

(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.)

Govt companies add thrust to staff retention policies

Bagging a job in a public sector undertaking (PSU) is like a 'mission accomplished' for most. The reason - 'the future is secure'. But, today it has also become a stepping stone for greener pastures - private sector - for people entering the senior management levels. The movement from a public to a private sector entity at the middle to senior management level is due to the wide gap in salaries offered to senior executives in a public sector against the private sector counterparts.

"At the entry point the salaries offered in a public sector are higher than what the private sector offers, but, as you go up, the slope starts becoming steeper in private sector unlike what we (PSUs) offer," said K.S. Jamestin, Director - Human Resources, ONGC. Despite this, the executive attrition rate in major PSUs, such as ONGC and NTPC Lts, is less than one per cent. This speaks volumes about employees' confidence in these companies and their HR policies, said a senior NTPC official.

The Hindu Business Line - 02.08.2012

http://www.thehindubusinessline.com/features/newmanager/article3713142.ece?homepage=true&ref=wl_home

Economic growth may be 6-6.2% this fiscal, says survey

India's economy is likely to grow by 6-6.2% in the current fiscal, lower than 6.5% in 2011-12 which itself was the slowest in nine years, according to a survey of economists and industry leaders. Continuing slowdown in the industrial growth and its spillover effect on the service sector, deficit monsoon and worsening global environment are expected to drag the GDP (Gross Domestic Product) lower in the fiscal 2012-13, an ASSOCHAM survey of economists and industry leaders indicated.

Indian economy had slowed to 6.5%, the nine-year low, in 2011-12, as per the official data. The ASSOCHAM projections are also lower than the outlook of 6.5% by the Reserve Bank. Planning Commission Deputy Chairman Montek Singh

Govt makes it hard to start business: Gallup survey

India has a surprisingly low number of enterprises for an economy its size. This is because it lacks a significant and well-functioning entrepreneurial ecosystem, a new study by strategic consultancy Gallup has found. A Gallup poll found that only 16% of adults (from a sample of 5,000) said they owned a business.

Even among those who said they ran a business, barely a fifth or so (22%) had formally registered it. This reluctance could well stem from the fear of an all-powerful government. As much as 46% said the Government makes it hard to start a business. Gallup listed lack of reliable support from honest and efficient government institutions as one of the four key factors resulting in low entrepreneurship levels. To a degree, widespread corruption might cause low efficiency and high business start-up costs, the poll found. More than 70% of respondents believed government corruption was widespread.

The Hindu Business Line - 01.08.2012

http://www.thehindubusinessline.com/industry-and-economy/article3713298.ece?homepage=true&ref=wl_home

China, India service sectors counter downturn with steady growth

The services sectors in emerging powerhouses China and India grew in July at a healthy pace, providing vital support for the two economies as their manufacturing sectors struggle with the global downturn. China's official purchasing managers' index (PMI) for the services sector fell to 55.6 in July from 56.7 in June, while a similar private-sector survey sponsored by HSBC headed in the opposite direction, rising to 53.1 from a 10-month low in June of 52.3.

India's non-manufacturing PMI from HSBC was little changed, slipping to 54.2 in July from 54.3 in June. With all the PMIs above 50 - a threshold that divides expansion from contraction - the surveys are signalling that the

Ahluwalia also said that the GDP growth this year may be close to six%.

Business Standard - 03.08.2012

<http://business-standard.com/india/news/economic-growth-may-be-6-62-this-fiscal-says-survey/181440/on>

RBI should have cut interest rates: trade bodies

With the Reserve Bank of India (RBI) leaving key interest rates unchanged for the second consecutive time to fight inflation, trade bodies have expressed apprehension that the move would have a negative impact on the industry, given the bleak economic scenario.

Delivering the first quarter monetary policy review on Tuesday, Reserve Bank Governor D. Subbarao left the repo rate, at which banks borrow from RBI, at 8 per cent, despite demands from the trade and industry to cut interest rates to spur economic growth. The Cash Reserve Ratio (CRR) — the amount of deposits banks keep with the RBI in cash — has also been retained at 4.75 per cent.

The Hindu - 01.08.2012

<http://www.thehindu.com/news/cities/Madurai/article3708023.ece>

Expedia India may renegotiate contract with Cleartrip

Expedia India, the local arm of the world's largest online travel company Expedia Inc., may renegotiate its contract with Indian online travel agency Cleartrip as it soon won't need access to the latter's low-cost carrier (LCC) inventory.

As part of plans to push its customized travel package business in India, Expedia will bring the low-fare inventory directly onto its platform. The \$3.5 billion (Rs.19,530 crore) group entered the country in 2009 and has been raising its brand presence in the country since last year to grab a piece of the \$2.1 billion Indian online travel market. It has already earmarked Rs.60-75 crore in 2012 for marketing and technology. It aims to invest \$20 million over the next four years in the Asia-Pacific region, half of this amount being earmarked for India.

Mint - 01.08.2012

<http://www.livemint.com/2012/07/31212228/Expedia-India-may-renegotiate.html?atype=tp>

OTOAI partners with TTG Events for IT&CM India

The Outbound Tour Operators Association of India

services sectors in both China and India are expanding.

The Economic Times - 03.08.2012

<http://economictimes.indiatimes.com/news/economy/indicators/china-india-service-sectors-counter-downturn-with-steady-growth/articleshow/15338327.cms>

RBI holds rates steady, ups inflation forecast

The Reserve Bank of India (RBI) left interest rates unchanged on Tuesday for the second straight review, showing that bringing down stubbornly high inflation is its top priority even as economic conditions deteriorate. Underlining its policy dilemma as it faces pressure to reduce rates, the Reserve Bank of India (RBI) cut its economic growth forecast for the fiscal year to March 2013, while at the same time raising its inflation forecast. The RBI left its policy repo rate at 8 percent and cash reserve ratio for banks at 4.75 percent. The CRR is the share of deposits banks must keep with the RBI.

Business Standard - 31.07.2012

<http://business-standard.com/india/news/rbi-holds-rates-steady-ups-inflation-forecast/180852/on>

OTAs go offline to sell holiday packages and build brand

When the founder and CEO of MakeMyTrip.com, Deep Kalra, spoke of his plans to expand the company's offline retail stores, the American board members of the Nasdaq-listed online travel firm found the idea revolutionary. What was perhaps unthinkable for an e-commerce company in the West has been a part of a well-thought-out strategy for leading online travel companies in India. So, Kalra went ahead and expanded the company's brick-and-mortar network across cities, from just a pilot presence initially.

Today MakeMyTrip has 20 outlets in cities like Ahmedabad, Kolkata and Bangalore, among others. For now, however, it is not planning any further expansion of the offline network. Yatra.com, on the other hand, has 40 outlets across the country, and is planning to add another 100 franchisees.

Rediff - 01.08.2012

<http://www.rediff.com/business/report/otas-go-offline-to-sell-holiday-packages-and-build-brand/20120801.htm>

CONCOR to extend network in eastern, north eastern regions

The State-run logistics firm Container

(OTOAI) and Incentive Travel & Conventions, Meetings India organiser, TTG Events and have entered into a strategic partnership to increase participation at the event by attracting OTOAI members to the event as buyers. IT&CM India will be held from August 21-23, 2012 at the India Expo Centre & Mart in Delhi NCR.

With the objective of promoting India to the world and the world to India, IT&CM India is targeting equal numbers of international and Indian buyers. According to a release, under the terms of the partnership, OTOAI and TTG Events will share resources and expertise to raise awareness about the international event in India, as well as to enhance the quality and quantity of the domestic buyer registration.

Travel Biz Monitor - 31.07.2012

<http://www.travelbizmonitor.com/otoai-partners-with-ttg-events-for-itcm-india-17198>

Navy objects to port at Nakkapalli in Vizag dist

The Navy has raised serious objections to the proposal to establish another major port at Nakkapalli in Visakhapatnam district in view of the alternative naval base coming up in the vicinity. Efforts are being made to persuade the naval authorities, it was stated by the State Minister for Ports, Infrastructure, and Investment, Mr G. Srinivasa Rao, at a review meeting.

He said the technical committee had identified three places along the coast in the State for setting up another major port and Nakkapalli in Visakhapatnam district was found in all respects to be the most suitable.

The Hindu Business Line - 31.07.2012

http://www.thehindubusinessline.com/news/article3708157.ece?ref=wl_industry-and-economy

IndianOil to set up refinery in Sri Lanka for Rs 20,000 cr

Indian Oil Corporation will set up its first refinery outside India with an investment of up to Rs 20,000 crore (Rs 200 billion) in Sri Lanka. It will thus become the

second Indian company to have a refinery abroad. The Ruias-promoted Essar Energy owns the Stanlow refinery in the UK and has 50 per cent interest in Kenya Petroleum Refinery. IOC operates 10 refineries in India and the capacity of its Sri Lankan refinery is expected to be 5-9 mtpa (million tonnes per annum).

Rediff - 30.07.2012

<http://www.rediff.com/business/report/indianoil-to-set-up-refinery-in-sri-lanka-for-rs-20000-cr/20120730.htm>

Corporation (CONCOR) plans to extend its network in eastern and north eastern India, setting up two more Inland Container Depots (ICDs) at Siliguri in West Bengal and Tripura.

"The proposed Siliguri ICD would handle the cargo to and from Nepal, Bhutan and adjoining countries while the Tripura ICD would deal with goods to and from Bangladesh and neighbouring countries," CONCOR Managing Director Anil Kumar Gupta told reporters here Wednesday. Gupta said Rs.85-150 crore would be invested to develop each ICD.

Assam Tribune - 01.08.2012

<http://www.assamtribune.com/scripts/detailsnew.asp?id=aug0112/at046>

Ports restructure business models to combat slowdown

Indian ports are creating revenue streams from warehousing, tax-free enclaves, logistics services, leasing space to private companies and setting up industrial complexes to weather an economic slowdown. They are also dealing with several commodities like coal, oil and even automobiles to diversify risk.

"Indian ports are progressively getting their act right by diversifying into different cargoes and offering value-added services," Eddy Bruyninckx, chief executive officer at Antwerp Port Authority of Belgium, said in an interview on Tuesday.

Mint - 31.07.2012

<http://www.livemint.com/2012/07/31232500/Ports-restructure-business-mod.html>

Rajesh Ranjan is new CVO, GAIL

Shri Rajesh Ranjan has been appointed as Chief Vigilance Officer (CVO) in the Gas Authority of India Limited, Delhi. He is a 1984 batch IPS officer of Bihar cadre.

Ajeet Agarwal is new Director Finance REC

Ajeet Kumar Agarwal has joined as new Director, Finance of Rural Electrification Corporation under the aegis of Ministry of Power.

CDR R K Okhandiar is Director (Comml & Mkt.), ITDC

CDR R K Okhandiar, has taken over as Director (Commercial & Marketing), India Tourism Development Corporation Limited (ITDC).

Sarkaritel.com - 01.08.2012