

11th December 2007

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Market Statistics

INDEX	CLOSING	1D (%)	3 M (%)	6 M (%)
SENSEX	19,930.7	(0.2)	28.2	42.3
NIFTY	5,960.6	(0.2)	32.5	44.9
SECTORAL INDICES	CLOSING	1D (%)	3 M (%)	6 M (%)
Mid-Cap	9,117.4	1.1	32.6	50.3
Small Cap	11,530.9	1.7	35.2	59.6
Auto	5,677.4	0.5	16.6	22.7
Health	3,998.6	(0.2)	8.0	6.7
FMCG	2,160.3	(0.8)	3.0	21.9
IT	4,432.9	0.2	(0.8)	(10.8)
PSU	9,907.6	0.4	34.5	55.4
Bankex	11,486.6	1.0	42.9	55.9
Oil&Gas	12,740.0	0.0	54.2	72.2
Metals	18,701.8	(0.2)	58.9	82.0
Capital Goods	20,130.9	(0.4)	46.8	87.7
Power	4,501.3	(0.6)	-	-
WORLD INDICES	CLOSING	1D (%)	3 M (%)	6 M (%)
NASDAQ	2,719.0	0.5	4.9	4.6
DOW	13,727.0	0.7	3.3	1.3
Niekkei	16,038.0	0.7	1.5	(10.1)
Hang Seng	28,804.6	1.1	18.5	38.0
INDIAN ADR	CLOSING	1D (%)	3 M (%)	6 M (%)
VSNL	32.9	(0.4)	63.4	46.6
Infosys	45.6	1.8	(3.1)	(14.4)
Wipro	15.6	3.2	13.0	(2.4)
Satyam	6.1	(1.3)	(16.3)	(28.0)
Dr Reddy Lab	17.0	0.1	6.0	8.1
VALUE TRADED (Rs Cr)	10-Dec-07	% Chg		
Cash BSE	7,420.7	(14.5)		
Cash NSE	16,452.1	(20.2)		
Derivative	47,277.8	(22.9)		
NET INFLOW (Rs Cr)	10-Dec-07	MTD	YTD	
FII	(192.1)	154.2	47,193.3	
MF (As on 7.12.07)	71.1	400.40	(770.80)	
ADVANCE/DECLINES(BSE)	A	B1	B2	Total
Advance	129	532	734	2,061
Decline	85	221	226	805
Unchanged	2	4	17	37
COMMODITY	10-Dec-07	1D (%)	3M (%)	6M (%)
Crude (USD/Bbl)	88.2	0.4	10.3	30.3
Gold (USD/Oz)	808.1	0.1	13.5	24.0
Silver (USD/Oz)	14.7	-	16.2	11.7
DEBT/FOREX	10-Dec-07	1D (%)	3M (%)	6M (%)
Rs/USD	39.1	0.5	3.1	3.9
10 Year G sec Yield	7.9	(0.0)	0.3	5.8

Source : Reuters

Corporate News

- Nicholas Piramal India has received the product patent from US Patent and Trademark office for the products that cover new compounds used as therapeutic agents in the treatment of cancer – BS
- Maytas Infra has bagged a Rs.232.69 crore contract from Vedanta Alumina for developing an integrated township for its staff in Jharsuguda, Orissa - BS
- Engineers India Ltd and The Tata Group will form a (50:50) joint venture for engineering consultancy and construction projects in India and abroad - Mint
- Sun TV Network Ltd launched its FM Radio Station at Indore under the brand 'S FM' from December 10 through the company's subsidiary South Asia FM Ltd - BL
- Essar Oil is into discussions for acquiring 50% stake in a Kenyan refinery firm from international oil players as a part of its move for a global footprint - Mint
- PVR has tied up with Bangalore-based Prestige Group, to open and operate 60 screens in South India - BS

Macro Economic News

- Oil slid below \$88 a barrel on Monday, extending losses on expectations that a modest Federal Reserve interest rate cut would support the ailing dollar - ET

Global Cues

- Asian shares bounced and the dollar firmed on Tuesday following confidence-boosting cash injections into struggling financial firms and in anticipation of a U.S. interest rate cut.- Reuters
- Oil prices dropped below \$88 a barrel on Monday on forecasts of warm weather that would slash U.S. heating fuel use and further dent the top consumer's demand outlook amid an economic slowdown. - Reuters

TOP FIVE GAINERS(NSE)	PRICE	CHG (%)	VOL (MN)
GAIL	500.2	6.0	3.8
HPCL	308.8	3.4	1.1
UNITECH	442.3	3.1	3.6
SUZLON	1,995.4	3.1	0.8
PUNJAB NATIONAL BANK	652.6	3.0	0.5
TOP FIVE LOSERS(NSE)	PRICE	CHG (%)	VOL (MN)
VSNL	628.5	(3.0)	0.4
HCL TECHNOLOGIES LTD	309.6	(3.0)	0.7
BHEL	2,674.9	(2.6)	0.6
TCS	1,035.6	(2.5)	1.0
CIPLA	192.9	(2.3)	1.4

Source: ET = Economic Times, BS = Business Standard, FE = Financial Express, BL = Business Line, Tol: Times of India, BSE = Bombay Stock Exchange

FROM OUR RESEARCH DESK

Transformers & Rectifiers (India) Ltd

Issue Highlights

- Transformers & Rectifiers (India) Ltd was originally incorporated as Triveni Electric Company Limited on July 11, 1994 and were engaged in the manufacture of upto 220 kV transformers. T&R (India) Ltd is promoted by Mr. Jitendra U. Mamtora, Mrs Karuna J. Mamtora and Mr. Satyen J. Mamtora. In 1995 the company's name was subsequently changed to Transformers and Rectifiers (India) Limited.
- T&R (India) Ltd are one of the major players in the Indian markets manufacturing a wide range of transformers ranging from power generation, transmission and distribution transformers, industrial transformers and a wide range of speciality transformers.
- T&R (India) Ltd has an installed capacity of 7,200 MVA transformers p.a. (with a market share of 7% in the overall transformers market) and operates through two manufacturing units, located at Changodar Odhav near Ahmedabad, both in Gujarat.
- T&R (India) Ltd's turnover has reported a strong CAGR of 67% from the years 2003 to 2007. The EBITDA has also grown at a CAGR of 83% from FY03-07. The H1 FY08 EBITDA margins stood at a healthy level of 20%. The PAT has also shown grown by a CAGR of 96% over the period. (From 2003-07). The NPM margins for H1 FY08 stood at 10% level. The H1 FY08 ROCE and RONW stood at similar levels of 23%. The order book as on 15th November stands at Rs 3600mn almost equally divided amongst the industrial and utilities segments.
- At the higher end of the price band (of Rs 465) the stock quotes a PE of 34.2x its FY 07A of Rs 13.6 and 47x its H1 FY08A of Rs 9.8, however considering the future growth prospects of the transformers industry and T&R (India) Ltd's foray into higher KV through greenfield projects and higher margin yielding furnace transformers, **we recommend a subscribe to the issue at the higher band.**

Objects of the issue

Particulars	Rs. Mn. Funds Requirement
Setting up of Greenfield manufacturing facility at Moraiya, near Ahmedabad, Gujarat for manufacturing transformers.	Rs 607.52
To part-finance incremental working capital requirements	Rs 354.0
Issue Expenses	[.]

Source : RHP

Financial Summary

Y/E	Sales	Change	PAT	Change	Equity Capital	EPS	BV	RoNW
March	(Rs. Mn)	YoY (%)	(Rs. Mn)	YoY (%)	(Rs. Mn)	(Rs.)	(Rs.)	(%)
2004	503.5	-	17.9	-	47.8	3.8	21.3	17.58%
2005	746.3	48.2	35.3	97.0	47.8	7.4	26.9	27.44%
2006	1282.7	71.9	76.5	116.7	68.2	11.2	31.4	35.76%
2007*	2201.5	71.6	176.3	130.3	129.2	13.6	130.64 - 139.91	9.75-10.44%

Source : RHP / *Fully Diluted post issue capital

IPO Note

Subscribe at Higher Band

Issue Highlights

Issue Size (At Lower Band) :	Rs. 1272.88 mn
Issue Size (At Upper Band) :	Rs. 1392.68 mn
Face Value	: Rs. 10
Issue Opens on :	7th December, 2007
Issue Closes on :	12th December, 2007
Price Band	: Rs 425- Rs 465
Bid Lot	: 15 Equity Shares and in multiples thereof
Lead Manager	: ENAM Securities Pvt Ltd

Shareholding Pattern (%)

	Pre- Issue	Post Issue
Promoters	92.90	71.37
Promoters Group	7.10	5.45
Public	-	23.17
Others	-	-

Pattern of Book -Building

	(No. of Shares)
Total Issue Size	2,995,000
Employees	150,000
Net Issue Offered	2,845,000
QIB Portion (60%)	1,707,000
(Out of which Mutual funds 5%)	85,350
Non - Institutional (10%)	284,500
Retail Portion (30%)	853,500

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SECTOR DYNAMICS

Industry Background

Power is a critical component of infrastructure on which the socio-economic development of the country depends. Recognizing that electricity is one of the key drivers for rapid economic growth, the Indian government decided to bring all new power generation, transmission and distribution in rural and urban centres (which were not served by private utilities) under the purview of State and Central government agencies. The installed generation capacity has increased from 1,358 MW in 1947 to 1,32,330 MW in March, 2007 which is excluding more than 20,000 MW of capacity added by Industries as captive power plants and electrification of more than 500,000 villages has taken place. Though the area of major concern is the annual per capita consumption of India is at about 350 kWh which is among the lowest in the world. The Ministry of Power, Government of India has envisaged a capacity addition of 78,577 MW and 86,500 MW in the 11th and 12th Plan period respectively. A corresponding plan for new investment and R&M is also conceived for the Transmission and Distribution segments in line with the National Electricity Plan and the Integrated Energy Policy. The Government of India has thus launched the "Power for all by 2012" program which targets adding about 1,00,000 MW of power generation capacity by 2012. Under the government plan of "power for all by 2012" the installed capacity of power generation is slated to go up to 212,000 MW, a CAGR 9.6% over next 5 years (current capacity is at 134,000 MW). The salient features of the Electricity Policy are as under:

- Access to Electricity: Available for all households in next five years
- Availability of Power: Demand to be fully met by 2012. Energy and peaking shortages to be overcome and spinning reserve to be available
- Supply of Reliable and Quality Power of specified standards in an efficient manner and at reasonable rates
- Per capita availability of electricity to be increased to over 1000 units by 2012
- Minimum lifeline consumption of 1 unit/ household/ day as a merit good by year 2012
- Financial Turnaround and Commercial Viability of Electricity Sector
- Protection of consumers' interests

Markets

Geographically, India's electricity market is divided into five regions and 31 states. A regional electricity board serves each region. The size of each regional power market correlates with the size of the economy of each region. The west of the country accounts for 28 percent of India's GDP and 30 percent of its capacity, while north & south of the country each account for 27 percent of GDP and 26 percent of its capacity respectively.

The end users of power can be broadly classified into residential (consuming approximately 20 percent of power generated), industrial (consuming approximately 30 percent of power generated), commercial (consuming approximately 5 percent of power generated) and agricultural consumers (consuming approximately 30 percent of power generated). The balance is largely due to T&D losses. There is a significant variation in the consumption pattern among the various states depending upon industrial investments, extent of rural electrification and income levels etc.

Structure of the Industry

The power sector value chain comprises of three elements - Generation, Transmission & Distribution. In India, SEBs are the major constituents of the power sector and most of them are vertically integrated i.e. their footprint covers the entire value chain of Generation, Transmission & Distribution. The Power Generation business is currently carried out by PSUs such as NTPC, NHPC, etc. as well as some private power generation companies. Even a number of industries have set up captive power plants to meet their internal requirements, and in some cases, these captive power plants sell surplus power to the SEBs. Transmission and Distribution (T&D) system comprises of transmission lines, transformers, substations, switching stations and distribution lines. In India, the T&D system is a three-tier structure comprising distribution networks, state grids, and regional grids. In India, SEBs is vertically integrated as intra-state distribution network and the grids are owned and operated by SEBs or state governments through SEBs. The transmission and sub-transmission systems supply power to the distribution system, which in turn supplies power to end-consumers. Distribution of power to end consumers is largely controlled by SEBs and licensees in the private sector. Most of the inter-state transmission links are owned and operated by Power Grid Corporation of India Limited.

Key Players	Generation	Transmission	Distribution
Companies	NTPC, NHPC, SEB's, Private Sector developers(IPP/CPP)	Power Grid Corporation, Transcos, SEB's.	SEB's, Reliance Energy, NDPL, CSES, AEC, SEC, end users in industry and building sector. Vijai
Equipment Suppliers	BHEL, ABB, Crompton Greaves, Siemens, Bharat Bijlee, Areva T&D India, Emco.	BHEL, ABB, Crompton Greaves,, Siemens, Voltamp Transformers, Areva T&D India, KEC, Bharat Bijlee, Emco.	Electricals, Voltamp Transformers, Indotech Transformers, Crompton Greaves, Bharat Bijlee, Areva T&D India, KEC, Emco.

Source: RHP

The power sector industry value chain is detailed as given below:

Generation

There are three main options for generating electricity, which are, thermal, hydroelectric and nuclear. Thermal power plants can be based either on coal or on natural gas (including Liquefied Natural Gas (LNG)). In India, naphtha is also used as a fuel for thermal power plants. The overall generation in public utilities in the country has increased from 264 Billion units (BUs) during 1990-91 to 587 BUs during 2004-05 and 562.7 BUs upto February; 2006.

Installed Capacity

The all India installed capacity of electric power generating stations under Renewable Energy Sources has increased to 1,23,900.81 MW as on 28.02.2006 consisting of 82,297.44 MW thermal, 32135.05 MW hydro, 3310.00 MW nuclear and 6158.32 MW R.E.S.

According to the demand projections made in the 16th Electric Power Survey, over 1,00,000 MW additional generation capacity needs to be added by 2012 to bridge the gap between demand and supply of power. Aggressive infrastructure development needed to bridge the deficit by 2012.

Total fund requirement for 'Power on demand'	Rs. billion	
	X Plan	XI Plan
Sub-sectors		
Generation	2478.0	3053.6
Transmission	570.8	694.6
Distribution	450.0	500.0
Rural electrification	399.2	600.0
R&M	100.0	150.0
Total funds requirement	3998.0	4998.2

Source: RHP

The following sector wise capacity addition targets have been firmed up for aggregate capacity addition of 107,000 MW by 2012.

All Figures in MW	X Plan	XI Plan	Total
Central Sector			
Total Central Sector	28,485	36,785	65,270
Total State Sector	8,300	10,600	18,900
Total Private Sector	9,400	13,500	22,900
Overall Capacity Addition (approx.)	46,000	61,000	107,000

Source: RHP

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REASONS FOR DEMAND SUPPLY GAP

- Power generation capacities are traditionally planned and set up based on the projected demand in the regions they are meant to serve and also depending on the availability of fuel / natural resources required for generation of power. However, the long gestation of these projects has often resulted in demand supply mismatches including those on account of reasons such as actual growth, demand differing from anticipating growth, and changes in consumer mix, changes in usage profile of class of consumers or the projects themselves encountering time overruns.
- Another reason behind the demand-supply gap, as shown above, is high T&D loss. T&D losses in the country were around 15% up to 1966-67. However, since then, it increased gradually to 23.28% by 1989 - 90. The current loss of over 28% is high as compared to developed countries, where losses are in the range of 10-15%.
- Lower Plant Load Factor (PLF) of generating plants in India is also one of the reasons behind demand supply gap.

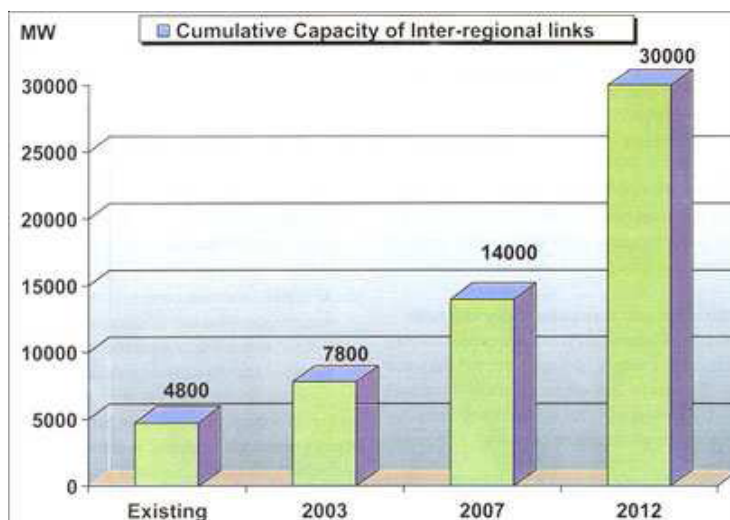
TRANSMISSION & DISTRIBUTION

A reliable transmission and distribution (T&D) system is important for transfer of power from generating stations to load centres. A T&D system comprises transmission lines, sub-stations, switching stations, transformers and distribution lines. Transmission & sub-transmission systems supply power to distribution system, which in turn supplies power to end users.

The transmission system in India operates at several voltage levels, namely

- Extra high voltage: High voltage direct current (HVDC), 765 kV, 400 kV, 220 kV and 132 kV
- High tension: 66kV, 33 kV, 11kV
- Low tension: 6.6 kV, 3.3 kV, 1.1 kV, 220 V

Ministry of Power has envisaged establishment of an integrated National Power Grid in the country by the year 2012 with an inter-regional power transfer capacity of about 30,000 MW.



Source: RHP

Distribution

Distribution is the weakest link in the chain of power supply. Ministry of Power signed the Memorandum of Understanding with the States to undertake distribution reforms in a time bound manner, which includes setting up of State Electricity Regulatory Commission (SERC), unbundling of State Power Utilities, metering of feeders & consumers, starting energy accounting & auditing, securitisation of outstanding dues of Central Public Sector Undertakings (CPSUs), grid discipline etc.

T&D Equipment manufacturers

They would be the direct beneficiaries of investments under APDRP scheme and Rajiv Gandhi Grameen Vidhyutikaran Yojana. Private Sector distribution companies would also be investing in the circles privatised to upgrade the system. Even the electricity bill is focused on distribution reforms and up-gradation of the T & D system. The key equipment manufacturers to benefit from the power sector reforms are manufacturers of transformers, distributors, switchgears, cables, energy meters etc.

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Transformer Industry

A transformer is a voltage changer used for stepping up or stepping down the voltage depending upon the application. It is a device used to transfer electric power from one circuit to another. The transformers can broadly be divided into Distribution transformers, Power transformers & other types of special transformers for welding, traction, furnace etc. The power transformers are used to transform power voltage from the generation point to the transmission point. A distribution transformer is used to transform power voltage from transmission point to distribution of power to the end user. The health of the transformer industry is closely related to the power generation sector. The major customers for transformers are the SEB's, utilities and industries.

The Transformer Industry in India has evolved and now has a well matured technology base up to 800 kV class. India has a field-proven technology & capacity to manufacture a wide range of power transformers, distribution transformers and other types of special transformers for welding, traction, furnace etc. Today, about 95% of the transformers installed in the Indian Power Network are of indigenous origin. Energy efficient transformer with low losses and low noise levels can be available to meet international requirements.

The Indian transmission sector has evolved over time mainly on account of improvements in technology and systems. The transmission and distribution system today consists of 400kV networks that support state transmission systems; 66 kV, 33kV and 22 kV networks that act as sub-transmission systems; 11 kV networks that provide the primary distribution systems; and 400/230V networks for local distribution. At the transition between these levels, transformers are required to ensure a smooth change of voltages with minimum loss of energy.

Every 1 MW increase in the production capacity is to be supported by 7 MVA transformer capacity. Higher voltage levels are required for Transmission, while the required voltage levels go on reducing for Sub-transmission and Distribution. It is seen from the past trend in India that Power transformers account for around 70% of the transformers market whereas the distribution transformers constitute around 30% of the installations.

Following is the classification of various voltage levels of transformers and the users of the same:

- 400 KV: Central transmission and generation utilities, EPC Contractors
- 220 KV: Central transmission and generation utilities, SEBs, High power intensive Industries
- 132 KV & 66 KV: SEBs, High Power intensive Industries
- 11 KV and below: SEBs, Most Industries.

For achieving economic growth of above 8%p.a. and providing power to all by the year 2012, the government has targeted 78000 MW of generation capacity addition during the 11th five year plan (including slippages from the 10th plan), against an actual capacity addition of around 23000 MW during the 10th plan.

Around 40000 MW is planned to be added in the first 3 years of 11th plan. The power ministry is pushing at expediting the orders for thermal power projects to avoid skewed project execution at the tail end of the 11th plan.

Power Grid Corporation of India (PGCIL) plans to increase the interregional transmission capacity (National Grid) from 16,450 MW in 2007 to 37,150 MW by 2012, representing a CAGR of 18% over 2007-2012. The move towards setting up of ultra mega power projects also warrants the need for a national grid.

Thus, going forward, demand for transformers is expected to be driven by aggressive capacity addition in Generation, Associated Transmission – Distribution and National Grid under PGCIL.

Overall domestic demand for transformers over next 5-6 years is expected to be in excess of 130000 MVA per annum, with exports demand expected to be over and above this domestic demand.

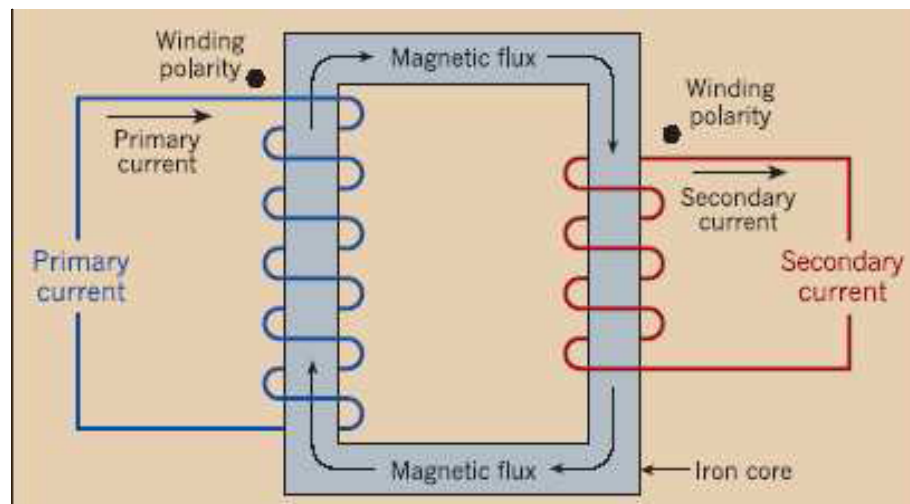
Indian transformer industry is fragmented with few organized players. Out of about 180 players only around 15 are in the organised segment. According to industry estimates, the organised segment accounts for 70% of the market share.

The increasing demand for higher voltage class and better product quality, the share of organised players is expected to increase, with companies like Crompton Greaves, BHEL, ABB are entering 765 KV class of transformers in the wake of demand from National Grid and Ultra Mega Power projects.

Transformers industry is low capital intensive and setting up a green field capacity can take around 1 and ½ years. In view of this, it is easier for established players to increase capacities. With increasing demand, players are seen to be ramping up their capacities. This is expected lead to higher amount of competition going forward.

Transformer Functioning:

The power transformers are used to transform power voltage from the generation point to the transmission point. These are mainly step-up power transformers and step-down power transformers. A distribution transformer is used to transform power voltage from transmission point to distribution of power to the end user. A basic transformer consists of two sets of coils or windings. Each set of windings is simply an inductor. AC voltage is applied to one of the windings, called the primary winding. The other winding, called the secondary winding, is positioned in close proximity to the primary winding, but is electrically isolated from it. The alternating current that flows through the primary winding establishes a time-varying magnetic flux, some of which links to the secondary winding and induces a voltage across it. The magnitude of this voltage is proportional to the ratio of the number of turns on the primary winding to the number of turns on the secondary winding. This is known as the “turns ratio.” To maximize flux linkage with the secondary circuit, an iron core is used to provide a low-reluctance path for the magnetic flux. The above description of transformers pertains to single-phase transformers. Single-phase means two power lines as an input source. Therefore, only one primary and one secondary winding is required to accomplish the voltage transformation. However, most power is distributed in the form of three-phase AC. Power generators produce electricity by rotating three coils or windings through a magnetic field within the generator. Thus, a three-phase transformer actually has six windings (or coils) – three primary and three secondary. These coils or windings are spaced 120 degrees apart. As they rotate through the magnetic field they generate power, which is sent out on three lines as in three-phase power.



Source: RHP

Transformer Capacity (Utilities) in India

The total transformer capacity in India stood at about 759,240 MVA at the end of 2003-04. Of these, the step-up and step-down transformers together account for ~73% (Source Powerline, July 2005). The remaining ~ 27% are distribution transformers at the 33kV and 11/22kV capacity levels (Source Powerline, July 2005). The 11kV transformer capacity is close to double that of 33kV capacity level (Source Powerline, July 2005). The region wise break-up for March 31, 2004 is as given below:

	MVA		
	Step Up	Step Down	Distribution
Northern	39,984	133,643	66,172
Western	37,597	132,765	65,028
Southern	24,848	100,889	55,079
Eastern	24,931	50,896	17,255
North – Eastern	3,074	3,945	3,134
Total	130,434	422,138	206,668

Source: RHP

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DEMAND SCENARIO

The demand for transformers comprises new demand as well as replacement demand for transformers. As mentioned earlier, about 100,000 MW of power generation capacity is likely to be added by 2012. For every 1MW of new capacity that comes up 7MVA transformers are used across generation, transmission and distribution segments; this implies a demand of 700,000 MVA of transformers unfolding over the next 5 years. This would result in an annual demand of about 140,000 MVA. Transformers usually have a life of ~20-30 years. Hence, those transformers which were installed during 1970's/1980's are likely to be replaced in the next few years.

The transformer market in India is largely unorganized with very few organized players. The key organized players in this segment, apart from us, are Siemens Limited, ABB limited, BHEL, Bharat Bijli, Emco Limited, Vijai Electricals, Crompton Greaves Limited, Areva T & D India, Indo Tech Transformers and Voltamp Transformers Limited.

COMPANY PROFILE

Transformers & Rectifiers (India) Ltd was originally incorporated as Triveni Electric Company Limited on July 11, 1994 and were engaged in the manufacture of upto 220 kV transformers. T&R (India) Ltd is promoted by Mr. Jitendra U. Mamtora, Mrs Karuna J. Mamtora and Mr. Satyen J. Mamtora. In 1995 the company's name was subsequently changed to Transformers and Rectifiers (India) Limited.

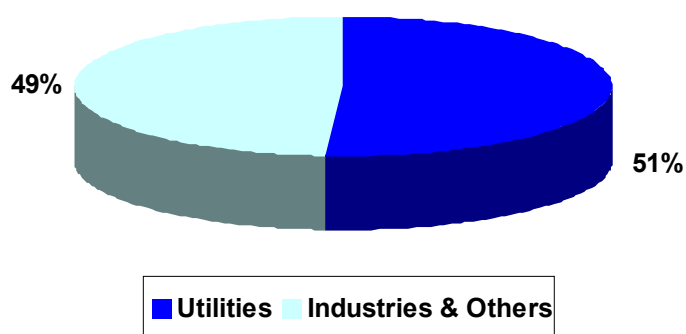
T&R(India) Ltd are one of the major players in the Indian markets manufacturing a wide range of transformers ranging from power generation, transmission and distribution transformers, industrial transformers and a wide range of speciality transformers, focusing on quality, timely delivery and customization. T&R (India) Ltd have developed their products based on in-house design and engineering capabilities, without any third party technical collaboration or assistance.

T&R (India) Ltd has an installed capacity of 7,200 MVA transformers p.a. (with a market share of 7% in the overall transformers market) and operates through two manufacturing units, located at Changodar Odhav near Ahmedabad, both in Gujarat. T&R (India) Ltd's Changodar facility is ISO 9001:2000 compliant. T&R (India) Ltd has developed a strong domestic marketing network, and have their marketing personnel in Chennai, Delhi, Kolkata, Pune and Mumbai.

T&R (India) Ltd caters to a wide spectrum of transformer users in various industries such as petrochemicals, oil refining, cement, paper and pulp, pharmaceuticals, automobiles, steel, alloy plant, power plant, railway applications, mining, minerals, among others.

Our key customers include utilities and power transmission companies. Our client base covers various state electricity boards and PSU's like Transmission Corporation of Andhra Pradesh Limited, Maharashtra State Electricity Transmission Company Limited and Gujarat Energy Transmission Corporation Limited, and other private sector customers like Rohit Ferro-Tech Limited, Monnet Ispat & Energy Limited, Inductotherm (India) Private Limited and many others. T&R (India) Ltd exports transformers to countries such as the England, Canada, United Arab Emirates, South Africa, Saudi Arabia and Indonesia. T&R (India) Ltd supplies to a wide range of customers which include both, utilities and other industries.

Break-up of Revenues for FY06-07



Source: RHP

In the transformer industry, raw materials typically account for 75% – 80% of the sale price of the transformers. The key raw materials required and percentage and quantity of input costs to sales revenue based on financial year ended March 31, 2007 is as follows

Raw material	Quantity of Consumption	Value (in Rs. million)	Percentage of Input costs
Copper	1436 (MT)	431.11	25.48%
CRGO sheets	2826 (MT)	620.03	36.64%
Transformer Oil	3251 (KL)	125.40	7.41%
Radiators	2033 (Nos.)	42.64	2.52%
Others	-	472.86	27.95%
Total		1692.04	100.00%

Source: RHP

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Existing products

T&R (India) Ltd is principally engaged in the manufacture and sale of transformers including the following:

Classification of Transformer	Range	Types
Power Transformer	from 5 MVA to 160 MVA, 245 kV class	Generator Transformer, Unit Auxiliary Transformers, Step up & Step down Transformers, Interconnecting Auto Transformers, Dual Voltage Primary or Secondary Three winding Transformers
Distribution Transformers	160 kVA and above, upto 33kV class	Earthing Transformers, Three winding Transformers, Step up & Step down Transformers, Dual voltage Primary or Secondary
Furnace Transformers	105 kA and above	Arc Furnace, Induction Furnace, Laddle Arc Furnace and Submerged Arc Furnace Transformers
Rectifier Transformers	upto 160 kA DC	For DC power sources

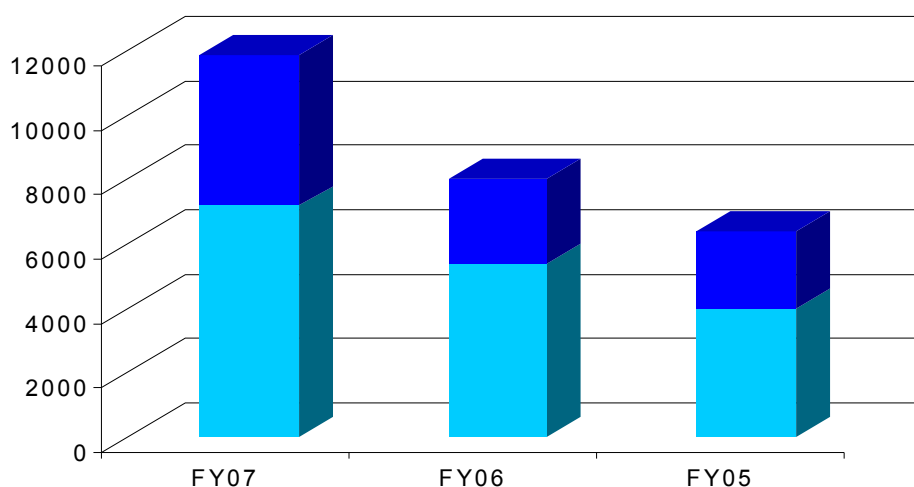
Source: RHP

Plant Capacity

Installed Capacity (in MVA)

T&R (India) Ltd has increased its total installed capacity to 7200 MVA in FY 2007 from 4000 MVA in FY 2005. This comprises of 6,000 MVA installed capacity at our Changodar Unit, and 1,200 MVA installed capacity at Odhav Unit, which was acquired in fiscal 2007. The capacity and capacity utilisation details for the last three years are given herein below:

Installed Capacity (in MVA)



Source: RHP

T&R (India) Ltd's average capacity utilisation over the last three years stands at 68%.

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Acquisitions

In fiscal 2007, T&R (India) Ltd acquired 100% stake in Transweld Mechanical Engineering Works Limited and 51% in Transpares Limited. By virtue of these acquisitions both these companies became their subsidiaries.

Transweld Mechanical Engineering Works Limited is engaged in the manufacturing of transformer tanks and core channels mainly for our own projects and also to a range of third party public and private sector clients.

Transpares Limited is engaged in the business of pressed steel radiators.

The total estimated outlay in the XIth Plan for the Power Sector is as follows:

Generation Rs 3054 bn, Transmission Rs 695 bn, Distribution Rs 500bn, Rural Electrification Rs 600 bn and R&M Rs 150bn.

The Order Book position of T&R (India) Ltd as on 15th November 2007 stands as under for its total range of transformers :

- 220kv – Rs 1290mn
- 132kv – Rs 1330mn
- 66kv – Rs 190mn
- 33kv – Rs 330mn
- 11kv – Rs 370mn
- Miscellaneous - Rs 90mn.

Out of this order book the Industries segment reportedly is worth Rs 1100 mn and the rest is from Utilities and is executable over a period of 8 to 9 months.

The Product mix of T&R (India) Ltd is divided as follows:

- Distribution Transformers: 5MVA to 160MVA.
- Furnace Transformers: 245kv class
- Power Transformers: 160kva and above, upto 33kv class.

T&R (India) Ltd expects its production quantities to reach levels of 9,480 MVA in FY09, 12,480 MVA in FY10 and 15,480 MVA in FY 11.

T&R (India) Ltd has an inventory cycle of 60 days i.e. Average WIP and for larger transformers it goes upto 120 days. The Net Working Capital cycle has a turnover of 3 times and T&R (India) Ltd wants to get this down by 15 to 20 days. The Debtor days are to the tune of 110 - 115 days.

ISSUE PROFILE

Investment Positives

Wide product portfolio and diversification in larger transformer markets

T&R (India) Ltd has the entire range of transformers namely power generation, transmission and distribution transformers, industrial transformers such as furnace transformers, and special transformers such as mobile substation, rectifiers, testing transformers etc.

T&R (India) Ltd has developed a wide portfolio of products, including certain speciality transformers, which has helped us to cater to diverse market requirements. R&T (India) Ltd is also venturing into the higher Kv category of transformers i.e. 400 Kv which have better margins by setting up a Greenfield facility at Moraiya.

Judicious mix across the different Transformer segments as well as further developing the niche business segments

T&R (India) Ltd has developed significant presence in power generation, transmission and distribution transformers, and industrial transformers. T&R (India) Ltd is maintaining a near right balance between the high volume power transformers segment and the higher-margin industrial transformers, with specific focus on furnace and rectifier transformers such as traction transformers, mobile sub-station transformers etc. so as to capitalise on the available opportunities (furnace transformers have higher margins of 4-5%)

Power Sector Reforms

The Government of India and the Power Ministry have given increasing thrust to the Power sector with total generation capacity slated to increase by 78,577 MV over the period 2007-12 with an expected annual increase of 15,715 MV to reach 2,10,901MV levels from the current levels of 1,32,330 MV. With the setting up of the national grid and major schemes like Accelerated Power Development & Reform Program (APDRP) and the Rajiv Gandhi Grameen Viduytikaran Yojana (RGGVY) aimed at bringing in investment in urban areas and creating an infrastructure for the supply of electricity in the rural areas.

Strong Financials and decent order book position

R&T (India) Ltd's turnover has reported a strong CAGR of 67% from the years 2003 to 2007. The EBITDA has also grown at a CAGR of 83% from FY03-07. The H1 FY08 EBITDA margins stood at a healthy level of 20%. The PAT has also shown growth by a CAGR of 96% over the period. (From 2003-07). The NPM margins for H1 FY08 stood at 10% level. The H1 FY08 ROCE and RONW stood at similar levels of 23%. The order book as on 15th November stands at Rs 3600mn almost equally divided amongst the industrial and utilities segments.

Investment Concerns

Substantial revenues generated from the State Electricity Boards

Any delays or defaults in payments from the SEB's could seriously undermine the earnings capability of T&R (India) Ltd as it generates around 45% of its revenues from these power utilities. Any time over runs or defaults by T&R (India) Ltd would also severely deter the brand equity of the company and hamper its revenue generating capability going forward.

Strong competition along with high entry barriers

T&R (India) Ltd is operating or competing in a market where established and large players like Emco, Indo tech, Voltamp, Bharat Bijlee etc who all are present across the whole range of transformer segments with strong order book positions and strong client relationships and good brand equity.

Business Outlook, Valuations & Recommendations

T&R (India) Ltd's decent financials and good order book give the company robust revenue visibility going forward. T&R (India) Ltd is also strategically positioned across the entire transformers segment giving it an ability to earn revenues through a wide spectrum of avenues. T&R (India) Ltd has also gone for acquisitions to backward integrate itself into gaining timely and cost effective access to critical raw materials. At the higher end of the price band (of Rs 465) the stock quotes a PE of 34.2x its FY 07A of Rs 13.6 and 47x its H1 FY08A of Rs 9.8, however considering the future growth prospects of the transformers industry and T&R (India) Ltd's foray into higher KV through greenfield projects and higher margin yielding furnace transformers, **we recommend a subscribe to the issue at the higher band.**

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Valuation Metrics

Particulars	Sales (FY 07)	PAT (FY 07)	Sales (6 Mths ended 30th Sept 07)	PAT (6 Mths ended 30th Sept 07)	Equity Capital	EPS (Rs.) TTM	CMP (as on 06.12.07)	P/E
EMCO Transformers	6558.9	406	3384.9	193.6	102.1	42.9	1450.0	33.8
Bharat Bijlee	4698.6	550.9	2514.7	289.6	56.5	126.4	3506.7	27.7
IndoTech Transformers	1553.7	262.1	907.5	171.4	106.2	32.7	708.0	21.7
*T&R (India) Ltd	2201.5	176.3	1262.4	127.2	129.23[^]	19.7-9.8	425-465	21.6-23..6

*EPS of H1 FY08 Annualised on Fully Diluted equity capital i.e. post issue.

[^]Fully Diluted post issue capital

COMPANY FINANCIALS

Profit & Loss Statement

(Rs. In Mn)

Y/E March	Six Months ended June 2007	2007	2006	2005	2004
Income					
Income from Operations	1262.4	2201.5	1282.7	746.3	503.5
Other Income	10.5	7.6	6.7	10.2	8.2
Total Income	1395.5	2324.7	1402.7	751.8	479.0
Total Expenditure	1137.8	1954.2	1253.4	675.6	432.5
EBITDA	124.6	247.3	29.2	70.7	71.0
PBT	204.5	280.6	119.7	57.3	25.3
PAT	127.2	176.3	76.5	35.3	17.92

Source: RHP

Balance Sheet Statement

(Rs. In Mn)

Y/E March	Qtr. Ended 30.6.2007	2007	2006	2005	2004
APPLICATION OF FUND					
A. Fixed Assets					
Gross Block	264.6	237.0	149.9	108.5	103.3
Less: Depreciation	66.1	57.7	40.8	33.0	29.3
Net Block	198.5	179.3	109.2	75.5	74.0
Sub – Total	198.5	179.3	109.2	75.5	74.0
B. Capital WIP	103.9	51.3	9.8	9.6	0.0
C. Intangible Assets	9.4	10.9	2.0	0.3	0.0
D. Investments	1.1	2.1	0.0	0.0	0.0
E. Current Assets, Loans & Advances					
Inventories	520.9	411.6	310.1	174.7	143.3
Sundry Debtors	835.5	717.3	518.1	220.3	212.2
Cash & Bank Balances	122.3	147.0	65.3	40.4	13.8
Other Current Assets	6.1	1.1	1.2	0.9	0.0
Loans and Advances	95.6	57.6	36.1	47.1	24.6
Sub - Total	1580.4	1334.7	930.7	483.3	393.8
F. Total Assets (A+B+C+D+E)	1893.3	1578.3	1051.7	568.7	467.8
SOURCES OF FUND					
G. Liabilities and Provisions					
Secured Loans	337.5	268.6	154.3	91.9	89.3
Unsecured Loans	160.8	48.7	19.8	18.8	45.6
Current Liabilities and Provisions	814.8	811.7	648.8	313.6	215.8
Minority interest	19.8	18.5	0.0	0	0.0
Deferred Tax Liability (net)	18.4	15.3	14.8	15.8	15.2
Sub- Total	1351.2	1162.8	837.7	440.1	365.9
H. F - G	542.0	415.5	214.0	128.7	101.9
H. Net Worth(A+B+C+D+E-G)	542.0	415.5	214.0	128.7	101.9
Represented by					
Share Capital	99.3	70.9	68.2	47.8	47.8
Reserves & Surplus	443.0	344.9	146.4	81.6	55.2
Total	542.2	415.8	214.6	129.3	103.0
Less: Miscleanous Expenditure (to the extent not written off or adjusted)	0.2	0.3	0.5	0.7	1.03
Net Worth	542.0	415.5	214.0	128.7	101.9

Source: RHP

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FROM OUR TECHNICAL DESK

INDICES

Indices	Previous Close	Current Close	% Chg
Sensex	19,966.0	19,930.7	(0.2)
Nifty	5,974.3	5,960.6	(0.2)
S&P CNX 500	5,095.7	5,107.4	0.2
BSE 500	8,219.2	8,240.6	0.3
BSE Mid-Cap	9,022.0	9,117.4	1.1
BSE Small-Cap	11,342.3	11,530.9	1.7
BSE AUTO	5,651.3	5,677.4	0.5
BSE BANKEX	11,378.0	11,486.6	1.0
BSE CD	5,929.9	6,059.1	2.2
BSE CG	20,218.9	20,130.9	(0.4)
BSE FMCG	2,177.3	2,160.3	(0.8)
BSE HC	4,007.4	3,998.6	(0.2)
BSE IT	4,424.6	4,432.9	0.2
BSE METAL	18,738.1	18,701.8	(0.2)
BSE OIL&GAS	12,735.3	12,740.0	0.0
BSE POWER	4,527.6	4,501.3	(0.6)
BSE PSU	9,869.3	9,907.6	0.4
BSE REALTY	11,576.6	11,822.9	2.1
BSE TECK	3,873.0	3,883.5	0.3

Key Levels

	Sensex	Nifty
Day's High	20,095.7	6,015.3
Day's Low	19,834.0	5,923.4
20 D EMA	19,409.3	5,799.0
50 D EMA	18,730.5	5,569.3
200 D SMA	15,544.3	4,568.7



NIFTY COMMENTS:

We saw that the Nifty opened flat in the morning session at 5975 levels. After that, the markets dipped slightly downwards and started trading lower at 5950 levels. The markets then slowly consolidated in a sideways range between 5950-5975 levels, but after some time started drifting downwards to 5930 levels. But, the afternoon session saw the markets again trading in a narrow range between 5930-5950 levels. The markets then bounced back from 5930 levels and pulled back slightly higher towards the close. Hence, the Nifty closed flat for the day at 5960, (-0.23%) below its previous close. But, the advance: decline ratio was very positively biased at 808:406.

MARKET VIEW:

The American Markets have closed very strong. The Asian Indices are also trading at slightly higher levels. We can expect a positive opening for our markets in the morning session. The markets have a strong resistance at 6050 levels, which if breached can take the Nifty to much higher levels. But, we can expect slight profit booking towards the close. Hence, we expect a positive close for our markets today. We can see that the markets have closed at 5960 levels yesterday. We can also notice on the daily charts that the Nifty is trading in a narrow band between 5920-6040 levels for the past week. We have also risen continuously in the past two weeks from the 5500 levels to 5960 levels today. After yesterday's flat closing the Nifty looks likely to consolidate for some more time in the coming days, as its next resistance at 6050 levels could be a major barrier in the short term. Hence, we expect our markets to consolidate in the 5900-6000 levels in the short term.

SECTOR INDICES:

BSE REALTY (11822)

The BSE Realty index closed at 11822 levels yesterday, which is (2.13%), above its previous close. We can also notice that this index is currently trading at its all time high levels. We can also observe that this index has got a strong support at 11000 levels, which is unlikely to be tested in the short term. Hence, we expect this index to move slightly higher to 12000 levels in the short term. We like Omaxe Ltd. and Ansal Infra in this sector.

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OPEN POSITIONAL CALLS

Date	Stock	Reco.	Reco. Price	S.L.	Target 1	Target 2	Date	C.M.P.	Comments
03-Dec-07	HDIL	Buy	822-825	785	910	-	10-Dec-07	811	Call Closed @ 818
03-Dec-07	JP Hydro	Buy	114-116	102	140	-	10-Dec-07	116	Call Open
03-Dec-07	Nirma	Buy	238-240	215	280	-	10-Dec-07	238	Call Open
08-Dec-07	Castrol	BUY	281	270	310	-	10-Dec-07	281	Call Open
08-Dec-07	Hexaware	BUY	83	80	90	-	10-Dec-07	84	PROFIT BOOKED AT 84.50
10-Dec-07	Gammon India	Buy	589-593	564	650	-	10-Dec-07	596	Call Open
10-Dec-07	Unitech	Buy	429-431	400	475	-	10-Dec-07	442	Call Open
10-Dec-07	BILPOWER	BUY	218.75	215	Trail	-	10-Dec-07	216.05	Call Open

OPEN POSITIONAL CALLS - Derivatives

Date	Stock	Reco.	Reco. Price	S.L.	Target	Date	C.M.P.	Comments
07-Dec-07	ONGC Dec. Futures	Sell	1170-1171	1200	1115	10-Dec-07	1182	Call Open
07-Dec-07	Bank of India Dec. Fut.	Sell	354-355	372	321	10-Dec-07	359	Call Open

Rohit Shinde
Senior Technical Analyst

Bhavin Y Mehta
Associate Technical Analyst

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FROM OUR DERIVATIVES DESK

INDECISIVE MARKET

Indices yesterday opened in 'green' but soon slipped in red. The markets then through the day exhibited very 'choppy' activity, within a very narrow range, reflecting indecisiveness on part of players. Market finally ended the day with moderate losses. The CNX NIFTY DEC. FUTURE closed 16 points or 0.26% lower at 5,973. The CNX NIFTY DEC. FUTURE premium narrowed marginally to 13 points from 15 points in the previous session.

Turnover in F&O was much lower, reflecting lesser participation at Rs.47,277crs. Vs. Rs.61,359 crs. in the previous session The biggest gainers in the F&O segment were Alok Industries, MRPL, LITL, TTML, Kesoram and Corporation Bank. The biggest losers were Tech Mahindra, Nucleus Software, Balrampur Industries, KPIT Infosys and Gitanjali Gems.

Indices

	Cash Market			Futures			Basis	Open Interest (for 3 mts)		
	10/Dec/07	07/Dec/07	% Chg	10/Dec/07	07/Dec/07	% Chg		10/Dec/07	07/Dec/07	% Chg
BANKNIFTY	9864.60	9796.10	0.70	9896.15	9814.80	0.83	6.87	94400	91300	3.40
CNX100	5862.45	5870.00	-0.13	5924.85	5898.00	0.46	22.85	250	100	150.00
CNXIT	4679.15	4711.45	-0.69	4682.45	4720.35	-0.80	1.51	141100	141600	-0.35
JUNIOR	12003.10	11944.95	0.49	12005.05	11974.20	0.26	0.35	130500	130175	0.25
NFTYMCAP50	3587.05	3542.45	1.26	3620.45	3587.35	0.92	19.99	4575	4875	-6.15

Source NSE

Nifty Futures

	Prev. Close	Close	Change	Volume (Rs.Cr.)	OI
Spot	5974.30	5960.60	- 13.70	-	-
DEC	5989.10	5973.35	- 15.75	9154.47	2,84,56,450
JAN	5980.25	5964.75	- 15.50	350.95	9,41,550
FEB	5976.25	5954.00	- 22.25	10.74	22,850

PUT CALL RATIO (PCR-OI)

Nifty	10/Dec/07	07/Dec/07	% Chg
Call OI	200635	193518	3.68
Put OI	254511	241894	5.22
PCR (OI)	1.27	1.25	1.6

Index Futures and Index Options

Index futures saw a trading volume of Rs. 9629.30 crores arising out of 3,21,922 contracts and Index options saw 1,02,829 contracts getting traded at a notional value of Rs. 3089.71 crores.

Futures on individual securities

The total number of contracts traded was 6,17,146 with a traded value of Rs. 33085.54 crores.

Options on individual securities

The total number of contracts traded was 27,855 with a notional value of Rs. 1473.21 crores.

- NIFTY DEC. Cost of Carry rose to +4.49 v/s 3.95 on the previous day.
- NIFTY DEC.FUTURES 'Premium' slipped to **12.75 points** v/s 'Premium' of **15 points** on previous trading session.
- NIFTY Open Interest **rose** by Rs. **664cr (2.18%)** to Rs.31,101crs.(FUTURES OI-Rs. 17,536 cr and OPTIONS OI- Rs.13,564cr)

Implied Volatility

NIFTY 5900 DEC CALL-IV is at 30.26% (HV: 34.26%) and NIFTY 5900 DEC PUT IV at 31.76%.

Put Call Ratio Analysis:

PCR of NIFTY (OI) rose marginally to 1.27 v/s 1.25 of previous trading session, indicative of unwinding of 'CALL' positions. PURVANKARA, NAGAR. CONSTR. and BHARTI AIRTEL had highest COC, whereas SUN PHARMA, GLAXO, TATA CHEM and ONGC had lowest COC.

Other Highlights:

- Fills were **Net SELLers of Rs.251 cr in F&O** with OI seen 'rising' by just Rs.27 crs in **Index** (Futures and Options), and by Rs.567crs. in **Stock Futures**.
- NIFTY-CALLs added 3.55 L shares to the OI, whereas NIFTY- PUTs added 6.30 L shares to OI; NIFTY-FUTURES added 2.44 L shares to OI.
- NIFTY-CALLs OI rose by 3.68% whereas NIFTY- PUTs OI rose by 5.22%. NIFTY FUTURES OI increased by 0.84%.
- **NIFTY 5900 DEC. CALLs added 1.93 L shares to OI; NIFTY 5900 DEC. PUTs added 1.71 L shares to OI .**
- **NIFTY 6100 DEC. CALLs added 1.41 L shares to OI; NIFTY 6200 DEC. CALLs added 0.97 L shares to OI .**
- Stock Futures added almost 4.57 cr shares to OI.
- Stock Futures OI at Rs. 67,305 crs – UP by Rs.1333 crs.

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INCREASE IN OI FUTURE		
Script	OI Change %	Price Movement %
IFCI	13.03	4.95
NAGARFERT	19.96	2.22
ISPATIND	8.38	2.13
MRPL	9.41	8.40
BONGAIREFN	19.73	1.14

DECREASE IN OI FUTURE		
Script	OI Change %	Price Movement %
BALRAMCHIN	-12.64	-3.4
TRIVENI	-7.28	-2.17
ARVINDMILL	-3.84	6.97
APTECHT	-7.27	4.51
KPIT	-10.19	-3.24

INCREASE IN OI - OPTIONS		
Script	OI Change-Shares	OI Change %
ASHOKLEY- CALLS	3447550	18.34
IFCI- CALLS	3094875	42.49
NAGARFERT- CALLS	924000	21.36
ISPATIND- CALLS	709650	9.52
NIFTY- PUTS	630850	5.22

HIGHEST OI - FUTURES			
Script	Shares (crs)	Script	Shares (crs)
IFCI	11.52	POWERGRID	9.81
RPL	14.94	IDFC	5.64
RNRL	11.15	GMR INFRA	5.73
TTML	9.58	ISPAT	6.81
ASHOKLEY	9.81	NIFTY	5.21

Market Outlook:

Markets exhibited indecisiveness all through the day, yesterday. Participation from players too, was much lower. Fresh positions in 'PUTS' was seen built along with unwinding of some of the 'CALLS' positions. This got reflected in NIFTY OI PCR rising marginally to 1.27 from 1.25 in the previous session. Index was seen loosing Action, while 'Stock Futures' were once again seen adding OI. This could be cause of concern going ahead. FIIs selling continues in F&O space, which could arrest UPMOVE, in case it comes. Although things are not very 'Negative' at this point of time, they are not greatly 'Positive' either. All in all, **on the back of good global cues, 'Positive' opening is probable, however sustainability of the UPMOVE is in doubt. Higher levels are likely to attract 'Profit-booking,' inducing volatility, making Trading difficult.**

FIIs Derivative Statistics for 10/Dec/2007

FII	Buy		Sell		Open Interest as on 10/Dec/2007		Open Interest as on 07/Dec/2007		Change in FIIs Open Interest	
	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.
Index Futures	20005	596.38	21586	643.00	588398	17585.96	590193	17685.67	-1795	-99.71
Index Options	6414	189.42	4319	128.52	253788	7563.64	248955	7436.66	4833	126.98
Stock Futures	14990	536.85	20064	784.38	1056652	48707.48	1048580	48160.48	8072	547.00
Stock Options	3	0.12	428	18.32	2300	95.22	1879	75.60	421	19.62
Cash Market		2811.06		3003.18						
DII		1180.94		1411.09						

Source NSE

Lowest Cost Of Carry			
Scrp	Cash Price	Futures Price	COC %
SUNPHARMA	1121.15	1100.7	-39.16
NATIONALUM	377.30	371.05	-35.57
TATACHEM	383.65	378.2	-30.5
GLAXO	985.75	973	-27.77
ONGC	1193.90	1180.05	-24.91

Highest Cost Of Carry			
Scrp	Cash Price	Futures Price	COC %
JUNIOR	12003.10	12005.05	0.35
CNXIT	4679.15	4682.45	1.51
BHARTIARTL	973.20	974.1	1.99
NAGARCONST	344.15	344.5	2.18
PURVA	448.90	449.4	2.39

Most active Calls				Most active Puts				Top traded stock futures		
Scrp	Expiry	Strike Price	No Of Shares	Scrp	Expiry	Strike Price	No Of Shares	Scrp	Expiry Price	No Of Shares
ASHOKLEY	27-Dec-2007	55	4235425	NIFTY	27-Dec-2007	5900	755900	MRPL	27-Dec-2007	135956400
ASHOKLEY	27-Dec-2007	65	4053975	IFCI	27-Dec-2007	100	559125	NAGARFERT	27-Dec-2007	89152000
IFCI	27-Dec-2007	110	2858625	NIFTY	27-Dec-2007	5800	539750	TTML	27-Dec-2007	79472250
ASHOKLEY	27-Dec-2007	50	2626250	ASHOKLEY	27-Dec-2007	50	372450	ISPATIND	27-Dec-2007	74243500
CHAMBLFERT	27-Dec-2007	90	2125200	NIFTY	27-Dec-2007	5700	366100	IDFC	27-Dec-2007	69150950

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Nilesh Kulkarni
Senior Derivative Analyst

MARKETS

FROM OUR DEALING DESK

Traders / Dealers Views

The market closed marginally lower on the back of selling across the sectoral indices scrips. The market opened on a positive note but all of a sudden lost the grip as the profit booking prevailed. The Realty and Bankex indices scrips remained in the limelight as most buying was seen from these stocks. Both the BSE Mid cap and Small cap outperformed the benchmark indices as they closed higher by 95.48 points and 188.65 points at 9,117.44 and 11,530.92 respectively. The BSE Sensex closed lower by 35.32 points at 19,930.68 and NSE Nifty fell 13.3 points to closed at 5,960.60.

BSE Realty index surged 246.25 points to close at 11,822.88. Scrips that gained were Ansal Infra (7.05%), Omaxe (5.99%), Indiabull real (3.83%), Unitech (3.11%)

BSE Bankex index closed higher by 108.59 points to close at 11,486.55.

DISCLAIMER: Above Information on Market and Stocks is being obtained from various market sources and believed to be correct. However this information is not based on the analysis of our Fundamental Research or Technical Research Teams. Investors are advised that this information is purely market related and hence Reliance Money Limited, its associates and all its intermediaries are not in any way responsible for the above information. Clients are requested to take independent decisions based on the above market information.

DAILY NIFTY PIVOT POINT

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
S&P CNX Nifty	5874.47	5917.53	5966.42	6009.48	6058.37
CNX IT	4602.68	4640.92	4702.13	4740.37	4801.58
CNX Nifty Junior	11751.90	11877.50	11957.80	12083.40	12163.70
S&P CNX Defty	5195.90	5234.00	5277.25	5315.35	5358.60
BANK Nifty	9660.13	9762.37	9825.83	9928.07	9991.53
CNX Midcap	8455.25	8501.35	8536.05	8582.15	8616.85
S&P CNX 500	5060.03	5083.72	5102.38	5126.07	5144.73
CNX 100	5787.52	5824.98	5863.52	5900.98	5939.52
Nifty Midcap 50	3511.48	3549.27	3571.63	3609.42	3631.78
	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
ABB LTD.	1560.38	1584.57	1616.78	1640.97	1673.18
ACC LIMITED	1047.43	1055.82	1066.43	1074.82	1085.43
AMBUJA CEMENTS LTD	147.83	149.47	151.73	153.37	155.63
BAJAJ AUTO LTD	2637.38	2674.77	2717.38	2754.77	2797.38
BHARTI AIRTEL LIMITED	938.13	955.67	972.53	990.07	1006.93
BHEL	2553.43	2614.17	2720.98	2781.72	2888.53
BHARAT PETROLEUM CORP LT	408.75	417.70	427.05	436.00	445.35
CIPLA LTD	187.03	189.97	194.93	197.87	202.83
DR. REDDY'S LABORATORIES	637.23	646.77	660.88	670.42	684.53
GAIL (INDIA) LTD	460.72	480.43	492.72	512.43	524.72
GLAXOSMITHKLINE PHARMA LT	959.25	972.50	982.25	995.50	1005.25
GRASIM INDUSTRIES LTD	3562.42	3584.83	3617.42	3639.83	3672.42
HCL TECHNOLOGIES LTD	297.85	303.70	313.35	319.20	328.85
HDFC LTD	2740.37	2808.53	2884.27	2952.43	3028.17
HDFC BANK LTD	1645.85	1666.90	1698.45	1719.50	1751.05
HERO HONDA MOTORS LTD	673.50	681.00	687.50	695.00	701.50
HINDALCO INDUSTRIES LTD	185.23	189.27	191.93	195.97	198.63
HINDUSTAN PETROLEUM CORP	292.78	300.77	307.08	315.07	321.38
HINDUSTAN UNILEVER LTD.	198.03	201.97	205.53	209.47	213.03
ICICI BANK LTD.	1216.62	1244.03	1264.42	1291.83	1312.22
INFOSYS TECHNOLOGIES LTD	1671.10	1709.90	1738.80	1777.60	1806.50
ITC LTD	181.43	184.07	187.98	190.62	194.53
LARSEN & TOUBRO LTD.	4126.90	4178.50	4261.60	4313.20	4396.30
MAHINDRA & MAHINDRA LTD	740.83	757.97	774.98	792.12	809.13
MARUTI SUZUKI INDIA LTD.	1021.62	1033.63	1046.77	1058.78	1071.92
MAHANAGAR TELEPHONE NIGAM	170.78	174.77	180.58	184.57	190.38
NATIONAL ALUMINIUM CO LTD	356.50	366.90	376.40	386.80	396.30
NTPC LTD	235.28	238.27	242.98	245.97	250.68
OIL AND NATURAL GAS CORP.	1152.63	1173.27	1186.63	1207.27	1220.63
PUNJAB NATIONAL BANK	606.18	629.37	643.18	666.37	680.18
RANBAXY LABS LTD	394.78	399.37	405.68	410.27	416.58
RELIANCE COMMUNICATIONS L	711.08	720.22	730.13	739.27	749.18
RELIANCE ENERGY LTD	1866.87	1906.13	1936.52	1975.78	2006.17
RELIANCE INDUSTRIES LTD	2763.52	2793.23	2831.02	2860.73	2898.52
RELIANCE PETROLEUM LTD.	218.92	223.08	225.87	230.03	232.82
STEEL AUTHORITY OF INDIA	260.53	265.67	271.28	276.42	282.03
SATYAM COMPUTER SERVICES	427.65	433.70	444.05	450.10	460.45
STATE BANK OF INDIA	2389.68	2407.82	2433.13	2451.27	2476.58
SIEMENS LTD	1902.18	1926.37	1945.18	1969.37	1988.18
STERLITE INDS (IND) LTD	1034.05	1054.90	1087.45	1108.30	1140.85
SUN PHARMACEUTICALS IND.	1067.38	1094.27	1119.13	1146.02	1170.88
SUZLON ENERGY LIMITED	1926.67	1961.03	1989.37	2023.73	2052.07
TATA MOTORS LIMITED	730.42	748.43	763.07	781.08	795.72
TATA POWER CO LTD	1264.42	1290.83	1316.42	1342.83	1368.42
TATA STEEL LIMITED	823.77	828.53	834.77	839.53	845.77
TATA CONSULTANCY SERV LT	1002.53	1019.07	1046.53	1063.07	1090.53
UNITECH LTD	402.62	422.43	435.37	455.18	468.12
VIDESH SANCHAR NIGAM LTD	593.50	611.00	638.50	656.00	683.50
WIPRO LTD	491.95	496.65	502.80	507.50	513.65
ZEE ENTERTAINMENT ENT LTD	284.73	290.27	297.03	302.57	309.33

Source: NSE

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BULK DEALS

TRADE DETAILS OF BULK DEALS

Deal Date	Scrip Name	Client Name	Deal Type	Quantity	Price **
10-Dec-07	A K Capital	Kajaria Sec Pvt Ltd	S	100000	283.7
10-Dec-07	Ahlcon Paren	20Th Century Holding Pvt Ltd	B	56315	73.29
10-Dec-07	Anjani Synth	Vishesh Shahra	B	50000	120
10-Dec-07	Arham Plasti	Gaurav Sud	S	30000	18.91
10-Dec-07	Ashco Indust	I S F Securities Ltd	S	92575	39.04
10-Dec-07	Bhan Udh yog	Rajkumar Lohia Huf	S	20000	3.21
10-Dec-07	Birla Cap	Pradeep Bhat	B	106290	9.81
10-Dec-07	Birla Cap	Ayodhyapati Investment Pvt Ltd	S	120000	9.83
10-Dec-07	Birla Cap	D Kathir Anand	S	100000	9.81
10-Dec-07	Camlin Fine	Bhavanji Bhadra	S	30000	51
10-Dec-07	Comp-U-Learn	Srecko Indhan Limited	B	79930	7.01
10-Dec-07	Comp-U-Learn	Dommarajk Prabhakar	B	100000	7.01
10-Dec-07	Comp-U-Learn	Srirama Subrahmanya Samba Siv Pra Ai	B	50000	7.01
10-Dec-07	Comp-U-Learn	Mukesh Kumar Agarwall	S	450000	7.01
10-Dec-07	Cybermat Inf	Lilac Farms Private Limited	B	681228	8.57
10-Dec-07	Cybermat Inf	Lilac Farms Private Limited	S	707789	8.65
10-Dec-07	Decolight Ce	Mahendra P Rathod	B	98808	29.95
10-Dec-07	Decolight Ce	Mahendra P Rathod	S	98808	30.12
10-Dec-07	Dmc Inter	Shark Communication	B	27900	24.49
10-Dec-07	Dmc Inter	Shark Communication	S	27300	24.5
10-Dec-07	Dolat Inv Lt	Kishore Kumar Jain	B	1000000	11.13
10-Dec-07	Dolat Inv Lt	Shailesh D Shah	S	2250000	11.11
10-Dec-07	Elpro Intern	Keynote Commodities Ltd.	B	25390	503
10-Dec-07	Elpro Intern	Rahn And Bodmer	S	25390	503
10-Dec-07	Empower Inds	Dewang D Master	S	257488	19.53
10-Dec-07	Era Constr I	Deutsche International Trust Corp Maurit L	B	200000	555
10-Dec-07	Esskay Telec	Rajan Jagannath Dhulekar	S	27637	1.87
10-Dec-07	Euro Ceramic	Macquarie Bank Limited	S	98093	239.33
10-Dec-07	G V Films Lt	Bnp Paribas Arbitrage Snc	S	6100000	7.92
10-Dec-07	Gangotri I&S	Gbk Resources Pvt Ltd	S	33657	33.69
10-Dec-07	Gemstone Inv	Prem Mohanlal Parikh	S	19500	26.25
10-Dec-07	Gene Int Cor	India Max Investment Fund Ltd	B	319893	66.08
10-Dec-07	Gene Int Cor	Karjat Tradeplace Pvt Ltd	S	317893	66.07
10-Dec-07	Genus Power	Micro Management Ltd	S	65988	700
10-Dec-07	Ifl Prmoter	Veena Gupta	B	17850	25.2
10-Dec-07	Ifl Prmoter	Shark Communications	B	28500	24.86
10-Dec-07	Ifl Prmoter	Jaspal Singh	S	30000	25.1
10-Dec-07	Ifl Prmoter	Shark Communication	S	25171	25
10-Dec-07	Ifsl Ltd	Citigroup Global Markets Mauritius Pvt Ltd	S	803877	1.56
10-Dec-07	Ikf Techno	Prabhudas Lilladher Pvt. Ltd.	B	1232734	7.94
10-Dec-07	Ikf Techno	Prabhudas Lilladher Pvt. Ltd.	S	1196949	7.98
10-Dec-07	Indus Netwrk	Dhanalakshmi S	S	150000	7
10-Dec-07	lol Chem Ph	Vaghjibhai Gagaldas Shah	S	118610	150.31
10-Dec-07	Jyoti Res Ad	Girish Manilal Patel	B	36597	4.47
10-Dec-07	Jyoti Res Ad	Ashwani Anand	S	26385	4.53
10-Dec-07	Jyoti Res Ad	Girish Manilal Patel	S	23290	4.61
10-Dec-07	Kailash Fico	Gaindamal Chiranjilal Ltd	S	100000	29.93
10-Dec-07	Kashyap Tec	Krishna Capshares Pvt Ltd	S	900000	4.2
10-Dec-07	Kashyap Tec	Ayodhyapati Investment Pvt Ltd	S	1826015	4.2
10-Dec-07	Kashyap Tec	Ayodhyapati Investment Pvt Ltd	S	500252	4.2
10-Dec-07	Kashyap Tec	Mavi Investment Fund Ltd Account Gdr	S	900000	4.2
10-Dec-07	Kashyap Tec	Lotus Global Investments Limited Gdr	S	900000	4.2
10-Dec-07	Kohinoor Bro	Lilac Farms Private Limited	B	786983	10.23
10-Dec-07	Kohinoor Bro	Lilac Farms Private Limited	S	844344	10.02
10-Dec-07	Micro Inks	Hsbc Global Investment Funds	B	729342	389.81
10-Dec-07	Micro Inks	Hsbc Global Investment Funds	S	729342	389.81
10-Dec-07	Pasari Spin	Inkam Financial Consultants P Ltd	B	50642	25.4
10-Dec-07	Pioner Embro	Sarita Chaudhary	S	80000	233.06

Contd...

10-Dec-07	Rajes Found	Hr Javeri	S	25000	37.3
10-Dec-07	Suave Hotel	Seema Rathi	S	32676	36.01
10-Dec-07	Sujana Metal	Dhananjay Money Management Ser P L	B	570000	32.75
10-Dec-07	Sujana Metal	Goldman Sachs Investments Mauritius I	S	378000	34.94
10-Dec-07	Sujana Metal	Matterhorn Ventures Fund	S	442077	32.76
10-Dec-07	Sujana Metal	Dhananjay Money Management Ser P L	S	570000	33.18
10-Dec-07	Sujana Univ	Lilac Farms Private Limited	B	811664	20.08
10-Dec-07	Systel Infot	Kanta Anantrai Desai	S	230100	0.55
10-Dec-07	Tata Coffee	Sharad.Shah	B	314803	255
10-Dec-07	Uniflex Cabe	Prism Impex Pvt Ltd	S	87426	53.23
10-Dec-07	Unity Infra	Melchior Indian Opportunities Fund	B	87317	810
10-Dec-07	Unity Infra	Pegasus Stocks And Shares Pvt.Ltd	S	120000	810.28
10-Dec-07	Visu Intl	Rakesh Kantilal Upadhyay	B	200000	23.11
10-Dec-07	Vulcan Engin	Hitesh Jhaveri	B	39990	32.4
10-Dec-07	Vulcan Engin	Sanwarlal D Saraf Huf	B	25133	31.1
10-Dec-07	Vulcan Engin	Sanwarlal D Saraf Huf	S	25133	32.4

Source : BSE

* B - Buy, S - Sell / ** = Weighted Average Trade Price / Trade Price

FORTHCOMING EVENTS

BOARD MEETINGS

Effective Date	Summary	Action Type
11-Dec-07	Filatex Fashions Ltd	General
11-Dec-07	Indowind Energy Limited	AGM
11-Dec-07	Mayur Leather Products Ltd	Interim Dividend
11-Dec-07	Mic Electronics Limited	AGM/Dividend - 20%
11-Dec-07	NHN Corporation Ltd	General
11-Dec-07	Petron Engineering Construction Ltd	AGM/Divdnd-Rs.1.20 Per Sh
11-Dec-07	Ramkrishna Forgings Limited	Raising Of Capital/Others
11-Dec-07	Ramkrishna Forgings Ltd	Increase In Authorised Capital
11-Dec-07	Shriram Transport Finance Co. Ltd.	Int Dividend-Re.1 Per Sh
11-Dec-07	Ushdev International Ltd	General

Source : BSE / NSE

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Corporate Office:

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Off Annie Besant Road, Behind Doordarshan Tower, Worli, Mumbai - 400025
Tel.: 91-22-30443301, Fax No.: 30443306

Equities: Trading through Reliance Securities Limited | NSE SEBI Registration Number Capital Market :- INB 231234833 |
BSE SEBI Registration Number Capital Market :- INB 011234839 | NSE SEBI Registration Number Derivatives :- INF 231234833
Commodities : Trading through Reliance Commodities Limited | MCX member code: 29030 | NCDEX member code: NCDEX-CO-05-00647 |
NMCE member code: CL0120 Mutual Funds : Reliance Securities Limited | AMFI ARN No.29889

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