

(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.)

## **Government aims to garner Rs 18,000 crore from PSU disinvestment**

The government will garner about Rs 18,000 crore from seven approved disinvestment in public sector units and an Exchange Traded Fund (ETF). The government expects to raise Rs 500 crore from Engineers India, Rs 5,000 crore from Indian Oil, Rs 3,000 crore from Hindustan Aeronautics, Rs 1,000 crore from RINL and Rs 2,000 crore from NHPC. Besides, a 5 per cent stake sale in BHEL is expected to fetch Rs 2,000 crore and 4 per cent in Power Grid would garner Rs 1,500 crore to exchequer, Minister of State JD Seelam said in a written reply in the Lok Sabha. The Cabinet Committee on Economic Affairs (CCEA) has cleared the proposals of disinvestment all the seven companies, Seelam added.

*Economic Times - 09.12.2013*

[http://articles.economictimes.indiatimes.com/2013-12-09/news/44989101\\_1\\_indian-oil-nhpc-power-grid](http://articles.economictimes.indiatimes.com/2013-12-09/news/44989101_1_indian-oil-nhpc-power-grid)

## **Valuations, dividend yields draw investors to PSU counters**

With the government likely to announce special dividends from cash-rich public sector undertakings (PSUs), investors are again focusing on these entities. In the past three months, the BSE PSU index surged 16.8 per cent, compared with the Sensex's 12.5 per cent rise. A combination of steady dividend increases and attractive valuations is the primary reason behind investors' newfound appetite for PSUs. Through the past five years, PSUs have been seeing steady increase in dividend payouts, despite the slacking economy. Last financial year, PSUs paid Rs 49,585 crore as dividend to shareholders, 80 per cent more than the Rs 27,469 crore in 2008-09.

*Business Standard - 10.12.2013*

[http://www.business-standard.com/article/markets/valuations-dividend-yields-draw-investors-to-psu-counters-113121000739\\_1.html](http://www.business-standard.com/article/markets/valuations-dividend-yields-draw-investors-to-psu-counters-113121000739_1.html)

## **18 CMDs posts in Central PSUs lying vacant**

A total of 18 Chairman-cum-Managing Directors post in top Central Public Sector Undertakings, including NHPC, National Minerals Development

## **Govt to push big-ticket sell-offs in last quarter**

With more than half the fiscal over, the government's disinvestment drive seems to be finally gathering steam and stake sale plans in Coal India Ltd, Hindustan Zinc and Balco are likely to be finalized over the next few weeks as the finance ministry is keen to push through with some big ticket issues by early 2014 to get the much-needed revenue. "The data on the current account deficit has been encouraging. Markets seem to be stable now and investors also seemed positive. So the time is right to move ahead with some of the bigger stake sales," said a senior government official.

*The Indian Express - 11.12.2013*

<http://www.indianexpress.com/news/govt-to-push-bigticket-selloffs-in-last-quarter/1206121/>

## **Need to increase competitiveness of PSEs to deal with market forces: President**

The foremost challenge of Indian PSEs today is to increase their competitiveness to deal with market forces, said Pranab Mukherjee, President of India, while inaugurating the Global PSE Summit organized by the Confederation of Indian Industry and the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises. The President of India observed that the Government had already undertaken a number of measures to help the PSEs become more competitive. These included providing the PSEs with managerial and commercial autonomy through the scheme of Maharatnas, Navaratnas and Miniratnas.

*Myiris - 13.12.2013*

<http://www.myiris.com/newsCentre/storyShow.php?fileR=20131213163850717&dir=2013/12/13>

## **PSUs pitch for freedom from Govt pay structure**

To attract bright candidates, Central Public Sector Enterprises have urged the Government to de-link compensation packages from the

Corporation, are lying vacant, Rajya Sabha was informed today.

"At present 18 posts of CMDs of Central PSUs of Schedule 'A' and 'B' are vacant," Minister of State for Personnel V Narayanasamy said in a written reply. Those PSUs where the CMDs posts are lying vacant include Minerals Metal Trading Corporation, National Fertilisers Ltd, National Hydro-electric Power Corporation, NMDC, Shipping Corporation of India, National Textiles Corporation and Power Finance Corporation.

*Economic Times - 12.12.2013*

[http://articles.economictimes.indiatimes.com/2013-12-12/news/45123357\\_1\\_central-psus-cmds-those-psus](http://articles.economictimes.indiatimes.com/2013-12-12/news/45123357_1_central-psus-cmds-those-psus)

### **Sebi's insider trading lens on public servants**

Capital market regulator Securities Exchange Board of India (Sebi) on Wednesday proposed to widen the definition of "insider trading", with plans to include company employees, directors, their immediate relatives and public servants handling market sensitive information, as part of efforts to put up a robust defence against potential securities frauds. "Insider trading" broadly refers to the act of trading in companies' shares by people who are privy to classified information. Under current rules only senior executives are liable for trading violations.

*Hindustan Times - 11.12.2013*

<http://www.hindustantimes.com/business-news/sebi-s-insider-trading-lens-on-public-servants/article1-1161687.aspx>

### **Non-utilization of CSR fund by PSUs unhealthy trend: Parliamentary panel**

A Parliamentary panel today described the non-utilization of CSR funds by central public sector enterprises as an "unhealthy trend" and urged the government to improve social welfare spending by these entities. The observation of the Parliamentary Standing Committee on Industry comes at a time when the new company's law requires certain class of private sector firms to spend at least two per cent of their three-year annual net profit towards CSR (Corporate Social Responsibility) activities.

*The Economic Times - 10.12.2013*

<http://economictimes.indiatimes.com/news/economy/finance/non-utilisation-of-csr-fund-by-psus-unhealthy-trend-parliamentary-panel/articleshow/27190889.cms>

### **AAI's gross profit declines by Rs 27cr**

The gross profit of the Airports Authority of India (AAI) has declined marginally by Rs 27 crore to Rs 1,337 crore in 2012-13 compared to last year's,

existing remuneration structure. They have also pitched for separation of the ownership and management of public sector units. Taking part in a round table, Indian Oil Corporation Chairman R. S. Butola said, "today, PSUs are not the first choice for students passing out from top institutions such as the Indian Institutes of Management (IIMs) or Indian Institutes of Technology (IITs). One of the key reasons is compensation."

*The Hindu Business Line - 14.12.2013*

<http://www.thehindubusinessline.com/industry-and-economy/psus-pitch-for-freedom-from-govt-pay-structure/article5460224.ece>

### **Govt to soon unveil independent directors database proposal**

The Corporate Affairs Ministry will soon come out with the proposal for establishing a database of independent directors, as a part of efforts to improve overall corporate governance. The new Companies Act mandates setting up independent directors database, which would help corporates to choose suitable persons to serve in that position. A clear proposal for constituting a data bank of independent directors would be announced shortly, Additional Secretary at the Corporate Affairs Ministry M J Joseph said today.

*Economic Times - 11.12.2013*

[http://articles.economictimes.indiatimes.com/2013-12-11/news/45080555\\_1\\_independent-directors-new-companies-law-ministry](http://articles.economictimes.indiatimes.com/2013-12-11/news/45080555_1_independent-directors-new-companies-law-ministry)

### **New American Airlines emerges as world's top carrier**

American Airlines emerged as the world's largest airline on Monday, combining with US Airways after a hard-fought battle to overcome US competition concerns. AMR Corporation, the parent of American Airlines, and US Airways Group announced they had completed the deal after AMR emerged from bankruptcy protection. The new American Airlines Group is a goliath, providing nearly 6,700 daily flights to more than 330 destinations in more than 50 countries.

*The Economic Times - 10.12.2013*

<http://economictimes.indiatimes.com/news/international/business/new-american-airlines-emerges-as-worlds-top-carrier/articleshow/27150063.cms>

### **High Airfares Fail To Curb The Spirit Of Indian Travel Enthusiasts: Survey**

Indians still show the signs of enthusiasm when it comes to travelling, even after the hike in

though its revenue has gone up substantially by over Rs 1,000 crore during this period. During 2012-13, the AAI earned revenue of Rs 6,917 crore compared to Rs 5,879 crore in the previous year, while it earned a pre-tax profit of Rs 1,337 crore as against Rs 1,364 crore in 2011-12, an AAI spokesperson said. The state-run airports body declared a reduced dividend of Rs 147 crore in 2012-13 compared to Rs 171.90 crore in the previous year, he said.

*Business Standard - 09.12.2013*

[http://www.business-standard.com/article/pti-stories/aaai-s-gross-profit-declines-by-rs-27cr-113120900916\\_1.html](http://www.business-standard.com/article/pti-stories/aaai-s-gross-profit-declines-by-rs-27cr-113120900916_1.html)

### **Rise in applications for launching commercial air operations: Government**

There has been a discernible rise in the number of applications for launching of commercial air operations in the past one year, Rajya Sabha was informed today. As many as six proposals were received in 2013 as against only two last year, Minister of State for Civil Aviation K C Venugopal said in reply to a question. The proposals received this year included Air Asia (India) Pvt Ltd, which has been granted the initial no objection certificate by the Ministry to start domestic scheduled passenger air transport services.

*The Economic Times - 10.12.2013*

<http://economictimes.indiatimes.com/news/politics-and-nation/rise-in-applications-for-launching-commercial-air-operations-government/articleshow/27190755.cms>

### **With aviation sector in crisis mode, India's airlines bleed away**

India may be one of the fastest growing aviation markets in the world, but its aviation sector is going through an economic crisis. Indian carriers made a loss of Rs. 10,983 crore in 2012-13. The current year is likely to be no better. "Both Jet and SpiceJet may be headed for large full-year losses for 2013-14 before accounting for one-off adjustments such as sale and leaseback and other non-operating income and benefits," aviation consultancy firm Centre for Asia Pacific Aviation (Capa) said in a recent report.

*Hindustan Times - 10.12.2013*

<http://www.hindustantimes.com/business-news/with-aviation-sector-in-crisis-mode-india-s-airlines-bleed-away/article1-1161328.aspx>

### **31% growth likely in global passenger demand by 2017: IATA**

airfares and currency depreciation. According to a survey conducted by Yatra.com, Indians remain keen on travelling during winter break along with the curtailed budget, reports Rediff. The survey was conducted among 15,000 people, among which 69 percent replied by saying that they are keen on travelling even after rupee depreciation and increased air fares.

*Silicon India News - 10.12.2013*

<http://www.siliconindia.com/news/business/High-Airfares-Fail-To-Curb-The-Spirit-Of-Indian-Travel-Enthusiasts-Survey--nid-157828-cid-3.html>

### **31% rise in air passengers likely in next four years**

Global airline industry could expect a whopping 31 per cent hike in passenger demand in the next four years, with the emerging economies of Asia-Pacific led by China, and the Middle East experiencing the strongest growth, IATA said. "By 2017, total passenger numbers are expected to rise to 3.91 billion -- an increase of 930 million passengers over the 2.98 billion carried in 2012," the International Air Transport Association (IATA) said in an industry forecast for 2013-17.

*The Economic Times - 10.12.2013*

<http://economictimes.indiatimes.com/news/international/business/31-rise-in-air-passengers-likely-in-next-four-years/articleshow/27188272.cms>

### **Foreign Exchange Earnings from Tourism Increases by 7.26 percent in November 2013**

Foreign Exchange Earnings (FEEs) from tourism in Rupees terms in November, 2013 increased by 7.26% to Rs.10,429 crore as compared to Rs.9723 crore in November, 2012. Foreign Tourist Arrivals (FTAs) in November, 2013 was 7.18 lakh as against 7.01 lakh in November 2012 showing a growth of 1.41%. Foreign Exchange Earnings (FEEs) from Tourism in rupee terms and US\$ terms. FEEs during the month of November 2013 were Rs.10,429 crore as compared to Rs. 9,723 crore in November 2012 and Rs. 7,941 crore in November 2011.

*The Economic Times - 11.12.2013*

[http://www.business-standard.com/article/news-cm/foreign-exchange-earnings-from-tourism-increases-by-7-26-percent-in-november-2013-113121100159\\_1.html](http://www.business-standard.com/article/news-cm/foreign-exchange-earnings-from-tourism-increases-by-7-26-percent-in-november-2013-113121100159_1.html)

### **Expedia Receives World Travel Award for Leading Online Travel Agency Website 2013**

The International Air Transport Association (IATA) expects an increase of 31 per cent in passenger numbers globally by 2017, with the emerging economies of Asia Pacific led by China, and Middle East witnessing strongest growth. In its IATA Airline Industry Forecast 2013-2017 IATA says that by 2017 total passenger numbers are expected to rise to 3.91 billion, an increase of 930 million passengers over the 2.98 billion carried in 2012.

*Travel Biz Monitor - 11.12.2013*

<http://www.travelbizmonitor.com/31-growth-likely-in-global-passenger-demand-by-2017-iata-22551>

### **India stands second in air traffic growth**

Minister of State for Civil Aviation, K. C. Venugopal said today that India is second fastest growing country in air traffic after China. There has been a consistent increase in air traffic during the last three years except in the year 2012. "The rise in air traffic growth is very significant when compared to the top ten countries of the world in civil aviation. To further this growth, the government has been pursuing with the State Governments to reduce VAT on ATF," Venugopal said.

*Myiris - 12.12.2013*

<http://www.myiris.com/newsCentre/storyShow.php?fileR=20131212165026043&dir=2013/12/12>

### **AirAsia to capture 7-8% low cost carrier capacity in first year**

Low cost carrier AirAsia India will have about 7-8% of the total Indian LCC capacity in the end of the first year of its operations, making it a force to reckon with in the Indian skies. The company yesterday received permission to import 10 A-320 aircraft in the first year of its operation as part of its plan to launch domestic services which is slated sometimes in February next years.

*Business Standard - 14.12.2013*

[http://www.business-standard.com/article/companies/airasia-to-capture-7-8-low-cost-carrier-capacity-in-first-year-113121300831\\_1.html](http://www.business-standard.com/article/companies/airasia-to-capture-7-8-low-cost-carrier-capacity-in-first-year-113121300831_1.html)

### **Oil & gas industry not the top choice for women**

Social barriers still restrict women from making career in the Oil & Gas industry, which continues to be dominated by men. A study on female representation in the energy workplace conducted by BP and Rigzone, revealed that though the

Expedia was voted the 2013 World Travel Award for World's Leading Online Travel Agency Website 2013 at the glittering ceremony at La Cigale Hotel in Doha, Qatar. The industry's elite - including CEOs of leading travel companies, government ministers and tourism board chiefs - travelled from around the globe to celebrate the very best travel and tourism brands.

*Money Life - 12.12.2013*

<http://www.moneylife.in/business-wire-news/expedia-receives-world-travel-award-for-leading-online-travel-agency-website-2013/37654.html>

### **AI to restart talks on joining Star Alliance**

Star Alliance on Friday said its member airlines had unanimously decided to resume the process of integration of operations with Air India. Chief Executive Officer of Star Alliance Mark Schwab, after a board meeting with member-airlines in Vienna (Austria), said: "The market in India is now showing signs of stabilization. Today, we see an Air India that has successfully completed its merger with Indian Airlines and is building a new fleet that forms the basis of a much improved level of service. This is why we believe the time is now right to recommence the integration process."

*Business Standard - 14.12.2013*

[http://www.business-standard.com/article/companies/air-india-to-start-talks-on-joining-star-alliance-113121300666\\_1.html](http://www.business-standard.com/article/companies/air-india-to-start-talks-on-joining-star-alliance-113121300666_1.html)

### **Kulamani Biswal is new Director (Finance) at NTPC**

Kulamani Biswal has taken over as the Director (Finance) of NTPCBSE 0.07 % Ltd, India's largest electricity generator. Biswal, Commerce Graduate from Utkal University and fellow member of the Institute of Cost Accountants of India, took as Director (Finance) of NTPC, the company said in a statement.

*Economic Times - 09.12.2013*

<http://economictimes.indiatimes.com/news/news-by-industry/energy/power/kulamani-biswal-takes-over-as-director-at-ntpc/articleshow/27138931.cms>

### **IOC tops Fortune India 500 list, RIL at second spot**

State-run Indian Oil Corporation Ltd has emerged as the country's biggest company in terms of annual revenue, followed by Mukesh Ambani-led private sector giant Reliance Industries at the second place, as per an

career prospects for women in the industry has improved in recent years, it continues to be dominated by men. Rigzone is an online resource for the oil and gas industry.

*Hindu Business Line - 10.12.2013*

<http://www.thehindubusinessline.com/industry-and-economy/oil-gas-industry-not-the-top-choice-for-women/article5444274.ece>

annual list of Fortune 500 companies in India. The 2013 list of the country's 500 largest corporations, compiled by the global business magazine Fortune's Indian edition, shows that there are as many as seven energy companies in the top 10 list.

*IBNLive - 10.12.2013*

<http://ibnlive.in.com/news/ioc-tops-fortune-india-500-list-ril-at-second-spot/438787-7.html>