

(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.)

Manmohan Singh tells Cabinet Secretary to look into PSU woes

The top 20 public sector companies including Bharat Heavy Electricals Limited (BHEL), Oil and Natural Gas Corporation Limited (ONGC), Indian Oil, National Thermal Power Corporation (NTPC) and Steel Authority of India Limited (SAIL) plan to invest Rs 1,76,000 crore in new projects during the current financial year but some of these are being held up due to a shortage of coal and delay in environmental clearances and land acquisition issues.

According to reliable sources, the issue was highlighted along with other problems faced by public sector undertakings (PSUs) at a meeting with the Prime Minister on Monday attended by heavy industries minister Praful Patel and finance minister P. Chidambaram.

India Today - 24.10.2012

<http://indiatoday.intoday.in/story/prime-minister-manmohan-singh-psu-bharat-heavy-electricals-limited-indian-oil-p.-chidambaram/1/225986.html>

25 CEOs of state-run firms meet Prime Minister

Every year, India Inc looks forward to this but it's a first for the country's top public sector executives. 25 CEOs from Central Public Sector Enterprises or CPSEs are meeting Prime Minister Manmohan Singh in the national capital to discuss the state of public sector units in the country.

"The meeting will give the opportunity to the Captains of Public Sector Enterprises to convey their views to the Prime Minister on several key issues like autonomy and empowerment of the Public Sector Enterprises, plans on their disinvestments, improvement in their MoU system, flexibility to the boards of CPSEs, professionalization of boards of CPSEs, future investment plans and capital expenditure as well as their plan to go international etc," an official in the Ministry of Heavy Industries said earlier.

NDTV - 23.10.2012

<http://www.ndtv.com/article/india/25-ceos-of-state-run-firms-meet-prime-minister-283525>

PM asks PSUs to speed up projects CEOs told to invest surplus cash to raise domestic investment rate to 37%

Prime Minister Manmohan Singh directed state-run companies to invest the cash surpluses worth Rs 184,000 crore to drive investments, growth and create jobs. Singh asked chief executives of top 25 state-run companies to hasten up projects execution, fine tune capital expenses plans to boost domestic investment rate to 37 per cent for achieving 8 per cent growth.

Investment and domestic savings growth has fallen to below 30 per cent during recent months while top rating agencies have projected economic growth to fall to 5.5 per cent or lower.

mydigitalfc - 23.10.2012

<http://wrd.mydigitalfc.com/news/pm-asks-psus-speed-projects-620>

Finance Ministry hopeful of raising Rs 13K crore from PSU stake sale by December

The Finance Ministry is hopeful of raising Rs 12,000-13,000 crore from stake sale in the public sector undertakings (PSUs) by December-end which could help the government to rein in fiscal deficit to around 5.3 per cent of the GDP in 2012-13.

"We are hopeful that disinvestment will pick up and about Rs 12,000-Rs 13,000 crore will come in by December. For the full fiscal we expect to raise Rs 30,000 crore," Department of Economic Affairs (DEA) Secretary Arvind Mayaram told PTI in an interview.

Finance Ministry officials are engaging in hectic parleys with the PSUs to speed up the process so that the disinvestments can take place in the December and March quarters.

Economic Times - 25.10.2012

<http://economictimes.indiatimes.com/news/economy/finance/finance-ministry-hopeful-of-raising-rs-13k-crore-from-psu-stake-sale-by-december/articleshow/16952824.cms>

Larsen & Toubro, Hindustan Unilever, Infosys, TCS, Sun Pharma on world's 50 most innovative firms

Five Indian companies -- Larsen & Toubro, Hindustan Unilever, Infosys, TCS and Sun Pharma -- have made to a list of the world's 50 most innovative firms, with the engineering giant L&T ranking among the top-ten.

While the global list, released by US-based business magazine Forbes, is topped by IT firm Salesforce.com, Indian major L&T is ranked 9th worldwide, followed by HUL (12th), Infosys (19th), Tata Consultancy Services(29th) and Sun Pharma (38th) among the Indian companies.

Economic Times - 25.10.2012

<http://economictimes.indiatimes.com/news/news-by-company/corporate-trends/larsen-toubro-hindustan-unilever-infosys-tcs-sun-pharma-on-worlds-50-most-innovative-firms/articleshow/16950678.cms>

How companies like BPCL, TCS, Genpact and others have fine-tuned their vision statements

When Bharat Petroleum (BPCL) revisited its vision statement last year, it was the third time it had done so over the past 15 years. The first time public sector major set out to create a vision for itself was when the petroleum sector was opened up to private players and it was gearing up for major changes. Over 5,000 employees — nearly one-third of the workforce — participated in that exercise, rather unusual at a time when creating the corporate vision was considered the prerogative the top management team, with a little help from consultants who specialised in these matters.

But BPCL wanted to use the vision creation exercise to send out an organisation-wide message. "We wanted our people to own the vision statement," says BPCL chairman and managing director Raj Kishore Singh. "After all, they are ultimately the ones who have the responsibility to deliver. We began by identifying who we were at that point and we asked our people who they wanted to be."

Economic Times - 26.10.2012

<http://economictimes.indiatimes.com/features/corporate-dossier/how-companies-like-bpcl-tcs-genpact-and-others-have-fine-tuned-their-vision-statements/articleshow/16952813.cms>

Castrol Q3 net profit down 9.5% to Rs 86 cr

Government to sponsor officers to the world's first Master's degree in anti-graft studies

Buffeted by a series of big-ticket scams, the Government is readying to sponsor sleuths and vigilance officers to the world's first Master's degree in anti-corruption studies, being launched in Vienna this December.

The department of personnel and training has written to all ministries, state governments, Central Bureau of Investigation and the Central Vigilance Commission, informing them that the government is willing to fund the candidates for International Anti-Corruption Academy's two-year part-time degree that proposes to impart training in global best practices against graft. The programme combines distance learning with in-class modules.

Economic Times - 25.10.2012

<http://economictimes.indiatimes.com/news/politics/nation/government-to-sponsor-officers-to-the-worlds-first-masters-degree-in-anti-graft-studies/articleshow/16945754.cms>

Industry expects business sentiment to improve in six months: Assocham survey

Corporates are optimistic about improvement in business conditions in the next six months despite economic slowdown and global uncertainties, according to Assocham Bizcon survey.

"The industry seems to feel that the slowdown has bottomed out. This is despite the fact that as of now, domestic demand remains weak and global markets stay uncertain," it said.

The chamber said it surveyed 300 CEOs engaged in different sectors such as manufacturing, finance, real estates and IT in the month of September.

According to the survey, the next two quarters are likely to see better prospects despite no change in the ground situation over the last six months.

NDTV Profit - 22.10.2012

<http://profit.ndtv.com/news/economy/article-industry-expects-business-sentiment-to-improve-in-six-months-asso-cham-survey-312365>

Tea prices to rise further during the winter months

Castrol's net profit fell by 9.5% to Rs 86 crore in the quarter ended September 2012 from Rs 95 crore in a year ago period. Net sales rose by 7.6% to Rs 832.5 crore from Rs 774 crore during the same period.

Money Control - 23.10.2012

<http://www.moneycontrol.com/news/results/castr-ol-q3-net-profit-down-95-to-rs-86-cr-772534.html>

Haldia in the dock on labour issues

Recent developments at Haldia dock, one of the two dock systems of the Kolkata Port Trust (KoPT), have hogged the headlines. Normal cargo handling operation in two of the berths, 2 and 8, has remained suspended from September 22. These are the best-performing berths of the dock with the average daily output being more than 20,000 tonnes each.

Also, the two berths are operated by Haldia Bulk Terminal Pvt Ltd (HBT), a special purpose vehicle floated jointly by France's LDA and India's ABG Group. As early as 2009, KoPT had entered into an agreement with HBT, empowering it to run the berths on certain terms. Accepting the terms, HBT invested around Rs 150 crore on acquisition of modern handling equipment, such as six mobile harbour cranes, 50 dumpers, 26 payloaders and other equipment, and creating certain facilities before starting operation in September 2010.

The Hindu Business Lines - 28.10.2012

<http://www.thehindubusinessline.com/industry-and-economy/logistics/haldia-in-the-dock-on-labour-issues/article4038422.ece>

Prices of Indian tea are expected to go up further during the winter months as the country is heading towards a 25 million kg shortage in production in the current year. An erratic weather condition in the peak production time of July to September has already affected the crop and pushed up prices by Rs 20 -25 per kg at the auctions.

Economic Times - 24.10.2012

<http://economictimes.indiatimes.com/markets/commodities/tea-prices-to-rise-further-during-the-winter-months/articleshow/16933759.cms>

RBI may keep policy rate on hold

The Reserve Bank is likely to keep the key interest rate unchanged in its October 30 monetary policy because of inflationary pressures, but might go for another cut in CRR, says an HSBC report.

The RBI has held its short-term lending (repo) rates unchanged at 8 per cent since April 2012. In its policy review on September 17, RBI reduced the cash reserve ratio (CRR) -- the percentage of deposits banks keep with central bank -- by 0.25 per cent to 4.5 per cent.

It will come out with the next monetary policy review on October 30, amid industry demands for a rate cut to boost economic growth.

"Given the slightly better domestic activity readings and lingering upside risks to inflation, the RBI is expected to keep the policy rate on hold on 30 October, although another CRR cut is possible," HSBC said.

NDTV Profit - 22.10.2012

<http://profit.ndtv.com/news/economy/article-rbi-may-keep-policy-rate-on-hold-crr-cut-possible-hsbc-312364>