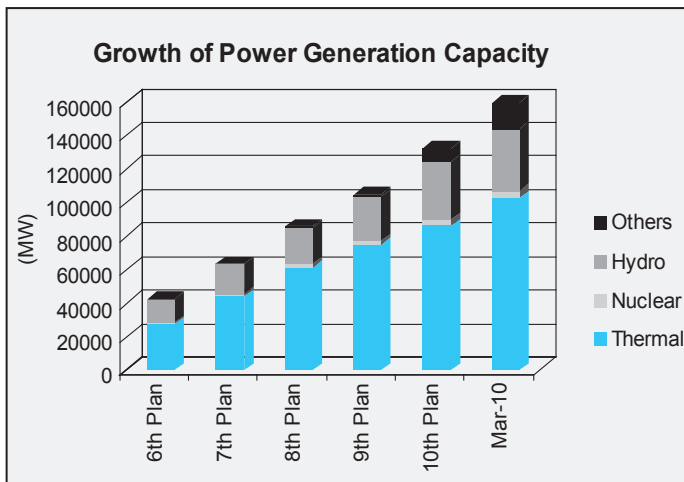


Power is the most fundamental necessity of modern day life. The Indian power sector has been in the forefront of government's policy in recent years as it looks to improve basic infrastructure facilities. As the country aims at a growth of 9-10% for next couple of decades, energy will be one of the most important enabler that will help achieve the growth targets. Over the decades, the Indian government has failed to achieve the power generation targets. However with active participation of the private sector, the pace of capacity addition has been picking up in recent years. Going forward, the sector provides massive opportunities for the private sector.

Growth of the Industry

Electricity production in India had begun well before the independence. After the country achieved independence, the government took the reins of electricity generation in its hands in order to take the service to each household. Over the four decades following independence, power generation capacity in India made huge progress. From a humble power generation capacity of 1362 mw in 1947, the country developed a capacity of 63,290 mw by 1990.

However, as was the case with most other government monopolies, power industry too was not been able to perform on metrics of efficiency, consistency and reliability. Despite large increase in capacity, overall supply remained below the demand. Large section of the population either remained without power or received infrequent and unreliable service characterized by frequent power cuts and fluctuating voltages.



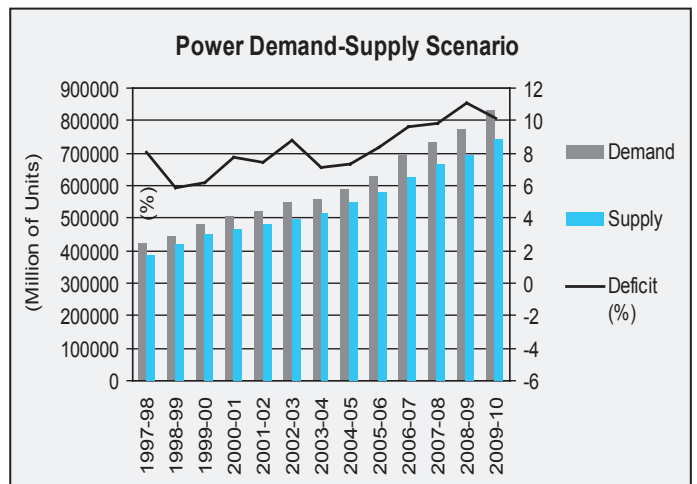
By the end of eighth decade of last century, the state controlled power units were struggling with mounting losses, depreciating capital equipment, lack of fresh

investments and environmental concerns. Understanding the hardships being faced by the public units, and their inability to meet the socialist agenda of taking power to each house, the government embarked on power sector reforms during early 1990s, although at the wrong end of generation instead of distribution.

However, power sector remained one of the most underperforming sectors during most of the post reform period as well. With the rapid industrialization, demand for electricity has been increasing at a fast pace and the supply has been far short of expectations. Successive governments have failed to meet targets set under the Five-Year Plans.

Current Scenario

In the ongoing Eleventh Five Year Plan (FYP) the government set a target of adding 78,000 mw of power generation capacity, but only 21,221 mw capacity has been added by the end of FY10. The Planning Commission in this wake has reduced the power target by over 20% to 62,374 mw. Even the revised target looks difficult to achieve. As a result, the country continues to face an increasing gap in electricity supply and demand.



However, there has been some improvement in pace of capacity addition in FY10, particularly in wake of increasing participation of the private sector. In its second term, the UPA government has put a great emphasis on infrastructure development. Along with roads and highways, power generation is one of the key areas where government is committed to substantially improve its performance over the previous term. As a result, the government has taken a number of policy initiatives aimed at attracting greater private investment and things

are looking to move into the right direction.

Recent policy developments in power industry

Modifications to Mega Power Plant Policy

The Union Cabinet on October 1, 2009 approved modifications in the existing Mega Power Policy that was introduced in 1995 for providing impetus to development of large size power projects in the country. As per the modifications:

- (i) The existing condition of privatization of distribution by power purchasing states to be replaced by the condition that power purchasing states shall undertake to carry out distribution reforms as laid down by the Ministry of Power
- (ii) The condition of inter-state sale of power for getting mega power status to be removed.
- (iii) The present dispensation of 15% price preference available to the domestic bidders in case of cost plus projects of PSUs to continue. However, the price preference will not apply to tariff based competitively bid projects of PSUs
- (iv) The benefits of Mega Power Policy will also be extended to supercritical projects to be awarded through ICB (International Competitive Bidding) with the mandatory condition of setting up indigenous manufacturing facility provided they meet the eligibility criteria
- (v) All other benefits under Mega Power Policy available to greenfield projects would also be available to expansion unit(s) (brownfield projects) even if the total capacity of expansion unit(s) is less than the threshold qualifying capacity, provided the size of the unit(s) is not less than that provided in the earlier mega power project certificate.

All of these are welcome changes and will help the private investors in a number of ways. The condition that power purchasing states shall undertake to carry out distribution reforms is a positive change as along with easing the norm for seeking a mega power project status, it would also expedite distribution reforms. Removing the condition

of inter-state sale of power is also an encouraging development as earlier only the power plant selling electricity on a long-term basis to two or more states were eligible for seeking a mega power project status. Given the significant demand for power across all states, mandatorily selling power inter-state for the tax incentives was anyway an obsolete requirement.

The benefits of Mega Power Policy to be extended to projects based on supercritical technology is also a very positive move as it would provide a thrust for shifting on to clean coal technologies that minimize carbon foot prints. Finally, the move to extend the incentives under the Mega Power Policy to brownfield expansions by existing mega power projects would significantly reduce the tax costs on capacity expansions for existing power projects and therefore would boost massive capacity expansions through brownfield expansion.

Incentive to green energy

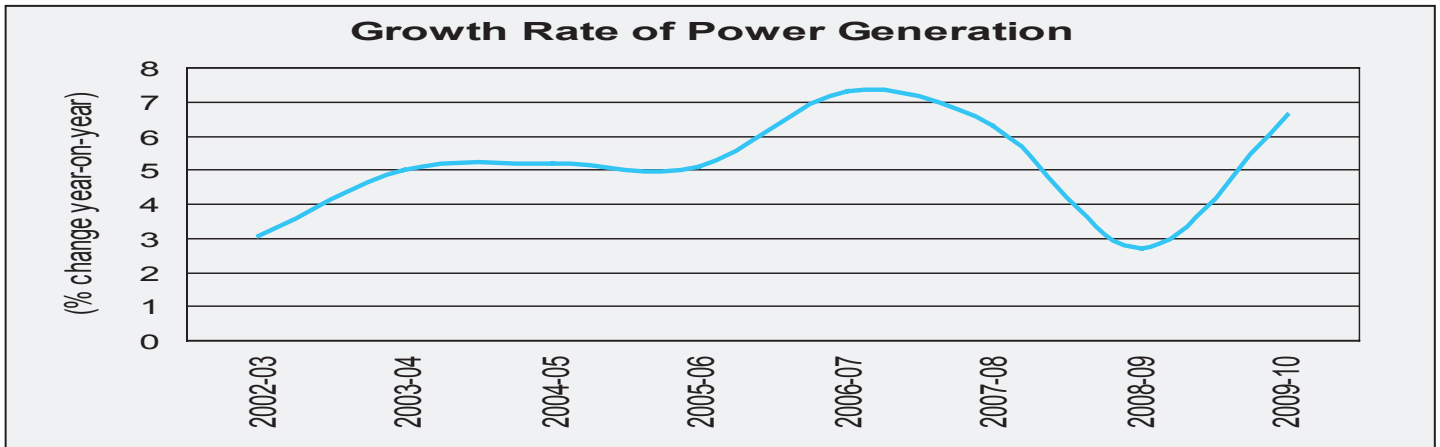
The government recently unveiled new norms aimed at making the renewable power more profitable investment. The Central Electricity Regulatory Commission, (CERC) apex body regulating power tariffs in the country, has notified the tariff regulations for electricity generated from renewable energy sources which aim at providing more return to such projects.

As per the new tariff plan, companies investing in the renewable energy projects will get 19% pre-tax return on investments for the first 10 years of operation while during rest of lifetime of project 23% return would be guaranteed. This is significantly higher than maximum return of 18.4% that thermal power units can fetch.

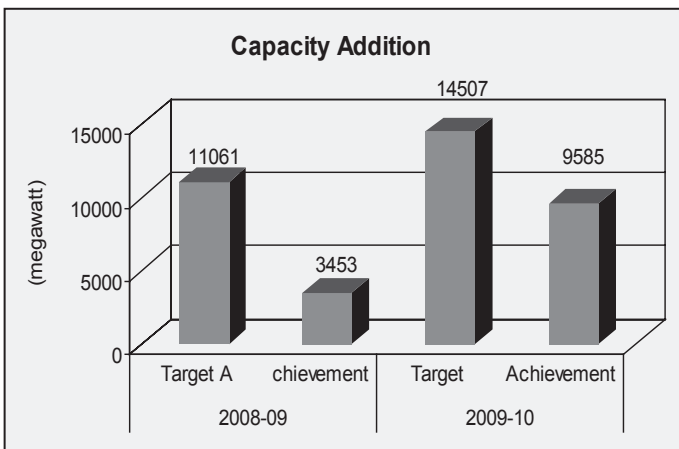
Latest Developments

Growth of power generation improves in 2009-10

After going down sharply in the FY09, the growth of electricity generation has improved considerably in last fiscal. In 2008-09, total power generation grew by a meagre 2.7% to 421,092 million units (mu). However, things changed significantly with government taking steps to ensure strong capacity utilisation in major power plants and also of some new capacity getting commissioned, taking the growth rate of electricity generation to 6.6% in the FY10.



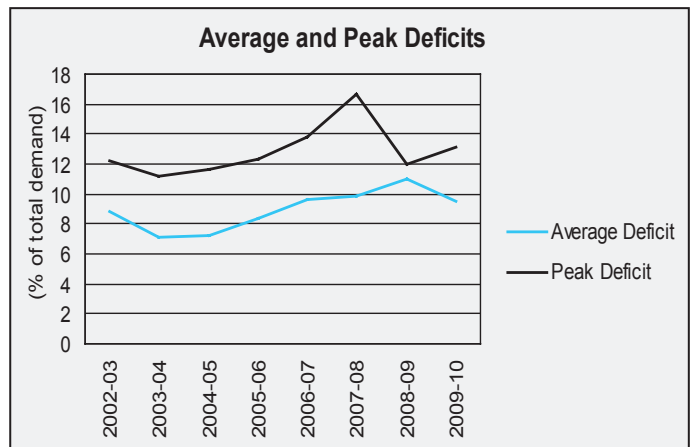
The pace of new capacity generation however continues to remain lacklustre, although the performance in FY10 was better than FY09. In the fiscal 2008-09, the government had a target of adding 11,061 mw of new capacity against which it could manage only 3,453 mw of capacity addition, a shortfall of whopping 68.7%. In the last fiscal, capacity addition was set at 14,507 mw, of which only 9585 mw has been achieved, reflecting an achievement of nearly 66% only.



The government has said recently that the continuous delays in power projects was primarily due to poor domestic capacity of producing electrical components which forced the project directors to depend on large imports marred with chronic delays. The ministry of power has started a program to double the capacity of electrical components manufacturing in the country to help boost domestic availability. With increasing share of capacity addition coming from the private sector players, it is expected that the pace of capacity addition will improve going forward. Also, the government has clarified that it will not restrict the duty-free import of components for the UMPPs, to help ensure that the private players are able to implement projects in time.

Demand-supply scenario in FY10

Average deficit in electricity demand and supply that has been increasing over the last few year came down in the FY10. During 2008-09, average power deficit had risen to 11.1% from 9.61% in the previous fiscal. However, the performance improved in the FY10 with average deficit coming down to 9.5%.



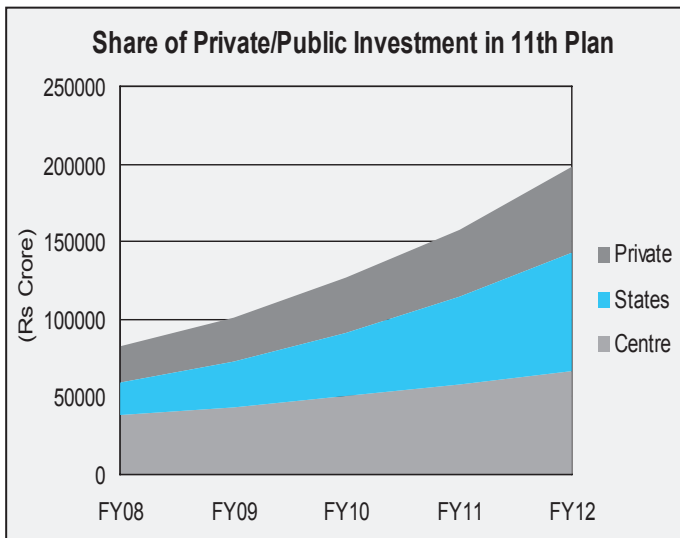
Peak deficit however, which had been declining over last few fiscals owing to improved management and increased inter-regional power exchange, increased in FY10 owing to higher demand from the agriculture sector in wake of the failed monsoon.

Plan outlay for power sector hiked by 34%

The government has increased the plan allocation for the power sector by 34% in the Budget-2010-11 to Rs 60,751 crore from Rs 45,270 crore in the previous fiscal. It has more than doubled the plan allocation for Accelerated Power Development Programme from Rs 2,230 crore in 2009-10 to Rs 5,130 crore in 2010-11. This indicates the kind of importance the government is attaching to the power sector.

Opportunities for Private Players

There exist vast opportunities for the private sector considering the demand-supply gap in the power availability at present as well as the massive energy requirement to sustain a high growth trajectory in the medium run. The Planning Commission having recognised the fact has been providing for increasing share of investment by private players in recent years.



The Electricity Act 2003 provides for any generating company to establish, operate and maintain a thermal generating station without the need of a license, thus providing a free hand in setting up of a thermal generating plant. Power grids have been mandated to provide carrier services on payment of charges to private producers. There also exist substantial opportunities in transmission and distribution. Merchant power is also gaining grounds and this segment is expected to be a significant part of overall power industry in medium term.

Further, to attract greater private investment so as to meet the soaring power deficit in the country the government has changed its strategy and has announced 14 coal-based ultra-mega power projects (UMPPs) with a capacity of 4,000mw each. As of now, the government has allotted four projects — three to Reliance Power and one to Tata Power. Three other power projects are coming up for bidding in next few months.

With the completion of the civil nuclear deal with the US, investment is likely to pick up in this segment as well with

a lot of money going into nuclear power plant construction and other equipment manufacturing.

Outlook

Power sector has been an underperformer in terms of capacity addition over last few years. Compared with an average growth of GDP by over 9% in the four years preceding FY09, electricity generation grew by 4% only. However, in order to maintain a healthy growth rate of economy, the pace of power generation will have to be increased in the country.

As such, the government has given high priority to the power sector and has started an ambitious plan of taking power to all areas of country by 2012. Although the capacity addition target of 78,000mw over the 11th Five Year Plan has been scaled down, with renewed emphasis on the sector, the government may still be able to achieve close to 60,000 mw of new capacity, which will generate tremendous opportunities for power generation as well as transmission companies.

Further, the government is eyeing 100,000 mw of capacity addition over the 12th FYP (2013-2018) which will require even greater partnership from the private sector. The government has off late taken a number of steps to promote the private sector participation. In a recent policy note the Planning Commission has urged the government to make the power sector more attractive for private sector by giving additional tax breaks and other sops. We expect government to take steps on similar lines to ensure that enough private investment required to meet ambitious capacity addition targets can be attracted.

There are also vast opportunities in the nuclear power segment and renewable sources like wind and solar power generation projects. Even as the operation of nuclear energy plants remain in the hands of government for now, private companies have a big role to play in construction of power plants as well as supply of many components thereof. The renewable power generation projects already attract sops over and above those given to coal based projects. Overall, the power sector provides huge opportunities for the private players and is likely to become a key area for private sector in medium run.

RBI's Annual Policy Statement for FY11

India's central bank announced its Annual Policy Statement for the Year 2010-11. The statement came in the backdrop of a rapidly recovering domestic economy facing a complex inflation-growth trade-off, considerable improvements in the global economy, rising global commodity prices and an appreciating currency in wake of sharp increase in capital inflows.

Expectations were that the RBI may go considerably aggressive in tackling the challenge being posed by stubbornly rising inflation. Some of the statements given earlier by the RBI indicating that it would be wise to sacrifice some of the near term growth in favour of achieving a stronger outlook also had hinted towards a very hawkish stance. However, the outcome was pretty much dovish and the moves announced by the RBI had been already factored in by the markets.

The Indian monetary authority increased all the key rates by 25 bps against expectations that either the policy or the reserve rate, if not both, might be hiked by 50 bps. The outcome was therefore a positive for the markets. Nonetheless, given the fact the rate hikes were lower-than-expected, the RBI may probably again act in a mid-cycle move to hike policy rates and probably the reserve rate as well, in case the inflation does not start softening from April-May onwards as expected.

Overall, the policy was well balanced. The RBI sought to continue a fine balancing act between inflation and growth despite stating in its assessment of macro economy that the balance of the policy weight should be shifting in favour of checking the price rise. While the reason behind lesser hike in CRR may not be growth worries, but the huge government borrowing program, the RBI has maintained its stated commitment to keep the process of normalising the monetary stance well calibrated.

Key Features

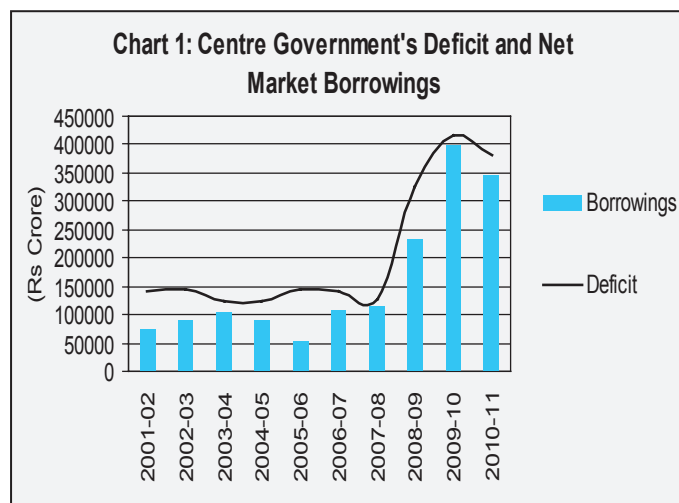
Policy stance

The RBI hiked all the key rates including the repo or the rate at which it infuses short-term liquidity into the system, reverse repo or the rate at which it allows the banks to park their surplus funds with it and the cash reserve ratio (CRR) or the percentage of net time and demand liabilities that commercial banks are required to park with the central bank, by 25 bps.

The new rates for repo, reverse repo and CRR are 5.25%, 3.75% and 6% respectively. The hike in CRR will suck around Rs 12,500 crore from the system compared with average idle liquidity since the last CRR hike in January of around Rs 38,500 crore. The overall stance of the RBI can be dubbed as more dovish than hawkish as the hike in rates was lower than what the markets expected.

One of the reasons why the RBI has been forced to keep

the CRR hike at 25 bps despite substantial liquidity in the system is the heavy market borrowing requirement of the government. The central bank did not make any secrets of the fact either. "This (high sovereign borrowings) presents a dilemma for the Reserve Bank. While monetary policy considerations demand that surplus liquidity should be absorbed, debt management considerations warrant supportive liquidity conditions. The Reserve Bank, therefore, has to do a fine balancing act and ensure that while absorbing excess liquidity, the government borrowing programme is not hampered," stated the RBI.



Though the size of budgeted net borrowings is lower in FY11, gross borrowings will be marginally higher at 4.57 lakh crore. As such, the RBI has to keep its policy tightening gradual to ensure a smooth ride for sovereign borrowing program. Nonetheless, one should keep in mind that before the end of current fiscal, the RBI will be acting at least three times (in the three quarterly reviews) and overall tightening over the fiscal is still going to be around 100-125 bps.

Monetary Projections

After going down through most of the last calendar year, credit off-take has begun to gather pace and surpassed the RBI's indicative target for FY10 at 16.9%. Going forward the credit growth is further expected to pick up as recovery consolidates. Keeping in mind the consolidating recovery and rising trajectory of economic growth, the RBI has projected the credit growth at 20% for FY11. Consistent with it, M3 has been projected to grow by 17.0% while aggregate deposits of banks are projected to grow by 18.0%.

Growth Projection

The RBI sounded pretty confident on growth and has pegged the GDP expansion for the current fiscal at 8% with an upside bias. Though the estimate is slightly lower than those given by the finance ministry and the Economic Advisory Council to the Prime Minister, as well as by the Asian Development Bank in its latest outlook, it

nonetheless reflects considerable improvement in overall economic scenario in the country.

Inflation Projection

The RBI has projected the headline inflation for end-March 2011 at 5.5%, nearly half of the current level. The apex bank stated that it will conduct its monetary policy in a way that would be consistent with maintaining price stability and bringing down the current high inflation. However, the projection would mean an average inflation of more than 7.5% for the current fiscal, which is rather on the higher side.

Impact Analysis

Impact on growth

Despite talking hawkish before the release of the policy, the RBI has acted dovish and has continued to draw a fine balance in growth and inflation concerns. The first indication of faster-than-expected recovery in the Indian economy had come when the gross domestic product (GDP) grew by 7.9% (y-o-y) in the September 2009 quarter. Though the GDP growth decelerated in December to 6.1% owing to negative farm numbers and huge base effect in government expenditure, outlook for March quarter is strong.

The impact of the RBI action on growth in the near term will depend on how the general interest rates move in the economy. For this one needs to look into the liquidity scenario currently in the system. Following the global financial crisis, the RBI had cut the benchmark policy rates and the reserve rates as well in a number of tranches. With more than 1 lakh crore of surplus liquidity in the system, market rates responded with a lag and declined 150-200 bps and even higher for some of the sectors. However, as the recovery started consolidating, the RBI began to reverse the course of the monetary policy by hiking the CRR by 75 bps in January this year. Since then the RBI has increased policy rates twice by 25 bps each time and CRR by another 25 bps. Market rates however are yet to respond.

The main reason behind stable rates is the ample excess

liquidity in the system. Even after the 75 bps hike in CRR in January, the banks parked on an average Rs 78,000 crore in February. The figure declined to Rs 37,500 crore in March, only because of the advance tax outgo and in the first 20 days of April, average size of the reverse repo window again increased to over Rs 50,000 crore. Clearly, there is huge amount of the idle liquidity and even after the latest CRR hike absorbs Rs 12,500 crore from the system, there will be ample amount of excess liquidity, and market rates therefore will not go up.

Going forward however, as the private credit demand picks up further, and the RBI continues to tighten its policy stance, rates will start inching up in the second half of the fiscal. This will moderate growth rates in some of the rate sensitive segments like auto. Average growth rate in the first half of the fiscal in this wake is likely to be slightly higher compared to second half. However, the slowdown in second half would only consolidate the growth story and the pace of GDP expansion, under the assumption of continuous recovery in global economy, will move closer towards the 9% level in next fiscal.

Impact on inflation

India's headline inflation, as measured by the Wholesale Price Index (WPI), after remaining significantly subdued during the first half of the last fiscal, increased at a faster pace in the second half and reached 9.9% by February 2010, and remained almost unchanged at the same high level in March 2010. Decline in agricultural production caused by the deficient South-West monsoon as well as increases in international price of crude oil largely conditioned the inflation scenario. While the WPI exhibited secular increases throughout the year, indicating sustained momentum in inflation, a large part of inflation was on account of low base effect from year ago scenario. Further, there are reasonable indications of generalisation of inflation beginning from November 2009. Inflation in non-food manufactured products (weight: 52.5% in WPI) increased from (-)0.4% in November 2009 to 4.7% in March 2010, clearly signalling increasing demand side

Chart 2: Average Size of Reverse Repo LAF Window

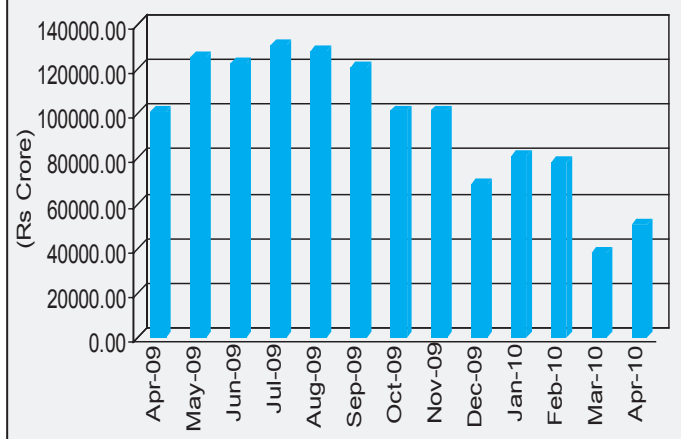
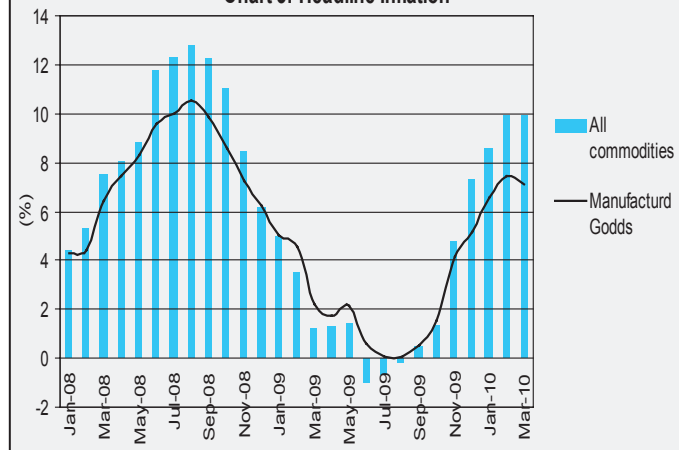


Chart 3: Headline Inflation



pressures. This is also supported by surging industrial growth numbers.

Going forward, as the Rabi harvest comes into markets, we expect the food inflation to soften significantly from the current escalated levels. However, with no immediate movement in market rates, demand side pressures in the manufacturing are likely to persist which will pressure the manufacturing inflation further over next few months. In particular, the sharp surge seen in capital goods numbers in last three months indicate strong expectations of increase in demand side going forward and may therefore indicate higher core inflation in months to come even if headline inflation softens due to waning of base effect and softening of food prices.

Impact on the banking industry

Indian commercial banks have been flush with liquidity over the last few quarters, as reflected in the LAF operations. Credit growth has been falling through most of the calendar year 2009 and touched a 12-year low of little over 9% in November 2009. Since then, the credit growth turned the tide and has surpassed the RBI's indicative projection of 16% by the end of FY2010.

Nonetheless, the pace of credit growth is still slower and there is going to be no immediate impact on either deposit or lending rates. However, going forward, as the credit growth recovers and government borrowing program proceeds, interest rates on both sides will start inching up in second half of the fiscal. This may pose some difficulty for banks but improvement in overall economic scenario and corresponding decline in NPAs will help the banks keep their books healthy.

Overall, we do not expect any significant impact on margins as a result of the latest announcements. However, couple of quarters hence, the situation is somewhat delicate and depending on how smartly the recovery consolidates and how the RBI conducts its policy, banks may feel some pressure on margins. This should however be counterbalanced by an equivalent improvement in asset quality.

Impact on infrastructure sector

The RBI also took some sector specific measures to support lending for the infrastructure projects. The Central bank has allowed the investments in non-SLR bonds issued by infrastructure companies to be put under the held to maturity (HTM) category, subject to a minimum residual maturity of seven years at the time of investment. Earlier, banks' investments in non-SLR bonds were classified either under held for trading (HFT) or available for sale (AFS) category and subjected to 'mark to market' requirements. This however can result in losses to banks in a rising interest rate regime, which is expected to prevail as the recovery consolidates further in India as well as rest of the world. Since banks might have been somewhat reluctant to invest in bonds, the RBI therefore decided to

allow bonds from infra companies to be classified in HTM category.

In another move that will help in particular the roads and highways sector, the RBI stated that banks can now treat annuity payments and toll collection rights for highways built on build-operate-transfer (BOT) mode as a tangible security for loans given against such projects.

As per the current rules, rights, licenses and authorisations of borrowers, charged to banks as collateral in respect of project loans are not eligible for being reckoned as tangible security for the purpose of classifying an advance as secured loan. However, the banking regulator noted in the policy statement that toll collection rights and annuities in the case of road/highway projects did confer certain material benefits to lenders.

In this wake, the RBI decided to allow banks to "treat annuities under build-operate-transfer (BOT) model in respect of road/highway projects and toll collection rights, where there are provisions to compensate the project sponsor if a certain level of traffic is not achieved, as tangible securities subject to the condition that banks' right to receive annuities and toll collection rights is legally enforceable and irrevocable".

Given the fact that two-third of the total infra lending in country comes from sources other than the infra lending institutions like IFCI etc, the move is very desirable and will give a boost to lending for the highway projects in the country. The treatment of annuities as tangible securities under the BOT scheme will also help attract greater private equity into such projects and hence boost the highway development in the country.

Conclusion

Overall, the policy review was a very fine act of balancing various concerns including growth, inflation and large government borrowing requirement. It was more dovish than hawkish and leaves the room for the RBI to make flexible manoeuvres going forward. Further, the policy was consistent with what the RBI has been saying over last several months that it will continue the process of normalising the monetary stance, but the process will remain considerably gradual.

The central bank will continue to move in quarter-percentage-point steps and take several such steps rather than changing the stance sharply at any time. Going forward, as the process is continued, and demand for credit increases, the liquidity scenario will become tighter and there will be some increase in interest rates going into the second half of the fiscal. This however is the natural course as rates have to be made neutral against a high growth and high inflation backdrop. We can conclude by observing that for the next one year or so, the RBI will continue to hike policy rates, but in gradual, preferably 25 bps moves. By the end of current calendar year, 75 bps and start of next fiscal, 100-125 bps of hike in policy rates can be expected.

Kalpatru Power Transmission

Investment overview

- Kalpatru Power Transmission is one of World's leading companies in the design, testing, fabrication, erection and construction of transmission lines and substation structures on a turnkey basis.
- The company has secured an order worth over Rs 319 crore from Chhattisgarh State Power Transmission Co. Limited.
- KPTL has secured orders worth Rs 1,400 crore from Maharashtra State Electricity Transmission (MSETCL) and North East Transmission (NET) for transmission and

Stock Data (as on 30/04/10)	
Current Mkt Price (Rs.)	1087.00
52 week High (Rs.)	1250.00
52 week low (Rs.)	365.00
Mkt Cap (Rs. Cr.)	2887.44
Return in last one Month (%)	4.56

Share Holding Pattern(as on March 31,2010)	%
Total Promoter	63.68
Institutions	27.38
Non Institutions	8.94

Key Ratios	
P/E	21.73
Price/Book(x)	2.23
Dividend Yield (%)	0.71
ROCE(%)	15.96
ROE(%)	11.76

substation projects.

- KPTL has won three orders from Power Grid Corporation of India (PGCIL) for 765 kV and 400 kv transmission line projects.
- The company has received approval for issuing securities through Qualified Institutions Placement (QIP). It has earlier received its board's approval to mop up funds to the extent of \$125 million to support future growth plans of the company.

Business Overview

Kalpatru Power Transmission is engaged in the business of designing, testing, fabrication, erection and construction of transmission lines and sub-station structures on a turnkey basis across India and overseas.

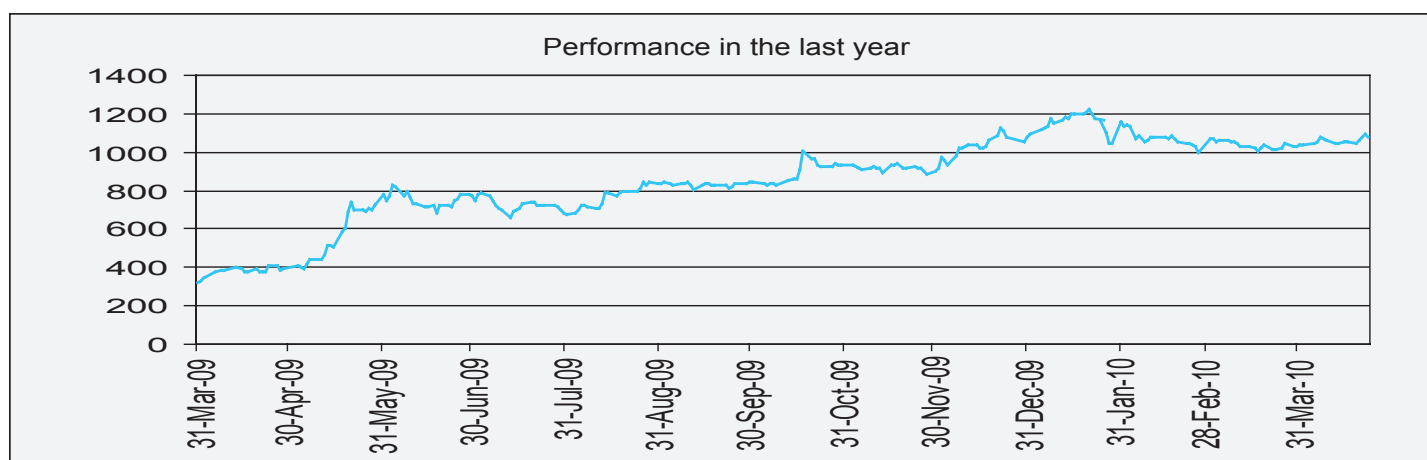
The company is one of the leading companies in the field of Turnkey projects for EHV Transmission Lines up to and including 800 KV in India and Overseas. Being known as EPC contractor, company is engaged in designing, testing, fabrication, galvanizing of towers and construction activities from survey, civil works/foundation, erection to stringing and commissioning of EHV lines, besides procurement of items such as conductors, insulators, hardware accessories, etc. Company also has business interest in substation projects.

The company's Construction division has completed over 8,000+ kms of turnkey projects in India for various clients such as the Power Grid Corporation of India and various State Electricity Boards (SEBs) of Gujarat, Karnataka, Maharashtra, Rajasthan, Andhra Pradesh, Rajasthan, Orissa, Tamil Nadu and Madhya Pradesh.

The company has diversified into Power Generation using renewable/non conventional energy sources such as agricultural waste and crop residues (biomass) in the State of Rajasthan.

Financial Health

For the quarter ended December 31, 2009 the company reported a phenomenal rise of 121% in its PAT to Rs 44.07 crore from Rs 19.95 crore in the corresponding previous quarter. The net sales too were up by good 72.04% to Rs 719.23 crore from Rs 418.05 crore.



(Rs. Cr.)

Particulars	Dec. Qtr-09	Dec. Qtr-08	Growth %	FY08	FY07	Growth%
Net Sales	719.23	418.05	72.04	1884.92	1737.58	8.48
Total Income	728.94	427.32	70.58	1913.26	1759.05	8.76
Other Income	0.71	9.27	-92.34	28.34	21.47	32.00
PBT	61.38	23.30	163.43	120.58	201.55	-40.17
PAT	44.07	19.97	120.90	94.41	149.95	-37.04
EPS	16.63	7.53	120.85	35.63	56.58	-37.03

Standalone

Total income of the company surged by 71% to Rs 728.94 crore from Rs 427.32 crore in the same quarter last year. Though other income of the company declined 92.34% to Rs 0.71 crore from Rs 9.27 crore.

Segment-wise, Transmission & Distribution Division contributed a revenue of 612.33 crore, Infrastructure division contributed 93.40 crore, Biomass Energy Division contributed 13.09 crore while Real Estate Division contributed 0.41 crore.

Industry Scenario

The Indian power sector has been in the forefront of government's policy to boost infrastructure development in recent years. As the country aims at a growth of 9-10% for next couple of decades, energy will be the one of the most important enabler that will help achieve the growth targets. Over the decades, the Indian government has failed to achieve the power generation targets. However with active participation of the private sector, the pace of capacity addition is likely to improve considerably going forward.

Indian economy has recovered rapidly from the aftermaths of global economic crisis that surfaced in the second half of 2008. The sharp recovery seen in industrial activity in last few months has boosted the prospects of growth and the focus of the government therefore has been shifting from recovery to boosting growth. It has, therefore, put a strong emphasis on infrastructure development to take the economy back to the high growth trajectory and sustain in the medium term. The infrastructure sector is being given top priority in the policy making as is reflected from allocation of Rs 1,73,552 crore, which accounts for over 46 per cent of the total plan allocations, for infrastructure development.

Within the infrastructure space, along with roads and highways, power generation is one of the key areas where government is committed to substantially improve its performance. The government has already taken a number of policy initiatives aimed at attracting greater private investment into the segment and in the FY11 budget, the finance ministry has more than doubled the plan allocation for Accelerated Power Development Programme from Rs 2,230 crore in 2009-10 to Rs 5,130 crore in 2010-11. Overall plan outlay for the ministry of power too has been increased substantially from Rs 45,270 crore for FY10 to Rs 60,751 crore for the FY11.

Latest developments:

Haryana has decided to award the contract for power transmission in the state to the consortium of Kalpataru Power

Transmission, Mumbai, and Techno Electric and Engineering Co Ltd, Kolkata. The project has been awarded on Design, Build, Finance, Operate and Transfer (DBFOT) basis.

The company has secured an order worth over Rs 319 crores from Chhattisgarh State Power Transmission Co. Limited. KPTL has signed a contract for the turnkey project of 400 KV D/C Quad Marwa- Raipur Transmission Line. The scope of work ranges from design, testing, supply of towers & line materials, construction and commissioning of the project. The project to lay 150 km of transmission line expected to be completed in 25 months.

Investment Rationale

The company's order book has swelled by about Rs 5500 crore and recently too has bagged few major orders. The company is having sufficient orders from its different divisions and we expect the company to get more orders from the different sectors, especially from the pipeline for transportation of crude oil. Also the company's focus on infrastructure spending, including power, coupled with export opportunities is expected to boost its order flows.

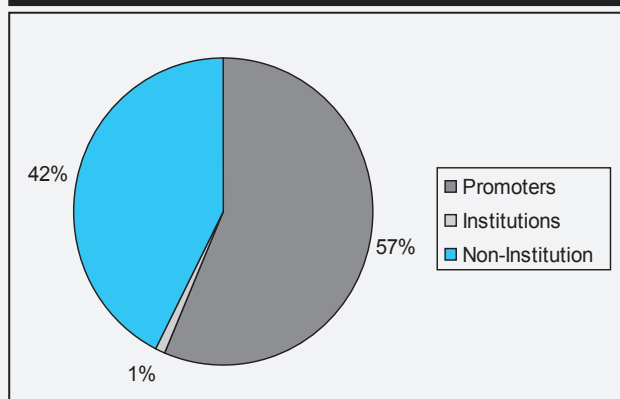
Being an international player it is getting healthy orders from abroad as well and has recently bagged an order worth Rs 100 crore from Sonelgaz, Algeria for the turnkey construction of 220 KV transmission lines of 100 kilometres (km) and 60 kV lines of 120 km. The completion period for the different lines varies from 12 to 15 months.

The company has recently received its board's approval to mop up funds to the extent of \$125 million to support future growth plans of the company. It will be going for QIP.

The company's recent order from Haryana on DBFOT basis will set up a new milestone in the creation of transmission infrastructure with support from the state and Centre and with private sector investment. The KPTL consortium has bagged the order by quoting the lowest one-time grant of Rs 93.90 crore over and above the unitary charge of Rs 4.5 crore per month payable after commissioning of the sub-stations scheduled for December 2011.

At the CMP of Rs 1087, Kalpatru Power Transmission is trading at present EV/EBIDTA of 12.09x and 7.47x of FY11E and 12x FY11E EPS. Factoring the likely equity dilution from the planned QIP issue, we will recommend a BUY in the stock with a price target of Rs 1254, keeping in view the strong order book and expected rise in revenue at a CAGR of 19% over FY11.

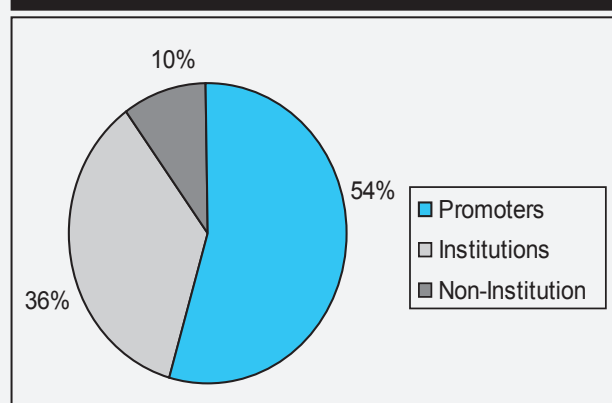
Energy Development Company: Buy



- ◆ Energy Development Company, incorporated in 1995, is engaged in the business of hydroelectric and wind power generation. It also provides consultancy services and sales electrical materials.
- ◆ For the quarter ended December 31, 2009, the company had reported a net profit of Rs 2.53 crore against Rs 6 crore for the corresponding previous quarter, down 57.83%. The decline in net profit was mainly on the back of sharp drop in net sales of the company to Rs 6.43 crore from Rs 18.19 crore, on Year-on-Year (YoY) basis.
- ◆ Though net profit and net sales remained under pressure during the quarter under review, its operating profit margin improved by whopping 2395 basis points (bps) to 67.75%. Net profit margin also improved to 39.37% in Q3 from 32.99% for the year ago period.
- ◆ The company's dividend yield as per latest valuations stood at 1.63% against other industry peers - NHPC (0.97%), Tata Power (0.87%) and Adani Power (Nil).
- ◆ Recently, it bagged a contract worth Rs 31 crore from the government of Tripura for the construction/replacement of bridges. The contract is to be completed within a period of two years.
- ◆ In March 2010, the energy major registered its '2 X 3.5 megawatt (MW) Ullunkal Hydro Power Project' in Kerala as CDM project.
- ◆ The stock currently trades at a price-to-earning (P/E) ratio of 21.25 times against NHPC (33.77), Tata Power (29.40) and Adani Power (155.97).

Last Traded Price (as on 30/04/10)	Rs 62.60
Price target	Rs 72.50
Market cap. (Rs cr.)	172.15
52 Week H/L	82.30/ 45.15
Free Float	43%
BSE code	532219

GVK Power: Buy



- ◆ GVK Power & Infrastructure (GVKPIL), incorporated in 1994, is engaged in infrastructure development for power, airports and road projects. The company till date has invested over Rs 5,000 crore in infrastructure projects. It is part of the GVK group that has business interests in hospitality, services and the manufacturing sector.
- ◆ It has initiated power projects that will cross over 2000 MW capacity once operational.
- ◆ Besides this, the company also has presence in airports, roads and urban infrastructure segments.
- ◆ GVKPIL has entered into a joint collaboration with Tamil Nadu Industrial Development Corporation (TIDCO), an undertaking of the government of Tamil Nadu to develop a multi-product Special Economic Zone (SEZ) in Perambalur district.
- ◆ The company posted a net profit of Rs 21.68 crore for the financial year ended March 31, 2010 against Rs 21 crore for the financial year ended March 31, 2009, up 3.24%. It's operating income during FY10 surged by 73.57% to Rs 45.37 crore from Rs 26.14 crore for FY09.
- ◆ Recently, GVKPIL acquired additional 9.50% stake in GVK Gautami Power, a subsidiary of the company, from Nagarjuna Constructions Company. As a result of this acquisition, its equity holding in GVK Gautami Power increased to 63.60%.
- ◆ Apart from this, the company is also expected to increase its stake both in Mumbai International Airport (MIAL) and Bangalore International Airport (BIAL). It already holds about 37% stake in MIAL and around 29% stake in BIAL, out of which 17% stake was acquired from Larsen & Toubro and 12% was acquired from Zurich Airport.

Last Traded Price (as on 30/04/10)	Rs 45.25
Price target	Rs 52.5
Market cap. (Rs cr.)	7,146
52 Week H/L	53.75/ 25.20
Free Float	46%
BSE code	532708

RCom ties up with GetJar to create India's largest mobile apps store

Reliance Communications (RCom), India's largest and only telecom operator offering nationwide CDMA and GSM mobile services has entered into partnership with GetJar, the world's second largest apps store to offer its customers extensive catalog of over 65,000 free mobile applications across GSM and CDMA networks. Pursuant to this alliance, RCom's over 100 million subscribers will gain immediate access to GetJar's massive library of applications via a GetJar apps store through RCom's VAS platform R-World. GetJar will also enable RCom to offer its apps store to a large bandwidth of mobile handsets across multiple brands and not remain restricted to a few high-end smartphones. It will further, offer the service at 50 paise per MB of usage, while the application download and use by itself will be free of cost.

Kingfisher Airlines launches two new flights between UAE, India

Private sector air carrier Kingfisher Airlines has launched two new international flights connecting the UAE to New Delhi and Mumbai. With the launch of these new routes -- from Dubai to New Delhi, and Dubai to Mumbai, the company now operates 21 weekly flights between the UAE and India. Meanwhile, all flights on the new routes will be operated using Kingfisher Airlines' Airbus A320. The flights on the Dubai-New Delhi route would include a dual-class cabin with five-star luxury on Kingfisher First and Kingfisher Class while the Dubai-Mumbai flight would include only the Kingfisher Class.

RIL makes fourth oil discovery in block CB-ONN-2003/1

Reliance Industries has announced its fourth oil discovery in exploratory block CB-ONN-2003/1 located onland in the Cambay Basin and awarded under NELP-V round of exploration bidding. The well, CB10A-F1, was drilled to a total depth of 1605 metres in Part A of the block with the objective of exploring the play fairway in the Miocene Basal Sand (MBS) of Babaguru formation. Two hydrocarbon bearing zones were identified from 1397-1407 metres and 1378- 1382 metres. Conventional production testing was carried out in one of the zones in the interval 1397-1400 metres. The well flowed at a rate of 300 barrels of oil per day (bopd) through 6 mm bean with a flowing tubing head pressure of 250 psi.

NTPC in JV with NPCIL to set up nuclear power projects

The government-owned National Thermal Power Corporation (NTPC) and Nuclear Power Corporation of India (NPCIL) have entered into joint venture (JV) for the purpose of formation of a public limited company to set up nuclear power project with two nuclear reactor units which may be extended to setting-up additional nuclear power

projects subject to techno-economic viability.

The proposed joint venture company (JVC) will be a subsidiary of NPCIL in which NPCIL shall hold 51% equity and the balance 49% will be held by NTPC. The core benefit of nuclear power is that it is a reliable, safe and green source of energy and is also seen as an alternative solution to the issues of global warming as well as the rising fuel security crisis.

Tata Communications broadens its reach to Russia via a local Moscow point of presence

Tata Communications, a leading provider of a new world of communications, further expanded its network into Russia via a local Moscow point of presence. As the brand sets its sights on the growing demand for telecom services in Russia and the Commonwealth of Independent States (CIS), its local presence in this geography further reinforces its focus on emerging markets. Further, multiple services from its Moscow location will integrate seamlessly into the company's next generation network and IP/MPLS and Ethernet infrastructure for onward national and regional connectivity. The company's MPLS network reaches 67 countries together with its VNO network that reaches 194 countries.

RIL closes Marcellus Shale JV transaction with Atlas Energy

Reliance Industries (RIL) has announced the closing of its recently announced Marcellus Shale joint venture (JV) transaction with US-based Atlas Energy, Inc, of Pittsburgh, Pennsylvania. Under the terms of the transaction, RIL will acquire 40% interest in Atlas' core Marcellus Shale acreage position. Reliance paid Atlas approximately \$339 million in cash at closing and will pay an additional \$1.36 billion under a carry arrangement by funding 75% of Atlas' capital costs over the development program.

Piramal Healthcare in pact with BSV to acquire its anaesthetic products business

Piramal Healthcare, one of India's largest pharmaceutical and healthcare companies, and Bharat Serums And Vaccines (BSV), an Indian bio-pharmaceutical company, have signed a definitive agreement for Piramal to acquire BSV's injectible anaesthetic products business including Propofol, Bupivacaine and Atracurium Besylate. This anaesthetic product range is developed and currently manufactured by BSV at its own plant. As per the terms of the agreement, BSV will enter into a long-term manufacture and supply agreement with Piramal Healthcare for anaesthetic products developed and manufactured by BSV.

ONGC in talks with ExxonMobil for stake in KG basin block

Oil and Natural Gas Corp (ONGC) is in talks with global majors like ExxonMobil to replace Norway's Statoil and Petrobras of Brazil, who have decided to quit its KG Basin

gas block. The company also plans to invest Rs 27,000 crore in the current financial year versus Rs 25,000 crore in 2009-10 to implement various exploration related programmes and use better techniques to boost output from the ageing fields.

NTPC in pact with CIL

Largest power utility of the country, National Thermal Power Corporation (NTPC) has inked an agreement with another PSU -- Coal India (CIL) -- to form a 50:50 joint venture (JV) for establishing two coal-fired power projects in Jharkhand.

The projects, which will be set up at the Brahmini and Chichro Patsimla coal mines, will require total investment of around Rs 16,000 crore.

Rolta India acquires OneGIS, Inc of Atlanta, GA, USA

Rolta India, a global solutions provider of innovative information technology solutions, has acquired OneGIS, Inc of Atlanta, GA, USA. OneGIS is an exceptional consulting, development and systems integration firm with an excellent track record of implementing geospatial and IT solutions. Rolta has also acquired the company's intellectual property, including the OneView Mobile solution, to enrich its portfolio of IP.

Videocon Industries plans to buy Philips India's consumer electronics biz

Videocon Industries is planning to acquire Netherland-based consumer durable major Philips's local consumer electronics business. The acquisition does not include the lighting and healthcare products businesses of the Philips India. The said acquisition will help Videocon to expand its presence in the home appliances segment, as Philips is a popular brand in this area.

Madhucon Projects bags EPC Contract worth Rs 1,198 crore

Madhucon Projects, one of the leading infrastructure development companies, bagged an EPC contract worth Rs 1,198 crore for setting up of 2x150 MW coastal-based thermal power plant in Krishnapatnam South, SPSR Nellore District of Andhra Pradesh. The project shall be completed in 27 months. This 2x150 MW coastal-based thermal power project is the second phase of the total envisaged 1920 MW being set up by Simhapuri Enegy. Simhapuri Enegy has already been allotted land for the second phase and the financial closure for the second phase is in advance stage. It has also obtained environmental clearance from Ministry of Environment and Forest.

HCC wins Rs 608.39 crore contract

Hindustan Construction Company (HCC) has won an EPC (Engineering, Procurement and Construction) contract worth Rs 608.39 crore from the Director General of Naval Projects to develop a dry dock and associated north and

south wharves at Naval Dockyard in Mumbai. The scope of the order includes earthwork, diaphragm walls, cofferdam, underwater concreting, dock walls, pumping systems, HSD tanks and ventilation system and also substation, emergency gen-sets, etc as major items of works. The permanent dock systems include caisson gates, dock-arm, hauling-in systems, cargo lifts, capstans, etc.

Unitech gets board nod for restructuring

Unitech, India's second largest real estate firm's board has approved the proposal for amalgamation of two wholly owned subsidiaries of company viz. Aditya Properties and Unitech Holdings with the company. The board has further approved demerger of the infrastructure undertaking of the company, which comprises the business of operation and management of amusement parks and hotels; the construction business of the company; and investments in the infrastructure sector (including investments in telecommunications, transmission towers, hotels, amusement parks, special economic zones, IT parks, logistics parks, industrial parks, property management operations, township management operations), including all assets and liabilities pertaining to such businesses of the company, and for vesting of the demerged undertakings into Unitech Infra, currently a wholly-owned subsidiary of the company, on a going concern basis;

The board also gave its approval for hiving off of the shares and investments held in companies in the telecommunications sectors to, a wholly owned subsidiary of Unitech Infra.

Axis Bank to undertake primary dealer business

Axis Bank has been permitted by the banking regulator-- Reserve Bank of India (RBI)--to undertake primary dealer business departmentally in the government securities market from April 5. This permission has been granted in accordance with RBI's Annual Policy Statement for the year 2005-06 that the permitted structure of Primary Dealership business would be expanded to include banks, which fulfill certain minimum eligibility criteria. Accordingly, the RBI had issued guidelines in 2006 on eligibility criteria for banks to undertake primary dealer business departmentally.

Pratibha Industries secures contract worth Rs 157.59 crore from Bihar government

Pratibha Industries has secured a contract in a joint venture (JV) with Membrane Filters (India), Pune for design and construction of 500 mini water supply schemes from the Government of Bihar, Public Health Engineering Department, Patna. The value of the contract is Rs 157.59 crore. The project is for design, construction and commissioning of 500 mini water supply schemes for iron affected villages with provision of (i) suitable treatment plants for removal of iron and (ii) solar pumping sets, on turnkey basis in various districts of the state. The project is to be executed in 18 months.

April passes on a flat note for the Indian markets

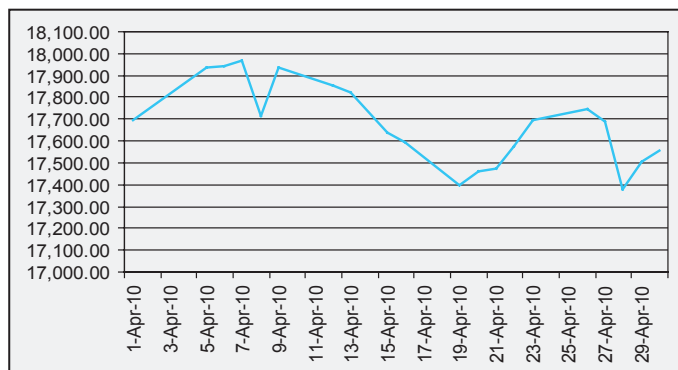
Indian equity markets after a month of splendid gains closed flat in the first month of new financial year. Though, the start of the month was on a quite bullish note but as the month progressed, slowly the global worries gripped the Indian equity markets. It was a month of financial results and that kept the markets buzzing right from the earnings announcement of IT bellwether Infosys, the company reported a good set of numbers and set a high benchmark for its peers. Most of the companies that announced their annual numbers so far remained in line with expectations. Hence, the markets have given a thumbs-up to the results season. The main concern for the month erupted from the Euro Zone and after debt rating downgrade by the rating agency S&P for three European nations there was worry and panic across the globe that the situation might spread to other nations as well. It downgraded Greece debt to junk. Greece's debt rating was slashed to BB plus from BBB plus while it lowered Portugal's debt two notches to A-minus from A-plus, a day later the agency lowered Spain's long-term sovereign debt rating to AA from AA-plus. The euro area's budget deficit widened to more than double the European Union's 3% limit in 2009. Total budget deficit of the euro zone surged to 6.3% of GDP in 2009, highest since the introduction of euro in 1999. The other global news that kept the markets buzzing was the Securities and Exchange Commission (SEC) in US charging Goldman Sachs & Co. and one of its vice-presidents for defrauding investors by misstating and omitting key facts about a financial product tied to sub-prime mortgages as the US housing market was beginning to falter. Amid all the global worries there were good news from the domestic front, in the FY 2009-2010, when Sensex and Nifty gained by 80% and 74% respectively, Indian companies including the PSUs (Public Sector Undertakings) raised over Rs 47,800 crore through public offers. The stellar performance in the secondary capital markets has apparently led to the revival of primary markets as well.

The month also marked an end of long wait and delay that at one point seemed never ending; the auction of the much talked third generation (3G) radio frequency began. All the major telecom players are bidding in the auction and it is expected to yield more than Rs 35,000 crore to the government revenue. All the 22 telecom circles in country will be put on auction simultaneously. The government will fix the price of each 3G license, beginning at the floor prices decided already and will be raised by 1-10% in every round depending on how many players are bidding against the given number of slots. It ends once the number of bidders equals the number of available slots. Finally on the 19th day, revenue crossed Rs 40000 crore milestone Bidding process for the 3G auction. The all India bid rose to Rs 9920 crore from Rs 9521 crore on the 18th day. The bid activity level was at 90%.

So far as the sectoral performance was concerned, Consumer Durables (CD) emerged as the top gainers on

the BSE Sensex, gaining 10.06% followed by Realty up by 6.65%, and Bankex up by 4.72%, Power index was up by 2.75%, Information Technology (IT) was up by 2.29%, Auto was up by 1.68% while Fast Moving Consumer Goods (FMCG) sector was up by 1.65%. On the losing front Oil & Gas sector was the main losing index on BSE, down by 2.32% followed by Metal, down by 1.71%.

BSE Sensex movement for the month of March



India's six major infrastructure industries registered a robust growth of 7.2% in March, the highest in the last fiscal, raising hopes that the overall industrial production in the country will continue to show strong expansion despite the beginning of the exit from fiscal stimulus by the government in the budget for FY11 released towards the end of February 2010. The Index of the six core industries having a combined weight of 26.7% in the Index of Industrial Production (IIP) increased to 257.4 in March 2010, registering a growth of 7.2% compared with 3.3% expansion registered in the same month last year. Cumulative growth in the core sector during April-March 2009-10 now stands at robust 5.5% as against 3% during the year ago period.

BSE Sensex Monthly Gainers

Company	Prev Price (March 31'10)	Last Price (April 30'10)	Change (%)
Tata Motors	756.30	856.45	15.41
Reliance Infra	993.45	1102.30	14.36
SBI	2082.15	2302.00	10.36
HDFC	2637.60	2802.00	6.99
HDFC Bank	1906.40	1973.00	4.47

The strong show was led by sharp growth in production of finished steel which has witnessed accelerating demand throughout FY10 by the auto and infrastructure industries. Total production of finished steel in March 2010 expanded by 9.2%, compared with de-growth of 1.8% in March last year. Cumulative steel production in the last fiscal has grown by 4.9% compared with 1.6% expansion during the previous fiscal. Coal, electricity and cement also managed a good show expanding by 7.8% each. Growth in these industries in the year ago period stood at 5.3%, 6.3% and

10.1% respectively. Crude production too increased by 3.5% in March 2010 against a negative growth of 2.3% last year. The only segment showing a dismal performance was petroleum refinery which contracted 0.4% compared with a growth of 3.3% a year ago.

- Tata Motors was the top performer of the month, gaining more than 15%. The company's consolidated global sales increased by 39% in March 2010 over the same month last fiscal to 101,712 vehicles. Commercial and passenger vehicles segments registered 53% and 28% growth during the month under review on Year-on-Year (YoY) basis. The group sold total 47,936 commercial vehicles and 53,776 passenger vehicles in March 2010. Jaguar Land Rover (JLR) global sales jumped by 43% during the reporting month to 23,538 units. For the financial year ended March 31, 2010, the group sold total 872,951 cars, up 19% as compared to FY09.
- Reliance Infrastructure was the other top gainer of the Sensex as Anil Dhirubhai Ambani Group (ADAG) increased its holding in Reliance Infrastructure by 5% to nearly 43% by conversion of warrants into equity shares. The new equity infusion increases the holding of promoters in the company to 42.74% from 37.75% earlier. In July 2009, the board of Reliance Infrastructure allotted 42.9 million convertible warrants to AAA Project Ventures, entitling them to one equity share of Rs 10 per warrant, at an issue price of Rs 929 per share.

BSE Sensex Monthly Losers			
Company	Prev Price (March 31'10)	Last Price (April30'10)	Change (%)
Sun Pharma	1758.40	1571.00	-10.90
Maruti Suzuki India	1408.90	1280.00	-9.17
Reliance Industries	1087.85	1022.35	-5.09
ACC	183.75	173.20	-5.00
TCS	953.80	903.00	-4.33

- Sun Pharma was the top loser of the BSE Sensex, the company lost about 11% during the month as it has been banned to sell generic copy of the French drug maker's cancer medicine, Eloxatin from June 30 by the US court. Sun Pharma comes under the axe of US Federal courts in relation to patent litigation over two blockbuster drugs, Protonix and Eloxatin. The company had launched both generics 'at risk' and therefore may be now liable for 'loss of sales claim' should the judgments be comprehensive.
- Maruti Suzuki was the other top loser on the index, though the company came with a good set of numbers for the final quarter and the year ended March 31, 2010 but it lagged behind the street expectation and it also expressed concerns about the rising margin pressure. On the consolidated basis the Group reported a net profit

increase by 113.83% from Rs 2624.64 crore for the year ended March 31, 2010 from Rs 1227.45 for year ended March 31, 2009. While, the total income has increased by 40.99% to Rs 30704.57 crore from Rs 21776.84 crore in the previous year.

In the passing month banking sector saw a spurt in the second half when the Union cabinet approved the infusion of Rs 15000 crore into the public sector banks over the current fiscal. The government will decide on the amount of capital infusion over the next fiscal depending on their third quarter performance in the current fiscal. A number of PSBs including Dena Bank, Indian Bank, Bank of Maharashtra, Central Bank, and Overseas Bank, etc. are likely to benefit from capital infusion plans. The infusion of Rs 15,000 crore in Tier I capital Instruments of PSBs would enable them to expand their credit growth by about Rs 1,85,000 crore. The government believes that this additional availability of credit will boost credit growth in the economy and ensure that reasonable amount of liquidity is available for the private sector even as the government borrows a record Rs 4.57 lakh crore from the markets.

In the final week of the month another good news came that soothed the worries of rising inflation, the India Meteorological Department (IMD) has said that the country is likely to have a normal monsoon this season, allaying apprehensions regarding one of the most crucial events for the Indian economy that will determine to a large extent the availability of food grains, movement of food inflation and can have strong impact on overall economic growth going forward. The IMD for first time in the current season has come out with a quantitative perspective, saying the total rainfall during the June-September monsoon season was likely to be 98% of the long period average (LPA). While the assessment is subject to a model error of $\pm 5\%$, in past the predictions of IMD have varied much beyond that too. Monsoon rains impact not only the farm sector but so many non-farm activities as well. Most importantly, electricity production from hydel projects depend to a large extent on the rainfall scenario, and second consecutive poor rains could impact overall power supply situation in the country strongly. So far, the indication are however good and if the monsoon does turn out to be normal, it will help further boost the recovery in Indian economy.

Though Oil & Gas sector turned to be the laggard of the month, the PSU oil companies suddenly got a spurt on the last trading day as the government constituted an empowered group of ministers (EGoM) to deliberate on the recommendations of the Kirit Parikh's committee on oil sector. The committee had recommended a partial deregulation of fuel prices and the EGoM will now take a final call on the matter. The EGoM will be headed by finance minister, Pranab Mukherjee and will include petroleum minister Murli Deora, power minister Sushilkumar Shinde, fertiliser minister MK Alagiri and railway minister Mamata Banerjee. Finally the benchmarks ended flat for the month, while the BSE Sensex snapped the month higher by 0.18%, S&P CNX Nifty was marginally down by 0.06%

Core sector expands at 7.2%, indicates strong March IIP

India's six major infrastructure industries registered a robust growth of 7.2% in March, the highest in the last fiscal, raising hopes that the overall industrial production in the country will continue to show strong expansion despite the beginning of the exit from fiscal stimulus by the government in the budget for FY11 released towards the end of February 2010. The Index of the six core industries having a combined weight of 26.7% in the Index of Industrial Production (IIP) increased to 257.4 in March 2010, registering a growth of 7.2% compared with 3.3% expansion registered in the same month last year. Cumulative growth in the core sector during April-March 2009-10 now stands at robust 5.5% as against 3% during the year ago period.

India's crude and natural gas output increases by 3.5% and 69% respectively in March

India's crude oil production has registered a year-on-year growth of 3.5% to 2.95 million tonne in March, extending its upward movement for the fourth consecutive month. Similarly, total natural gas production also surged by 69.4% y-o-y in March riding on increased production from Reliance Industries' eastern offshore KG-D6 fields.

According to the latest data, public sector refiners processed 2.4% less crude at 9.67 million tonne in March. The private refiners like Reliance Industries and Essar Oil processed 4.5% more crude in March on a year-on-year basis.

Road ministry scales down its target to 12 km per day

The road ministry has scaled down the target of building 20 km of roads and highways every day for the current fiscal. Road transport and highways minister Kamal Nath admitted that the country is likely to build only 12-13 km of roads a day in the current fiscal year ending 31 March 2011, though the pace will continue to improve on sequential basis.

India gets more say at the World Bank

India has seen its vote share in the World Bank increasing after the multilateral institution passed the latest reforms in the voting shares. India now enjoys 2.91% voting shares compared with 2.77% earlier. A resolution to this effect had earlier been passed at the G20 meet held last year in the US.

India's teledensity surges to 52.74% by end-March

With the addition of 20.3 million subscribers in March this year, India's teledensity has gone up to 52.74% in March against 51.05% in February. However, the number of users in the wireless segment remained unchanged

in the reported month. 'The number of telephone subscribers in India increased to 621.28 million at the end of March 2010 from 600.98 million in February 2010, thereby registering a growth rate of 3.38%. With this, the overall teledensity in India reaches 52.74%', the Telecom Regulatory Authority of India (TRAI) said.

Government earmarks Rs 28,500 crore subsidy for decontrolled fertilisers

The Indian government has earmarked Rs 28,500 crore for subsidising the decontrolled fertilisers under the newly launched nutrient-based subsidy (NBS) policy. The cabinet had approved the policy nearly a week ahead of the presentation of union budget for FY11 in the Parliament. The government has now informed in the Parliament that out of the total amount of Rs. 52,840.73 crore that have been allocated to fertiliser subsidy in the budget for this fiscal, Rs 13,000 crore will be used to subsidise indigenous decontrolled fertilizers while Rs 15,500 crore will be used for subsidising imported decontrolled fertilizers. Since the prices have been decontrolled for all fertilisers but urea, providing a reasonable amount of subsidy to these is essential for ensuring stable market prices.

Government not to change import duty structure for power equipment

The government cleared that it had no plan to impose import duty on power equipment. There were apprehensions that owing to increasing import of power equipment from China, the government may impose import levy on such equipment. The move however could have further retarded the pace of power capacity addition in the country.

Cabinet approves Rs 15,000 crore capital infusion for PSBs

The Union cabinet has approved the infusion of Rs 15000 crore into the public sector banks over the current fiscal. The government will decide on the amount of capital infusion over the next fiscal depending on their third quarter performance in the current fiscal. A number of PSBs including Dena Bank, Indian Bank, Bank of Maharashtra, Central Bank, and Overseas Bank, etc. are likely to benefit from capital infusion plans.

Banks need RBI's approval before QIPs

India's central bank has said on Wednesday that private sector banks will have to seek its approval before raising funds through sale of shares to the institutional investors on a private placement basis. The RBI said that banks should approach the central bank along with details of the issue once their respective boards approve the proposal of raising capital through this route. Further, it added that allotment to the investors would be a subject to compliance with the guidelines set out by the market

regulator SEBI on QIPs as well as RBI's guidelines released earlier in 2004.

Government will add 9,000 MW wind power capacity by 12th FYP-end

Government asserted that the country will add about 9000 MW of wind power generation capacity during the 11th Five Year Plan (FYP) which ends on March 31, 2012. The previous target was 11,000 MW for the current plan period. The earlier target was lowered on the back of global economic slowdown in 2008-09. The new and renewable energy Minister Farooq Abdullah has exulted confidence that government will be able to make up the 2,000 MW deficit in the 12th FYP during 2012-17. Currently, India has an installed capacity of 4,907 MW and a survey has identified 650 locations with potential of setting up wind farms in the country.

RBI hikes policy rates, CRR by 25 bps

The Reserve Bank of India (RBI) hiked its benchmark policy rates, repo or the rate at which it infuses short-term liquidity into the system and reverse repo or the rate at which it allows the banks to park their surplus funds with it by 25 bps. The move was widely expected and to a large extent factored in by most markets and should be seen as a positive. The Indian monetary authority also raised the Cash Reserve Ratio (CRR), the percentage of time and demand liabilities that commercial banks are required to park with the central bank, by 25 bps.

RBI boosts infra lending

In the annual review of monetary policy for the current fiscal, the Reserve Bank of India (RBI) has given a boost to the infrastructure sector by making it easier for the banks to subscribe to the bonds issued by such companies. The central bank has now allowed the investments in non-SLR bonds issued by infrastructure companies to be put under the held to maturity (HTM) category. Such bonds however must have a minimum residual maturity of seven years.

Gems and jewellery exports up 16% in FY10

India's export of polished gems and jewellery, one of the biggest foreign exchange earners for the country, registered a growth of 16% during the last financial year. The growth primarily came in the second half of the fiscal year after seeing a sharp decline for several months since October 2008. The growth was primarily driven by the cut and polished diamond exports which expanded by over 20% to \$17.5 billion in last fiscal from \$14.6 billion in 2008-09. The export of gold jewellery on the other hand increased by 9.38% to \$9.42 billion during the period under review compared with \$8.61 billion in the year ago period. The reason for slower growth in gold jewellery was perhaps the surging

prices of the yellow metal.

Government approves mobile banking facility in rural areas

Government has approved the mobile banking facility in rural areas from July, 2010. It has asked banks to start mobile banking services in these areas by July 31 and complete the roll by 2011-end. With the availability of mobile banking facility, people in rural areas will be now able to withdraw cash and transfer funds by using their mobile phones.

SEBI tightens norms on FII structure

The financial market regulator Securities and Exchange Board of India (SEBI) has tightened some of the norms with respect to permissible structure of the foreign institutional investors (FIIs) operating in Indian markets to bring more transparency in their activities. The regulator has directed the FIIs to not using complex structures of protected cell companies (PCC) and segregated portfolio companies (SPC). In other words every FII now will have to declare that it is not a PCC or SPC or an equivalent structure. In addition, it mandated that the investor base be broad based in case of multi-class share vehicles.

Government imposes export duty on cotton

In order to check the surging prices of cotton yarn, the government has imposed a duty of Rs 2,500 a tonne on export of all varieties of raw cotton with effect from April 9. Additionally, the government also imposed a levy of 3% on cotton waste exports. Cotton exports have been increasing this season on account of the tight global demand-supply scenario. This however has resulted in tighter supply at home, pushing the prices of raw cotton and cotton yarn. Till end-March 2010 the industry had exported 55 lakh bales of cotton yarn and the figure is likely to reach around 80 lakh bales by the end of the season (Oct-Sept) on account of strong demand. If the target is achieved, it would constitute nearly doubling of exports from last year.

Railways freight records 6.6% increase in FY10

Indian Railways carried a total of 887.99 million tonne freight traffic in the last fiscal, recording a growth of 6.6% against the freight traffic in FY09 at 833.31 million tonne. Growth was boosted by strong recovery in industry and the sharp increase in iron ore exports witnessed in the second half of the fiscal. Although the Railways missed the revised freight target of 890 mt, the achievement was higher than the target originally set in FY10 rail budget at 882 mt. There was strong growth in transportation of a number of commodities like iron ore, steel and cement that helped the Railways cover the slowdown seen in the first half of the fiscal.

Full Year

Company Name	Year End	NOM	Equity Rs. Mn.	FV	Promoter Stk %	BV Rs.	RONW (%)	Sales Rs. Mn.	Sales Var (%)	OPM (%)	NP Rs. Mn.	NP Var (%)	DIV (%)	CPS (Rs.)
Adani Power	201003	12	18419.76	10	73.50	12.37	-0.10	4348.61		63.59	1708.01	-	-	0.95
BF Utilities	200909	12	188.34	5	66.09	58.50	2.12	336.85	73.19	73.27	87.15	88.35	-	3.94
CESC	201003	12	1249.40	10	52.49	270.84	12.91	33510.00	7.99	26.80	4330.00	5.61	40	50.51
Energy Development	200903	12	275.00	10	56.36	36.46	16.26	1172.36	78.33	22.95	167.77	2.69	10	7.50
Entegra	201003	12	1018.59	10	74.38	18.71	0.33	14.64	-98.39	-	-256.47	-	-	-2.40
GMR Infrastructure	200903	12	3641.31	1	74.95	31.32	1.73	1592.00	54.91	80.33	976.70	55.80	-	0.27
Guj Inds. Power	200903	12	1512.51	10	58.21	77.40	7.44	11627.70	24.29	19.51	853.20	-16.59	22	11.48
GVK Power	201003	12	1405.85	1	54.25	12.37	1.21	453.70	73.57	68.72	216.80	3.24	-	0.14
Indowind Energy	200906	12	477.41	10	47.31	26.21	9.11	534.11	108.73	35.03	114.59	951.28	-	3.32
JP Power Ven	200903	12	4910.00	10	87.70	21.90	13.52	3179.10	5.68	92.63	1498.80	-29.76	15	0.94
JSW Energy	201003	12	5465.71	10	76.72	35.95	35.82	23728.70	49.14	57.15	8466.70	46.46		5.92
Kalpataru Pow.Trans.	200903	12	265.00	10	63.68	315.64	11.76	18849.20	8.48	12.55	944.10	-37.04	75	45.94
KSK Energy Ventures	200903	12	3461.05	10	52.73	56.29	8.00	1317.67	125.45	-	1036.22	2.49	-	2.81
NEPC	200903	12	692.65	10	11.99	6.79	-3.61	31.91	-89.11	-13.51	-13.89	-	-	-0.06
Neyveli Lignite	200903	12	16777.10	10	93.56	56.10	8.91	33549.10	12.52	64.92	8288.00	-24.94	20	7.47
NHPC	200903	12	111824.90	10	86.36	15.98	6.24	29060.80	16.61	76.85	10419.50	8.77	2.91	1.27
NTPC	200903	12	82455.00	10	84.50	68.40	15.04	441260.80	19.10	31.15	82013.00	10.61	36	12.81
Power Grid Corp	200903	12	42088.40	10	86.36	34.73	12.02	66758.50	44.66	88.75	16906.10	16.72	12	6.62
PTC India	201003	12	2274.19	10	16.30	67.24	6.02	77723.14	18.97	1.77	940.70	3.48	12	3.38
Rel. Infra	200903	12	2355.80	10	42.73	447.56	10.19	98686.10	56.32	17.92	11388.80	5.00	70	56.51
Rel.Power	200903	12	23968.00	10	84.78	57.55	1.82	0.00	-	-	2489.04	162.92	-	1.04
SRHHL Industries	200903	12	124.91	10	25.90	22.25	-5.34	7.74	37.97	80.10	-15.23	-	-	-0.96
Suryachakra	200903	12	766.33	10	51.68	17.37	1.12	1367.84	30.97	10.05	15.91	-36.05	-	1.03
Suzlon Energy	200903	12	2996.60	2	53.08	43.23	5.97	72519.40	4.71	11.20	-4692.70	-	-	-2.38
Tata Power	200903	12	2213.80	10	31.22	392.64	10.99	72362.30	22.32	24.20	9222.00	6.01	115	52.72
TorrentPo	200903	12	4724.50	10	52.78	68.44	13.32	44249.60	22.29	18.61	4078.90	93.09	20	12.51

Scorecard Legends : NOM - Number of Months for which P& L a/c is prepared by the companies, Equity Rs.Mn - Latest Paid Up Capital of the Company, FV-Latest Face values of equity Shares, Promoter Stk % - Its promoter holding in the equity capital of the company as per latest shareholding pattern, BV Rs. - Book Value Per Share is calculated as (Equity + reserves) / No of Equity shares, RONW - Return on Net Worth is calculated as {(Net profit - preference capital)/ Shareholder's Fund }*100.Share- holders funds includes Equity Paid Up + Reserves excluding revaluation reserves - Misc Expenditures Not written off, Sales Rs. Mn - Sales , Turnover & Income from operations,Sales Var% - Percentage Change in Sales over previous period Sales, OPM% - Operating Profit after interest expended as a % of Interest income & income from operation, NP Rs. Mn - Net Profit as reported after Tax, NP Var% - Percentage Change in Net profit over previous period Net profits, Div% - Total % of Dividend Declared during latest Financial year.

Latest Quarter						TTM			Market Data				
EPS Rs.	Sales Rs. Mn.	Sales Var (%)	OPM (%)	NP Rs. Mn.	NP Var(%)	Ended	EPS Rs.	NP Var (%)	Price 30/04/10	H52W	L52W	PE	Mkt. Cap (Rs. Mn.)
0.78	2012.67	-	74.17	983.14	-	201003	-	-	125.15	128.80	90.25		230523.30
2.31	27.90	14.06	29.14	-14.97	-39.37	200912	2.57	101.60	896.10	1479.00	460.15	348.45	33753.96
34.66	7700.00	2.12	28.57	1000.00	6.38	201003	34.66	5.31	406.00	452.00	238.20	11.71	50725.64
6.10	64.31	-64.64	67.77	25.32	-57.79	200912	2.88	-131.75	62.60	82.30	45.15	21.71	1721.50
-2.40	0.03	-99.93	-	-66.49	-410.41	201003	-2.40	106.20	33.55	49.00	14.60	-	3417.37
0.27	517.80	38.26	46.60	18.40	-91.74	200912	0.07	-385.18	66.60	91.75	50.60	942.67	242511.47
5.64	2382.50	-26.38	25.42	288.10	233.06	200912	6.61	37.69	118.50	133.00	61.00	17.92	17923.27
0.14	140.90	114.46	48.97	48.40	22.84	201003	0.14	3.14	45.25	53.75	25.20	329.61	63614.67
2.40	120.15	-62.31	45.29	29.84	224.00	201003	3.79	35.52	53.95	68.90	21.25	14.24	2575.65
0.72	1190.30	92.39	85.37	237.00	0.25	200912	0.70	-55.34	73.75	103.70	38.00	105.36	36211.25
5.16	7518.40	101.89	54.40	3150.30	180.38	201003	-	-	125.80	126.80	99.90	-	68758.63
35.63	7192.30	72.04	11.52	440.70	120.90	200912	51.41	10.73	1089.60	1250.00	365.00	21.20	28874.40
2.78	158.01	-	77.50	-163.59	99.18	200912	2.25		192.80	250.00	163.20	85.57	66729.04
-0.20	2.02	90.57	-126.24	-4.95	-56.88	200912	-0.36	42.75	8.39	13.40	5.28	-	581.13
4.94	12517.30	50.10	49.79	3711.10	65.51	200912	6.11	-5.94	151.70	177.70	90.90	24.83	254508.61
0.85	12769.70	162.81	85.82	5816.10	-1178.25	200912	-	-	30.35	39.75	29.85		339388.57
9.95	117092.00	-1.30	35.39	23649.80	5.07	200912	10.70	15.83	206.95	241.70	185.15	19.34	1706406.23
4.02	15254.10	3.25	96.45	4878.40	31.02	200912	5.01		109.70	128.35	93.70	21.88	461709.75
3.19	12434.72	5.41	1.82	138.82	-10.63	201003	3.19	3.36	114.15	125.50	69.00	35.74	25959.88
46.51	22874.90	-15.83	19.71	2771.30	10.33	200912	50.92	11.44	1136.10	1404.45	705.25	22.31	267642.44
1.04	13.25	-	-	611.32	-	200912	-	-	162.75	210.00	125.25	-	390079.20
-1.22	2.10	-3.67	76.67	0.58	31.82	200912	-0.14	-856.82	4.42	6.11	3.15	-	55.21
0.21	499.17	42.20	8.82	7.45	243.32	200912	0.29	3.24	18.60	24.35	10.20	63.27	1425.37
-3.01	7540.10	-49.88	-11.06	-2851.40	-27.06	200912	-5.23	134.36	68.95	145.85	53.80	-	103307.79
38.86	15665.10	-11.84	26.12	1478.90	28.51	200912	44.79	25.43	1350.00	1518.55	861.10	30.14	298863.00
8.63	14889.30	38.32	35.49	2455.90	142.63	200912	14.67	54.84	304.45	350.90	97.20	20.75	143837.40

CPS Rs. - Cash Profit per Shares, EPS Rs. - Earning Per Shares is calculated as Net Profit / Number of Equity Shares, Sales Rs. Mn - Sales ,Turnover & Income from operations for Latest Quarter, Sales Var% - Percentage Change in Sales for Latest Quarter over previous Corresponding Quarter Sales, OPM% - Operating Profit after interest expended as a % of Interest income & income from operation for Latest Quarter, NP Rs. Mn - Net Profit as reported after Tax for Latest Quarter, NP Var% - Percentage Change in Net profit for Latest Quarter over Previous quarter Net profits, Ended - Trailing Twelve months Ended On, TTMEPS - Earning Per Shares is calculated as TTM Net Profit / Number of Equity Shares, TTMNP Var% - Percentage Change in TTM Net profit over Corresponding previous TTM Net profits, H52 - High Price during last 52 Week, L52 - Low Price during last 52 Week, PE - Market Price / TTM Earning Per Shares, Market cap Rs. Mn - Market Capitalisation is calculated as Latest price multiplied by No of Equity Shares outstanding.

Company Name	Year End	Price (Rs.) (30/04)	Yield (%)	EPS (Rs.)	FV	PE	TTM				52-Wk High (Rs.)	52-Wk Low (Rs.)
							Year End	NP Rs. ml	EPS (Rs.)	PE		
Varun Shipping Company Ltd.	200903	50.65	9.87	8.19	10	6.19	200912	196.04	1.31	38.76	70.40	46.25
EID-Parry (India) Ltd.	200903	372.05	5.45	80.37	2	4.63	201003	2052.80	23.77	15.45	419.00	181.55
Navneet Publications (I) Ltd.	200903	53.45	4.91	6.18	2	8.64	201003	684.70	2.87	18.44	57.20	20.72
HCL Infosystems Ltd.	200906	133.65	4.89	15.21	2	8.79	201003	2582.80	11.83	11.24	188.80	90.05
Indian Overseas Bank Ltd	200903	96.10	4.70	24.34	10	3.95	201003	7069.62	12.98	7.37	141.00	59.75
SRF Ltd.	200903	216.75	4.69	26.91	10	8.06	200912	2199.41	36.35	6.04	224.55	85.05
Tamil Nadu Newsprint & Papers	200903	98.95	4.61	15.52	10	6.38	200912	858.77	12.41	7.86	104.00	63.25
Karnataka Bank Ltd.	200903	137.80	4.42	21.93	10	6.28	200912	1761.65	13.15	10.33	174.35	83.10
Shipping Corpn. Of India Ltd.	200903	165.00	3.96	22.21	10	7.43	200912	4418.20	10.43	15.72	181.90	83.50
Balrampur Chini Mills Ltd.	200909	83.30	3.68	8.82	1	9.44	201003	2131.26	8.25	9.90	167.30	70.40
Alok Industries Ltd.	200903	20.90	3.52	9.56	10	2.19	201003	2424.50	3.08	6.92	29.50	12.81
Deepak Fert. & Petro. Corpn. Ltd.	200903	115.90	3.44	16.86	10	6.87	200912	1675.24	18.99	6.12	126.20	68.45
Andhra Bank Ltd	200903	132.30	3.41	13.46	10	9.83	201003	10458.48	21.56	6.11	133.50	56.00
Mastek Ltd.	200906	300.75	3.34	35.56	5	8.46	201003	619.46	22.99	13.03	462.00	145.00
PSL Ltd.	200903	153.05	3.29	20.12	10	7.61	200912	780.99	14.61	10.39	188.40	91.10
Syndicate Bank Ltd	200903	93.25	3.20	17.49	10	5.33	200912	8517.53	16.32	5.75	105.40	54.35
Uflex Ltd.	200903	118.75	3.11	16.09	10	7.38	200912	1194.49	18.37	7.00	124.35	66.00
Tata Investment Corpn. Ltd.	200903	507.15	2.91	54.06	10	9.38	200912	1944.76	40.32	12.77	561.70	267.70
Graphite India Ltd.	200903	103.55	2.85	12.81	2	8.08	200912	2598.09	15.10	6.98	106.25	31.00
Akzo Nobel India Ltd.	200903	588.05	2.74	77.38	10	7.60	200912	1631.00	44.28	13.19	679.80	449.95
Gujarat Narmada Vall. Fert.Co.	200903	120.15	2.71	14.64	10	8.21	200912	1816.37	11.69	10.27	135.70	68.50
Bank Of Maharashtra Ltd	200903	55.45	2.69	8.71	10	6.36	201003	4395.70	10.21	5.47	58.20	23.50
Tata Steel Ltd.	200903	618.80	2.61	71.20	10	8.69	200912	43438.10	48.96	12.54	737.00	245.10
Gujarat Alkalies & Chemicals	200903	117.20	2.53	26.18	10	4.48	200912	1077.93	14.68	8.09	160.00	75.55
Great Eastern Shipping Co.Ltd.	200903	330.85	2.45	90.27	10	3.67	200912	5382.70	35.35	9.25	345.25	209.90
Orient Paper & Inds. Ltd.	200903	63.05	2.39	10.37	1	6.08	200912	1586.70	8.23	7.62	66.35	30.25
Corporation Bank Ltd	200903	538.00	2.29	62.24	10	8.64	201003	11702.51	81.58	6.69	590.10	218.00
Indian Bank Ltd	200903	225.15	2.26	28.98	10	7.77	201003	15549.87	36.18	6.10	228.80	92.70
Jammu & Kashmir Bank Ltd.	200903	760.00	2.23	84.54	10	8.99	200912	4700.06	96.95	7.86	772.40	310.85
City Union Bank Ltd.	200903	33.70	2.22	3.82	1	8.83	200912	1440.68	3.60	9.40	35.20	12.60
Bank Of India Ltd	200903	381.30	2.10	57.14	10	6.67	200912	21235.26	40.43	9.40	474.70	226.30
Gujarat Fluorochemicals Ltd.	200903	167.20	2.10	30.96	1	5.40	200912	2533.76	23.07	7.21	189.40	78.10
Oriental Bank Of Commerce Ltd	200903	353.85	2.09	36.14	10	9.79	201003	11346.80	45.29	7.73	357.00	124.05
State Bank Of Travancore Ltd	200903	635.50	2.04	121.57	10	5.23	201003	6842.69	136.85	4.66	686.00	294.00
3I Infotech Ltd.	201003	74.35	2.03	7.88	10	9.43	201003	1608.40	8.39	8.82	103.00	46.25

Company Name	Net Sales		Change In Sales	% Change in Sales	Net Profit		Change In Net Profit	% Change in Net Profit
	201003 Qtr	200903 Qtr			201003	200903		
TCFC Finance	796.56	60.34	736.22	1220.12	5.58	-13.28	18.86	-
South.Ispat	971.34	76.85	894.49	1163.94	15.95	10.62	5.33	50.19
Concurrent (I) Infra	515.32	95.73	419.59	438.31	47.51	-1.14	48.65	-
BLS Infotech	404.38	83.60	320.78	383.71	18.05	0.13	17.92	13784.60
Shree Renuka Sugar	15570.00	3241.00	12329.00	380.41	1959.00	241.00	1718.00	712.86
Sumeet Inds	1349.00	315.47	1033.53	327.62	22.97	12.80	10.17	79.45
Parsvnath Developers	3065.52	720.58	2344.94	325.42	301.05	135.52	165.53	122.14
IBull Real	252.07	60.57	191.50	316.16	56.57	-38.97	95.54	-
Rana Sugars	2859.65	701.36	2158.29	307.73	309.34	-37.07	346.41	-
MMTC	172301.00	48741.70	123559.00	253.50	989.50	399.70	589.80	147.56
MahLifeSc	1009.60	312.20	697.40	223.38	236.90	141.00	95.90	68.01
Marsons	274.14	87.20	186.94	214.38	11.95	-12.36	24.31	-
Nila Infrastructures	220.74	71.91	148.83	206.97	41.23	10.13	31.10	307.01
Auto.Axle	1702.91	561.75	1141.16	203.14	125.80	-0.44	126.24	-
Nitin Fire Protectn	317.33	107.41	209.92	195.44	43.23	12.41	30.82	248.35
Sobha Developers	4031.00	1441.00	2590.00	179.74	557.00	27.00	530.00	1962.96
Dhampur Sugar Mills	3015.05	1107.56	1907.49	172.23	123.86	175.25	-51.39	-
Selan Exploratr Tech	176.40	69.90	106.50	152.36	59.00	-33.80	92.80	-
Chemplast Sanmar	3693.88	1517.25	2176.63	143.46	-452.65	-201.24	-251.41	-
Ashok Leyland	29390.40	12181.20	17209.20	141.28	2226.65	533.15	1693.50	317.64
Computer Point	479.94	199.91	280.03	140.08	3.95	0.66	3.29	498.49
Pondy Oxides Ltd	437.83	182.63	255.20	139.74	15.11	-19.36	34.47	-
Jayant Agro-Organics	2551.49	1068.07	1483.42	138.89	6.61	5.54	1.07	19.31
SKM Egg	458.52	199.42	259.10	129.93	34.38	-41.78	76.16	-
Ganesh Housing Corp	393.99	171.84	222.15	129.28	193.89	46.16	147.73	320.04
Hinduja Ventures	172.37	77.82	94.55	121.50	82.66	35.99	46.67	129.68
Simbhaoli Sugar	3281.60	1504.39	1777.21	118.14	-171.70	6.11	-177.81	-
Shyam Telecom	894.91	412.94	481.97	116.72	-8.66	10.11	-18.77	-
GVK Power	140.90	65.70	75.20	114.46	48.40	39.40	9.00	22.84
Sri Nachammai Cotton	329.53	153.91	175.62	114.11	5.03	-9.69	14.72	-
Thiru Arooran Sugars	1519.48	712.29	807.19	113.32	141.50	54.99	86.51	157.32
Shree Ganesh Jewelle	8708.24	4117.32	4590.92	111.50	499.46	224.53	274.93	122.45
Binani Inds	117.60	56.60	61.00	107.77	16.00	137.80	-121.80	-
Mediaone Globle Entrn	253.28	122.99	130.29	105.94	27.67	1.56	26.11	1673.72
GMR Industries	1259.60	619.64	639.96	103.28	-159.78	105.77	-265.55	-
Vakrangee Software	1542.26	758.89	783.37	103.23	115.14	-297.28	412.42	-
Rel. Inds	575700.00	283620.00	292080.00	102.98	47100.00	35460.00	11640.00	32.83
Jamna Auto Inds.	1811.47	894.14	917.33	102.59	93.15	-149.52	242.67	-
JSW Energy	7518.40	3724.00	3794.40	101.89	3150.30	1123.60	2026.70	180.38
Revathi Equipments	411.70	204.40	207.30	101.42	30.00	1.70	28.30	1664.71
Smruthi Organics	320.07	159.47	160.60	100.71	11.64	-3.60	15.24	-
Banco Products	1204.67	600.66	604.01	100.56	220.08	110.17	109.91	99.76
Sakthi Sugars	5140.50	2566.20	2574.30	100.32	438.17	176.22	261.95	148.65
Hind.Zinc	25448.90	12889.30	12559.60	97.44	12389.90	5514.70	6875.20	124.67
Lancor Holdings	520.73	266.32	254.41	95.53	102.44	127.14	-24.70	-
Karma Ispat	1387.00	716.54	670.46	93.57	5.24	4.63	0.61	13.17
Alumeco India	168.45	87.55	80.90	92.40	12.49	-21.09	33.58	-
Hinduja Foundries	1137.32	600.89	536.43	89.27	67.75	-75.33	143.08	-
Ispat Inds	24842.70	13155.60	11687.10	88.84	223.60	-383.90	607.50	-
Indo Bonito Multin.	903.45	483.73	419.72	86.77	20.96	4.17	16.79	402.64

Company Name	Year End	Price (30/04) Rs.	EPS	FV	PE
GTL Infrastructure Ltd.	200903	41.20	0.03	10	1182.09
MMTC Ltd.	200903	31288.90	28.04	10	1115.73
Cairn India Ltd.	200903	314.85	0.29	10	1100.96
Pipavav Shipyard Ltd	200903	86.80	0.08	10	1023.03
Jai Balaji Inds. Ltd.	200903	237.50	0.27	10	873.61
BF Utilities Ltd.	200809	896.10	1.23	5	729.52
JM Financial Ltd.	200903	36.75	0.11	1	345.88
Entertainment Network (India) Ltd.	200903	202.10	0.61	10	330.81
GVK Power & Infrastructure Ltd.	200903	45.25	0.15	1	302.99
Jubilant FoodWorks Ltd.	200903	339.10	1.16	10	292.51
Godrej Industries Ltd.	200903	166.05	0.58	1	284.27
Indiabulls Real Estate Ltd.	200903	170.10	0.64	2	264.49
Strides Arcolab Ltd.	200812	335.20	1.53	10	218.82
Radico Khaitan Ltd.	200903	129.70	0.64	2	203.32
Max India Ltd.	200903	178.85	0.98	2	181.87
IRB Infrastructure Developers Ltd	200903	289.40	1.73	10	167.70
Aptech Ltd.	200812	170.05	1.02	10	166.51
Jai Corp Ltd.	200903	261.00	1.58	1	164.91
Reliance Natural Resources Ltd.	200903	70.05	0.43	5	163.73
Reliance Power Ltd	200903	162.75	1.04	10	156.72
Karuturi Global Ltd	200903	17.10	0.11	1	153.32
Nirlon Ltd.	200903	74.00	0.50	10	148.23
IVRCL Assets & Holdings Ltd	200903	183.95	1.34	10	137.44
Bajaj Finserv Ltd	200903	344.05	2.86	5	120.35
Kiri Dyes and Chemcials Ltd	200903	679.05	5.65	10	120.28
Future Capital Holdings Ltd	200903	175.15	1.47	10	119.53
Edelweiss Capital Ltd	200903	412.65	3.52	5	117.26
IL&FS Transportation Networks Ltd.	200903	283.05	2.45	10	115.33
Kotak Mahindra Bank Ltd.	200903	737.80	7.99	10	92.37
Firstsource Solutions Ltd.	200903	30.85	0.35	10	87.44
VIP Industries Ltd.	200903	268.85	3.29	10	81.67
United Breweries Ltd.	200903	201.00	2.60	1	77.21
TVS Motor Company Ltd.	200903	96.45	1.31	1	73.70
Motherson Sumi Systems Ltd.	200903	140.35	1.96	1	71.76
Assam Company India Ltd.	200812	23.20	0.33	1	70.49
Thomas Cook (India) Ltd.	200912	69.05	1.05	1	65.87
Jain Irrigation Systems Ltd.	200903	1094.05	16.66	10	65.66
Zydus Wellness Ltd	200903	396.10	6.09	10	65.02
Mundra Port & Special Economic Zone Ltd	200903	741.80	11.51	10	64.46
Arshiya International Ltd.	200903	202.70	3.15	2	64.43
KSK Energy Ventures Ltd.	200903	192.80	2.99	10	64.40

EPS Earning Per Shares is calculated as Net Profit / Number of Equity Shares (Rs)

FV Latest Face values of equity Shares (Rs)

PE Market Price / Trailing Twelve Months Earning Per Shares

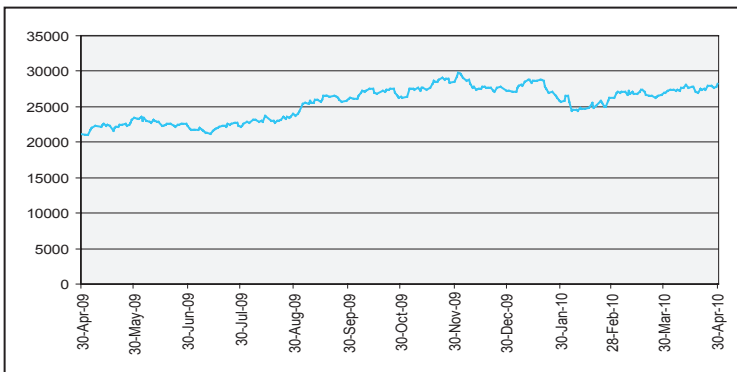
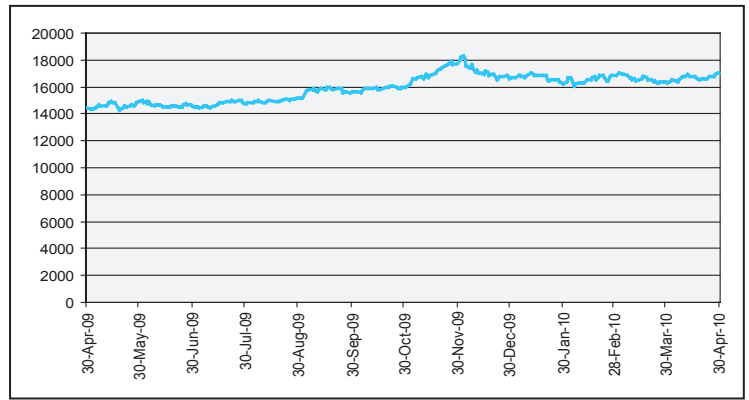
Company Name	Year End	Price (30/04) Rs.	EPS	FV	PE
DB Realty Ltd.	200903	432.20	307.40	10	1.41
Cranes Software Intl. Ltd.	200903	15.80	9.80	2	1.61
Alok Industries Ltd.	200903	20.90	9.56	10	2.19
Great Eastern Shipping Company Ltd.	200903	330.85	90.27	10	3.67
Indian Overseas Bank Ltd	200903	96.10	24.34	10	3.95
ICSA (India) Ltd.	200903	139.00	33.69	2	4.13
Gujarat State Fertilizers & Chemicals Ltd.	200903	259.90	62.57	10	4.15
Kesoram Industries Ltd.	200903	357.00	83.83	10	4.26
Gujarat Alkalies & Chemicals Ltd.	200903	117.20	26.18	10	4.48
EID-Parry (India) Ltd.	200903	372.05	80.37	2	4.63
State Bank Of Travancore Ltd	200903	635.50	121.57	10	5.23
Syndicate Bank Ltd	200903	93.25	17.49	10	5.33
Gujarat Fluorochemicals Ltd.	200903	167.20	30.96	1	5.40
Geodesic Ltd.	200903	113.85	20.76	2	5.48
Bharati Shipyards Ltd.	200903	280.65	48.36	10	5.80
Dena Bank Ltd	200903	88.35	14.74	10	6.00
Orient Paper & Inds. Ltd.	200903	63.05	10.37	1	6.08
Tanla Solutions Ltd.	200903	44.75	7.33	1	6.11
IFCI Ltd.	200903	53.05	8.60	10	6.17
Varun Shipping Company Ltd.	200903	50.65	8.19	10	6.19
Karnataka Bank Ltd.	200903	137.80	21.93	10	6.28
Bank Of Maharashtra Ltd	200903	55.45	8.71	10	6.36
Tamil Nadu Newsprint & Papers Ltd.	200903	98.95	15.52	10	6.38
Bank Of India Ltd	200903	381.30	57.14	10	6.67
MIC Electronics Ltd.	200906	41.75	6.17	2	6.76
UCO Bank Ltd	200903	69.20	10.15	10	6.82
Deepak Fertilisers & Petrochemicals Corpn. Ltd.	200903	115.90	16.86	10	6.87
Reliance Communications Ltd.	200903	163.65	23.27	5	7.03
Indian Metals & Ferro Alloys Ltd.	200903	872.80	122.25	10	7.14
Tinplate Company Of India Ltd.	200903	87.20	12.00	10	7.27
Nava Bharat Ventures Ltd.	200903	423.95	58.23	2	7.28
Uflex Ltd.	200903	118.75	16.09	10	7.38
Shipping Corpn. Of India Ltd.	200903	165.00	22.21	10	7.43
Jindal Steel & Power Ltd.	200903	743.70	99.32	1	7.49
Akzo Nobel India Ltd.	200903	588.05	77.38	10	7.60
PSL Ltd.	200903	153.05	20.12	10	7.61
Madras Cements Ltd.	200903	116.95	15.28	1	7.66
Gitanjali Gems Ltd.	200903	115.15	14.90	10	7.73
Mercator Lines Ltd.	200903	59.50	7.67	1	7.75
Indian Bank Ltd	200903	225.15	28.98	10	7.77
ABG Shipyards Ltd.	200903	264.20	33.60	10	7.86

EPS Earning Per Shares is calculated as Net Profit / Number of Equity Shares (Rs)

FV Latest Face values of equity Shares (Rs)

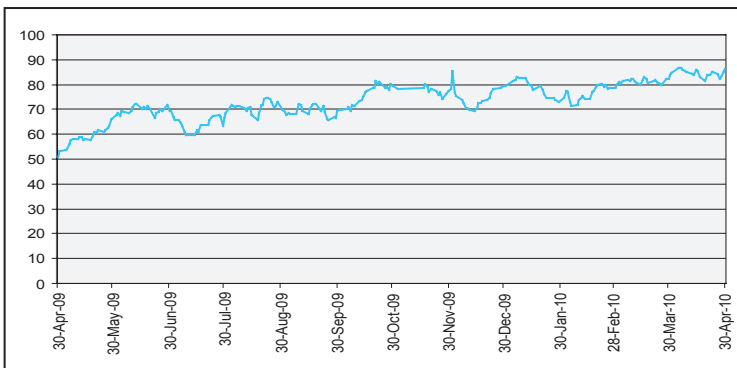
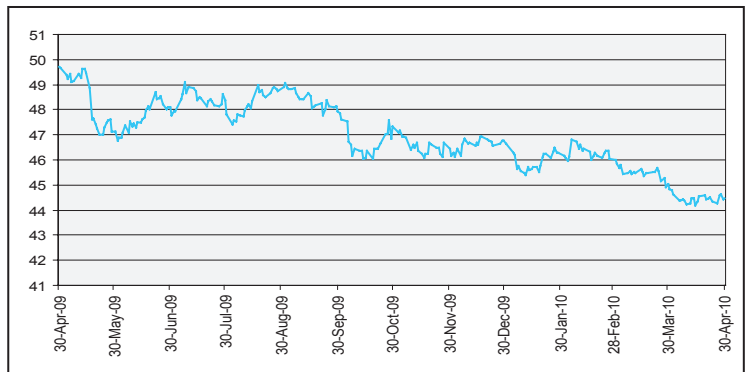
PE Market Price / Trailing Twelve Months Earning Per Shares

Date	Price Rs.
30-Apr-10	17030.00
30-Mar-10	16366.65
27-Feb-10	16815.00
30-Jan-10	16248.75
30-Dec-09	16600.00
30-Nov-09	17738.35
30-Oct-09	16000.65
30-Sep-09	15630.00
31-Aug-09	15200.00
30-Jul-09	14755.90
30-Jun-09	14592.50
30-May-09	14958.15
29-Apr-09	14543.35



Date	Price Rs.
30-Apr-10	28274.40
30-Mar-10	26928.00
27-Feb-10	26200.00
30-Jan-10	25700.00
30-Dec-09	27200.00
30-Nov-09	28546.00
30-Oct-09	26441.75
30-Sep-09	26100.00
31-Aug-09	23681.00
30-Jul-09	22137.40
30-Jun-09	22364.10
30-May-09	23364.00
29-Apr-09	21100.00

Date	Price Rs
30-Apr-10	44.49
30-Mar-10	45.04
26-Feb-10	46.03
29-Jan-10	46.29
30-Dec-09	46.79
30-Nov-09	46.43
30-Oct-09	47.32
30-Sep-09	47.94
31-Aug-09	48.91
30-Jul-09	48.38
30-Jun-09	48.10
31-May-09	47.13
30-Apr-09	49.73



Date	Price \$
30-Apr-10	86.15
30-Mar-10	82.37
26-Feb-10	78.70
29-Jan-10	72.89
30-Dec-09	79.28
30-Nov-09	77.28
30-Oct-09	79.37
30-Sep-09	69.45
31-Aug-09	69.90
30-Jul-09	66.46
30-Jun-09	69.41
29-May-09	66.12
30-Apr-09	50.76

Reliance Diversified Power (G)

Reliance Diversified Power -Retail (Growth) is a Reliance Capital Asset Management managed open-ended, Equity - Energy/Power scheme.

The fund was launched on May 10, 2004 and its current net asset as on March 31, 2010 was Rs 5529.56 crore.

The benchmark index of the fund is India Power and the custodian of the fund is Deutsche Bank A.G.

The current net asset value (NAV) of the fund as on April 30, 2010 was Rs 81.72; while the 52 week high NAV was Rs 81.50 on April 26, 2010 and the 52 week low NAV for the scheme was Rs 48.21 on May 11, 2009.

The minimum investment to the fund is Rs 5000 and additional investments can be made in multiples of Rs 1000.

The investment objective of the fund is to generate consistent returns by investing in equity / equity related or fixed income securities of power and other companies associated with the power sector.

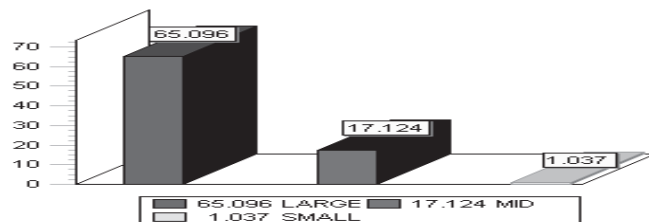
The top five holdings of the fund are:

Company	Torrent Power	Cummins India	Jindal Steel & Power	Reliance Infra	ICICI Bank
% Holding	6.14	5.02	4.41	4.29	4.26

Industry-wise the fund being predominantly a power sector fund it has the maximum contribution of 23.55% from the Power generation and distribution followed by Electric Equipment with contribution of 11.2% and has contribution of 8.34% from Engineering –Constructions while 7.41% is contributed from steel and Iron sector.

As far as market capitalization-wise companies are concerned, the scheme's portfolio consists of 69.10% from Large-cap, 17.12% from Mid-cap and 1.04% from Small-cap companies.

The fund has given a return of 41.19% since inception and a return of 76.15% in last one year, while the category average in the same period has been 17.84% and 68.61% respectively.

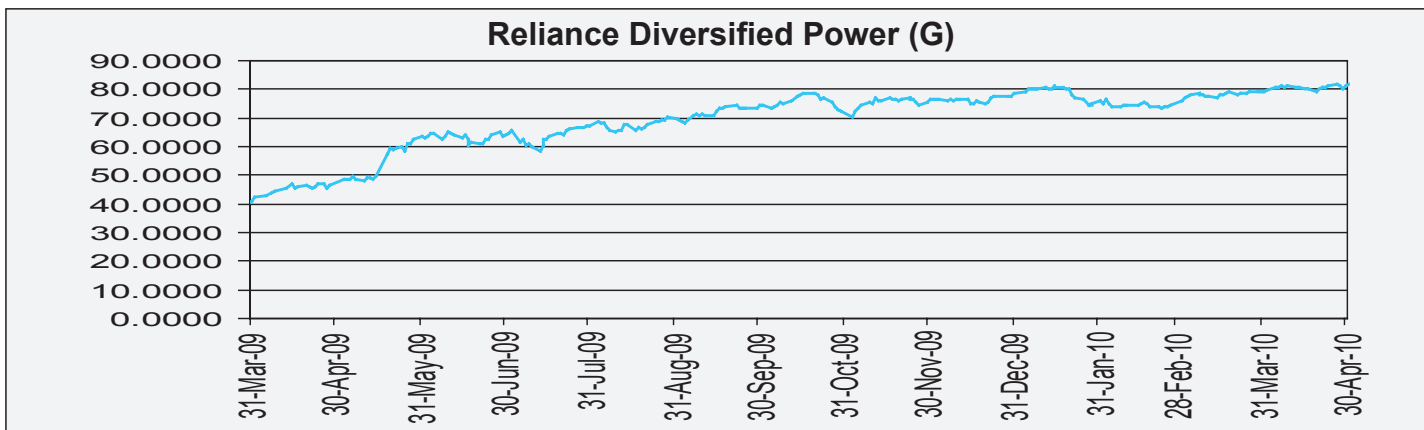


Market cap-wise Allocation Style	
Average Mkt Cap (Rs Cr)	44067.39
Market Capitalization	% of Portfolio
Large	65.10
Mid	17.12
Small	1.04
Note: Large-Cap = 5000 Crs. and above, Mid-Cap = 2000 Crs. to 5000 Crs. and Small-Cap = less than 2000 Crs.	

As on March 31, 2009 the major companies included in the scheme were Prakash Industries with holding of 1.11%, Jyoti Structures with holding of 1.04%.

Outlook

Reliance Diversified Power-Retail (Growth) scheme is an open-ended, Equity - Energy/Power scheme of Reliance Capital Asset Management Company being managed by Sunil Singhania. This scheme is a power sector specific fund investing predominantly in the companies related to power sector. Power is one of the growing sectors and the government too is emphasizing hard the sector's growth by giving different kinds of rebates and incentives. The fund is having a good blend of power companies in its portfolio; majority of the companies in the portfolio are from the large cap having good track records and likely to perform well in the future as well. The company has given good return since inception and was one of the top performers in its category performing at par with the best fund and far above the category average. The prospect of power sector provides a good opportunity to invest in the fund and remain invested to reap the benefits in coming days.



Last one year NAV Graph

Duration	1 Week %	1 Mth %	3 Mth %	6 Mth %	1 Year %	3 Year %	5 Year %	Since Inc. %
Scheme Return %	0.39	3.43	8.76	12.69	74.73	29.18	41.34	41.56
Category Avg %	0.32	2.87	6.67	11.75	66.86	15.09	25.85	18.36

Returns as of 4th April, 2010

Scheme Name	NAV (Rs.)	Inception Date	AUM (Rs. cr)	Absolute %				CAGR %		
				1 M	3 M	6 M	1 Y	3 Y	5 Y	Since Inception
Equity - Diversified										
Birla SL India Opportunities(G)	52.36	21-Jan-95	16	-1.38	7.69	17.29	84.63	-0.19	13.78	11.43
Birla SL Special Situations(G)	9.81	15-Jan-08	351	-0.52	6.17	14.13	56.38	-	-	-0.81
DSPBR Opportunities(G)	77.52	10-Apr-00	394	1.04	8.36	13.38	62.67	11.14	24.93	22.55
Fidelity Equity(G)	31.29	19-Apr-05	1432	0.49	8.60	15.61	64.16	12.43	-	25.37
ICICI Pru Dynamic(G)	95.51	18-Oct-02	1192	-0.09	6.52	16.41	62.62	12.29	29.38	34.85
Kotak Opportunities(G)	42.94	25-Aug-04	647	-0.45	6.73	12.14	62.59	13.10	25.36	29.17
SBI Magnum Comma(G)	23.58	25-Jul-05	360	-	1.29	17.14	58.57	12.95	-	19.67
SBI Magnum Multicap(G)	17.59	16-Sep-05	351	-	4.27	11.05	52.29	4.19	-	12.96
Reliance Equity Oppor-Ret(G)	31.78	7-Mar-05	1134	1.30	12.21	29.39	97.55	13.50	26.57	25.11
Reliance Natural Resources(G)	9.83	30-Jan-08	3034	-3.02	-0.94	4.73	37.86	-	-	-0.76
Equity - ELSS										
Birla SL Tax Relief '96(D)	81.28	29-Mar-96	920	-0.59	7.90	13.19	70.31	9.97	22.84	32.42
DSPBR Tax Saver(G)	15.91	26-Dec-06	517	0.44	9.98	16.63	71.08	15.48	-	14.84
Fidelity Tax Advantage(G)	19.29	31-Jan-06	734	0.94	9.44	16.79	67.34	13.91	-	16.68
Franklin India Taxshield(G)	186.00	10-Apr-99	402	-1.17	7.38	15.82	58.21	13.29	22.91	30.21
HDFC Long Term Adv(G)	120.18	27-Dec-00	533	0.03	7.26	14.09	68.30	9.34	19.20	30.44
Principal Personal Tax saver(G)	89.94	1-Jan-96	614	-1.15	5.55	10.60	57.57	7.52	19.81	25.71
Reliance Tax Saver (ELSS)(G)	19.07	23-Aug-05	1276	0.92	7.58	20.34	67.29	10.39	-	14.72
Sundaram Tax saver(G)	41.60	31-Jan-05	662	0.39	5.14	7.95	50.75	14.51	25.42	25.75
Equity - Large-cap										
Birla SL Equity(G)	253.73	27-Aug-98	662	-0.55	5.72	13.83	65.98	10.83	25.02	31.86
Birla SL Frontline Equity(G)	80.91	30-Aug-02	1134	-0.72	6.40	12.14	61.24	15.27	27.96	31.28
DSPBR Equity(D)	47.43	15-Apr-97	1222	0.95	7.63	15.32	71.51	17.42	30.02	25.42
DSPBR Top 100 Equity(G)	90.53	21-Feb-03	1318	-1.77	5.09	9.07	50.27	14.61	28.53	35.78
JM Large Cap(G)	17.64	9-Jun-04	2	1.96	6.74	8.39	31.05	-0.07	9.20	10.09
Kotak 30(G)	94.05	21-Dec-98	576	-1.35	5.28	7.64	45.61	10.56	24.64	32.87
Magnum Equity(D)	29.99	30-Nov-90	315	-	7.76	13.01	58.95	11.71	27.02	13.37
Reliance Equity-Ret(G)	14.68	7-Mar-06	1182	-1.30	2.24	4.68	37.56	7.63	-	9.66
Reliance Vision-Ret(G)	251.43	7-Oct-95	1813	-1.02	6.26	11.97	58.43	10.37	23.61	24.75
Sundaram BNPP Growth(G)	84.77	15-Feb-97	64	-0.55	4.77	8.76	54.87	8.19	20.95	20.41
Equity - Mid-cap										
Birla SL Midcap(G)	107.44	1-Oct-02	847	0.08	6.87	16.42	102.34	17.69	26.71	36.70
ICICI Pru Emerging S.T.A.R.(G)	33.35	25-Sep-04	260	2.39	11.17	28.02	107.66	4.57	21.67	23.96
JM Mid Cap(G)	26.03	9-Jun-04	6	2.38	5.29	11.78	76.70	6.63	15.23	17.59
Kotak Midcap(G)	23.26	28-Jan-05	70	2.71	11.12	21.92	87.12	3.43	17.25	17.38
Reliance Growth-Ret(G)	449.49	7-Oct-95	3980	1.30	8.50	19.69	77.51	17.30	29.02	29.82
Reliance Reg Savings-Equity(G)	28.70	10-Jun-05	2030	-0.46	5.37	16.95	78.65	21.97	-	24.00
Sundaram BNPP S.M.I.L.E(G)	31.88	21-Jan-05	308	1.97	6.47	12.00	92.32	20.86	25.47	24.53
Sundaram BNPP Select Midcap(G)	136.69	19-Jul-02	1007	0.74	4.66	17.40	98.14	14.31	28.55	39.85
Equity - Pharma & HC										
Franklin Pharma(G)	55.16	31-Mar-99	37	1.15	13.62	30.93	120.15	23.23	24.45	16.63
Reliance Pharma(G)	49.24	26-May-04	156	-0.12	14.21	36.48	137.43	31.06	32.73	30.77

Returns as of 4th April, 2010

Scheme Name	NAV (Rs.)	Inception Date	AUM (Rs. cr)	Absolute %				CAGR %		
				1 M	3 M	6 M	1 Y	3 Y	5 Y	Since Inception
Equity - Service Inds										
ICICI Pru Services Inds(G)	16.56	18-Nov-05	191	0.36	10.18	15.48	61.40	1.07	-	11.97
Principal Services Inds(G)	14.05	31-Jan-06	70	1.08	4.93	9.94	53.05	6.04	-	8.31
Tata Service Inds(G)	24.10	10-Mar-05	87	1.20	6.49	10.72	87.61	5.23	19.04	18.61
Equity - Sensex Linked Index										
Franklin India Index-BSE Sensex(G)	48.00	27-Aug-01	34	-3.17	5.45	7.08	40.54	7.43	21.96	19.78
HDFC Index-Sensex Plus(G)	204.15	10-Jul-02	57	-1.86	5.80	8.81	48.28	10.81	24.03	26.65
HDFC Index-Sensex(G)	142.18	10-Jul-02	59	-3.29	4.91	6.85	38.25	3.58	19.03	20.93
UTI-SUNDER	541.11	11-Jul-03	1	-2.44	6.39	9.42	41.41	8.64	22.53	25.83
Equity - Nifty Linked Index										
Birla SL Index(G)	51.08	17-Sep-02	18	-2.82	5.92	8.77	39.52	7.43	20.74	23.82
SBI Magnum Index(G)	43.70	16-Jan-02	23	-	5.98	8.67	39.92	5.28	19.69	19.44
Nifty BeES	516.12	18-Dec-01	382	-2.68	6.22	9.21	41.36	8.32	22.62	22.42
Reliance Banking ETF	979.26	30-May-08	13	1.15	13.38	12.84	76.23	-	-	36.53
Balanced - Equity Oriented										
Kotak Balance	21.92	25-Nov-99	65	-0.38	4.36	9.78	39.82	10.07	19.02	18.08
Sundaram BNPP Balanced(G)	44.40	25-May-00	15	0.11	2.37	8.90	48.84	9.88	17.16	16.16
Balanced - Debt-Oriented										
HDFC Children's Gift - Savings	20.78	2-Feb-01	61	-	4.11	8.31	21.85	12.15	9.57	8.22
ICICI Pru Child Care Plan-Study Plan	27.23	6-Aug-01	32	-	4.88	10.01	25.74	10.56	12.71	12.13
Commodities - Gold										
Gold BeES	1694.51	23-Feb-07	797	4.56	4.16	2.61	20.79	22.88	-	20.55
Kotak GOLD ETF	1693.12	4-Jul-07	130	-	4.16	2.63	20.40	-	-	26.71
DSPBR World Gold-Reg(G)	14.73	23-Aug-07	880	-	11.20	-2.42	25.84	-	-	15.43
Reliance Gold ETF	1646.76	1-Nov-07	262	4.54	4.16	2.59	20.50	-	-	21.29
UTI-Gold ETF(G)	1693.19	16-Mar-07	318	-	4.16	2.64	20.62	22.79	-	20.68
Liquid Funds										
Birla SL Cash Mgr-Ret(G)	22.55	14-May-98	31	0.37	0.99	1.95	4.23	6.67	6.57	7.02
Birla SL Cash Plus-Ret(G)	24.58	13-Jun-97	133	0.27	0.89	1.74	3.81	6.54	6.50	7.22
Kotak Liquid(G)	17.91	6-Oct-00	31	0.30	0.86	1.72	3.74	6.29	6.17	6.27
LICMF Liquid(G)	16.93	13-Mar-02	4408	0.33	0.97	2.11	4.71	7.24	7.12	6.67
Magnum InstaCash-Cash(G)	20.53	19-May-99	2276	0.39	1.02	1.92	3.98	6.57	6.54	6.78
Reliance Liquid-Cash(G)	15.05	4-Dec-01	9	0.23	0.71	1.35	2.44	4.42	5.06	4.98
UTI-Money Mkt(G)	2581.58	23-Apr-97	206	0.34	0.97	1.88	4.28	6.73	6.68	7.55
Monthly Income Plans										
Birla SL MIP II-Savings 5(G)	16.64	30-Apr-04	690	-	1.54	2.85	8.34	12.34	9.85	8.83
Birla SL MIP II-Wealth 25(G)	16.96	30-Apr-04	109	-	2.79	4.99	15.27	7.83	9.38	9.18
Birla SL MIP(G)	25.08	10-Nov-00	0	-	2.59	4.61	10.26	9.15	9.02	10.18
Birla SL Monthly Income(G)	34.51	14-Jul-99	217	-	2.22	4.66	13.45	10.51	10.41	12.14
L&T MIP(G)	18.92	1-Aug-98	10	-	2.08	3.85	11.72	12.22	10.32	4.59
DSPBR Savings Mgr-Agg(G)	18.40	20-May-04	80	-	1.45	4.15	16.22	9.06	11.06	10.78
ICICI Pru Income Multiplier(G)	18.39	5-Mar-04	216	-	3.28	5.02	15.18	8.15	11.16	10.39
Magnum Income Plus-Savings(G)	10.83	22-Oct-03	1	-	1.03	2.34	2.87	0.82	1.27	1.23
UTI-MIS(G)	18.81	11-Oct-02	206	-	2.28	5.39	14.23	10.28	9.73	8.71

FDI Inflows likely to bounce back on resolute economic growth

Introduction

Dearth of resources has been a recurring theme for any developing economy in the world. In this backdrop, capital inflows from abroad are a viable option in mobilizing resources and creating employment opportunities in the domestic country. FDI (Foreign Direct Investment) is such an investment source which facilitates the overall economic growth of a country. Persistent economic growth, de-regulation, liberal investment rules and operational flexibility are some of the factors that foster the inflow of FDI into the domestic economy.

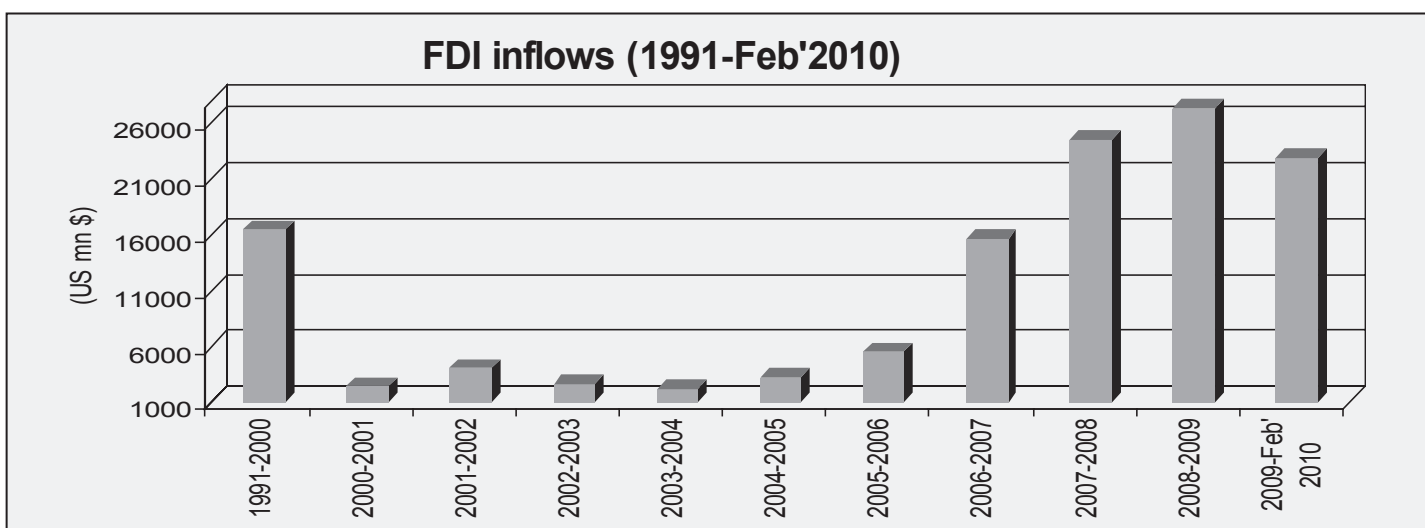
International Monetary Fund (IMF) and Organization for Economic Cooperation and Development (OECD) have defined FDI as a category of cross border investment made by a resident in one economy (the direct investor) with the objective of establishing a 'lasting interest' in an enterprise (the direct investment enterprise) that is resident in an economy other than that of the direct investor. The motivation of the said direct investor is to establish a strategic long term relationship with the direct investment enterprise which it might otherwise be unable to do. The objectives of direct investment are different from those of portfolio investment whereby investors do not generally expect to influence the management of the enterprise.

Trend of FDI inflows into India

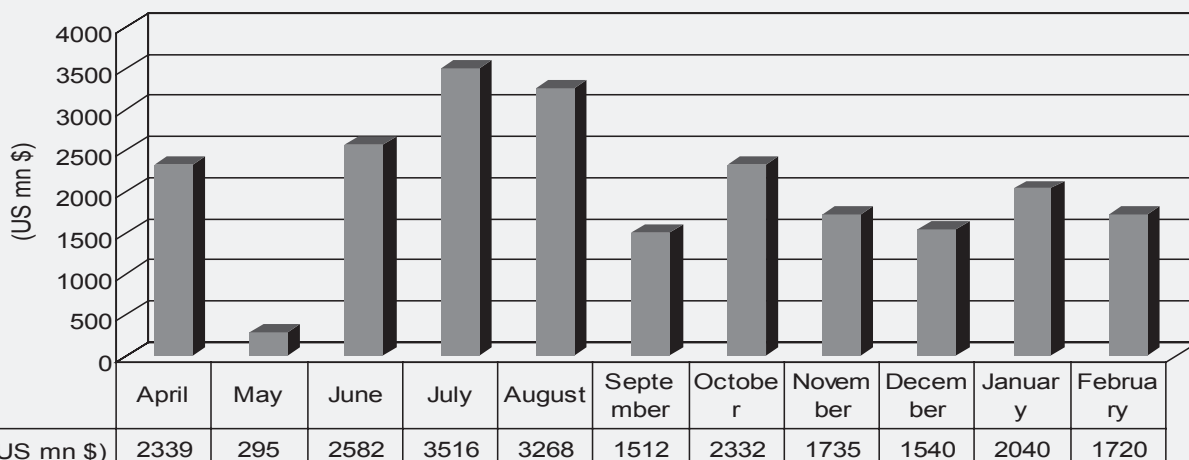
While FDI inflows and economic growth mostly go hand in hand with the latter leading the former, Indian economy is no exception to this over the last five years. After witnessing a tepid response from foreign investors till 2000-01, India attracted a whopping \$ 4,065 million in 2001-02. India's robust growth rate and the dotcom bubble

burst in the US are believed to be the main reasons for the sharp uptick in FDI inflows. However, inflow of FDI dipped for the subsequent couple of years owing to a slip in the economic growth rate of the country. Henceforth, India continues to be one of the most attractive destinations for foreign players in a bid to take a pie of the resolute India growth story. Indian economy grew at an average rate of around 8.5% during the five years between FY05 to FY09. In all these five financial years, FDI inflows gained momentum with 2008-09 remaining the year of highest FDI inflows at \$27,309 million. FDI inflows were \$24,579 million in 2007-08.

However, FDI inflows into the country took a hit on the backdrop of the global economic crisis. With the onset of the economic slump, growth rates of major developed and developing countries waned and attracted scanty FDI inflows. As a result, the rate of growth of total FDI inflow in FY09 was very small compared to that of other years, albeit the volume of flows in absolute terms was still higher than that of FY07. However, FDI inflows in FY10 have been quite robust barring the month of May wherein the country witnessed an FDI inflow of a meager \$295 million. Till February of 2009-10, India has attracted FDI inflows to the tune of \$22,879 million, still around \$4.5 billion short of its inflows in FY09. After recording \$3,516 million of FDI inflows in July, the inflows have failed to accelerate significantly in the subsequent months. India received FDI equity inflows of \$20.9 billion during April-December of 2009 compared to \$21.1 billion during the corresponding period in 2008. Albeit, government has been reiterating time and again that the country's FDI inflows in FY10 could match that of FY09, the target looks seemingly impossible with data for the month of March yet to be compiled.



FDI Inflow in 2009-Feb'10



Share of top investing countries in FDI inflows

Mauritius has been the top investing country since long. For the first 10 months in 2009-10 also, Mauritius accounted for more than half of the FDI inflows at \$9471 million followed by Singapore and USA at \$1829 million and \$1803 million respectively. Cyprus and Japan have also been significant investors at \$1422 million and \$1143 million respectively during the April-January period of FY10. Netherlands, Germany and UK have been other significant contributors to the country's total FDI inflows during the said period of FY10.

Sectors attracting highest FDI inflows

In the backdrop of the important role played by FDI inflows, it is imperative to study the sectoral composition in the total inflows. The Services sector has been attracting major chunk of the FDI inflows in the first 10 months of FY10 and has a share of 22% of the total inflows from April 2000 to January 2010 followed by Computer Software and Hardware

segment at a share of 9%. Services sector attracts a major chunk of the total FDI inflows into the country and it seems justified given its contribution to India's GDP. The Services sector has witnessed FDI inflows of \$3877 million followed by Housing & Real Estate sector and Telecommunications at \$2649 million and \$2461 million, respectively in the said period of FY10.

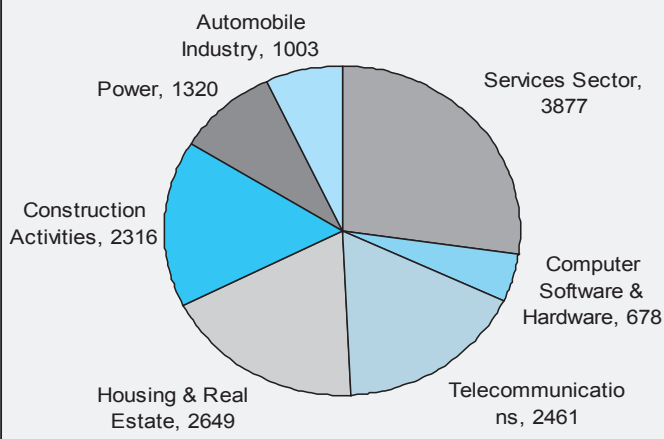
Policy Announcements

In a bid to attract more FDI inflows, government has taken numerous steps to simplify the existing FDI regime in the country to make it easily comprehensible to foreign investors.

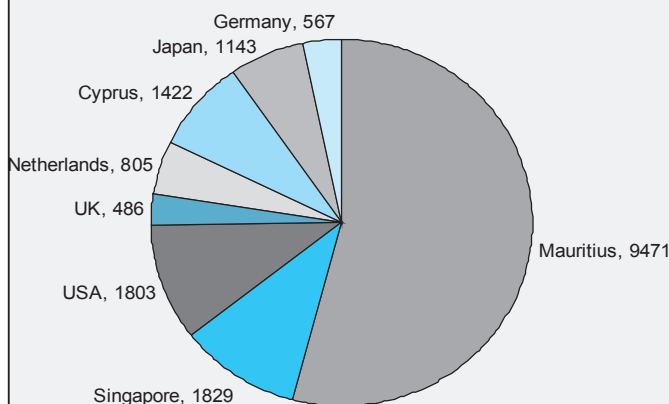
For the first time, government has recognized both ownership and control as central to the FDI policy. The methodology for calculation of indirect foreign investment in Indian companies has been clearly defined.

In another major initiative, government has allowed complete liberalization of pricing and payment of technology transfer fee, trademark, brand name and royalty payments.

FDI inflows in 2009-Jan'10 (US mn \$)



Share of top countries in FDI inflows in 2009-Jan'10(US mn \$)



These payments can now be made under the automatic route. A consistent policy on downstream investment has also been formulated.

Moreover, government made its intentions clear of attracting higher FDI inflows by announcing that it would make the FDI policy user-friendly by consolidating all prior regulations and guidelines into one comprehensive document. This would enhance clarity and predictability of the country's FDI policy to foreign investors.

With an aim of expediting the flow of FDI into the domestic economy, government has relaxed the ceiling limit for approval of such inflow. Government has allowed the Foreign Investment Promotion Board (FIPB) to clear FDI proposals of up to \$358.3 million against the erstwhile ceiling of \$129.16 million.

Among other major policy decision, government has approved the recommendations of Telecom Regulatory Authority of India (TRAI) for a composite foreign investment limit of 74% in mobile TV services. TRAI's recommendations were intended to put mobile television technology services on fast track.

Government has allowed 100% FDI in the renewable energy sector and has put in place a conducive policy to attract foreign companies. Given the growth prospects of the renewable energy sector, FDI inflows are likely to surge significantly in this sector going forward.

On the other hand, in a major blow to the foreign tobacco players that have been eyeing to capture market share in cigarette, government has banned FDI in manufacturing of cigarettes. The decision also reflects government's commitment towards proliferation of anti-smoking regime. However, DIPP (Department of Industrial Policy and Promotion) sources asserted that the move would not affect existing FDI investments in the country nor the franchisee operations.

However, there are a number of issues related to FDI policy that are currently under discussion in the government, such as foreign investment in Limited Liability Partnerships (LLPs), policy on issuance of partly paid shares/warrants, rescinding Schedule IV of FEMA, clarifications on issues related to Press Notes 2, 3 & 4 of 2009 and on Press Note 2 of 2005, as also certain definitional issues etc.

Consolidation of FDI Policy

As promised in the annual budget, government unveiled a consolidated FDI policy on March 31, 2010 which aims to rationalize and simplify the policy regarding FDI by subsuming around 177 Press Notes. It will also seek to

double the cap for automatic approvals from \$133.3 million to \$266.6 million.

As per the erstwhile practices, changes from time to time pertaining to cross border investment, policy liberalisation, policy rationalisation and foreign technology collaboration and industrial policy are notified in the form of individual Press Notes. With the release of the consolidated FDI policy, a new document on Regulatory Framework would be issued every six months which will incorporate and reflect all the changes in the regulations. Accordingly, Press Note unveiled on Wednesday, March 31 will have a sunset clause of six months and will automatically lapse on September 30. Having a single policy platform would ease the regulatory burden for the government. Updation of this document will be carried out after every six months. This consolidated Press Note will be superseded by a Press Note to be issued on September 30, 2010, to ensure that the framework document on FDI policy is kept updated.

Road ahead

The hitherto analysed dynamics of FDI inflows into India corners to one point, i.e. the future inflow of FDI. Albeit, the increase in FDI inflows in the last couple of years has been tepid but the incremental uptick has been significant on the back of global economic slowdown. In fact, we should take a leaf out of it that FDI inflows during the last couple of years have been relatively steady notwithstanding the decline in global capital flows. There has been a global shrinkage in FDI investments and OECD countries are witnessing massive declines. So India's FDI inflow needs to be seen in that backdrop. On this background, the faster-than-expected recovery of the Indian economy played its part in restoring investors' confidence in the overseas.

Several research studies have pointed out time and again that economic growth and FDI inflows share a lead-lag relationship wherein the former leads the latter. Apart from the growth rates, other crucial macroeconomic variables like trade gap, budget deficit, rate of inflation, interest rate etc also play an important role in reflecting the overall health of the economy. With the economy still struggling to come to terms after the global crisis, it is most likely to engineer a fine balance between all these variables in the next couple of years. After an impressive recovery from the doldrums of global economic slowdown, Indian economy is poised to click high growth trajectory in the next two-three years. Moreover, with the government mulling to initiate more liberalisation measures across a broad range of sectors and continued investor interest, a significant upsurge in FDI inflows into the domestic economy seems to be in the offing.

The curious case of Goldman Sachs

As the world economy still finding it tough to come out of the saga of 'Lehman-Brother Bankruptcy', the Securities and Exchange Commission (SEC) has labeled fraud charges against Goldman Sachs & Co. and one of its vice-presidents. SEC alleges Goldman Sachs for defrauding investors by misstating and omitting key facts about a financial product tied to subprime mortgages, which cost investors more than \$1 billion. Albeit the SEC's timing and motivation of the current allegations against the Goldman Sachs has become a subject of intense deliberation, it would not be difficult for the former to prove that greed is still haunting stability at the Wall Street.

The case is centred on a synthetic collateralized debt obligation (CDO) that Goldman Sachs structured and marketed. It informed investors that securities bundled together to form the CDO, known as ABACUS, had been selected by an independent collateral manager, known as ACA. As per the SEC's allegations, Goldman Sachs did not disclose that Paulson & Co, a hedge fund that played a crucial role in choosing the mortgage securities, had bet that the CDO would perform poorly going forward. This gave it an incentive to select securities that would fare badly and consequently their value plunged, costing investors, including IKB, a German bank and ACA itself, around \$1 billion.

Since the case hinges on some complex investment products like CDO and credit default swaps (CDS), it is imperative to study the dynamics of such market driven products.

Collateralized Debt Obligations

Collateralized debt obligations (CDOs) are sophisticated financial tools that repackage individual loans into a product which can be sold in the secondary market. These packages consist of several types of loan like auto loans, credit card debt, or corporate debt. They are called collateralized because they have some type of collateral behind them. Basing on this generic definition, CDOs are further classified into several other types. CDOs are termed as asset-backed commercial paper if the package consists of corporate debt. It is called mortgage backed security (MBS) if the loans are mortgages. Assets called

collateral usually comprise loans or debt instruments. A CDO may be called a collateralized loan obligation (CLO) or collateralized bond obligation (CBO) if it holds only loans or bonds respectively. CDOs were created to provide more liquidity into the economy as it allows banks and corporations to sell-off debt. However, as witnessed in the subprime crisis, one of the loopholes in CDO allows the originators to be less disciplined in adhering to strict lending standards. This drawback of the CDO is believed to have triggered the subprime crisis in the US.

Credit Default Swaps

Under the credit default swaps mechanism, two parties enter into an agreement or contract wherein one party pays the other a fixed periodic coupon for the specified life of the contract. The other party makes no payments unless a specified credit event occurs. Credit events can be in the nature of material default, bankruptcy or debt restructuring for a specified reference asset. In case of the occurrence of such a credit event, the party makes a payment to the first party and concludes the swap agreement. The quantum of decline in the reference asset's market value in the aftermath of the credit event usually decides the size of the payment. To sum up, the credit default swap agreement provides protection against specific credit events.

SEC alleges fraud against Goldman Sachs

The SEC's complaint charges Goldman Sachs and its Executive Director Fabrice Tourre with violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934, and Exchange Act Rule 10b-5. The Commission seeks injunctive relief, disgorgement of profits, prejudgment interest, and financial penalties.

As per the allegations of the SEC, Goldman Sachs structured and marketed a synthetic collateralized debt obligation whose market value depended on the performance of subprime residential mortgage-backed securities (RMBS). Moreover, Goldman Sachs did not convey all the relevant information pertaining to the CDO, especially the role that a major hedge fund played in the portfolio selection process and the fact that the concerned hedge fund had taken a short position against the CDO.

The marketing materials for the CDO known as ABACUS 2007-AC1 (ABACUS) represented that the RMBS portfolio underlying the CDO was selected by ACA Management LLC (ACA), a third party which was well known for its expertise in analyzing credit risk in RMBS. ABACUS was made up of bonds rated 'BBB', indicating that as the home loans defaulted, these bonds would be among the first to feel the heat. The Paulson & Co. hedge fund played a significant role in selecting which RMBS should make up the portfolio. After participating in the portfolio selection, Paulson & Co. effectively shorted the RMBS portfolio it helped select by entering into credit default swaps (CDS) with Goldman Sachs to buy protection on specific layers of the ABACUS capital structure. Given that financial short interest, Paulson & Co. had a profit motive to select RMBS that it expected to experience credit events in the near future. Investors were kept in the dark and Goldman Sachs did not disclose the role of Paulson & Co. in the portfolio selection process in the term sheet, flip book, offering memorandum, or other marketing materials.

While specifying the allegations, SEC asserts that Goldman Sachs Executive Director Fabrice Tourre was principally responsible for ABACUS 2007-AC1 since he structured the transaction, prepared the marketing materials and communicated directly with investors. Being one of the top-notch officials of the investment bank, Tourre allegedly knew of Paulson & Co.'s undisclosed short interest and role in the collateral selection process. Moreover, Tourre misled ACA by claiming that Paulson & Co. invested approximately \$200 million in the equity of ABACUS in a bid to affirm that Paulson & Co.'s interests in the collateral selection process were closely aligned with ACA's interests. However, their interests were sharply conflicting as has been discovered by SEC.

As the deal closed on April 26, 2007, Paulson & Co. paid Goldman Sachs approximately \$15 million for structuring and marketing ABACUS. Subsequently, by October 24, 2007, around 83% of the RMBS in the ABACUS portfolio had been downgraded and 17% were on negative watch and 99% of the portfolio had been downgraded by January 29, 2008. When ABACUS deteriorated, its investors like IKB and ABN Amro lose nearly \$1 billion on the deal while Paulson & Co is believed to have made an equal

amount of money in the process. Interestingly, Goldman's profits were limited to the \$15 million dollar that it received through fees from Paulson & Co.

Bottom line

As the world economy, especially the US is taking a sigh of relief that the worst is over, the fraud charges against the largest investment banker in the US could spell doom for the regulators, policymakers and investors who are apprehending a fresh gloom on the Wall Street. The charges against the Goldman Sachs are far more serious than anyone had imagined as it alleges betrayal of investors' faith, in a business where client relationships and trust mean everything. Moreover, Goldman apparently did a mess with reasons best known to itself by allying with the leading short-seller in the industry to design a portfolio of securities that would crash.

As SEC's allegations are yet to be proved on the floor of the court of law, the Goldman Sachs can be analysed from the point of view of both the SEC and the i-banker.

After failing to smell the rat in the subprime crisis and the consequent credit crash, SEC faces political pressure to perform and reinstate that it still holds key to safeguard the investors' interest. Its subsequent failure to catch hold of Ponzi schemes such as those of Bernie Madoff further damaged its image. On this backdrop, it will put its best foot forward for convicting and setting up exemplary punishment for Goldman Sachs. Moreover, conviction of the largest i-bank in US would give moral support and authority over all such banks.

On the other hand, irrespective of the fate of SEC's fraud charges, Goldman Sachs image is bound to be hit by the allegations itself. Since it went public in 1999, Goldman Sachs has been maintaining that disclosure of all information to the investor is the only way to build a strong investment environment. Hence, the reputational damage will haunt Goldman Sachs for years to come, as it has been hitherto known as the largest and most successful Wall Street investment bank.

However, it might be too early to pronounce that SEC's fraud charges against Goldman Sachs could open a can of worms for such other similar cases in the making in the Wall Street.

Sugar continues to fall in on tepid demand, increasing supply

Sugar prices in India continue to decline, reversing the massive rally seen throughout the last calendar year. The commodity has hit a new low of Rs 2,500 a quintal, shedding over Rs 400 per quintal from Rs 2,900 a quintal within last one week as the demand remains tepid and local supply seems to be surpassing all estimates. Prices are down substantially compared with Rs 4,200 a quintal seen in January at the peak of the rally.

The industry contends that it can create issues as millers may start losing money and problem of non-lifting of sugar may come up in near term. There is a huge quantity of sugar that is yet to be lifted and millers are apprehending that if the prices continue to fall, they might be losing substantial money. This can also impact the timely payments to sugarcane farmers. The government however is not buying the idea at the moment as it believes millers have made enough money in the rally and the decline in prices was only the natural course that sugar was expected to take.

One of the reasons for such a crash in prices is the significant increase in output in the two largest producing states in the country – Maharashtra and Uttar Pradesh (UP). Sugar output in Maharashtra has increased by 41% by April 15 and the state is likely to end the season with around 45% higher production. Maharashtra produced 4.6 million tonne of sugar in last season and industry was expecting the production to increase marginally to 4.7 million tonne in current season by September 2010. However, higher recovery rate in February and March has lifted sugar output and a total production of 6.44 million tonne is now expected.

There is a similar story in UP too, the second largest sugar producing state in the country. Total production in the state has already breached last year's production level of 4.06 million tonne with 5.0 million tonne of commodity produced March 31. The state is expected to end the season at 5.2 million tonne. Although the upside surprise in UP is not as major as in Maharashtra, the higher output nonetheless adds to market supplies.

International sugar prices too have decline significantly, though the decline has not been as sharp as it has been in India. White sugar spot prices in New York have declined from highs of 30 cents/pound to 17 cents/pound, a 40% slide from the peaks, in a matter of two months. Buyers

however are expecting prices to correct further and therefore are postponing their purchase plans. There has been considerable destruction of demand and the scenario is unlikely to improve in current cycle.

The sugar cycle has clearly turned around. On the back of improved profitability per acre for farmers in cane production compared with other crops and some active intervention by the government agencies, sugar production in next season is set to increase substantially and may touch 26 million tonne level. Production and hence export surplus in Brazil is also set to exceed estimates by 10%. Overall therefore, sugar prices are unlikely to pose any significant rally in the current season. There can be a temporary correction as the decline has been steep, but in medium run, prices are headed further downwards.

Export incentive for cotton yarn scrapped, garment industry to benefit

The government has suspended the duty concession of 7.5% available to cotton yarn exporters under the Duty Entitlement Pass Book (DEPB) scheme. The move is aimed at checking the surging prices of the commodity that has resulted in sharp rise in costs for garment makers.

The decision was taken at a meeting of the cabinet chaired by the Finance Minister Pranab Mukherjee. The government has also decided that a prohibitive duty may be imposed to check further surge in exports. A panel has been constituted to take a call on the matter and a decision is expected soon.

Cotton yarn exports have been increasing sharply on account of tight global demand-supply scenario. Till end-March 2010 the industry had exported 55 lakh bales of cotton yarn and the figure is likely to reach around 80 lakh bales by the end of the season (Oct-Sept) on account of strong demand. If the target is achieved, it would constitute nearly doubling of exports from last year.

Textile industry however has been hit hard by the surging cotton yarn exports and resulting increase in domestic prices. Cotton yarn prices have risen by 30% in the last three months with the latest price increase being effected on April 1. Various textile industry bodies have in this wake been urging the government to take measures to curb the export of the commodity.

The government may also make the registration of cotton yarn export compulsory, to keep tab on the situation going forward. Currently, registration is mandatory for

exporters of raw cotton only. Experts however feel that if the government also imposes a high export duty after scrapping the export incentive, cotton spinners will suffer. The government may however choose for a milder duty say around 2% to keep things balanced between the spinners and knitters.

Sugar output seen at 18 MT, further imports unlikely

Sugar scenario in both Indian and international markets has changed very quickly in last one month or so with concerns of supply easing swiftly and prices easing considerably. At the heart of the sharp correction has been a substantial increase in production estimates for the current year, particularly from India, and to some extent from Brazil.

In case of India, from earlier estimates of around 15-16 million tonne it is now expected that total output may reach as high as 18 million tonne, according to the government. 'The sugar output may go up to 18-18.1 MT in the current season,' Food and Agriculture Minister Sharad Pawar said after a meeting of the cabinet headed by Pranab Mukherjee.

The farm ministry has been hinting for the last few weeks that there was a positive upside to sugar production estimates for current season after the traders from the largest sugar producing states of India, Maharashtra and Uttar Pradesh, signalled that yields were higher than anticipated.

As per the latest data compiled by the farm ministry, total production of sugar has already reached 16.7 MT in the first half of 2009-10 marketing season (November-October). The latest estimates therefore suggest that 1.4 MT of more sugar will be produced in the remaining off-peak period of the current season. What this means is that India may be self sufficient in sugar needs for rest of the season and with good output expected next season, no more imports may be required in near term.

A similar story has unfolded in Brazil, the biggest producer and exporter of sugar. Mills in Brazil's Centre South, which produce about 90% of the country's total sugar output, are likely to produce a record high level of 34.1 million tonne of sugar in the season that started April 1, after going down last year somewhat on account of poor weather.

The upside to supply estimates has had a strong impact on sugar prices which have come down substantially in last 1-2 months. Not only domestic but the international

prices too have been following a downward trajectory. Sugar futures in New York have softened sharply on signs of output gains in Brazil and India, the two largest producers in world.

Sugar industry seeks closure of duty-free import window

After riding the rise in price wave for nearly a year, the sugar industry is now confronting the falling price scenario and has urged the government to close the duty-free import windows for the industry users to ensure that domestic sugar crushers do not run into losses.

The government had recently allowed the bulk consumers to import duty-free sugar raws till April 30, 2011. Of the total sugar demand in India of around 23 million tonne a year, bulk consumers like soft drink, confectionary makers and pharmaceutical companies account for around 60%.

The sugar industry however is arguing now that the extension was unwarranted, given the fact that the production in India was likely to be much higher than earlier estimates of 16 million tonne and might touch close to 18 million tonne. Millers are saying that prices have already corrected heavily in the domestic market and further imports by the bulk consumers will hit sugar industry's financials.

Sugar prices in India started increasing right from the start of 2009 and witnessed up-trend throughout the calendar year. While production was expected to improve in 2008-09 season (Sept-Oct), the same was hit by poor Indian monsoon last year, clearing the way for record high prices in India as well as global markets. However, now with strong outlook for next season's crop, prices are correcting in world markets as well as in India.

The government has given the rationale behind the decision contending that by keeping the import window by the bulk consumers open, it can ensure that prices in India do not remain higher than global markets at any time and also to negate any possibility of a second rally in sugar prices in the post crushing months.

The industry however feels that the production estimates of around 18 million tonne coupled with a carryover stock of more than 4 million tonne was sufficient to meet the domestic demand and further imports can hit prices heavily. This will result in lower prices for cane and will again result in less cane sowing in next season, the very problem that was responsible for rise in prices in the previous season.

Reliance HealthWise

The Reliance HealthWise Insurance Policy ensures one's family not only receives the best health insurance but also gives the optimum value for money without compromising on the quality of medical attention. Apart from many usual benefits this policy provides certain extra benefits in the form of Ambulance Charges, Nursing Allowance, coverage of Pre-Existing Diseases after 2/4 years, Donor Expenses etc., are available to you depending on the Plan opted. All these value adds are provided at reasonable premium as compared to other medical insurance policies from other health insurance providers.

Key Advantages

Affordable Health Insurance Premiums

With premium as low as Rs 3353 p.a. for a Sum Insured of Rs. 2 lakhs for a couple, Reliance HealthWise Policy is extremely affordable.

The Family Floater benefit of the health insurance policies covers the entire family, ensuring that the cover is used optimally.

Children above the age of 3 months and adults below the age of 65 years, based on the Plan selected are eligible for the policy. Children between 3 months and 18 years can be covered only if one or both parents are covered. (Maximum age to enter the Plan is 55 years for Gold, 60 years for Silver & 65 years for Standard Plan respectively.)

No health checkups for person's upto 45 years of age with clean medical history.

A 24-hour cashless facility is provided at more than 4,000 hospitals across India.

Policy Coverage

The coverage offered by Reliance HealthWise Policy includes:

- Hospitalisation Expenses - Incurred towards- Hospital (room, boarding and operation theatre), Doctors & Nurses, Medical tests, Medicines, Blood, Oxygen, Appliances etc.
- Day-Care Treatment - Medical expenses towards day care treatments/surgeries where 24 hours of

hospitalisation is not required subject to treatment/surgeries listed in the policy document.

- Domiciliary Hospitalisation - All expenses related to a medical treatment, which is being administered at home, provided that (a) patients condition does not allow him to be shifted to a hospital; or (b) due to lack of accommodation at the hospital.
- Pre- and Post-Hospitalisation - Medical expenses related to your treatment before and after hospitalisation for a specified number of days.
- Donor Expenses - All hospitalisation expenses incurred by the donor in case of major organ transplant are covered (available only under Gold and Silver Plans).

Value Added Covers

Depending on the plan selected the value added covers available for the plan are:

- Nursing Allowance for a maximum period of five days, on recommendation of the treating Medical Practitioner.
- Reimbursement of charges towards local road ambulance services.
- Expenses of an accompanying person at the Hospital/ Nursing Home for a maximum of five days.
- Reimbursement of cost of health check-up after four claim-free renewals.

The Reliance Advantage

Pre-existing illnesses covered after two years or four years (depending on the plan one choose) of continuous cover.

Extended cover for you and your family for pre- and post-hospitalisation expenses.

Renewal discounts of 5% of base premium on each claim free renewal, subject to a maximum of 20% reduction for all claim free period.

Reimbursement of upto 50% of the expenses incurred by proposer for required medical investigation, subject to acceptance of proposal and realization of premium cheque.

Tax-benefit

With the Reliance HealthWise Policy, one can avail of tax benefits under Section 80D of the Income Tax Act.

Renewal Discounts

Renewal discounts of 5% of base premium on each claim free renewal, subject to a maximum overall discount of 20% over all claim free periods.

Exclusions for the scheme:

- Any pre-existing illness for the first two years/ four years of the policy as per the plan selected.
- Specified illnesses for the 1st year.
- Specified illnesses in the case of domiciliary

hospitalisation.

- Any disease contracted during the first 30 days from the time of inception of policy, unless due to an accident.
- Treatment related to HIV / AIDS.
- Treatment due to abuse of alcohol or intoxicants.
- Vaccination and inoculation.
- Nuclear and war perils.
- Naturopathy treatment.

Coverage	Standard Plan	Silver Plan	Gold Plan
Hospitalisation	Minimum 24 hours hospitalisation. Maximum cover up to the Sum Insured selected by the Insured.		
Domiciliary Hospitalisation	Limited to 10% of the Sum Insured opted by the Insured.		
Day Care Treatment	Covered within the limit of Sum Insured opted by the Insured		
Pre and Post Hospitalisation	Relevant expenses incurred for 30 days prior to hospitalisation and expenses incurred upto 60 days after hospitalisation are covered.	Relevant expenses incurred for 60 days prior to hospitalisation and expenses incurred up to 90 days after hospitalisation are covered.	
Pre-Existing	Pre-Existing expenses are covered from the 5th year of the Policy after 4 continuous renewals of this Policy with the company.	Pre-existing disease Pre-existing disease expenses are covered from the 3rd year of the Policy after 2 continuous renewals of this Policy with the company.	
Critical illness	Additional Sum Insured Not Applicable	An additional amount equivalent to the Sum Insured opted under hospitalisation will be available for treatment of the following critical illnesses undertaken in a Hospital/Nursing Home: Cancer, Coronary Artery Bypass Surgery, First Heart Attack, Kidney Failure, Multiple Sclerosis, Major Organ Transplant, Stroke, Aorta Graft Surgery, Paralysis and Primary Pulmonary Arterial Hypertension	
Donor Expenses	Not Applicable	Hospitalisation expenses incurred towards the donor is covered in case of major organ transplant within the overall limit of Sum Insured.	
Cost of health check up	The Insured/Insured Person (s) is entitled to reimbursement of the cost of medical check-up at the end of a block of 4 consecutive years provided there were no claims reported under the Policies by any member, during this block. The cost so reimbursable shall not exceed an amount equal to 1% of the average Sum Insured during the block of 4 Underwriting years. In case of Family Floater the above limit is 1.25% of the average Sum Insured for all the Insured Person covered in the policy put together.		