



## MARKETS TODAY

We expect markets to open in green on global cues but some profit booking seen on higher levels. Resistance is seen at 5250-5270 levels for Nifty and support seen at 5213-5179 levels. Metals and Realty likely to outperform. Data to watch: US IIP for May, Housing Starts

## KEY OVERNIGHT DEVELOPMENTS

U.S. stocks rallied to end sharply higher on Tuesday, with equities gaining momentum as the S&P 500 Index broke through its 200-day moving average. Investors were motivated by successful debt auctions in Spain, Belgium and Ireland, which lifted some of the gloom over Europe's debt crisis. The euro rallied against the dollar and pushed commodity prices higher.

## WORLD INDICES & INDIAN ADRs (US\$) 15-Jun-10

	Latest	Points	% Chg.
NIKKEI 225 *	10040.9	153.0	1.6
HANG SENG *	20062.2	10.2	0.1
DOWJONES	10404.8	213.9	2.1
NASDAQ	2305.9	61.9	2.8
INFY	62.6	1.5	2.5
SATYAM	5.0	0.0	0.2
HDFC BANK	151.7	5.3	3.6
ICICI BANK	37.9	1.3	3.5
TATA MOTORS	17.6	0.4	2.1
WIPRO	22.2	0.9	4.3
TATA COMM.	10.6	(0.2)	(1.7)

\* At 08:20 a.m. IST on 16-Jun-10

## MUST KNOW....

- **Infotel Broadband Services** has emerged as the only player to bag BWA spectrum in all the 22 circles of India. **Aircel** has bagged BWA spectrum in 8 circles namely AP, TN, WB, Orissa, Assam, North-East and J&K for a price of Rs. 3,438 crore. **Qualcomm** has won BWA spectrum in four circles namely Delhi, Mumbai, Haryana and Kerala for Rs. 4,912.54 crore.
- **Zuari Industries** is reported re-entering cement business after exiting it four years ago as part of plans to spend over US\$1.5 bn for expanding fertilizer, realty and cement businesses. The project would absorb an investment of Rs. 15 bn and is expected to commence from mid-2011.
- **Wipro Technologies** – the global IT services business of Wipro – has announced that its BPO division has partnered with Microsoft Corporation to provide global Legal Process Outsourcing for Microsoft's Intellectual Property portfolio.
- **TCS** and Xynteo, a strategic advisory firm specializing in low-carbon growth, announced a collaboration to jointly create solutions for a low - carbon economy.
- **NIIT** has entered into alliance with Fouriers Systems to make Mobile Science Lab available to students in India. Mobile Science Lab is a portable laboratory that revolutionizes the way science is taught and learnt.
- **Tata Communications** and BT announced an agreement and associated customer trials for the industry's first commercial service to allow customers on either of their existing video exchanges to establish conferences with the customers on the other's video exchange.
- The Board of Directors of **Cipla** has approved the proposal to acquire 40% stake in a bio-tech Company based in India through subscription of fresh shares of the Company. Its Board has also approved the proposal to acquire 25% stake in a biotech Company in Hong Kong through subscription of fresh shares of the Company. The total investment for both the aforesaid biotech companies is estimated to be about US\$65 mn in a phased manner over a period of 3 years.

EQUITY	15-Jun-10			
	Latest	1 Day	P/E*	P/B*
SENSEX	17,412.8	0.4	17.8	3.2
NIFTY	5,222.4	0.5	18.3	3.2
CNXMIDCAP	7,967.2	0.2	16.5	2.3

\*Source: Bloomberg

COMMODITIES	Latest	Points	% Chg.
GOLD	1234.2	12.9	1.1
CRUDE OIL	76.9	1.8	2.4

FII ACTIVITIES IN DERIVATIVES	15-Jun-10		
	FII Net Buy (Rs. Crs)	Open Interest	Ch. in Open Int. (DOD)
Index Futures	622.5	14261.3	1.4
Index Options	(236.2)	51241.5	0.6
Stock Futures	(334.3)	28937.1	1.6
Stock Options	(37.2)	1420.2	4.0

NET INFLOWS (Rs. Crs.)	14-Jun-10		
	NET	MTD	YTD
FII	380.6	2051.8	22588.8
MF**	111.7	888.0	(6277.7)

EXCHANGE RATE	15-Jun-10	
	Closing	% Chg.
Rs. / \$	46.5	(0.76)
Rs. / EURO	57.3	0.70
Rs. / UK Sterling	68.8	0.36

G.SEC. YEILD	15-Jun-10	
	Rate	Yield (%)
GS CG2018 8.24%	102.8	7.8



## CORPORATE ANNOUNCEMENTS

- **Bank of India** has raised Tier- II Capital through issue of Upper Tier-II Capital Bonds of Rs. 10 bn on June 11, 2010. The coupon rate is 8.48% per annum and tenure is 15 years with a Call Option after 10 years.
- **BOC India Ltd.** has received a proposal from Linde Holdings Netherlands BV (acquirer) to voluntarily delist the equity shares of the Company from BSE, NSE and Calcutta Stock Exchange by offering to purchase the equity shares of the Company currently amounting to 8,975,930 equity shares, representing 10.52% of the issued and paid up equity share capital of the Company.
- **Gammon Infrastructure Projects Ltd.** has entered into a Memorandum of Agreement for the acquisition of an entity, which is setting up a 250-MW coal-based power plant in Western India.
- The Board of Directors of **Magma Fincorp Ltd.** has approved the proposal to subdivide the equity share of Rs. 10 each into five equity shares of Rs. 2 per share.
- **DQ Entertainment (International) Ltd.** has entered into an exclusive broadcasting agreement with Sun TV Network for the provision of animated content.
- Abaris – provider of fully integrated Oracle solutions and a wholly owned subsidiary of **Teledata Technology Solutions Ltd.** – has completed its Oracle application Release 12i, upgrade of technology for Jack in the Box, a leading southern Californian fast food restaurant organization. As Abaris completes this project, its portfolio includes branches of almost every major industry vertical.
- Reacting to a news item brought out in some section of media under the title “Balaji Telefilms zooms 19% on ADAG buying Star stake”, **Balaji Telefilms Ltd.** has clarified that it is the Company's policy not to respond to speculative reports in the media. At this stage, no disclosure has been made to the Company regarding sale by Asian Broadcasting FZ-LLC of its shareholdings in the Company. Hence, the Company is unable to comment further.
- Kal Airways, Kalanithi Maran (acquirers) along with WLR Recovery III (India), WLR Recovery IV/ ESC (India), India Asset Recovery Fund, & WLR/ GS (India) has made an Open Offer to the shareholders of **Spicejet Ltd.** to acquire up to 8,29,80,161 equity shares of Spicejet of face value of Rs. 10 each representing in aggregate 20% of the Resulting Share & Voting Capital of Spicejet at a price of Rs. 57.76 per fully paid up equity share. The Offer shall open on August 06, 2010, while the date of closing of the Offer has been fixed at August 25, 2010. Enam Securities Pvt Ltd. has been retained as the Manager to the Offer.



## FINANCIAL SCOREBOARD

- **Cipla Ltd.** has posted Rs. 10,814.9 mn net profit (*Audited & Standalone*) in FY10, as against Rs. 7,768.1 mn net profit in FY09. Its total income has increased to Rs. 57,132.4 mn (*Audited*) in FY10, as against Rs. 53,158.2 mn in FY09. The Group has posted Rs. 10,825.9 mn net profit (*Audited & Consolidated*) in FY10, as against Rs. 7,710.2 mn net profit in FY09. Its total income has increased to Rs. 57,130.2 mn (*Audited*) in FY10, as against Rs. 53,150.9 mn in FY09. Its Board of Directors has recommended 100% dividend (Rs. 2 per equity share of Rs. 2 each) for FY10.
- **Nagarjuna Fertilizers & Chemicals Ltd.** has posted Rs. 230.44 mn net profit (*Audited*) in Q4FY10, as against Rs. 126.2 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 663.73 mn net profit (*Audited*) in FY10, as against Rs. 324.14 mn net profit (*Audited*) in FY09.
- **Kewal Kiran Clothing Ltd.** has posted Rs. 84 mn net profit (*Unaudited*) in Q4FY10, as against Rs. 41.1 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 325.1 mn net profit (*Audited*) in FY10, as against Rs. 142.5 mn net profit (*Audited*) in FY09.
- **IFB Agro Industries Ltd.** has posted Rs. 4.16 mn net loss (*Audited*) in Q4FY10, as against Rs. 45.93 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 44.25 mn net profit (*Audited*) in FY10, as against Rs. 130.53 mn net profit (*Audited*) in FY09.
- **Insecticides (India) Ltd.** has posted Rs. 64.15 mn net profit (*Audited*) in Q4FY10, as against Rs. 56.94 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 282.17 mn net profit (*Audited*) in FY10, as against Rs. 207.93 mn net profit (*Audited*) in FY09.
- **Archidply Industries Ltd.** has posted Rs. 4.02 mn net profit (*Audited*) in Q4FY10, as against Rs. 19.76 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 79.79 mn net profit (*Audited*) in FY10, as against Rs. 136.37 mn net profit (*Audited*) in FY09.
- **Jai Balaji Industries Ltd.** has posted Rs. 152.69 mn net profit (*Unaudited & Standalone*) in Q4FY10, as against Rs. 7.52 mn net loss (*Unaudited*) in Q4FY09. The Company has posted Rs. 318.09 mn net profit (*Audited*) in FY10, as against Rs. 12.81 mn net profit (*Audited*) in FY09. The Group has posted Rs. 353.97 mn net profit (*Audited & Consolidated*) in FY10.
- **Gokaldas Exports Ltd.** has posted Rs. 144.05 mn net loss (*Unaudited & Standalone*) in Q4FY10, as against Rs. 47.18 mn net profit (*Unaudited*) in Q4FY09. The Company has posted Rs. 19.32 mn net loss (*Audited*) in FY10, as against Rs. 33.65 mn net profit (*Audited*) in FY09. The Group has posted Rs. 18.23 mn net loss (*Audited & Consolidated*) in FY10.
- **Malwa Cotton Spinning Mills Ltd.** has posted Rs. 14.9 mn net loss (*Unaudited*) in Q4FY10, as against Rs. 242.3 mn net loss (*Unaudited*) in Q4FY09. The Company has posted Rs. 172.5 mn net loss (*Audited*) in FY10, as against Rs. 437.2 mn net loss (*Audited*) in FY09.
- **Tips Industries Ltd.** has posted Rs. 43.25 mn net profit (*Unaudited*) in Q4FY10, as against Rs. 2.5 mn net profit (*Unaudited*) in Q4FY09. The Company has posted Rs. 84.76 mn net profit (*Audited*) in FY10, as against Rs. 114.54 mn net profit (*Audited*) in FY09.
- **Surana Corporation Ltd.** has posted Rs. 118.24 mn net profit (*Audited*) in Q4FY10, as against Rs. 57.2 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 404.66 mn net profit (*Audited*) in FY10, as against Rs. 225 mn net profit (*Audited*) in FY09.
- **National Steel & Agro Industries Ltd.** has posted Rs. 142.3 mn net profit (*Audited*) in Q4FY10, as against Rs. 146.8 mn net loss (*Audited*) in Q4FY09. The Company has posted Rs. 224.3 mn net profit (*Audited*) in FY10, as against Rs. 916.5 mn net loss (*Audited*) in FY09.
- **Relaxo Footwears Ltd.** has posted Rs. 104.7 mn net profit (*Audited*) in Q4FY10, as against Rs. 73.43 mn net profit (*Audited*) in Q4FY09. The Company has posted Rs. 376.92 mn net profit (*Audited*) in FY10, as against Rs. 142.32 mn net profit (*Audited*) in FY09.



## Information of Bulk Deals – 15<sup>th</sup> June, 2010 on BSE

Scrip name	Name of Client	BUY (B) / SELL (S)	Quantity Shares	Trade Price/ W Avg. Price
Ennore Coke	Haldia Coke And Chemicals Limited	B	5517000	92.59
Ennore Coke	Shriram Auto Finance	S	2267000	97.3
Ennore Coke	Shriram Epc Limited	S	3250000	89.3
J Kumar Infra	Argonaut Ventures	B	236714	203
Ken Fin Serv	Ashishkumar Sushil Tibrewala	S	18000	91.8
Ken Fin Serv	Kailash Bhageria	S	18000	91.8
Ken Fin Serv	Narottam Nandkishore Bagaria	S	21000	91.81
Ken Fin Serv	Nawaldevi Dutt Bansal	S	15000	91.85
Ken Fin Serv	Ramanuj Sodani	S	20000	91.81
Ken Fin Serv	Renu Ratanlal Paras Rampuria	S	18000	91.8
Ken Fin Serv	Revati Enterprises	B	110000	91.8
Omkar Overseas	Pankaj B Kotecha Huf	S	36500	85.49
Oregon Comm	Kinjal Girish Shah	B	17500	372.05
Oregon Comm	Paresh Navinchanra Shah	B	12500	372.05
Oregon Comm	Rakesh Rasiklal Kharsani	B	10000	372.05
Rotam Comm	Ashok Tarachand Kedia	B	8000	89.5
Rotam Comm	Chirag Securites	B	5000	89.5
Rotam Comm	Hetalkumar Harishbhai Patel	B	6000	89.25
Rotam Comm	Jasmine Limited	B	5000	89.5
Rotam Comm	Krupa Sanjay Soni	S	5300	89
Rotam Comm	Pravinbhai Daduji Thakor	S	13997	88.75
Rotam Comm	Santhanam Sundararajan	B	5000	89.5
Rotam Comm	Uttam Laxman Upalkar	B	10000	89.27
Shakti Pumps	Hardik Maheshbhai Pandya	S	33100	181
Shakti Pumps	Yaminiben Maheshbhai Pandya	B	33000	181.5
Usher Agro	Manish Gandhi	S	200000	83.9

## Information of Bulk Deals – 15<sup>th</sup> June, 2010 on NSE

Scrip name	Name of Client	BUY (B) / SELL (S)	Quantity Shares	Trade Price/ W Avg. Price
Fiem Industries Limited	Volga International Ltd	S	83373	155.54
Kiri Dyes And Chemicals L	Well Prospering Limited (Fdi)	S	75000	550.03
Shasun Drug & Chem Ltd	Sundaram Bnp Paribas Smile Fund	B	256001	71.75



## Declaration made under SEBI (Insider Trading) Regulation 2002

Company Name	Name of Acquirer / Seller	Transaction Date	Buy / Sell	No. of Shares Transacted		Holding after Transaction	
				Qty	%	Qty	%
Alfa Ica India Ltd	Rajendra Tikmani	21/05/2010	B	29914		1052628	26.05
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Banco Products (India) Ltd	Samir K Patel	17/05/2010	B	4119		4736124	6.62
Bhagwati Autocast Ltd	Aanal P Bhagwati	07/05/2010	B	100		34434	1.19
Bhagwati Autocast Ltd	Reena P Bhagwati	07/05/2010	B	100		319206	11.08
Cera Sanitaryware Ltd	Atul Sanghvi	19/05/2010	S	3577		223	
Cholamandalam Dbs Finance	International Finance Corporation	17/05/2010	B	10893852	9.91	10893852	9.91
Cholamandalam Dbs Finance	Tube Investments Of India Ltd	18/05/2010	B	32608695		70733143	64.36
Dolat Investments Ltd	HarendraShah (Bght By Harsha Shah)	10/05/2010	B	145000		185000	0.11
Dolat Investments Ltd	Rajendra Shah (Bght by Shilpa Shah)	10/05/2010	B	132000		172000	0.10
Eid Parry India Ltd	G Jalaja	17/05/2010	S	2000		2706	0.00
Grabal Alok Impex Ltd	Alok Finance Pvt Ltd	21/05/2010	B	467984	2.08	1608614	7.15
Icsa (India) Ltd	G Bala Reddy	14/05/2010	B	145000		7937433	16.79
Irb Infrastructure Developers	Virendra D Mhaskar (Huf)	17/05/2010	B	5000		82276179	24.75
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Jenburkt Pharmaceuticals Ltd	Bhuta Holdings Pvt Ltd	11/05/2010	B	2468		529050	11.37
Radhe Developers India Ltd	Jahnavi A Patel	14/05/2010	S	352550		52411064	
Shiv-Vani Oil & Gas Explo Svc	Rohan Consultancy Services Pvt Ltd	25/05/2010	B	102109	0.22	812687	
Shiv-Vani Oil & Gas Explo Svc	Rohan Consultancy Services Pvt Ltd	25/05/2010	B	277178	0.60	710578	
Shri Chlochem Ltd	Archana K Amin	01/04/2010	B	6800		576693	19.00
Shri Chlochem Ltd	Archana K Amin	21/03/2010	B	3000		569893	18.78
Silver Smith India Ltd	B K Narula Huf	07/05/2010	B	11854		303774	7.35
Smartlink Network Systems	K R Naik	25/05/2010	B	18601		13501242	45.00
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Spenta International Ltd	Danny Hansotia	07/05/2010	B	1300		725351	23.30
Supertex Industries Ltd	S S Mishra	07/05/2010	S	528863		3605552	3.18
Zenu Infotec Ltd	Choice International Ltd	25/09/2009	B	246900	4.81	1557550	



# Morning Journal

## Rating Scale

This is a guide to the rating system used by our Equity Research Team. Our rating system comprises of six rating categories, with a corresponding risk rating.

### Risk Rating

Risk Description	Predictability of Earnings / Dividends; Price Volatility
Low Risk	High predictability/ Low volatility
Medium Risk	Moderate predictability / volatility
High Risk	Low predictability/ High volatility

### Total Expected Return Matrix

Rating	Low Risk	Medium Risk	High Risk
Buy	Over 15 %	Over 20%	Over 25%
Accumulate	10 % to 15 %	15% to 20%	20% to 25%
Hold	0% to 10 %	0% to 15%	0% to 20%
Sell	Negative Returns	Negative Returns	Negative Returns
Neutral	Not Applicable	Not Applicable	Not Applicable
Not Rated	Not Applicable	Not Applicable	Not Applicable

#### Please Note

- Recommendations with “Neutral” Rating imply reversal of our earlier opinion (i.e. Book Profits / Losses).
- \*\* Indicates that the stock is illiquid With a view to combat the higher acquisition cost for illiquid stocks; we have enhanced our return criteria for such stocks by five percentage points.

“Desk Research Call” is based on the publicly available information on the companies we find interesting and are quoting at attractive valuations. While we do not claim that we have compiled information based on our meeting with the management, we have taken enough care to ensure that the content of the report is reliable. Although we have christened the report as “Desk Research Calls” (DRC), we intend to release regular updates on the company as is done in our other rated calls.

For any information or suggestion, please contact the below mentioned...

Vatsal Shah ([vatsal.shah@sushilfinance.com](mailto:vatsal.shah@sushilfinance.com))

Pritesh Bumb ([pritesh.bumb@sushilfinance.com](mailto:pritesh.bumb@sushilfinance.com))

Amit Jain ([amit.jain@sushilfinance.com](mailto:amit.jain@sushilfinance.com))

Asim Mohapatra ([asim.mohapatra@sushilfinance.com](mailto:asim.mohapatra@sushilfinance.com))

### *Sushil Financial Services Private Limited*

Member BSE : SEBI Regn.No. INB/F010982338 | Member NSE : SEBI Regn.No.INB/F230607435.

Office: 12, Homji Street, Fort, Mumbai 400 001. Phone +91 22 4093 6000 Fax +91 22 2266 5758

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