Emkay
Private Client Research

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Pre Budget Expectations for 2007-08

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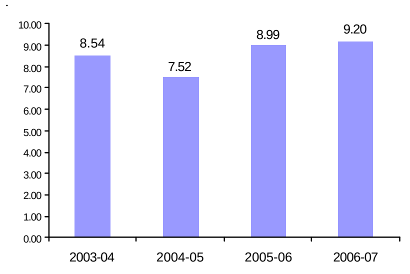
Budget FY07-08: Macro Issues to dominate

We are a just a fortnight away from the Union Budget for FY2007-08 which would be the 3rd consecutive Union Budget presented by Finance Minister Mr P C Chidambaram. Technically although the Budget exercise has lost its significance in recent times, it still remains an important document to assess and evaluate the direction and progress achieved within the economy. The Budget in our opinion is important, but it is less important from the anticipated changes in taxes & tariffs structures but more so from the tax reforms and simplification tax structure point of view.

GDP Growth %



Source : CSO

The Indian economy is in the midst of its best ever growth phase, with the GDP growth according to the Central Statistical Organisation (CSO) likely to grow by 9.2% in FY07E from 8.99% recorded last year. What makes this growth look more re-assuring is that it has come off on a higher base from the previous year which makes it the 4th consecutive year since 2004 onwards of sustained higher GDP growth for the economy. A major driver to this growth has been the Manufacturing Sector which contributes around 25% of the GDP and which grew by 11.3% as compared to 9.3% last year, followed by other sectors like construction, hotels, transport etc.

Going ahead we believe that GDP growth is likely to remain strong from a sustained growth seen in the Services segment which now accounts for roughly 55% of the GDP as compared to 50% in FY2000. On the other hand the manufacturing sector has consolidated its presence in the GDP by accounting for 25% of its share of GDP. Agriculture which used to previously account for a sizeable chunk (around 24%) of the GDP in 2001 has seen its share drop to 18.5% in FY07 and has seen a volatile uneven trend after its peak 10% growth in FY2004.

Infrastructure, Agriculture, Public Health & Education to be the key thrust areas.

We believe that to sustain this GDP growth it would be imperative for the government to focus on Infrastructure, Agriculture, Public Health and Education as these continue to remain the foundation blocks of the Indian economy. More importantly we expect the government to continue its support towards the Agriculture sector since almost 60% of our population still depends on agriculture as its livelihood.

On the other hand we also expect that since FY08E is the first year of the 11th Five Year Plan (2008-2013) which envisages huge investments in roads, power and other infrastructure projects, is likely to result in a significant rise in expenditure on infrastructure sectors to around 7-8% of GDP from around 4.5% currently. Similarly on social sectors like public health and education we expect the government to increase allocations.

Direct Tax collections by the government have continued to remain robust.

More importantly the government has recorded healthy growth in direct tax collections especially with regard to Corporate Tax which is up by 55% YOY during first 9 months of FY07, followed by Income tax up by 27%YOY and Customs up by 33% YOY in the same period. Also the STT (Securities Transaction Tax) which was introduced in 2004-05 has seen a sharp 90% YOY rise in tax collections aggregating Rs 3812 crs between Apr. 2006 to Jan. 2007 indicating the fact that more investors have participated in the India Growth story in the Indian capital markets. All these developments are likely to provide the government some flexibility in reducing select tax rates in this budget and meet its revenue deficit target under FRBM.

In terms of clear policy initiatives in this forthcoming Union Budget, we expect the government to make announcements towards implementation of the common Goods & Services Tax (GST) likely to be introduced from FY2010, possibly reduce surcharge on direct taxes and further rationalize taxes for select sectors both in terms of inputs required and the final end product, increase plan allocations to the Infrastructure and social sectors and progressively look at reducing the revenue deficit targeted in last years budget.

We also expect the government to announce a fresh round of divestment in Public Sector Undertakings (PSUs) in the forthcoming budget and it has already announced plans of divesting 10% in REC and 5% each in Power Grid Corporation and NHPC which will help the government to garner around Rs. 2000 crs.

MARKET SCENARIO BEFORE THE BUDGET –

Markets are likely to remain extremely volatile and choppy before the Union Budget FY08

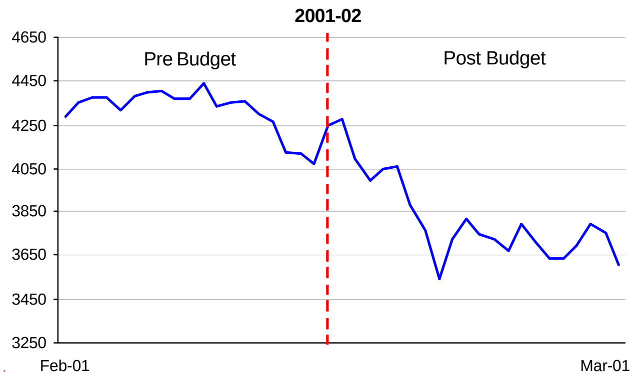
We expect the markets to remain extremely volatile before the Union Budget for 2007-08 is announced on Feb 28th 2007. Traditionally we have observed that a pre budget rally is typically seen across the markets before the budget, after which the markets tend to get corrected. What drives this volatility is the sharp contrast in expectations and reality and which really causes volatility in the markets.

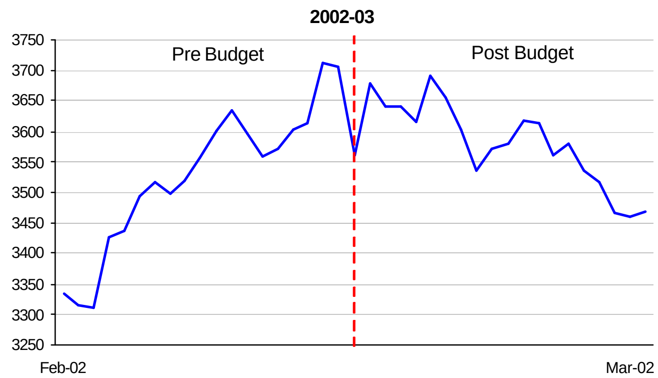
While we do believe that markets discount the future, it would be incorrect to say that short term price movements in the Indian capital markets based on expectations from the budget are a realistic method to evaluate the risk reward opportunity available to investors. While sentiments on a shorter term basis would definitely get impacted by stock market movements, the longer term India growth story continues to remain intact and investors would have to accept short term volatility as a fact of life.

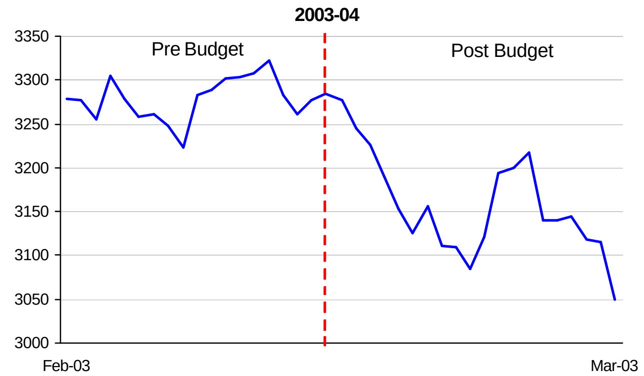
Investors need to focus on quality stock with good management and where visibility of business growth is strong.

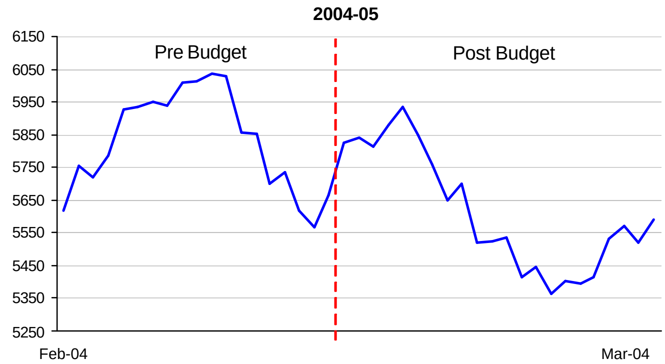
While historically the post Budget performance (usually 1 month after the budget) has typically remained a lackluster and negative period, we suggest investors to remain invested in both large caps and select Mid Caps. Our advice to investors is that at the present index levels it becomes even more important to pick the right stock/sector with the primary focus being on quality of the management and extent of revenue and earnings visibility.

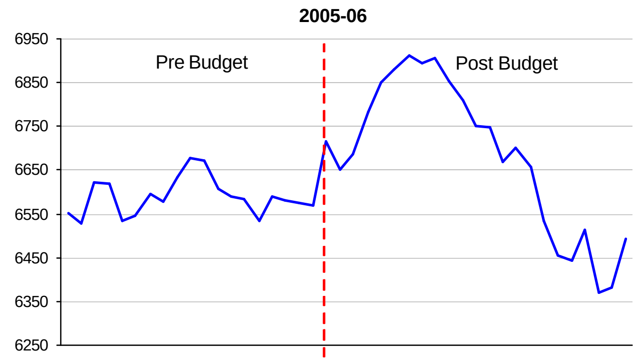
Pre & Post Budget Market Movment

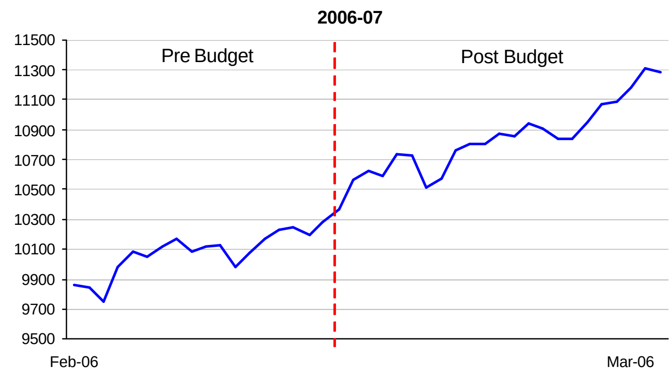












Source : BSE

Sector-wise GDP growth rates (In %)

	Sector	2004-05	2005-06	2006-07
1	Agriculture	-0.04	6.02	2.73
2	Industry	9.75	9.58	9.95
(a)	Mining & Quarrying	7.45	3.59	4.48
(b)	Manufacturing	8.65	9.09	11.29
(c)	Electricity, Gas, Water	7.48	5.26	7.69
(d)	Construction	14.10	14.23	9.37
3	Services	9.55	9.83	11.18
(a)	Trade, hotels	10.93	10.42	13.01
(b)	Financing, insurance	8.70	10.94	11.15
(c)	Community services	7.94	7.71	7.84
	GDP at factor cost	**7.52**	**8.99**	**9.20**

Source : CSO

MACRO ECONOMIC PICTURE LOOKS STRONG –

With the government recording healthy growth in direct tax collections especially with regard to Corporate Tax, Income tax, Customs and Excise duties (Please see Table 1 for details) we believe that the Indian economy continues to remain in good health. More importantly corporate performance during Q3FY07A and YTD has remained healthy with several sectors like Cement, Capital Goods, IT, Auto and Telecom recording healthy topline, EBIDTA and bottomline growth. (Please see Table 2 for details). The Central Statistical Organisation (CSO) has estimated that FY07 GDP growth at 9.2%, while most of the economist think tanks have given a range of 7% to 9%. This growth is due to the healthy contribution by Services and Manufacturing sectors despite Agriculture recording underperformance.

Table 1 -Tax Collection - Continue to be Buoyant (Rs. Crore)

Tax Nature	2005-06 Actual	2006-07 Budget Est	Full Year Increase (%)	April - December 2005-06	April - December 2006-07	9 Months Increase(%)
Corporation	99433	133010	33.8	60457	93851	55.2
Income	57559	77409	34.5	36545	46425	27.0
Customs	65070	77066	18.4	47888	63655	32.9
Excise	111226	119000	7.0	67220	71816	6.8
Others	33700	35688	5.9	18729	30781	64.3
Gross (Excl Surcharge)	**366988**	**442173**	**20.5**	**230839**	**306528**	**32.8**

Source : CSO, nic.in, Finance Ministry

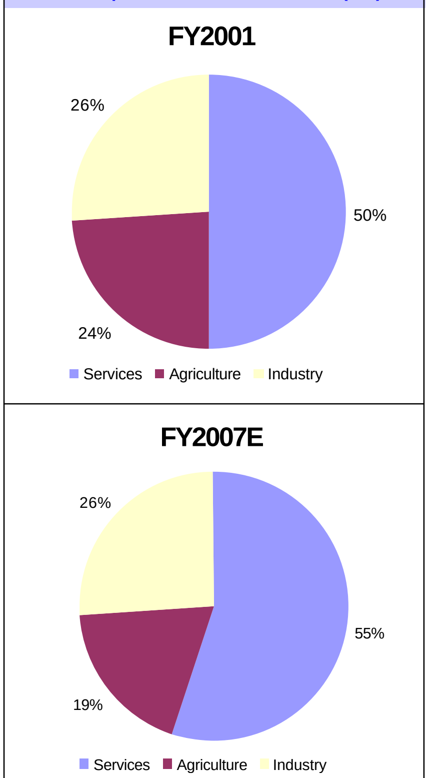
Summary of Central Government Finances
Provisional Actual 2005/06, Budget Est. 2006/07 & Position upto Dec'06

(Rs. Crore)

		2005-06			2006-07			Change For	
	BE Est.	(Rev Estimates)	Actual Apr-Dec	Achieved (%)	(Budget Estimates)	Actual Apr-Dec	Achieved (%)	2006-07 (%)	Apr-Dec '06 (%)
Tax Revenue	269,992	274,139	168,715	61.5	327,205	232,171	71.0	19.4	37.6
Non-Tax Revenue	73,891	74,335	48,031	64.6	76,260	48,744	63.9	2.6	1.5
Revenue Receipts	**343,883**	**348,474**	**216,746**	**62.2**	**403,465**	**280,915**	**69.6**	**15.8**	**29.6**
Plan Expenditure	111,892	114,153	74,875	65.6	143,762	93,901	65.3	25.9	25.4
Non-Plan Expenditure	326,635	326,142	221,552	67.9	344,430	253,791	73.7	5.6	14.6
of which Interest	131,757	130,032	80,972	62.3	139,823	92,634	66.3	7.5	14.4
Non-Interest Non-Plan Rev Exp	194,878	196,110	140,580	71.7	204,607	161,157	78.8	4.3	14.6
Non-Interest Rev Exp	306,770	310,263	215,455	69.4	348,369	255,058	73.2	12.3	18.4
Total Rev Exp	**438,527**	**440,295**	**296,427**	**67.3**	**488,192**	**347,692**	**71.2**	**10.9**	**17.3**
Revenue Deficit	**94,644**	**91,821**	**79,681**	**86.8**	**84,727**	**66,777**	**78.8**	**-7.7**	**-16.2**
Cap. Exp. + Net Landing	53,284	56,710	28,664	50.5	67,799	28,077	41.4	19.6	-2.0
Total Expenditure	**491,811**	**497,005**	**325,091**	**65.4**	**555,991**	**375,769**	**67.6**	**11.9**	**15.6**
Other Non-Debt capital receipts	1,580	2,356	11	0.5	3,840	-	0.0	63.0	-100.0
Fiscal Deficit	**146,348**	**146,175**	**108,334**	**74.1**	**148,686**	**94,854**	**63.8**	**1.7**	**-12.4**
Primary Deficit	14,591	16,143	27,362	169.5	8,863	2,220	25.0	-45.1	-91.9

Source : CSO, nic.in, Finance Ministry

Composition of GDP (%)



Source : CSO

HIGH GDP GROWTH TO BE SUSTAINED –

Going ahead we expect that GDP growth is likely to remain strong with the Services segment growing rapidly and now accounting for roughly 55% of the GDP as compared to 50% in FY2000. On the other hand the manufacturing sector has consolidated its presence in the GDP by accounting for 25% of its share of GDP. The only exception is Agriculture which has seen its share drop to 18.5% in the overall GDP during FY07 from 24% in 2001 as per the CSO and which has seen a volatile trend.

We hence believe that a relatively larger share of services in GDP, which is growing at a faster pace, should ensure a higher sustainable growth rate for the economy. Other factors which have driven growth across most sectors are favorable demographics (growing proportion of young workers), rising wages, increasing urbanization, a housing boom, and massive infrastructure spending. Rising income is helping to drive the consumption boom – this is evident from rapid growth in cellular subscribers, air travel, cars, consumer durables, multiplex movie theatres, credit cards and personal loans.

The private sector has been a major contributor to the GDP growth and we do not expect any negative measures, which could affect the confidence of India Inc at this point in time. We expect that, the major thrust in this budget will be on agriculture, infrastructure, social sectors like public health and education, tax simplification & administration and encouraging FDI in sectors like Insurance & Retail.

Corporate Earnings Growth - NIFTY 50 Companies

Industry	Sales					EBITDA					PAT				
	% Change					% Change					% Change				
	Q3FY07	Q3FY06	YoY	Q2FY07	QoQ	Q3FY07	Q3FY06	YoY	Q2FY07	QoQ	Q3FY07	Q3FY06	YoY	Q2FY07	QoQ
Automobiles (5)	18446.7	14709.7	25.40	17147.4	7.58	2771.36	2593.25	6.87	2819.27	-1.70	1685.64	1573.47	7.13	1730.46	-2.59
Cement (3)	5200.82	3523.56	47.60	4352.63	19.49	1771.59	816.67	116.93	1351.6	31.07	1107.8	423.22	161.76	807.18	37.24
Engineering & Capital Goods (5)	12261.2	9383.39	30.67	10834.9	13.16	2166.22	1452.39	49.15	1596.56	35.68	1367.99	946.36	44.55	1023.38	33.67
FMCG (3)	6740.28	5692.42	18.41	6407.75	5.19	1880.96	1383.83	35.92	1635.01	15.04	1309.87	920.76	42.26	1129	16.02
Information Technology & Media (6)	13652.8	10105.7	35.10	12975.3	5.22	4143.8	3329.19	24.47	3718.46	11.44	3336.23	2631.78	26.77	3031.68	10.05
Metals (4)	19111.8	14512.1	31.70	18800.7	1.66	6534.27	4222.59	54.75	6470.9	0.98	3751.44	2139.04	75.38	3736.9	0.39
Oil & Gas and Petrochemicals (6)	96554.5	76374.4	26.42	100834	-4.24	17447	11019.5	58.33	17851.3	-2.26	9248.58	4386.36	110.85	10162.9	-9.00
Pharmaceuticals (5)	4027.9	2960.88	36.04	3869.25	4.10	1566.79	970.65	61.42	1076.84	45.50	1277.5	745.19	71.43	801.42	59.40
Power Generation (2)	2734.2	2207.72	23.85	2608.46	4.82	626.15	702	-10.80	681.49	-8.12	480.93	392.29	22.60	388.71	23.72
Telecommunications (4)	10082	5170.49	94.99	9190.52	9.70	4003.44	1691.2	136.72	3311.47	20.90	2180.77	811.91	168.60	1612.9	35.21
Transport (1)	1935.68	1478.25	30.94	1615.04	19.85	234.75	261.98	-10.39	81.99	186.32	40.04	61.01	-34.37	-55.13	-172.63
Total - Excl. banking (44)	**190747.9**	**146118.61**	**30.54**	**188635.69**	**1.12**	**43146**	**28443**	**51.69**	**40595**	**6.29**	**25787**	**15031**	**71.55**	**24369**	**5.82**
Banking & Finance (6)	23036.5	18996.6	21.27	21975.9	4.83	18563.8	15065.2	23.22	17985.8	3.21	3238.56	2778.05	16.58	3324.96	-2.60
Total (50)	**213784.35**	**165115.25**	**29.48**	**210611.58**	**1.51**	**61710**	**43509**	**41.83**	**58581**	**5.34**	**29025**	**17809**	**62.98**	**27694**	**4.81**

Source : Capitaline

FY08 BUDGET TO FOCUS ON AGRICULTURE, INFRASTRUCTURE & SOCIAL SECTORS –

Agriculture continues to be a key area for the government with 60% population dependent on rural livelyhood.

As stated earlier we expect the government to focus on Infrastructure, Agriculture, Public Health and Education in order to sustain the present level of GDP growth. Our belief is that with 60% of India's population dependent on Agriculture, it is imperative for the government to increase plan allocation here as the benefits of a sustained level of GDP growth have not yet seen a majority of the population reap its benefits. Therefore with increased plan allocations the government is likely to ensure that Agriculture grows annually by 3-4% so that eventually higher growth from here would lead to a increase in rural incomes which will drive demand for goods and services thereby also improving employment opportunities.

CII has estimated that infrastructure would account for 10% of GDP by the end of the 11th Five Year Plan.

Infrastructure creation would be continue to be a thrust area for the government. As per the CII Infrastructure spending by the end of the 11th Five Year Plan would have to go up to 10% of GDP involving a estimated investment of $ 337.5 bn in order to sustain an average 9.5% GDP growth over the next 5 years. Similarly on social sectors like public health and education we expect the government to increase allocations. This is because India is likely to have highest working class population in the next 4-5 years where a healthy worforce is necessary.

Similarly education is likely to get increased attention from the government in this budget. We already have a education cess of 2% and there are expectations that this would be increased to 4% in this budget.

AGRICULTURE –

We believe that, agriculture would be amongst the major thrust areas for the government due to –

- 60% population depends on Agriculture
- Agriculture production has remained volatile and poses a challenge for sustainable GDP growth
- Bridging the gap between urban and rural income is important
- Significant increase in consumption possible with higher disposable income from rural India
- Higher employment generation potential in rural India

2. INFRASTRUCTURE –

Some of the key reasons why infrastructure will get a boost are –

- To Increase FDI a Improved Infratructure is a must
- Improved Infrastructure will a key driver in providing value addition to customers
- Growing Urbanisation has made the existing infrastructure inadequate and needs to overhauled significantly.

TAX PROPOSALS – EXPECTATIONS

DIRECT TAXES –

- Surcharge on Corporates and Personal Income Tax currently pegged at 10% may be exempted
- Minimum Tax Exemption Limit for Individuals to be raised to Rs 2 lacs from Rs .. lacs presently
- Securities Transactions Tax – Status quo to be maintained
- Short Term Capital Gains Tax likely to increase to 15% or more with long term capital gains tax fully exempted from tax
- Increase in Education Cess to 4% from present level of 2%

INDIRECT TAXES –

- Reduction in peak customs duty from 12.5% to 10% which is in line with tariffs closer to ASEAN levels.
- Excise Duties to be consolidated at 16%
- Basic Framework for preparation of the Goods & Service Tax regime by 2010
- Service Tax likely to be increased to 14% from 12% currently
- Besides 44 new areas like sports & amusement parks, lawyers, filmstars shows to get added

The widening of the service tax is quite logical as believe that, service sax to contribute significantly to the governments revenues, since its contribution to the GDP is now almost 55%.

SECTORAL BIAS -

We expect the following sectors to benefit from the budget process.

Information Technology, Capital Goods, Power Equipment, Construction, Cement, Hotels, Retailing, Telecom, Insurance,Food processing, Fertilisers, Oil & Gas/Allied services players.

Sectors where we are positive are IT, Capital Goods, Cement, Construction, Hotels and Power Equipments

Hence it is quite clear that Infrastructure, Consumption and Agri related sectors would be the major beneficiaries of the process.

In large Caps we like Bajaj Auto, Mahindra & Mahindra, Tata Motors, Bharat Forge, Amtek Auto, Ultra Tech Cements, Shree Cements, Kirloskar Oil Engines, Infosys, TCS Satyam, and Tech Mahindra.

In the Mid Cap space, we continue to be positive on Ratnamani Metal Tubes, RPG Transmission, Sujana Metals, Automotive Axles, Federal Mogul, GabrielDynamatic Technologies, Madhucon Projects, Pratibha Industries, Mangalam Cement, Pradayne Infotech, Tanla Solutions, Tata Elexi, Global Vectra, Jindal Drilling, Royal Orchid Hotels and Great Offshore.

Sectorwise Expectations

EXPECTED BUDGET IMPACT

AUTOMOBILES

Neutral

Current view

LONG TERM OUTLOOK

Positive

We remain positive on Automobile sector. Rising income levels, higher replacement demand, ban on overloading of trucks, rising infrastructure spending, strong freight rates would drive the demand for automobiles in India. We expect the automobile sector to grow at a CAGR of 12-15% over next 3-4 years.

Key budget expectations

Issues	Current Status3	Industry Expectation	Impact	Rationale
Excise Duty	▪ Small Cars 16.3% Other Cars 24.5% 6-12 seater UVs 24.5% > 12 seater UVs 16.3% Two-Wheeler 16.3%	▪ Small Cars 16.3% Other Cars 16.3% 6-12 seater UVs 16.3% >12 seater UVs 16.3% Two-Wheeler 8.0%	▪ Neutral Positive Positive Neutral Positive	▪ Uniform excise duty on all passenger cars including UVs at 16.3%.
Customs Duty	▪ Customs Duty already reduced on primary and semi-finished metals from 7.5% to 5%	▪ To maintain the customs duty at 5% level	▪ Neutral	▪ OEMs source their raw material from domestic market, so it will not have any major impact.
Extension of deduction on R&D expenditure under Income Tax Act u/s 35 (2AB)	▪ 150% deduction on expenditure on in-house R&D to expire on 31st March 2007	▪ 150% deduction on expenditure on not only in-house but also for outsourced R&D to be extended for a period of 10 years	▪ Positive	▪ OEMs spend money on upgrading vehicles to meet new safety and emission standards proposed by the Government and deduction would encourage R&D activities in India.

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Mahindra & Mahindra Ltd*	854	54.6	68.3	15.6	12.5	HOLD
Bajaj Auto Ltd	3016	127.5	160.1	23.7	18.8	HOLD

*Consolidated / *Source: Emkay Private Client Research*

EXPECTED BUDGET IMPACT

Neutral

LONG TERM OUTLOOK

Positive

AUTO ANCILLARIES

Current view

We remain positive on Auto Ancillary sector. The global outsourcing opportunity available for Indian Auto component vendors is mainly because of competent engineering skills, delivery capabilities and cost advantage. Domestic growth of automobile industry will also drive the sector in near future.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Customs Duty	▪ Peak Customs Duty at 12.5%	▪ To maintain peak Customs Duty at 12.5% level	▪ Neutral	▪ The peak Customs Duty was cut to 12.5% from 15% in last budget. Further cut may put auto component players at a disadvantageous position when compared to other emerging countries like Thailand and China
R&D	▪ Government has set up National Automotive Testing and R&D Infrastructure Project for auto R&D	▪ To allow imports of R&D equipment for the automotive sector at zero customs duty	▪ Positive	▪ Auto component manufacturers want to be self-sufficient in R&D
Foreign Investments in auto component industry	▪ Offers limited fiscal incentives to foreign investors	▪ To offer more fiscal incentives to foreign investors to establish themselves in the Indian auto component industry	▪ Positive	▪ Other competitive countries offer tax holidays, encourage investment in SEZs to encourage foreign investments

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Ahmednagar Forgings Ltd	259	19.1	26.6	13.6	9.7	BUY
Automotive Axles Ltd	635	37.9	48.1	16.8	13.2	HOLD
Amtek Auto Ltd*	383	22.9	28.1	16.7	13.6	BUY
Gabriel India Ltd	34.2	2.7	3.9	12.7	8.8	BUY

*Consolidated / *Source: Emkay Private Client Research*

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

CAPITAL GOODS / POWER EQUIPMENT

Current view

We remain positive on Capital Goods & Power Equipment sector. Government has given infrastructure status to power generation and distribution sector, we expect the demand for power to remain strong and power remains one of the critical success factors in India growth story. We expect it will drive strong demand for capital goods and power equipments as well.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Excise Duty	▪ Excise duty on raw materials supplied to power generation, transmission and distribution at 16%	▪ To reduce excise duty to 8% on all products & corresponding raw materials supplied to power generation, transmission and distribution projects	▪ Positive	▪ It would offer some respite to power equipment manufacturers as raw material prices have gone up substantially
	▪ Excise duty on earthmoving and construction equipment is at 16%	▪ To reduce excise duty on earthmoving and construction equipment to 8%	▪ Positive	▪ It would reduce the prices and improve the demand further
Customs Duty	▪ Customs Duty on aluminum, copper, zinc and steel alloys has already been reduced to 5% from 7.5% in January 2007	▪ To maintain the customs duty at 5% level	▪ Neutral	▪ It would bring down the cost differential between international and domestic market and would benefit equipment manufacturers
Project Import Policy	▪ Project imports under the Customs Tariff has already been brought down to 7.5% from 10% in January 2007	▪ To maintain the rate at 7.5%	▪ Neutral	▪ It would encourage more investments in power and infrastructure sector
Infrastructure status to power	▪ Benefits u/s 80 IA available to utilities engaged in generation, transmission and distribution of power	▪ The benefit of 80 IA should be extended to turnkey contractors and power equipment suppliers	▪ Positive	▪ Power equipment companies which provide equipment and technology to power utilities are equally important and it would create level playing field for them.

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Kirloskar Oil Engines Ltd	250	15.6	17.6	16.0	14.2	HOLD
RPG Transmission Ltd.	205	14.1	20.5	14.5	10.0	BUY
Sujana Metal Products Ltd.	111	14.2	23.0	7.8	4.8	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT
Positive
LONG TERM OUTLOOK
Positive

CEMENT

Current view

The import duty has been brought down on cement by 12.5% to NIL but we do not expect any major threat to cement prices & we remain optimistic about the prospects of the cement sector going forward. Our optimism is based on the continued thrust by the government on infrastructure, increasing housing demand, opening up of retail sector and rising capacities by the corporates. With GDP expected to grow at 9% for next 2-3 years we expect 10%+ increase in cement demand. We feel budget 2008 would have a positive impact on the cement sector

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Excise duty on cement	▪ Specific rate of Rs 408 per tonne	▪ Rs 250 per tonne	▪ Positive	▪ This would result in increased profitability for cement companies.
Import duty on pet coke	▪ 5%	▪ Be brought down to 0%	▪ Positive	▪ Would reduce fuel cost of companies using pet coke. Major beneficiaries: Shree Cement, JK Cement
Concession in railway freight for cement/ clinker meant for exports	▪ Railway freight rates as applicable	▪ 50% concession seeked for transportation from plant to port	▪ Positive	▪ Would help hinterland plants to export
	▪ 16% on slag from Iron & steel units	▪ NIL	▪ Positive	▪ Would reduce the cost of producing blended cement.

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
ACC	1022	73.7	70.5	13.9	14.5	BUY
Shree Cements	1305	106.7	148.6	12.2	8.8	BUY
Ultra Tech	964	71.7	80.9	13.4	11.9	BUY
Mangalam Cements	183	14.4	36.2	12.7	5.1	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

CONSTRUCTION / INFRASTRUCTURE

Current view

We remain optimistic about the prospects of the "Infrastructure" sector going forward. Our optimism is based on following assumption: (1) Government is going to increase budgetary allocation for the infrastructure sector, FY06-07 budget allocation to NHDP was Rs99.5 bn which we expect to increase this year and Ports and Irrigation is to get further boost in this sector.(2)As per 11th plan an amount of Rs $350bn is required for infrastructure sector out of which 20% will be from public private partnership and in Bharat Nirman projects there is a backlog of 90%. With a 9% GDP growth target and Gross Capital Formation in Infrastructure as a percentage of GDP expected to rise to 8% in the 11th (5-year) plan, investments required in the infrastructure space have been estimated to be $ 350 bn in next 5 years. We expect budget 2008 to focus on infrastructure development.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
MAT on Infrastructure Projects	■ The provisions of MAT are applicable to infrastructure companies, who otherwise enjoy the benefits of the provisions of section 80-IA of the Act. These companies are usually incurring losses in the initial phase of their start up and make profits only after a long gestation period. On account of the MAT provisions, these companies are liable to pay MAT.	■ Infrastructure Companies should be exempt from tax.	■ Positive	■ These will give boost to the infrastructure company
Tax holidays for persons engaged in development in infrastructure undertaking	■ As per current scenario, if an entity enters into an agreement with govt for development of infrastructure and transfer the facility to govt after development on BOT basis, then its profit gets tax holidays whereas the contractor is directly awarded the contract on BT basis then it is not eligible for tax holidays in respect of profits derived from such development	■ To give tax holidays to company's who develop infrastructure facility on BT basis with respect to profit derived from such facility.	■ Positive	■ It will help construction companies to be equitable and motivate them to undertake job on individual basis and will help government in reduction of grants.
Section 80IA(4).	■ This section applies to any enterprise carrying on the business of developing, operating and maintaining any infrastructure facility on fulfillment of certain prescribed conditions	■ Scope of section 80IA(4) be enlarged to include businesses owned by foreign companies also, i.e. Project Offices	■ Positive	■ It would give boost to overall construction sector.
Reduction in custom duty for construction capital equipment	■ At present the custom duty rate is high for capital equipment	■ Reduction in custom duty of construction capital equipment	■ Positive	■ It will help Indian Construction company to build on Infrastructure assets.
Viable Gap funding should be increased	■ Current budgetary allocation is not sufficient for such long gestation projects of infrastructure.	■ Viable gap funding should be increased. PPP should be encouraged further.	■ Positive	■ Will boost BOT projects.
Tax Holiday / Exemption under section 80-IA/ 10(23G)	■ Pipeline projects are not granted infrastructure facility and hence no tax holidays.	■ Granting 'Infrastructure' status to pipelines laid across the country for transportation of crude / gas / petroleum products and upstream oil and gas sector.	■ Positive	■ Crude oil product and gas pipelines should be classified as 'Infrastructure Facility' and allowed the same benefit of tax holiday granted to other

Construction (contd...)

Issues	Current Status	Industry Expectation	Impact	Rationale
Budgetary Allocation for infrastructure	▪ Rs 19,600 crore allotted to railway, roads & shipping in the previous budget	▪ Budgetary allocation expected to rise	▪ Positive	▪ Increasing thrust by Government of India on infrastructre development.
Extension of benefits u/s 80 IA to Oil & Gas transportation projects	▪ Currently not classified as infrastructure facility	▪ To include gas & pipeline projects under infrastructure facility.	▪ Positive	▪ Would enable any industrial undertaking engaged in building, owning and operating a pipeline facility in the petroleum or the gas transportation sector to take 10-year tax holiday under 80IA.

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
L&T	1615	40.6	54.9	39.8	29.4	HOLD
Madhucon Projects	270	12.1	22.3	22.3	12.1	BUY
Pratibha Industries	202	15.0	38.3	13.5	5.3	BUY
Patel Engineering	396	22.0	27.5	18.0	14.4	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

FMCG

Current view

We remain optimistic about the prospects of FMCG sector going forward. With the economy growing at a rapid pace and organized retailing making greater inroads we expect the domestic FMCG industry to garner huge benefits from the same. Further FMCG companies in last few years have systematically spread there network in rural areas, with this ongoing thrust we expect these companies to make deeper penetration in rural areas and increase its customer base and expand volumes

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
The processing and value addition is significantly lower than developed countries and many developing countries. Fiscal incentives are thus considered important for the sector to grow.	▪ The total incidence of tax on processed products in India is as high as 40% on certain items. Considering the importance of this sector, while a few countries have kept the incidence of tax at zero %, most others have pegged it at 12% to 14% ▪ In the last budget condensed milk, ice cream, preparation of meat, fish and poultry, pectin, pasta and yeast had been fully exempted from excise duties. ▪ Excise duty on other processed foods and agro-based products stands at 16%	▪ In order to explore and exploit the untapped potential in food processing sector, industry chambers seek a reduction in average incidence of tax applicable to this sector from current level of 25% to under 10%; ▪ tax sops for technology upgradation and R&D in food processing segment; ▪ Rationalization of excise duty for other processed foods like ready to eat packaged foods, instant food mixtures and agro-based products from current range of 16% - 8% to 8% - 0%	▪ Positive	▪ Reduction in excise duty on food items is based on the logic that the food processing industry can bring enormous benefits to agriculture. ▪ Labour intensive industry leading to employment generation and economic growth ▪ Would enable players to price there product more competetive
Abatement rate for computation of excise duty for certain FMCG products	▪ Abatement rate in case of some FMCG products is greater than 30% of MRP and more than 60% of the cost of production.	▪ Increase in abatement rate of excise on Shampoos, Tooth Paste, soft drinks, Soaps and Detergents	▪ Positive	▪ Such high tax incidence hampers deeper penetration and growth of these segment of FMCG products
Rural Sector budget allocation	▪ Urban penetration for basic FMCG goods has almost saturated and the real growth shall come from rural India	▪ Increase in budget outlay for the rural sector	▪ Positive	▪ Any increase in outlay for rural sector means more expendable income in pocket of rural population – this can give a boost to the FMCG sector in the medium to long term

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Paper Products	375	31.5	40.5	11.9	9.3	BUY
Cosmo Films	75	11.3	15.3	6.6	4.9	HOLD

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

Hospitality

Current view

The outlook for the industry looks quite positive from the fact that in most of the major cities a demand-supply mismatch is brewing up which has resulted in an healthy growth in occupancies and ARR's in last few years. This has resulted in strong operating and net margins for most hotel companies.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Infrastructure status for Hotel Industry was withdrawn in 2001	▪ u/s 10 (23G), the banks get the benefit of exemption of availing loans to hotels	▪ Infrastructure status in the reinstated in the10 year tax holiday ▪ Made 80I to be applicable which was withdrawn in 2001	▪ Positive	▪ Taxation benefit on new projects will enable hotel projects to be more profitable
Tour operators pay service tax but face difficulty in claiming credit for tax paid on inputs as service tax is not applicable on room rent.	▪ Service tax is levied on banquet services, conference, laundry and telecom facilities provided by hotels, however on room rent no service tax is charged.	▪ Status-quo to be maintained	▪ Neutral	▪ If service tax is applicable on room rent travel cost shall increase significantly and shall affect the growth in tourism industry.
Depreciation on hotel buildings which was earlier allowed at 20% is now reduces to 10%	▪ Depreciation on hotel buildings under IT Act is allowed @ 10%	▪ Depreciation on hotel buildings to be changed to earlier 20% from current 10%	▪ Positive	▪ Higher cash flows
Luxury tax is a state subject and hence varies from state to state	▪ Variation in luxury tax from state to state§ Luxury tax is applicable on the printed tariff and not on the billed amount ▪ Luxury tax is quite high in some states	▪ Uniform luxury tax across all states ▪ Should be charged on the basis of actual tariff charged ▪ Should be capped at 10%	▪ Positive	▪ Administrative efficiency ▪ Boost to tourism by lowering luxury tax
FSI allowed for hotel building is a municipal subject and is quite less compared to other countries	▪ FSI allowed depends upon municipal regulations	▪ Uniform policy for FSI for hotels across India ▪ The allowable FSI should be increased to atleast about 3-3.5 times	▪ Positive	▪ Administrative efficiency ▪ cost of constructing hotels to come down

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Royal Orchid	189	11.8	14.8	16.0	12.8	BUY
Kamat Hotels	170	13.7	20.9	12.4	8.1	BUY
Hotel Leelaventure	59	2.4	3.4	24.5	17.3	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Neutral

LONG TERM OUTLOOK

Positive

IT/Software

Current view

Indian software sector is growing at a scorching face and it has grown by almost ten-fold in last one decade, and with increasing acceptance of Indian IT players in the global IT arena and incremental offshoring, Indian IT sector is well poised to cross $60 bn by 2010, according to Nasscom. In this scenario, companies with strong business models and global presence are well set to attain higher growth trajectory in the coming years.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Tax Sops under Sec 10A/10B	▪ Software Exports are exempted from tax till assessment year 200-10	▪ Status Quos maintained	▪ Positive,	▪ Need incremental investments in new facilities, to take advantage of further tax sops
Tax Exemptions under Special Economic Zone (SEZ)	▪ Deduction for export Income: 100% for 1st five years 50% for next five years	▪ Concessions given to software exports from special economic zones (SEZs) should be extended to software technology parks (STPs)	▪ Positive	
Fringe Benefits Tax (FBT):		▪ Status Quos maintained	▪ Neutral, no changes expected	▪ Fringe Benefits Tax (FBT), don't have any major impact on software companies and BPO's, as it only around 1% of the PBT

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Infosys	2284	68.3	91.1	33.4	25.1	HOLD
Tech Mahindra	1646	45.7	64	36.0	25.7	HOLD
Tanla Solutions	348	16.7	24.8	20.8	14.0	BUY
Tata Elxsi	265	16.4	23.7	12.2	9.8	BUY
Paradyne Infotech	99	12.5	18.6	7.9	5.3	BUY
Satyam Computers	464	21.7	27.1	21	17	HOLD

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Neutral

LONG TERM OUTLOOK

Positive

MEDIA

Current view

Riding the economy boom, and growing acceptance of Indian films and contents in overseas market, Indian media and entertainment sector is getting the much deserving limelight. The global entertainment industry, projected to touch a whopping US$ 1.8 trillion by 2015, is gravitating towards the Asian region, and India has the potential to garner a chunk of it about US$ 200 billion, which clearly indicates the brighter side ahead for Indian media and entertainment sector.

Key budget expectation

Issues	Current Status	Industry Expectation	Impact	Rationale
Service Tax	▪ Service tax of 12% is levied on sale of space/ Time foradvertisement for Broadcaster and Radio	▪ Status Quo maintained	▪ Expect to remain unchanged	As advertising is major chunk of revenue and major contributor to EBITDA for Print media company, introduction of service tax could result in earning estimates, negative for HT Media, Jagran Prakashan, Deccan Chronical.
Service Tax (Print Media)	▪ Nil	▪ Status Quo maintained	▪ Expect to continue	
Service Tax on events	▪ All kinds of sponsorship services except sporting events have been brought under the service taxnet.	▪ Status Quo maintained	Expect to remain unchanged	
Customs Duty	▪ Custom duty on Set-Top Boxes -NIL ▪ 12.5% custom duty levied on Broadcasting Equipments	▪ Status Quo maintained	▪ Expect to remain unchanged ▪ Expect to remain unchanged	
Excise Duty	▪ Excise Duty of 16% levied on Set-Top Boxes ▪ 16% excise duty levied on Broadcasting Equipments	▪ Status Quo maintained	▪ Expect to remain unchanged	
FBT	▪ Fringe benefit tax with respect to tours and travel (5 % of the expenses incurred in this respect shall be subject to FBT.	▪ Status Quo	▪ Expect to remain unchanged	

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

Oil & Gas and Allied Services

Current view

We are bullish on the long term prospects of the Oil & Gas sector and allied services. The crude basket for Indian companies is considerable low than the peak prices of crude in Aug'06. We expect this easing of crude prices to be beneficial to oil & gas marketing companies.

On the exploration and production front with completion of allotment of NELP - IV blocks and recent successes of E&P companies in finding hydrocarbon reserves we expect great action on the E&P front. Further exploration work has also picked up fast pace. We expect this to be beneficial to companies in the E&P space in the long term and to companies providing allied services to E&P companies.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Customs duty	▪ Currently, 5% customs duty is levied on crude, 7.5% on petrol & diesel, 10% on ATF and 5% on naptha	▪ Rationalization of custom duty structure on petro products ▪ Reduce the customs duty rate by 5%	▪ Positive	▪ Would reduce the burden on consumers and would be revenue positive for the government too.
Excise duty	▪ Diesel ED – 8.16% + Rs. 3.32 / liter ▪ Petrol ED – 8.16% + Rs. 13.26 / liter	▪ Rationalization of excise duty structure for ATF, petrol and diesel to fixed rate from current structure of % of cost + fixed rate	▪ Positive	▪ Would help in containing inflation, reduce the burden on consumers and would be revenue positive for the government too. ▪ Lesser fluctuation of prices for consumer due to changes in crude rate
Tax sops for gas pipeline laying companies	▪ No tax sops for gas pipeline laying companies	▪ Infrastructure status for gas pipeline companies ▪ To be grouped u/s 80IA where notified infrastructure projects are allowed 100% deduction in profits for a period of 10 years	▪ Positive	▪ Will encourage private participation in pipeline laying projects
Tax holiday for E&P operations	▪ Currently E&P companies get tax exemption for 7 years	▪ E&P companies tax holiday to inc to 10 yrs from 7 yrs	▪ Positive	▪ Will encourage higher participation for E&P projects

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
Global Vectra	258.0	15.2	26.1	17.0	9.9	BUY
Great Offshore	642.2	35.8	56.9	17.9	11.3	BUY
Jindal Drilling	503	20.7	31.0	24.3	16.2	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT
Positive
LONG TERM OUTLOOK
Positive

REALTY

Current view

We remain optimistic about the prospects of the "REALTY" sector going forward despite rising interest rates. Our optimism is based on three assumption: (1) As per 11th plan there is a shortage of 24 mn housing units, mostly in mid-lower segments. (2)All the organized realty players have large scale property under development and have big plans to develop property in future which is likely to help them to grow at a CAGR of 25%over the next three years.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Extension of 80IB(10)	■ The built up area of the shop and other commercial establishments included in the housing projects shall not exceed 5% of the aggregate built up area of the housing project or 2000 sq ft, whichever is less. This particular section is expiring in 31st March'07.	■ Extension of the date and the limit of 2000 sq ft should be deleted or increased to higher level.	■ Positive	■ This is expected to encourage developer to invest into small and medium size dwelling- units. With cost of material and labor rising and interest rate rising, developers as expected to increase prices if the tax benefits are taken away.
Introduction of Real Estate Investment Trusts(REITs)	■ No such trust exists	■ Governemnt should consider allowing REITs	■ Positive	■ It will help developers to unlock the values of their projects and at the same time provide investors with an invest opportunity with a secured return.
Alternative Funding and clarity in FDI regulation.	■ There is no alternative funding except parting with equity.	■ Government should allow to tap ECB from International markets.	■ Positive	■ It would enable developer to access cheaper credit through ECB rather then sky rocketing interest rate. ■ This would enlarge resource base for the housing sector and also bring in international stakeholding.
Uniformity in stamp duty.	■ Stamp duty on properties is exorbitant and varies from state to state.(5% to 14%)	■ Appoint a regulator for Realty sector and reduction in stamp duty to 2% across the state ■ Also exemption of stamp duty on resale flats.	■ Positive	■ It will help investor and also consumer to increase the liquidity in realty and also reduce in cost of acquisition.
Exemption of service tax	■ Service tax is leviable where construction of a residential unit is undertaken by a builder under an agreement for sale and right in property are transferred to the customer after construction	■ Exemption of service tax.	■ Positive	■ An Estate builder is the seller of immovable property and should not be subject to service tax.

Top Picks

Company	Price	EPS (Rs)		PE (x)		Recommendation
	(Rs)	FY07E	FY08E	FY07E	FY08E	
NESCO	1415	32	60	44.2	23.6	HOLD
BL Kashyap	1350	55	102	22.6	12.2	BUY
Ansal Housing	297	23.1	45.4	12.9	6.5	BUY
Peninsula Land Limited	410	43.4	47.3	9.4	8.6	BUY

Source: Emkay Private Client Research

EXPECTED BUDGET IMPACT

Positive

LONG TERM OUTLOOK

Positive

Retail

Current view

The outlook for domestic retail industry looks is very positive due to an extremely low penetration for organized retailing in India.

The organized retailing industry is estimated at Rs 350 billion, a little under 3% of the total retail sector in India. However, this state of affairs is poised for change. India's retail sector is wearing new clothes and with a three-year CAGR of 46.64%, retail is the fastest growing sector in the Indian economy. The organized retail industry in India is currently on a fast track growth path and is expected to clock 25-30% growth per annum over the next 5-6 years. By 2010, the industry is expected to triple its current revenues to Rs 1,095 billion. This would entail an investment of Rs 31 billion per annum.

With this kind growth prospects big industrial houses like Reliance, Bharti & Aditya Birla and Tata's have planned huge investments in this sector.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Opening up of retail sector to foreign investment in select speciality retail areas	▪ Govt regulations allow 100% FDI in cash and carry retail through automatic route and 51% in single branded product.	▪ FDI to be allowed in retail sector – atleast to a few segments like electronics, sports goods, building equipment, stationery & furniture.	▪ Positive	▪ Reforms in FDI in retail will induce a number of global chains to set up shops in India
Fiscal Incentives for development of retail destinations	▪ There are no Fiscal Incentives for setting up retail destinations / set-ups	▪ Finacial Incentives for setting up retail destinations	▪ Positive	▪ Shall help in increasing both consumption and employment opportunities in the economy. ▪ Will be positive for agro and processed foods and FMCG industry in general

EXPECTED BUDGET IMPACT

Neutral

LONG TERM OUTLOOK

Positive

TELECOM

Current view

Indian Telecom sector is growing at a unprecedented pace, and subscribers base is growing at a scorching rate of around 5 mn per month. Indian wireless penetration has risen by almost 81% in the last year and still is way below than China at 34%. Going forward, with supportive regulations, incremental Capex spends, higher end product innovations and failing equipments prices will keep the sector momentum ahead.

Key budget expectations

Issues	Current Status	Industry Expectation	Impact	Rationale
Custom Duty	▪ Additional duty of customs of 4% levied on ITAbound items (including mobiles) and their inputs	▪ Telecom Service providers should be made eligible to avail credit of 4%ACD.	▪ Positive	▪ Lower capital cost will also enable faster roll- out of affordable service to rural areas.
Exemptions U/S 80IA	▪ Under Section 80, telecom operator is entitled to 100% exemption on taxable profits for 5 years	▪ The period during which 80 IA, claimed by the telecom operators should be extended to 20 years in place of existing 15 years.	▪ Positive, Unlikely to change	▪ This step will result in a higher disposable surplus for reinvestment in the business. This will thus enable faster expansion of service thereby resulting in higher revenues for the service providers.
Application of MAT u/s 115JA		▪ The explanation to section 115JB should be suitably amended to provide for exclusion of incomes, to which section 80IA applies, from the Book Profits of the Company.	▪ Positive	▪ This step will result in a higher disposable surplus for reinvestment in the business. This will thus enable faster expansion of service thereby resulting in higher revenues for the service providers.

Emkay's Network

AHMEDABAD
079-26448727/29
ALLAHABAD
0532-2452388
ALWAR
9414454123
AURANGABAD
09860498897
BANGALORE
Cunninghum Road
080-41220915
Malleswaram
080-23464173
Shimoga
0818-2221031/221027
Vijaynagar
9341327222
BHOPAL
09301189603
BARODA
Alkapuri
0265 6640551
Sayaji Gung
0265-3918069 - 74
Karelibaug
0265-3918021 - 24
Manjalpur
0265-3206663
BHAVNAGAR
9898001945
CHENNAI
Adyar
044-42300788
Anna Nagar
044-42127298
Ramarao Street
044- 42605604
T Nagar
044- 42605604
044-42024672
Gandhi Nagar
044-42607611
Thiruvanmiyur
044-42178646
Nanganallur
044-42056685
North Usman Road
044-45502496
Sowcarpet
044-30966268
CHANDIGARH
0172-5052424
Chandigarh - Sec47
0172-5072123
COCHIN
0484-3949749
COIMBATORE
100 Feet Rd
0422-2493536
R.S Puram
0422-4370489
DELHI
Nehru Place
011-32474709
SSK
011 42267259
Barakhamba Road
11 43575757
Dehradun
9219698600
DIBRUGARH
0373-2322607
DIMAPUR
03862-225832
DINDORI
07644-234261
ERODE
0424-22212823
Brough Road
09894719071
FARIDABAD
0129-4068303
GANGANAGAR
9351793000

GOA
0832 - 6650770
GULBARGA
08472 32850
GUWAHATI
9954070377
GURGAON
Old Railway Rd.
0124-3250629
Sheetla Mata Rd.
0124-4081346
HARYANA
Rohtak
01262-268701
Jhajjar
01251-253028
HOSHIARPUR
01882-326767
HYDERABAD
Ameerpet
040- 23731230/31
Banjara Hill
040- 6553 4261
HARIDWAR
01334-329563
INDORE
Racecourse Road
0731-3918624/ 9893894415
R. N. T. Marg
0731-4068098
JABALPUR
Agga Chowk
0761-4067239
Vikas Bazaar
0761-4031955
JAIPUR
Bhawani Singh Lane
0141-2361438
JAIPUR
0141-2378661
Modi Nagar
0141-2811118, 2810501
Sardar Patel Marg
0141 2376886
M.I. Road
0141- 4022256
JAMNAGAR
0288-2561522
JAMMU
0191-2454764
JHARIA
0326-2361720
JHARKHAND DHANBAD
0326 2361720
JODHPUR
0291-5101900
Jalori Gate
0291-2627749
Paota
0291-3209090
Mandore Mandi
0291-5121134
Mandore Mandi
0291-5100995
LATUR
0238 - 2255996 / 2249066
MORADABAD
05912424090
JUNAGADH
0285-2629489
KARNAL
9255248404
KOTTAYAM
04812563033/44
KARAIKUDI
04565-224221
KAYAMKULAM
0479-3953222
KOLKATA
033-39511666
C.B. Street
033-22428734
Weston Street
033-22118369

Tagore Street
033 - 22597938
Tarachand Dutta Street,
033- 26501114
Grant Lane
09830667686
Mukherjee Road
033 24668300
KOTA
0744-2502877
LUCKNOW
9839552211
MADURAI
0452-3018691/92/93/94/
0452- 4379688
MYSORE
0821 4250696
MUMBAI
Borivali
022-28334629
Borivali
022-56610312
Borivali
9867697105
Borivali
9867129422
Dadar
022-32605528
Dhobi Talao
022-56023723
Fort
022-22653471/22875805
Fort
022-22704710
Ghatkopar
022-25122448
Goregaon
022-28770991
J B Nagar
9892343344
Khar
022-26049302
Lokhandwala
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Malad (E)
022-28820352
Malad (W)
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Malad (W)
022-28777679
Masjid Bunder
022-56357597
Masjid Bunder
9224575600
Mulund
022-25614154
Mumbadevi
23460060 / 61 /62
Oshiwara
9821233777
Powai
022-28573098
Santacruz
9869102930
Santacruz (w)
26616085 / 7075
Ulhasnagar
95251-3952746
Versova
022-26360617-18
Vile Parle
022-26714805
NAGPUR
0712-2538191
NELLORE
0861-2330841
Sitabuldi
0712-2558455
NASHIK
0253-5607814/15
Gangapur Rd
9326173938
Raviwar Peth
0253- 3203888

60 ft. Rd
0253-2598310
NAMAKKAL
04286 - 275494/ 95
PANIPAT
0180-6451645
PERUMBAVOOR
0484-2640046
PONDICHERRY
0413-6450006/ 4500006
PUNE
D.P. Road
9850818986
Karve Road
9325505031
Rasta Peth
020-26123351
Satara Rd.
9520-24220031
Sadashiv Peth
9520-30947224
Shaniwar peth
020- 255303387
RAJAHMUNDRY
9396456406
RAJKOT
Dr. Yagnik Rd
0281 - 2464535
Phulchab Chowk
0281-2452875
Rampur
9897537945
RATLAM
07412-329878
SRINAGAR
9419074424/ 9906679327
SALEM
0427-2336881
SAGAR
0758-2401647
SANGLI
0233- 6616010/11
SARDARSHAHAR
01564-512108
SONIPAT
9812059933
SIRSSA
09888333639
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