

NEWS ALERT

Suzuki Raises Maruti Stake, Fuels Talks of Full Control

Suzuki Motor Corp has raised its stake in Maruti Suzuki to 55%, triggering speculation about the Japanese firm's intentions for its Indian subsidiary and whether the move is part of a larger plan to take full control of the country's top car-maker.

Suzuki raised its stake in Maruti by 0.8% through secondary market purchases "very recently", two persons familiar with the matter told ET. One of them, an investment banker, said Suzuki was set to increase its stake further.

Indian rules allow companies to make creeping acquisitions of up to 5% a year and any increase beyond 55% will require Suzuki to make an open offer for another 20%.



Budget Airlines Add Frills to Lure More Passengers

Low-cost airlines such as IndiGo and SpiceJet are reinventing themselves to beat rival full-service carriers by adding ancillary source of revenues such as more choices in in-flight food and flexible ticket booking. The move is expected to help the carriers keep airfare, low thus attracting more passengers.

While higher flight occupancy will add to budget carriers' topline, the revenue from ancillary sources will compensate for the losses on account of low fares and bring profits. One of the most successful no-frill airlines Ryanair has managed to make profits operating this model last year even as carriers across the world remained in deep red.

ECONOMIC SURVEY

- India needs over 6,800 more hospitals in rural areas to provide basic health facilities to people
- The government would forgo more than Rs 50,000 crore revenue in the current fiscal due to various export promotion schemes
- Employment during the July-September quarter increased substantially in textiles (318,000) followed by metals (65,000) and gems and jewellery (58,000).
- India's gross domestic product (GDP) can expand by double-digit levels to emerge as the fastest growing economy in the world by 2014
- The agriculture services sector attracted foreign direct investment of Rs 6,327 crore during the first eight months of the current fiscal
- The Indian Pharma industry has become the third largest in world in terms of volume and ranks 14th in terms of value at over Rs one lakh crore.