3	22.3	20.4	4.6	7.0	5.6	20.0	16.5	14.5
26 Tech Mahindra	Buy	1,080	1,041	135,265	11,429	11,322	1.0	11,418	0.1	24.6	28.1	25.6	1,794	2,232	(19.6)	1,690	6.1	78.2	51.5	59.6	13.3	20.2	17.5	6.5	5.2	4.2	10.7	13.1	12.2
27 Wipro	Hold	623	691	1,010,701	68,701	65,898	4.3	68,937	(0.3)	21.9	19.3	21.7	11,708	10,114	15.8	11,765	(0.5)	27.4	30.5	34.6	25.2	22.6	19.9	6.9	5.6	4.7	18.5	15.6	13.6
Logistics																													
28 Aegis Logistics	Buy	164	224	2,698	816	776	5.1	754	8.3	20.8	16.6	24.7	93	63	47.2	109	(14.1)	14.9	20.5	20.6	15.0	10.9	10.8	2.2	2.3	2.0	8.7	7.1	6.5
29 Allcargo Global #	Buy	235	193	18,466	6,120	6,382	(4.1)	4,979	22.9	11.9	9.0	11.7	471	270	74.5	362	30.1	8.6	11.6	14.4	22.4	16.6	13.4	3.9	2.6	2.2	12.0	9.7	7.5
30 Concor	Hold	1,114	1,313	159,151	10,027	8,459	18.5	9,599	4.5	27.1	28.9	26.4	2,172	2,063	5.3	2,043	6.3	60.9	65.9	75.4	21.6	19.9	17.4	4.5	3.9	3.3	16.4	13.9	11.7
31 Gateway Distriparks**	Hold	111	133	12,480	448	602	(25.6)	396	13.2	48.5	59.7	49.0	193	287	(32.7)	180	7.4	7.4	7.3	10.4	18.0	18.2	12.8	2.3	2.2	2.0	10.8	9.1	6.8
32 Transport Corportion**	Hold	73	92	6,103	3,599	3,220	11.8	3,571	0.8	7.1	7.0	8.0	100	57	76.2	107	(6.7)	5.1	6.5	7.0	17.9	14.2	13.1	2.7	2.4	2.1	8.7	7.5	6.7
Media																													
33 Balaji Telefilms	Sell	0	62	4,646	381	506	(24.8)	407	(6.4)	(8.0)	4.8	(4.7)	(10)	6	(274.8)	10	(197.0)	7.0	0.2	0.9	8.8	284.8	72.0	1.0	1.0	1.0	4.5	(18.1)	35.7
34 ENIL	Sell	160	218	9,219	1,110	1,103	0.6	984	12.8	11.2	5.3	(0.8)	(15)	(107)	(85.9)	(138)	NM	(12.7)	(7.1)	5.1	(17.2)	(30.8)	42.5	2.7	3.0	2.8	(127.6)	59.0	13.4
35 HT Media	Hold	144	143	28,555	3,457	3,371	2.5	3,481	(0.7)	22.2	13.6	18.9	366	78	369.2	314	16.7	0.0	4.9	6.3	3573.8	29.3	22.9	4.0	3.5	3.1	38.2	12.9	10.9
36 Info Edge	Hold	757	886	19,302	595	589	1.0	562	5.9	28.3	25.4	27.0	159	172	(7.6)	147	7.9	20.9	21.1	28.0	42.4	42.1	31.6	7.4	6.3	5.3	32.2	31.7	22.3
37 Jagran Prakashan	Buy	143	136	30,960	2,311	2,070	11.6	2,468	(6.4)	28.8	14.5	33.7	384	155	148.3	503	(23.6)	3.0	5.9	7.2	44.8	23.2	19.0	7.3	6.2	5.1	25.5	13.5	11.2
38 Sun TV Network	Buy	380	347	127,861	3,070	2,708	13.4	3,204	(4.2)	76.0	74.3	76.0	1,230	1,122	9.6	1,306	(5.8)	9.4	12.5	14.8	37.2	27.8	23.5	8.0	6.6	5.4	18.2	13.6	11.4
39 Zee Entertainment	Buy	279	261	103,511	5,624	5,455	3.1	5,405	4.1	27.7	22.0	27.9	1,116	799	39.6	1,141	(2.2)	8.5	10.2	12.1	30.8	25.6	21.6	3.3	3.1	2.8	21.1	19.2	15.6
40 Zee News	Buy	60	60	10,729	1,626	1,430	13.7	1,612	0.8	18.8	20.9	16.0	142	151	(6.1)	131	8.0	1.9	1.7	2.7	32.2	34.4	21.9	6.0	5.3	4.5	19.5	15.1	10.9

*Note: UR - Under Review; **Standalone; # Y/E Dec; *Y/E Sep; ^Y/E June*

	Rating	Target Price	CMP (Rs) 6-Jan-10	Market Cap (Rsmn)	Net Sales (Rsmn) Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	EBITDA (%) Q3FY10E	Q3FY09	Q2FY10	Adj. PAT (Rsmn) Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	EPS (Rs) FY09E	FY10E	FY11E	P/E (x) FY09E	FY10E	FY11E	P/BV (x) FY09E	FY10E	FY11E	EV/EBITDA (x) FY09E	FY10E	FY11E
Metals, Mining & Pipes																													
41 Hindalco Inds**	Hold	123	171	290,859	57,838	41,172	40.5	49,171	17.6	13.0	18.9	12.4	4,170	5,448	(23.5)	3,440	21.2	2.9	6.2	11.2	9.3	59.9	27.7	1.5	1.6	1.5	18.5	9.0	7.0
42 Hindustan Zinc	Buy	1,127	1,229	519,292	23,234	10,692	117.3	18,183	27.8	66.2	28.5	59.1	12,875	3,689	249.0	9,350	37.7	64.6	94.5	132.4	11.8	19.0	13.0	3.6	2.9	2.2	17.1	9.7	5.9
43 Jindal Steel & Power (JSPL)	Buy	752	724	669,346	25,846	29,736	(13.1)	24,453	5.7	44.2	44.5	53.4	6,717	8,916	(24.7)	8,083	(16.9)	32.6	37.1	49.5	53.6	22.2	19.5	9.5	6.5	4.5	14.4	13.0	10.0
44 JSW Steel	Hold	887	1,149	214,854	44,950	33,191	35.4	46,963	(4.3)	20.9	15.2	21.6	2,196	(1,878)	NM	3,228	(32.0)	14.7	76.2	68.7	13.1	78.1	15.1	2.8	2.0	1.8	11.9	9.3	9.0
45 Monnet Ispat	Sell	280	390	22,171	3,575	4,001	(10.7)	3,139	13.9	29.4	19.9	30.7	591	335	76.4	641	(7.8)	44.4	38.9	34.5	10.7	8.8	10.0	1.4	1.3	1.2	9.4	10.2	11.8
46 NALCO	Sell	240	476	306,286	12,125	10,359	17.0	11,791	2.8	15.1	25.6	12.0	1,395	2,195	(36.4)	1,595	(12.5)	19.8	7.8	17.1	18.9	24.1	60.8	3.1	3.0	2.7	15.4	41.9	17.3
47 SAIL	Buy	205	248	1,025,785	111,520	89,206	25.0	100,391	11.1	23.2	12.7	23.8	17,845	8,434	111.6	16,635	7.3	15.0	14.2	16.7	13.6	16.6	17.5	3.5	3.0	2.6	10.2	9.5	7.5
48 Sarda Energy	Buy	290	237	8,070	1,419	2,174	(34.7)	1,020	39.1	17.8	11.4	6.0	103	74	40.0	15	567.7	36.2	18.6	41.6	6.6	6.6	12.8	1.5	1.4	1.2	6.5	15.2	4.4
49 Sesa Goa	Hold	304	412	338,374	16,595	13,599	22.0	5,389	207.9	51.1	40.7	27.9	6,754	4,708	43.5	1,665	305.7	25.3	20.4	27.0	20.9	16.3	20.2	6.9	4.9	3.7	13.3	14.9	10.0
50 Tata Steel**	Sell	340	642	569,049	58,900	48,021	22.7	56,921	3.5	35.6	30.8	33.8	10,664	4,663	128.7	9,029	18.1	67.8	(21.2)	38.0	3.8	9.5	(30.3)	2.1	2.8	2.4	6.1	25.0	9.5
51 Jindal Saw	Hold	146	193	54,895	12,060	15,481	(22.1)	13,729	(12.2)	16.3	12.5	18.6	1,028	866	18.6	1,464	(29.8)	12.6	15.8	14.0	3.7	15.2	12.2	1.8	1.6	1.4	9.6	7.6	8.3
52 Welspun-Gujarat	Buy	414	277	56,640	17,904	14,566	22.9	21,734	(17.6)	16.4	9.8	16.6	1,292	453	185.2	1,651	(21.8)	11.4	25.1	29.8	13.9	24.2	11.0	2.9	2.2	1.8	11.6	6.2	4.9
Pharmaceuticals																													
53 Aurobindo	Buy	1,025	907	58,656	9,659	8,228	17.4	8,826	9.4	23.0	19.2	23.5	1,215	902	34.8	1,068	13.8	50.7	85.1	102.9	17.9	10.7	8.8	3.9	2.9	2.1	15.6	9.3	7.4
54 Biocon	Sell	242	291	58,160	5,109	4,362	17.1	5,800	(11.9)	20.4	21.2	19.5	794	662	19.9	742	7.0	12.0	14.2	16.1	24.2	20.5	18.1	3.8	3.4	2.9	19.6	14.6	12.0
55 Cipla	Hold	283	345	276,931	15,326	13,420	14.2	14,429	6.2	22.0	25.2	25.9	2,616	2,598	0.7	2,696	(3.0)	12.5	13.3	15.6	27.6	25.9	22.1	6.2	4.8	4.1	23.3	19.4	16.7
56 Dishman Pharma	Hold	230	235	19,100	2,633	2,820	(6.6)	2,174	21.1	23.2	25.4	22.9	328	359	(8.6)	201	63.0	19.9	15.3	19.2	11.8	15.3	12.2	2.7	2.3	1.9	9.4	10.2	8.2
57 Dr Reddy's	Buy	1,225	1,208	203,368	16,928	18,401	(8.0)	18,368	(7.8)	16.8	21.0	16.5	2,273	1,924	18.1	2,653	(14.3)	32.4	47.8	63.6	37.3	25.3	19.0	5.8	4.9	4.1	16.5	14.8	11.6
58 Glenmark Pharma	Buy	273	281	76,649	6,353	5,814	9.3	5,903	7.6	25.3	32.5	26.5	939	814	15.4	809	16.2	7.0	11.9	15.9	40.0	23.7	17.7	4.5	3.3	2.9	21.3	14.5	12.0
59 Ipca Labs	Buy	1,434	1,054	26,369	3,835	3,133	22.4	4,303	(10.9)	21.4	22.7	23.7	450	378	19.0	643	(30.0)	61.6	77.3	98.0	17.1	13.6	10.8	4.2	3.4	2.7	11.6	9.2	7.5
60 Jubilant Organosys	Buy	334	329	56,241	10,492	9,096	15.3	9,331	12.4	19.3	15.5	19.8	1,156	548	110.9	879	31.5	19.1	22.2	28.5	17.2	14.8	11.5	2.5	2.2	1.9	15.9	11.6	9.4
61 Piramal Healthcare	Hold	386	387	80,904	9,889	8,326	18.8	9,999	(1.1)	20.6	19.2	17.7	1,248	685	82.1	1,051	18.8	21.1	21.0	25.7	18.4	18.5	15.0	6.1	5.0	4.0	14.9	12.2	10.2
62 Sun Pharma	Hold	1,344	1,573	325,758	9,950	9,183	8.4	10,892	(8.6)	37.5	45.0	35.6	3,841	4,086	(6.0)	3,604	6.6	87.8	63.0	72.2	17.9	25.0	21.8	4.6	4.0	3.5	16.7	23.8	20.8
63 Ranbaxy	Hold	533	526	251,694	18,197	19,982	(8.9)	18,858	(3.5)	19.9	12.6	12.9	2,025	1,133	78.7	1,322	53.2	(3.8)	6.5	30.2	(139.0)	81.2	17.4	5.1	4.9	4.0	114.3	40.0	12.9
Power																													
64 CESC	Buy	417	432	46,520	9,700	7,630	27.1	9,640	0.6	23.6	21.2	23.3	1,280	980	30.6	1,260	1.6	32.8	31.6	37.9	13.2	13.7	11.4	1.6	1.5	1.3	9.4	9.5	7.4
65 NTPC	Sell	192	228	1,721,241	113,776	112,771	0.9	112,526	1.1	32.4	28.5	32.7	24,100	22,509	7.1	21,520	12.0	9.8	10.6	11.9	23.3	21.5	19.2	3.3	3.0	2.8	16.4	15.3	13.4
66 Power Grid	Hold	118	114	460,868	17,600	14,774	19.1	17,486	0.7	84.7	83.0	84.2	4,950	3,724	32.9	4,872	1.6	4.3	5.1	6.6	26.4	22.3	17.2	3.3	3.0	2.8	13.4	12.5	11.1
67 PTC India	Buy	145	120	25,732	16,161	21,170	(23.7)	24,587	(34.3)	0.3	0.2	1.2	127	252	(49.6)	409	(68.9)	4.2	2.8	4.3	28.6	42.9	27.9	1.8	1.7	1.6	(1.9)	(1.6)	(1.1)
68 Reliance Power	Hold	156	159	392,236	-	-	-	-	-	-	-	-	-	-	-	-	-	1.3	2.1	1.9	122.3	75.7	83.7	2.8	2.7	2.6	(992.0)	(954.8)	289.3
69 Tata Power	Hold	1,321	1,475	305,024	17,800	17,769	0.2	17,210	3.4	24.2	14.4	24.2	1,850	964	91.9	2,280	(18.9)	23.3	40.6	40.8	63.3	36.3	36.2	4.0	3.1	3.0	34.5	22.2	21.0
Real Estate																													
70 Anant Raj Industries	Buy	209	143	45,092	152	706	(78.5)	871	(82.5)	77.0	92.4	91.7	174	662	(73.7)	713.0	(75.6)	7.0	7.7	13.2	20.4	18.5	10.8	1.3	1.2	1.1	18.5	15.3	7.4
71 Brigade Ent	Buy	124	130	14,632	1,024	1,047	(2.2)	840	21.9	15.0	16.7	13.7	61	22	179.2	45.0	36.5	3.4	4.5	7.2	38.3	29.0	18.1	1.5	1.4	1.3	34.9	24.0	16.2
72 DLF	Sell	305	379	633,011	18,320	13,667	34.0	17,509	4.6	49.2	56.5	52.2	6,621	6,708	(1.3)	4397.0	50.6	27.3	8.7	11.6	13.9	43.5	32.6	2.7	2.5	2.3	14.0	27.0	22.9
73 HDIL	Buy	353	370	137,770	4,357	3,138	38.8	3,537	23.2	46.7	30.3	50.8	1,730	1,849	(6.4)	1486.0	16.4	28.5	14.3	20.5	13.0	25.9	18.1	2.3	1.9	1.7	22.9	25.9	16.3
74 Orbit Corp	Buy	281	320	17,219	1,488	483	208.0	1,407	5.7	40.0	71.8	41.3	238	30	693.4	249.0	(4.4)	9.2	18.5	22.9	34.8	17.3	14.0	2.1	2.0	1.8	18.0	9.3	7.2
75 Puravankara Projects	Hold	101	95	20,320	1,500	800	87.5	2,264	(33.8)	35.0	20.5	39.5	409	175	134.0	609.0	(32.8)	6.8	8.8	9.8	14.0	10.8	9.7	1.5	1.3	1.2	20.6	12.5	12.0
76 Sobha Developers	Hold	223	252	24,702	3,482	1,836	89.6	2,253	54.5	24.0	27.6	22.0	487	75	549.9	275.0	77.2	11.0	16.2	24.5	22.9	15.5	10.3	2.3	1.4	1.3	15.7	11.7	8.8
77 Unitech	Hold	99	85	221,798	7,369	4,894	50.6	5,095	44.6	50.5	49.9	58.4	2,432	1,361	78.7	1779.0	36.7	7.4	4.6	4.5	11.5	18.4	18.9	2.7	1.9	1.7	19.2	20.9	17.7
Retail																													
78 Bata India#	Hold	190	194	11,558	2,998	2,563	17.0	2,607	15.0	9.8	10.5	9.8	206	225	(8.7)	143.2	43.8	9.8	10.2	12.3	19.7	19.0	15.7	4.3	3.8	3.3	13.6	11.1	9.1
79 Pantaloon Retail^	Not Rated	389	409	51,077	20,234	15,257	32.6	17,770	13.9	11.1	10.4	11.0	606	335	80.8	438.2	38.4	7.4	13.7	21.6	55.4	29.8	18.9	3.4	3.0	2.6	15.7	12.0	9.4
80 Shoppers Stop	Buy	332	380	9,419	4,101	3,558	15.3	3,960	3.6	6.5	6.4	3.8	154	71	118.4	121.0	27.3	(18.3)	7.5	15.8	(20.8)	51.0	24.1	5.7	5.2	4.5	35.7	17.1	11.3
81 Titan Industries	Hold	1,296	1,474	56,412	12,422	10,238	21.3	11,469	8.3	8.1	7.0	9.3	607	421	44.1	757.9	(19.9)	31.5	44.4	61.7	46.7	33.2	23.9	11.7	9.4	7.3	21.9	20.6	15.3
Sugar*																													
82 Bajaj Hindusthan	UR	UR	237	32,082	7,453	3,600	107.0	4,332	72.0	30.1	9.5	25.7	1216.0	(386.0)	NM	229.0	431.0	0.9	28.1	0.0	264.6	8.4	#DIV/0!	2.2	1.8	#DIV/0!	13.0	5.3	#DIV/0!
83 Balrampur Chini	UR	UR	142	32,377	4,493	4,295	4.6	3,789	18.6	31.6	26.9	20.0	763.0	513.0	48.7	427.0	78.7	8.8	11.1	0.0	16.1	12.8	#DIV/0!	3.0	2.6	#DIV/0!	9.8	7.6	#DIV/0!
84 Shree Renuka Sugars	UR	UR	245	59,736	18,275	4,002	356.6	10,933	67.2	24.0	15.2	15.5	2815.0	110.0	2459.1	1020.0	176.0	4.8	24.5	0.0	50.8	10.0	#DIV/0!	5.7	3.8	#DIV/0!	22.4	6.2	#DIV/0!
85 Triveni Engineering	UR	UR	115	27,297	5,258	3,657	43.8	5,538	(5.1)	24.5	22.6	25.3	604.0	713.0	(15.3)	239.0	152.7	6.9	10.7	0.0	16.7	10.8	#DIV/0!	3.3	2.6	#DIV/0!	8.2	5.6	#DIV/0!
Miscellaneous																													
86 Aban Offshore	Buy	1,600	1,348	59,725	8,396	8,371	0.3	8,299	1.2	60.5	56.3	54.6	1,673	1,009	65.9	714.5	134.2	125.2	126.7	290.5	10.8	10.6	4.6	3.0	2.0	1.4	17.7	15.6	14.1
87 Jet Airways	Hold	331	546	47,166	30,388	30,228	0.5	23,250	30.7	12.9	5.4	1.9	141	(2,142)	NM	(2129.0)	NM	(143.4)	(67.0)	0.7	(3.8)	(8.2)	802.7	1.5	1.9	1.9	(23.2)	26.1	14.8
88 Everonn Systems	Buy	535	423	6,399	756	436	73.5	731	3.3	37.2	39.5	36.0	137	79	73.7	117.8	16.3	14.6	28.3	37.2	29.0	15.0	11.4	3.1	2.6	2.1	12.2	6.5	4.5
89 NIIT	Hold	58	74	12,151	2,987	2,789	7.1	3,598	(17.0)	12.6	8.2	13.8	162	55	195.4	263.0	(38.2)	4.2	4.3	5.8	17.4	17.0	12.7	2.5	2.3	2.1	12.6	9.5	7.2

*Note: UR - Under Review; **Standalone; # Y/E Dec; *Y/E Sep; ^Y/E June*

				CMP (Rs)	Market Cap	NII(Rsmn)					PPP			Adj. PAT (Rsmn)					RoE			EPS (Rs)			P/E			P/Adj BV		
		Rating	Target Price	6-Jan-10	(Rsmn)	Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	Q3FY10E	YoY (%)	QoQ (%)	Q3FY10E	Q3FY09	YoY (%)	Q2FY10	QoQ (%)	FY09	FY10E	FY11E	FY09	FY10E	FY11E	FY09	FY10E	FY11E	FY09	FY10E	FY11E
90	Axis Bank	Sell	744	995.8	404,783	12,009	9,295	*29.2*	11,497	*4.5*	11,619	*27.7*	*(11.0)*	5,603	5,009	*11.9*	5,316	*5.4*	19.8	15.0	13.7	50.6	47.8	55.2	19.7	20.8	18.0	3.6	2.7	2.5
91	Bank of Baroda	Hold	520	533.85	195,630	14,807	14,618	*1.3*	13,886	*6.6*	11,183	*(21.0)*	*8.4*	5,850	7,084	*(17.4)*	6,342	*(7.7)*	18.7	18.2	16.6	60.9	68.7	71.9	8.8	7.8	7.4	1.9	1.7	1.5
92	Bank of India	Hold	339	400.05	207,681	16,378	15,217	*7.6*	14,089	*16.2*	13,648	*(22.5)*	*13.1*	7,103	8,722	*(18.6)*	3,236	*119.5*	25.0	18.6	17.9	57.2	51.0	57.1	7.0	7.8	7.0	1.9	1.8	1.5
93	Federal Bank	Buy	371	243.95	42,035	3,361	3,846	(12.6)	3,300	1.9	2,911	(24.3)	(4.0)	989	980	0.9	1,011	(2.2)	12.3	11.2	12.0	29.7	29.5	34.2	8.2	8.3	7.1	1.0	0.9	0.9
94	HDFC Bank	Hold	1,376	1708.35	734,854	21,461	19,793	8.4	19,557	9.7	16,671	14.3	4.6	8,086	6,217	30.1	6,877	17.6	16.9	15.0	13.8	52.7	61.0	71.4	32.4	28.0	23.9	5.0	3.6	3.1
95	ICICI Bank	Sell	633	894.85	987,567	20,800	19,905	4.5	20,361	2.2	22,451	(19.0)	(7.8)	9,400	12,727	(26.1)	10,401	(9.6)	8.8	7.9	8.4	33.8	36.7	42.5	26.5	24.4	21.1	2.2	2.1	1.9
96	Indian Bank	Buy	210	179.95	76,607	8,037	7,196	11.7	7,591	5.9	6,029	(3.3)	8.8	3,029	3,507	(13.6)	3,720	(18.6)	24.9	22.4	17.9	29.0	30.8	28.1	6.2	5.8	6.4	1.4	1.3	1.2
97	Indian Overseas Bank	Hold	97	115.1	62,516	8,065	8,226	(2.0)	7,850	2.7	4,485	(48.3)	(19.2)	1,909	3,884	(50.8)	2,586	(26.2)	24.8	17.7	17.5	24.3	20.6	23.2	4.7	5.6	5.0	1.3	1.3	1.2
98	ING Vysya Bank	Sell	185	299.85	34,935	1,993	1,727	15.4	1,914	4.1	1,329	24.7	(7.5)	547	521	5.1	535	2.3	11.6	11.5	11.5	18.4	19.3	23.6	16.3	15.5	12.7	2.1	1.8	1.6
99	Punjab National Bank	Buy	916	935.35	290,867	21,202	19,674	7.8	20,949	1.2	16,590	(8.1)	3.3	9,296	10,056	(7.6)	9,270	0.3	22.7	21.9	21.3	98.0	110.9	128.0	9.5	8.4	7.3	2.3	2.0	1.8
100	SBI	Buy	2,200	2305.8	1,455,716	57,606	57,582	0.0	56,088	2.7	46,554	3.9	(3.7)	21,714	24,784	(12.4)	24,900	(12.8)	17.1	14.7	15.2	143.8	142.3	163.9	16.0	16.2	14.1	3.0	2.9	2.7
101	South Indian Bank	Buy	165	147.5	16,437	1,788	1,462	22.3	1,652	8.2	1,163	16.1	(13.1)	678	542	25.1	726	(6.6)	15.7	17.9	16.9	17.2	22.2	23.9	8.6	6.7	6.2	1.4	1.2	1.1
102	Union Bank of India	Hold	230	271.7	135,953	10,400	11,284	(7.8)	8,634	20.4	7,650	(10.5)	(5.5)	4,529	6,716	(32.6)	5,048	(10.3)	21.5	19.0	20.3	34.2	35.7	45.2	7.9	7.6	6.0	2.0	1.9	1.6

*Note: UR - Under Review; **Standalone; # Y/E Dec; *Y/E Sep; ^Y/E June*

Source: Bloomberg, Company, Centrum Research Estimates

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