

(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.)

PM initiates steps to boost sagging economy

Faced with difficult times, the government today took a few more steps to soothe investors and "stay course", with Prime Minister Manmohan Singh stepping in to form a ministers' panel to thrash out problems in the coal sector and convening a meeting on Wednesday to review the big-ticket infrastructure projects.

Joining the government, the Reserve Bank sent assuring signals to the market by indicating that it may further cut interest rates later this month. While the Prime Minister said the country should "stay course" in difficult times, Finance Minister Pranab Mukherjee listed positives in the falling crude oil prices and expectations of a normal monsoon.

The markets reacted well to these remarks even as global stocks came under pressure. After plunging over 200 points to its lowest level in five months, the Sensex closed 23.24 points higher.

The Financial Express - 04.06.2012

<http://www.financialexpress.com/news/pm-initiates-steps-to-boost-sagging-economy/957784/>

India's growth forecast slashed to 5.8%

Global investment bank Morgan Stanley today blamed a misguided policy approach focused on consumption for the steep fall in the growth momentum, while scaling down its FY13 growth forecast to 5.8 per cent, the lowest estimate so far.

The New York-headquartered bank has cut its growth forecast from the earlier 6.3 per cent for the current fiscal citing a 'bad growth mix'.

Explaining the 'bad growth mix', bank's chief economist for Asia Pacific Chetan Ahya said the much-talked about consumption story is being supported by a high fiscal deficit, while elevated rates have resulted in a decline in private investments, which is "not sustainable".

The Financial Express - 05.06.2012

<http://www.financialexpress.com/news/indias->

PSU oil cos dismiss 'false impression' of huge profits

Dismissing "false impression" of having made huge profits, Chief Executives of the three state-owned oil firms said that a combined bailout package totalling a whopping Rs 1,38,500 crore had helped them report nominal profits in 2011-12 fiscal. In an unusual joint statement, Indian Oil Chairman R S Butola, Bharat Petroleum Chief R K Singh and Hindustan Petroleum CMD Subir Roy Chowdhury said contrary to the false impression of oil marketing companies (OMCs) making huge profits in 2011-12, the oil firms had "incurred huge losses of Rs 15,100 crore in the first nine months (Apr-Dec 2011)".

The statement came in response to a letter by Overseas Indian Affairs Minister Vayalar Ravi to Oil Minister S Jaipal Reddy saying the claim made by oil companies that they are running in loss seems to be untrue in view of the profits they reported in fourth quarter ended March 31. Ravi in the letter stated that IOC made a profit of Rs 12,670 crore in January-March quarter and BPCL Rs 3,962 crore.

Moneycontrol - 04.06.2012

http://www.moneycontrol.com/news/business/psu-oil-cos-dismiss-false-impressionhuge-profits_712930.html

Govt to announce new guidelines to revive SEZs

The government will come out with new guidelines to revive export hubs, special economic zones (SEZs), which have lost sheen after imposition of certain levies and proposal to take away tax incentives. The government had imposed Minimum Alternative Tax (MAT) and Dividend Distribution Tax (DDT) on SEZs in 2010-11, which were earlier exempted from almost all levies.

Admitting that due to imposition of MAT and DDT, there has been a "visible slowdown" in growth of export from SEZs, Commerce and Industry Minister Anand Sharma said a new set of guidelines would be announced to make the SEZ policy more buoyant.

Business Standard - 05.06.2012

<http://business-standard.com/india/news/govt-to-announce-new-guidelines-to-revive->

[growth-forecast-slashed-to-5.8/958207/](http://www.financialexpress.com/news/indian-economy-in-grave-crisis-ficci/957726/)

Indian economy in grave crisis: Ficci

Terming the economic situation as "grave", industry body Ficci today asked the government to go in for bold steps like allowing FDI in multi-brand retail, cut in interest rates and halt funding of welfare activities to revive growth.

"India is in the midst of a grave economic crisis. The combination of low growth, high inflation, high fiscal deficit and the highest ever trade account deficit has raised a lot of concern," Ficci President R V Kanoria told reporters here. Suggesting a 12-point agenda, Kanoria said during the time of low growth and global uncertainties, all the political parties should strengthen the hands of the policy makers.

"There has to be a clear recognition on the part of ruling and opposition parties that we are in crisis situation and all parties need to stand united and strengthen the hands of policy makers to take bold decisions and act pro-actively and decisively," he added.

The Financial Express - 04.06.2012

<http://www.financialexpress.com/news/indian-economy-in-grave-crisis-ficci/957726/>

Tea output dips in Jan-May

Tea output has declined by about 20 million kg between January and May this year, according to industry estimates. The drop is evident more sharply in north India which accounts for 75 per cent of the Indian tea production. Gardens in the south suffered crop losses as well.

The 8 million kg drop in the first quarter of 2012 in north India seemed to have worsened in April when a crop loss of 3 million kg was estimated. Till May, a loss

varying between 19 million kg and 90 million kg is being feared, although official figures are yet to be released by the Tea Board of India. "Reports received for June uptil now have not been encouraging," sources said.

The Hindu - 08.06.2012

<http://www.thehindu.com/business/article3501832.ece>

Delays in capacity expansion taking a heavy toll at JN port

At least three key capacity expansion projects at Jawaharlal Nehru (JN) port near Mumbai are stuck at various levels five years after they were initiated as India's busiest container gateway struggles with congestion, hurting exporters and importers.

[sezs/166830/on](http://www.thehindubusinessline.com/industry-and-economy/economy/article3504775.ece)

Govt okays FDI from Pak; same status as Bangla fund

The Centre has given the green signal for Foreign Direct Investments (FDI) from Pakistan and treating it on a par with such investments from Bangladesh.

"Since they were similarly banned, we had to give Pakistan what we already gave to Bangladesh," official sources told Business Line.

Currently, a Bangladeshi citizen or an entity incorporated there is allowed to invest in India with the Foreign Investment Promotion Board's (FIPB) approval. The FDI policy permits Indian companies to issue employee stock options to Bangladeshi citizens, also with the FIPB's nod. These norms for Bangladesh will now be applicable to Pakistan too. The FIPB clearance is also meant to take care of security concerns.

The Hindu Business Line - 08.06.2012

<http://www.thehindubusinessline.com/industry-and-economy/economy/article3504775.ece>

As Pakistan lowers imposts, Indian tea exports set to get a fillip

Indian tea exports to Pakistan is set to get a fillip, following the lowering of sales taxes by a steep 11 per cent. Sales tax along with a high level of customs duty and some local imposts have rendered Indian teas uncompetitive in Pakistan. This is now expected to get corrected to a large extent.

"This will provide a huge boost to Indian exports of black tea to Pakistan," Azim Monem, Chairman, Exports and Domestic Sales Sub-Committee of the Indian Tea Association said. ITA Chairman C. S. Bedi, too, welcomed the development saying that Pakistan was now keen to buy all types of Indian tea.

The Hindu - 05.06.2012

<http://www.thehindu.com/business/article3490584.ece>

Container Corporation: Count on growth despite higher freight rates

Moderate growth in export-import, or EXIM, container volumes and de-growth in domestic volumes led to Container Corporation of India (Concor) posting muted growth in net profit for the year ended March 2012.

Although near-term concerns on volume

Last week, Gateway Terminals India Pvt. Ltd, the biggest of the three container-loading facilities operating at JN port, shut its terminal for two days over labour issues, adding to the port's woes. The closure stranded several ships waiting to berth at Gateway Terminals to load and unload containers and delayed shipments. Gateway Terminals is 74% owned by APM Terminals Management B.V., the container terminal operating unit of Danish shipping and oil conglomerate AP Moller-Maersk Group A/S.

Mint - 06.06.2012

<http://www.livemint.com/2012/06/05222325/Delays-in-capacity-expansion-t.html?atype=tp>

Port tariff regulation faces toughest test

India's tariff regulator for Union government-owned ports and companies that run private terminals at Navi Mumbai and Chennai seem to be spoiling for a fight.

The companies have kept tariffs unchanged in the face of orders issued by the Tariff Authority for Major Ports (TAMP) seeking cuts.

Mint - 07.06.2012

<http://www.livemint.com/2012/06/07222923/Port-tariff-regulation-faces-t.html>

Cisco, Arshiya tie up to move network equipment easily

Cisco Systems Inc has tied up with logistics company, Arshiya International, to use the latter's free trade and warehousing zone (FTWZ), located in Panvel near Mumbai, to move its network equipment and other products in and out of the country.

"The FTWZ will enable Cisco to clear their time-sensitive and critical networking equipment with short turnaround times, crucial for minimizing network downtime experienced by Cisco's customers," Arshiya International said in a statement. This is the first time that Cisco has designated a regional distribution centre beyond Singapore in the APAC region.

The Hindu Business Line - 06.06.2012

http://www.thehindubusinessline.com/industry-and-economy/logistics/article3497840.ece?homepage=true&ref=wl_home

Incredible India campaign attracts 3.72 lakh foreigners in May

Continuing with the growth trajectory, Incredible

growth are likely to persist, its dominant position and foray into logistics and warehousing business are likely to benefit the company in the long run. In the near term, EXIM volume growth is likely to be subdued due to the gloomy macro-economic conditions in Europe and the US. The management has projected an 8% growth in EXIM volumes for FY13, which looks difficult. As for domestic volumes, a lot would depend on the revival of Indian economy.

The Economic Times - 07.06.2012

<http://economictimes.indiatimes.com/markets/stocks/stocks-in-news/container-corporation-count-on-growth-despite-higher-freight-rates/articleshow/13880291.cms>

Air Cargo Policy to be reviewed continuously: Ajit

The Ministry of Civil Aviation has formed an Inter-Ministerial Air Cargo Logistic Board headed by the ministry secretary. The Board will lay down the policy guidelines for setting up of air cargo facilities at airports and will also set performance standards relating to the quality of service in the air cargo logistic supply chain.

India Blooms - 07.06.2012

<http://www.indiablooms.com/NewsDetailsPage/2012/newsDetails070612r.php>

Cox & Kings official marketing partner for Gujarat Tourism

In a bid to promote and increase tourists in the state, the Tourism Corporation of Gujarat Limited (TCGL) has appointed Cox & Kings Ltd, (CKL) as its official marketing partner. For a period of one year, the leading travel and tour operator will promote Gujarat in the Indian domestic market.

CKL will create, market and operate these tour packages for various destinations and circuits in Gujarat for a period of one year and it will be made available through its network of offices, franchisees and other consumer touch points. The company is also mandated to promote the destination through promotions in the media and provide consumers the facility to book online on its website.

Business Standard - 09.06.2012

<http://www.business-standard.com/india/news/coxkings-official-marketing-partner-for-gujarat-tourism/476744/>

Nalco bags D&B's best PSU award

The National Aluminium Company Limited (NALCO) has bagged the prestigious Dun &

India campaign attracted 3.72 lakh foreigners in May this year as against 3.55 lakh during the same period last year, registering a growth of 4.6 per cent. The foreign exchange earnings (FEE) from tourism also witnessed more than 10 per cent growth in May. The FEE in May were Rs 5562 crore as compared to Rs 5047 crore in May 2011 and Rs 4358 crore in May 2010.

There were total 28.05 lakh foreign tourists during January-May 2012 as compared to 26.02 lakh for the corresponding period last year, an increase of 7.8 per cent. However, less number of foreigners availed Visa on Arrival (VoA) scheme in May this year as compared to the last year, according to the Tourism Ministry data. A total number of 812 VOAs were issued in May as against 865 VoAs during the same period last year, registering a decline of 6.1 per cent.

Business Standard - 07.06.2012

<http://www.business-standard.com/generalnews/news/incredible-india-campaign-attracts-372-lakh-foreigners-in-may/18236/>

Bradstreet's Best PSU Award - 2012 in Non-Ferrous Metal Category. NALCO CMD B L Bagra received the award from M Veerappa Moily, Union Minister of Corporate Affairs, at a function held in New Delhi recently.

Dun & Bradstreet has instituted this award to honour and recognize the leading CPSEs in India and acknowledge their progress and performance.

Indian Express - 02.6.2012

<http://www.indianexpress.com/news/nalco-bags-d&bs-best-psu-award/957007>