

| Index      | Closing | Chg (Rs.) | Chg (%) |
|------------|---------|-----------|---------|
| SENSEX     | 16123.7 | 107.4     | 0.7     |
| MIDCAP     | 5942.8  | -25.0     | -0.4    |
| SMLCAP     | 7179.0  | -10.5     | -0.1    |
| NIFTY      | 4805.3  | 22.4      | 0.5     |
| CNX IT     | 4757.1  | -18.8     | -0.4    |
| BANK NIFTY | 7717.9  | 67.3      | 0.9     |
| METAL      | 13315.4 | 325.9     | 2.5     |
| POWER      | 2968.2  | -6.0      | -0.2    |
| OIL&GAS    | 10129.9 | 199.9     | 2.0     |

| World Index | Closing | Chg (Rs.) | Chg (%) |
|-------------|---------|-----------|---------|
| DOW         | 9497.3  | 56.1      | 0.6     |
| NASDAQ      | 2037.8  | 19.0      | 0.9     |
| *HANG SENG  | 20888.1 | -181.8    | -0.9    |
| *NIKKEI     | 10299.8 | -93.5     | -0.9    |

\*IST 9:15AM

| Forex & Oil     | Last Close |
|-----------------|------------|
| Rs/\$           | 48.5       |
| Crude Oil       | 72.5       |
| Govt 10yr Yield | 7.4        |

#### Top Gainer

| Company       | Closing | Chg (Rs.) | Chg (%) |
|---------------|---------|-----------|---------|
| SPIICE TELE   | 72.3    | 11.6      | 19.1    |
| BEML LTD      | 1188.0  | 112.7     | 10.5    |
| HINDALCO IN   | 114.9   | 6.6       | 6.1     |
| STERLITE IN   | 740.3   | 33.8      | 4.8     |
| STATE BANK OF | 1894.2  | 79.2      | 4.4     |

#### Top Loser

| Company      | Closing | Chg (Rs.) | Chg (%) |
|--------------|---------|-----------|---------|
| GUJ MIN DEVL | 114.6   | -6.5      | -5.4    |
| MUNDRA PORT  | 544.6   | -20.9     | -3.7    |
| GVK POWERINF | 44.6    | -1.7      | -3.6    |
| CESC LTD     | 360.7   | -13.3     | -3.6    |
| EXIDE INDUS  | 87.6    | -3.1      | -3.4    |

#### Advance / Decline in BSE

|          |      |
|----------|------|
| Advance  | 1362 |
| Decline  | 1461 |
| Unchange | 66   |
| Total    | 2889 |

#### Fund Activity

|                 | Cash | Pur.   | Sell   | Net    |
|-----------------|------|--------|--------|--------|
| FII's 08-Sep-09 |      | 2952.8 | 1902.8 | 1050.0 |
| MF 04-Sep-09    |      | 599.7  | 593.3  | 6.4    |

#### ADR (\$)

| Company     | Closing (\$) | Chg (\$) | Chg (%) |
|-------------|--------------|----------|---------|
| HDFC Bank   | 102.1        | 2.7      | 2.7     |
| ICICI Bk    | 32.8         | 2.0      | 6.6     |
| Infosys     | 46.0         | 1.1      | 2.5     |
| Tata Motors | 13.0         | 1.1      | 9.3     |
| Satyam      | 6.5          | 0.2      | 3.2     |

## Aban may lose its drill ship contract

Aban Offshore, the Chennai-based drilling firm, is likely to lose a contract for its drill ship 'Aban Abraham' for deployment at an offshore field in Ghana, Africa, for developing the Jubilee Field. The 33-year-old drill ship was contracted to Kosmos Energy for the field's development from September 1 to October 21 at a rate of \$300,000 a day (about Rs 14.6 Crs a day). The loss of the contract would make a dent of about Rs 743.5 Crs in the current financial year's revenues. The company had reported net sales of Rs 3,050 core for 2008-09. Its profit for the period was Rs 540 Crs.

The drill ship had developed some technical problem about four months ago and was under repair and maintenance. This resulted in delay in its deployment made Kosmos look for an alternative.

About two weeks ago, the company announced the deployment of four of its seven idle jack up rigs — three in West Asia for three years and one in Latin America for over 25 months. Revenue from the West Asian contract is expected to be Rs 2,925 Crs and the contract for Latin America would fetch the company Rs 446 Crs.

## New 3G telcos to pay 3% of revenues as spectrum fee

MOBILE phone firms providing only 3G services must share 3% of their revenues with the government as spectrum usage fee while incumbent operators entering the 3G space will have to share an additional 1% of their revenues for using these airwaves, a ministerial panel has decided. The empowered group of ministers, has also decided against imposing a 2% 'administrative tax' on successful bidders for 3G wireless frequencies, fearing such a tax could impair revenue collections at the upcoming auction.

Telcos such as Bharti Airtel, Vodafone Essar and Idea Cellular, which currently pay 2-6% of their annual revenues as spectrum user charge depending on the amount of radio frequencies they hold and the area of operation, will have to share an additional 1% of their revenues, if they win 3G frequencies.

## Headlines

According to the Power Ministry data, hydroelectric generation plummeted 11 % during April-August, thermal and nuclear generation was up 10.5 %. The data show that the cumulative generation during 2009-10 (till August) was up 6.3 % at 319 billion units despite the dip in hydro generation.

The Government is committed to clearing the Insurance Amendment Bill that will raise the FDI limit in the sector from 26 % to 49.

The GMR group plans to raise Rs 7,500 Crs over the next three fiscal.

New players winning spectrum for third generation mobile services will have to pay as much as three % of their annual revenues as spectrum charges to the Government. In comparison, operators already offering 2G-based cellular services will have to pay an additional one % of their total revenues.

Biotechnology company Avesthagen Ltd plans to raise Rs 850-950 Crs next year, and this includes a revived public issue plan and overseas funds. Of this, the company would raise Rs 600-700 Crs from an initial offer in the first half of 2010.

Ashok Leyland signed a memorandum of understanding with Magma Fincorp Ltd (MFL) on Monday to provide financing to end-customers of commercial vehicles. The agreement will pave the way for enhancing sales by improving financing coverage, especially in the eastern and northern markets.

State-owned Gujarat Alkalies and Chemicals Ltd (GACL) announced its plans to increase production of hydrogen peroxide to more than 39,000 tonnes per annum (tpa) with an investment of Rs 98 Crs at its Dahej complex in Bharuch district. The project, to increase the capacity from 25,080 tpa to 39,080 tpa, is expected to be on stream in financial year 2010-11, making GACL the largest producer of hydrogen peroxide in India.

The Centre has said that there is no move to impose any levy obligation on white sugar processed from imported raws. Currently, mills processing domestically sourced cane are required to deliver 10 % of such sugar produced as 'levy' for the public distribution system (PDS).

State Bank of India expects its profits to grow at 30-35 % in the current quarter. Pointing out that the bank's credit has been growing by Rs 5,000 Crs every month since July, the chief of the country's largest bank said SBI has also been recording healthy growth in its retail portfolio.

GAIL India Ltd may take a stake in the \$1.95-billion gas pipeline that China is building for ferrying natural gas found off the Myanmar coast. China National Petroleum Corp (CNPC) is laying a 870-km pipeline in Myanmar to transport gas found in blocks A-1 and A-3 to mainland China.

Gas Authority of India Ltd (GAIL) has taken up a project to promote the use of compressed natural gas (CNG) as a fuel by developing a number of CNG corridors in the country. The first such corridor will be started in Uttar Pradesh spanning from Mathura to Kanpur.

The Tiruchirappalli unit of Bharat Heavy Electricals Limited (BHEL) dispatched the first consignment of foundation material to Mahan Aluminium in Singrauli district of Madhya Pradesh. BHEL had bagged the captive power plant order in two parts from Hindalco — for setting up 12 sets of 150 Mw units at Mahan Aluminium and Aditya Aluminium in Sambalpur district of Orissa, valued at Rs 4,015 Crs. These captive power plants of 900 Mw each are key to the expansion plans of Hindalco, which is setting up aluminium smelters of 360,000 tonnes per annum each at both these locations.

Two top PSUs under the steel ministry -- SAIL and NMDC -- have agreed to jointly develop and mine Arki limestone reserves in Himachal Pradesh with an estimated investment of Rs 200 Crs.

Essar Oil, one of the three operators which have discovered coal-gas in India, expects to become the second commercial producer of coal-gas in India in December. The company, whose Raniganj coal block holds around 30% of the total proven coal-gas reserves in the country, will submit a development plan to the government next month for drilling 500 wells over the next five years.

RELIANCE Capital, the financial services company of the Anil Ambani group, has decided to dole out stock options worth Rs 100 Crs to senior employees. The Reliance Capital board approved the employee stock option plan on Tuesday. The plan would cover nearly 500 employees. Reliance Capital will issue 12 lakh shares under the plan to employees working with parent company and all major businesses. Shares approved for ESOP in the first tranche will represent nearly 0.5% of the company's equity. The shareholders of the company have recently approved a proposal to offer up to 5% of shares through ESOP over the next few years.

MAHINDRA Satyam, the new owner of erstwhile Satyam Computer Services, has decided to restore variable pay for close to 28,000 employees across all levels from October this year, signalling recovery of the firm that was in deep financial distress after January this year.

BANKERS representing Kuwait's largest telecom operator Zain have approached BSNL urging it to pick up a significant stake in the West Asian company, but the state-run telco seems only interested in the African operations of Zain.

BOSTON-BASED American Tower (ATC), the largest telecom tower firm of the US, has restarted negotiations to buy majority stake in Essar Telecom Infrastructure (ETIPL), India's second-largest independent tower company owned by the Ruias. ATC signed a non-binding term sheet for due diligence last week and has valued ETIPL's 4,000 towers at \$450 million.

Idea Cellular has got the Gujarat HC nod for demerging its passive infrastructure to Idea Cellular Towers Infrastructure, its wholly-owned subsidiary. This arm will have Idea's 11,000 towers in nine circles and will merge with Indus Towers, the JV between Bharti Airtel, Vodafone Essar and Idea. The HC also allowed Idea to adjust Rs 544-Crs non-compete fee paid to Spice Communications against balance in securities premium account.

Cognizant Technology Solutions has acquired the assets of Pepperweed Advisors, the IT consulting arm of Pepperweed Consulting, in a bid to strengthen its consulting capabilities in the IT infrastructure services (ITIS) space.

IT outsourcing firm Tata Consultancy Services has entered into an alliance with Microsoft India to launch a virtualisation center of excellence (CoE) in Chennai. The Microsoft-TCS virtualisation CoE is a joint initiative by the companies to accelerate the adoption of virtualisation technology in India.

In an attempt to stop states from levying local sales tax on inter-state transactions, the Centre has told Rajasthan that only Central Sales Tax can be levied on crude oil sold from Cairn India's fields in the state to refiners elsewhere. Rajasthan wants to charge 3% higher state sales tax or VAT on 8.75 million tonnes a year of peak output from Cairn's Barmer district fields despite oil being consumed or processed at refineries outside the state.

THE plan to encourage overseas firms to raise capital in India through Indian Depository Receipts, or IDRs, as they are popularly known, appears to have hit a road block, with the revenue department not in favour of granting long-term capital gains tax benefits for such issues.

MOTHERCARE, a UK retailer for kids and expectant mothers, is forming a 51:49 joint venture with India's largest real estate company DLF. While the company would continue its existing franchisee agreement with department store chain Shoppers Stop, it hopes that the new JV will give it greater control over its Indian operations and ability to expand quickly in one of the fastest growing economies.

**MAJOR BULK DEALS**

| Security Name | Client Name                           | Buy/Sell | Quantity Traded | Trade Price / Wght. Avg. Price |
|---------------|---------------------------------------|----------|-----------------|--------------------------------|
| <b>BSE</b>    |                                       |          |                 |                                |
| MINDTREE LTD  | CAPITAL INTERNATIONAL GLOBAL EMERGING | SELL     | 1518068         | 540.02                         |
| OM MET INFRA  | INDIA DISCOVERY FUND LIMITED          | BUY      | 800000          | 29.51                          |
| INTELLVIS SO  | GOLDMAN SACHS INVESTMENTS MAURITIUS   | SELL     | 162550          | 19.98                          |
| TEMPT.FOODS   | MERRILL LYNCH CAPITAL MARKET ESPANA   | SELL     | 207445          | 44.78                          |
| LAKSHMI OVER  | SWISS FINANCE CORPORATION (MAURITIUS) | BUY      | 330271          | 132.75                         |

| Security Name             | Client Name                          | Buy/Sell | Quantity Traded | Trade Price / Wght. Avg. Price |
|---------------------------|--------------------------------------|----------|-----------------|--------------------------------|
| <b>NSE</b>                |                                      |          |                 |                                |
| Geodesic Limited          | INDEA LONG TERM OPPORTUNITIES MASTER | BUY      | 500000          | 148.44                         |
| Grabal Alok Impex Limited | SHAILAJA FINANCE LTD                 | SELL     | 205000          | 54.64                          |
| Kajaria Ceramics Ltd      | CHETAN KAJAIRA                       | BUY      | 400000          | 41.15                          |
| Prajay Engineers Syndicat | MACQUARIE BANK LIMITED               | BUY      | 325000          | 36.60                          |
| Ruchi Infrastructure Ltd. | RUCHI SOYA INDUSTRIES LTD.           | BUY      | 2026615         | 39.89                          |
| Tata Elxsi (India) Ltd    | LIVE STAR MARKETING PVT LTD          | SELL     | 166461          | 187.92                         |

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