

The Sensible SENSEX : An Exploratory Study to forecast Sensex for 2010

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ABSTRACT

"There will be more of everything :special economic zones, new world-class buildings, more supermarkets, more shopping malls,"
Andrew Holland, Managing Director, Merrill Lynch, Mumbai.

Remember the BRIC's report? The world sat up and took notice few years ago when Goldman Sachs turned out its path breaking 'Dreaming with BRIC's' report. It audaciously predicted that India and three others China, Russia and Brazil would be Giant economic forces in the coming century. With India pelting along the superhighway to growth at a speed that makes the BRIC's report look almost conservative. The economy is racing along and GDP climbed to about \$690 billion (Rs 31, 20,200 crores) in 2005 up from about \$600 billion in 2003. At the current speed and with 8 per cent growth becoming the norm, it is slated to touch \$1 trillion slightly before 2010. The above scenario seems to be too good to be true. But evidence proves that it could well be possible considering the close correlation between the Economy at large and the Sensex, it would be appropriate to have a close look at the Sensex and its movement over the next three years. This Article makes an attempt to predict the value of the Sensex for the year 2010. The approach used in the project is called Free Float Market Capitalization. This method is used after finding the future value of the 30 Sensex stocks using the Forward EPS and P/E method.

Introduction

From the premier Stock Exchange that pioneered the stock broking activity in India, 128 years of experience seems to be a proud milestone. A lot has changed since 1875 when 318 persons became members of what today is called "The Stock Exchange, Mumbai" by paying a princely amount of Re1. Since then, the country's capital markets have passed through both good and bad periods. The journey in the 20th century has not been an easy one. Till the decade of eighties, there was no scale to measure the ups and downs in the Indian stock market. The Stock Exchange, Mumbai (BSE) in 1986 came out with a stock index that subsequently became the barometer of the Indian stock market. SENSEX is not only scientifically designed but also based on globally accepted construction and review methodology. First compiled in 1986, SENSEX is a basket of 30 constituent stocks representing a sample of large, liquid and representative companies. The base year of SENSEX is 1978-79 and the base value is 100. The index is widely reported in both domestic and

international markets through print as well as electronic media. The Index was initially calculated based on the "Full Market Capitalization" methodology but was shifted to the free-float methodology with effect from September 1, 2003. The "Free-float Market Capitalization" methodology of index construction is regarded as an industry best practice globally. All major index providers like MSCI, FTSE, STOXX, S&P and Dow Jones use the Free-float methodology. First compiled in 1986, SENSEX is a basket of 30 constituent stocks representing a sample of large, liquid and representative companies.

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Objectives of the Sensex

The SENSEX is the benchmark index of the Indian Capital Markets with wide acceptance among individual investors, institutional investors, foreign investors and fund managers. The objectives of the index are:

(i) To measure market movements

Given its long history and its wide acceptance, no other index matches the SENSEX in reflecting market movements and sentiments. SENSEX is widely used to describe the mood in the Indian Stock markets.

(ii) Use of Sensex as a benchmark

The inclusion of blue chip companies with wide and balanced industry representation in the SENSEX, makes it the ideal benchmark for the fund managers for investing their funds.

(iii) For index based derivative products

Institutional investors, money managers and small investors all refer to the SENSEX for their specific purposes. The SENSEX is in effect the proxy for the Indian stock markets. The country's first derivative product i.e. Index-Futures was launched on SENSEX.

Basics of Sensex

1. "Sensex" is the popular name for the Bombay Stock Exchange Sensitive Index.
2. It is the oldest stock market index currently in use.
3. Sensex is the index of Market Capitalization.
4. The base value is 100 on April 1, 1979.
5. Sensex consists of only 30 representative stocks.
6. These 30 are the most active and representative stocks selected from over 6,300 scrips that are listed on the BSE.
7. The total market capitalization of these 30 stocks accounts for more than 38 per cent of the aggregate market capitalization of all BSE stocks.
8. The Sensex composition is modified by the BSE authorities at irregular intervals, to keep it in tune with the latest realities of the market.
9. A major reshuffle took place in the Sensex on August 19, 1996, when 15 stocks were replaced.
10. Recently, on April 10, 2000, four stocks were replaced. Satyam Computer, Zee Telefilms, Dr.

Reddy's Labs, and Reliance Petroleum have been included in place of Indian Hotels, Tata Power, Tata Chemicals and IDBI.

Objectives of the study

The main objective of the study is to study the behavior of the Sensex over the next three years and arrive at the value of the Sensex in the year 2010. The Sensex, which is made up of 30 Stocks, which have high market capitalization, indicates the price movement of these 30 stocks. The Objective is to get a clear idea about the behavior of the Sensex in the coming few years.

- 1) This Research is therefore carried out to find the value of the Sensex in the coming few years and especially in 2010.
- 2) Also it attempts to forecast the price of the 30 individual stocks at the end of 2010.

Research methodology

Sensex 30 stocks were considered for the study. Secondary data were used for analysis. The secondary data were collected from various annual reports and from various web sites.

Limitations of the study

Any study cannot be perfect and is susceptible to limitations. But these limitations should not be so large that they have an impact on the Findings of the study. Like any other study this study has its inherent limitations. The Limitations of the study can be listed as below:

1. The assumption of reducing P/E in the future is not ideal and realistic.
2. The assumption of constant Equity share capital is also not realistic.
3. The Index Divisor is assumed to be the same as in the base year.

Overview of the study

This study aims at finding the value of the Sensex over the next three years and arriving at the final value for the Sensex in the year 2010. The approach that has been used is called the Forward EPS and P/E approach. The value of the Sensex has then been calculated using the Free Float Market Capitalization Method. The Forward EPS for the 30 Sensex stocks has been found out using past financial data. The main financial data that has been predominantly analyzed is the Income and Expenditure statement. In the Income

and Expenditure statement the past data for the last 4 years has been used to project the Incomes and Expenditures for the next 4 years i.e. till the year 2010.

Assumptions

The ASSUMPTIONS made in the process of projecting the Income and Expenditure for the period 2007 to 2010 can be listed as follows:

1. The Stock adjustments figure has been assumed to be Zero (0) for the period.
2. The depreciation charge is made in accordance to the figure for Fixed Assets.
3. The number of Outstanding Equity Shares is assumed to be constant.
4. The Forward P/E for 2010 is assumed to be lesser than the P/E at which the stock is currently trading.
5. The Forward P/E for 2010 is assumed to be equal or at least close to the Industry P/E.

Procedure

The step-by-step approach undertaken in the study is as follows:

1. The Sales Turnover figure is projected using the CAGR approach. The CAGR stands for Cumulative Annual Growth Rate. It is worked out as follows:
Summation of Growth Rates in the last 'n' years divided by 'n', where 'n' stands for the Number of years.
2. Excise Duty is projected as Percentage of sales turnover.
3. Other Income has been projected using the CAGR approach.
4. Stock Adjustment for the period has been assumed to be 'Zero'.
5. The Expenditures, which include Raw Material Cost, Power and Fuel, Employee Cost, Other Manufacturing expenses, Selling and Administration Expenses, and other Miscellaneous expenses, have all been projected as percentage of sales turnover.
6. The Interest cost has been projected with respect to the amount of Secured and Unsecured Loan.
7. The Depreciation Cost has been projected with respect to the amount of Fixed Assets.
8. The rate of taxation that has been used is the average rate of taxation in the past period.
9. The Number of shares in issue is assumed to remain the same till 2010.

10. The Market Price is worked out as P/E Ratio multiplied by its EPS. Conversely Price Earning Ratio is worked out as: Market Price / Earnings Per Share.

Using the Table-1 data as an illustration, we would see how the various data has been projected for the coming years Table-2.

1. The Sales Turnover is projected using the CAGR approach.
Therefore the Sales Turnover Figure for ITC Ltd is projected as follows:
The YoY growth in sales has been 7.17 %, 12.99% and 21.54%.
The CAGR is therefore worked out to be 13.90%.
Therefore this CAGR is used to project the Sales Turnover for 2010 (See Table-2).
2. The Excise Duty is worked out as a percentage of Sales Turnover.
The Excise duty in the past has been 46.70 %, 45.77 %, 43.11% and 39.68%.
Therefore the 43.82% is used as the rate for Excise duty.
3. The Figure for Net Sales is arrived at by subtracting the amount of Excise duty from the Sales Turnover.
4. Other Income is also calculated using the CAGR approach.
5. The Raw Material Cost has been worked out by the Percentage of Sales approach. It works out to be 22.72 % of Sales on a CAGR basis.
6. The other expenses like Power and Fuel, Employee Cost, Other Manufacturing Expenses, Selling and Administrative expenses and other Miscellaneous Expenses have been all worked out using the Percentage of Sales approach.
7. The amount for Depreciation is calculated using the amount of Fixed Assets. The Depreciation is worked out as 5.36% of Fixed Assets.

Sensex calculation Methodology

SENSEX is calculated using the "Free-float Market Capitalization" methodology. As per this methodology, the level of index at any point of time reflects the Free-float market value of 30 component stocks relative to a base period. The market capitalization of a company is determined by multiplying the price of its stock by the number of shares issued by the company. This market

capitalization is further multiplied by the free-float factor to determine the free-float market capitalization. The base period of SENSEX is 1978-79 and the base value is 100 index points. This is often indicated by the notation 1978-79=100. The calculation of SENSEX involves dividing the Free-float market capitalization of 30 companies in the Index by a number called the Index Divisor. The Divisor is the only link to the original base period value of the SENSEX. It keeps the Index comparable over time and is the adjustment point for all Index adjustments arising out of corporate actions, replacement of scrips etc. During market hours, prices of the index scrips, at which latest trades are executed, are used by the trading system to calculate SENSEX every 15 seconds and disseminated in real time.

Free-float Methodology

Free-float Methodology refers to an index construction methodology that takes into consideration only the free-float market capitalization of a company for the purpose of index calculation and assigning weight to stocks in Index. Free-float market capitalization is defined as that proportion of total shares issued by the company that are readily available for trading in the market. It generally excludes promoters' holding, government holding, strategic holding and other locked-in shares that will not come to the market for trading in the normal course. In other words, the market capitalization of each company in a Free-float index is reduced to the extent of its readily available shares in the market.

Definition of free-float

Share holdings of the investors that would not, in the normal course come into the open market for trading are treated as 'Controlling/ Strategic Holdings' and hence not included in free-float.

In specific, the following categories of holding are generally excluded from the definition of Free-float:

- Holdings by founders/directors/ acquirers which has control element
- Holdings by persons/ bodies with "Controlling Interest"
- Government holding as promoter/acquirer
- Holdings through the FDI Route
- Strategic stakes by private corporate bodies/ individuals

- Equity held by associate/group companies (cross-holdings)
- Equity held by Employee Welfare Trusts
- Locked-in shares and shares which would not be sold in the open market in normal course. The remaining shareholders would fall under the Free-float category.

Determining free-float factors of companies

BSE has designed a Free-float format, which is filled and submitted by all index companies on a quarterly basis with the Exchange. The Exchange determines the Free-float factor for each company based on the detailed information submitted by the companies in the prescribed format. Free-float factor is a multiple with which the total market capitalization of a company is adjusted to arrive at the Free-float market capitalization. Once the Free-float of a company is determined, it is rounded-off to the higher multiple of 5 and each company is categorized into one of the 20 bands given below. A Free-float factor of say 0.55 means that only 55% of the market capitalization of the company will be considered for index calculation.

Free-float bands

% Free-Float	Free-Float Factor	% Free-Float	Free-Float Factor
0 - 5%	0.05	50 - 55%	0.55
5 - 10%	0.10	55 - 60%	0.60
10 - 15%	0.15	60 - 65%	0.65
15 - 20%	0.20	65 - 70%	0.70
20 - 25%	0.25	70 - 75%	0.75
25 - 30%	0.30	75 - 80%	0.80
30 - 35%	0.35	80 - 85%	0.85
35 - 40%	0.40	85 - 90%	0.90
40 - 45%	0.45	90 - 95%	0.95
45 - 50%	0.50	95 - 100%	1.00

Index Closure Algorithm

The closing SENSEX on any trading day is computed taking the weighted average of all the trades on SENSEX constituents in the last 30 minutes of trading session. If a SENSEX constituent has not traded in the last 30 minutes, the last traded price is

taken for computation of the Index closure. If a SENSEX constituent has not traded at all in a day, then its last day's closing price is taken for computation of Index closure. The use of Index Closure Algorithm prevents any intentional manipulation of the closing index value.

On-line computation of the index

During market hours, prices of the index scrips, at which trades are executed, are automatically used by the trading computer to calculate the SENSEX every 15 seconds and continuously updated on all trading workstations connected to the BSE trading computer in real time.

Adjustment for bonus, rights and newly issued capital:

The arithmetic calculation involved in calculating SENSEX is simple, but problem arises when one of the component stocks pays a bonus or issues rights shares. If no adjustments were made, a discontinuity would arise between the current value of the index and its previous value despite the non-occurrence of any economic activity of substance. At the Index Cell of the Exchange, the base value is adjusted, which is used to alter market capitalization of the component stocks to arrive at the SENSEX value. The Index Cell of the Exchange keeps a close watch on the events that might affect the index on a regular basis and carries out daily maintenance of all the 14 Indices.

Adjustments for Rights Issues:

When a company, included in the compilation of the index, issues right shares, the free-float market capitalization of that company is increased by the number of additional shares issued based on the theoretical (ex-right) price. An offsetting or proportionate adjustment is then made to the Base Market Capitalization (see Base Market Capitalization Adjustment below).

Base Market Capitalization Adjustment :

The formula for adjusting the Base Market Capitalization is as follows :

$\text{New Base Market Capitalization} = \text{Old Base Market Capitalization} \times \frac{\text{New Market Capitalization}}{\text{Old Market Capitalization}}$
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Adjustments for Bonus Issue:

When a company, included in the compilation of the index, issues bonus shares, the market Capitalization of that company does not undergo any change. Therefore, there is no change in the Base Market Capitalization; only the 'number of shares' in the formula is updated.

Other Issues:

Base Market Capitalization Adjustment is required when new shares are issued by way of conversion of debentures, mergers, spin-offs etc. or when equity is reduced by way of buy-back of shares, corporate restructuring etc.

To illustrate, suppose a company issues right shares, which increases the market Capitalization of, the shares of that company by say, Rs.100 crores. The existing Base Market Capitalization (Old Base Market Capitalization), say, is Rs.2450 crores and the aggregate market capitalization of all the shares included in the index before the right issue is made is, say Rs.4781 crores. The "New Base Market Capitalization" will then be :

Market Capitalization will then be :

$\text{Rs. } 2501.24 \text{ crores} = \frac{2450 \times (4781 + 100)}{4781}$
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This figure of 2501.24 will be used as the Base Market Capitalization for calculating the index number there after till the next base change becomes necessary.

Free float market capitalisation

Having got the Future Market Price of the 30 Sensex Stocks the next step is to calculate the value of the Sensex for 2010. The Value of the Sensex has been calculated using the free float capitalization method.

To further understand the process of Free Float Market Capitalization we would need to understand the following terms:

1. **Market Capitalization:** The market capitalization of a company is determined by multiplying the price of its stock by the number of shares issued by the company.

2. **Free Float Factor:** Free-float factor is a multiple with which the total market capitalization of a company is adjusted to arrive at the Free-float market capitalization.
3. **Free Float Market Capitalization:** Free-float market capitalization is defined as that proportion of total shares issued by the company that are readily available for trading in the market. It generally excludes promoters' holding, government holding, strategic holding and other locked-in shares that will not come to the market for trading in the normal course. In practice it is calculated by multiplying the Market Capitalization with the Free Float Factor.
4. **Index Divisor:** The Value of the Sensex is arrived at by dividing the Free Float Market Capitalization by the Index Divisor. Conversely the Index Divisor is worked out by dividing the Free Float Market Capitalization by the Sensex Value on a particular date.

Procedure

In other words 14th June 2007 has been taken as the Base Period. It should be noted that the Total Free Float Market Capitalization as on 14th June 2007 was 905206.00 Crores Table-4. Another important feature to be noted is the value of the Sensex as on this date was 14200. The Index Divisor was worked out to be 63.75. This figure of 63.75 is important because it will be used to calculate the Forward Sensex value. For projecting the Sensex, Market Capitalization and the free float market capitalization for 2010 is worked out by using projected market pricing of the stocks as reported in Table 5. The total free float market capitalization in 2010 is worked out to be Rs. 1398287.00 crores.

The Future Price for the 30 Sensex stocks has been worked out by using the Forward EPS and Forward PIE method and is shown in Table 3. Similarly the Market Capitalization and the free float market capitalization has been worked out as on 14 June 2007 and shown in Table 4.

Value of Sensex is computed by writing the following formula:

$$\text{Value of Sensex} = \frac{\text{Free float market capitalization}}{\text{Free float factor Index divisor}}$$

$$= \frac{1398287}{63.75} = 21934$$

This suggests that the value of sensex could rise to 21934 in the year 2010.

Conclusion

The value of the Sensex was 3300 in the year 2002. It was 14200 on June 2007 at the time of writing the report. This means that the Sensex has seen a growth of FIVE TIMES in the last 5 years. With so much of volatility and uncertainty in the stock market it is not an easy task to predict the likely behavior of the Sensex even a week from now. But a careful valuation of the 30 Sensex Stocks and the use of scientific methodology to reach the final value of the Sensex seems to be a safe bet. On a careful analysis of the present value of the Sensex, its projected value works out to be close to 22000, which is 8000 points above the current level. But considering the kind of growth the Sensex has seen in the last few years this figure of 22000 cannot be ruled out. This is backed by a robust Economy and a relatively stable political, judicial and democratic framework. Figures show that India achieved a GDP growth rate of 9.2% during 2006-07 and is expected to maintain the high growth trajectory for the next 5-7 years. Given all the above mentioned factors the Sensex value of 22000 for 2010 looks to be a realistic possibility.

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For detailed reference & appendix work sheet the author may be contacted.

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- TCS
- Wipro

Table 1 : Income and Expenditure for ITC Ltd. (Rs. crores)

	Mar-03	Mar-04	Mar-05	Mar-06
Income				
Sales Turnover	11024	11815	13349	16224
Excise Duty	5149	5407	5754	6438
Net Sales	5875	6407	7594	9786
Other Income	174	229	599	295
Stock Adjustments	13	252	115	145
Total Income	6037	6889	8309	10227
Expenditure				
Raw Material Cost	2245	2577	2840	4124
Power and Fuel	137	158	218	245
Employee Cost	306	372	464	539
Other Manufacturing Expenses	265	251	265	308
Selling and Admin Expenses	610	770	843	1012
Miscellaneous Expenses	137	164	285	419
Total Expenses	3703	4294	4918	6649
Operating Profits	2159	2365	2791	3282
PBDIT	2333	2594	3391	3577
Interest	40	34	50	21
PBDT	2293	2560	3340	3556
Depreciation	237	241	312	332
PBT	2056	2319	3027	3224
Tax	684	726	836	988
Net Profit	1371	1592	2191	2235
Equity Dividend	371	495	773	995
Corporate Dividend Tax	47	63	108	139
Shares In Issue	24	24	24	375
EPS	53	61	83	5
Book Value	214	256	315	23
Market Value	629	1041	1343	134
PE Ratio	11	16	16	24

Table 3 : (Rs. crores)

	2007	2008	2009	2010
ACC	1246	1313	1401	1502
Ambuja Cement	132	165	204	232
Bajaj Auto	2085	2290	2473	2676
Bharti Televentures	795	1034	1227	1425
BHEL	2326	2587	2901	3405
Bipla Ltd	258	290	315	328
Dr.Reddy's Lab	615	863	913	994
Grasim Ind.	2381	2831	3103	3323
HDFC Bank	1128	1343	1552	1588
HDFC	1672	2086	2332	2425
Hero Honda	636	796	951	1045
Hindalco	125	166	217	283
Hindustan Lever	208	253	285	321
ICICI Bank	919	1125	1417	1792
Infosys Technologies	2001	2403	2757	3084
ITC Ltd	164	198	235	282
Larsen and Toubro	1779	2238	2657	2869
Maruti Udyog	771	1043	1135	1223
NTPC	165	202	224	247
ONGC	917	1001	1091	1188
Ranbaxy Lab	405	524	543	563
Reliance Energy	573	734	1000	1267
Reliance	1760	2125	2554	3051
Saryam Computers	476	581	672	756
State Bank Of India	1316	1629	2045	2510
Tata Motors	712	833	971	1105
Tata Steel	611	753	871	979
Tata Consultancy	1260	1563	1700	1783
Wipro Ltd	595	691	813	956

Table 4 : Free-float market capitalization as on 14 June '07

	Face Value	Equity Capital	Market Price	Market Capitalization	Float Factor	Free Float Market Cap
			14 th June 2007	In Crores		
ACC	10	187	825	15472	0.62	9593
Ambuja Cement	2	303	110	16829	0.64	10770
Bajaj Auto	10	101	2106	21315	0.68	14494
Bharti	10	1893	818	154938	0.39	60425
BHEL	10	489	1349	66050	0.32	21136
Cipla	2	149	209	15697	0.59	9261
Dr.Reddy's Lab	5	76	638	9794	0.58	5680
Grasim	10	91	2432	22298	0.64	14270
HDFC Bank	10	313	1097	34407	0.6	20644
HDFC	10	253	1825	46178	1.00	46178
Hero Honda	2	39	683	13649	0.45	6142
Hindalco	1	98	164	16170	0.63	10187
HLL	1	220	186	41223	0.49	20199
ICICI Bank	10	899	905	81457	0.73	59464
Infosys	5	286	2020	115572	0.64	73966
ITC	1	375	151	56947	0.99	56378
LuT	1	27	1922	52842	0.98	51785
Maruti	5	144	728	21059	0.36	7581
NTPC	10	8245	153	126568	0.11	13922
ONGC	10	1425	879	125474	0.26	32623
Ranbaxy	5	186	370	13791	0.6	8274
Reliance Communications	5	1094	491	107495	0.31	33323
Reliance Energy	10	228	526	12036	0.63	7582
Reliance	10	1393	1696	236309	0.45	106339
Saryam	2	133	490	32732	0.72	23567
SBI	10	526	1314	69158	0.32	22130
Tata Motors	10	385	642	24768	0.56	13870
Tata Steel	10	553	614	34003	0.69	23462
TCS	1	97	1203	117798	0.18	21203
Wipro	2	285	532	75878	0.19	14416
						818880

Table 5 : Projected Free-float market capitalization for 2010

	Projected Market Price	Market Capitalization	Free Float Factor	Free Float Market Cap
	Rs. in 2010	In Rs. Crores		
ACC	1502	28166	0.62	17463
Ambuja Cement	232	35215	0.64	22537
Bajaj Auto	2676	27078	0.68	18413
Bharti	1425	269878	0.39	105252
BHEL	3405	166686	0.32	53339
Cipla	328	24612	0.59	14521
Dr.Reddy's Lab	994	15256	0.58	8848
Grasim	3323	30466	0.64	19498
HDFC Bank	1588	49790	0.6	29874
HDFC	2425	61364	1.00	61364
Hero Honda	1045	20880	0.45	9396
Hindalco	283	27899	0.63	17576
HLL	321	70876	0.49	34729
ICICI Bank	1792	161246	0.73	117709
Infosys	3048	176426	0.64	112912
ITC	282	105933	0.99	104874
LuT	2869	78851	0.98	77274
Maruti	1223	35356	0.36	12728
NTPC	247	204277	0.11	22470
ONGC	1188	169481	0.26	44065
Ranbaxy	563	21010	0.6	12606
Reliance Communications	1089	238451	0.31	73920
Reliance Energy	1267	28973	0.63	18253
Reliance	3051	425074	0.45	191283
Saryam	756	50492	0.72	36354
SBI	2519	132575	0.32	42424
Tata Motors	1105	42614	0.56	23864
Tata Steel	979	54225	0.69	37415
TCS	1783	174508	0.18	31411
Wipro	956	136323	0.19	25901
				1398287

Table -2 Projection of Income and Expenditure of ITC Ltd. for 2007-10 (Rs. crores)

	Mar-03	Mar-04	Mar-05	Mar-06	Mar-07 (P)	Mar-08 (P)	Mar-09 (P)	Mar-10 (P)	Remarks
Income									
Sales Turnover	11024.88	11815.04	13349.58	16224.43	18479.10	21324.28	24820.76	29138.76	CAGR of 17.40
Excise Duty	5149.10	5407.58	5754.64	6438.09	8096.70	9343.32	10875.32	12767.27	43.82% of Sales
Net Sales	5875.78	6407.46	7594.94	9786.34	10382.40	11980.95	13945.44	16371.49	
Other Income	174.77	229.28	599.19	295.02	434.43	639.71	942.00	1387.13	CAGR of 47.25
Stock Adjustments	-13.00	252.43	115.03	145.86	0.00	0.00	0.00	0.00	
Total Income	6037.55	6889.17	8309.16	10227.22	10816.83	12620.67	14887.44	17758.62	
Expenditure									
Raw Material Cost	2245.42	2577.23	2840.07	4124.90	4475.57	5058.04	5763.29	6620.22	22.72% of Sales
Power and Fuel	137.94	158.57	218.54	245.17	302.20	348.73	405.91	476.52	1.64% of Sales
Employee Cost	306.93	372.28	464.99	539.40	533.25	615.35	716.24	840.85	2.89% of Sales
Other Manufacturing Expenses	265.63	251.54	265.00	308.73	333.84	321.27	299.48	264.16	91% of Sales
Selling and Admn Expenses	610.34	770.35	843.87	1012.17	1118.72	1269.65	1453.01	1676.64	5.75% of Sales
Miscellaneous Expenses	137.51	164.34	285.62	419.24	487.93	627.03	804.30	1031.64	3.54% of Sales
Total Expenses	3703.77	4294.31	4918.09	6649.61	7251.51	8240.06	9442.24	10910.04	
Operating Profits	2159.01	2365.58	2791.88	3282.59	3130.89	3740.89	4503.20	5461.45	
PBDIT	2333.78	2594.86	3391.07	3577.61	3565.32	4380.61	5445.20	6848.58	
Interest	40.25	34.18	50.80	21.10	16.82	13.41	10.69	8.52	
PBDT	2293.53	2560.68	3340.27	3556.51	3548.50	4367.20	5435.51	6840.06	
Depreciation	237.34	241.62	312.87	332.34	379.82	431.81	490.93	558.13	5.36% of fixed Assets
PBT	2056.19	2319.06	3027.40	3224.17	3168.68	3935.38	4943.59	6281.93	
Tax	684.84	726.21	836.00	988.82	452.17	522.23	606.58	707.97	
Net Profit	1371.35	1592.85	2191.40	2235.35	2716.51	3413.16	4337.01	5573.95	
Equity Dividend	371.27	495.36	773.25	995.12	814.95	1023.95	1301.10	1672.19	
Corporate Dividend Tax	47.57	63.47	108.45	139.56	146.69	184.31	234.20	300.99	
Shares In Issue	24.75	24.76	24.82	375.52	375.52	375.52	375.52	375.52	
EPS	53.49	61.77	83.92	5.58	6.84	8.60	10.93	14.04	
Market Value	629.50	1041.40	1343.75	134.45	164.86	198.54	235.89	282.10	
PE Ratio	11.77	16.86	16.01	24.09	24.09	23.09	21.59	20.09	