



RICH TIDINGS GLOBALLY LIFT STREET TO NEW HIGHS

INDIAN shares rose to a new 19-month high on Tuesday, sailing with global markets that are enjoying the liquidity high-tide even as fundamental and technical factors point to a modest 2010. Conventional wisdom that the peak may be closer when penny stocks are the toast of traders and shoe-shine boys give out stock tips are also beginning to play out.

"Markets are trading at the higher end of their fair value at the moment," said Nilesh Shah, deputy MD and CIO, ICICI Prudential Asset Management.

"Investors will now wait to see how the government translates its promises on economic growth and reforms into real actions." The Sensex closed at its highest level since May 16, 2008, at 17,401.56, up 40.95 points, or 0.24%, off the day's high of 17,486.05. The Nifty ended up 9.55 points, or 0.18%, at 5,187.95, after touching the day's high of 5,214.60, its highest since May 5, 2008. A close above 5,200 is required to indicate the continuation of a bull run.

MINISTRIES SEEK STEEP HIKES IN PLAN OUTLAYS

Key central ministries that control the bulk of Plan expenditure—mostly the spending on developmental schemes and programmes—have surprised the Planning Commission by demanding an unprecedented 50-70% hike in outlays for 2010-11.

This would make the task of the managers of central government finances all the more difficult in a year they need to try hard to reduce the level of Plan funding through borrowings, as part of the effort to improve the state of the fisc.

IPO SCAM: COMPENSATION SOON FOR RETAIL INVESTORS

Retail applicants who did not receive allotments in the scam-hit IPOs of 2003-2005 could yet stand to benefit, with the regulator proposing to initiate the distribution of illegal gains made by the scam perpetrators.

The Securities and Exchange Board of India (SEBI) has identified 21 such IPOs, including that of IDFC, NTPC, TCS, YES Bank and Suzlon Energy.

SEBI on Tuesday said it proposes to initiate administrative steps for the reallocation of the disgorgement amount it had collected so far from various key operators, while also making public the Justice D. P. Wadhwa Committee Report, two years after it was submitted.

PDS KEROSENE MAY NOT FLOW TO POWER, LPG USERS

THE government is considering a plan to stop providing subsidised kerosene to people living in towns and villages with access to electricity and cooking gas, a move intended to check the widespread adulteration of diesel and save about Rs 15,000 crore.

A policy restricting the supply of subsidised kerosene will be announced after consultation with states. A meeting of ministers of civil supplies of all states will take place next month on the issue, an oil ministry official said.

FINANCE PRO RA-VIMOHAN PASSES AWAY

