

**Market Outlook:** Indian markets will have negative opening today on the back of global sell off . Asia trading weak; Nikkei tumbles 4%, Hang Seng plunges 3%. Nifty has supports at 4900-4950 and resistance is at 5150.

**Global Events to watch for today:**

- 4-Week Bill Announcement
- Consumer Credit

**Global indices Update @ 8:**

Dow Jones	: 9931	(- 323.3)
NASDAQ	: 2219	(- 83.86)
Nikkei 225	: 9504	(- 396.9)
Hang seng	: 19253	(- 526.1)
SGX CNX Nifty	: 4995	(- 121.5)
INR / 1 USD	: 46.67	

**Stocks in action for the day : Reliance Comm, Ashok Leyland, JSW Energy, Videocon, Pipavav**

**Reliance Comm board okays up to 26% stake sale:** Reliance Communications said on Sunday its board had approved issue of up to 26% stake to strategic or private equity investors at a premium to the prevailing market price. Reliance Comm said last week it had received proposals from international telecoms firms to buy a strategic equity stake, after a newspaper report said Etisalat was eyeing a 25% stake for Rs 18,000 crore (USD 3.9 billion), implying a sharp premium.

**'Dhanlaxmi Bank planning to have a pan-India presence':** With an intention of closing this financial year with 30% of its loan book coming from the retail sector, Dhanlaxmi Bank is now planning to have a pan-India presence.

**Amtek Auto says board okays convertible warrants issue:** Amtek Auto on Saturday said its board has approved the preferential issue of up to 24 million warrants convertible into an equivalent number of shares to promoter group companies. The board will seek shareholder approval for the move, Amtek Auto said in a statement to the Bombay Stock Exchange.

**Ashok Leyland, Nissan in JV for making LCVs** Ashok Leyland and Nissan, who have joined hands for manufacturing light commercial vehicles (LCV), are planning to roll out their first product by mid-2011. The two partners have said they will produce 150,000 vehicles as part of their phase I plan from their existing facilities and they said, the greenfield facility is ``very much`` on the cards. Speaking to reporters in Chennai, Andy Palmer, senior vice-president, Nissan Motor Company and chairman, Ashok Leyland Nissan Vehicles said both the partners will use their existing facilities to manufacture and networks to sell vehicles and ``their will not be any cross distribution or products and it will be different brands.``

**JSW Energy to invest Rs 20 bn to develop coal mines** JSW Energy (Bengal), a special purpose vehicle (SPV) for the Bengal power and coal project, will be investing about Rs 20 billion in coal mine development. The SPV was incorporated in February 2010 with JSW Bengal having a 26% stake and JSW Energy 74%. The SPV would set up a 2X800 MW captive power plant to meet the power requirement of JSW Bengal and sell excess power to the grid. The estimated cost of the project is Rs 96.8 billion, which includes an investment of Rs 20 billion in coal mine development. The funding would be by way of debt and equity in the ratio of 3:1 and the target date for completion was 2014-15.

**Vijay Shanthi Builders buys High End Homes** Vijay Shanthi Builders (VSBL) has acquired High

End Homes, a privately held company for around Rs 300 million. Speaking to Business Standard, Suresh Jain, managing director, VSBL, said the company had acquired High End Homes mainly for its land assets of 7.5 acre at Ambattur. ``This will be 100% acquisition for a consideration of around Rs 300 million,`` he said. The company is planning to build an Rs 2,100 million residential project on the land accruing from the acquisition. The total area floor space of the project would be around 6-7 lakh sft.

**Videocon to invest Rs 4 bn in Kerala** India`s leading business conglomerates, Videocon, which launched its GSM mobile services in Kerala, will be investing Rs 4 billion in the state with over 1500 signal towers or BTS in the first phase. Aravind Santhanam, Chief Operating Officer, Tamil Nadu and Kerala, said about Rs 2 billion to Rs 2.5 billion has already been invested in the state. The services have been started with a network of 1500 BTS at the time of launch, which is expected to touch 2500 by year end.

**Bhushan Steel plans to raise USD 500 mn** Bhushan Steel has decided to raise funds worth USD 500 million from the market to finance the company`s greenfield projects. The amount will be raised in one or more tranches from domestic or international markets and may involve one or more currencies. The company has sought shareholders` approval for the resolution to raise funds from its investors. ``We are planning to mop up funds to finance new projects, including mining operations. However, timing of the fund-raising exercise will be decided later depending on market conditions, both within the country and abroad,`` Bhushan Steel CFO Nittin Johri said.

**Shree Cement to invest Rs 20 bn in Karnataka** Shree Cement on Sunday said it has entered into a memorandum of understanding with the Karnataka government to invest Rs 20 billion for setting up a cement unit and a power plant. The company will invest Rs 1,500 on a cement manufacturing unit with an annual capacity of three million tonnes and the remaining Rs 5 billion on operational sing a 100 megawatt power plant, Shree cement said in a statement.

**ABG all set to acquire Western India Shipyard** ABG Shipyard, one of India`s leading private shipyard, is all set to acquire majority stake in Western India Shipyard with the company completing all financial and legal formalities. ABG, which in September 2007 evinced its interest in buying India`s largest private sector ship and oil drilling rig-repairer from a group of financial institutions led by ICICI Bank. It had bought the shares held by institutional investors ICICI, IDBI, Bank of India, State Bank of India and UTI at the same period.

**Pipavav bags Rs 26 bn Navy deal** Pipavav Shipyard, the country`s largest ship-building facility in the private sector, has bagged a Rs 26 billion contract to build offshore patrol vessels for the Indian Navy. The shipyard located in Gujarat will be constructing about five such vessels, each with a displacement of about 2,000 tonne. With the Navy order in its kitty, the company`s order books have swelled to over Rs 70 billion. ``We have been declared as the lowest bidder by the ministry of defence (MoD) for contract to build off-shore patrol vessels (OPVs) for the Navy. This will be our maiden foray into building ships for the defence sector,`` said Nikhil Gandhi, group chairman, SKIL Infrastructure, the original promoters of Pipavav Shipyard (PSL), a BSE-listed company.

**RIL may power into nuclear energy business** Mukesh Ambani-promoted Reliance Industries (RIL) may foray into nuclear energy after being freed from a non-compete agreement with the Anil Dhirubhai Ambani Group (ADAG) that barred it from investing in some businesses, including power. ``RIL has indicated to the government that it is keen on generation and distribution of nuclear power,`` a senior government official said on condition of anonymity. An RIL spokesperson did not respond to ET`s email query on the subject.

**CESC acquires Dhariwal Infra** It`s official now. RP Goenka (RPG) flagship Calcutta Electric Supply Company (CESC) has just acquired 100% ownership in Dhariwal Infrastructure by snapping the remaining 50% for a shade over Rs 1 billion. It is expected to shortly seek approval from the Registrar of Companies (RoC) to rechristen Dhariwal Infrastructure, which is now a wholly-owned

subsidiary, a top company source said. CESC-controlled Dhariwal Infrastructure is executing the near Rs 30 billion greenfield thermal venture at Chandrapur, Maharashtra, which is billed as the most high profile merchant power venture of the RPG group outside West Bengal. Significantly, the Goenkas acquired 100% ownership in Dhariwal Infrastructure after the Chandrapur thermal project achieved financial closure and secured the crucial clearance from the environmental ministry.

**Essar Oil to take FCCB route to raise \$300 mn:** Essar Oil will raise \$300 million (around Rs 1,396 crore) by selling foreign currency convertible bonds (FCCBs) to its promoter to part finance its expansion, it said in a stock exchange filing. The proceeds of the issue will finance the company's \$1.7 billion expansion plan that includes scaling up its Jamnagar refinery capacity by 25% to 3,75,000 barrels and increasing its complexity from 6.1 to 11.8 by next year. Higher complexity implies the refinery has higher ability to process feedstocks into value-added products.

**DCB promoter's stake to come down by 5%, post-Dec** QIP Private sector lender Development Credit Bank (DCB) expects to reduce the stake of its promoter, Aga Khan Foundation, by around 5% through a Rs 150-crore qualified institutional placement (QIP) in December, a top official said. The issue is being launched as part of the bank's efforts to bring down the promoter's holding from 23-10%, as stipulated by RBI.

**Petronet LNG plans to raise Rs 1200cr via rights issue**

**Govt says ((list of major cos impacted at the end))**

- All listed companies required to maintain 25% public holding
- Companies with < 25% public share must issue at least 5% fresh capital/year
- Companies to restore 25% public holding in 1 year if it falls below

**Finance Ministry sources say**

- Companies free to choose best dilution process
- Companies free to choose between FPO Or QIP

**PSU issues**

- Govt may have to tweak list of PSUs going public/FPOs
- Listed PSUs with govt stake >75% may get priority
- MMTC, NTPC, Andrew Yule, NLC, NHPC, STC, Indian Oil FPOs likely
- 1st tranche of 5% FPO will have to happen this FY
- IPOs of Coal India, RINL, MOIL this FY

**Omaxe** says: to comply with new shareholding norms via QIP

**Amtek Auto** : To make preferential issue of upto 2.4crore warrants to promoter group

**Maytas Infra** bags order worth Rs 185.3 crore from ITNL ENSO Rail Systems Ltd.

**Sterling Biotech** : Resets the conversion price of USD 250 million FCCB from Rs.204.57/share to 163.13/share

**Essar Oil** to raise up to USD 300 million via issue of FCCBs to Essar Energy

Ex-Date: **REI Agro** : ex-rights in the ratio of 2:1

**Fortis** may have to offer to buy remaining 74.63% in parkway health If it has to counter Khazanah offer, according to takeover regulations in Singapore

**Apollo Tyres** in talks to supply tyres to Volkswagon in Europe

Mastek eyes insurance buys in North America and UK; earmarks USD 50 million

**Abbott** expects sales above USD 2.5 billion 2020 post Piramals solutions biz buy

**Nagarjuna Construction** subsidiary enters hospitality biz; will invest Rs 300 crore this month

## Top 10 state owned co with less than 25% public holding

Company	Total Promoters Holding(%)	Current Market Cap
MMTC	99.3	1,57,926.5cr
NMDC	90.0	1,17,355.1cr
NTPC	84.5	1,67,911.8cr
Hind.Copper	99.6	46,094.5cr
SAIL	85.8	91,529cr
Power Grid	86.4	46,444.5cr
Neyveli Lignite	93.6	25,182.4cr
Power Fin.Corpn.	89.8	31,494.8cr
NHPC	86.4	37,640.3cr
NALCO	87.2	26,355.5cr
IOC	78.9	66,769.6cr
Engineers India	90.4	13,794.3cr

## Private sector companies with less than 25% public share holding

Company	Total Promoters Holding(%)	Current Market Cap
Wipro	79.5	1,01,076.4
Reliance Power	84.8	39,199.7cr
JP Power Ven.	87.7	15,476.6cr
DLF	78.6	52,492.1
Mundra Port	80.2	29,790.6cr
D B Corp	86.4	4,568.6cr
Essar Shipping	83.7	5,602.7cr
Puravankar.Proj.	90.0	2,282.1cr
Mahindra Holiday	83.1	4,209.8cr

## Multi-national companies with less than 25% public share holding

Company	Total Promoters Holding(%)	Current Market Cap
Oracle Fin.Serv.	80.5	18,158.2cr
Gillette India	88.7	5,122.3cr
Alfa Laval (I)	88.8	2,547.4cr
Fres.Kabi Onco.	90.0	2,123cr
BOC India	89.5	1,867.2cr
Atlas Copco (I)	83.8	2,398.1cr
Novartis India	76.4	1,916.0cr
3M India	76.0	2,651.1cr

**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](http://www.mehtagroup.in), E-mail : [madhu@mehtagroup.in](mailto:madhu@mehtagroup.in) , [prashanth.tapse@mehtagroup.in](mailto:prashanth.tapse@mehtagroup.in)

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