

(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.)

## Balmer Lawrie

Two new Directors, Mr. Niraj Gupta, Director (Service Businesses) and Mr. Anand Dayal, Director (Manufacturing Businesses) have been inducted to the roles of Balmer Lawrie & Co. Ltd., a Mini Ratna Category-I PSE under the Ministry of Petroleum & Natural Gas recently.

*The Times of India - 08.08.2012*

<http://timesofindia.indiatimes.com/speednewsshow/15389588.cms>

## Government readies 4-step boost for growth

The government is readying a four-pronged action plan to halt the embarrassing slowdown in the economy and is likely to roll out corrective measures over the next few weeks. "The action plan will have four broad pillars — boosting investor confidence, reducing inflation and reining in fiscal and current account deficits," said a source. Steps will also be taken to boost the rupee. Sources said the first of these policy announcements can be expected in the next 10 days.

A clarification on tax policies was round the corner amid mounting pressure from investors, who are waiting for cues from the Centre on controversial tax proposals, such as the empowering of income-tax officials to scrutinise older corporate transactions like the Hutch-Vodafone deal of 2007. The immediate objective of the measures was to boost investment and reassure anxious industrialists. Controlling fiscal deficit — a measure of government borrowing — will be a big challenge for finance minister P Chidambaram as an economic slide will hit tax revenues.

*The Hindustan Times - 12.08.2012*

<http://www.hindustantimes.com/business-news/WorldEconomy/Government-readies-4-step-boost-for-growth/Article1-912272.aspx>

## Govt to put in place fiscal action plan in 6 weeks

The Finance Ministry intends to present a credible fiscal action plan within the next six weeks. This may encourage the Reserve Bank of India to cut the interest rate in the mid-quarter review of the monetary policy scheduled to take place on September 17, official sources said.

A highly-placed official source told Business Line, "The effort is to get the plan approved by the Cabinet. On one hand, the plan will focus on subsidy rationalisation, especially on petroleum

## Top post in 24 central public sector enterprises vacant: Government

Posts of Chairman-cum-Managing Director/Managing Director are lying vacant in 24 central public sector enterprises including MMTC, NMDC, NHPC and National Fertilisers Ltd, Parliament was informed today. "Full-time Chairman-cum-Managing Director/Managing Director are not in position in 24 central public sector enterprises (CPSEs)," Minister of Heavy Industries and Public Enterprises Praful Patel said in a written reply in Lok Sabha. In regard to 12 vacant posts, recommendations are already available which are awaiting the approval of competent authority, he said.

With regard to 10 posts, selection process has been initiated and the remaining two posts have been kept in abeyance as per the request of the concerned administrative ministry. Further, Patel said administrative ministries/departments have been issued instructions to ensure filling up the vacancies in CPSEs in time and these are monitored by holding regular meetings. As on March 31, 2011, there were 248 CPSEs in the country.

*Economic Times - 09.08.2012*

[http://articles.economictimes.indiatimes.com/2012-08-09/news/33118787\\_1\\_vacant-posts-central-public-sector-enterprises-cpses](http://articles.economictimes.indiatimes.com/2012-08-09/news/33118787_1_vacant-posts-central-public-sector-enterprises-cpses)

## CAG glare over account arrears of non-working PSUs

Four PSUs have account arrears for 45 years. The Comptroller & Auditor General of India (CAG) has raised serious concern over the arrears in accounts ranging from 4-45 years (as on June 30, 2012) of non-working PSUs in the state. CAG has identified 17 such non-functional public enterprises saddled with arrears under the administrative control of industries department. The Central auditor has emphasized on initiating proper action for clearance of the arrears so that action for

products. On the other hand, focus will be on disinvestment for revenue mobilisation." He clarified that no cut in interest rate is expected before September 17.

*The Hindu Business Line - 07.08.2012*

<http://www.thehindubusinessline.com/industry-and-economy/economy/article3738802.ece>

### **Govt may take risks to tame inflation, interest rates: Chidambaram**

Ready to take "calibrated" risks, Finance Minister P Chidambaram today said the Government will work with RBI to control both inflation and interest rates to stimulate investment and ease burden on consumers.

Underscoring price stability, more importantly for the poor, he said the government will use its foodgrains stocks to moderate prices and enhance imports of essential commodities.

In his first media briefing after taking charge of the Finance Ministry, Chidambaram said fiscal and monetary policies must point to the same direction to moderate inflation. "The government will work with the Reserve Bank of India to ensure that inflation is moderated in the medium term.

*DNA - 06.08.2012*

[http://www.dnaindia.com/money/report\\_govt-may-take-risks-to-tame-inflation-interest-rates-chidambaram\\_1724660](http://www.dnaindia.com/money/report_govt-may-take-risks-to-tame-inflation-interest-rates-chidambaram_1724660)

### **Disinvestment target will be hit: Khan**

Even as there has been no public offering during the first four months of 2012-13, the Finance Ministry, on Wednesday, exuded confidence on meeting the disinvestment target of Rs.30,000 crore set for the fiscal year as the modalities for sell-off of the Centre's stake in public sector undertakings (PSUs) were being worked out.

Addressing journalists on the sidelines of a SCOPE event here, Disinvestment Secretary Mohammad Haleem Khan said: "Meeting of divestment target should not be a problem because we have enough [PSUs] in the pipeline, and our team is working on other cases also, so that necessary CCEA [Cabinet Committee on Economic Affairs] clearances are available in time".

*The Hindu - 09.08.2012*

<http://www.thehindu.com/business/Economy/article3742821.ece>

### **Economy on downhill, June industrial output contracts 1.8 pc**

Worsening economic situation pulled down industrial output by 1.8 per cent in June, third fall in four months, disappointing Finance Minister P Chidambaram who said bottlenecks must be

winding up process of such PSUs can be initiated.

*Business Standard - 09.08.2012*

<http://www.business-standard.com/india/news/cag-glare-over-account-arrearsnon-working-psus/482721/>

### **Government to decide on ETF for share sale in Aug**

The Finance Ministry is expected to take a final decision by this month-end on the exchange traded fund (ETF) for selling shares of state-owned firms as part of steps to meet the disinvestment target of Rs 30,000 crore this fiscal. "ETF in-principle has been talked about. There has been firming up certain views on this. It is expected to be finalised during the month," a top finance ministry official told PTI.

"The Department of Disinvestment has already received suggestions from two dozen institutions on the concept note it circulated on operationalisation of ETF," the official added. The department has been considering setting up of an exchange traded fund in the format of Hong Kong Tracker Fund.

*Money control - 05.08.2012*

[http://www.moneycontrol.com/news/economy/government-to-mull-etf-for-share-saleaug\\_740464.html](http://www.moneycontrol.com/news/economy/government-to-mull-etf-for-share-saleaug_740464.html)

### **Manufacturing sector may record lower growth in Q2: Ficci**

The manufacturing sector is expected to register lower growth during July-September quarter compared to previous quarters, mainly due to the rupee depreciation and slowdown in demand, a survey by industry body Ficci said today. Rupee depreciation has presumably affected the sector's competitiveness severely over the last few months, the Ficci's quarterly survey on manufacturing said.

*Business Standard - 08.08.2012*

<http://www.business-standard.com/india/news/manufacturing-sector-may-record-lower-growth-in-q2-ficci/182120/on>

### **Govt may soon ban import of used capital goods**

The government will soon impose restrictions on imports of used capital goods to protect domestic manufacturers and increase their competitiveness, a top official said today. The

removed to facilitate fresh investments in critical sectors. The dismal data for June, 2012-13 includes a huge downslide of 28 per cent in capital goods sector giving a clear signal about lack of fresh investment in the economy.

*Business Standard - 09.08.2012*

<http://www.business-standard.com/generalnews/news/economydownhill-june-industrial-output-contracts-18-pc/42203/>

### **Cleartrip launches mobile app for iPhone**

Cleartrip launched its mobile app for iPhone with its special split-screen search facility. The split screen design was invented by Cleartrip when it launched six years ago. The new search form hosts some handy features like geo-location for selecting departure airport for current location, recently searched airports and the ability to easily swap the "from" and "to" cities with a tap. Additionally, there are filters that help narrow down the search by sorting results by specific airlines, flight timings or non-stop flights.

Payments can be made using credit cards, debit cards or net banking account. Alternately, by signing into the Cleartrip Account, payments can also be made using Expressway. The cards selected on Cleartrip's desktop site are also available on this app.

*The Hindu Business Line - 07.08.2012*

<http://www.thehindubusinessline.com/news/travel/article3737944.ece>

### **Packaged tours abroad to cost more**

After inflation, recession and rupee depreciation played their part in making your trip abroad expensive, it is the service tax that seems to have come with a bad news for travellers. With effect from July 1, additional travel services such as air ticket cancellation, date change on ticket, excess baggage, outbound tours, and passport and visa services have come under the service tax net.

*The Times of India - 06.08.2012*

<http://timesofindia.indiatimes.com/city/pune/Packaged-tours-abroad-to-cost-more/articleshow/15368289.cms>

### **35 lakh e-ticket rail bookings failed in June**

That Indian Railway Catering and Tourism Corporation (IRCTC)'s e-ticketing facility has not kept pace with the rise in demand is evident from the large number of failed transactions. Approximately 35 lakh transactions in June 2012 and almost 37 lakh attempts in May 2012 could not materialize due to the huge rush to book

Department of Heavy Industry (DHI) has received several representations from all segments of the industry to impose restrictions on such imports, DHI Secretary S Sundareshan said.

*Business Standard - 08.08.2012*

<http://www.business-standard.com/india/news/govt-may-soon-ban-importused-capital-goods/182087/on>

### **Tourism sector: Growth in Forex earnings negative in July**

The slowdown in the West has affected the tourism sector as foreign exchange earnings in July registered a negative growth compared to the corresponding period last year. The number of foreign tourists has also slowed down, with a mere 2.1 per cent growth registered in July as against 10.1 per cent increase in the same period last year.

Foreign exchange earnings during July were \$ 1,512 million as compared to \$ 1,603 million during July 2011, according to Tourism Ministry data.

*The Economic Times - 08.08.2012*

<http://economictimes.indiatimes.com/news/news-by-industry/services/travel/tourism-sector-growth-in-forex-earnings-negative-in-july/articleshow/15405388.cms>

### **IRCTC spreads its wings, offers overseas tour packages**

Buoyed by the response to its first overseas package, Indian Rail Catering and Tourism Corporation (IRCTC) is planning a Mumbai-Dubai tourism package in September. It has also started working out tour packages to other destinations in south-east Asia and Europe during Diwali vacations. IRCTC's first overseas package "Dazzling Dubai" from Bhopal, priced at Rs 44,270 per person, will begin on August 21.

*The Times of India - 13.08.2012*

<http://timesofindia.indiatimes.com/city/mumbai/IRCTC-spreads-its-wings-offers-overseas-tour-packages/articleshow/15467844.cms>

### **Leather exports likely to witness slower growth this year**

With traditional markets like Europe and US witnessing economic turmoil, Indian leather exports is expected to witness a slower growth in the current financial year as compared to FY 12. Leather exporters in the country are facing a considerable decline in volume exports to these major destinations, leading most of them

railway tickets online. To top it, there are several cases where a ticket is not generated, and yet the transaction amount gets debited from the card.

*The Times of India* - 05.08.2012

[http://articles.timesofindia.indiatimes.com/2012-08-05/india/33048192\\_1\\_pradeep-kundu-book-railway-tickets-irctc](http://articles.timesofindia.indiatimes.com/2012-08-05/india/33048192_1_pradeep-kundu-book-railway-tickets-irctc)

### **Lack of integrated plan likely to leave Indian ports high and dry**

Lack of plans for establishment of an uniform network of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and dry ports in the country in government's highly publicised blue print for development of port capacities is worrying shipping and port industry professionals alike. "Without those strategic landside facilities in place, Indian ports despite their augmented capacities will continue to be left with existing problems of congestion and related issues of cargo evacuation in and out of the terminals," said a port official.

*The Economic Times* - 06.08.2012

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/shipping/-/transport/lack-of-integrated-plan-likely-to-leave-indian-ports-high-and-dry/articleshow/15372826.cms>

### **Tea production declining in organized sector in India**

Tea production in the organized sector in declining in India due to ageing bushes and little investment and the country may have lost 50 million kg of tea in the past 10 years. At the same time it is rising in small holdings which account for nearly 28 percent of the total tea cultivation area and 26 percent of the country's total production. "India lost production of 50 million kg of tea during the past 10 years in the organised sectors. Old bushes and scarce investment are the key reasons for reduction in production in the organised big holdings," Tea Board of India executive director Rakesh Saini told IANS.

*The Times of India* - 07.08.2012

<http://timesofindia.indiatimes.com/business/india-business/Tea-production-declining-in-organized-sector-in-India/articleshow/15386327.cms>

### **Patel asks PSUs to take up community development projects**

Heavy Industries and Public Enterprises Minister Praful Patel has impressed upon leading PSUs like ONGC, SAIL and BHEL to take up community development in the country's backward areas, starting from his constituency of Gondia in Maharashtra. Patel recently reviewed corporate social responsibility (CSR) initiatives of the public sector units (PSUs) with senior management of 11

to turn to other markets like South Africa, North America and South Asian countries.

*The Times of India* - 06.08.2012

<http://timesofindia.indiatimes.com/business/india-business/Leather-exports-likely-to-witness-slower-growth-this-year/articleshow/15378053.cms>

### **Container traffic: Chennai Port going all out to regain top position**

Work on the Chennai Port Mega Terminal Project is expected to start shortly and the first ship would be anchored in three years at the new terminal, according to Atulya Misra, Chairman of Chennai Port Trust. He dismissed fears that with the development of Ennore and Karaikal ports that flank the Chennai Port, the latter may lose its pre-eminent position in the region.

*The Hindu Business Line* - 11.08.2012

<http://www.thehindubusinessline.com/industry-and-economy/logistics/article3753818.ece>

### **India's tea export likely to decline in 2012**

A weaker global growth outlook, the continuing high tea prices, and the recent sharp decline in coffee prices are likely to result in marginal decline in India's tea exports, from 193 million kgs to 180 million kgs in 2012. Tea production in 2012 may decline and also the prices of the commodity may be dearer, according to an industry study conducted by IMAcS. Factors leading to decline in tea export include faster-growing coffee market adversely affecting tea consumption in Europe and by weak economic growth

*Business Standard* - 10.08.2012

<http://www.business-standard.com/india/news/indias-tea-export-likely-to-decline-in-2012/482862/>

### **IOC in India's biggest-ever loss-Rs 22K cr**

Indian Oil Corp (IOC) today posted India's biggest quarterly net loss by a listed company of Rs 22,451 crore after the government failed to compensate it for capping auto and cooking fuel prices. Simultaneously, Hindustan Petroleum Corp Ltd (HPCL), the nation's third largest fuel retailer, also posted a net loss of Rs 9,249 crore in April-June, the second biggest

state-owned companies. They also included Nalco, NMDC, NTPC and GAIL.

In the meeting, a pilot study conducted by the Tata Institute of Social Sciences (TISS) on CSR in Bhandara and Gondiya was discussed. TISS has been designated as the national CSR hub. "The minister urged the PSUs to come up with sustainable models of inclusive and participatory growth through their joint and collaborative endeavours," an official said. Patel also wanted the PSUs to involve village panchayats in identification of the development projects.

*Money Control - 05.08.2012*

[http://www.moneycontrol.com/news/business/patel-asks-psus-to-takecommunity-development-projects\\_740419.html](http://www.moneycontrol.com/news/business/patel-asks-psus-to-takecommunity-development-projects_740419.html)

quarterly loss by a listed corporate.

The government has in the year not compensated oil firms for selling diesel, domestic LPG and kerosene below cost this year as the Rs 40,000 crore fuel subsidy it had budget has all been exhausted in paying compensation for last fiscal.

Bharat Petroleum Corp Ltd (BPCL), India's second largest fuel retailer, will report quarterly earnings tomorrow and is likely to post over Rs 9,000 crore of net loss.

*Financial Express - 09.08.2012*

<http://www.financialexpress.com/news/ioc-in-indias-biggestever-lossrs-22k-cr/986117/>