investor's eye

Index

Take Five

Scrip	Reco Date	Reco Price	CMP	Target
Glenmark	17-Jul-08	599	**635**	754
Genus Power	06-Jul-05	101	**299**	502
India Cement	28-Sep-06	220	**145**	260
L&T	18-Feb-08	3,536	**2,695**	4,044
Opto Circuits	13-May-08	338	**351**	460

Sharekhan Ltd
A-206, Phoenix House, 2nd Floor, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India.

Crompton Greaves

Apple Green

Stock Update

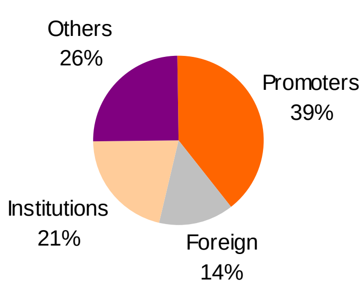
Annual report review

Buy; CMP: Rs253

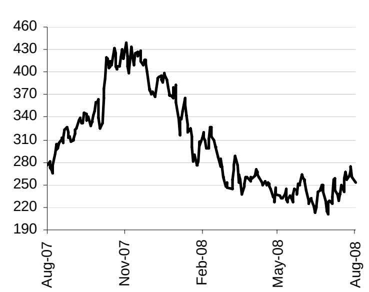
Company details

Price target:	Rs367
Market cap:	Rs9,269 cr
52 week high/low:	Rs454/195
NSE volume: (No of shares)	5.7 lakh
BSE code:	500093
NSE code:	CROMPGREAVE
Sharekhan code:	CROMPTON
Free float: (No of shares)	22.2 cr

Shareholding pattern



Price chart



Price performance

(%)	1m	3m	6m	12m
Absolute	14.1	14.3	-15.4	-13.0
Relative to Sensex	3.0	30.8	1.2	-12.4

Key points

- During FY2008, the overseas power system business of Crompton Greaves Ltd (CGL) reported a 28% year-on-year (y-o-y) growth in its revenues to Rs2,959.7 crore, aided by strong performance of its key subsidiaries Pauwels and Ganz. The profit before interest and tax (PBIT) margin of the division was down 10 basis points to 6.1%, as Ganz reported loss in the last year, however the same is expected to breakeven in FY2009.
- The company has concluded a capital expenditure (capex) of Rs283.4 crore during the financial year. The majority of capex (Rs209 crore) has been incurred in the overseas power system business, as the company concluded acquisition of Microsol. The return on capital employed (ROCE) of the power system division improved from 26.6% to 31.3%. However further analysis shows a significant improvement in the RoCE (62.9% in FY2008 as against 43% in FY2007) of the domestic power business, which led to an improvement in the entire business unit.
- Highlighting the key balance sheet items, the debt of the consolidated entity reduced by Rs62.5 crore mainly on account of repayment of loans of the stand-alone company. CGL continued its efficient working capital management. The working capital (net of cash) was at 27.5 days of sales vis-à-vis 30.2 days in FY2007.
- The management indicated that with higher capital efficiency, inventory turns and cost minimisation, the company will focus on achieving higher growth rate both organically as well as though strategic acquisition. However, the management remained cautious on the global economy outlook and the subsequent slowdown in the demand from the USA, UK and the Euro zone.
- We reiterate CGL as our top preferred pick and continue to remain upbeat about the company's business prospects. We recommend a Buy on the stock with a price target of Rs367. At the current market price, the stock trades at price to earnings (P/E) of 15.9x and 12.6x our FY2009E and FY2010E earnings respectively.

Valuation table

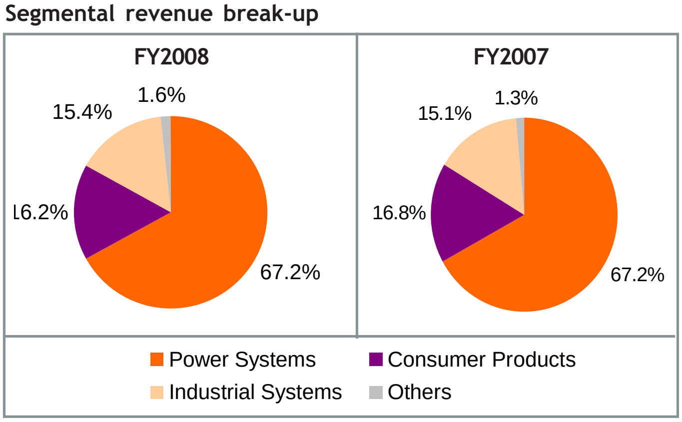
Particulars	FY2006	FY2007	FY2008	FY2009E	FY2010E
Net sales (Rs cr)	4,131.4	5,639.6	6,832.3	8,315.3	9,995.9
Net profit (Rs cr)	228.9	281.9	405.0	520.0	659.5
EPS (Rs)	8.9	7.8	11.2	14.3	18.1
% yoy growth		-	*43.0*	*27.9*	*26.8*
PER	25.7	29.2	20.4	15.9	12.6
P/B	7.6	8.6	7.1	5.3	3.9
EV/EBIDTA	16.6	18.5	13.1	10.6	8.4
RoCE (%)	32.2	31.6	33.8	34.9	35.6
RoNW (%)	29.5	29.6	31.5	29.8	28.2

Revenues—overseas markets contribute 18%

For stand-alone CGL, the revenues have grown by a CAGR of 23.8% over FY2005-08. The power business continues to be the revenue driver for the company. However, the revenue growth in the domestic power business was sedate during FY2008, as the company faced manufacturing road blocks during the two quarters of FY2008 (fire in a transformer plant in Q2FY2008 and logistical issues in Q3FY2008). In the last three years, the operating profit of the company has been up 35.1%, while the OPM has improved by 290 basis points for the same period. Aided by strong revenue growth and improved operating performance, the net profit of the company has been up at a CAGR of 46.7% over FY2005-08.

On a consolidated basis, the revenues have grown at a CAGR of 49.2% over FY2005-08. In FY2008, overseas revenues contributed 18.1% to the overall revenues as against 16.65% in FY2007. The power system division continues to contribute the most to the top line of the company.

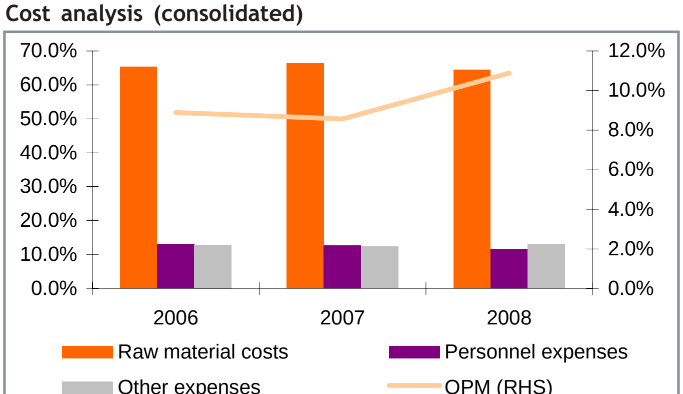
Segmental revenue break-up



Operating performance

CGL has displayed good operating performance over the years. The consolidated operating profit has grown at a CAGR of 55.3% over FY2005-08 and the OPM has improved by 200 basis points to 10.9%. The company has been able to maintain stable raw material cost as a percentage of sales in spite of rising input costs.

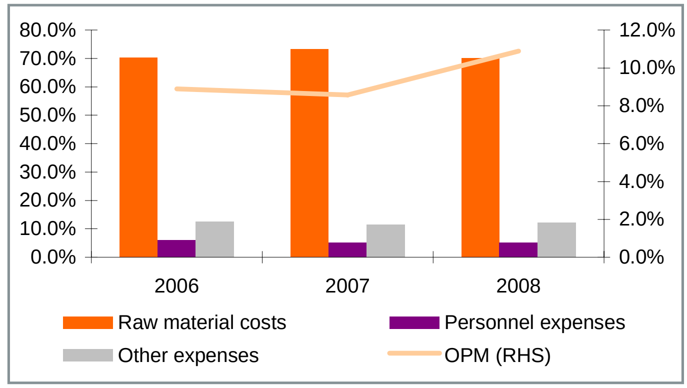
Cost analysis (consolidated)



The company has been able to maintain its decent performance as it continues to value engineering and improve on its supply chain management.

On a stand-alone basis, the OPM has expanded by 290 basis points to 12.5%. The operating profit has grown at a CAGR of 35.2% over the last three years.

Cost analysis



Segmental financials

Power system

The power system business grew by 21% year on year (yoy) to Rs4,824.3 crore, led by strong growth in the international business. The Indian business growth was subdued during FY2008 primarily due to two reasons. First--one of the transformer plants of the company caught fire in the second quarter of the financial. Second--slower execution due to logistical issues, which led to slower sales growth in the third quarter of FY2008. Going forward, we expect the power business to post strong growth, given the strong order inflow expected for the division. The PBIT of the division improved by 260 basis points. The unexecuted order book (UEOB) stands at Rs4,653 crore, up 14.4% yoy. The company has increased the manufacturing capacity of the division by 38%. The company has also installed nine assembly and test pads for power circuit breakers, which aided a 40% increase in the production.

Power system Rs (cr)

Particulars	FY2008	FY2007	% yoy chg
Domestic business			
Gross sales	1963.3	1741.2	12.8
PBIT	257.7	183.5	40.4
PBIT margin (%)	13.1	10.5	
Capital employed	409.9	426.6	-3.9
RoCE (%)	62.9	43.0	
Order backlog	1708.6	1704.4	0.2
Overseas business			
Gross sales	2959.7	2319.9	27.6
PBIT	179.5	143.7	24.9
PBIT margin (%)	6.1	6.2	
Capital employed	1013.5	803.9	26.1
RoCE (%)	17.7	17.9	
Order backlog	2944.9	2365.0	24.5

Power system Rs (cr)

Particulars	FY2008	FY2007	% yoy chg
Consolidated			
Gross sales	4824.3	3986.6	21.0
PBIT	437.2	327.2	33.6
PBIT margin (%)	9.1	8.2	
Capital employed	1395.9	1230.5	13.4
RoCE (%)	31.3	26.6	
Order backlog	4653.5	4069.4	14.4

Industrial system

The industrial system division, which includes products like high tension (HT) and low tension (LT) motors and railway transport equipment, reported a 23.1% growth in the revenues to Rs1,104.4 crore. The PBIT of the division grew by 50.2% to Rs195.6 crore, implying a 320-basis-point improvement in the PBIT margin. The division has UEOB of Rs424.7 crore. During FY2008, CGL added new capacities for both HT and LT motors, which helped in increasing the production of the company. The division is now concentrating on high value-added large rating motors.

Industrial system Rs (cr)

Particulars	FY2008	FY2007	% yoy chg
Gross sales	1104.4	897.1	23.1
PBIT	195.6	130.2	50.2
PBIT margin (%)	17.7	14.5	
Capital employed	161.8	195.4	-17.2
RoCE (%)	120.9	66.6	
Order backlog	424.7	336.7	26.1

Consumer products

The consumer product business of the company supplies fans, pumps, lighting equipment (light sources and luminaires) and a range of electrical household appliances. The division delivered a good 17.4% revenue growth during the financial. The PBIT grew by 26.5% to Rs120.8 crore. The PBIT margin improved by 80 basis points to 10.4%. CGL products now command a market share of 14%, up one percentage point over last year.

Consumer products Rs (cr)

Particulars	FY2008	FY2007	% yoy chg
Gross sales	1166.8	994.0	17.4
PBIT	120.8	95.5	26.5
PBIT margin (%)	10.4	9.6	
Capital employed	87.7	77.6	13.0
RoCE (%)	137.7	123.1	

Balance sheet highlights

Debt

CGL's debt on a consolidated level decreased by Rs62.5 crore to Rs842 crore during the financial, as Rs182.5 crore-worth of loans of the stand-alone company were repayed during FY2008. The debt was mainly used to acquire international subsidiaries, and the current debt to equity of the company stands at 0.65x.

Working capital

CGL continued its efficient working capital management. The consolidated working capital days (net of cash) improved to 27.5 days from 30.2 days in the previous year. On a stand-alone basis too the working capital cycle improved by 7 days to 19.1 days of net sales.

WC Cycle (no of days of sales)

	Consolidated		Standalone	
	FY2008	FY2007	FY2008	FY2007
Inventory	57.0	59.3	26.8	24.8
Debtors	91.9	92.0	90.1	87.1
Loan & advances	19.8	23.6	30.3	25.6
creditors	116.0	131.0	98.1	96.4
Provisions	25.2	13.7	23.9	17.1
WC (net of cash)	27.5	30.2	19.1	26.0
WC % of sales (net of cash)	7.5	8.3	5.2	7.1

Return ratios

The return on net worth improved to 31.5% from 29.8% in FY2007. The ROCE improved to 33.8% from 31.6% in the previous year. The return ratios improved on the back of increased profits and better utilisation.

Outlook

Over the last five years, CGL has successfully executed several initiatives of creating synergies, integration, growth and transformation to emerge as a leader in its business line. The management expects to maintain the capital efficiency, inventory turns and cost minimisation, while achieving higher organic and inorganic growth through acquisitions.

CGL has displayed strong performance not only by growing but also doing so with efficiencies as evident from the company's healthy margins, strong working capital management and high return ratios. The company has achieved integration of all its acquisitions and in order to further strengthen it, the company is now looking at cross-selling its products. For instance, Ganz is executing its largest single order of GIS (gas insulated switchgear) for Steel Authority of India. CGL is also emphasising on the research and development (R&D) of the company and has put in place a R&D vision for 2015, according to which CGL wishes to achieve 25% of the revenues from new product development and have 1,000 IPRs filled by 2015.

We remain upbeat about the emerging business opportunities for CGL, as the country is all set to witness huge investment flows in power transmission and distribution space. CGL, now capable of providing a wide array of products and services, is well placed to exploit the opportunity.

We retirate our Buy call on the stock with a price target of Rs367. At the current market price, the stock is quoting at a P/E of 15.9x and 12.6x our FY2009E and FY2010E earnings respectively.

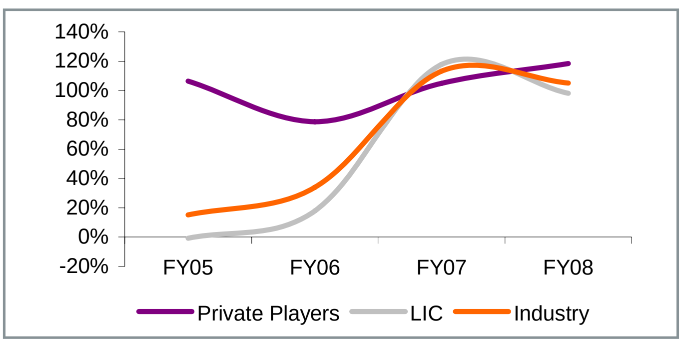
Insurance

Sector Update

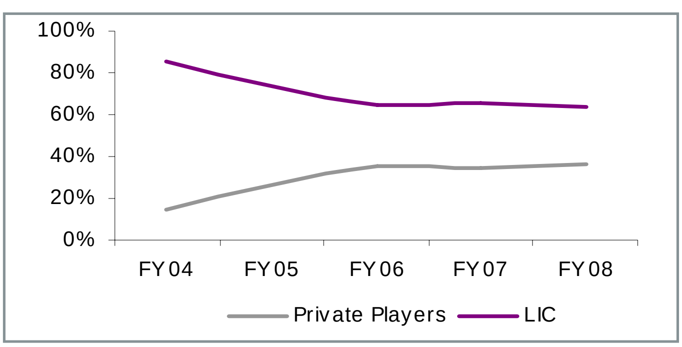
FDI hike on cards

Since the opening up of the insurance sector in 2001 to private and foreign players, the Indian life insurance sector has grown at an accelerated pace. Most of the private sector players have entered the life insurance space with a foreign partner holding 26% equity in the company—the maximum permissible limit for a foreign partner. During the period FY2004-FY2008, the new business premium has grown at a compounded annual growth rate (CAGR) of over 60%, while in the past two years the industry witnessed an explosive growth of over 100%. The private players with their aggressive growth have been able to grab a significant share in the Indian life insurance space.

New business premium growth



Market share



With the left parties out of the ruling coalition now, the markets are abuzz with expectations that the government is likely to undertake the long-pending reforms across the sectors. Among others, the list of reforms includes increasing the foreign direct investment (FDI) limit to 49% from the current 26% in the insurance sector as well as liberalising norms for the entry of more private or foreign players in the sector. Foreign players have always been keen to enter the Indian market looking at the substantial growth opportunity.

Management views

Our conversation with the management of insurance companies indicated that the industry players would welcome the hike in the FDI limit, as this would give the Indian partners an opportunity to unlock value by diluting their stake and raise capital for future business growth. While for the foreign partners, it means an opportunity to increase their presence in the high-growth Indian life insurance space. However, in view of the current market turmoil in the capital markets and the declining growth in unit linked insurance plans (ULIPs), some of the Indian partners may defer the dilution with a view to command better valuation once the situation improves. Importantly, it still largely depends on the foreign partner to exercise the option at any given point of time once the FDI limit is hiked.

Impact analysis

The hike in the FDI limit augurs well for all industry players—both domestic and foreign. As for the domestic players, it will open up a new avenue for capital raising for funding further business growth. Traditionally, the life insurance business is highly capital intensive by nature. Meanwhile, the foreign players will get a chance to increase their stake and participation in the high-growth insurance market, which they have always desired.

Prima facie, the new reforms will benefit the domestic and foreign players alike, however, the extent of benefit depends on the nature of the joint venture (JV) agreement between the partners. Our discussion with the management of insurance companies indicated that according to the terms of agreement, for most of the companies the foreign partners have the first right of refusal to hike their stake in the insurance venture. Further the agreement stipulates that the foreign partner can acquire additional stake from the Indian partner at a fair value mutually agreed by both the parties. This signifies the underlying value unlocking opportunity for Indian partners, who currently hold 74% in the insurance venture.

HDFC and ABN to benefit the most

Aditya Birla Nuvo currently has borrowings of Rs6,648 crore, which is putting strain on company's balance sheet. The company has a debt/equity ratio of 1.65 in FY2008. Hence, the companies like ABN stand to benefit, as this move would help the company to raise capital and de-leverage itself to a certain extent.

HDFC currently requires ~Rs4,000 crore to subscribe to the warrants issued by HDFC Bank for maintaining its shareholding in the bank post the Centurion Bank of Punjab merger. HDFC had decided to raise funds by listing its insurance subsidiaries to meet this requirement. Notably, this reform would prove positive for HDFC, as it would help the company in its fund raising plans. The capital adequacy ratio (CAR) of the company as on June 30, 2008 stood at a comfortable 15.9% as against the regulatory requirement of 12%.

Bajaj Finserv—opportunity lost

The terms of agreement between Bajaj and Allianz SE indicate that Bajaj Finserv stands to lose out on the opportunity to cash in the extra premium, if the deal takes place at a fair value. As per the disclosures made (about the JV agreement) at the time of the de-merger of Bajaj group, Allianz SE can exercise call option to increase its holding to 74% from the present 26%, subject to regulatory approvals. In case, Allianz SE exercises the call option within the expiry of 15 years from the subscription date (up to April 22, 2016), the price will be Rs5.42 per share plus interest at 16% per annum compounded annually from April 23, 2001 to the date of payment. This would allow Allianz SE to acquire additional 23% stake at Rs17.77 per share by end of FY2009. This caps the upside potential for Bajaj Finserv as the fair value of the life insurance business would be significantly higher than the acquisition price.

Operational impact

While the life insurance sector has grown five times since the opening up of the sector to private players in 2001, India still remains grossly under-insured. Currently, the insurance penetration is just over 4% of gross domestic product, indicating the huge opportunity for the players in the space. However, tapping this opportunity entails significant capital expenditure for rapid geographic expansion. The 74:26 equity-sharing pattern puts majority of the capital expenditure (capex) burden on the Indian partner. The hike in FDI would make way for a balanced shareholding pattern and hence a more equitable capex burden sharing.

Competition may intensify

Another likely off shoot of the FDI hike is further intensification of competition. This possibility stems from the fact that many international players decided against entering Indian insurance space due to a 26% cap on the shareholding. Post the FDI hike, new players might decide to enter the arena, which would further intensify the competition. However, the new players do not pose a major threat to large players (ICICI Bank and HDFC), as it would take time for them to attain significant scale.

Valuation

While most of the insurance companies under our coverage are well poised to take advantage of this reform, we believe Bajaj Finserv would miss out this significant opportunity. We believe significant loss of premium and capital constraints can hamper the future growth of the company. We have valued Bajaj Finserv, factoring in just 26% holding (assuming Allianz SE exercises the option and hikes the stake up to 74% subject to regulatory approvals) in the life insurance business. Hence we see limited downside price risk for Bajaj Finserv. We believe Aditya Birla Nuvo and HDFC would be the major beneficiaries with the insurance sector reforms coming into play.

Particulars	NBAP FY10E	NBAPx FY10E	Value Per share	Impact of 23% stake sale on FY08 Networth*
HDFC	723.0	16.0	301.4	22.3%
SBI	1100.0	16.0	206.4	8.3%
ICICI Bank	1881.0	18.0	225.1	16.8%
Bajaj Finserv	1740.3	18.0	562.9	30.5%
Aditya Birla Nuvo	634.4	17.0	840.1	61.5%

(* Stake sale assumed at estimated fair value)

The author doesn't hold any investment in any of the companies mentioned in the article.

Industry Update

Mutual Fund

Fund flows slow down

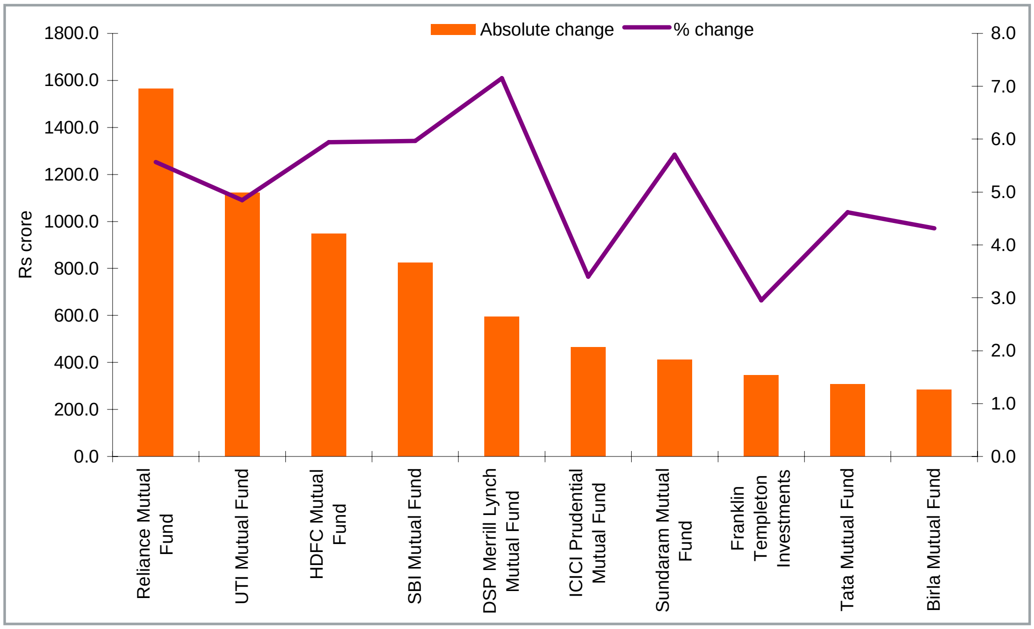
Industry news

- **Bank of India eyes asset management business:** Bank of India (BoI) has plans to get into asset management business in India for which it is looking for foreign partners. BoI has invited bids from five foreign players including Japan-based Dai-ichi Life and Spain-based BBVA Asset Management. BoI has invited bids from two asset management companies (AMCs) from the UK, the Far-East and the Middle-East too.
- **Reliance MF maintains top position:** Reliance Mutual Fund has maintained its top position with Rs84,563.9 crore assets under management (AUM) in July. ICICI Prudential ranked second with Rs55,160.6 crore AUM in July, down 7.2% month on month. HDFC Mutual Fund maintains third position with a 3.7% fall in its AUM at Rs50,752 crore in July.
- **Nimesh Kampani sells his 12% stake in JM AMC:** Nimesh Kampani has sold a 12% stake in his AMC, JM AMC, to three US-based hedge funds: Valiant Capital, Blueridge and Eton Park Capital. These three investors will acquire a 4% stake each in JM Financial's AMC for a total of Rs112 crore. This deal catapults the enterprise value of JM AMC to nearly Rs1,000 crore.
- **Real estate MFs get clean chit from government:** The finance ministry has brushed aside the Reserve Bank of India (RBI's) concerns of real estate mutual funds (REMFs) violating the foreign direct investment (FDI) norms in the realty sector. The North Block has said the central bank's concern—stating that the REMF scheme notified by the Securities and Exchange Board of India in April contradicted the FDI norms—is unwarranted. The finance ministry's view could pave way for the launch of new investment avenues for small investors keen to tap the real estate sector's growth potential.

Highlights

- The AUM of equity mutual funds (MFs) stood at Rs175,571 crore in July 2008, up by 4.4% from June 2008. On adjusting for the net inflows, the increase stood at 3.7%. This was less than the market rise of approximately 6.6%.
- Fund managers made purchases worth Rs17,189 crore and remained net buyers to the tune of Rs1,413 crore during the month.
- Fund flows into equity mutual funds fell by 20% to Rs1,172 crore in July 2008. The dip in the overall fund flow was due to a 97% fall in the amounts raised by the new fund offerings (NFOs).
- MFs are sitting on Rs22,131 crore of cash that is waiting to be deployed in the market. Of this Rs22,116 crore lies with the existing MFs while the remaining Rs15 crore has been mobilised through the NFOs.
- In line with the upward movement in the equity markets, most sector funds (except for technology funds) generated positive returns during July 2008. Banking funds gave the highest returns in July 2008, followed by automobile funds and pharmaceutical funds.
- MFs have slashed their exposure to technology, pharmaceutical and steel companies and have bought stocks in banking, oil & gas and capital goods sectors.

- **Major movers for July 2008**



The AUM of equity MFs stood at Rs175,571 crore in July 2008, up by 4.4% from June 2008. On adjusting for the net inflows, the rise was 3.7%. This was less than the market rise of approximately 6.6%. The AUM of the equity-diversified funds rose by 2.9% whereas that of the sector funds, index funds and tax planning funds gained by 6.9%, 8.3% and 6.9% respectively.

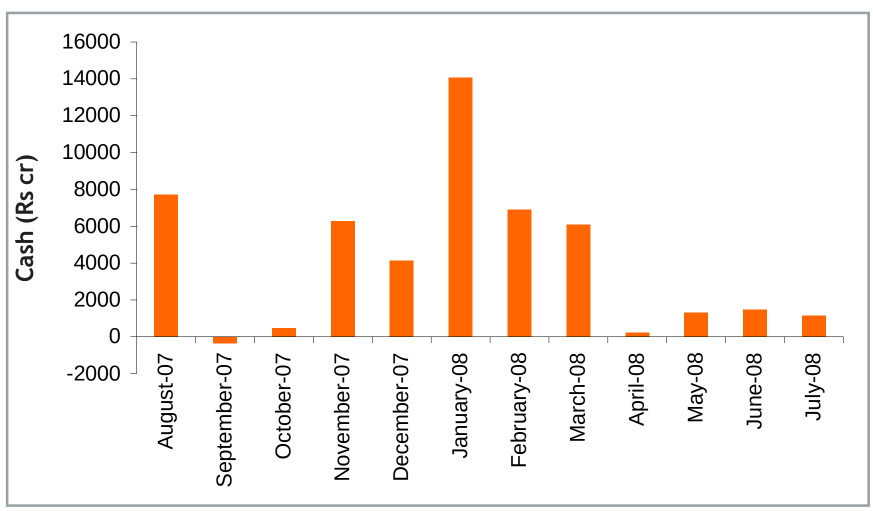
Reliance Mutual Fund saw the largest increase of Rs1,565 crore in its AUM, followed by UTI Mutual Fund and HDFC Mutual Fund. On the other hand, ING Mutual Fund recorded a decrease in its AUM.

- **Stock market activities for mutual funds**

MFs turned net buyers of equities in July 2008

Month	Purchase (Rs cr)	Sales (Rs cr)	Net (Rs cr)
Jun 2008	17189.4	15776.9	1412.5

Equity fund flow



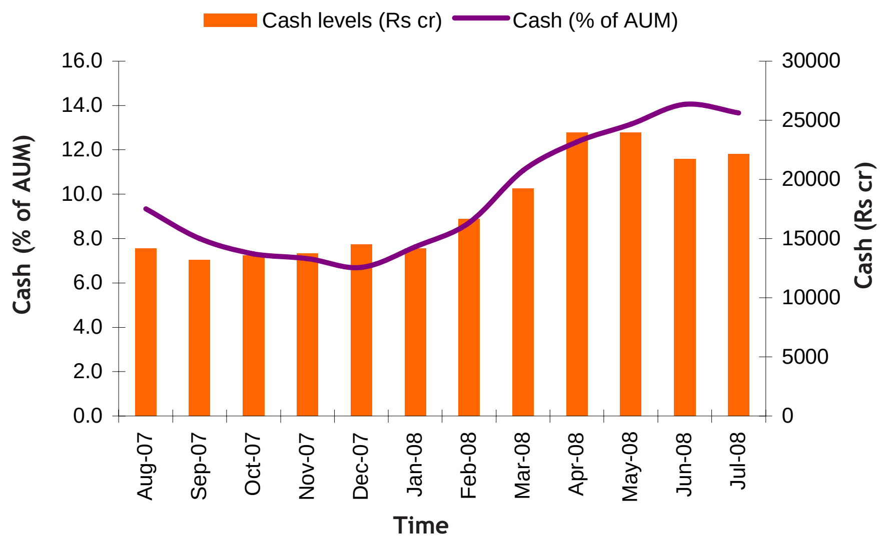
Despite a modest increase in the funds flowing into the existing equity schemes and a decrease in the redemption volumes, fund flows into equity mutual funds fell by 20% to Rs1,172 crore in July 2008. The dip in the overall fund flow was due to the 97% fall in the amounts raised by the NFOs. The amount mobilised through the NFOs stood at only Rs15.0 crore in July 2008 (as compared with Rs465 crore in June 2008). The NFO collections include the amounts raised by Lotus India Banking Fund but does not include the collections made by Mirae Asset Global Commodity Stocks Fund. The collections made by this fund will be reflected in the next month's fund flow figures.

Cash levels

Liquidity

Cash levels remained more or less flat at ~Rs22,000 during July 2008. Even as a percentage of corpus the cash levels remained at 13.7% (as compared with 14.1% in June 2008). This is indicative of the slight improvement in the market sentiment seen during July 2008. However, the aggressive approach adopted by mutual funds during last year seems to be lacking in present times.

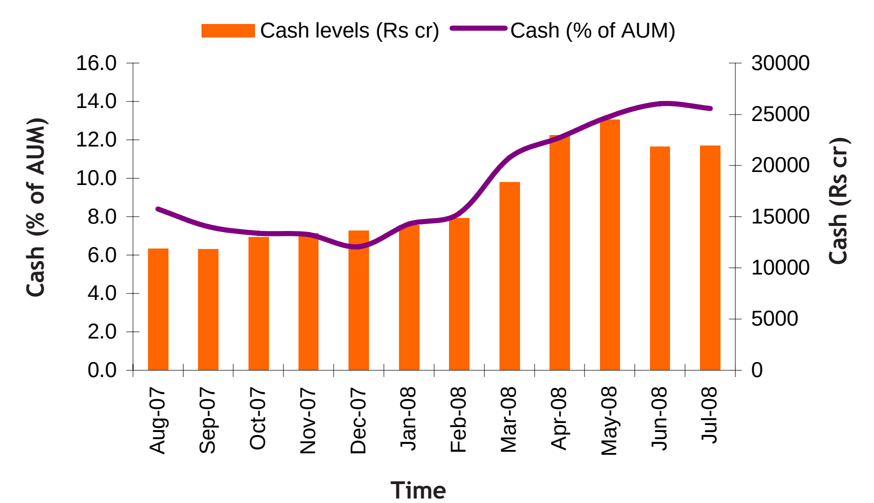
Further, the total cash sitting with the MFs, including the cash mobilised through the recently launched NFOs (Rs15 crore), stands at a healthy Rs22,131 crore. Flush with cash, MFs are well placed to maintain the buying interest and propel the market forward.



Note: Includes all equity funds in the industry launched before July 2008

Sentiments

The cash level for all funds more than three months old also showed a similar trend, remaining flat at 13.6% during July 2008 (as compared with 13.9% in June 2008). This once again reflects the marginal improvement in the market sentiment.



Note: Includes all equity funds in the industry with a NAV track record of three months+.

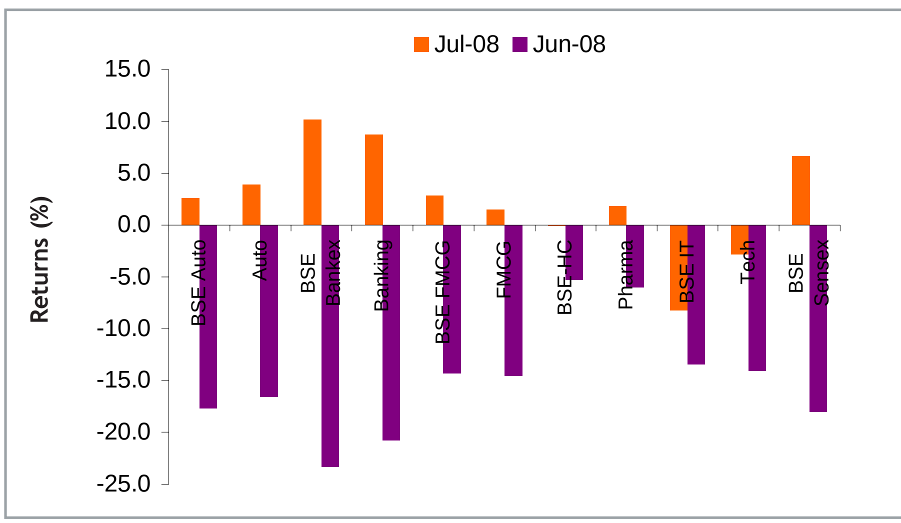
Sector allocation

Major shifts in the sector allocation for the equity-diversified category are as under:

Sector name	July 2008		June 2008		%
	Amount (Rs cr)	% of net assets	Amount (Rs cr)	% of net assets	chg
Increase in exposure					
Banks	10587.09	9.33	9555.90	8.57	0.76
Oil & gas, petroleum & refinery	14094.54	12.41	13327.98	11.95	0.47
Engineering & industrial machinery	6431.80	5.67	5816.08	5.21	0.45
Miscellaneous	7491.59	6.60	6867.35	6.16	0.44
Telecom	7028.05	6.19	6462.86	5.79	0.40
Power generation, transmission & equip	4218.16	3.72	3745.03	3.36	0.36
Decrease in exposure					
Computers - software & education	7220.66	6.36	8991.33	8.06	-1.70
Pharmaceuticals	7648.77	6.74	7760.84	6.96	-0.22
Steel	5288.11	4.66	5924.48	5.31	-0.65
Auto & auto ancilliaries	3816.91	3.36	4070.06	3.65	-0.29
Finance	3499.87	3.08	3511.84	3.15	-0.07
Entertainment	1989.58	1.75	2413.56	2.16	-0.41

Performance of sector funds

In line with the upward movement in the equity markets, most sector funds (except for technology funds) charted into the positive territory during July 2008, recovering some of the losses seen during June 2008. Banking funds outperformed the Sensex whereas funds in the automobile, pharmaceutical, fast moving consumer goods (FMCG) and information technology (IT) sectors underperformed the Sensex. Additionally, while automobile, pharmaceutical and IT funds outperformed the BSE Auto Index, the BSE Healthcare Index and the BSE IT Index respectively, the banking and FMCG funds underperformed the BSE Bankex and the BSE FMCG index respectively. Banking funds gave the highest returns in July 2008, followed by automobile funds and pharmaceutical funds.



Disclaimer: Mutual fund investments are subject to market risk. Please read the offer document carefully before investing. Past performance may or may not be sustained in the future.

Sharekhan Stock Ideas

Evergreen

- Housing Development Finance Corporation
- HDFC Bank
- Infosys Technologies
- Larsen & Toubro
- Reliance Industries
- Tata Consultancy Services

Apple Green

- Aditya Birla Nuvo
- Apollo Tyres
- Bajaj Auto
- Bajaj Finserv
- Bajaj Holdings & Investment
- Bank of Baroda
- Bank of India
- Bharat Bijlee
- Bharat Electronics
- Bharat Heavy Electricals
- Bharti Airtel
- Canara Bank
- Corporation Bank
- Crompton Greaves
- Elder Pharmaceuticals
- Glenmark Pharmaceuticals
- Grasim Industries
- HCL Technologies
- Hindustan Unilever
- ICICI Bank
- Indian Hotels Company
- ITC
- Mahindra & Mahindra
- Marico
- Maruti Suzuki India
- Lupin
- Piramal Healthcare (Nicholas Piramal India)
- Punj Lloyd
- Ranbaxy Laboratories
- Satyam Computer Services
- State Bank of India
- Tata Motors
- Tata Tea
- Wipro

Cannonball

- Allahabad Bank
- Andhra Bank
- Gateway Distriparks
- International Combustion (India)
- JK Cement
- Madras Cement
- Shree Cement
- Tourism Finance Corporation of India

Emerging Star

- 3i Infotech
- Aban Offshore
- Alphageo India
- Axis Bank (UTI Bank)
- Balaji Telefilms
- BL Kashyap & Sons
- Cadila Healthcare
- Jindal Saw
- KSB Pumps
- Navneet Publications (India)
- Network 18 Fincap
- Nucleus Software Exports
- Opto Circuits India
- Orchid Chemicals & Pharmaceuticals
- Patels Airtemp India
- Television Eighteen India
- Thermax
- Zee News

Ugly Duckling

- Ashok Leyland
- Aurobindo Pharma
- BASF India
- Ceat
- Deepak Fertilisers & Petrochemicals Corporation
- Genus Power Infrastructures
- ICI India
- India Cements
- Indo Tech Transformers
- Ipca Laboratories
- Jaiprakash Associates
- KEI Industries
- Mahindra Lifespace Developers
- Mold-Tek Technologies
- Orbit Corporation
- Punjab National Bank
- Ratnamani Metals and Tubes
- Sanghvi Movers
- Selan Exploration Technology
- SEAMEC
- Shiv-Vani Oil & Gas Exploration Services
- Subros
- Sun Pharmaceutical Industries
- Surya Pharmaceutical
- Tata Chemicals
- Torrent Pharmaceuticals
- UltraTech Cement
- Union Bank of India
- Unity Infraprojects
- Wockhardt
- Zensar Technologies

Vulture's Pick

- Esab India
- Orient Paper and Industries
- WS Industries India