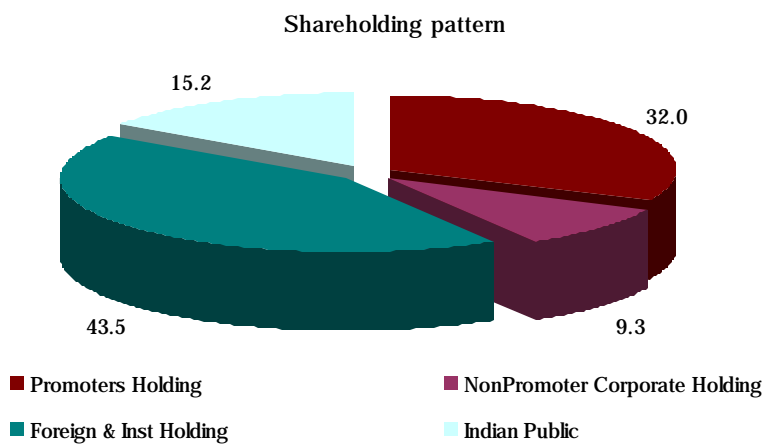


UPDATE: GLOBAL TELE BUY BACK

Global Tele Limited has made an announcement to buy back equity from the market at a price of INR 300 per share for an aggregate sum of INR 2,750mn. The offer price is at 15% premium to the current prevailing market price of INR 260. The chart below shows the shareholding pattern in Global Tele. Under the assumption that all holdings are eligible to be tendered in the buy back, the minimum acceptance ratio works out to be 15%.



Strategy

At current level of Cash and Future (Dec) and 20% acceptance the trade is generating a return of 2.40% in a time duration of 2 months (Unaccepted share will be back on 10-Dec-07).

We recommend to Buy GTL shares and sell December futures @ par or at a loss of INR 4 to the extent of acceptance and tender the shares in the buy back offer.

The discount in December Futures will be the function of Cash price. As the cash price moves up towards the offer price of INR 300 the Discount will narrow down and as the cash price moves down the discount will widen further.

Scenario Analysis @ CMP of 260

Future Price	Acceptance Ratio			
	15%	20%	25%	30%
256	1.21%	2.40%	3.78%	5.41%

Returns are not annualized

October 26, 2007

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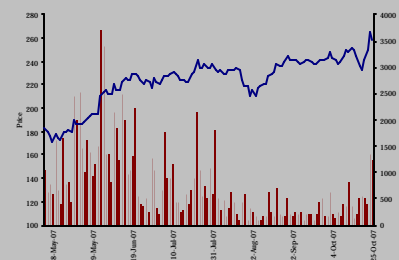
Bloomberg Code	NGTS
Cash Price	260
Futures Price (Dec)	258
Market Cap	23,679
52 Week High/Low	271/114

* Mkt. Cap & Volume in INR mn

Offer time line

Opening of offer	29 Oct 07
Closure of offer	19 Nov 07
Consideration Payment for shares accepted	10 Dec 07

Price Volume Chart



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Alternative Research

Regular Products

Derivatives Daily (DD)
 Earnings Strength Comparison (ESC)
 Edelweiss Corporate Action Tracker (e CAT)
 Edelweiss Fund Insight (EFI)
 Edelweiss Market Scan (EMS)
 Edelweiss Technical Reflection (ETR)
 Edelweiss Value Scanner (EVS)
 F&O Crossover
 hEDGE
 Insider Trades
 Pair Strategy
 Rollovers Analysis
 RSC Tracker (RSC)

Special Situation Products

ADS Conversion
 Alpha Trades
 Buy Back
 Delisting
 De-Merger
 Directional (Long / Short)
 Merger
 Open Offer
 Option Trading
 Restructuring (Value Unlocking)
 Rights Arbitrage
 Secondary Offerings
 Spread Trade

Date Special Reports

08-Jun-07	Master Moves; Opportunities from open offer, buyback, de-listing
06-Aug-07	Earning Strength Comparison
03-Aug-07	Enhanced Nifty: Nifty with an edge
14-Aug-07	Edelweiss Value Scanner; Adding Value to investments

Date Monthly Reports

15-Sept-07	Edelweiss Fund Insight - EFI
28-Sep-07	Rollover Analysis
04-Oct-07	RSC: Relative Strength Comparison
05-Oct-07	hEDGE: The alternative insights monthly

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