

(This document comprises news clips from various media in which Balmer Lawrie is mentioned, news related to GOI and PSEs, and news from the verticals that we do business in. This will be e-mailed on every Monday.)

## Department of Disinvestment tweaking PSU stake sale norms to attract retail investors

The Department of Disinvestment is working on tweaking the Offer For Sale (OFS) mechanism for PSU stake sale by carving out a separate 5 per cent category for retail investors.

"We are looking at creating a separate bucket for retail investors. We will be discussing with Sebi if 5 per cent could be reserved for retail buyers," a senior Finance Ministry official told PTI.

In the PSU stake sale under OFS mechanism or the auction route, retail investors get a very small portion as bulk of issue is cornered by institutions, who put bids at rates higher than the base price.

*Economic Times - 07.04.2013*

<http://economictimes.indiatimes.com/news/economy/finance/departments-of-disinvestment-tweaking-psu-stake-sale-norms-to-attract-retail-investors/articleshow/19426016.cms>

## Weak markets to affect government's Rs 40,000 crore divestment plans

Weak markets will make it challenging for the government to achieve its FY14 divestment target of Rs 40,000 crore. While the markets have corrected by only 5% since the beginning of 2013, the weak sentiments over the PSU stock have led to over 15% fall in the PSU index.

Most impacted stocks are of the large cap companies in which the government has already sold its stake. These stocks include companies such as NTPC, NMDC, NALCO, NHPC and SAIL, all of these stocks have fallen by 20-30%. In 2013-14, the government is looking to fetch Rs 40,000 crore from the disinvestments. 70% of this or Rs 28,000 crore is likely to come from stake sale in Coal India and Oil India.

*Economic Times - 05.04.2013*

<http://economictimes.indiatimes.com/news/economy/finance/weak-markets-to-affect-governments-divestment-plans/articleshow/19401194.cms>

## Oil Ministry shifts key officials for quicker decisions

A new team has taken charge in key positions in the petroleum ministry and has firmly directed

## Disinvestment department seeks ministries comments on CIL stake sale

Various ministries are required to submit their inputs by tomorrow to the Department of Disinvestment (DoD) on the draft Cabinet note for up to 10 per cent stake sale in Coal India.

"DoD has asked the ministries, including Coal, as well as Planning Commission to send their comments with regard to stake sale in Coal India by April 8," according to an official.

The government is expected to sell up to 10 per cent of its stake in the world's largest coal producer CIL through offer for sale route in the first quarter of this fiscal.

*Economic Times - 07.04.2013*

<http://economictimes.indiatimes.com/news/economy/finance/disinvestment-department-seeks-ministries-comments-on-cil-stake-sale/articleshow/19426132.cms>

## 'Price stability must for long-term growth'

Reserve Bank of India Governor D. Subbarao has said that price stability is necessary for ensuring sustainable growth in the long-term as it helps investors and consumers take informed decisions.

"There might be some trade-off in the short-term but in the medium- to long-term, you need price stability for investors and consumers to make informed choices, a necessary condition to stimulate growth," he said in an interview to a weekly magazine in Mauritius.

*The Hindu - 05.04.2013*

<http://www.thehindu.com/business/Economy/price-stability-must-for-longterm-growth/article4581410.ece>

## Interest rate cuts only if inflation eases: RBI

Reserve Bank governor D Subbarao indicated on Saturday that the banking regulator would

bureaucrats in the directorate general of hydrocarbons (DGH) to quickly act on long-pending decisions that have held up big oil and gas projects and soured investor sentiment.

These top officials have gradually assumed charges in five months since Veerappa Moily replaced Jaipal Reddy as oil minister. Vivek Rae became petroleum secretary in February after GC Chaturvedi retired. Last week, the ministry made changes in assignments of three joint secretaries to facilitate faster decisions on crucial issues of natural gas pricing and marketing.

*Economic Times - 08.04.2013*

<http://economictimes.indiatimes.com/news/news-by-industry/indl-goods/svs/petrochem/oil-ministry-shifts-key-officials-for-quicker-decisions/articleshow/19436614.cms>

### **India saw worst fall globally in domestic air travel in February: IATA**

India continues to remain the weakest performing domestic aviation market in the world. The International Air Transport Association (IATA) Wednesday released global data for the month of February and the drop in domestic air travel demand was weakest in India where traffic fell by 9%, even as the average for the month for all countries was a rise of 3.9%.

*The Times India - 03.04.2013*

<http://timesofindia.indiatimes.com/business/india-business/India-saw-worst-fall-globally-in-domestic-air-travel-in-February-IATA/articleshow/19364970.cms>

### **India needs a superior logistics service**

With the country's GDP ( gross domestic product) slated to grow to \$3.6 billion by 2020 from \$1.8 trillion currently, the movement of goods associated with a mature economy would require a vastly superior service sector as well as physical logistics infrastructure. "The transformation of India's logistics landscape needs a clear, long-term and sustainable vision encompassing initiatives that are proactive rather than reactive to leverage India's economic potential," KPMG said in a report.

*The Times of India - 01.04.2013*

<http://timesofindia.indiatimes.com/business/india-business/India-needs-a-superior-logistics-service/articleshow/19326971.cms>

reduce interest rates further only if inflation continues to ease. RBI has been lowering the cash reserve ratio (CRR) and benchmark interest rates since January last year, with inflation in this period dropping from 11% to about 7%.

Speaking at a function organized by the Federation of Karnataka Chambers of Commerce and Industry, the governor said that the country's economic climate was a cause for concern. He said growth for 2012-13 was at a relatively low 5%, inflation was still high at 6.8%, and the current account deficit stood at 5% of GDP, historically the highest.

*Times of India - 06.04.2013*

<http://timesofindia.indiatimes.com/business/india-business/Interest-rate-cuts-only-if-inflation-eases-RBI/articleshow/19419104.cms>

### **Cancelling air tickets now a costly affair**

Alongside heavy discounts on airfares, airlines are now setting up major deterrents to cancellations. Jet Airways on Tuesday revised its cancellation charges from a flat Rs 1,050 on all domestic flights to penalties ranging from Rs 200 to Rs 2,000. According to travel agents, as per Jet Airways' new structure, the higher the fare, the lower will be the cancellation charge. The lowest economy fare tickets will be non-refundable. The tickets priced a little more than the cheapest would attract a cancellation charge of Rs 2,000; the upper economy Rs 1,000; and premium class tickets the lowest penalty of Rs 250 to Rs 500.

*The Times of India - 03.04.2013*

<http://timesofindia.indiatimes.com/business/india-business/Cancelling-air-tickets-now-a-costly-affair/articleshow/19351442.cms>

### **Cargo volumes at 12 big ports down 2.5%**

The volume of cargo handled by India's dozen state-owned ports declined by 2.58% in the year ended 31 March, the second straight drop, as lower iron-ore and fertilizer loadings hurt overall cargo shipments. The 12 ports handled a combined 545.68 million tonnes (mt) of various commodities such as crude oil, petroleum products, iron ore, coal, container cargo and fertilizers in fiscal 2013, according to statistics by the Indian Ports Association (IPA), which represents the 12 ports.

*Mint - 02.04.2013*

<http://www.livemint.com/Companies/HMpShAaNEwSEyNcXWzySnK/Cargo-volumes-at-12-big-ports-down-25.html>

## **ExxonMobil, BHP to develop world's largest floating LNG plant**

Exxon Mobil and BHP Billiton are planning to build the world's largest floating liquefied natural gas (LNG) processing and export plant off the northwestern shore of Australia, despite growing concerns about the cost competitiveness of the country's LNG projects.

At around half a kilometer (0.3 miles) long, the vessel would be nearly as long as five football fields laid end-to-end and would be the largest floating facility in the world.

The plant would bump up Australia's current LNG production by nearly 30 percent, producing 6 million to 7 million metric tons (6.62 million to 7.71 million tons) per annum (mtpa), enough to fuel the LNG needs of Japan, the world's largest importer of the gas, for about a month.

*Reuters - 02.04.2013*

<http://www.reuters.com/article/2013/04/02/us-exxon-bhp-lng-idUSBRE9310C920130402>

## **Global black tea output up 7.13 million kg**

Global black tea production during January-February this year has increased by 7.13 million kg (mkg) to 113.62 mkg compared with the same period a year ago. Output in Malawi and Indonesia indicates a drop over last year. Malawi's February output dropped by 2.20 million kg (mkg) to dip to 5.10 mkg. Indonesia's output dropped marginally by 0.30 mkg to total 4.30 mkg.

*The Hindu Business Line - 04.04.2013*

<http://www.thehindubusinessline.com/industry-and-economy/agri-biz/global-black-tea-output-up-713-million-kg/article4581389.ece>

## **French oil giant Total to sell gas network to Snam consortium for \$3.25 bn news**

French oil giant Total SA today finalised a deal to sell its Transport et Infrastructures Gaz France (TIGF) to a consortium led by Italian gas transport group Snam, for €2.4 billion (\$3.25 billion).

The Paris-based company said that it has signed a definitive agreement with a consortium comprising Snam, French power company Electricite de France SA (EDF), and Government of Singapore Investment Corporation to acquire TIGF.

*domain-b.com - 05.04.2013*

[http://www.domain-b.com/companies/companies\\_t/TotalFina/20130405\\_gas\\_network.html](http://www.domain-b.com/companies/companies_t/TotalFina/20130405_gas_network.html)

## **Tea exports likely to rise 9% in 2013**

Tea exports from India are likely to grow by over 9 per cent in 2013 aided by a strong demand for orthodox tea in various countries. According to M.G.V.K. Bhanu, Chairman of the Tea Board, India is likely to export over 220 million kg of tea in 2013 compared with 201 million kg in 2012. Tea exports from India stood at 215.42 million kg in 2011.

*The Hindu Business Line - 04.04.2013*

<http://www.thehindubusinessline.com/industry-and-economy/agri-biz/tea-exports-likely-to-rise-9-in-2013/article4580516.ece>