

India Update

Market data as on Feb 3, 2009

INDICES			
			% chg (DoD)
BSE Sensex	9149		0.91
S&P CNX Nifty	2784		(3.16)
BSE 100	4642		0.46
BSE 200	1074		0.38

OVERSEAS MARKETS

			% chg (DoD)
Dow Jones	8078		1.78
Nasdaq Comp.	1516		1.46
S&P 500	839		1.58
Hang Seng	13047		2.11
Nikkei	8027		2.58

ADVANCES/DECLINES (BSE)

Group	A	B	S
Advances	77	700	163
Declines	121	889	230
Unchanged	2	59	13

FII TURNOVER (BSE+NSE)* (Rs mn)

Bought	Sold	Net
13,350	13,470	(120)

NEW HIGHS AND LOWS (BSE)

Group	A	B	S
High	0	10	1
Low	6	152	36

CURRENCY

US\$1 = Rs48.83

* FII turnover (BSE + NSE) as on February 2, 2009

Contents

Page 2	Lanco Infratech (Rs112): Decent quarter	Buy
Page 3	Gujarat State Petronet (Rs30): Transportation tariffs escalate	Unrated
Page 5	Allied Digital Services (Rs300): Concerns crop up	Buy
Page 7	Recent reports/updates	

Highlights

Sector/event Impact

REAL ESTATE: Lanco's Q3FY09 results were in line with our expectations, with revenues rising 134% YoY to Rs18.2bn and PAT decreasing 3% YoY to Rs799mn. **Lanco Infratech (Lanco) –** Q3FY09 results review

Lanco booked forex gain of Rs319mn on its dollar debt in Q3FY09 (forex loss of Rs37.5mn in 9MFY09). The company's construction orderbook stands at Rs113bn (Rs94bn worth internal orders). It has 4,000-MW power projects under construction – we expect Amarkantak I to be commissioned in February '09; also, expect Amarkantak II (300MW; September '09), Kondapalli II (366MW; October '09), hydro projects (80MW) and Udipi (600MW, April '10) to be commissioned in the next 12-15 months, increasing Lanco's operational power portfolio to 2,000MW from 500MW. The company is well funded to meet its capital commitments. We remain upbeat on Lanco, given visible growth in its construction orderbook, discounted valuations for the power portfolio and robust business model. Reiterate our BUY recommendation.

News Snippets

Economy

- After a year of sluggish growth in fuel retail outlets, the three state-run oil-marketing companies – Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation – have chalked out aggressive plans for expansion in the next fiscal via commissioning over 2,100 outlets at ~Rs12bn. (Business Standard)

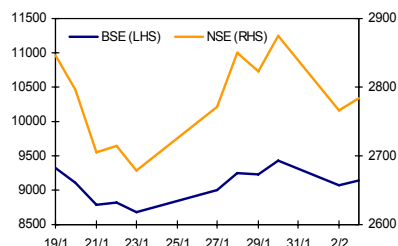
Sectoral

- The Department of Industrial Policy & Promotion will set up a monitoring cell to track FDI inflows into real-estate companies to ensure the funds are not diverted to projects for which foreign investment clearance has not been taken. (The Economic Times)
- GMR and Lanco have filed proposal for the imported coal-based 1,600-MW power project in Maharashtra that entails investment of over Rs64bn. Reliance Power, Tata Power, Essar and Jindal were also other qualified bidders, though they withdrew from filing Requests for Proposals. (DNA Money)

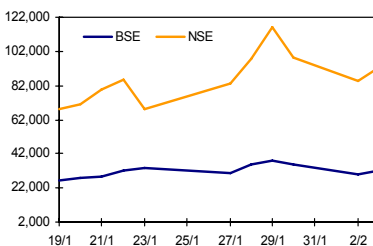
Corporate

- Usha Martin, a specialty steel producer & wire-rope manufacturer, has plans to start coal mining at Jharkhand and increase iron-ore mining capacity in the next fiscal. (DNA Money)

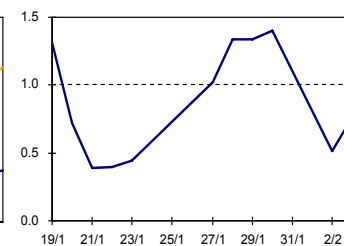
Market movement over last fortnight



Volumes in Rs mn (BSE and NSE)



Advances & Declines ratio (BSE)



ICICI Securities Limited, ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020, India.

Phone: +91 22 2288 2460/70 Fax: +91 22 2288 2448

ICICI Securities Inc, 461 Fifth Avenue, 16th Floor, New York, NY 10017.

Phone: +1 212 921 2344 / +1 212 453 6704 Fax: +1 212 453 6710

Lanco Infratech (Buy)

REAL ESTATE

Q3FY09 RESULTS REVIEW

Decent quarter

Rs112

Gaurav Pathak (+91 22 6637 7339)

gaurav_pathak@isecltd.com

Lanco Infratech's (Lanco) Q3FY09 results were in line with our expectations, with revenues rising 134% YoY to Rs18.2bn and PAT decreasing 3% YoY to Rs799mn. Lanco booked forex gain of Rs319mn on its dollar debt in Q3FY09 (forex loss of Rs37.5mn in 9MFY09). The company's construction orderbook stands at Rs113bn (Rs94bn worth internal orders). It has 4,000-MW power projects under construction – we expect Amarkantak I to be commissioned in February '09; also, expect Amarkantak II (300MW; September '09), Kondapalli II (366MW; October '09), hydro projects (80MW) and Udipi (600MW, April '10) to be commissioned in the next 12-15 months, increasing Lanco's operational power portfolio to 2,000MW from 500MW. The company is well funded to meet its capital commitments. We remain upbeat on Lanco, given visible growth in its construction orderbook, discounted valuations for the power portfolio and robust business model. Reiterate our BUY recommendation.

Table 1: Valuations summary

		Y/E March	EPS (Rs)	P/E (x)	EV/E (x)		
Price (3/02/09) (Rs)	112	2007	8.6	13.0	8.7	BSE Sensex	9149
52 wk Range (Rs)	884/91	2008	16.1	6.9	7.1	M.Cap (Rs bn)	24.5
DPS FY09E (Rs)	0	2009E	16.0	7.0	10.3	M.Cap (US\$ mn)	506
Dividend yield (%)	0	2010E	19.3	5.8	10.0	Shares Out (mn)	219.8
Face value (Rs)	10	2011E	26.0	4.3	6.1	Float (%)	26.4

Source: Company data, I-Sec Research

- Revenue break-up.** Revenue contribution was primarily from construction (Rs10.4bn; 52% of total revenue) and power (Rs9.1bn; 45%). Contribution from construction rose 176% YoY and 65% QoQ to Rs10.4bn mainly due to pick-up in execution of Amarkantak I & II, Nagarjuna and Kondapalli power projects. Revenues in the power segment rose 115% YoY due to significant jump in power trading revenues, which rose to Rs5.2bn from 3.5bn in Q2FY09; also, firing of naphtha at Kondapalli lead to sharp increase in power generation revenues. Power plants of Kondapalli and Aban were at ~80% PLF and ~90% availability. For its *Lanco Hills* project, the company has advances of Rs3bn (of the 4mn sqft total residential, 2.5mn sqft already sold) and equity contribution of Rs2.6bn; the remaining Rs12bn capex is being financed from debt.
- Margin contraction.** Q3FY09 EBITDA margin was lower at 11.5% versus 22.5% in Q3FY08 and 12.4% in Q2FY09. EBITDA margin witnessed pressure mainly due to: i) use of naphtha at the Kondapalli power plant and ii) increase in power trading revenues (1% operating margin) to Rs5.2bn from Rs3.5bn in Q2FY09. Post adjustment for naphtha and Rs341mn carbon credit booked in Q3FY08, margin of the power business improved a tad. EPC margins reduced on account of cost inflation. Also, interest cost was higher due to greater working capital requirements.
- Valuations.** We maintain our NAV estimates at Rs65bn or Rs296/share. Based on FY09E, FY10E and FY11E EPS estimates of Rs16, Rs19.3 and Rs26, the stock is trading at P/E of 7x, 5.8x and 4.3x respectively. Maintain BUY.

Table 2: Q3FY09 results review*(Rs mn, year ending March 31)*

	Q3FY09	Q3FY08	% chg (YoY)	Q2FY09	% chg (QoQ)
Gross sales	18,202.3	7,781.5	133.9	12,789.7	42.3
Excise duty	0.0	0.0	0.0	0.0	0.0
Net Sales	18,202.3	7,781.5	133.9	12,789.7	42.3
Other operating income	0.0	0.0	0.0	0.0	0.0
Total Operating income	18,202.3	7,781.5	133.9	12,789.7	42.3
Raw Materials	15,110.6	5,437.7	177.9	10,024.2	50.7
Personnel Cost	531.0	229.7	131.2	493.4	7.6
Research & Development	0.0	0.0	0.0	0.0	0.0
Other Expenses	473.2	363.6	30.1	682.1	(30.6)
Total Expenses	16,114.8	6,031.0	167.2	11,199.7	43.9
EBITDA	2,087.5	1,750.5	19.3	1,590.0	31.3
Interest (Net)	496.5	218.8	126.9	454.8	9.2
Depreciation	294.7	212.8	38.5	240.6	22.5
Other Income	317.9	186.7	70.2	116.2	173.7
Recurring pre-tax income	1,614.1	1,505.6	7.2	1,010.8	59.7
Taxation	410.4	303.4	35.3	310.3	32.2
Recurring Net Income	1,203.8	1,202.2	0.1	700.5	71.9
Extraordinary item	0.0	0.0	0.0	0.0	0.0
Less: Minority Interest	404.9	349.3	15.9	186.1	117.6
Add: Associates Profits	0.0	(27.7)	-	1.2	-
Reported Net income	798.9	825.2	(3)	515.6	54.9

Source: Company data

Details in our report 'Decent quarter' dated February 4, 2009**Gujarat State Petronet (Unrated) Oil&Gas and Petrochemicals****Q3FY09 RESULTS REVIEW****Transportation tariffs escalate****Rs30**

Amit Mishra (+91 22 6637 7274)

amit_mishra@isecltd.com

Gagan Dixit (+91 22 6637 7480)

gagan_dixit@isecltd.com

Gujarat State Petronet's (GSPL) Q3FY09 earnings grew 9.7% YoY, despite 25.8% decrease in gas transportation volumes on 43% YoY increase in transportation tariffs. Transportation tariffs during the quarter were at an all-time high of Rs970/mscm, probably owing to the absence of short-distance spot transportation volumes and pay-offs from take or pay agreements. Moreover, the shareholders approved the Corporate Social Responsibility (CSR) contribution to be payable to the state Government with an absolute majority. The company would be paying 30% of PBT as CSR contribution. Despite recurring CSR contribution, we value the stock at Rs40/share based on FCFE-based valuations and remain positive on long-term growth prospects. However, in the short term, the stock may remain subdued due to lack of additional volumes and delays in commissioning of existing pipelines on gas shortage. The stock has fallen 62.8% YoY and underperformed the BSE-200 8.6% due to concerns on CSR contribution, lack of gas supplies and the impact on tariffs due to recommendation by the Petroleum & Natural Gas Regulatory Board (PNGRB). The stock offers significant upside to our fair-value estimate but may remain range bound in the next six months on lack of gas supplies. We expect gas supplies from Reliance Industries (RIL) to start flowing during Q1FY10E. We believe the stock would see significant appreciation in the next 12-18months, once gas supplies kick in. Reversal of the CSR contribution could enhance fair value of the stock 20% to Rs48/share.

Table 1: Valuations summary

		Y/E March	EPS (Rs)	P/E (x)	EV/E (x)		
Price (3/02/09) (Rs)	30	2007	1.6	18.2	8.8	BSE Sensex	9149
52 wk Range (Rs)	84/26	2008	1.8	16.5	6.6	M.Cap (Rs bn)	16.9
DPS FY09E (Rs)	0.2	2009E	0.9	33.6	7.6	M.Cap (US\$ mn)	347.1
Dividend yield (%)	0.7	2010E	1.9	15.4	5.8	Shares Out (mn)	562
Face value (Rs)	10	2011E	2.3	12.8	4.5	Float (%)	62.2

Source: Company data, I-Sec Research

- **Net sales increased 6.2% YoY** to Rs1.2bn on the back of 43% YoY rise in gas transportation tariffs despite 25.8% decline in gas transportation volumes. This could be attributable to higher take-or-pay agreements payable in Q3FY09, which led to higher effective gas transportation charges.
- **EBITDA margin decreased 128bps QoQ** due to higher personal costs and other expenditure. EBITDA rose 4.6% YoY to Rs1bn.
- **Net income rose 9.7% YoY** to Rs276.4mn owing to lower effective tax rate, which declined 865bps YoY to 34.9%.
- **First 5-yr applicable volumes for regulated returns to be linked to contracted volumes.** In its conference call yesterday, the management clarified that applicable volumes for regulated returns for the first five years would be 60%, 70%, 80%, 90% and 100% of the contracted volumes (as emphasised in our report '*Tariff for Natural Gas Pipelines*' dated December 22, '08) versus pipeline capacity volumes (as believed by the market).
- **CSR contribution contingent to capex incurred on assigned project.** The management also elucidated that GSPL's CSR contribution would be linked to the assigned project, with the company supporting the capex incurred thereby, subject to maximum limit of 30% of its pre-tax income in the concerned fiscal. The company is awaiting assignment of a project for CSR contribution at present.
- **Valuations attractive.** Increasing concerns over CSR tax, lower returns and delay in gas supplies have led to sharp correction in the stock. This offers excellent opportunity for long-term investors to enter the stock. We believe the stock would significantly appreciate post commencement of additional gas supplies for Torrent, Essar, NTPC power plants and RIL's Jamnagar complex. GSPL's plans to expand its gas pipelines to Mundra, Pipapav and Rajasthan could offer significant upside to the stock. We advice investors to enter during corrections in the next two quarters as the company may report lacklustre results. Post Q1FY10, with additional volumes flowing in, the stock would outperform broader markets. GSPL also offers significant option value in case the CSR contribution is revoked, which could take our fair value from Rs40/share to Rs48/share.

Table 2: Q3FY09 results review*(Rs mn, Year ending March 31)*

	Q3FY09	Q3FY08	% chg (YoY)	% chg (QoQ)	YTDFY09	YTDFY08	% chg (YoY)
Net sales	1,174.4	1,106.3	6.2	(1.0)	3,555.2	3,017.9	17.8
Gas transportation charges	-	-			19.2	14.4	
Connectivity charges	28.4	27.8	2.3	(6.8)	91.1	88.4	3.0
Personnel cost	23.8	14.6	63.1	20.5	62.4	42.6	46.4
Other expenses	105.7	92.3	14.5	14.7	266.3	257.3	3.5
Total expenses	158.0	134.7	17.3	(2.3)	438.9	402.7	9.0
EBITDA	1,016.4	971.6	4.6	(0.8)	3,116.2	2,615.2	19.2
Interest	221.9	208.1	6.6	(3.9)	670.8	612.6	9.5
Depreciation	428.7	413.8	3.6	1.4	1,266.0	1,218.8	3.9
Other income	58.5	96.3	(39.3)	(19.2)	198.9	206.0	(3.5)
Recurring pre-tax income	424.2	446.0	(4.9)	(4.2)	1,378.3	989.8	39.2
Extraordinary income/(expense)	-	-			-	-	
Taxation	147.9	194.0	(23.8)	(7.2)	491.7	396.3	24.1
Current	131.5	148.6	(11.5)	(7.7)	437.4	271.3	61.2
Deferred	15.1	43.6	(65.4)	(6.2)	51.5	120.2	(57.1)
FBT	1.2	1.8	(32.1)	97.3	2.7	4.8	(43.1)
Tax adjustment for extra-ordinary income/(expense)	-	-			-	-	
Recurring net income	276.4	252.0	9.7	(2.6)	886.6	593.5	49.4
Reported net income	276.4	252.0	9.7	(2.6)	886.6	593.5	49.4
Ratios (%)							
Gross margins	97.6	97.5	9.2	177.0	96.9	96.6	30.5
EBITDA margin	86.5	87.8	(127.6)	18.1	87.7	86.7	99.7
Net profit margin	23.5	22.8	75.7	(39.5)	24.9	19.7	527.2
Gas transported (mmscmd)	1,205.6	1,623.1	(25.8)	(15.8)	2,635.4	2,995.5	(12.0)
Gross contribution (Rs/mmcmd)	0.95	0.66	43.2	19.8	1.31	0.97	34.3
Blended transportation charges (Rs/mmcmd)	0.97	0.68	43.0	17.6	1.35	1.01	33.9
Cash profits	705.1	665.8	5.9	(0.2)	2,152.6	1,812.3	18.8

Source: Company data, I-Sec Research

Allied Digital Services (Buy)**TECHNOLOGY****Q3FY09 RESULTS REVIEW AND EARNINGS REVISION****Concerns crop up****Rs300**Krupal Maniar, CFA (+91 22 6637 7254)
Sandeep Shah (+91 22 6637 7114)krupal_maniar@isecld.com
sandeep_shah@isecld.com**Earnings revisions**

(%)	FY09E	FY10E	FY11E
Sales	↓ 13.7	↓ 18.3	↓ 19.7
EBITDA	↓ 19.0	↓ 25.0	↓ 25.1
EPS	↓ 19.5	↓ 21.3	↓ 22.6

Allied Digital Services (ADSL) registered its first-ever revenue decline (6.7% QoQ) to Rs1.39bn (I-Sec: Rs1.72bn) in Q3FY09 owing to 10.7% QoQ dip in solutions (due to management focus on reducing pure hardware sale) and 2.7% QoQ drop in services (due to postponement of few orders to Q4FY09). Thereby, ADSL is unlikely to meet its FY09 expectations of Rs6bn revenue and Rs1bn profit; the company now expects FY09 revenue and profit of Rs5.3-5.4bn and Rs800mn respectively. Given lower-than-expected Q3FY09 results, we cut our earnings estimate 19.5-22.6% for FY09E-11E. Though we are disappointed with ADSL's Q3FY09 performance, IMS and RIMS remain key growth areas in the IT industry in general and ADSL (which would benefit from increased focus on the segments) in particular. We now expect revenue and EPS CAGR of 22% and 26% respectively over FY09E-11E. At the current market price of Rs300/share, the stock trades at FY10E P/E of 5x and EV/EBITDA of 3.8x. The stock would see near-term pressure; maintain BUY with revised price target of Rs375/share (Rs525/share earlier).

Table 1: Valuations summary

		Y/E March	EPS (Rs)	P/E (x)	EV/E (x)		
Price (3/02/09) (Rs)	300	2007	18.0	16.7	16.7	BSE Sensex	9149
52 wk Range (Rs)	934/241	2008	25.2	11.9	8.3	M.Cap (Rs bn)	5.4
DPS FY09E (Rs)	1.17	2009E	44.3	6.8	5.3	M.Cap (US\$ mn)	111.6
Dividend yield (%)	0.39	2010E	60.6	5.0	3.8	Shares Out (mn)	18.0
Face value (Rs)	10	2011E	70.6	4.2	3.0	Float (%)	35.4

Source: Company data, I-Sec Research

- **IMS & RIMS remain key growth drivers.** ADSL has capacity of 55 seats for its NOC/SOC operations at present, with 25 to be added this month and another 125-150 over one year. The management boasts of a strong IMS/RIMS order pipeline both in the domestic market as well as the US (via its acquired EnPointe Global Services-EGS). Besides this, significant opportunities exist in the physical security surveillance and integrated solutions segments in the domestic market.
- **EBITDA margin declines 80bps QoQ to 18%** due to higher integration cost of EGS. EBITDA margin in EGS reduced to 5% from 10% in Q2FY09. Coupled with provision of Rs16.5mn for receivables from Washington Mutual, PAT declined 25.5% QoQ to Rs179mn (I-Sec: Rs270mn). The management expects EGS EBITDA margin to significantly improve going forward, via increased offshoring (over 60% of clients have agreed to offshore).
- **Maintain BUY; lower our price target to Rs375/share; consistent strong performance & transparency required for re-rating.** We believe detailed disclosure (i.e. number of devices, pricing, clientele etc) is required as regards the NOC/SOC segment. Consistency in performance & increased transparency would be required for re-rating; the stock is likely to see near-term pressure. Maintain BUY.

Table 2: Q3FY09 results review

(Rs mn, year ending March 31)

	Q3FY09	Q2FY09	Q3FY08	% chg (QoQ)	% chg (YoY)	I-Sec Estimates	% Variation
Net Sales	1,389	1,489	792.9	(6.7)	75.2	1,727	(19.6)
Cost of Goods Sold	853	923	539.9	(7.6)	57.9	1,043	(18.2)
Employee Expenses	181	185	60.2	(2.1)	200.5	225	(19.7)
Other Expenses	106	101	29.7	5.2	257.2	114	(7.3)
Total Expenses	1,140	1,208	629.8	(5.7)	80.9	1,382	(17.6)
EBITDA	249	281	163.1	(11.2)	52.9	345	(27.7)
Interest	13	10	2.8	22.3	350.0	12	6.4
Depreciation & amortization	14	13	10.5	11.8	35.2	14	1.6
Other Income/ (expense)	13	31	15.6	(59.1)	(17.9)	8	70.7
Recurring pre-tax income	235	289	165.4		42.3	327	(28.0)
Extraordinary items	(17)	0	0.0	NA	NA	0	0
Taxation	40	48	44.3	(18.2)	(10.8)	56	(28.9)
Reported Net Income	179	241	121.1		48.1	271	(33.9)
Recurring Net Income	196	241	121.1		61.7	271	(27.8)
Ratios (%)							
EBITDA margins	18.0	18.8	20.6			20.0	
Rec. Net profit margins	12.9	16.2	15.3			15.7	

Source: Company data, I-Sec Research

Details in our report 'Concerns crop up' dated February 4, 2009

Recent reports/updates		
Analyst	Company/Sector	Date
Krupal Maniar / Sandeep Shah	Allied Digital Services: Concerns crop up	Feb 4
Gaurav Pathak	Lanco Infratech: Decent quarter	Feb 4
Gaurav Pathak	DLF: Pain before gain	Feb 3
Vikash / Suchitra WL	Media sector: Regional outscores national	Feb 3
Pallav / Abhijit	Jindal Steel & Power: Set for stellar growth	Feb 2
Siddharth/Abhishek	IDFC: Capital market pressure visible	Feb 2
Siddharth/Abhishek	OBC: Lower taxes boost net profits	Feb 2
Sandeep / Krupal	OnMobile Global: Good performance...	Feb 2
Shilpa / Hemant	Mahindra & Mahindra	Feb 2
Gaurav Pathak	Marg: Inching forward	Feb 2
Gaurav Pathak	Indiabulls Real Estate: Trudging through	Feb 2
Gaurav Pathak	Unitech: Fight for survival	Feb 2
Pallav / Abhijit Mitra	NALCO: Marred by price outlook	Jan 30
Siddharth / Abhishek	Bank of Baroda: Strong quarter, but earnings unsustainable	Jan 30
Amit / Gagan	Cairn India: It just got better	Jan 30
Shilpa / Hemant Joshi	Maruti Suzuki: Losing sheen	Jan 29
Shilpa / Hemant Joshi	Ashok Leyland: Losing steam	Jan 29
Vikash / Suchitra WL	ENIL: Boggled by ad slowdown	Jan 29
Amit / Gagan	ONGC: Negative subsidy surprise hurts earnings	Jan 29
Amit / Gagan	GAIL: Subsidy overhang on the horizon	Jan 29
Pallav / Abhijit Mitra	Sesa Goa: On terra firma	Jan 29
Vikash / Suchitra WL	Balaji Telefilms: De'Balaji'fication by industry hurts	Jan 29
Gaurav Pathak	HDIL: Tough times continue	Jan 29
Siddharth / Abhishek	Corporation Bank: Buoyant quarter; earnings to slowdown	Jan 29
Vikash / Suchitra WL	Sun TV Network: Standing tall	Jan 28
Rajesh Vora	Glenmark Pharmaceuticals: Rough patch	Jan 28
Krupal/Sandeep/Sagar	Educomp Solutions: Margin grief	Jan 28
Swarit / Girish	Nagarjuna Construction: Standing strong	Jan 28
Prakash / Novonil / Sanket	NTPC: Ahead of expectations	Jan 28
Vikash / Suchitra WL	TV Today: News channels feel the heat	Jan 27
Shilpa / Hemant Joshi	Bajaj Auto: Recovery far afield	Jan 27
Sandeep/Krupal/Sagar	HCT Technologies: Risk-reward still unfavourable	Jan 27
Siddharth / Abhishek	Union Bank: Steady amidst turmoil	Jan 27
Siddharth / Abhishek	Canara Bank: Asset quality woes	Jan 27
Siddharth / Abhishek	SBI: Healthy performance; provisions low	Jan 27
Shilpa / Hemant Joshi	TVS Motor: In retrogress	Jan 23
Rajesh Vora	Ranbaxy: Bolt from the blue	Jan 23
Amit / Gagan	Reliance Industries: Inventory destocking, hedging prop earnings	Jan 23
Pallav / Abhijit Mitra	Metals sector: Ameliorating demand; steel prices volatile	Jan 23
Siddharth / Abhishek	Bank of India: One-offs buoy profits	Jan 23
Vikash / Suchitra WL	Zee News: Beating the blues	Jan 23
Shilpa / Hemant Joshi	Bharat Forge: Lacks revenue visibility	Jan 22
Krupal/Sandeep/Sagar	Info Edge: Muted outlook	Jan 22
Vikash / Suchitra WL	Zee Entertainment: Aggressive competition in GECs, a drag	Jan 22
Siddharth / Abhishek	HDFC: Lower than expected	Jan 22
Sandeep/Krupal/Sagar	Wipro: Growth, yet margins compromised	Jan 22
Prakash / Novonil / Sanket	Utilities sector: Windfall in slowdown	Jan 21
Krupal/Sandeep/Sagar	NIIT: Dismal show	Jan 21
Vikash / Suchitra WL	HT Media: Ad slowdown weighs on performance	Jan 21
Shilpa / Hemant Joshi	Hero Honda: Margins surprised positively	Jan 21
Krupal/Sandeep/Sagar	Nucleus Software: Above expectations, though concerns persist	Jan 19
Shilpa / Hemant Joshi	Bajaj Auto: In line	Jan 16
Shilpa / Hemant Joshi	Speedometer – January '09: Decline persists	Jan 14
Amit / Gagan	Indraprastha Gas: Sweetening the pot	Jan 13
Sandeep/Krupal/Sagar	Infosys Technologies: Walking the tightrope	Jan 13

ANALYST CERTIFICATION

We *Il, Sandeep Shah, CA; Krupal Maniar, CA, CFA; Gaurav Pathak, PGDM, BTech; Amit Mishra, PGDM, BE and Gagan Dixit, PGDM, BTech;* research analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the ICICI Securities Inc.

Disclosures:

ICICI Securities Limited (ICICI Securities) and its affiliates are a full-service, integrated investment banking, investment management and brokerage and financing group. We along with affiliates are leading underwriter of securities and participate in virtually all securities trading markets in India. We and our affiliates have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. Our research professionals provide important input into our investment banking and other business selection processes. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their dependent family members from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on reasonable basis, ICICI Securities, its subsidiaries and associated companies, their directors and employees ("ICICI Securities and affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities is acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgement by any recipient. The recipient should independently evaluate the investment risks. The value and return of investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities and affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities and its affiliates might have managed or co-managed a public offering for the subject company in the preceding twelve months. ICICI Securities and affiliates might have received compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of public offerings, corporate finance, investment banking or other advisory services in a merger or specific transaction. ICICI Securities and affiliates expect to receive compensation from the companies mentioned in the report within a period of three months following the date of publication of the research report for services in respect of public offerings, corporate finance, investment banking or other advisory services in a merger or specific transaction. It is confirmed that *Sandeep Shah, CA; Krupal Maniar, CA, CFA; Gaurav Pathak, PGDM, BTech; Amit Mishra, PGDM, BE and Gagan Dixit, PGDM, BTech;* research analysts and the authors of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months. Our research professionals are paid in part based on the profitability of ICICI Securities, which include earnings from Investment Banking and other business.

ICICI Securities or its affiliates collectively do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

It is confirmed that *Sandeep Shah, CA; Krupal Maniar, CA, CFA; Gaurav Pathak, PGDM, BTech; Amit Mishra, PGDM, BE and Gagan Dixit, PGDM, BTech;* research analysts and the authors of this report or any of their family members does not serve as an officer, director or advisory board member of the companies mentioned in the report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. ICICI Securities and affiliates may act upon or make use of information contained in the report prior to the publication thereof.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.
