

(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 likely to scale up divestment target to Rs. 35,000 crore for FY14**

The Finance Ministry is likely to revise upwards its divestment target for the new financial year (FY14) to Rs 35,000 crore compared to Rs 30,000 crore for the current fiscal year.

The government is expected to miss the current year's target by about Rs 3,000 crore, despite seeing an oversubscription of issues in NTPC selloff. Government officials told NDTV Profit that a number of issues are in the pipeline to meet the higher target, including a stake sale via the OFS mechanism for Coal India. The other big issue likely is that of Indian Oil.

The two issues - Coal India and Indian Oil - are likely to fetch around Rs 26,000 crore for the government. Besides, the government is likely to shed stake in some more companies like Andrew Yule, where it owns slightly over 97 per cent stake. Apart from making money for the government, the 10 per cent stake sale in Andrew Yule would make the company more compliant with the public shareholding norms mandated by stock market watchdog Securities and Exchange Board of India (SEBI). Public sector units (PSUs) have been given time till August 2013 to adhere to Sebi norms.

*NDTV Profit - 12.02.2013*

<http://profit.ndtv.com/news/economy/article-government-likely-to-scale-up-divestment-target-to-rs-35-000-crore-for-fy14-317799>

## **Govt committed to contain fiscal deficit at 5.3% of GDP: PM**

Concerned over economic slowdown, Prime Minister Manmohan Singh today said the government is committed to containing the fiscal deficit to 5.3 per cent of GDP this fiscal and various steps are being taken to revive economy, which include faster clearances to mega projects.

Addressing Conference of Governors, he said Indian economy has slowed down considerably in the last two years and the growth in this fiscal year will be much below the average growth of about 8 per cent that achieved in the last decade.

"The factors that have caused this slowdown lie both outside and within our country. It is

## **Govt may target Rs 40,000 cr from stake sale next fiscal: sources**

**Likely to dedicate Rs 20,000 cr for capital infusion into PSU banks**

The government is likely to target Rs 40,000 crore in proceeds from stake sales in state-run companies in the next fiscal year, a finance ministry official with direct knowledge of budget talks told Reuters on Wednesday.

The official also said the government is likely to allocate Rs 20,000 crore for capital infusions into state-run banks in the next financial year, up from Rs 15,000 crore set aside for bank recapitalisation in the current year.

The revenue target from a partial privatisation of state-run companies is higher than the Rs 30,000 crore New Delhi is aiming for in the current fiscal year that ends in March.

With less than two months to go before the year closes, the government has managed to raise 70% of the targeted amount, and officials in the government concede that the final figures for this year could fall shy of the target.

*Business Standard - 13.02.2013*

[http://www.business-standard.com/article/economy-policy/govt-may-target-rs-40-000-cr-from-stake-sale-next-fiscal-sources-113021300590\\_1.html](http://www.business-standard.com/article/economy-policy/govt-may-target-rs-40-000-cr-from-stake-sale-next-fiscal-sources-113021300590_1.html)

## **Government may inject \$3.7 billion in banks in FY14: Source**

The government is likely to allocate 200 billion rupees for capital infusion in state-run banks in the next financial year, a finance ministry official with direct knowledge of budget talks told Reuters on Wednesday.

The official refused to be named as the information is a budget secret. In the current fiscal year ending in March, the government set aside 150 billion rupees to inject capital.

The government will also try to raise 400 billion rupees in the new fiscal year through a partial privatization of state-run companies, higher than 300 billion rupees it is aiming this year,

imperative that we do everything possible to reverse this trend and the Government has made concerted and serious efforts in recent months to revive investment and growth," Manmohan Singh said.

*The Hindu Business Line - 12.02.2013*

<http://www.thehindubusinessline.com/industry-and-economy/economy/govt-committed-to-contain-fiscal-deficit-at-53-of-gdp-pm/article4408064.ece>

### **Government working on proposal to cap lowest, highest air fare**

Soaring air fares have led the Civil Aviation Ministry to consider a proposal to cap the highest and the lowest ticket prices, which the airlines would not be allowed to cross.

The Ministry is working on a mechanism to fix the highest and the lowest price bands, with Civil Aviation Minister Ajit Singh expressing concern over the sharp rise in fares, especially during peak hours and seasons, forcing hapless passengers buying tickets at the last moment to shell out large sums.

*The Economic Times - 11.02.2013*

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/airlines/-aviation/government-working-on-proposal-to-cap-lowest-highest-air-fares/articleshow/18447670.cms>

### **Thomas Cook India's Centre of Learning to offer MBA in tourism**

Centre of Learning, the educational wing of Thomas Cook (India), has formed an alliance with Pondicherry University to offer MBA in Tourism through Distance Learning. The course focuses on upgrading skill sets for a career in the travel & tourism industry. It has been approved by the joint committee of Distance Education Council, All India Council of Technical Education, Association of Indian Universities and University Grants Commission.

*Business Standard - 12.02.2013*

[http://www.business-standard.com/article/companies/thomas-cook-india%E2%80%99s-centre-of-learning-to-offer-mba-in-tourism-113021201032\\_1.html](http://www.business-standard.com/article/companies/thomas-cook-india%E2%80%99s-centre-of-learning-to-offer-mba-in-tourism-113021201032_1.html)

### **Aegis Logistics kick starts new project at Pipavav Port**

Aegis Logistics Ltd has initiated a major Project at Pipavav Port, Gujarat for setting up a Bulk Liquid and Gas Storage Terminal. The Project contains additional capacity of 120,000 KL of Bulk Liquid and 2700 MT of Gas. The ground breaking of the Project has been completed today and project activities started. Company has obtained the

the official said, adding this had not been finalized.

*Times of India - 13.02.2013*

<http://timesofindia.indiatimes.com/business/india-business/Government-may-inject-3-7-billion-in-banks-in-FY14-Source/articleshow/18483267.cms>

### **Indian aviation to return to 11% CAGR in medium term: ICRA**

Rating firm ICRA Ltd said Friday that the Indian aviation industry will return to a 11% compounded annual growth rate (CAGR) in the medium term as some cyclical variables ease despite near-term pressure.

"The higher cost of travel and the impact of economic slowdown have affected passenger traffic growth during the current year, which over the past five years has grown at a CAGR of 9.2%," it said in a report.

*Mint - 15.02.2013*

<http://www.livemint.com/Politics/rIqUdpR4zPPeWmCvnDGd6J/Indian-aviation-to-return-to-11-CAGR-in-medium-term-ICRA.html>

### **Travel agents to seek SC ban on transaction fees**

Weeks after the apex court banned airlines from charging transaction fees in any form, travel agent associations TAAI and TAFI today said they will approach the court shortly seeking a review of the directive.

*The Economic Times - 11.02.2013*

<http://economictimes.indiatimes.com/news/news-by-industry/services/travel/travel-agents-to-seek-sc-ban-on-transaction-fees/articleshow/18451516.cms>

### **Domestic thrust key to lowering current account deficit: Moody's**

Moody's Investor Service has highlighted some areas that the government needs to look at to improve the economy's current account deficit.

According to Moody's the government will have to persistently pursue policy initiatives to get the deficit under control.

requisite approvals for setting up the Project.

*Equity Bulls - 12.02.2013*

[http://www.equitybulls.com/admin/news2006/news\\_det.asp?id=116148](http://www.equitybulls.com/admin/news2006/news_det.asp?id=116148)

*Economic Times - 15.02.2013*

[http://articles.economictimes.indiatimes.com/2013-02-15/news/37119423\\_1\\_current-account-deficit-sovereign-credit-profile-trade-deficit](http://articles.economictimes.indiatimes.com/2013-02-15/news/37119423_1_current-account-deficit-sovereign-credit-profile-trade-deficit)

### **Indians flying abroad may rise six-fold in 20 years: Study**

The total number of Indians who travel abroad represent only 1% of the country's total population, but in the next 20 years the number is likely to increase six-fold. In 2010, India generated just under 13 million outbound travellers as compared to 57.4 million by China. Of the 13 million flyers, 4.5 million travellers were bound for destinations in the Asia-Pacific region.

"However, the potential of the Indian travel market is enormous. Over the last five years outbound travel from India has more than doubled and this is reflected in strong growth in outbound travel from India to all Asia-Pacific destinations," said a report released by Amadeus, a technology partner for the global travel industry.

*The Times of India - 12.02.2013*

<http://timesofindia.indiatimes.com/india/Indians-flying-abroad-may-rise-six-fold-in-20-years-Study/articleshow/18456767.cms>