

Equity indices	% Chg			
	13-Aug	1-day	1-mth	3-mth
India				
Sensex	15,017	1.0	(1.7)	7.5
Nifty	4,374	0.9	(2.9)	5.8
Global/Regional markets				
Dow Jones	13,237	(0.0)	(4.8)	(0.8)
Nasdaq	2,542	(0.1)	(6.1)	(0.2)
FTSE	6,219	3.0	(7.4)	(5.1)
Nikkei	16,797	(0.0)	(7.9)	(5.0)
Hang Seng	21,925	0.2	(5.1)	4.5

Value traded (Rs bn)	BSE	NSE
Cash	41.6	81.9
Derivatives	6.2	316.3
Total	47.8	398.2

Net inflows (Rs bn)	Recent trends (days)			
	10-Aug	-7d	-15d	-30d
FII	(4.1)	(13.5)	(7.0)	161.3
MF	(1.7)	5.5	10.1	(5.0)

Forex / Crude	% Chg			
	13-Aug	1day	1mth	3mth
Rs/US\$	40.6	0.1	(0.3)	0.8
Euro/US\$	1.4	(0.6)	(1.2)	0.5
Crude(\$/bbl)	71.6	(0.1)	(3.2)	14.6

Mkt movers (Rs)	Close	Pr. Cl.	% Chg
Top gainers			
Mercator Lines	58.3	51.4	13.4
Prajay Engineers	300.6	269.4	11.6
Torrent Power	77.5	69.9	11.0
Top losers			
BF Utilities	2,015.1	2,121.1	(5.0)
Phoenix Mills	2,089.0	2,167.3	(3.6)
KSB Pumps	510.1	526.7	(3.2)

In focus

Madhucon Projects – Company Update

Strong earnings visibility CMP: Rs 247 Target: Rs 332 BUY

Inox Leisure – Results Update

Robust performance but positives fully priced in CMP: Rs 121 Target: Rs 120 SELL

IVRCL Infrastructures & Projects – Initiating Coverage

From strength to strength CMP: Rs 381 Target: Rs 488 BUY

Today's top picks

IDBI, IFCI, BEML

News track

- ❖ The government is planning to do away with excise duty exemptions for the pharma industry which were introduced in 2003. (ET)
- ❖ ONGC's proposed 15mn-tonne greenfield refinery in Andhra Pradesh for which the company has invested Rs 220bn has been found commercially unviable. (BS)
- ❖ Hindustan Construction Company (HCC) has bagged a Rs 4.2bn contract from the BMC for building a tunnel from Maroshi to Ruparel College in Mumbai which will be completed within 56 months. (BL)
- ❖ IFCI has invited expressions of interest (EoI) from Indian and foreign investors for taking a minimum 26% stake in the financial institution through a preferential allotment of new equity shares. (BL)
- ❖ Larsen & Toubro has secured two design and build contracts worth Rs 2bn from Delhi Metro Railway Corporation for construction of an underground station at Saket in Delhi as well as a tunnel. (BL)
- ❖ Development Credit Bank has proposed to reduce its promoter's stake to 25% from 29% by issuing preference shares for Rs 3.1bn. (ET)
- ❖ Mphasis has opened a BPO facility to provide contact centre services for Bharti Airtel. The facility has begun operations with 300 customer service agents, which the company hopes to scale up to 1000 in the next two years. (ET)

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

Volume shockers

(No of shares)	13-Aug	2-mth avg	Chg (x)
Clariant Chemicals	96,860	6,860	14.1
Peninsula Land	1,548,239	155,392	10.0
Mercator Lines	4,971,870	648,584	7.7

Delivery toppers

	Del (%)	Total Vol	Cons Days Up
Centurion Bank	77.7	6,152,123	4
Aban Offshore	57.0	48,963	-3
ABB India	45.3	319,691	1

Madhucon Projects

Company Update

CMP: Rs 247

Target: Rs 332

BUY

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NSE code MADHUCON

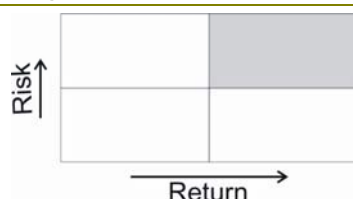
Company data

Particulars	
Market cap (Rs mn / US\$ mn)	9.1/226.6
Outstanding equity shares (mn)	37
52-week high/low (Rs)	408/187
2-month average daily volume	42,946

Financial snapshot

Particulars	FY07	FY08E	FY09E
Sales (Rs mn)	5,100.5	7,212.4	11,900.0
Growth (%)	49.1	41.4	65.0
Adj net profit (Rs mn)	417.1	592.4	1,005.9
Growth (%)	25.4	42.0	69.8
FDEPS (Rs)	11.2	16.0	27.1
Growth (%)	25.4	42.5	69.2
P/E (x)	22.0	15.4	9.1
RoE (%)	9.4	11.8	16.3

Risk-return profile



Shareholding pattern

(%)	June07	Mar-07
Promoters	40.8	40.8
FIs	29.5	31.0
Banks & FIs	25.0	23.3
Public	4.7	4.9

Stock performance

Returns (%)	CMP	1-mth	3-mth	6-mth
Madhucon	247	(2.0)	22.5	(15.6)
Sensex	15,017	(1.7)	7.5	7.2

Company website www.madhucon.com

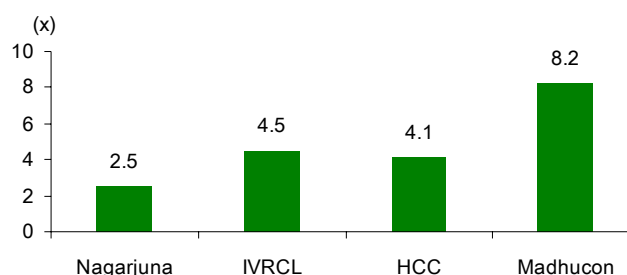
Strong earnings visibility

Madhucon Projects (MPL) is a prominent construction player operating in diverse segments such as roads, irrigation, railways and housing. The company has a large order book aggregating Rs 42bn which primarily comprises projects from the NHAI, state governments and railways. Forays into new infrastructure segments like power and coal mines coupled with the large order backlog is likely to boost MPL's earnings and revenue growth, going ahead. We expect a CAGR of 53% and 55% in revenues and PAT respectively over FY07-FY09. We recommend a Buy on the scrip with a target price of Rs 332.

Robust order book

At Rs 42bn, MPL's order book stands at 8.2x FY07 sales, substantially higher than peers. These orders are to be executed within the next two to three years, implying strong revenue growth over this period. The company currently has four build-operate-transfer (BOT) projects on hand, and we expect the order book to expand further as the company targets large, high-margin BOT contracts.

Order book to sales ratio for FY07 – peer comparison



Source: Company, Religare Research

Roads – proven track record

MPL has vast experience in the roads sector, which constitute 64% of its order book at Rs 27bn. The company is engaged in project management, design & engineering, execution and construction management. MPL undertakes various NHAI and state-government projects for construction of roads, bridges, canals and tunnels. It has incurred significant capex which is uncommon in the construction industry, and thus has the lowest asset turnover ratio among peers.

BOT projects account for bulk of road segment orders

BOT road projects comprise 67% of the road segment order book at Rs 18bn. MPL has established expertise in road construction which has enabled it to bag four BOT projects – Bharatpur-Mahua (58km), Karur-Dindigul (68km), Tanjavur-Tiruchy (55km) and Madurai-Tuticorn (129km). These are toll-based projects and have all achieved financial closure. The management expects to execute the projects before their scheduled timeframes.

BOT and housing projects

Project (Rs mn)	Cost	Equity	Debt	Grant	MPL stake %	Value	Value per share
Bharatpur-Mahua	3,000	620	1,980	400	74	17	12.6
Karur-Dindigul	3,660	600	2,200	860	74	11	8.1
Madurai-Tuticorin	8,324	1,450	5,424	1,450	51	23	11.3
Thanjavur-Tirchy	4,168	750	2,668	750	100	12	12.0
Total							44

Source: Company, Religare Research

Added thrust on bagging BOT projects

BOT projects offer relatively higher margins to construction players. Over the past six months, MPL has bid for 10-12 BOT projects, but failed to make the cut in any of them due to its L2-L4 status. The company enters its bids only after taking into account its internal EBIDTA margin. The management has indicated that it intends to bid for all the forthcoming BOT projects, numbering at six to seven.

Irrigation projects – renewed thrust

Water-related projects account for 33% of the order book, and largely comprise orders from the Andhra Pradesh government. The company is looking to take on projects in other states as well.

Work on the Rs 8.3 Polavaram irrigation project began in May

Construction work on Polavaram project begins: MPL had two orders worth Rs 8.3bn from the Polavaram Indira Sagar Irrigation project. Work on the project was delayed due to certain environmental issues brought up by the Andhra Pradesh irrigation department. However, the Supreme Court recently cleared the case and initial phases of work commenced in May 2007. The construction will begin in earnest from the second quarter onwards. We have not factored this project into our estimates.

Property development – small but growing

MPL has signed an agreement with the Andhra Pradesh state housing board for developing a housing-cum-commercial project across nine acres at Kukatpally. The company proposes to develop deluxe residential apartments, a 4-star hotel and a shopping mall-cum-multiplex. MPL acquired the land at a cost of Rs 45mn per acre, which has since moved up significantly. After development, the total saleable area will be 1.1 - 1.2 mn sq ft. Excavation work on this project has already commenced and approval for the building plan is expected within three months.

New business forays**Power projects – Set up an SPV with Rs 1.3bn equity participation**

MPL has entered into the power segment with 48% equity participation in Simhapuri Energy, a Special Purpose Vehicle (SPV), promoted in partnership with the Hyderabad-based Malaxmi Group. The remaining 52% will be held equally by MPL's technical partners and promoters.

540MW coal-based power plant being set up in phases; phase I to cost Rs 13bn

540MW plant being set up in AP: Simhapuri Energy will set up a 540MW coal-based power plant in two phases at Nellore, Andhra Pradesh (5km from the Krishnapatnam port). During phase I, the company will construct 270MW in two streams of 135MW each, by December 2008 and March 2009 respectively. The total cost for phase I is expected to be Rs 13bn, of which Rs 10bn is likely to be funded via debt and the balance from equity. The company expects full loan sanction by September 2007 and aims to achieve financial closure by November 2007.

MoU with PTC for coal supply; 30% power to be sold in open market: As per an MoU with Power Trading Corporation (PTC), the latter will provide 70% of the coal requirements in exchange for 70% of the power at a fixed rate. The SPV will sell the balance 30% power in the open market, with PTC and other power trading companies already evincing interest. Once this project comes onstream, we expect it to significantly enhance MPL's bottomline.

Mines – exploring new opportunities

The company has also entered into coal mining in Indonesia (lease period 30 years) and incorporated a wholly owned Indonesian company, PT Madhucon Indonesia, for development coal mining. This company will have the right to explore and export coal.

Mine with 20-25mn tonne coal reserve expected to generate Rs 500mn per month for MPL

Mining on 100 hectares to start in Dec: The mine is spread across 3,000 hectares, of which 100 hectares has already been identified, tested and taken through the necessary formalities. Mining of this 100-hectare area, which is estimated to have a huge reserve of 20-25mn tonnes of coal, is expected to commence in December 2007. MPL is likely to excavate 40,000-50,000 tonnes per month in the initial period, and scale up to 3,00,000 tonnes thereafter. The company requires machinery worth Rs 700mn for coal mining and has already tied up with ICICI Bank for the same.

Expected to realise significant: The quality of Indonesian coal is superior to the Indian variety, with a calorific value of ~5,500 and ash content of only 4-5%. On excavating 300,000 tonnes, the company will earn revenues of ~Rs 500mn per month assuming a realisation of US\$ 41-42 per unit. As per the management, it will fetch a minimum return of 19-20% on investment. We expect the full benefit of this business to be seen in the books from FY09.

Financial update

Quarterly performance

(Rs mn)	Q1FY08	Q1FY07	% Chg YoY	Q4FY07	% Chg QoQ
Sales	1,433.7	1,130.5	26.8	1,831.3	(21.7)
Other Income	22.2	58.1	(61.8)	34.8	(36.2)
PBIDT	230.7	191.3	20.6	341.7	(32.5)
Op margin	16.1	16.9			
Interest	20.6	14.8	39.2	34.9	(41.0)
PBDT	210.1	176.5	19.0	306.8	(31.5)
Depreciation	88.6	73.7	20.2	72.5	22.2
PBT	121.5	102.8	18.2	234.3	(48.1)
Tax	29.5	11.8	150.0	118.7	(75.1)
Deferred Tax	0.0	0.0		0.0	
PAT	92.0	91.0	1.1	115.6	(20.4)

Source: Company, Religare Research

BOT projects fuel margin expansion

MPL's strong order book led to a 26.8% YoY rise in Q1FY08 revenue to Rs 1.4bn. The core operating margin improved 270bps to 14.5% due to execution of some BOT projects, which offer high margins. We expect margins to be maintained at this level going ahead. Depreciation rose 20.2% YoY to Rs 88.6mn in Q1FY08 on account of additional capex of Rs 100mn in the first quarter. This follows Rs 1bn capex in FY07.

Withdrawal of Section 80IA hits net profit

While PBT increased by 18.2%, PAT rose by a marginal 1.1% YoY in Q1FY08 on account of the recent withdrawal of tax benefits under Section 80IA with retrospective effect. This has increased the tax rate to 24.5% in Q1FY08 from 11.5% in the same period last year.

EBITDA margin improved 270bps to 14.5% led by the execution of BOT projects

Valuation

We expect a 53% revenue CAGR over FY07-FY09

We expect MPL to show a revenue CAGR of 52.7% over FY07-FY09 on the back of its healthy Rs 42bn order book, which is expected to be executed over the next two to three years. At the current price of Rs 247, MPL discounts its FY08E and FY09E EPS by 12.7x and 7.5x, net of BOT valuation. Considering the robust revenue visibility over the next two years, we strongly believe the stock is trading at an attractive valuation.

Buy with a target of Rs 332

Using a sum-of-the-parts (SOTP) approach, we value the core business at Rs 274/share, four BOT projects at Rs 44.5/share and real estate at Rs 14/share. We thus arrive at a target price of Rs 332 for MPL, and recommend a Buy on the stock. We have not built in the new forays into power and coal mining, and any revenues accruing from these projects will serve as upsides to our estimates.

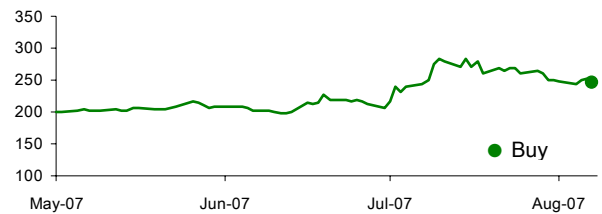
SOTP valuation yields a fair value of Rs 332 for MPL; Buy

Recommendation history

Date	Event	Reco price	Tgt price	Reco
14-Aug-07	Company Update	247	332	Buy

Source: Religare Research

Stock performance



Source: Religare Research

Financials

Profit and Loss statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Revenues	3,420.9	5,100.5	7,212.4	11,900.0
Growth (%)	11.7	49.1	41.4	65.0
EBITDA	626.6	770.2	1,167.4	1,795.9
Growth (%)	55.3	22.9	51.6	53.8
Depreciation	191.3	238.6	280.0	320.0
EBIT	435.3	531.6	887.4	1,475.9
Growth (%)	67.5	22.1	66.9	66.3
Interest	134.0	112.0	125.0	140.0
Other income	74.5	155.7	50.0	50.0
EBT	375.7	575.3	812.4	1,385.9
Growth (%)	44.7	53.1	41.2	70.6
Tax	42.8	158.2	220.0	380.0
Effective tax rate	11.4	27.5	27.1	27.4
Adj net income	333.0	417.1	592.4	1,005.9
Growth (%)	105.7	25.4	42.0	69.8
Shares outstanding (mn)	37.1	37.1	37.1	37.1
FDEPS (Rs)	9.0	11.2	16.0	27.1
DPS (Rs)	0.6	0.6	0.6	0.6
CEPS (Rs)	14.2	17.7	23.6	35.8

Source: Company, Religare Research

Cash flow statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Net income	332.5	417.1	594.4	1,005.9
Depreciation	191.3	238.6	280.0	320.0
Other adjustments	176.8	270.2	345.0	520.0
Changes in WC	(1,150.8)	647.7	(19.7)	(936.1)
Operating cash flow	(450.2)	1,573.6	1,199.7	909.8
Capital expenditure	(398.5)	(1,090.3)	(450.0)	(200.0)
Investments	(0.5)	(1,925.5)	-	-
Other investing inc/(exp)	-	-	-	-
Investing cash flow	(399.1)	(3,015.7)	(450.0)	(200.0)
Free cash flow	(849.2)	(1,442.1)	749.7	709.8
Issue of equity	2,753.7	-	-	-
Issue/repay debt	637.9	(50.2)	97.0	505.0
Dividends paid	(100.4)	(96.6)	(204.2)	(267.0)
Others	(134.0)	(112.0)	(125.0)	(140.0)
Financing cash flow	3,157.2	(258.9)	(232.2)	98.0
Beg. cash & cash eq	580.4	2,888.8	1,187.8	1,705.3
Chg in cash & cash eq	2,307.9	(1,701.0)	517.5	807.8
Closing cash & cash eq	2,888.8	1,187.8	1,705.3	2,513.0

Source: Company, Religare Research

Balance sheet

(Rs mn)	FY06	FY07	FY08E	FY09E
Cash and cash eq	2,888.8	1,187.8	1,705.3	2,513.0
Accounts receivable	1,022.0	572.9	810.2	1,467.1
Inventories	507.7	908.3	1,185.6	2,119.2
Others current assets	1,835.1	1,510.7	1,512.0	1,611.4
Current assets	6,253.6	4,179.7	5,213.1	7,710.7
LT investments	13.0	1,938.5	1,938.5	1,938.5
Net fixed assets	1,133.1	1,984.8	2,154.8	2,034.8
CWIP	-	-	-	-
Total assets	7,399.7	8,103.0	9,306.3	11,683.9
Payables	2,208.7	2,448.2	2,944.2	3,698.0
Others	61.2	204.2	267.0	427.0
Current liabilities	2,269.9	2,652.4	3,211.2	4,125.0
LT debt	1,034.2	1,020.0	1,070.0	1,370.0
Other liabilities	0.1	-	-	-
Equity capital	74.2	74.2	74.2	74.2
Reserves	4,021.4	4,356.4	4,950.8	6,114.7
Net Worth	4,095.6	4,430.6	5,025.0	6,188.9
Total liabilities	7,399.7	8,103.0	9,306.3	11,683.9
BVPS (Rs)	110.4	119.4	135.4	166.8

Source: Company, Religare Research

Financial ratios

	FY06	FY07	FY08E	FY09E
EBITDA margin (%)	18.3	15.1	16.2	15.1
EBIT margin (%)	12.7	10.4	12.3	12.4
Net profit margin (%)	9.7	8.2	8.2	8.5
FDEPS growth (%)	105.7	25.4	42.5	69.2
Receivables (days)	109.0	41.0	41.0	45.0
Inventory (days)	54.2	65.0	60.0	65.0
Payables (days)	348.9	275.4	231.0	135.0
Current ratio (x)	2.8	1.6	1.6	1.9
Interest coverage (x)	3.2	4.7	7.1	10.5
Debt/equity ratio (x)	0.3	0.2	0.2	0.2
ROE (%)	8.1	9.4	11.8	16.3
ROCE (%)	9.0	9.7	11.8	15.2
ROAE (%)	4.5	5.1	6.4	8.6
EV/Sales (x)	3.0	2.0	1.4	0.9
EV/EBITDA (x)	14.5	11.0	8.4	5.7
P/E (x)	27.6	22.0	15.4	9.1
P/BV (x)	2.2	2.1	1.8	1.5
P/CEPS (x)	17.4	13.9	10.5	6.9

Source: Company, Religare Research

Inox Leisure

Results Update

CMP: Rs 121

Target: Rs 120

SELL

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BSE code	532706
NSE code	INOXLEISUR

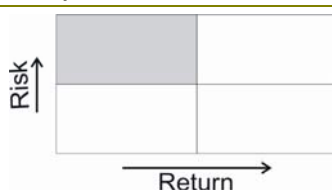
Company data

Particulars	
Market cap (Rs bn / US\$ mn)	7.2/177.3
Outstanding equity shares (mn)	59.5
52-week high/low (Rs)	202/102
2-month average daily volume	63,822

Financial snapshot

Particulars	FY07	FY08E	FY09E
Sales (Rs mn)	1,530.1	2,072.6	2,823.0
Growth (%)	42.8	35.5	36.2
Adj net profit (Rs mn)	247.9	331.5	481.6
Growth (%)	41.3	33.7	45.3
FDEPS (Rs)	4.2	5.6	8.1
Growth (%)	41.3	33.7	45.3
P/E (x)	29.0	21.7	15.0
RoE (%)	9.8	11.1	14.6

Risk-return profile



Shareholding pattern

(%)	Jun-07	Mar-07
Promoters	66	66
FII's	0.1	0.1
Banks & FIs	6.9	10.3
Public	27	23.6

Stock performance

Returns (%)	CMP	1-mth	3-mth	6-mth
Inox	121	(10.9)	(3.4)	(8.2)
Sensex	15,017	(1.7)	7.5	7.2

Company website	www.inoxmovies.com
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Robust performance but positives fully priced in

Inox Leisure has reported above-expected results for Q1FY08. While revenues posted in-line growth of 28% YoY to Rs 428mn, a stronger-than-expected EBITDA margin and a substantial rise in other income triggered much higher profits than anticipated. Operating profit rose 31% YoY to Rs 114.5mn while PAT too was up 31% to Rs 109.6mn. Although the results reflect the company's steady growth trajectory, we believe the current stock price fully factors in the growth prospects. We therefore recommend a Sell on the stock.

Actual vs estimated performance

(Rs mn)	Actual	Estimated	% Variance
Net sales	427.7	431.7	(0.9)
EBIDTA	114.5	73.4	55.9
PAT	109.6	48.3	126.9
EPS (Rs)	7.4	3.2	131.2

Source: Company, Religare Research

Quarterly results

(Rs mn)	Q1FY08	Q1FY07	% Chg YoY	Q4FY07	% Chg QoQ
Revenue from operations	427.7	333.6	28.2	360.7	18.6
a) Direct cost	149.1	128.4	16.1	142.1	4.9
b) Personnel cost	38.1	32.1	18.7	32.1	18.7
c) Other expenses	126	85.4	47.5	126.9	(0.7)
Total expenditure	313.2	245.9	27.4	301.1	4.0
Operating profit (EBDIT)	114.5	87.7	30.6	59.6	92.1
Depreciation	18.1	14.4	25.7	19.7	(8.1)
Gross profit (EBIT)	96.4	73.3	31.5	39.9	141.6
Financial expenses	15.1	20.3	-	11.2	-
Other income	60.3	47.9	25.8	31.0	94.5
PBT	141.6	100.9	40.3	59.7	137.2
Provision for tax	32.0	17.2	-	13.3	140.6
PAT	109.6	83.7	30.9	46.4	136.2
OPM (%)	26.8	26.3	-	16.5	-
Equity	595.0	595.0	-	595.0	-
EPS (Rs)	7.4	5.6	30.9	3.1	136.2

Source: Company, Religare Research

Result highlights

New properties generate stronger revenues

Inox reported revenues of Rs 427.7mn in Q1FY08, a growth of 28.2% over Rs 333.6mn logged in the same quarter last year. Income generated from new properties that commenced operations during the past year has served to enhance revenues. Footfalls increased 38% YoY during the quarter from 2.1mn to 2.9mn.

Operating parameters

Particulars	Q1FY08	Q1FY07	FY07
Properties	15	11	14
Screens	54	41	51
Seats	16,640	12,309	15,251
Footfalls for the period (mn)	2.9	2.1	9.2

Source: Company

EBITDA margin stable at 26.8% aiding a 30.6% YoY increase in operating profit

EBITDA margin remains stable

Operating expenditure has increased by 27.4% YoY to Rs 313.2mn during the quarter, which is attributable to a 51% rise in fees payable to film distributors and a 31% rise in F&B costs. The operating margin remained stable at 26.8% aiding a 30.6% YoY increase in operating profit to Rs 114.5mn.

PAT up 31% YoY

The higher operating profit coupled with a 26% YoY rise in other income led a 30.9% growth in net profit during the quarter to Rs 109.6mn, as compared to Rs 83.7mn in the same quarter last year.

Operational highlights

New multiplexes launched in May and July

During the quarter, Inox started commercial operations at a new multiplex situated at Vijaywada, Gujarat. In July, the company launched another multiplex at Bharuch, Gujarat. With this, Inox has 16 properties under operation with 57 screens in 14 cities across India.

Plans to launch 40 more screens in FY08 with a total of 12,000 seats

CCPL merger to lend further impetus to expansion plans

The company is in the process of merging with CCPL (owner of 89 cinemas), which will give it access to 9 additional properties in West Bengal and Assam. The merger has been approved by the high courts of both Gujarat and Kolkata. Inox plans to commence operations of 10 more properties (including those of CCPL) in FY08, with a total of 12,000 seats and 40 screens.

Alliance with Pantaloon

The company has formed an alliance with the Pantaloon Group giving it preferential status for setting up multiplexes in the latter's real estate developments. This will further boost Inox's presence across India.

Valuation

Positives fully factored into stock price; Maintain Sell

Inox is already quoting at a premium to industry peers; Sell

At the current levels the stock is quoting at 21.7x and 15x on FY08 and FY09 expected earnings respectively. From the table below, it is evident that Inox is already quoting at a premium to industry peers. We believe that current valuations fully factor in the company's growth prospects, and thus recommend a Sell on the stock with a target price of Rs 120.

Comparative analysis

Company	CMP (Rs)	EPS (Rs)		P/E (x)		EV/EBIDTA (x)		ROCE (%)		RONW (%)		Price/BV (x)	
		FY07	FY08E	FY07	FY08E	FY07	FY08E	FY07	FY08E	FY07	FY08E	FY07	FY08E
Cinemax	139	4.1	7.8	33.9	17.8	17.4	11.7	14.8	16.7	12.5	12.8	2.4	2.1
PVR	207	4.5	10.8	46.5	19.1	20.0	10.3	7.3	14.9	5.7	12.7	2.6	2.3
Inox	121	4.2	5.6	29.0	21.7	21.9	14.4	11.0	14.5	9.8	11.1	2.5	2.3
Shringar	61	3.1	4.4	19.7	14.0	18.0	8.5	10.0	13.6	16.0	16.6	2.9	1.7

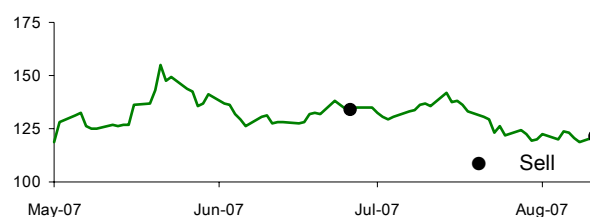
Source: Company

Recommendation history

Date	Event	Reco price	Tgt price	Reco
28-Jun-07	Results Update	134	120	Sell
13-Aug-07	Results Update	121	120	Sell

Source: Religare Research

Recommendation performance



Source: Religare Research

Financials

Profit and Loss statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Revenues	1,071.1	1,530.1	2,072.6	2,823.0
Growth (%)	74.2	42.8	35.5	36.2
EBITDA	360.0	359.8	528.5	734.0
Growth (%)	65.4	(0.1)	46.9	38.9
Depreciation	51.7	64.0	76.9	89.3
EBIT	308.3	295.8	451.7	644.7
Growth (%)	68.4	(4.1)	52.7	42.7
Interest	78.9	66.6	43.1	15.6
Other income	19.7	94.7	90.0	95.0
EBT	249.1	323.9	498.5	724.1
Growth (%)	76.7	30.0	53.9	45.3
Tax	73.7	76.0	167.0	242.6
Effective tax rate	29.6	23.5	33.5	33.5
Adj net income	175.4	247.9	331.5	481.6
Growth (%)	113.5	41.3	33.7	45.3
Shares outstanding (mn)	59.5	59.5	59.5	59.5
FDEPS (Rs)	2.9	4.2	5.6	8.1
DPS (Rs)	-	1.0	1.5	1.5
CEPS (Rs)	3.8	5.2	6.9	9.6

Source: Company, Religare Research

Cash flow statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Net income	175.4	247.9	331.5	481.6
Depreciation	51.7	64.0	76.9	89.3
Other adjustments	-	-	-	-
Changes in WC	(51.5)	47.1	109.0	97.0
Operating cash flow	175.7	359.0	517.4	667.8
Capital expenditure	(303.5)	(311.0)	(510.0)	(320.0)
Investments	(1,447.1)	(47.9)	300.0	-
Other investing inc/(exp)	-	-	-	-
Investing cash flow	(1,750.6)	(358.9)	(210.0)	(320.0)
Free cash flow	(1,574.9)	0.1	307.4	347.8
Issue of equity	1,426.6	538.5	-	-
Issue/repay debt	121.7	(400.0)	(300.0)	(389.3)
Dividends paid	-	(65.5)	(98.2)	(98.2)
Others	41.3	42.6	93.7	136.1
Financing cash flow	1,589.6	115.7	(304.5)	(351.3)
Beg. cash & cash eq	15.6	30.3	146.1	149.0
Chg in cash & cash eq	14.7	115.8	2.9	(3.5)
Closing cash & cash eq	30.3	146.1	149.0	145.5

Source: Company, Religare Research

Balance sheet

(Rs mn)	FY06	FY07	FY08E	FY09E
Cash and cash eq	30.3	146.1	149.0	145.5
Accounts receivable	25.3	50.3	113.6	193.4
Inventories	4.7	8.4	11.4	15.5
Others current assets	327.1	377.0	383.0	389.0
Current assets	387.4	581.8	656.9	743.3
LT investments	1452.1	1500.0	1200.0	1200.0
Net fixed assets	1700.9	1986.9	2410.0	2620.8
CWIP	54.0	15.0	25.0	45.0
Total assets	3594.4	4083.7	4292.0	4609.1
Payables	205.3	272.5	357.7	464.0
Others	32.5	91.0	187.0	267.6
Current liabilities	237.8	363.5	544.7	731.6
LT debt	1089.3	689.3	389.3	0.0
Other liabilities	107.6	150.2	244.0	380.1
Equity capital	595.0	595.0	595.0	595.0
Reserves	1564.7	2285.7	2519.0	2902.4
Net Worth	2159.7	2880.7	3114.0	3497.4
Total liabilities	3594.4	4083.7	4292.0	4609.1
BVPS (Rs)	36.3	48.4	52.3	58.8

Source: Company, Religare Research

Financial ratios

	FY06	FY07	FY08E	FY09E
EBITDA margin (%)	33.6	23.5	25.5	26.0
EBIT margin (%)	28.8	19.3	21.8	22.8
Net profit margin (%)	16.4	16.2	16.0	17.1
FDEPS growth (%)	61.5	41.3	33.7	45.3
Receivables (days)	8.6	12.0	20.0	25.0
Inventory (days)	1.6	2.0	2.0	2.0
Payables (days)	70.0	65.0	63.0	60.0
Current ratio (x)	1.6	1.6	1.2	1.0
Interest coverage (x)	3.9	4.4	10.5	41.4
Debt/equity ratio (x)	0.5	0.2	0.1	0.0
ROE (%)	12.9	9.8	11.1	14.6
ROCE (%)	13.3	11.0	14.5	19.4
ROAE (%)	12.5	8.4	12.1	16.9
EV/Sales (x)	7.7	5.2	3.7	2.6
EV/EBITDA (x)	23.0	21.9	14.4	9.8
P/E (x)	41.0	29.0	21.7	15.0
P/BV (x)	3.3	2.5	2.3	2.1
P/CEPS (x)	31.7	23.1	17.6	12.6

Source: Company, Religare Research

IVRCL Infrastructures & Projects

Initiating Coverage

CMP: Rs 381*

Target: Rs 488

BUY

*As on 10 Aug 2007

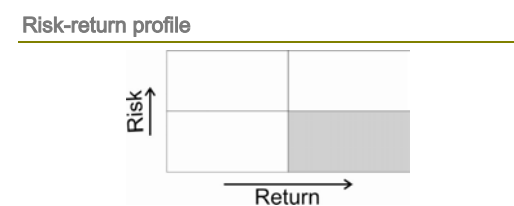
Vinod Nair (91-22) 6612 4731 nair.vinod@religare.in	Ronald Siyoni (91-22) 6612 4615 ronald.siyoni@religare.in
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BSE code	530773
NSE code	IVRCLINFRA

Company data	
Particulars	
Market cap (Rs bn / US\$ bn)	49.4 / 1.2
Outstanding equity shares (mn)	129.7
52-week high/low (Rs)	460/215
2-month average daily volume	5,14,354

Financial snapshot			
Particulars	FY07	FY08E	FY09E
Sales (Rs mn)	23464.6	33500.0	45000.0
Growth (%)	54.2	42.8	34.3
Adj net profit (Rs mn)	1414.6	2047.2	2629.8
Growth (%)	52.2	44.7	28.5
FDEPS (Rs)	10.9	15.1	19.3
Growth (%)	26.3	38.1	28.5
P/E (x)	34.9	25.3	19.7
RoE (%)	15.4	14.0	15.4

* Valuation done at CMP & not adjusted



Shareholding pattern		
(%)	Jun-07	Mar-07
Promoters	9.9	10.0
FIs	61.0	58.1
Banks & FIs	0.6	0.6
Public	28.5	31.3

Stock performance				
Returns (%)	CMP	1-mth	3-mth	6-mth
IVRCL	381	(4.1)	25.4	(6.2)
Sensex	14,868	(0.9)	8.0	2.3
BSE CG	12,768	0.1	29.3	28.5

Company website	www.ivrcl.com
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From strength to strength

Among the best plays on India's buoyant infrastructure development scenario

Investment rationale

- ❖ Leadership in water-related projects and strong contribution from diversified segments like real estate, transportation, power and BoT projects makes IVRCL an all-round infrastructure player
- ❖ Strong order book of 4x FY07 sales at Rs 95bn offers high revenue visibility; we expect robust revenue CAGR of 38% over FY07-FY09. Set to benefit from the proposed government spend of ~US\$ 120bn over 2007-12 on infrastructure.
- ❖ Lower FY07E leverage of 0.2x reduces risk of immediate equity dilution. Rising asset turnover, improvement in EBITDA margin, and prudent working capital management will ensure economic profit creation.
- ❖ Value unlocking through the IPO of real estate arm IVR Prime. We assign a value of Rs 154/share to IVRCL's stake whereas Cushman & Wakefield's valuation gives a range of Rs 235-260/share. IVR Prime's market cap at the issue price of Rs 550 is Rs 35.3bn (Rs 162/share for IVRCL); in comparison IVRCL's market cap is Rs 51.4bn.

Key concerns

- ❖ Rising interest rates and the non-availability of skilled manpower.
- ❖ High exposure to Andhra Pradesh projects (mainly water) at 25% of order book.

Valuation

- ❖ We have valued IVRCL on a sum-of-the-parts basis as follows: a) core business at Rs 294/share based on DCF valuation, which is 9.8x EV/EBITDA and 15.2x P/E FY09E; b) Four BOT projects at Rs 24/share based on 18% COE and 8.25% post-tax cost of debt; and c) other ventures like IVR Prime at Rs 154/share (15% discount) and Hindustan Dorr-Oliver at Rs 17/share (valued at current market price).

- ❖ Initiate coverage with Buy with a target price of Rs 488.

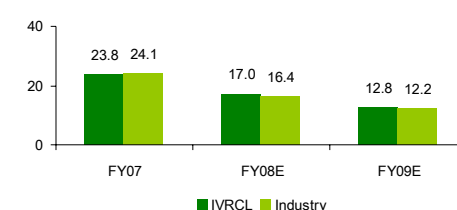
Refer to our report dated 13 August 2007 for further details.

P/E multiple (x)



Source: Religare Research

EV/EBITDA multiple (x)



Source: Religare Research

* Valuations are not adjusted for non-core values

Financials

Profit and Loss statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Revenues	15,214.2	23,464.6	33,500.0	45,000.0
Growth (%)	44.2	54.2	42.8	34.3
EBITDA	1342.9	2301.5	3283.0	4500.0
Growth (%)	55.3	71.4	42.6	37.1
Depreciation	110.0	215.9	290.0	360.0
EBIT	1232.9	2085.6	2993.0	4140.0
Growth (%)	57.1	69.2	43.5	38.3
Interest	253.1	308.4	300.0	550.0
Other income	57.5	73.8	100.0	100.0
EBT	1037.3	1851.0	2793.0	3690.0
Growth (%)	74.4	78.4	50.9	32.1
Tax	107.7	436.3	745.8	1060.2
Effective tax rate	10.4	23.6	26.7	28.7
Adj net income	929.5	1414.6	2047.2	2629.8
Growth (%)	63.9	52.2	44.7	28.5
Shares outstanding (mn)	107.6	129.7	135.9	135.9
FDEPS (Rs)	8.6	10.9	15.1	19.3
DPS (Rs)	1.0	1.0	1.5	1.8
CEPS (Rs)	9.7	12.6	17.2	22.0

Source: Company, Religare Research

Cash flow statement

(Rs mn)	FY06	FY07	FY08E	FY09E
Net income	929.5	1414.6	2047.2	2629.8
Depreciation	110.0	215.9	290.0	360.0
Other adjustments	-79.5	-564.6	27.9	36.9
Changes in WC	(4,283.1)	(4,251.6)	(719.4)	(4,049.4)
Operating cash flow	(3,323.1)	(3,185.7)	1,645.8	(1,023)
Capital expenditure	(523.3)	(1,050.0)	(900.0)	(900.0)
Investments	(2,448.4)	(1,000.0)	(1,000.0)	(1,000.0)
Other investing inc/(exp)	-	-	-	-
Investing cash flow	(2,971.7)	(2,050.0)	(1,900.0)	(1,900)
Free cash flow	(6,294.8)	(5,235.7)	(254.2)	(2,923)
Issue of equity	22.4	7,209.3	1,465.2	-
Issue/repay debt	4,314.6	(1,359.3)	(1,465.2)	2,000.0
Dividends paid	(125.5)	(147.8)	(234.5)	(273.5)
Others	-	-	-	-
Financing cash flow	4,211.5	5,702.2	(234.5)	1,726.5
Beg. cash & cash eq	4,526.8	2,443.5	2,910.0	2,421.3
Chg in cash & cash eq	(2,083.3)	466.5	(488.7)	(1,196)
Closing cash & cash eq	2,443.5	2,910.0	2,421.3	1,225.0

Source: Company, Religare Research

Balance sheet

(Rs mn)	FY06	FY07	FY08E	FY09E
Cash and cash eq	2,443.5	2,910.0	2,421.3	1,225.0
Accounts receivable	4,765.3	7,169.7	10,422.2	14,375.0
Inventories	285.5	488.8	791.0	1,062.5
Others current assets	5,508.6	10,263.9	11,332.1	15,420.9
Current assets	13,002.9	20,832.4	24,966.5	32,083.5
LT investments	2,764.8	3,764.8	4,764.8	5,764.8
Net fixed assets	1,107.4	1,907.6	2,517.6	3,057.6
CWIP	266.1	300.0	300.0	300.0
Total assets	17,141.1	26,804.8	32,548.8	41,205.8
Payables	5,391.2	8,473.3	12,283.3	16,500.0
Others	152.1	181.4	274.8	321.9
Current liabilities	5,543.3	8,654.7	12,558.1	16,821.9
LT debt	6,786.3	5,426.9	3,961.7	5,961.7
Other liabilities	41.4	55.9	83.8	120.7
Equity capital	215.1	259.3	271.8	271.8
Reserves	4,555.0	12,407.9	15,673.3	18,029.6
Net Worth	4,770.1	12,667.2	15,945.2	18,301.4
Total liabilities	17,141.1	26,804.8	32,548.8	41,205.8
BVPS (Rs)	44.3	97.7	117.3	134.6

Source: Company, Religare Research

Financial ratios

	FY06	FY07	FY08E	FY09E
EBITDA margin (%)	8.8	9.8	9.8	10.0
EBIT margin (%)	8.1	8.9	8.9	9.2
Net profit margin (%)	6.1	6.0	6.1	5.8
FDEPS growth (%)	29.4	26.3	38.1	28.5
Receivables (days)	112.8	110.0	112.0	115.0
Tax/PBT	10.4	23.6	26.7	28.7
Payables (days)	127.6	130.0	132.0	132.0
Current ratio (x)	2.3	2.4	2.0	1.9
Interest coverage (x)	4.9	6.8	10.0	7.5
Debt/equity ratio (x)	1.4	0.4	0.2	0.3
ROE (%)	23.2	15.4	14.0	15.4
ROCE (%)	13.1	11.6	12.4	14.4
ROAE (%)	8.2	9.5	10.1	11.2
EV/Sales (x)	3.1	2.3	1.7	1.3
EV/EBITDA (x)	35.6	23.8	17.0	12.8
P/E (x)	44.1	34.9	25.3	19.7
P/BV (x)	8.6	3.9	3.2	2.8
P/CEPS (x)	39.4	30.3	22.2	17.3

Source: Company, Religare Research * Valuation done at CMP & not adjusted

Recommendation tracker

Date	Company	Report type	Stock price (Rs)	Target (Rs)	Reco
20-Jul-07	Wipro Technologies	Results Update	505	595	HOLD
20-Jul-07	Biocon	Results Update	482	542	BUY
23-Jul-07	Ashok Leyland	Results Update	39	48	BUY
23-Jul-07	ICICI Bank	Results Update	985	1,080	BUY
23-Jul-07	Cipla	Results Update	201	214	SELL
23-Jul-07	Garware Wall Ropes	Initiating Coverage	154	301	BUY
23-Jul-07	Central Bank of India	IPO Note	85-102	NA	SUBSCRIBE
25-Jul-07	ACC	Results Update	1,118	1,110	SELL
25-Jul-07	Union Bank of India	Results Update	154	191	BUY
25-Jul-07	Sasken Communication	Results Update	418	516	BUY
25-Jul-07	Venus Remedies	Results Update	492	708	BUY
25-Jul-07	Greenply Industries	Results Update	202	252	BUY
26-Jul-07	Opto Circuits (India)	Results Update	475	517	BUY
26-Jul-07	Great Offshore	Results Update	807	1,045	BUY
26-Jul-07	Lakshmi Energy and Foods	Results Update	181	260	BUY
26-Jul-07	Tulip IT Services	Results Update	749	932	BUY
26-Jul-07	Indus Fila	Results Update	224	352	BUY
26-Jul-07	Punjab National Bank	Results Update	525	610	BUY
26-Jul-07	Bank of India	Results Update	263	300	HOLD
27-Jul-07	Omax Auto	Results Update	77	112	BUY
30-Jul-07	PVR Cinemas	Results Update	209	277	BUY
30-Jul-07	Shringar Cinemas	Results Update	60	75	BUY
30-Jul-07	Apollo Tyres	Results Update	391	498	BUY
30-Jul-07	Federal Bank	Results Update	352	434	BUY
31-Jul-07	RPG Cables	Results Update	48	87	BUY
31-Jul-07	Balaji Telefilms	Results Update	250	317	BUY
01-Aug-07	Nava Bharat Ventures	Results Update	198	302	BUY
01-Aug-07	K S Oils	Results Update	55	68	BUY
01-Aug-07	Bank of Baroda	Results Update	300	343	BUY
01-Aug-07	Dishman Pharmaceuticals and Chemicals	Results Update	315	357	HOLD
01-Aug-07	Cadila	Results Update	351	416	BUY
01-Aug-07	Divi's Laboratories	Results Update	6,692	6,330	HOLD
02-Aug-07	Maruti Udyog	Results Update	821	945	BUY
02-Aug-07	Sangam (India)	Results Update	56	95	BUY
02-Aug-07	KPR Mills	IPO Note	225-265	NA	AVOID
02-Aug-07	Riddhi Siddhi Gluco Biols	Results Update	265	365	BUY
06-Aug-07	Mahindra and Mahindra	Results Update	678	990	BUY
06-Aug-07	Cinemax	Results Update	142	189	BUY
06-Aug-07	Parsvnath Developers	Initiating Coverage	326	512	BUY
08-Aug-07	Wipro Technologies	Company Update	459	595	HOLD
09-Aug-07	Punjab National Bank	Analyst Meet Note	521	610	BUY
13-Aug-07	Bajaj Auto	Company Update	2,319	2,748	BUY
13-Aug-07	IVRCL Infrastructures & Projects	Initiating Coverage	381	488	BUY
13-Aug07	Inox Leisure	Results Update	121	120	SELL
14-Aug-07	Madhucon Projects	Company Update	247	332	BUY

Market trends

BSE sectoral indices

	% Chg				Constituent performance
	13-Aug	1-day	1-mth	3-mth	
Automobiles	4,826	1.9	(4.6)	(3.9)	
Banks	7,828	0.7	(5.5)	10.7	
Capital Goods	12,815	0.4	(1.9)	28.4	
Comm. & Tech.	3,678	0.4	(3.7)	(0.2)	
Consumer Durables	4,146	1.4	(0.8)	8.8	
FMCG	1,932	1.5	3.6	6.6	
Healthcare	3,641	1.1	(5.4)	(1.9)	
IT	4,765	(0.2)	(2.7)	(3.5)	
Metal	11,009	1.3	(8.3)	7.3	
Oil & Gas	7,811	0.7	(0.1)	6.2	
Mid-caps	6,575	1.0	(3.2)	10.7	
Small-caps	8,028	1.6	(2.3)	13.4	

Number of companies: down 5% down 2-5% down 0-2% up 0-2% up 2-5% up 5%

Emerging markets

Country	% Chg				
	13-Aug	1-day	1-mth	3-mth	6-mth
Brazil	52,434	(0.4)	(9.0)	3.8	14.0
Shanghai	4,821	0.0	23.2	19.1	66.0
Hong Kong	21,925	0.2	(5.1)	4.5	8.5
India	15,017	1.0	(1.7)	7.5	7.2
South Korea	1,844	(0.3)	(6.1)	14.8	28.4
Taiwan	8,967	0.3	(5.3)	11.7	14.8

FII statistics

(US\$ mn)	1-day	WTD	MTD	YTD
India	(101.0)	(278.5)	(576.2)	9,658.7
South Korea	(524.6)	(524.6)	(3,987.8)	(8,901.3)
Taiwan	(118.5)	(118.5)	(2,923.5)	5,255.8
Thailand	(4,369.7)	(352.1)	(627.6)	3,466.9

Events calendar

Board meetings

August 13		14		15	
HCL Techno		Escorts Fina		Disa India	
Indian Hotels		Seamec			
Sobha Dev		Trigyn Techno			
16		17		18	
Polychem				Karur KCP Packkagings	
				Ugar Sugar Works	

Trade data

Institutional bulk deals

Scrip	Client	Buy/Sell	Quantity	Avg Price (Rs)
Diana Tea Co	SREI Infrastructure Finance	S	325,000	25.4
Dolat Inv	Dolat Merchant Banking And Financial Services	S	8,000,000	6.8
Everonn Systems India	Ambit Securities Broking	B	84,171	571.1
Everonn Systems India	Ambit Securities Broking	S	84,171	570.9
IFCI	Ambit Securities Broking	B	3,481,764	66.8
IFCI	Ambit Securities Broking	S	3,507,214	66.8
Mang Che Fer	Goldman Sachs Investments Mauritius	B	1,000,000	34.0
Rap Media	Mavi Investment Fund	S	70,000	368.8
Shah Alloy	Morgan Stanley And Inter Co Ac Morgan Stanley	S	475,000	62.0
Shah Alloys	Morgan Stanley Dean Witter Mauritius	S	368,099	62.0
Sintex Industries	Capital Research And Management	B	1,723,000	299.8
Sintex Industries	Fidelity Management And Research	S	1,670,217	300.0
Sujana Metal	BSMA	S	395,555	35.4
Vishal Exports Overseas	Punjab National Bank	S	2,500,000	2.1

Source: BSE

Insider trading

Scrip	Acquirer/Seller	Buy/Sell	Shares transacted		Post-transaction holding	
			Qty	%	Qty	%
Bright Brothers	Patton International	B	2,400	0.0	420,597	7.0
Choice International	Bombay Malay Finvest	S	103,000	2.7	411,500	10.7
Electra Financial Services	Keshrimal Jain	B	388,143	12.9	391,443	-
Electra Financial Services	Mukesh Jain	B	388,143	12.9	391,343	-
Electra Financial Services	Navin Jain	B	388,142	12.9	391,342	-
Electra Financial Services	Sunil Jain	B	388,142	12.9	391,342	-
Envair Electrodyne	Mr Shripad Mirashi	B	500	0.0	1,552,158	51.1
ICICI Bank	Madhabi Puri Buch	S	16,000	-	102,695	-
ICICI Bank	Nimesh Shah	S	2,000	-	52,250	-
ICICI Bank	Kalika Roy Choudhury	S	830	-	-	-
ICICI Bank	Pravir Kumar Vohra	S	1,000	-	43,000	-
ITC	Mr Balakrishnan Vijayaraghavan	S	45,000	-	66,300	-
ITC	S S H Rehman	S	10,000	-	87,425	-
ITC	Anup Singh	S	40,000	-	258,164	-
Kotak Mahindra Bank	Sujata Guhathakurta	S	2,000	-	4,534	-
Mahindra & Mahindra Financial Services	Mr Piyush Mankad	B	3,500	-	3,500	-
Maruti Infrastructure	Smt Hiteshi Nimesh Patel	B	250,000	4.9	355,600	6.9
Matrix Laboratories	Dr Hari Babu	B	1,875	-	37,146	0.0
Matrix Laboratories	Ramakrishna Bangaru	B	6,000	-	6,000	-
Matrix Laboratories	V Sivaram Prasad	B	3,750	-	6,250	-
Matrix Laboratories	Nitinkumar Shyamsundar Bhattad	B	5,000	-	5,000	-
Matrix Laboratories	V Sheela	B	1,875	-	2,375	-
Networth Stock Broking	Sathyan Rajan	B	21,600	-	150,400	1.8
Networth Stock Broking	Girish Dev	B	21,600	-	40,100	0.5
Networth Stock Broking	Suhas Bade	B	2,250	-	5,250	-
Networth Stock Broking	Sneha Doshi	B	900	-	900	-
Satyam Computer Services	Mr K Sriram	S	1,000	-	-	-
Satyam Computer Services	Dr Keshab Panda	S	5,000	-	-	-
Thambbi Modern Spinning Mills	S R Murali Manohar	B	860,000	14.9	860,000	14.9
Vimta Labs	Magnum Sector Fund Umbrella Pharma	B	444,744	2.0	-	-

Scrip	Acquirer/Seller	Buy/Sell	Shares transacted		Post-transaction holding	
			Qty	%	Qty	%
Vimta Labs	Magnum Sector Fund Umbrella Pharma	S	214,797	1.0	381,848	1.7
Vimta Labs	Magnum Sector Fund Umb-Emerging B	B	408,421	1.8	-	-
Vimta Labs	Magnum Sector Fund Umb-Emerging B	S	479,501	2.2	-	-
Vimta Labs	SBI One India Fund	B	459,633	2.1	459,633	2.1

Source: BSE

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Recommendation parameters

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

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

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