

(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.)

Sensex climbs 293 points in early trade on Sebi steps

The BSE benchmark sensex on Monday shot up by 293 points in opening trade, mainly on the back of a flurry of buying by funds and investors after market regulator Sebi allowed overseas entities to invest in government securities without any auction mechanism.

Amid a firming trend in the Asian region, the 30-share index gained 293.30 points, or 1.49%, to trade at 20,026.06, with banking, capital goods, PSUs and power sector stocks leading the rally. It had lost over 265 points in the previous two sessions.

The wide-based National Stock Exchange index Nifty rose by 81.95 points, or 1.40 per cent, to trade at 5,932.55.

Times of India - 16.09.2013

<http://timesofindia.indiatimes.com/business/india-business/Sensex-climbs-293-points-in-early-trade-on-Sebi-steps/articleshow/22617479.cms>

Stop banks from bidding for PSU bulk deposits: Finance ministry to RBI

In a somewhat unusual move, the finance ministry has asked the Reserve Bank of India (RBI) to address the issue of banks participating in bids called by cash surplus state-run firms for placing their bulk deposits. The finance ministry has been trying to curb aggressive bidding for deposits by banks as it feels this pushes up cost of funds and eventually makes credit expensive.

State-run companies are sitting on cash balances of nearly Rs 3 lakh crore. "Banks are forced to offer a higher rate because of the bidding process, often done informally," a finance ministry official said confirming that the issue has been raised with the RBI. The central bank is aware of the problem and had said even in its 2012-13 monetary policy statement that there was a wide variation in banks' retail and bulk deposits, which is unfair to retail depositors.

Economic Times - 16.09.2013

<http://economictimes.indiatimes.com/news/econo>

23 bluechips CPSEs achieve 94% capital investment target in Q1

As many as 23 blue-chip Central Public Sector Enterprises has achieved 94 per cent of Rs 23,635 crore target for overall capital investment in quarter one of 2013, set by the government. Of the 23 Central Public Sector Enterprises (CPSEs), it was also noted that six CPSEs - NMDC, PGCIL, NLC, BEL, RINL and HAL had surpassed their first quarter targets, an official statement said.

The Prime Minister's Office (PMO) has been monitoring the capex and investment plans of selected CPSEs since 2012-13 with a view to enhance investment in the economy and use CPSEs to drive economic growth, it said. The Prime Minister's Office (PMO) has been monitoring the capex and investment plans of selected CPSEs since 2012-13 with a view to enhance investment in the economy and use CPSEs to drive economic growth, it said.

The Economic Times - 12.09.2013

<http://economictimes.indiatimes.com/markets/stocks/market-news/23-bluechips-cpses-achieve-94-capital-investment-target-in-q1/articleshow/22522175.cms>

CCEA may soon take up proposal to revise pay in 18 sick PSUs

The Cabinet Committee on Economic Affairs (CCEA) is expected to take up soon the proposal to revise salaries of employees in 18 sick PSUs which have the potential for revival, a senior official said today. The Department of Public Enterprises (DPE) had recently submitted a proposal to the CCEA for considering revision of salaries in the 18 sick central public sector enterprises.

"By next month, the CCEA is expected to take up the proposal to allow 1997 pay scales to executives and non-unionised supervisors of 18 sick CPSEs who are either following 1987 or 1992 scales of pay," the official told PTI. He, however said, this proposal is only for those PSUs which have the potential for revival.

The Economic Times - 10.09.2013

<http://economictimes.indiatimes.com/news/economy/policy/ccea-may-soon-take-up-proposal-to-revise-pay-in-18-sick->

my/finance/stop-banks-from-bidding-for-psu-bulk-deposits-finance-ministry-to-rbi/articleshow/22607355.cms

Companies Act draft rules bring clarity on auditor rotation, CSR spending

All public companies whose paid-up share capital exceeds Rs 100 crore or which have in aggregate outstanding loans or deposits exceeding Rs 200 crore may soon be required to have one-third independent directors on their boards.

Also, auditors may need to directly report to the government, within 30 days, if they are satisfied that material fraud is happening in the company. Further, India Inc will also have to put the income from ongoing CSR activities into its corporate social responsibility (CSR) fund in addition to the 2% of net profits of the preceding three years.

Financial Express - 10.09.2013

<http://www.financialexpress.com/news/companies-act-draft-rules-bring-clarity-on-auditor-rotation-csr-spending/1166781>

New system on cards to pay bonuses to oil PSU employees

There is good news for oil sector executives who are losing bonuses because of state controls on fuel prices. The government is preparing a new system of rewards that will insulate them from the vagaries of rupee-dollar exchange rates and whimsical controls on fuel rates.

The oil and finance ministries will formulate the system to ensure adequate performance-related pay (PLP) to employees despite lower profits because of rising fuel subsidies, government officials said. Oil industry executives say that staff morale is a big casualty and state firms fear losing top talent to private rivals.

Economic Times - 10.09.2013

http://articles.economictimes.indiatimes.com/2013-09-10/news/41937899_1_indian-oil-corp-subsidy-burden-oil-psu-employees

IRCTC App for Windows-8 for e-ticketing

Providing more options to book train tickets, Indian Railway Catering and Tourism Corporation (IRCTC) along with Microsoft has developed IRCTC App for Windows-8, which will facilitate users with a new channel of booking e-tickets in addition to the existing portal. IRCTC App on Windows-8 is going to be launched tomorrow, said a senior IRCTC official. Currently, the e-ticketing website of IRCTC is booking more than four lakh tickets per day on an average.

Press Trust of India - 11.09.2013

http://www.ptinews.com/news/3971851_IRCTC-App-for-Windows-8-for-e-ticketing.html

psus/articleshow/22461870.cms

Market volatility forces govt to put off stake sale till Jan

The current volatility in the stock markets has affected the government's ambitious plans to divest its stakes in a number of public sector units (PSUs) through the exchange traded fund (ETF) route. With the markets not being stable, the offering has been put off till January. In the first phase, the government is looking to garner about Rs 5,000 crore by divesting stakes in 10-12 PSUs, most of them frontline ones like CILCoal India, ONGC and NTPC.

Times of India - 16.09.2013

<http://timesofindia.indiatimes.com/business/india-business/Market-volatility-forces-govt-to-put-off-stake-sale-till-Jan/articleshow/22607778.cms>

Rajya Sabha secretariat names MPs in LTC scam plaint

The CBI has received several complaints from the Rajya Sabha secretariat and Ordnance Factory Board (OFB) in the Leave Travel Concession (LTC) scam involving central and state government employees and senior functionaries. According to a CBI officer, the Rajya Sabha secretariat has named some MPs in its complaint to the agency, which is being probed while OFB, Jabalpur has given a long list of officials who claimed money through fake travel bills. The officer refused to reveal the names of MPs as cases are yet to be registered.

The Times of India - 11.09.2013

<http://timesofindia.indiatimes.com/india/Rajya-Sabha-secretariat-names-MPs-in-LTC-scam-plaint/articleshow/22470129.cms>

Airlines agree to graded cancellation charges

Air passengers can soon expect respite from high cancellation charges on domestic ticket cancellations, as the airlines have agreed to consider a proposal of the civil aviation ministry to have a graded system for cancellation and rescheduling charges. "We have asked airlines to have a graded system for cancellation and rescheduling charges. Airlines have agreed to consider it and said they will come up with a formula soon," aviation secretary K N Srivastava said after his meeting with the airlines on Friday.

The Financial Express - 14.09.2013

<http://www.financialexpress.com/news/airlines-agree-to-graded-cancellation-charges/1169060>

Jet Airways gets code-share nod with five airlines

Days after the Etihad tie-up, Jet Airways has got yet another major boost to expand its global footprint and become the biggest Indian carrier in terms of network. The aviation ministry has allowed Jet to go for code-sharing with five airlines — American Airlines, Malaysian, Garuda of Indonesia, Vietnam Airlines and Kenya Airways.

The Economic Times - 10.09.2013

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/airlines/-aviation/jet-airways-gets-code-share-nod-with-five-airlines/articleshow/22449058.cms>

Air tickets booked in advance get costlier; cost jumps 56% in 1 month

In the latest blow to air travellers, Indian carriers have hiked fares for advance purchase, making tickets booked even three months ahead up to 56% costlier over last month. Roiled by recent fuel price hikes, the rupee's sharp fall against the US dollar and lower margins from previous rock-bottom fares, carriers such as Jet Airways, IndiGo, SpiceJet and GoAir have continuously been raising fares in September.

The Economic Times - 16.09.2013

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/airlines/-aviation/air-tickets-booked-in-advance-get-costlier-cost-jumps-56-in-1-month/articleshow/22613884.cms>

Decision put off to move boxes to a private station from Kochi port

Kochi Customs has deferred by three months its decision to implement the en-bloc movement of import containers from ICTT to a private container freight station, following objections raised by stakeholders. The port users alleged that the decision would involve an additional expenditure of Rs 5,000/ teu for moving the boxes.

However, port officials maintained that the Customs move is to ensure faster evacuation of import containers from the terminal and to make use of the better facilities for customs procedure at the new CFS situated near Vallarpadam ICTT.

The Hindu Business Line - 10.09.2013

Aviation ministry calls for VAT slash on jet fuel

The aviation ministry has called for state governments across the country to discuss on a possible mechanism to reduce the tax on aviation turbine fuel (ATF) whose price was hiked by a steep 6.9% last week. India's airlines, being extremely sensitive to the price of ATF, were left with no choice but to raise ticket prices on key routes by as much as 40%.

Hindustan Times - 10.09.2013

<http://www.hindustantimes.com/business-news/SectorsAviation/Aviation-ministry-calls-for-VAT-slash-on-jet-fuel/Article1-1119848.aspx>

Govt's infra push fails to improve fortunes of port sector

Traditionally, the port sector has seen good flow of foreign investment. One of the first infrastructure segments to attract private capital, the sector, however, recorded a fall in capacity addition since 2010-11. Against a rise of nine per cent in capacity in 2010-11, 2011-12 saw a rise of only four per cent rise. In 2012-13, major ports saw capacity addition of six per cent. Though re-bidding and low cargo volume were the primary reasons behind the poor show, clearly, the government's infrastructure push is yet to show results in the port sector.

Business Standard - 14.09.2013

http://www.business-standard.com/article/companies/govt-s-infrastructure-push-fails-to-take-off-in-port-sector-113091200501_1.html

VPT lead partner of Duggarajapatnam Port

The Visakhapatnam Port Trust (VPT) will be the lead partner of the major port planned at Duggarajapatnam announced by the Cabinet Committee on Economic Affairs, said VPT in-charge chairman G V L Satyakumar.

VPT could hold 89% of the equity with the remaining 11% being held by the state government, Satyakumar said at a media conference on Tuesday to announce the East Coast Maritime Business Summit to be held in the Port City on September 19-20.

The Times of India - 11.09.2013

http://www.thehindubusinessline.com/industry-and-economy/decision-put-off-to-move-boxes-to-a-private-station-from-kochi-port/article5113118.ece?ref=wl_industry-and-economy

Vizag port to invest Rs 4,500 crore for capacity expansion

Visakhapatnam port plans to spend Rs 4,500 crore to expand cargo handling capacity from the existing 65 million tonne (mtpa) to 110 mtpa by 2015-16. The expansion envisages setting up 3-4 new berths besides modernising the existing berths towards fully mechanised, said Satya Kumar, chairman in-charge, Visakhapatnam port. The port currently has 24 berths operational. Kumar said a major chunk of the Rs 4,500 crore investment, i e Rs 4,000 crore would be through private partnership and the remaining will be from internal accruals.

Business Standard - 11.09.2013

http://www.business-standard.com/article/companies/vizag-port-to-invest-rs-4-500-crore-for-capacity-expansion-113091101178_1.html

M&A deals in Indian chemical industry down with economic slowdown

In a written reply to a query in Lok Sabha on August 26, 2013, Anand Sharma, Union Minister of Commerce and Industry, stated that the FDI equity inflow in India was \$ 22,423.58 million in 2012-13 compared to \$ 35,120.80 million in 2011-12, and \$ 5,396.65 million during April-June 2013. Slowing domestic economy, unfavourable external environment, policies issues are some of the factors responsible for this reduced FDI inflow.

Chemical industry has not remained unscathed. According to E&Y, the FDI inflows in Indian chemical industry increased to \$ 7,534 million in 2011-12 from \$ 2,690 million in 2010-11, however it recorded FDI inflows of just \$ 789.4 million during April 2012-October 2012, compared to \$ 7007.6 million during the same period in 2011. This was a result of slowing economic growth and deteriorating investor confidence.

Business Standard - 11.09.2013

http://www.business-standard.com/content/b2b-chemicals/m-a-deals-in-indian-chemical-industry-down-with-economic-slowdown-113091000167_1.html

Cos to spend Rs 15-20k cr a year on CSR: Sachin Pilot

Expecting an annual CSR spending of Rs 15,000-20,000 crore by India Inc, Corporate Affairs Minister Sachin Pilot has asked companies to see

<http://timesofindia.indiatimes.com/city/visakhapatnam/VPT-lead-partner-of-Duggarajapatnam-Port/articleshow/22475876.cms>

Government to take up land leasing proposal for major ports tomorrow

Government may consider tomorrow a proposal for leasing or licensing of land owned by 12 major ports in the country for various development projects. The proposal by the Shipping Ministry for "licensing/leasing of land for development project at various major ports" is listed on the agenda of the Cabinet tomorrow, the sources said. Earlier, a Shipping Ministry appointed Committee had felt that Land Policy is one of the most significant policy frameworks guiding the overall functioning of the Port Sector.

The Economic Times - 11.09.2013

<http://economictimes.indiatimes.com/news/economy/policy/government-to-take-up-land-leasing-proposal-for-major-ports-tomorrow/articleshow/22491751.cms>

Spend on CSR mandatory for profitable firms even if group incurs loss

The Ministry of Corporate Affairs (MCA) proposes to mandate companies to spend two% of their average net profit for past three years on fulfilling their corporate social responsibilities (CSR) even if their Group makes consolidated net loss.

As per the draft rules under the newly enacted Companies Act, 2013, on which feedback is invited till October eight, this spend is based on the standalone net profit of the company, irrespective of loss or gain of the group. "Two percent CSR spending would be computed as 2% of the average net profits made by the company during every block of three years. For the purpose of first CSR reporting the net profit shall mean average of the annual net profit of the preceding three financial years ending on or before 31 March 2014," the draft rules said.

Business Standard - 10.09.2013

http://www.business-standard.com/article/companies/spend-on-csr-mandatory-for-profitable-firms-even-if-group-incurs-loss-113091000812_1.html

Youngest PFC chairman latest in list of high profile exits in PSU energy sector

For CEOs in India's energy sector, an apt proverb would be: The early worm gets eaten by the bird. The latest high-flier to fall after a

the new law as an investment opportunity to create a better work environment, rather than a forced expenditure.

The Minister also said that the government has left the canvas wide open for the companies to decide on their own about the CSR (Corporate Social Responsibility) activities they wish to undertake to comply with the new norms. He said the few areas prescribed under the law are only suggestive in nature and it should not be seen as a restrictive list.

Economic Times - 10.09.2013

http://articles.economictimes.indiatimes.com/2013-09-10/news/41937985_1_csr-activities-new-companies-act-corporate-affairs-minister-sachin

rapid rise is Satnam Singh, who became the youngest chairman of Power Finance Corp in August 2008.

He was ejected dramatically late on Friday evening when the government delivered him a letter rejecting his extension that seemed to be on the cards as he continued in office for a few weeks after his five-year tenure ended.

Economic Times - 16.09.2013

<http://economictimes.indiatimes.com/news/news-by-company/corporate-announcement/pfc-chairman-satnam-singh-denied-extension/articleshow/22612995.cms>

M K Goel to replace Singh as CMD of Power Finance Corporation

The government on Friday asked Satnam Singh, whose term as Power Finance Corporation CMD had come to an end on July 31, to hand over charge to M K Goel, director in the public sector company.

Times of India - 14.09.2013

<http://timesofindia.indiatimes.com/business/india-business/M-K-Goel-to-replace-Singh-as-CMD-of-Power-Finance-Corporation/articleshow/22567828.cms>