

# NEWS ALERT

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## SELECTIVE CREDIT CONTROL TO COUNTER INFLATION

Reserve Bank of India (RBI) is likely to resort to sector-specific measures to tame food price inflation and ensure credit flow to some key sectors, including sub-Rs30 lakh housing and SMEs. In its October 12 pre-credit policy meeting with bankers in Mumbai, the central bank will discuss these measures under the selective credit control mechanism available to it, a senior central bank official said.



## DUAL LISTING FACES MANY HURDLES IN INDIA

India has received a request to consider key changes in its laws and regulations to facilitate a dual listing of the new entity born out of the cross-border merger between Bharti Airtel and the South Africa-based telco, MTN. The South African government has sought finance minister Pranab Mukherjee's help in making this happen. The FM said on Tuesday that India could look at its current laws to see whether dual listing can be facilitated.

### What is dual listing?

A dual listed entity involves two companies incorporated in different countries contractually agreeing to operate their businesses as if they were a single enterprise, while retaining their separate legal entity and existing stock exchange listings. You could call it a virtual merger of sorts.

The shares in each corporate entity reflect the combined economics of the two companies and the operations of the companies are managed through a common governance structure.

On the face of it, this may seem a very complicated exercise. However, the South Africans, who are keen on retaining the identity of MTN as a national symbol, are suggesting that this framework will actually help avoid the complexities involved in the actual physical merger.

## Citigroup raises \$5bn through govt-backed bonds

Citi's decision to sell two and three year bonds backed by the Federal Deposit Insurance Corporation (FDIC) could reinforce the perception that the bank, which has received \$45 billion in Federal aid, is still not back to full health.

## Quotable Quote

Warren Buffet, the billionaire investor who last year called the financial crisis an "economic Pearl Harbor" said the US economy has "hit a plateau at bottom."

"We have not bounced but we've quit going down," Buffet, the 79 year old chief executive officer of Berkshire Hathaway Inc, said.

## Three Indian origin CEOs in *Fortune* highest-paid men list

Sanjay Jha of Motorola and Vikram Pandit of Citigroup are among the three who have made it to the league of top 25 highest paid men in the world.

Sanjay Jha was ranked second, Vikram Pandit was ranked 14th, and Dinesh Paliwal, Harman International Industries vice-chairman, president and CEO secured the 25th position.