Table of Contents

| l Apna Money | 2 |
|--|-----|
| 1.1Investing: Always on the same side | |
| 1.2Taxation: Better safe than sorry | |
| 1.3Earning: Party poppers | |
| 1.4Tax Matters | |
| 1.5Commodity Watch: Shining bright | 15 |
| 1.6MUTUAL FUND SCOREBOARD - Part I | |
| 1.7MUTUAL FUND SCOREBOARD - Part III | 23 |
| 1.8MUTUAL FUND SCOREBOARD - Part IV | 28 |
| 1.9MUTUAL FUND SCOREBOARD - Part II | 36 |
| 2Bulletin | 43 |
| 3Commodity Market: Metals strike back | 47 |
| 4Apna Money | 54 |
| 4.1Investing: Untouchables! | 54 |
| 4.2Investment Strategy: Do not fish for this appreciation. | 56 |
| 4.3Travelling Kit: Check out | 61 |
| 5Editorial : Sebi's choice | 63 |
| 6Cover Story: Commodity Futures: Diversifying the basket | 65 |
| 7Market watch: Movers and shakers | 72 |
| BMarket Snapshot | 76 |
| 8.1Market Snapshot - Part I | 76 |
| 8.2Market Snapshot - Part II | 81 |
| 8.3Market Snapshot - Part III | 86 |
| 9Results | 89 |
| 9.1CMC : System integration segment delivers | 89 |
| 9.2Infosys Technologies: Tax write-back and OI boost bottom line | |
| 10Market Report: Looking ahead | |
| 11Stock Watch. | 102 |

Vol 22 Iss 03, Apr 23 – May 06, 2007

CM Online

| 11.1Watch List | 102 |
|---|-----|
| 11.2Larsen & Toubro: Proxy play on India's growth story | 105 |
| 12Capitaline Corner: Bajaj Electricals: Glowing bright | 108 |
| 12 captainte Corner : Bajaj Brechicais : Giowing origin | |

1 Apna Money

1.1 Investing : Always on the same side

As index funds mirror the broader trend, return matches that of the market

Related Tables

Staying in tune with the market New Fund Offers

In volatile markets when stocks sink as rapidly as they rise, index mutual funds present an oasis of calm. Not that they are immune from the fluctuations in the market. But as they track the index, their performance is more or less same as the broader market, unlike other funds which can either underperform or outperform the market.

There are 27 index funds, of which nine funds track the BSE Sensex, 15 the S&P Nifty and three are exchange traded funds (ETFs). (ETFs are index funds that, unlike normal index funds, can be bought and sold at intra-day prices. Normal index funds are available only at end-of-day NAVs from fund distributors. As they need to be transacted throughout the day, ETFs are bought and sold through stockbrokers using a demat account, just like shares.)

The average absolute one-year return posted by index fund was 15.89% as on 13 April 2007. Meanwhile, the Sensex and S&P CNX Nifty returned 19.10% and 17.09%, respectively, over the same period. In comparison, diversified equity funds gained 8.17%, taxplanning funds 5.32%, and mid-cap funds a mere 1.84% over one-year ending 13 April 2007.

There are two kinds of index funds: passive index funds, and active index funds

Passive index funds invest in stocks forming the index they track, and assign the same weightage to these stocks as they enjoy in the index. For instance, if an index fund is tracking the BSE Sensex, where company ABC has a 10% weightage, the fund will invest the same percentage of funds from its corpus in company ABC.

Similar weightage

Active index funds invest most of their funds in stocks forming the index in the same proportion as they comprise the index. However, they invest a small portion of their funds in stocks that do not form the index to deliver better returns. This portion is actively traded on

| | | | Staying in tune v | with the market | | | |
|---|-----------------------|--------|-------------------|---------------------|-----------------------|----------------------|---------------------|
| Tpo 10 Index Fund | is | | | | | | |
| Schemes | Inception Date | Corpus | Base NAV * | 4 14 | 2 Manuta | C Na la . | Returns (%) |
| LICMF Index Fund - Sensex Plan (G) | 05-Dec-02 | 31.15 | | 1 Month 5.82 | 3 Months -6.23 | 6 Months 2.24 | 1 Year 20.16 |
| ICICI Pru SPIcE Fund | 13-Jan-03 | 0.72 | 137.46 | 6.71 | -5.03 | 5.19 | 20.07 |
| Tata Index Fund - Sensex Plan (A) | 03-Mar-03 | 0.37 | 33.9 | 6.45 | -5.14 | 4.4 | 19.74 |
| UTI-Master Index Fund (G) | 01-Aug-05 | 45.94 | 42 | 6.7 | -5.23 | 4.99 | 19.51 |
| ING Vysya Nifty Plus - (G) | 24-Feb-04 | 3.76 | 20.25 | 6.97 | -3.57 | 6.97 | 18.77 |
| ICICI Pru Index Fund-Nifty Plan | 01-Mar-02 | 19.94 | 34.83 | 7.49 | -3.68 | 6.36 | 18.46 |
| UTI-SUNDER | 15-Jul-03 | 12.07 | 401.16 | 7.53 | -3.52 | 7.38 | 18.43 |
| UTI-Nifty Index Fund (G) | 01-Aug-05 | 54.02 | 25.08 | 7.58 | -3.6 | 7.08 | 18.07 |
| HDFC Index Fund- Sensex Plan | 18-Jul-02 | 29.37 | 122.97 | 6.4 | -5.82 | 3.67 | 17.84 |
| Franklin India Index Fund-NSE Nifty Plan(G) | 23-Nov-00 | 54.55 | 31.19 | 7.43 | -3.86 | 6.86 | 17.81 |
| * As on 13 April 2007 | 7. Source:www.navindi | a.com | | | | | |

| | New Fund Offers | | | | | | | | | | | |
|---|---|--------------------------------|----------------------|------------|------------|--------------|--|--|--|--|--|--|
| Open during the fortnig | Open during the fortnight beginning 23 April 2007 | | | | | | | | | | | |
| Scheme | Fund House | Objective | Nature | NFO Period | Entry Load | Exit Load | | | | | | |
| Birla Sun Life Long Term | Birla Sun Life | To generate consistent | Closed-ended, | 9 April- | Nil | Nil | | | | | | |
| Advantage Fund - Series 1 | | long-term capital appreciation | equity diversified | 11-May-07 | | | | | | | | |
| DWS Capital Protection | Deutsche | To protect the capital | Closed-ended, hybrid | 10 April- | Nil | Nil | | | | | | |
| Oriented (G) | | | | 03-May-07 | | | | | | | | |
| Fidelity International | Fidelity | To generate long-term | Open-ended, equity | 09-Apr-30 | 2.25%* | 1%** | | | | | | |
| Opportunities Fund | | capital appreciation | diversified | Apr-07 | | | | | | | | |
| *For investment less than Rs.5 crore. ** If redeemed within six months of allotment | | | | | | | | | | | | |

1.2 Taxation : Better safe than sorry

Better safe than sorry

The payer of service should deduct tax at source even in doubt to avoid penal action

Related Tables

Changing rules

Related Articles

Caution better than cure

In today's dynamic environment, every field has become very much prone to changes. Laws are being amended at frequent intervals, technology is getting updated at a rapid pace, and businesses acquired and merged. Business enterprises are finding it difficult to keep pace with and adjust to such a volatile, sensitive and more importantly, competitive environment.

But adaptability to the changed scenario has become an essence. As business enterprises cannot master every field of operation, they hire the services of professionals who are competent and possess expertise in various areas of operation including accounting, law and technology. The concept of outsourcing is gaining importance.

Enterprises incur heavy expenditure in hiring professional services. Such payments made to professionals attract deduction of tax at source (TDS) under section 194J of the Income-Tax Act, 1961. The Finance Bill, 2007 has amended some of the provisions of section 194J.

- * Any person other than an individual or HUF is liable to deduct tax at source on any payment made to a resident towards fees for professional or technical services.
- * An individual or an HUF will be made liable to deduct tax at source if he/it is liable to get its accounts audited under section 44AB of the Income-Tax Act, 1961. If the person is liable to tax audit under section 44AB, then he will be required to comply with the provisions of section 194J.
- * No individual or HUF is liable to TDS provisions under section 194J if the payments made by him to the professionals is exclusively for personal purposes.
- * Tax is required to be deducted at source either while making payment or crediting it to the payee's account, whichever is earlier. This Page 8/11

| Changing rules | | | | | | | | | | |
|--|--|--|--------|-------|--|--|--|--|--|--|
| Payee who is Individual/HU | F, when total | | | | | | | | | |
| payment exceeds Rs 10 lakh | | | | | | | | | | |
| Up to 1 June 2007 | | | | | | | | | | |
| Rate | Surcharge | EC# | S&HEC* | Gross | | | | | | |
| 5 | 10 | 2 | 1 | 5.67 | | | | | | |
| From 1 June 2007 | | | | | | | | | | |
| 10 | 10 | 2 | 1 | 11.33 | | | | | | |
| Payee who is individual/HUF and | or co-operative society or local authority, wh | nen total payment does not exceed Rs 10 lakh | | | | | | | | |
| Up to 1 June 2007 | | | | | | | | | | |
| Rate | Surcharge | EC# | S&HEC* | Gross | | | | | | |
| 5 | - | 2 | 1 | 5.15 | | | | | | |
| From 1 June 2007 | | | | | | | | | | |
| 10 | - | 2 | 1 | 10.3 | | | | | | |
| * S&HEC: Secondary and higher eduction cess. #EC: Education cess. From 1 April 2007, there is no surcharge when payment made/to be made to companies/firms is less than Rs 1 crore. Surcharge is 10% if payment or likely payment is more than Rs 1 crore. | | | | | | | | | | |

Caution better than cure

- * TDS deducted has to be deposited with the government treasury within one week from the end of the month in which such deduction is made. Tax deducted in April has to be deposited by 7 May.
- * If the amount payable to a professional is credited to his account on 31 March of the year, then tax deducted on such payment can be deposited by 31 May.
- * Every quarter a statement called TDS return in Form 26Q has to be filed. For the first three quarters, i.e., April-June, July-September and October-December, the due dates for filing the returns are 15 July, 15 October and 15 January, respectively. For the last quarter, i.e., January to March, the due date is 15 June of the next financial year. For company assessees, TDS return has to be filed on computer media known as e-TDS return.
- * For TDS deduction, the deductor has to issue a TDS certificate in Form 16A to the deductee within one month from the end of the month during which the credit is given or payment is made. For payments credited on 31 March, TDS certificate can be issued within one week from the expiry of two months from the month in which payment is so credited, i.e., by 7 June.

1.3 Earning: Party poppers

ESOPs are the most sought-after component of the compensation package. But will this remain so after the recent changes in taxation?



Employee stock option plans (ESOPs) are increasingly used by companies to reward performance of an employee with the ownership of the company. Besides, they are used as a tool to retain and attract employees. This is a non-cash compensation offered as part of the compensation package.

Initially, ESOPs were awarded to senior managers. But, with the passage of time, the concept has spread to include even middle-rung managers. In India, the practice of awarding ESOPs is prevalent in emerging sectors like IT and telecom services. But world over many large companies in traditional industries offer stock options to most of their employees.

CM Online

The employee offered ESOP obtains shares of the company as a grant at the current market price. ESOPs provide the employee with a call option on the stock of the company. The ESOP contract equips the employee the right to purchase a specified number of shares at a fixed priced over a certain time frame. ESOPs are neither transferable nor exercisable immediately and also have other restrictions imposed.

ESOP is the most sought after component in the compensation package as the employee can reap the benefit of appreciation of the shares allotted. This becomes more lucrative in case of a promising private company that goes public at a later date. For example, if an employee had joined Mindtree Consuting five years ago and was allotted 50 shares each on completion of every year from the end of second year, he would have accumulated 200 shares by the end of fifth year. The employee is entitled to get these shares allotted at the face value of Rs 10 per share.

Mindtree Consuting came out with an IPO in March 2007 and listed at Rs 627 per share against its IPO price of Rs 425. The initial value of shareholdings was Rs 2000, but on listing this value swelled to a significant Rs 125400. Therefore, the phenomenal returns and capital appreciation are the reasons for employees opting for ESOPs as against any other compensation option.

ESOPs are taxable in the hands of employees at two stages. First, when the employee exercises his grant, and the gain arising from the difference between the prevailing market price and the exercise price is treated as part of salary income and taxed. Second, when the employee sells the stocks obtained through ESOP. He pays short-term capital gain tax, if his holding is for less than a year (long-term capital gain tax has been scrapped).

For example, 'A' joins Infosys as an employee. He is granted the option to purchase 100 shares of Infosys at the current market price of Rs 1996 per share (grant price). The employee has the right to exercise his grant at this price anytime in the future (subject to a certain pre-determined time frame). Typically, the employee is allowed to exercise the option after a certain number of years or when the stock reaches a certain specified price. Now, if the price of the stock increases to Rs 3500 per share, and the employee exercises his option to buy 100 shares at Rs 1996 and then sell the stock after the market price rises still further to say Rs 4000. Thus, the employee attracts income tax on Rs 1504 (Rs 3500 – Rs 1996) per share according to his tax slab (usually the highest) as well as short-term capital gain tax on Rs 2004 (Rs 4000 – Rs 1996) per share if he has sold his shares within one year of getting the grant.

For companies adhering to the compliances specified by the Central government guidelines, however, a single point of taxation is allowed. The full income arising from the disposition of stocks held by the employee as ESOP attracts capital gains tax. However, the recent announcement of bringing ESOPs under the purview of fringe benefit tax (FBT) payable by companies with retrospective effect has given rise to confusion.

Logically, the person deriving the ultimate benefit from the sale of stocks should be taxed, which in this case is the employee. The bottom line of companies offering ESOPs will take a hit as the added burden of FBT on ESOP will reduce the distributable profit. Even the employer will be hurt. This may result in the company offering lower number of shares as ESOPs or, on a very conservative note, abstain from issuing ESOPs.

There is no clarity if the expense incurred on ESOP is deductable for the purpose of arriving at the employee's taxable income. The incidence of tax at the time of grant and appreciation in the value of shares over time is also not clear. Additionally, fair market value has also been left undefined in the case of unlisted companies.

Another issue of contention is that of double taxation of ESOPs. The incidence of double taxation arises when an Indian company offers ESOPs to its foreign employees. The total value of such plan attracts FBT in India. But as the employee is a foreigner, he gets taxed as per the income-tax rules governing the treatment of ESOPs in his country.

1.4 Tax Matters

I am liable to tax audit. Do I have to deduct tax at source on payments made to contractor?



I am an artist by profession and liable to tax audit under section 44AB. Recently, I got some work done by a photography studio for which I have to make a payment of Rs 75000. Am I liable to deduct tax at source, issue tax deduction at source (TDS) certificate, apply for tax deduction account number (TAN), file TDS returns and undertake other TDS related formalities?

Uday Pandya, e-mail

Section 194C(1) of the Income-Tax Act, 1961, vests responsibility of deducting tax at source on a person who is paying any sum to a resident contractor for carrying out any work (including supply of labour for carrying out any work) under a contract. The section stipulates that such payer has to be a specified person, i.e., payer can be a central government or state government, local authority, company, co-operative society, trust, firm, or university. It does not include an individual or an HUF, i.e., where the payer is an individual/HUF, the liability to deduct tax at source under sub-section (1) of section 194C does not arise.

Under section 194C(2), tax is to be deducted at source when payment is made by a resident contractor to a resident sub-contractor for carrying out works contract or for supply of labour.

Proviso to section 194C(2) says that an individual or an HUF is liable to deduct tax at source only if it is liable to get its accounts audited under section 44AB.

As per section 194C(3), tax has to be deducted at source if any single sum paid during the financial year to a contractor/sub-contractor exceeds Rs 20000 or aggregate of sums paid during the financial year to a contractor/sub contractor exceeds Rs 50000, whichever is earlier.

CM Online

An individual subject to tax audit is not required to deduct tax at source under section 194C(1). However, an individual who is subject to tax audit is required to deduct TDS under section 194C(2) when payment is made by a contractor to a sub-contractor. You are making payment to a photography studio (which is a contractor for you and is not a sub-contractor). So the provisions of 194C(2) do not get attracted and, therefore, the liability to deduct TDS under section 194C (2) does not arise.

The above is a technical point and you may have to argue it out before the income-tax officer (ITO) and higher officers. To avoid any controversy, it is always safer to deduct TDS.

Union Budget 2007-08 has proposed that under section 194C(1) even an individual/HUF whose gross receipts/turnover exceeds the limits under section 44AB is liable to deduct tax at source. However, no TDS is to be deducted when payment is made for personal purposes.

I want to know that what is the maximum deposit I can keep in a bank without getting TDS deducted on interest. When is TDS not deducted on interest income?

- Kamlesh Babla, e-mail

Interest received from bank on deposits attracts TDS under section 194A of the Income-Tax Act, 1961. If the aggregate amount of interest paid or credited during a year exceeds Rs 5000, then tax is to be deducted at source.

However, it does not mean that if interest paid to you or credited to your account during the year is Rs 6000, then TDS will be deducted on only Rs 1000, i.e., Rs 6000 – Rs 5000. TDS will be deducted on the entire Rs 6000 at the prescribed rate.

The limit of Rs 5000 is proposed to be increased to Rs 10000 from 1 June 2007 by the Finance Bill, 2007.

If the interest payable to you is more than Rs 5000, then you may apply in Form No.13 to the assessing officer (AO) so as to obtain from him a certificate authorising the payer to deduct tax at lower rate or to deduct no TDS.

I sold property within one year of buying it and made short-term capital gain (STCG). The purchase cost was Rs 11 lakh and the selling cost Rs 17 lakh. Thereafter I invested Rs 15 lakh in another house property within two weeks. Can I claim exemption under section 54 of the Income-Tax Act, 1961? If so, how much will be the exemption from STCG as I have invested Rs 5 lakh in the new property and some amount in infrastructure bonds for capital gains. How will STCG work out?

Vijay Kulkarni, e-mail

It seems you wish to claim benefit of section 54 by investing in property and under section 54EC by investing in specified bonds. Section 54/54EC benefit can be availed only if the capital asset sold, i.e., house property, is a long-term capital asset — it must be held by you for more than 36 months and long term-capital gain should have arisen on its sale.

In your case, the short-term capital gain of Rs 6 lakh (i.e., Rs 17 lakh less Rs 11 lakh) will be taxed in your hand in the year in which you sold the property. The fact that you invested Rs 15 lakh in a new house property within two weeks of the sale of old house property will not fetch you any tax benefit.

When there is profit from share trading, it is taxable. If there is a huge loss, can any portion/proposition be eligible for income-tax rebate?

S Chandramouli, e-mail

There is no rebate provision in the Income-Tax Act, 1961, for loss on share trading. But sections 73 and 74 provide for set-off and carry-forward of loss on share trading depending on the nature of loss, i.e., speculation loss (on shares purchased and sold without taking delivery of the same) or long-term loss (on shares held for more than 12 months) or short-term loss (on shares held for less than 12 months) or business loss (whether loss is in the course of business needs to be determined depending on the frequency of share trading, volume of share trading and other facts).

Speculation loss (Section 73): Speculation loss can be set off in the same year only against speculation profit and not against any other income. If during a year you incurred loss on some shares and profit on same other shares, you can adjust the same. But if you have incurred only loss, then it cannot be set off against either salary income or capital gain income or income from other sources.

The loss, that cannot be set off during the year, can be carried forward to be set off in the next year against next year's speculation profit, if any. Such carryforward is allowed only up to four assessment years.

Long-term/short-term capital loss (Section 74): If you incur short-term capital loss in share trading in a year, the same can be set off against long-term capital gain and/or against short-term capital gain. But if you incur long-term loss, then it can be set off only against long-term gain. Short-term loss, which cannot be set off in a year, can be carried forward to be set off in the next year either against long-term profit or short-term profit. Such carry-forward is allowed up to eight assessment years.

Page 14/111

Similarly, long-term loss, which cannot be set off during a year is allowed to be carried forward to be set off in the next year, but only against long-term profit. In this case also, carry-forward is allowed up to eight assessment years.

Short-term or long-term loss incurred during a year cannot be set off against any other, 'Head of income', i.e., it cannot be set off against income from salary or income from other sources or income from business or income from house property.

As on date, long-term gains which arise on sale of equity shares or equity-oriented mutual funds and on sale on which securities transaction tax (STT) has been paid are exempt from tax under section 10(38). As the long-term gain on equity shares/equity-oriented mutual fund are not chargeable to tax, the long-term loss on sale of such equity shares/units of equity-oriented mutual funds will not have any implication.

You have to first determine the nature of share trading loss incurred by you and then apply the above provisions.

Business loss: The share trading business loss incurred during a year is to be first set off against business income, if any. If the business income is not sufficient to absorb the loss then such loss can be set off against any other head of income except income from salary.

If the current year's income under all heads other than salary is not sufficient to absorb the business loss, then such unabsorbed business loss can be carried forward to be set off next year. However, such unabsorbed loss can be set off next year only against income from business and not against any other head of income. The business may be share trading or any other business: share trading business loss during a year carried forward to the next year can be set off against only business income. But business can be either share trading or any other business. Business loss can be carried forward up to eight assessment years.

1.5 Commodity Watch: Shining bright

London silver ended 2006 with a gain of 37% — nearly three times the return generated by the yellow metal

Example 2 Related Tables

Striking a balance

Precious metals have been in a very good nick in 2007 on soaring crude oil prices, a bearish outlook for the US dollar and firming up geopolitical tensions. While gold shot up near \$700 in the international markets, silver followed suit as well. The New York Mercantile Exchange (Nymex) Comex silver futures for May 2007 closed at \$14.09 per ounce on 13 April 2007, adding a stupendous 10.50% in the previous five weeks. The Multi Commodity Exchange (MCX) May 2007 silver futures also rose in tandem and ended at Rs 19942 per kg on the same day — a five-week high.

The performance of silver in the last one year has been quite impressive. The commodity, normally lagging behind gold, raced away early 2006 on the launch of a silver exchange traded fund (ETF) by a UK-based investment house. It traded on a firm note throughout the year. London silver ended the year with a gain of 37% — nearly three times the return generated by the yellow metal.

Waning strength in the dollar due to weak economic prospects of the US have led to a bull-run in silver prices in the last two weeks. The dollar fell to a more than a two-year low versus the euro, and settled well over the 1.3500-mark against the euro on expectation that G7 and the International Monetary Fund would call for a weaker dollar to help adjust global imbalances. The currency was also pressurised by recent trade tensions with China.

However, World's Silver Survey Report, published in December 2006, has indicated mixed price trends in silver .The glimpses of the report are as follows:

- * Steady rise in global silver production
- * Mine production to increase by some 125 tonnes, or 0.6%, in 2007. Silver output to go up to around 500 tonnes in 2007, with strong growth to continue into 2008.
- * Scrap supply is expected to be broadly unchanged in 2007 in spite of the massive year-on- year rise in silver prices. Gold Fields

1.6 MUTUAL FUND SCOREBOARD - Part I

Performance as on 16 April 2007



| | N.A.V. Corpus Absolute | | | | | CAC | GR | Ranking Returns | | | | |
|--|------------------------|---------|-------|-------|--------|---------|---------|-----------------|-------|--------|--------|----------------|
| Scheme/ Index Name | (Rs) | Mar-07 | 3 mon | 6 mon | 1 year | 3 years | 5 years | 3 mon | 6 mon | 1 year | 3years | 5 year s |
| Equity Funds | - Diversified | | | | | | | | | | | |
| HDFC Top 200 Fund (G) | 109.249 | 1702.77 | -3.2 | 5.94 | 15.11 | 36.03 | 45.42 | 9 | 21 | 12 | 10 | 6 |
| HDFC Equity Fund - (G) | 149.17 | 3892.9 | -1.23 | 8.46 | 18.62 | 38.91 | 46.03 | 3 | 15 | 8 | 5 | 3 |
| HDFC Growth Fund (G) | 47.93 | 394.48 | -3.23 | 8.19 | 14.29 | 34.43 | 40.48 | 10 | 16 | 16 | 11 | 9 |
| HDFC Premier Multi-Cap Fund (G) | 18.332 | 670.71 | -1.69 | 6.36 | 10.03 | N.A | N.A | 4 | 19 | 22 | 0 | 0 |
| HDFC Core & Satellite Fund (G) | 24.987 | 637.43 | -5.43 | 0.81 | 2.85 | N.A | N.A | 19 | 26 | 24 | 0 | 0 |
| Templeton India Equity Income Fund (G) | 12.3432 | 1727.85 | 2.09 | 13.45 | N.A | N.A | N.A | 1 | 3 | 0 | 0 | 0 |

| Birla Sun Life Equity Fund (G) | 183.03 | 604.6 | -2.87 | 13.28 | 18.74 | 43.49 | 45.94 | 7 | 4 | 7 | 2 | 4 |
|---|---------|---------|-------|-------|-------|-------|-------|----|----|----|----|----|
| Reliance Vision Fund - (G) | 178.15 | 2473.68 | -4.31 | 7.88 | 14.62 | 38.4 | 53.89 | 15 | 17 | 15 | 6 | 1 |
| Reliance Equity Opportunities Fund (G) | 21.1917 | 2385.65 | -4.86 | 9.81 | 15.57 | N.A | N.A | 18 | 11 | 11 | 0 | 0 |
| Pru ICICI Dynamic Plan | 65.6025 | 2015.41 | -3.5 | 12.81 | 23.8 | 47.84 | N.A | 12 | 6 | 2 | 1 | 0 |
| Franklin India Flexi Cap Fund (G) | 20.4633 | 3424.94 | -4.47 | 4.51 | 12.56 | N.A | N.A | 16 | 25 | 21 | 0 | 0 |
| Franklin India Bluechip Fund - (G) | 128.123 | 2316.34 | -3.8 | 5.43 | 14.9 | 31.72 | 41.42 | 13 | 23 | 13 | 13 | 8 |
| Franklin India Opportunities Fund - (G) | 25.3849 | 797.48 | -7.76 | 5.95 | 15.65 | 39.8 | 37.45 | 24 | 20 | 10 | 4 | 10 |
| Tata Infrastructure Fund (G) | 23.2465 | 1213.1 | -5.85 | 8.82 | 13.19 | N.A | N.A | 20 | 14 | 19 | 0 | 0 |
| DSP ML Opportunities Fund (G) | 54.598 | 1306.24 | -4.7 | 7.14 | 13.49 | 36.14 | 46.04 | 17 | 18 | 18 | 9 | 2 |
| Pru ICICI Infrastructure Fund - (G) | 18.54 | 1583.42 | -3.29 | 11.96 | 23.35 | N.A | N.A | 11 | 7 | 3 | 0 | 0 |
| HSBC Equity Fund (G) | 70.6626 | 936.95 | -3.92 | 8.9 | 15.65 | 33.47 | N.A | 14 | 13 | 10 | 12 | 0 |
| HSBC India Opportunities Fund (G) | 27.8459 | 649.08 | -7.02 | 11.48 | 19.68 | 38.07 | N.A | 23 | 9 | 6 | 7 | 0 |
| DSP ML Equity Fund | 39.093 | 706.62 | -3.29 | 11.74 | 17.62 | 40.64 | 45.76 | 11 | 8 | 9 | 3 | 5 |
| DSP ML India T.I.G.E.R. Fund (G) | 33.175 | 1435.73 | -2.55 | 13.96 | 20.68 | N.A | N.A | 5 | 2 | 5 | 0 | 0 |
| Reliance Equity Fund (G) | 11.49 | 4359.6 | -3.12 | 5.51 | 13.76 | N.A | N.A | 8 | 22 | 17 | 0 | 0 |
| UTI- Infrastructure Fund (G) | 27.51 | 812.19 | -6.3 | 10.93 | 14.63 | N.A | N.A | 22 | 10 | 14 | 0 | 0 |

| Magnum SFU - Contra Fund (G) | 37.79 | 1499.09 | -2.8 | 9.47 | 12.94 | N.A | N.A | 6 | 12 | 20 | 0 | 0 |
|---|--------------|---------|--------|-------|-------|-------|-------|----|----|----|---|---|
| Magnum Multicap Fund (G) | 15.21 | 1096.52 | -5.94 | 4.68 | 8.57 | N.A | N.A | 21 | 24 | 23 | 0 | 0 |
| Fidelity Equity Fund (G) | 21.472 | 2612.92 | -0.29 | 14.09 | 22.09 | N.A | N.A | 2 | 1 | 4 | 0 | 0 |
| Franklin India Prima Plus - (G) | 139.128 | 948.62 | -3.2 | 12.86 | 24.08 | 37.92 | 42.1 | 9 | 5 | 1 | 8 | 7 |
| Average | | | -3.71 | 9.02 | 15.86 | 38.22 | 44.45 | | | | | |
| Min | | | -7.76 | 0.81 | 2.85 | 31.72 | 37.45 | | | | | |
| Max | | | 2.09 | 14.09 | 24.08 | 47.84 | 53.89 | | | | | |
| Index | | | | | | | | | | | | |
| Sensex | 13695.6 | | -2.97 | 6.51 | 21.88 | 32.69 | 32.01 | | | | | |
| Nifty | 4013.35 | | -1.65 | 8.16 | 19.96 | 29.01 | 29.09 | | | | | |
| CNX 500 | 3302.85 | | -2.46 | 7.37 | 14.51 | 28.32 | 33.28 | | | | | |
| CNX Midcap | 5099.45 | | -3.4 | 7.18 | 7.05 | 29.14 | N.A | | | | | |
| Equity Funds | - Pure Midca | p Funds | | | | | | | | | | |
| HDFC Capital Builder -(G) | 63.636 | 640.37 | -1.15 | 8.1 | 4.2 | 36.91 | 41.17 | 1 | 4 | 5 | 3 | 3 |
| Pru ICICI Discovery Fund (G) | 25.34 | 873.13 | -9.76 | -4.7 | -1.29 | N.A | N.A | 6 | 7 | 7 | 0 | 0 |
| Franklin India Prima Fund - (G) | 194.827 | 1500.12 | -11.65 | 2.42 | 0.26 | 35.12 | 48.04 | 7 | 6 | 6 | 4 | 2 |
| Pru ICICI Emerging S.T.A.R. Fund (G) | 27.94 | 1058.42 | -6.65 | 12.57 | 11.72 | N.A | N.A | 4 | 2 | 4 | 0 | 0 |
| Reliance Growth Fund - (G) | 270.7 | 3263.71 | -2.01 | 11.72 | 17.01 | 49.58 | 59.7 | 2 | 3 | 1 | 2 | 1 |
| Magnum Global Fund (G) | 42.55 | 1361.77 | -8.61 | 12.83 | 15.69 | N.A | N.A | 5 | 1 | 2 | 0 | 0 |

| Sundaram BNP Paribas Select Midcap - (G) | 89.2216 | 2033.95 | -6.51 | 5.25 | 14.24 | 52.32 | N.A | 3 | 5 | 3 | 1 | 0 |
|--|---------|---------|--------|-------|-------|-------|-------|----|----|----|---|---|
| Average | | | -6.62 | 6.88 | 8.83 | 43.48 | 49.64 | | | | | |
| Min | | | -11.65 | -4.7 | -1.29 | 35.12 | 41.17 | | | | | |
| Max | | | -1.15 | 12.83 | 17.01 | 52.32 | 59.7 | | | | | |
| Index | | | | | | | | | | | | |
| Sensex | 13695.6 | | -2.97 | 6.51 | 21.88 | 32.69 | 32.01 | | | | | |
| Nifty | 4013.35 | | -1.65 | 8.16 | 19.96 | 29.01 | 29.09 | | | | | |
| CNX 500 | 3302.85 | | -2.46 | 7.37 | 14.51 | 28.32 | 33.28 | | | | | |
| CNX Midcap | 5099.45 | | -3.4 | 7.18 | 7.05 | 29.14 | N.A | | | | | |
| Tax Plans | | | | | | | | | | | | |
| HDFC Long Term Advantage Fund (G) | 90.339 | 613.06 | -4.88 | 4.22 | 6.09 | 39.72 | 48.5 | 8 | 10 | 7 | 4 | 2 |
| HDFC Tax Saver Fund (G) | 141.262 | 897.28 | -6.11 | 2.73 | 3.56 | 48.59 | 47.9 | 9 | 11 | 10 | 2 | 3 |
| Magnum Tax Gain Scheme | 44.24 | 1663.97 | -3.84 | 13.1 | 19.15 | 62.1 | 54.97 | 5 | 2 | 2 | 1 | 1 |
| UTI-Equity Tax Savings Plan (G) | 29.41 | 259.45 | -7.66 | 0.07 | -0.68 | N.A | N.A | 11 | 14 | 13 | 0 | 0 |
| Tata Tax Saving Fund | 42.6529 | 126.36 | -4.58 | 8.67 | 3.55 | 28.78 | 39.53 | 7 | 6 | 11 | 8 | 6 |
| Sundaram BNP Paribas Tax Saver (G) | 27.1523 | 172.65 | -6.95 | 10.3 | 7.27 | N.A | N.A | 10 | 4 | 5 | 0 | 0 |
| ABN AMRO Tax Advantage Plan (ELSS) (G) | 12.518 | 132.24 | -12.15 | 2.15 | 1 | N.A | N.A | 15 | 13 | 12 | 0 | 0 |
| Reliance Tax Saver (ELSS) Fund - (G) | 13.92 | 1510.78 | -8.48 | 5.69 | 6.02 | N.A | N.A | 13 | 8 | 8 | 0 | 0 |
| ING Vysya Tax Savings Fund (G) | 25.89 | 47.24 | -8.29 | 9.8 | 6.5 | 35.14 | N.A | 12 | 5 | 6 | 6 | 0 |

| Fidelity Tax Advantage Fund (G) | 12.753 | 665.23 | -0.27 | 12.76 | 19.6 | N.A | N.A | 1 | 3 | 1 | 0 | 0 |
|---|---------|---------|--------|-------|-------|-------|-------|----|----|----|----|----|
| Birla Sun Life Tax Relief '96 | 90.8 | 309.2 | -3.66 | 8.18 | 15.11 | 27.59 | 35.95 | 4 | 7 | 3 | 9 | 8 |
| Birla Equity Plan (G) | 10.83 | 107.27 | -2.87 | 5.35 | N.A | N.A | N.A | 3 | 9 | 0 | 0 | 0 |
| Principal Tax Saving Fund | 76.62 | 167.49 | -2.59 | 14.86 | 13.71 | 39.22 | 42.46 | 2 | 1 | 4 | 5 | 5 |
| Pru ICICI Tax Plan - (G) | 85.17 | 603.48 | -11.21 | -6.03 | -6.94 | 44.04 | 44.7 | 14 | 15 | 14 | 3 | 4 |
| Franklin India Taxshield - (G) | 124.716 | 369.02 | -3.85 | 2.28 | 5.46 | 31.67 | 37.54 | 6 | 12 | 9 | 7 | 7 |
| Average | | | -5.83 | 6.28 | 7.1 | 39.65 | 43.94 | | | | | |
| Min | | | -12.15 | -6.03 | -6.94 | 27.59 | 35.95 | | | | | |
| Max | | | -0.27 | 14.86 | 19.6 | 62.1 | 54.97 | | | | | |
| Balanced Fun | ds | | | | | | | | | | | |
| HDFC Balanced Fund (G) | 30.636 | 108.32 | -6.16 | -1.07 | 6.92 | 20.48 | 23.79 | 15 | 15 | 11 | 12 | 12 |
| HDFC Prudence Fund - (G) | 114.464 | 2150.46 | -1.73 | 9.39 | 20.69 | 33.38 | 38.19 | 6 | 3 | 1 | 1 | 1 |
| UTI-Balanced Fund (G) | 54.29 | 1044.84 | -3.96 | 0.24 | 5.85 | 20.18 | 23.76 | 14 | 14 | 14 | 13 | 13 |
| Tata Balanced Fund - (App) | 50.9428 | 151.63 | -0.37 | 12.58 | 13.12 | 29.24 | 32.12 | 2 | 1 | 5 | 3 | 2 |
| Birla Sun Life '95 Fund (G) | 177.96 | 128.23 | -0.65 | 8.29 | 15.46 | 26.8 | 29.67 | 3 | 4 | 4 | 5 | 6 |
| Birla Balance (G) | 27.74 | 115.11 | -1.91 | 5.56 | 12.31 | 19.39 | 25.07 | 7 | 10 | 8 | 14 | 10 |
| DSP ML Balanced Fund - (G) | 38.437 | 394.79 | -2.62 | 6.83 | 12.39 | 25.86 | 31.23 | 10 | 7 | 6 | 6 | 4 |
| Sundaram BNP Paribas Balanced Fund - (G) | 32.4043 | 45.51 | -2.46 | 5.45 | 6.37 | 22.9 | 26.07 | 8 | 11 | 12 | 9 | 8 |
| Magnum Balanced Fund (G) | 35.06 | 271.16 | -2.75 | 6.6 | 10.67 | N.A | N.A | 11 | 8 | 9 | 0 | 0 |

| _ | | _ | _ | | | |
|---|------|-----|---|---|----|--------------------|
| • | ٦ ٦ | . / | • | | | |
| • | - 11 | v | | m | nr | $\boldsymbol{\mu}$ |
| | | | | | | |

| Principal Balanced Fund - (G) | 21.59 | 28.14 | -3.74 | 1.98 | 2.42 | 21.29 | 25.16 | 13 | 13 | 15 | 11 | 9 |
|--|---------|--------|-------|-------|-------|-------|-------|----|----|----|----|----|
| Pru ICICI Balanced Fund - (G) | 34.69 | 452.69 | -3.5 | 7.17 | 12.34 | 27.85 | 29.89 | 12 | 6 | 7 | 4 | 5 |
| Kotak Balance | 23.518 | 94.83 | -2.48 | 4.02 | 6.32 | 30.58 | 31.26 | 9 | 12 | 13 | 2 | 3 |
| JM Balanced Fund - (G) | 23.47 | 13.83 | -1.55 | 10.24 | 17.23 | 25.41 | 24.76 | 5 | 2 | 2 | 7 | 11 |
| ING Vysya Balanced Portfolio (G) | 18.51 | 7.78 | -0.32 | 6.2 | 9.01 | 21.54 | 22.6 | 1 | 9 | 10 | 10 | 14 |
| FT India Balanced Fund - (G) | 32.9772 | 258.08 | -1.19 | 7.68 | 16.2 | 24.25 | 28.87 | 4 | 5 | 3 | 8 | 7 |
| Average | | | -2.36 | 6.08 | 11.15 | 24.94 | 28.03 | | | | | |
| Min | | | -6.16 | -1.07 | 2.42 | 19.39 | 22.6 | | | | | |
| Max | | | -0.32 | 12.58 | 20.69 | 33.38 | 38.19 | | | | | |

1.7 MUTUAL FUND SCOREBOARD - Part III

| Scheme/ | N.A.V. | Corpus | | Annualised | | CA | GR | | Rank | ing Returns | | |
|---|--------------|------------|-------|------------|--------|---------|---------|-------|-------|-------------|---------|----------------|
| Index Name | (Rs) | Mar-07 | 3 mon | 6 mon | 1 year | 2 years | 3 years | 3 mon | 6 mon | 1 year | 2 years | 3 year s |
| Monthly Inc | come Plans - | Short Term | | | | | | | | | | |
| HDFC Multiple Yield Fund- Plan 2005 - (G) | 11.0574 | 101.88 | 1.28 | 4.12 | 4.42 | N.A | N.A | 8 | 19 | 17 | 0 | 0 |
| HDFC Monthly Income Plan - STP (G) | 12.9906 | 221.19 | 1.87 | 4.52 | 4.2 | 8.13 | 7.44 | 7 | 15 | 19 | 14 | 8 |
| HDFC Multiple Yield Fund (G) | 12.2587 | 175.03 | 2.82 | 6.1 | 5.49 | 7.54 | N.A | 5 | 9 | 13 | 19 | 0 |
| DBS Chola Monthly Income Plan (G) | 13.3617 | 5.3 | 1.21 | 5.69 | 6.21 | 7.59 | 6.69 | 9 | 11 | 11 | 17 | 13 |
| HSBC Monthly Income Plan (G) | 12.4162 | 47.44 | 2.86 | 6.51 | 7.86 | 8.79 | 6.71 | 4 | 5 | 2 | 11 | 12 |

| DSP ML Savings Plus Fund Moderate (G) | 15.2814 | 158.63 | 1.94 | 7.58 | 7.65 | 10.37 | 8.68 | 6 | 3 | 3 | 5 | 4 |
|---|---------|--------|-------|-------|-------|-------|------|----|----|----|----|----|
| DWS Monthly Income Plan B (G) | 11.8903 | 0.79 | -2.81 | -1.1 | 2.25 | 5.64 | 5.08 | 22 | 25 | 24 | 24 | 20 |
| DWS Monthly Income Plan A (G) | 12.4526 | 5.56 | -5.71 | -1 | 3.63 | 7.61 | 6.57 | 24 | 24 | 22 | 16 | 14 |
| Templeton MIP - (G) | 19.9066 | 121.24 | 0.58 | 4.38 | 6.63 | 9.06 | 7.46 | 11 | 16 | 7 | 9 | 7 |
| ABN AMRO Monthly Income Plan (G) | 13.0608 | 66.99 | -1.51 | 14.15 | 11.23 | 11.28 | N.A | 19 | 1 | 1 | 3 | 0 |
| Birla Monthly Income Plan (G) | 19.174 | 148.55 | 1.16 | 4.95 | 6.86 | 8.49 | 6.81 | 10 | 14 | 6 | 12 | 11 |
| Pru ICICI MIP (G) | 19.0385 | 611.08 | 0.47 | 6.21 | 7.29 | 10.9 | 9.2 | 12 | 7 | 4 | 4 | 3 |
| FT India Monthly Income Plan - (G) | 20.6438 | 577.67 | -1.19 | 4.35 | 7.02 | 9.69 | 8.59 | 17 | 17 | 5 | 8 | 5 |
| Sundaram BNP Paribas Monthly Income Plan -(G) | 12.7182 | 44.15 | -2.98 | 3.19 | 3.59 | 8.98 | 7.41 | 23 | 21 | 23 | 10 | 9 |
| ING Vysya MIP Fund - Plan B (G) | 12.1658 | 5.43 | -1.94 | 6.2 | 4.33 | 8.05 | 6.22 | 20 | 8 | 18 | 15 | 16 |
| JM Monthly Income Plan - (G) | 13.3587 | 14.8 | -0.79 | 6.23 | 5.33 | 10 | 7.4 | 16 | 6 | 14 | 6 | 10 |
| Kotak Income Plus (G) | 13.0818 | 71.49 | -2.44 | 4.21 | 4.33 | 9.71 | 7.92 | 21 | 18 | 18 | 7 | 6 |
| LICMF Monthly Income Plan - (G) | 24.2085 | 226.17 | -1.29 | 5.76 | 4.81 | 11.72 | 9.38 | 18 | 10 | 16 | 2 | 2 |

| Magnum Monthly Income Plan - (G) | 16.6991 | 111.47 | -0.02 | 2.82 | 5.05 | 8.38 | 6.51 | 13 | 22 | 15 | 13 | 15 |
|---|-------------|-----------|--------|-------|-------|-------|-------|----|----|----|----|----|
| Principal Monthly Income Plan - (Growth Accum) | 15.1357 | 53.19 | -0.43 | 4.07 | 4.16 | 6.51 | 5.57 | 15 | 20 | 20 | 22 | 19 |
| Reliance Monthly Income Plan (G) | 13.562 | 507.94 | -10.22 | 1.94 | 6.32 | 12.36 | 9.89 | 25 | 23 | 10 | 1 | 1 |
| Birla MIP - Savings 5 (G) | 11.6709 | 5.92 | 4.6 | 5.63 | 6.41 | 6.04 | N.A | 2 | 12 | 9 | 23 | 0 |
| Tata Monthly Income Fund - (App) | 14.7321 | 34.01 | 11.71 | 7.82 | 5.87 | 7 | 5.83 | 1 | 2 | 12 | 21 | 17 |
| Tata MIP Plus Fund - (G) | 12.0126 | 50.54 | -0.03 | 5.41 | 4.02 | 7.46 | 5.79 | 14 | 13 | 21 | 20 | 18 |
| DSP ML Savings Plus Fund Conservative (G) | 12.1494 | 10.58 | 3.28 | 6.93 | 6.61 | 7.57 | N.A | 3 | 4 | 8 | 18 | 0 |
| Average | | | 0.1 | 5.07 | 5.66 | 8.7 | 7.26 | | | | | |
| Min | | | -10.22 | -1.1 | 2.25 | 5.64 | 5.08 | | | | | |
| Max | | | 11.71 | 14.15 | 11.23 | 12.36 | 9.89 | | | | | |
| Monthly Inc | ome plans - | Long Term | | | | | | | | | | |
| HDFC Monthly Income Plan - LTP (G) | 14.9385 | 1132.49 | 3.22 | 9.14 | 9.61 | 14.96 | 12.06 | 2 | 3 | 3 | 2 | 2 |
| Principal Monthly Income Plus - (G) | 12.7157 | 19.33 | -1.85 | 4.69 | 4.74 | 8.91 | 7.35 | 5 | 6 | 8 | 8 | 6 |
| HSBC Monthly Income Plan - Savings (G) | 13.3318 | 64.24 | 1.96 | 7.96 | 9.17 | 11.98 | 8.98 | 3 | 4 | 4 | 6 | 5 |

| Birla MIP - Wealth 25 (G) | 13.4112 | 116.6 | -2.81 | 4.07 | 5.88 | 11.33 | N.A | 6 | 7 | 7 | 7 | 0 |
|--|--------------|--------|--------|-------|-------|-------|-------|---|---|---|---|---|
| UTI-MIS Advantage Plan (G) | 14.0041 | 103.15 | -4.77 | 6.35 | 6.01 | 13.53 | 10.47 | 7 | 5 | 6 | 3 | 3 |
| Pru ICICI Income Multiplier Fund - Regular (G) | 14.5274 | 466.63 | 0.35 | 9.84 | 10.16 | 15.76 | 13.01 | 4 | 2 | 1 | 1 | 1 |
| DSP ML Savings Plus Fund Aggressive (G) | 13.9772 | 65.23 | 4.77 | 10.58 | 10.05 | 13.24 | N.A | 1 | 1 | 2 | 4 | 0 |
| Reliance Monthly Income Plan (G) | 13.562 | 507.94 | -10.22 | 1.94 | 6.32 | 12.36 | 9.89 | 8 | 8 | 5 | 5 | 4 |
| Average | | | -1.17 | 6.82 | 7.74 | 12.76 | 10.29 | | | | | |
| Min | | | -10.22 | 1.94 | 4.74 | 8.91 | 7.35 | | | | | |
| Max | | | 4.77 | 10.58 | 10.16 | 15.76 | 13.01 | | | | | |
| Arbitrage Fu | unds | | | | | | | | | | | |
| JM Equity & Derivative Fund (G) | 11.5486 | 249.03 | 7.8 | 7.31 | 7.26 | 6.96 | N.A | 3 | 3 | 3 | 1 | 0 |
| Kotak Cash Plus (G) | 11.2134 | 41.94 | 11.18 | 8.9 | 7.99 | N.A | N.A | 1 | 2 | 2 | 0 | 0 |
| Pru ICICI Blended - Plan B (G) | 11.2882 | 58.54 | 7.3 | 7.28 | 7.1 | N.A | N.A | 4 | 4 | 4 | 0 | 0 |
| Pru ICICI Blended - Plan A (G) | 11.5701 | 495.01 | 10.32 | 10.29 | 9.01 | N.A | N.A | 2 | 1 | 1 | 0 | 0 |
| Average | | | 9.15 | 8.45 | 7.84 | 6.96 | 0 | | | | | |
| Min | | | 7.3 | 7.28 | 7.1 | 6.96 | 0 | | | | | |
| Max | | | 11.18 | 10.29 | 9.01 | 6.96 | 0 | | | | | |
| | lexi Debt Fu | nds | | | | | | | | | | |
| Pru ICICI Flexible Income Plan | 13.8 | 2010.1 | 9.01 | 8.24 | 7.78 | 6.45 | 4.65 | 1 | 2 | 2 | 3 | 2 |
| | | | | | | | | | | | | |

| Sundaram BNP Paribas Select Debt - DAP (G) | 13.0955 | 0.4 | 4.31 | 4.34 | 4.19 | 3.69 | 2.36 | 7 | 7 | 6 | 7 | 4 |
|---|---------------|-----------|-------|-------|-------|-------|-------|---|---|---|---|---|
| Kotak Flexi Debt (G) | 11.6812 | 236.82 | 8.23 | 7.87 | 7.66 | 6.86 | N.A | 3 | 3 | 3 | 2 | 0 |
| Grindlays Dynamic Bond Fund - (G) | 13.5861 | 0.12 | 5.24 | 5.87 | 6.71 | 5.59 | 3.76 | 6 | 6 | 4 | 6 | 3 |
| Birla Dynamic Bond Fund - Retail (G) | 11.5018 | 279.17 | 7.21 | 6.24 | 6.71 | 5.89 | N.A | 5 | 4 | 4 | 5 | 0 |
| ABN AMRO Flexi Debt Fund (G) | 11.6466 | 11.79 | 8.88 | 9.89 | 9.23 | 7.13 | N.A | 2 | 1 | 1 | 1 | 0 |
| Tata Dynamic Bond Fund - Plan B (App) | 12.1018 | 154.32 | 7.56 | 6.06 | 5.84 | 6.3 | 4.66 | 4 | 5 | 5 | 4 | 1 |
| Average | | | 7.21 | 6.93 | 6.87 | 5.99 | 3.86 | | | | | |
| Min | | | 4.31 | 4.34 | 4.19 | 3.69 | 2.36 | | | | | |
| Max | | | 9.01 | 9.89 | 9.23 | 7.13 | 4.66 | | | | | |
| Children Gif | t Funds - Sav | ings plan | | | | | | | | | | |
| HDFC Children's Gift Fund- Savings Plan | 14.649 | 53.7 | -7.87 | -2.81 | -0.87 | 5.63 | 6.62 | 2 | 2 | 2 | 2 | 2 |
| Pru ICICI Child Care Plan-Study Plan | 20.039 | 29.11 | 4.34 | 14.58 | 8.57 | 15.66 | 11.93 | 1 | 1 | 1 | 1 | 1 |
| Average | | | -1.77 | 5.89 | 3.85 | 10.65 | 9.28 | | | | | |
| Min | | | -7.87 | -2.81 | -0.87 | 5.63 | 6.62 | | | | | |
| Max | | | 4.34 | 14.58 | 8.57 | 15.66 | 11.93 | | | | | |
| | | | | | | | | | | | | |

1.8 MUTUAL FUND SCOREBOARD - Part IV

| Scheme/ | N.A.V. | Corpus | | | Annualised | | | | Rank | ing Returns | | |
|--|---------|--------|-------|-------|------------|-------|--------|------|-------|-------------|-------|-----------|
| Index Name | (Rs) | Mar-07 | 1 WK | 1 mon | з мом | 6 MON | 1 year | 1 WK | 1 mon | 3 mon | 6 mon | 1 year |
| Short Term | Plans | | | | | | | | | | | |
| HDFC High Interest Fund - STP (G) | 13.6754 | 31.43 | 7.37 | 9.51 | 6.85 | 6.83 | 7.66 | 13 | 9 | 9 | 8 | 6 |
| HDFC Short Term Plan (G) | 13.4455 | 49.84 | 7.96 | 9.7 | 5.94 | 6.19 | 6.58 | 10 | 7 | 11 | 12 | 13 |
| ING Vysya Select Debt Fund (G) | 11.2125 | 3.38 | 4.14 | 4.64 | 4.06 | 3.74 | 4.31 | 19 | 18 | 18 | 19 | 19 |
| Birla Sun Life Short Term Fund (G) | 13.439 | 62.73 | 10.93 | 10.59 | 9.54 | 8.92 | 7.82 | 4 | 4 | 1 | 1 | 3 |
| Birla Bond Plus - Retail (G) | 13.9055 | 149.92 | 7.62 | 8.12 | 5.41 | 5.85 | 6.86 | 12 | 16 | 13 | 13 | 10 |
| Templeton India Short Term Income (G) | 1370.76 | 185.97 | 13.32 | 12.41 | 4.97 | 5.82 | 6.83 | 1 | 1 | 15 | 14 | 11 |

| Pru ICICI Short Term Plan (G) | 14.2908 | 214.05 | 9.06 | 9.28 | 7.46 | 7.11 | 7.16 | 7 | 10 | 5 | 6 | 7 |
|---|---------|--------|-------|-------|------|------|------|----|----|----|----|----|
| Grindlays SSIF - STP - (G) | 14.892 | 52.92 | 10.1 | 12.13 | 7.25 | 6.5 | 6.76 | 6 | 2 | 6 | 11 | 12 |
| DBS Chola Freedom Income- Short Term Fund (G) | 11.8723 | 16.51 | 7.34 | 2.27 | 5.74 | 6.75 | 6.91 | 14 | 19 | 12 | 9 | 9 |
| DSP ML Short Term Fund (G) | 12.8672 | 59.03 | 10.8 | 1.2 | 0.1 | 3.05 | 5.19 | 5 | 20 | 21 | 21 | 17 |
| UTI-Liquid - Short Term Plan (G) | 12.2545 | 20.32 | 5.15 | 8.62 | 4.77 | 4.71 | 5.88 | 16 | 12 | 16 | 18 | 16 |
| HSBC Income Fund - Short Term Plan (G) | 12.4435 | 20.09 | 1.8 | 8.49 | 0.79 | 3.08 | 5.11 | 20 | 13 | 20 | 20 | 18 |
| JM Short Term Fund - (G) | 13.421 | 13.86 | 5.56 | 9.67 | 7.02 | 7.04 | 6.83 | 15 | 8 | 7 | 7 | 11 |
| Kotak Bond - Short Term Plan (G) | 13.5227 | 45.53 | 13.07 | 8.41 | 5.31 | 6.53 | 7.08 | 2 | 15 | 14 | 10 | 8 |
| LICMF Short Term Plan - (G) | 12.0407 | 0.74 | -3.2 | 8.45 | 6.82 | 5.56 | 6.29 | 21 | 14 | 10 | 15 | 15 |
| Principal Short Term Plan (G) | 13.4442 | 139.59 | 5.12 | 5.94 | 2.81 | 4.89 | 6.29 | 17 | 17 | 19 | 17 | 15 |
| Reliance Short Term Fund - (G) | 13.1162 | 229.82 | 7.88 | 10.28 | 7.53 | 7.72 | 7.68 | 11 | 5 | 4 | 4 | 4 |
| Sundaram BNP Paribas Select Debt - STAP (G) | 13.1591 | 7.3 | 8.73 | 9.74 | 8.61 | 8.09 | 7.9 | 8 | 6 | 2 | 2 | 1 |
| Tata Short Term Bond Fund - (G) | 13.3864 | 40.3 | 8.15 | 8.88 | 8.44 | 8.01 | 7.67 | 9 | 11 | 3 | 3 | 5 |

| ING Vysya Income Portfolio - Short Term (G) | 13.3184 | 36.01 | 4.98 | 8.62 | 7 | 7.22 | 7.87 | 18 | 12 | 8 | 5 | 2 |
|---|----------------|----------|-------|-------|------|------|------|----|----|----|----|----|
| DWS Short Maturity Fund (G) | 12.5779 | 10.55 | 12.05 | 11.93 | 4.27 | 5.32 | 6.38 | 3 | 3 | 17 | 16 | 14 |
| Average | | | 7.52 | 8.52 | 5.75 | 6.14 | 6.72 | | | | | |
| Min | | | -3.2 | 1.2 | 0.1 | 3.05 | 4.31 | | | | | |
| Max | | | 13.32 | 12.41 | 9.54 | 8.92 | 7.9 | | | | | |
| Short Term | Plans - Instit | tutional | | | | | | | | | | |
| JM Short Term Fund - Inst Plan (G) | 12.6865 | 13.86 | 5.88 | 10.01 | 7.23 | 7.32 | 7.16 | 5 | 2 | 2 | 2 | 2 |
| DBS Chola Freedom Income - Short Term- Inst (Cum) | 12.0147 | 16.51 | 7.3 | 2.26 | 5.76 | 6.77 | 6.96 | 4 | 6 | 3 | 3 | 4 |
| Birla Bond Plus - Inst (G) | 14.0409 | 149.92 | 7.81 | 8.31 | 5.61 | 6.06 | 7.08 | 3 | 4 | 4 | 4 | 3 |
| Templeton India Short Term Income - Inst (G) | 1095.82 | 185.97 | 13.42 | 12.51 | 5.07 | 5.92 | 6.94 | 1 | 1 | 5 | 5 | 5 |
| Pru ICICI Short Term Plan - Inst (G) | 14.4354 | 214.05 | 9.37 | 9.58 | 7.77 | 7.42 | 7.49 | 2 | 3 | 1 | 1 | 1 |
| Principal Short Term Plan - Inst (G) | 12.4928 | 139.59 | 5.31 | 6.14 | 3.01 | 5.09 | 6.45 | 6 | 5 | 6 | 6 | 6 |
| Average | | | 8.18 | 8.14 | 5.74 | 6.43 | 7.01 | | | | | |
| Min | | | 5.31 | 2.26 | 3.01 | 5.09 | 6.45 | | | | | |
| Max | | | 13.42 | 12.51 | 7.77 | 7.42 | 7.49 | | | | | |
| Liquid Funds | s | | | | | | | | | | | |
| HDFC Liquid Fund (G) | 14.9419 | 1544.48 | 8.21 | 9.64 | 8.5 | 7.96 | 7.36 | 4 | 7 | 1 | 3 | 2 |

| JM High Liquidity Fund - (G) | 20.676 | 653.13 | 7.7 | 14.97 | 8.36 | 7.88 | 7.15 | 13 | 1 | 2 | 5 | 7 |
|---|---------|---------|------|-------|------|------|------|----|----|----|----|----|
| Reliance Liquid Fund - Treasury Plan (G) | 18.1345 | 1497.9 | 7.54 | 8.89 | 7.83 | 7.45 | 6.8 | 15 | 12 | 15 | 15 | 19 |
| UTI-Money Market Fund (G) | 21.1375 | 320.66 | 7.93 | 10.33 | 8.28 | 8.06 | 7.34 | 10 | 3 | 6 | 2 | 3 |
| Templeton India TMA - Reg (G) | 1870.39 | 2031.82 | 7.99 | 9.41 | 8 | 7.52 | 7.03 | 8 | 8 | 11 | 13 | 13 |
| Pru ICICI Liquid (G) | 18.4371 | 8460.96 | 8.87 | 9.83 | 8.29 | 7.67 | 7.08 | 2 | 4 | 5 | 8 | 10 |
| DSP ML Liquidity Fund (G) | 18.3665 | 1978.28 | 6.77 | 7.06 | 7.02 | 7.06 | 6.82 | 20 | 23 | 22 | 20 | 18 |
| Birla Sun Life Cash Manager (G) | 18.4913 | 1598.24 | 7.99 | 9.76 | 8.33 | 7.89 | 7.15 | 8 | 5 | 3 | 4 | 7 |
| Birla Cash Plus - Retail (G) | 20.2325 | 4060.8 | 8.23 | 8.87 | 8.01 | 7.61 | 7.13 | 3 | 13 | 10 | 11 | 8 |
| HSBC Cash Fund (G) | 12.6634 | 1880.75 | 7.84 | 9.67 | 8.12 | 7.63 | 7.06 | 12 | 6 | 8 | 9 | 11 |
| ABN AMRO Cash Fund (G) | 11.4809 | 401.95 | 5.82 | 5.95 | 6.47 | 6.7 | 6.3 | 21 | 24 | 23 | 23 | 22 |
| UTI-Liquid - Cash Plan (G) | 1230.99 | 5361.9 | 7.95 | 8.67 | 7.89 | 7.6 | 7.11 | 9 | 16 | 14 | 12 | 9 |
| Sahara Liquid - Fixed Pricing (G) | 1346.92 | 126.37 | 8.01 | 8.95 | 8.01 | 7.67 | 6.84 | 7 | 11 | 10 | 8 | 17 |
| DBS Chola Liquid Fund (G) | 15.1913 | 188.22 | 9.25 | 7.34 | 7.26 | 7.22 | 7.04 | 1 | 21 | 20 | 19 | 12 |
| Canliquid (G) | 13.7068 | 612.01 | 7.85 | 8.8 | 7.94 | 7.62 | 7.22 | 11 | 14 | 13 | 10 | 5 |
| ING Vysya Liquid Fund - (G) | 15.9289 | 1300.8 | 7.54 | 8.45 | 7.77 | 7.44 | 7 | 15 | 18 | 16 | 16 | 14 |
| LICMF Liquid Fund - (G) | 13.6601 | 5134.16 | 7.49 | 8.77 | 8.13 | 8.07 | 7.58 | 17 | 15 | 7 | 1 | 1 |

| Principal Cash Mgmt - Liquid (G) | 14.7752 | 3026.18 | 7.53 | 8.57 | 7.75 | 7.39 | 6.95 | 16 | 17 | 17 | 17 | 15 |
|--|-------------|--------------|------|-------|------|------|------|----|----|----|----|----|
| Grindlays Cash Fund - (G) | 13.8353 | 323.77 | 6.98 | 7.19 | 7.1 | 6.84 | 6.46 | 18 | 22 | 21 | 22 | 21 |
| Kotak Liquid (G) | 14.8523 | 2667.78 | 7.59 | 7.92 | 7.37 | 7.05 | 6.61 | 14 | 20 | 19 | 21 | 20 |
| DWS Insta Cash Plus Fund (G) | 12.6401 | 513.13 | 6.86 | 10.36 | 8.32 | 7.87 | 7.32 | 19 | 2 | 4 | 6 | 4 |
| Tata Liquid Retail Invest Plan - (G) | 1741.64 | 2400.64 | 7.85 | 9.01 | 8.09 | 7.7 | 7.18 | 11 | 10 | 9 | 7 | 6 |
| Sundaram BNP Paribas Money Fund - Appreciation | 15.7772 | 600.34 | 8.04 | 9.25 | 7.97 | 7.48 | 7 | 6 | 9 | 12 | 14 | 14 |
| BOB Liquid Fund (G) | 13.4573 | 74.12 | 8.11 | 8.33 | 7.73 | 7.31 | 6.93 | 5 | 19 | 18 | 18 | 16 |
| Average | | | 7.75 | 9 | 7.86 | 7.53 | 7.02 | | | | | |
| Min | | | 5.82 | 5.95 | 6.47 | 6.7 | 6.3 | | | | | |
| Max | | | 9.25 | 14.97 | 8.5 | 8.07 | 7.58 | | | | | |
| _ | e Income Fu | nd - Short T | erm | | | | | | | | | |
| Birla Floating Rate - Short Term (G) | 12.3953 | 284.08 | 6.95 | 10.31 | 8.59 | 8.01 | 7.33 | 16 | 8 | 6 | 7 | 7 |
| Pru ICICI Floating Rate - Option A (G) | 11.6873 | 906.07 | 8.54 | 10.85 | 8.46 | 7.78 | 7.12 | 5 | 5 | 9 | 10 | 13 |
| Pru ICICI Floating Rate - Option B (G) | 12.5452 | 906.07 | 8.87 | 11.11 | 8.72 | 8.04 | 7.39 | 3 | 4 | 4 | 6 | 6 |
| Principal FRF - SMP Regular (G) | 11.6944 | 696.93 | 8.57 | 10.62 | 8.8 | 8.17 | 7.58 | 4 | 6 | 3 | 4 | 4 |
| HSBC Floating Rate - ST (G) | 11.5279 | 240.14 | 7.7 | 9.85 | 8.19 | 7.54 | 6.98 | 10 | 9 | 12 | 12 | 16 |

| ABN AMRO Floating Rate (G) | 11.4677 | 47.26 | 5.69 | 5.37 | 5.9 | 6.13 | 6.19 | 20 | 20 | 19 | 18 | 20 |
|--|---------|--------|------|-------|------|------|------|----|----|----|----|----|
| Kotak Floater Short Term (G) | 12.3562 | 157.66 | 8.33 | 8.29 | 7.89 | 7.78 | 7.18 | 7 | 16 | 13 | 10 | 11 |
| UTI-Floating Rate Fund - STP (G) | 1227.06 | 511.88 | 7.49 | 7.63 | 7.47 | 7.31 | 7.07 | 12 | 17 | 16 | 14 | 15 |
| JM Floater Fund - STP (G) | 12.3882 | 62.96 | 7.63 | 12.87 | 7.47 | 7.38 | 7.08 | 11 | 1 | 16 | 13 | 14 |
| Tata Floating Rate Fund - STP (G) | 12.0506 | 117.77 | 9.06 | 9.35 | 8.3 | 7.82 | 7.25 | 2 | 13 | 10 | 9 | 9 |
| Sundaram BNP Paribas Floating Rate - ST (G) | 11.3907 | 106.97 | 7.38 | 8.48 | 7.53 | 7.06 | 6.68 | 13 | 15 | 15 | 15 | 17 |
| Reliance Floating Rate Fund (G) | 11.7429 | 937.52 | 8.36 | 11.42 | 9.12 | 8.46 | 7.68 | 6 | 3 | 1 | 2 | 3 |
| ING Vysya Floating Rate (G) | 11.6224 | 17.19 | 6.29 | 9.73 | 8.23 | 8.07 | 7.29 | 18 | 10 | 11 | 5 | 8 |
| LICMF Floating Rate Fund - STP (G) | 12.0266 | 984.6 | 8.16 | 9.7 | 8.71 | 8.56 | 7.83 | 8 | 11 | 5 | 1 | 1 |
| Tata Floating Rate Fund - STP Inst (G) | 11.753 | 117.77 | 9.2 | 9.54 | 8.47 | 8.01 | 7.52 | 1 | 12 | 8 | 7 | 5 |
| Magnum Floating Rate Plan-STP (G) | 11.6218 | 44.81 | 6.24 | 6.75 | 6 | 6.4 | 6.54 | 19 | 18 | 18 | 17 | 18 |
| CanFloating - STP (G) | 11.5191 | 602.72 | 7.75 | 11.52 | 8.98 | 8.27 | 7.69 | 9 | 2 | 2 | 3 | 2 |
| DBS Chola Floating Rate Fund (G) | 11.4731 | 2.76 | 4.46 | 3.64 | 3.69 | 4.79 | 5.27 | 21 | 21 | 20 | 19 | 21 |
| Templeton Floating Rate Income - ST (G) | 13.5432 | 606 | 7.36 | 10.32 | 8.57 | 7.92 | 7.15 | 14 | 7 | 7 | 8 | 12 |

| Grindlays Floating Rate - STP (G) | 12.4297 | 182.94 | 6.34 | 6.27 | 6.42 | 6.58 | 6.43 | 17 | 19 | 17 | 16 | 19 |
|---|-------------|--------------|------|-------|------|------|------|----|----|----|----|----|
| DWS Floating Rate Fund (G) | 12.1687 | 51.72 | 7.29 | 8.61 | 7.88 | 7.59 | 7.22 | 15 | 14 | 14 | 11 | 10 |
| Average | | | 7.51 | 9.15 | 7.78 | 7.51 | 7.07 | | | | | |
| Min | | | 4.46 | 3.64 | 3.69 | 4.79 | 5.27 | | | | | |
| Max | | | 9.2 | 12.87 | 9.12 | 8.56 | 7.83 | | | | | |
| Floating Rate | e Income Fu | nd - Long Te | erm | | | | | | | | | |
| Principal FRF - FMP Regular (G) | 11.7349 | 156.07 | 8.81 | 10.28 | 8.69 | 8.2 | 7.69 | 1 | 4 | 2 | 3 | 2 |
| Pru ICICI Long Term Floating Rate Plan A (G) | 11.5584 | 113.26 | 6.78 | 7.79 | 7.17 | 6.92 | 6.69 | 9 | 10 | 8 | 8 | 7 |
| Birla Floating Rate - Long Term (G) | 12.4059 | 41.49 | 6.82 | 13.47 | 9.28 | 8.25 | 7.15 | 8 | 1 | 1 | 2 | 5 |
| Grindlays Floating Rate - LTP (G) | 11.5655 | 72.18 | 8.44 | 9 | 7.78 | 7.08 | 6.56 | 2 | 6 | 6 | 7 | 8 |
| HSBC Floating Rate - LT (G) | 11.512 | 60.52 | 7.21 | 10.6 | 8.45 | 7.47 | 6.82 | 7 | 3 | 5 | 5 | 6 |
| Templeton Floating Rate Income - LT (G) | 13.5528 | 523.55 | 8.32 | 10.64 | 8.59 | 7.97 | 7.25 | 3 | 2 | 3 | 4 | 3 |
| ABN AMRO Long Term Floating Rate (G) | 11.0385 | 361.25 | 8.28 | 9.99 | 8.58 | 8.32 | 7.71 | 4 | 5 | 4 | 1 | 1 |
| Magnum Floating Rate Plan-LTP Regular(G) | 11.5426 | 30.22 | 7.69 | 8.1 | 6.37 | 6.55 | 6.26 | 6 | 8 | 11 | 11 | 10 |
| Tata Floating Rate Fund - LTP (G) | 11.6245 | 4.81 | 3.19 | 8.74 | 6.89 | 6.9 | 5.92 | 13 | 7 | 9 | 9 | 13 |
| Sundaram BNP Paribas Floating Rate - LT (G) | 11.3409 | 6.88 | 6.21 | 7.08 | 6.53 | 6.6 | 6.52 | 10 | 12 | 10 | 10 | 9 |

| JM Floater Fund - LTP (G) | 12.0123 | 2.63 | 5.91 | 7.74 | 5.42 | 5.59 | 5.97 | 11 | 11 | 13 | 13 | 12 |
|--|---------|--------|------|-------|------|------|------|----|----|----|----|----|
| Kotak Floater Long Term (G) | 11.7098 | 46.75 | 8.16 | 8.02 | 7.2 | 7.23 | 7.17 | 5 | 9 | 7 | 6 | 4 |
| DSP ML Floating Rate (G) | 12.3438 | 329.16 | 5.88 | 6.19 | 6.36 | 6.38 | 6.23 | 12 | 13 | 12 | 12 | 11 |
| Average | | | 7.05 | 9.05 | 7.49 | 7.19 | 6.76 | | | | | |
| Min | | | 3.19 | 6.19 | 5.42 | 5.59 | 5.92 | | | | | |
| Max | | | 8.81 | 13.47 | 9.28 | 8.32 | 7.71 | | | | | |
| Returns are calculated for the respective period ended 16 April 2007. Source: www.navindia.com | | | | | | | | | | | | |

1.9 MUTUAL FUND SCOREBOARD - Part II

| Scheme/ Index Name | N.A.V. | Corpus | | Annualised | | CA | GR | | | | | |
|---|---------|--------|-------|------------|--------|---------|---------|-------|-------|--------|---------|----------------|
| | (Rs) | Mar-07 | 3 mon | 6 mon | 1 year | 2 years | 3 years | 3 mon | 6 mon | 1 year | 2 years | 3 year s |
| Income Funds | | | | | | | | | | | | |
| HDFC High Interest Fund (G) | 24.3549 | 39.54 | -1.45 | -0.43 | 2.5 | 2.52 | 1.45 | 24 | 26 | 26 | 26 | 26 |
| HDFC Income Fund (G) | 16.5804 | 215.54 | -2.13 | 0.32 | 2.54 | 2.44 | 1.48 | 25 | 25 | 25 | 27 | 25 |
| Principal Income Fund - (G) | 10.549 | 386.94 | 4.34 | 4.58 | 6.61 | 5.79 | 3.91 | 8 | 8 | 2 | 5 | 6 |
| Birla Income Plus - Retail (G) | 30.4308 | 214.63 | 2.27 | 2.9 | 5.01 | 4.39 | 2.46 | 17 | 19 | 9 | 13 | 16 |
| Tata Income Fund - (AO) | 25.1114 | 41.79 | 5.01 | 4.59 | 4.89 | 7.03 | 4.77 | 6 | 7 | 12 | 1 | 2 |
| Tata Income Plus - RIP (G) | 12.7337 | 3.08 | 7.02 | 7.5 | 6.49 | 6.41 | 3.94 | 2 | 2 | 4 | 2 | 5 |
| UTI-Bond Fund (G) | 21.6974 | 293.52 | 2.56 | 3.43 | 4.78 | 6.3 | 4.63 | 16 | 16 | 14 | 3 | 3 |
| Kotak Bond - Deposit Plan (G) | 18.6258 | 46.59 | 1.4 | 3.24 | 5.05 | 4.66 | 3.18 | 20 | 18 | 8 | 11 | 12 |
| Magnum Income Fund - (G) | 19.7282 | 72.45 | -0.31 | 2.19 | 4.29 | 3.83 | 2.08 | 22 | 23 | 19 | 18 | 21 |
| Templeton India IBA - (G) | 24.7657 | 97.83 | -3.21 | 1.28 | 3.16 | 2.81 | 1.61 | 26 | 24 | 24 | 25 | 24 |
| Templeton India Income Fund - (G) | 25.7168 | 190.56 | 1.57 | 3.28 | 4.41 | 3.69 | 2.45 | 19 | 17 | 16 | 20 | 17 |
| Grindlays SSIF - Invest (G) | 16.887 | 56.4 | 2.91 | 3.74 | 4.97 | 4.11 | 2.14 | 15 | 13 | 11 | 16 | 20 |

| DSP ML Bond Fund - Retail Plan | 25.0532 | 56.36 | 3.79 | 4.57 | 4.88 | 4.4 | 2.9 | 12 | 9 | 13 | 12 | 13 |
|---|---------|-------|-------|-------|------|------|------|----|----|----|----|----|
| (G) HSBC Income Fund - Invest Plan (G) | 12.3502 | 25.94 | -0.42 | 2.34 | 4.4 | 4.28 | 2.85 | 23 | 22 | 17 | 14 | 14 |
| Birla Bond Index Fund (G) | 11.6758 | 0.71 | 4.02 | 4.5 | 5.55 | 4.7 | 2.56 | 9 | 10 | 6 | 10 | 15 |
| Birla Sun Life Income Fund (G) | 25.993 | 31.09 | 6.15 | 7.78 | 8 | 6.05 | 3.9 | 4 | 1 | 1 | 4 | 7 |
| BOB Inome Fund (G) | 12.7027 | 0.45 | 4.58 | 4.61 | 4.08 | 3.78 | 3.51 | 7 | 6 | 21 | 19 | 10 |
| Kotak Bond - Regular Plan (G) | 19.6118 | 46.59 | 3.17 | 5.03 | 6.6 | 5.64 | 4.03 | 14 | 5 | 3 | 6 | 4 |
| LICMF Bond Fund - (G) | 20.0703 | 96.53 | 3.89 | 2.35 | 4.66 | 4.83 | 3.42 | 10 | 21 | 15 | 8 | 11 |
| ING Vysya Income Portfolio - (G) | 18.2213 | 10.36 | 1.98 | 4.07 | 4.23 | 3.95 | 2.36 | 18 | 11 | 20 | 17 | 18 |
| Sundaram BNP Paribas Bond Saver - Appreciation | 22.8517 | 63.6 | 3.54 | 3.79 | 4.36 | 3.52 | 1.87 | 13 | 12 | 18 | 21 | 22 |
| Sundaram BNP Paribas Income Plus - (G) | 12.9165 | 6.56 | 6.73 | 5.61 | 5.74 | 4.23 | 3.85 | 3 | 4 | 5 | 15 | 8 |
| CanIncome (Growth) | 13.374 | 1.24 | 7.29 | 6.32 | 5.45 | 4.89 | 5.8 | 1 | 3 | 7 | 7 | 1 |
| DBS Chola Triple Ace - (Cumulative) | 24.2519 | 14.5 | 5.75 | 3.56 | 3.35 | 3.2 | 1.78 | 5 | 15 | 23 | 24 | 23 |
| DWS Premier Bond Fund - Regular Plan (G) | 11.9384 | 1.65 | -7.64 | -1.64 | 1.84 | 3.33 | 2.16 | 27 | 27 | 27 | 23 | 19 |
| JM Income Fund - (G) | 28.8149 | 26 | 3.86 | 3.65 | 3.76 | 3.45 | 2.36 | 11 | 14 | 22 | 22 | 18 |

| Reliance Income Fund | 23.184 | 60.07 | 0.05 | 2.89 | 4.98 | 4.8 | 3.79 | 21 | 20 | 10 | 9 | 9 |
|--|----------------|--------|-------|-------|------|------|------|----|----|----|----|---|
| - (G) | | | | | | | | | | | | |
| Average | | | 2.47 | 3.56 | 4.69 | 4.41 | 3.01 | | | | | |
| Min | | | -7.64 | -1.64 | 1.84 | 2.44 | 1.45 | | | | | |
| Max | | | 7.29 | 7.78 | 8 | 7.03 | 5.8 | | | | | |
| Income Fun | d - Institutio | nal | | | | | | | | | | |
| Tata Income Plus - HIP (G) | 12.7676 | 3.08 | 7 | 7.5 | 6.49 | 6.4 | 3.95 | 1 | 1 | 2 | 1 | 2 |
| HSBC Income Fund - Invest - Inst Plan (G) | 12.7285 | 25.94 | 0.38 | 3.17 | 5.39 | 5.21 | 3.71 | 5 | 4 | 4 | 3 | 3 |
| ING Vysya Income Portfolio - Inst (G) | 18.9995 | 10.36 | 3.04 | 5.14 | 5.33 | 5.06 | 3.44 | 3 | 2 | 5 | 5 | 5 |
| Principal Income Fund - Inst Plan (G) | 12.4242 | 386.94 | 4.85 | 5.03 | 7.06 | 6.34 | 4.52 | 2 | 3 | 1 | 2 | 1 |
| Pru ICICI Income Plan - Inst (G) | 22.104 | 225.99 | 1.08 | 2.9 | 6.02 | 5.08 | 3.57 | 4 | 5 | 3 | 4 | 4 |
| Average | | | 3.27 | 4.75 | 6.06 | 5.62 | 3.84 | | | | | |
| Min | | | 0.38 | 2.9 | 5.33 | 5.06 | 3.44 | | | | | |
| Max | | | 7 | 7.5 | 7.06 | 6.4 | 4.52 | | | | | |
| Gilt Funds - | Short Term I | Plans | | | | | | | | | | |
| HDFC Gilt Fund Short Term Plan (G) | 13.7174 | 10.59 | 4.69 | 4.83 | 4.5 | 4.32 | 3.95 | 9 | 9 | 12 | 11 | 8 |
| Principal Govt Securities - Savings (G) | 14.1005 | 1.71 | 3.56 | 4.23 | 6.43 | 5.02 | 4.34 | 13 | 12 | 3 | 7 | 7 |
| Pru ICICI Gilt Fund - Treasury (G) | 18.0155 | 65.96 | 4.46 | 4.07 | 4.84 | 5.1 | 4.62 | 10 | 13 | 9 | 6 | 5 |
| Magnum Gilt Fund - Short Term (G) | 14.9378 | 9.43 | 8.6 | 7.23 | 5.57 | 4.63 | 3.76 | 1 | 2 | 5 | 9 | 9 |

| Kotak Gilt - Savings Plan (G) | 18.2012 | 13.33 | 4.97 | 4.71 | 5.3 | 5.26 | 5.11 | 8 | 10 | 7 | 4 | 2 |
|---|--------------|--------|-------|------|------|------|------|----|----|----|----|----|
| HSBC Gilt Fund - Short Term Plan (G) | 11.2287 | 1.03 | 6.25 | 6.09 | 5.04 | 4.4 | 3.45 | 3 | 5 | 8 | 10 | 10 |
| Grindlays G Sec Fund - STP (G) | 12.6551 | 1.58 | 5.75 | 5.59 | 4.54 | 4.19 | 2.75 | 4 | 7 | 11 | 12 | 13 |
| DSP ML G- Sec Fund - B (G) | 16.9142 | 4.99 | 3.61 | 4.25 | 5.46 | 5.29 | 4.65 | 12 | 11 | 6 | 3 | 4 |
| Birla Sun Life Govt Sec - Short Term (G) | 16.021 | 0.63 | 5.19 | 9.61 | 7.22 | 5.23 | 3.18 | 7 | 1 | 1 | 5 | 11 |
| Birla Gilt Plus - Liquid (G) | 18.235 | 26.22 | 5.53 | 6.66 | 6.52 | 5.72 | 5.27 | 6 | 3 | 2 | 2 | 1 |
| UTI-G-Sec Fund - STP (G) | 11.7633 | 77.52 | 6.31 | 6.13 | 6 | 5.75 | 4.93 | 2 | 4 | 4 | 1 | 3 |
| Templeton India G-Sec Fund - Treasury Plan (G) | 13.9726 | 158.22 | 4.31 | 5.34 | 4.67 | 4.94 | 4.59 | 11 | 8 | 10 | 8 | 6 |
| Reliance Gilt Securities - STP (G) | 11.5398 | 7.61 | 5.64 | 5.63 | 3.88 | 4.01 | 2.87 | 5 | 6 | 13 | 13 | 12 |
| Average | | | 5.3 | 5.72 | 5.38 | 4.91 | 4.11 | | | | | |
| Min | | | 3.56 | 4.07 | 3.88 | 4.01 | 2.75 | | | | | |
| Max | | | 8.6 | 9.61 | 7.22 | 5.75 | 5.27 | | | | | |
| Gilt Funds-L | ong Term Pla | ins | | | | | | | | | | |
| HDFC Gilt Fund Long Term Plan (G) | 15.5354 | 33.67 | -1.81 | 0.79 | 1.73 | 2.36 | 0.05 | 20 | 19 | 21 | 18 | 20 |
| DSP ML G- Sec Fund - A (G) | 22.9524 | 30.1 | -1.59 | 1.05 | 3.22 | 4.07 | 2.19 | 18 | 18 | 19 | 14 | 11 |
| Magnum Gilt Fund - Long term (G) | 17.2517 | 62.88 | 4.28 | 4.85 | 5.25 | 4.97 | 2.05 | 5 | 7 | 6 | 7 | 13 |

| UTI-G-Sec Fund (G) | 19.1144 | 128.05 | 2.31 | 3.24 | 4.37 | 4.18 | 1.47 | 11 | 15 | 12 | 13 | 18 |
|---|---------|--------|-------|-------|------|------|------|----|----|----|----|----|
| Templeton India G-Sec Fund - Composite (G) | 24.1958 | 136.63 | -0.05 | 3.61 | 3.69 | 4.04 | 1.9 | 15 | 12 | 15 | 16 | 16 |
| ING Vysya Gilt Portfolio (G) | 12.2892 | 0.04 | 5.68 | 5.28 | 4.46 | 4.23 | 4.34 | 4 | 5 | 11 | 12 | 2 |
| JM G-Sec Fund - Regular Plan (G) | 21.2369 | 4.61 | 3.62 | 3.54 | 3.48 | 4.06 | 2.19 | 8 | 13 | 18 | 15 | 11 |
| LICMF G-Sec Fund - (G) | 18.9855 | 50.49 | 3.77 | 3.79 | 3.71 | 4.61 | 2.39 | 7 | 10 | 14 | 9 | 10 |
| Reliance Gilt Securities - LTP (G) | 12.7324 | 47.29 | 1.01 | 3.49 | 5.68 | 5.58 | 4.75 | 14 | 14 | 4 | 3 | 1 |
| Sundaram BNP Paribas Gilt Fund - (G) | 13.5365 | 1.71 | 6.06 | 5.93 | 4.88 | 4.32 | 3.16 | 3 | 2 | 8 | 11 | 4 |
| UTI-Gilt Advantage Fund - LTP (G) | 15.2401 | 58.86 | 1.33 | 3.19 | 4.72 | 5.19 | 2.8 | 13 | 16 | 9 | 5 | 6 |
| Templeton India G-Sec Fund - LTP (G) | 16.4863 | 56.2 | -1.07 | 3.69 | 4.57 | 4.61 | 2.96 | 17 | 11 | 10 | 9 | 5 |
| Kotak Gilt - Invest Plan (G) | 23.5141 | 29 | -1.72 | -0.02 | 3.64 | 3.44 | 1.93 | 19 | 21 | 17 | 17 | 15 |
| Pru ICICI Gilt Fund - Investment (G) | 22.4748 | 103.95 | 3.81 | 5.88 | 7.11 | 5.59 | 3.28 | 6 | 3 | 1 | 2 | 3 |
| Principal Govt Securities - Invest (G) | 16.0398 | 17.43 | -4.14 | 0.44 | 3.66 | 4.73 | 2.63 | 21 | 20 | 16 | 8 | 9 |
| Birla Gilt Plus - Regular (G) | 23.3743 | 56.42 | 3.05 | 4 | 6.92 | 5.89 | 2.79 | 9 | 9 | 2 | 1 | 7 |

| Birla Sun Life Govt Sec - Long Term (G) | 19.9061 | 2.2 | 2.8 | 5.33 | 5.09 | 4.07 | 1.86 | 10 | 4 | 7 | 14 | 17 |
|---|-------------|--------|-------|-------|------|------|------|----|----|----|----|----|
| BOB Gilt Fund (G) | 11.4092 | 0.55 | 6.75 | 6.53 | 5.33 | 5.06 | 2.04 | 2 | 1 | 5 | 6 | 14 |
| Can Gilt (PGS)-(G) | 18.5351 | 172.27 | 6.81 | 4.45 | 4.25 | 4.55 | 2.17 | 1 | 8 | 13 | 10 | 12 |
| DBS Chola Gilt Investment Plan-(G) | 18.6601 | 2.48 | -0.15 | 2.49 | 1.94 | 1.92 | 0.67 | 16 | 17 | 20 | 19 | 19 |
| Grindlays G Sec Fund - Invst Plan (G) | 13.7768 | 2.66 | 2.09 | 4.95 | 6.26 | 5.54 | 2.77 | 12 | 6 | 3 | 4 | 8 |
| Average | | | 2.04 | 3.64 | 4.47 | 4.43 | 2.4 | | | | | |
| Min | | | -4.14 | -0.02 | 1.73 | 1.92 | 0.05 | | | | | |
| Max | | | 6.81 | 6.53 | 7.11 | 5.89 | 4.75 | | | | | |
| Gilt Funds L | ong Term PF | Plans | | | | | | | | | | |
| UTI-Gilt Advantage Fund - PF Plan (G) | 11.3327 | 58.86 | 1.33 | 3.17 | 4.71 | 5.15 | 2.77 | 8 | 8 | 6 | 4 | 4 |
| Templeton India G-Sec Fund - PF Plan (G) | 10.6276 | 136.63 | -0.05 | 3.63 | 3.75 | 4.07 | N.A | 9 | 7 | 8 | 9 | 0 |
| Magnum Gilt Fund - LTP - PF (G) | 11.0337 | 5.75 | 4.32 | 4.96 | 5.44 | 5.19 | 2.29 | 2 | 2 | 3 | 3 | 8 |
| Principal Govt Securities - Provident (G) | 10.798 | 39.32 | -2.95 | -0.4 | 2.91 | 3.95 | 2.07 | 12 | 12 | 11 | 10 | 10 |
| Pru ICICI Gilt Fund - Treasury - PF Option | 11.4797 | 32.92 | 4.79 | 3.82 | 4.9 | 4.75 | 4.04 | 1 | 4 | 4 | 6 | 1 |
| LICMF G-Sec Fund - PF Plan (G) | 10.9478 | 50.49 | 3.77 | 3.79 | 3.71 | 4.61 | 2.39 | 3 | 5 | 9 | 7 | 5 |

| Kotak Gilt Invest - PF & Trust Plan (G) | 23.8287 | 29 | -1.33 | 0.38 | 4.06 | 3.86 | 2.34 | 11 | 11 | 7 | 12 | 6 |
|--|---------|-------|-------|------|------|------|------|----|----|----|----|----|
| JM G-Sec Fund - PF Plus (G) | 11.0291 | 9.2 | -0.18 | 0.75 | 2.65 | 3.9 | 2.27 | 10 | 10 | 12 | 11 | 9 |
| JM G-Sec Fund - PF Plan (G) | 22.1394 | 2.32 | 2.29 | 3.74 | 3.5 | 4.26 | 2.32 | 6 | 6 | 10 | 8 | 7 |
| Grindlays G Sec Fund - PF Inst (G) | 11.1963 | 19.27 | 2.83 | 4.88 | 6.48 | 5.95 | 3.39 | 5 | 3 | 2 | 2 | 2 |
| Grindlays G Sec Fund - PF (G) | 11.1678 | 19.27 | 2.93 | 4.99 | 6.59 | 6.05 | 3.31 | 4 | 1 | 1 | 1 | 3 |
| Birla Gilt Plus - PF Plan (G) | 20.687 | 71.43 | 1.53 | 2.68 | 4.8 | 4.78 | 1.81 | 7 | 9 | 5 | 5 | 11 |
| Average | | | 1.61 | 3.03 | 4.46 | 4.71 | 2.64 | | | | | |
| Min | | | -2.95 | -0.4 | 2.65 | 3.86 | 1.81 | | | | | |
| Max | | | 4.79 | 4.99 | 6.59 | 6.05 | 4.04 | | | | | |

2 Bulletin

| | BOOK CLOSURES & RECORD DATES | |
|------------------|------------------------------|--------------------|
| Company | Dt. of Cl, Rec. Dt. | Purpose |
| Alka India | 26.04 to 30.04 | AGM |
| Astrazeneca Phar | 27.04 to 30.04 | AGM |
| Bosch Chassis | 27.04 to 07.05 | 55% Div & AGM |
| Chemfab Alkalis | 30.04 to 04.05 | AGM |
| Esab India | 23.04 to 27.04 | AGM |
| Essel Propack | 03.05 to 04.05 | AGM |
| FCI OEN Connect. | 26.04 to 28.04 | 22.5% Div & AGM |
| Fulford (India) | 24.04 to 30.04 | 30% Div & AGM |
| G M Breweries | 05.05 to 08.05 | 18% Div |
| Hind. Lever | 24.04 to 07.05 | AGM & 300% Fin.Div |
| ITD Cem | 24.04 to 27.04 | AGM |
| KSB Pumps | 26.04 to 11.05 | 35% Fin.Div & AGM |
| MH Mills & Inds | 23.04 to 30.04 | AGM |
| N R Agarwal Inds | 27.04 to 30.04 | 12% Div & AGM |
| Nestle India | 27.04 to 03.05 | AGM |
| Optel Telecommn | 01.05 to 07.05 | AGM |
| R Systems Inter. | 24.04 to 01.05 | 12% Div & AGM |
| St Bk of Mysore | 05.05 to 12.05 | AGM & Fin Div |
| St Bk of Travanc | 03.05 to 09.05 | Div |

| FORTHCOMING BOARD MEETINGS | | | | | | | | |
|----------------------------|-----------------|-------------|--|--|--|--|--|--|
| Date | Company | Purpose | | | | | | |
| 23/04/2007 | CEAT | Accts & Div | | | | | | |
| 23/04/2007 | Grindwel Norton | Qtly Rslts | | | | | | |
| 23/04/2007 | ITI | Qtly Rslts | | | | | | |
| 23/04/2007 | Indian Bank | Accts & Div | | | | | | |

| 23/04/2007 | Indian Overseas | Accts & Div |
|------------|------------------|---------------------|
| 23/04/2007 | Macmillan India | Qtly Rslts |
| 23/04/2007 | Power Fin. Corp. | Qtly Rslts |
| 23/04/2007 | Rolta India | Qtly Rslts |
| 23/04/2007 | South Ind.Bank | Accts & Div |
| 23/04/2007 | Uttam Galva | Rslts |
| 24/04/2007 | Allcargo Global | Qtly Rslts |
| 24/04/2007 | Binani Inds. | Accts & Div |
| 24/04/2007 | Elder Pharma | Qtly & FY Rslts |
| 24/04/2007 | Hexaware | Qtly Rslts |
| 24/04/2007 | M & M Financial | Accts & Div |
| 24/04/2007 | MTNL | Qtly Rslts |
| 24/04/2007 | Maruti Udyog | Accts & Div |
| 24/04/2007 | Zensar Technolgs | Accts & Fin.Div |
| 25/04/2007 | 3i Infotech | Qtly Rslts |
| 25/04/2007 | CCL Products | Qtly Rslts |
| 25/04/2007 | Cholamandalam DB | Accts & Div |
| 25/04/2007 | Godrej Consumer | Accts & Div |
| 25/04/2007 | Grasim Inds. | Accts |
| 25/04/2007 | Infomedia India | Qtly Rslts & Div |
| 25/04/2007 | Infra.Devlp.Fin | Accts & Div |
| 25/04/2007 | Mahindra Gesco | Accts & Div |
| 25/04/2007 | Patni Computer | Qtly Rslts |
| 25/04/2007 | Sona Koyo Steer. | Accts & Div |
| 25/04/2007 | St Bk of Bikaner | Div |
| 26/04/2007 | АВВ | Qtly Rslts |
| 26/04/2007 | Balrampur Chini | Qtly Rslts |
| 26/04/2007 | Deccan Aviation | Qtly Rslts |
| 26/04/2007 | ESI | Qtly Rslts |
| 26/04/2007 | Fag Bearings | Qtly Rslts |
| 26/04/2007 | HEG | Qtly,FY Rslts & Div |
| 26/04/2007 | SKF India | Qtly Rslts |
| 26/04/2007 | Shree Ram Mills | Qtly Rslts |
| 26/04/2007 | Wockhardt | Qtly Rslts |
| 27/04/2007 | Alok Inds. | Qtly Rslts |
| 27/04/2007 | Areva T&D | Qtly Rslts |
| 27/04/2007 | Bharti Airtel | Qtly & FY Rslts |
| 27/04/2007 | Dynamatic Tech. | Qtly Rslts |

| 27/04/2007 | Esab India | Qtly Rslts |
|------------|------------------|-------------------------|
| 27/04/2007 | FACT | Qtly Rslts |
| 27/04/2007 | GlaxoSmith C H L | Qtly Rslts |
| 27/04/2007 | Glaxosmithkline | Qtly Rslts |
| 27/04/2007 | Hind.Construct. | Accts & Div |
| 27/04/2007 | MUSCO | Accts & Fin Div |
| 27/04/2007 | Polaris Software | Qtly & FY Rslts |
| 27/04/2007 | Ranbaxy Labs. | Qtly Rslts |
| 27/04/2007 | St Bk of Mysore | Accts |
| 27/04/2007 | Tube Investments | Accts & Div |
| 28/04/2007 | Bata India | Qtly RsIts & Accts |
| 28/04/2007 | Elgi Equipment | FY Rslts & Fin Div |
| 28/04/2007 | KLG Systel | Accts & Div |
| 28/04/2007 | Mangalam Cement | Accts |
| 28/04/2007 | Sesa Goa | Qtly Rslts |
| 30/04/2007 | Aditya Birla Nuv | FY Rslts |
| 30/04/2007 | Alstom Projects | Rslts & Div |
| 30/04/2007 | Astrazeneca Phar | Qtly Rslts |
| 30/04/2007 | Avaya Global | Qtly Rslts |
| 30/04/2007 | Bharat Electron | Qtly Rslts |
| 30/04/2007 | Carborundum Univ | Accts & Div |
| 30/04/2007 | Castrol India | Qtly Rslts |
| 30/04/2007 | Gillette India | Qtly & FY Rslts |
| 30/04/2007 | Guj. Gas Company | Qtly Rslts & SS |
| 30/04/2007 | KSB Pumps | Qtly Rslts |
| 30/04/2007 | Noida Tollbridge | Aud.Rslts |
| 30/04/2007 | Orient Paper | Accts & Div |
| 30/04/2007 | P & G Hygiene | Qtly & 9M Rslts |
| 30/04/2007 | Subex Azure | FY Rslts & Div |
| 30/04/2007 | Vertex Spinning | Qtly Rslts |
| 01/05/2007 | Apollo Tyres | Qtly,FY Rslts, Div & SS |
| 01/05/2007 | IL&FS Investment | FY Rslts & Div |
| 01/05/2007 | Kesoram Inds. | Aud.Rslts |
| 03/05/2007 | Kansai Nerolac | Accts |
| 05/05/2007 | GSFC | FY Rslts & Div |
| | | |

| RIGH | ITS / BONUS / STOCK SPLIT RE | CORD DATES & EX-RIGHTS / EX-BONUS / EX-STOCK SPLIT |
|---------------------|------------------------------|--|
| Company | Ratio | Dt. of Cl, Rec. Dt, XR, XB, SS |
| STOCK SPLIT | | |
| Action Fin. Serv. | 10:1 | R.D 30/04/2007 |
| | | SS from 23/04/2007 |
| Mirza International | 1:5 | R.D 01/05/2007 |
| | | SS from 24/04/2007 |
| BONUS | | |
| Ansal Properties | 1:1 | R.D. 24/04/2007 |
| | | XB from 23/04/2007 |
| Karuturi Networks | 1:1 | R.D 25/04/2007 |
| | | XB from 24/04/2007 |
| Mahalaxmi Rubtech | 1:4 | R.D 24/04/2007 |
| | | XB from 23/04/2007 |

3 Commodity Market : Metals strike back

Metals strike back

Falling inventories and rising demand boost base metals, while rising crude prices and a weakening dollar add lustre to precious metals



An across-the-board surge in metals, which continued to advance at a rapid pace in the international markets, as crude oil lingered well above the \$60 mark, triggered a bullish tone in the domestic commodities market. MCX Comdex, the commodity future index of the Multi Commodity Exchange, closed up 0.8% to 2,286 points in the fortnight ended 14 April 2007.

Agri commodities also strengthened at the beginning on account of persistent buying in the spot market. Though a few of the active counters witnessed some liquidation of April 2007 futures before monthly settlement, the sentiments were firm.

Here is the round-up of the major commodities and trading strategies for the near term:

Precious Metals

Gold: Gold prices gathered some very good momentum in the fortnight, intensified by a strong spurt in the New York Mercantile Exchange (Nymex) crude oil prices accompanied with a steep fall in the US dollar. The escalating concerns over US-Iran tension spurred the Nymex light sweet benchmark crude to a seven-month high. This enhanced the appeal of the yellow metal as a hedge against inflation and instigated traders to initiate long positions.

The downward pressure on the dollar also boosted demand for gold as an alternative investment. The euro climbed to 1.3533 against the dollar — its highest level since January 2005. The sentiment for the single European currency is strong amid expectation of a euro-zone interest-rate hike in June 2007. The European Central Bank (ECB) kept its benchmark interest rates unchanged in its meet on 12 April 2007, but reiterated its hawkish stance on inflation and monetary accommodation.

Following this, Nymex benchmark gold futures Comex June 2007 finished at \$689.90 per ounce — up 3.1% in the fortnight, which was near to its six-month high of \$691 per ounce. The MCX June 2007, benchmark future ended at Rs 9571 per 10 qm — up almost 1% in the fortnight.

Silver:- Silver prices followed gold closely and hit a three-month high of Rs 20039 per kg for the May 2007 delivery. The counter closed at Rs 19942 per kg — up 1.6% in the fortnight. Apart from the strength in gold prices, the commodity was supported by the appreciation in industrial metals.

Trading idea: Weakness in dollar and beefy crude oil prices may continue to drive prices of precious metals higher in the medium term. Technically, gold will continue to target higher levels as prices remain supported above \$678 per ounce. A test of key resistance near the \$701 levels is likely in the coming days. Silver is also pointing towards continuation of the strong momentum and should be able to launch a swift rally towards \$14.24 per ounce.

Energy

Crude Oil: Crude oil prices ignited again as the Organisation of the Petroleum Exporting Country (Opec) reduced its oil supplies to a two-year low to cut world stockpiles. Oil output by Opec, the controller of 41% of world's supply fell 165,000 barrels to 30.1 million barrels a day in the March 2007 — the lowest since January 2005. Iran's defiance of a UN Security Council demand that it should cease uranium enrichment also provided support to the commodity.

Crude oil prices rose 3% on Nymex, with the benchmark May 2007 futures closing the session at \$63.70 a barrel on 13 April 2007 — the biggest gain since 29 March 2007.

Earlier in the fortnight, some relief was however, provided by Iranian President Mahmoud Ahmadinejad's public proclamation of the release of the 15 Britons, who were seized by Iranian coast guards in the northern Persian Gulf. Nymex oil prices had reached a high of \$66.51 on 30 March 2007 after the detention of naval personnel.

The Energy Information Administration (EIA) released its report showing US crude oil inventories had swelled by seven lakh barrels to 333.4 million barrel in the week ending 6 April 2007, though gasoline inventories continued to dip.

The MCX May 2007 expiry contract, to a large extent following global patterns, finished at Rs 2721 per barrel — up 1.27% on 13 April 2007, but a decline of 5% since 30 March 2007.

Natural Gas: Natural gas prices appreciated on Nymex in the fortnight on fears of slowing production, higher demand this summer and uncertain supplies from Canada.

In its report released on 11 April 2007, EIA indicated natural gas stocks surged by 23 billion cubic feet (bcf) to 1,592 bcf — in line with economists' expectation to 352 bcf.

According to the US government data, natural stocks squeezed by 119 bcf on 6 April 2007 compared with the preceding year's figure. That was, however, above the five-year average of 1240 bcf.

Nymex futures contract for May 2007 delivery settled at \$7.885 cents - up \$0.32 in the fortnight.

Trading idea: Going forward, crude oil is likely to remain in the range of \$61-\$67 per barrel in the short term. Although a benign stance from Iran in the coming weeks can change the story altogether, falling gasoline stocks in the US can keep the commodity well supported as the US summer driving season gets underway. Traders can hold their existing long positions.

Base Metals

Copper: Fresh long positions by market participants and robust Chinese's import figures pushed up the red metal to a seven-month high in the fortnight.

According to preliminary statistics released by the General Customs Administration (GCA) of China, the country imported 776,576 tonnes of unwrought copper and copper products in the first quarter of 2007 — up 58% from 2006.

The London Metal Exchange's (LME) three-month delivery witnessed good buying support as inventories monitored by LME fell 20% since February 2007 to touch 1,74,300 tonnes — less than four days' global consumption. Following this, LME copper three-month delivery hit the \$7990 levels — its highest since 8 September 2006 — before slipping back to close at \$7720 — up 12% in the fortnight.

MCX copper April futures closed at Rs 333 — up 10.20 % after hitting a seven-month high of Rs 343 per kg.

Zinc: The sharp fall in LME's inventories coupled with reports of refinery shutdown in major zinc producing countries like China and Mexico pushed up the commodity to record highs in the fortnight .

The supply concerns were highlighted after producer Grupo Mexico, with capacity of about 1,07,000 tonnes per year, shut its refinery in the Mexican state of San Luis Potosoi due to electricity failure.

Prices were also aided by the weekly decline in LME-monitored warehouse inventories by 10%, to close at 1,04,800 tonnes on 14 April 2007.

LME's three-month delivery settled at \$ 3465 per tonne after hitting a high of \$ 3630 in the fortnight.

MCX zinc May 2007 benchmark futures closed at Rs 151.25 per kg — up 4.8%, with a 23% increase in open interest, implying fresh long positions in the counter.

Nickel: Tight supplies against strong demand by major nickel consuming nations like China and US bolstered nickel prices to touch \$ 50000 per tonne in the fortnight.

Nickel prices gained almost 2% in the fortnight and more than 50% since the start of 2007, attributed by strong demand from emerging economies, specially from China.

The low level of stocks highlighted the vulnerability to supply disruptions, which have acted as major catalyst to sustain the rally of nickel. Inventories in the LME-monitored warehouses have fallen below 5,000 tonnes this fortnight. The available nickel stocks stood at 35,450 tonnes — less than a day's world consumption.

The LME nickel three-month delivery hit a high of \$49900 per tone on 12 April 2007. However, the price triggered profit booking afterwards, and the commodity settled at \$46,800 per tonne at the end of the fortnight.

In the domestic market, the MCX April 2007 benchmark futures closed at Rs 2106 per kg — up 5.4%, with an 85% increase in open interest.

Trading idea: The continuous fall in LME's inventories at a brisk pace against strong Asian demand should keep the current northbound moves intact for the base metals. This is the time when demand for metals peaks. Demand had stated gaining momentum this time around last year as well. Traders are expected to build fresh long positions at every decline in all the base metals.

Agri Commodities

Chana: It was status quo in the chana market, but with heightened volatility, in the fortnight. The major benchmark futures for pulses ended near its previous fortnight levels on account of lower offtake by physical traders against strong supply in local trading stations.

Supplies eased in the market, with fresh arrivals of new chana from Rajasthan and Madhya Pradesh, stalling chana's previous rally. The Delhi mandi recorded daily average arrivals of 500–550 tonnes against daily arrivals of 200 -250 tonnes in March 2007.

This prompted traders to liquidate their long positions from the futures market. The near-month futures closed at Rs 2436 per quintal — down Rs 0.10, with a 54% fall in open interest.

Lack of buying by traders in the spot market also pulled down chana prices more than 9% in the Lawrence Road market in Delhi in the fortnight.

The commodity is likely to witness further selling in the coming days as arrivals from Rajasthan and Madhya Pradesh pick up pace. However, in the medium term, overwhelming concerns of low global inventories and sturdy buying by stockists are likely to arrest any major downside of chana prices.

Pepper: Supply constraints in both the domestic and international markets against firm export demand stirred pepper futures to notch up their new highs in all the markets.

Low carryover stocks in the Indian market against sturdy buying by exporters and stockists enabled pepper futures to surpass their previous highs in all the futures contracts. Delay in the arrival of the crop from Vietnam by more than a month also fueled the buoyancy in the pepper market. According to market sources, Vietnam's post-harvest crop would be around one lakh tonnes this year against the earlier projection of 1.1 lakh tonnes.

The National Commodity and Derivatives Exchange (Ncdex) pepper benchmark April 2007 futures begun its upward journey, at Rs 13900 per quintal, from 2 April 2007and recorded gains throughout the fortnight. Ncdex pepper benchmark futures finally settled at Rs 15080 per quintal — a spurt of 9.32% in the fortnight. Short covering was seen in pepper benchmark futures, and 76% open interest contracts were pared in the fortnight ended 15 April 2007.

Similar action was also witnessed in the spot market. At the Kochi mandi, pepper prices swelled by 13% and settled at Rs 15181 per quintal in the fortnight.

In the coming days, pepper prices are likely to scale new highs in the absence of fresh supply from Vietnam, as well as receding carryover stocks in the domestic market.

Jeera: Bulls went on a rampage on low arrivals of jeera against sturdy demand by exporters and stockists. As a result, jeera prices spurted by more than 5%.

Absence of any major arrivals from Rajasthan and Gujarat against strong demand along with delay in Syria's crop sowing acted to push up jeera prices into uncharted territory in the fortnight.

The jeera market witnessed daily arrivals of 13,000-14,000 bags in the fortnight against average daily arrival of 21,000-23,000 bags in March 2007.

The Ncdex jeera benchmark future hit an all-time high of Rs 13948 per guintal and closed at Rs 13575 per guintal — up 5 % in the fortnight.

Coffee: Coffee exports breached its eight-year levels in the fortnight on robust export figures released by the commerce ministry.

The latest data indicated coffee exports had crossed Rs 1769 crore. The commerce ministry expects exports earning to cross Rs 2000 crore in FY 2007. Italy, Russia and Germany were the top three importers of coffee from India in 2006-07.

Record coffee deliveries were registered for the March 2007 expiry contract on MCX. (Coffee contracts were launched on 29 January 2007.) Delivery for the March 2007 Robusta coffee contract, which expired on 30 March 2007, was 120 tonnes.

Subsequently, the MCX Robusta coffee contracts were sluggish throughout the fortnight. The May 2007 delivery contract increased by a meager 1.4% to Rs 6867 per tonne. Long positions by traders increased prices marginally. Open interest in the contract surged 11% end of the fortnight.

Traders have taken considerable amount of holdings in the July 2007 expiry contract. Outstanding open positions from the start of the fortnight increased 50% to 202 contracts. Prices, on the other hand, have not showed any signs of abating. The July futures contract closed at Rs 6875 per tonne — up 3.5% on 15 April 2007.

Soy Complex: Both Soya bean and soya oil continued their positive streak in the fortnight, with follow-through buying emerging from by oil stockists accompanied by bullish advices from the international markets.

Rising demand by stockists of mustard seed coupled with firm sentiments on the Chicago Board of Trade (CBOT) on lower acreage in the US and delayed harvesting in South America incited both the commodities to gain more than 3% in the fortnight.

A slump in domestic oilseeds production kept the bullish tone intact for the soy complex. According to the third advance estimates, the output of all oilseeds declined by a shocking 17% to 232.64 million tonnes.

The Ncdex refined soy oil April 2007 futures ended at Rs 481per 10 kg — a gain of 2.5% — after hitting the high of Rs 483.70 per kg. Soya bean benchmark April 2007 futures settled higher at Rs 1588 per quintal — up 0.10%, with a fall of 53 % in open interest, implying some short covering.

Barley: Barley prices continued on a bull ride, spearheaded by active participation in both the futures and cash markets.

The Ministry of Agriculture released its report on the crop situation on 30 March 2007. The report indicated the crop area under barley had increased from 6.42 lakh hectares to 8.14 lakh hectares in the current rabi (October-March) season — an increase of 27% from the preceding year. This is likely to boost barley production from 1.34 million tonnes, from 1.22 million tonnes.

The benchmark May 2007 expiry contracts on Ncdex increased by 15% on a monthly basis till 13 March 2007. The thinly traded commodity hovered in the range of Rs 830 and Rs 885 and ended at Rs 882.20 per guintal in the fortnight.

A smart surge in open outstanding positions was seen in the May 2007 expiry contracts — a growth of 38% to 13,780 contracts, implying fresh long positions. There could be unwinding of long positions in near-month futures by traders at around Rs 890 levels.

Trading idea: All major spices like pepper and jeera clocked new highs in the last two months. Prices are likely to maintain their bullish bias in the coming days in the absence of any fresh supplies in the physical market.

Chana and oilseeds may also witness some correction on the heels of long liquidation in the futures market ahead of the April 2007 month expiry, followed by fresh arrivals in the physical market

4 Apna Money

4.1 Investing: Untouchables!

Stay away from Z group stocks



The key criteria for selecting stocks for investment should be the quality of management and its adherence to corporate governance. What is the point in investing in companies that do not even bother to send annual reports to their shareholders?

Stock exchanges use various provisions in the listing agreement to regulate companies' corporate governance practices. Stocks that fail to comply with the various provisions of the listing agreement are clubbed under various categories. The Bombay Stock Exchange (BSE), the largest stock exchange in terms of number of stocks listed, classifies such stocks into the Z group, and the trade-to-trade segment. It monitors these stocks on an ongoing basis.

Stocks that have not complied with or breached provisions of the listing agreement of the BSE are pushed into the Z group. Those stocks witnessing lot of volatility, suspicious trading pattern and high speculative interests are shifted to the trade-to-trade category.

The Z category was introduced by the BSE in July 1999. The governing board of the BSE came out with important amendments to the criteria for shifting stocks to the Z group in January 2002. The guidelines specify seven parameters for shifting stocks to the Z category. The exchange considers any three of the seven parameters of non-compliance for shifting a company to the Z group. The seven criteria are as follows:

- * Required notice of book closure and record dates (Listing Clause 15 & 16).
- * Yearly submission of annual reports (Listing Clause 31(1)(a)).
- * Quarterly submission of shareholding pattern (Listing Clause 35).

- * Payment of annual listing fees (Listing Clause 38).
- * Publication of audited / unaudited results on a quarterly basis (Listing Clause 41).
- * Redressal of investors' complaints such as share transfers (Listing Clause 3, 12, 21).
- * Implementation of corporate governance, if applicable (Listing Clause 49).

Additionally, the exchange may shift certain companies to the Z group based on its discretion: companies that are fundamentally weak in terms of net worth, sales, market capitalization and profitability. Those companies that fail to make dematerialisation (demat) arrangement with both the depositories — Central Depository Services (CDSL) and National Security Depository (NSDL) — are also shifted to the Z group. However, as and when the company makes demat arrangements, the stock is shifted back to the original group after three months from compliance.

Companies in the Z group are reviewed on a quarterly basis by the governing board or the listing committee of the stock exchange. Besides, the surveillance department of the exchange has discretionary powers to add or remove companies from the Z group based on its own investigation or complaints filed by investors or any kind of suspicious trading pattern. The Investors' Service Cell also has the powers to add or remove companies from the Z group. Not only this, the exchange can take into consideration any punitive actions taken by any regulatory authority against a company as basis for shifting the stock to the Z category.

How are investors affected when a stock is shifted to the Z or trade-to-trade category? First, such companies do not follow basic minimal corporate governance norms. Many of these companies do not even bother to submit annual report or shareholding pattern regularly. They may not even pay attention to investors' complaints as regards to share transfer. Investing in such companies simply means buying a worthless piece of paper.

In the Z or trade-to-trade segment, selling or buying results in giving or taking delivery of shares at the 'gross level'. Gross level means no intra-day netting off or squaring off is permitted. Thus, no investor can indulge in intra-day trading in such stocks. For instance, an investor buys 100 shares of stock ABC, shifted to either the Z or the trade-to-trade category, and further sells another 100 shares in the same trading session. End of the day, his purchase and sales would not be netted. The investor would need to give delivery of 100 shares against his sale transaction and would also need to pay for the purchase of 100 shares.

As a result, the price discovery mechanism of stocks shifted to the 'Z' group or trade-to-trade category is poor as volatility is high. The investor could find some of the stocks hitting upper circuit continuously for many days and, subsequently, may tumble down in a matter of a few trading sessions. No wonder the BSE specifies higher margin for trading in such stocks. Hence, institutional investors like mutual funds, insurance companies, and foreign institutional investors stay clear of such stocks. Thus, these stocks lack liquidity.

This is also reflected in trading activity. The average turnover of the Z group stocks is less than 1% compared with the overall turnover of the BSE. On 30 March 2007, the combined turnover of the Z and the trade-to-trade categories stood at a minuscule 0.52%. Though there are more than 7,500 listed companies, only around 2,600 stocks are actively traded, while the balance are in the Z group or illiquid or suspended from trading.

One of the obvious strategies for investors is to stay away from stocks belonging to the Z or trade-to-trade group. More importantly, investors should not fall prey to penny stocks. Penny stocks trade below their face or par value. Even the exchange's trading terminal displays a pop-up caution message when an order for a stock in the Z or the trade-to-trade group is entered.

4.2 Investment Strategy: Do not fish for this appreciation

For every 1% gain of the rupee against the US dollar, the operating margin of IT companies is hit by around 40 to 60 bps

Related Tables

Going from strength to strength Losing... and gaining weight

Related Articles

A balancing act

The sharp appreciation in the rupee against US dollar seen end March 2007 and beginning of April 2007 is unprecedented. In the first week of April 2007, the rupee closed at 42.92, a dollar — an eight-year high. The rupee has strengthened by a whopping 9.5% since July 2006, when the domestic currency had hit a three-year low of 47.

The strength of the rupee would severely hit export-oriented industries as this would reduce competitiveness of their products. In turn, this would impact the financial performance of companies dependent on exports. Indeed, this is already affecting their stock market valuations. Software stocks have witnessed bear hammering.

For the investor, it is necessary to investigate factors behind the sudden appreciation in domestic currency and closely monitor future movement to devise the right investment strategy. The true impact on various industries and sectors can be ascertained by analysing the quantum of imports and exports.

There are various factors behind the strengthening of the Indian rupee against the US dollar. These can be divided into domestic and global factors. Globally, the US is skillfully trying to manage the dollar. Some economists believe the US is happy with the gradually weakening of the US dollar as this makes US exports competitive.

One of the prime domestic reasons for the sharp appreciation in the domestic currency is the tight liquidity in the money market. The shock therapy applied by the Reserve Bank of India (RBI) to cool down inflation has choked liquidity further. RBI increased the cash reserve ratio (CRR) by 50 basis points (bps) [100 bps make 1%] to 6.50%, and repo rates by 25 bps to 7.75% to control inflation (CRR is the proportion of deposits that commercial banks need to keep with RBI as cash, and the repo rate is the rate at which banks borrow from RBI for the short term). These measures absorbed Rs 15000 crore from the banking system.

Apart from the continued growth in credit, advance tax outflow of nearly around Rs 31000 crore compounded the situation. To tide over Page 57/111

| | Going from strength to strength | | | | | | | | | |
|--|--|--------|--------|--------|--|--|--|--|--|--|
| Performance of the rupee against other key currencies in 2007* | | | | | | | | | | |
| Appreciation | USD | GBP | EURO | Yen | | | | | | |
| In Paise | 164 | 256 | 124 | 136 | | | | | | |
| In Percentage | -3.68% | -2.93% | -2.12% | -3.63% | | | | | | |
| * Exchange rates up to 4 April 2 | Exchange rates up to 4 April 2007 are considered | | | | | | | | | |

| Losing and gaining weight | | | |
|---|---------------|--|--|
| Sectors and companies impacted by the appreciation of the rupee, which rose 2.28% in FY2007 | | | |
| Sectors | Price change* | | |
| Key Players | | | |
| Export-oriented | | | |
| Information Technology / Software | | | |
| Infosys Technologies | 35.03 | | |
| Tata Consultancy Services | 28.64 | | |
| Wipro | -0.04 | | |
| Satyam Computers | 10.72 | | |
| HCL Technologies | -11.77 | | |
| I-Flex Solution | 57.57 | | |
| Patni Computer | -15.54 | | |
| Pharmaceuticals | | | |
| Aurobindo Pharma | -0.53 | | |
| Biocon | 8.82 | | |

| Cipla -10.98 Dr Reddy Labs 2.44 Nicholas Bramal 5.54 Ranbary Labs -18.3 Sun Pharma 9.38 Torrent Pharma 9.38 Textiles Textiles Arvind Mills 5.66.7 Nahar Exports 24.94 Nahar Indi. Ent 2.64 Sutej Inds. 7.72 Vardhman Textiles 40.99 Century Enka -8.14 Indo Rama Synthetics -9.24 Alok Industries 22.64 | Cadila Health | -0.65 |
|--|-------------------------------|--------|
| Nicholas Piramal -5.45 Ranbaxy Labs -18.3 Sun Pharma -0.38 Torrent Pharma -9.38 Textiles Textiles Arvind Mills -56.67 Nahar Exports -24.94 Nahar Exports -24.94 Natural Indi. Ent -6.67 Sutiej Inds. -77.2 Vardhman Textiles -40.99 Century Enka -8.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -22.64 Abhishek Industries -23.03 Gokaldas Exports -41.17 Raymond -43.03 Welspun India -40.39 Aute Components / Ancillaries -40.30 Antek Auto -67.67 Antek Auto -67.67 Antek Auto -67.67 Automotive Axles -67.21 Automotive Axles -67.21 Automotive Axles -67.22 Bohriel India | Cipla | -10.98 |
| Ranbaxy Labs -18.3 Sun Pharma 21.65 Torrent Pharma -9.38 Textiles Arvind Mills -56.67 Nahar Exports -24.94 Nahar Exports -77.2 Vardman Textiles -77.2 Vardman Textiles -40.99 Century Enka -8.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -40.38 Antek India 9.6 Autorotive Axles -15.73 Gabriel India -15.11 Munjal Showa -15.11 Omax Autos -23.28 PRICOL -27.21 Sudros -23.28 Sudros -23.28 Sudros -23.28 Sudros -23.28 Sudros -23.28 | Dr Reddy Labs | 2.44 |
| Sun Pharma 21.65 Torret Pharma 9.38 Textiles Arvind Mills -56.67 Nahar Exports -24.94 Nahar Indl. Ent 2.64 Sutlej Inds. -77.72 Vardhman Textiles -40.99 Century Enka -8.14 Indo Rama Synthetics -22.64 Albrishek Industries -22.64 Abhishek Industries -30.57 Golaldas Exports -41.17 Raymond -30.57 Muto Components / Ancillaries -41.01 Auto Components / Ancillaries -56.67 Amtek India -6.55 Auto William -6.67 Amtek India -6.67 Auto Components / Ancillaries -6.75 Amtek India -6.75 Auto Local Ante India -6.75 Auto Local Ante India -6.75 Auto Components / Ancillaries -15.26 Auto Components / Ancillaries -15.27 Auto Components / Ancillaries -15.27 Auto Co | Nicholas Piramal | -5.45 |
| Torrent Pharma -9.38 Textiles -56.67 Arvind Mills -56.67 Nahar Exports -24.94 Nahar Indl. Ent 2.64 Sutiej Inds. -77.2 Vardhman Textiles -88.14 Indo Rama Synthetics -88.14 Industries -22.64 Albishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Weispun India -40.98 Auto Auto Monthe Ancillaries -40.34 Aute Ruto 16.75 Amtek Auto 16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -11.13 Munjal Showa -11.21 Munjal Showa -11.23 Omax Autos -23.28 PRICOL -23.28 Sundram Clayton -0.31 Rane (Madras) -0.31 Rane (Madras) -0.31 Rane (Madras) -0.31 Rems and Jewellery <td>Ranbaxy Labs</td> <td>-18.3</td> | Ranbaxy Labs | -18.3 |
| Textiles Arvind Mills -56.67 Nahar Exports -24.94 Nahar Indl. Ent 2.64 Sutlej Inds. -77.2 Vardhman Textiles -40.99 Century Enka -8.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -40.39 Raymond subject India -40.38 Auto Components / Ancillaries -40.38 Antek Auto 16.75 Antek Auto 16.75 Antek Auto 16.75 Gabriel India -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros -23.28 RICOL -17.23 Subros -0.31 Rane (Madras) -0.31 Rane (Madras) -0.01 Reman (Madras) -0.01 | Sun Pharma | 21.65 |
| Arvind Mills | Torrent Pharma | -9.38 |
| Nahar Exports -24.94 Nahar Indl. Ent 2.64 Sutlej Inds. -77.2 Vardhman Textiles -40.99 Century Enka -28.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -30.57 Gokaldas Exports -40.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -40.38 Amtek Auto -6 Automotive Axles -15.36 Gabriel India -15.36 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros -42.21 Suddram Clayton -0.31 Rane (Madras) -20.44 Neutral -20.44 | Textiles | |
| Nahar Indl. Ent 2.64 Sutlej Inds. -77.2 Vardhman Textiles -40.99 Century Enka -28.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -40.38 Antek Auto 9.6 Automotive Axles -15.36 Gabriel India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -27.23.28 Subros -23.28 Sundaram Clayton -0.31 Rane (Madras) -0.31 Rene (Madras) -0.01 Gems and Jewellery | Arvind Mills | -56.67 |
| Sutlej Inds. -77.2 Vardhman Textiles -40.99 Century Enka -28.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -40.34 Welspun India -40.34 Auto Components / Ancillaries -6.75 Amtek Auto 9.6 Automotive Axles -15.36 Gabriel India -15.36 Munjal Showa -31.15 Omax Autos -31.15 Omax Autos -23.28 PRICOL -17.23 Sudoram Cayton -0.31 Rane (Madras) -20.44 Neutral -20.44 Gems and Jewellery | Nahar Exports | -24.94 |
| Vardhman Textiles -40.99 Century Enka -28.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -6.75 Amtek Auto 9.6 Autemotive Axles -15.36 Gabriel India -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -31.15 PRICOL -17.23 Sundaram Clayton -0.31 Rane (Madras) -0.31 Rane (Madras) -20.44 Neutral | Nahar Indl. Ent | 2.64 |
| Century Enka -28.14 Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -6.75 Amtek Auto 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sudram Clayton -0.31 Rane (Madras) -20.44 Neutral | Sutlej Inds. | -77.2 |
| Indo Rama Synthetics -15.23 Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -40.38 Amtek Auto 16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -31.15 Omax Autos -23.28 PRICOL -17.23 Subros -23.28 Subros -20.31 Rane (Madras) -0.31 Rane (Madras) -20.44 Neutral | Vardhman Textiles | -40.99 |
| Alok Industries -22.64 Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -0.31 Neutral Gems and Jewellery | Century Enka | -28.14 |
| Abhishek Industries -30.57 Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries -50.00 Amtek Auto 16.75 Antek India 9.6 Automotive Axles -15.36 Gabriel India -15.31 Munjal Showa -31.15 Omax Autos -31.15 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Indo Rama Synthetics | -15.23 |
| Gokaldas Exports -41.17 Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries | Alok Industries | -22.64 |
| Raymond -34.03 Welspun India -40.38 Auto Components / Ancillaries | Abhishek Industries | -30.57 |
| Welspun India -40.38 Auto Components / Ancillaries 16.75 Amtek Auto 16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Gokaldas Exports | -41.17 |
| Auto Components / Ancillaries 16.75 Amtek Auto 16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Raymond | -34.03 |
| Amtek Auto 16.75 Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Welspun India | -40.38 |
| Amtek India 9.6 Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Auto Components / Ancillaries | |
| Automotive Axles -15.36 Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Amtek Auto | 16.75 |
| Gabriel India -12.11 Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Amtek India | 9.6 |
| Munjal Showa -31.15 Omax Autos -23.28 PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Automotive Axles | -15.36 |
| Omax Autos PRICOL Subros Sundaram Clayton Rane (Madras) Neutral Gems and Jewellery | Gabriel India | -12.11 |
| PRICOL -17.23 Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Munjal Showa | -31.15 |
| Subros 42.21 Sundaram Clayton -0.31 Rane (Madras) -20.44 Neutral Gems and Jewellery | Omax Autos | -23.28 |
| Sundaram Clayton Rane (Madras) Neutral Gems and Jewellery | PRICOL | -17.23 |
| Rane (Madras) -20.44 Neutral Gems and Jewellery | Subros | 42.21 |
| Neutral Gems and Jewellery | Sundaram Clayton | -0.31 |
| Gems and Jewellery | Rane (Madras) | -20.44 |
| | Neutral | |
| Gitanjali Gems 15.77 | Gems and Jewellery | |
| | Gitanjali Gems | 15.77 |

| Rajesh Exports | 17.28 |
|---|--------|
| Shrenuj & Co. | -21.63 |
| Su-Raj Diamonds | -17.91 |
| Suashish Diamond | 84.1 |
| Import-oriented | |
| Oil Refining | |
| BPCL | -29.06 |
| Bongaigaon Refineries | -37.68 |
| Chennai Petroleum | -14.75 |
| HPCL | -23.6 |
| IOC | -31.59 |
| MRPL | -20.35 |
| Reliance Industries. | 71.85 |
| * Share price variation over one year ended 30-Mar-07 | |

A balancing act

The Reserve Bank of India (RBI) is facing a dilemma whether to control inflation or manage the rupee to maintain the country's export competitiveness. If the central bank decides to maintain the rupee weak, it would end up generating more liquidity in the domestic market, which would fuel inflation. With inflation ruling at above 6% compared with a comfortable 5% to 5.5% level envisaged by the central bank, controlling inflation seems to be the priority.

In the first week of April 2007, forex reserves touched the \$200-billion mark. Going forward, strong FII inflows, foreign direct investment (FDI) and external commercial borrowings (ECBs) are likely to further shore up foreign reserves. The rupee is projected to settle at around 41. At the same time, the currency market is expected to remain volatile. The industry should be prepared to live with a stronger rupee in future.

Japan and China keep their currency deliberately weak against the dollar to promote exports. Why is India not treading the same path? However, currency management is never a simple affair. Any currency-related policy is a double-edged sword and it has its own advantages and disadvantage. For instance, a weak rupee would certainly boost exports, but would make imports expensive.

4.3 Travelling Kit: Check out

Shop for best deals in airfare and currency change while going on an overseas trip



Planning a vacation? Where should you go? What should you take along? Should you go on a packaged tour or on your own? Talking to friends and colleagues who have had a recent vacation gives rise to more confusion. Every person's experience is different. Your colleague emphatically tells you to take a packaged tour if you want a hassle-free vacation. Your next door neighbour gives you horror stories about getting up at 6 am to take the bus to the next city (once more) and travelling to 17 cities in 11 days!!!

Packaged tours: Packaged tours are for those who want everything planned and are not too fussy about where they are going. Also, one presumes that there is safety in numbers. The all-inclusive package includes a return air ticket, visa charges, hotel stay, entry tickets to certain tourist attractions, food (prepared by our Indian Maharaj) and inland travel.

"On packaged tours, a group of around 40-45 people travel together: catching the same flight, staying in the same hotel, travelling by the same bus while sightseeing," says Meher Bhandara, General Manager, Corporate Communications, TCI,

While packaged tours are best for first-time travelers, they are a bit tedious for those who are seasoned travellers. "A group tour is mainly designed for the first-time traveller, who is on a budget and has a time constraint," says Nagsri Prasad Sashidhar, Manager - Leisure Travel (FIT Product Development), Thomas Cook (India).

Do-it-yourself holiday: If you are more independent minded and have the extra money to splurge, then a customised holiday is the way to go. Travel agents will tailor your holiday according to your needs. Several airlines also offer holiday packages with a tie-up with some leading hotels. Usually these are theme holiday destinations: beaches (Maldives and Goa) or shopping (Dubai and Singapore).

"A person looking at a tailor-made holiday is either on his honeymoon or a mature traveller, looking at a relaxed pace and has more time on hand," says Sashidhar of Thomas Cook (India). "The price could also be brought down in a self-planned holiday by choosing cheaper hotels and eating meals with a budget."

Once you have decided where and how you are going, it will be time to prepare for the trip. Here are some travel essentials:

Air tickets: Shop around for air tickets. Do so not only with different airlines but also with different travel agents. Many travel agents pass on varying degrees of discounts to the passenger. You can also book directly with the airlines. The disadvantage of booking directly with the airline is that you may not get a cheaper ticket. But if you are getting sponsored by your company, it makes sense to book directly with the airline. The advantage of booking with the airline is that you can make changes in the date without any extra charges.

Ask for seating preference if you wish for aisle or window, and smoking or non-smoking section. For passengers with particular diet requirements, airlines offer the choice of special meals, taking into account religious and medical restrictions on food. This should be mentioned at the time of reservation.

All airlines have special rate categories, but you have to specify it. There are special fares for student, military, children, family, conference, senior citizen (age 62 or above), and physically challenged.

While buying the ticket, check the time of your next connecting flight. Does the ticket issued allow enough time to get from one gate to the next at the connecting airport? Airliners' computers have an estimate of the minimum time required to make a connection, but this is not always accurate, specially if the gates are at the opposite ends of the airport, or you are seated at the tail of the plane. The connection times are based on the arriving and departing airline, whether the flight is international or domestic.

Currency: Try to carry the least possible currency. Understand how a particular country's currency works and try to find out how much you will need in that country. If you are travelling between several countries and using different currencies, it makes sense to not exchange too much into the local currency as changing it back when you leave will be an additional cost.

Resident Indian citizens are eligible to avail of foreign exchange up to US\$ 10,000 or its equivalent for undertaking one or more private visits to any country abroad (except Nepal and Bhutan) in a calendar year.

Buy some currency including smaller notes before you travel as you may not be able to exchange your currency immediately. If you cannot do so, US dollar is the most widely accepted currency. So it makes sense to carry some dollars.

Find out what is the best place to get a good exchange rate for the traveller's cheques or currency you may be carrying. Your hotel may not provide the most competitive rates.

Foreign Travel Card: Most travellers opt for some currency. Of course, there is the ever-handy credit card for the bigger purchases. Making a withdrawal or purchase through a foreign travel card is somewhat more reassuring. The currency conversion charges would range between 0%-1.5%. Cards issued by Visa and MasterCard are widely accepted. "Banks have their own rates of fees and interest. So these will differ, depending on the bank and the type of card program," says Nitin Gupta, Country Head (India), MasterCard International. "Generally, though, there are usually no additional fees to pay other than the ATM withdrawal fees."

Travel Insurance: Travel insurance is a necessary part of your travel trip abroad. Every travel insurer offers some essential covers under its basic travel plans. They cover health and other travel-emergencies related covers. The most common covers under a basic policy are: overseas health cover, emergency dental care, accidental death and dismemberment, loss of checked in baggage, baggage delay allowance, loss of passport and visa

5 Editorial: Sebi's choice

Instead of IPO grading, the market regulator should figure out the role of retail investors



Not since the scrapping of badla has any action of the Securities and Exchange Board of India (Sebi) generated so much controversy as its mandate to issuers to get their initial public offerings (IPOs) graded by credit rating agencies. The market regulator blamed carry-forward trades for giving rise to 'unhealthy' speculation, while supporters argued that it created liquidity in the absence of a stock-lending mechanism. Many retail investors suspected pressure from foreign institutional investors, who were then discovering India in the early flush of reforms. Eventually, the futures and option (F&0) market was introduced so that retail investors could find a window for speculating on select stocks. The volumes, however, were so disheartening that the capital market watchdog has now allowed institutional investors to participate, ironically coming a full circle, from a cash-and-carry market to rollover of positions for three months. What is the moral of the story? A shorter settlement is not doubt welcome, but not at the expense of liquidity which stems from taking a view of the market over the short, medium and long term. Besides, despite choking the window for a stock bubble, prices continue

to be rigged as evident from Sebi's frequent action against market intermediaries. Alas, the markets do not just run on fundamentals of the stocks listed. Sentiments, a sophisticated usage for speculating on the future direction, too, influence the course of the market. If that was not so, there would be no talk of overvaluation or correction or bottom fishing or growth stocks.

After performing a surgery in the secondary market, Sebi now wants to carry a blood transfusion to make the primary market safe for retail investors (who invest up to Rs 1 lakh in an issue). If rating of debt can signify the levels of risks, why not extend it to equity offerings, too? Just like low-rated paper is supposed to carry a higher coupon to make it attractive for subscription, the regulator's action apperently intends to encourage those issuers assigned near-bottom grades to sell shares cheaply, if at all they are bold enough to undertake the exercise. In the bargain, the watchdog is reversing many processes set in motion by reforms. Freeing the capital markets from the Controller of Capital Issues was a major pivotal of reforms for entry and pricing. Investors who initially protested the passage of the 'at par' era to premium pricing later realised that though higher pricing would restrict listing gains, it would also bolster reserves. The issuer and the investor bankers would have to strike a balance between low pricing and shortchanging long-term investors, or high pricing and putting off subscribers. Grading of IPOs will result in blurring the roles of the regulator, issuers, intermediaries and rating agencies. Where would the buck stop if investors lost their money in a top-graded company due to the transformation in the business environment or change in the business cycle? You just have to see how competition has humbled the once-upon-a-time super stars Hindustan Unilever and Bajaj Auto. Investors still tend to blame Sebi, whose role is now confined to ensuring full disclosures in the prospectus, for their losses in the primary market. Will they absolve it if even the grading system fails them in their quest to make profit all the days of the year, year after year?

Instead of introducing untested methods and distorting the market, what Sebi needs to decide is the role of retail investors in the primary market. Why create an illusion of security for the small guy with the grading, when most issuers don't need retail investors for their IPOs and have to go through the motions only because of the compulsion of quota? The adverse effects of the quota system has manifested in recent IPO scams. Not surprisingly, many institutional investors view the retail quota as a leverage for their investment: create hype during the running of the book and exit on the day of listing at a hefty profit. Venture capitalist and private equity have the knack of spotting winners even before an IPO is in the works. It is much quicker to raise money and list on an overseas exchange. And if even after laying minimum track-record parameters for a company to go public, the market watchdog feels the need to comfort investors with a grading, a serious introspection is required to figure out if the objective is to make investment in the capital markets as safe as locking money in fixed deposits of banks. If the debt market in India does not have depth, it is because the rating-scare has put off the issuance of junks bonds, which perform as important a role in creating liquidity as short sellers do in the equity market. By its unnecessary meddling, Sebi will destroy the level playing field for issuers, create an illusion of safety for investors and, in the process, release a Frankenstein's monster.

Page 64/111

6 Cover Story: Commodity Futures: Diversifying the basket

The total turnover of the commodity futures market in India increased by a whopping 71% to Rs 36.77 lakh crore in FY 2007. Such a thriving growth reflects the increasing popularity of commodity futures as an asset class. Commodities are not correlated with other asset classes — an attribute frequently cited as an attraction for adding them to the investment portfolio.

Though major commodities like copper and crude oil slumped very sharply at the fag end of the year, the commodities complex was once again in the limelight in the first three months of 2007. Precious metals, crude oil and base metals rode high on renewed investor interest.

On the other hand, the global equity markets faced a sell-off in March 2007, with rising risk aversion triggered by a sharp spike in the Japanese yen, pulling all the global indices down quite substantially. (Investors would borrow in low interest-bearing yen to invest in risky but high-return emerging markets.)

Though most of the major equity markets have recovered from the recent slump and hit fresh highs afterwards, the Indian markets lagged behind on continuous monetary tightening by the Reserve Bank of India (RBI). Concerned over soaring wholesale prices overheating the economy, RBI hiked the cash reserve ratio (CRR), the cash that banks have to deposit with the central bank, for the third time in four months and also raised the short-term repo rate (at which the central bank lends to banks) twice in as many months on 31 March 2007.

In such a scenario, the thriving commodity futures market, which was launched three-and-a-half years ago, provides an excellent opportunity for retail investors to allocate part of their funds.

Metals and Energy: The performance of gold and silver has been far superior in the last couple of years compared with the near lackluster mode the commodities were locked in earlier. Both gold and silver firmed up beginning 2006 and continued to scale fresh highs.

The rise in gold was triggered by a swift decline in the US dollar, enhancing the yellow metal's strength as an alternative assets class. Afterwards, gold rode high on continuing strength in crude oil, which brightened the metal's appeal as a hedge against inflation. However, the yellow metal eased afterwards as the global markets crashed in May 2006 on fears of rising interest rates and a global economic slowdown.

During the middle of 2006, gold went through a relatively lenient phase as crude oil eased considerably. However, the US dollar lost steam from October 2006 onwards and crumbled to multi-month lows in the last week of November 2006, helping gold to shoot up to a seven-month high.

Further gains were in the offing for the yellow metal in 2007, with crude oil prices back to \$65 a barrel on escalating geopolitical tensions because of a rift between the UK and Iran. This supported gold as inflationary pressures firmed up. On the other hand, the dollar continued to lose steam as the raft of weak economic data from the US continued.

The continuous weakness in the US dollar augurs well for the yellow metal, enhancing its appeal as an alternative investment class in the global markets. The GDP growth rate of the US has been slowing in the recent past. As the US Federal Reserve gears to lower its interest rates in the coming months, the dollar is bound to weaken further, supporting precious metals such as gold and sliver.

The base metals complex also performed positively, notwithstanding the severe fall in May 2006. Apart from aluminium, which was constantly under pressure by soaring stockpiles on the London Metal Exchange (LSE), all other metals ended the financial year on a buoyant note. Nickel topped the pack with almost 200% gain to finish at Rs 2002.9 per kg, while lead and tin also added impressive gains. Copper, the most important base metal, recovered from a slump in November – December 2006 and went up at a steep pace to close at Rs 302.7 per kg — up 25.24% over the year.

Agricultural Commodities: The prices of essential food articles like wheat, pulses and edible oils hardened sharply in the spot market in FY 2007. This rise was reflected in the futures mart as well, with a generous increase in the volume of business, indicating increased participation by market players. Apart from the notable exception of sugar, whose spot prices drifted lower during the year on supply glut, all pulses, grains, spices, edible oils and oilseeds as well as other soft commodities went up at a sharp pace.

As a result, futures also rose on very good buying support. Bulk of the gains in the essential commodities segment stemmed from the poor growth of agriculture in FY 2007.

The spices complex beat the commodity street. Spices majors jeera and pepper rocked the markets with astounding gains of 118% and 84.47%, respectively, in FY 2007. Chana gained 26.41%, and refined soy oil 22%.

While the supply crunch pushed up foodgrains higher, spices were boosted by a combination of stagnant output and excellent overseas demand.

Exports of spices crossed Rs 3000 crore in April-February 2006-07 for the first time and surpassed the target both in volume and value set for the current fiscal. Total exports of spices have been estimated at 3.11 lakh tonnes valued at Rs 3020 crore as against 2.92 lakh tonnes worth Rs 2100.40 crore in April-February 2005-06. Thus, exports have shown an increase of 6% in quantity and 44% in value. If this trend persists, the spices complex is bound to be the outperformer amongst the agri commodities in FY 2008 as well.

The spurt in the prices of major food articles prompted farmers to plant more pulses and grains this year, leading to an increase in the estimated production of certain commodities. According to the third advance estimates, the country's production of wheat, maize, pulses, cotton as well as sugarcane is placed at a

moderately higher level compared with last year. Wheat output is estimated at 73.7 million tonnes — up 6.27% over the last year, while output of pulses is estimated to have grown 5.30% to 14.1 million tonnes.

However, oilseeds production has dipped quite alarmingly. The country imports 50% of its edible oil requirement. In such a scenario, a staggering drop of 17% in estimated oilseeds production points towards a sustained rise in prices of edible oils in the coming months.

The best measure to evaluate the consolidated performance of prices of agri commodities on the futures market is the Ncdex Futexagri. The index shot up quite strongly in first half of FY 2007 and topped a high of 1,726.01 in the last week of November 2006.

The barometer eased afterwards as the kharif (April-September) output arrived in the domestic markets, easing the spot prices of major agri commodities, before peaking up early 2007 as a poor edible oilseeds crop pushed up the index.

Strong gains in the entire spices complex also played a part in the recent rally, which saw the index close at 1,625.01 on 31 March 2007 — recording a significant jump of 20% over the last one year.

Though the agriculture sector grew by 6% in FY 2007, recording a stable output of foodgrains and keeping prices relatively comfortable, the plight of agriculture worsened in FY 2008 with incessant rains in various states like Maharashtra, Andhra Pradesh, and Gujarat affecting the kharif output to a major extent. Futures started soaring well in advance of the actual produce from kharif season arriving in the market.

The whole price index started shooting up from the first week of December and rose well above 6.50% in January 2007, prompting the government to announce a surprise ban on futures trading in tur and urad. The markets were pinned down further as the government announced a ban on the introduction of new futures contracts in wheat and rice.

This ban has confused genuine hedgers as they are not clear whether a commodity on which they need to hedge will last till its expiry period. Therefore, traders are not coming forward to hedge their risk entirely.

Outlook

The outlook for major commodities in the domestic and global markets remains bullish. The recent spurt in the metals and energy prices is an indication that the commodity bull run has resumed its course and further gains can be expected for commodity heavyweights like gold, crude oil, zinc and copper.

The International Monetary Fund's latest World Economic Outlook states that the world economy still looks well set for continued robust growth in 2007 and 2008, notwithstanding the recent bout of financial volatility: the intense sell-off endured by the major asset classes in March 2007 on risk aversion triggered by a sudden appreciation in the Japanese yen.

While the US economy has slowed more than was expected earlier, spillovers have been limited, growth around the world looks well sustained, and inflation risks have moderated. Thus, with a global economic growth projected to be at elevated levels, steady gains can be expected in the metals and energy complex.

The global picture is slightly different for soft commodities. The United Nations' Food and Agriculture Organisation (FAO) has forecast a record cereal crop for 2007. World cereal production in 2007 is estimated to increase 4.3% to a record 2,082 million tonnes, according to the April issue of FAO's Crop Prospects and Food Situation Report.

The bulk of the increase is expected in maize, with a bumper crop already in South America, and a sharp increase in plantings expected in the US. A significant rise in wheat output is also foreseen, with recovery in some major exporting countries after weather problems last year.

FAO forecasts wheat output to increase 4.8% to about 626 million tonnes. Global rice production in 2007 could also rise marginally to 423 million tonnes in milled terms — about three million tonnes more than in 2006. Thus, in terms of prices, the grains are likely to remain under constraints on account of seemingly adequate supplies.

The outlook for domestic agri commodities would largely depend on the vagaries of monsoon. The monsoon is likely to be normal this year. Recently, the World Meteorological Organisation (WMO) projected that there is a substantial possibility of the emergence of La Nina, a weather effect, which invariably has a positive influence on the monsoon. This should augur well for the kharif crop in the country.

However, the short-term fluctuations in the prices of major commodities like chana, jeera, pepper, guarseed, mentha oil and red chilli are likely to generate substantial opportunities for market participants. Moreover, since the basic trading units in the commodities market are futures, players can protect themselves quite safely against the unanticipated deviations in either direction.

Despite the recent confrontations stemming from the ban on futures trading of certain key commodities, Indian commodities exchanges are tipped for good time in the coming months.

Spurred by growing investor interest in stock exchanges, the government has very recently decided to allow foreign investment in commodity exchanges as well. The government has pegged the foreign investment limit for commodity exchanges at 49% on the lines of equity bourses. While foreign direct investment (FDI) will be capped at 26%, the limit for foreign institutional investors (FIIs) is fixed at 23%.

The next big step for the commodities market would be setting up online spot exchanges. Both the Multi Commodity Exchange (MCX) and the National Commodities and Derivative Exchange (Ncdex) are set to launch national online spot exchanges, giving an instantaneous spot price discovery across the nation. This is likely to reduce the disparity in the spot prices, which are currently determined solely by the interplay of the local demand supply factors in thousands of local markets or *mandis*.

These developments are likely to provide the much-needed fillip to the commodities market in terms of exposure as well as increased participation. Right now, it is a good time for retail investors to participate in this highly geared market and enhance as well hedge the value to their investment portfolio.

| Bumper returns | | | | | | |
|---|-------------|-----------|-----------|-----------|--------|--|
| Change in spot prices of major agri commodities in FY 2006-07 | | | | | | |
| Commodity | Units | Location | 31-Mar-06 | 31-Mar-07 | % Chg | |
| Chana | per quintal | Delhi | 1991 | 2517 | 26.41 | |
| Pepper | per quintal | Kochi | 7206 | 13293 | 84.47 | |
| Jeera | per quintal | Unjha | 5824 | 12710 | 118.23 | |
| Chili | per quintal | Guntur | 3409 | 4840 | 42 | |
| Refined soy oil | per 10 kg | Indore | 364 | 465 | 27.87 | |
| Mentha oil | per kg | Chandausi | 460 | 561 | 21.93 | |
| Guarseed | per quintal | Jodhpur | 1734 | 1907 | 9.97 | |

| Inherently unstable | | | | |
|---|------|--|--|--|
| Volatility in commodity prices (January 1980 – January 2007) in standard deviations of monthly percentage change | | | | |
| Crude Oil | 8.25 | | | |
| Aluminium | 5.53 | | | |
| Copper | 5.98 | | | |
| Cotton | 5.03 | | | |
| Coffee | 7.94 | | | |
| Soybeans | 5.47 | | | |
| Wheat | 4.78 | | | |
| Source: IMF | | | | |
| One of the major characteristics of commodities as an asset class is the inherent volatility most of the commodities display in the short term. Unlike the equity market, it is | | | | |

One of the major characteristics of commodities as an asset class is the inherent volatility most of the commodities display in the short term. Unlike the equity market, it is often difficult to project a long-term view about a particular segment in the commodities space. Thus, the short-term momentum is generated by sentiments of market participants, which are affected by expectation about the future demand/ supply scenario in a particular commodity.

| | A platform for exposure | | | | | |
|--|-------------------------|--------------|---------------|--------------|-------------------|--|
| Major commodities traded on the Indian commodity exchanges | | | | | | |
| | D centre | Trading Unit | Delivery Unit | Quotation | Daily Price Limit | |
| MCX | | | | | | |
| Gold | Ahmedabad | 1 kg | 1 kg | Per 10 grams | 3% | |
| Silver | Ahmedabad | 30 kg | 30 kg | Per kg | 4% | |
| Copper | Mumbai | 1 tonne | 9 tonnes | Per kg | 4% | |
| Zinc | Mumbai | 5 tonnes | 10 tonnes | Per kg | 4% | |
| Nickel | Mumbai | 250 kg | 3 tonnes | Per kg | 3% | |
| Crude | Mumbai | 100 barrels | 50000 barrels | Per barrel | 4% | |
| Natural Gas | Hazira | 500 MMBTU | 10000 MMBTU | Per Mmbtu | 4% | |
| Pepper | Kochi | 1 tonne | 1 tonne | Per quintal | 4% | |
| NCDEX | | | | | | |
| Chana | Delhi | 10 tonnes | 10 tonnes | Per quintal | 4% | |
| Jeera | Unjha | 3 tonnes | 3 tonnes | Per quintal | 4% | |
| Pepper | Hochi | 1 tonne | 1 tonne | Per quintal | 4% | |
| Guarseed | Jodhpur | 10 tonnes | 10 tonnes | Per quintal | 4% | |
| Mentha Oil | Chandausi | 360 kgs | 361 kg | Per kg | 4% | |
| Refind Soy Oil | Indore | 10 tonnes | 10 tonnes | Per 10 kg | 6% | |
| Red Chili | Guntur | 5 tonnes | 5 tonnes | Per quintal | 4% | |
| Turmeric | Nizamabad | 10 tonnes | 10 tonnes | Per quintal | 6% | |
| MMBTU: Milion British thermal units. | | | | | | |

Surging popularity

As compared with 59 commodities in January 2005, 94 commodities were traded in the commodities futures market end December 2006. These included major agricultural commodities like jute, gur, cotton, coffee, major pulses like urad, arahar, chana, edible oilseeds like mustard seed, coconut oil, groundnut oil and sunflower, spices (pepper, chillies, cumin seed and turmeric), metals (aluminium, tin, nickel and, copper), bullion (gold and silver), crude oil, natural gas and polymer, among others.

Volume of trades rose sharply from Rs 1.29 lakh crore in FY 2004 to Rs 27.39 lakh crore in FY 2007 till December 2006. Turnover as a proportion of GDP also increased from only 4.7% in 2003-04 to 18.3% in 2004-05, and further to 76.8% in 2005-06.

The three national exchanges — Multi Commodity Exchange, Mumbai (MCX); the National Commodities Derivatives Exchange (NCDEX), Mumbai; and the National Multi Commodity Exchange (NMCE), Ahmedabad — together accounted for 97% of the total value of commodities traded in the futures market in 2006. MCX has retained the leadership with a turnover market share of 62%, followed by NCDEX at 32%, and NMCE 3%.

The top five commodities traded were gold (Rs 10.21 lakh crore), silver (Rs 7.02 lakh crore), guarseed (Rs 3.25 lakh crore), chana (Rs 3.07 lakh crore) and copper (Rs 2.72 lakh crore). There was a significant growth in the trading volumes of other commodities such as zinc, nickel, mentha oil, soy oil, potato, jeera and red chilli.

On NCDEX, out of the 17 agri commodities, 10 agri commodities have recorded physical delivery to open interest ratio of 100%.

MCX Robusta coffe futures posted the highest ever physical delivery of 120 tonnes in the March 2007 expiry contracts. This is the record delivery registered by any Indian coffee futures.

Why commodity prices are rising

Interest in commodities as an assets started in 2002, when global interest rates where at comparatively low levels and the rally in the emerging markets still nascent. Over the next four years, heavy demand from major economies across the globe, particularly China, spiked prices of metals and energy.

Surging credit growth, widening trade surplus and double-digit economic expansion lent support to the explosive Chinese demand for minerals. This contributed to the sharp increase in world consumption of metals and minerals in recent years, outstripping supply.

As a result, commodity prices have shown unusual strength in recent years, and the robustness has been spread broadly across all the sectors: bullion, base metals, energy and soft commodities. Industrial metals prices have skyrocketed. So have livestock and grains, of late. Even precious metals have reached prices not seen since inflation was raging in the late 1970s.

What's behind the price explosion? First, there has been a lack of investment in the production of energy, industrial metal and other commodities in the 1990s. Oil companies were loath to repeat the cycle of enthusiastic expansion of capacity leading to overproduction, which pulled down prices. Industrial metals producers harboured similar sentiments.

Second, political turmoil and military action in the Middle East, Nigeria, Russia, Venezuela and other major petroleum producers added a substantial risk premium to oil prices.

Third, the global economic growth led by American consumers also powered robust demand for commodities. The housing boom in the US and many other countries hyped demand for lumber, copper, gypsum, plastics and many other similar commodities.

Fourth, and foremost, the excess liquidity sloshing around the world, the demand for high returns, the speculative atmosphere and rising risk appetite drove investors beyond conventional asset classes like stocks and bonds and into riskier areas, including commodities. Yield-hungry investors legitimised commodities as a serious asset class in the global markets in the last few years.

Hedge funds, pension funds and other institutional investors have poured money into commodities directly and through investment pools.

Thus, with supply limitations and strong demand from commodity users and investors, inventories of many commodities are quite low relative to production and demand. This is true of copper and zinc, and generally for agricultural products, specially corn and wheat, which scaled up decades highs in the last year.

7 Market watch: Movers and shakers

Prices as on 13 April 2007 with variation over the fortnight



| Company | Share Price | Var.(%) | | |
|---|---|--|--|--|
| Educomp Solutions | 1327.2 | 39.06 | | |
| | ler acquired a 76% stake in ThreeBrix E-Services, a high q ontent library and pedagogical materials of the company, s ning centers, mainly focussed on serving Indian students. | | | |
| Gujarat NRE Coke | 50 | 26.26 | | |
| 2007, compared with net loss of Rs 42.27 crore in Q4 Ma | coke reported a turnaround in Q4 April 2007. Gujarat NRE rch 2006. Net sales vaulted 113.20% to Rs 179.01 crore (aintaining the company's shareholding at 60%. Gujarat NR | Rs 83.95 crore). Investment in subsidiary Bharat NRE | | |
| Pyramid Saimira Theatre | 330.75 | 22.9 | | |
| | M 10 million investment to digitize about 50 theatre scree aimira will hold 49% in the joint venture, Baderwals Pyran 2000 crore. | | | |
| SRF | 147.85 | 22.03 | | |
| . , , , | dose to Rs 500 crore from the sale of carbon credits in FY 2. Under the Kyoto Protocol, industries in developed countriuntries. | , | | |
| Hindustan Zinc | 672.5 | 19.37 | | |
| The Sterlite group zinc producer hiked zinc prices by 8.3° | % to Rs 1.75 lakh per tonne. Hindustan Zinc also raised lea | ad prices by 2.2% to Rs 99100 per tonne. | | |
| Aban Offshore | 2329.75 | 15.45 | | |
| Driller 1 for two years with two options of six months each | y Deep Drilling 1 received a contract from Gujarat State Perch thereafter at mutually agreeable rates. The contract to be oduction company. It is expected to result in revenue of agently acquired by Aban Offshore for \$1.3 billion. | pe performed in continuation of the contract with Hardy | | |
| Praj Industries | 437.7 | 15.17 | | |
| The Pune-based engineering company scheduled a board meeting on 18 April 2007 to consider the issue of bonus shares along with the March 2007 quarterly results. Praj Industries had last declared a liberal 1:1 bonus issue in 2005. The latest book value per share is Rs 10.06, and latest reserves stand at Rs 67.50 crore. Its face value per share is Rs 2. | | | | |
| Hindustan Copper | 95.6 | 15.01 | | |
| The Kolkata-based state-run copper producer raised provprices of various products by 12.88% in March 2007. The | visional prices of its products across the board by 12.57% for price rise is in line with rising global prices. | for April 2007. Hindustan Copper had increased the final | | |
| TVS Electronics | 46 | 14.42 | | |
| | ot shareholders' nod for its restructuring programme invol ration, Finland, for not less than its net book value. The co | | | |
| Pitti Laminations | 70.75 | 13.47 | | |
| | rectors approved a proposal for issuing 2.40 lakh equity she warrants allotted to them at the meeting of the board he | | | |
| Bharat Electronics | 1687.9 | 12.45 | | |
| | highest-ever turnover of Rs 3960.38 crore (provisional) fo 041.6 crore as against Rs 855.2 crore in FY 2006 — an incr ted to be around Rs 9100 crore. | | | |

Bhel 2479.55 9.68 The New Delhi-based PSU engineering major is reportedly in talks with various MNCs, including Alstom, for making nuclear power generation equipments. Bhel is also in touch with Oil and Natural Gas Corporation (ONGC) for securing orders for rigs and refurbishing the old ones at a cost of Rs 680 crore. As per provisional figures, Bhel's net profit rose 42% to Rs 2385 crore in FY 2007 (year ended March 2007), from Rs 1679 crore in FY 2006. Turnover jumped 28.7% to Rs 18702 crore, from Rs 14525 crore in the year-ago period. Bhel had record order inflow in all areas of operations, leading to an all-time high order placement of Rs 35633 crore. The year-end outstanding order book stood at around Rs 55000 crore. In the power sector, Bhel secured Rs 27722-crore orders, crossing the Rs 20000-crore mark for the first time. It secured physical orders of Rs 1903 crore from international players. The company will invest Rs 3200 crore to add capacity for making equipment capable of generating 15,000 MW of electricity in 200 Sun TV 1657.05 9.52 The Chennai-based television broadcaster's board of directors approved a 2-for-1 stock split. As a result, the face value of the scrip will become Rs 5 from Rs 10. 1990.75 8.91 Financial Technologies The Chennai-based computer software developer announced the launch of Tickerplant Infovending, an information retailing service providing data, news and analytics of the financial markets. Also the Dubai Multi Commodities Centre (DMCC) purchased a 1% stake in the Dubai Gold and Commodities Exchange (DGCX) from the Financial Technologies (FT) Group for \$ 12.5 million. Following this, DMCC now holds 51% and FT Group 49% in DGCX. DGCX is an electronic futures and options exchange, which utilises trading, clearing and settlement technology developed by the FT group. Elecon Engineering Company 7.35 418.65 The Gujarat-based engineering company bagged a Rs 229.09-crore contract from NTPC for supply and installation of coal handling plant package for the National Capital Termal Power Project (NCTPP), Stage II, Dadri in Punjab. Rallis India 278.85 6.61 The Tata group argochemicals company's net profit surged 218.57% to Rs 9.78 crore in the March 2007 quarter compared with Rs 3.07 crore in the March 2006 quarter. Net sales rose 11.1% to Rs 131.23 crore, from Rs 118.05 crore. 138.7 5.75 R Systems International The New Delhi-based IT-enabled services provider said its top client General Electric (GE) Corporation had renewed its IT services contract with the company till 31 December 2009. R Systems' other marguee clientele includes Intel and ABN Amro. Around 34% of the company's revenue comes from its top 5 clients. 163.55 5.41 Deccan Chronicle Holdings The Hyderabad-based newspaper publisher said it planned to raise advertisement tariff by 30% across segments from May 2007. **UTV Software Communications** 309.1 5.36 The Mumbai-based media firm's board approved the transfer of all film production agreements to a subsidiary and the sale of up to 25% to private investors or through an initial public offer. UTV Software will spin off its three core businesses (broadcasting, new media, movies) into separate wholly-owned subsidiaries to unlock value as well as focus on separate verticals, which will also enable the verticals to raise independent funding. UTV Broadcasting will house all the broadcasting initiatives. UTV-UK, the second subsidiary, will manage UTV's new media initiatives including its animation business (UTV Toons), its post-production and SFX business (UTV Post) as well as the recent controlling investment in Ignition UK (console game development and publishing company) and India Games (the mobile and online gaming company in which UTV is acquiring a controlling interest). The third subsidiary, yet to be formed, will be for the movies division. Prism Cement 33.2 4.41 The Hyderabad-based cement manufacturer reported net profit of Rs 55 crore in Q3 March 2007 as against Rs 24.3 crore in Q3 March 2006. Net sales increased 21% to Rs 202 crore, from Rs 167 crore, Operating profit margin improved to 45.1% from 30.5%. Interest cost declined to Rs 0.4 crore, from Rs 6.7 crore, 4.27 Lupin 631.55 The Mumbai-based bulk drug manufacturer finalised a patent sales agreement with Laboratories Servier of France. Lupin received euro 20 million from Servier for the sale of certain patent applications and other related intellectual property for perindopril for multiple countries. The US Food and Drug Administration (US FDA) has approved its application for Suprax® Cefixime for oral suspension 200mg/5ml. Commercial shipments of the product have commenced. This is the company's 19th abbreviated new drug applications (ANDA) approval till date. Infosys Technologies 2087.6 3.72

The Bangalore-based software major reported a 16.3% sequential growth to Rs 1144 crore in consolidated net profit in Q4 March 2007 compared with Rs 983 crore in Q3 December 2006. OPM stood at 31.73% versus 32.72%. Net profit was boosted by extraordinary income of Rs 124 crore arising from reversal of tax provisions. The onsite price was up by 1.29% and offshore by 1.37% in Q4 March 2007. Consolidated revenue rose 3.2% to Rs 3772 crore, from Rs 3655 crore in Q3 December 2006. Infosys' net profit jumped 56.87% to Rs 3856 crore in FY2007, from Rs 2458 crore in FY2006. Revenue was up 45.91% to Rs 13893 crore, from Rs 9521 crore. Infosys expects an EPS of Rs 17.84 in Q1 June 2007 — a year-on-year growth of 24.2%. It also expects a revenue of Rs 3896 crore to Rs 3913 crore — a year-on-year growth of 29.2% — 29.8%. Infosys added 34 new clients in the quarter.

Ballarpur Industries 108.85 1.11

The Thapar group paper producer posted a 22% rise to Rs 64.06 crore in net profit in Q3 March 2007 compared with Rs 52.52 crore in Q3 March 2006. Net sales rose 16.60% to Rs 551.35 crore, from Rs 472.69 crore.

Zensar Technologies 245.25 1.07

The RPG group mid-sized software company and Tokyo headquartered software firm EZA formed a 60:40 joint venture, Zensar Advanced Technologies, in Japan. Reports suggest that the new joint venture firm will take over the entire business of EZA.

Apollo Tyres 279.75 -0.03

The Apollo group tyres manufacturer's board is to consider a stock-split proposal along with FY 2007 results on 1 May 2007.

Tata Motors 725.65 -0.29

The Tata group auto major vehicle sales rose 11% to 62,779 units in March 2007, from 56,406 units in March 2006. Sales of commercial vehicles were up 13% to 30,720 units — the highest monthly sales to date — from 27,289 units. Sales of cars and utility vehicles jumped 14% to 25,760 units — also the highest monthly sales. Exports fell 3% to 6,299 units, from 6,508 units. Vehicle sales moved up 28% to 579,378 units in the fiscal year to March 2007, from 454,345 units the previous year. Tata Motors also bagged an order from the Delhi Transport Corporation for supplying 500 low-floor CNG-run buses. The delivery will begin from the second half of 2007.

Sesa Goa 1691.75 -0.53

The Aditya Birla group reportedly had an edge in the ongoing race for acquiring Mitsui's stake in the MNC associate iron ore exporter. The Aditya Birla group had quoted Rs 1550 per share, while Arcelor Mittal's bid was around Rs 1700 per share, but with lots of conditions attached. Japan's Mitsui & Company, may take about two weeks to finalise the sale of its majority stake held in Sesa Goa. The 51% stake has also attracted a bid from the London-listed Vedanta Resources at around Rs 1300 a share.

Mastek 307.25 -0.65

The Mumbai-based mid-sized software company reported net profit of Rs 23.8 crore in Q3 ended March 2007 compared with Rs 21.8 crore in Q2 ended December 2006 — a sequential growth of 9.17%. Its total income was up 2.38% to Rs 214.8 crore, from Rs 209.8 crore in the December 2006 quarter. Revenue from US operations rose 27%. The order pipeline was healthy and there were no signs of a slowdown. Mastek has given a revenue guidance of Rs 196 crore-Rs 200 crore and net profit of Rs 23 crore-Rs 24 crore for Q4 ended June 2007, factoring in a further 1% appreciation of the rupee, from Rs 43.97 to Rs 42.8 against the dollar. The company's insurance vertical, including its Elixir Solution, saw improvement in inquires generated.

Jet Airways India 625.85 -1.01

The Mumbai-based airliners settled their dispute pertaining to a share purchase agreement signed with Sahara Airlines in early 2006. Jet Airways agreed to acquire all shares of Sahara Airlines for Rs 1450 crore, of which Rs 500 crore has already been paid, Rs 400 crore is payable no later than 20 April 2007, and the balance Rs 550 crore will be paid in four interest-free annual equal instalments commencing on or before 30 March 2008. At the current interest rate, the net present value of the lumpsum price is Rs 1200 crore.

Honeywell Automation 1672.75 -1.93

The MNC associate integrated automation and software solutions provider reported net profit of Rs 15.8 crore in Q1 ended March 2007 compared with Rs 13.9 crore in the corresponding quarter of the previous year. Revenue increased 23% to Rs 195 crore, from Rs 155.4 crore. Honeywell added 150 employees in Q1.

Rai Television 199.1 -3.93

The Chennai-based regional broadcaster and media company posted net profit of Rs 10.71 crore in the financial year ended March 2007. It reported revenue of Rs 38.64 crore.

Ranbaxy Laboratories 334.7 -5.06

The Mohali-based bulk drug manufacturer received approval for cefprozil tablets and oral suspension from the Canadian regulatory authority. The total market size for cefprozil in Canada is C\$ 28.2 million. Cefprozil tablets and powder for oral suspension are indicated in the treatment of upper respiratory tract infections, uncomplicated skin and urinary tract infections.

iGate Global Solutions 360,2 -6,65

The MNC associate mid-sized software company said US subprime mortgage woes were hitting its revenue. iGate Global Solutions' consolidated net profit surged 380.8% to Rs 22.60 crore in Q4 March 2007, from Rs 4.70 crore in the March 2006 quarter. Revenue rose 25.5% to Rs 210.10 crore (Rs 167.40 crore). However, operating revenue was adversely impacted by 2.1% due to the strengthening of the rupee against the US dollar. Six new clients were added, largely for IT services. The company will be raising its offshore and onsite salaries by approximately 15% and 2%, respectively, in April 2007. iGate Global Solutions reported revenue of Rs 805.1 crore in the year ended March 2007 as against Rs 635.8 crore in the previous year. Net profit increased to Rs 49.8 crore — a sharp spurt of 805.5%.

Bharat Earth Movers 999.2 -7.78

The Bangalore-based PSU engineering company reported a 10% growth to Rs 315 crore in profit-before-tax in FY 2007. It also recorded an all-time high turnover of Rs 2600 crore — a growth of 18% over FY2006. Export sales were Rs 110.05 crore.

8 Market Snapshot

8.1 Market Snapshot - Part I

The fortnight in the market (30 Mar - 13 Apr 2007)



| | 13-Apr-07 | 30-Mar-07 | Var(%) |
|----------------|-----------|-----------|--------|
| BSE Sensex | 13384.08 | 13072.1 | 2.39 |
| Nifty | 3917.35 | 3821.55 | 2.51 |
| BSE 200 | 1599.62 | 1556.72 | 2.76 |
| BSE 500 | 5098.8 | 4955.39 | 2.89 |
| BSE Mid-Cap | 5576.5 | 5384.12 | 3.57 |
| BSE Small-Cap | 6756.46 | 6470.51 | 4.42 |
| BSE IT | 5071.72 | 4899.39 | 3.52 |
| BSE Consumer | 3782.58 | 3570.33 | 5.94 |
| BSE Capital | 9470.97 | 9074.72 | 4.37 |
| BSE FMCG | 1773.96 | 1739.1 | 2 |
| BSE PSU | 6098.85 | 5921.88 | 2.99 |
| BSE Healthcare | 3686.61 | 3649.43 | 1.02 |

| BANKEX | 6639.84 | 6542.01 | 1.5 |
|-------------------|----------|----------|---------|
| BSE Metal | 9303.65 | 8488.44 | 9.6 |
| BSE Oil | 6565.45 | 6419.18 | 2.28 |
| BSE Auto | 4818.16 | 4869.13 | -1.05 |
| BSE-Teck | 3638.14 | 3528.76 | 3.1 |
| FII-Equity | 1891.8 | 1686.2 | 12.19 |
| FII-Debt | 1286 | -76 | 1792.11 |
| MF-Equity | -84.3 | -609.94 | 86.18 |
| MF-Debt | 2491.6 | 476.88 | 422.48 |
| Figures in Rs cr. | | | |
| World Indices | | | |
| Nasdaq | 2491.94 | 2421.64 | 2.9 |
| Dow Jones | 12612.13 | 12354.35 | 2.09 |
| S&P 500 | 1452.85 | 1420.86 | 2.25 |
| FTSE 100 | 6462.4 | 6308 | 2.45 |
| Nikkei 225 | 17363.95 | 17287.65 | 0.44 |
| Hang Seng | 20340.97 | 19800.93 | 2.73 |
| Seoul Composite | 1520.78 | 1452.55 | 4.7 |
| Strait Times | 3373.59 | 3231.24 | 4.41 |
| | | | |

| TOP 10 BSE VOLUMES GAINERS | | | |
|----------------------------|----|----------|--|
| Group Avg. Volumes | | | |
| IFCI | B1 | 19407773 | |
| ICRA | B1 | 12426046 | |
| Orbit Corporatio | B1 | 8840990 | |
| Gremach Infra | B1 | 5658168 | |
| Indiabulls Real | B1 | 4588518 | |
| Reliance Natural | B1 | 3982029 | |
| SAIL | А | 2583964 | |

| Rana Sugars | B1 | 2449639 |
|----------------------------|----|----------|
| Reliance Petro | A | 2302381 |
| Idea Cellular | A | 2227778 |
| TOP 10 NSE VOLUMES GAINERS | | |
| IFCI | B1 | 81250426 |
| ICRA | B1 | 19108425 |
| SAIL | A | 11062124 |
| Orbit Corporatio | B1 | 8971264 |
| Reliance Petro | A | 7036985 |
| Indiabulls Real | B1 | 6507874 |
| Reliance Natural | B1 | 5751244 |
| Guj. Ambuja Cem | Α | 5603277 |
| Reliance Communi | A | 5433984 |
| Tata Steel | Α | 5146184 |

| New 52-week High | | | |
|------------------|----------|----------|--|
| | New High | Prv.High | |
| Aban Offshore Lt | 2367.9 | 2060 | |
| I-Flex Solutions | 2265 | 2174 | |
| Phoenix Mills | 1649 | 1635.95 | |
| Educomp Solution | 1340.1 | 1079.7 | |
| Sun Pharma. | 1115 | 1082 | |
| Everest Kanto | 1037.7 | 907 | |
| Tulip IT | 687.65 | 685 | |
| TV 18 India | 686 | 681 | |
| K E C Internatio | 613.95 | 599 | |
| JSW Steel | 555 | 508 | |
| Bhushan Steel | 554.7 | 511 | |
| Syngenta India | 543 | 516.15 | |
| Provogue (India) | 521 | 513.4 | |
| Biocon | 517 | 512.9 | |
| Guj. Mineral Dev | 502.9 | 490.8 | |
| Prime Focus | 498 | 456.7 | |
| India Infoline | 455.05 | 399 | |
| Praj Inds. | 445 | 415 | |

| IOL Broadband | 444 | 388.4 |
|------------------|--------|--------|
| CESC | 409.5 | 382.15 |
| Jagran Prakashan | 404 | 395 |
| Entertainment Nt | 364 | 354.9 |
| Page Industries | 362.7 | 341.9 |
| Aurionpro Solu | 327 | 319.65 |
| Hind.Composites | 314.35 | 286 |
| Geefcee Finance | 304.3 | 252.5 |
| Karuturi Net. | 291.3 | 263.1 |
| Aptech | 269.5 | 262.85 |
| Saksoft | 176.9 | 164.65 |
| NTPC | 163 | 157.8 |
| Jaybharat Text | 154.65 | 137.1 |
| Bombay Swadeshi | 139.7 | 133.05 |
| Sujana Metal Prd | 135.5 | 132.5 |
| Welspun Guj.Stah | 129.75 | 126 |
| Motherson Sumi | 129 | 117.8 |
| ABL Bio-Tech. | 127.75 | 122.5 |
| SAIL | 126.15 | 122 |
| Winro Commercial | 118.1 | 97.65 |
| Idea Cellular | 103.7 | 98.4 |
| Jai Balaji Spon. | 73.95 | 61.7 |
| Indo Green Proj. | 72 | 53.05 |
| Deep Industries | 71.4 | 63.5 |
| Tele Data Infor. | 65.7 | 58.65 |
| Bliss GVS Pharma | 62.65 | 62.5 |
| Guj. NRE Coke | 52 | 50.7 |
| Amrit Enterprise | 51.3 | 46.65 |
| Orient Press | 48.6 | 38 |
| Borax Morarji | 42.8 | 40.4 |
| IFCI | 39 | 33.8 |
| Oil Country | 37.95 | 29.7 |
| Figures in Rs | | |

| | New low | Prv. low |
|------------------|---------|----------|
| Hero Honda Motor | 624 | 629.1 |
| Sundaram Brake | 466.5 | 475 |
| Merck | 390 | 392.05 |
| CCL Products | 286.05 | 301.1 |
| Vardhman Hold. | 232.25 | 235 |
| Tata Coffee | 228.1 | 232 |
| Vaibhav Gems | 225 | 230 |
| Shree Ram Mills | 223.3 | 237 |
| Gokaldas Exports | 219.15 | 226.08 |
| Gayatri Projects | 208.5 | 212 |
| Wheels India | 200.25 | 211.5 |
| Nirma | 145 | 154 |
| Hyd.Industries | 139.2 | 141 |
| Lanco Infratech | 137 | 162 |
| Kernex Microsyst | 123 | 124 |
| BOC India | 122 | 126.7 |
| Ramco Systems | 119 | 125 |
| Timken India | 113 | 114 |
| Sudarshan Chem. | 102.05 | 102.2 |
| Power Fin. Corp. | 101 | 101.25 |
| MUSCO | 84.5 | 85.15 |
| Hind.Construct. | 82.65 | 82.9 |
| Keltech Engeries | 80.75 | 82.05 |
| Tata Metaliks | 80 | 80.2 |
| Astral Poly | 76.1 | 77 |
| Lak. Vilas Bank | 70.25 | 74.1 |
| Celebrity Fash | 68.1 | 74.2 |
| Modipon | 68 | 73.25 |
| Kakatiya Cements | 67.2 | 68 |
| Sunil Hitech | 67.1 | 67.25 |
| JBM Auto | 64.8 | 68.05 |
| C.G. Impex | 64.75 | 75.3 |
| AMD Metplast | 63.85 | 64.65 |
| Vijayeswari Txt. | 61.05 | 65 |
| Blue Bird (I) | 59.15 | 60.05 |
| Brescon Corp Adv | 58 | 58.75 |
| Sirpur Paper | 57 | 58.15 |

| Broadcast Init | 55 | 58.55 |
|------------------|-------|-------|
| Suryalak. Cott. | 52 | 53 |
| Zenith Computers | 50.15 | 54.15 |
| Abhishek Mills | 50 | 61.25 |
| LKP Merchant | 48.6 | 49 |
| Marksans Pharma | 48.5 | 49.55 |
| Surya Roshni | 46.55 | 48 |
| Khaitan (India) | 45.3 | 48.55 |
| Morarjee Textile | 45.2 | 47.69 |
| Rico Auto Inds | 44.1 | 44.3 |
| Arvind Mills | 42.05 | 42.5 |
| Tripex Overseas | 37.05 | 42.65 |
| Chordia Food | 32 | 36.3 |
| Figures in Rs | | |

8.2 Market Snapshot - Part II

| Group | 13-Apr-07 | 30-Mar-07 | Var (%) |
|--------------------|-----------|-----------|---------|
| Advance & Declines | | | |
| BSE | | | |
| Advances | 1777 | 1216 | 46.13 |
| Declines | 663 | 1224 | -45.83 |
| Unchanged | 25 | 25 | 0 |
| NSE | | | |
| Advances | 753 | 599 | 25.71 |
| Declines | 276 | 421 | -34.44 |
| Unchanged | 8 | 17 | -52.94 |
| A | | | |
| Advances | 156 | 164 | -4.88 |
| Declines | 50 | 42 | 19.05 |
| Unchanged | 0 | 0 | - |

| 532 160 | 375 | 41.87 | | |
|------------------------------------|---|--|--|--|
| | | 41.87 | | |
| 160 | | | | |
| | 317 | -49.53 | | |
| 6 | 6 | 0 | | |
| | | | | |
| | | 73.21 | | |
| | | -51 | | |
| 8 | 14 | -42.86 | | |
| | | | | |
| 310 | 208 | 49.04 | | |
| 130 | | -44.44 | | |
| 4 | 2 | 100 | | |
| | | | | |
| 134 | 78 | 71.79 | | |
| 68 | 126 | -46.03 | | |
| 4 | 2 | 100 | | |
| | | | | |
| 20.7 | 20.33 | 1.82 | | |
| 18.1 | 17.64 | 2.61 | | |
| 18.01 | 17.52 | 2.8 | | |
| | | | | |
| 5.12 | 5.07 | 0.99 | | |
| 4.53 | 4.43 | 2.26 | | |
| 4.4 | 4.3 | 2.33 | | |
| | | | | |
| 1.22 | 1.25 | -2.4 | | |
| 1.19 | 1.23 | -3.25 | | |
| 1.2 | 1.24 | -3.23 | | |
| | | | | |
| 57073848 | 41812424 | 36.5 | | |
| 1.13E+08 | 90343251 | 25.57 | | |
| 20943778 | 20281426 | 3.27 | | |
| 11964165 | 13175880 | -9.2 | | |
| 10881680 | 10928316 | -0.43 | | |
| 273181 | 508326 | -46.26 | | |
| TS 273181 508326 -46.26 Market Cap | | | | |
| 2850663 | 2760131 | 3.28 | | |
| 592037 | 569517 | 3.95 | | |
| | 556 220 8 310 130 4 134 68 4 20.7 18.1 18.01 5.12 4.53 4.4 1.22 1.19 1.2 57073848 1.13E+08 20943778 11964165 10881680 273181 | 556 321 220 449 8 14 310 208 130 234 4 2 134 78 68 126 4 2 20.7 20.33 18.1 17.64 18.01 17.52 5.12 5.07 4.53 4.43 4.4 4.3 1.22 1.25 1.19 1.23 1.2 1.24 57073848 41812424 1.13E+08 90343251 20943778 20281426 11964165 13175880 10881680 10928316 273181 508326 285063 2760131 | | |

| B2 | 78051.23 | 75901.91 | 2.83 |
|----|----------|----------|-------|
| S | 92484.22 | 90417.53 | 2.29 |
| Т | 11872.88 | 11389.91 | 4.24 |
| TS | 2235.88 | 2028.17 | 10.24 |

| Market Cap Gainers & Losers | | | | | | |
|-----------------------------|-----------|---------|--|--|--|--|
| A | | | | | | |
| TOP GAINERS | 13-Apr-07 | Var (%) | | | | |
| Sun TV Network | 16325.26 | 56.64 | | | | |
| Geometric Soft. | 776.54 | 25.2 | | | | |
| Welspun Guj.Stah | 1733.39 | 19.79 | | | | |
| Hind.Zinc | 28415.14 | 19.38 | | | | |
| Tata Steel | 29676.53 | 13.71 | | | | |
| Ispat Inds. | 1849.55 | 13.42 | | | | |
| Balaji Telefilms | 936.27 | 13.07 | | | | |
| Titan Inds. | 4216.83 | 12.89 | | | | |
| Bharat Electro. | 13503.2 | 12.45 | | | | |
| JSW Steel | 9081.48 | 12.24 | | | | |
| TOP LOSERS | 13-Apr-07 | Var (%) | | | | |
| Bharat EarthMove | 3671.06 | -7.79 | | | | |
| ICI (India) | 1758.02 | -7.13 | | | | |
| iGate Global Sol | 1139.13 | -6.65 | | | | |
| Maruti Udyog | 22317.63 | -5.76 | | | | |
| Hero Honda | 12943.56 | -5.4 | | | | |
| Ranbaxy Labs. | 12476.95 | -5.08 | | | | |
| Indian Overseas | 5330.87 | -5 | | | | |
| M & M | 18270.25 | -4.56 | | | | |
| Lanco Infratech | 3363.2 | -4.48 | | | | |
| Ingersoll-Rand | 838.5 | -4.37 | | | | |
| B1 | | | | | | |
| TOP GAINERS | 13-Apr-07 | Var (%) | | | | |
| Educomp Solution | 2122.19 | 39.07 | | | | |
| Moving Picture | 7.4 | 37.04 | | | | |
| India Infoline | 2282.99 | 36.43 | | | | |
| Vishal Exports | 104.04 | 33.18 | | | | |

| Sunil Hitech | 99.15 | 32.7 |
|------------------|-----------|---------|
| Mascon Global | 321.14 | 30.97 |
| Marksans Pharma | 239.54 | 30.56 |
| LML | 97.16 | 29.86 |
| Modipon | 74.64 | 29.45 |
| Jindal Drilling | 242.82 | 28.59 |
| TOP LOSERS | 13-Apr-07 | Var (%) |
| Camlin Fine | 29.92 | -27.43 |
| ChettinadCement | 1059.49 | -19.21 |
| Rana Sugars | 158.22 | -17.89 |
| Clariant Chemica | 736.75 | -13.98 |
| Ansal Properties | 2653.06 | -12.68 |
| Essar Shipping | 1602.06 | -12.66 |
| Sakthi Sugars | 277.62 | -12.2 |
| Nahar Exports | 71.4 | -10.21 |
| DCM Shriram Cons | 1410.98 | -9.13 |
| AMD Metplast | 124.51 | -9.03 |
| B2 | | |
| TOP GAINERS | 13-Apr-07 | Var (%) |
| Mount Everest | 283.22 | 54.57 |
| Neelkanth Rock. | 7.93 | 54.28 |
| Pace Electronics | 15.3 | 54.23 |
| Computer Point | 4.9 | 54.09 |
| Hyd.Industries | 161.58 | 48.61 |
| Prime Securities | 149.08 | 48.29 |
| Shyam Star Gems | 19.32 | 46.92 |
| Maxwell Inds. | 315.18 | 44.36 |
| Mideast Portfol. | 0.95 | 43.94 |
| Apple Finance | 22.71 | 43.64 |
| TOP LOSERS | 13-Apr-07 | Var (%) |
| Mefcom Agro Inds | 7.85 | -36.59 |
| Cressanda Solns. | 7.34 | -32.6 |
| Vertex Spinning | 423.09 | -26.72 |
| Chandrika Trader | 1.68 | -22.22 |
| HarvicManagement | 1.93 | -20.25 |
| Guj. Inject(Ker) | 1.23 | -20.13 |
| Bombay Swad.St. | 43.6 | -18.2 |
| | 1.64 | -17.17 |

| Rajdarshan Inds. | 3.43 | -17.15 |
|------------------|-----------|---------|
| Siddhartha Tubes | 2.87 | -16.33 |
| S | | |
| TOP GAINERS | 13-Apr-07 | Var (%) |
| Metrochem Inds. | 100.41 | 56.6 |
| Bharat Seats | 45.09 | 56.35 |
| M K Exim (India) | 10.91 | 40.41 |
| Titan BioTech | 10.89 | 40.34 |
| Caprihans India | 130.12 | 37.84 |
| Sri Ramakr. Mill | 10.63 | 36.63 |
| Fenoplast | 12.9 | 32.85 |
| Garware Offshore | 453.05 | 31 |
| VXL Instruments | 20.5 | 30.99 |
| Damodar Threads | 10.62 | 30.31 |
| TOP LOSERS | 13-Apr-07 | Var (%) |
| Spice Islands | 1.81 | -15.81 |
| Ganesh Housing | 623.15 | -11.84 |
| Ansal Housing | 384.16 | -11.23 |
| Bimetal Bear. | 83.17 | -11.04 |
| Murli Industries | 476.65 | -10.98 |
| Samtel (India) | 12.27 | -10.31 |
| Transworld Info. | 677.15 | -9.83 |
| Sumeet Inds. | 29.04 | -9.53 |
| Shiv-Vani Oil | 1015.97 | -9.51 |
| | | |
| Lahoti Overseas | 17.66 | -9.39 |

8.3 Market Snapshot - Part III

| Market Capitalisation | | | | | | | | | |
|---|-----------|---------|--|--|--|--|--|--|--|
| Industries | | | | | | | | | |
| TOP GAINERS | 13-Apr-07 | Var (%) | | | | | | | |
| Computers - Education | 4919.28 | 22.43 | | | | | | | |
| Cycles And Accessories | 1206.27 | 16.77 | | | | | | | |
| Entertainment / Electronic Media Software | 60945.16 | 14.91 | | | | | | | |
| Electrodes - Welding Equipment | 906.74 | 14.81 | | | | | | | |
| Domestic Appliances | 1399.06 | 12.99 | | | | | | | |
| Textiles - Composite | 2231.09 | 12.53 | | | | | | | |
| Recreation / Amusement Parks | 45.27 | 12.42 | | | | | | | |
| Steel - Large | 122755.4 | 10.16 | | | | | | | |

| Steel - Sponge Iron | 0.574.40 | |
|--|-----------|---------|
| oteer openige from | 9671.18 | 9.04 |
| Transmisson Line Towers / Equipment | 7073.57 | 8.9 |
| Cables - Power | 1506.82 | 8.87 |
| Finance & Investments | 63230.31 | 8.58 |
| Electric Equipment | 129938 | 8.43 |
| Pesticides / Agrochemicals - Multinational | 3848.86 | 8.41 |
| TOP LOSERS | 13-Apr-07 | Var (%) |
| Textiles - Spinning - Synthetic / Blended | 1299.53 | -9.5 |
| Automobiles - Passenger Cars | 22850.3 | -5.69 |
| Aquaculture | 61.94 | -5.54 |
| Automobiles - Motorcycles / Mopeds | 14422.06 | -5.13 |
| Automobiles - Tractors | 24637.71 | -3.13 |
| Textile Machinery | 3781.09 | -2.93 |
| Cement - South India | 10888.9 | -2.54 |
| Electrodes - Graphites | 1436.32 | -2.44 |
| Detergents / Intermediates | 2675.73 | -1.51 |
| Travel Agencies | 853.04 | -1.02 |
| Bearings | 4206.5 | -0.97 |
| Textiles - Jute - Yarn / Products | 321.94 | -0.8 |
| Construction | 105763.9 | -0.71 |
| Textiles - Silk | 1630.29 | -0.65 |
| Automobiles - LCVs / HCVs | 34047.1 | -0.58 |
| Figures in Rs cr | | |

| | IPO performance | | | | | | | | | | | |
|---------------------|-----------------|-------------------------|----------------|-----------------------|------------------------|-----------------------|----------------------|--------------|--------------------|---|--------------------------------|-----------------------------|
| Company | Issue Close | Times Over Subscb | Offer Price | LIST PRICE Open | LIST Price CLOSE | LIST Price high | LIST Price low | LIST DATE | Price 13-Apr-07 | High / low frm date of listing | Var. (%) frm offer price | Var(%) frm list price |
| ICRA | 23/03/2007 | 73 | 330 | 525 | 798 | 880 | 525 | 13/04/2007 | 798 | 880/525 | 142 | 52 |
| Orbit Corporatio | 23/03/2007 | 4 | 110 | 90 | 128 | 137 | 90 | 12/04/2007 | 154 | 154/90 | 40 | 71 |
| Gremach Infra | 19/03/2007 | 1 | 86 | 92 | 84 | 100 | 81 | 11/04/2007 | 85 | 100/79 | -1 | -8 |
| Astral Poly | 22/02/2007 | 2 | 115 | 115 | 105 | 115 | 100 | 20/03/2007 | 78 | 115/76 | -32 | -32 |
| Jagjanani Text | 23/02/2007 | 2 | 25 | 22 | 23 | 25 | 20 | 19/03/2007 | 22 | 29/19 | -14 | -4 |

| Lawreshwar Poly | 08/02/2007 | 9 | 16 | 16 | 14 | 18 | 14 | 19/03/2007 | 11 | 18-Nov | -32 | -31 |
|---------------------|----------------|--------------|---------------|-------------|---------|-----|-----|------------|-----|----------|-----|-----|
| Abhishek Mills | 01/03/2007 | 1 | 100 | 94 | 91 | 100 | 79 | 19/03/2007 | 59 | 100/50 | -41 | -37 |
| AMD Metplast | 23/02/2007 | 5 | 75 | 65 | 78 | 83 | 65 | 19/03/2007 | 65 | 94/64 | -13 | 0 |
| Page Industries | 27/02/2007 | 1 | 360 | 342 | 282 | 342 | 272 | 16/03/2007 | 329 | 363/241 | -9 | -4 |
| Raj Television | 23/02/2007 | 2 | 257 | 275 | 226 | 275 | 207 | 16/03/2007 | 199 | 275/195 | -23 | -28 |
| Vijayeswari Txt. | 19/02/2007 | 1 | 100 | 90 | 69 | 90 | 65 | 09/03/2007 | 69 | 90/61 | -31 | -24 |
| Idea Cellular | 15/02/2007 | 50 | 75 | 92 | 86 | 94 | 84 | 09/03/2007 | 103 | 104/84 | 37 | 11 |
| Euro Ceramics | 13/02/2007 | 3 | 165 | 151 | 119 | 159 | 115 | 09/03/2007 | 139 | 159/100 | -16 | -8 |
| Mudra Lifestyle | 14/02/2007 | 4 | 90 | 95 | 64 | 95 | 62 | 09/03/2007 | 57 | 95/55 | -36 | -40 |
| Indus Fila | 14/02/2007 | 1 | 170 | 160 | 132 | 160 | 117 | 08/03/2007 | 149 | 161/117 | -12 | -7 |
| Mindtree Consul | 14/02/2007 | 103 | 425 | 599 | 620 | 679 | 575 | 07/03/2007 | 826 | 1022/575 | 94 | 38 |
| Broadcast Init | 14/02/2007 | 2 | 120 | 117 | 69 | 118 | 67 | 07/03/2007 | 60 | 118/55 | -50 | -49 |
| Evinix Accessori | 15/02/2007 | 3 | 120 | 110 | 74 | 128 | 70 | 07/03/2007 | 95 | 128/69 | -21 | -13 |
| Oriental Trimex | 14/02/2007 | 1 | 48 | 42 | 29 | 47 | 28 | 07/03/2007 | 23 | 47/20 | -52 | -46 |
| Indian Bank | 09/02/2007 | 32 | 91 | 105 | 98 | 105 | 77 | 01/03/2007 | 94 | 105/77 | 3 | -11 |
| SMS Pharma | 08/02/2007 | 3 | 380 | 350 | 358 | 390 | 285 | 28/02/2007 | 291 | 395/251 | -23 | -17 |
| Transwarranty Fi | 02/02/2007 | 2 | 52 | 60 | 47 | 63 | 46 | 26/02/2007 | 37 | 63/32 | -30 | -39 |
| C & C Constructi | 09/02/2007 | 20 | 291 | 350 | 240 | 350 | 229 | 26/02/2007 | 169 | 350/158 | -42 | -52 |
| Power Fin. Corp. | 06/02/2007 | 77 | 85 | 104 | 112 | 117 | 104 | 23/02/2007 | 108 | 121/101 | 27 | 4 |
| Firstsource Solu | 02/02/2007 | 49 | 64 | 75 | 80 | 89 | 75 | 22/02/2007 | 75 | 89/62 | 18 | 0 |
| Redington India | 25/01/2007 | 43 | 113 | 140 | 163 | 174 | 125 | 15/02/2007 | 147 | 191/118 | 30 | 5 |
| House of Pearl | 23/01/2007 | 4 | 550 | 500 | 469 | 580 | 445 | 15/02/2007 | 362 | 580/319 | -34 | -28 |
| Cinemax India | 24/01/2007 | 42 | 155 | 175 | 152 | 179 | 145 | 14/02/2007 | 134 | 204/101 | -14 | -24 |
| Technocraft Indu | 23/01/2007 | 11 | 105 | 125 | 101 | 130 | 97 | 12/02/2007 | 92 | 130/77 | -12 | -26 |
| Pochiraju Inds. | 18/01/2007 | 5 | 30 | 45 | 49 | 64 | 35 | 09/02/2007 | 24 | 64/22 | -19 | -46 |
| Price in Rs. Var | (%) From Offer | Price & List | Price is over | Price 13/04 | 1/2007. | | | | | | | |

9 Results

9.1 CMC : System integration segment delivers

System integration segment delivers

Example 2 Related Tables

CMC: Consolidated Results

CMC, the 51% subsidiary of software bellwether TCS, registered strong improvement in operating profit margin (OPM) in the quarter ended March 2007. The expansion of OPM was due to the on-going transformation of CMC's business profile as it concentrates on margin accretive services in line with the company's domain and technology competencies. The share of service revenue as part of the total operating revenue increased to 63% compared with 58% in the March 2006 quarter.

CMC has four distinct strategic business units (SUBs): customer services (CS), system integration (SI), IT-enabled services (ITES), and education and training (E&T).

The SI revenue surged 32% to Rs 116.78 crore (40% of total sales) with profit before interest and tax (PBIT) up 18% to Rs 18.72 crore and comprising 44% of total PBIT in the March 2007 quarter over the December 2006 quarter. Revenue of E&T and ITES also advanced 37% and 74%, respectively, to Rs 13.36 crore (5% of total sales) and Rs 20.81 crore (7% of total sales), respectively. CS reported a degrowth in revenue by 17% to Rs 138.78 crore, accounting for 48% of the total revenue.

Nevertheless, PBIT of CS business surged 30% to Rs 15.14 crore and was 35% of total PBIT. PBIT of ITES was up 440% to Rs 6.37 crore and was 15% of total PBIT. E&T's PBIT zoomed 202% to Rs 2.68 crore in the March 2007 quarter over the December 2006 quarter.

The PBIT margin of ITES skyrocketed to 30.6% in the March 2007 quarter against 9.8% in the March 2006 quarter, E&T's to 20% — up from 9.1%, and CS's 10.9% — up by 400 basis points (bps). However, there was fall in PBIT margin of SI by 200 bps to 16%.

On the back of de-growth in CS by 17%, the overall growth in consolidated sales was restricted at 4% to Rs 289.12 crore in March 2007 quarter over the December 2006 quarter. The improved business mix led to higher OPM, which expanded by 720 bps to 13.2%. The sharp rise in OPM was in spite of the additional bad debt provisioning of Rs 2.5 crore, visa costs of Rs 1.6 crore, and forex loss of Rs 1.7 crore. Operating profit (OP) soared 130% to Rs 38.15 crore. Other income (OI) increased 32% to Rs 1.46 crore.

Interest cost decreased 43% to Rs 58 lakh in March 2007 quarter over the December 2006 quarter. Due to focus on service and trimming Page 90/1 Pl

| CMC: Consolidated Results | | | | | | | | | |
|---------------------------|---------|---------|---------|----------|----------|---------|--|--|--|
| | 0703(3) | 0603(3) | Var.(%) | 0703(12) | 0603(12) | Var.(%) | | | |
| Sales | 289.12 | 277.95 | 4 | 1079.81 | 887.19 | 22 | | | |
| OPM (%) | 13.2 | 6 | | 11.4 | 5.6 | | | | |
| OP | 38.15 | 16.6 | 130 | 123.36 | 49.8 | 148 | | | |
| Other Income | 1.46 | 1.1 | 32 | 5.49 | 4.31 | 27 | | | |
| PBIDT | 39.61 | 17.7 | 124 | 128.84 | 54.1 | 138 | | | |
| Interest | 0.58 | 1.03 | -43 | 3.41 | 3.65 | -6 | | | |
| PBDT | 39.02 | 16.67 | 134 | 125.43 | 50.46 | 149 | | | |
| Depreciation | 2.44 | 2.38 | 2 | 8.26 | 9.11 | -9 | | | |
| PBT | 36.59 | 14.29 | 156 | 117.17 | 41.34 | 183 | | | |
| EO | 3.8 | 0 | | 24.38 | -24.66 | PL | | | |
| PBT After EO | 32.79 | 14.29 | 129 | 92.79 | 66 | 41 | | | |
| Tax | 8.16 | 4.34 | 88 | 23.47 | 17.46 | 34 | | | |
| PAT | 24.63 | 9.95 | 147 | 69.32 | 48.55 | 43 | | | |



9.2 Infosys Technologies: Tax write-back and OI boost bottom line

Tax write-back and OI boost bottom line

Related Tables

Infosys Technologies: Consolidated Results

Infosys Technologies missed its subdued revenue guidance of Rs 3789 crore, reporting operating revenue of Rs 3772 crore in the fourth quarter ended March 2007. It missed the revenue expectation of the market also. However, its earning was in line with expectation.

Infosys and its subsidiaries added 34 new clients in the March 2007 quarter. Of the total 500 (488 in the sequential December 2006 quarter) clients end March 2007, 12 clients contributed more than US\$ 50 million each in annual revenue, with three clients crossing the US\$ 100-million mark and one client US\$ 200 million. The top client's share in the revenue was 8.5% (6.9% in the sequential quarter), the top 5 clients' 21.3% (18.9% in sequential quarter), and the top 10 clients' 33.4% (31% in sequential quarter). The account receivable outstanding in the 12 months ended March 2007 stood at 63 days as against 64 days end December 2006 quarter. Repeat business accounted for 93.3% of the revenue (94.7% sequential quarter).

The gross addition in manpower in the March 2007 quarter was 5,992 employees (net 2,809), totaling 72,241 employees end March 2007. Employee addition in FY2007 was 19,526. The onsite-offshore revenue mix stood at 49.8:50.2 as against 49.2:50.8 in the sequential quarter. Utilisation improved by 40 basis points (bps) to 67.9% including trainees and dipped by 280 bps to 73% excluding trainees.

Cash and cash equivalents including investments in liquid mutual funds were Rs. 6073 crore end March 2007.

There will be senior management changes from 22 June 2007. Nandan Nilekani will become co-chairman, S Gopalakrishnan CEO and Managing Director, and S D Shibulal COO.

Despite a 3.6% growth in volume (4% onsite and 3.4% offshore) and price realisation improvement of 1.8% (1.8% onsite and 1.4% offshore), the 1.75% appreciation of the rupee impacted operating revenue, which grew 3% to Rs 3772 crore in the March 2007 quarter over the sequential December 2006 quarter. Operating profit margin (OPM) dipped by 60 bps to 32.7% mainly due to the rupee appreciation impact of 100 bps.

The resultant operating profit (OP) was stable at Rs 1197 crore in the March 2007 quarter over the December 2006 quarter. Page 93/111

| Infosys Technologies: Consolidated Results | | | | | | | | | |
|--|---------|---------|---------|----------|----------|---------|--|--|--|
| | 0703(3) | 0612(3) | Var.(%) | 0703(12) | 0603(12) | Var.(%) | | | |
| Sales | 3772 | 3655 | 3 | 13893 | 9521 | 46 | | | |
| OPM (%) | 31.7 | 32.7 | | 31.6 | 32.5 | | | | |
| OP | 1197 | 1196 | 0 | 4391 | 3091 | 42 | | | |
| Other income | 119 | 59 | 102 | 372 | 139 | 168 | | | |
| PBIDT | 1316 | 1255 | 5 | 4763 | 3230 | 47 | | | |
| Interest | 0 | 0 | | 0 | 0 | | | | |
| PBDT | 1316 | 1255 | 5 | 4763 | 3230 | 47 | | | |
| Depreciation | 145 | 141 | 3 | 514 | 437 | 18 | | | |
| PBT before EO | 1171 | 1114 | 5 | 4249 | 2793 | 52 | | | |
| Tax | 27 | 130 | -79 | 386 | 313 | 23 | | | |
| PAT | 1144 | 984 | 16 | 3863 | 2480 | 56 | | | |
| EO | -1 | 0 | | -4 | 1 | | | | |
| PAT after EO | 1145 | 984 | 16 | 3867 | 2479 | 56 | | | |
| Minority interest | 1 | 1 | 0 | 11 | 21 | | | | |
| Net profit | 1144 | 983 | 16 | 3856 | 2458 | 57 | | | |
| EPS (Rs)* | 79.9 | 68.7 | | 67.3 | 43 | | | | |

* Annualized on current equity of Rs 286 crore. Face value: Rs 5. Var. (%) exceeding 999 has been truncated to 999. LP: Loss to Profit. PL: Profit to Loss. EO: Extraordinary items. EPS is calculated after excluding EO and relevant taxes. Figures in Rs crore. Source: Capitaline Corporate Database.

10 Market Report : Looking ahead

Market bounces back ahead of the earning season

Example 2 Related Tables

Sensex snapshot

How the indices have fared

FIIs, MFs buy and sell

Pulls and pressures

The year to date

The year to date

Big-ticket trades

After falling steeply in February 2007, the market had turned lacklustre in March 2007. Higher levels attracted selling pressure and short covering was seen after steep declines. The market, however, sprang back to life just ahead of the commencement of the earning reporting season. The 617-point plunge in a single trading session on 2 April 2007 as a result of Reserve Bank of India's (RBI) surprise hike in short-term interest rate and the cash reserve ratio (CRR) was brushed aside and the market was on the road to sustained recovery in the first fortnight of April 2007. Firm global markets and resumption in buying by foreign institutional investments (FIIs) aided the rebound.

Some of the key takeaways in the fortnight ended 13 April 2007 were:

- * The Indian rupee surged to an eight-year high 42.51/52 to a US dollar on 13 April 2007.
- * A number of banks raised their benchmark prime lending rates following RBI's surprise repo-rate hike on 30 March 2007.
- * Infosys gave muted earning growth guidance for FY 2008 on 13 April 2007
- * Industrial production rose 11% per annum in February 2007, from a year earlier. This was slightly lower than the upwardly revised annual growth of 11.4% in January 2007. Manufacturing production, representing more than 75% of the industrial output, increased 12.3% per annum in February 2007 from a year earlier, compared with a revised 12.1% annual growth in January 2007.
- * The government abolished 16% countervailing duty (CVD) and an additional 4% customs duty on portland cement on 3 April 2007.

 Page 96/111

| Sensex snapshot | | | | | | | |
|----------------------------------|-----------|---------|--|--|--|--|--|
| | | Var(%)* | | | | | |
| Current (13 April-07) | 13,384.08 | - | | | | | |
| Lifetime closing high (8 Feb-07) | 14,652.09 | -8.65% | | | | | |
| End of calendar 2006 | 13,786.91 | -2.92% | | | | | |
| One-year ago (13 April-06) | 11,237.23 | 19.1 | | | | | |
| * As on 13 April 2007 | | | | | | | |

| How the indices have fared | | | | | | | |
|----------------------------|-----------|--------------------|-------|---------|-------|--|--|
| | | Variation over (%) | | | | | |
| | 13-Apr-07 | Fortnight | Month | Quarter | Year | | |
| BSE 30 | 13384.08 | 2.4 | 3.1 | -4.8 | 19.1 | | |
| NIFTY (S&P CNX) | 3917.35 | 2.5 | 3.9 | -3.3 | 17.1 | | |
| BSE 500 | 5098.8 | 2.9 | 3.8 | -5.1 | 13.3 | | |
| BSE IT Sector | 5071.72 | 3.5 | 0.7 | -5.2 | 30.2 | | |
| BSE FMCG Sector | 1773.96 | 2 | 6.7 | -8 | -18.3 | | |
| BSE Capital Goods | 9470.97 | 4.4 | 7 | 3.8 | 14.2 | | |
| BSE Healthcare | 3686.61 | 1 | 4.7 | -4.8 | -3.6 | | |
| BSE PSU | 6098.85 | 3 | 7.6 | -1.9 | 1.3 | | |
| BANKEX | 6639.84 | 1.5 | 1.5 | -10.1 | 30 | | |
| CNX IT | 5353.4 | 3.3 | 0.7 | -4.4 | 29.3 | | |
| BSE Auto | 4818.16 | -1 | -2.6 | -14.5 | -7.9 | | |
| BSE Metal | 9303.65 | 9.6 | 13.1 | 3 | -1.1 | | |
| BSE Oil&Gas | 6565.45 | 2.3 | 5.7 | 0.1 | 30.4 | | |
| BSE Mid-Cap | 5576.5 | 3.6 | 4.2 | -6.7 | 3.8 | | |
| BSE Small-Cap | 6756.46 | 4.4 | 5 | -8.3 | 0.3 | | |

| FIIs, MFs buy and sell | | | | | | |
|--------------------------------------|-----|----|--|--|--|--|
| Institutional investment in Rs crore | | | | | | |
| | FII | MF | | | | |

| 02-Apr-07 | 840.8 | 70.5 |
|-----------|--------|--------|
| 03-Apr-07 | -473.5 | -102.1 |
| 04-Apr-07 | -169.9 | -138.1 |
| 05-Apr-07 | -2.2.0 | 41 |
| 09-Apr-07 | 567.5 | 46.3 |
| 10-Apr-07 | 569.4 | -470.1 |
| 11-Apr-07 | 402.6 | 289.4 |
| 12-Apr-07 | 101.9 | -21 |
| 13-Apr-07 | 55.2 | 199.8 |

| Pulls and pressures | | | | | |
|-------------------------------|------------|------------|--------|--|--|
| Movement of the Sensex stocks | | | | | |
| | 13/04/2007 | 30/03/2007 | VAR(%) | | |
| Tata Steel | 511.25 | 449.6 | 13.7 | | |
| BHEL | 2479.55 | 2260.75 | 9.7 | | |
| Grasim Industries | 2287.6 | 2091.25 | 9.4 | | |
| Hindalco Industries | 140.05 | 130.3 | 7.5 | | |
| NTPC | 157.4 | 149.75 | 5.1 | | |
| Infosys Tech | 2087.6 | 2012.6 | 3.7 | | |
| HDFC Bank | 979.35 | 949.4 | 3.2 | | |
| Reliance Industries | 1410.65 | 1368.35 | 3.1 | | |
| HDFC | 1561.1 | 1520.35 | 2.7 | | |
| TCS | 1262.65 | 1231.2 | 2.6 | | |
| Satyam Computer | 481.55 | 470.1 | 2.4 | | |
| Bharti Airtel | 781.1 | 763.2 | 2.3 | | |
| ICICI Bank | 872.6 | 853.1 | 2.3 | | |
| ITC | 153.2 | 150.4 | 1.9 | | |
| ACC | 748.1 | 734.65 | 1.8 | | |
| Gujarat Ambuja | 108.55 | 106.7 | 1.7 | | |
| Wipro | 567.65 | 558.35 | 1.7 | | |
| Reliance Energy | 502.85 | 495.15 | 1.6 | | |
| Hindustan Lever | 207.15 | 205.25 | 0.9 | | |
| Bajaj Auto | 2444.1 | 2425.45 | 0.8 | | |
| State Bank of India | 999.3 | 992.9 | 0.6 | | |
| Reliance Commn | 421.5 | 420 | 0.4 | | |
| Tata Motors | 725.65 | 727.75 | -0.3 | | |

| Larsen & Toubro | 1611.65 | 1619.15 | -0.5 |
|-----------------|---------|---------|------|
| ONGC | 872 | 878.15 | -0.7 |
| Cipla | 232.25 | 235.7 | -1.5 |
| Dr Reddy's Lab | 713.1 | 727.5 | -2 |
| Ranbaxy Lab | 334.7 | 352.6 | -5.1 |
| Hero Honda | 648.15 | 685.15 | -5.4 |
| Maruti Udyog | 772.45 | 819.7 | -5.8 |
| Figures in Rs | | | |

| The year to date | | | | |
|---------------------------|------------|----------------|--|--|
| Top Gainers | | | | |
| | Price | VAR.(%) | | |
| NAME | 13/04/2007 | over | | |
| | (Rs) | 30/03/06 Price | | |
| A | | | | |
| Adani Enterprises Ltd | 221.5 | 274.47 | | |
| CMC Ltd | 1258.45 | 134.63 | | |
| Bharti Airtel Ltd | 781.1 | 97.27 | | |
| Ipca Laboratories Ltd | 623.7 | 79.82 | | |
| Kotak Mahindra Bank Ltd | 489.15 | 78.39 | | |
| B1 | | | | |
| Jai Corp Ltd | 2234.85 | 1213.84 | | |
| Kaashyap Technologies Ltd | 1.9 | 1166.67 | | |
| Isibars Ltd | 9.08 | 980.95 | | |
| Unitech Ltd | 353 | 549.37 | | |
| Educomp Solutions Ltd | 1327.2 | 281 | | |
| B2 | | | | |
| Rasoya Proteins Ltd | 120.45 | 2409.38 | | |
| Ritesh Industries Ltd | 47.45 | 1255.71 | | |
| Mahalaxmi Rubtech Ltd | 69.5 | 1163.64 | | |
| Vas Infrastructure Ltd | 70.85 | 800.25 | | |
| IOL Broadband Ltd | 434 | 571.31 | | |

| | The year to date | |
|------------|------------------|--|
| Top Losers | | |

| | Price | VAR.(%) |
|-------------------------------|------------|----------------|
| NAME | 13/04/2007 | over |
| | (Rs) | 30/03/06 Price |
| A | | |
| TVS Motor Company Ltd | 57.9 | -62.28 |
| Arvind Mills Ltd | 46.75 | -52.78 |
| Ramco Systems Ltd | 125.2 | -42.67 |
| Engineers India Ltd | 467.45 | -42.67 |
| Birla Corporation Ltd | 202.25 | -39.81 |
| B1 | | |
| Sutlej Industries Ltd | 74.35 | -77.14 |
| Upper Ganges Sugar & Inds. | 86.45 | -77.12 |
| Marksans Pharma Ltd | 66.65 | -72.36 |
| Nova Petrochemicals Ltd | 18.11 | -71.39 |
| Shree Renuka Sugars Ltd | 446.3 | -70.67 |
| B2 | | |
| Dhampur Sugar (Kashipur) Ltd | 12.31 | -78.33 |
| Oudh Sugar Mills Ltd | 63.6 | -72.16 |
| Hotline Teletube & Components | 4.54 | -69.01 |
| Kedia Infotech Ltd | 0.59 | -68.62 |
| Empee Sugars & Chemicals Ltd | 8.72 | -68.52 |

| Big-ticket trades | | | | | | | |
|-----------------------------------|---------------------------|-------------|----------|--------------|--|--|--|
| Bulk deals on BSE in the fortnigh | t ended 13 April 2007* | | | | | | |
| Scrip Name | Client Name | Deal * Type | Quantity | Price (Rs)** | | | |
| 12/04/2007 | | | | | | | |
| ABG SHIPYARD | NEW YORK LIFE INVESTMENT | . S | 277000 | 350.01 | | | |
| BHAGYA INL | CITIGROUP GLOBAL MARKETS | В | 450373 | 42.56 | | | |
| CAMLIN FINE | KMUK UK ATYANT CAPITAL IN | В | 40000 | 55.94 | | | |
| COUNTRY CLUB | MACQUARIE BANK LIMITED | В | 48207 | 243 | | | |
| COUNTRY CLUB | VITRUVIUS EMERGING MARKET | s S | 48000 | 243 | | | |
| HEXAWARE LTD | DWS INVESTMENT S.A | В | 2055000 | 165.85 | | | |
| HEXAWARE LTD | UBS SECURITIES ASIA LTD. | S | 2054474 | 165.85 | | | |

| SURANA CORPR | THE INDIAMAN MAURITIUS LT | В | 1085634 | 24.37 |
|---------------|---------------------------|---|---------|--------|
| 11/04/2007 | | | | |
| BHAGYA INL | CITIGROUP GLOBAL MARKETS | В | 550000 | 40.07 |
| GREMAC INFRA | UBS SECURITIES ASIA LTD. | S | 1250060 | 85.49 |
| KEW INDUSTR | CLSA MAURITIUS LTD | В | 69000 | 34.48 |
| LOK HOUSI CO | SOCIETE GENERALE | В | 59000 | 163 |
| NAVIN FLUORI | HDFC TRUSTEE CO LTD | S | 129556 | 340 |
| S. KUMARS NAT | CITIGROUP GLOBAL MKTS MAU | В | 965000 | 78 |
| SPANC TELESY | TATA MUTUAL FUND | В | 115000 | 223 |
| SPANC TELESY | TATA MUTUAL FUND | В | 107000 | 223 |
| SPANC TELESY | TATA MUTUAL FUND | В | 100000 | 223 |
| SPANC TELESY | RELIANCE CAPITAL LIMITED | S | 526666 | 223.27 |
| 10/04/2007 | | | | |
| ABG SHIPYARD | MIRAE ASSET INVESTMENT MA | В | 342228 | 368.49 |
| COUNTRY CLUB | MACQUARIE BANK LIMITED | В | 119058 | 213 |
| EASUNREYRL | BLACK STONE ASIA ADVISER | В | 17000 | 603.24 |
| K S OILS LTD | GRANTHAM AC GMO EMERGING | S | 153899 | 285.37 |
| LOK HOUSI CO | SOCIETE GENERALE | В | 73117 | 161.03 |
| TULIP STAR H | SEAGLIMPSE INVESTMENTS PV | S | 24000 | 73.25 |
| 09/04/2007 | | | | |
| ADHUNIK MET | MORGAN STANLEY AND CO INT | В | 500000 | 37.25 |
| AMAR REMEDIE | BSMA LIMITED | S | 400000 | 32.09 |
| PARAMO COMMU | GOLDMAN SACHS INVESTMENT | S | 400000 | 27.24 |
| SPANC TELESY | RELIANCE CAPITAL LIMITED | S | 800000 | 199.68 |
| SQL STAR INT | INDUSTRIAL INVESTMENT TRU | В | 72000 | 46 |
| ULTRAMAR PIG | NATIONAL INSURANCE CO.LTD | S | 150000 | 42.72 |
| 05/04/2007 | | | | |
| AMAR REMEDIE | BSMA LIMITED | S | 215000 | 32.07 |
| INDBUL REAL | MERRILL LYNCH CAPITAL MAR | S | 1300000 | 264.04 |
| K S OILS LTD | GRANTHAM AC GMO EMERGING | S | 224750 | 299.02 |
| 04/04/2007 | | | | |
| ATLANTA | DEUTSCHE SECURITIES MAURI | В | 150000 | 231.05 |
| FEDDERS LLYO | MORGAN STANLEY DEAN WITTE | В | 320000 | 125 |
| 03/04/2007 | | | | |
| GRANULES IND | CITIGROUP GLOBAL MARKETS | В | 100000 | 109.53 |
| HBL P SYS | SONATA INVESTMENTS LIMITE | В | 1009665 | 203 |
| HBL P SYS | FIDELITY INVESTMENT INTER | S | 1009800 | 203 |
| IVRCL INF PR | OPPENHEIMER INT. SMALL CO | S | 730000 | 249.71 |
| | | | | |

| NAVIN FLUORI | HDFC TRUSTEE CO LTD ACCOU | S | 76070 | 330.11 | |
|---|---------------------------|---|--------|--------|--|
| SAKTH SUGAL | MORGAN STANLEY AND CO INT | В | 161000 | 105 | |
| SHIVA CEMENT | HSBC FINANCIAL SERVICES M | S | 341613 | 8.5 | |
| SUP SYNCOT I | IDBI LTD | S | 74480 | 2.27 | |
| 02/04/2007 | | | | | |
| AMBIKA COTON | RELIANCE CAPITAL ASSET MA | S | 80000 | 140 | |
| DEV CRBANK | HSBC FINANCIAL SERVICES M | В | 907100 | 65.3 | |
| DEV CRBANK | ABN AMRO BANK NV LONDON B | S | 905000 | 64.46 | |
| GRANULES IND | CITIGROUP GLOBAL MARKETS | В | 83000 | 102.31 | |
| IND INFOLINE | UBS SECURITIES ASIA LTD | В | 250000 | 349.69 | |
| *B - Buy, S - Sell. ** = Weighted Average Trade Price / Trade Price. *Only institutional deals taken into consideration | | | | | |

11 Stock Watch

11.1 Watch List

The following are fundamentally strong companies identified by Capital Market analysts. The list is constantly reviewed and updated, adding scrips with upward potential and removing those that have, in our opinion, exhausted their run.



| Company | Ind. | Price (Rs) | TTM | TTM | D/F |
|-----------------|------|------------|--------|----------|------|
| | No. | 16.04.07 | YEAR | EPS (Rs) | P/E |
| 3i Infotech | 28 | 264 | 200612 | 8.5 | 31.1 |
| АВВ | 39 | 3734 | 200612 | 80.3 | 46.5 |
| Ador Welding | 41 | 219 | 200612 | 25.5 | 8.6 |
| Agro Tech Foods | 83 | 86 | 200612 | 4.7 | 18.5 |

| Ashok Leyland | 5 | 38 | 200612 | 3.1 | 12.5 |
|------------------|-----|------|--------|-------|------|
| Asian Paints | 63 | 806 | 200612 | 25.8 | 31.3 |
| Atlas Copco (I) | 25 | 750 | 200612 | 31.2 | 24 |
| Aventis Pharma | 73 | 1218 | 200612 | 73.5 | 16.6 |
| BHEL | 39 | 2547 | 200612 | 87 | 29.3 |
| Bajaj Auto | 8 | 2481 | 200612 | 119.2 | 20.8 |
| Bajaj Electric | 36 | 419 | 200612 | 40.5 | 10.4 |
| Ballarpur Inds. | 64 | 110 | 200703 | 14.2 | 7.8 |
| Balmer Law. Inv. | 50 | 91 | 200612 | 4.2 | 21.9 |
| BASF India | 22 | 197 | 200612 | 19 | 10.4 |
| Beck India | 22 | 304 | 200612 | 21.3 | 14.3 |
| Bharat Bijlee | 39 | 1363 | 200612 | 71.4 | 19.1 |
| Bharat EarthMove | 44 | 1002 | 200612 | 52.8 | 19 |
| Bharat Electro. | 43 | 1764 | 200612 | 79.9 | 22.1 |
| Bharat Forge | 17 | 317 | 200612 | 10.5 | 30.3 |
| Biocon | 70 | 522 | 200612 | 14.3 | 36.4 |
| Blue Star | 2 | 218 | 200612 | 7 | 31.2 |
| BOC India | 22 | 130 | 200612 | 9.5 | 13.7 |
| Castrol India | 22 | 237 | 200612 | 10.3 | 23 |
| CCL Products | 89 | 328 | 200612 | 31.6 | 10.4 |
| Century Textiles | 107 | 572 | 200612 | 21.8 | 26.3 |
| Clariant Chemica | 22 | 280 | 200612 | 26.7 | 10.5 |
| CMC | 26 | 1201 | 200703 | 42.3 | 28.4 |
| Colgate Palm. | 66 | 356 | 200612 | 13.3 | 26.8 |
| CRISIL | 106 | 3059 | 200612 | 46.6 | 65.6 |
| Cromp. Greaves | 39 | 214 | 200612 | 4.7 | 45.4 |
| Cummins India | 46 | 289 | 200612 | 11.6 | 25 |
| Deepak Fert. | 49 | 85 | 200612 | 9.5 | 8.9 |
| Deepak Nitrite | 22 | 137 | 200612 | 15.6 | 8.8 |
| DIC India | 77 | 174 | 200612 | 14.5 | 12 |
| Dr Reddy's Labs | 70 | 714 | 200612 | 53.4 | 13.4 |
| Eimco Elecon | 44 | 275 | 200612 | 15 | 18.3 |
| Engineers India | 45 | 474 | 200612 | 24.8 | 19.1 |
| Esab India | 41 | 363 | 200612 | 27.7 | 13.1 |
| Fag Bearings | 13 | 607 | 200612 | 44.3 | 13.7 |
| Foseco India | 22 | 355 | 200612 | 23 | 15.4 |
| GlaxoSmith C H L | 54 | 515 | 200612 | 28.8 | 17.9 |
| Glaxosmithkline | 73 | 1158 | 200612 | 37.8 | 30.6 |
| | | | | | |

| Godrej Consumer | 65 | 165 | 200612 | 5.4 | 30.7 |
|------------------|-----|------|--------|-------|------|
| Goodyear India | 105 | 149 | 200612 | 19.6 | 7.6 |
| Grasim Inds. | 107 | 2377 | 200612 | 139.1 | 17.1 |
| Guj. Gas Company | 106 | 1317 | 200612 | 66.7 | 19.8 |
| Gujarat Apollo I | 44 | 125 | 200612 | 14.3 | 8.7 |
| HDFC | 51 | 1579 | 200612 | 55.4 | 28.5 |
| H T Media | 47 | 180 | 200612 | 4.6 | 39.6 |
| HDFC Bank | 12 | 972 | 200612 | 33.2 | 29.3 |
| Hercules Hoists | 44 | 1558 | 200612 | 103 | 15.1 |
| Hind.Construct. | 31 | 99 | 200612 | 3.5 | 28.1 |
| Honda Siel Power | 39 | 187 | 200612 | 16.6 | 11.3 |
| Honeywell Auto | 43 | 1648 | 200703 | 68.6 | 24 |
| I-Flex Solutions | 27 | 2346 | 200612 | 42 | 55.9 |
| Indian Hotels | 57 | 148 | 200612 | 4.3 | 34.7 |
| Indian Hume Pipe | 20 | 450 | 200612 | 30.1 | 14.9 |
| Indraprastha Gas | 106 | 95 | 200612 | 9.1 | 10.4 |
| Infosys Tech. | 27 | 2128 | 200703 | 66.7 | 31.9 |
| Ingersoll-Rand | 25 | 277 | 200612 | 15.3 | 18.2 |
| Intl. Combustion | 44 | 278 | 200612 | 32.6 | 8.5 |
| KCP | 19 | 229 | 200612 | 31.5 | 7.3 |
| Kalpataru Power | 102 | 1147 | 200612 | 47.7 | 24.1 |
| Karur Vysya Bank | 12 | 260 | 200612 | 28.1 | 9.3 |
| Kirl. Oil Engine | 46 | 255 | 200612 | 15.7 | 16.2 |
| KPIT Cummins Inf | 28 | 141 | 200612 | 4.9 | 28.9 |
| Lanxess ABS | 69 | 150 | 200612 | 15 | 10 |
| Larsen & Toubro | 45 | 1660 | 200612 | 38.7 | 42.9 |
| M & M | 7 | 762 | 200612 | 37.8 | 20.2 |
| MICO | 10 | 3376 | 200612 | 138.2 | 24.4 |
| Monsanto India | 68 | 1370 | 200612 | 66.7 | 20.5 |
| Nestle India | 54 | 1008 | 200612 | 32.7 | 30.8 |
| Nicholas Piramal | 70 | 261 | 200612 | 9.2 | 28.5 |
| Orchid Chem. | 71 | 282 | 200612 | 13.9 | 20.3 |
| Paper Products | 62 | 338 | 200612 | 22.4 | 15.1 |
| Petron Engg. | 45 | 142 | 200612 | 9 | 15.8 |
| Porritts&Spencer | 97 | 210 | 200612 | 22.1 | 9.5 |
| Ranbaxy Labs. | 70 | 338 | 200612 | 10.9 | 31 |
| Raymond | 97 | 337 | 200612 | 18.8 | 17.9 |
| Reliance Communi | 90 | 437 | 200612 | 6.3 | 69.4 |
| | | | | | |

| Reliance Inds. | 80 | 1460 | 200612 | 75.2 | 19.4 |
|-------------------------|-----|------|--------|-------|------|
| S E Asia Marine | 82 | 200 | 200612 | 17.2 | 11.6 |
| Shanthi Gears | 44 | 63 | 200612 | 4.2 | 15.1 |
| Shree Cement | 18 | 946 | 200612 | 57.1 | 16.6 |
| Siemens | 43 | 1133 | 200612 | 24.1 | 47 |
| SKF India | 13 | 328 | 200612 | 18.6 | 17.6 |
| St Bk of Bikaner | 11 | 3389 | 200612 | 476.2 | 7.1 |
| St Bk of India | 11 | 1014 | 200612 | 74.1 | 13.7 |
| Steelcast | 17 | 272 | 200612 | 30.3 | 9 |
| Sundram Fasten. | 48 | 66 | 200612 | 4 | 16.6 |
| Tata Chemicals | 49 | 212 | 200612 | 19.3 | 11 |
| Tata Elxsi | 28 | 339 | 200612 | 15.3 | 22.2 |
| Tata Motors | 5 | 750 | 200612 | 46.5 | 16.2 |
| TCS | 27 | 1280 | 200612 | 35.9 | 35.7 |
| Thermax | 44 | 426 | 200612 | 15.9 | 26.8 |
| Torrent Cables | 15 | 169 | 200612 | 22.9 | 7.4 |
| TRF | 44 | 543 | 200612 | 26 | 20.9 |
| Unichem Labs. | 70 | 265 | 200612 | 23.2 | 11.4 |
| UTI Bank | 12 | 469 | 200612 | 21.3 | 22 |
| Valecha Eng. | 31 | 242 | 200612 | 19.4 | 12.5 |
| Vesuvius India | 81 | 235 | 200612 | 12.6 | 18.7 |
| Voltas | 107 | 87 | 200612 | 2.8 | 31.3 |
| VST Till. Tract. | 7 | 134 | 200612 | 20 | 6.7 |
| Wockhardt | 70 | 426 | 200612 | 24.2 | 17.6 |
| TTM: Trailing 12 months | | | | | |

11.2 Larsen & Toubro : Proxy play on India's growth story

Proxy play on India's growth story

The powerful infrastructure player is now preparing for big growth in the power, shipping, IT and other sectors as well

Related Tables

L&T: Standalone Financials

Larsen and Toubro (L&T), South-East Asia's largest engineering and construction conglomerate with interests in IT and electrical business, has 18 Indian subsidiaries, six foreign subsidiaries and 26 associate companies. The fastest growing subsidiaries are L&T Infotech, L&T Finance, HPL Cogeneration, L&T Oman and L&T Electromech.

L&T's business can be categorised into three segments: engineering & construction (E&C), electrical & electronics (EBG), and diversified businesses/others.

L&T is best placed to exploit the maximum potential of big-ticket projects as it satisfies basic requirements such as balance-sheet size, past track record, technical know-how and has adequate liquidity. L&T is, in a sense, a proxy play on India's capex and infrastructure growth story.

Total net consolidated revenue of L&T increased 20% to Rs 14121 crore and profit before tax (PBT) was up 88% to Rs 1517 crore in the nine month ended December 2006. After accounting for taxation (Rs 420 crore, up 75%), share of profit in associate companies (Rs 67 crore, up 43%) and minority interest (Rs 65 crore, up 103%), the profit after tax (PAT) before extraordinary items (EO) (net of tax) was higher 89% to Rs 1099 crore. The EO on account of divestures and others was higher by 65% to Rs 430 crore. Spurred by this, the net profit surged 82% to Rs 1529 crore.

The E&C order booking, at Rs 8172 crore, was higher by 26% in the December 2006 quarter over the December 2005 quarter. The share of international orders booked was around 12% of the total orders booked. Cumulative order booking for the E&C division rose 43% at Rs 19127 crore in the nine months ended December 2006. The order backlog of the E&C business was Rs 34142 crore end December 2006.

L&T has signed a definitive agreement to acquire GDA Technologies and all of its design centers in the US and India. The privately-held electronic design firm based in California, US, is one of the fastest growing companies in the Silicon Valley. GDA has expertise in various semiconductor developments from front-end design to physical design for deep sub-micron process technologies.

| L&T: Standalone Financials | | | | | |
|--|--|---|--|--|--|
| 0603 (12) | | 0703 (12P) | 0803 (12P) | | |
| Sales | 14733.85 | 17580.6 | 20920.91 | | |
| OPM (%) | 7 | 9.5 | 10 | | |
| OP | 1038.43 | 1663.7 | 2092.09 | | |
| PBIDT | 1503.21 | 2041.85 | 2489.15 | | |
| Interest | 75.07 | 52.6 | 42.08 | | |
| PBDT | 1428.14 | 1989.25 | 2447.07 | | |
| Dep. | 114.49 | 140.2 | 168.24 | | |
| PBT | 1313.65 | 1849.05 | 2278.83 | | |
| Reported PAT | 1012.14 | 1220.37 | 1504.03 | | |
| PAT Excl. EO (net of tax) | 942.39 | 1220.37 | 1504.03 | | |
| EPS (Rs)* | 33.6 | 43.5 | 53.6 | | |
| Conolidated EPS (Rs)* | 37.4 | 63.2 | 78.6 | | |
| * Appublication current equity of De EC 10 | crore Face Values Rs 2 (R), Projections EO | . Extraordinary itama *EDC is calculated at | ton evaluding EO not of toy. Figures in De | | |

^{*} Annualised on current equity of Rs 56.18 crore. Face Value: Rs 2. (P): Projections.EO: Extraordinary items. *EPS is calculated after excluding EO net of tax. Figures in Rs crore. Source: Capitaline Corporate Databases

12 Capitaline Corner : Bajaj Electricals : Glowing bright

Well positioned to capitalise on the growing demand for electrical products and projects from consumer, industrial and infrastructure segments

Example 2 Related Tables

Bajaj Electricals: Financials

Bajaj Electricals, part of the Shekhar Bajaj group (promoter holding: 67.49%), is a leading player in lighting, consumer durables, and engineering and projects. Lighting consists of lamps, tubes, and luminaires. Consumer durables cover appliances and fans. Engineering and projects comprise transmission line towers, highmasts, poles and special projects including rural electrification projects.

Through both organic and inorganic growth strategies, Bajaj Electricals aims to reach the targeted turnover of Rs 2000 crore in 2010, from around Rs 1000 crore expected in FY2007.

The engineering and projects business will play an important role. Currently, this segment accounts for just over 25% of the total revenue. Contribution from this business unit (BU) will increase along with the rise in revenue. Over the last two years, BU has diversified into signages and rural electrification projects. Its other significant contributions include the successful completion of the Rs 8-crore project for lighting of the National Games in Assam. In addition, it has provided octagonal poles and highmasts for lighting the national highways, high-mast lighting for leading oil refineries, and thermal-power-station lighting packages.

Besides bagging orders to light up the 2007 National Games in Guwahati, Bajaj Electricals will also light up the 2008 National Games at Ranchi in Jharkhand. The company is one of the front-runners for lighting up New Delhi for the Commonwealth Games 2010. The Rs 500-crore project includes illumination of streets, stadiums and games villages. The company is planning to decorate the capital with designed lamps of various hues and high masts.

Bajaj Electricals plans to invest Rs 30 crore in its Ranjangaon's facility in Maharashtra to raise the processing capacity from 30,000 tonnes of steel to 50,000 tonnes. The plant will also cater to the hot dip galvanising needs of the infrastructure sector, particularly in Maharashtra and neighbouring states. The company supplies masts of 11-60-metre height. It has a market share of over 65% in this business. It had supplied complete turnkey solutions comprising high masts and lights to the Chennai port and the Guwahati stadium. The company sees opportunity in urban projects undertaken by various municipal corporations. Using of pole-hoisted signages by petrol stations is also a major boost for its business. There is also huge scope in the TLT and other lattice structures businesses.

Till recently, Bajaj Electricals was manufacturing just power transmission towers. It recently entered into erection and commissioning of

| Bajaj Electricals: Financials | | | | | |
|-------------------------------|----------|----------|----------|-----------|--|
| | 0403(12) | 0503(12) | 0603(12) | 0703(12P) | |
| Net Sales | 506.92 | 649.63 | 845.4 | 1046.38 | |
| OPM (%) | 5.2 | 6.8 | 8.1 | 8.5 | |
| OP | 26.3 | 43.92 | 68.89 | 88.55 | |
| Other inc. | 3.39 | 1.62 | 2.81 | 4.35 | |
| PBIDT | 29.69 | 45.54 | 71.7 | 92.9 | |
| Interest | 18.65 | 16.38 | 17.96 | 24.19 | |
| PBDT | 11.04 | 29.16 | 53.74 | 68.7 | |
| Dep. | 6.02 | 5.99 | 6.38 | 7.16 | |

| PBT | 5.02 | 23.17 | 47.36 | 61.55 |
|--------------|-------|-------|-------|-------|
| EO | 11.7 | -1.38 | -0.38 | -0.45 |
| PBT after EO | 16.72 | 21.79 | 46.98 | 61.1 |
| Tax | 5.36 | 7.95 | 17.15 | 23.18 |
| PAT | 11.36 | 13.84 | 29.83 | 37.92 |
| EPS (Rs)* | 3.9 | 15.7 | 33.7 | 44.2 |

^{*} Annualised on current equity of Rs 8.64 crore. Face Value: Rs 10. (P): Projections. EO: Extra Ordinary items. Figures in Rs crore. Source: Capitaline Corporate Databases.