

(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.)

## Over 80 CPSEs fail to submit corp governance report on time

More than 80 Central Public Sector Enterprises (CPSEs), including Fertilizer Corporation of India, Hindustan Fertilizer Corporation, National Aviation Company of India and Central Coalfields Ltd, have failed to submit self-evaluation reports (SERs) on compliance with corporate governance norms for 2011-12.

"Of the 248 CPSEs, SERs in respect of 81 PSUs on their compliance with norms on corporate governance for 2011-12 were not received by the department," a DPE official told PTI.

In 2010-11, this number was higher as about 110 public sector companies, mostly engaged in power sector, did not submit SERs in this regard to their respective administrative ministries.

"Higher standards of corporate governance are an inherent objective of disinvestment and lower standards of corporate governance may impact valuation of a company and its ability to raise resources from the market," the official said.

The DPE sets the corporate governance guidelines for CPSEs which are to be mandatorily followed by all CPSEs.

Under the system, CPSEs have to submit a quarterly progress report on compliance with these norms to their respective administrative ministries within 15 days from the close of each quarter.

*Business Standard - 24.02.2013*

[http://www.business-standard.com/article/economy-policy/over-80-cpses-fail-to-submit-corp-governance-report-on-time-113022400135\\_1.html](http://www.business-standard.com/article/economy-policy/over-80-cpses-fail-to-submit-corp-governance-report-on-time-113022400135_1.html)

## Aviation sector should get its pride of place

According to the Oxford Economic Report on benefits from air transportation in India published in 2011, the aviation sector contributes 0.5 per cent to GDP and when taken with its catalytic benefits through tourism, it contributes 1.5 per cent. According to the same report, the aviation sector supports 1.7 million jobs in India of which 2,76,000 are directly supported while 8,41,000

## Govt to cross Rs. 40,000-cr divestment target in 2013-14

The government hopes to rake in much more than its disinvestment target of Rs. 40,000 crore in 2013-14. Of the 20-odd companies identified by the Department of Disinvestment (DoD) for a 5-10% equity sale in the next fiscal year, stake sale in just two big-ticket PSUs - Coal India Ltd (CIL) and Indian Oil Corp (IOC) - could alone fetch the government close to Rs. 28,000 crore.

Divestment of CIL, India's largest coal company valued at around Rs. 215,000 crore, alone is expected to fetch the government over Rs. 21,000 crore.

Similarly, a stake sale in the country's largest oil marketing company, IOC, is likely to fetch the government close to Rs. 7,000 crore-plus.

"This year's disinvestment strategy is set to begin early and with achievable targets in hands we hope that we may be able to do much more than the Rs. 40,000-crore target set for 2013-14," said a senior government official.

Also on the block are leading public sector units (PSUs) including Bharat Heavy Electricals Ltd, Powergrid Corp of India Ltd, Engineers India Ltd, National Hydroelectric Power Corp. Besides disinvestment in smaller ones like Neyveli Lignite Corp and Hindustan Aeronautics Ltd are also scheduled for next fiscal.

*The Hindustan Times - 03.03.2013*

<http://www.hindustantimes.com/business-news/WorldEconomy/Govt-to-cross-Rs-40-000-cr-divestment-target-in-2013-14/Article1-1020590.aspx>

## Tourism gets Rs 88 cr more than last budget

Tourism sector got a fillip in the Union Budget with the allocation to the tourism ministry hiked by Rs 87.66 crore. The allocation for the Ministry this year is Rs 1297.66 crore while it was Rs 1210 crore in the Union Budget 2012-13 and Rs 1110.96 crore in 2011-12.

*Zee News - 28.02.2013*

<http://zeenews.india.com/business/budget->

are indirectly supported and 6,05,000 are supported through spending by employees of various sectors and their supply chains.

*India Express - 01.03.2013*

<http://www.indianexpress.com/news/aviation-sector-should-get-its-pride-of-place/1081465/>

### **India's tourism sector requires image makeover: Economic Survey**

The Indian tourism sector needs an urgent image makeover and higher investment in infrastructure, including through Public-Private Partnership (PPP) mode to capitalise on opportunities provided by overall growth in world tourist arrivals, the Economic Survey 2012-2013 said. Global tourist arrivals are expected to increase by 43 million every year on an average from 2010 to 2030.

*Travel Biz Monitor - 01.03.2013*

<http://www.travelbizmonitor.com/indias-tourism-sector-requires-image-makeover-economic-survey-19542>

### **Shubham Logistics to expand warehousing capacity**

Leading agri-logistics player Shree Shubham Logistics is adding four lakh tonnes of warehousing capacity by September 2013, as domestic demand for warehousing for agri commodities balloon. The company, which has an inventory of two lakh tonnes, is spending Rs 270 crore on the new warehouses coming up across 16 locations spread over Madhya Pradesh, Maharashtra and Rajasthan.

*The Hindu Business Line - 25.02.2013*

[http://www.thehindubusinessline.com/industry-and-economy/logistics/shubham-logistics-to-expand-warehousing-capacity/article4451710.ece?homepage=true&ref=wl\\_home](http://www.thehindubusinessline.com/industry-and-economy/logistics/shubham-logistics-to-expand-warehousing-capacity/article4451710.ece?homepage=true&ref=wl_home)

### **Economic Survey 2013 underlines swift action to bolster economic growth**

The Economic Survey, which primarily gives a snapshot of the country's economic situation and lists out the vulnerabilities and challenges that could emerge as India negotiates a high-growth, inclusive and sustainable path, offers no surprises. It reiterates that growth has come off this year and could increase gradually in 2013-14.

*The Economic Times - 28.02.2013*

<http://economictimes.indiatimes.com/opinion/guest-writer/economic-survey-2013-underlines-swift-action-to-bolster-economic-growth/articleshow/18720399.cms>

[2013/tourism-gets-rs-88-cr-more-than-last-budget-71216.html](http://www.zee.com/2013/tourism-gets-rs-88-cr-more-than-last-budget-71216.html)

### **Slash sales tax on ATF, rationalise tax and duty structure**

Expressing concern over high costs afflicting the aviation and tourism sectors, travel trade and industry representatives Tuesday asked the government to slash sales tax on jet fuel and rationalise the overall tax and duty structure. The representatives sought other measures to encourage regional connectivity and engineering activities.

*Zee News - 26.02.2013*

<http://zeenews.india.com/business/news/companies/slash-sales-tax-on-atf-rationalise-tax-and-duty-structure-71024.html>

### **Tea exports drop**

Indian tea exports fell both by volume and value during the first six months of 2012-13. While exports have been on a downward curve in recent times, earnings had been steady mainly on the back of good realisation.

This trend now seems to have been impacted mainly due to a steep drop in export volume — from 102.6 million kg between April and September 2011 to 81.9 million kg in the same period in 2012. Earnings stood at Rs.1,507.5 crore against Rs.1,560.2 crore.

*The Hindu - 26.02.2013*

<http://www.thehindu.com/business/Industry/tea-exports-drop/article4452515.ece>

### **As jobs dry up, services sector growth declines to single digit**

India's services sector, a big propeller of country's economic growth for several years, has hit the slow lane from double digit to single digit growth in the past two years, resulting in lesser job creation, fall in investments and pulling down the overall economic growth of the country.

*Financial chronicle - 27.02.2013*

<http://www.mydigitalfc.com/news/jobs-dry-services-sector-growth-declines-single-digit-542>

## **Economic Survey 2013: Survey paints a cautiously optimistic picture, say analysts**

The economic survey released by the government today paints a "cautiously optimistic" picture of the economy and suggests that the government will present a fiscally prudent budget tomorrow, analysts say.

The survey, tabled by Finance Minister P Chidambaram in Parliament, projected an optimistic growth rate of 6.1-6.7 per cent for the 2013-14 claiming that the downturn is more or less over and economy is looking up.

"The survey paints a cautiously optimistic picture of the economy and holds out hope for the future," Nomura Economists Sonal Varma and Aman Mohunta said in a research report.

Echoing similar sentiments Deloitte India Senior Director Anis Chakravarty said "the Economic Survey 2012-13 released today provides a candid view of the economy and clearly recognises the need for reforms."

Though problem areas are recognised, the survey seems to provide a sense of optimism within the current macroeconomic framework, analysts believe.

"Though it provides an optimistic target of 6.1 per cent to 6.7 per cent as GDP growth for the next fiscal, one may conclude that this range is quite wide," Chakravarty said adding that "this sends a message that growth will be driven by reforms and global prospects".

The Nomura report further said that "the survey suggests that the government will present a fiscally prudent budget. We expect the government to project a fiscal deficit of 4.6 per cent of GDP in FY14 from 5.3 per cent in FY13."

*Economic Times - 27.02.2013*

[http://articles.economictimes.indiatimes.com/2013-02-27/news/37330688\\_1\\_economic-survey-fiscal-deficit-survey-paints](http://articles.economictimes.indiatimes.com/2013-02-27/news/37330688_1_economic-survey-fiscal-deficit-survey-paints)