

Market Outlook: Markets are likely to open in negative terrain on the back of weak performance on the global counter. We feel that the step taken by RBI to cut SLR by 50 bps is to stem liquidity crisis. We see Nifty supports at 4800-4850 and resistances are at 5000-5050.

Global Events to watch for today:

- GDP
- Jobless Claims
- Corporate Profits

Global indices Update @ 8:

Dow Jones	: 9974	(- 69.30)
NASDAQ	: 2195	(- 15.07)
Nikkei 225	: 9467	(- 55.03)
Hang seng	: 19070	(- 125.8)
SGX CNX Nifty	: 4870	(- 26.00)
INR / 1 USD	: 47.57	

Stocks in action for the day : Mukand, HPCL, Tata Steel, Ranbaxy, Bharti...

Mukand to sell Thane land for Rs 600 crore to repay debt

Emmar MGF to reduce Rs 3850cr IPO size by 20%: Sources: The global market turmoil seems to have taken its toll on Emaar MGF's initial public offer (IPO) plans, Sources indicate that the company is likely to reduce the size of the Rs 3,850 crore issue by about 20%. Emaar MGF got approval from the Securities Exchange Board of India (Sebi) for its IPO in March.

Grasim stock sans-Samruddhi falls 20.52% today: One stock which looked optically under pressure today was Grasim as it started trading ex-Samruddhi today The Grasim share ended at Rs 1,845.30, down Rs 476.3, or 20.52%. Grasim Industries had fixed May 28 fixed as the record date for the demerger of Samruddhi Cement. The company transferred its cement business via a demerger to Samruddhi Cement. As per the scheme of demerger, shareholders of Grasim received one share of Samruddhi (face value Rs 5) for one share (FV of Rs 10) in Grasim. The fall in the stock price today may also be due to the fact that Grasim is now out of Sensex officially. Jindal Steel & Power has been replaced it. There was also some selling by an index based fund which was supplying Grasim aggressively in the market.

HPCL plans to set up Rs 300 bn refinery on west coast STATE-run Hindustan Petroleum Corporation (HPCL) plans to invest Rs 300 billion to set up a 15-16 million tonne-a-year refinery on the west coast. The new refinery, which may be in Raigad district of Maharashtra, is being mulled to make up for space constraint that its Mumbai refinery faces at present. ``We have been shown three pieces of land by Maharashtra government... We should be able to finalise the location in next few weeks,`` HPCL chairman and managing director Arun Balakrishnan said.

Bajaj Electricals eyeing acquisitions, 25% top-line growth in FY` 11 Bajaj Electricals (BEL) is eyeing acquisitions in its core segment of household appliances besides a 25% top-line growth this fiscal, a top company official said. ``We are interested in acquiring brands or companies, which have a strong manufacturing base that we can supplement with our very strong distribution network. We are interested in acquisitions in the home appliances, fans and lighting, space where we are a leading player,`` BEL``s Chairman and Managing Director Shekhar Bajaj told.

Tata Steel takes Rs 20.09 bn knock on Corus recast costs Tata Steel, India`s largest steel company, on Wednesday incurred a consolidated net loss of Rs 20.09 billion, compared to a net profit of Rs 4,951 a year ago due to restructuring costs at its UK subsidiary Corus. The

Jamshedpur-based steelmaker, which also became the world's eighth largest by capacity after mothballing the UK unit, had to temporarily shut down the Teesside unit in the UK, after the company's buyer walked away from a contract. Consolidated revenue for the full year stood at Rs 1,023.93 billion compared with Rs 1,473.29 billion a year ago.

anbaxy seeks USFDA approval for new drug Ranbaxy Laboratories has sought the US drug regulator's approval to sell a new drug in the world's largest pharma market that has been manufactured in a unit of its Indian factory which is under scrutiny of the US regulator. Arun Sawhney Ranbaxy's president (Global Pharmaceuticals), in its annual report said, "We filed our first abbreviated new drug application (ANDA) in 2009, from Batamandi (Himachal Pradesh) with the USFDA," "As per US Food and Drug Administration (FDA), an inspection for a drug approval automatically triggers an approval of the plant.

Surya Pharma ties up with US-based Crocs for medical footwear Surya Pharmaceutical said it has entered into an exclusive marketing tie-up with the US-based footwear maker Crocs for selling the latter's medical footwear across India. The company aims revenue of Rs 1 billion in next two years with this deal. Crocs has developed medical footwear "Crocs Rx Medical" which is specially designed for individuals with general foot problems, diabetic and arthritic feet.

Bharti ups ante against Trai's 2G fee proposal Bharti Airtel launched a bitter attack against Trai on Wednesday for recommending rules it says will scuttle the country's uninterrupted telecom growth, a day after the company withdrew a plea before a tribunal to quash the telecom regulator's proposals. The country's largest mobile phone company said a one-time fee proposed by Trai for spectrum held over 6.2 MHz is unfair because the airwaves have already been allocated. Bharti Airtel was also dead set against Trai's plan to charge for 2G spectrum beyond 6.5 MHz, based on prices realised from the recent 3G spectrum auctions.

Bharti-Zain deal closure soon Bharti Airtel on Wednesday said it expects to close soon the deal to acquire Zain Telecom's African business. "The approval process is progressing well and we expect the deal closure to happen soon," a Bharti Airtel spokesperson said responding to queries on the closure of the deal. Bharti Airtel is in the process for getting approvals for its acquisition.

Gujarat NRE Coke set to begin work on AP project Gujarat NRE Coke, producer of low-ash metallurgical coke, is all set to begin work on its Rs 8 billion greenfield coke plant at Ativaram village in Nellore district of Andhra Pradesh. "The work on the project would begin in a month or so while commercial production would take another two-and-a-half years," said company chairman and managing director Arun Kumar Jagatramka. Speaking to Business Standard here on Wednesday, he said the plant would create direct employment for about 1,500 people and indirect for about 6,000. It would have a capacity of one million tonne and also a 60 Mw power plant for captive consumption. "We will fund the project from internal accruals," he said.

IOC eyes stakes in corporate ports Country's public sector oil marketing major Indian Oil Corporation (IOC) has shown interest in picking up stakes in ports where the corporation and its subsidiaries are investing to create infrastructure for their captive use. It may be noted that an IOC group company Chennai Petroleum Corporation (CPCL) had lined up investments to the tune of Rs 10 billion in two corporate ports in South India. B M Bansal, chairman and director (planning and BD), Indian Oil Corporation told Business Standard, "It is not our core area of operation. However, if it is financially viable and the condition permits us, we may consider it."

Rossell Tea eyes hospitality business The Rossell Tea group, in association with Lemon Tree, is investing in the hospitality sector in a major way. The joint venture is in the process of setting up a hotel in Delhi, which happens to be the third property. "The Bangalore hotel, where we have 40%, will be due for completion in June 2012," said Harsh M Gupta, executive chairman, Rossell Tea. Apart from the upcoming Delhi and Bangalore properties, the joint venture has a boutique

hotel at Alleppey in Kerala. ``The equity pattern for each of the properties is different,`` said Gupta. Next on the radar are, Mumbai, Chennai and Kolkata.

DLF seeks to revive its Kolkata SEZ With improvement in the real estate sector, the country`s largest developer DLF wants to revive its plan for a special economic zone in Kolkata. The company which surrendered four SEZ projects last June due to demand shrinkage for commercial space has approached the commerce ministry for reviving the Kolkata project, an official said on Wednesday. ``The board of approval will take up the DLF request for renotification of the SEZ in its next meeting on June 8,`` the official said. The tax-free enclave, meant for the IT and ITES units, was notified in June 2008 over 10.48 hectare and at the request of the developer it was denotified this February.

RIL suspends drilling with Transocean equipment Reliance Industries has suspended drilling of a well in KG Basin using a rig hired from Transocean, whose drill ship had last month exploded causing a huge oil leak in the Gulf of Mexico. The company`s junior partner in block KG-DWN-2003/1 (or D3) Hardy Oil and Gas said there were ``unresolved mechanical issues`` with Transocean`s rig `Deepwater Expedition` which was drilling an exploration well on the block. Reliance Industries spokesperson offered no comments on the drilling suspension.

Overseas acquisition buzz lifts Aqua Logistics Mumbai-based logistics and supply chain company Aqua Logistics has been witnessing a sustained accumulation by funds and HNIs. It has gained over 30% in the past one month on the back of acquisition talks. According to market grapevine, the company is looking to acquire a company in Thailand in liquid gas and in Indonesia for coal chartering. The acquisitions are expected to allow Aqua to increase its geographical presence and compete with multinationals. The stock closed at Rs 451, up over 2% from the previous close. The company came out with an IPO early this year for purchasing specialised equipment, expansion of offices and funding-proposed acquisition, among others. It has recently announced acquisition of three companies in Hong Kong through its wholly-owned subsidiary Aqua Logistics HK. As an external service provider, Aqua services include multimodal transportation, contract logistics, warehousing and project logistics. When contacted, MS Sayad, VC, Aqua Logistics said that the talks are at a preliminary stage and nothing has been finalised yet.

Indian Hotels suffers Rs 137-crore loss in FY10: Indian Hotels Company (IHC), the Tata group firm that owns Taj hotels, has incurred a consolidated net loss of Rs 137 crore in 2009-10 compared to a net profit of Rs 12 crore a year ago, owing to slowdown in its domestic and international businesses. Net sales, during the period, declined 6% to Rs 2,457 crore.

South Indian Bank announces 1:10 stock split: Kerala-based South Indian Bank has decided to split its stocks 1:10 to make it affordable to more people and broaden its retail shareholders base, a top official of the bank said on Wednesday.

Electrical equipment industry grows 11.3% in FY10: Recovery in India`s manufacturing sector is in full swing. While revival of automation projects — typically one of the first indicators for any growth in the economy — is already under way, an 11.3% rise in the electrical equipment industry has underscored the overall growth story in the world`s second fastest growing economy. Some of the companies in this sector are Siemens, L&T, ABB, Crompton Greaves, Schneider Electric and WS Industries.

Mehta Equities Limited - INDIA. A Member of Stock Exchange Mumbai.
Contact: Madhusudan Sarda / Prashanth Tapse in Equity Research Department,
Mehta Group, 612, Arun Chamber, Near A.C. Market Tardeo, Mumbai -400034.
Tel.: 91-22-4007 0100. Fax: 91-22-40070102
Web Site: www.mehtagroup.in, E-mail : madhu@mehtagroup.in , prashanth.tapse@mehtagroup.in

Disclaimer: The information contained in this report is obtained from reliable sources and is directed at institutional investors. In no circumstances should it be considered as an offer to sell/buy or, a solicitation of any offer to, buy or sell the securities or commodities mentioned in this report. No representation is made that the transactions undertaken based on the information contained in this report will be profitable, or that they will not result in losses. Mehta Equities Ltd and/or its representatives will not be liable for the recipients` investment decision based on this report.