

IN BRIEF



RIL shares surge after Morgan Stanley report
NEW DELHI
Shares of Reliance Industries surged over 3% on Tuesday after brokerage firm Morgan Stanley said lower taxes and cheaper gas feed costs should de-risk outlook and boost earnings. The scrip gained 3.22% to close at ₹1,278.55 apiece on the BSE. During the day, it jumped 4.83% to ₹1,298.55. On the NSE, it rose by 3.09% to close at ₹1,277.50. The firm's market valuation jumped ₹25,304.6 crore to ₹8,10,488.6 crore. PTI

Biocon arm buys Pfizer research facility
NEW DELHI
Biotechnology major Biocon on Tuesday said its subsidiary had acquired a Chennai-based biological research facility from Pfizer Healthcare for an undisclosed amount. Biocon Biologics has acquired research and development (R&D) capital assets of a 60,000-sq. ft research facility at Tidel Bio Park in Chennai. The facility will house an early stage research and innovation centre. PTI

Gensol Engineering to go for public offer
NEW DELHI
Gensol Engineering has announced that its initial public offering (IPO) will be held between September 30 and October 4. The firm has set a price band at ₹81-83 per share, and hopes to raise at least ₹17 crore. The company, incorporated in 2012 and based in Ahmedabad, provides integrated engineering solutions and O&M services across the solar value chain in India and abroad.

Tax cut spurs ₹400-cr. investment by pharmaceutical firm USV

Corporate tax, especially for new manufacturing units was slashed last week

LALATENDU MISHRA
MUMBAI
Pharmaceutical firm USV Private Ltd. has announced plans to invest ₹400 crore in a new formulation plant at Vadodara in Gujarat. The announcement comes in the backdrop of Finance Minister Nirmala Sitharaman reducing corporate tax from 30% to 22%. USV said it would 'immediately' proceed with the investment in the formulation plant. "The recent announcement by the government has provided the much-needed boost to the pharmaceutical manufacturing sector that requires investments to provide world-class medicines



Capital flow: Construction work on the Vadodara facility will start in October, says Prashant Tewari. •SPECIAL ARRANGEMENT

to the population, at large," the company said. While the tax cut announced by the government

will help spur capital spending and generate employment in the pharmaceutical sector, the investments will

also go a long way to improve sustainability and capacities in pharmaceutical manufacturing, it added.

Prashant Tewari, MD, USV, said, "The construction for the new facility at Vadodara will start in October, with an initial capital investment of around ₹400 crore.

"The facility will provide employment to more than 350 people, despite being a highly automated plant." The firm will manufacture products in the diabetes and hypertension segments in the unit. USV, with ₹3,100 crore topline in FY19, is separately investing in an active pharmaceutical ingredient (API) plant at Ambernath.

Morepen can't access market for 1 year: SEBI

PRESS TRUST OF INDIA
NEW DELHI

SEBI barred Morepen Laboratories from the capital markets for one year for making misleading disclosure about the issuance of global depository receipts (GDRs).

The regulator noticed some arrangement being perpetrated by certain entities in respect of issuance of GDRs and therefore conducted an investigation into such issues of various companies, including Morepen Laboratories, made in March 2003.

SEBI has prohibited Morepen from "accessing the securities market, directly or indirectly, and also restrained from buying, selling or otherwise dealing in the securities for one year."

Pennar to set up CDW tube plant, double output

₹65-crore unit to go live by June 2020

SPECIAL CORRESPONDENT
HYDERABAD

Value-added engineering products and solutions company Pennar Industries on Tuesday said it was setting up a greenfield plant near Hyderabad for manufacturing cold drawn welded (CDW) tubes.

The facility, to be established with a capital expenditure of ₹65 crore and expected to become operational by June 2020, will double the company's CDW manufacturing capacity.

Pennar has an installed capacity to manufacture 1,500 tonnes per month of CDW tubes at the plant in Isnapur on the outskirts of Hyderabad. The new facility in Velchal, near Vikarabad, which will take the capacity

to 3,000 tonnes a month, will produce CDW tubes of up to 150 mm diameter and thickness of 10 mm.

In a statement, K.M. Sunil, vice-president – corporate strategy, said: "The new CDW facility will cater to hydraulic cylinder tube requirement of the consistently growing construction and earth-moving equipment sector, including propeller shafts for high pay load heavy vehicles. The precision ERW tubes from the same plant will be supplied to structural for airport, stadium, idlers for conveyors, axles for LCV and HCV."

Pennar, which has sales and marketing offices in the U.S. and Europe, will be exporting about 30% of its CDW volumes.

Stir impacts production at Coal India's 332 units

Strike against FDI via automatic route

SPECIAL CORRESPONDENT
KOLKATA

Production at the mines of Coal India Ltd., which accounts for 80% of the country's output, was affected on Tuesday with workers in most coal producing areas across the country halting work.

Call given by 5 unions

This was in response to a day's token strike call given by five central trade unions against the government's recent decision to allow FDI in coal through the automatic route.

The participating trade unions included those affiliated to the Indian National Trade Union Congress, the All India Trade Union Con-

gress, Hind Mazdoor Sabha and Centre for Indian Trade Unions. The Telangana Boggu Gani Karmika Sangham Union of SCCL also extended support. Indian National Mineworkers' Federation (INMF) secretary general SQ Zama said that the strike was near total across CIL's mines and offices.

In West Bengal, the strike impact was limited to mines of the Asansol-based Eastern Coalfields Ltd. Work came to a standstill in ECL's Rajmahal mine in Jharkhand, but trade union activists of the All India Trinamool Congress did not allow work stoppage. CIL officials confirmed that the strike affected the 332 units, mines and establishments of CIL.

Malaysia sees 15.2% more Indian tourists

SPECIAL CORRESPONDENT
CHENNAI

There has been a 15.2% growth in the number of Indians visiting Malaysia in the first six months of the current year ended June 2019 at over 3.54 lakh, said a Malaysia Tourism Promotion Board (MTPB) official.

"While international tourist arrivals grew 4.9%, Indian tourist arrivals saw 15.2% growth during the same period compared with last year," said Mohamad Taib Ibrahim, senior deputy director, international promotion division, Asia/Africa, MTPB.

Mr. Ibrahim was here to kick-start the Visit Malaysia 2020 campaign along with Malaysian Association of Tour and Travel Agents.

Infosys co-founder asks start-ups to take the IPO route for funds

Borrow with caution, says S. Gopalakrishnan

SPECIAL CORRESPONDENT
CHENNAI

Start-ups should look at raising money through initial public offerings (IPO) rather than borrowing from external sources, said S. 'Kris' Gopalakrishnan, co-founder Infosys.

Addressing members of Rotary Club of Madras on the topic 'Lessons from Infosys's journey and building a world-class business in India,' he said that Infosys Technologies remained bootstrapped until it went public during 1993.

"Till then, we managed to run our operations with own funds. When the banks refused to give loans to us in the absence of a collateral, it



S. Gopalakrishnan

to run and govern the business. "Instead, go for an IPO. It allows public to participate in wealth creation," he said.

Owned by foreigners

"Entrepreneurs are not thinking about IPOs. They only want to be private. When they go for external funding, the funds come from overseas. So, most of the Indian start-ups today are owned by foreigners," he said. The former Infosys chairman, who had invested ₹300 crore in several start-ups through Axilor Ventures, asked Indian entrepreneurs to lend a helping hand by investing in Indian start-ups.

Muthoot to issue ₹500 cr. worth NCDs

SPECIAL CORRESPONDENT
MUMBAI

Muthoot Fincorp Ltd. of the Muthoot Pappachan Group has launched a public issue of secured, redeemable, non-convertible debentures (NCDs) to raise ₹250 crore with an option to retain oversubscription of up to ₹250 crore, aggregating to ₹500 crore.

The funds will primarily be used to augment working capital and requisite lending.

The company had received board approval for the issue, in aggregate amounts of up to ₹900 crore. The first tranche of the issue, with a face value of ₹1,000 each, has opened and will close by October 18, 2019.

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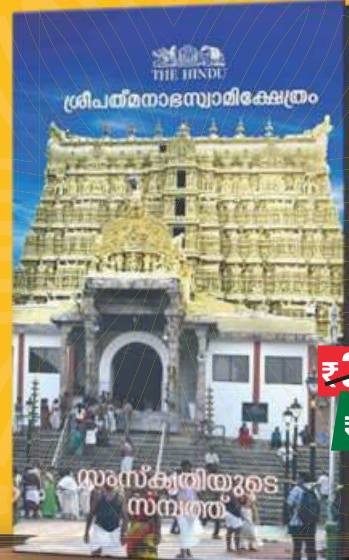
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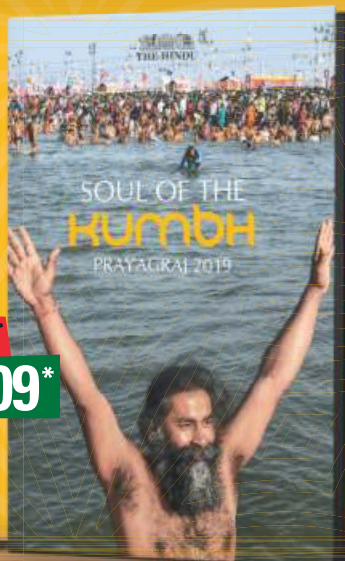
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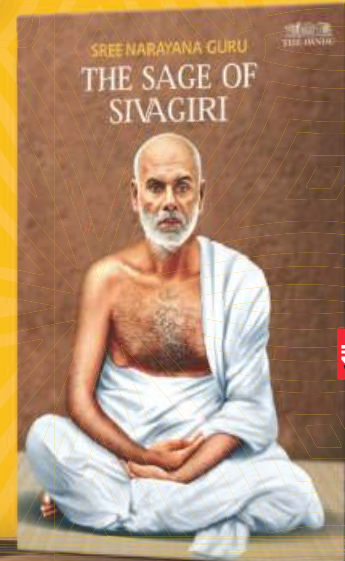
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