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Gov's Disinvestment Plan:
A Boon or Bane

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Cover Story

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Gov's Disinvestment Plan:

A Boon or Bane

The government is expected to lower its targeted collection from divestment of stakes in public sector utilities (PSUs) in 2013-14, after struggling to meet the budgeted targets over the previous two financial years. Accordingly, the Budget estimate for receipts from disinvestment in public sector units is likely to be pegged at about Rs 25,000 crore to Rs 28,000 crore in the next fiscal.

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Will 2013 bring a turn around in the Indian economy?

Export growth in India has been lackluster. In fact, exports have fallen for 9 months straight till December this fiscal year. However, the Indian economy is still growing and needs overseas imports. The gap between imports and exports is widening, and the plug needs to be filled in. While portfolio inflows somewhat help, it is not sufficient enough to meet the demand.

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Corporate Result updates

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Insight

Hemant Kale

Is Trading a Gambler's Den?

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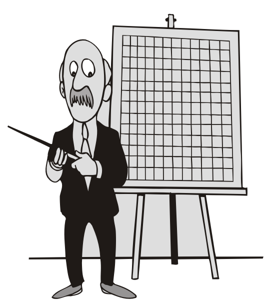

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Academic Corner

INFLATION: IT'S MEASURES, CAUSES AND REMEDIES

Santhosh Pallassana

You can't forget all the people at all times

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Several times I awakened in the nightmare; I heard scream of gun in my childhood days' dreams. Now he is nearing in his retirement life. I again recollect the memories about my uncle because of the recent incident that took place in the LOC. Our brave soldiers were killed. They died when Pakistani troops ambushed a patrol moving in foggy conditions near Mendhar, 220 km north of Jammu. The body of one of the jawans was decapitated; the severed head was missing.

From the Editors Corner

Most analysts have already lowered this year's GDP growth forecast to under 5.5 per cent. Though the 12th plan projects 8 per cent annual growth over five years, next year growth may not cross 6.5-7 per cent. The fiscal and current account deficits are also a compulsion, as the economy ought to be brought into harmony with targets prescribed under the Fiscal Responsibility and Budget Management Act. The finance ministry has already revised this year's fiscal deficit to 5.3 per cent and plans to reduce it to 4.8 per cent in 2013-14. In the past two years, the government has not been able to stick to the mandatory cut of 0.5 per cent cut in fiscal and revenue deficits, citing the global economic turmoil. The planned cut in spending on development projects is also ascribed to the fact that beginning March the government will have to deposit all disinvestments proceeds in the national investment fund (NIF). The ministry may thus not be able to access the proceeds to balance the budget.

Reserve Bank of India (RBI) has slashed the repo rate by 25 bps to 7.75%. The reverse repo rate has also been adjusted to 6.75% from 7%. RBI reduce the cash reserve ratio (CRR) of scheduled banks by 25 basis points from 4.25% to 4.0%, effective from the fortnight beginning February 9, 2013. The CRR cut is expected to infuse Rs 18,000 crore of liquidity into the banking system.

Only few days back, the cabinet committee on economic affairs (CCEA) had approved the proposal to deposit disinvestment proceeds in NIF. It also allowed recapitalisation of public sector banks with funds from NIF. In other words, the finance ministry does not have to make budgetary provisions for this purpose. The 11th plan (2007-12) received gross budgetary support of Rs 12,68,523 crore, 89.23 per cent of the Rs 14,21,711 crore projected. For the 12th plan (2012-17) gross budgetary support to development projects is projected at Rs 35,68,626 core.

In this issue we try to cover proposed disinvestment programme of UPA government. The cover story “Government's Disinvestment Plan: A Boon or Bane” is complied with all available arguments. We found that, Government is forced to move with their disinvestment programme due to the mounting fiscal deficit. The article states that “functioning of many public sector units (PSUs) has been characterized by low productivity, unsatisfactory quality of goods, excessive manpower utilization, inadequate human resource development and low rate of return on capital. For instance, between 1980 and 2002, the average rate of return on capital employed by PSUs was about 3.4% as against the average cost of borrowing, which was 8.66%. Disinvestment (or divestment) of the PSUs has therefore been offered as one of the solutions in this context”.

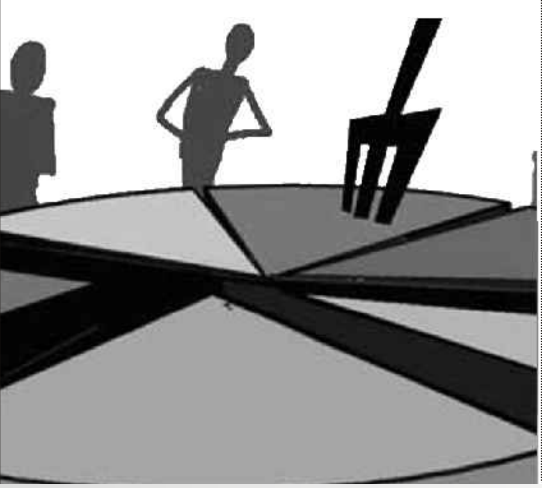
To address the deceleration in growth and investment, Reserve Bank of India (RBI) has slashed the repo rate by 25 bps to 7.75%. The reverse repo rate has also been adjusted to 6.75% from 7%. To address the liquidity issues, RBI reduce the cash reserve ratio (CRR) of scheduled banks by 25 basis points from 4.25% to 4.0%, effective from the fortnight beginning February 9, 2013. The CRR cut is expected to infuse Rs 18,000 crore of liquidity into the banking system. The central bank has revised the inflation target for March 2013 to 6.8% versus 7.5% earlier.

In the last issue we discussed about “Retail in FDI” has created lot of momentum. Many of our clients have informed us that actually they were estranged with lot of high weighted theories which had spread through various mainstream news papers regarding FDI issues. But last V Share has narrated the FDI issue in very simple manner; now they admit 'now no confusion about FDI'. Hence, we, ISE Research cell give more focus to simplify the contemporary economical issues for our readers.

The Editor
ISE Research Cell

Gov's Disinvestment Plan:
A Boon or Bane

The government is expected to lower its targeted collection from divestment of stakes in public sector utilities (PSUs) in 2013-14, after struggling to meet the budgeted targets over the previous two financial years. Accordingly, the Budget estimate for receipts from disinvestment in public sector units is likely to be pegged at about Rs 25,000 crore to Rs 28,000 crore in the next fiscal.



In India for almost four decades the country was pursuing a path of development in which public sector was expected to be the engine of growth. However, the public sector had overgrown itself and their shortcomings started manifesting in the shape of low capacity utilization and low efficiency due to over manning and poor work ethics, over capitalization due to substantial time and cost overruns, inability to innovate, take quick and timely decisions, large interference in decision making process etc. The Government started to deregulate the areas of its operation and subsequently, the disinvestment in Public Sector Enterprises (PSEs) was announced. **The process of deregulation was aimed at enlarging competition and allowing new firms to enter the markets**. The market was thus opened up to domestic entrepreneurs / industrialists and norms for entry of foreign capital were liberalized.

Due to the current revenue expenditure on items such as interest payments, wages and salaries of Government employees and subsidies, the Government is left with hardly any surplus for capital expenditure on social and physical infrastructure. While the Government would like to spend on basic education, primary health and family welfare, large amount of resources are blocked in several non-strategic sectors such as hotels, trading companies, consultancy companies, textile companies, chemical and pharmaceuticals companies, consumer goods companies etc. Additionally, the continued existence of the PSEs is forcing the Government to commit further resources for the sustenance of many non-viable PSEs.

The role of the State vs. Market has been one of the major issues in development economics and policy. In a mixed economy such as India, historically the public sector had been assigned an important role. However, in the year 1991 the national economic policy underwent a radical transformation. The new policy of liberalization, privatization and globalization de-emphasized the role of the public sector in the nation's economy.

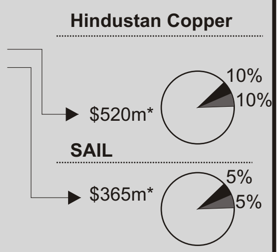
It is observed that the functioning of many public sector units (PSUs) has been characterized by low productivity, unsatisfactory quality of services, excessive manpower utilization, inadequate human resource development and low rate of return on capital. For instance, between 1980 and 2002, the average rate of return on capital employed by PSUs was about 3.4% as against the average cost of borrowing, which was 8.66%. Disinvestment (or divestment) of the PSUs has therefore been offered as one of the solutions in this context.

Disinvestment involves the sale of equity and bond capital invested by the government in PSUs. It also implies the sale of government's loan capital in PSUs through securitization. However, it is the government and not the PSUs who receive money from disinvestment.

India's sell-off programme

■ GoI disinvestment ■ Fresh Issue

Company Name	Offering Details (%)	Indicative Dis. Size ($m.)
BHEL	5%	622*
RINL	10%	N.A.
HAL	10%	N.A.
NALCO	10%	273
MMTC	9.33%	160
NHPC	10%	416
NMDC	10%	1,249
MOIL	10%	79
Andrew Yule	10%	13
EIL	10%	158
RCFL	12.5%	76



* Values based on current market cap as on Jan 12, 2012

Source: Ministry of Finance

During the fist five year plans government possessed 5 PSUs with investment of Rs 29 crores. At the end of the Seventh Plan in 1990, there were 244 PSUs and the investment in them had gone up to Rs.99,000 crores.The idea of disinvestment first came in 1991-1992. First only a small share of equity in was sold until 2000-2001. During 2000-2001,there are 122 profit making enterprises with a net profit of Rs 19,000 crores.These include NTPC,ONGC,IOC,VSNL etc.111 companies bore losses with a total loss of Rs 12,839 crores.These include Hindustan Fertilizers,the Fertilizer Corporation of India(FCI), Bharat Coking Coal etc.

What is Disinvestment

Investment refers to conversion of money or cash into securities, debentures, bonds or any other claims on money whereas disinvestment involves the conversion of money claims or securities into money or cash.

Disinvestment is a wider term extending from dilution of the stake of the government to a level where there is no change in the control to dilution that results in the transfer of management. The transfer of ownership may occur when in an enterprise the dilution of government ownership is beyond 51 percent. The disinvestment implies that the government will sell to public or private enterprises / public institutes part of its holding in public sector enterprises.

Objectives of Disinvestment

The public sector in India at present is at cross road. The new economic policy initiated in July 1991 clearly indicated that PSUs had shown a very negative rate of return on capital employed. Inefficient PSUs had become and were continuing to be a drag on the Government's resources turning to be more of liabilities to the Government than being assets.

The national gross domestic product and gross national savings were also getting adversely affected by low returns from PSUs. About 10 to 15 % of the total gross domestic savings were getting reduced on account of low savings from PSUs. In relation to the capital employed, the levels of profits were too low.

This is a sector which the government clearly wants to get rid off. In this direction the government has adopted a new approach to reform and improve the public sector undertakings performance i.e 'Disinvestment policy'. This has gained lot of importance especially in latter part of 90s.

Of the various factors responsible for low profits in the PSUs, the following were identified as particularly important:

- Price policy of public sector undertakings
- Underutilisation of capacity
- Problems related to planning and construction of projects
- Problems of labour, personnel and management
- Lack of autonomy

Hence, the need for the Government to get rid of these units and to concentrate on core activities was identified. The Government also took a view that it should move out of non-core businesses, especially the ones where the private sector had now entered in a significant way. Finally, disinvestment was also seen by the Government to raise funds for meeting general/specific needs.

In this direction, the Government adopted the 'Disinvestment Policy'. This was identified as an active tool to reduce the burden of financing the PSUs.

The following main objectives of disinvestment were outlined:

- To reduce the financial burden on the Government
- To improve public finances
- To introduce, competition and market discipline
- To fund growth
- To encourage wider share of ownership
- To depoliticise non-essential services

Problems of Public sector undertakings

The most important criticism levied against public sector undertakings has been that in relation to the capital employed, the level of profits has been too low. Even the government has crticised the public sector undertakings on this count.

The government in order to put an end to these problems, decided to disinvest its stake in the PSUs. The companies traditionally established as pillars of growth have now become a burden on the economy. Except few mighty oil and petroleum companies, almost all other PSUs are incurring losses. The national gross domestic product and gross

Amounts raised in Past PSU Public Offers (as on January 13, 2013)

SL. NO.	COMPANY (NAME AS AT THE TIME OF ISSUE)	IPO / FPO / OFS	OPENING DATE/ FINANCIAL YEAR	DIVES-TMENT BY	DIVES-TMENT (Rs.crore	DIVES-TMENT AS % OF POST ISSUE CAPITAL	FRESH CAPITAL (Rs. crore)	FRESH CAPITAL AS % OF POST ISSUE CAPITAL	ISSUE AMOUNT (Rs.crore	% GOVT. HOLDING PRIOR TO ISSUE	% GOVT. HOLDING AFTER ISSUE	VALUE OFGOVT. HOLDING AS ON ISSUE DATE (Rs.crore)
CPSEs at the time of Issue (CPSEs defined as companies where the direct holding of the Central Government or of other CPSEs is 51% or more)												
1	BHARAT EARTH MOVERS LTD.	FPO	27/06/2007				526.75	11.77	526.75	61.23	54.03	2418.75
2	CMC LTD.	FPO	23/02/2004	GOI	190.44	26.25			190.44	26.25	0.00	0.00
3	COAL INDIA LTD.	IPO	18/10/2010	GOI	15199.44	10.00			15199.44	99.99	89.99	139275.82
4	DREDGING CORP.OF INDIA LTD.	FPO	26/02/2004	GOI	221.20	20.00			221.20	98.56	78.56	879.91

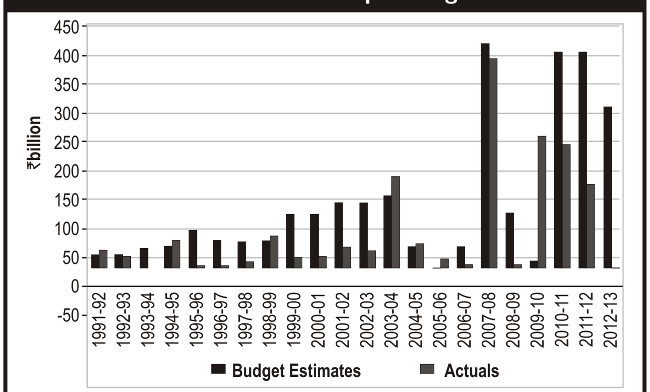
CPSE - Central Public Sector Enterprise

national savings are also adversely effected by low returns from PSUs. About 10 to 15 % of the total gross domestic savings are reduced on account of low savings from PSUs.

The Disinvestment process in India

The following are the three methods adopted by the Government of India for disinvesting the Public sector undertakings. There are three broad methods involved, which are used in valuation of shares.

Chart II.35: Disinvestment Receipts-Budgeted Vs Actuals



1. **Net Asset Method**: This will indicate the net assets of the enterprise as shown in the books of accounts. It shows the historical value of the assets. It is the cost price less depreciation provided so far on assets. It does not reflect the true position of profitability of the firm as it overlooks the value of intangibles such as goodwill, brands, distribution network and customer relationships which are important to determine the intrinsic value of the enterprise. This model is more suitable in case of liquidation than in case of disinvestment.

2. **Profit Earning Capacity Value Method:** The profit earning capacity is generally based on the profits actually earned or anticipated. It values a company on the basis of the underlying assets. This method does not consider or project the future cash flow.

3. **Discounted Cash Flow Method:** In this method the future incremental cash flows are forecasted and discounted into present value by applying cost of capital rate. The method indicates the intrinsic value of the firm and this method is considered as superior than other methods as it projects future cash flows and the earning potential of the firm, takes into account intangibles such as brand equity, marketing & distribution network, the level of competition likely to be faced in future, risk factors to which enterprises are exposed as well as value of its core assets. Out of these three methods the Discounted cash flow method is used widely though it is the most difficult.

Arguments and Counter-Arguments about Disinvestment

There have been several arguments that have been raised against disinvestment, both specific as well as general in nature. Some of them are listed below, with their counter-arguments (in bold italics):

- The Government will forego dividends on the equity holdings by selling off its stakes. According to the Public Enterprises Survey 2007-08, the Central PSUs taken together contributed Rs. 19,423 crore to the central exchequer in 2007-08 as dividends, witnessing an increase of over Rs. 4,000 crore from 2005-06. Considerable disinvestment of government's stakes in CPSEs would squeeze this important source of revenue for the Government.

Counter arguments: Apart from generating a one-time sale amount, a lot of these stake sales have also resulted in higher annual revenues for the government, thus nullifying the effect of loss of dividends. More so, while they were dividend yielding, there were annual outgoes associated with them, thus again nullifying the effect of dividends. Moreover, the loss of dividends, if any, is well compensated by gains in capital appreciation.

- A nationwide survey conducted by the NCAER in 2007-08 revealed that only 0.5% of Indian households invest in equities. A recent article in The Economist (21st May 2009) estimates this section to be 0.7% of Indian households. Thus, in case the public offer route is followed, it would imply transferring the common ownership of the PSUs by all Indians into the private ownership of 0.5-0.7% of Indians. Thus essentially implying that the real beneficiaries would not be the ordinary retail investor but institutional investors.

Counter arguments: While the current equity penetration remains low, it is precisely these PSU IPOs themselves that present the best opportunity of widening the retail base. To also ensure that institutional investors do not run away with the bulk of this sale, curbs and measures can be put in place that ensure only retail participation in these issues.

- Using funds made available from disinvestment to bridge the fiscal deficit is an unhealthy and a short term practice. It is said that it is equivalent of selling 'family silver' to meet short term monetary requirements. Borrowing which is the currently used practice for bridging fiscal deficit, should continue to be used since while borrowing, the government has to make interest payments in the future against a one-time borrowing from the market, in the case of disinvestment, future streams of income from dividends are forgone against a one-time receipt from the sale of stakes.

Counter arguments: Letting go of these assets is best in the long term interest of the tax payers as the current yield on these investments in abysmally low. Even if the funds from the sale are not utilised for bridging fiscal deficit, a much better utilisation of these funds would be investments into critical sectors such as healthcare, education and infrastructure or for retiring government debt rather than letting the low yielding capital remain locked in these assets.

- Effective tax rate for the CPSEs taken together in 2006-07 was 30.78%, while the average effective tax rate for private sector companies in the same year was 19.5% only (as per the Statement on Revenue Forgone, Receipts Budget, 2008-09). Criticism stems from the fact that while not only a major tax revenue source will be lost, the private sector which ideally should be paying an equivalent tax rate is exempted due to tax concessions.

Counter arguments: As mentioned above, while there will be a loss in terms of dividend and tax income, this shortfall would be more than adequately compensated by revenues and capital gains. More so, the returns on capital employed for the entire PSU sector is very low and the government can find alternate avenues for deploying this capital which would yield far better returns, both monetarily and otherwise. All the same, revisions need to be made in tax laws to ensure that all such loopholes currently being exploited by the corporate sector are closed.

- Profit making PSUs should not be disinvested as they are performing well in any which way

Counter arguments: A good example against this criticism would be BALCO which was a profit making company that earned the Government an average dividend (over eight years) of Rs. 5.69 cr every year on the equity sold. The Government post-disinvestment, however started getting Rs. 82.65 crore every year. Similarly, CMC was a very well managed and profitable company, yet the average dividend was only 0.80 crore. The Government's benefit, post-disinvestment however was Rs. 15.2 crore annually. Similarly, Maruti Udyog Ltd. gave average returns to the tune of Rs. 13 crore annually to the Govt. and IPCL gave Rs. 16.24 crore on equity sold against Rs. 242 crore and 149 crore respectively post-disinvestment. There can possibly be no justification of maintaining public sector character in such companies, especially them being non-core sectors.

- **Employees of PSUs would lose jobs**

Counter arguments: Past privatisations have shown that these fears are totally unfounded. Some of the companies started the process of restructuring and accepted some voluntary retirement applications but no retrenchments were made. These companies gave VRS to the employees, at scales, which were normally higher than the Government VRS. Shareholders Agreement with private companies normally have a provision that employees interest would be protected by ensuring VRS, which is higher or equal to the Government VRS, if there is a need for restructuring in the number of employees. More so, such exercises were done during the public sector regime also. It has been reported that the response to VRS offered to employees before disinvestment was also sometimes lukewarm as the employees expected a better package after privatisation by the strategic buyer, if and when VRS was offered to them. Very often additional recruitment also took place in privatised companies and the wages increased. To give an example, wages increased by an average of Rs. 1600 per employee in Modern Food Industries Limited in spite of the fact that the company had to approach BIFR within months of being privatised. Hindustan Levers took measures to financially restructure the company and bring it out of BIFR, at their own expense. Had Modern Foods remained a Government Company, the tax payer would have paid for financial restructuring of the company perhaps repeated by another restructuring a couple of years later, as is usual in the public sector. In BALCO, wages had not been increased after April 1999, even though a revision was due. In spite of a loss of about Rs. 200 crore due to the strike which happened as a result of the privatisation exercise, an ex-gratia payment of Rs. 5,000/- was paid to all employees and a long term wage agreement for a period of five years was entered into by the Management with the employees in October 2001, which guaranteed benefits of 20% of basic pay to each employee, besides increase in a number of allowances.

- Complete Privatisation may result in public monopolies becoming private monopolies, which would then exploit their position to increase costs of various services and earn higher profits

Counter arguments: It needs to be ensured that Privatisation leads to greater competition in all cases

- Complete Privatisation results in a situation where political compulsions may make companies being sold cheap to preferred parties

Counter arguments: The process followed for Privatisation needs to be very fair and transparent to ensure a situation such as this does not arise

- A majority stake sale done to another CPSE results in no real change in ownership, and is thus just hogwash

Counter arguments: This is fair to some extent, though it must be realized that some of the CPSEs are very well run, competitive and profit making. Thus, a sale of a loss making CPSE to a well performing CPSE can be a proposition well worth considering.

- Public Offer being the chosen approach for Disinvestments does not yield the best realisation on the assets and is a far too time consuming process. Auctioning to financial institutions (QIBs) should be the preferred modus operandi since it gives the best realisation on the assets, and has minimal transaction cost

Counter arguments: While the realisation on assets might be higher in case of an auctioning process, it must be remembered that the Government is not a private enterprise and hence should not be looking at short-term gains. It should look at the greater good and sell these stakes by public offers to increase retail participation in the capital markets as well as to increase the depth and width of the capital markets. In any case, the loss is minimal as very small stakes are being sold. The real gains for the government lie in the appreciation post-listing. Let us look at the PSU IPOs since 2004 with a trading period of over 1 year. The value of the government holding, courtesy the market, has gone up nearly 3 times from Rs. 238124 crore on the issue date to Rs.411917.17 crore (as on 11 January 2013).

Importance of Disinvestment

Presently, the Government has about Rs. 2 lakh crore locked up in PSUs. Disinvestment of the Government stake is, thus, far too significant. The importance of disinvestment lies in utilisation of funds for:

- Financing the increasing fiscal deficit
- Financing large-scale infrastructure development
- For investing in the economy to encourage spending
- For retiring Government debt- Almost 40-45% of the Centre's revenue receipts go towards repaying public debt/interest
- For social programs like health and education

Disinvestment also assumes significance due to the prevalence of an increasingly competitive environment, which makes it difficult for many PSUs to operate profitably. This leads to a rapid erosion of value of the public assets making it critical to disinvest early to realize a high value.

Is this the right time for Disinvestment?

With the equity markets having come off their historic lows in March 2009, there are certain signs of recovery. However, this should not be of any concern to the Government as PSUs, being high quality paper, would always find ready investors if the pricing is reasonable. PSU disinvestment of 10% as per the Government's announced intentions, at attractive prices to retail investors, could ensure a strong message to the investment community about the Government's resolve to continue with reforms.

Disinvestment in FY 2012 -13

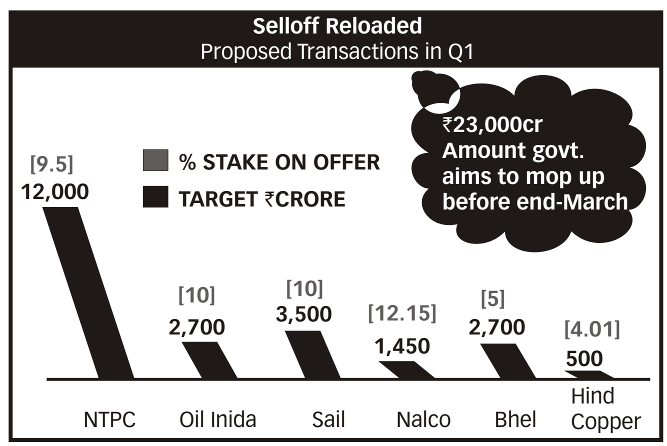
The non-starter Rs 30,000-crore disinvestment programme of the government got a little boost towards the end of 2012 year, bringing cheer to policy makers and raising hopes that it might inch closer to the ambitious target during the remaining three months of 2012-13.

After several attempts, the government offloaded the shares of Hindustan Copper in November - the first disinvestment of the current financial year of 2012-13. It fetched the government Rs 808 crore, with bulk of the equity being purchased by the banks and LIC. However, the big one was NMDC stake sale in December, yielding Rs 6,000 crore.

Trying to boost disinvestment, SEBI introduced the concept of offer for sale (OFS) or auction route in January to facilitate share sale of PSUs and also help to achieve the minimum 25 per cent public shareholding norms by June 2013.

So far in 2012, the government has managed to complete just two share sales (Hindustan Copper and NMDC), raising less than a third of the target in almost three-quarters into the fiscal year.

The pipeline for disinvestment is quite long and includes over 10 blue-chip companies such as NTPC, BHEL, Sail, MMTC and Oil India.



Shrinking Hope

The government is expected to lower its targeted collection from divestment of stakes in public sector utilities (PSUs) in 2013-14, after struggling to meet the budgeted targets over the previous two financial years. Accordingly, the Budget estimate for receipts from disinvestment in public sector units is likely to be pegged at about Rs 25,000 crore to Rs 28,000 crore in the next fiscal. In 2011-12, the finance ministry was planned to raise Rs 40,000 crore from disinvestment proceeds but was able to garner only about Rs 14,000 crore. Similarly, in the current fiscal, as against a Budget estimate of Rs 30,000 crore, stake sales are likely to fetch around Rs 24,000 crore. The department of disinvestment is understood to be working out a list of PSUs that will go for stake sales next fiscal. While approvals for disinvestment in a number of state-owned firms such as MMTC Ltd, HAL and Rashtriya Chemicals and Fertilizers are already in place, the official said possible candidates for stake sales in 2013-14 are likely to include Engineers India Ltd and RINL Ltd.

Outlook

The last quarter of 2012 reinforced the Indian government's commitments to reform and growth with a series of big-bang steps. These have cheered industry and, in 2013, we would see investments once again reprise its role as growth driver for the economy. GDP figures for the first half of 2012-13 were not encouraging, coming in at 5.4 per cent. This was one of the lowest in the last decade.

During these 10 years, we have also witnessed double-digit growth, and so we have an idea of the inherent potential of the economy. But tenuous and fluctuating global growth conditions vitiated the domestic atmosphere as well.

Investments in India expanded by only 2.3 per cent in the first half year, dragging down the growth rate. The manufacturing sector was also close to stagnation for the better part of the year. The need of the hour was quick policy action. And the government took multiple measures to revive domestic investments, curtail fiscal deficit and attract foreign funds.

Parliament agreed on FDI in multi-brand retail and passed the Banking Bill as well as the Companies Bill. Disinvestment of public sector companies made progress. These morale boosters for industry raised expectations for more such steps in 2013.

In January, the RBI brings out its review of monetary policy for the final quarter of this fiscal year. All indications are that as inflationary pressures are down, it could now prune rates and focus on revival of growth. Industry expects RBI to usher in a regime of lower interest rates, which would be a huge factor in reviving investments.

All eyes will also be on Budget 2013-14, due in February. The first task would be to retain the fiscal deficit at the targeted level of 5.3 per cent for 2012-13. Fuel subsidies will be the key to lowering government's expenditure, while on the revenue side, telecom auction and disinvestment might add funds to its coffers. We expect diesel and petrol prices would be corrected again, but by reducing fiscal deficit this would have a beneficial impact on inflation and overall availability of funds for investments.

The disinvestment and revenue departments are going to be on an overdrive to mop up every possible paisa over the next 12 weeks. The success of the spectrum auction, the second in a span of three months, will only be known in March but before that, a message has gone to every government department that they should try and cut expenditure, and if possible defer some to the first quarter of the next financial year. Already, the finance ministry is talking of a saving of Rs 65,000-70,000 crore in plan expenditure, which is around 5% of budgeted spending, as ministries that have not spent in line with the allocation will have to surrender a part of the resources at their disposal. There are others, which have for years not bothered to collect utilization certificates of funds released earlier. They will now have to adjust their "past dues" with this year's allocation. For some, the reduction is as much as 25%, conceded a minister. "It's normal budget practice but this year the enforcement is tougher," said the financial advisor in a ministry with a large allocation. Finance ministry officials admitted that the budget division is keeping tabs on every single paisa that flows out of the treasury.

Sources: bsepsu.com, DNA Money, Bussiness Standard

Inviting Articles

Respected Readers,

ISE Research is on the way of transformation; its goal is set to become a center part of Indian Capital Market Education Point. To achieve such goal, the research department is trying to increase public involvement by inviting articles from our valuable readers who are interested to give active support to contemporary Indian Financial system.

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With warm regards

Editor
"V Share"
Research & Strategic Planning Division
Inter-connected Stock Exchange of India Limited

CAPITAL MARKET AT A GLANCE

Will 2013 bring a turn around in the Indian economy?

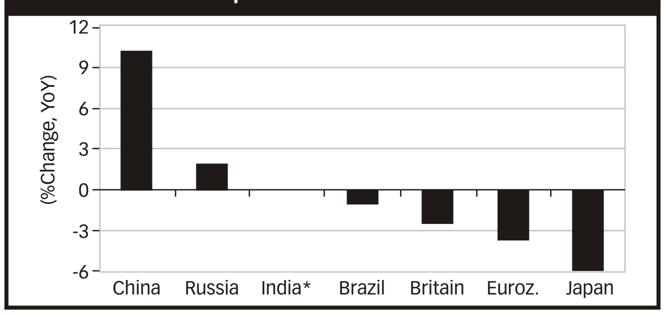
Export growth in India has been lackluster. In fact, exports have fallen for 9 months straight till December this fiscal year. However, the Indian economy is still growing and needs overseas imports. The gap between imports and exports is widening, and the plug needs to be filled in. While portfolio inflows somewhat help, it is not sufficient enough to meet the demand.

With inflation slowing, the Reserve Bank of India (RBI) finally bit the bullet and turned its focus towards ebbing growth in the Indian economy. The central bank gave India Inc a bounty of New Year's gifts even as it cut the country's GDP growth forecast. The RBI revised GDP growth target for FY13 downwards for the second time, from 6.5% initially, to 5.5% now. Thus, in order to revive sentiment, the central bank cut both the cash reserve ratio (CRR) and the repo rate by 0.25%. These rates now stand at 4% and 7.75% respectively. The CRR is currently at its lowest level since December 1974 and the cut will release an additional Rs 180 bn of liquidity into the system. In order to spur loan book growth towards the end of the fiscal, banks may now start cutting lending rates. But, further monetary policy movement will depend on the government's stance. Recent government reforms especially the diesel price deregulation has staved off near term risks on the fiscal front. However, sustained fiscal consolidation is needed in order to create room for further monetary easing.

India's Industrial Production declines 0.1 percent in Nov

India's Industrial output contracted 0.1 percent in November, dragged down by deceleration in production, in manufacturing, mining and electricity generation, government data showed. Eight core industries that have a combined weight of 37.90 percent in the index of industrial production (IIP) logged a negative 0.1 percent growth year-on-year in November 2012. In the corresponding month of 2011, these industries had registered a growth of 6 percent. The eight core industries are coal, crude oil, natural gas, petroleum refinery products, fertilizers, steel, cement and electricity. These had logged 8.2 percent growth in October, led by a rebound in manufacturing, power and higher output of capital as well as consumer goods. The cumulative growth of the core industries during April-November 2012-13 was 1 percent as compared to 3.8 percent growth registered during the corresponding period of the previous fiscal.

Industrial production in November 2012



Source: The Economist

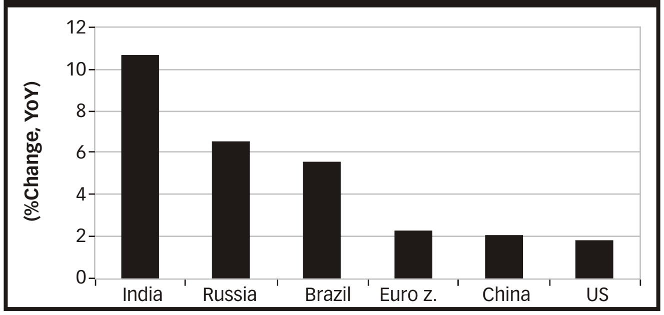
Inflation

The **Wholesale Price Index (WPI) based inflation for December came in at 7.18 per cent, lower than the 7.24 per cent level seen in November.** The December WPI inflation data was also much lower than the 7.74 per cent recorded in December last year. Even in 2011, the WPI-based inflation in December was lower than the November footprint. **Retail inflation came in at a higher than expected 10.56 per cent in December,** belying hopes of any aggressive policy rate cut by the RBI in the upcoming monetary policy review. The annual consumer price index (CPI) for November was 9.9

per cent. While retail inflation in the rural areas was 10.74 per cent in December, it was 10.42 per cent in the urban areas.

With the consumer price index coming in higher for India in December 2012, how does the country fare when compared to its peers? Not too well we believe. As the chart shows, consumer prices have remained the highest in India when compared to its peer China, although both have grown faster than most. However, China enjoys a trade surplus as against a trade deficit for India.

Latest consumer prices*highest in India



Source: The Economist

Inflation vs. Growth

India has two indices to measure inflation and growth, currently both of them are telling a different story. The latest wholesale price index (WPI) has gone down from 7.24% to 7.14%. But this is in contrast to the consumer price inflation (CPI) index which crossed the double digit mark in December 2012 to reach 10.56%.

The fall in WPI has been perceived as an encouraging sign and so there are increased expectations that the Reserve Bank of India (RBI) will cut rates in its next monetary policy. So far the central bank has been in no mood to oblige on account of high inflation. So it will be interesting to see what its next move will be when the inflation indices throw up such contrasting data.

The woes on the CPI front do not end here. Despite the higher numbers, there are many factors that have not been reflected in the December data on account of the lag effect. This means that the impact of these will be felt in 2013 so that consumer prices could rise much more this calendar year. For starters, it does not take into account the recent hike in railway fares which will show up in either the January or February numbers. Then there is the proposed hike in diesel prices, the increase in minimum support prices (MSP) and increase in wages. The latter more so in the aftermath of the violence at Maruti's plant at Manesar.

Assuming that growth does not pick up, all these indicators point to an increased possibility of stagflation (i.e. inflation and low growth) in 2013. For growth to ramp up, the government needs to ramp up productive spending towards areas such as infrastructure, education and the like. But for now its hands are tied as the fiscal deficit data shows. What is more, it has not been able to stick to its targets for bringing this deficit down. And with elections around the corner, the motivation to drastically bring down subsidies is low. While it may look to reduce this deficit by increasing taxes, that would be another dampener on consumption as purchasing power reduces. Thus, we would not be surprised if 2013 turns out to be another challenging year for the Indian economy.

Spending Patterns

The slowdown in the Indian economy seems to be taking a toll on the spending patterns of Indians. As inflation remains high and growth has slowed down, most Indians are not expecting much of a rise in wages and salaries. This means that disposable incomes are expected to be squeezed from both sides. This is in contrast to countries such as Indonesia and China where consumer sentiments continue to remain healthy. As a result most Indians are taking it slow when it comes to discretionary items such as automobiles, consumer goods and apparel. For instance, purchases of many of these items are being postponed. Either that, or there is more down trading as consumers are opting for cheaper alternatives. Of course, these are near term concerns and the next couple of quarters could also witness sluggishness. However, one can hope that recovery begins thereafter. The long term consumption story however remains intact given that the penetration level is quite low in India as compared to other countries.

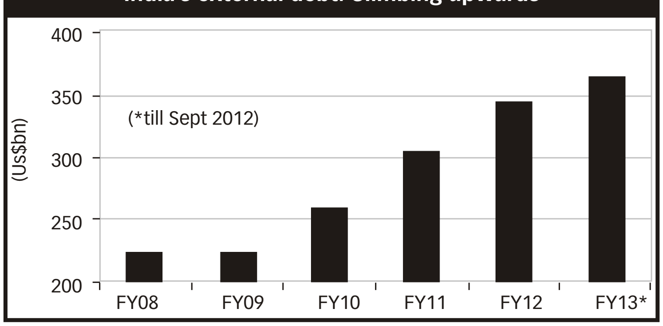
Exports

Exports continued to tumble for the eighth straight month in December 2012 **falling 1.9 per cent to $24.88 billion** compared with $25.36 billion in December 2011 as demand from major markets including the EU and Japan remained low. Driven by petroleum purchase, imports during the month increased 6.3 per cent to $42.5 billion from $40 billion in December 2011 pushing up the trade deficit to $17.7 billion from $14.7 billion.

Debt

Even as its neighbour China keeps recording current account surplus after surplus, India does not have even a fraction of that advantage. On the contrary, its external debt, one of the means to finance its current account deficit has constantly been on the rise. As the chart shows, **India's external debt moved up to US$ 365 bn as on Sep 2012, more than 60% high than what it was around 4.5 years back.**

India's external debt: Climbing upwards



Source: Financial Express

What more, even the cover that forex reserves provide to external debt reduced to 80% from 85% in March 2012. Clearly, another indication that the country does need to bring down its current account deficit.

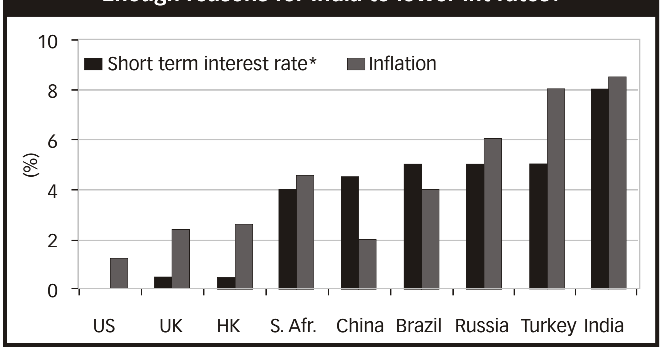
Rupee

Export growth in India has been lackluster. Well, this is no surprise given the economic situation globally. In fact, exports have fallen for 9 months straight till December this fiscal year. However, the Indian economy is still growing and needs overseas imports. The gap between imports and exports is widening, and the plug needs to be filled in. While portfolio inflows somewhat help, it is not sufficient enough to meet the demand. Now, due to the worsening trade balance, the Indian Rupee has been badly hit. In order to defend the currency, the Reserve Bank of India (RBI) has boldly stepped in. In order to keep currency movements smooth, the central bank's dollar sales in November jumped 10-fold. The RBI sold a net US$ 921 m in November 2012, up from US$ 95 m in October. But, is this sustainable? The RBI cannot always be the knight in shining armour for India. The current account still remains well above comfort levels, at 5.4% of GDP in the September quarter. India is also weak as compared to the BRICs in terms of external debt indicators. With these problems seeing no sign of easing, we expect the Indian rupee to continue to remain weak for some more time.

Interest rates

Everyone is making a case for lenient monetary policy in 2013. The Reserve Bank of India (RBI), however, is not so sure. After all inflation continues to hover well above its comfort levels. Plus excess liquidity continues to slosh around in the global financial system. Nevertheless, the pressure from the government to stimulate growth may cause the RBI to relent. A look at inflation levels and short term interest rates around the world explains why lowering interest rate is so difficult for the RBI. After all, India is amongst few nations in the world where despite steep interest rates, inflation still outstrips short term borrowing rates (repo rate for India).

Enough reasons for India to lower int rates?

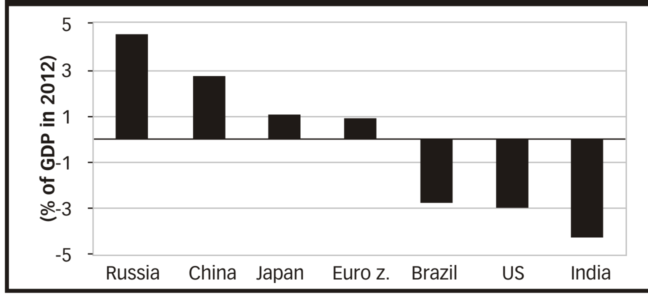


Source: RBI, JP Morgan

Current Account Deficit

Notwithstanding the current slowdown, when it came to GDP growth, India has been right up there with its BRIC peers. Especially when the US and Europe were mired in recession. But on many of the other parameters, India has fared quite worse. One such factor has been the current account balance. Indeed, as the chart shows, **India has the worst current account deficit,** while countries such as China and Russia have surpluses. This does not bode well for the Indian economy at a time when its spending back home has also shown no signs of abating.

India has the worst current account bal.



Source: The Economist

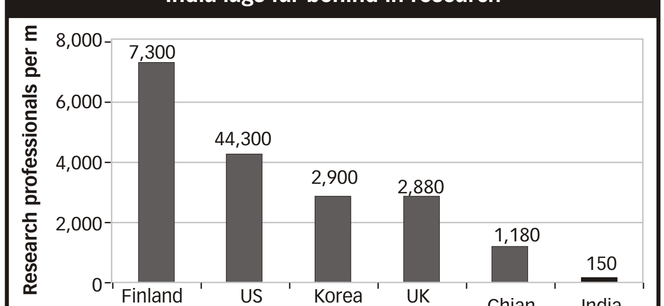
Rating

Citigroup has downgraded India's rating from 'neutral' to 'underweight' as an economic rebound, corporate risk appetite and investment cycle could lag expectations. The brokerage expects ongoing political wrangling and parliament elections scheduled for 2014 to make the current year noisy. The brokerage has set a Sensex target of 20,800 by the end of this year, a 7% rise from the current level.

Innovation and Research

Time and again, India's demographic dividend has been touted as one of the key drivers for India's growth in the future. But this does not have much meaning if its people are not equipped with the requisite skills required to get employed. Further, there seems to be a considerable gap between the syllabus taught at current educational institutes and what the industry requires. Lack of focus on innovation and research has been cited as the main culprit for this. Indeed, as the chart shows, India has only 150 research professionals per million people, meaning that it is way behind many of its peers. And unless steps are not taken to correct this, it could prove to be its undoing in the longer term. Some leading companies have started to realise the importance of research and are taking proactive steps to form tie-ups with institutes to set up research hubs in the country. On a much macro basis, the government also needs to divert much of its unproductive expenditure towards more productive areas which include education, healthcare, among others.

India lags far behind in research



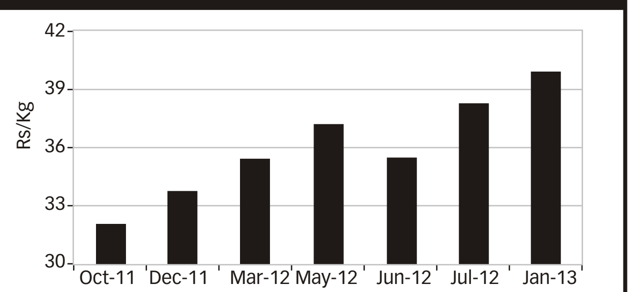
Source: The ET magazine

CNG

The year 2013 has brought the news of costlier transportation in national capital. After a period of 6 months, IndraPrastha Gas Ltd (IGL), the key supplier of CNG, has revised CNG prices by 4%. Interestingly, since the start of 2012, CNG prices are up by 18%. At this rate, they beat average inflation by a wide margin.

Few years back, with the discovery of Reliance Industries' (RIL) KG DG basin, the domestic gas scenario looked brighter. The gas production from the field was initially forecasted to touch 80 million standard cubic metres per day (mscmd). However, since hitting a peak of 55 mscmd in August 2010, the gas supplies have been consistently falling. The decline has been steep with current production at around one fourth of the target. As such, more and more demand is now being met through the imported gas. Since imported gas is around three times costlier than the domestic gas, the CNG prices are on a rise. With the existing gas pricing policies in the country, there is hardly any incentive with the domestic oil and gas companies to produce gas. Unless the Government gets its act right, the graph will only go up.

CNG prices on a rise

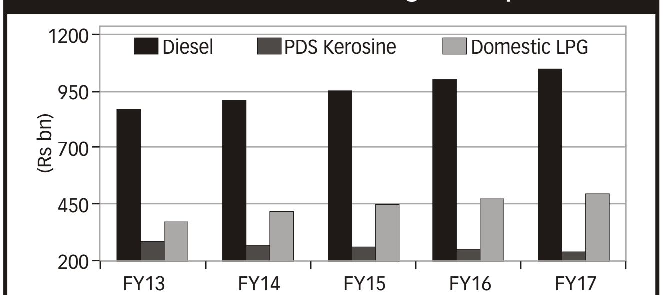


Source: Financial Express

Twelfth Five Year plan

Unlike its predecessors, the Twelfth Five Year plan (2013-17) document did not get too much media attention. The government too finalised the draft after much introspection. After all, the execution of the investment outlay of the previous plan left a lot to be desired.

Est. under recoveries* during XIII the plan



*Assuming crude at US$100 per barrel and exch. rate of Rs 55/US$

Source: Planning Commission

The focus this time was therefore on making feasible projections. Particularly keeping the low GDP growth and global economic risks in mind. But what particularly drew our attention was the estimation of under recoveries on diesel, kerosene and domestic LPG during the XIIth plan period. While petrol prices are now market determined, that data makes a strong case for diesel too to gradually take the same route. Else the estimated under recoveries to the tune of a massive Rs 8.3 trillion could weigh heavy on India's fiscal problems. Out of this under recoveries from diesel alone would be Rs 4.7 trillion.

Gas

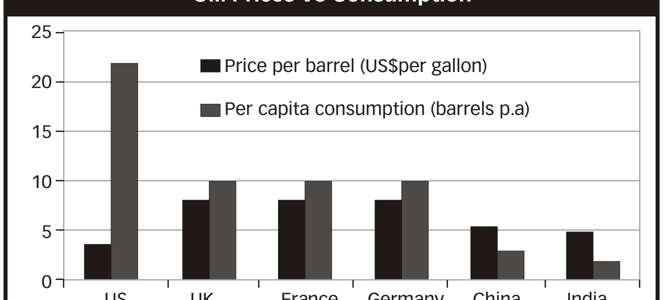
The Government seems to be on a roll with regard to fuel price reforms. After partial decontrol for diesel, it's the turn of gas prices. Close on the heels of the Rangarajan Committee's report, natural gas prices are likely to see more than two fold hike soon. The new gas pricing will be an average of global hub prices and cost of imported LNG. It may apply from 2013 itself on all domestically produced gas except cases where it is either governed by the Production Sharing Contract or the government had previously fixed tenure for the same.

The move is a double edged sword. It will mean rising bills for users, especially power and fertilizer sector that have been using subsidized gas. Still, for companies like Oil and Natural Gas Corporation Ltd. (ONGC) and OIL India, it will be nothing less than a game changer. The domestic gas sector is tracing a backward path because of fixed domestic gas pricing that has led to unviable economies in the segment. A better gas pricing will incentivize investment in domestic gas sector. While high gas prices will fuel inflation in the beginning, with proper implementation, they can prove to be a win-win scheme for all stakeholders in the long term.

Oil

One of the major concerns for Indian government is to cap fuel subsidies. After all, the same is a major contributor to India's fiscal deficit. But one look at global oil prices and consumption levels tells us that India is relatively better off. Not just in terms of prices but also per capita consumption levels. However, the only way to make more energy available for economic growth is to look for new sustainable resources. Something that the US has been successfully doing with shale gas.

Oil: Prices Vs Consumption



Source: RBI

FII

When an economy slows down and inflation remains high, corporate earnings tend to be adversely affected. This in turn should weigh down on stock prices. But it seems to be a different story as far as Indian equity markets are concerned. While the economy slowed and corporate earnings faltered, the benchmark BSE-Sensex outperformed most global indices in 2012 with gains of over 25%. This was a year when domestic investors were fleeing away from equities. But the significant rally in the Indian stocks was due to foreign institutional investors (FIIs) inflows. While domestic investors were dumping stocks, FIIs were quietly propping up their stakes. Between 2QFY11 and 3QFY13, FII shareholding in 175 companies of the BSE-500 index increased from 12.9% to 14%. During the same period, while public shareholding declined from 11.3% to 10.8%, the holdings of domestic institutions dropped from 10.1% to 9.5%. Effectively, one could conclude that FIIs are very crucial drivers of Indian stock markets.

Direct Tax

Gross Direct Tax collections during April-December of the FY 2012-13 was up by 8.01% and stood at Rs.428278 crore as against Rs.396530 crore in the same period last year. Gross collections of Corporate Taxes showed an increase of 4.94% and stood at Rs.283170 crore as against Rs.269850 crore during the same period last year. Gross collections of Personal Income Tax was up by 14.57% and stood at Rs.144376 crore as against Rs.126012 crore during the same period last year. Net Direct Tax collections was up by 13.70% and stood at Rs.368322 crore, as compared to Rs.323956 crore in the same period in the last fiscal. Growth in net collection of Wealth Tax was 1.55% and stood at Rs.656 crore as against Rs.646 crore during the same period last year, while growth in Securities Transaction Tax (STT) was (-) 12.46% and stood at Rs.3294 crore as against Rs.3763 crore during the same period last year.

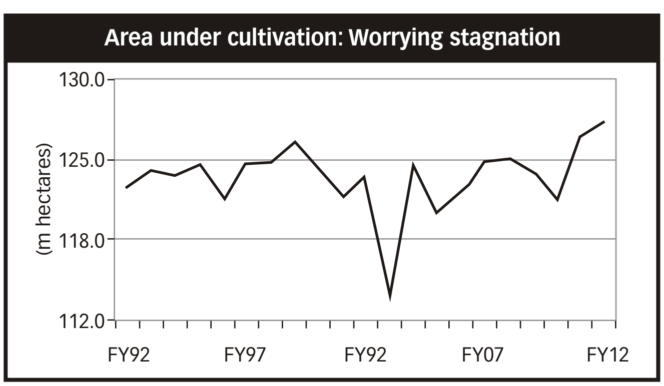
Expenditure plan

Huge subsidy burden has created a hole in the pocket of the government. With the divestment plan not going as per schedule, financial resources of the Centre are further getting strained. In such an environment, the only way to avoid worsening deficit is to cut expenditures. As such, the government has decided to raise the plan outlay for FY2013-14 by just 5%. The plan expenditure for the next fiscal year is pegged at Rs 5.5 trillion compared to Rs 5.2 trillion for this fiscal. It may be noted that FY2013-14 will be the second year of the 12th five year plan. And in that year, let's assume that the plan expenditure registers just a modest increase of 5% as predicted. If that happens then the overall projections for expenditure in the 12th plan could go for a toss. It may be noted that the 11th plan had witnessed plan expenditure of Rs 15.9 trillion. And in the 12th plan the expenditure is expected to more than double to Rs 35.7 trillion. Thus, any slowdown in spend in the initial years will make the target difficult to achieve.

SECTOR

Agriculture

As the chart highlights, **India's area under cultivation has remained pretty stagnant over the past couple of decades.** This, even as its population is still growing and people moving up the food chain. Of course, there is always the yield to fall back on, but there's a limit to which the yield can improve. Not to forget that the increased yield will lead to more usage of fertilizers and other crop nutrients. This trend is in contrast to countries like Brazil and US which can have vast tracts of land that can be brought under cultivation.



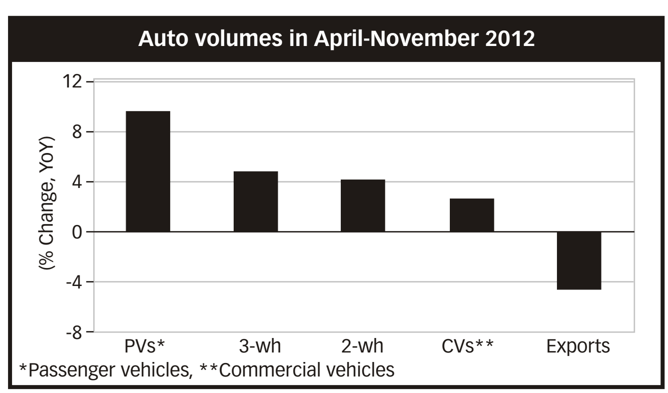
Source: RBI

Airlines

The year 2013 has opened with heavy discounts on air tickets, bordering on a fare war of sorts, to woo passengers back to flying as SpiceJet announced 10 lakh seats on offer at Rs 2,013 for travel between February and April, which can be booked over January 11-13. Responding to this aggressive discount scheme, the IndiGo, had also slashed fares to a comparable level on several sectors like Delhi-Mumbai, Ahmedabad-Delhi and Pune-Chennai. SpiceJet's move to slash fares by almost half is likely to see its rivals following its pricing strategy. February to April is generally considered a lean period for the domestic travel industry.

Automobile

As if FY12 was not tough enough, the Indian auto industry struggled in the first 8 months of FY13 as well as the slowdown in the Indian economy took its toll.



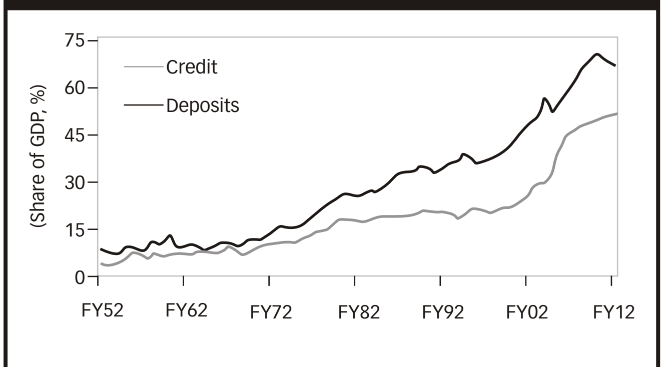
Source: SIAM

As the chart shows, **the passenger vehicles segment has been the best performing so far in FY12.** This has largely been due to stupendous growth in utility vehicles (up 62% during this period). On the other hand, growth in CVs was tepid on account of volumes for medium & heavy CVs (M&HCVs) falling by 16%. Rise in fuel prices, firm interest rates, sluggish industrial demand and slowdown in the economy have taken its toll on the industry.

Banking

The Reserve Bank of India (RBI) is not as enthused as the government about issuing additional bank licenses. However, if there is any doubt about why the government is insisting on it, there is enough data to delve into. A look at the banking sector's impact on GDP over past 6 decades tells all. The share of banking sector's credit and deposits to GDP has multiplied 5 times and 6 times respectively during this period. At 52%, the non food credit to GDP ratio for India is nowhere close to that in developed world. However, a higher proportion of the same is inevitable to keep India's GDP's growth rate ticking higher than 6%. It's not sure if having more banks can help credit penetration. But at least the government thinks so.

Banking sector's impact on GDP over 6 decades



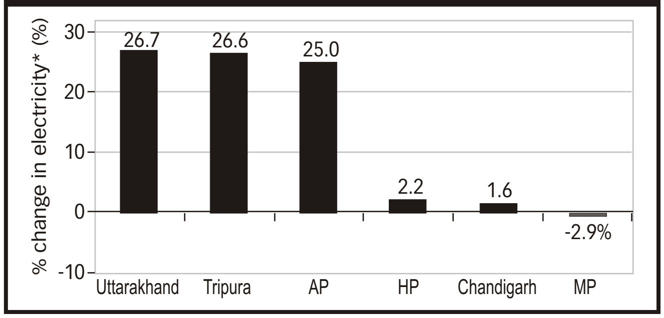
Source: RBI

The **government approved a proposal to inject Rs 12,517 crore in public sector banks** to help them enhance the lending activity and meet the capital adequacy norms. About 9-10 public sector banks will benefit from the capital infusion programme, Finance Minister P Chidambaram said. The amount of capital infusion and the terms and conditions would be decided after consultation with each bank, he said, adding that the exercise was aimed at helping them meet stricter Basel-III norms relating to capital adequacy. The funds would be disbursed before March to these public sector banks. The government had already earmarked the amount in the Budget for the current fiscal. The government has been infusing funds in the public sector banks in the last couple of years to strengthen their finances.

Electricity

The electricity sector is the growth engine of an economy. In India, providing access to electricity is the function of the ruling government. As such, household access to electricity is a key indicator of the quality of governance. Chart shows state with the highest and lowest growth in households with access to electricity over the last decade (2011 versus 2001). **States such as Uttarakhand, Tripura and Andhra Pradesh (AP) displayed significant improvement in access to electricity.** On the other hand, Madhya Pradesh (MP) is the only state that showed decline in the number of households with access to electricity during the period. The growth in states such as Chandigarh, Himachal Pradesh (HP) and Goa was slow as more than 90% households had access to electricity even a decade ago.

States with best & worst electricity growth



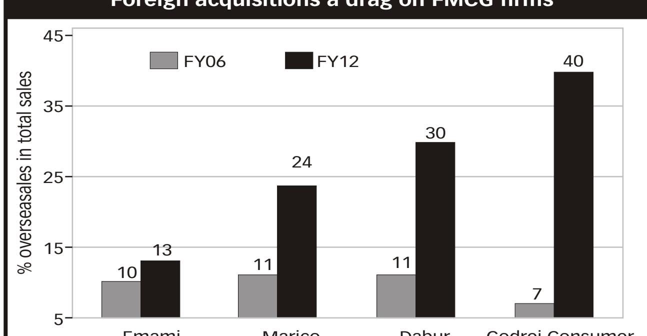
Source: Business Standard

FMCG

Domestic FMCG companies such as Godrej Consumer Products (GCPL), Marico and Dabur have grown at a robust pace of 20% average annual growth over the last five years. In a bid to expand their businesses further, these companies acquired several foreign brands and companies. Consequently, the share of the international sales to their total revenue has increased. The chart shows that between FY06 and FY12, the contribution of international sales has increased substantially for most FMCG companies. However, the benefit at the topline has failed to percolate at the bottomline.

Sometimes, acquired brands take a long time to break-even. Hair-styling brand Code 10 acquired by Marico in 2010 and Dabur's Namaste acquisition in 2011 continue to remain in red. However, GCPL has seen reasonable success with several acquisitions such as Megasari in Indonesia, Darling Group in Africa and Cosmetica Nacional. This may be on account of the fact that GCPL has focused on product acquisitions in which it has a strong core presence.

Foreign acquisitions a drag on FMCG firms



Source: DNA Money

Information Technology

The Indian IT industry is facing tough times given the uncertainty haunting the global arena. IT majors are looking at markets beyond the US and Eurozone to drive growth. At the same time, they are also cutting back on their hiring plans as well as looking at ways to trim costs. The thing is that every industry has a down cycle and an up cycle. But these cycles are short term in nature. Eventually things would get sorted out. But the essential thing is that only companies that have strong business models and are able to adapt to the changing environment will survive. And those who do will clearly come out as winners.

Microfinance

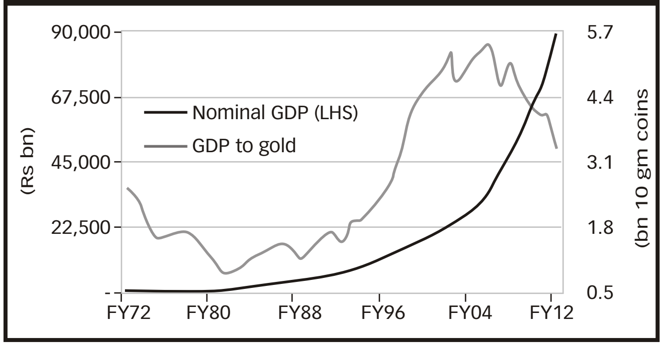
Microfinance in India has been through a rollercoaster ride. Once highly touted as a pathway to financial inclusion in the country and as a savior for the poor, it became a black sheep after a number of farmer suicides in Andhra Pradesh. The high point of the industry came when SKS Microfinance was listed in a US$ 350 m IPO. But, soon after listing, the stock came crashing down after a spate of regulations against the strong-arm collection tactics of the industry.

But now, things are a lot more in control. Microfinance lenders are once again attracting capital. Grameen Capital, a social-investment bank, says that US$ 144 m of equity has been injected into microfinance groups over the past 12 months. This is more than double the amount in the preceding year. The renewed confidence has come from more uniform regulations. The Indian central bank has set up some guidelines which will keep companies in check. This includes a cap on interest rates, and lenders are barred from lending to anyone with more than one loan outstanding. Well, maybe there is some hope still left for this industry.

Gold

Our immense appetite for the yellow metal is an important factor affecting gold prices. India has been the leading importer of gold, accounting for over 20% of the global demand. So, if India's demand for gold falls drastically, it does have some impact on the prices as well. Our unabashed fondness for gold doesn't go down well with the policymakers. This is because India mainly relies on imports to meet its gold demand. And this in turn weighs down on India's current account. In the quarter ended September 2012, India's current account deficit stood tall at 5.4% of GDP. Moreover, it is said that in some months gold accounted for half of the deficit. As such, policymakers and the RBI have been finding ways to curb India's gold imports. Last year, the import duty on gold was increased to 4%. The Finance Minister is now suggesting that this be further increased to 6%. But critics say that this would increase the black market trade in gold. Recently, creation of gold-backed financial products is under consideration. This would possibly help mobilise the huge unproductive stock of the yellow metal in the country. Overall, we think it is difficult to wean Indians off their thousands of years of love affair with gold.

India's GDP in gold: Not that lustrous



Source: RBI

Power

The power sector is the growth engine for any economy. If this sector is not growing well, it has repercussions on other sectors of the economy as well. It is not exaggeration that India misses out about 2% of GDP growth because of poor infrastructure. The growth of India's power sector has faced several headwinds. One of the biggest roadblocks has been the inadequate supply of coal, the chief fuel for thermal power plants. As a consequence, the power sector has been an underperformer on the bourses as well. Since the beginning of 2012, the BSE Power index has witnessed just about half the gains in the broader markets. Even these gains were mainly attributable to reforms pertaining to restructuring of state electricity board (SEB) debts. Coal supply also improved marginally towards the end of 2012. Subsequently, electricity generation increased in the December quarter by 4.25%. It must be recalled that the same had plunged to 2.49% in the September quarter. There are indeed some indications of things getting better. Thermal power plants have reported better capacity utilisations in October and November. Decline in international coal prices has been another booster. But adequate fuel supply is still a major concern and will affect future capacity additions. So, though the situation has improved somewhat, it is far away from a full recovery.

Railway

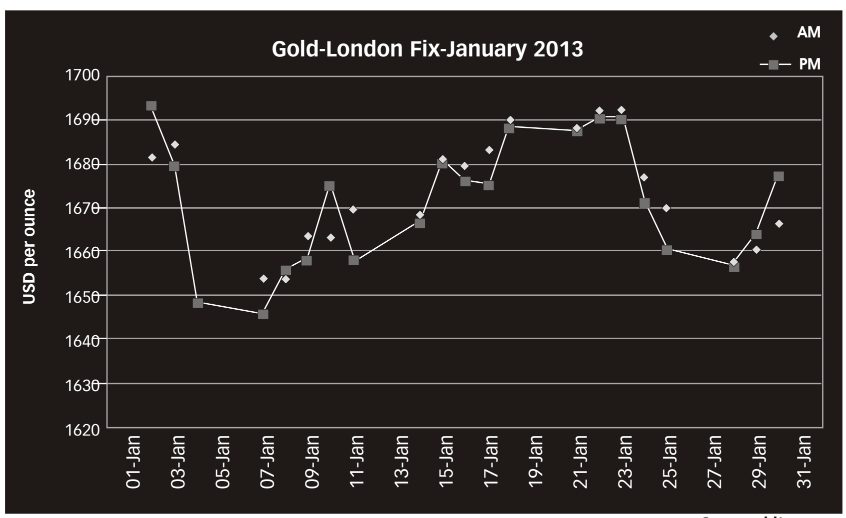
Ahead of the rail budget for 2013, Railway Minister Pawan Kumar Bansal announced a fare hike with effect from January 21-22 midnight. Mr. Bansal said that having hiked the railway fares now, the government will not increase the tariff in the budget. **This is the first railway fare hike in ten years.** The new fares imply a 2 paise per kilometre increase in second class ordinary suburban tariffs. The fare for second class non sub-urban travel has gone up by 3 paise per kilometre.

India has been the world's largest consumer and importer of gold. However, doubling of the excise duty to 4% in the last budget and the curbs that RBI imposed on gold loan value (down from 85-90% of the value of jewellery to 60%) and banning banks from funding gold purchase by loan companies have led to sharp drop in imports this year.

The turnover of commodity exchanges fell 5.54 per cent during the April-December period to Rs 1,29,62,447 crore because of decline in bullion trade. The cumulative value of trade from April 1, 2012 up to December 31, 2012 during the financial year 2012-13 was Rs 129,62,447.62 crore. The turnover of commodity bourses was Rs 1,37,22,854 crore in the corresponding period of previous fiscal. The total trade in agriculture commodities during the period rose 16 per cent to Rs 17,12,849 crore, from Rs 14,71,629 crore in the nine months of the previous fiscal. However, Bullion trade declined by 25.30 per cent in the first nine months of 2012-13 to Rs 60,03,141 crore, from Rs 80,36,753 crore in the year-ago period.

The government on January 1, 2013 slashed the import tariff value of gold and silver marginally to $539 per 10 gm and $979 per kg, respectively, amid volatile movement in the global prices of precious metals. During December, the tariff value of gold was $550 per 10 gm, while silver was $1,062 per kg. India has been the world's largest consumer and importer of gold. However, doubling of the excise duty to 4% in the last budget and the curbs that RBI imposed on gold loan value (down from 85-90% of the value of jewellery to 60%) and banning banks from funding gold purchase by loan companies have led to sharp drop in imports this year. In April-October, gold imports declined 35% year-on-year and overall imports is set to drop over 17% to 800 tonnes this year.

GOLD



Source: kitco.com

Gold futures rose on January 30 after data showed the US economy unexpectedly contracted in the fourth quarter. Further, the gold bolstered by hopes that the Fed would keep its monetary policy loose for a long time, after the Commerce Department said gross domestic product fell at a 0.1 percent annual rate, its weakest performance since it emerged from recession in 2009. Gold futures for February delivery settled up to $19.10 at $1,679.90 an ounce on the Comex division of New York Mercantile Exchange. While spot gold up 0.7 % at $1,675.61 an ounce.

Gold futures declined on January 24 as speculators continued to off-load their positions in domestic as well as global markets, due to dollar gains against a basket of currencies which made gold's import costlier in domestic market. On the other hand, gold declined in global market due to increasing confidence in the global economic recovery dulled bullion's appeal as a safe investment. The contract for February delivery was trading at Rs 30637.00 /10 grms, down by 0.18% from its previous closing of Rs 30691.00/10 grms. The contract for April delivery was trading at Rs 31210.00/10 grms, down by 0.21% from its previous closing of Rs 31275.00/10 grms.

Gold futures found support from a looming battle in Washington over the government's borrowing limit, a day after Federal Reserve Chairman Ben Bernanke discussed the negative economic effects of any failure to agree to a higher ceiling. Gold futures for April delivery settled up to $14.50 an ounce at $1,683.90 an ounce on the Comex division of New York Mercantile Exchange. While spot gold up 0.7% at $1,678.60 an ounce.

Gold futures edged up on January 14 buoyed by a stronger euro and physical buying from China, while expectations of aggressive monetary easing in Japan also lent support. A weaker greenback makes dollar-priced commodities more attractive for buyers holding other currencies. Gold futures for February delivery gained 0.2% at $1,664.20 an ounce on the New York Mercantile Exchange. While spot gold inched up 0.1% at $1,664.04 an ounce.

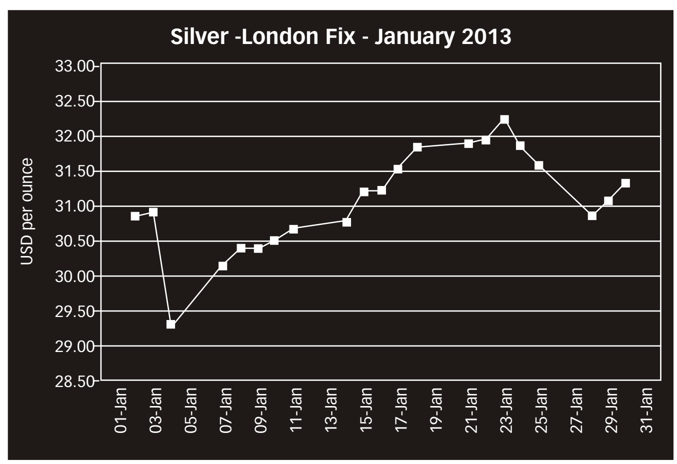
Gold futures fell more than 1 percent on January 3 on signs that Federal Reserve officials are increasingly concerned about the risks of the Fed's asset purchases on financial markets, reducing bullion's appeal as a hedge against inflation. Further, reports that Fed could withdraw QE before the end of year that put a dent on one of the underpinnings on gold, which is expansionary monetary policy. Gold futures for February delivery down by $14.20 an ounce at $1,674.60 an ounce, on the Comex division of New York Mercantile Exchange. While spot gold down by 1.2% at $1,665.60 an ounce.

Gold futures rose nearly 1 percent on January 2 as economic optimism fuelled sharp gains on Wall Street after US lawmakers clinched a last-minute deal to avoid tax hikes that threatened to send the economy back to recession. Gold futures for February delivery settled up to $13.00 an ounce at $1,688.80 an ounce on the Comex division of New York Mercantile Exchange. While spot gold up to 0.8% at $1,687.60 an ounce.

SILVER

Silver futures on the COMEX tumbled to a four month lows at the start of the year and now seem to be charting a recovery on bargain hunting and ideas that industrial demand will hold up. The silver has been locked up in a rather tight range over last few months. Silver futures extended a downward run from its highs near $35 per ounce achieved in the first week of October 2012. The silver was further let down by the bearish mood in copper and crude oil prices. Silver is linked directly to industrial activity and safe haven demand and a drop in copper is normally supposed to have a negative influence on the white metal. The commodity tested its two-month lows near $30 per ounce and closed at $32.37 on 16th November, 2012. The prices have been locked in a broad range of $30-35 per ounce over last few days and a break on the either side is needed for further direction.

Silver futures were traded higher at the end of first week of January 2013 due to continued demand in the spot market after the government reduced the import tariff value of gold and silver marginally to $539 per 10 gm and $979 per kg, respectively, amid volatile movements in the global prices of precious metals. The contract for March delivery was traded at Rs 59150.00 / 1 KGS, up by 0.36% from its previous closing of Rs 58938.00 / 1 KGS. The contract for May delivery was traded at Rs 60488.00 / 1 KGS, up by 0.33% from its previous closing of Rs 60289.00 / 1 KGS on MCX.

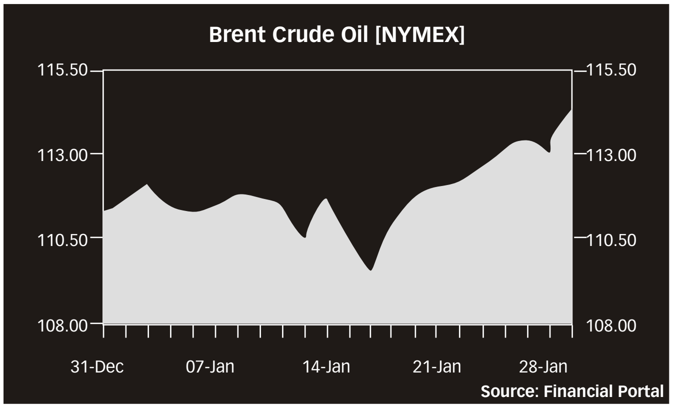


Source: kitco.com

CRUDE OIL

Crude futures ended higher on January 30 despite weak GDP data from US as the dollar continued to weaken against other major currencies and supply disruptions fears from the Middle East due to the geopolitical tensions in Algeria and Egypt. Traders even overlooked Energy Information Administration (EIA) weekly report that showed crude stockpile in the US increased more than expected. EIA reported that crude oil inventories jumped by 5.95 million barrels in the week to January 25. Benchmark Crude for March delivery, gained $0.37 to close at $97.94 a barrel after trading in a range of 98.24 and $97.32 on the New York Mercantile Exchange. In London, Brent crude for March delivery settled up by 54 cents at $114.90 on the ICE.

Crude prices ended higher on January 24 supported by encouraging economic data while the US jobless claims



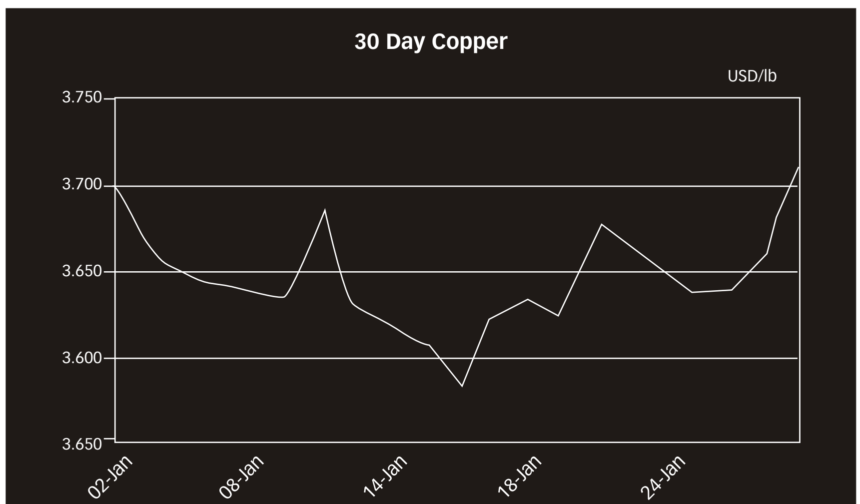
declined to a five year low, Chinese manufacturing activity improved, suggesting that demand for oil and fuel products could be headed higher. Benchmark Crude Oil futures for March delivery gained 0.8 percent to close at $95.95 a barrel after trading in a range of $96.68 and $95.12 on the New York Mercantile Exchange. In London, Brent crude futures for March delivery rose 48 cents to $113.28 a barrel on the ICE.

Crude futures declined marginally on January 21 as traders were cautious ahead of a key meeting of euro-zone leaders. In early trade, there was some upmove in the crude prices after China's General Administration of Customs confirmed that December crude imports totaled 23.67 million metric tons, equivalent to 5.6 million barrels a day, up 8.0% from a year earlier. However, Brent crude oil slipped below $112 as economic worries and concerns about oversupply offset fears of unrest in North Africa. In London, Brent crude for March delivery fell $0.29 to $111.60 a barrel on ICE.

Crude prices rose on January 17 as an improving jobs outlook and optimism about the US economy with strong housing starts number boosted US oil prices. Crude prices remained in upbeat mood since early trade on supply concerns after Islamist militants attacked an Algerian gas field and EIA revealed unexpected dip in US crude oil inventories. Benchmark crude for February delivery settled at $95.49 a barrel on the New York Mercantile Exchange. In London, Brent crude for March delivery gained $1.38 at $111.06 a barrel on the ICE.

COPPER

Copper that is extensively used in construction and electricity generated modest returns in the year 2012. However, turn of events on positive as well as negative side has made Copper stable in New Year. The most soothing part is that even on the negative news this metal has hold its supports well and tried to recover. However, gains have been limited in the first three weeks in January and market participants have booked profits on every rise thinking that Lunar New Year in China will slow down spot demand. The metal settled at $ 8084 per tonne on 18th January, 2013, as against $ 8111 per tonne at the start of the month. World Bank in its forecast estimated that the Copper demand would grow at a modest rate of 2.5% per annum. Still Copper maintained its value due to China Copper imports increasing in full year ending 2012 that justified that the world top consumer of metal demand was intact.

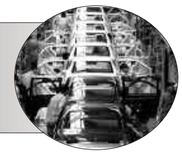


Source: kitco.com

Copper futures moved up on January 30 ignoring the disappointing reading on the U.S. gross-domestic product, as traders took cues from currency markets. Copper futures for March delivery up 4.2 cent to settle at $3.7335 a pound on the Comex metals division of the New York Mercantile Exchange. While copper on the London Metal Exchange edged up by 0.08% at $8,219.50 a tonne.

Copper futures strengthened on January 28 as global miners have agreed to raise treatment and refining charges (Tc/Rc) by 10% for the first quarter of the current calendar year. Higher Tc/Rc reflects a recovery in copper mine supply after years of deficit, exerting upward pressure on domestic copper prices. Further, firming trend in global market as the fastest expansion in Chinese manufacturing in two years boosted confidence that the biggest buyer of the metal is leading a global recovery and Japan raised its economic outlook, further boosted demand for industrial metals.

AUTO



Ashok Leyland Q3 net up 11% at Rs 74 cr

Ashok Leyland reported 10.82% increase in net profit at Rs 74.14 crore for the quarter ended December 31. The company had posted net profit of Rs 66.90 crore in the same period of last fiscal. Net income during the third quarter of this fiscal, however, went down by 18.01% to Rs 2,380.51 crore, from Rs 2,903.46 crore in the year-ago period. During the October-December period, the company's sales declined by 2.23% to 22,661 units, from 23,175 units in the same quarter in 2011-12.

Ashok Leyland — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2322.50	3222.44	-28%	2851.97	-19%
Other Income	170.36	23.87	614%	8.57	1888%
Operating profit	272.67	357.96	-24%	218.94	25%
Interest	107.11	103.64	3%	60.35	77%
Depreciation	93.11	98.41	-5%	86.63	7%
PBT	72.45	155.91	-54%	71.96	1%
TAX	-1.69	13.31	-113%	1.12	-251%
PAT	74.14	142.60	-48%	66.90	11%
EPS	0.28	0.54	-48%	0.25	12%

Bajaj Auto Q3 net up 3% at Rs 819 cr

Bajaj Auto reported a 3% rise in net profit at Rs 819 crore for the third quarter ended December 2012. It was Rs 795 crore in the same period a year ago. The total income increased 9% to Rs 5,616 crore as against Rs 5,154 crore in December 2011. Bajaj saw its EBITDA (earnings before interest, tax, depreciation and amortisation) margin - trumpeted as the best in the industry - fall to 20.1% from 21% in the same quarter a year ago, as lucrative export sales slipped 2%. "In other international markets (excluding Africa), demand remained subdued," Bajaj said. In India, where Bajaj sells around 70% of its motorbikes, demand has slumped due to high interest rates and rising ownership costs.

Bajaj Auto — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	5307.20	4817.07	10%	4839.95	10%
Other Income	203.19	166.72	22%	168.08	21%
Operating profit	1214.94	1081.93	12%	1093.35	11%
Interest	0.10	0.22	-55%	0.02	400%
Depreciation	41.08	41.04	0%	32.14	28%
PBT	1173.76	1040.67	13%	1061.19	11%
TAX	355.02	300.00	18%	266.00	33%
PAT	818.74	740.67	11%	795.19	3%
EPS	28.30	25.60	11%	27.50	3%

Hero MotoCorp net profit falls 20% to Rs 488 cr in Q3

Hero MotoCorp (HMCL) reported net profit of Rs 488 crore for the third quarter ended December 31, 2012, down 20 per cent from Rs 613 crore in the corresponding period last year. However, the company's turnover (net sales and other operating income) went up by 2.5 per cent to Rs 6,188 crore for the October-December compared with Rs 6,036 crore in the same period of 2011.

Hero MotoCorp — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	6151.31	5151.18	19%	5983.55	3%
Other Income	90.10	99.34	-9%	82.80	9%
Operating profit	868.75	818.53	6%	1025.96	-15%
Interest	2.96	2.95	0%	3.51	-16%
Depreciation	283.23	289.51	-2%	298.65	-5%
PBT	582.56	526.07	11%	723.80	-20%
TAX	94.67	85.49	11%	110.77	-15%
PAT	487.89	440.58	11%	613.03	-20%
EPS	24.43	22.06	11%	30.70	-20%

BANKING

Andhra Bank Q3 profit down 15% at Rs 257 cr

Andhra Bank reported 15.2% decline in net profit to Rs 257.09 crore for the third quarter ended December 2012 due to higher provisioning for bad loans. The bank had posted a net profit of Rs 303.17 crore in the same period a year ago. The bank made a provision of Rs 149 crore for non-performing assets (NPA) or bad loans during the quarter under review, against that of Rs 39 crore in the year-ago period. The net NPAs of the bank rose to 2.29% of the total advances as of December 31, from 1.21% a year ago. In absolute terms, the net NPAs stood at Rs 2,023.32 crore in the December quarter, against Rs 943.27 crore in the year-ago period.

Andhra Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	3231.05	3198.16	1%	2923.00	11%
Other Income	238.16	219.46	9%	235.26	1%
Operating profit	2686.76	2803.04	-4%	2397.32	12%
Interest	2259.67	2304.41	-2%	1939.15	17%
Depreciation	0.00	0.00	NA	0.00	NA
PBT	427.09	498.63	-14%	458.17	-7%
TAX	170.00	173.00	-2%	155.00	10%
PAT	257.09	325.63	-21%	303.17	-15%
EPS	4.59	5.82	-21%	5.42	-15%

Axis Bank Q3 net up 22% at Rs 1,347 crore

Axis Bank has reported a 22 per cent rise in net profit at Rs 1,347 crore in the third quarter ended December 31, 2012. The bank had posted a net profit of Rs 1,102 crore in the year-ago period. Further, net provisions for bad loans came down by over 8 per cent to Rs 387 crore from Rs 422 last year. Net interest income (NII) during the quarter was up 17 per cent at Rs 2,495 crore (Rs 2,140 crore). Net interest margin (NIM) was at 3.57 per cent, growing sequentially by 11 basis points over Q2 FY'13. Capital adequacy ratio as on December 31, 2012 stood at 13.73 per cent (11.78 per cent).

Axis Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	6964.93	6687.23	4%	5776.96	21%
Other Income	1615.37	1593.06	1%	1429.81	13%
Operating profit	6444.80	6029.14	7%	5273.53	22%
Interest	4470.12	4360.30	3%	3636.66	23%
Depreciation	0.00	0.00	-	0.00	-
PBT	1974.68	1668.84	18%	1636.87	21%
TAX	627.46	545.30	15%	534.60	17%
PAT	1347.22	1123.54	20%	1102.27	22%
EPS	31.56	27.11	16%	26.73	18%

Bank of Maharashtra net jumps 43%

Bank of Maharashtra reported a 43 per cent jump in net profit at Rs 194.06 crore for the third quarter ended December 31. Net profit was Rs 135.54 crore in the same quarter of the previous financial year.

Bank of Maharashtra Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2536.58	2256.89	12%	1871.07	36%
Other Income	173.58	177.20	-2%	149.71	16%
Operating profit	2125.41	1788.30	19%	1441.12	47%
Interest	1744.29	1537.95	13%	1225.74	42%
Depreciation	0.00	0.00	-	0.00	-
PBT	381.12	250.35	52%	215.38	77%
TAX	187.06	84.34	122%	79.84	134%
PAT	194.06	166.01	17%	135.54	43%
EPS	3.03	2.56	18%	2.46	23%

Total income during the quarter increased to Rs 2,710.16 crore from Rs 2,020.78 crore in the same period of the previous financial year.

DCB Bank net up 72% at Rs 27 crore in Dec quarter

DCB Bank reported a 72.43% increase in net profit at Rs 26.9 crore for the third quarter ended December 31, against Rs 15.6 crore in the corresponding period last fiscal. During the quarter under review, deposits grew by 22% at Rs 7,558 crore, while advances increased by 39% at Rs 5,964 crore compared to the year-ago period. The bank's net interest margin (NIM) improved marginally to 3.38% in third quarter against 3.37% in the same quarter last year. Net non-performing assets ratio stood at 0.73% against 1.03% in the same period last year. Provisions continued to decline in the October-December period and stood at Rs 4.9 crore against Rs 6.9 crore in the corresponding quarter last year.

DCB Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	229.41	219.95	4%	183.48	25%
Other Income	28.92	27.51	5%	25.72	12%
Operating profit	184.32	175.12	5%	139.45	32%
Interest	157.41	152.99	3%	123.81	27%
Depreciation	0.00	0.00	-	0.00	-
PBT	26.91	22.13	22%	15.64	72%
TAX	0.00	0.00	-	0.00	-
PAT	26.91	22.13	22%	15.64	72%
EPS	1.11	0.92	21%	0.78	42%

Dena Bank net up by 11%

Dena Bank reported 11% rise in net profit to Rs 206 crore. Total income of the bank rose 33% to Rs 2408 crore for the quarter. Net interest income (NII) rose 14% to Rs 615 crore while net interest margin (NIM) was down by 45 basis points to 2.88%. Gross Non Performing Assets (NPA) rose from 1.85% to 2.09% while net NPA grew to 1.31 from 1.1%. Capital adequacy ratio was at 11.47 per cent with tier-1 capital falling below 8 per cent to 7.61 per cent. Total advances grew 32 per cent year on year to reach Rs 63,041 crore while deposits grew by 24 per cent y-o-y to Rs 84,882 crore.

Dena Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2263.96	2193.97	3%	1676.24	35%
Other Income	144.46	133.87	8%	133.97	8%
Operating profit	1935.55	1932.57	0%	1403.88	38%
Interest	1649.06	1599.96	3%	1135.04	45%
Depreciation	0.00	0.00	NA	0.00	NA
PBT	286.49	332.61	-14%	268.84	7%
TAX	80.05	92.97	-14%	82.16	-3%
PAT	206.44	239.64	-14%	186.68	11%
EPS	5.90	6.84	-14%	5.60	5%

Federal Bank profit up 4% in third quarter

Federal Bank reported a 4 per cent growth in net profit in the October-December quarter at Rs 211 crore. The profitability was muted due to lower interest income and higher non-performing assets (NPAs). The bank had posted a net profit at Rs 202 crore in the year-ago period.

Federal Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1521.77	1525.63	0%	1466.83	4%
Other Income	203.85	139.41	46%	137.93	48%
Operating profit	1343.97	1338.91	0%	1242.27	8%
Interest	1024.42	1019.72	0%	938.80	9%
Depreciation	0.00	0.00	-	0.00	-
PBT	319.55	319.19	0%	303.47	5%
TAX	108.77	104.09	4%	101.60	7%
PAT	210.78	215.10	-2%	201.87	4%
EPS	12.32	12.58	-2%	11.80	4%

During the quarter, net interest income declined by 6 per cent to Rs 497 crore from Rs 528 crore in Q3 FY12. However, other income jumped 48 per cent to Rs 204 crore against Rs 138 crore in the same quarter last fiscal. Net NPA ratio increased to 0.92 per cent as on December 31, 2012 from 0.74 per cent in Q3 FY12. Net interest margin for the quarter stood at 3.47 per cent.

IDBI Q3 net increases 1.7% at Rs 417 cr

IDBI Bank posted a 1.7 per cent rise in net profit at Rs 417 crore in the third quarter ended December 2012. This is due to rise in provision for stressed assets, including Kingfisher Airlines. The bank's net profit for Q3 was Rs 410 crore. The total income in the quarter rose to Rs 7,070 crore, from Rs 6,281 crore in October-December 2011. The net interest income showed robust growth (33.3 per cent) at Rs 1,413 crore. The net interest margin (NIM) also improved to 2.3 per cent in Q3 of FY13 from 1.89 per cent in Q3 of FY12.

IDBI Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	6200.36	6197.23	0%	5849.21	6%
Other Income	869.83	682.78	27%	432.62	101%
Operating profit	5376.69	5632.92	-5%	5207.64	3%
Interest	4787.18	4947.91	-3%	4789.74	0%
Depreciation	0.00	0.00	-	0.00	-
PBT	589.51	685.01	-14%	417.90	41%
TAX	436.28	356.89	22%	115.29	278%
PAT	416.76	483.53	-14%	409.81	2%
EPS	3.26	3.78	-14%	4.16	-22%

IndusInd Q3 net rises 30% on better interest margin, fees

IndusInd Bank posted a 30 per cent rise in net profit at Rs 267 crore in the third quarter ended December, on robust growth in interest income and fees.

IndusInd Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1800.49	1727.93	4%	1389.74	30%
Other Income	355.80	320.49	11%	265.12	34%
Operating profit	1616.17	1588.95	2%	1265.50	28%
Interest	1222.69	1218.20	0%	959.09	27%
Depreciation	0.00	0.00	-	0.00	-
PBT	393.48	370.75	6%	306.41	28%
TAX	126.21	120.50	5%	100.45	26%
PAT	267.27	250.25	7%	205.96	30%
EPS	5.51	5.33	3%	4.41	25%

The net profit was Rs. 206 crore in the same period of 2011-12. Net interest income was up 34 per cent to Rs 578 crore from Rs 430.6 crore a year before. The net interest margin (NIM) improved to 3.46 per cent from 3.25 per cent in Q3 last year.

ING Vysya Bank Q3 net profit rises 36% to Rs 162 cr

ING Vysya Bank said its net profit for the quarter ended December 31, 2012, increased by 36 per cent from a year ago to Rs 162 crore. Rise in interest income, improved margin and lower provisions aided the bank's earnings growth during the quarter. Net interest income grew by 25 per cent year-on-year to Rs 403 crore. Net interest margin improved to 3.61 per cent in October-December quarter from 3.49 per cent a year earlier.

ING Vysya Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1238.87	1197.58	3%	991.51	25%
Other Income	186.59	168.91	10%	169.94	10%
Operating profit	1074.61	1050.08	2%	845.81	27%
Interest	835.93	828.83	1%	667.93	25%
Depreciation	0.00	0.00	NA	0.00	NA
PBT	238.68	221.25	8%	177.88	34%
TAX	76.35	71.04	7%	58.36	31%
PAT	162.33	150.21	8%	119.52	36%
EPS	10.66	9.96	7%	7.98	34%

Karnataka Bank net up 11% on NII

Karnataka Bank has reported net profit of Rs 80 crore for the third quarter ended December 31, 2012, up 11.11 per cent from Rs 72 crore in the corresponding quarter of FY12 buoyed by better net interest income (NII) and net interest margin (NIM). The bank's total income for the quarter went up by 19 per cent to Rs 1,051 crore, compared to Rs 883 crore in FY12. The operating profit rose 48 per cent to Rs 154 crore from the year-ago period. There has been a 23.40 per cent rise in NII, which stood at Rs 228 crore during the quarter. The bank's NIM, too, improved 26 basis points (bps) to 2.36 per cent during the quarter.

Karnataka Bank Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	964.34	945.48	2%	795.38	21%
Other Income	86.24	86.89	-1%	87.34	-1%
Operating profit	853.53	848.86	1%	676.39	26%
Interest	736.54	712.84	3%	610.71	21%
Depreciation	0.00	0.00	-	0.00	-
PBT	116.99	136.02	-14%	65.68	78%
TAX	36.92	18.83	96%	-6.37	-680%
PAT	80.07	117.19	-32%	72.05	11%
EPS	4.25	6.22	-32%	3.83	11%

Kotak Mahindra Bank standalone net jumps 31% in Q3

Kotak Mahindra Bank has reported a 31 per cent increase in its standalone net profit at Rs 362 crore in the October-December quarter of 2012-13 fiscal. The bank had posted a net profit of Rs 276 crore in the year-ago period. Net interest income rose 26 per cent to Rs 822.85 crore (651 crore in Q3FY'12). Percentage of net non-performing assets (NPAs) increased to 0.64 per cent from 0.56 per cent. Consolidated net profit jumped 25 per cent to Rs 577 crore in the third quarter under review compared with Rs 463 crore in the same quarter last fiscal. NII was up 23 per cent to Rs 1,232 crore (Rs 1,000 crore).

Kotak Mahindra — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2811.47	2609.78	8%	2222.79	26%
Other Income	1345.65	1425.97	-6%	900.52	49%
Operating profit	2459.71	2219.83	11%	1940.74	27%
Interest	1579.93	1449.09	9%	1223.09	29%
Depreciation	45.08	45.42	-1%	43.09	5%
PBT	834.70	725.32	15%	674.56	24%
TAX	248.92	219.19	14%	208.34	19%
PAT	577.21	502.17	15%	462.63	25%
EPS	7.76	6.76	15%	6.26	24%

PNB Q3 net up 13% at Rs 1,306 cr

Punjab National Bank has posted a net profit of 13% for the quarter ended December 2012, to Rs 1,306 crore from Rs 1,150 crore in the corresponding year ago quarter. The bank's gross non performing assets (NPAs) as a percentage of total assets increased to 4.61% (2.42%), though it declined marginally from the September-ended quarter. In the preceding quarter gross NPAs were at 4.66%. In absolute terms gross NPAs were at Rs 13,997 crore, compared to Rs 6,442 crore in the year ago quarter, but lower than Rs 14,024 crore in the September-ended quarter. Provisions were at Rs 802 crore, compared to Rs 946 crore last year, and lower than Rs 1,074 crore in the preceding quarter. Deposits increased to Rs 3,85,785 crore (Rs 3,56,517 crore), an increase of 8%, while advances increased to Rs 2,97,313 crore, from Rs 2,62,605 crore, an increase of 13%.

PNB — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	10548.45	10421.11	1%	9481.03	11%
Other Income	970.50	905.38	7%	954.09	2%
Operating profit	8695.44	8230.77	6%	7674.72	13%
Interest	6815.12	6771.74	1%	5944.39	15%
Depreciation	0.00	0.00	NA	0.00	NA
PBT	1880.32	1459.03	29%	1730.33	9%
TAX	574.70	393.45	46%	580.29	-1%
PAT	1305.62	1065.58	23%	1150.04	14%
EPS	38.49	31.42	23%	36.30	6%

South Indian Bank Q3 net up 25% at Rs 128 cr

South Indian Bank reported its highest-ever quarterly earnings at Rs 128.25 crore for the third quarter ending December 2012, registering a growth of 25.44%. The bank had posted a net profit of Rs 102.24 crore in the year-ago period. For the nine months ending December 2012, the bank recorded a net profit of Rs 348.45 crore as against Rs 279.70 crore for the corresponding period of the previous year, a growth of 24.58%. The bank's business increased from Rs 58,884 crore to Rs 68,490 crore on year-to-year basis, registering a growth of 16.31% during April-December. While total deposit has gone up from Rs 33,834 crore to Rs 38,940 crore, the advances increased from Rs 25,050 crore to Rs 29,550 crore.

SIB — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1127.75	1071.70	5%	943.61	20%
Other Income	66.66	72.83	-8%	59.86	11%
Operating profit	965.00	917.65	5%	826.98	17%
Interest	775.13	773.97	0%	670.17	16%
Depreciation	0.00	0.00	-	0.00	-
PBT	189.87	143.68	32%	156.81	21%
TAX	67.24	48.61	38%	57.69	17%
PAT	128.25	97.15	32%	102.24	25%
EPS	0.96	0.82	17%	0.90	7%

Syndicate Bank Q3 net up 50%

Syndicate Bank reported a 50.38% jump in net profit to Rs 508.49 crore for the quarter ended December 2012 as compared with Rs 338.12 crore in the corresponding quarter previous year, helped by improved asset performance as well as reduction in tax expenses by Rs 174.25 crore. Total income for the quarter under review, however, grew Rs 6.54 crore to Rs 4,489.9 crore from Rs 4,214.35 crore in the year ago period. Sequentially, this was down 1.24% as compared with Rs 4,546.33 in the quarter ended September, 2012. The bank crossed the milestone of Rs 3-lakh crore business in this quarter.

Syndicate — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	4220.59	4276.16	-1%	3973.94	6%
Other Income	269.32	270.18	0%	240.43	12%
Operating profit	3155.24	3249.27	-3%	3028.34	4%
Interest	2820.59	2885.35	-2%	2648.88	6%
Depreciation	0.00	0.00	-	0.00	-
PBT	334.65	363.92	-8%	379.46	-12%
TAX	-174.12	-99.68	75%	41.05	-524%
PAT	508.77	463.60	10%	338.41	50%
EPS	8.45	7.70	10%	5.90	43%

Vijaya Bank Q3 net up at Rs 127 cr

Vijaya Bank has posted a 2 per cent increase in net profit at Rs 126.73 crore for the quarter ended December 31, 2012, against Rs 124.27 crore in the same period last year. The marginal increase was due to increased provisioning as mandated by the Reserve Bank of India coupled with a slowdown in the economy. The advances and deposits increased to Rs 65,005 crore and Rs 89,315 crore, respectively. In the quarter, Vijaya Bank's total business touched an all-time high of Rs 1,54,320 crore. Interest income on advances increased by 7.50 per cent and income on investments, by 13.03 per cent.

Vijaya Bank Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2232.76	2218.17	1%	2058.26	8%
Other Income	124.26	83.55	49%	115.66	7%
Operating profit	1935.12	1875.34	3%	1718.16	13%
Interest	1776.99	1768.21	0%	1583.66	12%
Depreciation	0.00	0.00	NA	0.00	NA
PBT	158.13	107.13	48%	134.50	18%
TAX	31.40	-16.24	-293%	10.23	207%
PAT	126.73	123.37	3%	124.27	2%
EPS	2.56	2.49	3%	2.63	-3%

YES Bank net profit rises 35% to Rs 342 crore

YES Bank reported 34.7% rise in net profit at Rs 342 crore for the third quarter on the back of robust growth in fee income. Bank's total income rose by 40.5% to Rs 897 crore while net interest income (NII) was at Rs 584 crore rising 37%. Fee income registered the growth of 48% to Rs 313 crore. Net interest margin (NIM) was at 3% for the quarter which rose by 10 basis points sequentially. Gross non performing assets (NPA) were at 0.17% while net NPA was 0.04%. Gross NPA was 0.24% and net NPA were at 0.05% in the second quarter. Bank's advances increased by 22% to Rs 43,857 crore and deposit growth was at 20% to take total deposits at Rs 56,400 crore. Capital adequacy ratio was at healthy 18% including tier1 capital of 9.5% (including Q3 profits).

YES Bank Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2133.64	1986.37	7%	1684.06	27%
Other Income	313.19	276.76	13%	211.43	48%
Operating profit	2056.09	1915.22	7%	1632.97	26%
Interest	1549.32	1462.21	6%	1256.48	23%
Depreciation	0.00	0.00	-	0.00	-
PBT	506.77	453.01	12%	376.49	35%
TAX	164.46	146.93	12%	122.40	34%
PAT	342.31	306.08	12%	254.09	35%
EPS	9.59	8.61	11%	7.23	33%

CEMENT

Shree Cement net profit rises 267% to Rs 217 cr

Shree Cement reported a whopping 267 per cent jump in net profit to Rs 217.44 crore in the October-December quarter this fiscal on higher sales. It had clocked Rs 59.19 crore net profit during the same period last fiscal. Net sales rose to Rs 1,428 crore as against Rs 1,196 crore a year ago. Cement business contributed Rs 1,115 crore to the total sales, while the power segment contributed Rs 449 crore.

Shree Cement Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1428.08	1323.00	8%	1195.78	19%
Other Income	32.30	29.20	11%	17.19	88%
Operating profit	392.02	422.02	-7%	349.21	12%
Interest	56.29	54.31	4%	51.95	8%
Depreciation	81.83	94.15	-13%	235.05	-65%
PBT	253.90	273.56	-7%	62.21	308%
TAX	39.31	48.15	-18%	5.54	610%
PAT	217.44	228.13	-5%	59.19	267%
EPS	62.42	65.48	-5%	16.99	267%

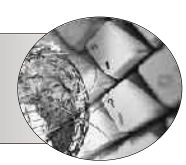
Ultratech Cement net dips marginally

Impacted by higher raw material and logistics costs, Ultratech Cement's third quarter net profit dipped marginally to Rs 601 crore from Rs 617 crore in the same quarter last year. Net sales increased to Rs 4,857 crore in Q3, compared with Rs 4,565 crore in the corresponding period in 2011-12.

Ultratech Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	4857.40	4699.57	3%	4565.43	6%
Other Income	96.47	40.62	137%	143.70	-33%
Operating profit	1145.41	1075.86	6%	1118.91	2%
Interest	52.09	60.00	-13%	28.11	85%
Depreciation	238.82	232.48	3%	223.64	7%
PBT	854.50	783.38	9%	867.16	-1%
TAX	253.69	233.35	9%	250.30	1%
PAT	600.81	550.03	9%	616.86	-3%
EPS	21.92	20.07	9%	22.51	-3%

INFORMATION TECHNOLOGY



HCL Tech net income jumps 68.5% to Rs 965 cr in second quarter

HCL Technologies reported a consolidated net income of Rs 965 crore for the second quarter ended December 31, 2012, up 68.5 per cent compared with Rs 573 crore in the same period previous year. Revenues also jumped 19.6 per cent to Rs 6,274 crore in the October-December quarter from Rs 5,245 crore in the same period of 2011.

HCL Tech — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	2766.22	2696.72	3%	2191.18	26%
Other Income	39.92	43.70	-9%	25.35	57%
Operating profit	1065.95	989.06	8%	708.94	50%
Interest	19.66	22.84	-14%	22.14	-11%
Depreciation	103.84	100.56	3%	86.26	20%
PBT	942.45	865.66	9%	600.54	57%
TAX	217.73	165.82	31%	106.57	104%
PAT	724.72	699.84	4%	493.97	47%
EPS	10.44	10.09	3%	7.16	46%

Infosys net remains flat at Rs 2,369 cr in Q3

Infosys' gave out a better-than-expected result for the December quarter while maintaining its revenue forecast for the fiscal.

Infosys — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	10424.00	9858.00	6%	9298.00	12%
Other Income	503.00	706.00	-29%	422.00	19%
Operating profit	3180.00	3303.00	-4%	3321.00	-4%
Interest	0.00	0.00	-	0.00	-
Depreciation	0.00	0.00	-	0.00	-
PBT	3180.00	3303.00	-4%	3321.00	-4%
TAX	811.00	934.00	-13%	949.00	-15%
PAT	2369.00	2369.00	0%	2372.00	0%
EPS	41.47	41.46	0%	41.51	0%

In a surprising turnaround, Infosys posted a flat growth in net profit at Rs 2,369 crore (sequentially as well as year-on-year) while analysts had expected a decrease. Revenue forecast remained unchanged at Rs 40,746 crore, including Rs 568 crore from Lodestone which it acquired a few quarters ago. On a q-on-q basis, revenues were up 5.7 per cent at Rs 10,424 crore while it rose 12.1 per cent on a year-ago basis.

NIIT Q3 net slips 12.5% to Rs 56 cr

NIIT Technologies reported a 12.5% drop in its net profit to Rs 56 crore for the quarter ended December 31, 2012 due to softness in the BFSI (banking, financial services and insurance) segment. The company had reported a net profit of Rs 64 crore in the corresponding quarter last year.

NIIT — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	514.40	500.10	3%	433.00	19%
Other Income	12.60	-11.50	-210%	17.40	-28%
Operating profit	93.80	73.30	28%	95.40	-2%
Interest	0.00	0.00	-	0.00	-
Depreciation	14.20	13.80	3%	9.20	54%
PBT	79.60	59.50	34%	86.20	-8%
TAX	23.00	14.60	58%	22.40	3%
PAT	56.00	43.10	30%	64.00	-13%
EPS	9.31	7.18	30%	10.77	-14%

Consolidated revenue of the company was, however, up 18.8% to Rs 514 crore for Q3 of FY13 as compared to Rs 433 crore in the same period last year.

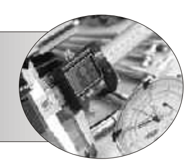
TCS Q3 net up 1.1% to Rs 3,550 crore q-o-q

Tata Consultancy Services reported a 1.1% increase in consolidated net profit at Rs 3,550 crore for the third quarter ended December 2012. It was Rs 3,470 crore in the previous quarter. On yearly basis, the company posted a 23% surge in net profit since it was Rs 2,887 crore in December 2011. However, the revenues increased 3% to Rs 16,070 crore from Rs 15,620 crore in September 2012. The operating margin dipped to 27.3% as compared to 39.6% in the previous quarter. Net margin too fell to 22.1% from 31.2% in the previous quarter.

TCS — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	16069.93	15620.75	3%	13203.99	22%
Other Income	221.19	328.33	-33%	-87.28	-353%
Operating profit	4881.68	4766.44	2%	4006.53	22%
Interest	7.90	15.11	-48%	4.86	63%
Depreciation	277.42	265.58	4%	234.83	18%
PBT	4596.36	4485.75	2%	3766.84	22%
TAX	1005.74	1016.07	-1%	930.81	8%
PAT	3549.62	3434.37	3%	2802.77	27%
EPS	18.10	17.51	3%	14.30	27%

ENGINEERING



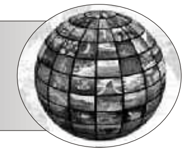
L&T Q3 net up 13% at Rs 1,122 cr, order inflow up 14%

Larsen & Toubro reported a net profit of Rs 1121.75 crore for the third quarter ended December 31, 2012 up 13 per cent from Rs 991.5 crore in the corresponding quarter last financial. Revenue for the quarter increased 10.8 per cent at Rs 15,959.5 crore from Rs 14,407 crore in the same period last year. The company said that the order book at the end of December quarter was at Rs 162,334 crore. International order book constituted 13 per cent of the total order book. The order inflow was sustained in the third quarter as well. Order inflow at Rs 19,545 crore during the quarter was up 14 per cent year-on-year.

L&T — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	15429.36	13195.23	17%	13983.61	10%
Other Income	530.18	596.57	-11%	423.58	25%
Operating profit	2005.11	2001.95	0%	1791.22	12%
Interest	237.98	235.02	1%	190.71	25%
Depreciation	200.35	203.96	-2%	180.34	11%
PBT	1566.78	1562.97	0%	1420.17	10%
TAX	378.92	423.17	-10%	392.22	-3%
PAT	1121.75	1137.31	-1%	991.55	13%
EPS	18.26	18.54	-2%	16.21	13%

MEDIA & ENTERTAINMENT



Dish TV net loss at Rs 45 cr

Dish TV India has posted a net loss of Rs 45 crore for the third quarter ended December 31. In the second quarter of FY13, it had posted a net profit of Rs 55 crore.

Dish TV — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	556.68	533.27	4%	493.07	13%
Other Income	17.47	84.46	-79%	18.93	-8%
Operating profit	155.19	240.14	-35%	150.40	3%
Interest	28.78	31.72	-9%	58.80	-51%
Depreciation	171.29	153.33	12%	134.56	27%
PBT	-44.88	55.09	-181%	-42.96	4%
TAX	0.00	0.00	-	0.00	-
PAT	-44.88	55.09	-181%	-42.96	4%
EPS	-0.42	0.52	-181%	-0.40	5%

In the corresponding quarter last fiscal, it had posted a net loss of Rs 43 crore. With digitisation under way, Dish TV added 829,000 subscribers in the quarter, taking its total subscriber base to 14.7 million (gross) and 10.5 million (net). The company said its subscriber acquisition cost (SAC) has come down to Rs 2,201 compared to Rs 2,273 in the immediately preceding quarter, despite additions.

Sun TV net up by 13%

Sun TV Network posted a growth of 13 per cent in net profit to Rs 190 crore for the quarter ended December 31, compared with Rs 168 crore during the same period last year. Total income was Rs 496 crore for the quarter against Rs 448 crore for the same period last year, an increase of 11 per cent.

Sun TV — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	485.86	433.34	12%	425.11	14%
Other Income	10.55	9.61	10%	23.21	-55%
Operating profit	386.89	338.62	14%	364.34	6%
Interest	1.67	0.50	234%	3.62	-54%
Depreciation	104.38	113.84	-8%	112.45	-7%
PBT	280.84	224.28	25%	248.27	13%
TAX	90.96	72.63	25%	80.39	13%
PAT	189.88	151.65	25%	167.88	13%
EPS	4.82	3.85	25%	4.26	13%

OIL DRILLING AND EXPLORATION

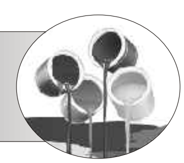
Cairn India posts 48% rise in net

Cairn India has posted a 48 per cent rise in net profit at Rs 3,345 crore for the third quarter of the financial year 2012-13, against Rs 2,262 crore during the corresponding period last year. Net sales for the quarter ended on December 31 also saw a 38 per cent rise to Rs 4,277.6 crore compared with Rs 3,097 crore for the third quarter of the financial year 2011-12.

Cairn India — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	4277.61	4443.14	-4%	3096.76	38%
Other Income	606.34	222.62	172%	413.82	47%
Operating profit	3864.82	2862.16	35%	2783.06	39%
Interest	5.22	18.81	-72%	24.01	-78%
Depreciation	482.40	451.52	7%	378.72	27%
PBT	3377.20	2391.83	41%	2380.33	42%
TAX	53.59	135.89	-61%	124.54	-57%
PAT	3344.89	2322.18	44%	2261.93	48%
EPS	17.52	12.17	44%	11.89	47%

PAINT



Asian Paints net up 31% on festive fillip

Asian Paints reported a 30.5 per cent rise in consolidated net profit for the quarter ended December 31, as consumer demand for painting and repainting jobs remained high during the three-month period due to festivals such as Dussehra, Diwali and Christmas. Net profit was Rs 335 crore in the quarter versus Rs 257 crore in the corresponding period last year. Net sales were up 19 per cent for the quarter to Rs 3,037 crore against Rs 2,559 crore reported a year ago. Input cost pressures during the quarter were visible, with the cost of materials moving up 8.1 per cent.

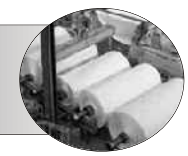
Asian Paints Quarterly Result Table (Consolidated)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	3037.14	2615.95	16%	2558.86	19%
Other Income	30.91	21.74	42%	16.07	92%
Operating profit	541.34	403.39	34%	421.21	29%
Interest	7.85	12.16	-35%	10.65	-26%
Depreciation	36.61	35.73	2%	30.67	19%
PBT	496.88	355.50	40%	379.89	31%
TAX	146.56	104.10	41%	113.47	29%
PAT	335.23	239.16	40%	256.86	31%
EPS	34.95	24.93	40%	26.78	31%

Kansai Nerolac Q3 net dips to 49 cr

Kansai Nerolac reported a decline in consolidated net profit at Rs 48.9 crore for the third quarter ended December 31, 2012, despite a growth in sales. The company had posted a net profit of Rs 52.7 crore in the corresponding period last fiscal. Net sales for the quarter stood at Rs 766.6 crore, marking a growth of 15.2 per cent, as compared to Rs 665.7 crore over the same period of the previous year.

Kansai Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	763.60	679.40	12%	662.30	15%
Other Income	2.80	3.50	-20%	7.50	-63%
Operating profit	87.40	82.40	6%	87.90	-1%
Interest	0.00	0.00	-	0.00	-
Depreciation	17.20	16.10	7%	14.50	19%
PBT	70.20	66.30	6%	73.40	-4%
TAX	17.20	15.90	8%	19.60	-12%
PAT	48.90	47.40	3%	52.70	-7%
EPS	9.07	8.80	3%	9.78	-7%

PAPER



JK Paper Q3 net loss at Rs 2.08 cr

JK Paper posted net loss of Rs 2.08 crore for the third quarter ended December 31, due to increase in raw material prices. The company had posted net profit of Rs 7.42 crore during the same period last fiscal. Net sales of the company, however, rose to Rs 368.07 crore during the quarter, as against Rs 326.79 crore during the same period of 2011-12 fiscal.

JK Paper Quarterly Result Table (Standalone)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	368.07	357.08	3%	326.79	13%
Other Income	4.01	3.90	3%	8.86	-55%
Operating profit	25.94	33.38	-22%	37.36	-31%
Interest	13.24	12.82	3%	13.36	-1%
Depreciation	18.49	18.47	0%	18.51	0%
PBT	-5.79	2.09	-377%	5.49	-205%
TAX	-2.70	-3.34	-19%	-0.32	744%
PAT	-2.08	4.66	-145%	7.42	-128%
EPS	-0.14	0.35	-140%	0.54	-126%

TELECOM

RCom net falls 43% on finance costs

Reliance Communications (RCom) saw a 43.5 per cent decline in consolidated third quarter net profit to Rs 105 crore, from Rs 186 crore in the same quarter last year. This is due to increase in finance charges for refinancing foreign currency convertible bonds (FCCBs) with interest-bearing loans. Net debt was Rs 37,361 crore. The company refinanced a tranche of FCCBs worth $1.1 billion in February last year. It had also re-financed yet another worth $500 million in May 2011. Total income grew five per cent to Rs 5,301 crore, from Rs 5,055 crore in the same quarter last year. Earnings before interest, taxes, depreciation and amortisation (Ebitda) grew 2.4 per cent.

RCom Quarterly Result Table (Consolidated)					
Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	4797.00	4634.00	4%	4737.00	1%
Other Income	165.00	171.00	-4%	231.00	-29%
Operating profit	1653.00	1638.00	1%	1614.00	2%
Interest	605.00	593.00	2%	381.00	59%
Depreciation	934.00	913.00	2%	978.00	-4%
PBT	114.00	132.00	-14%	255.00	-55%
TAX	0.00	0.00	NA	14.00	-100%
PAT	105.00	102.00	3%	186.00	-44%
EPS	0.51	0.50	2%	0.90	-43%

PERSONAL CARE

Dabur profit up 22% at Rs 211 cr

Dabur India reported a 22 per cent increase in consolidated net profit to Rs 211 crore during the third quarter ended December 31. Its consolidated net profit was Rs 172.8 crore in the corresponding quarter last year.

The company has witnessed double growth in rural areas at more than 20 per cent, while it has grown at around 10 per cent in the urban areas. Modern trade channel was the main growth driver in the urban areas during the third quarter. Dabur's sales increased 12.3 per cent to Rs 1,630.72 crore during the quarter under review.

Dabur — Quarterly Result Table (Consolidated)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	1630.72	1522.60	7%	1452.68	12%
Other Income	22.03	22.64	-3%	16.71	32%
Operating profit	296.54	291.98	2%	247.65	20%
Interest	7.78	14.88	-48%	18.29	-57%
Depreciation	30.52	27.02	13%	23.85	28%
PBT	258.24	250.08	3%	205.51	26%
TAX	47.75	46.42	3%	33.69	42%
PAT	211.11	202.37	4%	172.82	22%
EPS	1.21	1.17	3%	0.99	22%

Hindustan Unilever Ltd Q3 net profit up 16% at Rs 871 cr

Hindustan Unilever Ltd reported a 15.59 per cent jump in net profit at Rs 871.36 crore for the third quarter ended December 31, 2012, on account of robust sales across various business verticals. The company had posted a net profit of Rs 753.81 crore during the same period of the previous fiscal. Net sales of the company rose to Rs 6,433.69 crore for the third quarter ended December 31, 2012, as against Rs 5,844.31 crore during the same period of 2011-12 fiscal. The company's board has approved a proposal to increase the royalty payment to 3.15 per cent to its parent firm Unilever Plc. The amount, equivalent to 3.15 per cent of total turnover, would be paid for various provisions related to trademark licenses and technology, among others.

HUL — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	6433.69	6155.41	5%	5844.31	10%
Other Income	158.36	154.55	2%	80.08	98%
Operating profit	1215.22	1127.07	8%	1038.19	17%
Interest	7.53	6.33	19%	0.45	1573%
Depreciation	59.28	57.69	3%	56.82	4%
PBT	1148.41	1063.05	8%	980.92	17%
TAX	277.05	256.13	8%	227.11	22%
PAT	871.36	806.92	8%	753.81	16%
EPS	4.03	3.73	8%	3.49	15%

POWER

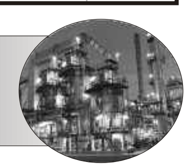
NTPC Q3 profit soars 22% to Rs 2,597 cr

NTPC reported nearly 22% jump in net profit at Rs 2,596.76 crore in the third quarter ended December, 2012. NTPC had a net profit of Rs 2,130.39 crore in the same period a year ago. The company said its total income in the third quarter of current fiscal rose to Rs 16,529.55 crore from Rs 16,244.41 crore in the three months ended December, 2011.

NTPC — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	15774.91	16119.67	-2%	15332.30	3%
Other Income	721.99	816.55	-12%	702.05	3%
Operating profit	4749.86	5272.48	-10%	3767.91	26%
Interest	530.38	303.46	75%	449.05	18%
Depreciation	828.76	786.52	5%	756.03	10%
PBT	3390.72	4182.50	-19%	2562.83	32%
TAX	725.20	1011.27	-28%	328.82	121%
PAT	2596.76	3142.35	-17%	2130.39	22%
EPS	3.15	3.81	-17%	2.58	22%

REFINERY



RIL surprises Street with 24% rise in net

Reliance Industries Limited (RIL) surprised the Street, with better gross refining and petrochemical margins helping it post a 24 per cent increase in net profit for the third quarter of this financial year. This was RIL's third straight quarterly net profit increase, at Rs 5,502 crore. RIL's gross refining margins (GRM) at $9.6 a barrel were a surprise against $6.8 per barrel in the same period last year. During the quarter, exports grew 16.6 per cent to Rs 66,915 crore quarter-on-quarter and net turnover increased 10 per cent to Rs 93,886 crore against Rs 85,135 crore earlier.

RIL — Quarterly Result Table (Standalone)

Particulars	Q3FY 13	Q2FY 13	% Change	Q3FY 12	% Change
Net Sales	93886.00	90335.00	4%	85135.00	10%
Other Income	1740.00	2112.00	-18%	1717.00	1%
Operating profit	10113.00	9817.00	3%	9002.00	12%
Interest	806.00	737.00	9%	694.00	16%
Depreciation	2457.00	2277.00	8%	2570.00	-4%
PBT	6850.00	6803.00	1%	5738.00	19%
TAX	1369.00	1361.00	1%	1148.00	19%
PAT	5502.00	5376.00	2%	4440.00	24%
EPS	17.00	16.60	2%	13.60	25%

Table Source: Cline

INSIGHT

Hemant Kale

Is Trading a Gambler's Den?

A while back, I was spending time with a friend of mine I have been close with since we were children. For years, anytime my career comes up in conversation, he insists that my trading career is nothing more than gambling.

At trading seminars, I often get asked if I think there is any difference between trading and gambling. It is a very hard question for me to answer because I think the whole question is wrong.

For those who like to refer to trading as gambling, we can compare trading to the most common decisions people take in our society, and by doing that we can clearly see that trading isn't the biggest "gamble" they could be taking.

Take for instance, the average working man taking up a housing loan, when the future of his job/company is unknown. Or take the example of the management student who took a loan of about 5 lakhs or more for his education, only to find himself having a job behind the counter of an average retail shop earning the minimum wage.

Hindustan Lever pays for commercial television time at a network (risk) hoping to see a return (reward) on that investment much greater than the cost of the commercial. The retail store owner buys inventory (risk) in hopes of selling that inventory to you and at a much higher price (reward).

I think you got the point. If you think of it this way, the real question becomes: "what type of speculator are you?" In that view, we can generalize and say that every decision you make in life is a "gamble" in the same way you are considering trading to be.

Even the eggs you buy at the store pose a risk to your health if they are infected, yet you always ignore that risk and end up buying the eggs in what could become the largest gamble of your life.

The issue is that most market speculators can't tell the difference between risk and opportunity. When I usually mention to people I'm a trader, it doesn't take long until they throw out the word "play the markets" somewhere into the conversation and it hits me every single time. This notion that trading is somehow a casino game brings a lot of misconceptions about the activity itself.

Trading is a business, much like any other and it is crucial that you have a well thought plan, to be able to achieve success.

Trading is more a matter of risk management rather than gambling.

Trading is not as risky as it appears to be. Most of the traders are untrained and don't follow the time tested rules. Thus most of them lose money. This creates a perception that trading is risky. But if things are done right, the chances of making money increase quite substantially. Therefore the risk is more due to uninformed and negligent manner of trading and not due to trading in itself.

If you trade- without knowing how to do so- you are quite likely to lose money.

If you trade- without following the rules- again you are quite likely to lose money.

The logical thing, therefore, would be to learn how to do it sensibly, wisely and with utmost caution and care.

Author holds a Bachelor of Commerce degree from Sydenham college of Mumbai University, Maharashtra. He has been in the financial services and capital markets industry since past 2 decades advising HNI clients on investing and trading in equities and other asset classes.

He is the co-author of "Time your trades with Technical Analysis" which is the first comprehensive Indian book ever written on technical analysis projecting the Indian scenario.

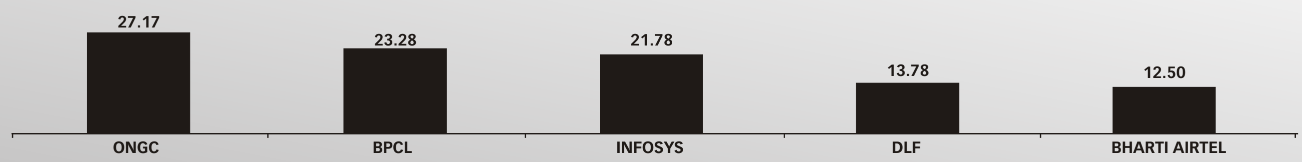
He is the currently the Founder of ZEST Capital (www.zestcapital.co.in) which is in training and advisory of capital market.

Views are personal

Best in the Street

Monthly Top NIFTY Gainers as on 21-Jan-2013

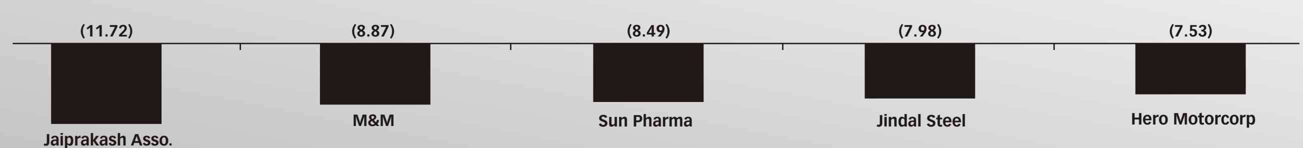
Scrip Name	Close (Rs.)	Prev.Close (Rs.)	Change (%)	High (Rs.)	Low (Rs.)	52 Week High (Rs.)	52 Week Low (Rs.)
ONGC	336.55	264.65	27.17	340.65	333.50	355.00	227.40
BPCL	440.90	357.65	23.28	449.00	430.00	438.00	269.05
INFOSYS	2,796.30	2,296.15	21.78	2,810.60	2,763.05	2,994.00	2,060.55
DLF	256.35	225.30	13.78	261.90	254.25	263.75	169.75
BHARTI AIRTEL	355.55	316.05	12.50	359.00	344.80	400.95	215.80
HCL TECHNOLOGIES	715.20	641.45	11.50	718.05	697.50	721.30	409.80
GAIL (INDIA)	388.00	349.90	10.89	390.10	384.55	400.85	302.00
RELIANCE INDUSTRIES	919.95	839.50	9.58	955.00	918.05	902.95	673.05
TCS	1,330.00	1,232.65	7.90	1,354.90	1,327.10	1,439.80	1,047.65
STATE BANK OF INDIA	2,499.45	2,372.30	5.36	2,511.40	2,490.10	2,551.70	1,802.30
TATA MOTORS	323.25	307.75	5.04	330.00	322.25	337.40	203.05
PNB	891.85	851.05	4.79	901.00	890.30	1,091.05	659.20
CAIRN INDIA.	340.30	324.75	4.79	343.50	339.10	401.10	296.10
NTPC	161.60	154.75	4.43	167.50	160.70	190.75	137.00



Worst in the Street

Monthly Top NIFTY Losers as on 21-Jan-2013

Scrip Name	Close (Rs.)	Prev.Close (Rs.)	Change (%)	High (Rs.)	Low (Rs.)	52 Week High (Rs.)	52 Week Low (Rs.)
JAIPRAKASH ASSOCIATES	91.15	103.25	(11.72)	91.90	89.90	106.70	58.00
M&M	882.10	968.00	(8.87)	890.10	871.20	976.00	621.10
SUN PHARMACEUTICAL	699.85	764.80	(8.49)	714.10	694.00	775.90	511.20
JINDAL STEEL & POWER	423.90	460.65	(7.98)	431.75	420.20	664.00	320.40
HERO MOTOCORP	1,771.95	1,916.30	(7.53)	1,782.20	1,754.35	2,279.00	1,662.00
GRASIM INDUSTRIES	3,029.70	3,233.45	(6.30)	3,069.00	3,011.50	3,510.00	2,210.00
SESA GOA	186.85	198.05	(5.66)	189.55	185.95	270.00	145.00
ACC LTD.	1,335.50	1,415.05	(5.62)	1,346.95	1,321.00	1,545.35	1,104.05
KOTAK MAHINDRA	630.95	667.75	(5.51)	634.80	626.20	677.00	470.55
AMBUJA CEMENTS	199.50	211.10	(5.50)	200.30	194.50	223.00	135.75
RANBAXY LABORATORIES	483.65	511.75	(5.49)	486.50	481.05	578.40	395.00
HINDALCO INDUSTRIES	122.75	129.65	(5.32)	124.60	122.00	164.90	100.00
HINDUSTAN UNILEVER	497.25	522.95	(4.91)	499.85	482.35	580.45	374.35
HDFC BANK	658.55	688.00	(4.28)	663.40	654.75	705.50	473.00



Source: NSE

Cross Currencies as on Jan 21, 2013								
Currency	USD	EUR	JPY	GBP	CHF	CAD	AUD	HKD
USD	-	1.3313	0.0111	1.5835	1.0728	1.0062	1.0506	0.1290
EUR	0.7511	-	0.0084	1.1893	0.8058	0.7559	0.7892	0.0969
JPY	89.7900	119.5700	-	142.2530	96.3410	90.4080	94.3970	11.5872
GBP	0.6315	0.8409	0.0070	-	0.6775	0.6355	0.6635	0.0815
CHF	0.9322	1.2410	0.0104	1.4761	-	0.9378	0.9791	0.1202
CAD	0.9938	1.3233	0.0111	1.5735	1.0662	-	1.0440	0.1282
AUD	0.9519	1.2672	0.0106	1.5071	1.0213	0.9578	-	0.1228
HKD	7.7531	10.3229	0.0863	12.2781	8.3179	7.8024	8.1450	-

Source: Bloomberg

Currency Price Trade History Watch As on: 21-Jan-2013					
Product	LTP	Volume (in Lots)	OI (in Lots)	Value (in Crores)	No of Trades
USDINR 290113	53.88	2,144,832	773,532	11,561.56	89,564
USDINR 260213	54.13	141,593	280,546	766.83	6,073
USDINR 270313	54.42	42,877	134,518	233.48	1,676
USDINR 260413	54.72	2,983	46,389	16.33	260
USDINR 290513	55.02	1,306	22,472	7.18	120
USDINR 260613	55.37	160	6,612	0.89	26
EURINR 290113	71.67	64,256	37,958	461.13	11,418
EURINR 260213	71.94	7,490	11,638	53.96	1,531
EURINR 270313	72.20	429	885	3.10	74
GBPINR 290113	85.52	30,130	9,938	257.55	7,359
GBPINR 260213	85.91	2,748	2,027	23.59	701
GBPINR 270313	86.33	32	219	0.28	10
JPYINR 290113	60.20	42,539	23,739	256.23	8,596
JPYINR 260213	60.49	3,028	3,034	18.32	627
JPYINR 270313	60.73	9	26	0.05	8

Source: MCX

As on 21-Jan-2013 RBI Reference rate	
Underlying	Rate
USDINR	53.8735
EURINR	71.7760
GBPINR	85.5296
JPYINR	60.1100

Source: MCX

Daily Exchange Rate of Indian Rupee (Rupee per unit of foreign currency)				
Date	US Dollar	Pound Sterling	Euro	Japanese Yen
18-Jan-13	53.9465	86.2416	72.2050	59.9100
17-Jan-13	54.6428	87.4558	72.6545	61.6500
16-Jan-13	54.8260	87.9902	72.8285	62.2000
15-Jan-13	54.5425	87.6934	72.8525	61.3000
14-Jan-13	54.6355	88.1735	73.1273	60.9800
11-Jan-13	54.5390	88.0532	72.2945	61.2600
10-Jan-13	54.6305	87.5017	71.3235	61.9900
9-Jan-13	54.9625	88.2286	71.9235	62.8600
8-Jan-13	55.3278	89.0501	72.5680	63.3300
7-Jan-13	54.9780	88.1077	71.6690	62.6700
4-Jan-13	54.8458	88.1646	71.5405	62.5000
3-Jan-13	54.4153	88.2888	71.4945	62.3600
2-Jan-13	54.3890	88.7574	72.1900	62.3200
1-Jan-13	54.8320	89.2254	72.4803	63.2100

Source: Reserve Bank of India (RBI)

IPO Diary

New IPO Listing (Source: BSE)				
Company Name	Listing Date	List Price (Rs.)	Price (Rs.) Dec. 28, 2012	Volume (Nos)
Eco Friendly Food Processing Park Ltd.	14/01/2013	24.50	22.15	120000

Forthcoming Issues					
Company Name	Issue Type	Issue Size	Open Date	Close Date	Issue Price
Currently no forthcoming issues					

HDFC Tax saver - Growth

Investment Objective

The fund plans to provide tax benefits along with capital appreciation

Type of Scheme	Open Ended
Nature	Equity
Option	Growth
Latest NAV	249.86 as on Jan 22, 2013
Benchmark Index - S&P CNX 500	4,822.35 as on Jan 22, 2013
52 - Week High	252.20 as on Jan 21, 2013
52 - Week Low	202.92 as on May 23, 2012
Face Value (Rs/Unit)	10
Fund Size (Rs. Cr.)	3582.96 as on Dec 31, 2012
Inception Date	13-Jun-96

Scheme Performance (%) as on 22-Jan-2013

1 Month	4.53
3 Months	6.92
6 Months	15.71
1 Year	21.11
3 Years	8.36
5 Years	8.06
Since Inception	21.39

Top Holdings

Stock	Sector	P/E	% of Net Assets	Quantity	Value	% of change with last month
ICICI BANK LTD.	Banks	17.72	6.58	2,070,910	235.72	5.01
State Bank of India	Banks	10.86	5.45	817,892	195.11	9.92
Infosys Technologies Ltd	Software	14.81	3.92	606,000	140.51	(4.85)
IPCA Laboratories Ltd	Pharmaceuticals	21.22	3.84	2,656,120	137.75	13.37
Larsen & Toubro Limited	Engineering	20.99	3.39	755,460	121.41	(3.65)
Tata Steel Ltd.	Steel	7.32	3.33	2,788,080	119.47	60.53
Tata Motors - DVR - A - ORDY	NA	-	3.24	6,685,420	116.13	6.57
Bharat Petroleum Corporation Ltd	Petroleum	7.80	2.62	2,632,100	93.79	2.54
Bank of Baroda	Banks	6.78	2.42	1,000,000	86.64	13.61
Federal Bank Ltd	Banks	10.90	2.40	1,597,190	85.96	15.31

Sector Allocation (%)

Banking/Finance	27.60
Engineering	10.47
Oil & Gas	10.09
Pharmaceuticals	9.43
Technology	6.24
Metals & Mining	5.97

Asset Allocation (%)

Equity	Debt	Others
99	-	1

Style Box

Fund Manager	Vinay Kulkarni
Minimum Investment	Rs.500
Expense Ratio (%)	1.85
Beta	0.83

FUND FACT SHEET

Absolute Returns (in %) as on Jan 21, 2013 * Returns over 1 year are Annualised

Particulars	AUM (Rs. cr.) (Dec. 2012)	NAV (Rs./Unit)	1 month	3 month	6 month	1yr	2yr*	3yr*
LARGE CAP								
Birla Sun Life Top 100 (G)	297.68	26.56	3.40	8.70	21.60	28.80	7.60	9.60
ICICI Pru Focused Bluechip Eqty (G)	4,215.04	19.08	4.50	8.40	20.50	23.00	7.40	12.30
L&T Equity Fund (G)	2,614.55	38.58	2.90	5.30	16.60	19.00	3.70	9.40
UTI Opportunities Fund (G)	1,764.04	32.25	1.40	3.70	15.80	20.70	8.50	11.20
SMALL & MID CAP								
Birla Sun Life MNC Fund (G)	364.13	260.39	(0.60)	2.80	16.00	28.90	12.70	16.50
HDFC MidCap Opportunities (G)	2,570.09	18.92	2.80	6.20	16.00	30.30	10.70	14.80
IDFC Premier Equity - A (G)	3,345.00	39.90	0.90	8.40	22.00	30.60	12.00	13.80
SBI Emerging Busi (G)	989.23	60.68	3.00	12.70	26.60	44.70	23.10	21.70
DIVERSIFIED EQUITY								
Birla SL India GenNext (G)	110.28	31.58	0.20	8.40	23.80	37.40	14.20	16.60
Mirae (I) Opportunities-RP (G)	279.00	19.23	4.40	8.30	21.80	27.50	8.50	11.10
Quantum Long-Term Equity (G)	140.04	26.12	4.80	7.40	19.70	27.50	7.30	12.40
Reliance Equity Oppor - RP (G)	4,593.77	44.83	3.00	6.90	20.70	35.20	11.90	15.60
UTI Equity Fund (G)	2,278.79	63.61	2.70	5.20	17.40	25.20	7.10	10.00
UTI India Lifestyle Fund(G)	378.49	14.14	2.10	6.00	17.30	25.40	10.80	13.10
UTI MNC Fund (G)	253.61	73.31	0.20	3.20	12.50	22.70	13.00	15.60
THEMATIC - INFRASTRUCTURE								
DSP-BR India TIGER - RP (G)	1,542.79	47.05	3.40	7.20	20.40	23.30	1.00	2.30
Franklin Build India Fund (G)	61.83	13.88	4.70	10.00	22.90	31.70	8.30	6.70
ELSS								
Can Robeco Eqty TaxSaver (G)	506.77	30.21	3.00	6.40	16.70	25.30	8.10	11.30
Franklin India Tax Shield (G)	905.20	247.07	4.00	8.30	18.70	25.30	8.80	11.80
Reliance Tax Saver (ELSS) (G)	2,104.51	24.61	1.70	5.20	16.80	30.60	9.20	10.50
INDEX								
Kotak Nifty ETF	43.27	624.47	3.80	6.40	19.00	21.90	3.90	9.40
Kotak Sensex ETF	6.13	208.74	4.40	7.00	19.30	21.40	3.60	7.10
BALANCED								
HDFC Balanced Fund (G)	991.18	65.22	3.10	4.70	11.80	21.20	9.90	12.80
ICICI Pru Balanced Fund (G)	381.15	57.41	4.10	8.70	19.30	26.90	11.90	12.90
DEBT LONG TERM								
IDFC Dynamic Bond - IP B (G)	1,451.15	13.87	2.80	4.00	7.30	12.50	12.40	9.50
SBI Dynamic Bond Fund (G)	4,373.49	14.58	2.70	3.80	6.80	11.60	12.40	10.60
SBI Magnum Income Fund (G)	1,086.68	28.81	2.70	3.90	7.20	12.70	11.70	9.10
DEBT SHORT TERM								
Birla SL Short Term Fund (G)	4,552.06	42.77	0.90	2.10	5.00	10.60	10.30	8.10
HDFC Short Term Opportunities (G)	1,562.91	12.52	0.90	2.10	4.80	10.20	9.80	-
IDFC SSIF - STP Plan A (G)	1,883.79	23.69	0.80	1.90	4.50	9.20	9.40	7.50
Religare Credit Oppor. (G)	944.26	13.06	0.70	2.20	4.60	10.10	10.10	8.50
ULTRA SHORT TERM DEBT								
Birla SL Ultra Short Term -IP (G)	189.07	138.14	0.70	2.20	4.50	9.80	9.60	8.40
HDFC CMF-Treasury Advg (G)	8,563.66	24.76	0.60	1.90	3.90	8.80	8.70	7.70
ICICI Pru Flexi Inccome (G)	10,912.60	215.50	0.70	2.10	4.40	9.60	9.40	8.30
JM Money Manager Fund -RP (G)	187.29	16.03	0.70	2.20	4.60	10.10	10.00	8.70
JM Money Manager Fund -SPP (G)	1,016.06	16.36	0.70	2.20	4.50	9.90	9.60	8.30
UTI Treasury Advtg -Inst (G)	11,268.12	1,558.56	0.70	2.20	4.40	9.60	9.50	8.30
GILT LONG TERM								
IDFC GSec -Inv Plan -IP B (G)	99.66	13.38	3.20	4.50	7.90	13.30	12.60	9.70
Kotak Gilt Invt - Regular (G)	480.63	40.51	2.80	3.90	6.10	13.30	12.00	9.40
MIP AGGRESSIVE								
HDFC MIP - LTP (G)	5,035.79	26.76	2.20	3.80	8.50	13.90	8.50	8.80
Reliance MIP (G)	3,341.95	25.56	1.70	3.40	7.90	13.40	9.30	8.50
LIQUID								
Baroda Pioneer Liquid - IP (G)	3,353.90	1,322.65	0.70	2.10	4.40	9.60	9.30	8.10
ICICI Pru Liquid Plan - RP (G)	15,930.46	170.69	0.70	2.10	4.40	9.60	9.30	8.10
IDFC Cash- Super Inst-C (G)	4,318.98	1,403.32	0.70	2.10	4.40	9.50	9.30	8.10
Religare Liquid Fund (G)	4,518.37	1,586.84	0.70	2.10	4.40	9.60	9.40	8.20
UTI Liquid Cash - (Inst) (G)	11,391.64	1,893.03	0.70	2.10	4.40	9.50	9.30	8.00

Source: Moneycontrol

Note: Best Performance Mutual funds are based on the corpus of the scheme and relative performance of the scheme within its peer group weighted by: The performance over 5 time horizons, with the maximum weightage given to its one-year performance. The consistency of its performance. Relative age of the scheme.

Company Name	Company								Price Information							Latest Quarter (Rs Cr.)			
	Year End	Equity	Sales	NP	NP Var%	Div%	B.V Rs	EPS Rs.	Price as on 23.01.2013	52 W - H	52 W - L	Mkt. Cap.	P/C	P/E	P/BV	Quarter Year	Sales	NP	NP Var%
Air-conditioners																			
Blue Star	201203	17.99	2819.86	-105.10	-165%	50.00	43.95	-	168	231	158	1514.76	-	-	3.83	201212	593.02	5.37	-26%
Lloyd Electric	201203	31.01	1202.06	29.37	-22%	10.00	151.09	9.31	51	74	38	159.19	2.70	5.22	0.34	201209	162.46	6.16	-59%
Fedders Lloyd	201206	30.77	897.51	44.20	-5%	10.00	84.60	14.20	44	73	42	135.85	2.21	3.07	0.52	201209	203.16	6.12	31%
Hitachi Home	201203	22.96	798.09	3.26	-89%	15.00	74.57	1.18	150	171	98	345.32	11.63	30.53	2.02	201209	138.24	0.29	-98%
Aluminium																			
Hindalco Inds.	201203	191.48	80821.37	3396.95	38%	155.00	163.83	17.42	118	165	100	22571.96	3.72	6.61	0.72	201209	6114.71	358.88	-16%
Natl. Aluminium	201203	1288.62	6611.57	849.50	-21%	20.00	45.46	3.14	48	68	44	12383.64	12.26	23.96	1.04	201209	1585.92	4.78	-98%
Century Extrus.	201203	8.00	192.45	3.20	452%	-	4.49	0.40	2	3	2	14.32	1.94	4.45	0.40	201209	42.15	0.11	-192%
Bhoruka Alum.	201103	26.18	148.85	1.43	93%	-	31.20	0.55	1	4	1	6.59	-	-	0.08	201209	14.03	-1.86	-90%
Maan Aluminium	201203	3.38	116.04	0.40	-52%	-	78.11	1.18	23	47	23	7.71	3.93	18.36	0.29	201209	21.25	0.14	100%
Sudal Inds.	201203	5.82	113.19	1.95	-44%	10.00	26.87	3.18	19	27	17	10.83	3.63	10.12	0.14	201209	25.67	0.23	-69%
Alumeco India	201206	12.40	79.55	-2.74	-363%	-	-5.77	-	9	14	8	11.77	8.35	588.50	-1.65	201209	17.86	1.95	-173%
Synthiko Foils	201203	0.86	12.93	0.29	16%	-	24.07	3.37	11	23	8	0.93	2.02	3.00	1.07	201209	3.64	-0.04	0%
Breweries																			
United Breweries	201203	26.44	3625.15	126.77	-14%	-	48.85	4.57	744	1023	404	19679.29	71.39	155.25	15.24	201209	796.90	34.20	-65%
IFB Agro Inds.	201203	8.01	584.63	26.55	49%	-	141.34	33.15	207	238	116	165.41	4.31	6.99	1.29	201209	142.93	9.73	79%
Globus Spirits	201203	23.00	559.85	40.89	2%	-	107.53	17.59	116	150	87	266.23	5.70	6.71	2.83	201209	131.70	10.67	12%
Mount Shivalik	201206	6.05	117.94	-9.44	46%	-	4.50	-	29	49	19	17.55	-	-	2.57	201209	18.69	-1.91	-864%
Winsome Brew.	201203	27.67	57.33	0.41	-15%	-	10.38	0.15	4	7	3	11.62	5.19	52.82	0.40	201209	14.77	0.31	-14%
Ravikumar Distll	201203	24.00	56.89	1.38	59%	-	37.58	0.58	13	17	9	30.74	-	-	0.34	201209	9.83	-0.37	-65%
Ceramics - Sanitaryware / Others																			
HSIL	201203	13.21	1462.81	93.55	20%	-	146.46	13.68	129	181	104	855.02	5.43	9.26	0.88	201209	341.85	20.50	12%
Cera Sanitary.	201203	6.33	319.39	32.03	21%	-	109.94	24.82	434	463	177	548.70	10.87	13.20	3.44	201212	128.02	12.00	9%
Euro Ceramics	201203	26.43	185.61	-103.04	-461%	-	26.71	-	10	16	7	27.29	-	-	0.36	201209	26.18	-24.22	9%
Acrysil	201203	2.97	62.70	1.63	-68%	-	83.50	4.85	110	127	59	49.08	9.02	30.11	1.98	201209	21.89	2.02	102%
Cigarettes																			
ITC	201203	781.84	26551.79	6258.14	25%	-	24.76	7.27	293	307	197	230630.25	33.59	37.69	11.91	201212	7627.07	2051.85	12%
Godfrey Phillips	201203	10.40	1910.50	181.50	9%	-	900.06	168.03	3305	3944	2650	3436.99	14.86	20.91	3.67	201209	457.49	32.45	16%
VST Inds.	201203	15.44	680.13	142.51	50%	-	185.49	81.76	1830	2025	1167	2824.75	18.30	22.03	8.17	201212	174.95	33.40	21%
Golden Tobacco	201203	17.59	71.34	-34.81	2%	-	-21.74	-	33	50	30	58.11	-	-	-1.52	201209	15.12	-7.27	-13%
NTC Inds.	201203	10.75	39.76	0.28	155%	-	25.73	0.26	22	29	15	23.38	3.06	3.96	0.29	201209	16.96	1.03	78%
Computers - Education																			
CORE Education	201203	22.49	1637.86	323.09	44%	-	159.26	28.63	306	345	245	3498.16	6.99	10.49	1.73	201209	494.92	72.94	-7%
Educomp Sol.	201203	19.21	1491.28	135.54	-60%	-	260.75	14.05	134	263	128	1603.54	7.59	16.94	0.52	201209	302.10	3.64	-26%
NIIT	201203	33.02	1256.72	110.16	20%	-	40.10	6.30	27	56	26	445.77	3.34	8.95	0.67	201212	232.70	0.50	-96%
Everonn Educat.	201203	21.87	359.62	-90.50	-234%	-	269.18	-	103	333	102	226.25	-	-	0.38	201209	18.51	-34.01	49%
Birla Shloka	201203	20.95	246.48	5.99	31%	-	49.52	2.86	7	13	6	14.58	1.39	2.43	0.14	201209	63.78	0.97	-12%
Aptech	201203	48.79	174.42	76.03	69%	-	68.12	15.10	63	99	61	307.38	9.11	12.01	0.92	201212	36.74	6.04	1%
CTIL	201203	22.39	86.38	9.96	28%	-	22.65	4.45	6	25	6	16.15	1.10	1.19	0.28	201209	10.44	0.82	-29%
Compucom Soft.	201203	15.83	71.62	11.18	-7%	-	12.79	1.29	16	29	9	130.20	3.62	11.65	1.29	201209	18.34	2.72	10%

Company Name	Company								Price Information							Latest Quarter (Rs Cr.)			
	Year End	Equity	Sales	NP	NP Var%	Div%	B.V Rs	EPS Rs.	Price as on 23.01.2013	52 W - H	52 W - L	Mkt. Cap.	P/C	P/E	P/BV	Quarter Year	Sales	NP	NP Var%
Zee Learn	201203	26.27	61.00	-27.62	-1593%	-	5.34	-	29	33	13	762.41	-	-	5.44	201209	18.82	-2.50	-26%
SQL Star Intl.	201203	33.18	35.47	-13.70	60%	-	-0.85	-	5	7	4	17.19	-	-	-6.07	201209	7.22	-2.53	-2%
Jetking Infotrai	201203	5.90	33.27	2.19	-68%	-	63.73	3.46	61	76	37	35.81	10.29	19.46	0.92	201209	9.51	0.85	136%
Usha Mart. Edu.	201203	2.64	15.83	0.44	-72%	-	8.02	0.17	9	16	8	23.97	26.05	799.00	1.14	201209	7.15	3.10	-197%
IEC Education	201203	15.26	5.38	0.73	-43%	-	22.20	0.48	7	16	6	10.18	11.84	42.42	0.30	201209	1.14	0.11	-8%
Software Tech.	201203	14.84	0.84	-2.11	-1155%	-	7.74	-	3	5	3	4.54	-	-	0.40	201209	0.12	-0.41	46%
BITS	201203	22.38	0.24	-0.03	-67%	-	3.51	-	0	1	0	3.58	89.50	-	0.08	201209	0.01	0.04	-33%
Couriers																			
Blue Dart Exp.	201112	23.76	1492.27	124.19	31%	-	279.35	51.94	1991	2205	1531	4723.46	32.33	37.99	7.12	201209	417.31	32.20	-21%
Gati	201206	17.32	1180.18	41.51	194%	-	47.94	4.61	35	49	27	304.83	4.36	8.23	0.73	201212	326.89	5.06	-165%
Corporate Courie	201203	5.98	0.04	-0.11	0%	-	-1.89	-	4	9	2	2.58	-	-	-2.32	201206	-	0.00	-100%
Distilleries																			
United Spirits	201203	125.87	9186.49	187.92	-67%	-	370.36	14.51	1799	2149	479	23531.74	69.78	123.96	5.04	201209	2220.70	39.27	-200%
Radico Khaitan	201203	26.54	1143.87	63.66	-13%	-	51.70	4.67	142	156	92	1880.49	16.33	23.63	2.58	201209	288.10	22.06	4%
Jagatjit Inds.	201203	46.15	1079.75	35.11	39%	-	52.06	7.61	66	79	50	304.59	-	-	1.27	201209	225.81	0.15	-97%
Empee Distill.	201209	19.01	1036.61	23.49	11%	-	142.27	8.13	85	96	59	161.03	6.84	10.28	0.60	201209	156.72	-0.85	-227%
Tilaknagar Inds.	201203	120.00	553.89	47.16	19%	-	33.72	3.80	78	87	40	949.68	11.95	16.99	2.20	201209	175.75	15.86	45%
G M Breweries	201203	9.37	432.53	13.83	-34%	-	91.44	14.35	73	101	57	67.86	4.41	5.87	0.73	201212	75.83	2.12	-9%
Som Distilleries	201203	27.52	193.83	15.24	1%	-	28.64	5.37	190	295	125	523.84	21.62	25.96	6.65	201209	37.14	4.48	-37%
Khoday India	201203	37.59	164.77	15.80	-218%	-	25.66	4.20	67	83	29	249.97	8.13	9.69	2.59	201209	27.23	-3.31	-53%
Pioneer Distil.	201203	13.42	104.45	-25.30	-13%	-	-5.45	-	56	62	26	74.31	-	-	-4.34	201209	26.21	-4.45	-25%
Entertainment - Electronic Media																			
Zee Entertainmen	201203	95.90	3040.50	589.10	-8%	-	35.77	5.90	235	247	117	22385.61	30.39	31.97	5.98	201212	938.82	194.11	3%
H T Media	201203	47.00	2002.98	165.49	-9%	-	61.58	6.92	107	150	82	2503.93	10.55	17.38	1.65	201209	500.93	33.31	-18%
Dish TV	201203	106.36	1957.93	-133.14	-31%	-	-0.88	-	75	85	52	7954.80	20.54	-	-84.87	201212	556.68	-44.88	-181%
Sun TV Network	201203	197.04	1847.17	692.91	-10%	-	63.74	16.04	439	447	177	17307.99	14.84	24.99	6.89	201212	485.86	189.88	25%
D B Corp	201203	183.31	1451.51	202.11	-22%	-	50.57	10.21	240	249	181	4407.06	16.68	21.16	4.32	201212	414.42	70.62	45%
TV18 Broadcast	201203	72.42	1409.86	-73.78	324%	-	18.93	-	35	38	15	5947.98	-	-	1.79	201212	512.44	21.27	-152%
Jagran Prakashan	201203	63.25	1355.66	178.32	-14%	-	23.78	5.07	108	118	78	3424.99	14.37	20.47	4.56	201209	314.68	69.44	25%
Den Networks	201203	130.49	1129.52	14.28	-62%	-	61.46	1.06	222	233	74	2975.91	25.16	59.83	3.69	201212	235.31	17.17	10%
Hathway Cable	201203	142.86	1012.13	-49.18	57%	-	56.19	-	273	306	130	3901.52	39.89	-	4.86	201209	130.37	-1.78	-89%
D C Holdings	201103	48.69	976.16	162.58	-30%	-	52.58	6.68	5	57	5	110.74	-	-	11.06	201209	141.67	-100.05	-40%
Hindustan Media	201203	73.39	598.18	65.35	22%	-	59.15	8.71	147	159	105	1078.83	12.43	16.45	2.27	201209	159.21	21.67	12%
PVR	201203	25.90	508.50	25.41	211%	-	107.75	8.85	259	341	135	1021.68	13.31	30.16	1.51	201209	189.00	16.09	113%
NDTV	201203	25.79	483.37	-87.37	-50%	-	29.90	-	70	85	36	454.23	-	-	2.36	201209	101.93	-14.68	-44%
Siti Cable	201203	45.28	342.82	-91.34	46%	-	-1.83	-	27	30	7	1229.98	-	-	-11.76	201209	93.31	-8.45	77%
Ent.Network	201203	47.67	311.05	56.10	227%	-	91.97	11.77	220	277	194	1047.31	11.74	16.78	2.26	201209	75.32	10.50	-22%
T.V. Today Netw.	201203	29.73	308.43	10.52	-15%	-	44.63	1.65	80	94	50	475.68	19.42	45.48	1.79	201209	67.27	-9.15	2514%
Zee News	201203	23.98	307.22	11.55	-29%	-	7.90	0.48	18	20	9	441.23	13.30	20.20	2.27	201209	69.62	4.17	137%
Reliance Broad.	201203	39.73	299.99	-113.02	366%	-	13.73	-	41	67	36	325.39	-	-	6.36	201209	52.62	-21.71	-24%
Cinemax Prop.	201203	28.00	285.84	3.51	-36%	-	62.39	1.25	13	39	12	36.54	1.20	4.03	0.23	201209	4.65	1.04	58%
CDI Intl.	201103	9.59	268.79	50.58	7%	-	160.78	52.74	17	32	15	21.23	1.04	1.04	0.11	201209	42.32	2.93	-5%
Fame India	201203	55.27	226.12	-11.96	-1429%	-	29.78	-	48	74	41	265.16	54.90	-	1.61	201209	69.54	2.30	-285%
Sri Adhik. Bros.	201203	24.66	131.99	-22.67	98%	-	49.81	-	90	109	64	224.25	-	-	1.82	201209	14.05	2.62	55%

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Sahara One Media	201203	21.53	110.06	-0.22	-540%	-	133.48	-	100	157	88	214.65	46.76	49.12	0.73	201209	32.80	3.79	113%
Cyber Media Ind	201203	10.50	75.79	0.15	-63%	-	37.64	0.14	12	15	7	12.60	2.70	-	0.32	201209	20.34	-0.07	-125%
Raj Television	201203	12.98	54.06	9.21	-194%	-	72.96	6.93	222	257	81	287.77	17.95	22.50	2.87	201209	16.34	2.31	-28%
Next Media.	201203	52.30	43.50	-11.10	-47%	-	20.40	-	4	6	2	18.76	3.62	-	0.16	201209	12.56	-0.05	-99%
Sea TV Network	201203	12.02	17.00	1.22	-27%	-	49.31	1.01	61	82	19	72.72	33.36	59.12	1.23	201209	3.41	0.37	95%
Broadcast Init.	201203	25.31	11.20	15.80	-130%	-	-7.48	6.24	7	11	6	17.74	-	-	-0.54	201209	1.60	-7.33	11%
Rap Media	201203	5.88	2.41	0.54	26%	-	65.90	0.92	23	42	13	13.49	16.45	29.33	0.35	201209	0.46	0.18	29%
Landmarc Leisur.	201209	80.00	1.38	-3.54	87%	-	0.67	-	0	1	0	33.60	-	-	0.63	201209	0.44	-1.25	44%
Laminates																			
Greenply Inds.	201203	12.07	1708.11	56.71	142%	-	150.17	23.17	441	449	173	1063.85	10.00	18.32	2.93	201212	509.26	29.37	-8%
Rushil Decor	201203	14.40	153.18	5.66	26%	-	47.90	3.85	255	350	143	366.91	41.93	63.26	5.11	201209	42.04	1.34	-13%
Stylam Indus.	201203	7.32	104.17	2.82	-25%	-	32.43	3.85	26	28	16	18.78	2.79	5.23	0.79	201209	32.90	1.62	76%
Bloom Dekor	201203	6.00	53.55	0.58	-204%	-	26.63	0.88	19	27	13	11.10	4.61	9.65	0.69	201209	18.18	0.65	242%
Rammaica (India)	201203	3.20	1.07	0.32	14%	-	-16.84	1.00	38	41	9	12.16	-	-	-3.06	201209	1.26	0.00	-100%
Plastics - Furniture																			
Nilkamal Ltd	201203	14.92	1516.52	61.11	14%	-	277.57	40.31	227	275	190	338.53	3.23	5.48	0.82	201209	380.47	9.69	-14%
Wim Plast	201203	6.00	201.48	22.75	25%	-	170.13	36.95	393	428	185	235.86	7.08	8.82	2.04	201209	58.40	6.88	6%
Natl. Plastic	201203	9.13	59.82	0.64	-69%	-	27.06	0.62	11	15	10	10.32	4.69	25.17	0.42	201209	15.93	0.38	0%
Peacock Inds	201203	15.50	24.52	-1.02	-104%	-	-30.59	-	4	6	3	5.58	20.67	-	-0.12	201209	5.73	-0.32	0%
Printing & Stationery																			
Navneet Publicat	201203	47.64	630.02	77.98	17%	-	15.17	3.05	65	71	52	1545.92	16.42	20.07	4.28	201212	124.88	11.24	-24%
Kokuyo Camlin	201203	6.89	385.74	-0.10	-101%	-	18.84	-	43	51	32	299.37	39.29	965.71	2.31	201209	86.76	-6.04	408%
Repro India	201203	10.84	345.95	34.99	54%	-	151.85	30.65	215	258	180	233.97	5.08	6.61	1.42	201209	97.67	9.07	1%
Beckons Inds.	201203	78.45	323.50	-57.44	-844%	-	10.00	-	1	1	1	4.47	-	-	0.06	201209	7.42	-0.12	-25%
Sandesh	201203	8.53	255.40	39.15	-11%	-	389.84	45.33	340	370	230	289.93	5.31	6.12	0.79	201209	66.50	13.98	-38%
Archies	201203	6.76	201.13	9.50	-12%	-	31.18	2.75	23	35	21	76.56	5.70	8.71	0.71	201209	48.00	1.19	37%
MPS	201203	16.82	192.36	10.87	-223%	-	41.80	4.65	121	135	33	203.35	22.20	1129.72	2.38	201209	41.73	10.26	120%
Sundaram Multi.	201203	7.19	179.87	4.84	-28%	-	14.87	0.64	20	25	12	430.12	42.33	87.96	4.02	201209	31.69	0.04	-98%
Olympic card.	201203	16.31	43.17	2.38	9%	-	22.21	1.41	63	68	27	102.59	28.66	34.66	2.83	201209	10.71	0.68	-18%
Infomedia Press	201203	50.19	36.43	1.04	-102%	-	2.91	0.21	7	13	5	34.68	-	-	3.50	201212	6.28	-4.70	40%
Kaiser Press	201203	5.28	17.16	0.40	-767%	-	11.42	0.76	29	32	10	15.31	20.97	42.53	2.54	201209	0.11	0.04	0%
Shakti Press	201206	3.52	12.89	-0.74	-29%	-	-5.17	-	14	19	7	4.91	2.51	7.92	-2.70	201209	2.86	-0.42	-567%
Laser Dot	201203	8.30	11.16	0.35	-1850%	-	7.00	0.42	19	19	9	18.45	8.16	36.18	2.09	201209	6.42	0.33	200%
Blue Bird (I)	201103	35.00	10.71	-415.38	684%	-	-75.33	-	2	4	2	6.44	-	-	-0.02	201203	9.27	-210.01	172%
Antarctica	201203	14.80	3.91	0.11	83%	-	0.78	0.01	0	1	0	5.18	23.17	-	0.39	201209	0.81	0.09	-18%
Vintage Cards	201103	7.00	0.17	-0.04	-98%	-	-0.84	-	4	7	3	2.56	-	-	-0.47	201206	-	-0.12	-50%
Telecommunications - Equipment																			
S Mobility	201206	71.43	2737.92	-9.71	-109%	-	33.02	-	38	90	35	913.11	-	-	1.16	201209	543.40	4.00	-177%
GTL	201203	97.27	1864.69	-459.07	-332%	-	127.08	-	25	62	23	394.75	-	-	0.29	201209	615.34	-123.09	-40%
GTL Infra.	201203	957.35	1397.96	-689.74	82%	-	7.41	-	3	14	3	804.32	7.20	-	0.35	201209	140.99	-78.17	-8%
AGC Networks	201203	14.20	994.50	63.50	381%	-	227.11	42.25	197	236	64	559.44	6.49	7.59	1.57	201209	281.34	13.63	-24%
ITI	201203	288.00	915.96	-369.80	3%	-	-44.89	-	23	32	19	673.92	-	-	-0.45	201209	201.84	-97.57	-7%
Shyam Telecom	201203	11.27	798.84	1.88	-29%	-	38.58	1.67	26	37	22	29.13	5.85	11.20	0.67	201209	144.28	0.30	-76%
Gemini Comm.	201203	10.65	541.02	36.19	-43%	-	22.98	3.39	7	28	6	85.68	1.55	24.14	0.26	201209	78.03	2.62	-28%

Company Name	Company								Price Information							Latest Quarter (Rs Cr.)			
	Year End	Equity	Sales	NP	NP Var%	Div%	B.V Rs	EPS Rs.	Price as on 23.01.2013	52 W - H	52 W - L	Mkt. Cap.	P/C	P/E	P/BV	Quarter Year	Sales	NP	NP Var%
Kavveri Telecom	201203	20.12	454.28	48.08	26%	-	151.88	23.25	89	271	77	178.16	3.32	4.39	0.58	201209	127.81	9.67	39%
H F C L	201203	123.94	261.01	-66.78	-741%	-	0.34	-	10	16	10	1214.61	-	-	28.67	201209	113.22	9.16	-48%
Astra Microwave	201203	16.37	202.40	33.20	78%	-	20.93	3.94	40	50	34	325.76	10.36	17.47	2.23	201209	38.52	5.96	-294%
XL Energy	201103	22.77	176.45	-123.58	-58%	-	-27.17	-	4	7	3	9.11	-	-	-0.15	201209	0.85	-0.37	19%
NELCO	201209	22.82	160.72	1.03	-107%	-	14.26	0.37	49	60	38	110.79	14.31	-	3.40	201209	28.99	-0.71	-170%
Nu Tek India	201203	77.26	143.55	4.03	-79%	-	36.99	0.26	1	1	1	12.05	2.24	3.81	0.02	201209	40.90	1.19	6%
Goldst.Infratec.	201203	14.43	59.78	1.91	-41%	-	20.27	0.50	11	18	10	38.10	8.12	20.37	0.52	201209	17.50	0.31	11%
Prec. Electronic	201203	13.85	36.71	-0.97	-473%	-	17.28	-	17	30	14	23.55	15.49	196.25	1.20	201209	2.62	-1.36	-54%
Aishwarya Tele.	201203	10.83	36.18	-3.23	-251%	-	16.94	-	13	18	6	27.04	-	-	0.74	201209	4.79	1.14	-197%
Avantel	201203	4.48	26.01	3.89	58%	-	38.24	8.35	59	80	50	26.43	6.92	10.45	1.42	201209	2.75	0.07	-94%
ADC India	201203	4.60	23.00	0.44	-85%	-	115.67	1.74	174	203	110	80.11	50.70	111.26	1.63	201209	9.00	-0.11	-97%
Punjab Commun.	201203	12.05	22.39	0.74	0%	-	90.71	0.61	174	213	122	208.61	74.24	97.94	1.91	201209	5.27	0.69	-3%
Valiant Commun.	201203	7.42	8.11	0.37	61%	-	40.42	0.50	15	20	13	10.84	10.23	47.13	0.36	201209	2.17	0.02	-129%
Watches & Accessories																			
KDDL Ltd	201203	8.92	232.91	5.97	12%	-	51.68	5.87	97	161	90	87.33	7.41	15.14	1.86	201209	23.47	0.42	-78%
Timex Group	201203	10.10	183.51	4.53	-68%	-	3.10	0.13	22	29	17	220.18	-	-	8.62	201209	42.23	0.07	-101%
IST	201203	5.85	52.69	38.24	41%	-	364.79	65.37	222	240	144	129.40	3.28	3.38	0.61	201209	5.36	1.98	29%

Explanatory Notes

NP	**Net Profit**. Often referred to as the bottom line, net profit is calculated by subtracting a company's total expenses from total revenue, thus showing what the company has earned (or lost) in a given period of time (usually one year).
NP %	**Net Profit** variation calculated on an Yearly,quarterly and trailing 12 months basis.
B.V	**Book Value** is the shareholders' equity of a business (assets - liabilities) as measured by the accounting 'books'.
CPS	**Cash Flow Per Share**.Many analysts, as well as some of the greatest investors of all time, place more weight on cash flow per share than earnings per share. Because EPS is more easily manipulated, its reliability can at times be questionable. Cash, on the other hand, is difficult - if not impossible - to fake. You either have cash or you don't. Therefore, cash flow per share is a useful measure for the strength of a firm and the sustainability of its business model.
EPS	**Earnings Per Share** EPS is net profit calculated on a trailing 12 months basis (aggregate net profit of four consecutive quarters) divided by fully diluted equity capital.
52 W-H	**52 weeks High**. It represents the highest point attained by a share during the immediately preceding 52 weeks.
52 W-L	**52 weeks Low**. It represents the lowest point attained by a share during the immediately preceding 52 weeks.
Mkt.cap	**Market capitalization** is the number of common shares multiplied by the current price of those shares. The term capitalization is sometimes used as a synonym for market capitalization; more often, it denotes the total amount of funds used to finance a firm's balance sheet and is calculated as market capitalization plus debt (book or market value) plus preferred stock.
P/C	**Price-To-Cash-Flow Ratio**.A measure of the market's expectations of a firm's future financial health. Since this measure deals with cash flow, the effects of depreciation and other non-cash factors are removed. Similar to the price-earnings ratio, this measure provides an indication of relative value.
P/E	**Price to Earnings Ratio**. It has been arrived at by dividing the day's closing price of a scrip by its earning per share (EPS).
P/BV	**Price-to-book ratio** or **P/B ratio**, is a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value.

Source: Corporate database Capitaline Plus

Large Cap Companies

All figures in Rs. Cr. except per share data

S.n.	BSE Code	NSE Symbol	Company Name	Industry	F.V	B.V	M.P Dec 28, 2012	M. Cap	Volume BSE	Volume NSE	52 Week High	52 Week Low	Price / 52 Week High	Price / 52 Week Low	EPS	P/E	Prom. Stake (%)	Beta	Return (%) 1 Month	Return (%) 3 Month	Return (%) 1 Year	Equity Paid Up	Reserve	Net Worth	Net Sale	PAT	Book Closure	Div (%)	OPM (%)	ROCE (%)	RONW (%)
1	512599	ADANIENT	Adani Enterp.	Trading	1.00	177.21	272.15	29,931.06	287058	1300760	455.75	151.70	0.60	1.79	9.94	27.36	79.95	1.74	17.04	35.32	(16.31)	109.98	19,379.83	19,491.11	39,355.63	2,020.33	Aug	100.00	14.07	5.69	9.14
2	532921	ADANIPORTS	Adani Ports	Miscellaneous	2.00	24.14	132.85	26,615.17	135258	773240	157.80	105.15	0.84	1.26	5.55	23.94	77.50	0.88	2.78	4.36	9.74	400.68	4,434.99	4,835.67	3,270.80	1,092.68	Aug	50.00	64.97	10.44	23.61
3	533096	ADANIPOWER	Adani Power	Power	10.00	26.13	61.85	14,802.37	489719	1797044	96.70	36.80	0.64	1.68	-	-	76.63	1.76	24.07	17.03	(0.48)	2,180.04	3,861.27	6,042.13	4,089.79	(294.50)	Aug	-	37.17	2.34	(5.84)
4	532215	AXISBANK	Axis Bank	Banks	10.00	531.32	1,359.55	58,074.54	261532	1218502	1,377.00	784.50	0.99	1.73	95.95	14.16	36.18	1.78	5.31	19.51	63.23	413.20	22,268.51	22,681.71	21,994.90	4,218.51	Jun	160.00	-	-	20.29
5	500103	BHEL	B H E L	Electric Equipment	2.00	103.79	227.50	55,682.90	238390	1817320	328.35	195.05	0.69	1.17	27.90	8.15	67.72	1.62	1.54	(7.86)	(7.63)	489.52	24,913.54	25,403.06	48,340.06	7,087.26	Sep	320.00	22.16	28.57	31.11
6	532977	BAJAJ-AUTO	Bajaj Auto	Automobiles	10.00	210.17	2,137.50	61,852.84	15325	482900	2,165.00	1,410.00	0.99	1.52	100.64	21.23	50.02	0.64	14.91	16.60	32.54	289.37	5,792.35	6,081.72	19,594.65	2,990.18	Jul	450.00	20.36	67.39	54.92
7	532454	BHARTIARTL	Bharti Airtel	Telecommunications	5.00	133.27	319.05	121,159.88	387715	4422304	400.90	238.50	0.80	1.34	9.22	34.54	68.50	0.92	(2.51)	20.20	(7.32)	1,898.80	48,712.50	50,611.30	71,505.80	4,258.10	Aug/Sep	20.00	33.52	9.13	8.11
8	532792	CAIRN	Cairn India	Oil Drilling	10.00	252.86	320.00	61,116.80	958280	4243358	400.95	296.10	0.80	1.08	55.48	5.77	58.82	0.71	(2.42)	(3.25)	1.68	1,907.40	46,384.67	48,292.07	11,860.65	7,937.75	Aug	-	85.07	18.06	17.92
9	500087	CIPLA	Cipla	Pharmaceuticals	2.00	95.03	416.40	33,432.76	68622	702962	430.00	286.50	0.97	1.45	14.28	29.15	36.80	0.49	6.47	9.41	29.12	160.58	7,469.38	7,629.96	7,020.71	1,141.30	Aug	100.00	25.23	19.92	15.98
10	532868	DLF	DLF	Construction	2.00	149.31	224.90	38,202.64	301207	3012230	261.35	169.55	0.86	1.33	5.40	41.59	78.58	1.77	9.48	(3.94)	16.61	339.68	25,023.11	25,362.79	9,629.38	1,178.15	Aug/Sep	100.00	44.05	6.56	4.03
11	532155	GAIL	GAIL (India)	Miscellaneous	10.00	196.40	351.30	44,561.70	26160	471465	401.00	303.10	0.88	1.16	33.66	10.44	57.34	0.73	3.58	(8.22)	(10.85)	1,268.48	23,644.70	24,913.18	44,182.14	4,400.83	Aug/Sep	87.00	17.30	20.03	18.47
12	500010	HDFC	H D F C	Finance	2.00	177.76	834.40	128,581.04	64814	1766343	882.00	610.70	0.95	1.37	38.71	21.51	-	0.84	4.41	7.72	26.14	295.39	27,084.79	24,384.38	29,930.45	4,489.77	Jun/Jul	550.00	59.48	9.60	19.10
13	500180	HDFCBANK	HDFC Bank	Banks	2.00	127.59	677.65	160,470.91	50373	1756066	705.00	419.35	0.96	1.62	21.46	31.57	23.00	0.96	(0.38)	7.78	54.12	469.34	29,741.11	30,210.75	27,605.56	5,273.40	Jul	215.00	-	-	18.80
14	500182	HEROMOTOCO	Hero Motocorp	Automobiles	2.00	214.81	1,896.20	37,867.11	13280	314169	2,278.50	1,702.65	0.83	1.11	113.80	16.64	52.21	0.76	2.83	0.78	(0.55)	39.94	4,249.89	4,289.83	23,579.03	2,378.13	Aug	2,250.00	15.79	51.47	65.64
15	500696	HINDUNILVR	Hind. Unilever	Personal Care	1.00	16.64	522.10	115,650.37	106957	1300009	579.60	375.10	0.90	1.39	10.67	48.80	52.49	0.35	(3.80)	(4.38)	26.28	216.15	3,464.26	3,680.41	23,436.33	2,800.14	Jul	750.00	15.74	86.82	86.86
16	513599	HINDCOPPER	Hind.Copper	Mining	5.00	15.11	136.95	12,670.89	198113	426105	320.00	136.10	0.43	1.01	3.33	41.13	99.59	0.60	(10.75)	(47.94)	(16.85)	462.61	935.03	1,397.64	1,491.61	323.44	Sep	20.00	37.76	34.62	25.08
17	500188	HINDZINC	Hind.Zinc	Mining	2.00	63.62	136.50	57,675.35	46955	649838	149.80	113.05	0.91	1.21	13.77	9.90	64.92	1.05	0.29	0.63	14.39	845.06	26,036.20	26,881.26	11,405.31	5,526.04	Jun/Jul	120.00	62.76	28.14	22.37
18	500440	HINDALCO	Hindalco Inds.	Aluminium	1.00	163.85	129.40	24,773.63	962433	6972108	164.90	100.15	0.78	1.29	17.51	7.39	32.06	1.60	15.17	7.43	11.02	191.48	31,178.53	31,911.32	80,821.37	3,558.70	Sep	155.00	10.60	8.31	10.97
19	530965	IOC	I O C L	Refineries	10.00	248.66	268.85	65,275.44	78269	833950	291.75	239.00	0.92	1.12	43.01	6.25	78.92	0.37	3.36	7.28	6.20	2,427.95	57,945.35	60,373.36	413,358.81	4,265.27	Sep	53.00	5.19	13.54	17.55
20	532174	ICICIBANK	ICICI Bank	Banks	10.00	531.32	1,141.55	131,649.25	131552	1363933	1,159.00	680.00	0.98	1.68	63.47	18.00	-	1.69	10.44	8.04	63.85	1,152.77	60,121.34	61,276.50	37,994.86	7,937.63	Jun	165.00	-	-	13.30
21	500209	INFY	Infosys	Computers	5.00	545.65	2,323.20	133,407.44	48807	883032	2,990.00	2,101.65	0.78	1.11	162.75	14.24	16.04	0.86	(6.11)	(8.51)	(16.63)	286.00	31,046.00	31,332.00	33,734.00	8,332.00	May/Jun	940.00	37.44	40.69	29.08
22	500875	ITC	ITC	Cigarettes	1.00	24.58	289.40	227,998.00	349907	3384156	306.50	197.00	0.94	1.47	7.04	41.06	-	0.44	(1.55)	6.34	43.04	781.84	18,573.98	19,355.82	26,551.79	6,322.39	Jun	450.00	27.08	50.63	35.08
23	532286	JINDALSTEL	Jindal Steel	Steel	1.00	193.74	445.80	41,673.38	139053	1355342	663.40	321.10	0.67	1.39	41.60	10.71	59.02	1.60	17.39	4.20	(2.09)	93.48	18,017.63	18,111.11	18,208.60	4,002.26	Sep	160.00	37.07	18.34	24.43
24	532532	JPASSOCIAT	JP Associates	Construction	2.00	53.26	96.85	20,786.43	727279	8909313	106.75	50.45	0.91	1.92	2.55	37.90	46.72	2.17	4.31	17.76	80.60	425.29	11,001.89	11,277.50	14,873.50	947.08	Sep	29.00	36.86	7.51	6.84
25	500510	LT	Larsen & Toubro	Engineering	2.00	477.52	1,619.95	99,610.73	95563	671364	1,719.50	991.00	0.94	1.63	71.10	22.76	-	1.66	(0.09)	1.34	57.14	122.48	29,239.73	29,362.21	64,313.11	4,690.96	Aug	825.00	17.62	13.39	16.41
26	500520	M&M	M & M	Automobiles	5.00	273.11	924.60	56,768.59	48449	643237	973.35	621.75	0.95	1.49	47.99	19.26	25.35	0.88	(0.45)	6.93	34.61	294.52	16,461.34	16,755.86	59,417.63	2,775.96	Jul/Aug	250.00	12.35	13.71	13.92
27	532500	MARUTI	Maruti Suzuki	Automobiles	5.00	542.52	1,500.40	43,349.56	31972	453955	1,537.00	912.10	0.98	1.64	50.59	29.65	54.21	0.77	0.46	11.13	56.36	144.50	15,530.00	15,674.50	36,089.90	1,633.60	Aug	150.00	7.81	12.14	9.67
28	513377	MMTC	MMTC	Trading	1.00	16.96	627.40	62,740.00	27762	61894	1,009.00	465.70	0.62	1.35	0.99	-	99.33	0.61	(7.15)	(17.35)	31.59	100.00	1,596.48	1,696.48	67,022.41	42.64	Sep	25.00	1.12	11.10	5.41
29	533098	NHPC	NHPC Ltd	Power Generation	10.00	23.29	25.60	31,489.89	4871787	22672207	26.05	14.65	0.98	1.75	2.39	10.73	86.36	0.70	9.64	32.30	38.38	12,300.74	16,343.04	28,643.78	6,920.33	3,403.59	Sep	7.00	87.80	9.69	11.55
30	526371	NMDC	NMDC	Mining	1.00	61.56	164.00	65,021.08	620019	5069052	206.35	149.95	0.79	1.09	17.96	9.15	80.00	0.94	3.08	(15.25)	4.22	396.47	24,009.89	24,406.36	11,261.89	7,265.39	Sep	450.00	96.65	49.26	33.31
31	532555	NTPC	NTPC	Power	10.00	90.23	156.65	129,165.13	88094	1950875	190.30	138.95	0.82	1.13	11.29	13.85	84.50	0.69	(1.42)	(6.85)	(2.98)	8,245.46	66,157.33	74,402.79	65,893.25	9,814.66	Sep	41.00	27.70	11.65	13.64
32	500312	ONGC	O N G C	Oil Drilling	5.00	159.48	265.80	227,404.66	359325	4821968	303.90	240.10	0.87	1.11	28.92	9.19	69.23	0.74	6.45	(5.19)	2.03	4,277.76	132,161.38	136,439.13	146,211.80	28,428.91	Sep	195.00	30.07	26.36	22.21
33	532810	PFC	Power Fin.Corpn.	Finance	10.00	157.52	202.90	26,783.00	119678	1159590	223.80	131.10	0.91	1.55	22.20	9.14	73.72	1.66	11.18	7.53	48.94	1,319.93	19,473.02	20,792.95	13,075.06	3,058.85	Sep	60.00	96.35	11.81	16.98
34	532898	POWERGRID	Power Grid Corpn	Power	10.00	50.94	113.50	52,547.44	174294	3623399	124.45	98.15	0.91	1.16	6.78	16.73	69.42	0.62	(4.22)	(5.77)	13.17	4,629.73	18,953.48	23,583.21	10,311.52	3,302.99	Sep	21.10	90.31	8.83	14.68
35	532461	PNB	Punjab Natl.Bank	Banks	10.00	818.10	842.70	28,582.70	27718	355396	1,091.00	659.00	0.77	1.28	144.46	5.84	56.10	1.44	11.85	0.45	8.82	339.18	27,409.18	27,748.36	37,447.31	4,974.81	Jun	220.00	-	-	20.09
36	532712	RCOM	Rel. Comm.	Telecommunications	5.00	177.91	73.25	15,118.95	975879	5115488	109.70	46.60	0.67	1.57	3.78	19.35	67.86	1.87	5.32	13.05	1.88	1,032.00	35,689.00	36,721.00	19,677.00	988.00	Aug/Sep	5.00	29.32	3.15	2.50
37	500325	RELIANCE	Reliance Inds.	Refineries	10.00	514.03	840.25	271,275.55	548563	3326023	881.00	671.00	0.95	1.25	56.62	14.84	45.24	1.09	6.89	0.44	13.78	2,979.00	162,726.00	165,706.00	358,501.00	19,717.00	Jun	85.00	11.04	11.49	12.51
38	500390	RELINFRA	Reliance Infra.	Power	10.00	898.52	517.05	13,597.90	172467	1059000	679.70	328.35	0.76	1.57	61.35	8.44	48.53	2.04	10.07	(3.82)	44.44	263.03	23,367.15	23,630.18	24,271.80	1,260.26	Aug/Sep	73.00	14.60	6.93	5.35
39	532939	RPOWER	Reliance Power	Power	10.00	62.63	93.45	26,213.94	1042237	3383398	139.40	69.40	0.67	1.35	3.26	28.64	80.42	1.91	(1.94)	(4.74)	29.81	2,805.13	14,764.49	17,572.24	2,019.21	866.78	Aug/Sep	-	58.13	3.45	3.99
40	500113	SAIL	S A I L	Steel	10.00	97.50	90.60	37,422.60	387518	3722873	115.90	75.80	0.78	1.20	8.74	10.36	85.82	1.48	15.20	5.97	13.33	4,130.53	36,140.31	40,273.16	46,658.16	3,592.95	Aug/Sep	20.00	15.66	10.20	9.23
41	500295	SESAGOA	Sesa Goa	Mining	1.00	173.95	194.95	16,943.10	154440	1128649	270.00	153.10	0.72	1.27	39.08	4.97	55.13	1.67	12.73	13.39	21.65	86.91	15,031.30	15,118.21	8,978.04	2,107.77	Jun	400.00	40.51	21.74	15.09
42	500112	SBIN	St Bk of India	Banks	10.00	1,583.07	2,379.50	159,673.97	205989	1103623	2,474.80	1,590.30	0.96	1.50	280.31	8.48	61.58	1.53	12.57	6.25	47.71	671.04	105,558.97	106,230.01	147,197.39	15,973.31	May	350.00	-	-	16.27
43	500900	STER	Sterlite Inds.	Mining	1.00	136.56	116.90	39,292.43	513085	5815565	138.40	87.50	0.84	1.34	16.32	7.16	53.31	1.77	14.62	17.61	30.27	336.12	45,565.57	45,901.69	41,178.94	7,761.11	Jun	200.00	29.12	15.33	14.14
44	524715	SUNPHARMA	Sun Pharma.Inds.	Pharmaceuticals	1.00	117.48	739.50	76,582.62	26882	493193	775.90	488.25	0.95	1.51	28.92	25.53	63.69	0.47	5.43	6.49	47.97	103.56	12,062.79	12,166.35	8,019.49	2,972.73	Nov	425.00	45.22	27.54	25.13
45	500570	TATAMOTORS	Tata Motors	Automobiles	2.00	104.25	310.05	98,898.20	1026802	7580582	320.60	176.80	0.97	1.75	45.72	6.77	34.74	1.51	16.24	15.78	71.79	634.75	32,615.72	33,057.03	165,654.48	13,573.91	Jul/Aug	200.00	12.97	22.28	51.57
46	500400	TATAPOWER	Tata Power Co.	Power	1.00	53.98	109.25	25,926.12	189649	2021520	121.50	83.00	0.90	1.32	1.62	67.31	31.75	1.21	5.52	1.96	18.92	237.29	12,573.50	12,810.79	26,152.89	(968.29)	Jul/Aug	125.00	19.59	8.03	(4.92)
47	500470	TATASTEEL	Tata Steel	Steel	10.00	442.96	428.55	41,621.20	539157	2833172	500.90	332.35	0.86	1.29	1.40	305.88	31.35	1.56	13.91	6.89	23.50	971.41	42,049.71	43,038.58	132,899.70	4,948.52	Jul	120.00	9.97	8.38	6.85
48	532540	TCS	TCS	Computers	1.00	150.62	1,267.50	248,075.10	45989	750811	1,438.00	1,046.55	0.88	1.21	63.61	19.89	73.96	0.58	(2.30)	(2.22)	8.22	195.72	29,283.51	29,479.23	48,893.83	10,523.45	Jun	2,500.00	30.40	49.69	38.26
49	507878	UNITECH	Unitech	Construction	2.00	45.96	33.60	8,790.77	2462666	23368530	37.95	18.20	0.89	1.85	0.58	57.71	48.35	2.30	14.26	38.48	73.45	523.26	11,500.58	12,023.84	2,421.86	246.21	Sep	-	20.04	2.32	1.83
50	507685	WIPRO	Wipro	Computers	2.00	109.72	392.05	96,540.35	82195	781501	452.50	325.60	0.87	1.20	24.89	15.72	78.31	0.61	3.30	2.61	(1.54)	491.50	26,525.80	27,017.30	37,187.80	5,596.90	Jul	300.00	22.25	23.72	22.54

Source: Corporate Database Capitaline Plus

Mid Cap Companies

All figures in Rs. Cr. except per share data

S.n.	BSE Code	NSE Symbol	Company Name	Industry	F.V	B.V	M.P Dec 28, 2012	M. Cap	Volume BSE	Volume NSE	52 Week High	52 Week Low	Price / 52 Week High	Price / 52 Week Low
1	532840	ADVANTA	Advanta India	Miscellaneous	10.00	318.02	967.50	1,631.21	5790	23344	973.90	222.00	0.99	4.36
2	500013	ANSALAPI	Ansal Properties	Construction	5.00	104.36	37.75	594.19	47007	165418	41.50	21.40	0.91	1.76
3	500041	BANARISUG	Bannari Amm.Sug.	Sugar	10.00	712.40	928.10	1,061.75	221	221	1,048.70	498.00	0.89	1.86
4	523367	DCMSRMCONS	DCM Shriram Con.	Diversified	2.00	79.27	67.60	1,121.48	9248	15145	86.40	39.40	0.78	1.72
5	532772	DCB	Dev.Credit Bank	Banks	10.00	33.77	48.55	1,213.80	219439	749938	52.80	30.80	0.92	1.58
6	532180	DHANBANK	Dhanlaxmi Bank	Banks	10.00	85.54	66.15	563.20	223492	757864	79.20	42.40	0.84	1.56
7	532700	ENIL	Ent.Network	Entertainment	10.00	91.97	245.90	1,172.21	4883	19105	276.70	194.00	0.89	1.27
8	500133	ESABINDIA	Esab India	Electrodes	10.00	137.49	426.15	655.84	810	557	568.90	420.50	0.75	1.01
9	505790	FAGBEARING	Fag Bearings	Bearings	10.00	437.95	1,688.25	2,805.87	733	488	1,826.85	1,015.00	0.92	1.66
10	532715	GITANJALI	Gitanjali Gems	Diamond Cutting	10.00	341.05	510.85	4,702.89	462156	1145924	534.70	286.20	0.96	1.78
11	511288	GRUH	GRUH Finance	Finance	2.00	21.68	238.80	4,250.64	675781	359984	245.00	101.60	0.97	2.35
12	517271	HBLPOWER	HBL Power System	Dry Cells	1.00	20.81	17.40	440.22	9121	56625	23.40	13.59	0.74	1.28
13	509627	HINDDORROL	Hind.Dorr-Oliver	Engineering	2.00	33.28	23.15	166.68	10780	25734	56.50	21.85	0.41	1.06
14	532859	HGS	Hinduja Global	Computers	10.00	557.68	302.20	622.23	2394	879	364.00	280.00	0.83	1.08
15	532835	ICRA	ICRA	Miscellaneous	10.00	301.61	1,465.90	1,465.90	3227	7691	1,582.10	797.05	0.93	1.84
16	511208	IVC	IL&FS Inv Manage	Finance	2.00	11.22	23.60	492.65	18207	132974	32.00	23.00	0.74	1.03
17	514034	JBFIND	JBF Inds.	Textiles	10.00	222.08	124.35	902.66	5760	24748	151.70	89.00	0.82	1.40
18	500227	JINDALPOLY	Jindal Poly Film	Packaging	10.00	399.39	173.50	746.40	12633	48995	240.00	153.45	0.72	1.13
19	526015	KEMROCK	Kemrock Inds.	Plastics	10.00	330.15	81.70	166.10	5431	8260	570.00	54.55	0.14	1.50
20	532967	KIRIINDUS	Kiri Indus.	Dyes	10.00	480.94	11.45	21.76	14231	21969	107.90	10.40	0.11	1.10
21	532400	KPIT	KPIT Infosys.	Computers	2.00	45.56	106.25	2,040.00	51825	201528	142.00	71.00	0.75	1.50
22	532649	NECLIFE	Nectar Lifesci.	Pharmaceuticals	1.00	34.97	20.95	469.91	64501	202227	26.75	15.05	0.78	1.39
23	532827	PAGEIND	Page Industries	Textiles	10.00	148.69	3,431.65	3,826.29	496	1998	3,610.00	2,278.00	0.95	1.51
24	532399	RELMEDIA	Reliance Media	Entertainment	5.00	(122.96)	78.55	362.27	28278	57302	103.80	49.00	0.76	1.60
25	530073	SANGHVIMOV	Sanghvi Movers	Engineering	2.00	144.92	95.40	413.08	48716	8896	125.85	84.50	0.76	1.13
26	532793	SHREEASHTA	Sh.Ashtavinayak	Entertainment	1.00	5.06	2.60	239.56	339542	1468388	4.75	2.00	0.55	1.30
27	523756	SREINFRA	SREI Infra. Fin.	Finance	10.00	63.18	42.35	2,130.59	275391	951565	48.30	18.85	0.88	2.25
28	500408	TATAELXSI	Tata Elxsi	Computers	10.00	61.65	229.55	714.82	6587	28202	254.10	172.90	0.90	1.33
29	532349	TCI	Transport Corp.	Miscellaneous	2.00	49.98	77.40	563.47	1601	3084	89.70	52.55	0.86	1.47
30	532757	VOLTAMP	Volt.Transform.	Electric Equipment	10.00	390.45	437.60	442.85	377	802	576.00	430.00	0.76	1.02

S.n.	EPS	P/E	Prom. Stake (%)	Beta	Return (%) 1 Month	3 Month	1 Year	Equity Paid Up	Reserve	Net Worth	Net Sale	PAT	Book Closure	Div (%)	OPM (%)	ROCE (%)	RONW (%)
1	20.21	47.78	65.35	0.40	15.27	30.63	314.46	16.85	519.33	536.18	994.27	12.29	Jun	-	13.64	9.42	2.62
2	-	-	45.37	1.49	20.61	30.40	48.92	78.70	1,563.96	1,642.66	1,159.95	4.91	Sep	-	9.99	3.17	0.28
3	142.33	6.57	54.72	0.58	(2.94)	3.89	78.73	11.44	803.55	814.99	1,184.11	105.67	Sep	100.00	18.98	12.49	13.73
4	10.76	6.27	62.28	0.28	(3.78)	28.45	68.75	33.34	1,281.87	1,315.21	5,039.20	11.92	Jul/Aug	20.00	7.13	6.82	3.96
5	2.96	16.40	19.20	1.59	9.22	10.47	46.23	240.67	594.23	806.40	716.97	55.08	May/Jun	-	-	-	5.35
6	-	-	-	1.49	7.11	18.94	42.63	85.14	643.11	728.25	1,393.65	(115.63)	Sep	-	-	-	-
7	13.09	18.72	71.15	0.70	(5.82)	0.16	13.50	47.67	390.77	438.44	311.05	56.10	Aug	-	35.97	19.17	13.67
8	23.41	18.18	73.72	0.25	(1.83)	(6.28)	(7.10)	15.39	196.20	211.59	536.09	47.44	Apr/May	150.00	14.34	35.58	23.57
9	103.76	16.22	51.33	0.56	0.48	(4.41)	63.37	16.62	711.26	727.88	1,299.33	175.97	Apr	100.00	20.50	40.37	27.09
10	57.85	8.83	59.00	0.26	7.71	46.92	64.33	91.12	3,047.63	3,113.69	12,498.28	489.50	Sep	30.00	8.23	15.57	17.07
11	7.46	32.13	59.90	0.48	18.49	15.94	128.18	35.30	350.26	385.56	508.06	120.34	Jun	115.00	92.46	12.48	34.21
12	0.86	20.27	73.67	0.48	15.13	11.18	12.90	25.30	501.27	526.57	1,564.42	31.68	Dec	15.00	13.99	13.05	5.60
13	-	-	55.28	1.40	2.89	(11.64)	(2.32)	14.40	225.18	188.51	718.75	(30.33)	Dec	-	1.29	0.84	(11.00)
14	45.52	6.61	68.14	0.52	(0.43)	(5.03)	2.15	20.59	1,127.67	1,148.26	1,554.31	106.07	Aug	200.00	13.70	9.94	9.88
15	63.66	22.90	28.51	0.36	13.80	13.44	81.32	10.00	291.61	301.61	207.46	53.86	Jul/Aug	200.00	33.91	22.94	16.10
16	3.53	6.68	50.32	0.25	(1.26)	(9.58)	(7.63)	41.66	192.41	233.36	220.60	73.81	Jul	75.00	54.51	34.60	35.24
17	24.50	5.09	42.91	0.52	(1.15)	(12.86)	33.46	72.02	1,539.51	1,611.53	7,179.25	222.98	Aug	80.00	6.17	8.15	9.56
18	30.92	5.61	74.63	0.93	(7.71)	(4.36)	3.86	43.02	1,675.17	1,718.19	2,364.40	138.39	Sep	25.00	11.61	9.50	8.28
19	36.87	2.21	11.51	0.27	38.16	(5.93)	(84.11)	17.44	650.87	672.06	1,082.16	76.16	Dec	20.00	23.74	12.68	12.05
20	-	-	47.60	0.49	(27.34)	(51.61)	(79.50)	19.00	894.78	918.57	4,108.84	(72.31)	Sep	-	6.79	13.08	(7.92)
21	8.71	12.21	26.22	0.65	(17.18)	(14.03)	45.92	35.59	836.26	712.55	1,500.01	144.97	Jul	35.00	16.03	22.83	21.49
22	3.29	6.38	44.35	0.69	4.22	9.09	29.23	22.43	762.04	784.47	1,313.11	73.22	Sep	10.00	18.43	11.76	9.73
23	90.11	37.97	58.14	0.35	3.07	8.08	43.44	11.15	154.64	165.80	683.41	89.98	Jul	370.00	20.88	54.18	62.15
24	-	-	63.15	1.56	2.90	(2.92)	8.25	23.06	(590.17)	(567.11)	1,234.41	(903.15)	Dec	-	(21.78)	-	-
25	18.69	5.12	46.43	0.58	6.16	0.21	9.12	8.66	618.86	627.52	450.47	101.77	Sep	150.00	70.56	16.53	15.09
26	-	-	1.35	0.99	(19.30)	11.84	(34.45)	82.47	373.73	456.20	66.78	(16.78)	Sep	-	110.74	1.31	(3.47)
27	2.57	16.43	48.64	2.11	25.22	54.01	73.31	503.24	2,675.43	3,178.67	2,433.90	123.15	Aug	5.00	80.40	12.43	3.84
28	11.65	19.66	45.11	0.60	6.64	1.69	29.20	31.14	160.84	191.98	538.71	38.71	Jul	70.00	14.65	26.09	20.68
29	8.00	9.71	69.09	0.90	7.92	24.32	38.50	14.54	349.28	363.82	1,953.75	59.35	Jul	54.09	8.30	18.05	17.44
30	24.84	17.56	46.05	0.38	(2.27)	(7.42)	(5.63)	10.12	385.02	395.14	569.81	33.28	Aug	100.00	9.24	12.54	8.66

Small Cap Companies

All figures in Rs. Cr. except per share data

S.n.	BSE Code	NSE Symbol	Company Name	Industry	F.V	B.V	M.P Dec 28, 2012	M. Cap	Volume BSE	Volume NSE	52 Week High	52 Week Low	Price / 52 Week High	Price / 52 Week Low
1	513335	AHMEDFORGE	Ahmednagar Forg.	Castings & Forgings	10.00	200.90	150.40	552.72	49179	39134	197.50	84.00	0.76	1.79
2	500023	ASIANHOTNR	Asian Hotels (N)	Hotels	10.00	286.18	171.65	333.86	127	586	244.00	151.25	0.70	1.13
3	532668	AURIONPRO	Aurionpro Sol.	Computers	10.00	248.85	116.75	185.98	30	452	138.00	99.75	0.85	1.17
4	532694	BARTRONICS	Bartronics India	Computers	10.00	139.81	25.70	87.51	35380	117969	46.30	18.50	0.56	1.39
5	501425	BBTC	Bombay Burmah	Tea	2.00	156.45	120.90	843.28	15105	40726	137.25	67.60	0.88	1.79
6	500878	CEATLTD	CEAT	Tyres	10.00	194.21	107.35	367.57	38904	133745	125.00	71.40	0.86	1.50
7	531508	EVEREADY	Eveready Inds.	Dry Cells	5.00	68.80	22.15	160.99	68739	137069	32.00	16.80	0.69	1.32
8	509675	HIL	Hil Ltd	Cement Products	10.00	452.99	494.80	369.12	2892	4595	547.00	260.45	0.90	1.90
9	500187	HSIL	HSIL	Ceramics	2.00	146.46	134.50	888.37	27708	117310	181.10	104.00	0.74	1.29
10	500233	KAJARIACER	Kajaria Ceramics	Ceramics	2.00	38.32	237.65	1,749.10	3515	8008	261.40	96.30	0.91	2.47
11	533193	KECL	Kirl. Electric	Electric Equipment	10.00	45.23	24.95	126.05	14407	13191	40.70	23.05	0.61	1.08
12	532924	KOLTEPATIL	Kolte Patil Dev.	Construction	10.00	93.46	115.25	873.25	347048	684001	131.45	29.85	0.88	3.86
13	524816	NATCOPHARM	Natco Pharma	Pharmaceuticals	10.00	150.28	451.00	1,414.79	5103	40295	505.20	226.00	0.89	2.00
14	532854	NITINFIRE	Nitin Fire Prot.	Engineering	2.00	12.02	65.40	1,442.40	40454	118567	83.30	25.75	0.79	2.54
15	531209	NUCLEUS	Nucleus Soft.	Computers	10.00	97.01	68.70	222.45	4712	18856	97.00	60.15	0.71	1.14
16	500313	OILCOUNTUB	Oil Country	Steel	10.00	50.83	50.75	224.77	1395	9704	63.50	43.05	0.80	1.18
17	500314	ORIENTHOT	Oriental Hotels	Hotels	1.00	21.46	23.00	410.78	1306	6013	34.25	20.55	0.67	1.12
18	500063	BINDALAGRO	Oswal Green Tech	Construction	10.00	78.46	29.20	749.89	73883	37931	58.40	24.50	0.50	1.19
19	513414	SMPL	Sujana Metal Prd	Steel	5.00	40.93	4.85	95.23	76885	156707	5.70	2.80	0.85	1.73
20	532721	VISASTEEL	Visa Steel	Steel	10.00	21.60	47.55	523.05	3693	10527	64.30	42.60	0.74	1.12

S.n.	EPS	P/E	Prom. Stake (%)	Beta	Return (%) 1 Month	3 Month	1 Year	Equity Paid Up	Reserve	Net Worth	Net Sale	PAT	Book Closure	Div (%)	OPM (%)	ROCE (%)	RONW (%)
1	33.21	4.57	54.96	0.59	14.93	8.32	76.54	36.75	701.56	621.71	908.16	108.16	Dec	20.00	27.38	18.17	18.91
2	-	-	75.00	0.42	(2.15)	(3.96)	5.62	19.45	537.17	556.62	353.72	(93.54)	Sep	15.00	22.49	2.25	(10.09)
3	27.19	4.36	33.04	0.19	12.68	(1.04)	(5.08)	15.94	380.49	396.43	482.65	43.53	Sep	10.00	19.29	12.42	11.71
4	-	-	19.99	1.01	10.06	1.78	6.20	34.05	442.00	366.77	556.21	(121.83)	Dec	-	5.06	(2.75)	(18.10)
5	12.61	9.52	65.91	0.99	(3.96)	11.43	71.70	13.96	1,077.29	1,091.25	5,927.60	329.54	Jul/Aug	70.00	6.72	12.03	15.29
6	29.59	3.63	52.86	0.84	4.52	(4.62)	46.19	34.24	630.72	668.60	4,648.99	18.18	Jul/Aug	10.00	5.93	12.26	3.15
7	-	-	40.85	1.43	(3.49)	16.93	(5.35)	36.34	463.69	500.03	1,100.05	(88.06)	Jul	-	4.80	-	-
8	95.72	5.18	41.40	0.75	2.82	0.33	83.72	7.49	330.47	337.96	857.81	60.55	Jul	185.00	12.22	22.98	19.18
9	13.49	9.97	51.57	0.82	6.45	2.24	8.86	13.21	954.19	967.40	1,462.81	93.55	Sep	150.00	16.27	12.95	11.41
10	12.68	18.70	53.51	0.63	(4.34)	20.72	133.65	14.72	267.35	282.07	1,313.03	81.85	Jul	125.00	14.76	30.93	31.87
11	0.41	60.69	49.29	0.45	(0.40)	(14.95)	(25.11)	50.52	177.99	228.51	1,091.25	3.19	Aug	-	6.18	9.20	0.82
12	6.99	16.48	74.43	1.10	39.83	156.46	275.69	75.77	632.36	721.08	249.24	35.76	Jul	16.40	31.36	6.44	4.20
13	23.00	19.63	57.05	0.47	8.07	22.90	96.86	31.15	440.05	471.20	520.05	58.47	Sep	30.00	22.49	15.48	14.16
14	1.90	34.57	71.40	1.16	(4.02)	17.76	142.70	44.11	220.90	265.01	536.05	47.04	Aug	20.00	13.15	14.45	18.95
15	12.74	5.39	57.44	0.70	(10.96)	(21.09)	10.82	32.38	281.74	314.14	282.25	35.34	Jul	25.00	19.55	15.30	11.73
16	11.52	4.38	48.61	0.41	(2.61)	(10.55)	4.67	44.29	180.85	225.14	479.48	38.28	May	20.00	16.13	16.63	18.13
17	1.10	20.90	57.26	0.38	6.47	2.90	(5.53)	17.86	365.45	383.31	317.44	20.49	Jul	45.00	24.12	7.67	5.42
18	4.00	7.31	64.33	NA	-	-	-	256.81	1,758.24	2,015.05	489.59	79.10	Sep	-	29.35	5.84	4.73
19	2.18	2.26	35.78	0.84	13.10	51.38	40.97	98.18	705.45	803.63	4,033.65	43.45	Sep	-	7.19	13.41	5.67
20	-	-	74.00	0.16	(0.52)	0.21	(17.66)	110.00	127.65	237.65	1,365.90	(118.88)	Aug	-	7.29	-	-

SEBI News

SEBI allows exit of Hyderabad Securities as bourse

SEBI has allowed Hyderabad Securities and Enterprises Ltd (HSEL) to exit as a stock exchange. "I am of the view that it is a fit case for allowing exit of HSEL (erstwhile Hyderabad Stock Exchange)," the SEBI Whole Time Member Rajeev Kumar Agarwal said. "HSEL or its subsidiaries (if any) may continue to function as any other corporate entity or any other normal broking entity. Further, HSEL shall not use the expression 'stock exchange' or any variant in its name or in its subsidiary's name so as to avoid any representation of present or past affiliation with the stock exchange," he added.

SEBI issues guidelines for separate debt segment on bourses

Continuing with its efforts to develop the country's corporate debt market, SEBI issued elaborate guidelines for setting up a separate debt segment on stock exchanges where entities like banks and pension funds can execute trades. Debt securities may be called debentures, bonds, deposits, notes or commercial paper depending on various factors including maturity periods. The regulator said an existing stock exchange or new bourse willing to set up debt segment is required to make an application with SEBI providing operational, regulatory and any other necessary details. SEBI said minimum capital deposit required to be maintained by a stock broker for trading in the debt segment would up to Rs 50 lakh.

SEBI issues rules to identify beneficial ownership

SEBI asked market entities, including stock brokers and mutual funds, to take "reasonable measures" to identify the ultimate beneficiaries of their clients, as part of efforts to ensure more transparency in securities market. The capital market regulator has directed all the market entities to identify the "natural person", who, whether acting alone or together ultimately has a controlling ownership interest. "Where the client is a person other than an individual or trust, company, partnership or unincorporated association/body of individuals, the intermediary shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons," SEBI said.

SEBI comes out with stringent norms for investment advisers

SEBI has notified norms that make it mandatory for investment advisers to register with the capital market regulator and also require them to disclose all issues that could result in conflict of interests, among others. To ensure more transparency, the new regulations require investment advisers -- banks, non-banking financial companies (NBFCs) and corporates would have to segregate their investment advisory services from other activities. Investment advisers also have to disclose the fee received for their advice on a particular financial product. SEBI said that all entities engaged in advising on financial products would need to get registered with it.

SEBI asks banks, NBFCs to separate investment advisory services

SEBI said investment advisers who are banks, non-banking financial companies (NBFCs) and corporates will have to segregate investment advisory services from other activities. SEBI, which notified Investment Advisers Regulation 2013, has also prescribed a minimum networth of Rs 25 lakh for investment advisers that are corporate bodies and Rs 1 lakh for individuals. Existing investment advisers will have one year to comply with these capital adequacy requirements. Going ahead any person to be an investment adviser will have to obtain a certificate of registration from SEBI.

SEBI creates separate debt segment on stock exchanges

With an aim to develop corporate debt market in the country, SEBI decided to create a separate debt segment on stock exchanges, wherein banks would also be allowed to become trading members of the bourses and trade in this market. "This will help in the development of debt market on the Indian stock exchange. This will bring in more volumes and liquidity," SEBI Chairman UK Sinha said. With regard to the new debt segment on stock exchanges, SEBI said it will provide for trading, reporting, membership, clearing and settlement rules, risk management framework and other necessary provisions.

SEBI relaxes margin requirement under offer for sale

SEBI further relaxed the norms for institutional investors bidding for shares through the offer for sale (OFS) route and tweaked the takeover regulations. In the upcoming OFS issues, these investors can now bid without making full upfront payments and will also be allowed to place orders without depositing the margin amounts. However, investors who bid without upfront margins will not be allowed to cancel or revise downwards their price or quantity. Also, such trades will be settled on a T+2 basis (transaction date plus two days). Investors who bid with 100 per cent margin amount, however, will be allowed to modify or cancel their orders and their trades settled the next day.

SEBI directs cos to comply with new ESOP norms by June

SEBI asked listed companies to comply with new norms that bar employee welfare schemes and trusts from purchasing the shares of their own firms from the secondary market, by June 30. The move is aimed at preventing possible manipulation in trading of shares by companies. In August SEBI had barred employee welfare schemes and trusts of listed entities from purchasing their own shares from the secondary market. SEBI has directed all listed entities to comply with the requisite norms on employee benefit schemes (Stock Options as well as Stock Purchases) by June 30. Listed companies are required to furnish details about the schemes to the stock exchanges within one month i.e till mid of February.

SEBI imposes fine on sub-broker for being unregistered

SEBI has imposed a penalty of Rs 7.50 lakh on V S Sundararaman for allegedly acting as a sub-broker on behalf of various entities without being registered for the same. Sundaraman had been carrying out the sub-broking activities for about four years and had continued even after giving an undertaking to the regulator of not indulging in such activities. SEBI examination into the matter had revealed that there were huge off-market transfers of securities during April 2005 to December 2008. These transfers were noticed from the demat account of Sundararaman to the demat accounts of around 65 entities having different addresses and vice versa.

SEBI warns against fraud regulatory calls to investors

SEBI cautioned the investors and general public against fraudulent calls being made in the name of regulatory officials to sell financial products or to offer investment advice. Amid rising instances of fraudsters posing as regulatory officials to lure unsuspecting investors into their investment schemes, similar warnings have been issued in the recent past by other financial regulators, RBI (Reserve Bank of India) and IRDA (Insurance Regulatory and Development Authority).

SEBI notifies regulations on SRO for MF distributors

In a move to regulate mutual fund distribution business, SEBI has notified regulations to set up a Self Regulatory Organisation (SRO) to monitor distributors of mutual fund and portfolio management products. SEBI hereby appoints the date of this notification as the date on which the regulations shall come into force in relation to distributors engaged by asset management companies of mutual funds and distributors engaged by portfolio managers. In August, last year, SEBI had approved the proposal made by its Mutual Fund Advisory Committee (MFAC), to set up an SRO to regulate the Mutual Fund distribution business.

SEBI rejects 149 consent pleas, 16 from RIL group

SEBI has rejected as many as 149 consent applications, finding them unsuitable for settlement through payment of charges, including 16 from various entities related to Reliance Industries group. These include applications of Reliance Industries Ltd itself, as also various group companies and that of RIL Chairman Mukesh Ambani's close aide Manoj Modi. The other applications include those from brokerage firms India Infoline and HSBC Investdirect Securities and from entities in a case involving Bank of Rajasthan. Under SEBI's consent mechanism, companies can seek to settle cases with the market regulator after payment of certain charges and disgorgement of any ill-gotten gains.

SEBI moots new governance norms for listed cos

SEBI proposed wide-ranging overhaul of corporate governance norms for listed companies, through measures like checks against unjustifiable CEO pay, greater powers to minority shareholders, an orderly succession planning and hefty penalties for non-compliance. Besides, the regulator has also proposed a new concept of 'Corporate Governance Rating' by independent agencies to monitor the level of compliance by the listed companies and regular inspection by SEBI and stock exchanges.

SEBI tells banks to use account in other banks for ASBA

SEBI asked the banks providing ASBA (Application Supported by Blocked Amount) facility for public offers to use their accounts in other registered banks while making their own applications. The ASBA facility allows the application money to remain blocked in the applicant's bank account till the time the shares are actually allotted in the public offers and the banks seeking to provide these facilities need to first get registered with SEBI. SEBI said it has come across reports about certain banks/merchant bankers of misinterpreting certain provisions of guidelines for using ASBA facility and applications by banks have been accepted using an account held with the applicant bank itself.

SEBI slaps Rs 17 lakh fine on 5 entities related to MIL case

SEBI has imposed a total penalty of Rs 17 lakh on five entities for not providing information regarding a probe into alleged manipulation in trading of shares of Murli Industries Ltd (MIL). In five separate orders, SEBI has slapped a fine of Rs 2 lakh on Dhanesh Capital Services, Rs 4 lakh on Fortune Commodeal and Rs 5 lakh on Namokar Consultants. Besides, a penalty of Rs 3 lakh each has been imposed on two entities - Sunayana Commercial and Sanskar Trade-Link.

SEBI moots stronger norms for share buybacks

SEBI has proposed significant changes to existing framework for buyback of shares by companies from open market, that require the process to be complete in three months and minimum repurchase to be 50% of the target. The proposals are primarily aimed at ensuring that only serious companies launch a share buyback programme, which in turn would help in protecting the interest of investors. SEBI has proposed to make it mandatory for companies to buy back a minimum of 50% shares of the total targeted amount while the repurchase programme should be completed in three months from the launch date. At present, the period of share buyback is 12 months.

SEBI to revise rules on insider trading

SEBI plans to revise the rules on insider trading and front-running , as it gets down to synchronizing the rules with those set down by the government in the Companies Bill, which was approved by the Lok Sabha. SEBI has its own set of rules on insider trading and front-running , but with the Companies Bill also incorporating provisions barring forward dealings in securities by a director of a company or key managers such as the CEO, MD, chief financial officer or full-time directors , and buying or selling shares based on price sensitive information which is not public, the regulator wants to carry out the necessary changes too.

SEBI eases debt allocation mechanism for FIIs

Relaxing debt allocation norms for foreign institutional investors (FII), SEBI allowed those overseas entities having acquired debt investment limits in the past one year to re-invest up to half of their maximum debt security holdings during 2013. The FIIs need to acquire investment limits in debt securities by bidding in a period auction conducted by SEBI. Earlier in November 2012, SEBI had allowed FIIs to re-invest 50 per cent of their debt holdings from the previous calendar year to the succeeding calender year with effect from January 1, 2014.

SEBI slaps Rs 1.25 cr penalty on 11 entities in REI Agro case

SEBI has imposed a total penalty of Rs 1.25 crore on 11 entities including three promoters of REI Agro for alleged fraudulent trading in the company's shares during 2004-2005. SEBI has slapped a fine of Rs 10 lakh each on three promoters of REI Agro - Kaushalya Devi Jhunjhunwala, Sangita Jhunjhunwala and Suruchi Jhunjhunwala. It has also imposed penalties on eight other entities connected to REI Agro. SEBI has alleged the entities for matching their trades among themselves through synchronised orders that led to artificial volume in shares of REI Agro and also influenced its share price.

RBI News

RBI comes up with comprehensive financial literacy guide

In order to cater to the need of financial literacy RBI has prepared a comprehensive financial literacy guide. This guide contains operational guidelines which clearly spell out the manner in which financial literacy camps should be conducted so as to synchronise it with providing financial access and thus linking the financially excluded section with the banking system. The guide contains guidance note for trainers, operational guidelines for conduct of financial literacy camps and financial literacy material. It also contains a financial diary.

RBI suggests curbs on number of free cheque books issued to individuals

To encourage use of electronic payments and minimise use of cheques, RBI has recommended that the number of free cheque books given per year to individuals may be kept to a minimum. The charges levied by banks beyond this minimum number may range from moderate to steep (slab rate), depending upon the usage history of the customer. A quick look at the charges being levied by banks shows that generally they provide 2050 cheque leaves to savings bank customers for free, either on a quarterly or annual basis. Few banks do not provide any free cheque books, while a few others provide free-of-cost cheques every quarter. Beyond this, the charges levied range from Rs 2 to 3 a cheque leaf.

RBI hikes FII limit in govt securities, corp bond by $5 bn

RBI hiked FII investment limits in government securities and corporate bonds by $5 billion each, taking the total cap in domestic debt to $75 billion, with a view to bridging the current account deficit. Further liberalising the norms, the three-year lock-in period for foreign institutional investors (FIIs) purchasing government securities (G-Secs) for the first time has been done away with. The sub-limit of $10 billion for investment by FIIs and long-term investors in G-Secs stands enhanced by $5 billion. The limit in corporate debt, other than infrastructure sector, stands enhanced from $20 billion to $25 billion, RBI said.

RBI opens swap facility to aid export credit

RBI has opened a special window to provide exporters with dollar credit by allowing banks to borrow the greenback from the central bank under a swap facility. Banks will buy dollars from the RBI for tenures of 3 or 6 months, up to a combined total of USD 6.5 billion, with each having specific limit of how much it can borrow at a rate decided by the central bank. This move aims to arrest depreciation in the rupee, though traders do not expect a large amount of dollar inflow in the market immediately as there will be limits for each bank. The swap facility will be available to banks from January 21 till June 28, the RBI said.

RBI extends interest subvention for exporters till March 2014

With a view to encourage exports, the Reserve Bank of India (RBI) extended the 2 per cent interest subsidy scheme for exporters in segments like handicrafts, carpets, SMEs and certain engineering goods, by one year till March 2014. RBI said that it has been "decided to extend the 2 per cent Rupee Export Credit Interest Rate Subvention Scheme...w.e.f. April 1, 2013 to March 31, 2014". Other sectors which will be benefited from the extension of the scheme are, handlooms, readymade garments, processed agriculture products, sports goods, toys and 134 engineering good items (or tariff lines).

RBI permits CDS in unlisted corporate bonds

In order to better manage the credit risk by the fund managers, RBI allowed Credit Default Swaps (CDS) for unlisted rated corporate bonds in addition to listed ones. "In addition to listed corporate bonds, CDS shall also be permitted on unlisted but rated corporate bonds even for issues other than infrastructure companies," the RBI said. The CDS is a guarantee in which the buyer of a credit swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the swap.

RBI eases foreign borrowing limit for infrastructure firms

RBI has relaxed overseas borrowing limits for infrastructure finance companies, a move that will enable companies in the investment-hungry sector to raise funds more easily. Infrastructure finance companies will no longer need to seek approval for raising funds overseas equivalent to up to 75% of their owned funds. The limit had been 50%. India's infrastructure companies raise a large chunk of their borrowings from overseas because of attractive rates. The RBI also relaxed the hedging requirement for currency risk for these companies to 75% of the exposure, from an earlier limit of 100%.

RBI cancels registration of two NBFCs

RBI has cancelled registration of two non-banking financial companies Emcorp Finance Ltd and Care Credit and Investments Company Pvt Ltd. "Following cancellation of the registration certificate the companies cannot transact the business of a non-banking financial institution," the RBI said. Certificate of registration of Emcorp Finance was cancelled on December 3, while that of Care Credit and Investments Company was cancelled on December 10. The RBI, however, did not provide reasons behind cancellation of the certificates of registration.

RBI cancels licence of Swami Samarth Sahakari Bank

RBI has cancelled the licence of the Maharashtra-based Swami Samarth Sahakari Bank Ltd as the bank turned insolvent and failed to comply with the minimum requirement of capital for a bank. The RBI delivered the order cancelling its licence to the co-operative bank, effective from the close of business as on December 28, 2012. The bank ceased to be solvent as all efforts to revive it in close consultation with the Government of Maharashtra had failed. The Registrar of Co-operative Societies, Maharashtra has also been requested to issue an order for winding up the bank and appoint a liquidator for the bank.

RBI eases KYC norms for money changing activities

The Reserve Bank eased the 'Know Your Customer' (KYC) norms for money changing activities. "If the address on the document submitted for identity proof by the prospective customer is same as that declared by him/her, the document may be accepted as a valid proof of both identity and address, this has been done to ease the burden on the prospective customers in complying with KYC requirements for doing money changing activities," it said. However, a separate proof of address will be required in case the address indicated on the document submitted for identity proof differs from the current address. Money changers have to adhere to strict KYC (know your customer) norms to check anti-money laundering standards.

BSE News

BSE to shift 14 stocks to restricted trading segment

BSE has identified 14 scrips for restricted trading category as a part of its preventive surveillance measures to safeguard investors. In a circular, the exchange said it would shift the stocks to trade-to-trade segment with effect from February 1. The stocks that would be shifted to trade-to-trade segment or "T" Group included Baroda Extrusion, Bisil Plast, Boston Bio Systems, CJ Gelatine Products, Geefcee Finance, Golden Carpets, Jaihind Synthetics, it said. Among others are Mangalya Soft-Tech, Nicco Parks And Resorts, Rashel Agrotech, TCI Industries, Vanasthali Textile Industries, Virtual Global Education and Vision Cinemas.

BSE to exclude Deccan Chronicle from BSE-500

BSE Ltd has decided to exclude Deccan Chronicle Holdings Ltd from the BSE-500 index. The exchange has decided to exclude Deccan Chronicle Holdings and include Bharti Infratel in BSE-500 effective from 21 January. The National Stock Exchange (NSE) has already decided to suspend the trading in shares of DCHL from 23 January, as the company failed to submit financial results and shareholding pattern data.

In a first, securitised debt listed for trading on BSE

A securitised debt instrument was listed for trading on the Bombay Stock Exchange's debt segment for the first time ever. The security is a pool of loan assets of eight microfinance institutions and was created by IFMR Capital, which is originating such securities since January 2010 for private investors. The listing of securities backed by debt provided by microfinance companies helps investors to own higher yielding assets. "A small or medium MFI typically finds it difficult to provide a portfolio large enough to be taken to the capital markets," Kshama Fernandes, CEO of IFMR Capital said. "By pooling loans from multiple MFIs, it is possible to reach a critical portfolio size that can then be of interest to a mainstream investor." The issue is rated A+ by CRISIL and bears 11% rate of interest.

NSE News

NSE to drop GVK Power, Bhushan Steel from F&O segment

National Stock Exchange said it will exclude GVK Power & Infrastructure and Bhushan Steel from its derivatives segment. The exchange said trading in derivatives contracts for these two securities would not be available with effect from April 1, 2013. "No contracts shall be available for trading in the securities (GVK Power & Infrastructure and Bhushan Steel) with effect from April 1, 2013. However, the existing unexpired contracts of expiry months January, February and March would continue to be available for trading till their respective expiry and new strikes would also be introduced in the existing contract months," the NSE said.

NSE banned Deccan Chronicle trading from Jan 23

Trading in shares of Deccan Chronicle Holding Ltd was suspended from January 23 as the company failed to respond to the National Stock Exchange notice for non-compliance of listing agreements. According to NSE, "Non-compliance with provisions of listing agreement includes non-submission of shareholding pattern under Clause 35, non-submission of corporate governance report under Clause 49, non-submission of financial results under Cause 41 and non-submission of reconciliation of share capital audit report for the quarter ended September 30, 2012."

NSE to launch Nifty futures on Japanese exchange next year

NSE will launch yen-denominated Nifty futures on the Osaka Securities Exchange by March next year, a move that will provide Japanese investors exposure to Indian equities. Osaka Securities Exchange (OSE) is part of Japan Exchange Group (JPX). The NSE and JPX have entered into an agreement for launching S&P CNX Nifty Futures on OSE. "This is the first time that retail and institutional investors in Japan will be able to take a view on the Indian markets, in addition to current ETFs, in their own currency and in their own time zone," NSE said. Investors would therefore not face any currency risk, because they would not have to invest in dollar denominated or rupee denominated contracts.

Other News

MCX-SX to launch equity trading

MCX-SX is all set to launch equity trading on its platform on February 9. MCX-SX was keen to launch equity trading on its platform around Diwali last year, after its victory in a legal battle with Securities and Exchange Board of India (SEBI). The launch got postponed due to delay in membership registration. In October 2012, the exchange claimed to have signed up 700 members across the country. SEBI officials said they have registered between 200 and 250 MCX-SX members till date.

Please find subscription page on 55

INFLATION: IT'S MEASURES, CAUSES AND REMEDIES

One of the most intricate challenges of our present times is the problem of rising Inflation. Its effect can be felt by each and every person to at least some degree, whether he is an engineer, doctor, lawyer, govt. servant or anybody. Inflation makes no partiality in choosing its innocent victims. So what exactly is inflation and how is it caused? Whether it originates in our home country or it is imported from abroad? What are our Economists doing to control Inflation? These are the questions that naturally arise in anyone's mind.

What is Inflation: Inflation is defined as a general rise in prices of all commodities. It is not the rise in the price of my favorite commodity e.g. McDonalds Pizza, but the overall rise in the prices of all the goods and services manufactured and consumed within the territory of a nation. When we say that the monthly rate of Inflation is 12%, what it means is that on an average, the prices of all goods and services have increased by 12% in the period of last one month.

Measures of Inflation: In India, Inflation is measured using WPI (Wholesale Price Index). It is very tedious to track each and every commodity and calculate its price rise. Instead of that an Index of several goods and services is prepared. India's WPI is a weighted-index of 1,224 commodities. It means price-rise of all commodities will not be treated equally. The price-rise of rice will have more weight-age than price-rise of a Maruti-car. That is because rice is consumed by a very large number of people compared to a Maruti car. The weight-age of a Mercedez car will be still lower in the WPI. So when this WPI increases from say 100 to 112, we say that the rate of inflation is 12%.

Many other countries like UK, USA, China, etc. use CPI (Consumer Price Index) to measure inflation. This is a more realistic measure because it computes the index based on the increase in actual price paid by the consumer. On the other hand, WPI considers the rise in the price by the Wholesalers of the goods and services.

Types of Inflation

There are different type's inflation which are explained below:

Creeping Inflation: This is also known as mild inflation or moderate inflation. This type of inflation occurs when the price level persistently rises over a period of time at a mild rate. When the rate of inflation is less than 10 per cent annually, or it is a single digit inflation rate, it is considered to be a moderate inflation.

Galloping Inflation: If mild inflation is not checked and if it is uncontrollable, it may assume the character of galloping inflation. Inflation in the double or triple digit range of 20, 100 or 200 percent a year is called galloping inflation. Many Latin American countries such as Argentina, Brazil had inflation rates of 50 to 700 percent per year in the 1970s and 1980s.

Hyperinflation: It is a stage of very high rate of inflation. While economies seem to survive under galloping inflation, a third and deadly strain takes hold when the cancer of hyperinflation strikes. Nothing good can be said about a market economy in which prices are rising a million or even a trillion percent per year. Hyperinflation occurs when the prices go out of control and the monetary authorities are unable to impose any check on it. Germany had witnessed hyperinflation in 1920's.

Stagflation: It is an economic situation in which inflation and economic stagnation or recession occur simultaneously and remain unchecked for a period of time. Stagflation was witnessed by developed countries in 1970s, when world oil prices rose dramatically.

Deflation: Deflation is the reverse of inflation. It refers to a sustained decline in the price level of goods and services. It occurs when the annual inflation rate falls below zero percent (a negative inflation rate), resulting in an increase in the real value of money. Japan suffered from deflation for almost a decade in 1990s.

Causes of Inflation

Inflation is basically a combination of two types of phenomenon. Its causes could be nailed down to Cost-Push inflation and Demand-Pull inflation.

Cost-Push Inflation is caused by rise in the cost of factors of production. In classical economic theory, there used to be only three factors of production - land, labor and capital. However, in today's complex world, infinite factors are required to produce a single product or commodity e.g. house-rent, electricity, admin-expenses, raw-materials, fuel (petroleum), steel, etc. The price rise in any one or more of these factors will increase the cost of production of the final product. The producer of the commodity (the businessman) will naturally shift this cost to his consumers by raising the cost of his final product. This phenomenon is called Cost-Push Inflation.

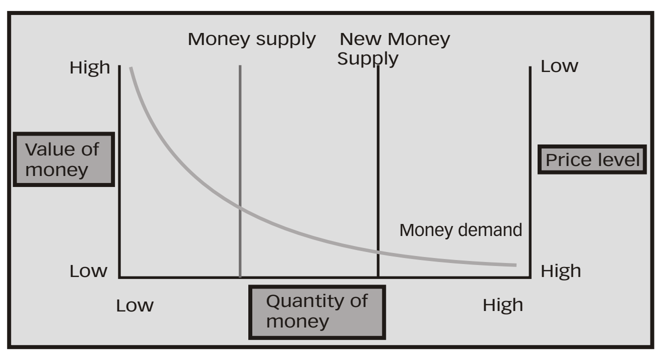
Let us take a simple example. Suppose a bakery owner produces bread by using several factors like wheat, flour, machines, labor, etc. The cost of production of one piece of bread comes to Rs.15. He adds Rs.5 as his profit-margin and sells it to consumers at Rs.20. This continues for several days. Now suppose the price of wheat increases. Now the owner recalculates his cost of production. It comes to Rs.20. He now adds his margin of Rs.5 and increases the cost of bread to Rs.25. This directly results in 25% rise in the cost of bread, or in the bread component of the WPI.

Demand-Pull Inflation is another type of inflation. In this case, the cost of factors of production remains same. However, due to increase in the demand of the commodity by consumers in the market relative to its supply, the owner will naturally increase the prices. In this case, demand has increased, but supply has remained constant.

Returning to the example of the bread producer, suppose the cost of production of one piece of bread remains constant at Rs.15. He adds his margin of Rs.5 and charges Rs.20 to each consumer. Now suppose the preference of his bread increases among the consumers, as it becomes more popular. This results in an increased demand for bread (This is a simplified example, in real world demand and supply is more complex). So sensing more demand for his product, the owner increases the price to Rs.25. In our example, let's assume his margin increases to Rs.10. Again, in the real world this might not be the case. As for e.g. if we assume competition among many bread-producers, the factors i.e. laborers will also demand a chuck of that margin in the form of increased wages. So, the owner will have to sacrifice some or all of his margin and distribute it to his laborers, otherwise they will stop working for him and work for another bakery-owner who is in competition.

Liquidity: The term Liquidity is usually used to identify hard cash. In fact Liquidity just means money in any form. Liquidity is also referred to the ability and ease with which an asset could be converted to money. For e.g. cash is the most liquid asset as it comes under the standard definition of money. Savings-account deposit could also be called liquid asset. That's because it is possible to convert savings-account deposit to cash by withdrawing from an ATM. It could also be used to pay by means of a cheque or on-line transfer. Land and Buildings is a less liquid asset. That's because it's difficult (or at least it takes some time) to convert it to money instantly. How is Liquidity related to Inflation you may ask? The answer is simple. It's because of Demand-Pull Inflation. The demand for the commodity is directly influenced by the amount of money that people have. The Government or Central Bank can directly influence demand-pull inflation by controlling liquidity.

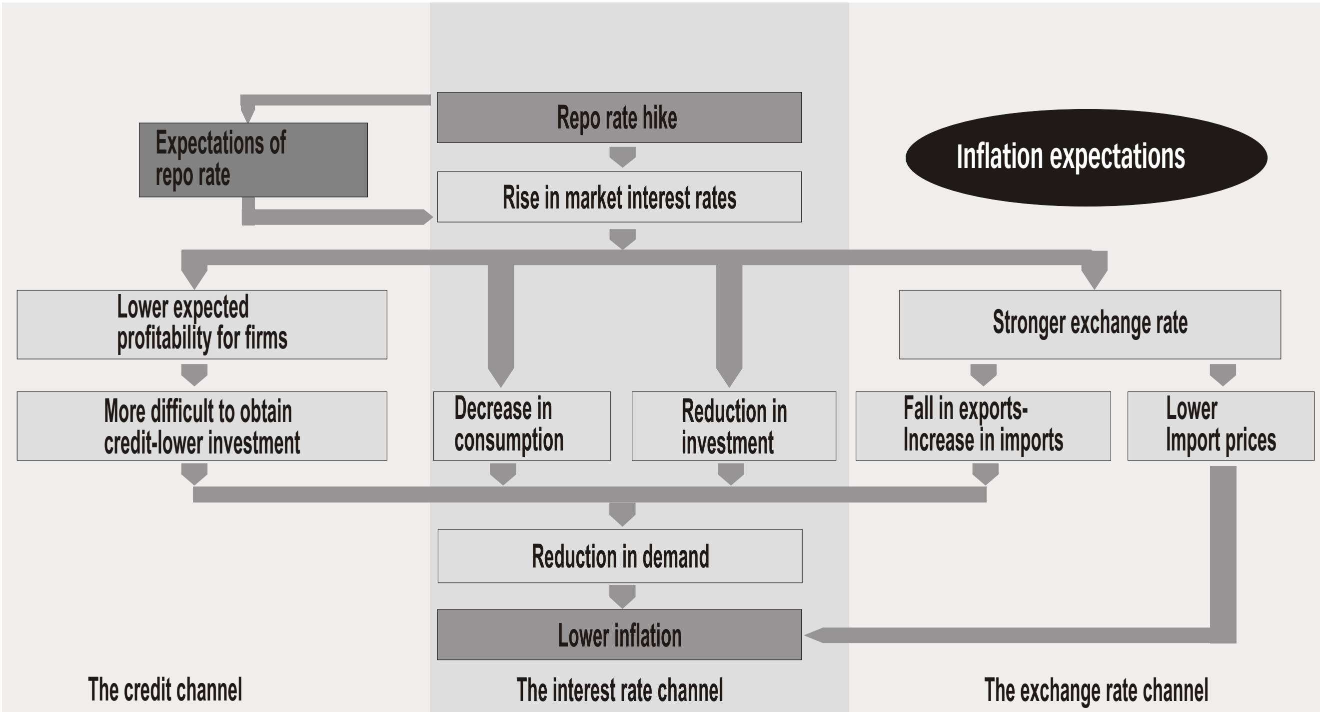
The chart below depicts the relationship between the variables that comprise the QTM (Quantity Theory of Money) equation.



Current rate indicator		
Policy Rates		
Bank Rate	:	8.75%
Repo Rate	:	7.75%
Reverse Repo Rate	:	6.75%
Marginal Standing Facility Rate	:	8.75%
Reserve Ratios		
CRR	:	4.00%
SLR	:	23.0%

Source: RBI

Schematic diagram of the monetary policy transmission mechanism



Remedial Measures to control Inflation: In India, the Ministry of Finance and the RBI (Reserve Bank of India) always strive to control inflation. They control inflation by directly affecting the demand pull inflation by changing the amount of liquidity circulating in the economy. The RBI (the Central Bank of India) can change the liquidity by its various tools viz. CRR, Bank-Rate (REPO and Reverse-REPO), SLR, etc.

CRR (Cash Reserve Ratio) is the proportion of amount which each commercial bank has to maintain in the form of hard cash. All commercial banks accept deposits from individuals and lend it to borrowers at a higher interest rate. The difference between the interest rate which they collect from borrowers and which they pay to their depositors is their profit. Naturally, each bank will try to lend all the money they collect from depositors. However, banks can't lend all the money they have. Under law, each bank has to maintain a certain proportion of cash as reserve. This is known as CRR. For e.g. if the CRR is 5% and the bank collects Rs.100 from its depositors. Then it has to maintain Rs.5 as Reserve. It can lend other Rs.95 to its borrowers. RBI can decrease vast amounts of liquidity circulating in the economy by raising the CRR. When RBI increases the CRR, the bank's lending power decreases. Less lending means less borrowing, this in turn means less money in the economy.

Recently, RBI took steps to add liquidity into the system by trimming CRR. The CRR reduced by 25 basis points to 4.00%, leaving an additional Rs. 18,000 crore into the financial system.

SLR (Statutory Liquidity Ratio) is also similar to CRR. But in case of SLR, Government-Securities need to be maintained by the commercial banks instead of cash.

Repo Rate is basically the rate at which the RBI lends money to the commercial banks. This rate is directly linked to the interest rates charged in turn by all the commercial banks to its customers. All these other interest rates on Home-loans, Personal-loans, etc. also increase with the increase in repo-rate. Thus, by raising the repo-Rate and in turn all other Interest Rates, People are thus discouraged to borrow more money and total amount of liquidity decreases in the economy.

The above mentioned measures viz. CRR, SLR, Repo Rate are called monetary policy tools. Apart from these, there are certain fiscal policy tools which the Government can use. One recent example of fiscal tool is the recent ban placed on the export of Basmati rice by the Finance Minister. By banning the export of rice, the supply of rice will increase in the home country relative to its demand. This will naturally bring down the price of rice which is a major component of WPI. The price-rise in Basmati rice is an example of Demand-pull inflation because demand has increased relative to supply. Although, it could be said that demand for rice is not related to liquidity but is inelastic (where demand is autonomous and not related to increase in price or income).

Although the rise in interest rates initially makes life difficult for people who have taken loans on floating interest rates, it is a required step to bring down inflation which is a larger evil. It might also be noted that RBI, by making the policy changes can control only one type of inflation i.e. demand-pull inflation. It cannot affect the other type of inflation i.e. cost-push inflation which is caused by rise in prices of raw-materials and other factors of production. That is why the rate of inflation is increasing continuously since last six months although the RBI is trying to control it. In fact, only the cost-push component of inflation is rising which consists of increase in prices of steel, cement, petroleum, etc. Some of these factors are produced in our country and others are imported. But the prices of none of them can be controlled by the government.

Inflation and Growth: Inflation is not harmful at all times. In fact only when there is a sustained increase above 7% to 8%, there is cause for worry. In fact a low level of inflation between 2% and 5% is a sign of prosperity. It is required for growth. That's because it gives the producer of goods and services a certain impetus to stay in the market. This in turn gives rise to growth, development and employment which is very much required.

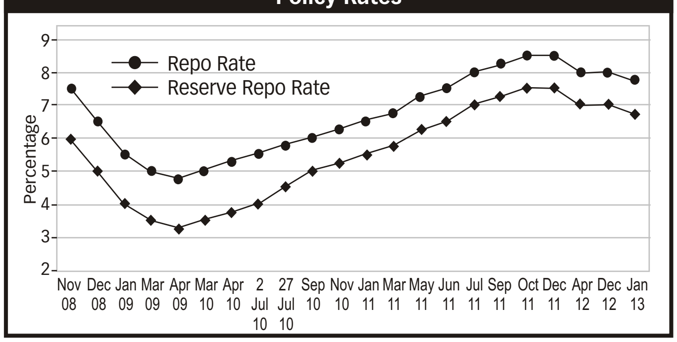
CRR and Repo Rate Effect on Liquidity

The CRR, SLR Repo Rate, Reverse Repo Rate, Marginal standing facility rates are connected with the financial sector. The reason why even the proverbial man on the street is getting interested to know the changes in the above mentioned rate is simply due to the fact that developments in monetary policy are now seen to be impacting everyone in the normal course.

Ordinary citizens have a vested interest in, say, the interest rate policy, much more than at anytime in the past. One reason, of course, is that he or she can avail himself/herself of a variety of loans, the educational loan, home loans and other personal loans, whose interest costs are obviously a matter of concern.

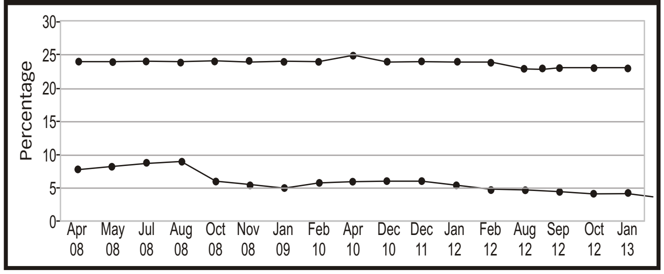
The higher the repo rate, the more costly the funds are for banks and hence, higher will be the rate that banks pass on to customers. If the rate is high, it signals that access to money is expensive for banks; less credit will flow into the system, bringing down liquidity and helping lower inflation. This is an actively used tool by RBI to manage inflation. The impact of the rate percolates further into the economy and has an impact on both individuals and companies.

Policy Rates



The high percentage of CRR means banks have less to lend and, hence, curbs liquidity, and a low CRR does the opposite. RBI can use the CRR to tighten or ease liquidity by increasing or decreasing it as the situation demands. Unlike the repo rate change, which has a more long lasting impact, CRR is used to manage near-term liquidity.

Reserve Ratio



Inflation is the topmost worry of the RBI. The Wholesale Price Index (WPI) in December 2012, on a year-on-year (Y-o-Y) basis, shows a deceleration to 7.18 per cent, and that core inflation is only 4.2 per cent, which should provide a strong case for monetary easing. The world over, the index of inflation used is the Consumer Price Index (CPI) which, in India, shows a Y-o-Y rise in November 2012 as high as 10.56 per cent.

The high inflation rate, the over-extension of credit by banks, the large overhang of the fisc, the overvalued rupee exchange rate, together form a lethal cocktail which could explode at any time. If the RBI joins the merry-making, there would be no one to take away the punch bowl. Monetary policy necessarily has to be cautious.

Former Finance Minister Yashwant Sinha has recently said that with high inflation, the RBI should not succumb to public and governmental pressures as it does not have space to reduce interest rates. He says that RBI should keep economic principles in mind when taking a call on interest rates.

The RBI revises CRR and repo rates in their quarterly and mid-quarter policy reviews to maintain a balance between growth and inflation. The finance minister had been asking the RBI to take action, while the RBI also had been selective in the year, in terms of lowering the repo rate (April & January) and the CRR (February, March, September, October and January). The RBI evidently sees interest rates and inflation more from a macro view; & implicitly looks at real interest rates.

Green Room

Santhosh Pallassana

You can't forget all the people at all times

Several times I awakened in the nightmare; I heard scream of gun in my childhood days' dreams. Now he is nearing in his retirement life. I again recollect the memories about my uncle because of the recent incident that took place in the LOC. Our brave soldiers were killed. They died when Pakistani troops ambushed a patrol moving in foggy conditions near Mendhar, 220 km north of Jammu. The body of one of the jawans was decapitated; the severed head was missing.

When I was in 6th standard, my teacher said me “still you don't know how to draw Indian map? Why your map goes to oval shape when you are drawing without a buttersheet”. My friend always used to tease me at my drawing skills; they called me “Amoeba” by seeing my India map. But the thing is, I didn't't do anything deliberately, but everybody teased me, by calling “Amoeba”. Even I lost some marks due to lack of my drawing skill despite I posed to be a brave patronage of India. Once, my teacher said, ”as an Indian citizen we should know about our heritages, heredities as well as the geographies and its boundaries. Now, before I go to bed, my thoughts start reaching at the LoC, because my dearest younger uncle is a BSF Jawan. When I eat my food, I think about him whether 'he might have his food in the shivering night'. Many a times I fell from the bed with a half broken dream, always my uncle might be the part of that dream. He may fight in the LoC for our country's security. Several times I awakened in the nightmare; I heard scream of gun in my childhood days' dreams. Now he is nearing in his retirement life. I again recollect the memories about my uncle because of the recent incident that took place in the LOC. Our brave soldiers were killed. They died when Pakistani troops ambushed a patrol moving in foggy conditions near Mendhar, 220 km north of Jammu. The body of one of the jawans was decapitated; the severed head was missing. Death is a constant presence in Kashmir, and it has little to do with the treacherous terrain. Life here is lived on the razor's edge. My uncle always says 'Before the ceasefire agreement, bullets and mortar shells were as common to the villagers as rain. And even today, danger lurks in every corner'.

Whenever relations between India and Pakistan improve, the Pakistan Army does something to derail the peace process. It owes its supremacy and sacrosanct status in the country to the India factor. The crisis in the civilian government will further strengthen its position, hurting our interests.

India Pakistan relations have entered a new tricky phase after the beheading incident and Indian strong statement. The continuing border violations even after the much delayed flag meeting indicated the Pak army is in no mood to de-escalate the volatile situation. However, the statements of the Foreign Minister and the Pak High Commissioner indicate probably Pakistan does not want the situation to go out of control. So we can expect Pak army to conduct itself across the LoC better; however, the situation needs to be watched as there is a lot of volatility in Pakistan in which the army could emerge as a major player. For the time being India has not responded to the Pak invitation for talks between the two sides at foreign minister's level.

The thing is if we break the ties, situation may be worse. It may lead to one more war, or terrorist attacks, which means again loss of lives and property. And India cannot afford this. I strongly feel that we should implement some tough decisions and needs to reform our foreign policies with countries like Pakistan. Pakistan as a nation has failed to curb terrorism and is thus declared as a failed state (A country where government agencies like ISI continue to perpetuate cross border terrorism across various states of INDIA and the rest of the WORLD). It is a high time that we should indulge in bilateral dialogues with Pakistan and make a very strong, effective move against this menace.

Punctured Regulation

A step away from hiking the prices of kerosene and diesel, both subsidy guzzlers, but by allowing the oil marketing companies to raise the prices of the latter, it has made it clear that it is keen on attacking the subsidy burden and getting the economy back on the rails. Petrol has already been deregulated.

The government is wary of calling its decision deregulation though. It prefers to call it a `minor correction'. It says the hike will be in small quantums spread over months, till the oil marketing companies bridge the Rs 9.28 gap between the subsidised and market prices. The subsidy on diesel alone is worth Rs 94,000 crore per year. However, the long-term import of the move is not lost on anyone serious about the economy. The government wants to ease the burden of subsidy on the exchequer and cut down fiscal deficit.

Book of the Month:-Fault Lines, By Raghuram G. Rajan

Raghuram G. Rajan, a professor at the University of Chicago and former chief economist at the International Monetary Fund, proves the exception to Greenberg's rule of unsatisfactory endings. Where others have delved into the personalities and perverse systems that led to the financial crisis and then summed up with a half-baked list of policy ideas, Rajan puts a premium on policy. In fact, nearly half of Fault Lines is dedicated to policy choices that Rajan believes are not only realistically achievable but likely to be quite effective. He makes a good case.

Rajan writes with the authority of his credentials: He is both a top-flight economist and one of the few skeptics who raised frequent and grave concerns about the world's overleveraged financial system in the years building up to the crisis. His recollection of the 2005 Jackson Hole Conference, where he delivered a stern warning about mounting financial risks to an audience of disbelievers, is both amusing and disturbing: "I exaggerate only a bit when I say I felt like an early Christian who had wandered into a convention of half-starved lions."

Fault Lines was published almost a year ago. While it received its share of accolades, I don't recall much of a buzz around it at the time, though it did win a number of awards. Its critique and policy suggestions remain powerful today.

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