

NEWS ALERT

Volume IV, Issue 20

November 21, 2009

- The Reserve Bank of India will give banks six months more to set aside extra funds from their profits to cover non-performing assets, stretching an earlier deadline of September 2010. A senior RBI official said that this would help them to spread the possible adverse impact on their balance sheets over a longer period.
- British luxury car maker Rolls-Royce Group launched its latest car 'Ghost' in Delhi on Friday at a price upwards of Rs 2.5 crore. Bookings for the Ghost have begun though deliveries will start only in the first quarter of 2010.

Top Executives Quit Cushy Jobs To Reach For The Sky

With the economy back on the recovery track, senior executives are once again eyeing the exit door. Emboldened by easing credit flow and a palpable pick-up in consumer demand, a raft of officials holding senior-level positions at major companies straddling across sectors are leaving their jobs to branch out on their



own. Sanjeev Jain, the product business head at Videocon's consumer electronics division, is shifting his focus from the TV to the couch. He has launched a retail venture that holds the rights for Miss Sixty, an Italian luxury brand offering apparel, footwear and accessories for women. "I had attained a senior position at an early age. The question was, what's next? When the situation was bad, we tolerated the whims and fancies of the organisation. In a booming economy, one is better prepared to venture out on his own," Mr Jain says. Those leaving their comfort zones say the recent economic recovery has once again enabled executives to take risks and pursue entrepreneurial ambitions. Economies worldwide slowed in 2008 as credit tightened and international trade declined. After the credit crisis hit banks last year, many top private sector lenders, including ICICI Bank and Citibank, massively scaled down financing. That credit tap has now started trickling, thanks to growth stimulus measures taken by the government and the Reserve Bank of India early this year. "The business sentiment is much better today and that certainly helps. Moreover, today's young professionals are much more confident of themselves, are financially sound and trust their abilities to pursue their own interests," says Egon Zehnder International partner Govind Iyer.

Cell Users Can Ditch Operator For Rs 19

From New Year, the country's 500-million mobile phone users will be allowed to retain their numbers while switching service providers, with the telecom regulator clearing number portability, a move that could intensify an ongoing price war that has already hit the sector's profits and revenues.

Mobile users unhappy with the services of their operators just need to pay a nominal fee of Rs 19 for moving to a new service provider, telecom regulator TRAI said on Friday.

Subscribers in Delhi, Mumbai, Kolkata and category 'A' circles such as Maharashtra, Karnataka, Tamil Nadu, Gujarat and Andhra Pradesh will be allowed number portability from December 31 while the rest of the country will have the facility from March next year.