

Indbankonline

MARKETS FOR YOU

Private Circulation only

January - 2009

Issue - 20

From the President's Desk

Janus – Learn from the Past, Look for the Future

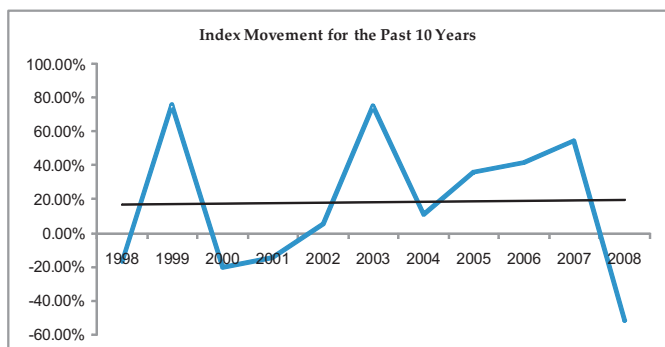
The year 2008 has been an unforgettable year throughout the globe especially for the investors and traders who had burnt their fingers deeply. The Year 2008 has witnessed major financial crisis, due to global cues, embarked with sub-prime crisis, followed by filing of bankruptcy by large companies, rise in unemployment rate, developed and developing countries in recession, all time high inflation rates, extreme fluctuations in currency rates, stock market crash, outflow of FII investments, volatility in commodities markets, speculations. Stock market crash has taught a harsh lesson to investors about the importance of effective asset allocation and diversification among different asset classes.



“Let this New Year bring in Happiness and delight To wipe off the bad memories of 2008’ Happy Investing!!!!



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



The graph shows the movement and the volatility witnessed by the Index returns- NIFTY over a period of 10 years. From this graph we can observe that a drastic fall in the returns is always being followed with a bounce back. Hence let us hope for a recuperation of stocks in the near future. This year has also not been a good time for IPO's and other issues. Most of the companies which went public have either been undersubscribed or were listed in the markets for a discount. IPO's are affected to the highest degree with 34 issues scripting huge losses out of 41 issues made in 2008. However, despite the

bearish trend, for about 53 IPOs are currently traded above the offer price out of 257 initial public offerings (IPOs) made in the last 5 years.

In India, since the fundamentals are strong, equities are generally bullish on a long run. However the current rise during the last month in equities is just a correction in bear market. RBI and the Government came out with a slew of fiscal and monetary stimulus to take corrective actions in the liquidity issues by Rates Cuts and increase in money supply. Crash in the Global crude oil prices also supported the inflation rates which reduced to the years low, ensuing the reduction in volatility of markets. The positives to be taken out of bear market are buying securities at cheap valuations, importance of staying invested for a long term and being prudent.

All these factors may assure us for a Better Year -2009 with greater stability and more opportunities to capitalize on the bear market.

(PN PATEL)

13.01.2009

Markets for You

Snapshot

Particulars	28 Nov-08	05 Dec-08	12 Dec-08	19 Dec-08	26 Dec-08	02 Jan-09
Inflation(%)	8.84% (Nov 15, 08)	8.40% (Nov 22, 08)	8.00% (Nov 29, 08)	6.84% (Nov 06, 08)	6.61% (Dec 13, 08)	6.38% (Dec 20, 08)
91-Day Cut-off (%)	7.1443	6.6048	5.6539	5.4477	5.0361	4.7074
10-yr G-Sec yield (%)	7.2779	6.9189	6.3861	5.7645	5.8428	5.4657
1-10 yr spread (bps)	32	55	93	49	56	91
USD/INR (Rs)	49.84	49.69	48.71	47.08	47.89	48.89
USD 3m LIBOR	2.22	2.19	1.92	1.5	1.46	1.41
10 Y US Treasury	2.96	2.66	2.59	2.13	2.14	2.42
USD/Euro Spot	1.2694	1.2654	1.3349	1.3875	1.4062	1.3866

Global Indices

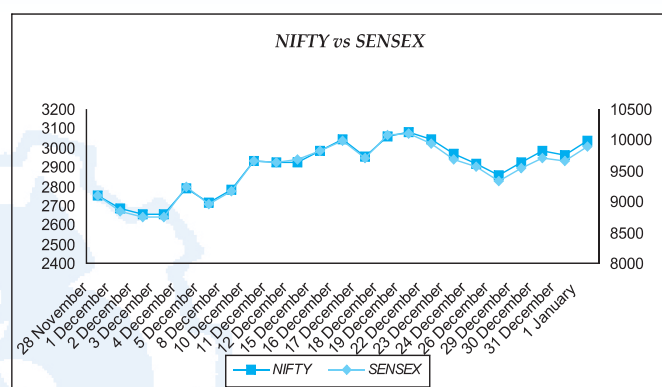
Indices	Country	Index as on 30th November 2008	Index as on 31st December 2008	Variation (%) (Inc/ Dec)
NASDAQ	United States	1,535.57	1,577.03	2.70%
DJIA	United States	8,829.04	8,776.39	-0.60%
S&P 500	United States	896.24	903.25	0.78%
Hang Seng	Hong Kong	13,888.24	14,387.48	3.59%
Nikkei 225	Japan	8,512.27	8,859.56	4.08%
Straits Times	Singapore	1,732.57	1,761.56	1.67%
FTSE 100	United Kingdom	4,288.00	4,434.20	3.41%
CAC 40	France	3,262.68	3,217.97	-1.37%
DAX	Germany	4,669.44	4,810.20	3.01%
Shanghai Composite	China	1,871.16	1,820.81	-2.69%
SENSEX	India	9092.72	9,647.31	6.10%
NIFTY	India	2755.1	2,959.15	7.41%

Institutional Investments

Reporting Date	Debt / Equity	Gross Purchases (Rs Crores)	Gross Sales (Rs Crores)	Net Investment (Rs Crores)
FII Investments	Equity	31355.20	29604.90	1750.10
	Debt	8955.50	8328.60	626.50
Mutual Fund	Equity	10210.20	9869.50	340.80
	Debt	29887.30	16236.90	13650.30
FII Derivative Trades	INDEX FUTURES	INDEX OPTIONS	STOCK FUTURES	STOCK OPTIONS
- Buy	29676.12	9031.27	20974.72	558.72
- Sell	27588.56	7776.74	20930.77	344.24

Global equities stepped into the New Year on a positive note with investors hoping for better conditions emanating from the aggressive rate cuts and stimulus packages, in 2009.

The Indian Equity Markets were in green during the last month of the year 2008, with the hopes of a stimulus package and further rate cuts, FII buying, shrugging off the weak IIP numbers, amidst positive global cues, sharp decline in inflation figures. Sensex touched 10000 levels during the month and ended the year at 9647.31 and Nifty closed the year with 2959.15. The Mid cap and small cap stocks performed fairly better than the large cap stocks. Volumes of trades were fairly high during the month especially in the IT stocks.



Industrial production has slipped by 0.4% in October for the first time in 15 yrs highlighting the deceleration of the Indian economy and fall in external and internal demand. The decline has been sharp compared to 12.2% growth witnessed in the corresponding period last year.

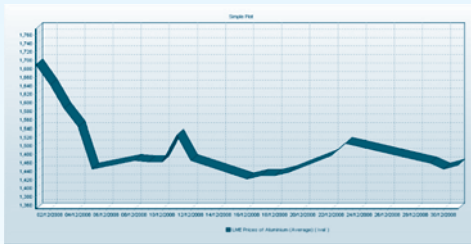
In yet another effort to counter the impact of the slowing global economy, RBI has come up with the second stimulus package including hefty cuts in its **Key Policy Rates**.

- Repo and Reverse Repo rate cut by 100 bps each to 5.50% and 4% respectively
- CRR reduced by 50 bps to 5%

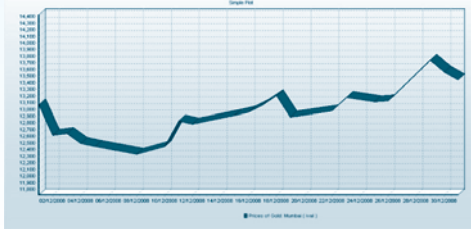
Apart from the monetary easing, the government has also introduced a fiscal package to enhance credit availability, the highlights of which are given as under:

- State owned banks to be recapitalized by Rs 20,000 crore over next two years
- States to be allowed additional borrowings of Rs 30,000 crore for capital expenditure during the current financial year
- FII investment limit in corporate bonds raised from USD 6 billion to USD 15 billion

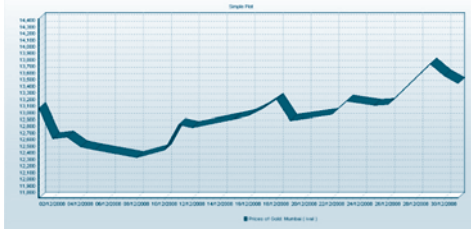
Commodities Trend



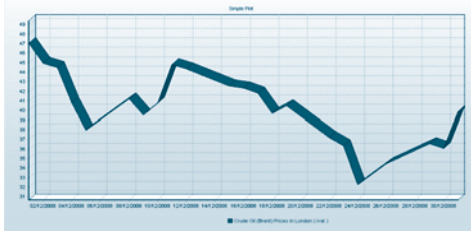
Aluminum



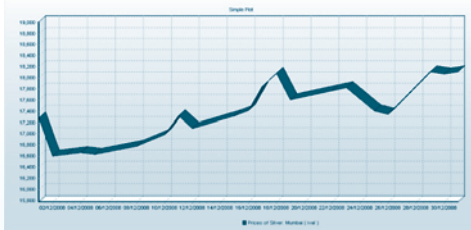
Copper



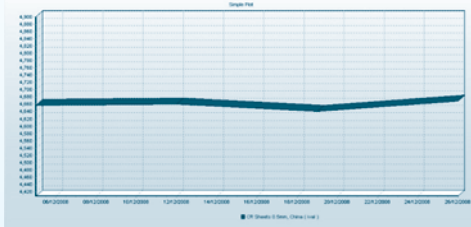
Gold



Oil



Silver



Steel

- Interest rate ceiling on ECB's removed under RBI approval route
- NBFC's permitted to access ECB's for infrastructure financing
- EXIM Bank has been permitted to use line of credit from RBI amounting to Rs 5000 crore to provide credit to exporters

The Government of India, in consultation with the RBI, has decided to issue marketable dated securities for an amount of Rs.45,000 crore during the remaining period of the current fiscal year.

A sharp decline in global energy prices has enabled the government to cut fuel prices petrol prices down Rs. 5/ litre and diesel Rs.2/litre.

10-year bonds rallied as yields gained over the last week's level on some profit taking by investors, who wanted to lock in their gains over the last quarter.

Inflation rate had slipped down to 10 Months low to 6.38% during the weekend 20th December 2008 on the backdrop of fall in prices of all the three major segments, i.e., primary articles, fuel and manufactured products.

In **commodities**, gold prices recorded a gain as the dollar did not drop against the euro for five continuous week and on account of demand concerns .Crude oil prices dipped below USD 34\$, due to recessionary concerns and increasing stockpiles. And towards the end of month, Oil prices started firming up on account of output cut by UAE and supply disruption concerns from the Middle East.

Fed Reserve on 17th Dec'08, reduced the Fed rate by 75 bps from 1% to touch a fresh low. Fed intends to maintain interest rates in the range of 0.0% - 0.25%. This measure affected the US treasuries which dipped heavily to 2.12%. This step of reducing interest rates to zero percent is believed to infuse in large amounts of money, which in turn would help US economy to emerge from the on-going depression. Despite the recent weakness, the US dollar registered annual gains on safe haven buying and the Japanese Yen also strengthened. BOJ had also cut its interest rate to 0.1% from 0.3% due to surge in the Yen to 13 year high. Currencies in Europe and Emerging Markets came under pressure. China cut interest rates for the 5th time in 3 months after exports fell for the first time in 7 years.

P.N. Patel
President and Whole-time Director

Editorial Team
P. Mugundan
Vice President F & CS

K. Gayathri
SPE

IPO and NFO Review

NEWS FROM IPO

- During the recently concluded board meeting, SEBI has agreed to extend the cross-margining facility available to institutional investors, to the retail segment as well. It also extended the validity period of IPO and rights issue draft prospectus approved by SEBI to 12 months from 3 months earlier.
- Eighteen companies, collectively planning to raise Rs 9,000 crore through initial public offers (IPOs), will benefit from the Securities and Exchange Board of India's (Sebi) new norms to extend the IPO validity period from three months to a year.
- Gemini Engi-Fab Ltd, a Mumbai based manufacturer of industrial fabrication was the only public issue that was made during the month. They had come up with an offering of 55 lacs equity shares of Rs 10 each, with a price band ranging between Rs 75 - Rs 80. Issue was opened on 15th December and was opened till 18th December 2008. The shares will be listed on BSE and NSE. The company wants fund to set up a new manufacturing unit at Umbergaon, Gujarat. This facility would have better machinery like a plate bending machine, a tube sheet drilling machine, SAW machines with motorized rotators and electrically operated cranes which will not only help to handle larger material but also to work on it with better precision.
- Initial Public Offer of Oil India Ltd has been put off to the next fiscal on account of unstable market conditions. The nation's second biggest state-run oil and gas explorer was to launch its IPO of 2.64 crore equity shares on November 10 as per the earlier schedule. However, the turnaround of fortunes on the stock markets led to its deferment by a few weeks. It now has been put back for at least a couple of months. The government holds 98.13 per cent stake in OIL, which produces nearly four million tonnes of crude oil yearly. Together with the IPO, government is to sell 10 per cent of its current holdings in OIL to Indian Oil Corp, Hindustan Petroleum and Bharat Petroleum.

Corporate Announcements

Symbol	Record Date	Ex Date	Purpose
BANKBEES	16/01/2009	15/01/2009	DIVIDEND-RS.5/- PER UNIT
MASTEK	16/01/2009	09/01/2009	INTERIM DIVIDEND
PAGEIND	05/02/2009	29/01/2009	3RD INTERIM DIVIDEND
TEXMACOLTD	09/01/2009	01/01/2009	FV SPLIT RS.10/- TO RE.1/

Mutual fund industry after the three consecutive falls starting from September to November 2008, has reported a growth in Average Asset Under management (AAUM). The AUM in December has grown by 4.75% to Rs 4.21 lakh crore as against 4.02 lakh crore in November 2008. In December 2008, the AUM of funds of funds (FoFs) stood at Rs 790.27 crore. This was primarily because investors continued to pump in funds in Fixed Maturity Plans (FMPs), Liquid and Liquid-plus funds. The rise in AUM was partly gained by the equity funds as the equity market has shot up by more than 10% in the month of December 2008. On the other hand, the partly by the debt funds as the interest rate is simmering down i.e. through inflows in liquid and gilt funds.

NFO

Scheme	Type	Class	Open Date	Close Date	Offer Price	Min.Inv. Amount
UTI FTIF SV P10	Close	Debt - FMP	16/12/2008	09/01/2009	10	5000
JPMorganIndiaTax Adv	Open	Equity - ELSS	18/12/2008	16/01/2009	10	500
Bharti AXA Tax Advan	Open	Equity - ELSS	12/12/2008	12/02/2009	10	500
Tata InfraTaxSaving	Close	Equity - ELSS	17/12/2008	16/03/2009	10	500
DBS Chola Tax Adv SI	Close	Equity - ELSS	19/12/2008	19/03/2009	10	500

Corporate News and Events

E&Y predicts M&As in telecom; 3G users to reach 30 m by '12 (01/12/2008 Financial Express)

Predicting a fresh wave of mergers and acquisitions (M&A) in the Indian telecom industry, an E&Y report on the Indian telecom sector has said the current number of telecom players in each circle would go up to 10 or 12 with the allotment of new licenses. But by 2012 this is expected to come down to 4 or 5 in each circle and that the circle B and the circle C would contribute to around 60% of the subscribers by 2012. The report titled 'India Telecom 2012 Study' further states that with Telecom Regulatory Authority of India (Trai) recommending Mobile Virtual Network Operator or MVNO, the competition in the Indian telecom market is expected to further hot-up.

21 highway projects get nod (09/12/2008 Business Line)

The Nineteenth Public-Private Partnership Appraisal Committee (PPPAC), in a meeting on November 21, approved infrastructure projects worth Rs 28,303 crore, an official release said on Monday. The PPPAC, chaired by the Secretary of Economic Affairs department, approved 21 highway projects to be taken up under NHDP Phase III and V, the release said. Since its constitution in January 2006, the PPPAC has granted approval to 87 projects that will cost over Rs 89,891 crore, including 77 highway projects, six ports, two airports, one related to tourism infrastructure and one railway project, the release added. - Our Bureau

LIC to invest Rs 31,000 cr in equities, corporate bonds (09/12/2008 Business Line)

Life Insurance Corporation of India (LIC) would invest Rs 31,000 crore in equities and corporate bonds in the next four months. The corporation would invest Rs 11,000 crore in stocks and Rs 20,000 crore in non-convertible debentures, said a top LIC official.

Railways mull Rs 30,000-cr spend to upgrade infra (15/12/2008 Financial Express)

With an aim to provide a fillip to the economy, the Indian Railways has planned a Rs 30,000-crore infrastructure spend, which envisages upgrade and procurement of new assets of rolling stock during the current financial year. Focusing on the steel sector, the railways have set a target of rail renewal over 2,941 km, which will require 3,39,288mt of rail steel. A target of renewal of 44.5 lakh sleepers has been fixed, which requires 88,200mt of steel. In addition, 5,000mt steel is likely to be used towards the manufacture of steel channel sleepers during the current financial year.

Unitech up on investment plans (19/12/2008 Business Standard)

Unitech shares surged by 9.17 per cent to close at Rs 38.10 on reports that the realty major plans to invest Rs 2,500 crore, to launch 10,000 low-cost residential units for the middle class. According to reports, housing units would be offered to customers in the range of Rs 30-50 lakh.

Fortis plans rights, warrant issue for Rs 1,800-2,000 cr (22/12/2008 Business Standard)

In a bid to create a war chest for expansion opportunities, hospital chain Fortis Healthcare is in advanced stages of finalising the pricing and other technicalities for a Rs 1,800 crore to Rs 2,000 crore rights and warrant issue. A senior Fortis Healthcare executive said the company expects to conclude three acquisitions in the next couple of months, which may include majority stakes in hospitals and even land acquisition in strategic markets.

Ranbaxy may sell 3 plants in Asia to rationalise costs (22/12/2008 The Economic Times)

Ranbaxy Laboratories, India's largest drugmaker, is planning to sell three plants in China, Malaysia and Vietnam as part of a strategy to rationalise its business portfolio and cut costs, two persons with knowledge of the development, who did not wish to be named, told ET.

Jaiprakash Associates to merge four group firms (23/12/2008 The Pioneer)

Diversified business house Jaiprakash Associates Ltd on Monday said its board has approved merger of four group firms with itself with effect from April 1 this year, subject to necessary approvals.

Unitech to raise Rs 5,000 cr long-term funds (23/12/2008 Financial Express)

The board of directors of Unitech Ltd has given the go-ahead to a proposal to raise long-term funds of up to Rs 5,000 crore or equivalent amounts in other currencies, through issuance of further securities, the company informed the Bombay Stock Exchange on Monday.

PNB to raise Rs 500 cr from bonds (23/12/2008 Financial Express)

Punjab National Bank is planning to raise Rs 500 crore from tier II bonds to meet its capital requirement. The bond will be raised from Upper Tier II Bonds Series VI through private placement.

BHEL bags Rs 2,100-cr order (25/12/2008 Business Line)

State-run Bharat Heavy Electricals Ltd (BHEL) has bagged a Rs 2,100-crore order to supply and install main plant equipment for NTPC's Mauda Super Thermal Power Project in Nagpur. The company would set up 2x500 MW steam generator and steam turbine generator packages at Mauda STPP, a company statement said.

Wipro to acquire Citi IT arm for \$127 million (25/12/2008 The Economic Times)

Wipro Technologies on Tuesday said it is buying the IT arm of Citigroup in India for around \$127 million. The deal could yield contracts worth up to \$1 billion for India's third-largest software exporter from the global financial services provider.

SBI to raise about Rs 500 cr (27/12/2008 Business Line)

State Bank of India is planning to raise at least Rs 500 crore through bond sales, a person familiar with the matter said Friday. The Country's largest lender by assets is looking to sell 10 year paper with an annual coupon of 8.40 per cent, said person, who asked not to be named. The issue, which opened Thursday, will close on Saturday.

Wockhardt planning to raise Rs 500 crore (27/12/2008 The Economic Times)

Pharma major Wockhardt on Friday said it is planning to raise Rs 500 crore through a redeemable preference share offering. The offer will be approved at an extraordinary general meeting scheduled on January 19, Wockhardt said in a statement to the BSE.

Great Eastern Energy files papers with SEBI (30/12/2008 The Economic Times)

MUMBAI: Great Eastern Energy Corporation, with interests in exploration, development, production, distribution and sale of natural gas from coal seams, commonly known as CBM, has filed its draft red herring prospectus with the Securities and Exchange Board of India.

Market Price Ranging

Sl. No.	Company Name	Industry	Incorporation Year	Face Value	Year End (Latest)	Equity Paid Up (Latest)	Net worth (Latest)	Net Sales (Latest)	PAT (Latest)	ROCE (%) (Latest)	RONW (%) (Latest)	Book Value (Unit Curr) (Latest)	Dividend (annualised %) (Latest)
1	Gujarat NRE Coke Ltd	Coke / Metallurgical Coke	1986	10	200803	337.02	1108.04	872.15	172.88	17.11	20.87	32.88	25
2	Unitech Ltd	Construction - Housing - Large	1971	2	200803	324.68	2143.82	2802.28	1030.68	23.4	62.37	13.21	12.5
3	Exide Industries Ltd	Auto Ancillaries - Batteries	1947	1	200803	80	989.45	3156.87	250.33	36.21	30.95	12.37	40
4	Hindalco Industries Ltd	Aluminium	1958	1	200803	122.65	17296.32	18982.55	2860.94	14.57	19.26	141.02	185
5	Suzlon Energy Ltd	Electric Equipment - Gensets / Turbines	1995	2	200803	299.39	6937.44	6926.01	1265.71	22.2	26.68	46.34	50
6	Neyveli Lignite Corporation Ltd	Power Generation And Supply	1956	10	200803	1677.71	9040.28	2986.78	1101.57	13.23	12.68	53.88	20
7	Amtek Auto Ltd	Auto Ancillaries - Brakes	1988	2	200706	26.16	1689.11	1104.11	235.84	11.72	15.66	129.14	150
8	Moser Baer (India) Ltd	Computers - Peripherals / Accessories	1983	10	200803	168.23	1969.55	1899.79	-78.91	1.93	-4.91	117.07	10
9	Rural Electrification Corporation Ltd	Finance - Term-Lending Institutions	1969	10	200803	858.66	5367.71	3535.77	860.15	9.13	18.34	62.51	30
10	GMR Infrastructure Ltd	Diversified - Medium / Small	1996	2	200803	364.13	5604.57	102.77	62.7	2.09	1.52	30.78	0
11	United Breweries Ltd	Breweries	1999	1	200803	21.6	364.36	1367.31	62.47	12.54	16.31	16.87	0
12	Steel Authority of India Ltd	Steel - Large	1973	10	200803	4130.4	23063.57	39768.18	7536.78	49.43	37.33	55.84	37
13	Shipping Corporation of India Ltd	Shipping - Large	1950	10	200803	282.3	5632.1	3726.84	813.9	14.38	15.17	199.51	85
14	Power Grid Corporation of India Ltd	Power Generation And Supply	1989	10	200803	4208.84	13754.17	4614.82	1448.47	9.82	12.99	32.68	12
15	Bharat Forge Ltd	Forgings - Large	1961	2	200803	44.54	1473.28	2141.83	273.59	18.29	19.56	66.16	175
16	Sesa Goa Ltd	Mining / Minerals	1965	1	200803	39.36	2791.13	3602.16	1492	104.17	69.44	709.13	450
17	Hindustan Copper Ltd	Metal - Copper / Copper Alloy Products	1967	5	200803	384.11	899.71	1595.75	246.46	28.78	27.66	11.71	0
18	Videocon Industries Ltd	Electronics - TV / Audio / VCR / VCP	1986	10	200709	220.94	5578.85	8285.43	855.22	14.23	17.65	252.51	35
19	Reliance Power Ltd	Power Generation And Supply	1995	10	200803	2259.95	13542.68	0	94.67	1.27	1.1	59.92	0
20	Havells India Ltd	Electric Equipment - Switchgears/Relays/Circuits	1983	5	200803	28.96	649.03	2051.64	143.54	38.21	31.5	112.06	50
21	Power Finance Corporation Ltd	Finance - Term-Lending Institutions	1986	10	200803	1147.77	10396.6	5041.72	1206.76	10.51	11.94	90.58	35
22	State Trading Corporation of India Ltd	Trading - Large	1956	10	200803	60	524.89	15774.13	124.45	16.6	25.96	87.48	47.5
23	AIA Engineering Ltd	Miscellaneous - Medium / Small	1991	2	200803	18.8	525.14	592.64	108.31	31.83	22.78	279.33	40
24	Crompton Greaves Ltd	Electric Equipment - General - Large	1937	2	200803	73.32	915.99	4000.19	313.92	53.49	39.85	24.99	80
25	SKF India Ltd	Bearings - Large	1961	10	200712	52.73	545.25	1567.46	160.71	51.2	33.22	103.4	60
26	Housing Development & Infrastructure Ltd	Construction - Housing - Medium / Small	1996	10	200803	214.27	3637.22	2379.87	1410.51	45.13	64.64	169.75	50
27	Zee Entertainment Enterprises Ltd	Entertainment - Electronic Media	1982	1	200803	43.36	2128.25	1041.99	295.12	22	14.53	49.08	200
28	Blue Star Ltd	Air-conditioners	1949	2	200803	17.99	263.55	2221.58	174.09	71.81	62.61	29.3	350
29	Punjab Lloyds Ltd	Construction - Civil / Turnkey - Large	1988	2	200803	60.69	2409.19	4495.15	221.44	14.21	12.63	79.39	20
30	Tata Motors Ltd	Automobiles - LCVs/HCVs	1945	10	200803	385.54	7813.99	28529.4	2028.92	24.08	27.68	202.68	150
31	NMDC Ltd	Mining / Minerals	1958	1	200803	132.16	8289.65	5711.31	3250.98	70.48	46.14	627.24	385
32	ITC Ltd	Cigarettes	1910	1	200803	376.86	12001.55	13920.76	3120.1	40.32	27.88	31.85	350
33	Cairn India Ltd	Oil Exploration / Allied Services	2006	10	200712	1778.4	29278.77	1.27	-78.82	0	0	164.64	0
34	Adlabs Films Ltd	Entertainment - Content Providers	1987	5	200803	23.06	678.08	284.93	45.9	1.99	5.08	147.03	66.67
35	NTPC Ltd	Power Generation And Supply	1975	10	200803	8245.5	54012	37091	7414.8	15.72	14.36	65.5	35
36	Sun TV Network Ltd	Entertainment - Electronic Media	1985	5	200803	197.04	1470.67	861.06	366.98	43.14	27.59	37.32	50
37	Cipla Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1935	2	200803	155.46	3746.85	3997.9	701.43	22.31	20.12	48.2	100
38	National Aluminium Company Ltd	Aluminium	1981	10	200803	644.31	8874.45	5021.97	1631.52	30.52	19.69	137.74	60
39	Canara Bank	Banks - Public Sector	1906	10	200803	410	8295.63	14200.74	1565.01	0	19.08	202.33	80
40	GAIL (India) Ltd	Gas Distribution	1984	10	200803	845.65	13004.88	18012.14	2601.46	29.14	21.33	153.79	100
41	GTL Ltd	Telecommunications - Equipment - Large	1987	10	200803	94.57	923.62	1433.33	121.29	14.03	9.04	97.67	30
42	Tata Steel Ltd	Steel - Large	1907	10	200803	730.78	21828.21	19654.78	4687.03	23.32	26.08	298.7	160
43	Cummins India Ltd	Engines	1962	2	200803	39.6	1103.68	2350.67	280.69	38.25	27.61	55.74	230
44	JSW Steel Ltd	Steel - Large	1994	10	200803	248.08	7388.32	11391.05	1728.19	24.05	26.8	297.82	140
45	Jindal Saw Ltd	Steel - Tubes / Pipes	1984	10	200712	51.14	1872.32	6594.77	876.38	22.33	24.21	366.12	50
46	Dredging Corporation of India Ltd	Miscellaneous - Large	1976	10	200803	28	1238.78	705.37	154.82	12.59	13.05	442.42	150
47	Reliance Communication Ltd	Telecommunications - Service Provider	2004	5	200803	1032.01	24840.03	14792.05	2586.45	8.66	11.4	120.35	15
48	Alstom Projects India Ltd	Electric Equipment - General - Large	1992	10	200803	67.02	343.63	1547.07	73.31	35.02	21.71	51.27	80
49	Ranbaxy Laboratories Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1961	5	200712	186.54	2537.22	4428.56	617.72	15	25.28	68.01	170
50	Piramal Healthcare Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1947	2	200803	41.8	1016.47	1913.87	301.48	27.23	29.51	48.63	210
51	Hindustan Unilever Ltd	Personal Care - Multinational	1933	1	200712	217.75	1438.57	13683.19	1925.47	97.55	82.83	6.61	900
52	UTV Software Communications Ltd	Entertainment - Content Providers	1990	10	200803	24.84	202.62	286.29	4.47	6.76	2.22	81.57	10
53	Sterilite Industries (India) Ltd	Metal - Copper / Copper Alloy Products	1975	2	200803	141.7	13165.02	12659.59	951.63	10.71	10.8	185.82	200
54	Mahindra & Mahindra Ltd	Automobiles - Tractors	1945	10	200803	239.07	4337.6	11281.73	1103.37	21.59	24.2	181.44	115

Market Price Ranging

Sl. No.	Company Name	Industry	Incorporation Year	Face Value	Year End (Latest)	Equity Paid Up (Latest)	Net worth (Latest)	Net Sales (Latest)	PAT (Latest)	ROCE (%) (Latest)	RONW (%) (Latest)	Book Value (Unit Curr) (Latest)	Dividend (annualised %) (Latest)
1	Bank of Baroda	Banks - Public Sector	1908	10	200803	365.53	11043.93	11813.48	1435.52	0	14.58	302.13	80
2	Kalpataru Power Transmission Ltd	Transmission Line Towers / Equipment	1981	10	200803	26.5	767.22	1737.58	149.95	24.74	21.28	289.52	75
3	Hindustan Petroleum Corporation Ltd	Refineries	1952	10	200803	339.01	10563.29	105215.56	1134.88	8.87	12.61	311.59	30
4	Siemens Ltd	Electronics - Instrumentation and Process Control	1957	2	200709	33.72	1589.4	7724.18	596.54	58.92	39.82	94.27	240
5	DLF Ltd	Construction - Housing - Large	1963	2	200803	340.96	11269.15	5532.84	2574.59	26.34	43.19	66.1	200
6	Glenmark Pharmaceuticals Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1977	1	200803	24.87	1028.25	1371.33	389.02	32.58	52.63	41.34	70
7	Bank of India	Banks - Public Sector	1906	10	200803	525.91	8826.29	12355.22	2009.4	0	27.58	167.83	40
8	CMC Ltd	Computers - Hardware - Large	1975	10	200803	15.15	303.53	977.19	88.22	40.57	32.93	200.35	110
9	BEML Ltd	Engineering - Heavy - General - Large	1964	10	200803	41.77	1705.7	2525.9	225.65	24.45	16.48	408.36	120
10	Hindustan Zinc Ltd	Metal - Zinc	1966	10	200803	422.53	11848.19	7895.47	4396.07	61.71	45.15	280.41	50
11	Ipsca Laboratories Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1949	10	200803	25.09	607.66	1103.49	141.12	23.79	25.81	242.19	80
12	Reliance Industrial Infrastructure Ltd	Engineering - Turnkey Services	1988	10	200803	15.1	131.33	67.26	21.79	15.8	17.64	86.97	35
13	Bharat Petroleum Corporation Ltd	Refineries	1952	10	200803	361.54	11676.84	110208.13	1580.56	13.68	14.4	322.98	40
14	Bajaj Auto Ltd	Automobiles - Scooters and 3-Wheelers	2007	10	200803	144.68	1587.59	8660.44	755.95	39.13	47.62	109.73	200
15	Colgate-Palmolive (India) Ltd	Personal Care - Multinational	1937	1	200803	13.6	162.21	1474.8	231.71	129.95	104.67	11.93	1300
16	Apollo Hospitals Enterprise Ltd	Hospitals / Medical Services	1979	10	200803	58.69	1223.47	1123.81	101.75	13.64	10.33	208.46	60
17	ABB Ltd	Electric Equipment - Switchgears / Relays / Circuits	1949	2	200712	42.38	1611.81	5930.31	491.67	55.35	35.21	76.06	110
18	Dr Reddys Laboratories Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1984	5	200803	84.09	4811.81	3365.2	475.22	12	10.35	286.11	75
19	ACC Ltd	Cement - Major - North India	1936	10	200712	187.83	4152.61	6878	1438.59	41.34	35.12	221.08	200
20	Engineers India Ltd	Engineering - Turnkey Services	1965	10	200803	56.16	1152.05	721.87	194.6	29.84	19.57	205.14	110
21	Tata Communications Ltd	Telecommunications - Service Provider	1986	10	200803	285	6547.34	3283.3	304.46	7.05	4.72	229.73	45
22	Pfizer Ltd	Pharmaceuticals - Multinational	1950	10	200711	29.84	648.64	710.04	338.93	37.16	27.28	217.37	275
23	Bharat Bijlee Ltd	Electric Equipment - Transformers	1946	10	200803	5.65	168.5	562.32	72.49	70.81	50.99	298.23	300
24	Axis Bank Ltd	Banks - Private Sector	1993	10	200803	357.71	8768.5	7005.32	1071.03	0	17.61	245.13	60
25	Financial Technologies (India) Ltd	Computers - Software - Medium / Small	1988	2	200803	9.18	1469.38	137.55	961.25	100.12	115.26	320.13	1000
26	Maruti Suzuki India Ltd	Automobiles - passenger cars	1981	5	200803	144.5	8415.4	17891.6	1730.8	30.51	22.67	291.19	100
27	Punjab National Bank	Banks - Public Sector	1895	10	200803	315.3	10782.65	14265.02	2048.76	0	19.58	341.98	130
28	Reliance Infrastructure Ltd	Power Generation And Supply	1929	10	200803	235.62	10259.78	6152.12	1084.63	9.8	11.48	431.11	63
29	Tata Tea Ltd	Tea - Indian - Large	1962	10	200803	61.84	1782.19	1134.7	312.86	12.01	10.98	288.19	350
30	Lakshmi Machine Works Ltd	Textile machinery	1962	10	200803	12.37	757.5	2205.16	242.3	55.97	36.22	612.37	450
31	Container Corporation Of India Ltd	Transport - Road	1988	10	200803	64.99	3183.92	3347.83	752.21	32.63	25.88	489.91	185
32	Akruti City Ltd	Construction - Factories / Offices / Commercial	1989	10	200803	66.7	777.55	440.5	294.71	37.22	46.07	116.57	25
33	Aban Offshore Ltd	Oil Exploration / Allied Services	1986	2	200803	7.56	706.92	657.92	159.1	15.34	25.03	187.02	180
34	Oil & Natural Gas Corpn Ltd	Oil Exploration / Allied Services	1993	10	200803	2138.89	70617.4	59848.3	16701.65	31.82	25.2	330.16	320
35	Bharat Electronics Ltd	Electronics - Others	1954	10	200803	80	3233.13	4059.5	826.74	40.33	28.38	404.14	207
36	Bharti Airtel Ltd	Telecommunications - Service Provider	1995	10	200803	1897.91	20181.73	25761.11	6244.19	34.88	39.53	106.34	0
37	Tata Power Company Ltd	Power Generation And Supply	1919	10	200803	220.72	8037.92	5937.18	869.9	7.67	8.12	352.27	105
38	Larsen & Toubro Ltd	Engineering - Turnkey Services	1946	2	200803	58.47	9529.18	24876.25	2173.42	31.82	28.47	325.95	850
39	United Spirits Ltd	Distilleries	1999	10	200803	100.16	2009.32	3137.36	311.28	20.65	18.61	200.61	15
40	Jindal Steel & Power Ltd	Steel - Sponge Iron	1979	1	200803	15.4	3724.26	5351.78	1236.96	25.72	39.89	241.84	400
41	Titan Industries Ltd	Watches & Accessories	1984	10	200803	44.39	436.17	3012.64	150.27	39.64	44.48	98.26	80
42	Sun Pharmaceuticals Industries Ltd	Pharmaceuticals - Indian - Bulk Drugs & Formln Lrg	1993	5	200803	103.56	4207.62	3151.92	1014.04	27.01	30.47	203.15	210
43	Infosys Technologies Ltd	Computers - Software - Large	1981	5	200803	286	13490	15648	4470	41.52	36.26	235.84	665
44	Glaxosmithkline Pharma Ltd	Pharmaceuticals - Multinational	1924	10	200712	84.7	1360.92	1570.3	537.66	47.58	27.87	160.68	360
45	Reliance Industries Ltd	Refineries	1966	10	200803	1453.39	78894.94	133805.78	19458.29	18.81	21.9	542.83	130
46	Britannia Industries Ltd	Food And Dairy Products - Multinational	1918	10	200803	23.89	755.81	2587.86	191	33.76	27.87	316.37	180
47	Divis Laboratories Ltd	Pharmaceuticals - Indian - Bulk Drugs	1990	2	200803	12.91	873.98	1033.22	353.55	47.69	49.94	135.4	200
48	Bharat Heavy Electricals Ltd	Electric Equipment - General - Large	1964	10	200803	489.52	10774.21	19492.05	2859.34	45.23	29.23	220.1	152.5
49	Nestle India Ltd	Food And Dairy Products - Multinational	1959	10	200712	96.42	418.43	3500.65	413.81	152.33	102.51	43.4	330
50	MRF Ltd	Tyres - Large	1960	10	200709	4.24	986.15	4392.77	171.78	18.39	18.98	2325.83	200
51	Bosch Ltd	Auto Ancillaries - Engine Parts	1951	10	200712	32.05	2563.41	4269.36	609.21	34.01	26.46	799.82	250

Mutual Fund Corner

Scheme for the Month

ICICI Pru Income Plan-Growth

Fund Manager: Pankaj Kaji

Investment Objective

The scheme seeks to generate regular returns by putting around 75 per cent of the investments in debt instruments, and the balance in money market instruments.

The plan aims to maintain the optimum balance of yield, safety and liquidity.

Current Statistics & Profile

Latest NAV	29.571 (01/01/09)
52-Week High	29.571 (01/01/09)
52-Week Low	23.3541 (11/07/08)
Fund Category	Debt: Medium-term
Type	Open Ended
Launch Date	June 1998
Net Assets (Cr)	167.15 (30/11/08)
Benchmark	Crisil Comp BFI

Trailing Returns

As on 1 Jan. 2009	Fund Return	Category Return
1-Week	2.32	1.31
1-Month	14.61	6.97
1-Year	24.89	13.23
2-Year	17.03	10.25
3- Year	13.31	8.43

Note: Return less than 1 year are absolute and over 1 year are annualised

Fund Style	Portfolio Characteristic												
<p>Interest Rate Sensitivity</p> <table border="1"> <tr> <td>High</td> <td>Medium</td> <td>Low</td> </tr> <tr> <td style="background-color: #0070C0;"></td> <td></td> <td></td> </tr> </table>	High	Medium	Low				<p>Credit Quality</p> <table border="1"> <tr> <td>High</td> <td>Medium</td> <td>Low</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	High	Medium	Low			
High	Medium	Low											
High	Medium	Low											
	<p>GOI Securities – 52.96%</p> <p>Others – Cash & Equivalent } -47.04 %</p>												

Holdings of the Fund		As on Nov.28.2008	
Debt	Value (Rs in cr.)	Rating	%
PSU/PFI Bonds	39.27		23.50
Indian Railway Finance Corporation	16.20	AAA	9.69
Power Finance Corporation Ltd	11.48	AAA	6.87
Indian Oil Corporation Ltd	11.46	AAA	6.86
State Bank of India Ltd	0.14	AAA	0.08
Private Corporate Securities	38.42		22.99
HDFC Ltd	21.95	AAA	13.13
Reliance Industries Ltd	8.23	AAA	4.93
Tata Sons Ltd	5.47	AAA	3.27
Syndicate Bank Ltd	2.77	AA+	1.65
Government Securities	88.53		52.96
8.24% GOI 2018	47.97	Sovereign	28.70
7.95% GOI 2032	22.06	Sovereign	13.20
8.33% GOI 2036	8.74	Sovereign	5.23
8.28% GOI 2032	8.72	Sovereign	5.22
7.94% GOI 2021	1.04	Sovereign	0.62
CPs, CDs and Term Deposits	2.24		1.34
Allahabad Bank Ltd	1.69	A1+	1.01
HDFC Ltd	0.33	A1+	0.20
Punjab National Bank Ltd	0.23	P1+	0.14
Cash / Call	Value (Rs in cr.)		%
Cash, Call, Reverse Repo and CBLO	13.81		8.26
Other current assets	-15.12		-9.05

Asset Allocation

Credit Rating Breakup

Rating As on 31/10/08		% Net Assets
GOI Securities	52.96	
AAA	44.83	
Cash & Money Market	8.26	
AA+	1.65	
P1+	1.34	
Net Payables	-9.05	

ABOUT TAKEOVERS

The term envisages from the concept of an acquirer taking over the control or management of the target company. When an acquirer, acquires substantial quantity of shares or voting rights of the target company it results in Substantial acquisition of shares. The takeovers are in effect in accordance with the “Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997.

Important Definitions:

Acquirer

“Acquirer” means any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights in the target company, or acquires or agrees to acquire control over the target company, either by himself or with any person acting in concert with the acquirer.

Person Acting In Concert

Persons who, for a common objective or purpose of substantial acquisition of shares or voting rights or gaining control over the target company, pursuant to an agreement or understanding (formal or informal), directly or indirectly cooperate by acquiring or agreeing to acquire shares or voting rights in the target company or control over the target company.

The regulation discusses the aspect of “Substantial Quantity of shares or voting rights” separately for two different purposes, which have been detailed as below:

A. For the purpose of disclosures to be made by Acquirer (s)

● 5% or more shares or voting rights:

A person who, along with ‘persons acting in concert’ (“PAC”), if any, acquires shares or voting rights (which when taken together with his existing holding) would entitle him to more than 5% or 10% or 14% shares or voting rights of target company, is required to disclose the aggregate of his shareholding or voting rights to the target company and the Stock Exchanges where the shares of the target company are traded within 2 days of receipt of intimation of allotment of shares or acquisition of shares.

● More than 15% shares or voting rights:

An acquirer who holds more than 15% shares or voting rights of the target company, shall within 21 days from the financial year ending March 31 make yearly disclosures to the company in respect of his holdings as on the mentioned date.

The target company is, in turn, required to pass on such information to all stock exchanges where the shares of target company are listed, within 30 days from the financial year ending March 31 as well as the record date fixed for the purpose of dividend declaration.

B. For the purpose of making an open offer by the Acquirer(s)

● 15% shares or voting rights:

An acquirer who intends to acquire shares which along with his existing shareholding would entitle him to more than 15% voting rights, can acquire such additional shares only after making a public announcement (“PA”) to acquire at least additional 20% of the voting capital of the target company from the shareholders through an open offer.

● Creeping limit of 5%:

An acquirer who is having 15% or more but less than 75% of shares or voting rights of a target company, can consolidate his holding up to 5% of the voting rights in any financial year ending 31st March. However, any additional acquisition over and above 5% can be made only after making a public announcement. However any purchase or sale aggregating to 2% or more of the share capital of the target company are to be disclosed to the Target Company and the Stock Exchange where the shares of the Target company are listed within 2 days of such purchase or sale along with the aggregate shareholding after such acquisition /sale. An acquirer who has made a public offer and seeks to acquire further shares, shall not acquire such shares during the period of 6 months from the date of closure of the public offer at a price higher than the offer price.

● Consolidation of holding:

An acquirer who is having 75% shares or voting rights of target company, can acquire further shares or voting rights only after making a public announcement specifying the number of shares to be acquired through open offer from the shareholders of a target company.

The recent example is the takeover of Centurion Bank of Punjab by HDFC Bank. Takeovers are generally opportunistic (the target company may simply be very reasonably priced for one reason or another and the acquiring company may decide that in the long run, it will end up making money by purchasing the target company) or strategic ie acquisition of business is through takeovers through which vertical integration, vis-a-vis diversification or horizontal integration. This ensues in killing of competitions. Cash surpluses are being utilization effectively through such takeovers. It will be a good strategy for the investors to invest in the shares of the acquirer company, as it will lead to capital appreciation and also reap long term benefits.

The process of takeover will be dealt in the next issue.

Stretching our horizon

Shri. K Natarajan, General Manager and Circle Head, Indian Bank inaugurating of our new CTCL Terminal of Indbank Merchant Banking Services Ltd and Indbank Online Stock Trading Point at West Mambalam on 31.12.2008 in the presence of Shri. P N Patel, President and Wholetime Director, Shri. P. Mugundan, Vice President (Finance) & Company Secretary, Shri. R.Anantharamkrishnan, Assistant Vice President, Shri R.Ravi, Assistant Vice President and Ms.R.Ranjani West Mambalam Terminal Incharge, Indbank Merchant Banking Services Limited.

Shri. PK Chopra, Deputy General Manager and Circle Head, Indian Bank, Ahmedabad inaugurating our new CTCL Terminal of Indbank Merchant Banking Services Ltd and Indbank Online Stock Trading Point at SG Road, Ahmedabad on 29.12.2008 in the presence of Shri. P N Patel, President and Wholetime Director and Shri. Arun More, Vice President, Ahmedabad Branch, Indbank Merchant Banking Services Limited.

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Erode : 121, 6th Akil Medu Street, Sait Colony, Erode – 1. Phone: (0424) 2268890 / 4020335, Fax : (0424) 2268890 erode@indbankonline.com

CTCL Terminals & Online Stock Trading Points

Parrys: Govindamaligai, III Floor, Second Line Beach, Chennai 600001. Phone: (044) – 25212057.
Anna Nagar : Ground Floor, 2137 L-Block, 7th Street, 12th Main Road, Anna Nagar West, Chennai 600 040. Phone: (044) – 26280055
CMDA: Shop No. 3, CMDA Towers, No. 1, Gandhi Irwin Road, Egmore, Chennai 600 008. Phone: 4550 8003.
Madipakkam: Anubhav Apts., Shop # 7, Ground Floor, Medavakkam Main Road, Madipakkam, (Opp. Padhala Vinayagar Temple), Chennai 600 090 Phone: 4556 5501
West Mambalam : 2/57, Brindavan Street ExtnWest Mambalam - Chennai 600033 Phone : 45513010
Pollachi: No.146/4 New Scheme Road, Groundfloor, Pollachi, 642002, Phone Number: 04259-300018
Karaikudi: 1st Floor, Veerappa Complex, College Road, Karaikudi 630002, Phone Number:04565-232243/400107
Dindugal: 24, New Agraharam, Palani Road, Dindigul – 624 001, Phone Number: 0451-2421141
Ramnagar : No.22 & 23, Sarojini Street, Ramnagar, Coimbatore 641009 Phone : 0422-4386040
Vile Parle: Shop No:13, Gujarati Society, Nehru Road, Vile Parle, East,Opp Hotel Jal Mumbai 400 057. Phone:022-26122263
Nagarkoil: 1st floor, Astaag Shopping Complex, Cape Road, Nagercoil, Kanyakumari District 629001. Phone:0465-2403196
Vile Parle: SHOP NO-13, Gujarati society, Nehru Road, Vile Parle-EastOpp-hotel jal, Mumbai400057Ph-022-26122263
CBD Belapur : Shop No:3, Plot No:21 Shiv Chambers, Sector 11, CBD Belapur, Navi Mumbai, Thane District, Maharashtra 400 614Ph-022-27573465
Ulhas Nagar : Shop at Shree Saibaba Electronics, Near Sindh Punjab Hotel, Follower Lane Chowk, Hospital Road, Ulhasnagar421 003Ph-95251-2707054
SG Road: F-B / 10 KrishnaOpp Dev Ashish School, Off S.G. RoadBodakdevAhmedabad
Nagercoil : OLD NO:37/1, NEW NO:668/1First Floor,Asha Fag shopping complex cape Road,NAGARCOIL629001Ph:0465-2403196

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