

(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.)

Govt to consult SEBI on investment of PSU surplus funds

The government will soon consult the Securities and Exchange Board of India (SEBI) to chalk out a road map for investment of surplus funds available with cash-rich central public sector enterprises (CPSEs).

"Public Sector Units (PSUs) need to make gainful investment, particularly in government projects, as the country is facing high fiscal deficit. Also, the government is relying on surplus-cash available with PSUs to stimulate the economic activity," sources told PTI.

A committee of the Department of Public Enterprises (DPE), headed by Department of Economic Affairs Additional Secretary Mr Shaktikanta Das, has been constituted to review the guidelines on investment of excess cash available with state-owned units.

The panel is in the process of forming a consensus in this regard and we will soon consult SEBI as well, sources said.

The Hindu Business Line - 24.06.2012

<http://www.thehindubusinessline.com/markets/article3565670.ece>

Govt to take steps to check rupee fall: Pranab

The government will take measures to check the fall in rupee, the Finance Minister Mr Pranab Mukherjee today said.

"Yes, of course," Mr Mukherjee told reporters when asked if he was concerned about the rupee depreciation.

"We will take some corrective steps," he said outside his residence here in south Kolkata prior to his departure for Delhi.

On his yesterday's comment on measures to improve the depressed market condition, he said, "I have spoken to the RBI Governor and the Finance Secretary. Certain corrective measures should be taken and the RBI is looking into it."

Yesterday at New Delhi, Mr Mukherjee said, "The

Disinvestment: 15 PSUs set for stake sale

The government is considering stake sale in as many as 15 state-owned companies including bluechips like BHEL, SAIL and Oil India in the current fiscal with a view to garnering an estimated Rs 20,000 crore.

Apart from the major companies already on the government radar, the department of disinvestment is also mulling 10 per cent stake sale in Engineers India, which could yield the exchequer about Rs 790 crore, Finance Ministry sources said. In addition, the government is also planning 12.5 per cent stake sale of Rashtriya Chemicals Limited (RCF) which would help the exchequer garner Rs 380 crore. The disinvestment of Andrew Yule, too, is on the card and may yield an estimated Rs 65 crore, sources said.

According to the broad roadmap prepared by the Finance Ministry, 10 per cent stake sale is being considered in companies like NALCO, NHPC, NMDC, MOIL and Hindustan Aeronautics (HAL).

The Financial Express - 18.06.2012

<http://www.financialexpress.com/news/disinvestment-15-psus-set-for-stake-sale/963440/>

Oil companies hike lubricant prices

State-owned oil marketing companies have hiked the prices of lubricants by as much as Rs.15-18 a litre across all grades.

The move by the three companies earlier this month, which, between them, command close to 60 per cent of the Rs.15,000-crore lubricant market, is attributed to rise in the price of base oil, the main raw material.

"Lubricant prices in one or other way are linked to international oil prices," an official of Indian Oil Corporation (IOC) said, adding that weakening of the rupee against the dollar was another reason. Additives, another key input, were proprietary products of a few companies globally, he explained.

The prices (per litre across grades) of IOC lubricants have gone up by Rs.18. While

steps we have taken...And we will be able to take certain measures to be announced on Monday which will improve market condition." Mr Mukherjee had also expressed concern over inflationary pressures.

The Hindu Business Line - 24.06.2012

<http://www.thehindubusinessline.com/markets/for-ex/article3565818.ece>

RBI retains rates, US agency ranks India outlook negative

The Reserve Bank of India kept its lending rates unchanged on Monday, fearing a rate cut could knock up inflation. But a few hours later, US credit rating agency Fitch Ratings came out with a negative rating for India. The negative rating means a warning that growth could deteriorate if immediate measures weren't initiated. And when the growth rate falls, it is usually expected that the central bank cut interest rates to boost demand and spending.

The Hindustan Times - 18.06.2012

<http://www.hindustantimes.com/business-news/WorldEconomy/RBI-retains-rates-US-agency-ranks-India-outlook-negative/Article1-874187.aspx>

Peak domestic airfares set to fall as DGCA cracks the whip

The skyrocketing fares in the domestic skies are set to ease soon. At a recent meeting with the civil aviation regulator, airlines assured the Director-General of Civil Aviation that domestic airfares at the highest level will fall 5-20 per cent across the network in the next few days.

"When a request is made in public interest by the DGCA, almost all airlines follow it. There will be a reduction in fares in the next few days. Watch the airline Websites and the lower fares will be visible," the D-G, Mr Bharat Bhushan, told Business Line.

At the meeting it was pointed out that although price of aviation turbine fuel had gone up by about 16 per cent in June as compared to the same year previously, the average increase in airfares had been "phenomenal".

The Hindustan Times - 18.06.2012

http://www.thehindubusinessline.com/industry-and-economy/logistics/article3543772.ece?homepage=true&ref=wl_home

Foreign cargo ships to be allowed on local routes

India is set to ease a key law by permitting foreign registered container ships to carry cargo

Hindustan Petroleum Corporation Ltd (HPCL) increased the prices by Rs.17, Bharat Petroleum Corporation Ltd (BPCL) hiked the prices by Rs.15, officials and distributors said.

The Hindu - 20.06.2012

<http://www.thehindu.com/business/Industry/article3551215.ece>

Fitch downgrades credit outlook of NTPC, SAIL, 5 other PSUs

Global agency Fitch today lowered the rating outlook of public sector companies including NTPC, SAIL and IOC to negative but said the downgrade of India's credit outlook to negative would not impact the rating of Reliance Industries.

The global agency's downgrade of seven state-run companies follows the lowering of India's credit outlook to negative from stable.

Economic Times - 18.06.2012

http://articles.economictimes.indiatimes.com/2012-06-18/news/32299461_1_fitch-ratings-credit-outlook-rating-outlook

Government plans to set up two major ports in Andhra Pradesh and West Bengal

Anticipating higher demand for energy leading to increased import of coal and oil and container volumes in the years to come, Government proposes to set up two new major ports, one each in Andhra Pradesh and West Bengal, Shipping Minister G K Vasani said today.

"During this financial year, the Ministry of Shipping will initiate the process to get Union Cabinet approval for establishing the two ports," Vasani said, inaugurating the National Conclave on Shipping, organised by the Federation of Indian Export Organisations (FIEO). A target has been set for award of projects for creation of 244 million tonnes of capacity spread across 42 projects at an estimated cost of Rs 14,500 crore in 2012-13, he said.

The Economic Times - 18.06.2012

<http://economictimes.indiatimes.com/news/economy/infrastructure/government-plans-to-set-up-two-major-ports-in-andhra-pradesh-and-west-bengal/articleshow/14237140.cms>

Concor plans nine logistics parks in Odisha

Container Corporation of India (Concor), a blue-chip, mini-ratna Central PSU has unveiled

between the country's ports, as long as it is shipped out or in through the international container trans-shipment terminal or ICTT at Vallarpadam in Cochin port, marking a significant change in the current policy.

India's coastal trade (shipping cargo between different local ports) is reserved for ships registered in India and foreign ships can be hired only when Indian ships are not available, according to the so-called cabotage law.

A foreign shipping line currently cannot carry a container either to or from the Vallarpadam ICTT to any other port in the country, hampering its operations following the February 2011 start.

Mint - 21.06.2012

<http://www.livemint.com/2012/06/21213919/Foreign-cargo-ships-to-be-allowed.html>

Sebi notifies new shareholding, governance norms for bourses

Market regulator Sebi today notified new norms for ownership and governance of stock exchanges and other market infrastructure institutions -- a move which among others could pave way for setting up of new bourses and also permit the exchanges to get listed on other bourses.

As per the new norms, every recognised stock exchange shall have a minimum net worth of Rs 100 crore at all times and at least 51 per cent of stake has to be held by public. Besides, no Indian entity, either individually or together with persons acting in concert, would be allowed to acquire or hold more than 5 per cent stake directly or indirectly in a stock exchange. However, stock exchanges, depositories, banks, insurance companies and public financial institutions from India can acquire or hold up to 15 per cent stake.

The new norms are expected to pave the way for setting up of new stock exchanges. Currently, there are two national level bourses, BSE and NSE, in the country, while the third one MCX-SX is waiting for permission to begin trade in the equity segment. MCX-SX is currently permitted only in the currency segment.

Economic Times - 21.06.2012

http://articles.economictimes.indiatimes.com/2012-06-21/news/32352229_1_ownership-and-governance-bourses-new-norms

Dwarakanath appointed BEML Chairman

In-charge Chairman and Managing Director (CMD) of BEML P. Dwarakanath has been selected to head the public sector undertaking as CMD by the Public Enterprises Selection Board (PESB).

its big plans for Odisha. The logistics solutions provider is keen on setting up multi-modal logistics parks in nine key industrial hubs of the state. The new logistics parks are set to come up at Jharsuguda, Angul, Paradeep, Dhamara, Kalinganagar, Gopalpur, Rayagada, Balasore and Rourkela.

"Each of these logistics parks would need 30 acres of land and the investment in the range of Rs 50-100 crore. Each park would generate indirect employment for around 3,000 people. The establishment of logistics parks would give a big boost to the state's industrial competitiveness," a top government official told Business Standard.

Business Standard - 25.06.2012

<http://www.business-standard.com/india/news/concor-plans-nine-logistics-parks-in-odisha/478347/>

ONGC pips SBI to top payer slot

Oil explorer ONGC has emerged as the No 1 advance taxpayer for the June 15 instalment this year, dislodging banking behemoth State Bank of India. For the latest June quarter, ONGC paid an advance tax of Rs 1,347 crore (Rs 1,062 crore), higher than SBI's Rs 1,170 crore.

Last year, for the June 15 instalment, SBI was the No 1 advance taxpayer with a payout of Rs 1,100 crore. This shows that ONGC's payout this year has gone up by 27 per cent and SBI by 6.36 per cent.

On an aggregate basis, the advance payout by the top 10 taxpayers grew 6 per cent to Rs 6,288 crore (Rs 5,934 crore). This is lower than the 21 per cent increase seen for the same instalment last year at Rs 6,209 crore.

Meanwhile, private sector presence in number terms improved this year. There were four private sector companies — Reliance Industries, Tata Steel, HDFC Bank and ITC — in the top 10 list.

The Hindu Business Line - 19.06.2012

http://www.thehindubusinessline.com/industry-and-economy/article3547520.ece?homepage=true&ref=wl_home

1989 batch UP Cadre IAS Amit Mohan Prasad appointed CVO in OIL, New Delhi

Govt. of India has appointed Amit Mohan Prasad, IAS (UP-89) as Chief Vigilance Officer (CVO) in the Oil India Limited (OIL), New Delhi

Mr. Dwarakanath, also Director (Metro and Rail), is the senior-most director and was the frontrunner for the post. His is the only name recommended by the PESB, which has to be approved by the Union government.

He has been officiating as the in-charge CMD of BEML since V.R.S. Natarajan was placed under suspension on June 11 by the Ministry of Defence following recommendation by the Central Bureau of Investigation (CBI) that is probing the charges of irregularities in the supply of Tatra trucks to Indian Army and other cases.

Mr. Dwarakanath is likely to take charge on October 1 and will have tenure of five years or till his superannuation.

The Hindu - 25.06.2012

<http://www.thehindu.com/news/states/karnataka/article3568050.ece>

under the Ministry of Petroleum & Natural Gas. The officer will have the option to draw his pay in the pay scale of Joint Secretary to the Government of India plus deputation allowance, if admissible, or pay of the post.

<http://www.babushahi.com/viewcompleteneews.php?id=4877&type=recent&refresh=yes>