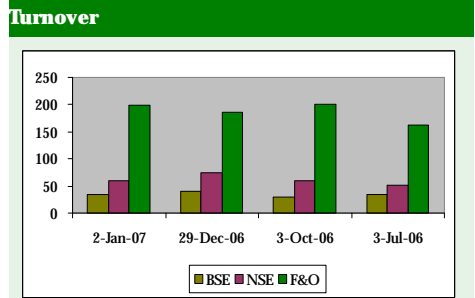




3rd January 2007

Indices	%Change			
	2-Jan-07	1mth	3mth	6mth
Sensex	13,942	1.8	12.7	31.4
Nifty	4,007	1.3	12.3	28.1
CNX Midcap	5,872	2.6	25.1	48.9
Banking	7,120	(0.8)	18.4	63.7
Capital Goods	9,196	2.8	13.0	30.8
IT	5,369	5.1	23.1	43.4
Healthcare	3,820	2.7	4.8	22.0
NASDAQ	2,415	(0.7)	7.7	11.2
Dow Jones	12,463	2.0	6.3	11.8

Net Inflows				
Rsbn	29-Dec-06	28-Dec-06	MTD	YTD
FII	(10)	(4)	(36.7)	365.4
Mutual Fund	2	7	16.3	153.9
FII - F&O	2.5	7.3	(9.4)	30.0



Commodity & Currency	% Change			
	2-Jan-07	1mth	3mth	6mth
Crude (US\$/barrel)	61.1	(2.8)	4.4	(17.4)
Gold (US\$/Oz)	640.1	(1.2)	10.9	3.9
US\$	44.2	(1.3)	(3.6)	(4.0)
Euro	58.5	(0.7)	0.0	(0.6)

Debt	% Change			
	2-Jan-07	1mth	3mth	6mth
RBI Reverse Repo	6.0	6.0	6.0	5.8
10 yr G-Sec yld	7.5	7.4	7.6	8.1
Spread 1 & 10 yr G-Sec	0.4	0.5	1.0	1.2
US 10 yr treasury	4.7	4.5	4.6	5.1
Surplus liquidity (Rsbn)	(65.8)	289.3	170.3	546.2

### Bajaj Hindustan Ltd (Rs220)

**Target Price: Rs235**  
**Margin Performer**

Vikram Suryavanshi

vikrams@karvy.com

For Q4FY06 (standalone), Bajaj Hindustan Ltd (BHL) reported a healthy revenue growth of 30.5% YoY to Rs 3.6 bn on back of 81% increase in cane crushing capacity. The revenue in sugar segment grew by 30% to Rs 3.4bn, while revenue from the distillery division grew by 100% to Rs 430 mn. The total revenue was in line with our estimates of Rs 3.6 bn.

Operating margins declined by 495 bps to 14.6% due to higher raw material cost and increase in other expenditure. EBIDTA declined marginally by 2.5% YoY to Rs 536 mn. Depreciation increased by 72% YoY to Rs 158 mn on back of capacity addition. Overall, adjusted net profit declined by 31.5% YoY to Rs 382 mn translating into EPS of Rs 2.5 on diluted equity as against our estimates of Rs 4.6.

Standalone (Rs mn)	Q4FY2005	Q3FY2006	Q4FY2006	YoY Growth	QoQ Growth	FY2005	FY2006	% Growth
Revenues	2820.5	4446.3	3681.7	30.5%	-17.2%	8461.2	14472.4	71.0%
Op expenses	2270.0	3351.3	3145.4	38.6%	-6.1%	6360.1	11363.4	78.7%
Operating profit	550.5	1095.0	536.3	-2.6%	-51.0%	2101.1	3109	48.0%
Operating margin	19.5%	24.6%	14.6%			24.8%	21.5%	
Other income	42.0	11.5	129.3	207.9%	1024.3%	86.8	395.1	355.2%
Interest	-21.9	-56.9	15.6			132.1	-21.5	
Depreciation	91.8	197.6	157.9	72.0%	-20.1%	351	723.9	106.2%
Pre-Tax profit	522.6	965.8	492.1	-5.8%	-49.0%	1704.8	2801.7	64.3%
Tax provision	-35.3	327.0	110.1	-411.9%	-66.3%	300.9	893.4	196.9%
Tax rate	-6.8%	33.9%	22.4%			17.7%	31.9%	
Adjusted net profit	557.9	638.8	382	-31.5%	-40.2%	1403.9	1908.3	35.9%
Extraordinary Income	0	0	0			0	0	
Reported net profit	557.9	638.8	382	-31.5%	-40.2%	1403.9	1908.3	35.9%

Bajaj Hindustan Ltd.	(Consolidated)	Y/E September (Rs Mn)	FY2004	FY2005	FY2006	FY2007E	FY2008E
Reuters/Bloomberg Code	BJHN.BO / BJH@IN	Revenues	4974.6	8367.6	14828.5	25339.5	35643.7
Market Cap (Rs mn)	33202.7	Op Profit	928.7	2006.1	3107.6	4930.6	6315.0
Market Cap (US\$ mn)	718.7	Net Profit	610.0	1403.9	1837.4	2733.9	3208.0
Shares Outstanding (mn)	150.9	EPS (Rs)	7.0	12.1	12.2	18.1	21.3
52-week High/Low (Rs)	569 / 133	EPS Growth (%)	105.0	72.8	0.9	48.8	17.3
		Operating Margin (%)	18.7	24.0	21.0	19.5	17.7
Major Shareholders (%)		PER (x)	31.5	18.2	18.1	12.1	10.4
Promoters	38%	EV/EBITDA (x)	39.2	19.1	11.8	7.8	6.7
FII	37%	Price/Sales (x)	6.7	4.0	2.2	1.3	0.9
Banks/MFs	8%	Dividend yield (%)	0.2	0.2	0.3	0.3	0.4
Others	4%	RoCE (%)	14.7	14.2	10.2	14.6	14.5
Public	12%	ROE (%)	44.3	22.9	10.2	13.2	13.5

Source: Company and Karvy Estimates

For consolidated FY06, revenue increased by 77.2% to Rs 14.8 bn and net profit grew by 31% to Rs 1.8 bn. At current levels of Rs220, the scrip is trading at a P/E of 12.1x FY2007 and 10.4x FY2008 earnings. We have lowered sugar realization estimations to Rs 17.59 from Rs 18.99 per kg in FY07 and to Rs 17.77 from Rs 20.11 per Kg in FY08, considering government's efforts to control domestic sugar prices and surplus scenario in domestic and international markets. We now expect the revenue to grow at a CAGR of 55% to Rs 35.6 bn and adjusted net profit to grow at a CAGR of 32% to Rs 3.2 bn in FY08. We are maintaining valuation at 11x FY08 and revising target price from Rs 305 to Rs 235.

**BULK DEALS ON NSE - 2nd Jan 2007**

Symbol	Scrip Name	Client Name	Buy/Sell	Quantity Traded	Price
NISSAN	NISSAN COPPER LIMITED	SUNIL CAPITAL AND SECURITIES P	BUY	225,969	151.2
NISSAN	NISSAN COPPER LIMITED	STANDARD SECURITIES & INVESTMEN	BUY	109,838	144.0
NISSAN	NISSAN COPPER LIMITED	GURPREET SINGH	BUY	148,671	134.7
XITL	XL TELECOM LIMITED	MANSUKH SECURITIES & FINANCE LT	BUY	102,801	156.1
NISSAN	NISSAN COPPER LIMITED	MANSUKH SECURITIES & FINANCE LT	BUY	117,327	140.0
NISSAN	NISSAN COPPER LIMITED	OPG SECURITIES PVT. LTD.	BUY	126,708	144.1
LIQUIDBEE5	LIQUID BENCHMARK ETS	COMMUNE EQUIP.& TRD. CO. PLTD	BUY	60,000	1000.0
NISSAN	NISSAN COPPER LIMITED	CPR CAPITAL SERVICES LTD.	BUY	117,056	138.1
NISSAN	NISSAN COPPER LIMITED	BLB LIMITED	BUY	90,072	145.0
NISSAN	NISSAN COPPER LIMITED	VJIT RAMAVAT	BUY	70,318	146.7
NISSAN	NISSAN COPPER LIMITED	ASHWIN STOCK & INVST.PLTD.	BUY	174,071	149.7
NISSAN	NISSAN COPPER LIMITED	DESAI ARUNA	BUY	101,712	149.4
NISSAN	NISSAN COPPER LIMITED	DINDAYAL.BIYANISTOCK BROKERS L	BUY	172,082	134.2
NISSAN	NISSAN COPPER LIMITED	KHANDWALA INTEGRATED FINANCIAL	BUY	154,191	138.8
IFCI	IFCI LTD	JAYPEE CAPITAL SERVICES LTD.	BUY	18,216,982	13.3
NISSAN	NISSAN COPPER LIMITED	MAYANK DUBEY	BUY	171,943	140.3
PIONEEREMB	PIONEER EMBROIDERIES LTD	ADMIXVINIMAY PVT LTD	BUY	84,877	268.5
NISSAN	NISSAN COPPER LIMITED	TEJAS PATEL	BUY	200,000	130.0
NISSAN	NISSAN COPPER LIMITED	MAHESHKUMAR P GANDHI	BUY	100,000	153.8
NISSAN	NISSAN COPPER LIMITED	JHAVERI TRADING AND INVESTMENT	BUY	763,250	145.3
NISSAN	NISSAN COPPER LIMITED	DEVEN PATEL	BUY	500,000	130.0
KRBL	KRBL LIMITED	VOLGA INTERNATIONAL LTD	BUY	131,000	159.2
CUB	CITY UNION BANK LTD	AMISHA DEVELOPERS LTD	BUY	210,098	170.2
NISSAN	NISSAN COPPER LIMITED	CREDENTIAL STOCK BROKERS LIMITE	BUY	162,116	137.5
XITL	XL TELECOM LIMITED	RIDDHI PAJWANI	BUY	131,973	159.8
XITL	XL TELECOM LIMITED	PRASHANT JAYANTILAL PATEL	BUY	96,500	159.0
NISSAN	NISSAN COPPER LIMITED	RIDDHI PAJWANI	BUY	543,602	148.4
NISSAN	NISSAN COPPER LIMITED	PRASHANT JAYANTILAL PATEL	BUY	380,907	138.7
KALECONSUL	KALE CONSULTANTS LTD	PRASHANT JAYANTILAL PATEL	BUY	103,419	127.2
ANSALHSG	ANSAL HOU. & CON. LTD.	SEAHEAVEN INVESTMENT (MAURITIUS)	BUY	85,000	346.7
NISSAN	NISSAN COPPER LIMITED	NAMAN SECURITIES & FINANCE PVT	BUY	90,662	144.8
NISSAN	NISSAN COPPER LIMITED	LATESH M CHHEDA	BUY	214,878	140.4
NISSAN	NISSAN COPPER LIMITED	MANIPUL INVESTMENTS PVT LTD	BUY	284,134	138.2
NISSAN	NISSAN COPPER LIMITED	VRJALAL TALAKSHI GALA	BUY	88,649	137.5
NISSAN	NISSAN COPPER LIMITED	ROHITVALJIVEDANT	BUY	72,938	133.8
NISSAN	NISSAN COPPER LIMITED	NEPTUNE FINCOT PVT LTD	BUY	245,815	139.5
NISSAN	NISSAN COPPER LIMITED	JIGNESH TALAKSHI GALA (HUF)	BUY	171,793	135.4
NISSAN	NISSAN COPPER LIMITED	ANIL M PARMAR	BUY	165,269	134.4
XITL	XL TELECOM LIMITED	INDUS PORTFOLIO (P) LTD.	BUY	126,169	155.7
NISSAN	NISSAN COPPER LIMITED	INDUS PORTFOLIO (P) LTD.	BUY	165,130	144.2
NISSAN	NISSAN COPPER LIMITED	U.V.S. SIVA KUMAR	BUY	109,200	144.9
NISSAN	NISSAN COPPER LIMITED	KAUSHAL MUKUNDRAI MEHTA	BUY	90,327	128.0
NISSAN	NISSAN COPPER LIMITED	M/S JIYA INVESTMENTS	BUY	118,474	123.9
NISSAN	NISSAN COPPER LIMITED	GHALLA BHANSALI STOCK BROKERS P	BUY	434,843	133.8
KALECONSUL	KALE CONSULTANTS LTD	ASIT C MEHTA INVESTMENT INTERRM	BUY	124,809	126.7
ACE	ACTION CONST EQUIP LTD	ASIT C MEHTA INVESTMENT INTERRM	BUY	241,694	331.7
NISSAN	NISSAN COPPER LIMITED	KETAN BHAILAL SHAH	BUY	110,239	132.8
NISSAN	NISSAN COPPER LIMITED	DYNAMIC EQUITIES PVT. LTD.	BUY	170,828	139.9
NISSAN	NISSAN COPPER LIMITED	ANSHUMAN KHANNA	BUY	110,354	150.3
NISSAN	NISSAN COPPER LIMITED	C D INTEGRATED SERVICES LTD	BUY	86,354	125.5
XITL	XL TELECOM LIMITED	LATIN MANHARLAL SECURITIES PVT.	BUY	123,973	156.3
NISSAN	NISSAN COPPER LIMITED	LATIN MANHARLAL SECURITIES PVT.	BUY	284,382	140.0
NISSAN	NISSAN COPPER LIMITED	YOKE SECURITIES LIMITED	BUY	210,353	141.2
NISSAN	NISSAN COPPER LIMITED	YUMA FINANCIAL SERVICES PVT LTD	BUY	211,066	145.7
NISSAN	NISSAN COPPER LIMITED	ASTUTE COMMODITIES & DERIVATIVES	BUY	203,841	148.7
GOLDTECH	GOLDSTONETECHNOLOGIES LT	ASTUTE COMMODITIES & DERIVATIVES	BUY	71,106	70.8
NISSAN	NISSAN COPPER LIMITED	G RAMAKRISHNA	BUY	233,631	144.1
NISSAN	NISSAN COPPER LIMITED	R APPALA RAJU	BUY	317,000	144.9
NISSAN	NISSAN COPPER LIMITED	COMPOSITE SECURITIES LTD.	BUY	939,922	140.3
NISSAN	NISSAN COPPER LIMITED	AUM SECURITIES PRIVATE LTD	BUY	76,600	141.6
NISSAN	NISSAN COPPER LIMITED	TRANSGLOBAL SECURITIES LTD.	BUY	219,823	139.8
GOLDTECH	GOLDSTONETECHNOLOGIES LT	ADVANTAGE SOFTWARE PRIVATE LTD	BUY	86,707	70.8
NISSAN	NISSAN COPPER LIMITED	ARORA NARESH	BUY	93,536	129.3
NISSAN	NISSAN COPPER LIMITED	FIN BRAINS SECURITIES (INDIA) L	BUY	208,568	136.5
NISSAN	NISSAN COPPER LIMITED	AMBIT SECURITIES BROKING PVT. L	BUY	167,441	138.5
NISSAN	NISSAN COPPER LIMITED	CONSORTIUM CAPITAL PRIVATE LIMI	BUY	167,953	143.0
NISSAN	NISSAN COPPER LIMITED	IMRAN SIDDIQUE CHAMUNDI	BUY	89,941	154.6
NISSAN	NISSAN COPPER LIMITED	SHAH HEMANG DINESH	BUY	307,543	141.9
NISSAN	NISSAN COPPER LIMITED	SUNIL CAPITAL AND SECURITIES P	SELL	284,469	135.9
NISSAN	NISSAN COPPER LIMITED	STANDARD SECURITIES & INVESTMEN	SELL	109,838	143.9
NISSAN	NISSAN COPPER LIMITED	GURPREET SINGH	SELL	148,671	135.4
XITL	XL TELECOM LIMITED	MANSUKH SECURITIES & FINANCE LT	SELL	102,801	156.4
NISSAN	NISSAN COPPER LIMITED	MANSUKH SECURITIES & FINANCE LT	SELL	117,327	138.8

Source: BSE

**BULK DEALS ON BSE - 2nd Jan 2007**

Symbol	Scrip Name	Client Name	Buy/Sell	Quantity Traded	Price
532762	ACTION CONST	ASIT C MEHTA INVESTMENT I	B	108,664	331.8
532762	ACTION CONST	ASIT C MEHTA INVESTMENT I	S	108,664	331.4
508664	BEST E.HOTEL	PIYUSH MAHASUKHLAL SHAH	S	13,000	55.0
532430	BF UTILITIES	GOLDMAN SACHS AND COMPANY	S	200,000	2803.9
532015	GRAVITY IND	S.P.J. STOCK BROKERS PVT	B	67,856	8.7
532467	HAZOOR MEDIA	PARAMTREASURY INDIA PVT	S	52,200	20.2
532072	INTER DIGI	CHANDRAKANT BHOGILAL SHAH	B	286,994	3.9
530519	INTERF FIN S	KARNAVATI DYE CHEM PVT	B	253,398	4.3
530519	INTERF FIN S	KARNAVATI DYE CHEM PVT	S	253,398	4.3
512185	IOL BROADBAN	KMUK AC ICGQ LTD	B	100,000	264.7
530813	KRBL LTD	VOLGA INTERNATIONAL LTD	B	110,630	154.5
530813	KRBL LTD	VOLGA INTERNATIONAL LTD	S	110,630	157.4
523550	KRYPTON INDU	CHAINROOP DUGAR	B	22,924	47.9
511276	MEFCOM AGRI	COSMO CORPORATE SERV LTD	B	45,965	162.0
511276	MEFCOM AGRI	AAKASH INVESTMENTS	B	25,000	162.1
511276	MEFCOM AGRI	MASTER FINLEASE LTD	S	69,965	162.1
511276	MEFCOM AGRI	JMP SECURITIES PVT. LTD.	S	20,000	162.0
511276	MEFCOM AGRI	ISF SECURITIES LTD	S	18,330	162.1
531453	MOHIT INDUST	B K SHARE AND STOCK BROKE	B	25,000	61.8
531453	MOHIT INDUST	SRK PROJECTS PVT. LTD.	B	43,602	62.7
531453	MOHIT INDUST	SHANTILAL SHAND HUF	B	32,899	64.2
532789	NISSAN COPER	TEJAS PATEL	B	200,000	149.3
532789	NISSAN COPER	MAHESHKUMAR P GANDHI	B	585,405	151.9
532789	NISSAN COPER	JHAVERI TRADING AND INVES	B	540,000	148.5
532789	NISSAN COPER	KARNAVATI DYE CHEM PVT	B	158,277	124.8
532789	NISSAN COPER	UTTAM FINANCIAL SERVICES	B	100,209	140.6
532789	NISSAN COPER	DEVI INVESTMENTS	B	76,910	140.8
532789	NISSAN COPER	JMP SECURITIES PVT. LTD.	B	867,589	107.0
532789	NISSAN COPER	KETAN BHAILAL SHAH	B	112,841	136.9
532789	NISSAN COPER	ZAVERI FINSTOCK PVT LTD.	B	300,000	153.4
532789	NISSAN COPER	SHREE BHIKSHU FIN PVT LTD	B	100,000	154.5
532789	NISSAN COPER	LATIN MANHARLAL SEC PVT L	B	331,315	143.1
532789	NISSAN COPER	GANDHI SEC.AND INV.PVT.LT	B	109,661	131.3
532789	NISSAN COPER	V.N.DOSHI	B	734,305	133.6
532789	NISSAN COPER	AMU SHARES AND SEC LTD	B	243,957	138.3
532789	NISSAN COPER	TEJAS PATEL	S	200,000	154.6
532789	NISSAN COPER	MAHESHKUMAR P GANDHI	S	585,405	120.0
532789	NISSAN COPER	JHAVERI TRADING AND INVES	S	540,000	110.7
532789	NISSAN COPER	KARNAVATI DYE CHEM PVT	S	158,277	137.2
532789	NISSAN COPER	UTTAM FINANCIAL SERVICES	S	98,209	142.5
532789	NISSAN COPER	DEVI INVESTMENTS	S	76,910	140.8
532789	NISSAN COPER	JMP SECURITIES PVT. LTD.	S	921,916	105.0
532789	NISSAN COPER	KETAN BHAILAL SHAH	S	94,731	135.6
532789	NISSAN COPER	ZAVERI FINSTOCK PVT LTD.	S	300,000	104.1
532789	NISSAN COPER	SHREE BHIKSHU FIN PVT LTD	S	100,000	119.1
532789	NISSAN COPER	LATIN MANHARLAL SEC PVT L	S	342,815	143.1
532789	NISSAN COPER	GANDHI SEC.AND INV.PVT.LT	S	109,161	132.2
532789	NISSAN COPER	V.N.DOSHI	S	734,305	133.0
532789	NISSAN COPER	AMU SHARES AND SEC LTD	S	243,957	138.3
532789	NISSAN COPER	INDUCTO STEEL LTD	S	235,490	130.1
506991	NOBLE EXPLOC	MANISH SHANTILAL AJMERA	B	249,740	18.2
506991	NOBLE EXPLOC	PRATHAMESH INVESTMENT PVT	S	283,500	18.2
512449	PACE ELEC(P)	SHREE THIRUMALAI MARKETIN	S	99,575	41.5
514300	PIONER EMBRO	ADMIXVINIMAY PVT LTD	B	76,862	266.7
514300	PIONER EMBRO	ADMIXVINIMAY PVT LTD	S	67,213	267.3
500337	PRIME SECUL	BALBIR SINGH UPPAL	S	205,000	58.1
530699	RAJ RAYON LI	ACCURATE FINSTOCK PVT LTD	S	150,000	43.0
502587	RAMA PUL PAP	SAMIR MUKUND LAL SHAH	B	54,676	52.8
502587	RAMA PUL PAP	SAMIR MUKUND LAL SHAH	S	54,676	53.3
531233	RASI ELECTRO	SYOGARATHNAM	S	25,000	22.7
524194	ROCK HARD PE	DHARMENDRA SONI	B	103,686	12.5
526640	ROYALE M HI	JHAVERI TRADING AND INVES	S	300,000	53.8
531898	SANGUINE MD	GANDHI SEC.AND INV.PVT.LT	B	50,000	50.5
531898	SANGUINE MD	SHEETAL RAJESH JAIN	S	37,191	50.5
531898	SANGUINE MD	SHILPA MILIND DESAI	S	30,000	50.5
531898	SANGUINE MD	NEIL INFORMATION TECHNOLO	S	84,844	50.5
507998	SIMMOND MARS	RAMKISHORE BISHWANATH JHU	B	11,090	55.1
507998	SIMMOND MARS	RAMKISHORE BISHWANATH JHU	S	11,090	55.9
502465	SPECIALITY	RAMNIK LAL KUNVERJI SHETH	B	47,328	46.0
502465	SPECIALITY	ASHOK SAWHNY	B	20,000	46.0
502465	SPECIALITY	GIRISH B SHAH	B	66,450	47.8
502465	SPECIALITY	A C AGRAWAL SONS SHARES S	B	137,083	46.6
502465	SPECIALITY	RAMNIK LAL KUNVERJI SHETH	S	47,328	47.0

Source: BSE

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<b>Stock Ratings</b>		<b>Absolute Returns</b>		<b>Stock Ratings</b>		<b>Absolute Returns</b>
Buy	:	> 25%		Market Performer	:	0 - 15%
Out Performer	:	16 - 25%		Under Performer	:	< 0%

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