

Dec 02, 2011

Weekly Indicators

Indicators	Current	Last Week
Sensex	16,847	15,695
Nifty	5,050	4,710
Food Inflation	8.00%	9.01%

Exchange Rates

Currency	Current	Last Week
US\$1	Rs. 51.3523	Rs. 52.1665
€ 1	Rs. 69.1380	Rs. 69.4263
JP¥ 100	Rs. 66.02	Rs. 67.39
£ 1	Rs. 80.5050	Rs. 80.6442

Global Economic and Corporate News

- Brazil Petrobras confirms \$47 mn ANP fine**
Brazilian state-run energy giant Petroleo Brasileiro or Petrobras, confirmed that the company was fined \$47 mn by local regulators for incorrectly measuring the amount of oil produced at an offshore platform, although Petrobras disputed the error and has appealed the fine.
- Berkshire to buy Buffett's hometown newspaper**
Berkshire Hathaway Inc. said it agreed to buy the Omaha World-Herald Co., the company that publishes Warren Buffett's hometown newspaper.
- Foster's shareholders approve SABMiller's bid**
SABMiller PLC's 9.9 bn Australian dollar (US\$10.2 bn) takeover of Foster's Group Ltd. cleared its last hurdle Thursday when the Australian brewer's shareholders approved the deal.
- Australia approves Virgin-Singapore Airlines pact**
Australia's competition regulator has given the go-ahead for an alliance between Virgin Australia Ltd. and Singapore Airlines Ltd. saying the tie-up is likely to increase competition for international air passengers.
- Rio Tinto takes control of uranium explorer Hathor**
Rio Tinto PLC said it has secured control of uranium prospector Hathor Exploration Ltd. and will extend the deadline on its 654 mn (US\$669 mn) bid by 10 days to mop up outstanding shares.
- Mitsubishi Corp. buys assets from Australia's Buru**
Mitsubishi Corp. said it has exercised its right to acquire 50% of Buru Energy Ltd's natural gas and crude oil exploration permits in the Kimberley region of Western Australia.
- Vodafone Italia may buy at least 10% of Metroweb**
Vodafone PLC is ready to buy a stake of at least 10% in fiber-optic network provider Metroweb, the chief executive of the telecommunications company's Italian operations is quoted as saying.
- Luxottica buys Brazil's Tecnol for €110 million**
The world's largest eyewear maker, Luxottica SpA, said it has bought Brazil's Grupo Tecnol, as it continues to expand in high-growth markets. Tecnol makes eyewear under license in Brazil for brands including Benetton and Pierre Cardin.
- VW's Audi to open new plant in southern China**
Volkswagen AG's Audi premium brand said it will add a second plant in China to build a new version of its A3 hatchback from 2013 on, boosting its total annual production capacity in China to around 700,000 cars.

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IN FOCUS

"No great deed is done by falterers who ask for certainty." – Eliot, George.

S&P cuts leading banks ratings under new criteria, Fitch ups Australian rating

Standard & Poor's said it applied new ratings criteria to 37 big banks and their subsidiaries resulting in lower ratings across the board. Among large U.S. banks, Wells Fargo & Co. had its rating lowered to A+ from AA, J.P. Morgan Chase & Co. and Goldman Sachs Group Inc. both had their A+ ratings cut to A, and Citigroup Inc. and Bank of America Corp. both had their A ratings cut to A-. However, many European banks managed to hold onto their old ratings: Banco Santander SA held onto its A-, Commerzbank AG its A, and Credit Suisse AG & Deutsche Bank AG retained their A+ ratings. Earlier, the ratings agency said it expected more than 90% of its new ratings to remain within one notch of the old rating under the new criteria. S&P said it would hold teleconferences to discuss the new criteria and ratings actions. Separately, Fitch Ratings said in a statement that it has upgraded Australia's long-term foreign currency issuer default rating to AAA from AA+ with a stable outlook. The upgrade reflected the country's "fundamental credit strengths, including its high value-added economy, strong political, civil & social institutions & its flexible policy framework," the firm said.

EU agrees to EFSF leverage expansion rules

European finance ministers agreed on terms for 2 options to expand the capacity of the region's bailout fund, according to a statement released following a meeting in Brussels. Under the first option, bond holders would get partial risk protection of 20% to 30% backed by the European Financial Stability Facility. Under the second option, one or more so-called co-investment funds would be created allowing for the combination of public and private funding to buy bonds on the primary and secondary markets. Both options are expected to be ready to use by early 2012. Also, president of the Eurogroup finance ministers Jean-Claude Juncker said ministers agreed to a 6th disbursement of Greek bailout funds & that they will be available by mid-Dec.

Telecom Commission may finalise spectrum, licence norms in a week

Telecom Commission will soon decide on issues relating to M&A norms, as well as pricing and allocation of 2G spectrum that were recommended by the Telecom Regulatory Authority of India. "Within the next week, in a matter of one or two more sittings, we expect to finish the consultation on all the TRAI recommendations," Telecom Secretary R. Chandrashekar who is also the chairman of the commission said. In its revised recommendations, the telecom regulator had proposed easing of M&A norms. On the contentious issue of spectrum pricing, the regulator has stuck to its earlier recommendation - if the scarce resource is beyond the contracted 6.2 MHz, the telecom company will have to pay for it. The price was to be decided by the government. After the Telecom Commission finalises its views on the issues, they will be sent to the telecom minister for approval and then to the Union Cabinet.

Govt says multi-brand chains to source at least 30% from local SME

The government issued a clarification saying that multi-brand retailers will have to source minimum 30% supplies from Indian small & medium enterprises having a capital investment of up to \$1 mn. Among guidelines unveiled in its FDI policy, it had said 30% of the value of multi-brand retailers' procurement of manufactured items should be from small & medium enterprises. However, in an advertisement the following day, the government did not make a reference to whether these small & medium enterprises must be local or foreign, leading to confusion. "This will provide the scales to encourage domestic value addition and manufacturing, thereby creating a multiplier effect for employment, technology upgradation and income generation," the clarification note said. The Cabinet approved 51% FDI in multi-brand retail, and raised FDI in single brand retail to 100% from 51%. The government also said it was the prerogative of states to implement the government policy on multi-brand retail.

Auto cos may hike cost of small cars by up to Rs.10,000

Auto companies such as Maruti, Toyota, General Motors, Honda & Skoda plan to hike prices of small cars by up to Rs.10,000 in the next few days. The companies may also hike prices of sedans by Rs.25,000 to offset the impact of the weak rupee on import costs. Luxury car maker Audi too may raise prices by up to Rs.50,000. Indian currency has depreciated about 17% since Jan & fell to an all-time low of 52.7 per USD last week. A Maruti official told the newspaper that the company is losing 15% of its margins due to the rupee fall.

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INDIA'S DATA WATCH

India Jul-Sep GDP growth slides to 6.9% vs 8.4% yr ago

India's gross domestic product growth slowed down to 6.9% in Jul-Sep, the lowest quarterly growth recorded in over two years, data released by the Central Statistics Office showed. The country's economy had expanded by 7.7% in Apr-Jun and 8.4% a year ago. The GDP growth for Jul-Sep last year was scaled down to 8.4% from 8.9% provisional, factoring in the new base for the Index of Industrial Production. Since Apr, the government has been releasing the IIP series with a new base year of 2004-05. The new series has up to 600 items, 200 more than the earlier one. GDP growth in the second quarter of the current financial year is along estimates. A tepid manufacturing sector growth and a deceleration in mining in Jul-Sep pulled down the overall economic growth for the quarter. The statistical impact of a high base also contributed to the decline in growth. Manufacturing sector growth slowed to 2.7% from 7.8% last year. Meanwhile, mining sector decelerated 2.9% from a sharp 8.0% growth a year ago. Farm sector growth during the quarter was 3.2% compared with 5.4% a year ago. Services sector growth was strong at 9.3% compared with 9.4% in the previous year. However, services sector growth has been lower in comparison to the previous quarter's 10.0% growth because of the spillover impact of the manufacturing sector slowdown and reduction in global demand. In the first six months of the current financial year, GDP growth slipped to 7.3% from 8.6% a year ago.

The following table details the growth figures, in per cent, of real GDP and its composition, for the second quarters and first quarters of 2011-12 and 2010-11:

Sector	Jul-Sep 2011-12	Apr-Jun 2011-12	Jul-Sep 2010-11	Apr-Jun 2010-11
Agriculture	3.2	3.9	5.4	2.4
Mining	(-)2.9	1.8	8.0	7.4
Manufacturing	2.7	7.2	7.8	10.6
Power & gas	9.8	7.9	2.8	5.5
Construction	4.3	1.2	6.7	7.7
Hotel & communication	9.9	12.8	10.2	12.1
Financial services	10.5	9.1	10.0	9.8
Other services	6.6	5.6	7.9	8.2
GDP at factor cost	6.9	7.7	8.4	8.8

The table gives the growth figures, in per cent, of real GDP and its composition, for the first six months of 2011-12 and a year ago:

Sector	Jul-Sep 2011-12	Apr-Jun 2011-12
Agriculture	3.6	3.7
Mining	(-)0.5	7.7
Manufacturing	4.9	9.1
Power & gas	8.9	4.1
Construction	2.7	7.2
Hotel & communication	11.3	11.1
Financial services	9.8	9.9
Other services	6.1	8.0
GDP at factor cost	7.3	8.6

The following table details the GDP growth (in per cent) in recent years:

Year	Growth Rate
2010-11#	8.5
2009-10*	8.0
2008-09	6.7
2007-08	9.2
2006-07	9.7
2005-06	9.5

* - Revised estimate

- Quick estimate

Oct CPI industrial worker inflation 9.39% vs 10.06% Sep

India's annual inflation rate based on the Consumer Price Index for Industrial Workers eased to 9.39% in Oct from 10.06% a month ago, data released by the Labour Bureau said. CPI-IW inflation rate was 9.70% a year ago. In Oct, the index for CPI-IW rose to 198 from 197 in Sep. The inflation rate based on CPI-IW food index for Oct rose to 8.72% from 8.29% in the previous month, the bureau said. The inflation rate based on CPI-IW is currently lower than the one based on Wholesale Price Index. The headline inflation rate based on WPI was at 9.73% in Oct. The government calculates CPI separately for industrial workers, agricultural labourers and rural labourers. In Oct, the inflation rate based on CPI for agricultural labourers and rural workers was at 9.36% and 9.73%, respectively, from 9.43% and 9.25% in Sep. The point-to-point annual inflation rates, based on CPI for industrial workers, are as follows:

CPI-IW Point-to-Point Inflation (%)					
Month	2011-12	2010-11	2009-10	2008-09	2007-08
Apr	9.41	13.33	8.70	7.81	6.67
May	8.72	13.91	8.63	7.75	6.61
Jun	8.62	13.73	9.29	7.69	5.69
Jul	8.43	11.25	11.89	8.33	6.45
Aug	8.99	9.88	11.72	9.02	7.26
Sep	10.06	9.82	11.64	9.77	6.40
Oct	9.39	9.70	11.49	10.45	5.51
Nov		8.33	13.51	10.45	5.51
Dec		9.47	14.97	9.70	5.51
Jan		9.30	16.22	10.45	5.51
Feb		8.82	14.86	9.63	5.47
Mar		8.82	14.86	8.03	7.87

India Apr-Oct fisc gap Rs.3.07 trn; 74% of FY12 aim

India's fiscal deficit in the first seven months of 2011-12 (Apr-Mar) touched Rs.3.07 trn, accounting for 74.4% of the Budgeted aim of Rs.4.128 trn for 2011-12 (Apr-Mar), data released by the Controller General of Accounts showed. During Apr-Oct, total receipts were down about 18% on year at Rs.3.73 trn. Meanwhile, expenditure of the government rose 10% on year to Rs.6.804 trn. Lately, the list of government officials admitting that achieving the fiscal deficit aim will be difficult has been increasing. Earlier this month, Prime Minister's Economic Advisory Council Chairman C. Rangarajan echoed Finance Minister Pranab Mukherjee's views about the "tough" fiscal gap aim of 4.6%. India's fiscal deficit has come under strain in the absence of windfall revenues from last year's 3G and broadband spectrum auctions and high expenditure. In addition, a paltry divestment mop-up by the government and doubts over tax collections, going forward, have increased fears of government breaching the fiscal deficit target well above the 5.0% mark. In Sep, the government had announced an additional market borrowing of Rs.530 bn for Oct-Mar, taking the total borrowing for the year to Rs.4.70 trn as against the budgeted 4.17 trn. In Oct, the government's fiscal deficit was Rs.261.99 bn, compared with Rs.290.84 bn a year ago.

The CGA detailed the government's fiscal deficit, receipts, and expenditure for October and Apr-Oct as follows (in bn rupees):

	October 2011	September 2011	October 2010	Yr-on-yr change
Revenue receipt	541.84	53.3	493.91	9.70%
Net tax revenue	367.7	981.88	382.78	(-) 3.9%
Non-tax revenue	174.14	71.42	111.13	56.70%
Recovery of loans	8.98	10.25	9.58	(-) 6.3%
Other revenue	0	15.86	0.25	(-)100.0%
Total receipts	550.82	1,079.41	503.74	9.30%
Non-plan expenditure	579.11	810.55	566.23	2.30%
Plan expenditure	233.7	458.21	228.35	2.30%
Total expenditure	812.81	1,268.76	794.58	2.30%
Fiscal deficit	261.99	189.35	290.84	(-) 9.9%
Revenue deficit	212.32	34.28	199.09	6.60%

	Apr-Oct 2011-12	Apr-Oct 2010-11	Y-o-y change 2011-12	Budget estimates 2011-12	%of actuals of Budget estimates
Revenue receipt	3,597.12	4,476.25	(-)19.6%	7,898.92	45.5
Net tax revenue	2,915.01	2,716.93	7.30%	6,644.57	43.9
Non-tax revenue	682.11	1,759.32	(-)61.2%	1,254.35	54.4
Recovery of loans	109.22	52.14	109.50%	150.2	72.7
Other revenue	27.31	22.6	20.80%	400	6.8
Total receipts	3,733.65	4,550.99	(-)18.0%	8,449.12	44.2
Non-plan expenditure	4,791.81	4,248.93	12.80%	8,161.82	58.7
Plan expenditure	2,011.93	1,925.42	4.50%	4,415.47	45.6
Total expenditure	6,318.74	6,174.35	10.40%	12,577.29	54.1
Fiscal deficit	3,070.09	1,623.36	89.10%	4,128.17	74.4
Revenue deficit	2,430.12	948.3	156.30%	3,072.70	79.1

Note: Revenue receipts include the central government's (about 70%) share in total tax collections and non-tax revenue such as dividend receipts from state-run companies and interest receipts on loans to state governments and others. Plan expenditure relates to expenditure incurred on schemes and projects executed under India's five-year plans. All other expenditures are clubbed under the non-plan head. Salaries and wages to government staff, interest payment and defence spending are some of the main items in this category.

India Oct core sector growth 0.1% vs 7.2% year ago

Growth in India's key infrastructure industries slumped to its six-year low of 0.1% in Oct compared to 7.2% a year ago due to a sharp decline in the output of coal, fertilisers, refinery products, and natural gas. In Jul 2005, the country's key infrastructure industries' growth was (-)0.3%. Core sector growth numbers for July 2005 and Oct 2011 are, however, not strictly comparable as the key infrastructure industries now contain eight segments against six previously. Data released by the commerce and industry ministry showed that coal production during Oct contracted 9.0%, compared to a 0.7% growth a year ago, while natural gas production contracted 7.4% against a growth of 6.5% a year ago. In Sep, India's key infrastructure industries had grown 2.3%. The core sector data for Oct is based on the 2004-05 series, which has eight items. Key infrastructure industries now comprise data from two more sectors--natural gas and fertilisers. Earlier, the series had a base year of 1993-94 and included six items--electricity, cement, coal, steel, crude oil and petroleum refining. Crude oil production contracted 0.9% in Oct as against 13.7% growth a year ago.

Cement output growth was unchanged against an 18.5% rise a year ago. Petroleum products output contracted 2.8% against 4.8% a year ago. Steel output, however, grew 3.8% during the month compared to a growth of 13.4% a year ago. During Apr-Oct, the country's key infrastructure industries comprising electricity, cement, coal, steel, crude oil, petroleum refining, natural gas and fertilisers grew 4.3%, compared to 5.9% a year ago. With the inclusion of fertilisers and natural gas, the eight key infrastructure industries account for 37.9% of the Index of Industrial Production. The Central Statistics Office will detail the industrial production data for Oct on Dec 12.

The ministry detailed index of core sector output in Apr-Oct as follows:

	Apr-Oct 2011	Apr-Oct 2010	Yr-on-yr change(%)
Coal	118	124.8	-5.5
Crude Oil	113.4	108.7	4.4
Natural gas	153.5	167.4	-8.3
Refinery	130.7	126.2	3.6
Fertilisers	103.3	103.1	0.2
Steel	160.2	147.4	8.7
Cement	165.3	160.8	2.8
Electricity	148.6	136.8	8.6
Overall index	139.2	133.5	4.3

India Apr-Oct tax mop-up up 12.5% at Rs.4.25 trn

The Indian government's tax collection rose 12.5% on year to Rs.4.251 trn during Apr-Oct, the Controller General of Accounts said. Tax collection was at Rs.3.778 trn a year ago. The Union Budget has projected total tax mop-up at Rs.9.324 trn in 2011-12 (Apr-Mar), up 18.5% from the revised estimate of Rs.7.868 trn last year. Net tax collections during Apr-Oct rose to Rs.2.915 trn, up 7.3% from Rs.2.717 trn a year ago. Net tax is gross collection minus devolvement to states and surcharge for financing the National Calamity Contingency Fund. The government devolves 29-30% of the total tax mop-up to states as their share in central taxes. In Oct, total tax collections rose 4.4% on year to Rs.557.93 bn.

The CGA detailed the central government's tax collection in October and Apr-Oct as follows (in bn rupees):

	Oct 2011	Sep 2011	Oct 2010	Yr-on-yr % change
Corporation tax	113.12	641.35	117.06	(-)3.4
Income tax	115.43	215.28	96.61	19.5
Customs duty	125.1	116.79	128.51	(-)2.7
Excise duty	100.57	114.86	111.69	(-)10.0
Service tax	94.81	75.15	71.07	33.4
Other taxes*	--	8.9	9.66	N.A
Total	557.93	1,173.29	534.6	4.4

	Apr-Oct 2011-12	Apr-Oct 2010-11	Yr-on-yr % change
Corporation tax	1,386.87	1,348.67	2.8
Income tax	777.92	661.41	17.6
Customs duty	873.18	739.02	18.2
Excise duty	693.72	632.27	9.7
Service tax	465.3	340.43	36.7
Other taxes*	--	56.77	N.A

Total	4,251.46	3,778.57	12.5
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* - Other taxes include securities transaction tax, banking cash transaction tax, fringe benefit tax and wealth tax.

Wk to Nov 19 food inflation falls to 4-mo low of 8%

India's primary articles inflation for the week to Nov 19 plummeted to an over two-year low of 7.74%, while food articles inflation fell to a near four-month low of 8.00%. Primary articles inflation fell from 9.08% in the previous week due to a sharp decline in food articles prices, and on a high base. The index for the primary articles segment dropped 0.74% on week to 200.4. The index had risen 0.49% a year ago. Food articles inflation fell to a near four-month low of 8.00% from 9.01% a week ago due to a 5% fall in prices of fruits and vegetables. Vegetables prices alone have fallen 10%, which including a 4% drop in potato rates and 5% decline in onion prices. The food articles index was down sharply by 1.4% on week to 195.7. Following the release of the data, Finance Minister Pranab Mukherjee said, "If this trend continues perhaps we may have year-end inflation at around 6-7%." Non-food articles inflation in the week to Nov 19 slipped to 2.14% from 4.05% a week ago mainly due to the statistical impact of a high base. The index for the segment was up 1.1% at 176.7. Fuel group inflation for the Nov 19 week rose slightly to 15.53% from 15.49%. Index for the fuel group rose 0.2% to 171.8 led by higher prices of naphtha and furnace oil (by 3%), and aviation turbine fuel (by 2%). The fall in weekly inflation is in line with expectations, as the Reserve Bank of India has increased its key repo rate, at which it lends to banks, 13 times since March 2010 to combat inflation. Inflation based on the Wholesale Price Index, which has remained above the 9% mark since Dec last year, is also expected to fall from Dec onwards due to a high base. Latest data shows WPI inflation was 9.73% in Oct, compared with 9.72% in the previous month. The RBI has projected headline inflation to fall to 7% by Mar.

Today's inflation data shows indices for primary articles, and fuel and power were as follows in the week ended Nov 19:

--Primary articles index was down 0.7% to 200.4 from 201.9 in the previous week; food articles index fell 1.4% to 195.7 from 198.5; non-food articles index was up 1.1% at 176.7 from 174.7 a week ago.

--Fuel and power group index was up 0.2% to 171.8 from 171.5 week ago.

Below are the provisional levels, week-on-week and year-on-year changes, in per cent, of the indices of key commodity groups:

	Commodity groups	Weight	Nov 19 2011	wk-on-wk % change	Yr-on-Yr % change
I.	PRIMARY ARTICLES	20.12	200.4	(-)0.74	7.74
	Food articles	14.34	195.7	(-)1.41	8.00
	Cereals	3.37	175.9	(-)0.06	1.97
	Rice	1.79	175.1	(-)0.11	2.52
	Wheat	1.12	166.0	0.00	(-)4.71
	Pulses	0.72	212.8	(-)0.42	13.80
	Vegetables	1.74	200.9	(-)10.51	5.13
	Potatoes	0.20	138.7	(-)4.41	(-)10.98
	Onions	0.18	217.8	(-)5.39	(-)40.65
	Fruits	2.11	173.3	0.12	7.98
	Milk	3.24	198.2	0.87	11.41
	Egg, Meat & Fish	2.41	215.4	(-)0.65	13.55
	Non-food articles	4.26	176.7	1.14	2.14
	Fibres	0.88	208.6	(-)0.48	(-)1.23
	Oilseeds	1.78	155.0	1.57	11.27
	Minerals	1.52	311.1	0.19	16.26
II.	FUEL & POWER	14.91	171.8	0.17	15.53
	Liquefied petroleum gas	0.91	147.3	0.00	14.27

Petrol	1.09	179.9	(-)3.28	25.37
High speed diesel	4.67	167.8	0.00	9.24

Crude oil output down around 1% Oct to 3.22 mn tn

Crude oil output of Indian refiners fell around 1% on year in Oct to 3.22 mn tn due to depletion in crude oil production. Failure to strike any new discoveries also led to decline in crude output. Crude oil throughput of Indian refiners also fell 2.8% on year in Oct to 13.20 mn, as some refineries were shut for maintenance. Out of the eight refineries of Indian Oil Ltd, which processed 4.6 mn tn of crude oil in Oct, production at Mathura, Bongaigaon, Guwahati and Barauni refineries decreased on year. Production at Mathura refinery fell 57% on year due to the planned shutdown of major units for maintenance and investigation during Jun-Oct. Natural gas output fell 7.4% on year in Oct due to the decline in output from Reliance Industries Ltd's KG-D6 basin. Currently, the gas output from the KG-D6 block has declined to an average of 42 mscmd against the peak level of 60 mscmd a year ago. Going ahead, crude oil output is likely to increase following the rise in output from Cairn India's Rajasthan fields.

India Oct exports up 11% on year; imports up 22%

India's merchandise exports grew nearly 11% on year in Oct to \$19.87 bn, while imports rose 22% to \$39.51 bn, Commerce and Industry Ministry said. For the first time in seven months, growth in exports has been under 30%. Exports during Apr-Sep, the first seven months of financial year 2011-12, rose 46% on year to \$179.78 bn, and imports grew 31% to \$273.47 bn, the ministry said in a release. India's trade deficit widened to \$19.64 bn in Oct from \$14.53 bn a year ago. Oil imports in Oct rose 21% on year at \$10.08 bn, while non-oil imports rose 22% to \$29.44 bn.

The following table details trade data for October and Apr-Oct (in bn dollar):

	OCT 2011	SEP 2011	OCT 2010	YR-ON-YR % change
Exports	19.87	24.821	17.93	10.82
Imports	39.514	34.588	32.462	21.72
Oil imports	10.076	9.209	8.346	20.73
Non-oil imports	29.437	25.378	24.115	22.07
Trade deficit	19.644	9.767	14.532	35.18

	APR-OCT 2011-12	APR-OCT 2010-11	YR-ON-YR % change
Exports	179.777	123.17	45.96
Imports	273.468	208.822	30.96
Oil imports	81.922	58.176	40.82
Non-oil imports	191.546	150.646	27.15
Trade deficit	93.69	85.651	9.39

Monthly data for financial year 2011-12 and previous year (in bn dollar):

	Exports		Yr-on-yr change(%)	Imports		Yr-on-yr change(%)	Trade deficit	
	12-Nov	11-Oct		12-Nov	11-Oct		12-Nov	11-Oct
Apr	23.849*	17.742	34.42	32.834*	28.77	14.13	8.985*	11.027
May	25.941*	16.531	56.93	40.907*	26.549	54.08	14.966*	10.019
Jun	29.213*	19.948	46.45	36.872*	25.883	42.46	7.659*	5.934
Jul	29.344*	16.141	81.79	40.425*	26.681	51.52	11.081*	10.539
Aug	24.312*	16.854	44.25	38.354*	27.044	41.82	14.042*	10.19
Sep	24.821*	18.203	36.36	34.588*	29.511	17.2	9.767*	11.308

Oct	19.870*	17.93	10.82	39.514*	32.462	21.72	19.644*	14.532
Nov		18.895*			27.796*			8.901*
Dec		22.500*			25.130*			2.630*
Jan		20.605*			28.587*			7.981*
Feb		23.597*			31.701*			8.104*
Mar		29.135*			34.743*			5.608*

* Provisional

The ministry releases revised data after a gap of a year.

HSBC India November manufacturing PMI 51.0 vs 52.0 October

HSBC manufacturing Purchasing Managers' Index for India slipped to 51.0 in Nov, indicating sustained subdued manufacturing activity. In Oct, PMI had snapped a five-month declining trend to rise to 52.0. "Economic activity in the manufacturing sector continues to grow at a slower clip led by a deceleration in domestic orders," HSBC Chief Economist for India and ASEAN Leif Eskesen said. PMI measures the overall health of the manufacturing sector. An above 50.0 PMI indicates an expansion in manufacturing activity, while below 50.0 suggests contraction. HSBC said new business growth was "the second weakest" in the current sequence of growth. Employment in the manufacturing sector fell for the fourth consecutive month in Nov because of higher wage needs and weaker new orders. Meanwhile, input cost pressures rose substantially in Nov. "Despite this (deceleration in manufacturing sector), manufacturers still struggle to keep up with new orders and inflation pressures are not abating. This suggests that the RBI will have to keep monetary conditions tight for an extended period," Eskesen said. The Reserve Bank of India has raised its key policy rate repo--at which the central bank lends to banks under the Liquidity Adjustment Facility—13 times since March 2010 by a cumulative 375 basis points in a bid to control inflation.

INDIA DATA CALENDAR

Dec 05	Services PMI and composite PMI for November, by HSBC
Dec 05-09	Cement production, despatches in November, by CMA
Dec 05-09	Power generation for November, by Central Electricity Authority
Dec 05-09	Automobile sales data for November, by SIAM
Dec 05-09	Major port traffic in November, by Indian Ports Association
Dec 05-09	Foreign tourist arrivals in November, by tourism ministry
Dec 05-09	Power generation for November, by Central Electricity Authority
Dec 08	Primary articles inflation rate for week to Nov 26, by commerce and industry ministry
Dec 12	Index of Industrial Production for October, by CSO
Dec 14	WPI inflation for November, by commerce and industry ministry
Dec 19	CPI for rural, urban areas and combined for November, by CSO
Dec 20	CPI for rural and farm labourers for November, by Labour Ministry
Dec 15-20	GSM mobile subscribers data for Nov, by COAI
Dec 25-30	Crude, refinery output for Nov, from petroleum ministry
Dec 26-30	Core sector growth for November, by commerce ministry
Dec 30	Balance of payments for Jul-Sep, by RBI
Dec 30	Government finances for Nov, Apr-Nov, by CGA
Dec 30	CPI for industrial workers for November, by Labour Ministry
Jan 02	Manufacturing PMI for December, by HSBC
Feb 29	GDP growth estimate for Oct-Dec, and Apr-Dec, by CSO

Sources: Government of India, Reserve Bank of India, Securities and Exchange Board of India, stock exchanges, and various industry and trade bodies.

ECONOMY

ECONOMY:

- Uproar in Parliament over FDI in multi-brand retail.
- India puts off border talks with China.
- Key accused says Rajasthan's Bhanwari Devi dead.
- Scribe held for on charge of aiding J Dey murder.
- Uttar Pradesh CM gags partymen from speaking on state split.
- NCP workers try to assault Pawar's attacker in court premises.
- Rahul Gandhi slams BJP's 'India shining' slogan.
- PM Singh to meet airlines' chiefs.
- Members of Parliament from Kerala meet PM on Mullaperiyar dam.
- Hurriyat strike hits normal life in Kashmir.
- Israeli victims' compensation still with external affairs ministry.
- Jawans caught poaching chinkaras.
- Theories of fake encounter surrender Kishenji's killing.
- Govt seeks Parliament OK for Rs.568-bn net extra spend FY12.
- RBI Subbarao sees rupee volatile till Eurozone crisis resolved.
- RBI Subbarao says need to up farm output, jobs to sustain growth.
- Govt seeks extra Rs.22.97 bn for food subsidy in FY12.
- India rabi wheat sowing so far 12.08 mn ha vs 12.19 mn yr ago.
- DGFT removes 48 companies from list of cotton export defaulters.
- Anna Hazare gets nod to protest at Ramlila Maidan from Dec 27.
- Mamata: Kishenji, accomplices given 3 days to surrender before encounter.
- Mayawati: FDI in retail will push UP to bankruptcy.
- Sarangi player Ustad Sultan Khan passes away.
- Centre for Monitoring Indian Economy cuts FY12 GDP view to 7.8% vs 7.9%.
- Basmati rice exports to the US could be hurt as fungicide traces have been found in the commodity. Around 3,000 tn rice detained at various ports in the past three months.
- Divestment department is considering buying back shares of STEEL AUTHORITY OF INDIA, OIL & NATURAL GAS CORP, and COAL INDIA.
- The finance ministry will move a proposal to allow state-owned companies to acquire equity in other public sector units.
- Commerce Ministry has invited views on whether Special Economic Zones can be allowed to sell locally at concessional customs duty to make them more competitive and attractive to foreign investors.
- Rajya Sabha member Kanimozhi, 4 others get bail in 2G case.
- India, China cancel border talks.
- Naga council lifts economic blockade in Manipur ahead of PM visit.
- Tripura, Manipur and Meghalaya could get own high courts soon.
- Team Anna defends Kiran Bedi, attacks judiciary.
- PM panel head Rangarajan says FY12 fiscal gap may top Budget aim.
- Source says India, Mauritius officials to meet Dec wk 3 on tax pact.
- Govt may OK sale of 1.65 mn tn non-levy sugar Dec vs 1.70 mn Nov.
- India cuts common onion variety export floor to \$250/tn from \$350.
- Kanimozhi, five others released from Tihar jail.
- 2G court grants bail to DB Realty's Shahid Balwa on principle of parity.

- Judiciary out of Lokpal, new law proposed.
- Anna Hazare says govt betrayed us, may go on indefinite fast from Dec 27.
- Manipur blockade temporarily lifted.
- SC slams CBI for doubting Gujarat judiciary' s fairness.
- Noted litterateur Indira Goswami dies.
- SC stays HC order to dissolve Wakf board.
- Montek says India FY12 growth unlikely to slump to FY09 level.
- Citi India cuts country's growth forecast to 7.1% FY12, 7.0% FY13.
- Source says Tata Global hikes Tata Tea Premium prices by 3.7%-5.1%.
- Sugar mills' last season cane arrears at Rs.7 bn as on Sep 15.
- Govt sets Jan levy sugar quota at 216,000 tn vs 207,000 tn Dec.
- A survey shows that India's GDP would slump to 7%, its lowest in nine quarters.
- Union finance ministry is asking cash-rich public sector units to pay higher dividend to tide over its cash shortage.
- The government does not propose to ban futures trading in commodities as it has no role in the recent rise in prices of certain food items.
- Government officials of India and Mauritius are expected to meet in the third week of Dec to review the Double Taxation Avoidance Treaty.
- States have rejected the Centre's request to bring domestic natural gas and re-gasified liquefied natural gas in declared goods category list, which would restrict sales tax on them to 4%.
- Plan panel Montek says FY12 GDP growth may not slump to FY09 level.
- Chief econ adviser says positives of FDI in retail outweigh negatives.
- Prime Minister Manmohan Singh expects inflation to fall sharply in the coming months.
- Finance ministry plans to institute a single entity to procure software-related products on behalf of 25 state-owned banks to cut costs.
- The government is formulating an iron ore utilisation policy to check the huge exports of fines and cut wastage.

Moody's arm says India's 2012 growth outlook may need to be cut

Moody's Analytics, a subsidiary of Moody's Corp, said that it may need to revise India's growth outlook for 2012 (Jan-Dec) to around 6.5% from the present 7.0%, given the "disappointing" growth numbers and the expectation that growth is unlikely to rebound anytime soon. "The economy is struggling under the weight of higher interest rates, ostensibly to cool inflation, but they (the Reserve Bank of India) have nothing to show for this except for a corporate sector that is barely moving. It's difficult to see this (slowdown) turning around any time soon, especially as the troubles in Europe appear to have some way still to play out," Moody's Analytics said in a note. The agency's note came after the Central Statistics Office released the quarterly gross domestic product growth data. According to the data, India's GDP has slowed down to 6.9% in Jul-Sep, the lowest quarterly growth recorded in over two years, against 7.7% growth in the previous quarter and 8.4% growth in the year ago comparative quarter. "By recent Indian standards, this is a poor performance. It looks like tough times (lie) ahead," the agency said. Though moderation in growth is disappointing, it is "not entirely unexpected", the agency said. "The economy is slowing rapidly and is now growing at its slowest pace since 2009 at the peak of the global recession. The pressure of higher interest rates, coupled with the deteriorating external situation, tighter credit conditions, and a fall in (consumer) confidence, have all served to undermine second half (Oct-Dec) growth," the agency said. Since Mar 2010, the Reserve Bank of India has hiked its repo rate 13 times by a total of 375 basis points to curb inflationary pressures. The Jul-Sep GDP growth was affected by a lacklustre manufacturing sector growth and a deceleration in mining sector growth. The market was expecting a tepid manufacturing growth, considering the weak data recorded on index of industrial production in recent months, Moody's Analytics said. In Jul-Sep, manufacturing sector growth slowed to 2.7% from 7.8% last year, and the mining sector growth turned negative 2.9% against 8.0% growth a year ago, the CSO data showed.

Citi India cuts country's growth forecast to 7.1% FY12, 7.0% FY13

Citi India lowered its India economic growth forecast to 7.1% from 7.6% for 2011-12 (Apr-Mar), and 7.0% for 2012-13 from 7.5% earlier. Global factors and supply-side bottlenecks in the domestic coal and power sectors, along with the lagged impact of monetary tightening, are likely to take a toll on India's gross domestic product growth, Citi India said in a report. "The sharp deceleration in investment growth has been the key factor behind headline GDP growth expectations coming off to 7% levels," it said. In order to revive growth in 2012, the government, which has severely fallen short on reforms agenda, should soon start implementing reforms and focus on execution, it said. The India's GDP growth in 2010-11 was 8.5%, against 8.0% a year ago. Citi India expects headline inflation to average to 7.5-8.0% in 2012. "Taking into account food prices remaining structurally firm, coupled with a possible easing in commodity prices, we expect inflation to remain over 9.0% till end 2011 and ease to 7.5-8.0% in 2012," it said. According to the latest data, inflation based on Wholesale Price Index stood at 9.73% in Oct compared with 9.72% a month ago. To tame inflation, the Reserve Bank of India has hiked repo rate, at which it lends to banks under the Liquidity Adjustment Facility, 13 times by cumulative 375 basis points since Mar 2010. However, inflation continued to stay well above RBI's comfort zone. The central bank aims to bring down inflation to 7% by Mar. Citi India expects RBI to cut interest rates noting the sharp deceleration in growth and deteriorating global economic situation, it said. "Given the sharp deceleration in growth, the possibility of lower commodity prices and a worsening in global macro conditions, we expect the RBI to begin its easing cycle by 2H12 (Jun 2012)," it said.

Moody's arm says sub 7% India growth to be viewed as policy failure

Moody's Analytics, a subsidiary of Moody's Corp, said India's gross domestic product is growing at a slower-than-expected pace with increasing risks of it slipping below 7.0%--a growth that would be perceived as a policy failure. "India's economy has begun to slow through the second half of 2011 as tighter monetary conditions, elevated inflation, and the deteriorating global outlook weigh on demand," Moody's Analytics said in a note. "...economy...is slowing and could be slowing more than expected... Anything below 7%-which seems increasingly likely-will be viewed as a policy failure," the agency added. With an aim to lower the persistent elevated inflation rate, the Reserve Bank of India has hiked the key Repo Rate by 375 basis points since Mar last year. Repo Rate, the rate at which banks borrow from the RBI, is at 8.50% at present. The agency noted that export growth has cooled, and there has been a dramatic fall in import growth to 17% year-on-year in Sep. Recent data showed, industrial output growth was at a two-year low of 1.9% in Sep compared with 6.1% a year ago. "The industrial production index series is less revealing in India than in other economies as the manufacturing base is still relatively small (16% of GDP), while services and agriculture account for an outsize share of output. Yet the production breakdown confirms that demand is slowing dramatically," the agency said.

India Jul-Sep farm sector growth slows to 3.2%, lowest in 5 qtrs

Growth in India's agriculture sector moderated to 3.2% in Jul-Sep, the slowest in five quarters, mainly on account of a fall in kharif coarse cereals and pulses output. In comparison, the farm sector had grown 3.9% in Apr-Jun and 5.4% a year ago, the Central Statistics Office said. The lower growth in farm sector in the second quarter of 2011-12 is in line with a slowdown in the overall economy, which grew 6.9% in Jul-Sep compared with 7.7% in the previous quarter and 8.4% a year ago. In the first half of 2011-12, the agricultural sector grew 3.6% compared with 3.7% in the same period of last year. The current growth in farm sector is below the government's aim of 4.0% per annum. The government had targeted 4% annual growth in farm sector for the current Five-Year Plan ending March, but has managed to clock only 3.2% so far. According to agriculture ministry's first advance estimate, kharif coarse cereals and pulses output is projected to decline 6.2% and 9.7%, respectively. However, kharif rice and oilseeds production is projected to grow 8.0% and 0.2%, respectively on the back of good monsoon rains. The southwest monsoon this year was 101% of the long period average. Apart from kharif crops, production of fruits and vegetables, other crops, livestock products, forestry and fisheries is estimated to have grown 3-4% during the quarter, CSO said. At current prices, the farm sector grew 15.9% in Jul-Sep, reflecting higher inflationary pressures being witnessed in farm products. The GDP deflator for the farm sector in the quarter was 12.3% compared with the 8.6% for the overall economy. India's headline inflation rate has been mostly driven by farm products in the last couple of years.

Basu says fall in Jul-Sep GDP "temporary"; to pick up in Jan-Mar

Chief Economic Adviser Kaushik Basu termed the slide in second quarter gross domestic product growth as "temporary" and attributed it to global financial crisis, high inflation and indecision on part of the government. "There are three causes of this temporary slowdown. Global situation, battling inflation and

there is some slowdown in decision making (on part of the government," Basu told reporters. "Full fiscal growth could be around 7.5% given that there is a slowdown. The third quarter will also be a difficult quarter but in fourth quarter, we should see a very good pick up." India's GDP growth slowed down to 6.9% in Jul-Sep, the lowest quarterly growth recorded in over two years, data released by the Central Statistics Office said. The country's economy had expanded by 7.7% in Apr-Jun. In Jul-Sep last year, the economy had grown by 8.4%. He said inflation would soon begin to ease and food inflation was expected to fall sharply from Dec 22 onwards. To rein in inflationary pressures in the economy, the Reserve Bank of India has raised its key policy rate of repo, at which it lends to banks under Liquidity Adjustment Facility, 13 times since March 2010 by a cumulative 375 basis points to 8.50% now.

Cyclone brewing in Arabian Sea; west coast to get heavy rains

Many parts of India's western coast are likely to get heavy rains in the next 12 hours under the influence of a cyclonic system brewing in the Arabian Sea, India Meteorological Department said. The deep depression lying 400 km northwest of Lakshadweep and 700 km southwest of Mumbai over east central Arabian Sea is likely to intensify into a cyclonic storm in the next 24 hours and move towards Oman coast, the weather department said. Under its influence, isolated heavy rainfall is likely over many places in coastal Maharashtra, Gujarat and Karnataka in the next 12 hours, it said. Strong winds with speed reaching 40-50 km per hour are likely to prevail along and off Maharashtra, Gujarat and Karnataka coasts during the next 12 hours. "Sea condition will be rough-to-very rough along and off Maharashtra, Karnataka coasts and Lakshadweep area during next 12 hours," it said. Cyclonic storms are common over Arabian Sea and Bay of Bengal during Nov-Dec period.

Triveni Engineering 2010-11 sugar output 420,056 tn, up 1% on yr

Triveni Engineering & Industries Ltd produced 420,056 tn sugar in the year ended Sep, up 1% from a year ago. The company's seven mills crushed 4.56 mn tn of cane during 2010-11, down 1% from the previous season. The higher sugar production despite a lower crushing was on account of 0.1% increase in recovery, the company said in an investor update. The company's average price realisation, including levy sugar, was 26,605 rupees per tn in 2010-11, down 6% from 28,312 rupees in the previous year. The company projected India's sugar production in the current season that started Oct at 25-26 mn tn compared to 24.5 mn tn a year ago. Sugar production in Uttar Pradesh in 2011-12 is likely to be higher in line with 5% increase in cane area, the company said. "In line with Uttar Pradesh's estimates, we also expect a higher cane crush in comparison to the last year and together with better sugar recoveries, a higher sugar production in the coming season," the company said. Triveni Engineering has all its seven sugar mills in Uttar Pradesh.

Arabian Sea deep depression weakens; IMD withdraws cyclone warning

The India Meteorological Department withdrew its cyclone warning after the deep depression over east central Arabian Sea weakened. The deep depression, currently lying 730 km southwest of Mumbai and 700 km west of Goa, is likely to weaken further and move towards Oman coast, the weather department said in its latest update. The system is likely to move towards Oman coast during the next 60 hours and weaken gradually, it said. "As the deep depression is expected to move further west-northwestwards towards Oman coast, no further adverse weather is likely along and off west coast of India," IMD said. On Monday, the weather department had warned that the deep depression is likely to intensify into a cyclonic storm. Cyclonic storms are common over Arabian Sea and Bay of Bengal during Nov-Dec period.

Montek says India FY12 growth unlikely to slump to FY09 level

Planning Commission Deputy Chairman Montek Singh Ahluwalia said India's economic growth in the current financial year ending Mar is unlikely to slip to the level of 2008-09, when the economy was caught in the whirlwind of the global meltdown. In 2008-09, the Indian economy had grown only 6.7%, compared with 9.2% in the previous year. "I don't expect the current year's growth to go down that low," Ahluwalia told reporters on the sidelines of Skoch Summit here when asked if GDP growth for the year will be lower than 2008-09. While economic growth may not slip to the 2008-09 level, there is a clear climbdown in projections for the year, largely as a spillover of the turmoil in the Eurozone and weak recovery in the US.

Indian trade in deals to export up to 2.0 mn bale cotton Oct-Dec

Indian exporters have contracted cotton export deals of around 1.8-2.0 mn bales (1 bale = 170 kg) from the new crop and will ship out the entire quantum by Dec, trade executives said. Exporters had secured deals to ship out over 5.0 mn bales of cotton around the same time a year ago. "We had hoped that exports would be around at least 2.5 mn bales by Dec, but it doesn't look possible now," A. Ramani, joint secretary, South

India Cotton Association told. China, a major buyer of Indian cotton, has not been as active a buyer as expected, Ramani said. This time around, there has been higher demand from disaster-stricken Indonesia and Thailand, he said. "We used to have orders till Mar earlier but now we have nothing beyond Dec," said a Mumbai-based exporter.

Triveni sees sugar price up on exports, withdrawal of stock limits

Domestic sugar prices are likely to strengthen in the current sugar season started Oct on the back of government's decision to allow one mn tn sugar exports and withdrawal of stock limits, Triveni Engineering & Industries Ltd Chairman Dhruv M. Sawhney said. "...the government's announcement of export of one mn tn of sugar and withdrawal of the stock limits for sugar are two positive moves, which in our belief should help in strengthening the sugar prices," Sawhney said. The Empowered Group of Ministers last week allowed export of one mn tn of sugar under open general licence and lifted the stock limits on sugar from Dec.

Govt may OK sale of 1.65 mn tn non-levy sugar Dec vs 1.70 mn Nov

The government is likely to permit sale of about 1.65 mn tn non-levy sugar in Dec, a senior government official said. "The sugar directorate has proposed non-levy sugar quota of 1.65 mn tn for Dec," the official said. The Dec non-levy sugar quota would be only slightly lower than this month's figure of 1.70 mn tn. The total sugar supply for next month is estimated at around 1.86 mn tn, including levy quota of 207,000 tn, compared with Nov's 1.92 mn tn. The Dec sugar quota is usually a little lower than the Nov quota, as the festival season gets over and demand by bulk users during winters is typically lower. The government decides levy and non-levy quota for mills on a monthly basis.

Source says govt sets December non-levy sugar quota at 1.7 mn tn

The government has allowed sale of 1.7 mn tn non-levy sugar in Dec, unchanged from this month's no-levy quota, a senior government official said. The sugar directorate had earlier proposed lowering the non-levy quota for the month to 1.65 mn tn, but then decided to keep it unchanged to prevent a flare up in prices next month when stock limits lapse and exports are allowed, the official said. He said the total sugar supply in Dec would be about 1.9 mn tn after taking into account levy quota of 207,000 tn for the month.

Source says India, Mauritius officials to meet Dec wk 3 on tax pact

Government officials of India and Mauritius are expected to meet in the third week of Dec to review the Double Taxation Avoidance Agreement, a Mauritian government official said. "I think joint working group is meeting in the beginning of the third week of Dec (on tax treaty)," the official said. India and Mauritius had set up a joint working group in 2006 to put in place adequate safeguards to prevent misuse of the tax treaty. Mauritius accounts for over 40% of foreign direct investment in India and a sizeable portion of this is believed to be re-routed black money held by Indians.

States panel to mull demand to bring oil pdts, alcohol in GST ambit

The empowered group of state finance ministers on the Goods and Service Tax has agreed to look into the industry's demand to include petroleum products and alcohol under the proposed indirect tax regime, which aims to avoid cascade effect of taxation at the state and central level. "They (representatives of petroleum and alcohol industry) have approached us with representations. We will see if there is any merit in their submission," said Sushil Modi, chairman of the empowered committee and the deputy chief minister and finance minister of Bihar.

Uttar Pradesh mills start selling new season's sugar export quota

Uttar Pradesh sugar mills seem to be the first off the block to start selling their export quota, though the government is yet to notify the decision to permit exports for the season. Some sugar mills in Uttar Pradesh have sold part of their export quota to merchant exporters at a premium of Rs.2,225-2,500 per tn, industry officials said.

Cabinet note soon on PSUs buying equity in other state-owned cos

Finance ministry is likely to move a Cabinet note on letting state-owned companies buy equity in other state-owned entities to meet government's 400-bn-rupee divest aim for 2011-12 (Apr-Mar). Various public sector companies have already been asked details of cash reserves, and fund needs to chalk out their investment plan.

Govt may reveal names of Indian deposits in LGT Bank, Leichtenstein

The government is likely to reveal names of Indian individuals who have deposited black money in the LGT Bank, Leichtenstein. Tax authorities may impose a 200% penalty after the recovery of the money on the amount siphoned off. Meanwhile, disclosure of account holders in HSBC, Geneva is likely to take time.

PM panel head Rangarajan says FY12 fiscal gap may top Budget aim

Prime Minister's Economic Advisory Council Chairman C. Rangarajan joined the growing list of officials who have admitted that the government is likely to miss the 2011-12 (Apr-Mar) Budgeted fiscal deficit target of 4.6% of gross domestic product. Last month, even Finance Minister Pranab Mukherjee had said it will be tough to meet the fiscal gap aim and Rangarajan echoed him.

Assam Co defers payment on Nov 30 FCCB redemption by 15 days

Assam Co India Ltd has deferred to Dec 15 the payment for foreign currency convertible bonds due for redemption on Nov 30 because of delay in fund disbursement by lenders, the company said in a release. "The company has made necessary arrangement of funds, the disbursement of which has been delayed due to procedural compliance by the lenders," Assam Co said.

Source says Tata Global hikes Tata Tea Premium prices by 3.7%-5.1%

Tata Global Beverages Ltd has increased the price of Tata Tea Premium packs by 3.7-5.1%, a trade source told. The company has hiked the retail price of 250 gm pack of Tata Tea Premium by Rs.4 to Rs.82, and the 500 gm pack by Rs.6 to Rs.168, the source said. The price of 1 kg pack has been raised by Rs.11 to Rs.301.

Govt seeks Parliament OK for Rs.568-bn net extra spend FY12

The government sought Parliament's approval to spend an additional net amount of Rs.568.48 bn in the current financial year ending Mar, including Rs.300 bn as compensation to state-owned oil retailers for revenue losses on subsidised sale of fuels.

Economists say farm sector key to inflation-free GDP growth

Growth in farm sector along with efforts to improve productivity holds the key to India having non-inflationary high economic growth said external economists speaking at a panel discussion organised by the Reserve Bank of India's Department of Economic and Policy Research.

NABARD to raise Rs.2 bn via 3-yr bonds

National Bank for Agriculture and Rural Development will raise at least Rs.2 bn through three-year bonds, an official said. NABARD will pay an annualised coupon of 9.65% on the bonds, which are rated AAA by CRISIL.

Fungicide traces may hit basmati rice exports to US

Indian basmati exports to US may be hit as traces of fungicide were found in recent shipments to the country. Over 150 containers carrying 3,000 tn of basmati rice have been detained at various ports in US in the last three months.

Govt seeks extra Rs.22.97 bn for food subsidy in FY12

The government sought Parliament's approval to spend Rs.22.97 bn more as food subsidy in the current financial year that ends in Mar.

RBI Subbarao says need to up farm output, jobs to sustain growth

Agricultural output must be increased and employment levels must be expanded to make India's growth more inclusive and sustainable, the Reserve Bank of India's Governor D. Subbarao said.

DGFT removes 48 companies from list of cotton export defaulters

The Directorate General of Foreign Trade, which had barred 117 companies from cotton exports in August on defaults, has removed 48 companies from the list.

Subbarao says must bring down inflation to 5% but RBI alone can't

Inflation must be brought down to 5.0% and even lower to make the macroeconomic environment more stable to facilitate sustained high growth momentum, Reserve Bank of India D. Subbarao said.

DCM SHRIRAM CONSOLIDATED: Expects its sugar output to go up by 44% to 390,000 tn in the current 2011-12 (Oct-Sep) season on the back of higher cane crushing and better recovery.

ASSAM CO INDIA: Has deferred the payment for foreign currency convertible bonds due for redemption on Nov 30 to Dec 15.

TRIVENI ENGINEERING & INDUSTRIES: Has produced 420,056 tn sugar in the year ended Sep, up 1% from a year ago.

INFRASTRUCTURE

INFRASTRUCTURE:

- NTPC drops plan to modernise, expand 840 MW Jharkhand govt project.
- Essar Oil renews pact with IOC to supply 2 mn tn/yr oil for 3 yrs.
- IDFC says infra slowdown short-term, not to effect loan book.
- PFC to launch Rs.50-bn tax-free bond public issue in Dec.
- Reliance ADAG, 7 others bid for HUL's Worli property.
- Private investment in port sector may drop 6% in 12th Five Year Plan.
- Air India will allot cumulative preferential shares worth Rs.70 bn to various lender banks.
- The US has asked Pakistan to exit from the Pakistan-Iran gas pipeline project and advised to consider India as a partner.
- Government says there are no proposals to reduce or withdraw taxes imposed on petroleum products at this stage.
- Kandla Port to invest Rs.18.48 bn for expanding capacity.
- Private investment in the sector would drop by 6% in the 12th Five Year plan according to the shipping ministry's estimates.
- Shipping ministry is discussing establishment of a tribunal that would run as a quasi-judicial body to settle disputes between major ports.
- State-owned West Bengal State Electricity Distribution Co has posted a net profit of Rs.220 mn in six months until Sep 30 only by recognizing Rs.7.3 bn of unrealised revenue as potentially recoverable.
- Hiranandani Construction will invest up to Rs.30 bn next year on various realty projects. The company may also increase prices of its housing units by 10-15%.
- California-based Alexandria Real Estate Equities plans a \$1 bn rollout in India.
- RIL starts arbitration proceedings against govt on KG-D6 spend cap.
- Oil India may mull stock split, bonus issue ahead of govt shr sale.
- BPCL says more gas discovered in arm's Mozambique block.
- Arshiya International says did not bid for HUL's Worli property.
- Larsen & Toubro CFO sees dry spell in order inflow for 2 more quarters.
- GTL source says lenders' meeting on debt recast inconclusive.
- Jet Airways asks UK-bound fliers to reschedule Nov 30 ticket.
- Air India says may lease out two 747-400, some 777-200 LR planes.
- Lenders have approved a financial restructuring plan national carrier Air India.
- Prime minister likely to ask finance ministry to consider lowering the central excise tax on jet fuel.
- IndiGo would have to deploy aircrafts on domestic routes if the government did not give it permission to operate flights on international routes.
- CAIRN INDIA and ONGC have restarted exploration activity in the Krishna Godavari basin onshore block.
- A real estate consultant's report shows that 70% of flats that cost around Rs.7.5 mn are lying unsold.
- Delay in concluding the commercial contract between the government- owned Nuclear Power Corp and France-based Areva would delay work on Jaitapur nuclear power project to 2014 due to regulatory hurdles.
- Power producers saw a generation loss of 5.3 bn units in Apr-Oct due to coal supply shortfalls.
- Air India's board has approved leasing out its aircraft, and selling and leasing back the 787 Dreamliner it is expected to take delivery from Boeing soon.
- The government will repay \$3.5 bn loans taken by Air India over the next 10 years and write off Rs.45 bn in losses.

- Ashok Piramal Group, in joint venture with IDFC Project Equity Fund and Canada-based SNC Lavalin, to develop roads under Indian government's public-private partnership policy.
- India's Oct refinery output fell by 2.8% on year due to refinery maintenance shutdowns during the month.
- Spot electricity rates have risen to Rs.5 per unit in southern region and close to Rs.4 per unit in the rest of the country due to coal shortage.

PSU cos to cut petrol price by 65 paise/ltr from midnight

Public sector Indian Oil Corp Ltd has slashed petrol price by 65 paise/ltr, excluding state levies, with effect from midnight, following softening in global rate of the oil product in the preceding fortnight. Earlier, had reported, quoting a source from one of the three government-owned oil-marketing companies, that the firms would cut petrol prices by 65 paise per ltr, excluding tax. In Delhi, the actual fall in petrol price would be 78 paise a ltr. This is the second reduction in petrol prices in a month's time. State-owned oil companies had last cut petrol prices on Nov 16 by 1.85 rupees, excluding state taxes, per ltr. In a release, IOC said government oil-marketing companies would be losing Rs.4.52 bn every day on subsidised sale of fuels in the first fortnight of Dec. The company said revenue loss in Dec on subsidised sale of kerosene is seen at 28.56 rupees per ltr, while that on cooking gas would be 286.50 rupees per cylinder. In the first fortnight of December, revenue loss on diesel is seen at 12.03 rupees per ltr. The three public sector oil retailers - Indian Oil Corp Ltd, Bharat Petroleum Corp Ltd and Hindustan Petroleum Corp Ltd - calculate their revenue losses on sale of petrol and diesel every fortnight on the basis of global oil product prices and fluctuations in the currency market during the preceding fortnight. Indian Oil Corp said price of petrol in the international market has averaged \$109 per bbl during the second half of November as against \$116 a bbl during the first fortnight that formed the basis for the price cut on November 16. The exchange rate deteriorated from 49.30 rupees to a dollar in the first fortnight of November to an average 51.50 rupees in the latter half of the month, offsetting much of the gains from softening global price of petrol.

BPCL, Videocon's Mozambique block gas reserves seen 30 Tcf

Bharat Petroleum Corp Ltd and Videocon Industries Ltd said the recoverable reserve estimate of their Mozambique block has gone up more than three-fold as more gas has been discovered in the block that is operated by US-based Anadarko Petroleum Corp. The latest discovery, of more than 202 metres of natural gas bearing zone, has been made in an appraisal well--Barquentine-3, the two Indian companies said in separate notices to the stock exchanges. "This (find) significantly expands the estimated recoverable resource range to 15 (trn cu ft) to 30 plus trn cu ft of natural gas, with an estimated 30 to 50+ Tcf of natural gas in place," the companies said. Bharat PetroResources and Videocon Industries had bought stake in the block from Anadarko in August 2008. The two Indian companies hold 10% each in the block and Anadarko holds 36.5%. Cove Energy, Mitsui E&P Mozambique, and Mozambique's state-owned Empresa Nacional de Hidrocarbonetos are other partners in the consortium, with 8.5%, 20%, and 15% stake, respectively. The consortium had previously estimated the block's recoverable gas resource at 10 Tcf. The higher recoverable reserve has prompted the partners of the consortium to revise upwards the scalability of the natural gas liquefaction plant being planned in Mozambique. "The operator (Anadarko) also informed that the recoverable resources of this size and quality are suited for a large-scale LNG development, which is currently being designed for at least two trains with the flexibility to expand to six trains," BPCL said. Spread across 1.05 mn ha, the block has around 50 hydrocarbon leads. BPCL Chairman and Managing Director R.K. Singh had told in July that flow of gas from the Mozambique block would start in 2017, and the Indian companies plan to bring their share to India.

Oil cos' Dec 1-15 diesel revenue loss seen rising to 12 rupees/ltr

State-owned oil marketing companies are seen incurring a revenue loss of around Rs.12 per ltr on sale of diesel during Dec 1-15, an industry official told. The revenue loss on the fuel was Rs.10.17 per ltr in the preceding fortnight. He said the companies are currently not incurring any revenue loss on sale of petrol. The companies will review the auto fuel's prices later, he said. "Petrol is a free product. We will review the situation and will take a call by the evening," he said when asked if the fuel retailers are mulling a price cut in petrol. The three state-owned oil retailers--Indian Oil Corp Ltd, Bharat Petroleum Corp Ltd and Hindustan Petroleum Corp Ltd--calculate their revenue losses on sale of petrol and diesel every fortnight based on the global oil product prices during the preceding fortnight. Currency fluctuations are also factored in when the companies estimate their revenue losses. In the case of liquefied cooking gas and kerosene, the revenue losses are estimated on a monthly basis. The three companies are seen losing around 280 rupees per LPG cylinder in December, as against 260.50 rupees in the preceding month. On kerosene sale, the companies

are seen losing around 26 rupees per ltr. State-owned companies sell diesel and cooking fuels at government-determined prices.

GTL source says lenders' meeting on debt recast inconclusive

The lenders' meeting called to decide on a restructuring plan for the debt-ridden GTL Ltd and GTL Infrastructure Ltd remained inconclusive, a company source told. "The CDR (corporate debt restructuring) meeting happened but no conclusion was reached," a GTL official said. "A decision regarding the issue will be announced positively in 8-10 days." Some media reports said lenders had rejected the CDR proposal and had sought guarantee from promoters. However, the official said these reports were "imaginative and baseless". Another senior GTL official said: "I was not present at the meeting, but from what I have heard from my colleagues, nothing significant happened. Neither was there any conclusion, nor any rejection." As per media reports earlier, some lenders had asked for a 25% conversion of debt into equity in GTL Infrastructure, and 7.5% of debt into equity in the case of GTL. The company has refused to comment on the news. The two companies had opted for debt restructuring in view of the high interest cost it is currently paying. With the slew of key policy rate hikes by the Reserve Bank of India over the last one year, many corporates are currently facing the challenge of high interest payouts.

IDFC's VC fund, Piramal, Canada co in JV to set up road projects

India Infrastructure Fund, a domestic venture capital fund, said it has entered into a three-way joint venture agreement with the Ashok Piramal Group and Canada-based SNC-Lavalin. The joint venture company will develop, own, construct and operate roads and highway projects being set up under public-private partnerships in the country. Piramal Roads Infra Pvt Ltd, a group company of Ashok Piramal Group, will have 51% equity interest in the joint venture while India Infrastructure Fund and SNC-Lavalin will hold 39% and 10% equity, respectively. Infrastructure Development Finance Co Ltd, Citigroup Inc and India Infrastructure Finance Co Ltd are founder investors of India Infrastructure Fund. The fund is managed by IDFC Project Equity Co Ltd, a subsidiary of IDFC. "All three partners plan to infuse equity of around \$250 mn-\$300 mn in the next three to five years," Ashok Piramal Group Vice-Chairman Rajeev Piramal said at a press conference to announce the joint venture. "We hope to have projects in excess of \$1 bn over the next three to four years," India Infrastructure Fund Managing Director Aditya Agarwal said.

Suzlon gets Rs.4.7-bn Coromandel Wind Project order

Suzlon Energy Ltd has bagged a Rs.4.7-bn order from Coromandel Wind Energy--a Chennai-based independent power producer--to set up a 75.6-MW wind power project in Rajasthan. Suzlon will supply, operate and maintain 36 turbine generators of 2.1 MW each for Coromandel. The plant would be commissioned in 2012-13 (Apr-Mar). This is Coromandel Wind Energy's maiden project. Coromandel Wind Energy's Managing Director Anand Rengaswamy was also quoted as saying in the release that the company plans to list its shares either in London or in India at an "appropriate time" and is eyeing market capitalization of over \$250 mn by 2014. The company is targeting power generation capacity of 1,000 MW, the release added, but did not specifying any timeframe to achieve the goal.

Punj Lloyd group bags Rs.4.69-bn offshore EPC order from ONGC

The Punj Lloyd Group has bagged an offshore project worth Rs.4.69 bn from Oil and Natural Gas Corp Ltd for laying 122 km submarine pipelines for supply of oil and gas from several marginal fields in Western Offshore. The project will be commissioned in May 2013 in Bombay High, Mumbai, Punj Lloyd Ltd said in a release. With this contract, the consolidated order backlog for the Punj Lloyd Group stands at Rs.271.78 bn, reflecting the total value of unexecuted orders as on Sep 30 and orders received after that day, the company said. Punj Lloyd has previously executed two offshore pipeline projects for ONGC -- the Uran Trombay Gas Pipeline and Uran Trombay Jawahardweep Pipeline. It has also executed other projects like Heera Redevelopment Project in India, Panaran Pemping Gas Pipeline in Indonesia.

RPP Infra Projects wins 2 civil contracts worth Rs.343 mn

RPP Infra Projects Ltd has received two civil construction orders worth Rs.343 mn, one from Indira Gandhi Centre for Atomic Research at Kalpakkam in Tamil Nadu, and the other from the Andaman Public Works Department, the company said. The order from Indira Gandhi Centre for Atomic Research, worth Rs.163 mn, is for construction of roads, storm-water drains and other civil works in Kalpakkam Phase-II unit. The order is to be completed within 10 months. RPP Infra is already executing other construction projects in Kalpakkam Phase-I unit. The second order, from Andaman Public Works Department, is to be completed in 16 months and is worth Rs.180 mn. It includes protection work of a sea wall at Mus in Car Nicobar to provide

protection against a tsunami. The company had already undertaken tsunami protection projects in the Andaman & Nicobar Islands.

Jet Airways asks UK-bound fliers to reschedule Nov 30 ticket

Jet Airways India Ltd said it has advised its passengers travelling to the UK on Nov 30 to reschedule their plans. "Jet Airways has advised guests travelling into UK on Nov 30 to rebook their flights to avoid any inconvenience and immigration delays at London Heathrow airport," the airline said in a statement. Jet said there would be a nationwide industrial action by public sector unions, including the UK Border Agency staff, on Nov 30. It said the Civil Aviation Authority of the UK has informed airlines that congestion in arrivals would impact incoming flights and could result in extended delays due to the 24-hour strike over pensions. "Jet Airways has advised guests to rebook their flights to a later date (Dec 1-7). The rebooking is being done free of charge," the airline said. Jet Airways operates three daily Boeing 777 flights from India to the UK--two from Mumbai and one from Delhi.

Reliance Ind may raise over \$1 bn via overseas bond issue

Reliance Industries Ltd may raise over \$1 bn through the issue of an overseas bond of 10-year maturity. The proceeds of the bond issue would be used to fund the company's shale gas ventures in the US and investments at its refinery at Jamnagar in Gujarat, the report quoted an unnamed banker, who had bid for managing the bond issue. The company has appointed Citibank, Bank of America and UBS as merchant bankers for the issue and hopes to garner funds at 2.25-2.50%. This is about 125-150 basis points over the London Inter-Bank Offered Rate, the reported quoted the banker as saying. Reliance is likely to start marketing the issue to investors from mid-December onwards.

Arshiya Intl says have not bid for HUL's Worli property

With reference to the news item appearing in a leading financial daily dated Nov 26, 2011 titled "Reliance ADAG, 7 others bid for HUL's Worli Property; Sale may fetch Rs.500cr", Arshiya International Ltd has clarified to BSE that, a factual error pertaining to details mentioned about Arshiya International. The article erroneously states that Bhushan Steel and Arshiya International have jointly bid for the said property. Kindly note that Arshiya International has neither made bid for the property jointly with Bhushan Steel as reported in the said news article, nor participated in the bid individually.

Lanco Infratech CFO Kumar resigns, to step down Dec 15

Lanco Infratech Ltd has informed BSE that the Company has re-organised its Finance Function responsibilities. The Company has accepted the resignation of Mr. J. Suresh Kumar, Chief Financial Officer who was responsible for Financial Control & Investor Relations. Mr. J. Suresh Kumar will continue in this role till Dec 15, 2011. He has contributed immensely during the previous 5 years and the Company places on record it's appreciation and wishes him the best in his new endeavor. Mr. T. Adi Babu will be the new Financial Controller and Mr. Philip Chacko the new Head of Investor Relations at Lanco Infratech Limited – both reporting to Mr. G. Venkatesh Babu, Managing Director. As regards other key Finance function roles, Mr. Sharad Jhingan, Head-Structured Finance and Mr. T. N. Subramaniyan, Head-Project Finance will continue to report to Managing Director as per already existing reporting structure.

Open offer for Marg shares delayed as SEBI nod awaited

With reference to Voluntary Open Offer to acquire upto 76, 51, 572 fully paid up equity shares representing 20% of the fully diluted equity capital of Marg Ltd ("Target Company") by Akshya Infrastructure Pvt Ltd ("Acquirer"), Motilal Oswal Investment Advisors Pvt Ltd. ("Manager to the Offer") has now informed BSE that the Public Announcement for open offer was published on October 20, 2011 as per the Public Announcement the date of opening of offer was December 01, 2011. However, the Acquirer is awaiting an approval from the Securities and Exchange Board of India ('SEBI'). Therefore the open offer will not commence on Dec 01, 2011 and the revised dates will be intimated to the stock exchanges, as and when finalized.

Hindustan Dorr-Oliver gets 1.7-bn-rupee order from ONGC Petro

Hindustan Dorr-Oliver Ltd has got a 1.7-bn-rupee order from ONGC Petro additions Ltd for setting up the effluent collection and treatment system plant for the latter's petrochemicals project at Dahej in Gujarat. "The project is to be completed in 24 months," Hindustan Dorr-Oliver said in a regulatory notice. The order includes various technology packages from leading global suppliers for treatment of petrochemical waste. ONGC Petro is a special purpose vehicle floated by Oil and Natural Gas Corp Ltd to implement a petrochemicals complex in the Dahej special economic zone, a part of the central government's Petroleum, Chemicals and Petrochemicals Investment Region plan. Earlier this year, Hindustan Dorr-Oliver had received

a 680-mn-rupee order from ACC Ltd for setting up a waste heat recovery system and a 1.28-bn-rupee order from NMDC Ltd for a iron-ore beneficiation plant.

Oil cos to hike jet fuel prices by avg 2,417 rupees/kL

State-owned oil marketing companies will hike prices of aviation turbine fuel by around 4%, or an average of 2,417 rupees a kL, in the four metropolitan cities. Jet fuel prices will be raised by 2,312.00 rupees to 6,4622.00 rupees a kL in Delhi, by 2,435.00 rupees to 72,901.00 rupees in Kolkata, by 2,422.00 rupees to 65,650.00 rupees in Mumbai, and by 2,499.00 rupees to 69,517.00 rupees in Chennai. Aviation turbine fuel is sold at market rates, and state-owned companies Indian Oil Corp Ltd, Bharat Petroleum Corp Ltd and Hindustan Petroleum Corp Ltd revise prices every fortnight, in line with the global market. Jet fuel accounts for nearly 40% of an airline's operational cost.

KEC Intl gets 1.47-bn-rupee orders in water, railway verticals

KEC International Ltd has bagged four orders together worth Rs.1.47 bn in its relatively new verticals--water and railways--for construction of canals and supply of railway equipment, the company informed the stock exchanges. The order book for the railway business now stands at Rs.4 bn. The Mumbai-based company won three orders worth Rs.980 mn to construct canals for irrigation projects in Gujarat and Madhya Pradesh. It also won an order worth Rs.490 mn from Kenya Railway Corp for supply of railway track materials, tools and railway signalling equipment.

PFC to float tender seeking PE fund JV partner between Dec 15-20

Power Finance Corp Ltd will float a tender between Dec 15 and Dec 20 to seek bids from companies for setting up a private equity fund in a joint venture, a senior official of the state-owned lender to the power sector told. "The board has formed the eligibility criteria like assets under management, years of experience, etc which the bidders must have before submitting the bids," the official said. "That tender should be floated between Dec 15 and 20." PFC plans to form a 49:51 joint venture for floating the PE fund, which will initially have a size of \$300 mn with plans to ultimately scale it up to \$1 bn.

KS Oils board OKs raising up to 2.5 bn rupees via QIP

K S Oils Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 29, 2011, inter alia, have approved the following matters: 1. Appointment of Mr. Daves Aggarwal as additional non executive Director. 2. To raise funds through QIP upto Rs.250 crores. 3. Unaudited Quarterly result for Sep 30, 2011 was not considered & will be considered in next board Meeting. 4. The 26th AGM of the Company will be held on Dec 30, 2011. 5. The next Financial year period of the Company will be Jul 01, 2011 to Jun 30, 2012.

RIL starts arbitration proceedings against govt on KG-D6 spend cap

Reliance Industries Ltd has initiated arbitration proceedings against the government to protect its right to recover expenditure made on the D6 block in Krishna-Godavari basin, the company said in a release. "The company (RIL) will seek a hearing in the arbitration at the earliest possible date and expects that the Govt (government) will seek to do likewise in the interests of the energy sector in India and the investments therein," it added. The action was taken following reports that the ministry of petroleum and natural gas is likely to cap the costs that Reliance Industries can recover from the KG-D6 block and will link that to gas output.

Venus Power board OKs pref allotment of 30 mn shares

Venus Power Ventures (India) Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 28, 2011, inter alia, has approved the following: 1. The Board of Directors approved to allot upto 3,00,00,000 Equity shares to promoters and persons other than promoters by way of preferential allotment. 2. The Board of Directors approved to postpone the Extra Ordinary General Meeting, which is to be held on November 30, 2011 has been postponed to Dec 30, 2011 recommending the proposal of Preferential issue.

Oil India may mull stock split, bonus issue ahead of govt shr sale

State-owned Oil India Ltd is mulling a stocks split and a bonus issue to woo investors ahead of the government's planned 10% share sale in the company, a senior official in the company told. "Certainly we will have to consider such benefits for investors. We are strategising all these things and will soon finalise a proper plan," the official, close to the development, said. According to the official, the government plans to divest 10% of its stake in the oil and gas exploration company to fund social sector schemes.

Suzlon's arm gets 12.3-MW wind turbine order from German co

Suzlon Energy Ltd's German arm, REpower Systems SE, has received an order from Germany-based RWE Innogy for installing 12.3 MW wind turbines at the latter's Westereems wind park in the Netherlands, Suzlon said in a release. REpower Systems will supply the two 114-mtr-tall wind turbines of 6.15-MW each by mid-2012. Westereems is the largest wind farm in the Netherlands with an installed capacity of 156 MW.

Indowind Energy promoter ups stake to 32.04% from 31.41%

Indowind Energy Ltd has informed BSE that M/s. Subuthi Investments Pvt. Ltd., a member of the Promoter and Promoters Group of Companies has bought 5,67,434 shares (Five Lacs Sixty Seven Thousand Four Hundred and Thirty Four Shares) of M/s. Indowind Energy Limited in the open market on Nov 29, 2011. Due to this, the percentage of share holding of Promoter and Promoters Group in M/s. Indowind Energy Limited is increased from 31.41% to 32.04%.

GEI Ind gets Rs.403-mn orders from IOC, GAIL, Lanco Infra

GEI Industrial Systems Ltd said it has received new orders worth Rs.403 mn for supplying air cooled heat exchangers to GAIL (India) Ltd, Lanco Infratech Ltd, and Indian Oil Corp Ltd. The GAIL order is for its second petrochemical complex being set up at Vijaypur in Madhya Pradesh. The Indian Oil Corp order is for fluid catalytic converter and polypropylene units being set up at its Mathura refinery. The order from Lanco Infratech is for the latter's polysilicon plant being set up at Rajnandgaon in Chhattisgarh.

REC appoints Rajeev Sharma as chairman and managing director

Rural Electrification Corp Ltd has appointed Rajeev Sharma as the new chairman and managing director, the company said in a notice to the stock exchanges. Director Finance H.D. Khunteta held the position of chairman and managing director in the interim period after J.M. Phatak was relieved of his post by the Ministry of Power on Apr 11, an earlier notice said. Sharma was previously a director at Power Finance Corp Ltd, the company said.

Areva T&D gets 223-mn-rupee North Eastern Electric Power order

Areva T&D India Ltd said its transmission division has won an order worth 223 mn rupees from North Eastern Electric Power Corp Ltd for supply of switchyard and transformers package for Pare Hydro Electric project at Papumpare district in Arunachal Pradesh. The Pare Hydro Electric Project will provide more efficient and dependable supply of electricity, with 12% of the power generated fed directly to Arunachal Pradesh, the company said in a release.

Air India offers discount on advance purchase fare on local routes

To woo passengers amid stiff competition, debt-ridden national carrier Air India has introduced discounts on advance purchase fares for domestic flights under its EAP14 and SAP7 fare levels. Advance purchase fares, available to passengers 7-14 days prior to the date of departure, have been applicable since Nov 11, the airline said in a newspaper advertisement. The discounted fares do not include passenger service fee, airport development fee, and service tax.

Shriram Transport Fin raises Rs.3.67 bn

Shriram Transport Finance Co Ltd raised Rs.3.67 bn through 18-month and three-year bonds, merchant bankers said. Out of the total, the company raised Rs.3 bn through three-year bonds at an annualised coupon of 10.35%. The remaining amount was raised through 18-month bonds at coupon of 10.25%, payable annually.

Vascon Engineers discovers misappropriation of funds

Vascon Engineers Ltd has informed BSE that: "Recently our internal audit revealed that there has been some misappropriation of funds. As Company believes in complete transparency, we have immediately altered the police who are currently investigating the matter. We will be in a position to share specific details only once the investigation is complete."

Transpek says electric supply to Gujarat unit stopped

Transpek Industry Ltd has informed BSE that: "The Electric power supply to the Company's Factory situated at Village Ekalbara, Tal. Padra, Dist. Vadodara has been disconnected on Nov 29, 2011 pursuant to the order of Gujarat Pollution control Board (GPCB). The Company is applying for restoration and is confident of getting restoration shortly. No adverse impact on the Business is expected."

Larsen & Toubro CFO sees dry spell in order inflow for 2 more qtrs

Larsen & Toubro Ltd may continue reeling under dry order inflows for couple of more quarters, R. Shankar Raman, chief financial officer of the engineering and capital goods major, said. "I do feel that some of the policy issues that needs to be addressed, which will by itself take the next couple of quarters to be sorted out, implemented and the bureaucracy to support these policy initiatives," he told.

Air India says may lease out two 747-400, some 777-200 LR planes

Air India said its board has approved to lease out aircraft and also sell and lease back the 787 Dreamliner planes it is expected to soon start taking delivery from Boeing. In a statement issued after the board met here, the national carrier said, "The board also decided that Air India may lease out excess capacity of two 747-400 aircraft and some 777-200 LR aircraft (at a future date), after the induction of B787."

GMR Infrastructure promoters bought 70,000 shares Nov 25

GMR Infrastructure Ltd's promoter and Director G. Kiran Kumar and his wife G. Ragini bought 70,000 shares of the company on Nov 25 from the open market. Earlier this month, both these promoters had bought 175,000 shares of the company, GMR Infrastructure said in a notice to the NSE. As on Sep 30, G. Kiran Kumar and G. Ragini held 0.02% and 0.01% stake in the company.

Indowind in pact to settle legal disputes with ICICI Bk

Indowind Energy Limited has informed the Exchange that the Company has reached an understanding with ICICI Bank Ltd to settle all outstanding disputes pending in various legal forums. A Memorandum of Compromise (MOC) has been executed by both the parties and promoter group on Nov 09, 2011 for clearing the litigated rental obligations on wind mills till date and all commitments on preference shares.

RIL may raise \$1 bn via overseas bonds to fund shale gas capex

Reliance Industries Ltd is planning to raise around \$1 bn via bonds in the overseas market mostly to fund capital expenditure requirements in its shale gas ventures in the US, an official said. The official though ruled out fund raising through foreign currency convertible bonds, which has an equity component. "We are considering bonds, pure debt option," he said, but declined to provide further details.

Petron Engg bags 1-bn rupee petrochem unit order from GAIL

Petron Engineering Construction Ltd said GAIL (India) Ltd has accepted its Rs.1.05-bn bid for the cracker furnace contract for the state-owned company's petrochemical complex-II project in Pata, in Uttar Pradesh. GAIL plans to raise the capacity at its petrochemicals plant in Pata to 500,000 tn per year by March from over 410,000 tn now.

JSW Energy says Lalit Gupta resigns as co' joint MD, CEO

Jsw Energy Limited has informed the Exchange that Mr. Lalit Kumar Gupta will cease to be the Jt. Managing Director & Chief Executive Officer of the Company with effect from close of Nov 30, 2011 consequent upon his resignation from the Board of Directors of the Company.

Suzlon to build land bank of about 50,000 acres across eight states

Renewable energy company Suzlon plans to build a land bank of about 50,000 acres across eight states, with an aim to provide end-to-end servicing. Chairman and Managing Director Tulsi Tanti said this would help the company achieve its growth target for 2012-13.

Air India lenders approve airline's financial restructuring plan

Lenders of Air India have approved the airline's financial restructuring plan. The government has assured bankers that it would come out with a Cabinet note in the next few days on capital infusion into the company.

Shipping Corp of India sells 2 bulk carriers

Shipping Corporation of India Ltd has informed BSE that the Company has sold two Handymax Bulk Carriers "m.v. Mandakini" (admeasuring 47, 195 DWT) and m.v. "Varanasi" (admeasuring 47, 351 DWT) and handed over their physical deliveries to the respective buyers.

Spanco transfer Nagpur power distribution ops to arm

Spanco Ltd has informed BSE that the Company vide a Deed of Adherence dated Nov 23, 2011 has transferred its Power distribution Business of Nagpur to its step down subsidiary namely Spanco Nagpur Discom Limited with effect from Nov 23, 2011.

Internal resource generation of railways may fall short by Rs.100 bn

Indian Railways internal resource generation is expected to fall short by Rs.100 bn due to drop in earnings from passengers as well as the freight segment. Railways had set a target of raising Rs.1.06 trn in 2011-12.

Kingfisher Airlines starts sourcing fuel from Reliance Industries

Kingfisher Airlines Ltd has started sourcing aviation turbine fuel from Reliance Industries Ltd after state-run oil marketing companies refused to extend credit to the beleaguered airline.

NTPC drops plan to modernise, expand 840 MW Jharkhand govt project

NTPC Ltd has dropped plans to renovate and expand the capacity of the 840 MW thermal plant at Patratu in Jharkhand, according to two officials spoke to.

Essar Oil renews pact with IOC to supply 2 mn tn/yr oil for 3 yrs

Essar Oil Ltd said it has renewed its oil products sale and purchase agreement with Indian Oil Corp Ltd, and would supply 2 mn tn of fuels annually to the state-owned company for the next three years.

India Oct refining dn 2.8% on yr; crude output dn 0.9%

Crude oil throughput of Indian refiners fell 2.8% on year in Oct to 13.20 mn tn, as some refineries undertook a maintenance shutdown, the petroleum and natural gas ministry said in a release.

NHAI to launch Rs.100-bn tax-free bond public issue by mid-Dec

The National Highways Authority of India will launch a public issue of tax-free bonds worth Rs.100 bn by the second week of Dec, a company official said.

PFC to launch Rs.50-bn tax-free bond public issue in Dec

Power Finance Corp Ltd will launch a public issue of tax-free bonds worth Rs.50 bn in Dec, a source in known of the matter told.

NTPC scraps plan to modernise, expand 840 MW Jharkhand govt project

NTPC Ltd has dropped plans to renovate and expand the capacity of the 840 MW thermal plant at Patratu in Jharkhand, according to two officials spoke to.

RBI Subbarao says infra must be funded by insurance, pension funds

Infrastructure projects should be financed by long-term sources like insurance and pension funds, and banks must not be burdened, said Reserve Bank of India Governor D. Subbarao.

Promoters pledge 38.1 mn shares of Suzlon Energy Nov 15-16

Suzlon Energy Ltd promoters pledged 38.1 mn shares of the company on Nov 15-16, the company said in a notice to the exchanges.

DLF to spend Rs.30 bn over next 5 years to build new malls

Delhi-based reality major DLF Ltd will spend Rs.30 bn over next five years to build new malls. The new malls would come up in the capital, national capital region of Delhi, Lucknow, Indore and Kochi.

RELIANCE INDUSTRIES:

- And Bharti Enterprises have terminated talks for proposed sale of Bharti's stake in its joint ventures Bharti AXA Life Insurance Co and Bharti AXA General Insurance CO.
- Official says company is supplying aviation turbine fuel to KINGFISHER AIRLINES from Jamnagar, Gujarat.
- Has initiated arbitration proceedings against the government to protect its right to recover expenditure made on the KG-D6 block.
- Plans to raise more than \$1 bn by selling bonds to foreign investors to fund shale gas ventures in the US and investments at its Jamnagar refinery.
- The company has shut four wells at its KG-D6 block due to high water ingress leading to output falling to 41 cubic meter per day.

JET AIRWAYS:

- Has advised its passengers travelling to UK on Nov 30 to reschedule their plans to avoid inconvenience at London Heathrow airport on likely strike by public sector unions.
- To raise \$300 mn from sale and lease of aircrafts over the next six months to cut its debt.

DLF:

- To invest up to Rs.30 bn over the next five years to develop shopping malls.
- To cut its debt burden of Rs.225 bn to half over the next two years. The company is signing deals to sell off some of its non-core assets to do so.

KINGFISHER AIRLINES:

- Buying jet fuel from Reliance Industries, halts aviation turbine fuel buys from public sector undertaking companies.
- Owes Rs.5.4 bn for aviation turbine fuel to public sector companies, grounded 12 of 27 turboprop planes, aviation regulator holding financial audit in the company.

OIL INDIA:

- Targets Rs.120-bn capital expenditure during the 12th Five Year plan.
- The company will foray into other sources of energy such as solar and wind.

SUZLON ENERGY:

- Expects 30% rise in 2012-13 (Apr-Mar) revenues due to completion of 100% stake purchase of its German unit RE Power Systems.
- The company plans to focus on emerging markets, while its subsidiary REpower Systems will cater to developed economies to push up profits by increasing market share and cutting costs.

GTL:

- A company source said the lenders meeting called on Tuesday to decide on a restructuring plan for the debt-ridden GTL and GTL INFRASTRUCTURE has remained inconclusive.
- Lenders to the GTL group have asked for a personal guarantee from the company's promoter, Manoj Tirodkar, as a part of the negotiations for the corporate debt.

BHARATI SHIPYARD: FIPB rejects company's investment proposal to start additional activities in defence production.

INDIAN OIL CORP: Has raised \$250 mn in foreign debt last week to fund its Paradip refinery in Odisha and for other capex.

MADHUCON PROJECTS: Gets order worth Rs.4.22 bn from Bharat Coking.

NTPC: Struggling to sell electricity to distribution utilities; about 10 bn units unsold during Apr-Oct.

ONGC: Exploring options to farm-out equity interests in four of its coal-bed methane assets including one in West Bengal and three in Jharkhand.

PREMIER: Plans to diversify into machining and heavy engineering and will re-enter automobile business after a decade. Plans to become a 25-bn-rupee turnover company in next six years.

SHRIRAM TRANSPORT: Raises Rs.670 mn via 18-month bonds, to pay 10.25% and raises Rs.3 bn for three-year bonds, to pay 10.35%.

BHARAT HEAVY ELECTRICALS: Cash flow at the company is slowing as private power project developers are delaying payments for dispatched materials.

GVK POWER & INFRASTRUCTURE: Likely to start collecting tolls on its fourth and one of its biggest road projects between Shivpuri and Dewas in Madhya Pradesh by 2016.

JSW ENERGY: Joint Managing Director and Chief Executive Officer L.K. Gupta has resigned.

LARSEN & TOUBRO: Is planning to foray into wind-based power projects.

SUZLON ENERGY: To acquire 50,000 acres of land in eight states to ensure flow of big orders.

INDO WIND ENERGY: Promoter raises stake to 32.04% from 31.41%.

IVRCL: Is looking at selling some of its road assets to bring down its debt.

GMR INFRASTRUCTURE: GMR Group to face hurdles in expansion of Male airport in Maldives as a local party has threatened to file a case against the company's proposal to levy \$25 as airport development from Jan.

KS OILS: The board approves raising up to Rs.2.5 bn via qualified institutional placement.

LANCO INFRASTRUCTURE: Chief Financial Officer J. Suresh Kumar has resigned from the company.

SHIPPING CORP OF INDIA: Sells two bulk carriers.

IT & ITeS

INFORMATION TECHNOLOGY:

- The finance ministry has approved 88.6 bn rupees for the unique identification project Aadhar.
- Hexaware Technologies in pact with iCreate for banking software.
- MD says Tera Software to raise funds for capital expenditure.
- Government has started collecting biometric imprints to create the National Population Register. About 44 companies have bid for a pan-India collection of biometric data.

Accentia Technologies to raise up to \$10 mn

Accentia Technologies Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 26, 2011, inter alia, has transacted the following: 1. The Board has decided to raise funds up to US \$10 mn towards growing its core business in Healthcare Receivables Cycle Management including Transcription, DRT, Coding, Billing and Collections and its newly added integrated Software as a Service(SaaS) offering covering the above mentioned areas in the United States of America. 2. The Board has also decided to raise the amount by issuing preferential share allotments/warrants to promoters/PACs and through preferential allotment/convertible bonds to Foreign Corporate bodies/Domestic Corporate bodies/Foreign Financial Institutions/Domestic Financial Institutions at a price as per SEBI pricing norms under preferential allotment. It was decided by the Board that the decision to issue the above instruments would be kept for the approval of the shareholders in the ensuing AGM. 3. The Board also decided to increase the authorized capital of the Company to Rs.25.00 crores. It was decided by the Board that the decision to increase the authorized capital of the Company will be kept for the approval of the shareholders in the ensuing AGM.

Tera Software to raise up to Rs.2 bn by Jan for expansion

Tera Software Ltd, an e-governance solutions company, plans to raise up to Rs.2 bn by Jan to fund its expansion, Managing Director T. Gopichand said. "We have not yet decided on the route to go for fundraising," he told. "We are in talks with (a) couple of advisers on this issue." The Hyderabad-based company is mulling options such as qualified institutional placement of shares, private equity funding, and foreign currency convertible bonds for raising the funds, he said. "To service the current order book itself, we need capital of around 60 crores (Rs.600 mn). For example, we have to buy more systems and other equipment for 'Aadhaar' enrolment project," Gopichand said. Aadhar is Unique Identification Authority of India's project to assign an identification number to each citizen of the country. India has a population of over 1.2 bn. Tera Software has been given the contract to enrol 80 mn citizens across 16 states in the project in the next three years. Of these, the company has already enrolled over 10 mn citizens. Gopichand said each Aadhaar enrolment centre needs hardware worth around 170,000 rupees. Tera Software's order book currently stands at 7.5 bn rupees, to be executed over the next two-three years. "We also need funds for future projects like electronic toll ways, tax collection automation projects," he said.

Redington arm in pact with EMC Data Storage Systems

Redington (India) Ltd has informed BSE that Cadensworth (India) Limited (Cadensworth), one of the Company's wholly owned subsidiary, has entered into a strategic relationship with EMC Data Storage Systems (India) Pvt. Ltd., a leading provider of information infrastructure solutions. Under this strategic move, Cadensworth will sell EMC information Infrastructure technology and may sell complementary and non- competing product lines, solutions and services. Through this focused relationship, Cadensworth aims to leverage EMC's technology in the fast growing mid-size and SMB segments in India. Cadensworth will also become an authorized distributor of EMC's products and solutions and stand to gain the same partnership benefits as EMC's Velocity Partner program for distributors. This strategy is expected to benefit both the business partners and strengthen their relationship.

Hexaware Technologies in pact with iCreate for banking software

Hexaware Technologies Ltd will partner Bengaluru-based iCreate Software to enhance the latter's business intelligence software service offering for the banking sector, Hexaware said in a release. Hexaware Technologies will set up a research centre to enhance iCreate's banking business intelligence software product Biz\$core, the company said. In the current year, iCreate Software has already secured orders from HDFC Bank, IndusInd Bank and Dhanlaxmi Bank to provide Biz\$core. Hexaware Technologies Executive

Director And President R.V. Ramanan said the deal will benefit both companies as iCreate's domain specific software fits well with Hexaware's existing portfolio of banking software.

Educomp gets Rs. 4.1 bn from bank under securitisation plan

Educomp Solutions Ltd has raised Rs.4.1 bn from a leading public sector bank by securitising a part of its receivables, the educational content and solutions provider said in a notice to the exchanges. The bank, whose identity is not disclosed in the notice, will receive a minimum recourse of 20% of the receivables, the company said. The acceptance of a 20% margin by the bank indicates the high credit of the company's school receivables, the company said. "The company is also expecting sanctions from other banks towards the securitisation programme in due course," Delhi-based Educomp said.

Educomp gets Rs.4.1 bn under securitisation plan

Educomp Solutions Ltd has informed BSE that: "Educomp Solutions Ltd. has received a sanction towards buy out of its receivables from one of the leading public sector banks. The gross amount of the sanction is Rs.410 crores. The sanction comes at a limited recourse of 20%. This validates the acceptance of our securitization program at reduced recourse as well as high credit of school receivables. Company is also expecting sanctions from other banks towards the securitization program in due course."

Firstsource repurchases zero coupon convertible bonds

Firstsource Solutions Ltd has informed BSE that the Company has repurchases Zero Coupon Convertible Bonds due 2012 ("Bonds") with an aggregate face value of USD 19.1 mn as per details below: - Maturity : Dec 2012 - Description : Zero Coupon Convertible Bonds - Face Value of Bonds repurchased : USD 19.1 mn face value

Dion Global Solutions acquires UK-based Investmaster Group

Dion Global Solutions Ltd has acquired the entire issued share capital of UK-based Investmaster Group Ltd, a provider of information technology solutions to wealth management and broking sectors.

INFOSYS: Company's clients are asking for a slower start and deployment time on work that has already been awarded.

PHARMA & HEALTHCARE

PHARMACEUTICALS & HEALTHCARE:

- China beats India in race to attract global pharma cos.
- A non-governmental organisation has moved the Supreme Court rejecting the pricing formula used in the proposed new drug policy on grounds that it legitimates overpricing and justifies super profits.
- Glenmark gets tentative US FDA OK for asthma drug Singulair generic.
- Aurobindo Pharma says 3 injured in Srikakulam unit fire accident.

Watson launches Lipitor's generic in US, no signs of Ranbaxy yet

While suspense continues over the fate of Ranbaxy Laboratories Ltd's generic version of the blockbuster cholesterol-lowering drug Lipitor, Watson Pharmaceuticals Inc said that it has started selling the authorized generic version of the drug in US after the patent expired. The Indian pharma major Ranbaxy had the first-to-file status for the drug--generic atorvastatin calcium tablets--which gives a company exclusivity to sell generic version of a drug for 180 days. Ranbaxy was to share the exclusivity period with Watson, but now finds itself constrained by US Food and Drug Administration's sanctions on the unit which was supposed to manufacture the billion-dollar drug. Analysts are now hoping that Ranbaxy will do "something" to encash the opportunity provided by the world's largest selling drug going off-patent and may announce it in a day or two. Ranbaxy officials were however tight lipped on the issue. "We will make an announcement when we have something to announce," a spokesperson said. Ranbaxy's Paonta Sahib plant in Himachal Pradesh was banned by the US Food and Drug Administration on violation of Good Manufacturing Practices norms. Ranbaxy was to supply generic atorvastatin from this unit. The company, now a subsidiary of Japanese drug maker Daiichi Sankyo, is yet to get the regulator's approval for the unit. The New Jersey-based Watson Pharmaceuticals had an exclusive agreement with the drug's patent-holder Pfizer Inc for launching the generic version of Lipitor on expiry of the patent. "They (Ranbaxy) have said it earlier also that they will look to encash the opportunity," Sarabjit Kour Nangra, senior vice president, Angel Broking said. "I think within the next one or two days, there should be some communication (from Ranbaxy)." Ranbaxy has the option to sell the rights to the drug to some other company for a one-time cash payment or on a revenue sharing basis. "It is being speculated for sometime though officially we haven't heard anything," an analyst with another domestic brokerage said. "It will only be a consolation. But, I guess they have little choice." Most analysts though believe that with Watson launching the drug, Ranbaxy will definitely lose the first-mover advantage and the potential gains from selling the drug will be lower. However, most of them also believe that the stock has priced-in all such negative developments and there is little downside from current levels. "Any announcement that comes now on Lipitor (generic) will be positive," the analyst said. For the twelve months ended September, Lipitor had sales of around \$7.8 bn, according to IMS Health data. The drug accounted for almost a quarter of Pfizer's revenue over the last decade. Lipitor, or generic atorvastatin calcium tablets, are prescribed as a diet supplement to reduce elevated total cholesterol, low-density lipoprotein, triglycerides, and to increase high-density lipoprotein cholesterol. "Watson began shipping the product," the company said in a release posted on its website. Under the agreement, Pfizer will manufacture and supply all the dosage strengths of the generic version of Lipitor to Watson, which will market and distribute the product in the US. According to some reports, Pfizer will get 70% of the sales of the generic drug and Watson remaining. The companies though have kept the revenue sharing part confidential. The agreement runs until Nov 30, 2016.

Glenmark gets tentative US FDA OK for asthma drug Singulair generic

Glenmark Pharmaceuticals Ltd said its step-down US arm Glenmark Generics Inc has got tentative approval from the US Food and Drug Administration for a generic version of Merck & Co's asthma drug Singulair. The tentative approval is for 10 mg strength of montelukast sodium tablets which, the company said citing IMS Health data, recorded sales of \$3.2 bn in year to Sep. "Based on the tentative approval for montelukast sodium tablets, Glenmark Generics should be able to launch the product upon patent expiry in Aug 2012," the company said in a notification to the exchanges said. Singulair is prescribed for prevention and treatment of asthma in adults and children over 12 months. It is also prescribed for prevention of exercise-induced bronchoconstriction in patients over 15 years and for relief from seasonal allergic rhinitis and perennial allergic rhinitis. Glenmark has so far got approval for 73 generic products from the US FDA, and 40 more are awaiting the regulator's nod.

Torrent Pharma gets US FDA OK for hypertension drug Plendil generic

Torrent Pharmaceuticals Ltd has got the approval of US Food and Drug Administration for its generic of AstraZeneca's hypertension drug Plendil, according to information available on the regulator's website. The approval is for 2.5 mg, 5 mg and 10 mg strengths of felodipine extended release tablets to be sold on prescription basis. Felodipine is an oral calcium-channel blocker that prevents calcium from being released within the muscle cells of the small arteries and thereby causes the muscles to relax and the arteries to dilate or expand. It is prescribed for treatment of high blood pressure and can also be used in combination with other agents. Four other companies, including Glenmark Pharmaceuticals and Mylan Inc, have the US drug regulator's approval for generic felodipine.

Promoters pledged 33.79 mn Fortis Healthcare shares Nov 21-25

Fortis Healthcare (India) Ltd's promoter, Fortis Healthcare Holdings Ltd has pledged 33.79 mn more shares of the company, taking the total shares pledged to 196.66 mn, or 48.54% of the paid-up capital. Fortis Healthcare Holdings pledged the shares between Nov 21-25 with various lenders including Axis Bank, Kotak Mahindra Investments Ltd, Kotak Mahindra Prime Ltd, Aditya Birla Finance Ltd, IDBI Trusteeship Ltd, and Bajaj Finance Ltd, according to disclosures made to the BSE. Fortis Healthcare Holdings controls 81.35% of Fortis Healthcare which runs hospitals and diagnostics centres across the country.

Aurobindo Pharma says 3 injured in blast at Srikakulam unit

Three workers were injured in a blast at Aurobindo Pharma Ltd's facility at Pydibhimavaram in the Srikakulam district of Andhra Pradesh. The plant, the company's 11th unit, makes active pharmaceutical ingredients. The Police Inspector Vengopal Naidu said the injured were admitted to the King George Hospital at Visakhapatnam, and their condition was stable. "There was no impact to the operations as well as to the assets," Aurobindo Pharma said in exchange filing. However, neither the police nor the company ascertained the reason for the blast.

Aurobindo's Srikakulam unit fire did not impact ops

Aurobindo Pharma Limited has informed the Exchange vide its letter dated Nov 28, 2011, that "There was a fire incident in a powder processing area at early hours at Unit 11, which is located at Pydibhimavaram, Srikakulam near Vizag, A.P. Three persons were injured and they were taken to the hospital. The powder processing area is isolated from the intermediate block. There was no impact to the operations as well as to the assets".

Lupin eyeing \$150 mn from oral contraceptive segment in US by FY14

Pharmaceutical company Lupin Ltd is hoping to garner \$150 mn (Rs.7.80 bn) from its oral contraceptive segment in the US by 2013-14. The company has totally three approvals from the US Food and Drug Administration in the oral contraceptive segment.

RANBAXY: Can now sell generic versions of Pfizer's Lipitor as the latter's patent on the drug expires.

TELECOM

TELECOMMUNICATION:

- ITI to get Rs.597.2 mn to build govt institute in Raebareli.
- Department of Telecommunications tells Prime Minister's Office that accepting mobile phone companies of 3G roaming deals may lead to cartelisation among future bidders of spectrum auctions.
- Telecom equipment maker Nokia Siemens Networks is likely to lay off 2,000 employees to cut losses.
- Govt says BSNL voluntary retirement scheme offer unlikely this FY.
- Telecom Commission will meet again Thursday to decide on issues relating to mergers and acquisition norms, as well as pricing and allocation of 2G spectrum.
- The Delhi HC has granted bail to DMK's Kanimozhi and four others in the 2G spectrum case.
- Telecom ministry has asked the Cabinet to waive spectrum usage charges of Rs.1.2 trn for all airwaves used by the armed forces.
- The Department of Telecommunications would hold a meeting with BHARTI AIRTEL, Vodafone, and IDEA CELLULAR to resolve the issue of 3G roaming agreements.
- The telecom ministry favours liberal mergers and acquisitions norms to encourage consolidation in the 14-player market.
- Uninor's proposal to raise Rs.85 bn through rights issue facing difficulty as Ministry of Home Affairs, Department of Telecommunications, and Department of Revenue are opposing the proposal of different grounds.
- Telecom Secretary R. Chandrashekhar has said the voluntary retire scheme for employees of Bharat Sanchar Nigam and MTNL is not going to be possible this fiscal.

Telecom Commission may finalise spectrum, licence norms in a wk

Telecom Commission, the apex decision-making body in the telecom department will meet again to decide on issues relating to mergers and acquisition norms, as well as pricing and allocation of 2G spectrum that were recommended by the Telecom Regulatory Authority of India. "At this stage, we have not taken any final decision on even these three issues, because subsequent decision on other issues could have a bearing on these issues," Telecom Secretary R. Chandrashekhar who is also the chairman of the commission said after's meeting. "Within the next week, in a matter of one or two more sittings, we expect to finish the consultation on all the TRAI recommendations," he said. In its revised recommendations, the telecom regulator had proposed easing of merger and acquisition norms. On the contentious issue of spectrum pricing, the regulator has stuck to its earlier recommendation--if the scarce resource is beyond the contracted 6.2 MHz, the telecom company will have to pay for it. The price was to be decided by the government. After the Telecom Commission finalises its views on the issues, they will be sent to the telecom minister for approval and then to the Union Cabinet. On the ongoing tiff between telecom operators and the department on whether the 3G roaming pacts signed by the operators were in violation of the norms, Chandrashekhar said, DoT will soon hold consultations with industry players on the issue. "Examination by the department and consultation with the law (ministry) is by and large complete," he said. "We expect to take a decision shortly, as the minister has already indicated, we'll probably be holding consultation with all the telecom operators before taking a final view," he said. Telecom companies had sought the prime minister's intervention on the matter and had said they were open to returning the 3G spectrum they had acquired in last year's auction, if their roaming pacts were nullified.

Govt says BSNL voluntary retirement scheme offer unlikely this FY

Telecom Secretary R. Chandrashekhar said the voluntary retirement scheme proposed by state-owned Bharat Sanchar Nigam Ltd is unlikely to be offered to its employees in the current financial year ending Mar. "BSNL had formulated a proposal, that is something on which a view has not been taken," the secretary said on the sidelines of a conference. "Obviously, major financial implications are involved that will need to be gone into before any view can be taken," the secretary said. On the likely timing of the scheme, he said, "It won't be possible in the current fiscal." Chandrashekhar said Mahanagar Telephone Nigam Ltd had also submitted a voluntary retirement plan for employees. He, however, gave no timeline for the same. On the possibility of another round of broadband wireless spectrum auction, the telecom secretary said, a view on the matter would be taken only after the Telecom Commission finalises its proposals on spectrum and licensing norms.

The Telecom Commission, the apex decision-making body in the department, is likely to meet on issues, including mergers and acquisitions, in the sector and pricing of 2G spectrum. There is a chunk of broadband wireless spectrum available in 15 telecom circles in the country. However, it is unlikely that another round of broadband spectrum auction would be possible in the current financial year. At the same event, Communications Minister Kapil Sibal said he will meet telecom operators in a bid to soon resolve their standoff with the department on 3G roaming pacts. In its revised recommendations, the telecom regulator had proposed easing of merger and acquisition norms. On the contentious issue of spectrum pricing, the regulator has stuck to its earlier recommendation--if the scarce resource is beyond the contracted 6.2 MHz, the telecom company will have to pay for it. The price would to be decided by the government. After the Telecom Commission finalises its views on the issues, they will be sent to the telecom minister for approval and then to the Union Cabinet.

Tulip Telecom says got 4 orders totalling Rs.1.99 bn in 2 mos

Tulip Telecom Ltd got four orders totalling Rs.1.99 bn in the last two months, a company release said. "We have got four orders ranging for three to five years from the Rajasthan government, Bihar government, one from Sahara Parabanking and one order for our Bangalore data centre," the spokesperson said. The Rajasthan government order is for a crime-tracking network spread across three years and is valued at Rs.488.8 mn. The Bihar government deal is for five years for power development reforms and is worth Rs.247.8 mn. The Sahara Parabanking connectivity order spread over five years is worth Rs.500 mn while the order for the company's data centre in Bengaluru is worth Rs.750 mn over five years, it added. Separately, the company has also got two more orders for its Bangalore data centre with the revenue potential of around 6 bn rupees in the next five years.

RBI bars foreign investors from buying Kavveri Telecom's shares

The Reserve Bank of India has asked non-resident Indians, Foreign Institutional Investors not to buy any more shares of Kavveri Telecom Products Ltd as the aggregate net purchases under portfolio investment scheme have reached the trigger limit. Further purchases of equity shares of the company would be allowed only after obtaining prior approval of the central bank, according to a press release by RBI.

ITI to get Rs.597.2 mn to build govt institute in Raebareli

State-owned telecom equipment manufacturer ITI Ltd is expected to get Rs.597.2 mn from the government to set up permanent infrastructure for National Institute of Fashion Technology in Raebareli, Uttar Pradesh.

Bharti Telecom ups stake in Bharti Airtel to 45.58% from 45.54%

Bharti Telecom Ltd, one of the promoters of Bharti Airtel Ltd, has raised its stake in the company to 45.58% from 45.54% through a series of open market purchases on Nov 23 and Nov 24, Bharti Airtel said in a notice to the bourses.

Telenor plans to up stake in Unitech Wireless to 74% from 67%

Telenor has told Foreign Investment Promotion Board it plans to up stake in Unitech Wireless to 74% from 67% now. It is also interested in inducting other resident Indian shareholders if Unitech fails to subscribe to the 82.5-bn-rupee rights issue planned by the joint venture.

MTNL seeks initial bids for Rs.5.9-bn broadband wireless tender

State-owned telecom services provider Mahanagar Telephone Nigam Ltd has invited expressions of interest from global vendors to partner the company in rolling out and operating wireless broadband services.

Rajya Sabha member Kanimozhi, 4 others get bail in 2G case

Dravida Munnetra Kazhagam patriarch M. Karunanidhi's daughter Kanimozhi, in jail for over six months for her alleged role in the 2G spectrum allocation scam, was granted bail by the Delhi High Court.

Govt mulling waiving spectrum usage charges for defence forces

Telecom ministry has moved a cabinet note to waive off 2G and 3G spectrum usage charges worth Rs.1.2 trn for airwaves used by navy, air force and the army.

BHARTI AIRTEL: Has renewed its five-year contract with Swedish gear maker Ericsson to manage and maintain its mobile network in 15 circles.

BANKING & FINANCIAL SERVICES

BANKING & FINANCIAL SERVICES:

- CFO Gupta confident govt will infuse capital in SBI this fiscal.
- The Reserve Bank of India said all urban, state, and district central co-operative banks can offer interest 275 basis points above the London Interbank Offered Rate on their non-resident rupee deposits.
- RBI notified savings bank rate deregulation for urban co-operative banks.
- Government notifies hike in administered interest rates on different small savings schemes with effect from Dec 1.
- Karur Vysya Bank hikes Base Rate by 25 bps to 11.25%.
- Fitch affirms Bank of Baroda's AAA(ind) national long-term rating.
- Saraswat Bank hikes savings bank deposit rate by 200 bps to 6%.
- SMC Global Securities said the sharp fall in the Indian rupee could increase banks' burden to repay non-resident Indian deposits by an additional Rs.490 bn.
- Andhra Pradesh Bank has stopped lending to power companies as viability of many projects and recovery remains questionable.
- Saraswat Bank, a multi-state cooperative bank, is working on becoming a private bank.

SMC Global says banks at risk from NRI deposit outgo on rupee fall

The sharp fall in the Indian rupee could increase banks' burden to repay their non-resident Indian deposits by an additional Rs.490 bn, said SMC Global Securities. The brokerage has estimated that as on Jun 30, total deposits from NRIs would be around \$52.897 bn, of which \$43.434 bn are likely to be of short-term nature, maturing by Jun 2012. "This additional burden is quite a significant amount as it works out to about 9.61% of total networth of Indian banking system," the brokerage said in a note. Since Jul, the rupee has weakened more than 17% against the dollar and therefore banks will have to pay more rupees to NRIs per dollar. Non-resident Indians can maintain deposits with Indian banks in foreign currency instead of converting their dollars into rupees. Such deposits, called foreign currency non-resident bank deposits or FCNR (B), protect the depositor from fluctuations of the exchange rate. NRIs can also deposit their funds in rupees on non-resident external rupee accounts or NRE deposits with banks. An official at Bank of Baroda said that when the rupee weakens, banks see a shift of funds from FCNR (B) to NRE deposits as NRIs prefer to convert their dollars into rupees. "But there is no material outflow from banks," he said. SMC Global Securities said that although banks would have hedged their exposures through foreign currency revenues from their overseas operations, additional outflows from NRI deposits would pressure them. Latest RBI data shows that in Aug and Sep, banks saw an outflow of \$270 mn and \$474 mn, respectively, from FCNR (B) deposits. Last week, the central bank hiked the limit on interest rates offered by banks on such deposits in order to attract more dollars into the country. Following the RBI's move, State Bank of India, Union Bank of India and Central Bank of India hiked rates on their NRI deposits.

MD Kumar confident SBI will receive govt capital infusion by March

State Bank of India expects some form of capital infusion from the government in 2011-12 (Apr-Mar), and has submitted various proposals for the capital infusion, Managing Director A. Krishna Kumar told reporters here. "We have given them various scenarios... four-five scenarios we have given and definitely they have assured it would come by March 31," Krishna Kumar said. "They will choose one scenario, it is up to the govt to decide." Kumar did not comment on SBI's original plan for a 200-bn rupee rights issue, which would have led the cash-strapped government to infuse nearly 112-115 bn rupees to maintain its stake at 59.40%. However, SBI officials and various government officials, including Finance Minister Pranab Mukherjee have indicated that the government was committed to infusing funds into the country's largest lender to ensure that its growth plans were not impacted. The bank has chalked out a plan for 16-19% growth in advances in the current financial year, but Kumar said that the bank may eventually manage to be at the upper end of 18-19% loan growth. He added that once SBI had an idea on the size of the capital infusion from the government, then it would chalk out plans for raising any additional funds.

Govt sets targets for state-run bks to be met over next 4 yrs

The finance ministry has set a few targets based on financial parameters that the public sector banks need to achieve over the next four years. According to some bankers, the ministry wants banks to improve on their current and savings account deposits, return on asset, net profit per employee, cost to income ratio, market share, staff ratio, and asset quality. The state-owned banks have been asked to submit a board-approved plan to the ministry, the newspaper said. "Regarding current and savings account deposits, we have been asked to increase those to 40% of total deposits by 2015," the newspaper quoted a chairman and managing director of a public sector bank as saying. "This is a stiff target, given that most banks are not even close to the 40% mark." The ministry wants these banks to increase their return on assets to 1.5% by 2015, and wants more manpower deployed at their branches. Also, the ministry wants to sign a memorandum of understanding with the banks, the newspaper said.

Saraswat Bank hikes savings bank deposit rate by 200 bps to 6%

The Saraswat Co-operative Bank Ltd said it has raised interest rate on savings bank deposit by 200 basis points to 6%. The upward revision in savings bank deposit rate may increase the cost of deposits by 40-45 basis points, while the bank's net interest margin may fall by 45 basis points, Saraswat Co-operative's Chairman Eknath Thakur told reporters. The move follows the Reserve Bank of India's notification dated Nov 25, intimating all urban co-operative banks about deregulation of interest rates on savings bank deposits of resident Indians. As per the norms, banks must offer uniform interest rate on all savings deposits up to Rs.100,000, and differential rate for savings deposits of Rs.100,000 and above. The bank may revise the savings bank deposit rate once in six months, Thakur said.

RBI says bank credit to NBFCs grew 41.5% on year in Oct

Loans by banks to non-banking financial companies grew 41.5% on year in Oct, data released by the Reserve Bank of India showed. Credit to NBFCs had grown 26.1% in Oct, 2010. Loans to the services sector slowed to 18.2% compared with 21.5% in the same period a year ago. In the period under review, the loans to agriculture sector was at 7.1%, much lower than 20.4% a year ago. Credit to commercial real estate sector grew 12.8%. In the year ago period, the credit was at 17.6% on year. Growth in non-food credit was nearly was at 18.2% compared with 20.8% a year ago. Growth in credit to industry slowed to 7.1% on year from 20.4% a year ago.

SBI aggressive on bulk deposits, eyes quantum jump in loan demand

State Bank of India is hoping for a substantial increase in credit demand in the months till Mar 31, and has pegged the 2011-12 (Apr-Mar) loan growth at 18-19%, higher than 16-18% so far. "We have a number of loan proposals sanctioned. And suppose they start drawing it down, we need liquidity and we are just building up for that. In terms of credit offtake, so far we are growing roughly at the rate of 16-18%," Managing Director A. Krishna Kumar said on the sidelines of a SBI Town Hall meeting here. "So by the time we come to Mar, we expect this (loan growth) to go to the upper end of 18-19%," he added.

RBI eases norms for opening branches in Tier II centres

The Reserve Bank of India in a notification said that domestic commercial banks do not require the permission of the central bank to open branches in Tier II centres with population between 50,000 to 99,999, as per Census 2001. The decision was taken after it came to the central bank's notice that the expansion of banking services in Tier II centres had not taken place at the desired pace. Authorisation will be given for opening of an additional branch in a Tier 1 centre for each branch proposed to be opened in Tier II to Tier VI centres "in underbanked districts of underbanked States," the RBI said.

Oriental Bank hikes rates on term deposits of over Rs.10 mn

Oriental Bank of Commerce has raised rates on term deposits of Rs.10 mn and above across maturities. The bank has hiked the rate on term deposits with maturity of 7 to 14 days to 8.50% from 4.00%, and on deposits with tenure of 15 to 30 days to 8.50% from 4.50%. Rate on deposits of 31-45 days have been raised to 8.50% from 5.00%, and on those of 46-90 days to 8.50% from 5.75%. On deposits of one year to less than two years, the bank would pay interest at the rate of 9.75%, 15 basis points higher than earlier. Oriental Bank of Commerce has kept rates on term deposits of less than Rs.10 mn unchanged.

Karur Vysya Bank ups Base Rate, BPLR by 25 bps

Karur Vysya Bank Limited has informed the Exchange that the Bank has increased the Base Rate and the BPLR by 25 basis points with effect from Nov 27, 2011 as detailed below: (1) Base Rate increased from 11.00% to 11.25% p.a. (2) Benchmark Prime Lending Rate (BPLR) increased from 16.00% to 16.25% p.a.

Axis Bank may sell lower tier II bonds

Axis Bank is likely to raise funds through lower tier-II bonds, an official said. However, the official did not confirm the coupon or the amount to be raised through the issue and said that it was yet under negotiations.

Govt plans IT product-procuring entity for state-owned banks

The finance ministry plans to set up an entity to procure software-related products for 25 state-owned banks to bring in uniformity and lessen the transaction cost. A committee under financial services secretary has been appointed to look at standardisation of bank's IT needs.

RBI ups non-residential rupee deposit rates for all co-op banks

The Reserve Bank of India said that all urban, state, and district central co-operative banks can now offer an interest rate that is 275 basis points above the London Interbank Offered Rate on their non-resident (external) rupee deposits.

CFO Gupta confident govt will infuse capital in SBI this fiscal

State Bank of India's Chief Financial Officer Diwakar Gupta is confident the central government will infuse capital into the bank this fiscal. "To remain at about 8% capital adequacy we need about 8,000 crores (Rs.80 bn) during this year," Gupta said.

Fin min sets targets on various parameters for banks

The finance ministry has set targets for various banks' current and savings accounts, return on assets, net profit per employee, cost to income ratio, market share, staff ratio, market share and asset quality. Boards of banks are expected to approve the plan before submitting it back to the government.

IDFC says infra slowdown short-term, not to effect loan book

The slowdown in infrastructure does not worry Infrastructure Development Finance Co Ltd and it sees the factors bogging the sector down as temporary.

Govt may not seek funds to recapitalise banks in 2nd supplementary

The government is unlikely to seek additional funds in the second Supplementary Demands for Grants to recapitalise public sector banks, a senior finance ministry official said.

Source says ICICI Bk waives prepayment fee on floating home loans

Following in State Bank of India steps, the country's largest private lender ICICI Bank has waived prepayment penalty on all floating rate home loans.

Govt notifies new rates on small saving schemes; PPF to earn 8.6%

The government has notified hike in administered interest rates on different small savings schemes with effect from Dec 1, an official release said.

Kotak Mahindra Bank sells 11% stake in commodity bourse ACE

Kotak Mahindra Bank has sold 11% stake in Ace Derivatives and Commodity Exchange to comply with government guidelines, V.R. Narasimhan, executive vice-president of the bank, told.

RBI notifies savings bank rate deregulation for urban co-op banks

The Reserve Bank of India notified all urban co-operative banks that the interest rates on their savings bank deposits of resident Indians has been deregulated.

STATE BANK OF INDIA:

- Has hiked interest rates on its foreign currency non-resident deposits and non-resident (external) rupee deposits.
- Managing Director A. Krishna Kumar sees the bank's credit offtake rising to 18-19% by Mar, from 16-18% now.

KOTAK MAHINDRA BANK: Sells 11% stake in commodity bourses Ace Derivatives and Commodity Exchange as per government norms, the bank now holds 40% in ACE bourses.

BANK OF BARODA: Fitch has affirmed the bank's AAA (ind) national long-term rating, and BBB-FX long-term issuer rating.

L&T INFRASTRUCTURE FINANCE CO: Looking at raising funds through external commercial borrowings.

SKS MICROFINANCE: Is seeking a Rs.5-bn loan from banks.

AXIS BANK: Plans to raise funds via lower tier II bonds at 9.73%.

IDBI BANK: Plans to raise Rs.5 bn via lower tier II bonds.

L&T FINANCE HOLDINGS: Is looking to expand in rural areas.

STEEL, METALS & MINERALS

STEEL, METAL & MINERAL:

- JSW Steel Oct crude steel output 570,000 tn, up 2% on year.
- NTPC to join the coal logistics joint venture mooted by COAL INDIA and SHIPPING CORP OF INDIA.
- The coal ministry has rejected a proposal from the Planning Commission to allow companies with captive coal blocks to sell their surplus raw material commercially.
- Government has told Essar Energy that the 'Go-, No-Go' system for forest clearance has been scrapped, which is seen as a positive sign for Indian mining sector.
- Mining ministry to revamp Indian Bureau of Mines that approves mining proposals.
- A Planning Commission report said India's steel demand is likely to grow at an average of 10.3% in the next five years due to infrastructure development and higher per capita consumption.
- Coal secy says ministry got Cabinet note on Coal India shr buyback.
- Afghan govt says group led by SAIL won three blocks at Hajigak.
- Indian steel makers may have to cut production by 20% in FY13 as demand continues to fall and more capacity is getting added.

SAIL-led group to spend \$11 bn on Afghanistan steel plant, mines

A public-private consortium led by Steel Authority of India Ltd plans to invest up to \$11 bn to develop mines and also set up a 6 mn tn per year steel plant in Afghanistan. Talking to media persons, SAIL Chairman C.S. Verma said the investment would be spread over a period of 8-10 years. The Afghan Iron & Steel consortium, comprising Steel Authority India, NMDC Ltd, Monnet Ispat and Energy, Rashtriya Ispat Nigam, JSW Steel, Jindal Steel and Power and JSW Ispat Steel, has been awarded three blocks in Hajigak iron ore deposit near Kabul. The three blocks, Verma said, had a combined iron ore reserve of about 1.28 bn tn. Verma said the steel plant alone would require an investment of \$7-7.5 bn and the remainder would be for developing mines. "We will have to borrow certain money from the financial institutions and also seek sovereign guarantee loans from the government of India," he said. The consortium would spend around \$75 mn over the next three years to survey and explore the mining sites. Verma said the steel plant would depend on the availability of other inputs like coking coal and limestone, which are to be ensured by the Afghan government. The consortium also plans to lay railway tracks for evacuating iron ore from the mines and also set up a 1,000 MW coal-based power plant. Hajigak is one of several large iron ore deposits in Afghanistan, and is the largest unmined iron deposit in Asia--both in terms of quantity and quality. He added that the consortium might find it tough to get loans from commercial banks because of the risks in a country that is war-torn between Taliban insurgents and NATO forces. The consortium would begin negotiations with the Afghan government next month to decide the contract terms. However, Verma did not disclose the amount the consortium bid for the mines.

Mahindra UGINE to sell steel business to arm for Rs.1.33 bn

Mahindra UGINE Steel Co Ltd said it has sought shareholder approval to sell its steel business to wholly-owned subsidiary Navyug Special Steel Pvt Ltd on slump sales basis for Rs.1.33 bn. Earlier this month, Mahindra UGINE had said it will form a 100% subsidiary to transfer its steel business. Subsequently, Sanyo Special Steel Co Ltd would buy 29% stake in the subsidiary for Rs.1.1 bn and Mitsui and Co Ltd would pick 20% for Rs.760 mn. Carmaker Mahindra & Mahindra Ltd holds 50.69% stake in Mahindra UGINE. Mahindra UGINE is expected to drive general management of the joint venture, with an aim to raise the company's production levels "significantly" from the current 120,000 tn "in the next few years", the company said in a release. Sanyo will take care of the manufacturing activities, while Mitsui will support the marketing function. Sanyo's technical contribution will help Mahindra UGINE launch new products for emerging market segments such as oil and gas, power, and engineering. Mahindra UGINE manufactures alloy steel and special steel products and pressed sheet metal & components.

Afghan govt says group led by SAIL won three blocks at Hajigak

The Afghanistan government has said the Indian consortium led by Steel Authority of India has been awarded three blocks at the Hajigak iron ore deposit. In a statement on its website, the Ministry of Mines of Afghanistan said Afghan Iron & Steel Consortium, which comprises Steel Authority India, National Mineral Development Corp, Monnet Ispat and Energy, Rashtriya Ispat Nigam, JSW Steel, Jindal Steel and Power and JSW Ispat Steel, has been awarded three blocks. "In their bid, the consortium have proposed setting up of mines and steel plant," the statement said. It further said the development of the Hajigak Iron is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan. The Hajigak iron ore deposit is situated in the mountainous Bamyan province, 130 km from Kabul. It is one of several large iron

ore deposits in Afghanistan, and is the largest unmined iron deposit in Asia--both in terms of quantity and quality, the statement said.

Coal secy says ministry got Cabinet note on Coal India shr buyback

The coal ministry has received Cabinet note on Coal India buying back part of the government's stake in the company, Coal Secretary Alok Perti said. The ministry will seek Coal India's view on the proposed share buyback before responding to the note, Perti said on the sidelines of an industry event. According to reports, the coal major could consider a share buyback totalling 5% equity stake of the company. The government has been considering buybacks in some state-owned companies as its divestment programme has been a non-starter. At the same event, Adani Power Chief Executive Office Ravi Sharma said the company plans to ramp up its capacity to 5,500 MW by March from 3,300 MW now. The company aims to increase its capacity to 10,000 MW by Mar 2013, he said.

Sudal Ind revamped extrusion, other manufacturing units

Sudal Industries Ltd has informed BSE about the following: 1. The company has revamped its existing extrusion and other manufacturing facilities. Its Fourth Extrusion Press manufacturing is now stabilising. The trial runs of Fifth Extrusion Press shall start in short span. 2. The Syndicate Bank, Bankers of the Company has sanctioned enhanced Working Capital Limits as well as Term Loan for Capital Expenditure. 3. Once credit facilities are released, the Company is expected to benefit to better its revenue performance through its increased Manufacturing Facilities.

Sudal Industries' banker sanctions enhanced working capital limit

Sudal Industries Ltd's banker, Syndicate Bank, has sanctioned an increase in the company's working capital limit, and extended a term loan for the purpose of capital expenditure, the company said. The aluminium extrusions manufacturer has revamped extrusion and other manufacturing facilities at its plant in Nasik, Maharashtra. Manufacturing at the company's fourth extrusion press is stabilising, and trial runs of the fifth extrusion press will start shortly, the company said.

SAIL head says steel prices to remain firm in near term

One of the largest steelmaker in the country, Steel Authority of India Ltd, expects prices to remain firm in the near future notwithstanding the significant weakening of raw material prices, Chairman and Managing Director C.S. Verma told.

Southern Ispat forfeits warrants issued to non-promoters

Southern Ispat and Energy Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 26, 2011, decided to forfeit 10,000,000 Share Warrants issued to Non Promoters on Preferential basis due to non receipt of balance amount from the allottees.

Bhuwarka Steel to mull raising funds Dec 8

Bhuwarka Steel Industries Ltd has informed BSE that a Meeting of the Board of Directors of the Company will be held on Dec 08, 2011, inter alia, to discuss, raising further capital by way of one or various modes of raising funds.

Source says Coal India to arrest decline in production by Dec

Coal India Ltd hopes to arrest the decline in production, which it has been facing due to heavy monsoon, by Dec, as mining activities are back in full swing, a senior company source told.

JSW Steel Oct crude steel output 570,000 tn, up 2% on year

JSW Steel Ltd's steel production in Oct was affected on a year-on-year basis as shortage of iron ore in the wake of the ban on mining in Karnataka dragged down its capacity utilisation to 63%.

COAL INDIA:

- Hopes to arrest the decline in production, which it has been facing due to heavy monsoon, by Dec, as mining activities are back in full swing.
- The prime minister may consider proposal to allow owners of capital coal miners to sell excess production to the state-owned company.

STEEL AUTHORITY OF INDIA:

- In talks to buy two-three coal mines in Australia and New Zealand to secure overseas sources of coking coal.
- A seven-member consortium of Indian companies led by the company has bagged the rights to mine iron ore in Afghanistan.

NATIONAL ALUMINIUM CO: Is set to revamp its port handling facility Visakhapatnam as the company expects alumina-exports to about 3 mn tn annually in the next three years.

JSW ISPAT: May see annual savings of Rs.3 bn in energy costs as a group company is likely to sell power to it from Jan.

JAIPRAKASH ASSOCIATES: Bombay Stock Exchange to replace scrip with GAIL in Sensex from Jan 9.

JSW STEEL: Promoters have to infuse Rs.15.9 bn in the company before Dec 15.

AUTO & AUTO ANCILLARIES

AUTOMOBILES & AUTO ANCILLARY:

- Tata Motors nudging steel vendors for Rs.2,000/tn cut in Oct-Dec.
- CEAT sees tyre exports growing 45% in FY12.
- Toyota, Honda to tap new markets for parts.
- Apollo Tyres hopes to double Europe exports.
- Maruti Suzuki, Toyota, General Motors, Honda, and Skoda Auto plan to increase prices soon as the weakening rupee has pushed up costs of imported components significantly.
- ED says Bharat Forge's revenue seen growing over 20% in FY12.
- Maruti chairman says co may delay work on Gujarat unit as demand weak.
- Fiat to supply up to 100,000 diesel engines/yr to Maruti from Jan.
- M&M OKs merger of arm's automotive ops with self.
- MRF Oct-Sep consol net profit Rs.6.19 bn vs 3.57 bn.
- Toyota Motor Corp to bring Lexus cars in India by 2013.
- A section of workers at Hyundai Motor India's plant in Chennai have threatened to go on strike demanding the reinstatement of 18 sacked co-workers.
- Auto companies have put expansion plans on hold due to high cost of finance and slowing demand.
- The planning Commission has suggested that the government allocate Rs.50 bn for the auto industry under the 12th Five Year Plan mainly for research and development.

Maruti's Nov total sales down 18.5% on year at 91,772 units

Maruti Suzuki India Ltd's total vehicle sales, including exports, fell for the sixth successive month in Nov, down 18.5% from last year to 91,772 units. Domestic car sales fell 19.2% on year to 82,870 units, while exports fell 11.4% to 8,902 vehicles. Analysts however, said the performance was in line with expectations, and indicative of a production recovery following the spate of strikes that had adversely affected sales. "In fact, from the fifth and sixth of Nov, the company seems to have put the worst behind it," one analyst at a local brokerage said. Sales of vehicles in Maruti Suzuki's 'Mini' segment, which include Maruti 800, Alto, A-Star and Wagon R, fell 27.2% to 38,921 vehicles. The company's other segments showed significant recovery in sales, with the 'Compact' segment, comprising Estilo, Ritz and the best-selling Swift, falling only 3.7% on year to 22,159 vehicles, compared with a 56% on year fall in the previous month. Maruti Suzuki sold 10,403 Swift Dzires and 1,433 SX4s in Nov, up 6% and nearly 10%, respectively, from the previous year. The only car in the 'Executive' segment, the Kizashi, which was launched in Feb, sold 162 units in Nov, compared with only 3 last month. The company sold 8,902 units of the utility vehicles Gypsy and Grand Vitara and 9,612 vans--Omni and Eco--during the month. The company has borne the brunt of three labour unrests so far this financial year, the most recent one having lasted 15 days to end Oct 21. The latest agitation had spilled over to Maruti Suzuki's engine and transmission unit, Suzuki Powertrain India, disrupting supply of components and causing vehicle sales in Oct to fall 53.2% to 55,595 units.

M&M Nov total sales, excluding tractors, 40,722 units, up 53% on yr

Mahindra & Mahindra Ltd's total vehicle sales, excluding tractors, in Nov rose 53% on year to 40,722 units, the company said in a release. M&M's domestic sales rose 51.6% on year to 38,159 units, while its exports were up 70.9% to 2,563 units. The M&M's counter reacted positively to the sales numbers, rising 4%. The company's passenger vehicle sales, including utility vehicles and the Verito sedan, were pegged at 17,813 units, a 44.5%-on year increase. The three-wheeler sales rose 31.8% to 5,899 units, the release said. Mahindra Navistar Automotives Ltd, the joint venture between M&M and US-based Navistar Inc, sold 1,095 trucks in November compared to 4,468 year ago. An analyst said that while the passenger vehicles segment had done well in the period under review, the performance of the farm equipment sector was very disappointing. The sales of tractors in India and overseas market fell 2.6% on year to 17,527 tractors in November. Domestic tractor sales dropped 4.7% to 16,175 units, while exports registered a 32.6% growth at 1,352 units. In the Apr-Nov period, M&M has sold a total of 166,885 tractors, a 21% rise from the same period year ago, the statement said.

Tata Motors Nov total sales 76,823, up 41% on year

Tata Motors Ltd's total sales in Nov, including exports, increased 41% from the same period last year to 76,823 units. Out of total sales, the company's domestic sales rose 44% on year to 72,474 units and its exports rose 3% to 4,203 units, the company said. Tata Motors' passenger vehicle sales jumped 76% on year to 28,774 units. The sales number includes sales of its joint venture with Fiat Group Automobile SpA, pegged at 1,037 units. Tata Nano's November sales improved drastically at 6,401 units compared with 509 units a year ago. The company launched a more powerful, fuel-efficient, and better-designed version of the Nano at the same price, which boosted its sales. All Tata Motors vehicles in the passenger vehicle segment recorded a strong growth, but the Indigo range reflected a sluggish 3% growth at 6,009 units. In November, Tata Motors sold 44,737 commercial vehicles in the domestic market, 28% higher than a year ago. Sales of the company's light commercial vehicles increased 41% to 28,673 units, and that of medium and heavy commercial vehicles increased 9% to 16,064 units. Analysts see Tata Motors' sales performance in November as positive. There is some fatigue noticeable in the Indigo series, but the Tata Nano has picked up well, one analyst said.

M&M OKs merger of arm's automotive operations with self

Mahindra & Mahindra Ltd said the board of directors has approved merging the automotive operations of subsidiary Mahindra Automobile Distributor Pvt Ltd with itself. Shareholders of Mahindra Automobile Distributor will receive one M&M share for every 3,162 shares held. According to the original scheme of arrangement for the merger passed in May, there was no provision for issue of equity shares as then Mahindra Automobile Distributor was a wholly-owned arm of M&M and Mahindra Holdings. However, Mahindra Holdings recently sold some of its stake in Mahindra Automobile, and this necessitated the share issue, M&M said in a notice to the stock exchanges. Mahindra Automobile Distributor was formerly known as Mahindra Renault Pvt Ltd--a joint venture between M&M and French carmaker Renault. M&M bought out its partner's stake in the joint venture in April 2010. The joint venture manufactured and marketed the company's only sedan, Logan. Post the parting of ways, Logan was rebranded as Verito.

Maruti Suzuki aims 50% passenger vehicle market share by 2015

Maruti Suzuki India Ltd said it would foray into the utility vehicle segment with an aim to garner a 50% share of the domestic passenger vehicles market by 2015. The company said it would unveil the compact multi-purpose vehicle, Ertiga, and also showcase a compact sports utility vehicle concept model during the Delhi Auto Expo in Jan. The company, however, did not detail the timings of the commercial launch of these vehicles. "As the market gets more competitive, we have to gear up for the new dynamics," Managing Executive Officer (Marketing and Sales) Mayank Pareek said in a statement. He said the company's foray in new segments displays its confidence and preparedness for the future. "The company targets to achieve the market share of over 50% in the passenger vehicle segment by 2015," Pareek said. Maruti Suzuki would launch the Ertiga in petrol and diesel options.

Ford India Nov domestic sales 8,322 units, up 10.9% on year

Ford India Pvt Ltd sold 8,322 vehicles in the domestic market in Nov, a near 11% increase from the previous year. The Indian arm of US-based Ford Motor Co exported 1,769 units during the month, the company said. The company expanded its export footprint by adding Sri Lanka, Sierra Leone and Ethiopia markets in Nov. "We are nearing the end of a positive year where we continue to see strong customer acceptance of our brands and we are selling more despite challenging market conditions," President and Managing Director Michael Boneham was quoted saying in a release. In Jan-Nov, Ford India sold a total of 111,631 vehicles, a 30% increase from the same period last year.

TVS Motor Nov total sales up 12% on yr; motorcycles, 3-wheelers dn

TVS Motor Co Ltd sold 175,535 vehicles in Nov, up 12% from the same month a year ago, the company said in a statement. The company's total two-wheeler sales for the month also grew by 12% on year to 172,829 vehicles. While motorcycle sales in Nov fell marginally, scooter sales rose 22%. TVS Motor said it sold 62,608 motorcycles and 44,301 scooters during the month. Three-wheeler sales in Nov were at 2,706 units against 3,159 units sold a year ago. The Chennai-based company exported 24,271 vehicles in Nov, up 53% from 15,850 units a year ago.

Minda Industries to hive off battery division

Minda Industries Limited has informed the Exchange that the Board of Directors of the Company has unanimously approved the matter through circulation on Nov 21, 2011 regarding hiving off the running business of Battery Division of the Company to a New Company, being incorporated, subject to the approval by the shareholders of the Company. The postal ballot Notice, as approved by the Board of Directors is to be

sent to the shareholders of the Company on or before Nov 26, 2011, as per the Activities Sheet prepared for this hiving off.

Auto cos may hike cost of small cars by up to Rs.10,000

Automobile companies such as Maruti Suzuki, Toyota, General Motors, Honda and Skoda Auto plan to hike prices of small cars by up to Rs.10,000 in the next few days. The companies may also hike prices of sedans by Rs.25,000 to offset the impact of the weak rupee on import costs, the report said. Luxury car makers Audi too may raise prices by up to Rs.50,000. The Indian currency has depreciated about 17% since Jan and fell to an all-time low of 52.7 per dollar last week. A Maruti Suzuki official told the newspaper that the company is losing 15% of its margins due to the rupee fall.

Maruti may delay work on Gujarat unit, Manesar line on frail demand

Maruti Suzuki India Ltd may have to hold back its expansion plans, as it does not expect the domestic demand for passenger vehicles to revive any time soon. The country's largest carmaker is likely to delay the start of assembly operations at its third production line at Manesar in Haryana and also defer construction at its proposed manufacturing plant in Gujarat. "We will go ahead with anything that is in the pipeline. But, we may have to think about projects which are not in the pipeline, including Gujarat," Chairman R.C. Bhargava told.

Eicher Trucks and Buses Nov total sales 3,248 units, up 20% on yr

Eicher Trucks and Buses, a unit of VE Commercial Vehicles Ltd, said the company sold 3,248 vehicles in November, up 20% from the corresponding month a year ago. Sequentially, the month's sales were 23% lower than October. The company exported 77 vehicles in November, as against 184 units sold overseas a year ago. Eicher is India's third largest manufacturer of trucks and buses after Tata Motors Ltd and Ashok Leyland Ltd. VE Commercial Vehicles is a joint venture between Eicher Motors and Sweden's Volvo. Earlier, Tata Motors said its November domestic commercial vehicle sales rose 28% on year to 44,737 vehicles.

Tata Motors, Maruti nudge steel vendors for price cuts in Oct-Dec

Two of the country's largest automobile makers, Tata Motors Ltd and Maruti Suzuki India Ltd, are bargaining hard with steel vendors for up to Rs.2,000 a ton downward revision in Oct-Dec contracts, sources with direct knowledge of the matter told.

M&M to mull merger of arm's automotive ops with self

Mahindra & Mahindra Ltd said a meeting of the board of directors will be held on Tuesday to consider merger of subsidiary Mahindra Automobile Distributor Pvt Ltd's automotive business with itself.

CEAT sees tyre exports growing 45% in FY12

Tyre maker CEAT Ltd's exports are seen growing 45% in 2011-12 (Apr- Mar), Managing Director P.K. Chaudhary said in an interview on CNBC-TV18. He said going ahead the company will derive 25% of its revenue from exports versus 22-23% so far.

Maharashtra Scooters announces VRS scheme

Maharashtra Scooters Limited has informed the Exchange that on Dec 01, 2011 the Company has announced a Voluntary Retirement Scheme (VRS) for the permanent staff, which shall remain in force till Dec 16, 2011.

Fiat to supply up to 100,000 diesel engines/yr to Maruti from Jan

Fiat SpA has agreed to supply up to 100,000 diesel engines a year from its Ranjangaon plant in Maharashtra to Maruti Suzuki India Ltd starting Jan.

Apollo Tyres hopes to double Europe exports

Apollo Tyres expects to double its exports to Europe to 100,000 units a month as its newly commissioned facility at Chennai is on course to operate at terminal capacity.

MAHINDRA & MAHINDRA:

- To mull new merger plan of arm's automotive operation with self.
- Mahindra 2 Wheelers Ltd, an arm of the company, is looking to raise Rs.2 bn from private equity investors by divesting a minority stake.

APOLLO TYRES: Plans to double exports of the tyres to 100,00 pieces a month in more than six months, may expand capacity of Holland unit to 6.5 mn tyres a year.

MARUTI SUZUKI: Government said the company's demand of good conduct bonds from workers was unfair.

HERO MOTOCORP: Has raised pay of white-collar employees by as much as 30%.

MISCELLANEOUS

MISCELLANEOUS:

- Govt OKs 18 FDI proposals worth Rs.21.26 bn.
- FIPB rejects Bharati Shipyard's FDI proposal for defence ops.
- Bharti says terminated talks with RIL on stake buy in Bharti AXA.
- Jyothy Labs to hike price of Ujala blue 75 ml by 7% from Dec 1.
- Emami hikes product prices 4-14% across categories since Oct.
- SEBI plans platform for minority shareholders.
- JJ Irani: Forcible corporate social responsibility won't work.
- Ikea may revive India plans.
- Bombay Stock Exchange to exclude NATIONAL ALUMINIUM CO, and TATA COMMUNICATIONS from BSE-100 index, and include COLGATE-PALMOLIVE, HINDUSTAN ZINC.
- Commodity exchange MCX has been allowed by Foreign Investment Promotion Board to sell equity shares in the company to foreign institutional investors through its initial public offer.
- MCX and promoter Financial Technologies pledge to limit their combined holding in the bourse to 5%.
- Forward Markets Commission gives Universal Commodity Exchange four months extension to meet pre-launch compliances.
- Fertiliser companies have said they will absorb rising input costs of crop nutrients despite rise in expenditure due to costly imports.
- The companies have also decided not to approach the government for additional subsidies.
- Government gives nod for 18 FDI proposals worth Rs.21.26 bn.
- Government approval to allow foreign airlines to pick up 26% stake in domestic airlines likely to come in Dec.
- Global chains may face problems in opening stores in 28 of 53 cities open to investors due to the strong opposition from political parties BJP, JD(U), AIADMK, BSP, and Trinamool Congress.
- A committee recommendation said the timeline for making claims under third-party motor pool is likely to be capped at two years. This would ensure claims that are reported after three years, which are mostly manipulated, will come down.
- The Securities and Exchange Board of India wants companies making buyback offers to make a firm commitment to buy at least 25% of such offers.
- SEBI is exploring the possibility of setting up a platform to enhance the involvement of dispersed non-controlling minority shareholders across the country.
- Bharti Retail, part of Bharti Enterprises, group to initiate talks with Wal-Mart for equity partnership in front end retail stores 'easyday'.
- Reliance Retail has no plans to rope in a foreign partner following the government decision to allow up to 51% FDI in multi-brand retail and 100% in single-brand retail.
- Swedish fashion brand Hennes & Mauritz does not have any 'concrete' plans to enter India although the government has removed ceiling on FDI in single brand retail.
- Sweden-based furniture maker IKEA may be the first to enter Indian markets after the government cleared FDI norms in single and multi brand retail.
- Moody's says RBI restraint on FX intervention credit positive.
- Govt source says may OK foreign retail investors in shr mkt mid-Dec.
- Retail FDI rocks Parliament; President asks PM for all-party meet.
- Mamata says Bengal to shun foreign retailers, to oppose FDI policy.
- Govt says multi-brand chains to source at least 30% from local SME.
- Swedish furnishing brand IKEA to enter India; to detail plan Tue.

- Gitanjali Gems converts, redeems FCCBs worth \$110 mn.
- Food minister says no plan to ban futures trading in farm products.
- States panel to mull demand to bring oil pdts, alcohol in GST ambit.
- French retailer Carrefour opens 2nd cash-and-carry store in India.
- Thomas Cook says no impact of parent co refinance deal on India ops.
- SC gives more time to 2 Sahara cos to refund investors.
- All-party meet fails to end logjam over retail FDI; PM skips meet.
- PM defends FDI in multi-brand retail, says not a hurried decision.
- Adviser Basu says gains from multi-brand retail FDI outstrip negatives.
- RBI to buy up to Rs.100 bn of 4 gilts via OMO auctions.
- SEBI says open to high-frequency trade, but associated risk high.
- SEBI asks bourses, depositories to undertake annual system audit.
- Pranab says rupee fall mainly on uncertain global econ situation.
- Govt says not contemplating any control on capital flows.
- Eros Int CFO Jain says hope to achieve FY12 growth aim of 30%.
- Britannia launches 4 new bread varieties in Delhi in 400 gm pack.
- Source says HUL hikes prices of premium bathing soaps by 2.6-5.5%.
- IDFC's VC fund, Piramal, Canada co in JV to set up road projects.
- Thomas Cook to sell travel insurance products of Bajaj Allianz.
- Report says SEBI clears Varkey Group's open offer for Everonn shrs.
- LIC equity investment target cut by a third.
- The Supreme Court has given two Sahara Group companies, which were directed by the Securities Appellate Tribunal to refund Rs.17.4 bn to investors, 41 days more or until Jan 8 to payback.
- The Prime Minister has called for an all-party meeting to break the Parliament logjam over FDI in retail.
- Consumer durables makers such as LG and Samsung have increased prices by 2-5% for home appliances due to the falling rupee.
- Re-insurer, General Insurance Corp, has scrapped the fee it pays primary insurers to compensate them for an obligatory risk reinsurance of 10%. The move could hit bottomline of non-life insurers.
- Government has clarified that multi-brand retailers will have to source a minimum of 30% supplies from the domestic small and medium enterprises.
- Indian multi-brand retailers may split their businesses to induct foreign partners in select states after several states said they will not allow FDI in food and grocery chains despite the Union Cabinet giving its nod.
- Future Group would partner with foreign investors in certain selected formats and not across the board.
- Life Insurance Corp has cut its equity investment target by one-third this fiscal year on declining sale of insurance policies in a gloomy economic environment.
- Insurance Regulatory and Development Authority has asked LIC to settle claims within six months after it had issued a show cause notice to LIC in Aug on a delay in repudiating death claims.
- Securities and Exchange Board of India has advised stock exchanges and depositories to get a system check conducted by an independent auditor every year.
- PM Singh says allowing foreign companies access to retail market not a hurried decision, stresses on intended benefits such as jobs creation, productivity boost, and higher returns to farmers.

Govt source says may OK foreign retail investors in shr mkt mid-Dec

The government may allow foreign retail investors to directly invest in the Indian equity markets by mid-Dec, a finance ministry official told. Currently, mutual funds registered with Securities and Exchange Board of India are allowed to accept subscriptions from foreign investors who meet the know-your-customer norms for equity schemes. Finance Minister Pranab Mukherjee had made the announcement to allow foreign retail

investors in Indian equities in his 2011-12 (Apr-Mar) Budget speech with an aim to liberalise the portfolio investment route. Earlier this year, the government had allowed foreign retail investment up to \$10 bn in mutual fund schemes. The government's move is seen as widening the class of foreign investors in the Indian equity market.

Swedish furnishing brand IKEA to enter India; to detail plan

Days after the government decided to allow 100% foreign direct investment in single-brand retail, Swedish furnishing brand IKEA has drawn up plans to enter the Indian market, IKEA Group spokesperson Josefin Phoroll told. The company said in a press invite that it would announce a "strategic initiative for Indian market". A source with direct knowledge said the Swedish company will set up a 100% subsidiary, which will initially focus on Delhi and Mumbai markets. IKEA had planned to enter the domestic market in 2009, but had to shelve it plans after failing to find an Indian partner with adequate capital to invest in the business. In 2010, IKEA's sales rose to 23.1 bn euro, up 7.7% on year, with the continents of Asia and Australia contributing around 6%. The company has a presence in 41 countries with 29 trading offices in 25 countries, according to its website.

Govt says multi-brand chains to source at least 30% from local SME

The government issued a clarification saying that multi-brand retailers will have to source minimum 30% supplies from Indian small and medium enterprises having a capital investment of up to \$1 mn. Among guidelines unveiled in its foreign direct investment policy, the government had said 30% of the value of multi-brand retailers' procurement of manufactured items should be from small and medium enterprises globally. However, in an advertisement the following day, the government did not make a reference to whether these small and medium enterprises must be local or foreign, leading to a confusion. "This will provide the scales to encourage domestic value addition and manufacturing, thereby creating a multiplier effect for employment, technology upgradation and income generation," the clarification note said. Thursday, the Union Cabinet approved 51% foreign direct investment in multi-brand retail, and raised FDI in single brand retail to 100% from 51%. The government also said it was the prerogative of states to implement the government policy on multi-brand retail. Both houses of Parliament were adjourned for the day, as the Opposition protested the government's move to allow 51% foreign direct investment in multi-brand retail and 100% in single-brand. Apart from the Opposition, the ruling United Progressive Alliance's key allies, the Trinamool Congress and Dravida Munnetra Kazhagam, have also furiously decried the decision.

Govt says not contemplating any control on capital flows

The government said is not mulling any controls to keep a check on the volatile capital flows. "Volatility is inherent in any market. It is an outcome of perceptions of the investors - domestic and overseas, retail and institutional...", Minister of State for Finance Namo Narain Meena said in a written reply in the Rajya Sabha. So far in Nov, foreign institutional investors have pulled out \$808 mn from the Indian stock market, after investing \$753 mn a month ago. Meanwhile, foreign direct investment in India during Apr-Sep, the first six months of the current financial year, rose 74% to \$19.14 bn from \$11.00 bn a year ago. In September, FDI inflows fell to \$1.77 bn, down 16% on year. Meena also said that the fundamentals of the Indian economy were "strong" and "intact".

Pranab says rupee fall mainly on uncertain global econ situation

The Indian currency has depreciated sharply against the US dollar mainly because of the uncertain global economic environment and the fluctuating demand-supply conditions in the foreign exchange market, the government said. "The main reason for the depreciation of rupee against US dollar is uncertain global economic environment, particularly unfolding of Eurozone sovereign debt crisis, which has impacted the level of foreign institutional investment flows...", Finance Minister Pranab Mukherjee said in a written reply in the Rajya Sabha. The Indian currency plunged to an all-time low of 52.72 rupees per dollar earlier this month, weakening by 6% in the month and 15% since April. So far in November, foreign institutional investors have pulled out \$808 mn from the Indian stock market, after investing \$753 mn a month ago. Mukherjee also said the Reserve Bank of India was watching the currency market closely, and intervenes only to curb volatility and does not target a specific rate.

SEBI says open to high-frequency trade, but associated risk high

The stock market regulator is not averse to introduction of high-frequency trading provided bourses equip themselves with strong risk management systems, Securities and Exchange Board of India Chairman U.K. Sinha said. High-frequency trading, which has recently gained popularity in some overseas exchanges, is the

use of advanced technology for trading large volumes of securities within microseconds. The speed and volume of trade makes this tool highly vulnerable to risks.

Source says HUL hikes prices of premium bathing soaps by 2.6-5.5%

Hindustan Unilever Ltd has raised retail prices of premium bathing soaps by 2.6-5.5%, a trade source told. The price of 90 gm pink and white Lux soap has been raised by Re.1 to Rs.19, the source said. The prices of 45 gm and 75 gm packs of Dove soap have also been hiked by Re.1 to Rs.19 and Rs.39 respectively. The 100 gm and 150 gm packs of Rexona soap have been hiked by Re.1 and now retail at Rs.19 and Rs.32 respectively. The company has also raised the price of the 100 gm pack of Hamam soap, which now retails for Rs.19. While palm oil prices have stabilised, rupee depreciation has hit the company, warranting a price hike, said Nitin Mathur, consumer research analyst at Espirito Santo Securities.

Britannia unveils four new bread varieties in Delhi

Britannia Industries Ltd said it has launched four new types of bread in 400 gm packs in Delhi. The variants are multi-grain, honey and oats, 100% whole wheat and multi-fibre. The first two variants are priced Rs.25 each and the other two at Rs.22 per pack. "Delhi is the bread capital of the country. So we decided to launch them here. Based on our experience here, we will take it to other parts of the country," said Anuradha Narasimhan, category director (health and wellness). Britannia officials said north India comprised 75% of the company's revenue from the bread segment. Company officials said Britannia Industries commanded 50-55% market share in the bread segment.

Thomas Cook arm to sell Bajaj Allianz General Insurance's products

Thomas Cook (India) Ltd, through its arm Thomas Cook Insurance Services (India) Ltd, has entered into an agreement with Bajaj Allianz General Insurance Co Ltd to sell the latter's travel and general insurance products. Under the agreement, Thomas Cook will act as a corporate agent of Bajaj Allianz and will offer customised travel insurance solutions designed for individuals, corporates, and small and medium enterprises. The agency will also provide instant policy issuance services from its centres across the country and help in claim settlements, the company said in a press release.

Report says SEBI clears Varkey Group's open offer for Everonn shrs

The Securities and Exchange Board of India has cleared Varkey Group Ltd's open offer for up to 4.48 mn shares of Everonn Education Ltd, representing 20% of its paid up capital, at 528 rupees per share, business news channel ETNow reported, citing sources. The open offer follows the induction of Varkey Group as a co-promoter of Everonn Education and a preferential allotment of 2.62 mn shares. On Sep 23, Varkey Group made a public announcement of the open offer and sought approval from the capital market regulator on Oct 10. As per the public announcement, Varkey Group intended to begin the open offer on Nov 16 and close it on Dec 5. However, due to the delay in getting SEBI clearance, Varkey Group will have to announce a revised schedule.

Archidply in pact to sell Mysore unit, land, machinery

Archidply Industries Ltd has informed BSE that subsequent to the approval of the shareholders through postal ballot for sale of the Mysore Unit, the Company have entered into the agreement for sale for land at Mysore admeasuring 5 Acres 31 Guntas with Reliance Prolific P Limited for a total consideration of Rs.2085.16 lakhs. Further, the Company has also taken the steps for selling and disposal of the plant & machinery and building sheds in piecemeal basis on as on where is basis, which shall further consideration of approximately Rs.200 lakhs.

SEBI asks bourses, depositories to undertake annual system audit

The Securities and Exchange Board of India advised stock exchanges and depositories to get a system audit conducted by an independent auditor every year as per its system audit framework issued in 2008. The capital market regulator said an annual system audit will ensure technological developments in the securities market do not overshadow the risks such innovations pose to the efficiency and integrity of markets. SEBI said in a circular that the system audit report by the stock exchanges and depositories should be placed before their governing boards and forwarded to the regulator along with comments. It said that in addition to the system audit report, managing director or chief executive officer of the respective stocks exchanges or depositories will have to give a declaration certifying the security and integrity of their information technology systems.

Shri Lakshmi to start talks to extend FCCBs' tenure

Shri Lakshmi Cotsyn Limited has informed the Exchange that the Board of Directors of the Company at its meeting held on Nov 29, 2011 have considered and decided the following:- (1) Authorised Mr. Rakesh Kumar Srivastava, Company Secretary cum Finance Controller of the Company to initiate discussions with the Foreign Currency Convertible Bond (FCCB) holders for extending the tenure of the outstanding FCCB's worth USD 6.5 million for a period of 3 years from the current maturity date of September 27, 2012 on the same terms in view of the ongoing expansion projects of the company valuing for more than Rs.2000 crores.

Network18 appoints Group COO B. Saikumar as Group CEO

The Network18 Group said that Group Chief Operating Officer B. Saikumar has been appointed as the group chief executive officer following the resignation of the incumbent CEO, Haresh Chawla, earlier this month. Besides having interests in web portals, publications, film entertainment, and e-commerce businesses, the Network18 group, earning over \$500 mn in revenues, includes listed companies such as Network18 Media & Investments Ltd and TV18 Broadcast Ltd that run business and general news channels, and entertainment channels. is a part of the Network18 Group. Saikumar will shortly also join the boards of other businesses, HomeShop18 and Viacom18, a release from the group said. Chawla has been with the group for around 12 years and has overseen its transformation from a single business news channel and solitary portal company.

KEI Ind redeems outstanding FCCBs worth \$16.6 mn

KEI Industries Ltd has informed BSE that the Company has successfully redeemed the outstanding Foreign Currency Convertible Bonds (FCCBs) of USD 16,600,000 (USD 16.60 mn) together with redemption premium and interest, totalling to USD 23,427,314.33. With this payment, the entire FCCBs liability has been extinguished. The Company has made the repayment of FCCBs as per schedule/ in line with the terms and conditions of the FCCB Offering Circular, underlining the Company's strong fundamentals and values. The Company had issued FCCBs aggregating to USD 36 mn on Nov 29, 2006. After conversions and buyback / repurchase of FCCBs totalling USD 19,400,000 (USD 19.40 mn) from time to time, (FCCBs) of USD 16,600,000 (USD 16.60 mn) were outstanding for redemption / payment on maturity date i.e. Nov 30, 2011.

French retailer Carrefour opens 2nd cash-and-carry store in India

French multi-brand retailer Carrefour S.A. has opened its second cash-and-carry store in India at Jaipur. In Dec, the company had opened its first store under the name 'Carrefour Wholesale Cash & Carry' in Delhi. "We are very pleased with the results from our first cash and carry store," the release said quoting Carrefour India's Executive Director Jean-Noel Bironneau. "This second opening in Jaipur represents the next step of Carrefour's implantation in the Indian market, which holds important growth opportunity. As well as our intention to expand in the cash and carry segment, we maintain our ambition to develop in other formats." The new store will have a sales area of 5,650 sq mtr and will offer more than 10,000 stock keeping units in food and non-food segments, the release said.

Consolidated Securities to issue shares, warrants

Consolidated Securities Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 28, 2011, inter alia, has considered and approved the following matters: 1. Considering the bad market conditions, the board of directors has decided to not to go ahead with the right issue of equity shares which was approved in its meeting held on Jul 20, 2011 and therefore, cancel the same. 2. Issue of 300000 equity shares and 1,000,000 warrants carrying a right to subscribe to equal number of equity shares of Rs.10 each of the Company on preferential basis to the promoter at a price of Rs.45 each which is higher than the price determined in accordance with SEBI (ICDR) Regulations, 2009. 3. Convening the extraordinary general meeting of the company to seek shareholders approval on the aforesaid preferential issue.

Major fire in Mumbai's Crawford market; no casualties so far

A major fire broke out near Crawford market, one of the biggest wholesale markets of Mumbai, early Saturday. The fire, which is still raging, is likely to have damaged property worth millions of rupees. The fire that broke out around 0300 IST in Manish market and Sahara Shopping Centre in the area spread rapidly engulfing shops that mostly sell electronic goods, news channel CNN-IBN reported. Over 20 fire tenders have rushed to the area. No casualties have been reported so far. The cause of the fire is still unknown, reports said.

5 entities to make open offer for 26% more in Overseas Synthetics

Five investors, who have entered into an agreement to buyout Overseas Synthetics Ltd from its existing promoters, have made an open offer to acquire 1.8 mn shares or 26% stake in the company at Rs.3 per share, a newspaper advertisement by Asit C. Mehta, the manager to the open offer on behalf of the acquirers said. According to the advertisement, the five investors are Naresh Vijay Kumar Goyal,

Shubharangana Naresh Goyal, Navdeep Naresh Goyal, Kamal Rajendrakumar Aggarwal, and Minal Kamalkumar Aggarwal.

Gitanjali Gems converts, redeems FCCBs worth \$110 mn

Gitanjali Gems Ltd has informed BSE that the Company has successfully completed conversion and redemption of its 1% Foreign Currency Convertible Bonds (FCCB) worth USD 110 mn, which matured on Nov 25, 2011. Further the Company has informed that, out of FCCBs issued, 63.4% of the of the total issue size were converted into equity shares and balance 36.6% bonds matured on Nov 25, 2011. The outstanding bonds worth USD 40.26 mn were redeemed on maturity date i.e. Nov 25, 2011 and Company paid outstanding principal amount and premium to the remaining bondholders. Post conversion total outstanding shares of the Company have increased from 84,871,598 equity shares as on Mar 31, 2011 to 91,222,095 equity shares till date.

Subex to raise \$135 mn to pay for FCCB redemption in Mar

Subex Ltd plans to raise \$135 mn to make payment of \$131 mn on redemption of its foreign currency convertible bonds maturing in Mar, the company said in a release. "We intend to raise the required amount through debt or equity or a combination of the two," Chairman and Managing Director Subhash Menon said. The information technology company did not say what the proportion of debt and equity would be in the proposed fundraising.

Source says Nestle hikes EveryDay milk powder prices 7.6-13.8%

Faced with rising milk prices, food products maker Nestle India Ltd has raised the price of EveryDay dairy whitener, a trade source told. Maximum retail price of the 950 gm pack of EveryDay milk powder has been hiked by 13.8% to Rs.330, while that of the 490 gm pack has been increased by 7.6% to Rs.170, the source said. For Jul-Sep, Nestle India reported raw material costs of Rs.8.22 bn, up 12.9% on year. The raw material cost as a percentage of sales was 41.87%. The company posted net profit at 2.61 bn rupees, up 23.8% on year.

Kale Consultants gets accounting outsourcing order from Etihad Air

Kale Consultants Ltd has received an outsourcing order from Etihad Airways, the national carrier of United Arab Emirates, for accounting of passenger and cargo revenues from April. It did not disclose the financial details of the deal. Etihad Airways, which serves 86 cities in West Asia, Africa, Europe, Asia, Australia and North America, carried over 7 mn passengers in 2010. Kale Consultants provides solutions to the global airline and travel industry. It has more than 100 aviation industry clients in over 30 countries.

Gitanjali Gems says 67% of \$110 mn FCCBs converted, rest repaid

Gitanjali Gems Ltd said that a majority of \$110 mn face value foreign currency convertible bonds of the company have been converted into shares while the remaining were redeemed on Nov 25 when they were due. Bondholders converted 63% of the instruments into equity while 37% were redeemed at a premium, the jewellery maker said in a release. The company had issued the bonds at a coupon of 1% to be converted at 220 rupees per share and premium of 42%. Including the premium, the break-even price for the bondholders was Rs.312 per share.

Religare Enterprises' promoter pledges 755,000 shares Nov 23-25

Religare Enterprises Ltd said its promoter RHC Holding Pvt Ltd has pledged 755,000 shares of the company in two tranches on Nov 23 and Nov 25. In a notice to the stock exchanges, Religare Enterprises said RHC Holding pledged 450,000 to Aditya Birla Finance Ltd, and 305,000 shares to Bajaj Finance Ltd. Religare Enterprises said RHC Holding has so far pledged 4.32 mn shares of the company, or 65.5% of its 4.65% stake.

Thomas Cook says no impact of parent co refinance deal on India ops

Thomas Cook (India) Ltd said the refinance deal signed by the parent company last week would have no impact on its business, the travel company said in a release. The clarification came after its UK-based parent Thomas Cook Group Plc announced a refinancing deal and a new loan facility of 200.00 mn sterling (Rs.16.20 bns) with a group of banks led by Barclays, HSBC, Royal Bank of Scotland and UniCredit. Thomas Cook (India) has reiterated the demand for its products across its travel verticals as well as foreign exchange continued to be strong.

DK Mohanty appointed Dredging Corp CMD, effective

Dredging Corporation of India Ltd has informed BSE that Ministry of Shipping, Department of Shipping vide its letter dt. Nov 18, 2011 informed the appointment of Capt. D. K. Mohanty, as Chairman and Managing Director of the Company for a period of five years w.e.f. the date of assumption of the charge of the post or till the date of superannuation or until further orders whichever is earlier. Capt. D. K. Mohanty assumed charge as Chairman and Managing Director w.e.f. Nov 30, 2011.

Bombay Burmah Trading completes sale of BCL Springs unit

With reference to the earlier announcement regarding the proposed transfer and sale of Corporation's BCL Springs Division engaged in the business of manufacturing and marketing Springs and located at Aurangabad as a going concern on a slump sale basis for a lumpsum consideration of Rs.180.50 Crores to NHK Automotive Components India Pvt. Limited subject to the approval of the shareholders and other government regulatory approvals, Bombay Burmah Trading Corporation Ltd has now informed BSE that the transaction has been concluded at the close of business hours on Nov 30, 2011.

ITC says step down arm BFIL Securities dissolved Nov 25

ITC Ltd has informed BSE that the Company have been advised by BFIL Finance Limited (a wholly owned subsidiary of the Company), vide their letter dated Nov 28, 2011, that BFIL Securities Limited (a wholly owned subsidiary of BFIL Finance Limited), which was under voluntary winding up, has been dissolved effective Nov 25, 2011.

Krypton Industries to mull merging arms with self Dec 5

Krypton Industries Ltd has informed BSE that a meeting of the Board of Directors of the Company will be held on Dec 05, 2011, inter alia, to consider & approve the Draft Scheme of Amalgamation of M/s. Eco Wheels Pvt. Ltd. (a subsidiary Company), M/s. Krypton Tyres Ltd. & M/s. Barons Polymers Pvt. Ltd. with Krypton Industries Ltd. ("the Company").

Deep Ind to mull allotment of warrants at 76 rupee each

Deep Industries Ltd has informed BSE that a meeting of the Board of Directors of the Company will be held on Dec 03, 2011, inter alia, to consider the following matters: 1. To allot 27,50,000 Convertible Warrants of Rs.76 each to the Promoters and relatives of Promoter's Group on preferential basis. 2. To consider the appointment of Directors.

Valuemart Retail to raise Rs.100 mn via pref issue of shares

Valuemart Retail Solutions Ltd will raise Rs.100 mn through a preferential issue of 2 mn shares to its promoters and other strategic investors at Rs.50 per share, the company said. The Bengaluru-based company will use the proceeds from the share issue to fund its expansion in the travel and hospitality sectors by setting up offices and travel lounges across the country, the company said in a release.

Kreon Financial to foray into retail segment

Kreon Financial Services Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 28, 2011, have approved the following:- The board has in principle approved for entering into retail segment via strategic investment route subject to the due diligence process and final agreement which shall be entered with in a period of 30 days.

Retail FDI rocks Parliament; President asks PM for all-party meet

With friends and foes vehemently protesting the government's recent move to allow foreign direct investment into multi-brand retail and Parliament embroiled in yet another logjam, Prime Minister Manmohan Singh met President Pratibha Patil, who asked him to call an all-party meeting to resolve the matter, a government source said.

Eros Int CFO Jain says hope to achieve FY12 growth aim of 30%

Eros International Media Ltd hopes to achieve turnover growth of 30% in 2011-12 (Apr-Mar), Chief Financial Officer Kamal Jain said. The company, which produced and distributed the Akshay Kumar and John Abraham-starrer Desi Boyz has recovered 75-80% of the amount invested in the movie, even before its release on Nov 25, he said.

Rallis to discontinue operations at Turbhe unit

Rallis India Ltd has informed BSE that the Company announced a Voluntary Retirement Scheme (VRS) for the employees of the Company at its factory at Turbhe, Navi Mumbai. Most of the employees applied for the VRS, all of which have been accepted by the Company. The manufacturing operations at the said Unit have been discontinued.

Tata AIG Life buys 12,500 more shares of Tata Steel from open mkt

Tata AIG Life Insurance Co Ltd bought 12,500 shares of Tata Steel Ltd from the open market for Rs.4.78 mn. With the Monday's purchase, Tata AIG Life Insurance now has 2.15 mn shares of Tata Steel. Tata AIG Life Insurance Co is part of the promoter group of Tata Steel and holds 0.22% stake in the company.

LIC cuts FY12 equity investment aim to Rs.400 bn vs Rs.600 bn

Life Insurance Corp of India has brought down its equity investment aim for the current year to Rs.400 bn from earlier planned Rs.600 bn. So far, LIC has bought shares worth Rs.200 bn and will invest the rest of the amount over the next four months.

MIC Electronics appoints Atluri Venkata Ram as CEO

MIC Electronics Ltd has informed BSE that the Board of Directors of the Company at its meeting held on Nov 29, 2011, inter alia, has approved the following: 1. Appointment of Shri Atluri Venkata Ram as CEO. 2. Issue of ESOPs. 3. Increasing the Authorised Share Capital of the Company by Rs.10 (Ten) Crores.

Mamata says Bengal to shun foreign retailers, to oppose FDI policy

West Bengal Chief Minister and Trinamool Congress Supremo Mamata Banerjee said that foreign retailers were not welcome in her state and her party would oppose the central government's decision to allow 51% foreign direct investment in multi-brand retail.

Govt asking public sector entities to pay higher dividend this year

Finance ministry is said to be asking cash rich public sector entities to pay a higher dividend this year to tide over the government's cash crunch. The budget had targeted dividends from PSUs at Rs.426.23 bn this year, lower than Rs.487.27 bn a year ago.

NSE may sell 5% stake in NCDEX to BSE for Rs.350 mn

National Stock Exchange may sell 5% stake in National Commodity and Derivatives Exchange to Bombay Stock Exchange for Rs.350 mn. NSE plans to reduce its stake to comply with government norms, that limits a stock exchange's holding in an over five-year old commodity exchange at 5%.

Nokia Siemens to lay off 2,000 employees in India to cut losses

Nokia Siemens Networks is likely to lay off about 20% of its workforce or 2,000 employees in India to cut losses. The lay offs are part of the global restructuring exercise by the company.

FDI gate open but real benefit for retail cos some time away

Stocks of retail companies witnessed a lot of action after the Union Cabinet relaxed norms for foreign direct investment in the sector but the cheer might be short-lived as the Street would have to wait for real money to pour in.

BSE to replace Jaiprakash Associates with GAIL in Sensex from Jan 9

BSE would replace Jaiprakash Associates with GAIL (India) in its 30-share Sensex from Jan 9, the stock exchange said. The stock exchange will exclude National Aluminium Co, and Tata Communications from its BSE-100 Index, and include Colgate-Palmolive (India) and Hindustan Zinc in the index.

SAT sets aside SEBI order penalising SMC Global Securities

Securities Appellate Tribunal has set aside an order by the Securities and Exchange Board of India imposing a fine of Rs.50,000 on SMC Global Securities Ltd for violation of the code of conduct for stockbrokers.

Universal Commodity bourse gets 4 more mos to meet pre-launch norm

Regulator Forward Markets Commission has given Universal Commodity Exchange four months extension to meet pre-launch compliances related to management structure and equity stake placement, said FMC Chairman Ramesh Abhishek.

FIPB allows MCX to sell equity shares to FIIs in public offer

Foreign Investment Promotion Board allowed commodity exchange MCX Ltd to sell equity shares in the company to foreign institutional investors through its initial public offer.

FIPB rejects Bharti Shipyard's FDI plan for new defence production

Foreign Investment Promotion Board rejected an investment proposal of Bharti Shipyard to start "additional activities in defence production", a finance ministry release said.

Bharti, RIL, AXA call off talks for insurance venture deals

After almost six months of negotiations Bharti Enterprises, and Reliance Industries Ltd said they have terminated their talks for the proposed sale of Bharti's stake in its joint ventures Bharti AXA Life Insurance Co Ltd and Bharti AXA General Insurance Co Ltd.

Govt says FDI reforms in retail to help add 10 mn jobs in 3 years

The government's decision to allow foreign direct investment in multi-brand retail is likely to help create 10 mn jobs in the next three years, Commerce and Industry Minister Anand Sharma said.

Govt proposes 138-bn-rupee extra fertiliser subsidy in FY12

The government sought Parliament permission to spend an extra 137.79 bn rupees as fertiliser subsidy in the current financial year started Apr 1. With this, the total fertiliser subsidy in 2011-12 will rise to 637.77 bn rupees, including 499.98 bn rupees allocated in the Budget.

Eros Int's Desi Boyz may not get huge audience in opening weekend

Eros International Media Ltd's feature film Desi Boyz, which the company has produced and is distributing, is not likely to draw big crowds, show details on occupancies from cinema hall chains.

KEC International MD sees margins improving in coming months

KEC International Ltd expects its margins to improve in the coming months after the sharp fall in Jul-Sep, Managing Director and Chief Executive Officer Ramesh Chandak told.

Fidelity International, FMR up stake in Jubilant FoodWorks to 5.06%

Fidelity International Ltd and its affiliate FMR LLC said they have increased their stake in Jubilant FoodWorks Ltd to 5.06% from 4.76% on Nov 22.

SEBI asks cos to reveal PE, VC fund's stake separate from promoter

Securities and Exchange Board of India has said that companies will now have to disclose the holdings of private equity investors and venture capital funds separately from that of promoters, a move that will make it easier for companies backed by these funds to go public.

LIC Housing to raise 1 bn rupee via bonds

LIC Housing Finance is planning to raise at least 1 bn rupees via a three-year bond issue offering a coupon rate of 9.80%. YES Bank is the sole arranger to the deals and the pay-in-date for the issue is Nov 30.

DISH TV INDIA: FIPB approves company's Rs.9.8-bn plan to raise overseas equity in its telecom equipment operations.

HIMADRI CHEMICALS & INDUSTRIES: Plans to use its upcoming facility in China to cater to the key markets in Asia; first phase of the proposed coal-tar pitch unit to commission in Jan.

HINDUSTAN UNILEVER: Reliance Anil Dhirubhai Ambani group and seven others have bid for the company's Worli property in Mumbai, sale of which may fetch around Rs.5 bn.

MANJUSHREE TECHNOPACK: To invest Rs.1.5 bn in setting up two polyethylene terephthalate bottle manufacturing units at Bengaluru by 2012 end.

JINDAL POLY FILMS: Has bought 400,300 shares or 10.01% of the proposed maximum buy-out quantity for Rs.723 mn.

RELIGARE ENTERPRISES: Avigo Capital Partners has invested Rs.1.5 bn in arm Religare Finvest.

TITAN INDUSTRIES: Has hiked retail prices by 5-7% across its brands due to rupee depreciation and rising input costs.

EVERONN EDUCATION: Has received SEBI's approval for its open offer to Dubai-based Varkey Group, scheduled to open on Nov 16.

SRF: Has bought back 1.9 mn shares from open markets for around Rs.589.5 mn. The buyback began on Mar 30 and will end on Feb 25.

THOMAS COOK INDIA: Signs pact with Bajaj Allianz General Insurance to sell travel insurance products of the insurance company.

PANTALOON RETAIL INDIA: Macquarie Bank ups stake in company to 6.59% from 3.45%.

IPO Watch

IRDA notifies IPO norms for life insurance companies

Insurance Regulatory and Development Authority notified the much-awaited norms for initial public offering by life insurance companies. As per the norms, it is mandatory that all life insurance companies to get the approval of the insurance regulator before filing the draft red herring prospectus with the Securities Exchange Board of India. The insurance regulator had issued the draft IPO guidelines in Jun, and made changes to the draft after receiving industry feedback on the same. Finally, it had referred the guidelines to SEBI for its final approval. As per the norms notified on the regulator's website, the approval given to any life insurance company for an IPO will be valid only for a year. Any company that wishes to go public for raising funds must have completed 10 years in the life insurance business. A life insurance company can opt for an IPO either to raise funds or for divestment of excess shareholding by its promoters. The regulator will consider the policy-holder protection record of the insurance company before granting approval to any life insurer to make an IPO. IRDA has also highlighted that the company opting for an initial public offering should submit an 'embedded value report' prepared by an independent actuarial expert to the regulator.

Avantha Power defers IPO by at least 9 mos due to weak market

Avantha Power & Infrastructure Ltd has deferred its initial public offering by at least nine months, as the market conditions are "not right", Sudhir Mohan Trehan, executive chairman of the Gautam Thapar-promoted company said. "We have deferred the IPO plans for nine months to one year as the market is not right at the moment," Trehan said on the sidelines of India Energy Conclave 2011 held here. The company had filed a draft red herring prospectus for the IPO with the Securities and Exchange Board of India in Mar 2010. The company is in the process of setting up a 2,460 MW coal-based power plant and is eyeing coal assets for long-term fuel linkages. "We are looking at some coal assets both in the country as well as outside," said Trehan. The coal assets are required for long-term fuel linkages, he added. Asked whether the company plans to buy stake in existing or upcoming power projects, Trehan said, "We are exploring... But I won't talk about it at this time."

HDFC Life says may consider initial public offer after 6-8 months

A day after the Insurance Regulatory and Development Authority notified the guidelines for initial public offering by life insurance companies, HDFC Life said it may consider going public after six to eight months. Talking to news channel ET-Now, HDFC Life Managing Director and Chief Executive Officer Amitabh Chaudhry said the company is looking at the right valuations for an IPO. As per the norms notified, it is mandatory that all life insurance companies get an approval of the insurance regulator before filing the draft red herring prospectus with the Securities and Exchange Board of India. The approval given to any life insurance company for an IPO will be valid only for a year and the company that wishes to go public for raising funds must have completed 10 years in the life insurance business. Many life insurance companies are keen to tap the equity market with a public offer of shares to access funds.

Nuziveedu Seeds plans to raise Rs.9 bn via IPO early FY13

Nuziveedu Seeds plans to raise Rs.9 bn through an initial public offer issue that is likely to be floated early next financial year. The company has appointed five investment bankers for the proposed IPO.

ISSUES CLOSED, TO LIST						
Issuer	Size Shares:Rupees (mn:bn)	Face Value (rupees)	Issue Price	Issue Period	To list on	Lead Manager
Swajas Air Charters	3.96:0.357	10	90	26/09-05/10	--	Aryaman

MERGERS & ACQUISITIONS

== INDIA - ABROAD ==

VIVIMED – UQUIFA

Announced: Dec 1

Vivimed Labs Ltd has acquired Spain-based bulk drug manufacturing company Uquifa for \$55 mln.

Status: Complete

DION GLOBAL SOLUTIONS – INVESTMASTER

Announced: Nov 25

Dion Global Solutions Ltd has acquired the entire issued share capital of UK-based Investmaster Group Ltd.

Status: Complete

== GLOBAL M&A ==

ECOLAB - NALCO

Ecolab to acquire Nalco Holding Company in a \$8.3 bn deal.

TE CONNECTIVITY - DEUTSCH GROUP

TE Connectivity to acquire Deutsch Group from Wendel for \$2.06 bn.

Icahn Enterprises - Commercial Metals

Icahn Enterprises offered to buy Commercial Metals Co for \$1.73 bn.

KKR & Co - CAPITAL SAFETY

KKR & Co to buy Capital Safety from Arle Capital Partners for \$1.12 bn. The deal is expected to close in Jan.

SAFRA GROUP - BANK OF SARASIN & CO

Safra Group to acquire majority stake in Switzerland-based Bank of Sarasin & Co from Rabobank for \$1.13 bn.

RATINGS

- CRISIL affirms A/Negative on Hindustan Newsprint's cash credit
- CRISIL affirms rtg on KIMS Healthcare Management's cash credit
- CRISIL affirms AA+/Stable on Banas Dairy's cash credit
- Durrung Ispat' cash credit gets CRISIL BB-/Stable
- CRISIL affirms BB+ on Bright Power Projects' cash credit
- Blue Star Construction Co's cash credit gets CRISIL B/Stable
- Enviro Plastech's cash credit gets CRISIL D
- JPS Balaji Reinforced Pipe' term loan gets CRISIL BB-/Stable
- CRISIL affirms BB-/Stable on Joyo Plastics' cash credit
- Joya Engineering Ind's cash credit gets CRISIL BB-/Stable
- Kusters Calico Machinery's cash credit gets CRISIL BB/Stable
- Rachana Constructions' cash credit gets CRISIL B+/Stable
- R K Engineers Sales' cash credit gets CRISIL BBB/Stable
- Nucleus Satellite Comm (Madras)'s cash credit gets CRISIL BB+
- CRISIL affirms BB+/Stable on Sainsons Paper Ind's term loan
- Theon Pharmaceuticals' cash credit gets CRISIL BBB/Stable
- CRISIL affirms BB-/Stable on Surya Wires' cash credit
- Structural Solutions' overdraft facility gets CRISIL BB/Stable
- CARE affirms BB+ on John Distilleries' bank facilities
- Pegasus Farmaco's long-term bank facilities get CARE BB
- CARE affirms A on Penna Cement Ind's long-term bk facilities
- CARE affirms D on Ruchira Papers' long-term bank facilities
- CARE affirms A+(SO) on Secure Energy Services' bk facilities
- Sisam Ceramics' long-term bank facilities get CARE B+
- CARE affirms BBB- on SMC Foods' long-term bank facilities
- Fitch affirms national long-term rtg on Fabtech Projects
- Vijay Associates Wadhwa's bank facilities get CARE BB+
- Fitch affirms AA(ind)(SO) on Nagpur Municipal Corp bond issue
- CARE affirms BBB+ on VNR Infrastructures' bank facilities
- Fitch affirms BBB(ind) national long-term rtg to Milkfed
- Vedanta Aluminium's gets Fitch A-(ind) national long-term rtg
- CARE affirms AA- on Welspun Corp's long-term bank facilities
- Fitch affirms BBB(ind) national long-term rtg to QH Talbros
- Core Fab Projects' cash credit facilities get ICRA BB
- Holystar Infrastructure's long-term bk facilities get CARE BB+
- Fine Jewellery Manufacturing's term loans get ICRA B+
- ICRA affirms BBB-(Stable) on F Harley & Co's fund based limits
- Emerald Cars' term loan gets ICRA BB+
- Jagson Colorchem's term loan gets ICRA BB(Stable)
- ABG Shipyard's proposed long-term NCD gets CARE A
- Trim Plastics' initial public offering gets ICRA Grade 1
- ICRA affirms BB- (Stable) on Premium Tools' term loan limits
- Annik Technology Services' bank facilities get CARE BBB+
- OPG Energy's term loans get ICRA BBB+(stable)
- Arushi Textiles' long-term bank facilities get CARE BB-
- CARE affirms BBB- on City Tiles' long-term bank facilities
- CARE affirms BBB- on Creamy Foods' long-term bank facilities
- CARE affirms BBB+ on HBL Power Systems' bank facilities
- CARE affirms BBB- on ILMS Developers' bank facilities
- CARE affirms BBB- on Innovative Textiles' bank facilities

- ICRA cuts rating on Garg Acrylics' term loans to BB+ (stable)
- ICRA cuts rtg on Opto Circuits India's fund based facilities
- ICRA cuts rtg on Samvardhana Motherson Reflectec' term loan
- ICRA cuts rtg on Capricorn Food Products' term loan to BB+
- ICRA cuts rtg on Advanced Micronics' fund based facilities
- CRISIL ups rtg on Hitachi Hi-Rel Power Electronics cash credit
- CRISIL cuts rating on Shree Ameya Public's cash credit to D
- CRISIL ups rating outlook on Sheela Foam's term loan
- CRISIL cuts rtg on Revathi Equipment' term loan to A/Stable
- CRISIL cuts rtg on Manishri Refractories' term loan to D
- CRISIL ups rtg on BDH Industries' cash credit to BBB-/Stable
- ICRA cuts rtg on Motherson Sumi Systems' bk facilities to AA-
- ICRA cuts rating on Janta Land Promoters' term loans to D
- ICRA cuts rtg on Opto Eurocor Healthcare's bank facilities
- Fitch affirms AA-(ind) long-term rtg to Shriram City Union Fin
- CARE affirms BBB- on Jaora Nayagaon Toll Road's bk facilities
- CARE affirms BBB on Muthoot Mercantile's cash credit
- CARE affirms A3 on Precision Metals' short-term bk facilities
- CARE affirms BBB- on Venus Wire Industries' bank facilities
- CARE ups rtg on Avaneetha Textiles' long-term bank facilities
- Reliance MediaWorks' commercial paper plan gets ICRA A1+(SO)
- ICRA affirms BBB on Sai Advantium Pharma's enhanced term loans
- ICRA affirms A+(SO) on UTV Global Broadcasting's term loans
- ICRA affirms rtg on UTV Software Communications' term loans
- ICRA affirms rtg on CTR Manufacturing Industries' term loan
- Kanyaka Parameshwari Engineering's bank facilities get ICRA BB
- Paltech Cooling Towers' fund based limits get ICRA BB+
- Paswara Impex's term loans get ICRA BB (Stable)
- ICRA affirms A4+ on Banbury Impex short-term fund based limits
- ICRA affirms BB(Stable) on Paswara Chemicals' term loans
- Sanjay Commercial Co's fund based limits gets ICRA BB
- Shiva & Shiva Orthopaedic Hospital's term loans get ICRA BBB
- ICRA affirms B+ on TCS & Associates' cash credit
- ICRA affirms BBB(stable) on Gujarat Telelink's term loans
- ICRA affirms BB-(Stable) on Modern Chemicals fund-based limits
- ICRA affirms A4 on Crystal Granite's fund based facilities
- ICRA affirms A1+ on Chennai Petroleum Corp's CP programme
- Vimala Feeds' cash credit gets CRISIL BBB-/Stable
- CRISIL affirms BB+/Stable on Sunny Exports' rupee term loan
- Sobha Renaissance Information's term loan gets CRISIL D
- CRISIL D on Shreeji Jewellery's enhanced packing credit
- Relisys Medical Devices' long-term loan gets CRISIL D
- CRISIL B+/Stable on Ratnapriya Dyeing and Printing's term loan
- NS Engineering's cash credit gets CRISIL BBB-/Stable
- Mange Ram Enterprises' cash credit gets CRISIL BB-/Stable
- CRISIL affirms D on Bansilal Ramnath Agarwal Charitable's loan
- Mahindra & Mahindra Financial's NCDs get CRISIL AA+/Stable
- CRISIL affirms A-/Stable on India Pistons' cash credit
- CRISIL affirms BBB/Stable on Beekaylon Synthetics' term loan
- CRISIL affirms B+/Stable on BS Tar's cash credit
- CRISIL cuts rtg on Akak Ispat Udyog' cash credit to D
- Rama Shyma Papers' long-term bank facilities get CARE BB+
- Osho Forge's long-term bank facilities get CARE BB+

- Magma Fincorp's proposed secured redeemable bonds get CARE AA+
- Continental Carbon India's long-term bk facilities get CARE A
- CARE cuts rtg on BP Ergo's long-term bank facilities to A-
- CARE ups rtg on Sanjeev Auto-Parts Manufacturers bk facilities
- Fitch ups national long-term rtg on Winner Nippon Electronics
- V Jayantilal & Co's bill discounting gets CRISIL A4
- SM Eberspaecher Exhaust's term loan gets CRISIL B-/Stable
- CRISIL affirms BB-/Stable on Shri Ram Auto Loan's cash credit
- Saraswati Cotton Ginning's cash credit gets CRISIL B+/Stable
- CRISIL affirms BB/Stable on Saber Paper's term loan
- CRISIL affirms BB/Stable on Rashmi Housing's loan
- CRISIL affirms BB/Stable on PCH Global Systems' cash credit
- Nuclear Power Corp of India's bond plan gets CRISIL AAA/Stable
- CRISIL affirms rtg on Multi Max Engineering Works' cash credit
- Logwell Forge's cash credit gets CRISIL BB+/Stable
- Kokila Cotton Export's cash credit gets CRISIL B+/Stable
- CRISIL affirms BBB/Stable on Kailash Vahan Udyog's cash credit
- CRISIL affirms D on Golf Ceramics' term loan
- CRISIL affirms rtg on Anand Citi Centre Holdings' cash credit
- CRISIL affirms B+/Stable on AS Carriers' long-term loans
- Sri Lakshmi Saraswathi Textiles Jul-Sep earnings detailed table
- Fitch cuts outlook on Dhanlaxmi Bank to Stable
- Brickwork affirms A on Gayatri Projects' NCD issue
- Tamil Nadu Generation & Distribution bond gets Brickwork A(SO)
- CRISIL ups rating on Tirth Agro Technology's cash credit
- ICRA ups rtg on Shahi Exports' long-term loans to BBB+(Stable)
- ICRA cuts rating on Sai Global YarnTex's term loan to B+
- Fitch cuts Adarsh Realty & Hotels' national long-term rtg
- Fitch cuts Adarsh Developers' national long-term rtg
- CARE assigns AAA(SO) on HDFC's assignee payouts
- ICRA assigns AA on L&T Infrastructure Development's NCDs
- Pipavav Defence's financial strength grading gets CARE Grade 3
- Fitch affirms AAA(ind) national long-term rtg on Canara Bank
- ICRA assigns AAA(SO) on Religare Finvest's purchaser payouts
- ICRA affirms A(SO) on Andhra Pradesh Power Fin long-term debt
- ICRA reaffirms A(SO) on Andhra Pradesh govt's proposed debt
- ICRA reaffirms First Blue Home Fin pass through certificates
- Fitch affirms AA+(ind) national long-term rtg to Union Bank
- Fitch affirms Bank of Baroda's BBB- FX long-term issuer rtg
- CRISIL ups rtg on Samosaran Yarns long-term loan to BB+/Stable
- CRISIL cuts rtg on Schrader Duncan' cash credit to BB/Negative
- Arch Pharmalabs' IPO gets ICRA Grade 4
- Asian Color Coated Ispat's gets Brickwork BBB+ issuer rtg
- B M Malhotra & Sons' cash credit gets CRISIL BB/Stable
- Bansal Diamonds' cash credit gets CRISIL B+/Stable
- Biligiri Granites' long-term loans get CRISIL BB/ Stable
- CARE affirms A- on Reliance MediaWorks' bank facilities
- CARE affirms rtg on Millenium Marbles' bank facilities to BB
- Classic Engicon's cash credit gets CRISIL B+/Stable
- Cosmos Jewellers' cash credit gets CRISIL B+/Stable
- CRISIL affirms A3 on Vijay Home Appliances' letter of credit
- CRISIL affirms A4+ on Sun Plast's letter of credit
- CRISIL affirms B+/Stable on Naroda Commercial's cash credit

- CRISIL affirms BB/Stable on Goyal Knitfab's long-term loan
- CRISIL affirms BBB/Stable on ASM Technologies' cash credit
- CRISIL affirms BBB-/Stable on HST Steels' cash credit
- CRISIL affirms D on Anugraha Fashion Mill's long term loan
- CRISIL affirms D on Z-Square Shopping Mall's term loan
- CRISIL affirms rtg on South India Sponge Iron's term loan
- CRISIL BBB+/Stable on Bhima Jewels' enhanced cash credit
- CRISIL D on Nizam Deccan Sugars' cash credit
- DAR Paradise's cash credit gets CRISIL B+/Stable
- Daya Engineering Works' cash credit gets CRISIL BB+/Stable
- Fitch A-(ind) national long-term rtg on Genus Power Infra
- Fitch D(ind) national long-term rating on Ninex Developers
- Floorex Tiles' fund based limits get ICRA BB-(Stable)
- Fucon Tech's working capital demand loan gets CRISIL A4+
- Ganga Roller Flour Mills' term loan gets CRISIL BB+/Stable
- ICRA affirms A1+ on PVR's commercial paper programme
- ICRA affirms BB- on SNC Foods' term loan
- ICRA affirms BB(Stable) on Paswara Papers' term loans
- ICRA affirms BB+ on Bestech Hospitalities' term loans
- ICRA affirms BBB- on Coastal Energy's fund based limits
- ICRA affirms IrAA(Stable) rtg on Tata Consulting Engineers
- ICRA affirms rtg on Apex Drugs and Intermediates' term loan
- Innovative Cuisine's term loan gets CRISIL BB+/Stable
- Jessop & Co's cash credit gets CRISIL C
- Jyoti Threads (India)'s term loan gets CRISIL B+/Stable
- K G Cables' cash credit limit gets CRISIL B+/Stable
- KK Rao Engineering Works' cash credit gets ICRA BB
- Margadarsi Marketing's term loan gets ICRA BB-
- MPR Wind Farms' long-term bank facilities get CARE BBB-
- Mukti Credits' long-term bank facilities get CARE BB
- Navnit Cars' term loan gets CRISIL B-/Stable
- Nexgensolution Technologies' term loan gets CRISIL BB/Stable
- Raghav Industries' cash credit gets CRISIL B+/Stable
- Rohan Builders' NCD issue gets Brickwork BBB(SO)
- Rohan Rajdeep Katol Bypass' term loan gets CRISIL BB/Stable
- S Viswanathan's cash credit gets CRISIL B/Stable
- Sai Manasa Spintex's long-term loan gets CRISIL B-/Stable
- Shree Ram Saw Mill's cash credit gets CRISIL BB/Stable
- Sooraj Agro Mills' term loan gets CRISIL B-/Stable
- Spentika Ceramic's term loan gets CRISIL B/Stable
- Sri Ganesh Agencies' cash credit gets CRISIL B/Stable
- Sri Krishna Oil Stores' cash credit gets CRISIL B+/Stable
- Tara Jewels' initial public offer gets CARE grade 3
- Trisons Impex's cash credit gets CRISIL BBB/Stable
- Vagus Super Specialty Hospital's term loan gets ICRA B
- Varun Product's cash credit gets CRISIL B+/Stable
- WinData Solutions' cash credit gets ICRA BBB-(Stable)
- CRISIL affirms A4+ on Kerala Nut Food's export packing credit
- Fitch affirms national long-term rtg on PVN Fabrics & PVN Tex
- Pratap Civil Engineering's cash credit gets CRISIL BB-/Stable
- CARE affirms BB+ on Kargwal Enterprises' bk facilities to BB+
- CARE affirms BBB- on Dishman Infrastructure's bank facilities
- CRISIL affirms BBB/Positive on Rajdeep Buildcon's cash credit

- Flash Electronics India's long-term bk facilities get CARE A-
- ICRA affirms BB on Koppal Green Power's fund based limits
- ICRA puts Akshay Insulated's cash credit on withdrawal notice
- Meridian Shipping Agency's term loan facilities get ICRA BBB-
- Wacker Chemie India's overdraft facility gets CRISIL A/Stable
- CARE affirms BBB+ on Mumbai Nasik Expressway's bank facilities
- CARE affirms rtg on Essential Power Transmission bk facilities
- CRISIL affirms AA+/Stable on GVK Jaipur Expressway's term loan
- CRISIL reaffirms rtg on MF Global Commodities' bank facility
- ICRA cuts rtg on Voith Hydro's long-term non-fund based limits
- ICRA affirms rtg on ICICI Bank's pass through certificates
- Fitch assigns A1+mfs(ind) to 4 Indian-domiciled liquid funds
- CRISIL ups credit opinion on Tata Motors' acquirer payout
- ICRA cuts rating on Herve Pomerleau International's limits
- ICRA assigns SP 2A rating to Premier Solar Systems
- CRISIL cut rtg outlook on Vijayawada Tollway's term loan
- CRISIL cuts rtg on Veekay General Industries' cash credit
- ICRA assigns SP 3B rating to Roop Arinna Fabricators
- CRISIL cuts rtg on Tempus Infra Projects' cash credit to D
- CRISIL ups rtg on Skoda Auto India's bank facilities to A+
- Fitch cuts Hanumant Vanijya's national long-term rtg to D(ind)
- ICRA ups Cholamandalam Factoring pass through certificate rtg
- CRISIL assigns rating to United Marine Academy's courses
- ICRA cuts rtg on BSC-C&C Kurali Toll Road's term loans to D
- ICRA cuts rtg on Hindupur Vyapar Apparel's fund based limits
- ICRA cuts rating on Nifty Labs' fund based limits to D
- CARE cuts Bruhat Bangalore Mahanagara Palike bk facilities rtg
- CARE assigns rtg on ABG Haldia Bulk Terminals' bk facilities
- CRISIL reaffirms rating on DSP Merrill Lynch Capital's debt
- CRISIL cuts rating on Kumar Co's long term loan to BBB-/Stable
- ICRA cuts rtg on Model Infra's fund based limit to BB+ (Stable)
- ICRA ups rtg on Tracks & Towers Infratech's fund based limit

GLOBAL ECONOMY

GLOBAL ECONOMY:

- Mass protests against military rulers in Egypt.
- White House urges Egypt's military to yield power.
- Passengers at Heathrow airport could face 12-hour delays due to strike.
- League warns Syria to admit monitors or risk sanctions.
- Morocco votes in first ballot since reform of parliament.
- China ups security in Xinjiang.
- Six children killed in NATO airstrike in Afghanistan.
- Syria misses Arab League deadline, faces sanctions.
- Arab League sanctions for Syria.
- Pakistan buries Nato-raid troops.
- NATO chief regrets killing of Pakistan soldiers in air strike.
- Khar conveys Pakistan's 'deep sense of rage' to Clinton.
- Putin nominated to run for Presidency in 2012.
- Indonesia bridge collapses; 4 dead, scores missing.
- Syria minister warns Arab League sanctions will harm people more.
- Iran urges Britain to amend attitude toward Tehran.
- Egyptians queue to cast ballots.
- Russian PM Putin accuses foreigners of funding opposition.
- Islamist party wins Moroccan poll.
- Moody's says credit standing of European sovereign ratings under threat.
- Fitch Ratings lowers outlook on US credit rating to negative from stable.
- Pakistan writes to UN Chief on NATO air strike.
- Pakistan to boycott Afghan conference in protest.
- No scaling down of military operations against Taliban, says US.
- Iran protesters storm UK embassy in Tehran.
- Norway killer Breivik declared insane by psychiatrists.
- Russia activates missile early warning radar system.
- US launches probe into Pakistan border attack.
- UN alleges Syrian forces killed, tortured 256 children.
- Occupy LA protestors await eviction deadline.
- Ex-Ivory Coast president in ICC custody.
- Michael Jackson doctor given four years.
- Standard & Poor's cuts credit ratings of 15 European and US banks.
- Italy is forced to pay yield in debt auction.
- Hungarian debt downgraded to junk.
- Japan's consumer prices fall on weak domestic demand.
- US banks scale back mortgage collection.
- Shell and Iraq in new energy deal.
- Belgium credit rating downgraded.
- OECD warns of Eurozone contagion risk.
- France, Germany draw up tighter budget rules.
- Nomura slashes Eurozone debt; exposure to peripheral countries down 75%

Euro-zone Nov. manufacturing PMI falls to 46.4

Activity in the euro-zone manufacturing sector contracted at the sharpest pace in 28 months in Nov, according to the purchasing managers index for the sector compiled by Markit. The index fell to 46.4 from 47.1 in Oct, unchanged from an earlier, preliminary estimate. A reading of less than 50 indicates a contraction in activity. Manufacturing PMIs were below 50 in all nations covered by the survey, with most declining from Oct levels, Markit said. "Both production and new orders fell at rates not seen since the height of the credit crunch in [the first half of] 2009. It was also the first month since mid-2009 that all countries saw output fall, highlighting the broadening-out of the downturn from the periphery to the core," said Chris Williamson, Markit chief economist.

China manufacturing slowing, data show

PMI surveys show worst results since early 2009

Rival surveys released confirmed manufacturing activity in China slipped into contraction in Nov, with analysts saying the slowing is pushing Beijing towards easing monetary policy to support growth. The state-sponsored China Federation of Logistics & Planning reported its manufacturing Purchasing Managers' Index fell to 49.0 on a 100 point scale, falling below the previous month's 50.4 reading. Meanwhile, HSBC's privately compiled China PMI dropped to 47.7, weaker than its initial reading of 48 released late last month, and indicating a deterioration of conditions from Oct's reading of 51. Standard Chartered said the government-sponsored PMI showed "weakness across the board," indicating manufacturing had stalled for the last three to four months, though the services sector appeared to be holding up. Both survey results printed below the key 50 level that separates contraction from expansion, with HSBC's result the weakest since March 2009, while the CFLP's PMI was negative for the first time since February 2009. Manufacturing output and new business orders were down sharply, while both input and output prices were falling at their fastest pace since March 2009, HSBC's survey found.

Brazil's central bank cuts key rate to 11%

Brazil's central bank cut the country's benchmark interest rate to 11%, marking the third straight meeting at which the rate was reduced by a half-percentage point. The unanimous decision was widely expected by analysts.

Private-sector jobs rise 206,000: ADP

ADP data show largest gain since last December

Growth in private-sector payrolls sharply accelerated in Nov, led by the service-producing sector and small businesses, according to the ADP employment report. Employment in the private sector rose by a seasonally adjusted 206,000 jobs in Nov — the largest gain since last Dec and almost twice the average increase in recent months. The Oct level was revised up to 130,000 from a prior estimate of 110,000. "November's increase in employment normally would be associated with a decline in the unemployment rate. An acceleration of employment is consistent with data showing that GDP growth, which slowed sharply around the turn of the year, is gradually recovering," said Joel Prakken, chairman of Macroeconomic Advisers, which produces the report from anonymous payroll data supplied by Automatic Data Processing Inc. Employment rose 178,000 in the service-providing sector, and 28,000 in the goods-producing sector. Employment rose 110,000 at small businesses, 84,000 at medium businesses and 12,000 at large businesses, according to ADP. While economists have noted a divergence between estimates from ADP and the government, markets look to ADP's report on private-sector payrolls to provide some guidance on the U.S. Labor Department's jobs estimate, which will be released Friday and includes information on both private- and public-sector payrolls.

Fed bails out Europe while ECB dithers

On one level, it's almost funny to call offering dollars at a cheaper rate to foreign banks "coordinated" action. It's only coordinated in the sense that the Federal Reserve is printing the dollars and the European Central Bank and other central banks put the greenbacks in the virtual vaults of mangled commercial banks that are drowning in European debt. But it's not coordinated in the sense that the ECB taking any bold action of its own to stem the euro-zone debt crisis. The ECB accidentally wandered into quantitative easing, basically when banks didn't want to commit to lending money to the Frankfurt-based central bank, which effectively meant that a tiny sliver of the purchases of Spanish and Italian debt it made were funded from money printed out of thin air. That money printing, called quantitative easing, is old hat at the Fed, as well as at the Bank of England and the Bank of Japan. The results are admittedly debatable, but in ECB circles it's unthinkable to contemplate, as the ghost of the Weimar Republic continues to haunt German policy makers. Mario Draghi's paltry quarter-point rate cut in his first month as ECB president was considered bold,

and its main interest rate of 1.25% is still a full percentage point over the Fed's, at a time when euro-zone banks are struggling for survival, as U.S. money-market funds have stopped funding them and as banks are too fearful to lend to each other. Tuesday's incomplete ECB draining operation also is evidence of the strains, since banks opted to hoard cash rather than get a week's worth of low-risk interest. So that's why the Fed and pals stepped in, but it doesn't make the problem of euro-zone debt go away. Only the ECB, Germany or France has the capacity to deal a decisive blow to euro-zone turmoil, and so far they have preferred actions that are chaotic and conflicting to those that are truly coordinated.

Pending home sales rise 10.4% in October

Pending home sales rose 10.4% in Oct, hitting 93.3 on an index released by the National Association of Realtors. "We hope this indicates more buyers are taking advantage of the excellent affordability conditions," said Lawrence Yun, NAR's chief economist, in a statement. An index reading of 100 is equal to the average level of contract activity during 2001. A sale is listed as pending when the contract has been signed but the transaction has not closed. Not all contracts lead to closings. By region, Oct pending home sales rose 24.1% in the Midwest, 17.7% in the Northeast and 8.6% in the South. In the West pending sales fell 0.3%. Nationally, pending sales are up 9.2% from last year.

Nov. Chicago PMI accelerates to seven-month high

The Nov reading of the Chicago PMI rose to 62.6% from 58.4% in Oct, which is a seven-month high and the 26th straight month over the 50% level that indicates expansion. Gauges for production, new orders and order backlogs all accelerated. One panelist said, "From observation from our company it feels as if the market is making a comeback."

Thai central bank cuts interest rate quarter point

Thailand's central bank lowered its main policy rate a quarter-point, as expected, bringing its one-day repo rate to 3.25%. The loosening move comes after nine interest rate increases since Jul 2010, and is seen as helping the economy to recover after devastating floods inundated the nation's capital and flooded surrounding agricultural and industrial areas. That in turn triggered a 36% decline in the manufacturing production index in Oct from a year earlier. Of the seven-member policy board, all voted in favor of the motion apart from two dissenting members who wanted a half-point rate cut.

Japan's industrial production beats expectations

Japan's Oct industrial production rose 2.4% from a year earlier, the government reported. However, manufacturers' forecasts included with the data showed more pessimism, with the survey respondents predicting a 0.1% drop in industrial output for Nov, down from a forecast for a 1.8% rise made a month earlier. For Dec, the survey tipped a 2.7% rise in output.

EU agrees to EFSF leverage expansion rules

European finance ministers agreed on terms for two options to expand the capacity of the region's bailout fund, according to a statement released by officials following a meeting in Brussels. Under the first option, bond holders would get partial risk protection of 20% to 30% backed by the European Financial Stability Facility. Under the second option, one or more so-called co-investment funds would be created allowing for the combination of public and private funding to buy bonds on the primary and secondary markets. Both options are expected to be ready to use by early 2012. Also, president of the Eurogroup finance ministers Jean-Claude Juncker said ministers agreed to a sixth disbursement of Greek bailout funds and that they will be available by mid-Dec.

S&P cuts some bank ratings under new criteria

Standard & Poor's said it applied new ratings criteria to 37 big banks and their subsidiaries resulting in lower ratings across the board. Among large U.S. banks, Wells Fargo & Co. had its rating lowered to A+ from AA, J.P. Morgan Chase & Co. and Goldman Sachs Group Inc. both had their A+ ratings cut to A, and Citigroup Inc. and Bank of America Corp. both had their A ratings cut to A-. A number of European banks managed to hold onto their old ratings: Banco Santander SA held onto its A-, Commerzbank AG its A, and Credit Suisse AG and Deutsche Bank AG retained their A+ ratings. Earlier in the month, the ratings agency said it expected more than 90% of its new ratings would remain within one notch of the old rating under the new criteria. S&P said it would hold teleconferences to discuss the new criteria and ratings actions.

U.S. home prices drop 0.6% in September

U.S. home prices took a fall in Sep, according to a key index released, ending a string of five monthly gains as the housing market continues to struggle to generate momentum. The S&P/Case-Shiller 20-city

composite index fell 0.6% in Sep to take the year-on-year decline in home prices to 3.6%. The worse-than-expected drop limited third-quarter price appreciation to a scant 0.1%. Only three cities, New York, Portland and Washington D.C., saw monthly gains, and another three cities, Atlanta, Las Vegas and Phoenix, registered new lows. "The markets are fairly thin, and the relative lack of closed transactions might be exacerbating the downside," said David Blitzer, chairman of the index committee at S&P Indices. While the plunging collapse of prices seen in 2007 to 2009 "seems to be behind us," Blitzer said any chance for a sustained recovery will probably need a stronger economy. The slight third-quarter advance put home prices back where they were in the first quarter of 2003. Home prices are down 31% from their peak in 2006. Another home price gauge released Tuesday, from the Federal Housing Finance Agency, showed a 0.9% monthly gain in September, and the third quarter advance was 0.7%. The FHFA data uses home sales price information from Fannie Mae- and Freddie Mac-acquired mortgages, and hence isn't as weighed down by distressed sales. Though the FHFA and Case-Shiller gauges differ from month to month, they both paint a similar picture over the longer term. The FHFA gauge shows September prices at the same level as March 2004. Separately, CoreLogic reported that 10.7 million, or 22.1%, of all residential properties with mortgages were in negative equity at the end of the third quarter, which compares to 22.5% at the end of the second quarter. Other data on the housing market has shown signs of bouncing along the bottom. Mortgage originations during the third quarter fell 17% to their lowest level since mid-2000, while data on existing- and new-home sales have been stuck in a tight range. Read more on consumer debt during the third quarter. Only multi-family housing starts have shown signs of strong growth.

Fitch ups Australia sovereign credit rating to AAA

On the same day it downgraded the outlook on U.S. sovereign ratings, Fitch Ratings said in a statement that it has upgraded Australia's long-term foreign currency issuer default rating to AAA from AA+ with a stable outlook. The upgrade reflected the country's "fundamental credit strengths, including its high value-added economy, strong political, civil and social institutions and its flexible policy framework," the ratings firm said.

Australia cuts growth forecast

The Australian government has downgraded its growth outlook as global economic conditions deteriorate, but maintained its pledge to return the nation's budget to surplus by next year. "Global growth prospects have been downgraded markedly in 2012, with the euro area expected to return to recession," Treasurer Wayne Swan said in a mid-year budget review released. Australia's real gross domestic product is now expected to grow by 3.25% in 2011-12 and 2012-13, downgrades of 0.75 of a percentage point in 2011-12 and 0.5 of a percentage point in 2012-13. The Treasurer also announced new budget savings worth 11.5 billion Australian dollars (\$11.4 billion) over the next four years, to bring the budget to surplus by \$A1.5 billion in 2012-13, compared to a forecast deficit of A\$37.1 billion for 2011-12.

Japan's jobless rate rises to 4.5% in October

Japan's unemployment rate rose more than expected in Oct, although the month's drop in household spending was less than economists had forecast. The Oct jobless rate hit 4.5% for the month, the Finance Ministry reported. Price-adjusted spending by households of two or more people fell 0.4% from a year earlier, compared to a 1.5% drop tipped by the Dow Jones Newswires survey. However, separately released retail sales showed a 1.9% year-on-year rise, swinging from a 1.1% drop in Sep.

Fitch keeps U.S. AAA, lowers outlook to negative

Fitch Ratings maintained its triple-A rating on the United States but lowered its outlook to negative from stable. "Fitch's current assessment is that the U.S. economic recovery will regain momentum in the latter half of next year and into 2013, and that a period of above trend growth will be subsequently followed by growth of at least 2 and 1/4% over the long term," the ratings agency said in a statement. Fitch, however, attributed the negative outlook to declining confidence that the country will be able to adopt timely fiscal measures to secure the rating following the failure of a so-called congressional supercommittee to trim \$1.2 trillion from the federal budget over the next 10 years.

GLOBAL BUSINESS

GLOBAL MARKETWATCH:

- Belarus signs gas deal with Russia.
- AT&T and T-Mobile USA withdraw merger application.
- Australia approves Foster's sale.
- Sacked Olympus CEO to work with board to avoid delisting.
- Thomas Cook agrees new bank deal.
- ILP pulls sale of Irish Life insurance arm.
- US judge orders trial; rejects \$285 mn Citi-SEC pact over toxic assets.
- Qantas profit to be hit by strike.
- Daimler to axe luxury cars marque.
- American Airlines files for bankruptcy protection.
- Murdoch wins BskyB chairman vote.
- US, EU to explore trade talks.
- Facebook exploring raising \$10 bn in IPO.
- US airline AA files for bankruptcy; shares plunge 81%.
- Hilton to open over 20 new hotels in UK, creating around 1,500 jobs.

Raytheon gets OK for \$1.7 bn Saudi missile sale

Raytheon Co. said it won approval from the U.S. Congress and the State Department to upgrade Saudi Arabia's missile defense system for \$1.7 bn. The award includes ground-system hardware, a full training package, support equipment upgrades, and a capability upgrade to support potential coalition operations. The Patriot missile system is used to shoot down missiles from aircraft as well as ballistic missiles.

Humana to buy chronic-care firm SeniorBridge

Humana will buy in-home chronic-care provider SeniorBridge for an undisclosed sum, the company announced. Based in New York, SeniorBridge manages chronic care for seniors around the country, employing groups of nurse practitioners, nurses, social workers and other caregivers.

Fitch rates proposed Disney offering A

Fitch Ratings said it assigned an 'A' rating to Walt Disney Co.'s proposed offering of benchmark 3- and 30-year senior unsecured notes. The rating outlook is stable. Fitch said its rating reflects its estimate of "Disney's consistent ability, surpassing that of its peers, to consistently leverage and monetize its brands and characters across all aspects of its business, which benefits the company's operating profile and free cash flow generation." The notes will be issued under Disney's existing indenture dated Sept. 24, 2001, and will be pari passu with all existing debt.

RBS sells pub business to Heineken

Royal Bank of Scotland Group PLC RBS.LN, the largely state-owned U.K. bank, said it has sold its tenanted pub business to a subsidiary of Heineken N.V. HINKY for GBP422 mn.

China's CSR gets nearly \$1 bn in new contracts

Railway firm CSR Corp. said that the company, its subsidiaries and joint ventures had recently signed sales and maintenance contracts worth a total of CNY5.87 bn (\$922.15 mn).

Renault recalls 1,411 vehicles in China

Auto maker Renault SA will recall 1,411 cars in China due to problems with power steering units, China's quality control agency said. The General Administration of Quality Supervision, Inspection and Quarantine said in a statement on its website the recall applied to Renault Koleos compact sport-utility vehicles produced between Oct. 14, 2010 and Jan. 18, 2011 and imported into China. In extreme situations, steering could be difficult, posing a safety hazard, the statement said. The recall will begin Dec. 26.

Woori Finance considering buying Tong Yang Life

Woori Finance Holdings Co. on said in a regulatory filing it is considering buying Tong Yang Life Insurance Co. Tong Yang majority shareholder private-equity firm Vogo Fund is considering selling shares in the life

insurer. Vogo controls about 57.6% of the company, according to a regulatory filing late Nov; a stake valued at approximately KRW932.54 bn (\$826.5 mn) based on market prices early Friday.

Barclays Wealth Asia may add 40-60 new bankers

The wealth management division of Barclays PLC is looking to increase its banker headcount in Asia by about 50% between 2012 and 2014, Didier von Daeniken, the chief executive for Asia Pacific at Barclays Wealth, said.

California fines PG&E \$38 mn for fatal explosion

California regulators agreed to fine PG&E Corp. \$38 mn in connection with a fatal 2008 pipeline explosion, as the agency continues with separate investigations into the utility's practices prior to a larger, more deadly 2010 pipeline explosion.

Clearwire signs deals with Sprint for needed funds

Clearwire Corp. said it has signed agreements with Sprint Nextel Corp. potentially worth up to \$1.6 bn over the next four years, giving the wireless-service provider much-needed funds and extending a relationship between the two companies.

Alliance Aviation's IPO in Sydney raises A\$74 mn

The initial public offering, or IPO, of Alliance Aviation Services priced Thursday at 1.60 Australian dollars (US\$1.63) a share, a person familiar with the deal said.

VW's Audi to open new plant in southern China

Volkswagen AG's Audi premium brand said it will add a second plant in China to build a new version of its A3 hatchback from 2013 on, boosting its total annual production capacity in China to around 700,000 cars.

Intel VC arm to expand China investments in 2012

Intel Corp.'s venture-capital arm Intel Capital plans to expand investment in China next year as the company focuses on technologies related to mobile devices and a new generation of ultra-thin portable personal computers, an executive said.

Vodafone Italia may buy at least 10% of Metroweb

Vodafone PLC is ready to buy a stake of at least 10% in fiber-optic network provider Metroweb, the chief executive of the telecommunications company's Italian operations is quoted as saying.

Luxottica buys Brazil's Tecno for €110 million

The world's largest eyewear maker, Luxottica SpA, said it has bought Brazil's Grupo Tecno, as it continues to expand in high-growth markets. Tecno makes eyewear under license in Brazil for brands including Benetton and Pierre Cardin, according to its website.

BMW to supply diesel engines to Toyota in Europe

Toyota Motor Corp. and BMW AG said that they forged a partnership in environmental technologies that includes the joint development of lithium-ion batteries. The auto makers will work together on batteries that could be used for the next generation of electric cars, as they plan to roll out battery-powered vehicles in the coming years.

Mitsubishi Corp. buys assets from Australia's Buru

Mitsubishi Corp. said it has exercised its right to acquire 50% of Buru Energy Ltd's natural gas and crude oil exploration permits in the Kimberley region of Western Australia.

Rio Tinto takes control of uranium explorer Hathor

Rio Tinto PLC said it has secured control of uranium prospector Hathor Exploration Ltd. and will extend the deadline on its 654 million (US\$669 million) bid by 10 days to mop up outstanding shares.

Australia approves Virgin-Singapore Airlines pact

Australia's competition regulator has given the go-ahead for an alliance between Virgin Australia Ltd. and Singapore Airlines Ltd. saying the tie-up is likely to increase competition for international air passengers. The deal, which will intensify pressure on rival Qantas Airways Ltd. which is also seeking to expand its presence in Asia, had already been given preliminary approval by the Australian Competition and Consumer Commission in October.

Foster's shareholders approve SABMiller's bid

SABMiller PLC's 9.9 billion Australian dollar (US\$10.2 billion) takeover of Foster's Group Ltd. cleared its last hurdle Thursday when the Australian brewer's shareholders approved the deal. SABMiller received the go ahead from Australia's foreign investment review board last week, although on the condition beer operations and management of the iconic Australian brand remain in the country.

Berkshire to buy Buffett's hometown newspaper

Berkshire Hathaway Inc. (BRKA, BRKB) said it agreed to buy the Omaha World-Herald Co., the company that publishes Warren Buffett's hometown newspaper. The purchase, for an undisclosed price, continues Buffett's longtime love affair with newspapers, an interest he has maintained despite the often challenging economics of the news business. Berkshire, where Buffett is chairman and chief executive officer, already owns the Buffalo News and is a major shareholder in the Washington Post Co. (WPO).

Brazil Petrobras confirms \$47 mn ANP fine

Brazilian state-run energy giant Petroleo Brasileiro or Petrobras, confirmed that the company was fined \$47 mn by local regulators for incorrectly measuring the amount of oil produced at an offshore platform, although Petrobras disputed the error and has appealed the fine.

Additional information with respect to any securities referred to herein will be available upon request.

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