

NRI Fortnightly Connect

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Economy

- Textile exporters hit by the rising rupee approach govt:** Textile exporters, burdened with heavy losses and appreciating rupee, approached the government for cheaper export finance equivalent to the bank rate of 6%. They also want service tax exemptions on all 17 sub-sectors within the textile sector, refund of all state level local levies and reduction in interest rates for pre-and post-shipment credit. The Finance Minister Palaniappan Chidambaram met the exporters on Thursday (15 November 2007) and assured them of "concrete measures". These could include greater credit flow to the sector and concessional rates of bank finance with interest subvention through budgetary support.
- Excise duty collection up 14% in October 2007:** The Centre's excise duty collections rose 14% at Rs 10293 crore in October 2007 from Rs 9066 crore in October 2006. Customs duty collections jumped 25% at Rs 9353 crore in October 2007 as against Rs 7503 crore in October 2006. Excise duty collections stood at Rs 64948 crore in April-October 2007 compared with Rs 60401 crore in April-October 2006 - an increase of 8%. Customs duty collections scaled up 17.4% to Rs 57833 crore from Rs 49276 crore. Tax revenue from the customs and excise levies gained 12% at Rs 122781 crore in April-October 2007 compared with Rs 109677 crore in April-October 2006. The budget estimate for excise duty collections has been pegged at Rs 130220 crore while customs duty collections has been estimated at Rs 98770 crore in FY 2008.
- Manufacturing growth to revive in the coming months:** Trade Minister Kamal Nath in the sidelines of a conference held in New Delhi on Wednesday (14 November 2007) expressed hope that manufacturing growth would revive in the coming months. According to the minister, sluggish growth of 6.4% in industrial output in September 2007 over September 2006 was due to a weaker dollar.

Exchange Rate

- The rupee on Thursday (15 November 2007) ended slightly better at 39.28/29 and unchanged from the day's opening level against the US currency in an otherwise range bound trade.

Inflation up 3.11%

- Annual inflation, based on the wholesale price index (WPI), moved up 3.11% in the week ended 3 November 2007 over 2.97% in the week ended 27 October 2007. The market estimate was 2.97%. The annual inflation rate was 5.45% in the corresponding week of the previous year.

Bullion

- Standard gold (99.5) prices added another Rs.95 before finishing the business at Rs.10,335 per 10 gm in Chennai, while Delhi recorded a gain of Rs.80 to close at Rs.10,440. In Mumbai, however, prices dipped by Rs.35 to Rs.10,280

Bullion price

	Unit	15-Nov-07	01-Nov-07	Var(%)
Gold	Rs/10 gm)*	10,280	10,120	1.6
Silver	Rs/Kg)**	18,983	18,711	1.5

* Mumbai ** Delhi

Currency exchange

DATE	US\$	GBP	EURO	YEN
01-11-07	39.32	81.82	56.90	34.08
15-11-07	39.28	80.87	57.68	35.30

Index summary

	15-Nov-07	01-Nov-07	VAR(%)
SENSEX	19784.89	19724.35	0.3
NIFTY	5912.10	5866.45	0.8

India sector index

INDEX	15-Nov-07	01-Nov-07	VAR(%)
BSE - PSU	10581.64	9702.30	9.1
BSE AUTO	5249.26	5391.37	-2.6
BSE BANKEX	11053.02	10851.69	1.9
BSE CAP. GOODS	20905.87	20141.19	3.8
BSE CONS DURA	5069.79	5173.32	-2.0
BSE FMCG	2138.62	2038.20	4.9
BSE HEALTHCARE	3905.07	3910.85	-0.1

The annual wholesale price index

	PER CENT	WEEK-ENDED
Inflation	3.11	Nov-03
Inflation	2.97	Oct-27
Inflation	3.02	Oct-20
Inflation	3.07	Oct-13

as stockists took profit after a slump in its prices in London nad New York. Kolkata, on the other hand, remained flat at Wednesday's levels of Rs.10,470 per 10 gm.

- In Chennai, ready silver (.999) closed with gains of Rs.240 at Rs.19,790 per kg followed by Delhi, where it was trading Rs.200 higher at Rs.19,400. In Mumbai, silver recorded a fresh loss of Rs.100 at Rs.19,650 per kg. In Kolkata, the metal held steady at its previous level of Rs.19,000 per kg.

Capital Market

- The 30-share BSE Sensex declined 53.1 points or 0.45% to 19,784.89 in the fortnight ended 15 November 2007. The S&P CNX Nifty inched up 11.45 points or 0.19% to 5,912.10 in the fortnight. BSE Small Cap index surged 430.8 points or 4.39% to 10,227.66 in the fortnight. BSE Mid Cap index rose 278.88 points or 3.42% to 8,414.09 in the fortnight.
- **Refex Refrigerants gains on FCCB issue plan:** Refex Refrigerants surged 4.98% to Rs 196.05 at 14:32 IST on BSE on reports that company is planning to raise Rs 200 crore by issuing foreign currency convertible bonds.
- **L&T recovers from lower level on new order win:** Larsen & Toubro gained 0.04% to Rs 4494 at 15:30 IST on BSE, having recovered from session's low of Rs 4411, after its consortium won an order worth Rs 580 crore from state-run Steel Authority of India to rebuild one of its blast furnaces.
- **Provogue India acquires majority stake in Pronet Interactive:** Provogue India has acquired a majority stake in Pronet Interactive, which is engaged in the business of developing social networking websites. The company made this announcement during the trading hours today, 15 November 2007.
- **Kinetic Motor Company to increase authorised capital:** The members of Kinetic Motor Company has decided to increase the authorised share capital of Rs 85.00 crore to Rs 88.56 crore by creation of 1,59,980 equity shares of Rs 10 each and 8,71,800 compulsorily convertible cumulative preference shares of Rs 39 each. The members have decided to issue 8,71,795 compulsorily convertible preference shares (CCCPS) of face value Rs 39 each to Sayang Industry Company (SYM) on preferential basis.

Real Estate

- **Real estate developer Prestige Group buys prime Chennai property:** Bangalore-based real estate developer, Prestige Group, has purchased a 2.8-acre prime property on Chennai's high street - Anna Salai.
- **Average home buyers age in India comes down by 20 years:** The average age of home buyers in India has come down by nearly 20 years according to The Associated Chambers of Commerce and Industry of India (ASSOCHAM).
- **Home loans now slightly cheaper:** In addition to festival offers by banks on new home loans, some lenders are taking down interest rates a notch. Mumbai, India, November 15, 2007 - In addition to festival offers by banks on new home loans, some lenders are taking down interest rates a notch.
- **Indian real estate major DLF to buy Amanresorts for \$250 million:** In another example of the growing interest of Indian companies in overseas acquisitions, real estate major DLF Ltd is reported to be close to an acquisition of Singapore-based luxury chain Amanresorts for US\$250 million.
- **Pearls Infrastructure high-end housing in Zirakpur, Punjab:** Pearls Infrastructure Projects Ltd is offering a high-end housing project Nirmal Chhaya Towers, in VIP Road, Zirakpur, Punjab. Situated over 17.5 acres of lush green area, this residential complex is located strategically in terms of the convenience. The total value of this project is approximately Rs.300 crores.

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REALTY RATES

Location	Capital Values/ Rs./sq.ft./month
DELHI	
Chankapuri/South Delhi	70-145
Vasant Vihar	70-90
Sahantiniketan/Jor Bagh	70-130
Golf Links	65-150
Greater Kailash	39-70
Gurgaon	24-40
Noida	14-22

HYDERABAD

Banjara Hills	22-30
Jubilee Hills	21-30
Begumpet	16-21
Madhapur/Cyberabad	14-19
Rajbhavan Road	14-22

Source: Gennex-CRESA Partners. Rates are indicative and may vary with the location, age, amenities, quality, neighbourhood, infrastructure, etc.