

Index	Closing	Chg (Rs.)	Chg (%)
SENSEX	15035.3	250.3	1.7
MIDCAP	5496.6	111.0	2.1
SMLCAP	6341.5	129.7	2.1
NIFTY	4458.9	71.0	1.6
CNX IT	4291.5	27.5	0.6
BANK NIFTY	7207.3	103.3	1.4
METAL	12213.3	274.3	2.3
POWER	2868.1	59.3	2.1
OIL&GAS	9514.3	81.8	0.9

World Index	Closing	Chg (Rs.)	Chg (%)
DOW	9217.9	82.6	0.9
NASDAQ	1955.9	25.1	1.0
*HANG SENG	20263.5	-42.8	-0.2
*NIKKEI	10265.6	-19.3	-0.2
<b>*IST 9:15AM</b>			

Forex & Oil	Last Close
Rs/\$	48.8
Crude Oil	71.5
Govt 10yr Yield	7.2

#### Top Gainer

Company	Closing	Chg (Rs.)	Chg (%)
GODREJ INDUS	157.8	14.0	9.7
ROLTA IND	166.0	14.6	9.7
MPHASIS LTD	539.1	45.2	9.1
BHARAT FORGE	229.7	18.0	8.5
GUJ PETRONET	77.2	5.4	7.5

#### Top Loser

Company	Closing	Chg (Rs.)	Chg (%)
GLAXOSMI CON	1049.4	-23.0	-2.1
REI AGRO LIM	47.9	-0.7	-1.4
MARICO LTD	87.1	-1.0	-1.1
SESA GOA LTD	225.7	-2.3	-1.0
CADILA HEALT	437.0	-4.3	-1.0

#### Advance / Decline in BSE

Advance	1741
Decline	896
Unchange	78
Total	2715

#### Fund Activity

	Cash	Pur.	Sell	Net
Flls 18-Aug-09		1766.4	2740.2	-973.8
MF 17-Aug-09		499.6	1181.4	-681.8

#### ADR (\$)

Company	Closing (\$)	Chg (\$)	Chg (%)
HDFC Bank	97.8	3.4	3.6
ICICI Bk	29.6	0.9	3.3
Infosys	40.9	0.3	0.7
Tata Motors	11.0	0.4	3.3
Satyam	5.4	0.3	5.2

## Rallis may merge with Tata Chem

Tata group is considering merging pesticide-maker Rallis India, one of the oldest companies in India, with its agro-chemicals flagship Tata Chemicals. Rallis and Tata Chemicals have some common lines of businesses, offering synergies in terms of complementary products. The merger targets a 15 to 20 per cent cut in Rallis' raw material, employee, logistics and other operational costs.

On August 12, the Tata Chemicals board approved a proposal to buy up to 35.8 per cent in Rallis through share transfers from promoter group companies for a price not exceeding Rs 850 a share. The cost of acquisition would be about Rs 320 to Rs 360 crore.

Tata Chemicals' holding in Rallis will rise to 45.2 per cent from 9.4 per cent after the purchase of shares from group companies, including Tata Tea (24.52 per cent), Tata Sons (7.52 per cent), Tata Investment Corporation (2.42 per cent) and Ewart Investments (1.35 per cent).

## AB Nuvo expects Rs 600-cr infusion from warrants

Aditya Birla Nuvo, the fertiliser to financial services diversified company, is expecting equity infusion of about Rs 600 crore from its billionaire promoter, Kumar Mangalam Birla, in the current financial year in the form of warrant conversion. Another Rs 400 crore is expected in the next financial year. Nuvo allotted 18.5 million shares to the promoter group companies in June, at the conversion rate of Rs 531.19 a share. The warrants, constituting about 10 per cent share capital of the company, would expire in 18 months.

The company requires equity to expand because its debt is already high. At the end of the last financial year, it had Rs 4,300 crore of debt, while its net worth was Rs 3,744 core. The company also had a treasury surplus of Rs 800 crore, which gives it a net gearing of 0.93. This gives Aditya Birla Nuvo little room to raise fresh debt.

The company is in talks with leading private equity firms to divest stake in a holding firm that would house its six financial services. This includes the life insurance and asset management company under the Birla Sun Life brand name, besides the wealth management, broking and private equity business of the group. Such a move would give the company financial muscle to grow.

## Auto cos want packages similar to 'cash for clunkers' in West

After seeing the overwhelming response evoked by the 'cash for clunkers' scheme in a number of western countries recently, Indian auto manufacturers have requested the government to launch a similar programme here.

The 'scrapage incentive scheme', popularly known as 'cash for clunkers', is a monetary scheme introduced to bring about a turnaround in the beleaguered Western auto industry, while simultaneously pulling older, more polluting and inefficient vehicles off the road.

Under the scheme, the government provided incentives of \$1,000-5,600 directly to those buyers who were willing to trade their old, gas-guzzling vehicles for new, fuel-efficient vehicles.

## Cement cos double spend on expansion in 2008-09

BL Research Bureau Even as other major sectors of the Indian economy are going slow on expansion, the large listed players in the cement industry have continued to invest in capacity expansion in the latest financial year.

Nine large listed players reported that their capital work-in-progress (expansion projects that were not finished by year end) nearly doubled in 2008-09, compared with a 58 per cent growth in 2007-08. The Aditya Birla group, that operates both Grasim Industries and UltraTech Cement, however, was an exception to this trend and saw a steep fall in capital work-in-progress for the year.

ACC and Ambuja Cements have reported an over 150 per cent growth in capital work-in-progress by March 2009 over last year.

Prism Cements and Shree Cements too have reported a significant increase in the capital work under progress. UltraTech's and Grasim Industries' reduced capital spending followed their commissioning of large capacity in the previous year itself. In 2007-08, the group added over 52 per cent to its gross block.

## Headlines

Glenmark Pharmaceuticals today said it was facing a lawsuit in a US District Court for a patent infringement case of an anti-malaria product. Smithkline Beecham Corporation, a part of global pharma major Glaxosmithkline (GSK), has filed a patent infringement lawsuit on the company's US subsidiary Glenmark Generics Inc in the District Court of Delaware. The lawsuit is in connection with Glenmark's intention to make generic versions of two tablets — Atovaquone and Proguanil hydrochloride — on which GSK holds a patent right.

United Spirits (USL), is closing in on a deal to raise around Rs 800 crore through the private equity route. This move to raise funds comes nearly a month after the company raised around Rs 900 crore through a stock sale in the open market. USL has been active in trying to reduce its Rs 7,200-crore debt burden, which is leveraged close to three times. Industry sources indicate that it is in advanced negotiations with global private equity funds KKR and Capital International to raise the second round of funding.

Future Group subsidiary Pantaloon Retail is planning to raise up to Rs 500 crore by offloading the non-core assets of the company as part of its restructuring plans.

CAIRN India, the domestic subsidiary of Edinburgh-based oil explorer Cairn Energy, and state-owned ONGC will jointly invest \$4 billion (Rs 20,000 crore) to scale up the production capacity of their oil fields at Barmer in Rajasthan by 25,000 barrels of oil per day (bopd) to two lakh bopd. They had earlier revised their production target from 1.50 lakh bopd to 1.75 lakh bopd.

Cars-to-software conglomerate Mahindra & Mahindra (M&M) will spend around Rs 2,000 crore to augment capacity at its Chakan plant that is expected to be operational in October, as the \$6.3-billion company looks to crack the US car market that accounts for more than a fifth of all cars sold globally. The company is currently channelling a Rs 5,000-crore capex to build a new plant at Chakan and roll out three new vehicles.

DLF is set to bag a 350.71-acre land parcel in Gurgaon for Rs 1,703 crore, after it emerged the sole bidder for the land put up for auction by the Haryana government. India's largest real estate developer offered to pay Rs 12,000 per sqft, a tad higher than the reserve price of Rs 11,978 per sqft, for the land.

IN A major win for Indian pharmaceutical companies, the Delhi High Court (HC) on Tuesday dismissed German drug major Bayer Healthcare's attempt to stop Drug Controller General of India (DCGI) from giving marketing approval to Indian company Cipla for the generic version of Bayer's patented kidney cancer drug, Nexavar.

THE Indian arm of Norwegian telecom group Telenor has raised Rs 5,000 crore as a bridge loan from State Bank of India to fund the roll-out of its operations in the world's fastest-growing mobile market.

Direct-to-home company Dish TV on Tuesday said it will raise up to \$200 million (about Rs 1,000 crore) through issue of securities in the domestic and international market.

Pune-based Bharat Forge plans to raise \$150 million (Rs 750 crore) to meet its long-term financial requirements. In a filing to the BSE, the company said its board had approved raising funds, subject to necessary approvals being obtained, on Tuesday. The money would be raised through issue of equities or equity-linked securities on terms decided by the board.

NTPC Ltd's proposed follow-on public offering (FPO) is unlikely to happen this year, as the power major is currently flush with funds. "That (NTPC's FPO) may happen next year, not this year

DLF Pramerica, promoted by realty firm DLF and US-based Prudential Financial, will infuse Rs 150-200 crore by 2010 in order to maintain its solvency ratio and to develop infrastructure.

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