

(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 in News

Mr. Viren Sinha, C&MD was interviewed by the News Channel ET NOW for the segment 'PSU Corner' on their show 'Hot Stocks'. The interview was aired on 5th June, 2014 at around 10:40 am. Below is the link to the recorded interview:

http://www.youtube.com/watch?v=Mn3QnfrGuoU&feature=em-upload_owner

Buy tickets from airlines, authorized agents for LTC

Employees should buy air tickets directly from airlines or through authorised travel agents for claiming Leave Travel Concession (LTC), the government said today. The employees can book tickets by utilizing the services of authorised travel agents-- M/s Balmer Lawrie & Company, M/s Ashok Travels & Tours, and IRCTC, it said. The directive came after it came to the notice of the government that in a number of cases these instructions were not being followed by the employees. CBI is probing fake travel bills scam (LTC scam) allegedly involving certain government employees and present and former Members of Parliament. "The most common reasons given by the employees are unawareness of the rules and non-availability of authorized travel agents viz M/s Ashok Travels, M/S Balmer Lawrie & Company at places where the tickets have been booked from. "Even in such cases, the option of booking directly from the airlines through their website is available. In no case is the booking of tickets through any other agency is permissible," the Department of Personnel and Training (DoPT) said in an office memorandum. All the ministries or departments of the government are advised to ensure that their employees are made aware of these guidelines to avoid breach of any of the LTC rules, it said

Business Standard - 19.06.2014

http://www.business-standard.com/article/pti-stories/buy-tickets-from-airlines-authorized-agents-for-rtc-govt-to-114061901032_1.html

Government clears investment hurdles, gives go ahead to seven projects worth Rs 21,000 crore

The Narendra Modi government has cleared seven big-ticket investment projects worth Rs 21,000 crore, some of whom have been held up for decades, because of hurdles ranging from environmental issues to financing problems. The oldest among them, which has been on the drawing board for over 30 years, is a 235 kilometre railway line that is critical to tap Chhattisgarh's second largest iron ore reserves and ensure the survival of the Bhilai Steel Plant whose current iron ore sources are expected to run out in a few years. The Steel Authority of India (SAIL), which is partly funding the rail project along with NMDC, had first proposed tapping the iron ore riches in Chhattisgarh's Rowghat area in 1983.

Economic Times - 20.06.2014

http://articles.economictimes.indiatimes.com/2014-06-20/news/50739067_1_iron-ore-rowghat-area-sikkim

Sebi unveils slew of reforms; PSUs to have 25% public holding

Capital markets regulator Sebi today cleared a slew of reforms including a proposal to hike public holding in all PSUs to a minimum 25 per cent besides new norms for research analysts and ESOPs given by listed firms. Besides, Offer for Sale mechanism will be revamped to allow non-promoters to use this route for selling shares and a provision of 10 per cent reservation will be provided to retail investors. The decisions were taken at a board meeting of Sebi here and included many reform measures to boost primary markets. The Sebi board has made it mandatory for all listed PSUs to have at least 25 per cent public shareholding within three years. The move is expected to help the government raise close to Rs 60,000 crore through sale of excess shares in 38 state-run firms.

The Economic Times - 19.06.2014

<http://economictimes.indiatimes.com/markets/regulation/sebi-unveils-slew-of-reforms-psus->

Public sector companies lead the way on earnings upgrades

Public sector companies have driven the earnings charge in May 2014 after a dismal run for some time, with state-owned financial and energy companies boosting earnings growth for FY15. After being downgraded in the second half of the last fiscal year, prominent PSU stocks such as Bharat Petroleum Corporation, Canara Bank, Gas Authority of India, Steel Authority of India (SAIL), Power Finance Corporation (PFC) and State Bank of India (SBI) have all registered an earnings upgrade of around 2-8 per cent during the last month. Backed by strong performance by PSU companies in May, the overall earnings growth for FY15 has clocked its first positive projection since it was introduced in June last year. CLSA, in its recent note, highlighted that the PSU firms are leading the upgrades.

Economic Times - 23.06.2014

<http://economictimes.indiatimes.com/news/news-by-company/earnings/earnings-analysis/public-sector-companies-lead-the-way-on-earnings-upgrades/articleshow/36172792.cms>

Disinvest and transform India

PSU selloff can become a catalyst for reviving growth and creating wealth

Public sector undertakings were established in the 1950s to generate employment, create self-reliance and augment non-tax revenues. The financial investment in the initial five central PSUs was about R290 million. Today, there are nearly 260 central PSUs, with an investment of R 7,292.3 billion (as on March 31, 2012), in addition to state enterprises, banks and insurance companies.

The Financial Express - 18.06.2014

<http://www.financialexpress.com/news/disinvest-and-transform-india/1261817>

Relief from binding provisions

As the chorus grows louder for a comprehensive review of the Companies Act 2013, the department of public enterprises (DPE) has submitted its wish list of exemptions to the ministry of corporate affairs (MCA). A committee headed by Deepti Gaur Mukherjee, joint secretary in the DPE, has finalised the set of desired exemptions after wider consultations with the central public sector enterprises (CPSEs). The exercise was undertaken on the assessment that CPSEs might need new exemptions under the changed business environment while existing ones

[to-have-25-public-holding/articleshow/36814902.cms](http://economictimes.indiatimes.com/news/news-to-have-25-public-holding/articleshow/36814902.cms)

Finance Ministry looks to divest stakes in 7 PSUs including Coal India, Sail, MMTC

The finance ministry is working on a road map to divest stake in seven big state-run companies, which include Coal India, Sail, MMTC, NMDC, NHPC and Nalco. The government holds 80% or more stakes in these companies. "We will draw a road map and accordingly start consultations with the respective administrative ministries," said a senior finance ministry official. The Securities & Exchange Board of India (Sebi) has proposed to bring public float in state-run firms at 75%, equal to that of private companies. The finance ministry is of the view that Sebi will give at least two to three years to meet the norms and it can accordingly work out a road map so that there is no glut of PSU stocks in the market.

The Economic Times - 19.06.2014

<http://economictimes.indiatimes.com/news/economy/finance/finance-ministry-looks-to-divest-stakes-in-7-psus-including-coal-india-sail-mmtc/articleshow/36780492.cms>

New shareholding norm: Govt in a bind on diluting stake worth Rs 61,000 cr

About 35 PSUs (25 CPSEs, nine public sector banks and one State-level public enterprise) would need to dilute stake worth around Rs 61,282 crore, according to a study by Prime Database, a firm tracking primary market data. SEBI on Thursday said all listed PSUs will have to maintain 25 per cent minimum public shareholding as against 10 per cent currently. This will bring public shareholding in PSUs at par with private sector companies.

The Hindu Business Line - 20.06.2014

<http://www.thehindubusinessline.com/markets/stock-markets/new-shareholding-norm-govt-in-a-bind-on-diluting-stake-worth-61000-cr/article6134120.ece>

Column: Budget must revive investment

Expectations are riding high for the new government's maiden budget, given the myriad problems currently facing the economy. However, one needs to recognise that the finance minister will need to play a balancing act. While sluggish growth would normally call for some stimulus measures, a bigger threat is the ballooning fiscal deficit. Disappointing revenue collection along with rising expenses on subsidies had forced the last government to cut critical capital expenditure in order to keep

could have become irrelevant. "We have submitted the list of recommendations on the required exemptions to the MCA, which will take a final call", Mukherjee told FE. CPSEs enjoyed 62 exemptions under the erstwhile Companies Act of 1956.

The Financial Express - 18.06.2014

<http://www.financialexpress.com/news/relief-from-binding-provisions/1261815>

Government to modify social welfare spending norms of PSUs

Public sector companies will soon have to follow the social welfare spending norms as prescribed under the new companies law that will replace existing guidelines in this regard. At present, Corporate Social Responsibility (CSR) spending by central public sector undertakings is based on guidelines issued by the Department of Public Enterprises (DPE). Under the Companies Act, 2013, certain class of profitable entities are required to spend at least two per cent of their three-year average annual net profit towards CSR activities. According to an official, DPE would be harmonising CSR norms for public sector enterprises with that of provisions in the new Companies Act. DPE would get it vetted by the Corporate Affairs Ministry before coming out with the amended rules, the official added.

Economic Times - 22.06.2014

http://articles.economictimes.indiatimes.com/2014-06-22/news/50772364_1_csr-rules-csr-norms-csr-works

No move to raise petrol, diesel prices, government sees no cause for panic due to turmoil in Iraq

There is no immediate move to raise petrol, diesel or cooking gas prices, and the government sees no cause for panic due to the turmoil in Iraq, which has hoisted Brent crude oil prices to a nine-month high of \$115 per barrel, petroleum minister Dharmendra Pradhan said on Friday. "As of today, oil prices are not going to increase," he said. "There is no need to panic as the Basra area that supplies to India is safe."

The Economic Times - 21.06.2014

<http://economictimes.indiatimes.com/industry/energy/oil-gas/no-move-to-raise-petrol-diesel-prices-government-sees-no-cause-for-panic-due-to-turmoil-in-iraq/articleshow/36918967.cms>

Govt moves proposal to allow 100% FDI in railways

The government is moving swiftly to allow foreign direct investment in railways to upgrade

the deficit under control. But these are likely to have further reinforced the slowdown, particularly on the investment side. The need of the hour is therefore to implement structural reforms that will rejuvenate industrial growth without impacting the fiscal arithmetic.

The Financial Express - 19.06.2014

<http://www.financialexpress.com/news/column-budget-must-revive-investment/1262132?rhheader>

Govt tells oil cos to map out import contingency plans

The Indian government has asked energy companies to prepare contingency plans for oil imports as the crisis in Iraq could put the country in a spot, while rising prices threaten to raise subsidies, stoke inflation and upset fiscal calculations. "There are clear concerns that significant supply disruption is not far off," said Tamas Varga, oil analyst at London brokerage PVM Oil Associates, according to a Reuters report. Exporters body FIEO has said the unabated turmoil in Iraq may lead to a spike in oil prices by \$15-20 a barrel in the next couple of months.

Economic Times - 30.06.2014

<http://economictimes.indiatimes.com/markets/analysis/iraq-burns-five-reasons-why-indian-markets-should-not-bother/articleshow/36875323.cms>

Can Indian Railways make the leap as a logistics provider?

The Railways' share of freight traffic has dropped to 33 per cent from 90 per cent in the 1950s

Indian Railways' plan to set up the Logistics Corporation of India - a proposed one-stop solution for all its logistics needs - may soon get the nod of the Union cabinet. Logistics focuses on managing the transfer of goods from point of origin to point of consumption. Experts argue that the Rs 9,000-crore logistics industry in India, which is currently growing at over 5 per cent, holds tremendous potential and the Railways has much to gain from this enterprise.

Business Standard - 17.06.2014

http://www.business-standard.com/article/economy-policy/can-indian-railways-make-the-leap-as-a-logistics-provider-114061701396_1.html

Rlys' freight volume grows 5%

If the performance of cash-short Indian Railways (IR) in the first two months of financial year 2014-15 is an indicator of the remaining year ahead, the freight business

infrastructure for freight and high-speed trains. The commerce and industry ministry has initiated the exercise to allow 100% FDI in several segments of railways, moving beyond its earlier plan to open select sectors such as high-speed train systems, dedicated freight lines built through the public-private partnership route and in certain areas of suburban rail networks. Currently, there is a complete ban on any kind of FDI in railways, except mass rapid transport systems.

The Times of India - 19.06.2014

<http://timesofindia.indiatimes.com/business/india-business/Govt-moves-proposal-to-allow-100-FDI-in-railways/articleshow/36786908.cms>

Hike in railway fare likely to make flying an attractive option

The gap between rail and air fares will narrow further after the 14.2% rail tariff hike on June 25, an event that could encourage some railway passengers to shift to air travel. The fare increase announced on Friday is being seen as part of the "bitter medicine" measures which prime minister Narendra Modi said will have to be administered to revive the economy, which fell to its slowest growth rate in a decade, earlier this year. While airline tickets will still be at least Rs 1,000 costlier than rail tickets, the hike comes at a time when air carriers have been indulging in massive fare wars as a shot in the arm to a stagnant air travel market.

The Economic Times - 21.06.2014

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/hike-in-railway-fare-likely-to-make-flying-an-attractive-option/articleshow/36916823.cms>

SpiceJet extends Rs 1,999 monsoon offer pan-India

Budget carrier SpiceJet today extended its special monsoon fare offer with a starting ticket price of Rs 1,999 (all inclusive) pan-India, a day after the newly-launched AirAsia India announced Kochi as its third destination in the network at an all-inclusive fare of Rs 500. The offer is applicable to airline's all domestic destinations, including Mumbai, Delhi, Kolkata and Chennai, a company official said.

The Economic Times - 17.06.2014

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/spicejet-extends-rs-1999-monsoon-offer-pan-india/articleshow/36718194.cms>

Air India Set To Join Star Alliance

After a seven-year wait, Air India could finally become a member of Star Alliance, a 26-member global airlines group, giving the national carrier's

would bring some respite but falling passenger volume will continue to worry. Freight volume grew about five per cent for April-May but passenger volume fell 1.3 per cent over a year before for the two months. A fare rise helped IR to register a growth of Rs 890 crore in passenger revenue but passenger volume fell 18 million for the two months.

Business Standard - 19.06.2014

http://www.business-standard.com/article/economy-policy/rlys-freight-volume-grows-5-114061800951_1.html

Indian tourism industry boosts with foreign tourists

The foreign tourist arrivals (FTAs) in India registered a growth of 9.7 percent in an year, and the Visa on Arrival (VoA) grew by 19.1 percent compared to last year, a statement from the tourism ministry said Friday. "FTAs during May 2014 were 4.21 lakh as compared to FTAs of 3.84 lakh during May 2013 and 3.74 lakh in May 2012," a ministry statement said. "There has been a growth of 9.7 percent in May 2014 over May 2013 as compared to a growth of 2.5 percent registered in May 2013 over May 2012," it added.

Business Standard - 20.06.2014

http://www.business-standard.com/article/news-ians/indian-tourism-industry-boosts-with-foreign-tourists-114062001106_1.html

SpiceJet, IndiGo launch monsoon fares starting Rs1,724

Budget airlines SpiceJet Ltd and IndiGo are offering discounted fares for local travel between July and September starting at Rs.1,724. SpiceJet triggered the sale on Tuesday for the lean monsoon months of July and September with fares starting at Rs.1,999 which after taxes come out to be nearly Rs.3,000 in sectors like Delhi-Mumbai. Tickets can be booked from Tuesday to Thursday for travel between 19 July and 30 September 2014.

Live Mint - 18.06.2014

<http://www.livemint.com/Companies/fsBpJoAq2ZEkdZLh4vyJKJ/SpiceJet-IndiGo-launch-monsoon-fares-starting-Rs1724.html>

IndiGo registers highest number of fliers at 1.9 million in May

Indian carriers managed to fill their flights a little more in May over April as lower fares

passengers seamless access to over 1,200 destinations. The top brass of Star Alliance is meeting in London today to decide on Air India's induction into the global airlines' group. Air India was originally accepted as a future member of the network in 2007 but the integration was halted to allow Air India to focus on its merger with Indian Airlines.

NDTV Profit - 23.06.2014

<http://profit.ndtv.com/news/industries/article-air-india-set-to-join-star-alliance-564975>

Domestic air traffic rises 5.3% in May

Budget carrier IndiGo retained its leadership position in domestic skies with a 31.7 per cent market share in May. However, its loads have been showing a declining trend in the first five months of the year, compared to the same period last year. In comparison, Air India is showing an uptick in its occupancy on a year-on-year basis. Domestic air traffic was up 5.3 per cent in May, compared to the same month in 2013 with airlines carrying about six million passengers, up from 5.7 million passengers in May 2013.

Business Standard - 20.06.2014

http://www.business-standard.com/article/companies/domestic-air-traffic-rises-5-3-in-may-114061900990_1.html

during summer vacations encouraged more people to travel. Overall, however, the air passenger traffic in the month grew just 8% and for January-May period about 3%, compared to the previous year.

The Economic Times - 20.06.2014

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/indigo-registers-highest-number-of-fliers-at-1-9-million-in-may/articleshow/36844706.cms>

Freight rates for select centres rise

Freight rates for ten-tonne pay load section for select destinations rose by Rs 500 in the local truck transport market today on increased cargo movements against tight availability of trucks. Transporters said increased cargo movements against tight availability of trucks mainly led pushed up rates for select destinations.

Business Standard - 16.06.2014

http://www.business-standard.com/article/pti-stories/freight-rates-for-select-centres-rise-114061600541_1.html