

(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.)

## News on Balmer Lawrie

THE TELEGRAPH CALCUTTA  
THURSDAY 8 NOVEMBER 2012

### Balmer Lawrie

Diversified public sector undertaking Balmer Lawrie has reported an 18 per cent growth in net profit at Rs 34.48 crore for the second quarter.

Net income for the quarter stood at Rs 635.66 crore against Rs 531.54 crore in the corresponding quarter of last year.

प्रभात खबर  
कारोबार

कोलकाता, गुरुवार, 8 नवंबर, 2012

### बामर लॉरी का लाभ बढ़ा

कोलकाता ■ मिनी रत्न श्रेणी की कंपनी बामर लॉरी एंड कंपनी लिमिटेड ने अपनी दूसरी तिमाही की घोषणा कर दी है. बुधवार को कोलकाता में कंपनी की बोर्ड मीटिंग में 30 सितंबर को समाप्त दूसरी तिमाही के नतीजे घोषित किये गये. चालू वित्त वर्ष में दूसरी तिमाही का शुद्ध लाभ 20 प्रतिशत की वृद्धि के साथ 635.66 करोड़ रहा, जो पिछले साल की समान अवधि में 531.54 था. वहीं कंपनी के कर के पहले लाभ व कर के बाद लाभ मद में भी 18 प्रतिशत की वृद्धि के साथ क्रमशः 50.46 करोड़ व 34.48 करोड़ रही.

THE FINANCIAL EXPRESS

THURSDAY | NOVEMBER 8 | 2012

### Balmer Lawrie net up

Balmer Lawrie's profit after tax for the second quarter in FY 13 grew 18% year-on-year to Rs 34.48 crore while profit before tax also grew 18% to Rs 50.46 crore for the September quarter FY13. Net income grew 20% y-o-y to Rs 635.66 crores for the period from Rs 531.54 crores for the corresponding quarter last year. However, for the half year ending 30 September 2012, the net income has gone up by 16% to Rs 1,331 crores and the net profit has gone up by 8% to Rs 80 crores.

The Bengal Post

Kolkata, Thursday, November 8, 2012

### Balmer Lawrie Q2 net up 18pc

Kolkata: The net income of Balmer Lawrie has gone up by around 20 per cent to ₹635.66 crore for the second quarter of FY13 from ₹531.54 crore. Both PBT and PAT have grown by around 18 per cent to ₹50.46 crore and ₹34.48 crore respectively. — BP

## Balmer Lawrie

Balmer Lawrie & Co reported a profitable second quarter as per the accounts adopted for the quarter ending September 30, 2012. While net income has gone up by around 20% to Rs 635.66 crore for the second quarter of the financial year 2012-13 from Rs 531.54 crore clocked the corresponding quarter last year, both PBT and PAT have grown by around 18% to Rs 50.46 crore and Rs 34.48 crore respectively. However, for the half year ending September 30, 2012, net income has gone up by 16% to Rs 1331 crore and net profit, by 8% to Rs 80 crore.

*Economic Times - ET Speed - 07.11.2012*

<http://speed.economictimes.indiatimes.com/comments/postid-10297871.cms>

## Balmer Lawrie-Financial Results

*Business Standard - 08.11.2012*

[http://business-standard.com/stockpage/notice\\_detail.php?exch=bse&autono=%7B81A9EE7F-0C47-4DF3-89FB-DE149B95CC74%7D](http://business-standard.com/stockpage/notice_detail.php?exch=bse&autono=%7B81A9EE7F-0C47-4DF3-89FB-DE149B95CC74%7D)



## Balmer Lawrie's new Grease & Lubricant Plant inaugurated at Silvassa

Balmer Lawrie, a Mini Ratna 1 Public Sector Enterprise under the Ministry of Petroleum and Natural Gas, Government of India and a pioneer in grease manufacturing in India, commissioned its state-of-the-art Grease & Lubricant plant at Silvassa. The plant was inaugurated by Shri Viren Sinha, C&MD on 9th November, 2012.

The commissioning of the plant is another step towards maintaining its position as the largest manufacturer of a wide range of greases in India and emerge as a globally competitive, transnational lubricants solution provider. Balmer Lawrie had recently launched the new packaging for 'Balmerol', the brand name under which it markets greases, lube oils & speciality lubricants for the Automotive & Industrial sectors. Besides Silvassa, the Company has plants in Kolkata, Chennai and Mumbai.

*Manipal World News - 09.11.2012*

<http://manipalworldnews.com/2012/11/09/balmer-lawries-new-grease-lubricant-plant-inaugurated-at-silvassa/>

## Balmer Lawrie's new Grease & Lubricant Plant inaugurated at Silvassa

*APN News - 09.11.2012*

<http://apnnews.com/2012/11/09/balmer-lawrie%E2%80%99s-new-grease-lubricant-plant-inaugurated-at-silvassa/>

## Balmer Lawrie - Potential multi-bagger with dividend yield of around 5% - Centrum

Balmer Lawrie & Co (BLC), a 100-year old zero-debt, cash & asset rich company, is a rare player in the logistics segment with huge real estate & land assets spread over more than 30 locations mainly in metros in India. It has major presence in industrial packaging, lubricants, logistics services, travel and



tours; BLC has declared a dividend of Rs.28/share for FY2012 and we expect it to declare a minimum dividend of Rs.30/share in FY2013 thus giving a dividend yield of 4.7% at the current market price. Cash on books of Rs.316 crore as on March 31, 2012 is around 30.5% of the current market cap of BLC - hence, being a PSU, there exists opportunity for possible special dividend; BLC has posted impressive growth during the period FY2002-FY2012, while BLC's total income increased nearly 3.4 times to Rs.2,671 crore, but net profit increased more than 7 fold to Rs.148 crore. BLC has consistently increased the dividend 16-fold from Rs.1.80 for FY2002 to Rs.28 per share for FY2012; Balmer Lawrie Investments Ltd. (BLIL), the holding company for BLC, has given an undertaking to the regulator (RBI) that it will divest its stake in BLC (source: [www.blinv.com](http://www.blinv.com)). Being asset-rich, this provides multi-bagger opportunity in long term; BLC in its AGM has declared that it plans to invest Rs.300-500 crore in next 2-3 years in new projects like a container manufacturing facility at Navi-Mumbai (~Rs.100 crore), a multi-modal logistic hub at Visakhapatnam (~Rs.150 crore), an independent facility for producing construction chemical in Chennai (~Rs.40 crore) and a travel portal (~Rs.25 crore);

BLC has aggressive expansion plans:

- Earmarked \$7 million for in-organic growth and foraying into the Rs.1,800 crore construction chemical business
- Focus on branding by launching new packaging for 'Balmerol', with its goal to emerge as a globally competitive, transnational lubricants solution and service provider
- Its subsidiary, Balmer Lawrie (UK) is proposing acquisitions outside India
- Set to launch online booking portal & focused packages for its high growing Travel & Tours business, which contributes ~40% to the revenues and 13% of the PBIT

We believe BLC is well placed to benefit and can emerge as a multi-bagger if the divestment takes place. Considering that it is a high dividend yield, zero debt-cash rich company and is currently trading at a low PE of 5.5x FY2014E EPS of Rs.116.2, we recommend a BUY on the stock with a fair value of Rs.750, offering a potential return of 17.2% from the current levels.

*Equity Bulls - 09.11.2012*

[http://www.equitybulls.com/admin/news2006/news\\_det.asp?id=112648](http://www.equitybulls.com/admin/news2006/news_det.asp?id=112648)

### **Balmer Lawrie to support training of 100 girls in travel and tourism operations**

Balmer Lawrie Tours & Travel, the dedicated travel and tourism wing of Balmer Lawrie Co Ltd., a public sector company under the Ministry of Petroleum & Natural Gas, will support training of 100 underprivileged girl students in travel and tourism operations as part of their Corporate Social Responsibility (CSR). The training programme, which will run simultaneously in the metro cities of Delhi, Mumbai and Kolkata, will be imparted through and in association with Trade Wings Institute and IATA Training & Development Institute. The travel and tourism training programme, started last year envisages training a total of 200 candidates from economically backward sections of the society over two years. The successful candidates will be eligible for Diploma in Travel & Tourism Management awarded by Trade Wings Institute as well as be eligible to appear for IATA's Foundation Course Examination.

*Travel Biz Monitor - 08.11.2012*

<http://www.travelbizmonitor.com/balmer-lawrie-to-support-training-of-100-girls-in-travel-and-tourism-operations-18349>

### **Government to review investment of surplus cash by CPSEs in January 2013**

The government will review investment of surplus funds by cash-rich Central Public Sector Enterprises (CPSEs) in January next year and those companies which fail to invest would have to declare special dividends, sources said.

"In January 2013, the government will review investment of surplus funds by the PSUs and those companies which fail to invest their cash reserves have to declare special dividends," sources told PTI.

### **Govt mulls e-auction of surplus land held by ministries and PSUs**

With graft charges flying thickly, the government is mulling whether to make e-auction mandatory for sale of land valued at over Rs 50 crore held by it or public sector undertakings (PSUs). For land whose market value is less than Rs 50 crore, an open bidding process would be adopted.

A note in this regard is being circulated to various ministries and departments, to elicit their views. The proposal is part of a broader

Finance Minister P Chidambaram has asked CPSEs, which have substantial cash reserves, to invest their reserves as per their investment plan, they said. The issue arose for discussion during a meeting convened by Prime Minister Manmohan Singh with heads of 25 CPSEs such as ONGC, GAIL, NTPC, SAIL, and BHEL last month.

*The Economic Times - 11.11.2012*

<http://economictimes.indiatimes.com/news/economy/policy/government-to-review-investment-of-surplus-cash-by-cpses-in-january-2013/articleshow/17179889.cms>

### **Govt mulling restrictions on cash-surplus investments of PSUs**

The government is contemplating tightening norms for use of surplus funds by cash-rich PSUs by restricting their investments to debt schemes of mutual funds with a minimum corpus of Rs 1,000 crore.

"Besides, CPSEs would have another option to park their funds in term deposits with any scheduled commercial bank and with a net worth of Rs 500 crore," an official told. Currently, this limit for commercial banks is Rs 100 crore. The present guidelines do not specify any corpus size of mutual fund company for investments by PSUs.

*The Economic Times - 05.11.2012*

<http://economictimes.indiatimes.com/news/economy/policy/govt-mulling-restrictions-on-cash-surplus-investments-of-psus/articleshow/17101296.cms>

### **Not just employment, India needs better jobs to keep poverty at bay**

UD Choubey, Director General, Standing Conference of Public Enterprises (SCOPE), the apex organisation of Public Sector Enterprises (PSEs) spoke to Hindustan Times on a range of skill development and the public sector's role in it. Excerpts: How important is skill development in India today? Where does India stand?

Skill development is inter-linked with overall employability. India today don't need just employment but better paid employment to drive poverty and build on productivity, innovation and higher growth. Given the 'demographic dividend', India is blessed with the world's youngest work force which makes the process of skill development crucial in enhancing production possibilities.

*The Hindustan Times 11.11.2012*

<http://www.hindustantimes.com/business-news/InterviewsBusiness/Not-just-employment-India-needs-better-jobs-to-keep-poverty-at-bay/Article1-958165.aspx>

policy in the making on transfer and alienation of land held by the government or PSUs. Besides plugging loopholes that breed corruption, the proposed policy is meant to maximise revenue realisation for the thousands of acres of state-held surplus land across the country, either directly with ministries or their affiliated PSUs.

*Business Standard - 12.11.2012*

<http://www.business-standard.com/india/news/govt-mulls-e-auctions-surplus-land-held-by-ministries-psus/492418/>

### **Govt plans to curb fiscal deficit at 5.3% in FY13**

Economic affairs secretary Arvind Mayaram said that the government would rein in fiscal deficit to 5.3 per cent this financial year though stake sale in state-run units has failed to takeoff, direct taxes mop up continue to be modest and revenue from 2G spectrum auctions may be much below estimated Rs 30,000 crore.

It (fiscal deficit) shall not be more than 5.3 per cent and we are going towards that, whatever it takes," Mayaram said on sidelines of World Economic Forum (WEF) on Thursday. The optimism to keep fiscal deficit at 5.3 per cent comes as the government still hinges its hopes on selling its stake in top state-run companies and taking recourse to huge spending cuts.

*Financial Chronicle - 08.11.2012*

<http://www.mydigitalfc.com/news/govt-plans-curb-fiscal-deficit-53-fy13-627>

### **Infrastructure companies woo civil servants with hefty salaries**

India's infrastructure sector, which needs to get various governmental approvals including security clearances, has turned to civil servants, offering plum positions with hefty salaries.

While a large number of former civil servants have joined sectors such as ports and shipbuilding, others like real estate have also hired former government employees at various capacities. Last month, India's largest private port operator Adani Ports informed the bourses about the appointment of former union home secretary GK Pillai as an independent director on the board of the company.

*The Economic Times - 07.11.2012*

[http://economictimes.indiatimes.com/news/news-by-company/corporate-trends/infrastructure-companies-woo-civil-servants-with-hefty-salaries/articleshow/17121998.cms?google\\_editors\\_picks=true](http://economictimes.indiatimes.com/news/news-by-company/corporate-trends/infrastructure-companies-woo-civil-servants-with-hefty-salaries/articleshow/17121998.cms?google_editors_picks=true)

## **Companies failing listing test may land in 'trade-for-trade' share basket**

Companies that fail to comply with public shareholding rules run the risk of their stocks being moved to the 'trade-for-trade' basket of scrips which, due to certain curbs, have low investor interest.

According to regulatory guidelines, by June 2013, all listed private sector firms must have a minimum 25% public shareholding, while by next August, all state-owned units will have to ensure that at least 10% of equity is with the public.

*The Economic Times - 09.11.2012*

[http://articles.economictimes.indiatimes.com/2012-11-09/news/35014309\\_1\\_promoters-and-directors-trade-for-trade-sebi-board](http://articles.economictimes.indiatimes.com/2012-11-09/news/35014309_1_promoters-and-directors-trade-for-trade-sebi-board)

## **MakeMyTrip acquires international hotel booking site HotelTravel.com for \$25M**

NASDAQ-listed online travel services firm MakeMyTrip India Pvt Ltd has acquired the Hotel Travel Group (HT Group) for \$25 million. The HT Group, under the brand 'Hotel Travel', has been operating the website [www.hoteltravel.com](http://www.hoteltravel.com) for more than a decade in South-east Asia, although its booking platform offers hotel reservation across the world. The acquisition will help MakeMyTrip to further strengthen its presence in the hotel and holidays segment internationally, especially in the South-east Asia, a market that comprises a good chunk of outbound travel from India.

*Tech Circle - 07.11.2012*

<http://techcircle.vccircle.com/500/makemytrip-acquires-international-hotel-booking-site-hoteltravel-com-for-25m/>

## **Apollo Logisolutions forms JV with German logistics company Fiege**

Apollo Logisolutions, a subsidiary of Apollo International group, is going to invest Rs 500 crore in expanding its presence across India in the next three years through acquisitions and greenfield projects. The company recently signed up a 60:40 joint venture with Germany based \$2 billion Fiege Logistics.

The new company called Apollo Fiege will provide integrated logistics services like customs brokerage, freight forwarding, transportation etc.

"Logistics sector in India is at initial stages. As most companies are outsourcing supply chain management we see this as a great vertical to get

## **Shell to hire 600 more R&D staff in Bangalore**

Shell will hire an additional 600 researchers and engineers in its Bangalore technology centre and move to a new 40-acre campus in Devanahalli on the outskirts of the city by 2015. The \$470-billion oil and gas company established the tech centre in 2006 and it currently has 900 R&D staff split across two leased facilities. The centre is one of only three such in the world. The others are in Amsterdam in Netherlands and Houston in the US, each with about 1,200 researchers. Given the Bangalore growth plans, the centre here could become Shell's biggest in three years.

*The Economic Times - 09.11.2012*

<http://economictimes.indiatimes.com/news/news-by-industry/jobs/shell-to-hire-600-more-rd-staff-in-bangalore/articleshow/17151183.cms>

## **Thomas Cook designs package to 'rock' youth segment**

The growing economic might of the youth segment, which has left its imprint on the auto, mobile communication and textile sectors, seems to have the tourism business too under its spell!

With a view to capitalise on this lucrative business opportunity, Thomas Cook (India) Ltd (TCIL) has chalked out a package aimed at 'rocking' this group by launching a youth-centric product 'Rock-On-Holidays'.

*The Hindu Business Line - 08.11.2012*

[http://www.thehindubusinessline.com/industry-and-economy/marketing/thomas-cook-designs-package-to-rock-youth-segment/article4077121.ece?ref=wl\\_industry-and-economy](http://www.thehindubusinessline.com/industry-and-economy/marketing/thomas-cook-designs-package-to-rock-youth-segment/article4077121.ece?ref=wl_industry-and-economy)

## **Tea output rises to 690.31 million kg in first half of FY13**

The country's tea production rose marginally to 690.31 million kg in the first half this fiscal on the back of increased production in North India, latest Tea Board data said. The country had produced 688.67 million kg of tea in the April-September period of 2011-12 fiscal.

*The Economic Times - 06.11.2012*

<http://economictimes.indiatimes.com/news/news-by-industry/cons-products/food/tea-output-rises-to-690-31-million-kg-in-first-half-of-fy13/articleshow/17115921.cms>

## **Tea Industry to upgrade quality and hike production to meet demand**

into," said Raaja Kanwar, chairman, Apollo Logisolutions said.

*Business Standard - 07.11.2012*

<http://www.business-standard.com/india/news/apollo-logisolutions-forms-jvgerman-logistics-company-fiege/195003/on>

The Indian tea industry has taken up a comprehensive plan to upgrade quality and increase production to meet the growing demand in the domestic as well as the global market. For starters, Tea Board has just lined up a Rs 150 crore corpus for research and development work, of which, Rs 20 crore will be spent for developing weather resistant tea clones. Another Rs 350 crore has been earmarked for replanting ageing bushes that are affecting the overall production of Indian tea, which has been stagnating at 980 million kg for a couple of years.

*The Economic Times - 09.11.2012*

[http://articles.economictimes.indiatimes.com/2012-11-09/news/35014281\\_1\\_tea-industry-indian-tea-association-tea-board](http://articles.economictimes.indiatimes.com/2012-11-09/news/35014281_1_tea-industry-indian-tea-association-tea-board)