photo of the headquarters of Warner Music Group in
ank, California. PHOTO: REUTERS

ares in Warner Music
jumped 40 per cent this
as investors eagerly an-
ited a sale of the company.
he sale may eventually
to more consolidation in
usic industry. Many con-
Blavatnik's next step to be
tempt to combine Warner
c's record-music arm with
of the EMI Group, which
roup owns after foreclos-
n its previous owner.
hat would shrink the num-
f big global record com-
es to three from four, and
aps the combined Warn-
MI entity would find
gh cost savings to become
ncially healthy.
ince putting itself up for
in January, Warner Mu-
ad attracted dozens of potential buyers, from other music companies to billionaires seeking a trophy acquisition.

By this week, three suitors had emerged with strong prospects: Blavatnik; Tom and Alec Gores, brothers who run their own private equity shops; and Sony/ATV Music Publishing, which had been working with the billionaire Ronald O Perelman and the investment firm Guggenheim Partners.

Of these, Blavatnik had long been seen as the most likely winner. A former Warner Music board member, he has retained both close ties to top company officials like Bronfman and an equity stake.

"I am excited to extend my longstanding involvement with Warner Music," Blavatnik said.

chemical company that has rebounded from bankruptcy. (Blavatnik is fending off a lawsuit by that company's creditors, who allege that his takeover of the chemical maker larded it with an unsustainable amount of debt.)

Other potential bidders complained during the sales process that they felt that the end result already seemed oriented toward a win by Blavatnik, people briefed on the matter said previously.

Yet Blavatnik will still have a challenge on his hands, as the recorded music industry continues its battle to stem declining sales. Digital music downloads have been rising, but not nearly enough to replace the revenue lost from falling CD sales.

Commodities futures are essential to many businesses, like food manufacturers and fuel suppliers. PHOTO: BLOOMBERG

GRAHAM BOWLEY & WILLIAM NEUMAN
6 May

THE extreme volatility of commodities prices and the unpredictability that comes with it is increasing the cost of doing business for everyone.

The price swings have been eye-popping. In March, cocoa futures plummeted 12 per cent in less than a minute and then quickly recovered in a "flash crash" that left traders mystified. Cotton futures have fluctuated so wildly that they flipped market circuit-breakers on about two-thirds of the trading days this year. Last November, sugar futures fell more than 20 per cent over two days, their biggest two-day selloff in at least 17 years, and they often swing more in one day than they used to move in a month.

COMMODITIES FUTURES keep the wheels of industry turning smoothly by acting like insurance policies to hedge the risks inherent in buying and selling raw ingredients

Arcane to the layman, commodities futures are essential to many businesses, like food manufacturers and fuel suppliers, which use them to help set prices and predict costs for items as varied as corn flakes, blue jeans and mocha lattes. Farmers use them to decide which crops to plant. And they keep the wheels of industry turning smoothly by acting like insurance policies to hedge the risks inherent in buying and selling raw ingredients.

But when prices move erratically, it increases the cost of buying the futures and options that protect companies against such changes. Those added costs find their way to the grocery store and the shopping mall.

Consider home heating oil, for example. Sean Cota, a propane gas and heating oil supplier in Bellows Falls (Vermont), signs contracts with customers to supply oil to them during the winter heating season.

Since Cota typically buys oil only as he needs to supply it, he uses heating oil futures and options as a form of insurance to protect himself against unexpected jumps in prices. Seven or eight years ago, he said, such protection added 2 to 6 cents to each gallon of heating oil he bought. These days, volatile oil prices mean it costs him 37 cents a gallon for such hedging — an extra cost that he expects to add to customers' heating oil bills, which are already higher because the price of oil has risen sharply in the last year.

"It is affecting my company drastically," said Cota, who has been lobbying in Washington for restrictions on financial flows into the commodities markets. "I pass the extra cost on to customers, but sometimes I just have to swallow it."

Volatility can drive prices down as quickly as it pushes them up. On Thursday, prices for a wide range of commodities plunged, with the broad CRB commodities index closing down 4.9 per cent.

Making the situation more confounding for businesses is that commodities have become more volatile for reasons that no one fully understands.

Much of the fluctuation is caused by economic supply and demand. Stockpiles of goods like cotton, corn and coffee are at historically low levels, setting markets on a hair trigger. Demand for many commodities is rising as developing countries like China and India become wealthier and buy ever more food and oil.

At last, a reason to be always the bridesmaid

Payment of Redemption amount to Debenture Holder.

"Business Standard 7th May, 2011"

Gujarat Perstop Electronics Ltd.

PUBLIC NOTICE

Re: Gujarat Perstrop Electronics Ltd.(GPEL) (In Liquidation) – 5,70,000 Non Convertible Debentures (NCDs) of Rs.40 each (after conversion aggregating Rs. 2,28,00,000/-

NOTICE is hereby given to the holders of 15% Non-Convertible Debentures of Rs.40/- each (after conversion), aggregating to Rs. 2,28,00,000/-(Rupees Two Crore Twenty Eight Lakhs only) that in the winding up proceedings of GPEL, Hon'ble High Court of Gujarat sold the assets of GPEL. Debenture Holders had Second Charge on the assets of GPEL. We as Constituted Attorney of IDBI the Trustees for the captioned Debentures have received an amount of Rs.3,49,02,047/- as share of Debenture Holders on our furnishing required undertaking to the Hon'ble High Court of Gujarat to the effect that in case amount paid to us is found excess of entitlement or if any shortfall arises as a result of some claims lodged against GPEL in liquidation either by any secured creditor or worker or any statutory creditor and the same requires to be satisfied, we will first reimburse the same to that extent with prevalent rate of interest to the Official Liquidator (OL) under the directions of High Court of Gujarat. The said amount, net of expenses and Trustee's Charges is being distributed to the Debenture holders on pro rata basis in redemption of the captioned debentures of aggregate face value of Rs.2,28,00,000/-, on the understanding that debenture holders agree to the said undertaking and are receiving the amount, as if, the said undertaking has been given by each individual debenture holder to the Hon'ble High Court. We have engaged Investor Services of India Ltd.(ISIL) as Registrar and Transfer Agents (RTA) to distribute the said amount. Debenture Holders who are holding more than Ten debentures are requested to furnish the following documents:-

i) Duly discharged Original Debenture Certificates
ii) Debenture holder's Bank Account Particulars and signature of the Debenture Holder duly attested by the Branch Manager of the Bank

to Investor Services of India Ltd., Unit: Gujarat Perstrop Electronics Ltd. at IDBI Building, 2nd Floor, Plot No.39 to 41, Sector 11, CBD Belapur, Navi Mumbai – 400 614.

Small Debenture Holders who are holding Ten or less than Ten debentures as per the GPEL's Record as on 10th February, 2005 would be sent Redemption warrants/Cheques without furnishing the above documents. If any claimant has any objection for direct payment to small debenture holders then the Claimant must lodge the claim with ISIL before 3rd June, 2011 along with all relevant documents. No claims of whatsoever nature received after 3rd June, 2011 will be entertained and ISIL will go ahead with the payments as per the GPEL's Record.

Authorized Signatory
IDBI Trusteeship Services Ltd.
Constituted Attorney of IDBI,
the Trustees at Asian Building, 17, R.Kamani Marg, Ballard Estate, Mumbai 400 001

Size: 10 x 8 cms