

Quote of the Day

“A will finds a way”

- Orison Swett Marden



MORNING WEALTH

January 27, 2012

| Indices | Close Price | % Chg |
|------------------|-------------|-------|
| Nifty | 5158.30 | 0.60 |
| NIFTYJR | 9751.00 | 1.46 |
| CNX100 | 5031.05 | 0.74 |
| CNX500 | 4051.80 | 0.87 |
| CNX MIDCAP | 7051.00 | 1.39 |
| Sensex | 17077.18 | 0.48 |
| BSE100 | 8903.40 | 0.71 |
| BSE200 | 2081.18 | 0.79 |
| BSE500 | 6497.43 | 0.82 |
| MIDCAP | 5834.04 | 1.25 |
| SMLCAP | 6408.45 | 1.11 |
| Volatility Index | 21.02 | -1.87 |
| Nymex Crude \$ | 99.95 | 0.25 |
| Dollar Index | 79.44 | 0.05 |

| World Indices | Last | %Chg |
|--------------------|----------|-------|
| Nikkei | 8878.21 | 0.32 |
| Hang Seng | 20569.20 | 0.64 |
| KOSPI | 1964.80 | 0.39 |
| Shanghai Composite | 0.00 | 0.00 |
| Straits Times | 2903.30 | 0.31 |
| Dow Jones | 12734.63 | -0.18 |
| Nasdaq | 2805.28 | -0.46 |
| FTSE | 5795.20 | 1.26 |

| Exchg. | Advances | Declines | Unchanged |
|--------|----------|----------|-----------|
| BSE | 1808 | 1040 | 126 |
| NSE | 984 | 502 | 74 |

| Turnover | Rs. Cr. | %Chg |
|----------|------------|--------|
| BSE Cash | 2,735.10 | -41.39 |
| NSE Cash | 15,294.61 | -29.70 |
| NSE F&O | 191,776.53 | 2.86 |

| Institutional Trends | (Rs. Cr.) | |
|----------------------|-----------|---------|
| | FII | DII |
| Buying | 3920.65 | 1162.31 |
| Selling | 2773.64 | 1874.31 |
| Net Value | 1147.01 | -712 |

| Forex (Closing Prices) | Latest | % Chg. |
|------------------------|--------|--------|
| US\$ (Rs.) | 50.08 | -0.02 |
| GBP (Rs.) | 78.52 | 0.37 |
| Euro (Rs.) | 65.66 | 0.64 |
| Yen (100 units) (Rs.) | 64.70 | 0.67 |

BP WEALTH EYE

RPower seeks to double coal output at Tilaiya block

Diesel cars could burn a bigger hole in pocket

CORPORATE NEWS IN BRIEF*

Subsidy burden zooms for ONGC, OIL to impact Q3 numbers

Ranbaxy to pay heavily for future US violations

eYantra acquires Privilege Corner

NMDC hastens Rs 4,655-cr investment plan

Delhi airport mulls 'minimal' fee hike

Tax win makes case for Vodafone IPO

IRFC, HUDCO tax-free bonds to hit markets today

Finance Ministry may dangle threat of service tax levy on AC travel if rail

fares are not hiked

Tata Global Beverages' group consolidated net dips 11%

NTPC's Kudgi project gets Environment Ministry's nod

Staff count in top four IT firms set to touch 6 lakh this year

Volume hits 11-month low at Coonoor tea auction

Essar Projects bags Rs 225-cr ro-ro facility in Gujarat

ECONOMIC/GLOBAL NEWS*

Greek debt talks resume as policy makers squabble

Coal price tiff has roots in last year's change

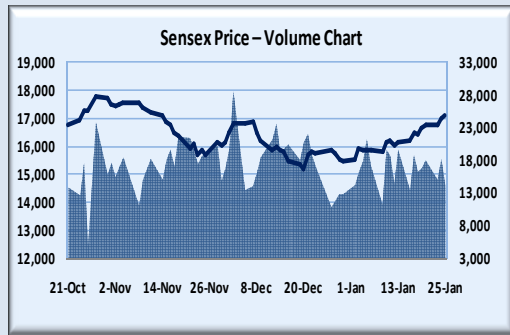
Highways Ministry for reimbursing toll-tax paid by State Govt bus services

Locals want basic facilities, retail FDI not in radar

*For the web links of the News Briefs, visit Page 5

| Nifty Fut | Level 1 | Level 2 | Level 3 |
|------------|---------|---------|---------|
| Resistance | 5215 | 5242 | 5265 |
| Support | 5180 | 5156 | 5122 |

| Gainers (Nifty) | Price | %Chg. |
|--------------------|---------|-------|
| RELIANCE INF | 513.80 | 6.84 |
| SESA GOA LTD | 200.70 | 7.14 |
| BHARAT PETRO | 579.60 | 5.99 |
| TATA MOTORS | 230.95 | 4.18 |
| COAL INDIA L | 342.90 | 4.05 |
| Top Losers (Nifty) | Price | %Chg. |
| TATA POWER C | 105.45 | -1.61 |
| HERO MOTOCOR | 1853.90 | -2.04 |
| HCL TECH LTD | 420.80 | -1.81 |
| CAIRN INDIA | 345.85 | -1.79 |
| JINDAL STEEL | 540.55 | -1.66 |



| ADR (US\$) | Close | %Chg. |
|----------------|-------|-------|
| Infosys | 54.83 | 0.10 |
| HDFC Bank | 27.12 | 3.20 |
| ICICI Bank | 35.25 | -0.98 |
| Wipro | 10.99 | -0.36 |
| Tata Motors | 23.40 | -0.36 |
| Sterlite Inds. | 9.26 | 0.00 |
| Dr Reddy Labs | 33.89 | 2.05 |
| Tata Comm | 9.56 | -0.31 |

| Bond Market | Rate/Yield | Change |
|------------------|------------|--------|
| 10 year Bond | 8.34 | 0.15 |
| 6Inter Bank Call | 8.91 | -0.09 |

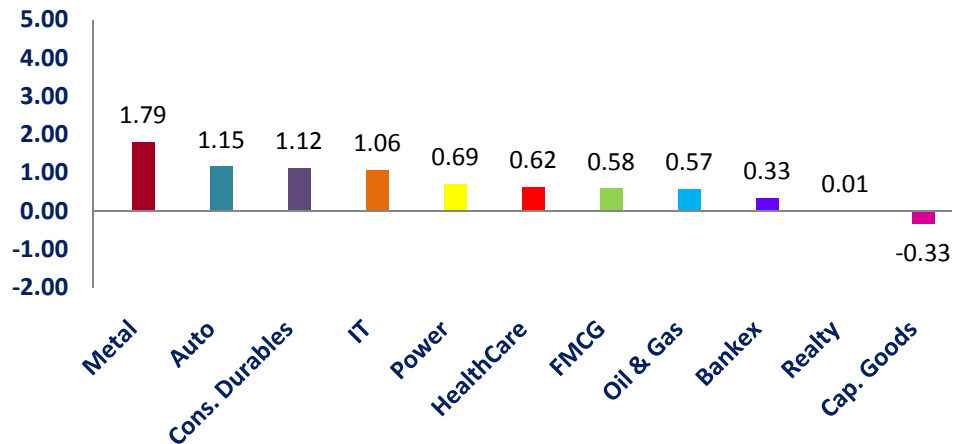
BULK DEALS (BSE)

| Scrip Name | Client Name | Deal Type | Quantity | Trade Price |
|---------------|--------------------------------|-----------|----------|-------------|
| Koutons Retl | IFCI LTD. | SELL | 325000 | 15.33 |
| Prraneta Inds | SHRIRAM CREDIT COMPANY LIMITED | SELL | 12601005 | 0.33 |

BULK DEALS (NSE)

| Scrip Name | Client Name | Deal Type | Quantity | Trade Price |
|---------------------------|---------------------------------------|-----------|----------|-------------|
| Fedders Lloyds Corporatio | LLOYD MANUFACTURING PRIVATE LIMITED | BUY | 870000 | 55 |
| Pudumjee Industries Ltd | PUDUMJEEPULP & PEPPER MILLS LTD | BUY | 220004 | 16.05 |
| Fedders Lloyds Corporatio | SWISS FINANCE CORPORATION (MAURITIUS) | SELL | 295796 | 55 |
| Fedders Lloyds Corporatio | SWISS FINANCE CORPORATION (MAURITIUS) | SELL | 1165796 | 55 |
| Koutons Retail India Limi | IFCI LTD. | SELL | 577440 | 15.35 |

BSE Sectoral Indices %



BP WEALTH EYE

RPower seeks to double coal output at Tilaiya block

Reliance Power is looking to double coal production from 20 million tonnes (mt) to 40 mt a year at the captive blocks allocated to its 3,960-MW Tilaiya ultra mega power project in Jharkhand. For this, RPower has inked an agreement with RWE Power of Germany to acquire technical assistance for mining of the Kerendari 'B' and 'C' coal blocks in North Karanpura coal fields, allocated to the plant to meet its fuel requirement. RWE Power is Germany's largest mine operator and power producer with installed generation of 33,200 MW. Production from its three mines comes to 100 mt a year. RWE offers consultancy services in power and mining sector and has clientele in 68 countries. A senior RPower official said the mining plan has been submitted to the Government and approval had been obtained. On excess coal, he said it was for the Government to decide on how the surplus should be channelised. He said the German company provides IPCC technology (in pit crushing and conveying), which would do away with movement of dumpers at the mine site as coal would be taken away by conveyors. Mine production depended on the number of dumpers that can be deployed and this technology eliminated use of dumpers for carrying coal. The overall cost would go up but production would almost double, which was a major advantage in the current scenario where both coal availability and price were a concern. The Tilaiya project's coal block reserves are estimated at 1.2 billion tonnes and the mining plan looks forward to produce 40 million tonnes annually. RPower is working to ensure the coal production synchronises with the power generation of the plant. The mining cost is expected at Rs 7,000 crore. Tilaiya project is slated to begin generation in 2015. Reliance Power was awarded the project as it bid Rs 1.77 a kwh. RPower also has a strategic partnership with the North American Coal Corporation (NACoal) for mining operations at the captive coal blocks allocated for its 3,960-MW (6X 660) Sasan power plant. The Sasan plant is scheduled for commissioning in January next year. Sources said NACoal was providing its expertise in equipment selection, technical specification and setting up the infrastructure for the mining operations. R Power has obtained a \$917-million loan from US Exim Bank for importing mining equipment and the first lot of electric shovels have reached the mining site and erected. The Moher and Moher Amlohri captive blocks reserves are estimated at 600 mt. The Sasan plant will require 20 mt a year. RPower is permitted to ship surplus coal from Moher to Chitrangi, also in Madhya Pradesh, where it is building another 3,960 MW plant. Power generation companies with captive mine allocation have little option but to hasten the mining, given the overall shortage of fuel. Coal India is expected to fall marginally short of its targeted 440 mt this fiscal. Last fiscal it produced 431 mt. Last year, the Coal Ministry de-allocated 14 blocks due to lack of progress on the mining front. Among this, Neyveli Lignite Corporation sought three blocks such as Chatti Bariatu, Chatti Bariatu south and Kerendari in north Karanpura, in Jaharkahand, which had been vested with NTPC.

Diesel cars could burn a bigger hole in pocket

The finance ministry is considering raising the excise duty on diesel cars in Budget 2012-13. But, cigarettes may not see higher excise duty, as a proposal to this effect on "sin goods" may not get the ministry's stamp in the Budget expected to be tabled by the middle of March. "There is a proposal to increase the duty on diesel cars. We are looking into it," said a finance ministry official. "A higher duty on cigarettes can lead to increased smuggling. It's not difficult to smuggle cigarettes, given their small size," the official added. While the overall automobile market has not been witnessing its once robust growth since mid-2011, the demand for diesel-run cars has surged. In fact, buyers are increasingly ready for waiting periods running into months, as the gap between petrol and diesel prices has widened. Diesel cars now constitute nearly 40 per cent of car sales, compared with less than 20 per cent a few years ago. Car sales by market leader Maruti Suzuki, which focuses mainly on petrol variants, fell about 16 per cent in the first nine months of the financial year. On the other hand, Mahindra & Mahindra, which only makes diesel vehicles, and Tata Motors, which predominantly makes diesel cars, have seen strong growth. Several companies are awaiting a clear picture on the excise duty before finalising plans to invest more in diesel capacity. "In the absence of any clear policy, we are in a dilemma," news agency Reuters quoted Mayank Pareek, head of sales and marketing of Maruti Suzuki, as saying. Slackening demand compelled Maruti to reduce production of petrol models in August, while there is a waiting period of several months for its diesel vehicles. However, some companies are trying to be flexible in their plant usage, depending on the requirement for petrol or diesel variants. For example, the Chennai plant of Nissan Motor Co has this option. A Nissan official said recently the plant could be suitably moulded to offer diesel or petrol versions. The government is looking at various options to increase its tax proceeds in the light of a higher expenditure on subsidies, the expected burden of the proposed food security law and moderating economic growth. However, the finance ministry official said a higher duty on diesel cars and even if levied on cigarettes would not add much to the government kitty. Cigarettes add roughly Rs 10,000 crore to the excise collections every year, about six per cent of the Budget estimate of Rs 1,64,116 crore for excise duty in 2011-12. At present, the government levies 10 per cent excise duty on small cars and 22 per cent plus Rs 15,000 on big cars, whether on petrol or diesel. However, there is a difference in the definition of small and large cars run on petrol and diesel for the purpose of excise duty. The government will have to decide the manner in which a higher duty on cars running on subsidised fuel could be passed to the oil marketing companies, suffering from a hit in profitability because of high crude oil prices. In the last 15 years, with the exception of 1996-97 and 2004-05, petrol consumption growth has been more than diesel. But, in April-November 2011, diesel growth stood at 7.4 per cent, as against petrol growth of 4.3 per cent. The ministry may create a new rate slab for increasing the duty on diesel cars or add a specific amount over and above the duty. The industry is against a specific amount, as it may lead to distortions. There is also an option to levy surcharge.

EVENTS CALENDAR

| Monday | Tuesday | Wednesday | Thursday | Friday |
|---|--|--|---|--|
| 23-Jan 2012 Results – Shree Cements, Colgate Palmolive, Coromandel International, Electrosteel Cast, Federal Bank, Gail India, Geometric, Idea Cellular, Kotak Mah Bank, L&T, Laxmi Mach, Maruti Suzuki, Sterlite Inds, Torrent Pharma, Vardhaman Tex US – | 24-Jan 2012 Results – Biocon, Cairn India, Ceat, Edelweiss Capital, Grasim Inds, IndiaB Power, Indiabulls Real Estate, Indraprastha Gas, Kirloskar Bros, Lupin US – | 25-Jan 2012 Results – Alstom Projects, Asahi India, BEML, BOB, Deepak Fert, Himatsingka Seide, Indian Hotels, IRB Infra, JB Chemicals, Kiril Indus, Mir Electric, Oracle Fin, Patni Computers, REC, Sesa Goa, Sterlite Tech, Tata Comm, TATAGLOBAL, Union Bank, Vijaya Bank US –Pending Home Sales Index, EIA Petroleum Status Report, FOMC Meeting Announcement, Chairman Press Conference | 26-Jan 2012 Results - US –Durable Goods Orders, Jobless Claims, New Home Sales | 27-Jan 2012 Results - Bank of India, Bharat Electric, BHEL, Blue Star, Canara Bank, Gujarat Alk, Gujarat State Fert., NHPC, NTPC, Petronet LNG, Pfizer, Swaraj Enjines, Wyeth US –GDP, Consumer Sentiment |
| 30-Jan 2012 Results – US – Personal Income and Outlays | 31-Jan 2012 Results – US – | 1-Feb 2012 Results – Kirloskar Oil US – | 2-Feb 2012 Results - US – Jobless Claims | 3-Feb 2012 Results - US – Employment Situation, Monster Employment Index. |
| 6-Feb 2012 Results – US – | 7-Feb 2012 Results – US – | 8-Feb 2012 Results – US –EIA Petroleum Status | 9-Feb 2012 Results - US –Jobless Claims | 10-Feb 2012 Results – US –International Trade, Consumer Sentiment, Treasury Budget |
| 13-Feb 2012 Results – US – | 14-Feb 2012 Results – US –Retail Sales, Import & Export Prices, Business Inventories | 15-Feb 2012 Results – US –Empire State Manufacturing Survey, Treasury International Capital, Industrial Production, Housing Market Index, EIA Petroleum Status Report, FOMC Minutes | 16-Feb 2012 Results – US –Housing Starts, Jobless Claims, Producer Price Index, Philadelphia Fed Survey, | 17-Feb 2012 Results – US –Consumer Price Index |

*For the web links of the News Briefs, visit Page 5

Green – Corporate Event, Dark Blue – Economic Data, Red – Important Event

Corporate

RIL share buyback to start from Feb 1

<http://www.financialexpress.com/news/ril-share-buyback-to-start-from-feb-1/903614/>

Strides sells Australia, SE Asia business to Watson Pharma

<http://www.business-standard.com/india/news/strides-sells-australia-se-asia-business-to-watson-pharma/462786/>

HUL back in the market to sell or rent former HQ

<http://www.business-standard.com/india/news/hul-back-inmarket-to-sell-or-rent-former-hq/462757/>

Lupin Q3 net up 4.95% at Rs 235.1 cr

<http://www.business-standard.com/india/news/lupin-q3-net495-at-rs-2351-cr/462759/>

Grasim net zooms 33% to Rs 669 cr

<http://www.business-standard.com/india/news/grasim-net-zooms-33-to-rs-669-cr/462760/>

YES Bank net profit up 33%

<http://www.business-standard.com/india/news/yes-bank-net-profit33/462761/>

SC admits Gujarat govt's plea against RIL, Essar, others

<http://www.financialexpress.com/news/sc-admits-gujarat-govts-plea-against-ril-essar-others/903527/>

Cairn India net up 12.5% to R2,262 cr

<http://www.financialexpress.com/news/cairn-india-net-up-12.5-to-r2-262-cr/903553/>

Ceat Net down 52% on labour unrest

<http://epaper.financialexpress.com/23150/Financial-Express-Mumbai/25-January-2012#page/6/1>

OVL in talks with Novatek for 15% Yamal stake

http://epaper.livemint.com/ArticleText.aspx?article=25_01_2012_008_001&keyword=&mode=1

Greek woes mount as creditors' plea falls

<http://epaper.dnaindia.com/epapermain.aspx?pgNo=15&edcode=820009&eddate=2012-1-25>

Cairn-Vedanta deal gets final Cabinet nod

<http://www.thehindubusinessline.com/todays-paper/article2829588.ece>

IOC venture gets Rs 100-cr investment from IIDF

<http://www.thehindubusinessline.com/todays-paper/tp-corporate/article2829550.ece>

State yet to decide on OMC-Rio Tinto JV

<http://www.business-standard.com/india/news/state-yet-to-decideomc-rio-tinto-jv/462720/>

Economy

Europe poses a threat to global economic recovery: IMF

<http://www.business-standard.com/india/news/europe-posedthreat-to-global-economic-recovery-imf/462767/>

Gold imports may touch \$65 billion

<http://www.thehindubusinessline.com/todays-paper/tp-economy/article2829577.ece>

12th Plan to see Rs 1 lakh-cr rise in private investment

<http://www.business-standard.com/india/news/12th-plan-to-see-rs-1-lakh-cr-rise-in-private-investment/462780/>

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