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These days' market is highly volatile. One-day market fall deep and another next day market shoot up, so we advise you that you should not worry about market. This is time to earn good profit in short term. Invest in fundamentally strong companies when share price fall more than 5% and book profit when share price up nearly 10%. We are recommending some fundamentally good companies in which you can earn good profit:

### **Power Grid Corporation Ltd.**

<b>CMP – 94</b>	<b>52 Week High – 167.45</b>	<b>52 Week Low – 52</b>
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Power Grid Corporation is country's principal electric power transmission company, owning country's inter-state and inter-regional electric power transmission system. The company is implementing certain identified transmission projects with 13,022-circuit km. with total estimated cost of Rs 12,708 crore which is being financed by debt equity of 70: 30 in accordance with CERC norms. An amount of Rs 5,863 crore has already been spent till 31-03-07. Mr. R P Singh, CMD, Power Grid said that they expect to make substantial profits in the telecom business, in the current year and planning a capex of USD 15 billion over the next five years. It has 60,000 high voltage transmission lines and will double in five years. Its PE ratio works out close to 10. The power sector has tremendous untapped potential and transmission companies would largely get benefited from capacity addition. The company being one of the largest players, controlling almost 50% market, has bright future ahead.

### **Gujarat NRE Coke Ltd.**

<b>CMP–152</b>	<b>52 Week High –181</b>	<b>52 Week Low–29</b>
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Gujarat NRE Coke is engaged in manufacturing of low ash metallurgical coke for the steel industry, soda ash plants, zinc smelters and foundries. The primary activity of the company is manufacturing low ash metallurgical coke (LAMC). It is the largest non-captive manufacturer of low ash metallurgical coke in India. Gujarat NRE Coke's strategic agreement with Scandinavian company to jointly acquire two vessels of 60,000 dwt each of which will be delivered from Japanese Yards in 2011 and 2012. This agreement would benefit the company from fluctuating freight rates, which would also help it to strengthen the argins in future. The ships incorporating futuristic designs are expected to substantially aid company's cargo movement between India, Australia and other destinations. The company's agreement with SAIL to provide consultancy in implementing 15 MW power plants each at Bhachau and Dharwad would help the company in reducing the operating cost of its steel mills. This action would help it to strengthen its bottom line and margins that would start getting reflected from FY 2007- 08. Improving outlook for coke and cost-savings from backward integration are likely to have a positive impact on the company's profitability.

## JSW STEEL Ltd.

<b>CMP: 935</b>
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<b>52 week high: 1389</b>
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<b>52 week low: 399</b>
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JSW is one of the largest integrated steel players in India with an installed capacity of 3.8 million metric tonne. The company plans series of expansion, which would increase its capacity to 10 million metric tonne by 2009-10. The company experienced pressures on cost and realisation fronts. At the current market price of Rs 935, the stock trades at a P/E of 9.5 times which is at par with its peers. On the other hand, there could be a substantial improvement in the profitability of JSW if HRC prices go beyond \$700 per million tonne and its recently acquired US subsidiaries would fructify. Significant increase in iron ore and coke prices coupled with the appreciating rupee resulted in lower realisations on export front. We believe that global iron ore contracts for 2008-09 would be negotiated at \$68-70/mt. This could result in global HRC prices hovering \$720-750/mt for 2008. The opportunities going forward are strong which may result in good returns from the stock. So we strongly recommend you buy this stock at current market price.

**Please confirm order ASAP.**

**Thanks and Regards,  
PMS Team.**