

### From the President's Desk

In all my years of engagement with stock market I have observed something that has lingered over my mind for long. Most of us are veterans when it comes to stock trading and we often take our positions based on our experience and on the basis of the market indices. But still it often happens that on a particular day the indices are moving up but your share price is stuck at the same rate, or maybe you start panicking on seeing the indices crash only to be relieved to find out that the prices of all your holdings have not crashed at the same rate or better still not crashed at all. This is the great paradox of the stock market. Indices are theoretically the indicators of the market trend. Agreed. Again, indices are used by fund managers and big-shot investors to manage their portfolio. This is where the interpretation often misleads us. Kindly note the word, 'portfolio', practically speaking your holdings may not be an exact replica of the investments of AMC, again the word 'portfolio' holds a different meaning and should not be equated to our retail holding. Now, let us understand what an index is all about. As of today some 7000 odd stocks are registered in BSE. It is neither feasible nor is it possible for us to track down the movements in the prices, volumes, frequency for all of these 7000 stocks every second for 365 days. This is where an index comes in to make our lives easier. Each index takes into account certain considerations. For example, if you are holding shares of higher value which are not traded very frequently then a normal index may be of no help to you. Better you should look at the Business Line-250 index as this index is based on Market Capitalization. Again if you are holding shares which are of lower value but are traded in huge quantities then it will be prudent if you keep an eye on All India Equity index of Financial Express as this takes the trading volume as its weight. So by now it must have become clear that indices are based on two primary criteria: price and value. In India most of the indices are value based. Another thing to be noted is the concept of 'base year', it should not be a very recent year nor should it be a year in the distant past. According to analysts, RBI index of ordinary shares with 1980-81 as base year is considered to be a better index as compared to Sensex which has a base year of 1978-79, but still most of us only know of the later and follow it blindly. Another important element is the concept of representation of your stocks in the particular index. For example in Sensex 30 scripts are taken into consideration where companies from all sectors are included. Banks may form a part of the group, but if you are holding only bank stocks then it will be wiser to follow Bankex, which is exclusively made up of bank stocks. Again the floating stock depth of your stock may be low, this will help you to command a higher price as compared to stocks of other companies of same credentials, thus if you follow a gross index then you might lose out on an opportunity. There are indices that we often overlook or use it to predict the outcome of the wrong transaction. CNX Nifty Junior is often relegated as an index for only the mid cap companies, it is often frowned at as it represents only 7% of the market capitalization, but research has shown that it is excellent if we use it for derivatives trading. Similarly, SNP CNX 500 covers 79 industries and around 98% of the total traded value which gives it a power to predict the macro elements more precisely and it is excellent if we want to manage a huge portfolio but we often use it for predicting price change in a particular stock and it might be very misleading. Most of us only go by Nifty and Sensex but we often fail to notice indices like BSE-200, Dollex, CRISIL-500, Business Line 250 which in fact would serve us better. But in case you have spent equal amount on each of your shares and your portfolio is small then concepts like weights, industry representations will carry no meaning for you. You can follow indices like RBI Indices of Ordinary Shares and The Ordinary Share Price Index of the Economic Times with base year 1984-85. Otherwise calculating a pure average with a base year in mind will be worth an exercise. In conclusion, I would like to remind you that you should use the right index to take a decision, do not get influenced by unnecessary data and lastly Sensex and Nifty are not the only indices available to you



**PN PATEL**

*CEO, President and Whole Time Director  
Indbank Merchant Banking Services Ltd*

**Happy Investing !!!!!**

10/12/2009

(PN PATEL)

The markets world- wide which rose for several months since March 2009, were in a consolidation mode during the month of October. The markets went into an upswing during the month of November 2009, as all the global indices posted substantial gains, except for Nikkei 225, which ended lower than its October levels. During the fag end of the month, news tricked in about the debt crisis in Dubai. Dubai World, a major government owned company has asked for a six-month delay on repaying its debts. The company which has a total debt of \$59 billion, is asking creditors if they can postpone its forthcoming payments until May, 2010. Further, the company has also appointed global accountancy group Deloitte to help it wither its financial crisis. This news dealt a severe blow to investor confidence, which started returning on the hopes that economies reviving after recession.

The IMF, cautioned that a early departure from accommodative policy could prove costlier, as although the global economy has made remarkable progress and is now at the cusp of recovery, it still remains vulnerable to shocks and policy missteps. World Bank, said that swift interest rate hikes aimed at containing inflation in product and asset prices could cause downturn in the slowly recovering economies of the US and the Europe.

Wall Street benchmark indices, namely Dow and the NASDAQ ended 6.51% and 4.58% higher on account of a brighter economic outlook from the FED and positive economic data. The US policymakers raised their forecast for 2010 economic growth to a range of 2.5 to 3.5% from 2.1% to 3.3% forecasted earlier. Other positive cues such as, increase in home sales and the decline in jobless claims contributed to the investor confidence. A falling dollar also contributed to the gains.

In the Asian Markets, Singapore's Straits Times ended the month 3.05% higher than its October closing levels. The markets rose on account of increase in the manufacturing output of Singapore to 3.6% in October following a 6.3% drop in September and also investor's interest in premium stocks. Japan's Nikkei fell the highest among the indices, with banking stocks being hit the worst on worries about their exposure to Dubai's debt. The yen also touched a 14 year high against the dollar, and worries persisted that more financial firms would tap the market for equity financing.

The Indian Equity markets picked up cues from its global peers and ended on a higher note. India's Finance Secretary, eased concerns saying that he does not expect the Dubai debt crisis to have any major impact on the Indian economy. Further, the RBI Governor, Dr. D Subbaroa, said that India would have been an "outlier" if the central bank had raised interest rates in October

### Snapshot

| Particulars           | 27 <sup>th</sup><br>Nov-09 | 20 <sup>th</sup><br>Nov-09 | 13 <sup>th</sup><br>Nov-09 | 6 <sup>th</sup><br>Nov-09 |
|-----------------------|----------------------------|----------------------------|----------------------------|---------------------------|
| Inflation (%)         | 1.34<br>(Nov<br>7, 09)     | 0.50<br>(Oct<br>31, 09)    | 1.34<br>(Oct<br>24, 09)    | 1.51<br>(Oct<br>17, 09)   |
| 91-Day Cut-off (%)    | 3.2754                     | 3.2754                     | 3.2754                     | 3.2754                    |
| 10-yr G-Sec yield (%) | 7.3887                     | 7.5024                     | 7.5760                     | 7.6037                    |
| 1-10 yr spread (bps)  | 283                        | 297                        | 296                        | 304                       |
| USD/INR(Rs)           | 46.81                      | 46.58                      | 46.50                      | 46.82                     |
| USD 6m LIBOR          | 0.48                       | 0.49                       | 0.52                       | 0.55                      |
| 10 Y US Treasury      | 3.23                       | 3.36                       | 3.43                       | 3.50                      |
| USD/Euro Spot         | 0.670331                   | 0.674992                   | 0.672585                   | 0.672857                  |

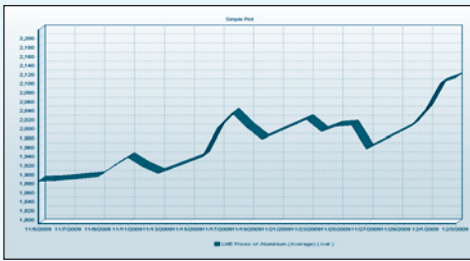
### Global Indices

| Indices            | Country        | Index as<br>on 30 <sup>th</sup><br>Oct<br>2009 | Index as<br>on 30 <sup>th</sup><br>Nov<br>2009 | Variation<br>(%)<br>(Inc/ Dec) |
|--------------------|----------------|--|--|--------------------------------|
| NASDAQ             | United States  | 2,045.11                                       | 2,144.60                                       | 4.86%                          |
| DJIA               | United States  | 9,712.73                                       | 10,344.84                                      | 6.51%                          |
| S&P 500            | United States  | 1,036.19                                       | 1,095.63                                       | 5.74%                          |
| Hang Seng          | Hong Kong      | 21,752.87                                      | 21,821.50                                      | 0.32%                          |
| Nikkei 225         | Japan          | 10,034.74                                      | 9,345.55                                       | (6.87%)                        |
| Straits Times      | Singapore      | 2,651.13                                       | 2,732.12                                       | 3.05%                          |
| FTSE 100           | United Kingdom | 5,044.50                                       | 5,190.70                                       | 2.90%                          |
| CAC 40             | France         | 3,607.69                                       | 3,680.15                                       | 2.01%                          |
| DAX                | Germany        | 5,414.96                                       | 5,625.95                                       | 3.90%                          |
| Shanghai Composite | China          | 2,995.85                                       | 3,195.30                                       | 6.66%                          |
| SENSEX             | India          | 15,896.28                                      | 16,926.22                                      | 6.48%                          |
| NIFTY              | India          | 4711.70  | 5,032.70                                       | 6.81%                          |

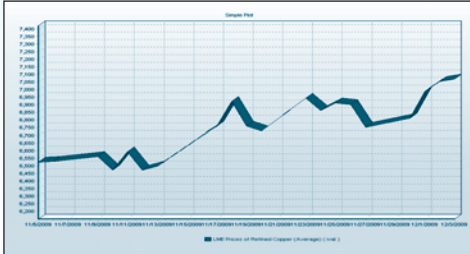
### Institutional Investments

| Category              | Debt /<br>Equity | Gross<br>Purchases<br>(Rs Crores) | Gross<br>Sales<br>(Rs Crores) | Net<br>Investment<br>(Rs Crores) |
|-----------------------|------------------|-----------------------------------|-------------------------------|----------------------------------|
| FII Investments       | Equity           | 51063.10                          | 45565.90                      | 5497.00                          |
|                       | Debt             | 12569.90                          | 11885.90                      | 684.40                           |
| Mutual Fund           | Equity           | 14751.80                          | 15447.20                      | (695.60)                         |
|                       | Debt             | 53145.30                          | 37047.10                      | 16098.60                         |
| FII Derivative Trades | INDEX<br>FUTURES | INDEX<br>OPTIONS                  | STOCK<br>FUTURES              | STOCK<br>OPTIONS                 |
| -Buy                  | 44477.60         | 76921.92                          | 46947.24                      | 1056.16                          |
| -Sell                 | 44181.76         | 70288.06                          | 46620.91                      | 559.37                           |

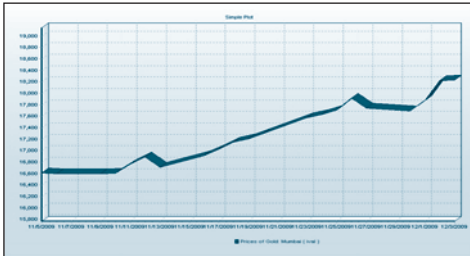
## Commodities Trend



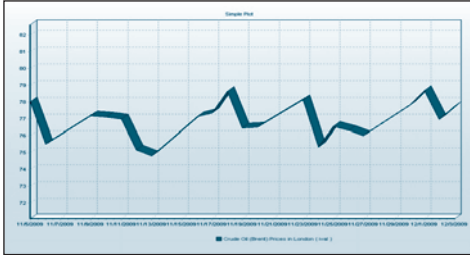
Aluminum



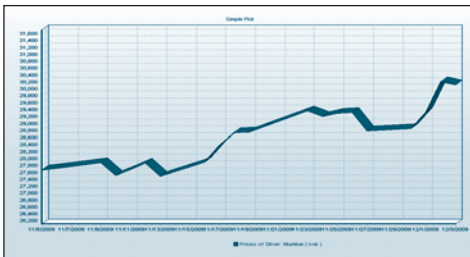
Copper



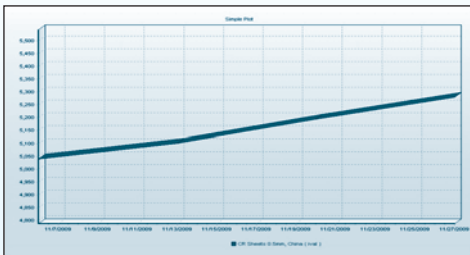
Gold



Oil



Silver



Steel

and would have to face serious dilemmas relating to rupee's exchange rate as higher rates could have attracted strong capital inflows. Further, he also signaled the need to support the drivers of growth for nurturing economic growth, as the Indian economy, like its global counterparts is still in a fragile condition.

The primary articles inflation rate rose to 11.04% for the week ended November 14, 2009 compared to 9.94% a week earlier. The GoI acted swiftly and promised to take all measures to contain rising prices and also asked the states to play a more effective role in improving the supply situation of essential commodities. The Central Statistical Organization is planning to merge Consumer Price Indices for urban and rural population.

In the Debt Markets, action began with Israel hiking its benchmark rate by 25 bps to 1%, joining Australia, to become the two countries that have raised their benchmark rates twice in 2009. The AAA PSU bonds closed around 8.50% (previous week: 8.53%) for 10 years and 8.05 % (previous week: 8.07%) for 5 years. The overall liquidity also remained ample. The net average LAF balance for the week ended November 27, 2009 was approx. Rs. 99,585 crores (previous week: Rs. 91,151 crores) and the overall money market rates continued to remain low.

In the Commodity markets, the prices of gold reached an all time high of over Rs. 18,000 per 10 gram in the bullion market in Mumbai on strong marriage season demand, positive global sentiments and a weaker dollar. Crude oil prices fell during the last week of November mainly on worries on fuel demand recovery in the US; crude oil prices ended on \$75.84 on November 26 as compared to \$77.46 on November 19, 2009. The Government of India allowed export of organic rice, wheat and edible oil and it also said that it has no plan to put a ban on cotton exports as the country has ample stocks. The government initiated a process to bring in legislative changes in the National Minerals Policy, 2008 to check illegal mining.

Taking the above factors into account, the Government is unlikely to remove fiscal or monetary stimulus in a hurry. However, as we enter 2010, clearly the economy would bear largely different look than in 2009 with a different monetary and fiscal policy outlook. The clear factor to watch out for, in order to assess when RBI would raise rates, is to track the fortnightly credit growth figures. Higher credit growth indicating return of demand in the system would then result in the Central bank changing its monetary policy stance. However the key challenges would be to return to a growth rate closer to 8% by FY 11 and managing inflationary expectations with higher liquidity. The impending result season could provide a clue to trends about to set in.

### Editorial Team

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SSO

# IPO and NFO Review

## NEWS FROM IPO

- > Coal India Limited engaged fund managers for its upcoming IPO expected to hit the market within a year. Moreover, the company has emphasized the need for issuing preferential shares to the land losers and also is planning to offer stock options to its over 4 lakh employees, apart from a proposal to issue shares to its former employees.
- > The IPO of Astec Life Sciences got fully subscribed on 04.11.2009, the final day of the issue. The issue received total bids more than 87.61 lakh shares, about 1.17 times more than 75 lakh equities on offer.
- > Cox & Kings (India) Ltd, the travel operator plans to raise up to Rs. 6.1 billion through an IPO and had fixed the price band at Rs. 316-330 a share. The issue was fully subscribed on the second day and was 6.31 times on the closure of the issue.
- > HDFC Standard Life is planning to float an IPO in the next fiscal. HDFC Standard Life is a joint venture between housing finance major HDFC and Standard Life plc, a financial services provider in UK.
- > JSW Energy is planning to raise Rs. 2700 crores through its IPO. The issue opens on December 07, 2009 and is closing on December 09, 2009.

## New Listing

| Company Name                | Offer Price (Rs.) | Exchange | Listing Date | List Price (Rs.) | Latest Traded Price (03/11/2009) | % Change to List Price (Rs.) |
|-----------------------------|-------------------|----------|--------------|------------------|----------------------------------|------------------------------|
| Refex Refrigerators Limited | 65.00             | NSE      | 02.12.2009   | 30.95            | 29.95                            | (3.23)                       |
| Shilpa Medicare Limited     | 40.00             | NSE      | 02.12.2009   | 199.90           | 197.40                           | (1.25)                       |
| Master Multi-tech Limited   | 10.00             | BSE      | 01.12.2009   | 36.00            | 60.00                            | 66.67                        |

## Closed Issues but not Listed

| Company Name                | Issue Type       | PriceBand(Rs.) | FinalPrice(Rs.) | SubscriptionRate |
|-----------------------------|------------------|----------------|-----------------|------------------|
| Cox & Kings (India) Limited | Public Issue (B) | Rs.316- 330    | Rs.330          | 6.17             |
| MBL Infrastructure Limited  | Public Issue (B) | Rs. 165-180    | Rs. 180         | 6.91             |

## Corporate Announcements

| Corporate Announcements |             |            |                           |
|-------------------------|-------------|------------|---------------------------|
| Symbol                  | Record Date | Ex Date    | Purpose                   |
| HBLPOWER                | 25/11/2009  | 24/11/2009 | FV SPLIT RS.10/- TO RE.1/ |
| RELIANCE                | 27/11/2009  | 26/11/2009 | BONUS 1:1                 |
| AEGISCHEM               | 04/12/2009  | 03/12/2009 | INT DIV-RS.2.75 PER SHARE |
| ADANIENT                | 11/12/2009  | 10/12/2009 | BONUS 1:1                 |
| COLPAL                  | 11/12/2009  | 10/12/2009 | 2ND INTERIM DIVIDEND      |
| JINDALSAW               | 11/12/2009  | 10/12/2009 | FV SPLIT RS.10/- TO RS.2/ |
| ESABINDIA               | 15/12/2009  | 14/12/2009 | INTERIM DIVIDEND          |
| ENGINERSIN              | 22/12/2009  | 21/12/2009 | INTERIM DIVIDEND          |
| ONGC                    | 23/12/2009  | 22/12/2009 | INTERIM DIVIDEND          |

## NFO

| Scheme                              | Type  | Class                | Open Date | Close Date | Offer Price | Min. Inv. Amount |
|-------------------------------------|-------|----------------------|-----------|------------|-------------|------------------|
| Templeton Income Opportunities Fund | Open  | Debt - Income        | 01/12/09  | 10/12/09   | 10.00       | 5000             |
| Axis Equity                         | Open  | Equity – Diversified | 11/11/09  | 08/12/09   | 10.00       | 5000             |
| Fidelity India Value                | Open  | Equity – Diversified | 16/11/09  | 15/12/09   | 10.00       | 5000             |
| UTI FMP Nov 09 YS                   | Close | Debt – FMP           | 16/11/09  | 15/12/09   | 10.00       | 10000            |
| UTI FMP Nov 09 YS IP                | Close | Debt – FMP           | 16/11/09  | 15/12/09   | 10.00       | 10000000         |
| DSP BR World Mining                 | Open  | Funds of Funds       | 23/11/09  | 18/12/09   | 10.00       | 5000             |
| DSP BR World Mining IP              | Open  | Funds of Funds       | 23/11/09  | 18/12/09   | 10.00       | 50000000         |
| Sundaram ST PSU Opp.                | Open  | Equity – Diversified | 25/11/09  | 23/12/09   | 10.00       | 5000             |
| Sundaram FTP R                      | Close | Debt – FMP           | 30/11/09  | 08/12/09   | 10.00       | 5000             |

## Corporate News and Events

### **Sebi amends listing pact for debt securities 27/11/2009 Financial Express**

The stock market regulator Securities and Exchange Board of India (Sebi) has made amendments to the simplified listing agreement for debt securities which requires the issuers to provide disclosure of the extent and nature of security created and maintained for 100% asset cover. The simplified listing agreement notified by Sebi in May 2009 requires an issuer to maintain a 100% asset cover sufficient to discharge the principal amount at all time for debt securities issued.

### **NSE to introduce new MF Service System from Nov 30 26/11/2009 Deccan Herald**

The National Stock Exchange (NSE) said it proposes to introduce the new Mutual Fund Service System (New MFSS) from November 30. This follows capital market regulator SEBI issuing guidelines for facilitating transactions in mutual fund schemes through the stock exchange infrastructure, NSE said in a circular here.

Trading members, in order to participate in the New MFSS, will be required to comply with the documentation requirements as per a specified format, the circular said.

### **Govt sets up panel to review policy on FII inflows 25/11/2009 Business Line**

The Government has set up a working group to review the policy on foreign portfolio investments. The group is headed by Mr U.K. Sinha, Chairman and Managing Director, UTI Mutual Fund.

The terms of reference of the working group include: review of the existing policy on foreign inflows; study of portfolio investment by FIIs and NRIs, venture capital firms, private equity investors and recommend ways to remove policy hurdles, if any, said a member of the group. The group is also expected to review the FII investments through Participatory Notes.

### **Sebi may let portfolio managers in derivatives 21/11/2009 Deccan Herald**

The Securities and Exchange Board of India (Sebi), is in the process of examining whether registered portfolio managers invest in instruments other than listed securities, an official of the agency said. We are looking at other instruments like exchange traded derivatives for investments by portfolio managers, Sebi Executive Director R K Nair said. The regulator has laid down various norms for portfolio managers to protect investors interest.

### **Defaulting brokers, SEBI to settle fee issue 20/11/2009 Business Line**

The Securities Appellate Tribunal (SAT) has directed SEBI and some defaulting brokers to settle the issue of broker fees charged by the regulator, in consultation with the stock exchanges concerned. Several brokers have appealed to SAT after SEBI issued a public notice to 270 registered brokers on November 9, warning them to pay their outstanding dues within 15 days, or else face suspension or cancellation of their certificate of registration (as stock broker).

### **Companies may have to list within 7 days of IPOs 20/11/2009 The Economic Times**

The Securities and Exchange Board of India (SEBI) plans to reduce the time taken to process initial public offers (IPO) applications to seven days from the existing 20 days.

"We believe that the primary issuance market is not as efficient as the secondary market. Even today, after an issue closes, it takes 20 days to list that issue. This delay is the risk that investors and issuers carry," said Sebi chairman CB Bhave at an industry conference.

### **Shareholders can now cast their votes online 18/11/2009 The Economic Times**

Shareholders can now cast their votes on corporate proposals through the click of a mouse without having to worry whether their response has reached the company or not. CDSL Ventures (CVL), a wholly-owned subsidiary of Central Depository Services (India), on Tuesday launched the e-voting system for listed

companies. "This move will revolutionise the whole system," Corporate Affairs minister Salman Khurshid said at the inaugural function. The e-Voting system would permit a company or its registrar to set up the schedule on the e-voting website and upload the resolution and register of shareholders.

### **SEBI seeks active role of MFs in governance 17/11/2009 The Economic Times**

Domestic mutual funds may soon find themselves playing a bigger role in public shareholder activism. In its attempts to get this dominant shareholder group to question actions of companies that are against non-promoter stakeholder interests, the capital market regulator, the Securities and Exchange Board of India (Sebi), has asked mutual funds to come together to question errant companies in such instances.

### **Sebi mulls stricter norms for MFs to attract retail investors 16/11/2009 Financial Express**

The Securities & Exchange Board of India (Sebi) may tighten mutual fund (MF) regulations to make these funds more retail investor-friendly. The regulator, which recently announced that recognised stock brokers would be allowed to trade in MF units, is now planning to bolster the 20-25 Rule by taking it to the 'plans (series) level'.

The 20-25 Rule requires each mutual fund scheme to have at least 20 investors, while no single investor can hold more than 25% of assets. Since it is applicable only up to the scheme level at present, many funds are able to skirt the Rule.

### **SEBI allows registered brokers to deal in mutual fund products 14/11/2009 Business Line**

In a move that could considerably widen the distribution network for mutual funds, SEBI on 13.11.2009 allowed registered stockbrokers to transact mutual fund units on behalf of their clients through the stock exchange mechanism.

### **Sebi lets bourses decide FO expiry dates 14/11/2009 DNA**

The Securities and Exchange Board of India (Sebi) on 13.11.2009 allowed exchanges to decide the date of expiry in the futures and options (F&O) segment. 'Based on recommendations of the Secondary Market Advisory Committee, it has been decided to allow flexibility to the stock exchanges to set the expiry date/day for equity derivative contracts,' a circular from the stock markets regulator said.

### **SEBI moves welcome 11/11/2009 The Economic Times**

Markets regulator SEBI has decided to allow companies to auction their shares in a follow-on public offer (FPO) to qualified institutional buyers at differential prices above the floor, while retail investors will get shares at the floor price. This is welcome, to the extent it is a precursor to allowing such auctions to discover price in an initial public offer (IPO).

### **Sebi allows exchanges to set up SME platforms 10/11/2009 Financial Express**

Markets regulator Sebi has allowed stock exchanges to set up separate trading platforms for small & medium enterprises. It doesn't have to be a separate exchange, but a separate trading platform by existing exchanges, said Sebi chairman CB Bhave, while addressing the media after a board meeting. Companies that have a paid-up equity capital of between Rs 10 crore and Rs 25 crore qualify as SMEs.

### **SEBI aims to check misuse of power of attorney 05/11/2009 Business Line**

SEBI on 04.22.2009 proposed, as an investor protection measure, a set of norms for execution of power of attorney (PoA) by clients favouring stockbrokers and depository participants. SEBI's measures come in the wake of reports of misuse of the PoA facility by brokers leading to losses to some clients.

### **Sebi may cut trading holidays 02/11/2009 Deccan Herald**

Market regulator Sebi is looking into a proposal by several investors to allow fewer trading holidays on stock exchanges in line with the global practice.

# Stock Watch

## ALLAHABAD BANK

| Profile Of Allahabad Bank                        |                                  |            |              |
|--|----------------------------------|------------|--------------|
| Group: Government of India – Public Sector Banks |                                  |            |              |
| Industry   | Banks - Public Sector            | BSE Code   | 532480       |
| Chairman & Managing Director                     | K R Kamath                       | BSE Group  | A            |
| Auditors   | M R Narain & Co/<br>S Ghose & Co | NSE Symbol | ALBK         |
| Secretary  | Dina Nath Kumar                  | ISIN Demat | INE428A01015 |
| Inc. Year  | 24/04/1865                       | Reuters    | ALBK.BO      |
| AGM Date   | 15/06/2009                       | Bloomberg  | ALBK IN      |
| Financial Year                                   | March                            | Face Value | 10           |

The oldest Joint Stock Bank of the country, Allahabad Bank was founded on April 24 1865 at Allahabad by a group of Europeans. During the 1920's the bank became a part of the P & O Banking Corporation group, and in 1923, the bank shifted its head office from Allahabad to its current location Kolkata. On 19<sup>th</sup> July 1969, the bank was nationalized along with 13 other banks. At the time of nationalization, the bank had 151 branches, Rs. 119 Crores as deposits and Rs. 82 Crores as advances. On October 1989, the bank consolidated its presence by merging United Industrial Bank Limited with itself. In 1991, the bank instituted AllBank Finance Limited, a wholly owned subsidiary for undertaking Merchant Banking Activities.

In the year 2002, Allahabad Bank came out with its Initial Public Offer (IPO) for 10 Crores shares of face value of Rs. 10 each, reducing Government shareholding to 71.16%. To fuel its growth and fund its expansion activities, the bank came out with a Follow on issue on April 2005, offering 1000 lakh shares, at a price of Rs. 82 per share. Post the follow-on public issue, the Government shareholding reduced to 55.23%. On June 2006, the bank opened its first overseas representative office in Shenzhen, China and in October the same year, the bank rolled out its first branch under Core Banking Services. During the year 2007, the bank established its first overseas branch at Hong Kong and the same year in March, the Bank achieved an important milestone by crossing Rs. 1,00,000 crores in business.

The Bank is continuously improving its performance and has established its visibility and strong presence in the market. Allahabad Bank is steadily moving at a faster pace to consolidate its current position in the coming days, through various measures like, introducing extensive computerization to ensure the state-of-the-art service comfort for its customers, opening of new branches and launching of new products.

### Shareholding Pattern as on 30<sup>th</sup> September 2009

| Category of shareholder                               | Total number of shares | Total shareholding as a percentage of total number of shares (%) |
|---|------------------------|--|
| <b>Shareholding of Promoter and Promoter Group</b>    |                        |  |
| Central Government/<br>State Government(s)            | 246700000              | 55.23  |
| <b>Public shareholding</b>                            |                        |  |
| Mutual Funds/ UTI                                     | 19173940               | 4.29   |
| Financial Institutions/ Banks/<br>Insurance Companies | 55977389               | 12.53  |
| Foreign Institutional Investors                       | 48162270               | 10.78  |
| Private Corporate Bodies                              | 15617060               | 3.50   |
| NRI's/OCB's / Foreign Others                          | 401941                 | 0.09   |
| General Public  | 60667400               | 13.58  |
| <b>GRAND TOTAL</b>                                    | <b>446700000</b>       | <b>100</b>   |

### PRODUCT OVERVIEW

#### Dividend History

| Year End | Dividend - Amount (in Crores) | Dividend - % | Div. Yield - % |
|----------|-------------------------------|--------------|----------------|
| 200903   | 111.68                        | 25.00        | 6.44           |
| 200803   | 156.35                        | 35.00        | 4.57           |
| 200703   | 134.01                        | 30.00        | 4.13           |
| 200603   | 178.68                        | 40.00        | 5.07           |
| 200503   | 119.01                        | 30.00        | 3.11           |

### FINANCIAL OVERVIEW

#### Financial Snapshot (Rs. in Crores)

| Particulars        | As on 31th Mar-09 | As on 31th Mar-08 | As on 31th Mar-07 | As on 30th Sep-09 | As on 30th Sep-08 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Equity             | 446.70            | 446.70            | 446.70            | 446.70            | 446.70            |
| Net worth          | 4978.58           | 4342.75           | 3593.34           | -                 | -                 |
| Capital Employed   | 96784.40          | 82065.22          | 66792.44          | -                 | -                 |
| Sales              | 7364.73           | 6171.22           | 4883.86           | 2046.69           | 1845.96           |
| Rate of Growth (%) | 19.34%            | 26.36%            | 29.64%            | 10.87%            | -                 |
| Other Income       | 1256.46           | 1031.43           | 587.24            | 404.82            | 131.24            |
| PBIDT              | 6338.15           | 5674.17           | 4016.05           | 1899.42           | 1400.15           |
| Rate of Growth (%) | 11.70%            | 41.29%            | 36.92%            | 35.66%            | -                 |
| PBT                | 1075.77           | 1122.14           | 835.38            | 455.98            | 47.74             |
| PAT                | 768.57            | 974.76            | 750.11            | 333.59            | 41.68             |
| Rate of Growth (%) | -21.15%           | 29.95%            | 7.69%             | 700.36%           | -                 |
| Book Value (Rs.)   | 111.45            | 97.22             | 80.44             | -                 | -                 |
| EPS (Unit Curr.)   | 16.78             | 21.23             | 16.28             | 7.47              | 0.93              |
| PBIDTM (%)         | 85.30             | 91.08             | 81.26             | 92.80             | 75.85             |
| PBDTM (%)          | 14.61             | 18.18             | 17.10             | 22.28             | 2.58              |
| PATM (%)           | 10.44             | 15.79             | 15.36             | 16.30             | 2.26              |
| RONW (%)           | 16.49             | 24.56             | 22.58             | -                 | -                 |

### Market Data

| Market Snapshot (As on 3 <sup>rd</sup> December 2009) |                |
|---|----------------|
| Price (Rs)  | 137.90         |
| Mkt.Cap.(Rs Cr)                                       | 6159.99        |
| Lat. P/E  | 4.85           |
| Lat. BV(Rs)   | 111.45         |
| Lat. EPS (Rs.)  | 28.43          |
| 52 W H/L (Rs)   | 143.80 / 36.85 |
| Lat. Eqty (Rs Cr)                                     | 446.70         |
| Div. Yield (%)  | 1.81           |

### Stock Performance - Allahabad Bank vs. SENSEX



# AUROBINDO PHARMA LIMITED

| Profile of AUROBINDO PHARMA |   |                   |              |
|-----------------------------|---|-------------------|--------------|
| Group: Indian Private       |   |                   |              |
| <b>Industry</b>             | Pharmaceuticals<br>- Indian Bulk<br>Drugs | <b>BSE Code</b>   | 524804       |
| <b>Chairman</b>             | P V Ramprasad<br>Reddy                    | <b>BSE Group</b>  | B            |
| <b>Auditors</b>             | S R Batliboi<br>& Co                      | <b>NSE Symbol</b> | AUROPHARMA   |
| <b>Secretary</b>            | A Mohan<br>Rami Reddy                     | <b>ISIN Demat</b> | INE406A01029 |
| <b>Inc. Year</b>            | 26/12/1986                                | <b>Reuters</b>    | ARBN.BO      |
| <b>AGM Date</b>             | 23/12/2009                                | <b>Bloomberg</b>  | ARBN IN      |
| <b>Financial Year</b>       | March                                     | <b>Face Value</b> | 5            |

Aurobindo Pharma Limited (APL) one of the world's top 5 manufacturers of semi synthetic penicillins was incorporated on 26<sup>th</sup> December 1986 as a private limited company by, Mr. P V Ramprasad Reddy, Mr. K Nityananda Reddy and a small highly committed group of professionals. The company commenced operations in 1988-89 with a single unit manufacturing semi synthetic penicillins at Pondicherry, Tamil Nadu. Currently the company has 14 manufacturing plants spread across the world, all conforming to GMP/ISO regulations and 3 extremely well equipped R& D facilities in Mumbai and Hyderabad. The company became a public venture in the year 1992. The company went public in the year 1995.

Aurobindo recorded a higher sales volume in the financial year 2008-09 as well as higher revenues. Formulation sales in revenue terms were higher by 41.83% over the previous year, which is a significant growth considering the fact that there was a 48.1% rise in the previous year too. The volume sold was also high by 18.6%. However the volatility in the currencies and uncertain economic environment resulted in exchange fluctuation loss of Rs. 2278.20 million which shaded the annual financial results of the company. However the company is picking up steam, which is reflected in the robust results for the quarter ended September 2009.

Currently, the company is the market leader in manufacture of semi synthetic penicillin drugs and has its presence in key therapeutic segments like Cephalosporins, Anti-virals, CNS, Cardio-vascular drugs, gastroenterology etc. Aurobindo has organized its entire business infrastructure and is leveraging its knowledge base and process chemistry strengths to become a significant player in generics. The company has good marketing infrastructure backed up by the state of the art manufacturing systems, which are the key drivers of its business. Looking ahead, Aurobindo is determined to create a significant market presence and offer quality products and services to meet both the customer and stakeholder expectations.

## Shareholding Pattern as on 30<sup>th</sup> September 2009

| Category of shareholder                               | Total number of shares | Total shareholding as a percentage of total number of shares (%) |
|---|------------------------|--|
| <b>Shareholding of Promoter and Promoter Group</b>    |                        |  |
| Central Government/<br>State Government(s)            | 31715739               | 58.99  |
| <b>Public shareholding</b>                            |                        |  |
| Mutual Funds/ UTI                                     | 3903249                | 7.26   |
| Financial Institutions/ Banks/<br>Insurance Companies | 2232170                | 4.15   |
| Foreign Institutional Investors                       | 10938596               | 20.35  |
| Private Corporate Bodies                              | 1036371                | 1.93   |
| NRI's/OCB's / Foreign Others                          | 111632                 | 0.21   |
| Others  | 297298                 | 0.55   |
| General Public  | 3530213                | 6.57   |
| <b>GRAND TOTAL</b>                                    | <b>53765268</b>        | <b>100</b>   |

## PRODUCT OVERVIEW

### Dividend History

| Year End | Dividend - Amount (in Crores) | Dividend - % | Div. Yield - % |
|----------|-------------------------------|--------------|----------------|
| 200903   | 24.20                         | 90.00        | 2.37           |
| 200803   | 17.57                         | 65.00        | 1.12           |
| 200703   | 13.34                         | 50.00        | 0.372          |
| 200603   | 8.12                          | 30.00        | 0.22           |
| 200503   | 2.54                          | 10.00        | 0.17           |

## FINANCIAL OVERVIEW

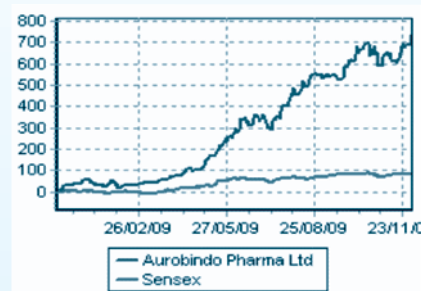
### Financial Snapshot (Rs. in Crores)

| Particulars        | As on 31th Mar-09 | As on 31th Mar-08 | As on 31th Mar-07 | As on 30th Sep-09 | As on 30th Sep-08 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Equity             | 26.88             | 26.88             | 26.67             | 26.88             | 26.88             |
| Net worth          | 1320.83           | 1220.60           | 929.30            | -                 | -                 |
| Capital Employed   | 3435.51           | 2976.25           | 2905.64           | -                 | -                 |
| Sales              | 2885.25           | 2409.28           | 1971.09           | 826.31            | 635.71            |
| Rate of Growth (%) | 19.76%            | 22.23%            | 36.06%            | 29.98%            | -                 |
| Other Income       | 35.38             | 102.81            | 109.10            | 404.82            | 131.24            |
| PBIDT              | 324.27            | 478.45            | 379.07            | 10.89             | 0.96              |
| Rate of Growth (%) | -32.22%           | 26.22%            | 85.22%            | 1034.38%          | -                 |
| PBT                | 160.66            | 344.84            | 231.16            | 455.98            | 47.74             |
| PAT                | 125.73            | 290.82            | 225.28            | 333.59            | 41.68             |
| Rate of Growth (%) | -56.77%           | 29.09%            | 234.79%           | 700.36%           | -                 |
| Book Value (Rs.)   | 245.69            | 227.05            | 174.22            | -                 | -                 |
| EPS (Unit Curr.)   | 23.15             | 53.53             | 42.52             | 23.86             | 0.00              |
| PBIDTM (%)         | 11.24             | 19.86             | 19.23             | 26.33             | 16.38             |
| PBDTM (%)          | 8.42              | 17.41             | 15.37             | 25.37             | -0.13             |
| PATM (%)           | 4.46              | 12.07             | 11.62             | 15.53             | -6.06             |
| RONW (%)           | 10.12             | 27.05             | 24.97             | -                 | -                 |

## Market Data

| Market Snapshot (As on 3 <sup>rd</sup> December 2009) |                 |
|---|-----------------|
| Price (Rs)  | 910.05          |
| Mkt.Cap.(Rs Cr)                                       | 4899.71         |
| Lat. P/E  | 12.71           |
| Lat. BV(Rs)   | 246.13          |
| Lat. EPS (Rs.)  | 71.60           |
| 52 W H/L(Rs)  | 916.50 / 103.20 |
| Lat.Eqty (Rs Cr)                                      | 26.92           |
| Div. Yield (%)  | 0.49            |

## Stock Performance - APL vs. SENSEX



# BHARAT PETROLEUM CORPORATION LIMITED

| Profile of BHARAT PETROLEUM CORPORATION LIMITED |                                    |            |              |
|---|------------------------------------|------------|--------------|
| Group: Government of India                      |                                    |            |              |
| Industry  | Refinerie                          | BSE Code   | 500547       |
| Chairman  | Ashok Sinha                        | BSE Group  | A            |
| Auditors  | B K Khare & Co/<br>K Varghese & Co | NSE Symbol | BPCL         |
| Secretary                                       | S V Kulkarni                       | ISIN Demat | INE029A01011 |
| Inc. Year                                       | 03/11/1952                         | Reuters    | BPCL.BO      |
| AGM Date  | 08/09/2009                         | Bloomberg  | BPCL IN      |
| Financial Year                                  | March                              | Face Value | 10           |

Bharat Petroleum Corporation Limited (BPCL) is India's 2<sup>nd</sup> largest oil company in terms of market share and is a front-runner in the alternate fuel segments. An agreement was signed between the Burmah Shell group of companies and the Government of India on 15<sup>th</sup> December 1951, for setting up a refinery in Trombay, Bombay. Burmah Shell Refineries Limited was incorporated as a private limited company in India on 3<sup>rd</sup> November 1952. The refinery with a capacity of 2.2 MMTPA opened on 17<sup>th</sup> March 1955. On 24<sup>th</sup> January 1976, the Burmah Shell Refineries Limited was taken over by the Government of India to form Bharat Refineries Limited. On 1<sup>st</sup> August 1977, the company was renamed Bharat Petroleum Corporation Limited.

BPCL is focused in the production of petroleum and petroleum products (by-products). The Strategic Business Units of the company are classified into Refineries, Retail, Industrial & Commercial Lubricants, LPG and Aviation. Apart from the refinery located in Mumbai, the company also has a refinery in Kochi.

The aggregate Refinery throughput of the company in 2008-09, was 22.20 Million Metric Tonnes (MMT) as compared to 23.52 MMT in 2007-08. The group's exports of petroleum products during the year was 1.38 MMT as against 1.93 MMT in 2007-08. The sales turnover for the year of the BPCL Group increased to Rs. 147,336.82 crores from the previous year's level of Rs. 123,179.69 crores. The Group Profit after Tax (PAT) amounted to Rs. 724.13 crores in 2008-09 as against Rs. 1,912.52 crores in the previous year. The fall in profits can be attributed to the adverse impact of volatile prices of crude oil and fluctuations in the foreign exchange rates.

With its inherent strengths, world class infrastructure facilities and growing number of genuine oil tie-ups, BPCL is confident of reviving itself and posting better results in the coming quarters.

## Shareholding Pattern as on 30<sup>th</sup> September 2009

| Category of shareholder                               | Total number of shares | Total shareholding as a percentage of total number of shares (%) |
|---|------------------------|--|
| <b>Shareholding of Promoter and Promoter Group</b>    |                        |  |
| Central Government/<br>State Government(s)            | 198600060              | 54.93  |
| <b>Public shareholding</b>                            |                        |  |
| Mutual Funds/ UTI                                     | 26785390               | 7.41   |
| Financial Institutions/ Banks/<br>Insurance Companies | 42518054               | 11.76  |
| Foreign Institutional Investors                       | 33486815               | 9.26   |
| Private Corporate Bodies                              | 11594217               | 3.21   |
| NRI's/OCB's / Foreign Others                          | 233095                 | 0.06   |
| Government  | 3111111                | 0.86   |
| Others  | 34946103               | 9.67   |
| General Public  | 10267279               | 2.84   |
| <b>GRAND TOTAL</b>                                    | <b>361542124</b>       | <b>100</b>   |

## PRODUCT OVERVIEW

### Dividend History

| Year End | Dividend - Amount (in Crores) | Dividend - % | Div. Yield - % |
|----------|-------------------------------|--------------|----------------|
| 200903   | 253.08                        | 70.00        | 1.86           |
| 200803   | 144.62                        | 40.00        | 0.97           |
| 200703   | 578.46                        | 160.00       | 5.29           |
| 200603   | 90.39                         | 25.00        | 0.59           |
| 200503   | 375.00                        | 125.00       | 3.53           |

## FINANCIAL OVERVIEW

### Financial Snapshot (Rs. in Crores)

| Particulars        | As on 31st Mar-09 | As on 31st Mar-08 | As on 31st Mar-07 | As on 30th Sep-09 | As on 30th Sep-08 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Equity             | 361.54            | 361.54            | 361.54            | 361.54            | 361.54            |
| Net worth          | 12128.11          | 11676.83          | 10273.54          | -                 | -                 |
| Capital Employed   | 33299.52          | 26699.21          | 21102.78          | -                 | -                 |
| Sales              | 145392.06         | 121684.07         | 107452.27         | 27071.03          | 37826.20          |
| Rate of Growth (%) | 19.48%            | 13.24%            | 26.19%            | -28.43%           | -                 |
| Other Income       | 1538.76           | 1520.80           | 752.49            | 404.82            | 131.24            |
| PBIDT              | 4244.61           | 4367.07           | 4203.79           | 326.09            | -1844.91          |
| Rate of Growth (%) | -2.80%            | 3.88%             | 195.59%           | -117.68%          | -                 |
| PBT                | 1002.71           | 2596.39           | 2766.99           | -249.99           | -2620.66          |
| PAT                | 985.33            | 1551.61           | 1833.87           | -158.77           | -2625.27          |
| Rate of Growth (%) | -36.50%           | -15.39%           | 532.96%           | -93.95%           | -                 |
| Book Value (Rs.)   | 335.46            | 322.97            | 284.16            | -                 | -                 |
| EPS (Unit Curr.)   | 19.48             | 43.46             | 47.40             | 0.00              | 0.00              |
| PBIDTM (%)         | 3.25              | 3.59              | 3.91              | 1.20              | -4.88             |
| PBDTM (%)          | 1.76              | 3.04              | 3.42              | 0.22              | -6.29             |
| PATM (%)           | 0.68              | 1.30              | 1.68              | -0.59             | -6.94             |
| RONW (%)           | 8.28              | 14.40             | 18.66             | -                 | -                 |

## Market Data

| Market Snapshot (As on 3 <sup>rd</sup> December 2009) |              |
|---|--------------|
| Price (Rs)  | 604.15       |
| Mkt.Cap.(Rs Cr)                                       | 21842.44     |
| Lat. P/E  | 4.47         |
| Lat. BV(Rs)   | 335.46       |
| Lat. EPS (Rs.)  | 135.07       |
| 52 W H/L(Rs)  | 616 / 314.20 |
| Lat.Eqty (Rs Cr)                                      | 361.54       |
| Div. Yield (%)  | 1.16         |

## Stock Performance - BPCL vs. SENSEX





# JINDAL SAW LIMITED

## Profile of JINDAL SAW LIMITED

| Group: Jindal Om Prakash |                     |                      |              |
|--------------------------|---------------------|----------------------|--------------|
| Industry                 | Steel               | BSE Code             | 500378       |
| Chairman                 | Savitri Devi Jindal | BSE Group            | B            |
| Auditors                 | N C Aggarwal & Co   | NSE Symbol           | JINDALSAW    |
| Secretary                | Sunil Jain          | ISIN Demat           | INE324A01016 |
| Inc. Year                | 31/10/1984          | Reuters              | JIND.BO      |
| AGM Date Year            | 20/06/2009 March    | Bloomberg Face Value | JSAW IN 10   |

Jindal SAW Limited (JSL) (erstwhile SAW Pipes Ltd) is a part of the Jindal Group and one of the country's largest producers of Submerged Arc Welded (SAW) pipes, which is widely used in the energy sector for the transportation of oil and gas. The Company was incorporated in 31st October of the year 1984 at Mathura (U.P.) and obtained the Certificate of Commencement of Business in 28th November of the same year. JSL has diversified from a single product company to a multi-product company, manufacturing large diameter submerged arc pipes and spiral pipes and bends for the energy transportation sector; carbon, alloy and stainless steel seamless pipes and tubes manufactured by conical piercing process used for industrial applications; and Ductile iron (DI) pipes for water and sewage transportation. The Company has integrated facilities at multiple locations in India.

The Company's operations are structured as 3 business units: Large Diameter Pipes; Submerged Arc Welded pipes; Seamless Tubes & Pipes and Ductile Iron Pipes. Each of these units have its own sales and marketing targets and operations. Besides these, the Company also provides various value added products like pipe coatings, bends and connector castings to its clients.

After its continued growth for the past years, the company experienced a dip in profits and sales for the financial year ended 31st December 2008. This can be attributed to the global economic scenario and expansion of capacities.

However the company has substantially improved its earnings in the last quarter and its new projects are also expected to yield results in the first half of 2010. With diligent and meticulous planning JSL has been able to skirt the global meltdown to a large extent and retain its healthy position. The cost reduction initiatives namely commissioning of new plants in Mundra have started giving good results. The company believes that there will be a healthy demand for pipes with the improvement in the economic scenario and focus on urbanization and thus improvement in its results.

### Shareholding Pattern as on 30<sup>th</sup> September 2009

| Category of shareholder                            | Total number of shares | Total shareholding as a percentage of total number of shares (%) |
|--|------------------------|--|
| <b>Shareholding of Promoter and Promoter Group</b> |                        |  |
| Indian Promoters                                   | 6322737                | 11.55  |
| Foreign Promoters                                  | 19088960               | 34.88  |
| <b>Public shareholding</b>                         |                        |  |
| Mutual Funds/ UTI                                  | 5519359                | 10.09  |
| Financial Institutions/ Banks/ Insurance Companies | 69747                  | 0.13   |
| Foreign Institutional Investors                    | 12141532               | 22.19  |
| Private Corporate Bodies                           | 7505702                | 13.72  |
| NRI's/OCB's / Foreign Others                       | 176470                 | 0.32   |
| Others   | 250581                 | 0.46   |
| General Public                                     | 3648009                | 6.67   |
| <b>GRAND TOTAL</b>                                 | <b>54723097</b>        | <b>100</b>   |

## PRODUCT OVERVIEW

### Dividend History

| Year End | Dividend - Amount (in Crores) | Dividend - % | Div. Yield - % |
|----------|-------------------------------|--------------|----------------|
| 200812   | 26.06                         | 50.00        | 2.26           |
| 200712   | 32.58                         | 62.50        | 0.58           |
| 200609   | 24.68                         | 50.00        | 1.56           |
| 200509   | 18.85                         | 40.00        | 0.94           |
| 200409   | 9.74                          | 25.00        | 1.33           |

## FINANCIAL OVERVIEW

### Financial Snapshot (Rs. in Crores)

| Particulars        | As on 31th Dce-08 | As on 31th Dce-08 | As on 30th Sep-06 | As on 30th Sep-09 | As on 30th Sep-08 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Equity             | 52.12             | 51.14             | 48.36             | 52.12             | 52.12             |
| Net worth          | 2242.10           | 1872.32           | 903.21            | -                 | -                 |
| Capital Employed   | 3978.66           | 3131.70           | 2383.17           | -                 | -                 |
| Sales              | 5032.70           | 6824.14           | 3978.73           | 1370.45           | 1485.53           |
| Rate of Growth (%) | -26.25%           | 71.52%            | 69.57%            | -7.75%            | -                 |
| Other Income       | 160.84            | 817.94            | 156.11            | 1.07              | 2.27              |
| PBIDT              | 732.04            | 1437.57           | 460.11            | 256.15            | 201.81            |
| Rate of Growth (%) | -49.08%           | 212.44%           | 60.54%            | 26.93%            | -                 |
| PBT                | 463.91            | 1171.07           | 263.20            | 193.12            | 129.32            |
| PAT                | 341.05            | 429.11            | 171.43            | 146.43            | 100.08            |
| Rate of Growth (%) | -20.52%           | 150.31%           | 72.01%            | 46.31%            | -                 |
| Book Value (Rs.)   | 426.10            | 366.12            | 186.77            | -                 | -                 |
| EPS (Unit Curr.)   | 63.07             | 134.26            | 33.92             | 27.58             | 18.79             |
| PBIDTM (%)         | 14.55             | 12.33             | 11.56             | 18.69             | 13.59             |
| PBDTM (%)          | 10.62             | 9.48              | 7.92              | 16.02             | 9.90              |
| PATM (%)           | 6.80              | 6.29              | 4.43              | 10.68             | 6.74              |
| RONW (%)           | 16.26             | 24.16             | 20.69             | -                 | -                 |

### Market Data

| Market Snapshot (As on 3 <sup>rd</sup> December 2009) |                 |
|---|-----------------|
| Price (Rs)  | 976.40          |
| Mkt.Cap.(Rs Cr)                                       | 5342.86         |
| Lat. P/E  | 11.44           |
| Lat. BV(Rs)   | 444.78          |
| Lat. EPS (Rs.)  | 85.33           |
| 52 W H/L(Rs)  | 986.85 / 135.00 |
| Lat.Eqty (Rs Cr)                                      | 54.72           |
| Div. Yield (%)  | 0.49            |

### Stock Performance - Jindal Saw Ltd vs. SENSEX



# Mutual Fund Corner

## Scheme for the Month

### RELIANCE PHARMA FUND - GROWTH

**Fund Manager: Mr. Sailesh Raj Bhan**

#### Investment Objective

To generate consistent returns by investing in equity or fixed income securities of pharma and other associated companies.

#### Current Statistics & Profile

|                 |                     |
|-----------------|---------------------|
| Latest NAV      | 42.1632 (07/12/09)  |
| 52-Week High    | 42.6723 (04/12/09)  |
| 52-Week Low     | 16.6729 (09/03/09)  |
| Fund Category   | Equity Pharma       |
| Type            | Open End            |
| Launch Date     | 05/06/2004          |
| Net Assets (Cr) | 181.95 (30/11/2009) |
| Benchmark       | BSE HC              |

#### Trailing Returns

| As on 7 <sup>th</sup> December 2009 | Fund Return | Category Return |
|-------------------------------------|-------------|-----------------|
| Year to Date                        | 109.69      | 92.01           |
| 1-Month                             | 13.56       | 10.20           |
| 3-Month                             | 28.96       | 24.46           |
| 1-Year                              | 134.08      | 107.55          |
| 3-Year                              | 28.37       | 14.51           |
| 5 - Year                            | 28.26       | 17.93           |
| Return Since Launch 29.85           |             |                 |

Note: Return up to 1 year are absolute and over 1 year are annualized

#### Asset Allocation

| As on 30/09/09 | % Net Assets |
|----------------|--------------|
| Equity         | 92.58        |
| Debt           | 0.00         |
| Others         | 7.42         |

#### Investment Details

|                                |         |
|--------------------------------|---------|
| Minimum Investment Amount      | Rs.5000 |
| Additional Purchase            | Rs.1000 |
| Minimum Withdrawal Amount      | Rs. 100 |
| Minimum Additional Amt. In SIP | Rs. 500 |
| Minimum Additional Amt. In SIP | Rs. 100 |

#### Options

|                                  |           |
|----------------------------------|-----------|
| Systematic Investment Plan (SIP) | Available |
| Systematic Transfer Plan (STP)   | Available |
| Systematic Withdrawal Plan (SWP) | Available |

#### TOP TEN HOLDINGS (As on 30/11/2009)

| Name of Holding          | Instrument                    | % Net Assets |
|--------------------------|-------------------------------|--------------|
| Ranbaxy Laboratories     | Equity                        | 9.27         |
| Zydus Wellness           | Equity                        | 8.89         |
| Indoco Remedies          | Equity                        | 8.81         |
| Aventis Pharma           | Equity                        | 8.57         |
| Divi's Laboratories      | Equity                        | 8.31         |
| Others                   | Cash/Call/<br>Net Receivables | 7.42         |
| Torrent Pharmaceuticals  | Equity                        | 7.39         |
| Sun Pharmaceutical Inds. | Equity                        | 6.64         |
| Fulford (India)          | Equity                        | 6.45         |
| Cadila Healthcare        | Equity                        | 6.11         |
| Lupin                    | Equity                        | 5.59         |
| Cipla                    | Equity                        | 4.07         |
| Fresenius Kabi Oncology  | Equity                        | 2.92         |
| Sun Pharma Adv. Research | Equity                        | 2.43         |
| Aurobindo Pharma         | Equity                        | 2.22         |
| Biocon                   | Equity                        | 1.98         |
| Apollo Hospitals         | Equity                        | 1.35         |
| Venus Remedies           | Equity                        | 1.08         |
| Others                   | Equity                        | 0.48         |

#### Fund Style

##### Investment Style

Growth Blend Value

|  |  |  |
|--|--|--|
|  |  |  |
|  |  |  |
|  |  |  |

Capitalization  
Large  
Medium  
Small

#### Portfolio Characteristic - As on 30.11.09

**Avg. Mkt. Cap - 3456.90 Cr**  
**Large - 21.70%**  
**Mid - 45.08%**  
**Small - 33.21%**

#### Sector Weightings - As on 30/11/2009

| Sector      | % Net Assets |
|-------------|--------------|
| Health Care | 83.21        |
| FMCG        | 8.89         |

## INDICES

For the past two issues, we have been tracking the amendments and recent happenings in the Primary Market i.e. Initial Public Offers. As you all know, the Secondary market, after the listing, the demand and supply for the particular scrip among the investors, determines the price of the scrip. This issue we simply discuss some of the important indicators in the secondary market. The most important indicator, for judging the movement of the market is the Indices. India has two major indices and by tracking the indices, we can broadly judge the trends prevailing in the markets.

- The Bombay Stock Exchange – SENSEX
- The National Stock Exchange – NIFTY

The SENSEX consists of 30 stocks and the NIFTY 50 stocks. These price movement of these stocks determine the movement of the market.

### Method of Computation

Both the SENSEX and the NIFTY are computed based on the “Free – Float Market Capitalization Weighted Methodology”, in which level of index reflects the free float market capitalization of all the stocks that constitute the index.

Free – Float Market methodology refers to an index construction methodology that takes into consideration only the free float market capitalization of a company for the purpose of index calculation and assigning weight to stocks in the index. Free Float market capitalization takes into consideration only those shares issued by the company that are readily available for trading in the market. It generally excludes promoter’s holding, government holding, strategic holding and other locked-in shares that will not come to the market for trading in normal course.

Shareholding of investors that would not, in the normal course come into the open market for trading are treated as “Controlling/Strategic Holdings” and hence are not included in free float. Specifically, the following categories of holding are generally excluded from the definition of free-float

- Shares held by founders/directors/ acquirers which has control element
- Shares held by persons/bodies with “Controlling Interest”
- Shares held by Government as promoter/acquirer
- Holdings through the FDI Route
- Strategic stakes by private corporate bodies/ individuals
- Equity held by associate/group companies (cross-holdings)
- Equity held by Employee Welfare Trusts
- Locked-in shares and shares which would not be sold in the open market in normal course.

All the remaining shareholders fall under the Free Float Category

### Criteria for Stock Selection

The BSE & NSE has separate formats, which is filled and submitted all the index constituents on a quarterly basis. From the information submitted, free float of the companies are determined.

The general guidelines for selection of constituents of the scrip constituting the SENSEX are given below:

1. **Listed History:** The scrip should have a listing history of at least 3 months at BSE. Exception may be considered if full market capitalization of a newly listed company ranks among top 10 in the list of BSE universe. In case, a company is listed on account of merger/ demerger/ amalgamation, minimum listing history would not be required.
2. **Trading Frequency:** The scrip should have been traded on each and every trading day in the last three months at BSE. Exceptions can be made for extreme reasons like scrip suspension etc.
3. **Final Rank:** The scrip should figure in the top 100 companies listed by final rank. The final rank is arrived at by assigning 75% weightage to the rank on the basis of three-month average full market capitalization and 25% weightage to the liquidity rank based on three-month average daily turnover & three-month average impact cost.
4. **Market Capitalization Weightage:** The weightage of each scrip in SENSEX based on three-month average free-float market capitalization should be at least 0.5% of the Index.
5. **Industry/Sector Representation:** Scrip selection would generally take into account a balanced representation of the listed companies in the universe of BSE.

6. **Track Record:** In the opinion of the BSE Index Committee, the company should have an acceptable track record. In the case of NSE, it stocks are selected based on the following criteria:

**Liquidity:** For inclusion in the NIFTY, the security should have traded at an average impact cost of 0.50% or less during the last six months for 90% of the observations for a basket size of Rs. 2 Crores.

**Floating Stock:** Companies eligible for inclusion in S&P CNX Nifty should have at-least 10% floating stock

**Others:** A company which comes out with a IPO will be eligible for inclusion in the index, if it fulfills the normal eligibility criteria for the index like impact cost, market capitalization and floating stock, for a 3 month period instead of a 6 month period.

Apart from the flagship SENSEX and NIFTY 50, the stock exchanges also maintains, various other indices which can be broadly classified into two categories

- a) Based on Market Capitalisation
- b) Based on Sector

### SECTORAL INDICES

The following are the some of the sectoral indices maintained by our stock exchanges

| BSE  | NSE   |
|--|---|
| BSE Auto Index - Tracks the of Auto & Auto ancillary companies                             | CNX IT Index – Tracks the movement of IT companies  |
| BSE Capital Goods Index – Tracks the movement of companies manufacturing Capital Goods     | CNX Bank Index - Tracks the movement of banking companies                                       |
| BSE Consumer Durables Index – Tracks the movement of companies in Consumer Durable segment | CNX FMCG Index – Tracks the movement of FMCG Companies  |
| BSE Metal Index - Tracks the movement of Metal Companies                                   | CNX Energy Index – Tracks the movement of companies engaged in Energy business                  |
| BSE Power Index – Tracks the movement of companies in the Power segment business           | CNX Realty Index – Tracks the movement of companies engaged in Real Estate                      |
| BSE FMCG Index - Tracks the movement of FMCG Companies                                     | CNX Pharma Index - Tracks the movement of companies engaged in Pharmaceutical business          |
| BSE Healthcare Index - Tracks the movement of Health Care Companies                        | CNX Infrastructure Index – Tracks the movement of companies engaged in Infrastructure business. |

### MARKET CAPITALISATION

The following are the some of the sectoral indices maintained by our stock exchanges

| BSE                 | NSE                                |
|---------------------|------------------------------------|
| BSE – 100           | CNX Nifty Junior                   |
| BSE – 200           | CNX 100                            |
| BSE – 500           | S & P CNX 500                      |
| BSE Mid Cap Index   | CNX Midcap                         |
| BSE Small Cap Index | Nifty Midcap 50<br>S & P CNX Defty |

All these indices are reviewed regularly to reflect the corporate actions of the companies. Tracking these indices, will give the investors better idea about the performance of the individual sectors. By following the trends in the indices, the investors would be able to make better investment decisions.

# Stretching our horizon



Our President Mr. P.N. Patel along with Mr. Malay Mukherjee Circle Head Delhi, Mr. K.B.N Murthy, General Manager (Credit), H. O. and Mr. Amal Mukerjee, Chief Manager Circle Office, Delhi, and Ind Bank, Delhi Branch Head Mrs. M. Kavitha.

Mrs. M. Kavitha Ind Bank Delhi Branch Head along with Mr. Amal Mukherjee Chief Manager Circle Office, Delhi and Ind Bank staff Mr. Prashant Kumar Jha at India International Trade Fair 2009 at Indian Bank stall.



Our President Mr. P.N. Patel at India International Trade Fair 2009 in Delhi with Indian Bank dignitaries.



Indian Bank stall overview at India International Trade Fair 2009.



Mrs. M. Kavitha, Ind Bank Branch Head Delhi with Mr. Prashant Kumar Jha at Indian Bank stall in India International Trade Fair 2009 to represent IBMS Ltd.



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CBD Belapur : Shop No: 3, Plot No: 21, Shiv Chambers, Sector 11, CBD Belapur, Navi Mumbai, Thane District, Maharashtra 400 614, Phone: 022-27573465  
Madipakkam : Anubhav Apartments, Shop no 7, Ground Floor, Medavakkam Main Road, Madipakkam, (Opp. Padhala Vinayagar Temple), Chennai 600090 Phone: 45565501  
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