

8th December, 2006

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Market Statistics

Index	Closing	1 Day (%)	3 M (%)	6 M (%)
Sensex	13972	0.2	17.9	43.2
Nifty	4015	(0.0)	16.2	40.4
Sectoral Indices				
Mid-Cap	5779	0.0	15.9	33.8
Small-Cap	6767	0.4	13.7	28.8
Auto	5480	0.4	6.5	24.0
Health	3745	(0.4)	4.1	22.6
FMCG	2050	(0.2)	1.7	17.8
IT	5161	(0.6)	20.6	51.4
PSU	6279	0.5	11.8	34.0
Bankex	7254	0.8	35.3	57.4
Oil & Gas	6233	0.8	9.0	34.8
Metal	9201	0.6	7.3	24.3
Capital Goods	9475	1.1	18.1	44.8
World Indices	Closing	1 Day (%)	3 M (%)	6 M (%)
NASDAQ	2428	(0.7)	12.1	13.2
DOW	12278	(0.3)	7.8	12.2
Nikkei	16473	0.6	2.9	9.1
Hang Sang	18843	(1.0)	10.2	19.1
Indian ADR's	(USD)	1 Day (%)	3 M (%)	6 M (%)
VSNL	19.76	0.6	9.5	34.0
Infosys	54.65	0.0	22.8	61.5
Wipro	15.70	(2.1)	24.8	41.7
Satyam	23.58	(1.6)	24.4	64.4
Dr Reddy's Lab	16.95	1.1	7.5	31.3
Value Traded (Rs Cr)	7Dec06	(%)		
Cash BSE	3824.0	(16.2)		
Cash NSE	7480.4	(14.0)		
Derivatives	22339.5	(30.3)		
Net Inflows (Rs Cr)	6Dec06	MTD	YTD	
FI	244.2	(1787.1)	20757.2	
Mutual Fund	(177.4)	220.6	11560.8	
Advances/Declines (BSE)				
7Dec06	A	B1	B2	Total
Advance	100	297	504	901
Decline	109	351	431	891
Unchanged	2	15	27	44
Commodity	7Dec06	1 Day (%)	3 M (%)	6 M (%)
Crude (USD/Bbl)	62.8	(1.0)	(4.2)	(7.3)
Gold (USD/OZ)	632.6	(0.2)	3.6	3.2
Silver (USD/OZ)	13.9	(0.1)	14.5	23.8
Debt/Forex Market Closing	1 Day (%)	3 M (%)	6 M (%)	
Re/USD	44.64	0.1	3.4	2.9
10 yr Gsec Yield	7.40	0.1	(5.1)	(3.5)

Source: Bloomberg

Corporate Snippets

- Satyam Computer Services is establishing a 2000-seat software engineering global delivery campus at Cyberjaya in Malaysia, about 50 kilometres south of Kuala Lumpur. It is the company's largest and first GDC outside India. –BS
- Cairn India Ltd was planning on five fold increase in its production to 150,000 barrels of oil equivalent per day from the present 24,000 barrels by 2010. –ET
- Reliance Retail has stepped on the gas and moving real fast on acquisitions. After bidding for Adani Retail in Gujarat, the company is now in advanced stages of talks for acquiring Maratha Stores, a Mumbai-based local co-operative store chain. –ET
- JK Cements is planning to set up a Rs 1,000 crore factory at Muddapur village in Karnataka. –BS
- Garments maker Gokaldas Exports Ltd is setting up an Rs 25 crore production facility in Hyderabad. –BL
- Shreyas Shipping & Logistics Ltd plans to raise up to Rs150 crore on buyouts in India or abroad, or make investments in logistics companies. –BL
- The wheat roller flourmill project of Usher Agro situated at Mathura, Uttar Pradesh has started the commercial production since November 30, 2006. –BL
- European aerospace major Airbus is planning to invest \$1 billion in India over the next ten years. The areas where Airbus is looking to invest in India include setting up of training centres, maintenance, repair and overhauling (MRO) facility, engineering centre and design centre.
- SBI plans to tap the domestic capital market next fiscal to fund its business growth. The bank is looking to raise Rs 2,000 crore of tier-II capital by March 31, 2007

Macro Economic & Geo-Political News

- The total value of the 694 deals that India clocked - excluding the Tata-Corus transaction - in the first eleven months of 2006 has shot up to \$24.06 billion. This is against the 467 deals worth \$18.2 billion that Indian companies sealed during the whole of 2005, according to data collated by Grant Thornton. –ET
- The regional economy in East Asia will post slower growth in 2007 because of a slowdown in America and Europe, and the region could be upset by global market turbulence triggered by US recession jitters, as per Asian Development Bank. –ET

Top Five Gainers (NSE)	Price	Chg (%)	Vol (Mn)
ABB Ltd India	3885	5.6	0.3
Hindalco Industries Limited	183	3.1	3.8
Zee Telefilms Limited	359	2.3	2.6
Siemens India Limited	1186	2.2	1.3
HDFC Bank Limited	1106	1.7	0.3

Top Five Losers (NSE)	Price	Chg (%)	Vol (Mn)
Hero Honda Motors Limited	750	(2.3)	0.2
Hindustan Petroleum Corp	278	(2.1)	0.8
Gail India Ltd	264	(1.8)	0.2
Housing Development Finance	1566	(1.5)	0.4
Bharti Airtel Limited	638	(1.5)	1.3

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

FROM OUR RESEARCH DESK - Pre IPO Note**CAIRN INDIA LIMITED -****Offer price band Rs 160-190 per share****SUBSCRIBE****Issue Particulars:**

Issue Particulars	378.120 mln eq. shares (incl. green shoe option of 49.319 mln equity shares) of Rs 10 each at a premium of Rs [150] / share on lower band and Rs [180] / share on upper band
Issue size	Rs. 52607.95 mn - Rs. 62471.94 mn (excl. Green Shoe Option) Rs. 60499.14 mn - Rs. 71842.73 mn (incl. Green Shoe Option)
Issue Opens	[11th Dec 2006]
Issue Closes	[15th Dec 2006]
Current equity	365.078 eq. shares i.e. Rs. 3650.78 mn
Share Purchase Deed	861.764 eq. shares i.e. Rs. 8617.64 mn
Pre-IPO Placement	209.670 eq. shares i.e. Rs. 2096.70 mn
Post IPO equity	1,765.314 mn eq. shares i.e. Rs. 17,653.14 mn (excl. Green Shoe Option) 1,814.634 mn eq. shares i.e. Rs. 18,14.634 mn (incl. Green Shoe Option)
Lead Manager	DSP Merrill Lynch Ltd, ABN AMRO Securities (India) Pvt Ltd and JM Morgan Stanley Pvt Ltd
Registrar	Intime Spectrum Registry Limited
BV/share as on 12 Oct 06	Rs. 138/-
	No. of Shares & % of issue size available for allocation
QIBs	197.279 mln eq. shares i.e. 60% (excl. Green Shoe Option) & 52.2% (incl. Green Shoe Option)
Non Institutional Investor	32.879 mln eq. shares i.e. 10% (excl. Green Shoe Option) & 8.7% (incl. Green Shoe Option)
Retail Bidders	98.639 mln eq. shares i.e. 30% (excl. Green Shoe Option) & 26.1% (incl. Green Shoe Option)
Green Shoe Option	Up to 49.319 mln eq. shares i.e. 13% (incl. Green Shoe Option)
Promoter Shareholding	69.5% of the post-Issue share capital if the Green Shoe Option is not exercised, and 67.6% if the Green Shoe Option is exercised in full.

Pre & Post Issue shareholding pattern:

Particulars	Pre-Issue (as on date of filing RHP)		Upon issue Equity Shares to be issued pursuant to Share Purchase Deed		Post-Issue if GSO is exercised in full		Post-Issue if GSO is not exercised	
	No of Eq. Sh. (Mn)	%	No of Eq. Sh. (Mn)	%	No of Eq. Sh. (Mn)	%	No of Eq. Sh. (Mn)	%
Cairn UK Holdings Ltd	365.078*	100	1,226.844	100	1,226.844	67.61	1,226.844	69.5
Pre-IPO investors**	Nil	Nil	Nil	Nil	209.671	11.55	209.671	11.88
Public	Nil	Nil	Nil	Nil	378.120	20.84	328.800	18.63
TOTAL	365.079	100	1,226.844	100	1,814.634	100	1,765.314	100

Source : Company

* Of these Equity Shares, six are registered in the names of nominees of Cairn UK Holdings Limited but are beneficially owned by Cairn UK Holdings Limited.

** Selected investors who have between them subscribed for 209,670,913 Equity Shares for cash consideration in Indian Rupees pursuant to the Pre-IPO Placing.

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Objects of the Offer:

No.	Particulars	Amount
1	Cash consideration to be paid to Cairn UK Holdings Limited as consideration for shares of Cairn India Holdings Limited (Refer Note 1)	[●]
2	Development (Development in the Rajasthan Block and additional drilling activities in Ravva and Cambay blocks) (Refer Note 2)	5,525 cr
3	Exploration and appraisal activities including funding minimum work program for capital commitments and a ny additional appraisal expenditure that may arise as a result of exploration success in existing blocks and blocks that may be awarded in NELP VI round (Refer Note 3)	691 cr
4	General corporate purposes (Refer Note 4)	23 cr
5	Contingencies, including the part payment of debt outstanding at the date of completion of the Issue	253 cr
6	Issue expenses	184 cr
	Total	[●]

Promoters:

Cairn India Limited (CIL) is promoted by Cairn Energy PLC, an independent oil and gas exploration company, listed on the London Stock Exchange with a market capitalization of approximately £3,129.46 million as on 24 November, 2006. Its activities are focused on the exploration, appraisal, development and production of assets in south Asia, specifically in India, Bangladesh and Nepal.

Cairn Energy PLC is the holding company of Cairn UK Holdings Limited which holds 100% of the pre-issue share capital and which will own 69.5% of their post-Issue share capital if the Green Shoe Option is not exercised, and 67.6% if the Green Shoe Option is exercised in full.

The company has offered its equity in a Pre-IPO placement to several institutional investors at Rs.176.48 garnering US\$ 822 mn through the offer. Details of the placement are as under:

Date	Name of the Investor	No. of Shares	% of total Capital (*)	Lock-In period
23.11.2006	PETRONAS International Corporation Ltd	176,531,438	10.00%	3
23.11.2006	Merrill Lynch International Investment Funds	12,745,952	0.72%	1
23.11.2006	ABN AMRO Bank N.V., London Branch	12,745,952	0.72%	1
23.11.2006	Videocon Industries Limited	6,372,976	0.36%	1
23.11.2006	Citigroup Global Markets Mauritius Private Limited	991,277	0.06%	1
23.11.2006	Datavision Systems Private Limited	283,318	0.02%	1

* Excluding Green Shoe Option Equity

Company Overview:

CIL is a newly incorporated Indian company and has been promoted by Cairn Energy PLC, a crude oil and natural gas exploration and production company trading on the main market of the London Stock Exchange. At the completion of the Reorganisation, the Company will acquire the 28 subsidiaries of Cairn UK Holdings Limited [including Cairn Energy Australia Pty Limited (CEA), Cairn Energy India Holdings BV (CEIH) and Cairn Energy Hydrocarbons Limited (CEHL)] which hold all of the ownership and operated interests in Cairn Energy PLC's Indian crude oil and natural gas development and production assets and the majority of its Indian crude oil and natural gas exploration assets. Upon the Company's acquisition of the Subsidiaries, Cairn aims to be a leading participant in the Indian crude oil and natural gas industry. The company estimates the total gross proved plus probable ("2P") reserves attributable to the fields in production or under development in which Cairn India has interests to be 754 mn barrels of oil equivalent (mmboe) and its net working interest in these 2P reserves to be 472 mmboe. Most of the 2P reserves are estimated to be contained in the Rajasthan Block which is currently subject to significant appraisal and development activity. In addition to proved plus probable reserves, the company estimates the gross contingent resources attributable to these fields to be 413 mmboe. Outside of the Rajasthan Block the company estimates the total gross 2P reserves attributable to the fields in production or under development in which it has interests to be 122 mmboe and on a net working interest basis the company estimates these reserves to be 30 mmboe. In addition, a further 157 mmboe of gross contingent resource has been identified in fields outside of Rajasthan, with most of this gross contingent resource (143 mmboe) estimated to be contained in the deep water Block KG-DWN-98/2.

Industry Overview:

The Indian Oil and Gas Industry

The origins of the Indian oil industry can be traced back to the nineteenth century when the first crude oil discoveries were made in Assam, in the north east of India. After independence in 1947, the development of the Indian oil and gas industry was viewed by successive Indian governments as critical to India's progress, particularly in light of the industry's strategic importance in terms of industrial growth and defence. In 1955, the GoI entered the oil and gas sector with the establishment of the Oil and Gas Directorate (the predecessor to ONGC), and formed joint venture agreements with domestic and foreign operators. Throughout the 1960s, as the industry increased in size, it became increasingly dominated by state-owned entities. In 1974, ONGC discovered the large Mumbai High offshore oil field prompting large-scale expansion in the Indian oil and gas sector. In the 1970s, the Indian government implemented policies of nationalisation which led to the Government taking over the operations of, for example, Esso, Caltex and Burmah-Shell. The period also witnessed increased regulation in all aspects of the industry from production to pricing. However, in the early 1990s, and as India's reliance on oil imports increased, the Government embarked on a series of reforms aimed at reducing India's dependence on imports, deregulating the industry, improving efficiency, and encouraging private and foreign investment. In 1997, the NELP was implemented. According to the DGH, the NELP was designed as a means of allowing participants in the Indian oil and gas industry to compete on equal terms for exploration acreage. Successful bidders are required to enter into production sharing contracts with the Government. Historically, and in an effort to promote licensing rounds and encourage potential bidders, production sharing contracts have contained comparatively favourable terms, including, for example, 100% costs recovery, and a seven-year income tax holiday beginning from the tax year during which commercial production first begins.

While deregulation and other Government initiatives have increased the level of private sector participation in the domestic production sector, the oil and gas industry in India is still dominated by two Government-controlled entities, ONGC and Oil India Limited. However, significant private-sector participants in the industry (other than Cairn India) include Reliance Industries, BG Group and Videocon Industries Limited (formerly Petrocon India Limited).

Indian Oil Demand (million barrels per day) 2003-2030

Particulars	2003	2010	2020	2030	CAGR
India	2.5	3.3	4.3	5.2	2.70%
China	5.4	8.7	11.2	13.1	3.30%
World	79.2	92.5	104.9	115.4	1.40%

Source: World Energy Outlook 2005, International Energy Agency

In addition, the International Energy Agency has predicted that between 2003-2030 India will experience one of the most rapid increases in demand for natural gas in the world.

Indian Natural Gas Demand (bcm) 2003-2030

Particulars	2003	2010	2020	2030	CAGR
India	28	42	71	98	4.70%
World	2,709	3,215	4,061	4,789	2.10%

Source: World Energy Outlook 2005, International Energy Agency

Financials:

Cairn India Limited was incorporated on 21st August 2006 and has had no operating history:

Cairn India Limited has no history as an independent entity and the business comprising Cairn India Limited will be acquired through the acquisition of Cairn India Holdings Limited, an intermediate holding company which is a subsidiary of Cairn Energy PLC. Cairn India Holdings Limited will own 28 subsidiaries through which the business of Cairn India is conducted.

As at 30 June, 2006, approximately 98.9% of the gross assets of the Subsidiaries were held directly or indirectly by CEA, CEIH and CEHL. These also contributed 100% of the production of Cairn India for the six month period ended 30 June, 2006

Post the issue Cairn India Limited will have a significant cash balance (due to the proceeds of the issue) of approximately U.S. \$600 million (before expenses and debt outstanding). This net cash balance will decline and as they borrow under their bank facilities according to their planned capital expenditure schedule they will enter a net debt position in the first half of 2008 and build a significant net debt position by the end of 2009.

Cairn India Limited has the facility to finance a significant component of their capital expenditures in the Rajasthan Block through a U.S. \$850 million (approx. Rs. 3,913 crore) syndicated revolving credit facility entered into by Cairn India Holdings Limited and certain of its subsidiaries, including CEIL and CEHL, with The Royal Bank of Scotland, International Finance Corporation and a syndicate of other commercial banks.

Their profitability will be primarily determined by the difference between prices received for the crude oil and natural gas they produce and their costs of finding, developing and producing these hydrocarbons.

The Rajasthan Block will involve significant investment in exploration and appraisal. In respect of the Mangala and other fields development activity will comprise substantial capital expenditure thereby making Cairn India Limited cash flow negative. Liquidity will be available through its credit facilities, plus anticipated proceeds from the Issue and to a smaller extent cash generated from proposed operations, mainly its crude oil and natural gas sales. Whilst the Mangala field ramps up production and reaches a plateau stage of 150,000 bopd, other development activities will continue on the other fields. (Any cash generated from their existing production operations will be applied to their operational, exploration and development capital expenditure.)

Peer Group Comparison:

Companies	EPS * (Rs.)	P/E *	RONW * (%)	NAV * (Rs.)
Hindustan Oil Exploration Co. Ltd	2.2	40.1	18	49.8
ONGC	98.2	11.5	29.7	374.1
Selan Expl. Tech	5.9	10.4	5.2	23.4

Source: Red Herring Prospectus

* All the figures are as reported in Capital Market magazine, Vol. XXI/13 (Aug 28–Sept 10, 2006)

Recommendation:

We are very positive on the long term prospects of Oil & Gas exploration and production industry in India and on the benefits that shall accrue to CIL due to growth in this industry in India. We recommend investors to “**SUBSCRIBE**” for this issue from the perspective of listing gains as well as a long term fundamental investment.

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FROM OUR TECHNICAL DESK



Indices	Previous close	Today's close	% chg
Sensex	13,949	13,972	0.17
Nifty	4015	4015	0.00
S&P CNX 500	3326	3330	0.13
BSE 500	5,304	5,314	0.19
BSE Mid-Cap	5,776	5,779	0.05
BSE Small-Cap	6,739	6,767	0.41
BSE Auto	5,460	5,479	0.35
BSE Health	3,759	3,744	-0.39
BSE FMCG	2,053	2,050	-0.19
BSE IT	5,193	5,161	-0.63
BSE PSU	6,249	6,279	0.49
BSE Bankex	7,197	7,253	0.79
BSE Oil & Gas	6,184	6,233	0.78
BSE Metals	9,143	9,201	0.63
BSE Cons Dur	3,323	3,344	0.63
BSE Cap Good	9,367	9,474	1.14
Levels to Watch			
	Sensex	Nifty	
Day's High	14,002	4027	
Day's Low	13,915	4001	
13 DMA	13720	3963	
34 DMA	13351	3860	

Though the Nifty closed very flat with a loss of 0.60 points at 4015 yesterday, it moved in and out of the negative territory several times during the day. The Advance Decline ratio was bearish at almost 4:5. The sectoral indices followed the broader markets and there was major activity witnessed in most of them as they remained very range bound within one percent each. However, the BSE CG index gained around 1.14% and outperformed the broader markets. The BSE HC, BSE FMCG and BSE IT indices gave a negative close.

Market Perspective

The Nifty gave a flat closing yet another day yesterday at 4015. It remained range bound for the entire trading session but oscillated in and out of the negative territory several times during the day. The support levels for the Nifty for today are 4001 and below that 3982. If it breaks the 3982 level then it may come down to 3973, which is the 50% retracement level of the rally from 3911 to 4036. It will now become strong above the 4036 mark, In that case it can come up to 4090 within a short span of time.

Sectoral Speak:

The **BSE CG** index outperformed the broader markets and closed at 9474. It appreciated 1.14% yesterday and achieved our mentioned short-term target of 9456. It continues to appear bullish on the chart and now this index can test 9705 in the short term. We continue to maintain the medium term target of 10817 for this index. **ABB, APIL, BEL, BHEL, Siemens** and **L&T** are a few CG stocks that look strong on the charts.

Recommendations

Date	Stock	Action	Recommendation Price	Stop-loss	Target	Current price	Comment
15-11-06	PNB	Buy	539.00 – 530.00	516.60	590.00	555.80	
16-11-06	South India Bank	Buy	74.50 – 71.50	68.30	89.50	80.10	
23-11-06	Rico Auto	Buy	63.00 – 61.00	58.60	74.50	61.90	
23-11-06	India Cement	Buy	230.00 – 225.00	216.30	259.50	230.60	
23-11-06	Fedder Lloyd	Buy	134.00 – 127.00	119.30	160.00	120.50	
23-11-06	GDL	Buy	186.00 – 180.00	174.60	210.00	188.10	
27-11-06	Arvind Mills	Buy	53.00 – 50.00	48.60	63.30	53.80	
1-12-06	Hero-Honda	Buy	757.00 – 745.00	724.30	820.00	750.45	
4-12-06	Titan	Buy	806.00 – 795.00	784.30	860.00	799.65	
4-12-06	BHEL	Buy	2565.00 – 2545.00	2521.30	2662.50	2643.95	Profit booked at 2648
4-12-06	Balrampur Chini	Buy	86.50 – 83.50	81.10	99.50	88.10	
5-12-06	Reliance	Buy	1292.00 – 1280.00	1264.30	1350	1301.00	
6-12-06	Tata Steel	Buy	490.00 – 485.00	480.30	509.50	492.05	
6-12-06	Satyam	Buy	472.00 – 465.00	458.30	504.50	467.85	

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FROM OUR DERIVATIVES DESK

Nifty Snapshot

Nifty: 4015.35 (-0.01%)				Open Interest (No. of Shares)		Change in OI		PUT CALL RATIO (PCR-OI)		
LTP	06.12.06	07.12.06	Basis	06.12.06	07.12.06		Nifty	06.12.06	07.12.06	Change
Nifty Spot	4012.30	4011.15	-	-	-	-	Call OI	10667700	11034600	+366900
Dec Futures	4006.35	4016.00	+4.85	26583800	26927100	+343300	Put OI	16049300	16544600	+495300
Jan Futures	4014.00	4024.00	+12.85	1295200	1319400	+24200	PCR	1.50	1.50	0.00
Total (Dec+Jan+Feb)				27916800	28291100	+374300				

FII's Derivative Statistics for 06.12.06

	Buy		Sell		Open Interest as on 06.12.06		Open Interest as on 05.12.06		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	13794	552.55	21157	847.05	207610	8335.17	200299	8060.93	7311	274.24
Index Options	4970	195.55	3278	132.11	135389	5437.15	128681	5167.51	6708	269.65
Stock Futures	12250	457.15	10933	406.63	468542	16918.58	463087	16805.85	5455	112.73
Stock Options	12	0.60	411	15.94	4189	151.77	3794	136.60	395	15.17
TOTAL						30842.68		30170.88		671.80

Source: NSE

Nifty opened on a positive note but slipped from higher levels and traded in a narrow range in the negative territory throughout the day, it however recovered the lost ground towards the end of session and closed flat at 4015 for the 3rd consecutive day. The gainers, in terms of price, were ABB, IndusInd Bank, BEL, Ashok Leyland, Hindalco, Siemens, NTPC etc. Among the losers were Corporation Bank, HeroHonda, HPCL, MphasisBFL, GAIL, LITL etc.

- Annualized COC of Nifty December futures turned positive 2.2% against negative 2.58% the previous day.
- Nifty December futures traded at nearly 4-5 points discount during the day which also turned to premium of 4-6 points by the end of session.
- Total Turnover for NSE F&O Segment was Rs. 22,340 Crores.

Open Interest Analysis:

BULLISH: ABB (64%), BEL (21%), IndusInd Bank (12%).

Long positions are seen in above mentioned stocks as OI has increased with positive CoC and these stocks are looking strong. Significant build up is seen in Suzlon as OI has increased by 25% with positive CoC indicating that players are taking interest in this stock at current levels and one shall keep a close watch on the stock.

Nifty Options' Implied volatility dropped to 21.5% compared to 23-23.5% during last few sessions which is a positive development during current series. We also witnessed short covering of intraday positions towards the end of session as the markets recovered after taking support close to 4000 levels quite a number of times.

Put Call Ratio Analysis:

PCR (OI) of Nifty remained flat at 1.50. The Call options have added 3.6 lakh shares (+3.4%) and Put options added 4.95 lakh shares (+3%) in OI. Nifty 4000, 4050 & 4100 Call options have added nearly 1-1.5 lakh shares in OI. Nifty 4000 Put options have added 3.6 lakh shares in OI.

Cost of Carry:

Turned Positive: Dr.Reddy, LT, OBC.

Turned Negative: IOC.

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Bank Nifty: 6259.50 (+0.73%)						CNX IT: 5277.45 (-0.67%)							
	LTP			Open interest (No. of shares)		Chg in OI		LTP			Open interest (No. of shares)		Chg in OI
	06.12.06	07.12.06	Basis	06.12.06	07.12.06			06.12.06	07.12.06	Basis	06.12.06	07.12.06	
Spot	6212.30	6246.15	-	-	-	-	Spot	5307.75	5277.40	-	-	-	-
Dec Futures	6220.10	6256.15	+10.00	177300	170700	-6600	Dec Futures	5302.50	5285.00	+7.60	17650	15800	-1850
Total (Dec+Jan+Feb)				177600	171000	-6600	Total (Dec+Jan+Feb)				17650	15800	-1850

Top traded stock futures		Most active stock options				
Scrip	No. of Contracts	Scrip	Expiry	Strike Price	Option Type	No of Contracts
RELIANCE	41876	RELIANCE	DEC	1290	CA	1769
ABB	17172	RELIANCE	DEC	1320	CA	1340
SIEMENS	16719	HINDALCO	DEC	180	CA	669
RCOM	14194	RELIANCE	DEC	1350	CA	555
ZEETELE	14056	RELIANCE	DEC	1290	PA	385
IVRCLINFRA	12484	TATASTEEL	DEC	500	CA	356
CENTURYTEX	12174	RELIANCE	DEC	1260	CA	341
HINDALCO	12069	ASHOKLEY	DEC	45	CA	323
TATASTEEL	11801	ZEETELE	DEC	370	CA	307
GMRINFRA	11241	IDBI	DEC	85	CA	306

Derivative Strategy Recommendations

Date	Scrip	View	Strategy	Action	Maximum Profit	Maximum Risk	Current Price	Profit/ Loss (Rs.)	Remarks
28.11.06	India Cement	Bullish	Buy Call Option	Buy 240 CA @ 14.00	Unlimited	20300.00	240 CA @ 6.90	-10295.00	Hold
01.12.06	RCOM	Bullish	Buy Call Option	Buy 430 CA @ 18.00	Unlimited	12600.00	430 CA @ 34.00	+11200.00	Profit Booked (05.12.06)
01.12.06	RIL	Bullish	Buy Call Option	Buy 1260 CA @ 45.00	Unlimited	13500.00	1260 CA @ 64.50	+5850.00	Hold
02.12.06	NTPC	Bullish	Bull Call Spread	Buy 150 CA @ 6.00 Sell 160 CA @ 2.50	21125.00	11375.00	150 CA @ 6.75 160 CA @ 2.55	+2275.00	Hold

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FROM OUR DEALING DESK

Dealing News

Market News & Gossip

Market View: Cautious

We maintain our cautious view on the market. Market are not able to sustain higher levels since last two days. We advice to reduce on leverage position at the same time maintain strict stop loss for trading position. We continue to remain positive on mid caps and small caps for the month.

Stocks which we like are Parsvnath development, Reliance & Hindalco. We continue on our previous recommendation like: [Greaves Cotton](#)

Investment idea for the Day:

Tata Elxsi:

- It is niche IT company which focus on product designing services and Industrial and Engineering designing services space.
- Macro environment is favorable for the sector as a whole
- Co has posted a strong topline and bottom line numbers in H1 FY07 and expected further to improve going ahead.
- ROCE stands at 68% while ROE is at 61% for FY07 E
- Our EPS of FY 07 is Rs 15 and for FY 08 is Rs 23
- We maintain a buy on the stock with a target price of Rs 353 based on the DCF approach.

TRADERS DELIGHT

The following are the active trading delight calls.

Reco Date	Scrip	CMP	Entry Level	Target	Stop Loss	Remarks
1/Dec/06	Cambridge Solu	123.55	121.00	138.00	115.50	Intra Week
4/Dec/06	Ceat Ltd	129.85	130.00	144.00	127.00	Intra Week

Source: Company

Trader's Delight : Buy Ceat Ltd 131 Trg.144/- S/L.127 for Intra Week : Emkay PCG

Trader's Delight : Book Profit Gwalior Chem @ 99/- : Emkay PCG

TRADE DETAILS OF BULK DEALS

Bulk Deals	TRADE DETAILS OF BULK DEALS					
	Deal Date	Scrip Name	Client Name	Deal Type *	Quantity	Price **
	7-Dec-06	Accent Tech	Kirit R Kanakiya	S	35332	64.16
	7-Dec-06	Action Const	Opg Securities Pvt Ltd	B	160334	378.43
	7-Dec-06	Action Const	Opg Securities Pvt Ltd	S	160334	378.45
	7-Dec-06	Allianz Secu	Suruchi Agro Properties	B	500000	52.29
	7-Dec-06	Allianz Secu	Hsbc Financial Services M	S	500000	51.68
	7-Dec-06	Alps Indust	Harsiddh Online	B	178964	84.46
	7-Dec-06	Alps Indust	Harsiddh Online	S	178964	85.3
	7-Dec-06	Apar Indus	Bharat Kanaiyalal Sheth	B	110000	230
	7-Dec-06	Apar Indus	Laadki Trading And Inv. L	S	110000	230
	7-Dec-06	Ashco Indust	Ayodhyapati Investment Pv	S	31130	36.74
	7-Dec-06	Axon Infotec	Radhesham Rath	S	3700	147
	7-Dec-06	Axon Infotec	Leelavathi Rath	S	3700	146
	7-Dec-06	Bayer Diag I	Naveen Bansal	B	14014	840.98
	7-Dec-06	Bella Ste Al	Karnataka State I I And D	S	4000000	0.74
	7-Dec-06	Choksi Imag	Nirmal Investments	B	20000	20.81
	7-Dec-06	Cindrella Ho	Vishal Agarwal	B	21361	23.11
	7-Dec-06	Confi Petro	Usha Mehta	S	297660	8.28
	7-Dec-06	Core Embalag	Nirmal Investments	B	70244	2.75
	7-Dec-06	Crew Bos	H.J.Securities P. Ltd.	B	86151	198.3
	7-Dec-06	Crew Bos	H.J.Securities P. Ltd.	S	86151	198.86
	7-Dec-06	Damodar Thre	Nilesh Laxmichand Chheda	B	16600	50.39
	7-Dec-06	Eleg Flor Ag	Bds Share Broker Pvt. Ltd	B	91311	2.61
	7-Dec-06	Eleg Flor Ag	Bds Share Broker Pvt. Ltd	S	33261	2.64
	7-Dec-06	Eleg Flor Ag	Jmp Securities Pvt. Ltd.	S	38450	2.55
	7-Dec-06	Fiem Inds	Asit C Mehta Investment I	B	139912	133.89
	7-Dec-06	Fiem Inds	Asit C Mehta Investment I	S	139912	133.62
	7-Dec-06	Gemstone Inv	Bhavesk Prakash Pabari	B	16300	12.73
	7-Dec-06	Global Vect	Opg Securities Pvt Ltd	B	256669	220.75
	7-Dec-06	Global Vect	H.J.Securities P. Ltd.	B	153076	221.58
	7-Dec-06	Global Vect	Opg Securities Pvt Ltd	S	256669	220.92
	7-Dec-06	Global Vect	H.J.Securities P. Ltd.	S	153076	221.81
	7-Dec-06	Gwalior Chem	H.J.Securities P. Ltd.	B	158719	99.52
	7-Dec-06	Gwalior Chem	H.J.Securities P. Ltd.	S	157719	99.62
	7-Dec-06	Hindus Dor O	Pushkar Banijya Ltd	S	200000	109
	7-Dec-06	Iol Broadban	Morgan Stanley And Co Int	S	115000	159.5
	7-Dec-06	K S Oils Ltd	Uttam Financial Services	B	90100	215.49
	7-Dec-06	Kanoi Pap In	Hitesh Jhaveri	B	45010	20.02
	7-Dec-06	Kanoi Pap In	Ncjain	B	40581	19.24
	7-Dec-06	Kanoi Pap In	Ncjain	S	40581	19.27
	7-Dec-06	Karuturi.Com	Raj Investment	S	34000	200.5
	7-Dec-06	Khaitan Wvg	Hasmukh Prabhasankar Meht	S	5600	59.14
	7-Dec-06	Koff Br Pict	Maru Securities Pvt. Ltd.	B	25000	19.65
	7-Dec-06	Mcnally Bha	Fidelity Mutual Fund	B	133646	147.56
	7-Dec-06	Mefcom Agr I	Cosmo Corp Services Ltd	B	45968	74.38
	7-Dec-06	Mefcom Agr I	Master Finlease Ltd	S	24500	74.45
	7-Dec-06	Millars Indi	Siddhi Vinayak Fincap Ltd	B	12000	96.1
	7-Dec-06	Mohit Indust	Shaishil Tushar Jhaveri	S	37000	64.5
	7-Dec-06	Mohit Indust	Srk Projects Pvt. Ltd.	S	41691	66.17
	7-Dec-06	Nahar Spg.	Reliance Cap Trustee Co L	B	303442	230
	7-Dec-06	Nahar Spg.	Prudential Icici Mutual F	S	375000	230.05
	7-Dec-06	Nandan Exim	Pilot Consultants Ltd	B	700000	9.54
	7-Dec-06	Nandan Exim	Jhaveri Trading And Inves	S	900258	8.71
	7-Dec-06	Osian Lpg Bo	Janak Babulal Shah	S	105000	18.25
	7-Dec-06	Pace Elec(P)	Pilot Consultants Ltd	B	116000	37.09
	7-Dec-06	Pantalooin In	Chartered Traders Pvt.Ltd	B	50013	373.05
	7-Dec-06	Pioner Embro	Search Finvest Pvt. Ltd.	B	54372	186.35
	7-Dec-06	Pioner Embro	Narayan Securities	B	172669	186.01
	7-Dec-06	Pioner Embro	Narayan Securities	S	162669	186.35

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7-Dec-06	Rama Pul Pap	Samir Mukund Lal Shah	B	55597	55.61
7-Dec-06	Rama Pul Pap	Samir Mukund Lal Shah	S	55597	54.85
7-Dec-06	Royale M H I	Pilot Consultants Ltd	B	304198	75.35
7-Dec-06	Royale M H I	Amrabathi Investra Pvt Lt	B	176223	75.35
7-Dec-06	Royale M H I	Jhaveri Trading And Inves	B	200000	75.35
7-Dec-06	Sanguine Md	Dhiren R. Shethia	B	37231	48.02
7-Dec-06	Sanguine Md	Ramniklal Kunverji Shethi	B	44365	48.27
7-Dec-06	Sanguine Md	Dhiren R. Shethia	S	32231	48.41
7-Dec-06	Sanguine Md	Ramniklal Kunverji Shethi	S	44365	48.33
7-Dec-06	Sanguine Md	Nandkishore Brijanand Cha	S	99780	47.37
7-Dec-06	Sh Hari Ch E	Sharon H Gupta	B	25000	13.95
7-Dec-06	Synerg Login	M. V. Securities	B	51000	12.53
7-Dec-06	Usher Agro	Mukesh Hiralal Doctaria	B	151322	12.96
7-Dec-06	Usher Agro	Rashel Agrotech Ltd.	B	198512	12.49
7-Dec-06	Usher Agro	Bharat Tukaram Gaikar	S	100000	12.5
7-Dec-06	Usher Agro	Mukesh Hiralal Doctaria	S	165260	13.06
7-Dec-06	Usher Agro	Rashel Agrotech Ltd.	S	117051	12.97
7-Dec-06	Vas Anima En	Dungarpur Capital Service	S	164096	57.05
7-Dec-06	Voltamp Tran	Opg Securities Pvt Ltd	B	109462	703.85
7-Dec-06	Voltamp Tran	H.J.Securities P. Ltd.	B	72151	704.48
7-Dec-06	Voltamp Tran	Opg Securities Pvt Ltd	S	109462	703.98
7-Dec-06	Voltamp Tran	H.J.Securities P. Ltd.	S	72151	704.73
7-Dec-06	Vyapar Inds	Charmin Investments	B	100000	122.53
7-Dec-06	Vyapar Inds	Sanjay Patodia Huf	B	60100	125.76
7-Dec-06	Vyapar Inds	Patel Associates	B	100000	129.3
7-Dec-06	W S Industri	Bear Stearns Co. Inc. Equ	S	128697	51
6-Dec-06	Arvind Chem	Gujrat Nre Coke Ltd	S	15000	75.11
6-Dec-06	Hiran Orgoch	Surman Trading Pvt. Ltd.	B	41000	98.06
6-Dec-06	Mazda Ltd	Shailesh M. Nissar	B	28559	180.55
6-Dec-06	Mazda Ltd	Shailesh M. Nissar	S	28559	181.37
6-Dec-06	Nandan Exim	Vijay Kumar Agarwal	B	900000	9.35
6-Dec-06	Nandan Exim	Salterfield Commotrade Pv	S	941179	9.35
6-Dec-06	Raj Rayon Li	Mayrose Capfin Pvt Ltd	B	100000	56
6-Dec-06	Ras Resr Apr	V M Parekh	B	20006	18.32
5-Dec-06	Mazda Ltd	Shailesh M. Nissar	B	20314	195.03
5-Dec-06	Mazda Ltd	Shailesh M. Nissar	S	20314	195.87

Source: BSE

COMPANY / MARKET**Forthcoming Events**

Effective Date	Summary	Action Type
8-Dec-06	Alphageo (India) Ltd	Cash Dividend
8-Dec-06	Bilati Orisaa Ltd	Corporate Meeting
8-Dec-06	Filatex Fashions Ltd	Ticker Symbol Change
8-Dec-06	India Government Bond	Funged Issues
8-Dec-06	Jindal Drilling & Industries Ltd	Cash Dividend
8-Dec-06	Natraj Commercial ENT Ltd	Name Change
8-Dec-06	Natraj Financial Services Ltd	Ticker Symbol Change
8-Dec-06	Nestle India Ltd	Cash Dividend
8-Dec-06	Oricon Enterprises Ltd	Cash Dividend
8-Dec-06	Sanwaria Agro Oils Ltd	Par Value Change
8-Dec-06	Uni-Socks India Ltd	Name Change
8-Dec-06	United Spirits Ltd	Cash Dividend

Source: Bloomberg

Emkay's Network

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AHMEDABAD 079-26448727/29 ALLAHABAD 0532-2452388 ALWAR 9414454123 AURANGABAD 09860498897 BANGALORE Cunningham Road 080-41220915 Malleswaram 080-23464173 Vijaynagar 9341327222 BHOPAL 09301189603 BARODA Alkapuri 0265 6640551 Sayaji Gung 0265-3918069 - 74 Karelibaug 0265-3918021 - 24 Manjalpur 0265-3206663 BHAVNAGAR 9898001945 CHENNAI Adyar 044-42300788 Anna Nagar 044-42127298 Ramarao Street 044- 42605604 T Nagar 044- 42605604 044-42024672 Gandhi Nagar 044-42607611 Thiruvannamiyur 044-42178646 Nanganallur 044-42056685 North Usman Road 044-45502496 Sowcarpet 044-30966268 CHANDIGARH 0172-5052424 Chandigarh - Sec47 0172-5072123 COCHIN 0484-3949749 COIMBATORE 100 Feet Rd 0422-2493536 R.S Puram 0422-4370489 DELHI Nehru Place 011-32474709 SSK 011 42267259 Dehradun 9219698600 DIBRUGARH 0373-2322607 DIMAPUR 03862-225832 DINDORI 07644-234261 ERODE 0424-22212823 Brough Road 09894719071 FARIDABAD 0129-4068303	GANGANAGAR 9351793000 GOA 9822176569 0832 - 6650770 GULBARGA 08472 321850 GUWAHATI 9954070377 GURGAON Old Railway Rd. 0124-3250629 Sheetla Mata Rd. 0124-4081346 HOSHIARPUR 01882-326767 HYDERABAD Ameerpet 09346939076 Banjara Hill 040 6553 4261 HARIDWAR 01334-329563 INDORE 0731-3918624 9893894415 JABALPUR Agga Chowk 0761-4067239 Vikas Bazaar 0761-4031955 JAIPUR Bhawani Singh Lane 0141-2361438 JAIPUR 0141-2378661 JAMNAGAR 0288-2561522 JAMMU 0191-2454764 JHARIA 0326-2361720 JHARKHAND DHANBAD 0326 2361720 JODHPUR 0291-5101900 Jalori Gate 0291-2627749 Paota 0291-3209090 Mandore Mandi 0291-5121134 Mandore Mandi 0291-5100995 MORADABAD 05912424090 JUNAGADH 0285-2629489 KARNAL 9255248404 KOTTAYAM 04812563033/44 KARAIKUDI 04565-224221 KAYAMKULAM 0479-3953222 KOLKATA 033-39511666 C.B. Street 033-22428734 Weston Street 033-22118369 Tagore Street 033 - 22597938 Tarachand Dutta Street, 033- 26501114 Grant Lane 09830667686	Mukherjee Road 033 24668300 KOTA 0744-2502877 LUCKNOW 9839552211 MADURAI 0452-3018691/92/93/94/ 0452- 4379688 MYSORE 0821 4250696 MUMBAI Borivali 022-28334629 Borivali 022-56610312 Borivali 9867697105 Borivali 9867129422 Dadar 022-32605528 Dhobi Talao 022-56023723 Fort 022-22653471/22875805 Fort 022-22704710 Ghatkopar 022-25122448 Goregaon 022-28770991 J B Nagar 9892343344 Khar 022-26049302 Lokhandwala 022-56778638/39 Malad (E) 022-28820352 Malad (W) 022-28891770 Malad (W) 022-28777679 Masjid Bunder 022-56357597 Masjid Bunder 9224575600 Mulund 022-25614154 Oshiwara 9821233777 Powai 022-28573098 Santacruz 9869102930 Santacruz (w) 26616085 / 7075 Ulhasnagar 95251-3952746 Versova 022-26360617-18 Vile Parle 022-26714805 NAGPUR 0712-2538191 NELLORE 0861-2330841 Sitabuldi 0712-2558455 NASHIK 0253-5607814/15 Gangapur Rd 9326173938 Raviwar Peth 0253- 3203888 60 ft. Rd 0253-2598310	PANIPAT 0180-6451645 PERUMBAVOOR 0484-2640046 PUNE D.P. Road 9850818986 Karve Road 9325505031 Rasta Peth 020-26123351 Satara Rd. 9520-24220031 Sadashiv Peth 9520-30947224 Shaniwar peth 020- 255303387 RAJAHMUNDRI 9396456406 RAJKOT Dr. Yagnik Rd 0281 - 2464535 Phulchab Chowk 0281-2452875 Rampur 9837605847 RATLAM 07412-329878 SRINAGAR 9419074424/ 9906679327 SALEM 0427-2336881 SAGAR 0758-2401647 SARDARSHAHR 01564-512108 SONIPAT 9812059933 SIRSSA 09888333639 SURAT 0261-2369996 Ghod Dod Road 0261- 3993010 THENI 9362773579 TRICHY 0431- 4220713/14/15 Srirangam 0431-6454377/88/99 TIRUPUR 0421-4336995 THRISSUR Kokalai 0487 2428793 Patturakkal 0487 6450233 UDAIPIUR 0294-2415405 VISAKHAPATNAM 0891 2730730 VARANASI 0542-5521383 VIJAYAWADA 0866-2579266 WARANGAL 0870-6450793/94/95 YAVATMAL 09422892827
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Analyst's holding in the stocks mentioned in the report: **NIL**

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