

Press Release Archives

July 31, 2002

Press reports regarding M/s. TVS Motor Company Ltd.

The press had reports that TVS Motor Company Limited is mulling a second open offer for Harita Finance Limited.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of TVS Motor Company Limited.

TVS Motor Company Limited has vide its letter inter-alia stated, "The company's present equity holding in Harita Finance Limited (HFL) is 17.95%. It also proposes to subscribe to the further issue of shares proposed to be made by HFL on a preferential basis to the extent of 1,35,00,000 equity shares. With this proposed subscription, the total holding of the promoter group companies, together with persons acting in concert (PACs) will be 89.80%. The balance with public, consequent to the issue of the preferential offer would get reduced to 10.20%. The company has not yet decided on making a second offer to public."

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Press reports regarding M/s. TVS Electronics Ltd.

The press had reports on July 29, 2002 that TVS Electronics Limited is planning to merge TVS eTechnology Limited, a 100% subsidiary of Sundaram Clayton with itself.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of TVS Electronics Limited.

TVS Electronics Limited has vide its letter inter-alia stated, "The subject caption sets out the inference drawn by the correspondent and is not correct. The Board has not considered any such proposal at present. It is further pointed out that when the correspondent asked Mr. Gopal Srinivasan, Director, about this he declined to comment. That Mr. Gopal Srinivasan had declined has also been mentioned in the news item.

It has been mentioned that TVS-eTechnology Limited is a 100% subsidiary of Sundaram Clayton Limited. This is not factual and is incorrect."

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Press reports regarding M/s. Steel Authority of India Ltd.

The press had reports on July 30, 2002 that the provident fund belonging to the Steel Authority of India (SAIL) has taken a hit of over Rs.10 crore in their dealings with Giltedge, an associate of the disgraced brokerage, Home Trade.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of Steel Authority of India Limited.

Steel Authority of India Limited has vide its letter inter-alia stated, "In two of the many Provident Fund Trusts run by employees of SAIL and its subsidiary IISCO, investments were made through UTI Bank. These Trusts are:

(a) Hindustan Steel CPO, S&T, Calcutta PF Trust (in one of the Units of SAIL) – In February 2002, for investing in Central Government Securities, the Trust requested for offer of investment of Rs. 1.5 crore in the Central Government Securities. In response to the said invitation, UTI Bank made an offer alongwith other offers of M/s. Kotak Mahindra, Birla Sunlife, ICICI Securities & Finance Co., Strategic Capital Corpn. Ltd. and Srei International Securities Ltd. The offer of UTI Bank was found attractive and accepted. The cheque was issued to UTI Bank. It may not be out of place to mention that the quotation was given by UTI Bank only and nobody else. The cheque was received by the officer of the UTI Bank and the receipt of the cheque by the same person is also with the Trust. However, in the transaction, receipt issued by the UTI Bank stated that the counter party was M/s. Home Trade. However, our transaction was already with UTI Bank and in our view they are responsible for delivery of scrips to our PF Trust.

(b) IISCO PF Trust (IISCO is a subsidiary of SAIL) – IISCO PF Trust made investments of around Rs. 12.75 crores in various securities including Central Government Securities through UTI Bank on various dates from August 2001 to March 2002. Though the transactions were carried out through UTI Bank, in the transaction confirmation letter of UTI Bank, the name of the counter party has been mentioned as M/s. Home Trade.

When the matter was taken up with the UTI Bank they have stated that they are only the facilitators and the PF Trusts should deal directly with M/s. Home Trade. PF Trust dealt directly with UTI and in, our view, they are responsible for delivery of scrip to the Trust.

It would be evident that since all the transactions have been done by UTI Bank, UTI Bank cannot absolve itself of its responsibility and are required to explain their conduct during the transaction. Matter is being pursued with UTI, Mumbai and RBI.”

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Press reports regarding M/s. Nicholas Piramal India Ltd.

The press had reports on July 29, 2002 that Voltas Limited has discontinued its agency arrangement with Nicholas Piramal India Limited for the distribution of vitamins and veterinary products.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of Nicholas Piramal India Limited.

Nicholas Piramal India Limited has vide its letter inter-alia stated, “We would like to confirm that in the interest of operational efficiency and to increase profitability, the Vitamins & Fine Chemicals Division of the Company established its own Selling and Distribution network and severed its distribution arrangements with Voltas Limited, thereby reducing distribution costs substantially. This has been effective October 2001. The above facts have been already been mentioned on page 12 of the Annual Report of the Company for the financial year ended 31st March 2002.”

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Press reports regarding M/s. IDBI Bank Ltd.

The press had reports that IDBI Bank Limited has taken over the merchant acquisition business of BNP Paribas for an undisclosed amount.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of IDBI Bank Limited.

IDBI Bank Limited has vide its letter inter-alia stated, “IDBI Bank has signed an enabling agreement with BNP Paribas and Venture Infotek Ltd. which is the back end service provider and third party processor for BNP Paribas, to migrate the existing BNP Paribas merchant acquiring portfolio to IDBI Bank Ltd. The portfolio has been acquired by the bank at a price of Rs. 25 lacs. The merchant acquiring business, by its inherent nature is a transient and dynamic business,

where each merchant is free to tie up with any bank that it chooses to and many merchant establishments have relationships with multiple acquirers.

The business currently comprises approximately 2500 merchant establishments with an average turnover of Rs. 300 crores per annum. However, given the fact that merchant establishments are not contractually bound to migrate to IDBI Bank, there is no guaranteed value for the portfolio that will migrate to IDBI Bank. The merchants who currently transact their business through BNP Paribas are not contractually bound to move to IDBI Bank. Therefore over the next one month IDBI Bank's sales team will contact these merchant establishments to solicit their business and undertake signing of fresh agreements with these merchant establishments.

The cut over date currently agreed by the Bank with BNP Paribas is August 25, 2002 subject to successful migration of merchant establishments and certification of back end systems by Visa and MasterCard International. It is only on the cut over date that the business will be taken over by IDBI Bank. The value payable to BNP Paribas is payable only 30 days post the cut over date.

Given the above, the Bank treats the acquisition to be in effect only on the cut off date and the Bank would have, in due course advised the Stock exchange. Further, please note that the press article did not originate from IDBI Bank and the Bank has made no public announcement in this regard with any publication or media."

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Press reports regarding M/s. Mangalam Cement Ltd.

The press had reports that Cemex SA De CV, Mexico is on the verge of acquiring Mangalam Cement Limited's 1.3m tonne capacity at Kota in Rajasthan.

The Exchange in order to verify the accuracy or otherwise of the information reported in the press and to inform the market place so that the interest of the investors is safeguarded had written to the officials of Mangalam Cement Limited.

Reply is awaited from Mangalam Cement Limited.

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The Exchange has successfully completed its 612th Normal Settlement

The Exchange has successfully completed its 612th Normal Settlement (Rolling T+3 following SEBI directive) since inception i.e., Settlement Number N - 2002144 on July 31, 2002. The settlement statistics are as follows:

Particulars	Values
	N - 2002144
Total traded quantity (lakhs)	1454.84
Total traded value (Rs. In Crores)	2456.12
Total value of the settlement (Securities) (Rs. In Crores)	400.14
Total value of the settlement (Funds) (Rs. In Crores)	198.35
Shortages for the settlement	0.50%
% of Delivery (No. of shares delivered / No. of shares traded)	28.39%

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