

FROM THE PRESIDENT'S DESK

S(T)HOCK MARKET BLUES

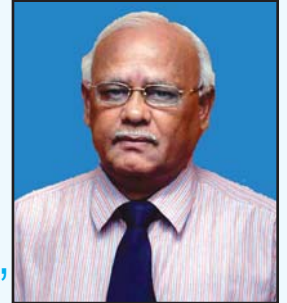
By now, the investors of various grades- small, medium, large, institutional and FIIs –would have been weary of the goings on in the stock market. All the indices simultaneously seem to be in a race to reach the winning pole, which is unfortunately situated at the southern end of the globe. As it looks, these indices may touch the south pole sooner than later. In the process everyone has been trimmed to the extent of bleeding. I am sure, this is not a good news to be cherished. But one has to live up to the reality- the reality being that the “Stock Market” has turned out to be a “Shock Market”, to the extent of viewing a horror movie- the horror being worse than “The Omen”.

There are umpteen number of Pundits in India giving hundreds of reasons for such a furious tempest witnessed in the stock market, some of them being – Inflation, Growing Petroleum prices, Political atmosphere, Global Cues, decelerating industrial growth, currency value etc.

One should always understand that the planet Earth is not static. It is always rotating and dynamic. Likewise the above parameters propounded by the Pundits are not going to remain nailed. Like the dynamic world they will continue to change. When rotation takes place what has gone up is bound to come down and vice versa. This is not a prophetic statement. If anyone analyses the Indian Economy for the past few decades, he will find that many of the economical numbers were far greater than what we have today. And subsequently they came to a level playing ground when the economy looked robust and brighter. Such a day is not far from now.

And therefore the investors need not panic. If they have not come out of the market so far, let them not do so now. For, if they do now they may have to loose both their shirt and pant. By continuing to wear them now, however ugly they may look, certainly they will be washed brighter as the rainy days are not far off. If you ask me how far are the rainy days, my answer would be 8-12 months. Dear investors please stay invested. Trade cautiously and come out fast, making profit on the way.

“
Let us
face
the
inevitable”



S ANNADURAI
CEO, President and Whole Time Director
IndBank Merchant Banking Services Ltd

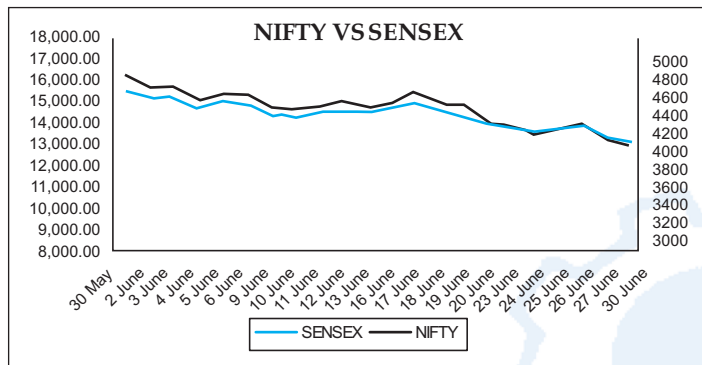
15th July 2008


(S ANNADURAI)

Markets for You

Indian Equity Markets

Yet another, downtrend was witnessed in the Indian Equity Markets during the month of June 08. Concerns arising from soaring crude oil prices, ensuing hike in Indian petroleum products like petrol, diesel and LPG, 13 year high inflation rate, mounting domestic political concern over the sensitive US nuclear deal, interest rate hike by RBI and negative global cues on the back of sell-off in Asian and US markets had kept the market sentiment subdued and made the indices hit the lowest level in 2008. Concerns on the slowdown in earnings growth kept market cautious. The Sensex fell by more than 600 points on 29th June 2008. Sensex and Nifty ended the month at 13461.60(-17.995) and 4040.55(-17.034).



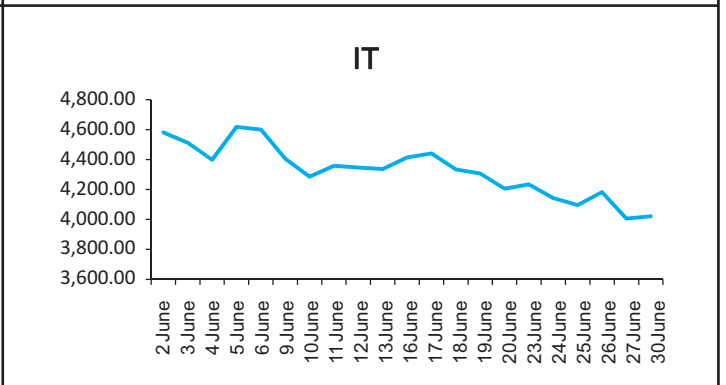
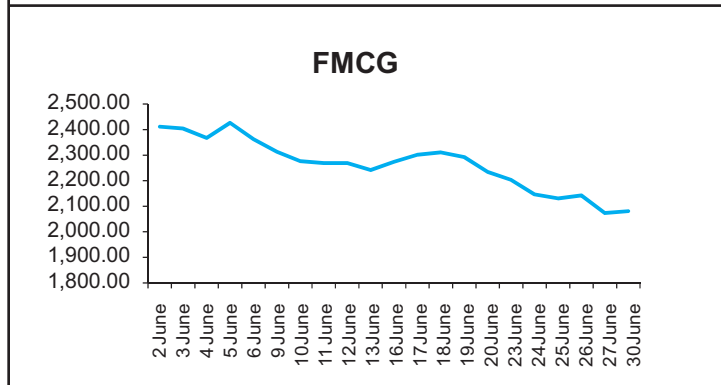
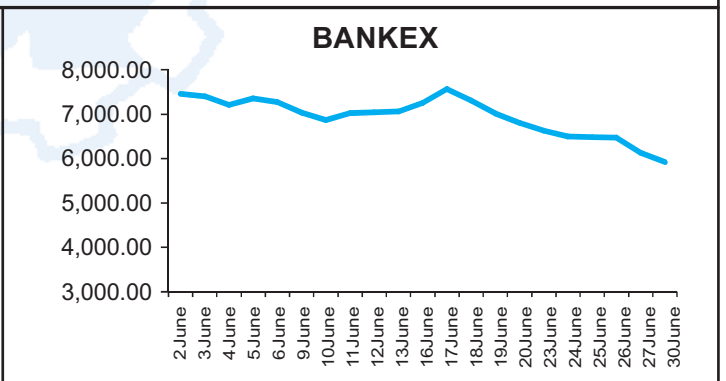
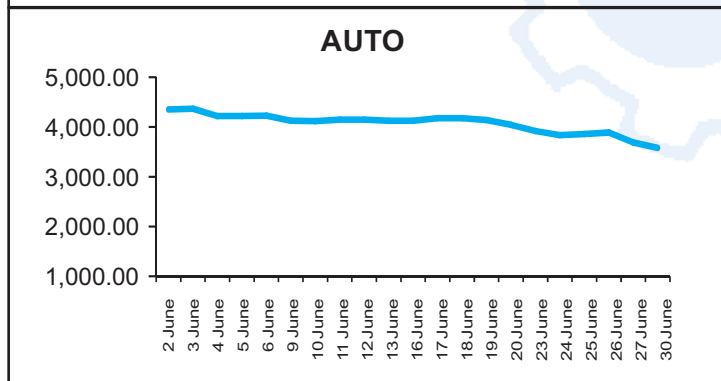
Riding on high level of mineral production, the Index of Industrial Production (IIP) grew by 7.0% during April'08, higher than previous month's growth of 3.9%. However, this growth rate was lower than the industrial growth recorded in April'07 of 11.3%. The Growth rate in the manufacturing sector was lower at 7.5% vis-à-vis 12.4% in the same month last year. The capital goods sector however sustained high growth rate with the output of investment goods soaring to 14.2% from 10.9% in April'07.

Reserve Bank of India hiked the repo rate and CRR by 50 bps each to 8.50% and 8.75%. RBI stated the move to be a proactive response to the issues demanding immediate actions. The hike in CRR was to be implemented in two stages. First, a 25 bps hike on July 5, and another 25 bps hike on July 19. Repo rate was earlier hiked by 25 bps on 11th June'08. The move has resulted in widening of interest rate corridor from 200 bps to 300 bps.

The hike in Repo rate by RBI lead many banks to hike the interest rate in short term debts as the apex bank would now charge more from the banks for disbursing the loans, and banks pass the same to the clients. Corporate earnings are likely to come under pressure owing to the increased cost of borrowing.

SECTORAL MOVEMENT

Bankex was the largest sectoral loser after the banks hiked their PLRs on the back of RBI's rate hike. Other interest rate sensitives such as Auto, Capital Goods, Realty also declined.

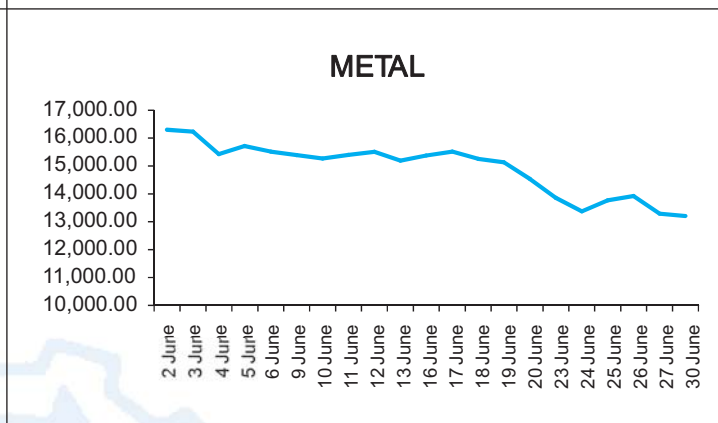
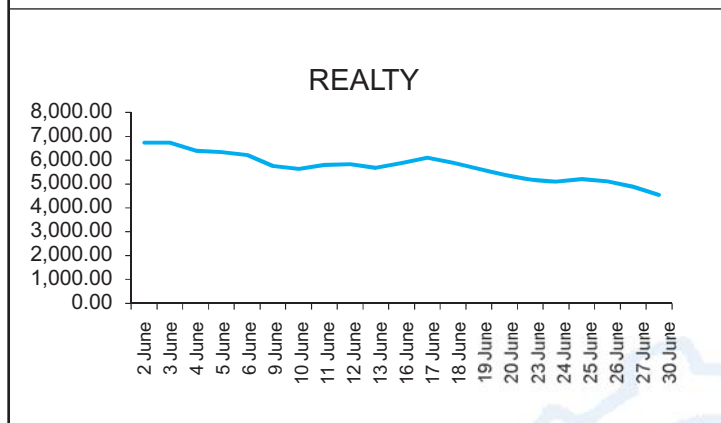
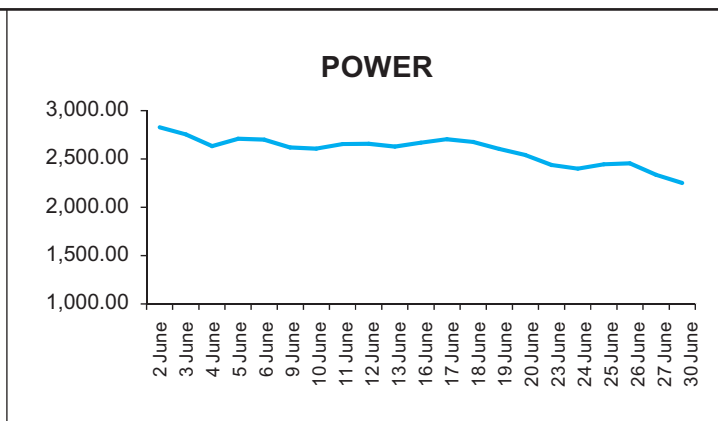
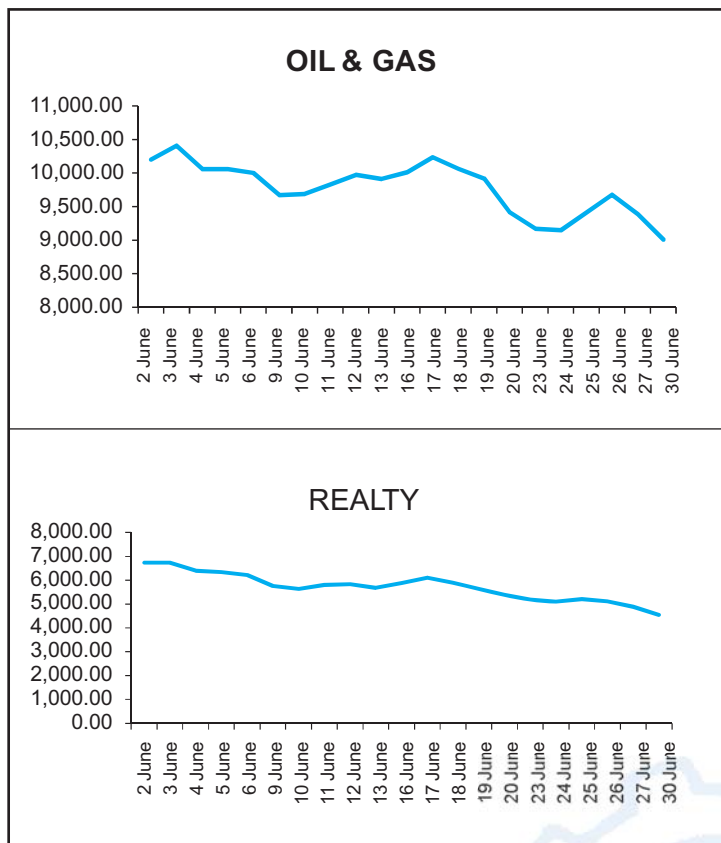


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Institutional Investment - FII & MF

FII-Cash & Debt segment

(Rs.Crores)

Week Ended	Equity Gross Purchase	Equity Gross Sales	Equity Net Purchases/Sales	Debt Gross Purchase	Debt Gross Sales	Debt Net Purchases/Sales
06 th June	16650.5	19941.7	-3291.2	0	70	-70
13 th June	15693.3	18865.3	-3172	0	15	-15
20 th June	11869.7	12884.4	-1014.6	0	0	0
27 th June	15278.7	17150.6	-1871.8	207.7	859.6	-652
30 th June	3348.6	4094.7	-746.2	105	366.7	-261.7
Total	62840.8	72936.7	-10095.8	312.7	1311.3	-998.7

FII-Derivatives segment

(Rs.Crores)

Week Ended	BUY				SELL			
	Index Futures	Index Options	Stock Futures	Stock Options	Index Futures	Index Options	Stock Futures	Stock Options
06 th June	8792.18	6548.11	4388.61	343.44	9961.12	4230.28	4636.29	137.84
13 th June	10909.30	6137.06	4189.31	113.88	12404.06	4168.55	4011.97	92.25
20 th June	10814.69	3712.54	4669.11	281.75	11766.75	2890.96	4383.77	82.82
27 th June	24400.30	4215.74	12194.30	43.09	24567.71	6207.79	12421.22	50.80
30 th June	1600.040	1146.25	886.83	90.67	2249.99	778.60	750.34	8.14
Total	56516.51	21759.7	26328.16	872.83	60949.63	18276.18	26203.59	371.85

Mutual Fund - Cash & Debt Segment

(Rs. Crores)

Week Ended	Equity Gross Purchase	Equity Gross Sales	Equity Net Purchases/Sales	Debt Gross Purchase	Debt Gross Sales	Debt Net Purchases/Sales
06 th June	3747.30	2980.20	767.10	5873.00	4627.60	1245.30
13 th June	3758.60	3120.70	637.80	5135.90	5028.60	107.60
20 th June	2586.30	1955.40	630.90	5786.10	4475.20	1311.00
27 th June	3974.30	3121.70	852.70	6199.30	5790.50	408.80
30 th June	744.20	453.50	290.70	1292.70	1101.50	191.30
Total	14810.70	11631.50	3179.20	24287.00	21023.40	3264.00

Indian Fixed Income Markets

● Bonds and Treasuries

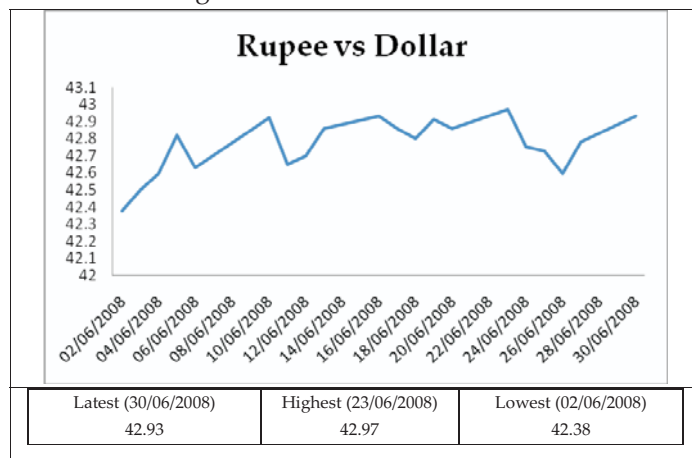
10-year benchmark bond yields rose to 7-year high level during the month, as RBI hinted that it would take all possible measures to contain inflationary expectations

after the govt hiked domestic fuel prices amidst extraordinary oil price rise. Repo rate and CRR hike by RBI had brought some relief to nervous bond markets.

Particulars	30-May	06-June	13-June	20-June	27-June
10Y G-sec Yield	8.14%	8.23%	8.41%	8.61%	8.57%
91d T-bill cutoff	7.48%	7.56%	7.68%	8.06%	8.73%

● Rupee Value Vs Dollar

The Rupee value was fluctuating throughout the month. Rupee value was stronger on news that the central bank would provide liquidity to state-run oil companies, which are facing cash shortages due to a requirement to sell fuel at state-set prices way below market levels. However, rupee declined following weakening of stock market on worries of a rift in the ruling coalition.



● Inflation

Fuelled by increase in petroleum product prices, the annual inflation rate for the week ended 14th June '08 rose to 13-yr high level of 11.42%, rising sharply from the previous week's level of 11.05% and higher than the expected rate. While the double digit inflation figure was expected after the fuel price hike, inflation figure of 11.05% shocked the market which

expected inflation to remain close to 10.0% mark. The rise in petrol, diesel and cooking gas prices announced by the government on 4th June'08 accounts for 94% of the rise in the value of the inflation index. Fuels and power sub-index recorded an annual rise of 16.25%. 10.78% rise in primary articles and 9.09% rise in manufacturing products sub-index also contributed to inflation. The government has already taken several fiscal and administrative measures like banning the export of some food items and cement, cutting import duties and banning futures trading in some items.

Week Ended	17-May	24-May	31-May	7-June	14-June
Inflation	8.10%	8.24%	8.75%	11.05%	11.42%

● Commodities

In Commodity markets, crude oil prices firmed up as a storm prompted Mexico to shut two export terminals and the weakening of dollar against euro boosted the appeal of commodities as an inflation hedge. However, prices eased after indication of reduction in demand from leading Asian economies. Scrapping of fuel price control in Malaysia and reduction in fuel subsidies in India are expected to hurt demand for fuels. Saudi Arabia later announced plans of increasing oil output by 200,000 barrels per day.

Crude oil prices steadied after Royal Dutch Shell Plc resumed production at its Nigerian Bonga field that was attacked and had halted 300,000 barrels a day of Nigerian output. Although a report showed US fuel demand dropped to the lowest level since January 2007 on record prices, falling stock markets spurred investment in commodities and took crude to a record high of USD 142.99 a barrel. All the other commodities started firming up on the weakening of dollar against euro.

Global Markets

In US treasury market, the prospect of Federal Reserve hiking interest rates to curb inflation pushed short-term yields to the highest level since Jan'08. Market recovered strongly as steep rise in crude oil prices and rumored investment banking losses drew buyers back to safe-haven government debt. However, release of strong US retail sales report heightened chances for the Fed to raise interest rates. Yields on short-term papers rose above 3.0% as release of another hawkish statement by Fed officials convinced investors of an imminent rate hike. In the second half of the month, yields stabilized after sharp sell off. Release of reports indicating that the Fed might not hike rates quickly due to fears of further damaging US economic conditions pulled down yields on treasuries. Further, falling stock prices resulted in

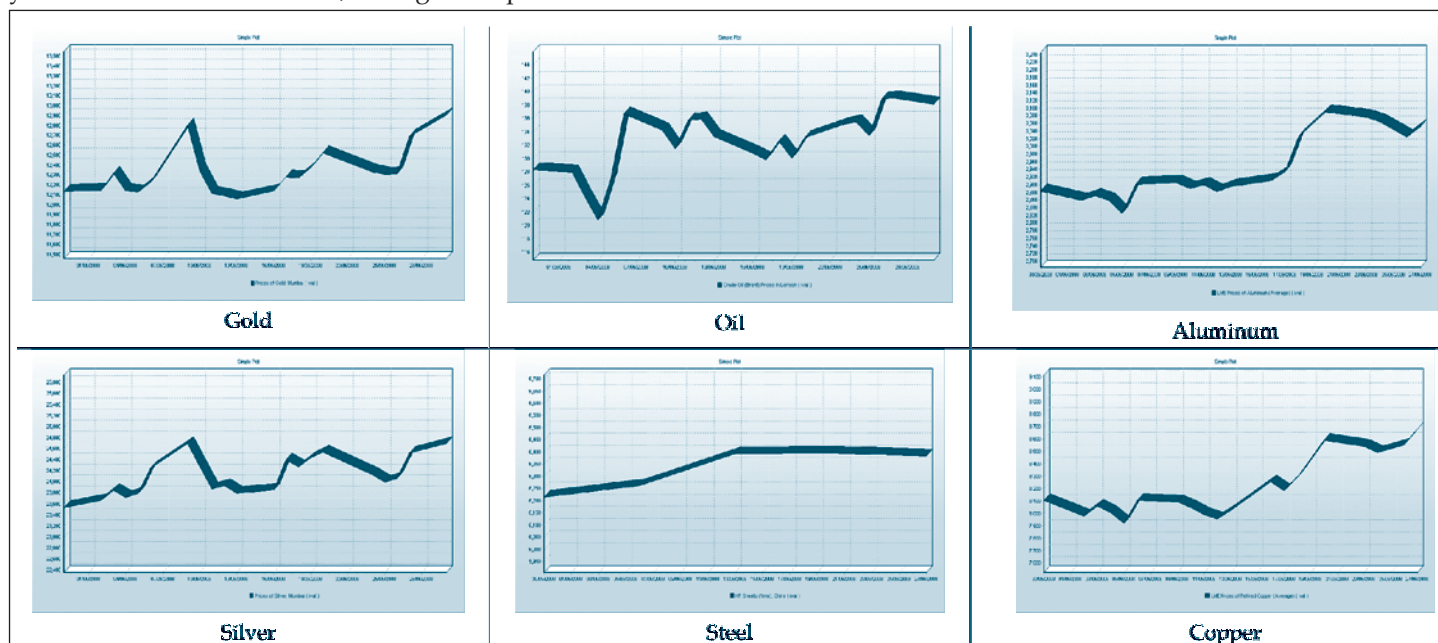
higher buying interest in treasuries. Losses in banking stocks reduced the likelihood of Fed tightening monetary policy. While profit booking by traders after a 3-day rally led to some firming up in yields, forecasts of reduced earnings of financial companies pulled down yields again.

Particulars	30-May	06-June	13-June	20-June	27-June
USD 3m LIBOR	2.68	2.68	2.78	2.80	2.80
10Y US Treasury	4.06	3.94	4.27	4.16	3.99
USD / Euro Spot	1.556	1.5731	1.5368	1.5626	1.5749

The joint message from central bankers is that interest rates are likely to hold at current rates or go higher. BoE refrained from cutting rates after predicting inflation will exceed gov't's upper limit, even as house prices dropped the most in 15 years. ECB signaled that a rate increase next month is "not excluded" and that the bank is monitoring with "heightened alertness". The Bank of Japan held its main interest rate unchanged at 0.5%. This was the eighth straight meeting in which the bank's policy board voted to retain rates at 0.5%. BoJ Governor said that the central bank would keep a close watch on the risk that higher oil and food prices may have an impact on economic growth. Sudden spurt in crude oil prices sent the DJIA down, while USD tumbled against JPY and EUR. US treasury yields shot up before falling on account of data showing weak US jobs scenario and the unemployment rate shot up to its highest 5.5% in more than three years. China raised reserve requirement ratio by 1% to 17.5% in order to contain liquidity due to a huge trade surplus (\$58bn), FDI (\$35bn) and speculative money betting on a rising yuan.

GLOBAL INDICES

Indices	Country	Index as on 30 th May	Index as on 30 th June	Variation (%) (Inc/ Dec)
NASDAQ	United States	2,522.66	2,292.98	-9.10%
DJIA	United States	12,638.32	11,350.01	-10.19%
S&P 500	United States	1,400.38	1,280.00	-8.60%
Hang Seng	Hong Kong	24,533.12	22,102.01	-9.91%
Nikkei 225	Japan	14,338.54	13,481.38	-5.98%
Straits Times	Singapore	3,192.62	2,947.54	-7.68%
FTSE 100	United Kingdom	6,053.50	5,625.90	-7.06%
CAC 40	France	5,014.28	4,434.85	-11.56%
DAX	Germany	7,096.79	6,418.32	-9.56%
Shanghai Composite	China	3,433.35	2,736.10	-20.31%
SENSEX	India	16415.57	13,461.60	-17.99%
NIFTY	India	4870.1	4,040.55	-17.03%



IPO and NFO Review

Unlike last two months, there were 7 issues during the month in primary market.

Open Issues

Company Name	Issue Type	Face Value	Premium	Issue Open	Issue Close
Birla Cotsyn (India) Ltd.	Public Issue	10	15-18	30/06/2008	04/07/2008

New Listing

Company Name	Offer Price (Rs.)	Listing Date	List Price (Rs.)	Last Traded 30/06/2008 Price (Rs.)	% Change to Offer Price
Sejal Architectural Glass Ltd.	115	30/06/2008	130.00	115.00	0.00%
Spice Communications Ltd.	46	16/06/2008	64.50	72.25	57.07%
Gokul Refoils & Solvent Ltd.	195	04/06/2008	219.90	203.95	4.59%
Bafna Pharmaceuticals Ltd.	40	27/06/2008	43.80	33.25	-16.88%
Niraj Cement Structural Ltd.	190	19/06/2008	185.00	181.80	-4.32%
Anu's Laboratories Ltd.	210	04/06/2008	260.00	335.00	59.52%

Corporate Announcements

Symbol	Record Date	Ex Date	Purpose
EASTSILK	07/07/2008	27/06/2008	FV SPLIT RS.10/- TO RS.2/
ENTEGRA	04/07/2008	26/06/2008	RIGHTS EQ 1:1@PREM RS 15
EUROCERA	16/07/2008	09/07/2008	INTERIM DIVIDEND
FOSECOIND	25/07/2008	18/07/2008	INTERIM DIVIDEND
GODREJCP	04/08/2008	28/07/2008	AGM/DIVIDEND - 75%
IMPAL	15/07/2008	08/07/2008	INTERIM DIVIDEND
JKTYRE	14/07/2008	07/07/2008	RIGHTS-EQ 1:3@PREM RS 75
MIC	07/07/2008	27/06/2008	FV SPLIT RS.10/- TO RS.2/
OU DHSUG	02/07/2008	24/06/2008	RHTS-EQ22:100&1WRNT:1RHT

Assets under management (AUM) plunged by 5.92% to Rs 5.64 lakh crore in June 2008 compared with Rs 6 lakh crore in May 2008. AUM of fund of funds (FoFs) was Rs 1260.75 crore in June 2008. The fall was attributed to

the meltdown in the stock market and the slow growth in the fixed income schemes due to advance tax payment by the corporates at the end of June.

NFO

Scheme	Type	Class	Open Date	Close Date	Offer Price
IDFC FMP QS 30	Close	Debt - FMP	27/06/2008	02/07/2008	10
LotusInd MnthInterB	Close	Debt - Income	30/06/2008	02/07/2008	10
Escorts FMP	Close	Debt - FMP	23/06/2008	03/07/2008	10
Birla FTPSeriesAW IP	Close	Debt - FMP	09/06/2008	07/07/2008	10
JM FMF SX QP4	Close	Debt - FMP	18/06/2008	09/07/2008	10
ING Latin America Eq	Open	Funds of Funds	19/06/2008	10/07/2008	10
JM FMF SX QP5	Close	Debt - FMP	18/06/2008	16/07/2008	10
MiraeAsset GloCommSt	Open	Equity - Diversified	24/06/2008	23/07/2008	10
FranklinTemFTF S10 A	Close	Debt - FMP	20/06/2008	31/07/2008	10
HDFC FMP 370 Jul08IP	Close	Debt - FMP	03/07/2008	07/07/2008	10
HDFC FMP 90D Jul08IP	Close	Debt - FMP	02/07/2008	03/07/2008	10

Mutual Fund Corner

Scheme for the Month

DWS INVESTMENT OPPORTUNITY FUND - GROWTH

Fund Manager: Mr. Aniket Inamdar

Investment Objective

The primary objective of the Scheme is to generate capital appreciation on the portfolio over a long term by actively investing in different asset classes as per market conditions. The investment manager will have the discretion to invest upto 100% of the assets in the portfolio in equity market / equity related instruments at a given point of time.

The equity exposure may fall to as low as 5% under certain circumstances, in which case, the fund shall be invested in debt and money market instruments at its discretion. The AMC may choose to actively trade on the portfolio of the scheme in order to achieve the investment objective.

Current Statistics & Profile	
Latest NAV	29.19 (30/06/08)
52-Week High	46.93 (04/01/08)
52-Week Low	26.23 (21/08/07)
Fund Category	Equity: Diversified
Type	Open End
Launch Date	January 2004
Net Assets (Cr)	119.21 (31/05/08)
Benchmark	Sensex

Trailing Returns %

As on 30-June-2008 (%)	Fund Return (%)	S&P CNX Nifty (%)	Sensex (%)
1-Week	-4.92	-5.29	-5.82
1-Month	-17.33	-17.03	-17.99
1-Year	11.07	-6.43	-8.12
2-Year	28.46	13.65	12.64
3-Year	32.32	22.08	23.23

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

Fund Style

Investment Style			Portfolio Characteristic	
Growth	Blend	Value	CAPITALIZATION	Equity – 5-100%
			Small	Others – 0-95 %

Sector Weightings

As on 31/05/2008	% Net Assets
Energy	23.60
Metals & Metal Products	11.91
Technology	9.96
Chemicals	9.03
Diversified	8.52
Consumer Non-Durable	8.42
Services	7.55
Financial Services	5.39
Basic/Engineering	3.87
Automobile	3.28
Textiles	2.91
Construction	0.42

Holdings of the Fund as on May - 30 - 2008

Equity	Value (Rs in cr.)	Qty	%
Reliance Industries	32.69	125000	8.89
Reliance Industries	7.93	33,000	6.65
Infosys Technologies	4.89	25,000	4.11
Tata Steel	4.65	51,500	3.9
Cairn India	4.46	156,000	3.74
Bharti Airtel	4.43	50,500	3.71
Gujarat NRE Coke	4.37	297,000	3.67
Housing Development Finance Corp.	4.11	16,000	3.45
Deep Industries	4.02	256,807	3.37
ITC	3.7	170,000	3.1
Larsen and Toubro	3.68	12,350	3.09
Tata Chemicals	3.67	91,000	3.08
Dishman Pharmaceuticals & Chemicals	3.63	114,070	3.04
Sintex India	3.62	86,500	3.04
Great Eastern Shipping Company	3.54	70,000	2.97
Bombay Dyeing and Manufacturing Co.	3.47	39,000	2.91
Jain Irrigation Systems	3.46	55,675	2.91
NTPC	3.32	193,000	2.79
Steel Authority of India	3.1	194,000	2.6
Reliance Petroleum	3.02	173,000	2.53
Bharat Heavy Electricals	2.99	18,000	2.51
Texmaco	2.86	18,522	2.4
Genus Power Infrastructures	2.81	60,736	2.35
Hindustan Unilever	2.7	114,000	2.27
Dabur India	2.7	280,000	2.27
Adhunik Metaliks	2.57	152,206	2.16
Idea Cellular	2.56	235,000	2.15
AIA Engineering	2.53	16,226	2.12
State Bank of India	2.31	16,000	1.94
Gujarat Industries Power Co.	2.23	225,078	1.87
Hero Honda Motors	2.02	27,000	1.69
ABG Shipyard	1.9	34,500	1.59
TRF	1.62	17,470	1.36
Vishal Retail	1.45	20,265	1.22
Kalyani Steels	1.35	54,700	1.13
Eveready Industries India	0.93	212,000	0.78
Supreme Infrastructure India	0.5	58,000	0.42
Cash / Call			
	Value (Rs in cr.)	Rating	
Other current assets	6.12		5.13

Stock Watch

Reliance Industries Ltd

PROFILE	
Group	Mukesh Ambani
Industry	Refineries
Chairman	Mukesh D Ambani
Auditors	Chaturvedi & Shah/ Rajendra & Co / Deloitte Haskins
Secretary	Vinod M Ambani
Inc. Year	1966
AGM	12/06/2008
Financial Year	March
Web Site	http://www.ril.com
Registered Address	3rd Floor Maker Chambers IV, 222 Nariman Point, Mumbai - 400021 – Maharashtra

In the year 1966 the RIL was founded by Shri Dhirubhai H.Ambani, it was started as a small textile manufacturer unit. RIL was incorporated in the year 1973 and conformed their name as RIL in the year 1985. Over the years, the company has transformed their business from manufacturing of textiles products into a petrochemical major. Today RIL is the largest private-sector enterprise in India in terms of revenues, profits, net worth, assets and market capitalization. It's operations capture value addition at every stage, from the production of crude oil and gas to polyester, polymer and chemical products, and finally to the production of textiles. The company operates mainly in India but has business activities and customers in and around the world. It has production facilities at three major locations in India and a further four locations in Europe. It also has exploration and production interests in India, Yemen and Oman.

Reliance's Business
Exploration and Production
Petroleum Refining and Marketing
Petrochemicals
Textiles
Retail

Shareholding Pattern as on 30.04.2008

Category of shareholder	Total number of shares	% of shares
Promoter and Promoter Group		
Individuals/ Hindu Undivided Family	10586013	0.73%
Bodies Corporate	631458707	43.44%
Petroleum Trust (M/s Reliance Industrial Investments and Holdings Ltd.)	104660154	7.2%
Public shareholding		
Mutual Funds/ UTI	39550061	2.72%
Financial Institutions/ Banks	1751103	0.12%
Central Government/ State Government(s)	3742983	0.26%
Insurance Companies	83653619	5.75%
Foreign Institutional Investors	259136306	17.83%
Bodies Corporate	72205802	4.97%
Individuals	192949038	13.27%
Shares held by Custodians and against which Depository Receipts have been issued	53954815	3.71%
GRAND TOTAL	1453648601	100%

Reliance holds a place in the Fortune Global 500 list of the world's largest corporations. The company has also amalgamated Indian Petrochemicals Corporations Limited (IPCL), which leads to compete from a stronger base in the global market. Reliance discovered natural gas in the very first exploration well it drilled in the deep-water exploration block KG-D6 in the Krishna-Godavari basin off Andhra Pradesh. In 2004-05, RIL acquired the polyester major, Trevira GmbH, headquartered in Frankfurt, Germany which has the capacity of 130,000 tonnes per annum of polyester staple fibers, polyester filament yarns and polyester chips.

Across the globe, RIL is largest producer of polyester fiber and yarn (as of the year 2007), 4th largest producer of Paraxylene (PX) and Purified Terephthalic Acid (PTA), 6th largest producer of Mono Ethylene Glycol (MEG) and 7th largest producer of Polypropylene (PP). Gujarat State Petronet Ltd (GSPL).

Polymer Production: FY 2007-08 in KT

	Industry			RIL		
	FY 07	FY 08	% change	FY 07	FY 08	% change
PE	1,925	2,004	4.1%	1,011	1,084	7.0%
PP	1,917	1,978	3.2%	1,641	1,712	4.3%
PVC	889	958	7.8%	561	578	3.0%
TOTAL	4,731	4,940	4.4%	3,214	3,374	5.0%

The company has signed a letter of intent with NOVA Chemicals on May 2008, to form 51:49 a joint venture in the area of building and construction. This proposed new joint venture between RIL and NOVA Chemicals would be a technological partnership for deploying green building and construction technologies to design, engineer, fabricate and build a range of high-efficiency structures for the Indian sub-continent.

The world's largest polyester expansion project was commissioned during the year 2007 with Polyester capacity of 550 KTA. With this expansion, the company's polyester capacity has been augmented to 2 million tonnes per year. Subsequently, Reliance now has 4% of global polyester capacity and 6% of global production. The company expanded polypropylene (PP) capacity by 280 KTA at Jamnagar that increased the combined capacity to 1,710 KTA. With this expansion, now the company holds 3.5% of global PP capacity and 3.6% of global PP production.

During the year 2008, Reliance signed an agreement to acquire certain polyester (capacity) assets of Hualon, Malaysia. In the Refining & Marketing business, Reliance took over majority control of Gulf Africa Petroleum Corporation (GAPCO) and started shipping products to the East African markets. Reliance also signed MoU with GAIL (India) Limited to explore opportunities of setting up petrochemical plants in feedstock rich countries outside India.

Future Prospects

Reliance Industries Ltd plans to investment Rs 17,000 crore in

oil and gas exploration over the next few years; The Company has already invested Rs 9,000 crore in exploration so far. RIL is also considering surrendering seven exploration blocks awarded to it by the Government.

About the Group

Group Companies Includes Reliance Industries Limited - Main Subsidiaries Reliance Petroleum Limited and Reliance Retail Limited and Reliance Industrial Infrastructure Limited. The group during the year 2007 inaugurated Reliance Retail Limited (RRL) which today operates over 590 stores in 57 cities, spanning 13 states, with over 3.5 million square feet of trading space. The total Reliance Group exports products in excess of US\$ 20 billion to 108 countries in the world.

Financial Snapshot

In the year 2008, the revenue crossed Rs. 130,000 crore mark (Rs. 139,269 crore, US\$ 34.7 billion), Net Profit crossed Rs. 15,000 crore mark (Rs. 19,458 crore, US\$ 4.9 billion) and Total Assets crossed Rs. 140,000 crore mark (Rs. 149,839 crore, US\$ 37.3 billion), unparalleled in the Indian Private sector. Exports crossed Rs. 80,000 crore mark (Rs. 83,492 crore, US\$ 20.8 billion), 13.4% of India's total exports.

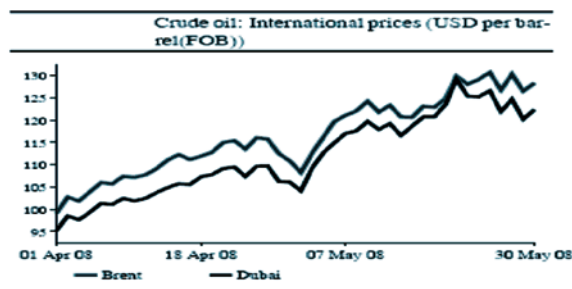
Financial Snapshot (Rs. Crores)						
	FY 2007-08	FY 2006-07	FY 2005-06	FY 2004-05	Q 200803	Q 200703
Equity	1453.39	1393.21	1393.17	1393.09	1454	1394
Networth	78894.94	61255.02	45154.07	37673.44	-	-
Capital Employed	115374.6	89140.89	67019.68	56458.03	-	-
Sales	139269.5	118353.7	89124.46	73164.1	37286	27448
Rate of Growth(%)	17.67%	32.80%	21.81%	-	35.84%	-
Other Income	6615.62	478.28	682.92	1603.38	289	125
PBIDT	28934.64	20524.51	14982.01	14260.84	6307	5294
Rate of Growth(%)	40.98%	36.99%	5.06%	-	19.13%	-
PBT	23010.14	14520.47	10704.06	9068.68	4655	3779
PAT	19458.29	11943.4	9069.34	7571.68	3912	3156
Rate of Growth(%)	62.92%	31.69%	19.78%	-	23.95%	-
Book Value (Rs)	542.83	439.67	324.11	270.43	-	-
EPS (Unit Curr.)	133.88	85.73	65.10	54.35	26.91	22.64
PBIDTM(%)	17.29%	17.34%	16.81%	19.49%	16.92%	19.29%
PBDM(%)	16.52%	16.34%	15.83%	17.48%	16.19%	18.24%
PATM(%)	11.02%	10.09%	10.18%	10.35%	10.49%	11.50%

Corporate Announcements and Actions:

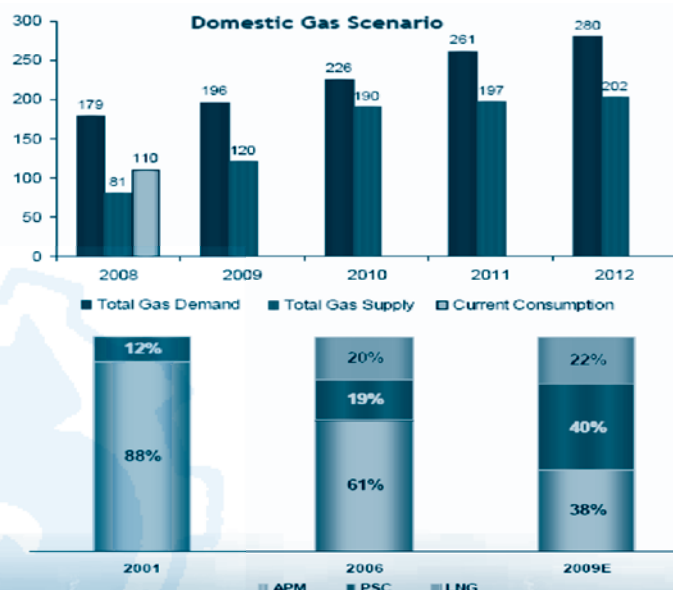
RIL declares Dividend of 130%. Payout of Rs 1,631 Crores was made to the holders, which is the highest amongst Indian Private Sector. With the amalgamation of Indian Petrochemicals Corporation Ltd, the share capital of RIL raised to 1453.65 crores from 1393.51 crores. 60140560 shares have been allotted to the shareholders of erstwhile Indian Petrochemicals Corporation Ltd pursuant to the scheme of amalgamation.

Industry Highlights:

Global prices of crude oil witnessed a year-on-year increase for the ninth consecutive month in May. At USD 123.2 per barrel, the Brent variety of crude oil averaged 83.4 per cent higher than its year-ago level while the Dubai variety soared by 86.1 per cent. The increase in prices was supported by supply disruptions in Nigeria, lower output by the non-OPEC countries and expectation of a continued rise in global demand. The upward trend in global crude oil prices is also likely to result in higher crude oil import bill for India.



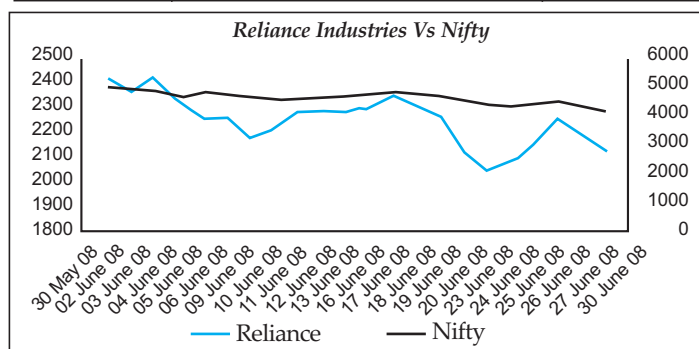
During April 2008, global production of crude oil witnessed an increase of 1.4 per cent to 867.6 lakh barrels a day. Production rise of 4.3 per cent by the Organisation of the Petroleum Exporting Countries (OPEC) bolstered growth while non-OPEC countries registered a 68 basis points fall in output.



The relentless rise in the global crude oil prices adversely affected the oil marketing companies (OMCs), making them run into losses during the March 2008 quarter.

Market Snapshot

Stock Data		Market Data (As on 01-July-2008)	
BSE Code	500325	Price (Rs)	2044.2
BSE Group	A	Lat. P/E	19.7
NSE Symbol	RELIANCE	Mkt. Cap.(Rs Cr)	297155.13
ISIN Demat	INE002A01018	Lat. BV(Rs)	542.74
Reuters	RELI.BO	52 W H/L(Rs)	3252 / 1680
Bloomberg	RIL IN	Lat. EPS(Rs)	103.67
Par Value(Rs)	10	Lat. Eqty (Rs Cr)	1453.65
		Div. Yield (%)	0.64



Gwalior Chemical Industries Ltd

PROFILE	
Group	Indian Private
Industry	Chemicals
Chairman	Ashwin Kumar Kothari
Auditors	Sarda & Pareek
Secretary	Sanjeev Pathak
Inc. Year	1984
AGM	28/07/2008
Financial Year	March
Web Site	http://www.gwaliorchemicals.com
Registered Address	1&2 Westren India House, 1st Floor Sir P M Road, Mumbai - 400001 - Maharashtra

Gwalior Chemical Industries Limited (GCIL) caters to the agrochemical, pharmaceutical, dye, flavors and fragrance industries by offering niche products. GCIL offers a basket of specialty chemicals of international standards to its domestic as well as international customers. They are one of the largest Indian producers of Chlorotoluene range of products. Within this range, they produce and sell Benzyl Chloride, Benzaldehyde, Benzotrifluoride, Benzyl Alcohol and its other derivatives. They are also one of the leading global producers of Sulphur Chloride range of products. Within this range, they produce and sell Thionyl Chloride and Sulphuryl Chloride.

Shareholding Pattern as on 30.04.2008

Category of shareholder	Total number of shares	% of shares
Promoter and Promoter Group		
Individuals/ Hindu Undivided Family	8698370	35.25
Bodies Corporate	6101630	24.73
Public shareholding		
Mutual Funds/ UTI	2382754	9.66
Central Government/ State Government(s)	500	0.00
Foreign Institutional Investors	42282	0.17
Bodies Corporate	1886545	7.65
Individuals	424143	10411.68
Clearing Members	63012	0.26
Market Maker	67300	0.27
GRAND TOTAL	24676543	100

Manufacturing Locations

The first manufacturing unit of Gwalior Chemical Industries Limited commenced commercial production in the year 1978. There are 7 plants located across two chemical facilities

at Nagda, Madhya Pradesh and Ankleshwar in Gujarat. Both the Nagda and Ankleshwar facilities are ISO 9001:2000E, ISO 14001:1996 and OHSAS 18001:1999 certified. Logistics system for the procurement of their requirement also is very convenient. The production plants are situated on a 10 hectare plot of land with custom-made buildings, manufacturing machinery for each product. Chlorine and Toluene comprise 50% of the raw material. Any price fluctuation and availability could hamper the company's operating margins.

Sales and Marketing

In India they own sales offices in three locations of Mumbai, Nagda and Ankleshwar. And distribution through agents is done in the other parts of the country including Hyderabad, Ahmedabad, Chandigarh, Delhi, Chennai, Bangalore and Kolkata. In the international market the company holds a presence in the major demand markets of Germany, Italy, United Kingdom, Spain, Belgium, Korea, Japan, Taiwan, Canada, Australia and South Africa. The combined domestic and international sales team comprises of 15 personnel, with domestic team (including agents) comprising of 9 personnel and international team comprising of 6 personnel.

Research & Development

The company owns an in house R&D team with expertise in complex chlorinated compounds and hazardous chemical entities. R&D team also focuses on technological

Financial Snapshot							(Rs. Crores)
	FY 2007-08	FY 2006-07	FY 2005-06	FY 2004-05	Q 200803	Q 200703	
Equity	24.68	24.68	14.80	14.80	24.68	24.68	
Networth	177.59	153.41	62.08	46.95	-	-	
Capital Employed	NA	233.66	134.83	105.54	-	-	
Sales	294.87	224.33	192.35	159.22	85.74	57.82	
Rate of Growth(%)	31.44%	16.63%	20.81%	-	48.29%	-	
Other Income	0.84	4.74	2.26	0.5	1.04	0.48	
PBIDT	54.75	40.16	36.76	27.92	15.15	9.71	
Rate of Growth(%)	36.33%	9.25%	31.66%	-	56.02%	-	
PBT	36.68	27.48	23.88	19.19	9.93	6.55	
PAT	24.32	18.73	15.59	13.13	6.77	4.92	
Rate of Growth(%)	29.85%	20.14%	18.74%	-	37.60%	-	
Book Value (Rs)	71.96	62.16	41.95	31.72	-	-	
EPS (Unit Curr.)	9.85	7.59	10.53	8.87	2.74	1.99	
PBIDTM(%)	18.57%	17.90%	19.11%	17.54%	17.67%	16.79%	
PBDTM(%)	15.45%	15.39%	15.63%	14.73%	14.43%	14.60%	
PATM(%)	8.25%	8.35%	8.11%	8.25%	7.90%	8.51%	

upgradation of existing products and processes as a continuous exercise to improve our quality of our products, increase efficiencies and reduce cost. Some products developed through in house re-engineered processes include Thionyl Chloride, Benzyl Alcohol, Sulphuryl Chloride, and Acetyl Chloride. Some of the technologies re-engineered in in-house R&D include, Benzaldehyde manufacturing process, Partial side chain chlorination of Toluene, Complete side chain chlorination of Toluene, Hydrochloric Acid quality improvement.

Financial Performance

Net profit of Gwalior Chemical Industries rose 37.60% to Rs 6.77 crore in the quarter ended March 2008 as against Rs 4.92 crore during the previous quarter ended March 2007. Sales rose 48.29% to Rs 85.74 crore in the quarter ended March 2008 as against Rs 57.82 crore during the previous quarter ended March 2007.

For the full year, net profit rose 29.85% to Rs 24.32 crore in the year ended March 2008 as against Rs 18.73 crore during the previous year ended March 2007. Sales rose 43.59% to Rs 294.87 crore in the year ended March 2008 as against Rs 205.36 crore during the previous year ended March 2007.

Corporate Announcements and Actions

The members of Gwalior Chemical Industries have accorded to increase the authorized share capital from present 2,700 lakhs to Rs 5,000 lakhs. This was accorded at the extra ordinary general meeting held on 28 January 2008.

The company has recommended a dividend @ 12% i.e. Re. 1.20 per share of Rs. 10/- each for the financial year 2007-08.

Industry Scenario

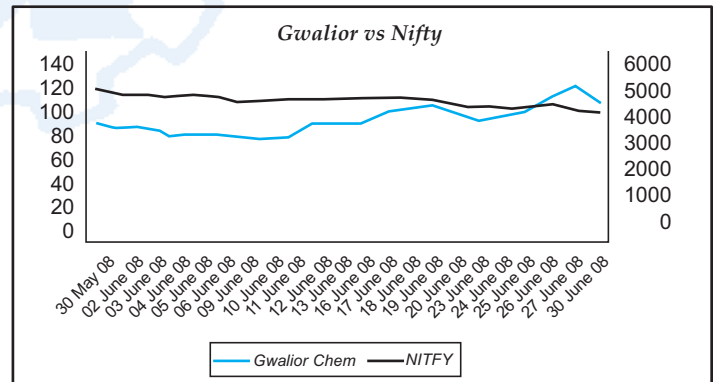
Budget 2008 unleashed a slew of positive measures aimed at boosting agricultural growth. Ranging from a write-off of loans to farmers to boosting investments in irrigation, etc., these measures are expected to give a fillip to agricultural

production in the country. Consequently, the demand for fertilisers and chemicals is expected to rise.

However, to aid the domestic production of fertilisers, the government reduced the customs duty on crude and unrefined sulphur, (feedstock for the fertiliser industry) from five per cent to two per cent. It also continued with the exemption on naphtha imported for the production of fertilisers. The fertiliser and chemicals subsidy for 2008-09 is expected to carry a back log of Rs.10,700 crore from the previous year. The increasing backlog makes it difficult for the industry to arrange funds for their working capital requirements.

Market Snapshot

Stock Data		Market Data (As on 01-July-2008)	
BSE Code	532764	Price (Rs)	90.50
BSE Group	B	Lat. P/E	9.00
NSE Symbol	GWALCHEM	Mkt. Cap.(Rs Cr)	223.35
ISIN Demat	INE916G01016	Lat. BV(Rs)	71.96
Reuters	GWCH.BO	52 W H/L(Rs)	128 / 37
Bloomberg	GCIL IN	Lat. EPS(Rs)	10.03
Par Value(Rs)	10	Lat.Eqty (Rs Cr)	24.68
		Div. Yield (%)	0.64



Stock Select

Co_Name	Gwalior Chemical	LIC Housing Fin	M & M	Reliance Inds.	Videocon Inds.	Returns (Appreciation) in % (as on 30/06/2008)				
Industry	Chemicals - Organic - Large	Finance - Housing - Large	Automobiles	Refineries	Electronics - TV / Audio / VCR / VCP	Co_Name	1 Month Return	3 Months Return	1 Year Return	2 Year Return
Networth	177.59	1831.66	4337.60	78894.94	5578.85	Gwalior Chemical	20.45%	48.66%	79.35%	NIL
Latest Equity (Subscribed)	24.68	84.99	245.74	1453.65	229.45	LIC Housing Fin	-21.90%	-5.16%	28.64%	69.26%
Latest Bookvalue -(Rs)	71.96	215.51	176.78	542.74	259.95	M & M	-17.22%	-26.52%	-32.44%	-21.43%
Latest EPS -(Rs)	10.03	43.87	39.63	103.67	43.32	Reliance Inds.	-12.83%	-15.48%	23.20%	97.68%
Market Price -As on 30th Apr	90.50	255.05	440.10	2044.20	253.65	Videocon Inds.	-25.57%	-42.51%	-37.91%	-34.66%
Latest P/E Ratio	9.0229	5.8138	11.1052	19.7183	5.8553					
Profit After Tax (Year to Date) (2008-03)	24.32	387.19	1103.37	19458	500.71					

Beginners Corner

Beginners Corner

Stock Market related Terminologies / Jargons :

Part 1: Settlement- Market Related Terminologies

Settlement: Settlement is the payment or receipt of an outstanding due at the end of the settlement period, which includes both Cash and Securities.

Settlement Day: The day on which bought securities are due for delivery to the buyer and the appropriate consideration to the seller.

Settlement guarantee: Settlement guarantee is the guarantee provided by the clearing corporation for settlement of all trades. This implies that the trade will be settled even if one of the parties to the trade viz; the buyer or the seller defaults. This prevents a cascading effect in the market due to the default of one party. The clearing corporation has set up a settlement guarantee fund through contributions from the members which are used for this purpose.

Cash Settlement: Payment for transactions on the due date as distinct from carry forward (Badla) from one settlement period to the next.

Clearing Days or Settlement Days: Dates fixed in advance by the exchange for the first and last business days of each clearance. The intervening period is called settlement period.

Clearing House: Each Exchange maintains a clearing house to act as the central agency for effecting delivery and settlement of contracts between all members. The days on which members pay or receive the amounts due to them are called pay-in or pay-out days respectively.

Clearing: Clearing refers to the process by which mutual indebtedness among members is settled. The clearing corporation matches the final buyers and sellers through multilateral netting. The members of the clearing corporation also known as clearing members settle their dues with the clearing house that is operated by the clearing corporation. The clearing corporation is the legal counterparty to both legs of every trade.

Contract: On any securities market this is the agreement between a buyer and a seller buy or sell securities. The written agreement between the seller and the buyer to transfer ownership of the property from the former to the latter. It is a legally binding agreement for sale. In two identical parts, one signed by seller and one by purchaser. When the two parts are exchanged (exchange of contracts) both parties are committed to the transaction.

Carry Over Margin: The amount to be paid by operators to the stock exchange to carry over their transactions from one settlement period to another.

Kerb Dealing: Transactions done among members after the closing of the official trading hours.

Market Trade: Any trade settled through a clearing corporation is termed as a 'Market Trade'. These trades are done through stock brokers on a stock exchange.

Off Market Trade: It is one which is settled directly between two parties without the involvement of clearing corporation. The same delivery instruction slip can be used either for

market trade or off-market trade by ticking one of the two options.

Execution Date: It is the date on which securities will be actually debited from your account. The execution date written on the delivery instruction has to be entered by the DP, in the DPM system [computer]. DPM system will record the date and will debit your account only on that date. You may issue the instruction well in advance of the date on which you want the securities to be debited from your account but your account will be debited only on the execution date. This facility is called future execution date facility.

Account Period Settlement: An account period settlement is a settlement where the trades pertaining to a period stretching over more than one day are settled. Account period settlement has been discontinued since January 1, 2002, pursuant to SEBI directives.

Rolling Settlement: In a Rolling Settlement trades executed during the day are settled based on the net obligations for the day. Presently the trades pertaining to the rolling settlement are settled on a T+2 day basis where T stands for the trade day. Hence, trades executed on a Monday are typically settled on the following Wednesday (considering 2 working days from the trade day). The funds and securities pay-in and pay-out are carried out on T+2 day.

Pay-in day and Pay-out day: Pay in day is the day when the brokers shall make payment or delivery of securities to the exchange. Pay out day is the day when the exchange makes payment or delivery of securities to the broker. Settlement cycle is on T+2 rolling settlement basis w.e.f. April 01, 2003. The exchanges have to ensure that the pay out of funds and securities to the clients is done by the broker within 24 hours of the payout. The Exchanges will have to issue press release immediately after pay out.

Prescribed pay-in and pay-out days for funds and securities for Normal Settlement: The pay-in and pay-out days for funds and securities are prescribed as per the Settlement Cycle. A typical Settlement Cycle of Normal Settlement is given below:

	Activity	Day
Trading	Rolling Settlement Trading	T
Clearing	Custodial Confirmation	T+1 working days
	Delivery Generation	T+1 working days
Settlement	Securities and Funds pay in	T+2 working days
	Securities and Funds pay out	T+2 working days
Post Settlement	Valuation Debit	T+2 working days
	Auction	T+3 working days
	Bad Delivery Reporting	T+4 working days
	Auction settlement	T+5 working days
	Close out	T+5 working days
	Rectified bad delivery pay-in and pay-out	T+6 working days
	Re-bad delivery reporting and pickup	T+8 working days
	Close out of re-bad delivery	T+9 working days

Note: The days prescribed for the above activities may change in case of factors like holidays, bank closing etc.

Payment of Dividend by Indbank Merchant Banking Services Ltd.



Indbank Merchant Banking Services Ltd., has declared 15% dividend, after 11 years. **Shri. A. Subramanian**, Executive Director, Indian Bank and **Shri S Annadurai**, President and Wholetime Director, Indbank Merchant Banking Services Limited handing over cheque of Rs. Rs. 4,31,60,700 being the dividend @ Rs. 1.50 per share on 2,87,73,800 shares held by the Indian Bank in the company, to **Shri M S Sundara Rajan**, Chairman & Managing Director, Indian Bank, in the presence of (from left), **Shri. Sri Ramanan**, General Manager, Indian Bank, **Shri. P. Mugundan**, Vice President (Finance) & Company Secretary, Indbank Merchant Banking Services Limited, **Shri. S.K. Bandyopadhyay**, General Manager, Indian Bank and **Shri. V. Ganesan**, General Manager, Indian Bank.

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