



Today's News Updates: 12th Nov 2013

News to watch	Stocks to Watch
Billionaire investor Ajay Piramal is close to acquiring a 20 per cent stake in Shriram Capital for Rs 1,900 crore, said three persons with direct knowledge of the development, a move that will allow Piramal to strengthen his presence in financial services. "The stake sale will be through a primary and secondary issue of shares by the holding company and Shriram Ownership Trust," said one of the persons cited above.	Shriram Transport Finance Company Ltd; PIL
In a breather to RIL, the government is likely to allow doubling of price of gas from its KG-D6 block provided the company gives bank guarantees that can be encashed if proved that the energy major was hoarding gas. The Oil Ministry had in a draft note to the Cabinet proposed that RIL be forced to sell gas from Dhirubhai-1 and 3 (D1&D3) gas fields in KG-D6 block at current rate of USD 4.2 till it is proved that the over 80 per cent fall output was due to natural reasons, or the firm makes up for producing less than target since 2010-11.	RIL, GSPL, ONGC, GAIL
Seeking the appointment of a former Supreme Court Judge as the umpire arbitrator to resolve disputes relating to the recovery of costs for developing its KG-D6 gas field, the Centre on Monday rejected Reliance Industries' plea for appointing a presiding arbitrator from a foreign country. The government said that the matter between itself and Reliance Industries is within the exclusive domain of the arbitral tribunal in India.	RIL
In a setback to Essar Oil , the Supreme Court on Monday refused to grant extension of time for a payment of around Rs. 6,000 crore towards its outstanding sales tax liability to the Gujarat Government.	Essar Oil
Vedanta Aluminium Ltd, part of the London-based Vedanta group, is likely to operate its refinery in Lanjigarh, Odisha, at full capacity from December, after a year marked by low utilisation and a shutdown. S.K. Roongta, Vice-Chairman and head of Vedanta group's aluminium and power businesses, told Business Line on the sidelines of an event here that in October, the company operated the 1-million-tonne-a-year refinery at 65-70 per cent capacity. In the next one month, it could reach full capacity, he added.	Sesa Sterlite
Cooper Tire & Rubber is not yet entitled to an order that would force Apollo Tyres to pay a contractually agreed \$35 a share for the company, a judge said in a weekend letter to lawyers. Cooper must prove it had satisfied all the conditions of the \$2.5 billion buyout agreement and whether it did so remains unresolved in litigation, Delaware Chancery Court Judge Sam Glasscock III wrote in a November 9 clarification letter to lawyers.	Apollo Tyres
Gillette India says promoters to sell 28.57 lakh shares (8.77 percent equity) via offer for sale on November 13.	Gillette India

Previous Session News	Stocks to Watch
Drug major Lupin has launched a generic version of Japan-headquartered Eisai Inc's Aciphex delayed-release tablets, used to treat gastroesophageal reflux disease, in the US market. The company's US-based subsidiary Lupin Pharmaceuticals Inc has launched its generic Rabeprazole Sodium delayed-release tablets, 20 mg in the American market, after having received approval from the US Food and Drug Administration to market it, according to a statement by Lupin.	+0.02%
Alstom T&D India on Monday said it has bagged Rs 100 crore contracts from Power Grid Corporation of India	-3.37%

to supply energy management system. "The scope of the two contracts covers EMS packages for Southern and Western Regional Load Dispatch Centres (SRLDC and WRLDC)," Alstom said in a statement. These systems are expected to help PowerGrid make fast decisions using visualisation, information storage and retrieval tools.

Sector News	Stocks to Watch
<p>The tussle between the government and the fertilizer industry over delayed release of the dole reached court rooms this year, but that won't prevent a fiscally stressed finance ministry from its plan to defer a record Rs. 34,000 crore payment to the coming years. As against the budgeted fertilizer subsidy of Rs. 65,791 crore for FY14, the government has disbursed Rs. 31,500 crore to the fertilizer manufacturers so far this fiscal.</p>	<p>Rashtriya Chemicals & Fertilizers; National Fertilizers Limited; Zuari Industries; Mangalore Chemicals & Fertilizers; Deepak Fertilizers; Coromandel International..</p>
<p>Tata Group, Jindal Steel and Power Ltd (JSPL), and Monnet Ispat & Energy are among the 11 companies that will have to give up captive coal blocks. Tata Group and JSPL were given mines to develop coal-to-liquid (CTL) projects, while nine companies, including Monnet Ispat & Energy, were awarded blocks to feed steel and power projects. (In a CTL project, liquid fuels such as methanol, petrol and diesel are produced from coal.). A decision to this effect was taken on Monday by an Inter-Ministerial Group headed by Additional Secretary to the Coal Ministry. The recommendations will be sent to Coal Minister Sriprakash Jaiswal for a final decision, a senior official told Business Line.</p>	<p>Tata Power, Jindal Steel and Power Ltd (JSPL). Monnet Ispat & Energy</p>
<p>The Centre has proposed four ultra mega solar power projects (UMPPs). These would be in Rajasthan (4,000 Mw), Gujarat (4,000 Mw), Kargil (2,000 Mw) and Ladakh (5,000 Mw). These would cost Rs 90,000 crore. Tarun Kapoor, joint secretary, ministry of new and renewable energy, said the per Mw capital cost has been estimated at Rs 6 crore against the existing Rs 7-7.5 crore. The per unit rate is estimated at Rs 5.50. "The one in Rajasthan would be developed on an engineering procurement and construction (EPC) basis. For this, public undertakings Bharat Heavy Electricals, Solar Energy Corporation of India, Power Grid, Hindustan Salt and Satluj Jal Vidyut Nigam and Rajasthan Electronics & Instruments will form a joint venture company."</p>	<p>Bharat Heavy Electricals, Satluj Jal Vidyut Nigam, Swelect Energy systems</p>
<p>In an interim relief to mining companies, the Supreme Court on Monday allowed Goa government to e-auction around 11.48 million tonnes of excavated iron ore stock lying idle in mines in the state following the mining ban imposed last year.</p>	<p>JSW Steel; NMDC; Tata Steel; SAIL; JSPL, Sesa Sterlite</p>
<p>Encouraged by signs of economic recovery, hiring activities grew across most of the sectors including oil & gas and insurance in October, says a report. According to job portal Naukri.com's Job Speak Index – which tracks monthly hiring activities online – recruitments in the country were up by 4 per cent in October compared to September. Sector-wise, oil & gas witnessed monthly growth of 30 per cent in hiring while insurance sector registered an increase of 25 per cent compared to September. These were followed by telecom, BPO and pharmaceutical sectors which showed increase of 20 per cent, 11 per cent and 7 per cent respectively, the report said. However, hiring activities in sectors such as media & entertainment and construction & engineering have shown a decline of 7 per cent and 6 per cent last month.</p>	
<p>After recording significant decline in September, gold and silver imports jumped by 62.5 per cent to \$1.3 billion in October this year. In September the imports fell by over 80 per cent year-on-year to \$0.8 billion. In October 2012, the imports stood at \$6.8 billion. The RBI's 80:20 scheme for gold imports had left many confused, leading to imports being held up at customs. "Gold and silver imports</p>	

in October was high due to the confusion over 80:20 issue," Commerce Secretary S.R Rao said.

Giving a stern warning to tax evaders, Finance Minister P. Chidambaram on Monday said they cannot escape from the tax department forever, as it has all the tools to nab them. "We have a lot more information. We have permanent account numbers. We are receiving data from other sources. We have a Financial Intelligence Unit. We have a dedicated group of individuals putting all the information together to profile an individual," Chidambaram said while inaugurating the Delhi leg of his interaction with trade and industry on the Service Tax Voluntary Compliance Enforcement Scheme.

The use of licensed software can help to increase India's GDP by \$739 billion, Global Intellectual Property Centre said. It said India's GDP will see a significant increase if unabated use of online and software piracy is arrested. "While international rating agencies have portrayed a negative outlook on the country's GDP, studies have indicated that the use of licensed software alone can increase India's GDP by a whopping \$739 billion," GIPC said in a statement.

India's cotton exports are expected to drop by 9% to 9 million bales in the 2013-14 marketing year on sluggish demand and high prices compared to the global market, the US Department of Agriculture (USDA) said in its latest report. India had shipped 9.9 million bales in the 2012-13 marketing year (August-July). "The 2013-14 export estimate is unchanged at 9 million bales. Indian prices have been high relative to international prices over the past few months... Demand from China has also been weak. As reported previously, much will depend on China's cotton policies," the USDA said. On the price front, the USDA said domestic rates have begun to drop with the increase in the pace of arrivals.

The Reserve Bank has decided to waive the requirement of NoC(s) as mandated by the Foreign Exchange Management Act, 1999, for transfer of shares from residents to non-residents where the investee company is in the financial services sector. However, any requirement as stipulated by the respective financial sector regulator shall have to be complied with, the RBI said.

The RBI has clarified that entities/ units in the special economic zones and export-oriented units, premier and star trading houses (irrespective of whether they are nominated agencies or not) are permitted to import gold exclusively for exports only. Similarly, exports to fulfil obligation under advanced authorisation or AA/ duty-free import authorisation or DFIA scheme shall not qualify as export for the purpose of the scheme of 20:80.

Soyameal exports have jumped nearly four-fold at 1.94 lakh tonnes (LT) in October as crushing operations of soyabean started early in the current marketing year, according to industry data. "Exports of Soybean meal during October 2013 was 1.94 lakh tonnes as compared to 0.51 lakh tons in October 2012 showing an increase of 280.4 per cent," Soyabean Processors' Association of India (SOPA) said in a statement. When contacted, SOPA spokesperson and co-ordinator Rajesh Agrawal attributed the sharp jump in soyameal exports to early start of crushing operations in 2013-14 marketing year that started last month.

Results

Higher yield on advances has lifted **Vijaya Bank's** net profit 10.41 per cent to Rs 136.22 crore for the second quarter of this fiscal compared with Rs 123.37 crore in the same period last year. Total income was also higher by 22.24 per cent at Rs 2,813.66 crore compared with Rs 2,301.72 crore recorded in the same quarter last year. EPS stood at 2.75 as against 2.49. H. S. Upendra Kamath, Chairman and Managing Director, said: "The bank's profits are high due to flat growth in cost of deposits and higher yields on advances." Cost of deposits was 7.89 per cent compared to last year's 8.13 per cent. Yield on advances has come down to 11.49 per cent compared to last year's 11.67 per cent. Operating profit was up 27.47 per cent at Rs 272.89 crore, against Rs 214.09 crore last year. The bank's gross NPA for Q2 was Rs 1,980.70 crore (Rs 1,896.52 crore). Net NPA was at Rs 1,232.19 crore (Rs 1,116.45 crore). Net Interest Margin stood at 2.26 per cent compared to 2.10 per cent in the corresponding quarter of the previous year. Net Interest Income for the quarter increased by 29.33 per cent to Rs 582 crore from Rs 450 crore. Capital adequacy ratio under Basel III requirements was at 10.63 per cent as on September 30.

Central Bank of India posted a loss in the second quarter as the bank set aside four times more money as a cover against potential loan losses. In the July to September quarter, the public sector bank reported a net loss of Rs 1,509 crore compared with a net profit of Rs 330 crore, a year ago. The bank's provisions quadrupled to Rs 2,049 crore in the quarter from Rs 427 crore, a year ago.

Corporation Bank recorded a net profit of Rs 15.48 crore in the second quarter of 2013-14 as against Rs 405.71 crore in the corresponding period of the previous fiscal, recording a decline of 96.19 per cent. Addressing presspersons here on Monday, S.R. Bansal, Chairman and Managing Director of the bank, attributed the reason for the decline to increase in the provisioning against bad debt. The total provisions during the second quarter of 2012-13 stood at Rs 648.83 crore (Rs 280.04 crore). Of this, the provisions for bad and doubtful debt increased to Rs 365.21 crore (Rs 229.24 crore). The net NPA of the bank stood at 2.20 per cent (1.38 per cent). Slippages during the quarter stood at Rs 1,139.80 crore, he said.

Agro-chemical firm **Insecticides India Ltd (IIL)** reported a 12.73 per cent fall in the net profit at Rs 13.84 crore for the second quarter ended on September 30, despite a jump in income. The company had clocked a net profit of Rs 15.86 crore for the same period last year. Total income during the period under review increased by 48 per cent to Rs 340.32 crore as against Rs 230.02 crore in the same quarter of last year, the company said in a BSE filing.

Micro irrigation company **Jain Irrigation Systems Ltd** said it has posted a net loss of Rs 80.7 crore on consolidated basis for the second quarter ended September 30. The company's net profit stood at Rs 44.72 crore during the same quarter last year. The company's total income has increased to Rs 1,224.28 crore in the quarter ended September 30 this year from Rs 998.54 crore in the corresponding period last year. On standalone basis, the company has posted a net loss of Rs 65 crore in the quarter as compared to net profit of Rs 36.25 crore in the same period last year. Total income has increased from Rs 616.93 crore last year to Rs 813.55 crore.

DCM Shriram Industries Ltd (DSIL) reported 26 per cent drop in its standalone net profit at Rs 4.31 crore in the second quarter of this fiscal mainly due to losses suffered in sugar business. The company had clocked a net profit of Rs 5.80 crore in the same period last year, it said in a BSE filing. DSIL performance took a beating because its sugar division reported a loss of Rs 54 lakh during the second quarter of the fiscal, as against the profit of Rs 15.19 crore in the same period last year. Also, expenses remained higher. However, the company's overall net income increased to Rs 315.87 crore from Rs 257.76 crore in the review period.

State-run **Steel Authority of India 's (SAIL)** second quarter (July-September) net profit more than doubled to Rs 1,180 crore from Rs 543 crore in a year ago period, driven by one-time gain of Rs 1,056 crore. "The company received Rs 1,056.26 crore towards damages due to non supply of full quantity of contracted hard coking coal by foreign suppliers," according to a release. However, after excluding one-time gain, the company disappointed the street on every parameter. Net profit of the company stood at Rs 123.74 crore for the quarter as against Rs 543 crore in Q2FY13. Net sales increased 7 percent to Rs 11,410 crore in three-month period ended September 2013 from Rs 10,663 crore in a year ago period.

Drug firm **GlaxoSmithKline Pharmaceuticals (GSK)** reported 33.73 per cent decline in standalone net profit at Rs 100.95 crore for the third quarter ended September 30, 2013. The company had posted a standalone net profit of Rs 152.34 crore in the same period previous fiscal, GSK Pharma said in a filing with the BSE. The company follows January to December financial year. The company's total income declined by 7.02 per cent to Rs 666.02 crore in the July-September quarter, compared to Rs 716.37 crore during the same period last year.

PC Jeweller Ltd has reported a 46 per cent fall in its net profit to Rs 102.8 crore for the second quarter ended September 2013, against Rs 192.7 crore in the same period a year ago. Net sales for the current quarter stood at Rs 1,111.73 crore, registering a 55 per cent drop, against Rs 2,490.73 crore in the same period a year ago. The earnings per share for the quarter stood at Rs 5.74. Balram Garg, MD, said: "Q2 is generally a lean period for domestic jewellery sales and we have tried to increase our visibility in this lean season. On the financial front, we have seen healthy and encouraging growth and have begun with expanding the brand to more cities. We recently launched in Rajkot and Hyderabad and will be gradually increasing our reach." PC Jeweller has 38 showrooms in 30 cities and has plans to take the total number of stores to 50.

Seshasayee Paper and Boards has reported a 7 per cent growth in net profit for the second quarter of the current year compared with the corresponding quarter previously. The company reported a net profit of Rs 5.69 crore (Rs 5.30 crore) on a total income of Rs 253.54 crore (Rs 202.52 crore) for the quarter ended September 30. Total expenses jumped to Rs 236.30 crore (Rs 188.03 crore) with materials consumed accounting for about Rs 140.53 crore (Rs 97.45 crore).

Focus on premium brands and conserving margins has helped **Empee Distilleries** report a small profit, despite a drop in total income for the fourth quarter ended September 30, 2013, compared with a loss in the comparable quarter in the year-ago period. Empee Distilleries has reported a net profit of Rs 50 lakh (net loss: Rs 85 lakh) on a total income of Rs 127.80 crore (Rs 163.54 crore) for the quarter. The top line is down because the company is concentrating on premium brands and has conserved the operating margins at about 8 per cent, said a company official.

Apollo Tyres has reported a consolidated net profit of Rs 219.5 crore for the second quarter ended September 30, up 44 per cent from Rs 152.2 crore in the corresponding period last year. "Our focused efforts towards improving our product and customer mix across geographies is showing its results, and is also evident from our improved bottomline despite the challenging circumstances," said Onkar S. Kanwar, Chairman. Net sales grew 2 per cent to Rs 3,433 crore during the quarter against Rs 3,375 crore in the year-ago period, the company said in a statement. Operating profit increased 16 per cent to Rs 440.6 crore (Rs 380.9 crore). The earnings per share stood at Rs 4.36 against Rs 3.29.

NHPC reported 9.67 per cent drop in net profit to Rs 707.58 crore for the second quarter ended September 30, 2013-14 fiscal. The company had reported net profit of Rs 783.38 crore in the July-September quarter of the previous fiscal, NHPC said in a regulatory filing to the stock exchanges. Total income during the current quarter decreased to Rs 1,950.23 crore as against Rs 2,013.26 crore in the year-ago period. The company's board has approved the buyback of up to 10 per cent of fully paid-up equity shares of Rs 10 each for an aggregate amount of nearly Rs 2,400 crore.

Vaibhav Global Ltd, a global electronic retailer of fashion jewellery, today reported more than six fold jump in the consolidated net profit at Rs 43.96 crore in the second quarter of this fiscal, on strong income. The Jaipur-based company had clocked a net profit of Rs 6.90 crore in the same period last year, it said in a statement. Net income increased to Rs 332.68 crore in the second quarter of the current fiscal, from Rs 222.40 crore in the same period last year, it added.

Agrochemical company **Dhanuka Agritech** reported 35.29 per cent rise in consolidated net profit to Rs 32.05 crore for the second quarter of the current financial year. The company had clocked a net profit of Rs 23.69 crore for the same period last year. Total income of the company during the period under review increased to Rs 253.40 crore as against Rs 204.35 crore in the same quarter of last year. Dhanuka Agritech Managing Director M K Dhanuka said: "With good monsoon in most of the country, the first half was very encouraging for us with superior sales growth in all segments. We are expecting a robust growth in the second quarter on higher sowing in rabi season."

State-run **National Fertilisers Ltd (NFL)** posted net loss of Rs 25.90 crore in the second quarter ended September 30, due to higher expenditure of power and fuel. The company had clocked a net profit of Rs 0.74 crore in the same quarter last fiscal. Total income during the July-September period increased by 3 per cent to Rs 2,006.49 crore from Rs 1,947.68 crore in the same period last year, the company said in a BSE filing. Second quarter results of the company turned into red despite increase in income, as power and fuel expenditure increased substantially to Rs 632.04 crore from Rs 444.82 crore during the period under review.

Drug firm **Pfizer** reported 33.11 per cent rise in standalone net profit to Rs 69.59 crore for the second quarter ended September 30, 2013-14 fiscal. It had posted net profit of Rs 52.28 crore for the July-September quarter of 2012-13 fiscal, Pfizer Ltd said in a filing to the BSE. Total income from operations of the company during Q2, 2013-14 rose to Rs 298.87 crore, from Rs 268.44 crore in the year-ago period, it added. For the first half of the current financial year, the net profit of the company stood at Rs 117.22 crore as against Rs 381.16 crore for the same period year ago.

Britannia Industries posted a second consecutive rise in quarterly profit this financial year as an increase in sales and margins helped net profit for the quarter jump 66 per cent, even as growth in demand began to slow in the last couple of months. The company's second quarter net profit rose to Rs 97.7 crore from Rs 59.02 crore in the same quarter last year. Net sales for the maker of Good Day and Tiger biscuits also climbed about 13 per cent to Rs 1740.48 crore, from Rs 1542.67 crore in the corresponding quarter in 2012. "This is in part the result of our whole strategy of cost management and revenue management. The other part is a reflection of the commodity price increase that has moderated in this year from the last," said Vinita Bali, managing director, Britannia Industries.

New distribution tariff orders helped **Reliance Infrastructure** post a 12 per cent increase in the second quarter net profit at Rs 427 crore against Rs 382 crore in the year-ago period. In the past quarter, both the distribution businesses were allowed by the regulators in Mumbai and Delhi to increase tariffs. Revenue dropped nine per cent to Rs 5,273 crore from to Rs 5,798 crore in the year-ago period as sales from the engineering, procurement and distribution business slackened. Most of the company's projects have been commissioned, leading to lower revenue from in-house engineering, procurement & construction (EPC) business.

Punjab & Sind Bank on Monday reported a 63.3 per cent drop in net profit to Rs 42.96 crore for the July-September quarter on account of a rise in provisions against bad loans. The public sector bank had posted a net profit of Rs 117.07 crore for the same period of the last financial year. Provisions and contingencies during the quarter rose nearly three-fold to Rs 187.38 crore as compared to Rs 64.82 crore in the same quarter a year ago. The total income increased to Rs 1,980.38 crore, from Rs 1,885.75 crore in the year-ago period, Punjab & Sind Bank said in a statement.

Other Indian Market News

Corporate News:

- **Union Bank of India** does not have any immediate plan to raise lending rates while it has announced an increased retail deposits rates for some brackets. Speaking to media, D Sarkar, CMD of the bank said, "At this moment we are not planning to raise base rate. Credit growth is not happening and we would not like to discourage borrowers at this month. Otherwise they may be shy of taking loans." Union Bank's base rate 10.25%.
- **Reliance Industries Ltd** has requested the Ministry of Petroleum & Natural Gas to advise its nominees in the KG-D6 block oversight committee to agree to resolve issues through a third-party consultant. This is because the partners in the East Coast block – RIL, BP and Niko – have been unable to convince other members of the oversight committee about the block's in-place reserves and about reasons for the decline in output. They have also been unable to resolve the issue of alleged gas hoarding. The committee is made up of nominees of the contractors, a joint secretary-level Government representative, and a Directorate General of Hydrocarbons (DGH) representative.
- **Reliance Industries** and the government took a big step towards resolving their raging dispute as RIL agreed to furnish a bank guarantee, to be encashed if it is found guilty of hoarding gas in the KGD6 block, while the oil ministry will not ask for lower gas prices for the firm's existing fields. After the Cabinet approved a new price formula in June, the government developed cold feet and started discussing a new proposal to deny higher prices for RIL's fields, which produced much lower gas than the approved production plan. This was based on the official view that output fell because the company did not drill the promised number of wells although RIL said production fell because of geological complexity.
- Five years after the **Ranbaxy** promoter-family, the late Parvinder Singh's sons Malvinder and Shivinder Singh, sold their entire stake in the Indian drug-maker to Japanese major Daiichi Sankyo, the story refuses to die down. There has scarcely been a dull

moment, what with repeated raps from the USFDA, a whistle-blower and now reports of arbitration. Ranbaxy's erstwhile promoters had wowed India Inc by pulling off a \$4-billion sale even as the economic downturn unfolded in 2008. But that is all in the past.

- **Bharat Petroleum Corp Ltd (BPCL)** has lined up investments worth \$4 billion (around Rs 25,340 crore today) to increase its refining capacity, a top executive of the state-run company said on Monday. Capacity expansion and innovation are imperatives to sustain in the present-day business environment, S. Varadarajan, Chairman and Managing Director, said at the Refinery Technology Meet here. The company had earlier said it would increase its refining capacity from the current 30.5 million tonne a year to 47.5 mt by 2016-17.
- A 30 per cent rise in fuel cost at Rs 827 crore (Rs 637 crore in the previous year quarter) brought down the margins of **Reliance Power** for the September quarter. This is despite the company clocking higher revenues and its 1,200 MW Rosa Plant in Uttar Pradesh logging 90 per cent plant availability. Apart from the Rosa Plant, its 40 MW Dhursar solar PV plant in Rajasthan operated at 20 per cent and its 45 MW wind project in Vashpet, Maharashtra, logged 33 per cent plant load factor. R Power said the progress at the second unit of 660 MW of 4,000 MW Sasan plant is on track and the unit is likely to be commissioned this month. Its 100 MW concentrated solar power plant at Dhursar in Rajasthan is expected to be commissioned this fiscal.
- **Sun TV Network** may recalibrate its ad rates to restore revenue growth. It had reported a 4.5 per cent drop in advertising revenue for the second quarter ended September 30. Sun TV, has been revising its ad rates across slots and programmes progressively since July to offset the impact of TRAI's directive imposing a 12-minute-per-hour limit on TV advertising. However, "we had some difficulties in calibrating the hikes that was required," said S.L. Narayanan, CFO. In an hour-long conference call with analysts on the company's results, he said the migration will take a while. And hence, the drop in ad revenue "should be seen as a blip, a mere aberration, and not something as secular shift". Sun has an extremely strong franchise, and it can arrest the drop and restore 12 per cent ad revenue growth, he said.
- Drug maker **Wockhardt** said its board has endorsed the decision of its Switzerland-based arm Wockhardt Bio AG to undertake a European listing. "In order to meet long term aspirations of the company and its group, the Board of Directors of Wockhardt Ltd have endorsed the decision of the Board of Wockhardt Bio AG, Switzerland, to undertake a European Listing with a relatively modest dilution of approximately 5 per cent of shareholding of Wockhardt Bio AG, Switzerland," Wockhardt Ltd said in a filing to the BSE. "Wockhardt Ltd is a global pharmaceutical and biotechnology major and has a business of over 75 per cent outside India. The holding company, for undertaking this is primarily Wockhardt Bio AG, Switzerland," it added.
- Jaya Shree Textiles, part of **Aditya Birla Nuvo Ltd**, plans to invest Rs 250 crore to further expand yarn and fabric production at its Rishra (West Bengal) manufacturing unit. It will fund the second round of expansion through internal accruals. The company sees the niche market for linen fabric registering quicker growth in India, as fabric makers introduce new designs to attract the younger generation. The earlier round of Rs 100-crore expansion of its Rishra facility is set to be completed this month, taking its production capacity to 3,000 tonnes of yarn and 10 million metres (mts) of fabric per annum.
- Ashok Vemuri looks to be shaking things up at iGate. Sean Narayanan, the chief delivery officer of iGate, submitted his resignation letter to the company on Monday, seemingly upset with the newly appointed CEO's style of functioning. Sources privy to the development said Narayanan had also submitted a note to iGate promoters Sunil Wadhvani and Ashok Trivedi providing details about the friction between him and Vemuri. Vemuri joined iGate from Infosys in September.
- Paradip port posted 26.68 per cent growth in traffic at 38.73 million tonnes (mt) between April and October against 30.58 mt handled in the same period last year, according to PPT sources. With this, the port continued to occupy the second position among major ports in terms of volume handled as well as rate of growth. What is significant is that this growth was achieved despite the devastation caused by the cyclone Phailin in October when the port handled 4.62 mt (4.95 mt).
- The Economic Offences Wing (EOW) of Mumbai police arrested one more borrower on defunct spot exchange NSEL,

interrogated Joseph Massey — a key lieutenant of Jignesh Shah, founder of Financial Technologies (FT) Group, which has promoted NSEL — and froze the immovable properties of former exchange employees, including three flats of Anjani Sinha, its former MD & CEO, in suburban Mumbai, on Monday. Arun Kumar Sharma, director of Lotus Refineries, who partproduced Ram Gopal Varma-directed Satya 2 and yesteryear actress Rati Agnihotri-starrer Dehraadun Diary, was arrested on suspicion of layering of funds borrowed from investors on NSEL and prima facie “splurging money in non-productive areas like decorating the company’s office and investing in real estate which shows an intention to not return the money,” said Rajvardhan, additional commissioner of police, EOW, who is leading the investigation into the . 5,500-crore NSEL scam.

- PEPSICO has announced a Rs. 33,000 crore (\$5.5 billion) investment in India by 2020 to double its manufacturing capacity, expand retail distribution, fund country specific product innovation and increase collaborations with local farmers. "We believe that India is a long term terrific growth story and PepsiCo has great business in India and this story is still unfolding. We want to grow, and this investment shows our confidence in India," PepsiCo Chairman and CEO Indrani Nooyi said.

Indian Macros:

- Rising demand from the US and the EU helped India’s merchandise exports grow for the fourth straight month in October compared with the previous year. Imports continued to decline bringing down the trade deficit to \$10.5 billion during the month. This is almost half the \$20.21 billion registered in October 2012. Riding on increased demand for engineering goods, exports posted a robust 13.47 per cent growth to \$27.27 billion in October 2013 compared with \$24.03 billion a year ago. The trade deficit, however, stood at nearly double the 30-month low of \$6.7 billion touched in September, mostly due to a small recovery in the demand for gold in the festival season.
- Vivek Debroy, Chief Economic Consultant of FICCI, said on Monday that India’s annualised wholesale price index-based inflation for the financial year 2014 could be between 6 and 6.5 per cent. The annualised consumer price index-based inflation, he predicted, could touch 9 or 9.5 per cent at the end of the fiscal. Debroy felt the domestic currency was likely to end the financial year at a level between Rs 62 and 64 to a dollar.
- In a move to widen the investor base in the Indian debt markets, the Reserve Bank of India has allowed sovereign wealth funds (SWFs) and foreign central banks, as well as foreign institutional investors, pension funds and insurance companies to invest in credit enhanced bonds, subject to a limit of \$5 billion. Credit enhancement essentially refers to features added to a lower-rated instrument to make it more attractive to investors by improving its credit profile. The \$5 billion limit is within the overall limit of \$51 billion for investments in corporate debt.

Market news:

- The mutual fund industry’s month-end assets under management (AUM) posted the fastest month-on-month percentage growth since April 2013, rising up by nearly 12% (or Rs. 880 billion) to Rs. 8.34 trillion in October, according to Amfi. The rise in AUM was primarily due to total net inflows of Rs. 663 billion with liquid/money market funds contributing the maximum to the net inflows.