

SATYAM UPDATE



L&T asks SEBI to relax Satyam stake sale lock-in

Larsen & Toubro, India's largest engineering company, has sought permission from the market regulator to sell its 6.9% stake in Mahindra Satyam, which is currently valued at around Rs.900cr.

Under the conditions of the Satyam sale, bidders for the company are barred from selling stakes acquired prior to the bid for six months because they were given access to Satyam's financial information that was not public at that time. This means L&T can exit Mahindra Satyam only after October 14 this year.

Policy vacuum, supplies behind vegetable inflation

A complex set of factors, like government inaction on developing a national market for vegetables, supply chain bottlenecks and the current spell of high temperatures, have fuelled a surge in retail prices of vegetables in major cities — the largest consumption centers.



FOREIGN INVESTMENT LAW IN THE WORKS

The government is working on a proposal to introduce a new legislation relating to foreign investment aimed at removing the distinction between various categories of overseas capital, a move intended to ensure stability in policy and help Indian firms to attract long term capital.

Citigroup plans to sell 20 businesses in consumer finance area, many of them located in Europe, its CEO Vikram Pandit said. He said the move was due to the shift in the consumer finance market where there is "less funding availability and they are probably less robust as businesses."



Economic Boom?

In a critical comment on India, the World Bank said robust economic growth and food security alone would not remove the tag of being "one of the most malnourished". "Whilst India celebrates its booming economy and GDP growth, the country remains one of the most malnourished in the world today," the Bank said in a study on undernourished children in South Asia.