

Market Outlook: Nifty will have flat to negative opening today on the back of mixed global cues. Nifty has supports at 4950-5000 and resistances are at 5150-5200.

Global Events to watch for today:

- Employment Situation

Global indices Update @ 8:

Dow Jones	: 10255	(+05.74)
NASDAQ	: 2303	(+21.96)
Nikkei 225	: 9911	(- 02.48)
Hang seng	: 19747	(- 39.22)
SGX CNX Nifty	: 5092	(- 04.50)
INR / 1 USD	: 46.52	

Stocks in action for the day : GCPL, HUL, Thermax, BHEL, L&T, Suzlon, Maruti Suzuki...

Godrej Consumer to raise Rs 6-7 bn via QIP Godrej Consumer Products (GCPL), the fast moving consumer goods company, is planning to raise Rs 6-7 billion through qualified institutional placement (QIP) to fund acquisitions. The QIP issue will result in an equity dilution of around 6%, according to GCPL Chairman Adi Godrej. He plans to launch the issue before the month-end. GCPL shares closed 1.86% up at Rs 333.35 on the Bombay Stock Exchange (BSE). It hit an intra-day high of Rs 352. GCPL has been on an acquisition spree. Its latest buy Argencos, a mid-size Argentinian hair care company, is the fifth in three months.

HUL plans share buyback to give its sagging stock price a lift: Hindustan Unilever, the worst-performing consumer goods company in the BSE sectoral index, plans to buy back shares aimed at boosting stock prices and raising per share earnings in future. The company said its board would meet on June 11 to decide on the price at which it may buy back the shares and the quantity. The buyback, once completed, may help Unilever raise its stake in the company beyond the 52.2% it now holds. Its last buyback was in July 2007. The buyback may act as a cushion against a share price fall. It rose 4% to close at Rs 247.

Tantis may hike stake in Suzlon via rights issue: Promoters of Suzlon Energy, the Tanti family, may raise their stake in the company through the rights issue expected to open in a few weeks. A sharp fall in the share price has rendered the rights offer price unattractive for public shareholders, raising doubts whether the issue will be fully subscribed. This will give the promoters an opportunity to pick up the unsubscribed portion and raise their holdings in the company, according to merchant bankers. Suzlon Energy is planning a 2:15 rights (two shares for every 15 held) at Rs 63 per share, which is 14% higher than Thursday's closing price of Rs 55.3.

Maruti Suzuki to launch new small car at Rs 2.75-3.25 lakh: Maruti Suzuki will soon launch a new small car with a 1 litre engine, reports CNBC-TV18's Swati Khandelwal quoting sources. The launch is expected by July or early August and will sport a KB Series engine. Sources say the car is likely to be priced in the range of Rs 2.75-3.25 lakh. Maruti had in the month of May clocked a sale of 1.02 lakh units compared to 79,872 units in the year-ago period. Earlier in the month of April, it had sold 93,078 units.

Four Soft denies news of Kotak PE selling co stake:

Apollo to finance Rs 9 bn investments with promoter money The board of Apollo Hospitals Enterprises decided to raise funds for a planned Rs 9 billion of investments over the next two years by issuing up to 15,44,621 convertible warrants to its promoter, executive chairman Prathap C Reddy. It plans to finance additional working capital requirements as well. The board also

appointed Sindhoori Reddy, daughter of Suneeta Reddy, executive director, finance, and granddaughter of Prathap Reddy, as vice-president, operations. The Chennai-based hospital chain reported a top line of Rs 18 billion and Rs 1.52 billion of profit in 2009-10.

Thermax signs technology transfer pact with Lambion Thermax has signed a technology transfer license agreement with a German engineering company--Lambion Energy Solutions, having expertise in converting waste to energy. This technology transfer agreement will provide Thermax with high efficiency combustion systems for using a high in moisture content like biomass for energy generation. It will be integrated in its boilers and heaters with heat output ranging from 4 MW to 30 MW. The licensing agreement is valid for a period of five years. A dedicated team from Thermax will work with Lambion to absorb and deploy this technology.

JK Tyre hints at yet another price rise in next quarter With natural rubber prices hovering around Rs 169 a kilogram (kg), JK Tyre & Industries that enjoys a 40% market share in the truck radial segment, hinted at a likely price hike in the coming quarter. It has already raised the price thrice during this calendar year. The firm raised prices by around 4% in January, followed by two more equal price hikes in May and June respectively. ``We have raised our prices by around 12% during this calendar year as rubber prices have almost doubled from Rs 90 per kg at the same time last year to around Rs 169 per kg now. If prices remain at the current level, then one more price rise might become necessary``, said A S Mehta, marketing director, JK Tyres.

JSW Steel to raise loan limit by Rs 100 bn Sajjan Jindal-controlled JSW Steel is raising its borrowing limit by Rs 100 billion, to Rs 250 billion, to help fund its capital expenditure, including proposed investments in Indian and overseas subsidiaries. A resolution to this effect will be placed before shareholders at the company`s coming annual general meeting. In December 2007, the borrowing limit was raised to Rs 150 billion. ``The move is made keeping the future financial requirements of the company (in mind)`` said Seshagiri Rao, joint managing director and group chief financial officer.

Infosys prefers small cos to bigger foreign buys Infosys Technologies ruled out the acquisition of a large European outsourcing rival like Logica, and said the company would instead look for smaller, back office and consulting firms in Germany and France that are around 10% of the company`s revenues or up to USD 500 million in revenues. ``When we are forecasting 16-18% growth, why would I go and acquire a turnaround story?`` asked Senapathy S Gopalakrishnan, chief executive officer and managing director of Infosys. ``The reason why it`s (rumours) coming too often is because these companies are not doing well`` he added. Over the past few years, speculation about Infosys acquiring European service providers like Logica, Capgemini and even Atos Origin have gained momentum forcing Infosys executives to issue denials.

MVL to invest Rs 4 bn to manufacture cellphones Property developer and consumer electronics maker MVL group plans to invest Rs 4 billion to manufacture and sell mobile handsets in the country under its own brand, a top company executive said. It would join a host of local handset makers who have created strong mass-market brands of their own in the domestic market. The privately owned group has formed a separate entity, MVL Telecom, to spearhead its foray into handsets business and plans to roll out its products soon. Prem Adip Rishi, chairman, MVL group said, ``Our handsets would be competitively priced.`` MVL plans to sell products priced in the range of Rs 1,400 to Rs 5,000.

Ranbaxy scion unlikely to relent in Parkway battle This time the surprise is on Malvinder Singh. Two years ago, Singh and his brother Shivinder sold their controlling stake in Ranbaxy Laboratories, a leading Indian drugmaker built by their grandfather, to Japan`s Daiichi Sankyo - an unlikely move in a country where families rarely sell. But the 37-year-old billionaire`s plans to build a global healthcare chain were disrupted last week when Malaysian government fund Khazanah unexpectedly launched an USD 835 million bid for control of Singapore`s Parkway Holdings.

GCPL buys one more LatAm co Home and personal care major Godrej Consumer Products (GCPL) has acquired Argentinean hair care company Argencos. This is Indian firm's second acquisition in Latin America in the last two weeks. On May 23, the company announced the 100% acquisition of Latin American company Issue, a market leader in hair colour in Argentina, Peru, Uruguay and Paraguay. Argencos is a major player in the Argentine market, with 17% market share in what the company described as the kit format, a reference to a compilation of hair-care products.

Zuari to re-enter cement business Zuari Industries is re-entering cement business after exiting it four years ago as part of plans to spend over USD1.5 billion for expanding fertilizer, real estate and cement businesses, chairman of the diversified firm said. The company had sold its equity stake in the cement business to joint venture partner Italcementi in 2006. Saroj Poddar, chairman of Zuari Industries said the Italian cement giant has the right of first refusal to undertake either jointly or wholly the proposed cement unit that is at present housed under Gulbarga Cement. But the rights expire in October and Italcementi has not shown any interest in the project as yet.

BHEL, L&T line up to bag Jindal Power contracts State-run power equipments giant BHEL, engineering major Larsen & Toubro, and Russian firm Power Machines, among others have evinced interest in supplying to Jindal Power's two thermal plants in Jharkhand. Jindal Power, a subsidiary of Jindal Steel and Power, is executing two supercritical power projects of 1,320mw at Dumka and 660mw at Godda in Jharkhand by 2014. Supercritical power projects are environment-friendly and energy-efficient. The company invited bids for the supply of boilers, turbines and generator package for these projects and received a positive response from various national and international suppliers.

IOC buys 6 mn bbls W.Africa crude Indian Oil Corp on Thursday bought 6 million barrels of West African and 1 million barrels of Libyan crude oil via tender for July and August, including its first purchase of Nigerian grade Okono, trade sources said. The refiner bought a Very Large Crude Carrier (VLCC) comprising 1 million barrels each of Nigerian grades Yoho and Bonga from Shell for July lifting, they said, taking its monthly purchases to 11 million barrels.

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.