

(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.)

Privatise, don't disinvest

The Finance Minister's statement that the Centre is open to exiting loss-making public sector undertakings is welcome in so far as it is a long overdue reform that the UPA government couldn't summon up the courage for. Though PSU divestment has been a recurring feature of annual budgets for the last 10 years, it was mostly used to sell inconsequential stakes in listed PSUs or shed minority stakes in profitable ones. Such divestments did not serve one of the main purposes, that of reducing the Government's role in businesses it should never have ventured into.

Moreover, while the Centre was busy divesting profitable PSUs, loss-making ones continued to drain its coffers. In the five years from 2008 to 2013 (the latest available data), the number of loss-making PSUs shot up from 54 to 79 and their combined annual losses more than doubled to Rs 28,260 crore. Capital of nearly Rs 2 lakh crore is locked up in their assets. PSUs in telecom services (BSNL, MTNL), aviation (Air India) and consumer goods (Hindustan Photofilms) account for nearly two-thirds of the above losses. These are clearly non-strategic sectors where the presence of the state serves little social or public purpose.

The Hindu Business Line - 10.11.2014

<http://www.thehindubusinessline.com/opinion/editorial/privatise-dont-disinvest/article6583876.ece?homepage=true>

Government proposes norms for easier exits, revival of MSMEs

The government has proposed amendments to the MSME Act with the twin objectives of time-bound exit and revival of loss-making units to help them consolidate their businesses and re-deploy capital in other greenfield ventures. It has invited suggestions related to the proposed changes with a view to formulate a policy in this regard. "The objective of proposed amendment for MSME Act is two-fold - revival and exit of MSMEs.

"Revival: MSMEs that seek early assistance to tide over difficult financial times and provide a framework where a viable MSME can seek standard as well as customised relief and concession to revive. "Exit: To provide an easier and expeditious exit procedure for the benefit of

Government to finally shut terminally ill PSUs like HMT Watches, Tungbhadra Steel and others

Days after Finance Minister Arun Jaitley indicated that the government was willing to consider the privatisation of sick state-run firms, the Centre has begun the process of shutting some of them. A senior government official confirmed that a Cabinet note proposing the closure of six firms under the department of heavy industry has been circulated. The list includes Hindustan Photo Films, HMT Bearings, HMT Chinar Watches, Tungbhadra Steel, Hindustan Cable and the iconic HMT Watches.

In the second round, 15 more loss-making firms will be under consideration, including British India Corporation, IDPL and their subsidiaries. "Once this gets through, we will look at those firms where no production activity is being carried out or are totally closed," said the official cited. He didn't want to be named. Government data shows there are 61 sick central public sector enterprises (CPSEs) that had 1.53 lakh employees as on March 31, 2013.

The Economic Times - 17.11.2014

<http://economictimes.indiatimes.com/industry/indlgoods/svs/engineering/government-to-finally-shut-terminally-ill-psus-like-hmt-watches-tungbhadra-steel-and-others/articleshow/45171480.cms>

Government imposes fresh restrictions on overseas travels by bureaucrats

The government today imposed fresh curbs on foreign tours by bureaucrats saying that they should restrict their overseas visits to four in a year. "No officer should undertake more than four official visits abroad in a calendar year. For visits exceeding four by an officer, detailed justification would need to be furnished and such visits would be allowed only in exceptional cases depending on functional need," said an office order.

The order further stipulates that travel expenses for officials for participating in conferences, study tours and presentation of papers should be borne by the sponsors. "Proposals for participation in

promoters and guarantors through liquidation and change in management," the MSME Ministry said. "It is proposed that a separate chapter on Restructuring & Exit of MSME can be added to the MSME Act, which mandates scheme for closure of sick MSMEs," it added. The proposed amendments include establishment of revival and exit committee as an adjunct to MSME facilitation council and establishment of appellate authority.

Times of India - 16.11.2014

<http://timesofindia.indiatimes.com/business/india-business/Government-proposes-norms-for-easier-exits-revival-of-MSMEs/articleshow/45168041.cms>

Air India charges up to 150% extra for LTC tickets from govt employees

National carrier Air India (AI) seems to be draining the national exchequer by charging anywhere between 80 per cent and 150 per cent extra for tickets that 30.85 lakh. Central government employees are supposed to avail as leave travel concession (LTC). According to government rules, it is mandatory for all Central government employees to use AI to avail LTC. The employees, who get LTC twice in four years, can choose to go by air, Railways, roadways or ship. The AI website has a special section for LTC tickets. Bookings can also be done through authorised agents such as stateowned tourism and travel companies like Ashok Travel and Tours, Balmer and Lawrie and Indian Railway Catering and Tourism Corporation.

Business Today - 10.11.2014

<http://businesstoday.intoday.in/story/air-india-false-claims-charges-higher-fare-from-govt-staff/1/212139.html>

No regulation of fares charged by airlines: Key points from draft civil aviation policy

The civil aviation policy is expected to come into force from January next year after stakeholder consultations are finished and clearance obtained from the Union cabinet on certain provisions.

Firstbiz - 12.11.2014

<http://firstbiz.firstpost.com/corporate/no-regulation-of-fares-charged-by-airlines-key-points-from-draft-civil-aviation-policy-107767.html>

ONGC decides to invest over Rs. 10,600 Crore in two major projects in Western Offshore

New Delhi Board of ONGC, has approved today two major investment decisions valued over Rs. 10,600 Crore for further enhancing production from its Western Offshore fields. The projects are-

conferences/seminars/
conventions/workshop/study
tours/presentation of papers abroad at
government cost will not be entertained except those that are fully funded by sponsoring/inviting organisations which may be considered keeping in mind the public interest and the government business at home," the order said.

The Economic Times - 10.11.2014

<http://economictimes.indiatimes.com/news/politics-and-nation/government-imposes-fresh-restrictions-on-overseas-travels-by-bureaucrats/articleshow/45101683.cms>

Tourist visa on arrival up 41.5%

Visa on arrival for tourists has seen an uptick of 41.5 per cent at 2,705 VoAs in October 2014 compared with 1,911 VoAs during the same month last year, according to a statement from the Ministry of Tourism. The Government had launched the 'Visa on Arrival' scheme in January 2010 for travellers from Finland, Japan, Luxembourg, New Zealand and Singapore, visiting India for tourism purposes. It later extended it Cambodia, Indonesia, Vietnam, the Philippines, Laos and Myanmar in January 2011, and more recently to South Korea. For January- October 2014, a total number of 21,995 VoAs were issued compared with 15,770 VoAs in the same period last year registering a growth of 39.5 per cent, the statement added.

The Hindu Business Line - 13.11.2014

<http://www.thehindubusinessline.com/industry-and-economy/travel/tourist-visa-on-arrival-up-415/article6594505.ece>

New oil and gas contracts may be tough on investors

The petroleum ministry is looking to rework several of the contentious clauses in the proposed model revenue sharing contract, including those related to the escrow account, production targets and monetization of petroleum in the reservoir, which private players argue is an attempt to take a share of the profit from sale of rights in the blocks.

The Economic Times - 12.11.2014

<http://economictimes.indiatimes.com/articleshow/45119248.cms>

All above board | India set to wind up port tariff regulator

India has finally decided to wind up the Tariff Authority for Major Ports (TAMP), the rate regulator for the 12 ports owned by the central government. The move comes 17 years after the agency was set up to fix and revise rates

Redevelopment (Phase-III) of its giant offshore field - Mumbai High (South) involving a capital investment of Rs 6,069 Crore and Integrated Development of Mukta, Bassein and Panna Formations at an estimated Capex of Rs. 4,620 Crore.

International News and Views - 14.11.2014

<http://www.internationalnewsandviews.com/ongc-decides-to-invest-over-rs-10600-crore-in-two-major-projects-in-western-offshore-to-substantially-enhance-production/#sthash.DFVtE1cL.dpbs>

Indian Railways' earnings up 12.06% on-year in Apr-Oct 2014

The total approximate earnings of Indian Railways on originating basis, from April 1-October 31, 2014 are Rs 86,595.04 crore, as against Rs 77,273.88 crore during the same period last year, registering an increase of 12.06 per cent. The total approximate revenue earnings from passengers during the said period stand at Rs 24,716.97, up from Rs 21,247.64 crore earned during April-October last year.

The total approximate number of passengers booked during the review period was 4,918.57 million, as compared with 4,965.00 million last year, showing a decrease of 0.94 per cent. In the suburban and non-suburban sectors, the number of passengers booked was 2,664.95 million and 2,253.62 million, respectively. Last year, these the numbers stood at 2,655.67 million and 2,309.33 million, respectively.

Travel Biz Monitor - 13.11.2014

<http://www.travelbizmonitor.com/indian-railways-earnings-up-1206-onyear-in-aproct-2014-25787>

Supply chain and cold chain mgt needed at all levels from farm to fork

Agriculture is one of the major occupations in India and the country is the largest producers of agricultural products in the world. Regardless of the fact that India is a worldwide leader of agricultural products, it has a huge need for modern post-harvest storage network, deficiency of which causes large losses both in quantitative and value terms. Almost \$8 to \$15 billion losses have been estimated per annum from the agricultural sector alone.

Maintenance of quality, value enhancement

Cold chains and ambient temperature warehouses play a vital role in the food industry for the maintenance of the quality of produce and in value enhancement. It is also essential for extending the shelf life, period marketing, avoiding over capacity and reducing transport bottleneck during peak period of production. The development of cold chain industry has an important role to play in

when Indian ushered in private investments into its dozen ports as part of economic liberalization. The TAMP regime witnessed many run-ins with private cargo-handlers, many of whom took the regulator to court over its order to cut rates when they asked for a raise.

Live Mint - 13.11.2014

<http://www.livemint.com/Opinion/9dajMOeqRl6pvbWavvPjYO/All-above-board--India-set-to-wind-up-port-tariff-regulator.html>

Freight traffic registers nearly 5 per cent growth

Continuing its growth track, the Indian Railways have carried 621.66 million tonnes (MT) of freight traffic during April-October 2014, an increase of 4.79 per cent from last year.

The freight carried shows an increase of 28.41 MT over the freight of 593.25 MT carried during the corresponding period last year. According to Railway Ministry data, the national transporter carried 89.22 MT freight in October, which is an increase of 6.97 MT over the freight loading of 82.25 MT carried during the same period last year, showing growth of 8.47 per cent.

Business Standard - 13.11.2014

http://www.business-standard.com/article/pti-stories/freight-traffic-registers-nearly-5-per-cent-growth-114111200611_1.html

Commodities in regulated warehouses exempted from stock limit

The government has exempted commodities kept in regulated warehouses from the purview of stock limits effected by state governments to curb hoarding under the Essential Commodities Act. This was one of the key reforms that commodity markets regulator Forward Markets Commission (FMC) was pushing with the Consumer Affairs Ministry for last few years.

In a latest circular, the commission said: "Department of Consumer Affairs has informed that the commodities kept in regulated warehouse (registered by the Warehousing Development and Regulatory Authority) have been exempted from stock holding limits under the Essential Commodity Act, 1955."

The exemption has been given subject to the condition that these warehouses publish the information of stock available with them on real time basis, it said. The Department has also

reducing the wastage of the perishable commodities and thus providing remunerative prices to the growers. It can as a backbone to all interested players – the farmer, the trader and the agriculture industry and helps to maintain the freshness of the products by providing temperature-controlled environment.

Fnbnews.com - 11.11.2014

<http://www.fnbnews.com/article/detnews.asp?articleid=36335§ionid=1>

Rajiv Chaturvedi selected as CMD, PEC Ltd

PSEB has recommended the name of Shri Rajiv Chaturvedi, GGM, PEC, for the post of Chairman and Managing Director, PEC Limited at a PESB meeting held on November 11, 2014.

pseb.nic.in - 11.11.2014

<http://pesb.gov.in/recommendation/Recommendation1-11112014.pdf>

issued an advisory to all the state governments in this regard, it said and asked the commodity exchanges to inform all market participants about the development. With this reform, the government has resolved discrepancy between the two central laws - Essential Commodities (EC) Act and Forward Contracts Regulation Act (FCRA).

The Economic Times - 10.11.2014

<http://economictimes.indiatimes.com/markets/commodities/commodities-in-regulated-warehouses-exempted-from-stock-limit/articleshow/45101149.cms>

Shri Satnam Singh Badhwan appointed as CVO, CWC

Govt has appointed Shri Satnam Singh Badhwan as Chief Vigilance Officer in Central Warehousing Corporation (CWC), Delhi.

DOPT - 12.11.2014

http://persmin.gov.in/DOPT_Appointments_CVOAppointments.asp