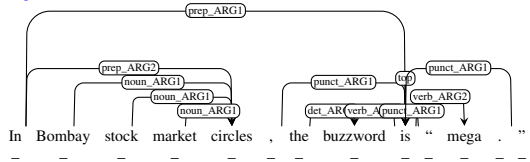
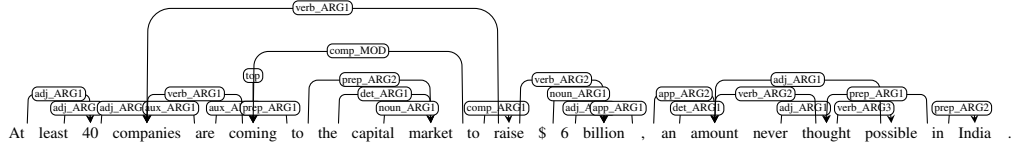


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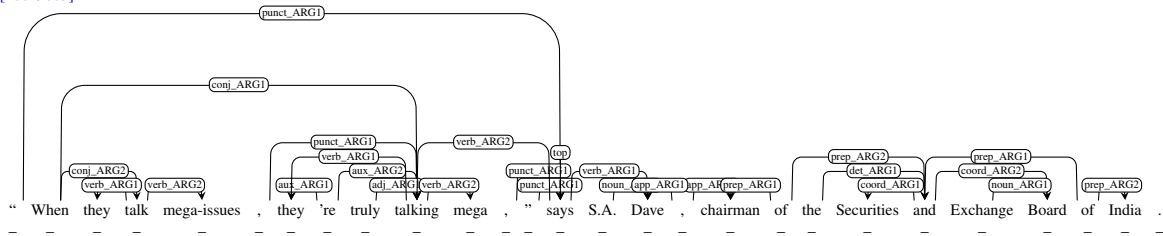
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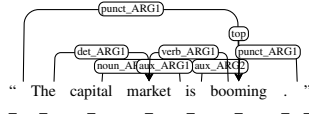
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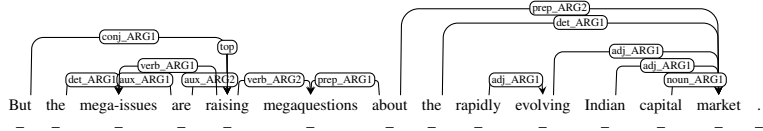
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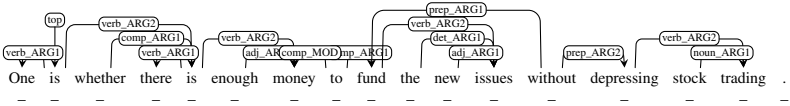
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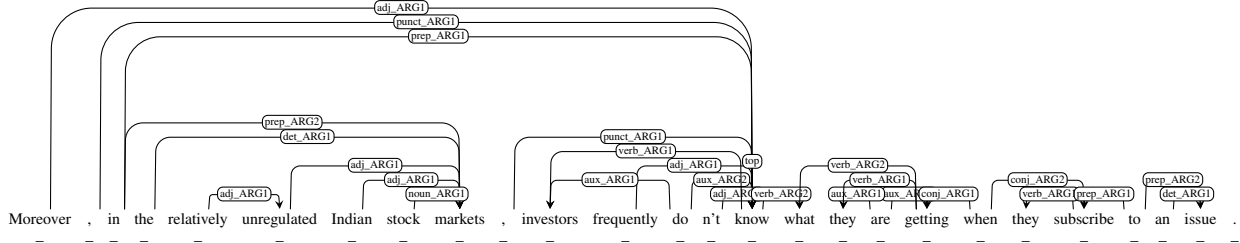
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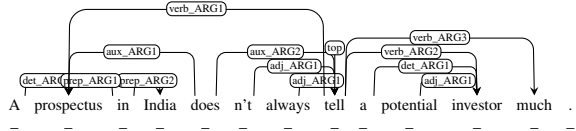
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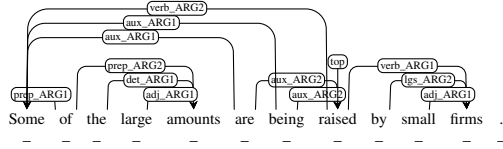
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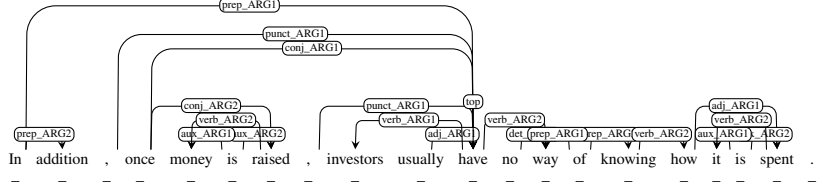
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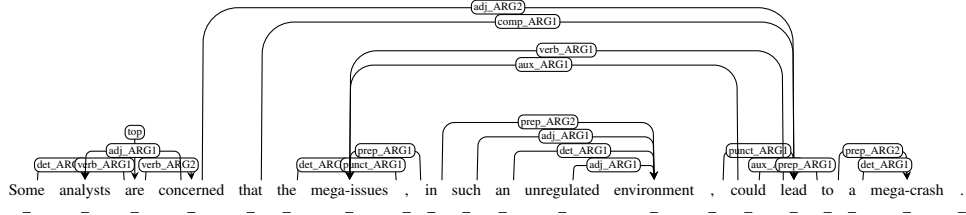
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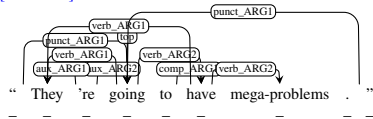
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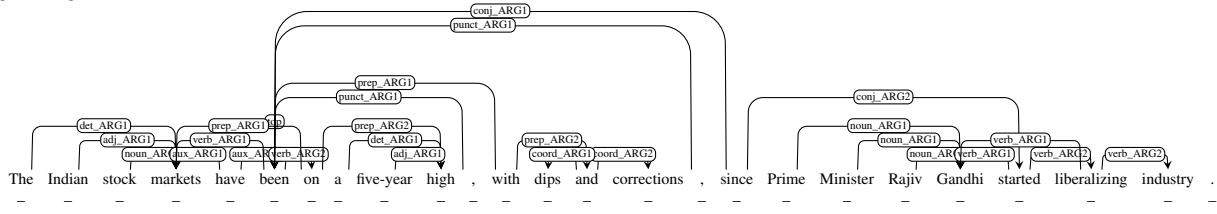
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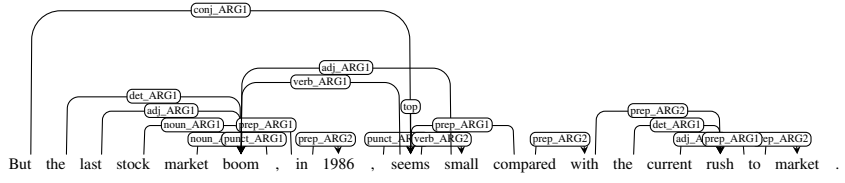
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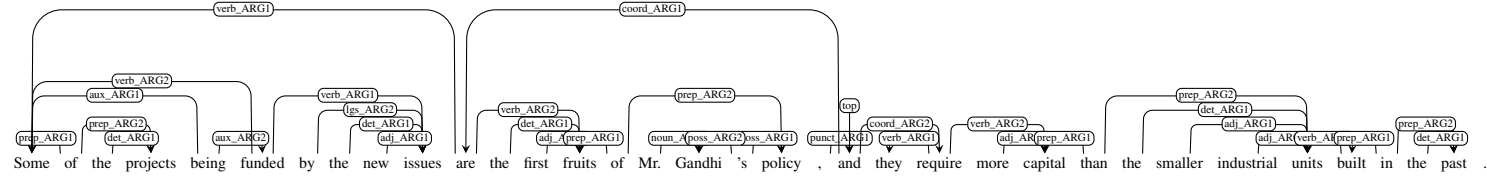
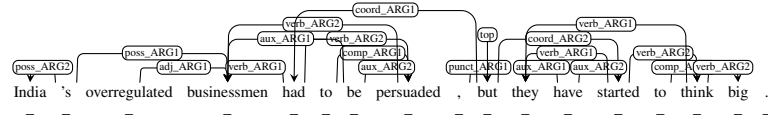
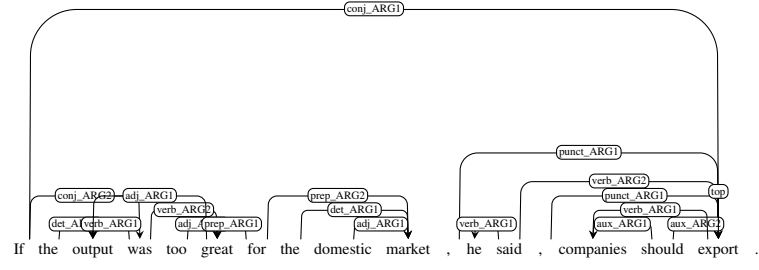
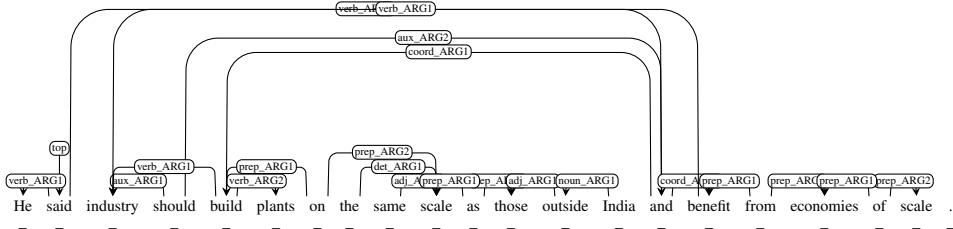
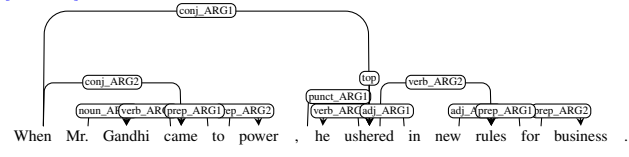
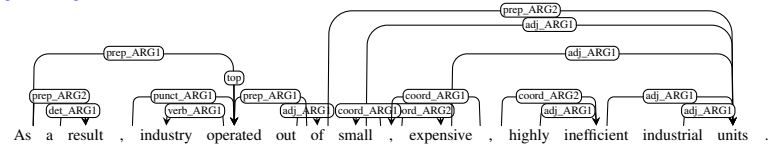
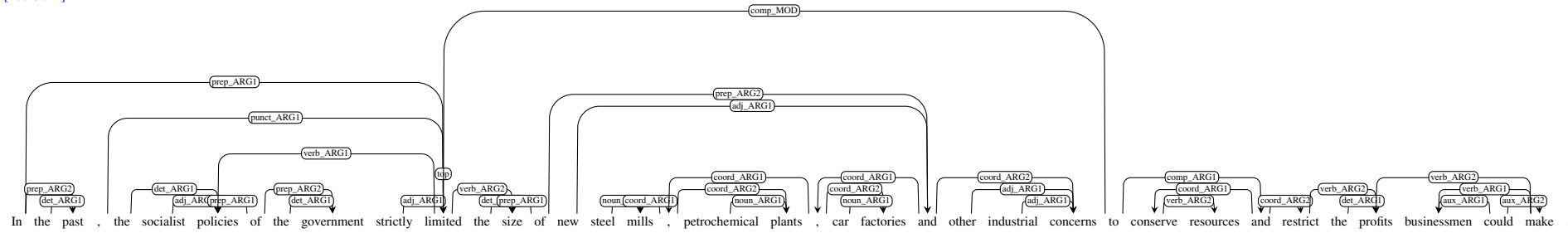
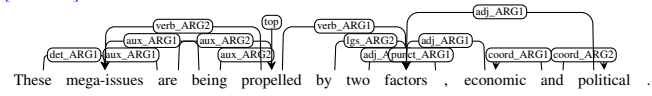
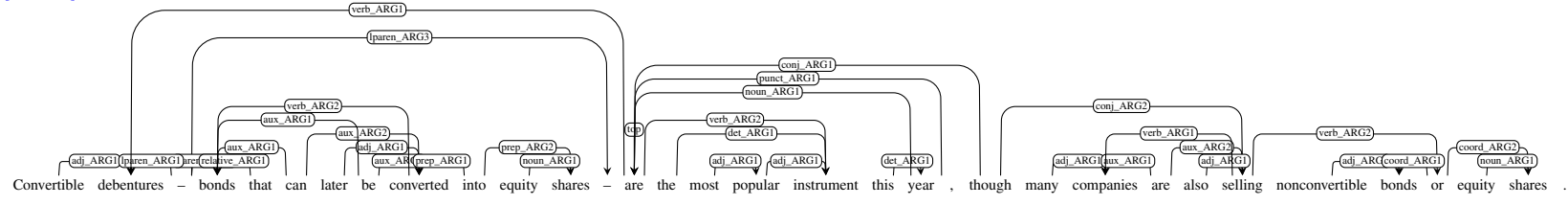
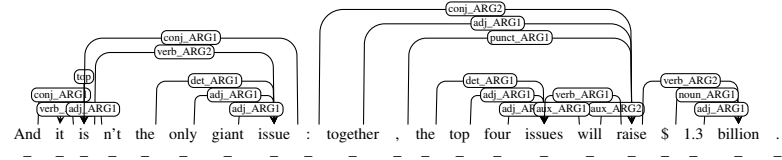
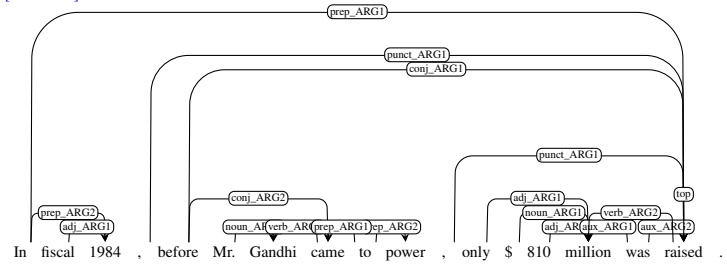
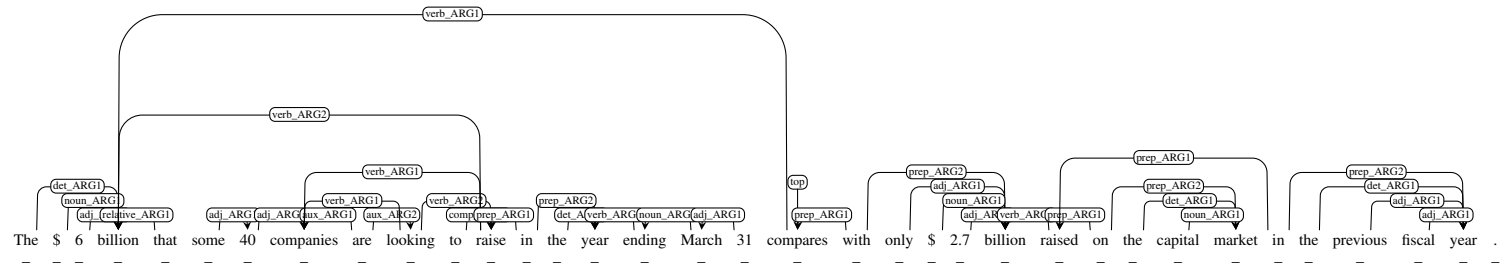
[20629014]



[20629015]



[20629016]



The industrial revolution has produced an explosion in the capital market , which is a far cheaper source of funds than government-controlled banks , where interest rates for prime borrowers are around 16 % .

[20629030]

The second factor spurring mega-issues is political .

[20629031]

Mr. Gandhi has called general elections for November , and many businessmen fear that he and his Congress (I) Party will lose .

[20629032]

Some companies are raising money in anticipation of a government less predictable than Mr. Gandhi 's , and possibly more restrictive .

[20629033]

The buoyant Bombay rumor mill also says that some of the money raised in the current spate of issues will be used as campaign donations before the elections .

[20629034]

No one admits to anything , but India 's industrialists have a history of making under-the-table campaign donations .

[20629035]

So far , the mega-issues are a hit with investors .

[20629036]

Earlier this year , Tata Iron & Steel Co. 's offer of \$ 355 million of convertible debentures was oversubscribed .

[20629037]

Essar Gujarat Ltd. , a marine construction company , had similar success with a slightly smaller issue .

[20629038]

Larsen & Toubro started accepting applications for its giant issue earlier this month ; bankers and analysts expect it to be oversubscribed .

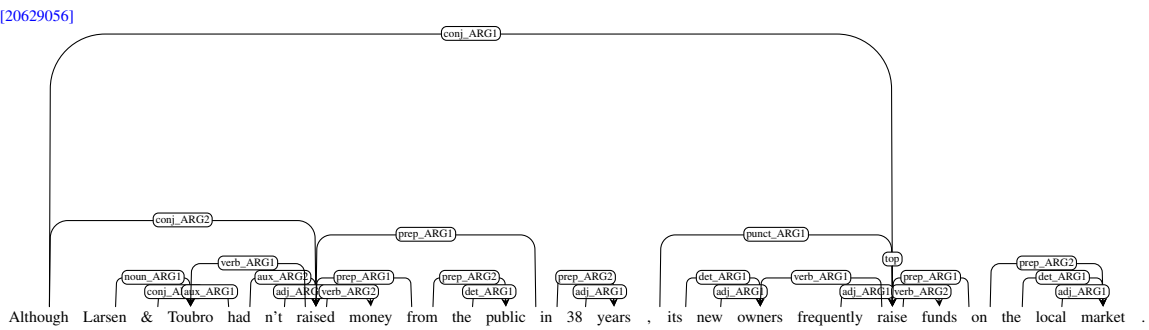
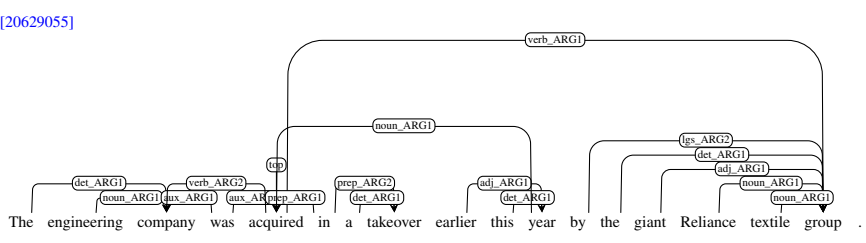
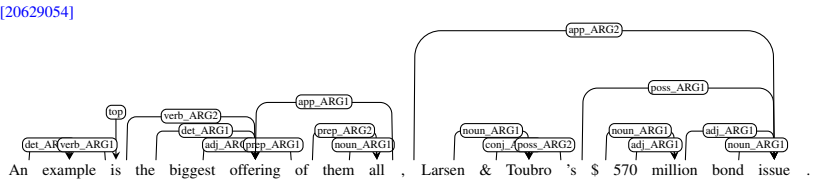
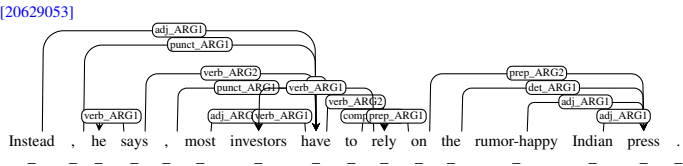
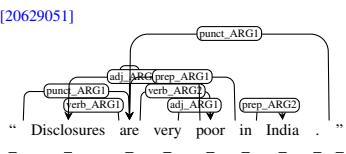
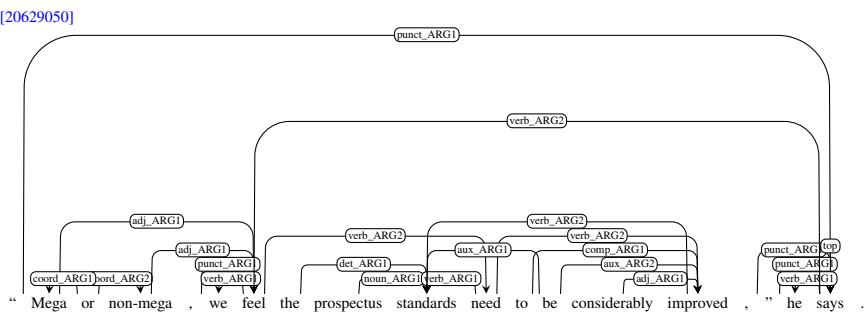
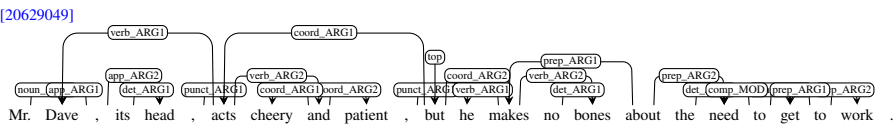
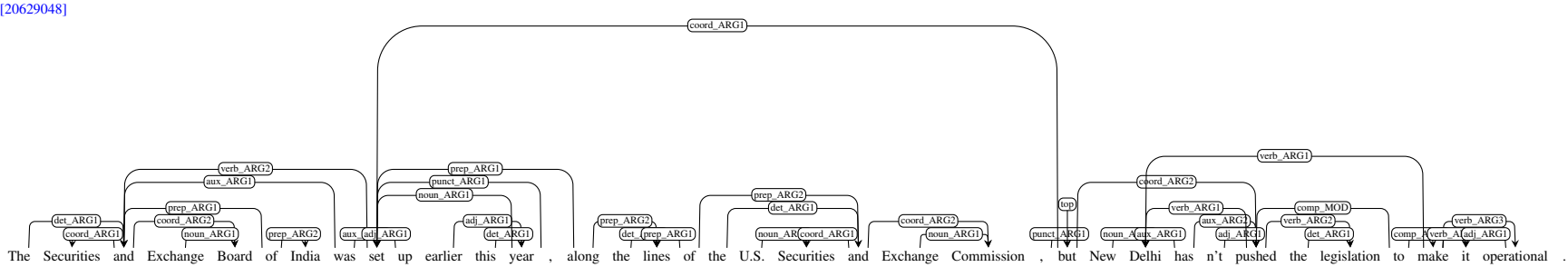
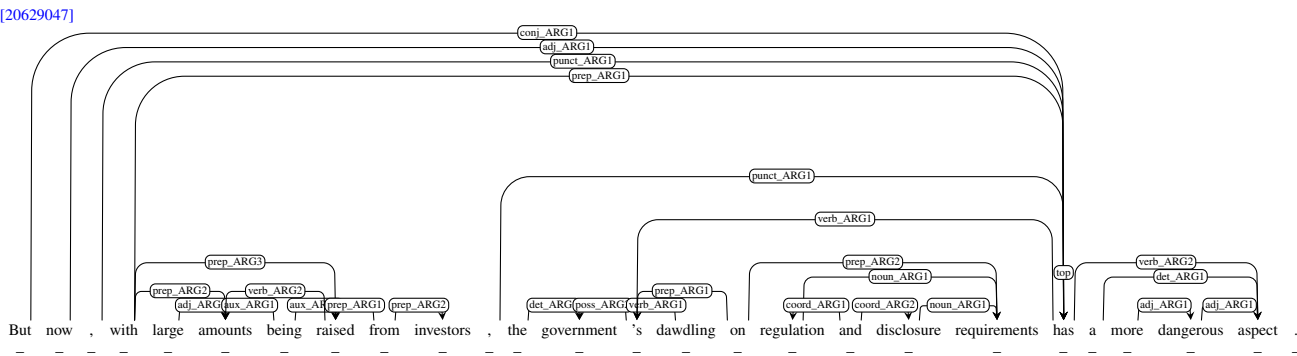
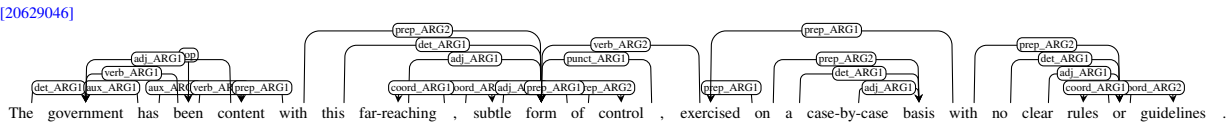
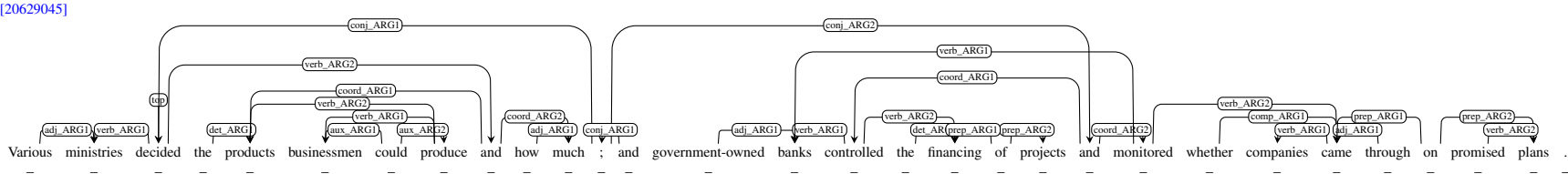
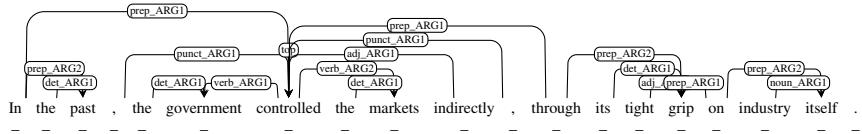
[20629040]

While many investors are selling parts of their portfolios to buy the new issues , prices on India 's 16 stock exchanges are holding up so far .

[20629041]

" I do n't think it will lead to any chaos in the secondary market , " says Mr. Patel , " only a sagging tendency . "

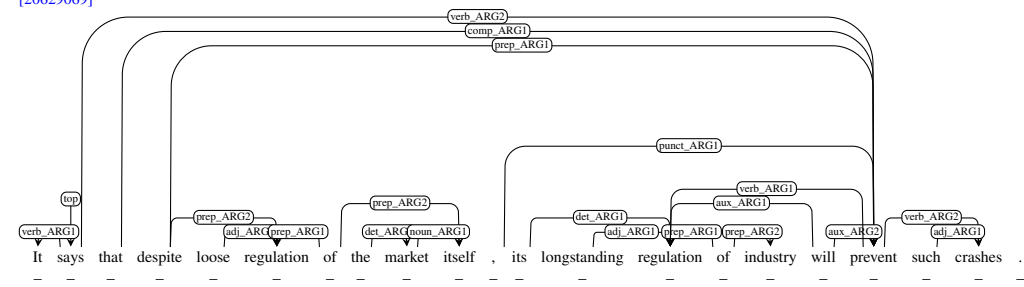
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[20629057]



[20629069]



[20629070]

