

(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 plans single holding firm for PSEs

The government is considering wide-ranging reforms in central public sector enterprises (CPSEs) which, if implemented, will see its role being transformed from an active promoter to a professional portfolio manager or a venture capitalist, with the twin objectives of managing investments and deciding which sectors to invest in. To achieve this paradigm change, the government may, as a first step, create a single holding structure and then transfer the ownership of select CPSEs, for instance, the maharatnas — the biggest and most profitable CPSEs — to this holding company. Further, equity in all future CPSEs will be held by the proposed holding company, and not by the government.

The idea is to ensure that the CPSEs are run without direct interference by administrative ministries in their day-to-day affairs, Arun Maira, Member, Planning Commission, told The Indian Express. The broad contours of the single holding structure were laid out by a panel of experts on reforms in CPSEs set up by the Planning Commission. "We will set specific timelines for the process that needs to be followed in implementing the recommendations of the panel," Maira said.

*The Financial Express - 02.04.2012*

<http://www.financialexpress.com/news/govt-plans-single-holding-firm-for-pses/931397/>

## Despite economic slowdown, an all-time high turnover is likely

Central Warehousing Corporation (CWC) is a Schedule 'A' Miniratna PSU under the Ministry of Consumer Affairs, Food and Public Distribution. Starting in 1957 with just seven warehouses with 7,000MT capacity, CWC currently runs 465 warehouses across the country with a total capacity of about 10 million tonnes. Its managing director, BB Pattanaik, spoke to HT on a range of issues. Excerpts:

What are the main activities of CWC?

Though initially set up for storage of food grains to avoid distress sale by the farmers as well as minimisation of post-harvest losses, CWC has diversified its activities and now provides scientific warehousing facilities for more than 400 commodities. It runs 66 custom bonded warehouses, 36 container freight stations and

## 12 PSUs need to meet 'Minimum Public Shareholding Norms

As per the listing guidelines of "Minimum Public Shareholding" norms, the government companies shall have a minimum public shareholding of 10% and the private sector companies shall have a minimum public shareholding of 25%. As per the guidelines, the date by which this needs to be complied is 4th June 2013. Currently, there are about 11 PSUs in which the government holds more than 90% stake. Hence, in these 11 PSUs, the government holding shall be brought down to 90%. The leading PSUs in this list are MMTC, HMT, National Fertilizers, Neyveli Lignite, RCF, State Bank of Mysore and STC.

Similarly, there are about 110 private sector companies in which the promoters hold more than 75% stake. Hence, in these 110 private sector companies, the promoter holding shall be brought down to 75%. The leading private sector companies in this list include Wipro, DLF, Reliance Power, Omaxe, Bajaj Corp, Godrej Properties, Jaypee Infra, L&T Finance.

*Money Control - 30.03.2012*

[http://www.moneycontrol.com/news/brokerage-recos-others/12-psus-need-to-meet-minimum-public-shareholding-norms\\_686989.html](http://www.moneycontrol.com/news/brokerage-recos-others/12-psus-need-to-meet-minimum-public-shareholding-norms_686989.html)

## Tourism Ministry Sanctioned 160 Tourism Projects During 2011-12

Ministry of Tourism continued its efforts to develop quality tourism infrastructure at tourist destinations and circuits across the country. According to the Annual Report of the Ministry of Tourism for the year 2011-12 released here today, the Ministry has sanctioned 160 tourism projects for an amount of Rs. 710.02 crore for tourism infrastructure augmentation to States/UTs up to 31st December, 2011.

The Ministry has given special focus on development of important destinations/circuits through sanction of mega projects. Mega tourism projects are a judicious mix of culture, heritage, spiritual and eco-tourism and aim to give tourists a holistic experience.

As on 29.02.2012, the Ministry has identified

internal container depots, four air cargo complexes and three temperature controlled warehouses.

*The Hindustan Times - 01.04.2012*

<http://www.hindustantimes.com/News-Feed/InterviewsNews/Despite-economic-slowdown-an-all-time-high-turnover-is-likely/Article1-834010.aspx>

## **Tourism sector aims to generate 2.5 crore jobs**

With a target of 12 per cent growth in tourist arrivals, the tourism sector is expected to generate 2.5 crore jobs during the 12th Five-Year Plan. "We have targeted 12 per cent growth in inbound as well as domestic tourists during the 12th Plan period. This growth will generate 2.5 crore jobs, both direct and indirect, in tourism sector during this period," Tourism Minister Subodh Kant Sahai said while presenting National Awards for excellence in hospitality education for the year 2010-11.

*The Economic Times - 04.03.2012*

<http://economictimes.indiatimes.com/news/news-by-industry/jobs/tourism-sector-aims-to-generate-2-5-crore-jobs/articleshow/12534660.cms>

## **Less than 5% tourists find visa-on-arrival hassle-free: Survey**

Even as India is trying to expand the visa-on-arrival scheme to give a boost to the tourism sector, a survey conducted for the tourism ministry reveals a rather grim picture of tourists struggling with signages, queues and foreign exchange issues while availing of the facility.

The survey reveals that tourists take over an hour and sometimes one-and-a-half hours at Mumbai airport for their visas though facilities are better at Delhi. During the survey only 4.55% of the tourists said that the system was absolutely hassle free. Though a majority of tourists were satisfied, most felt that utilities counters needed to be close by. The survey had included even immigration officials who felt that adequate publicity is required for this service and forms should be provided in the flights.

*The Economic Times - 03.04.2012*

<http://economictimes.indiatimes.com/news/nri/visa-and-immigration/less-than-5-tourists-find-visa-on-arrival-hassle-free-survey/articleshow/12510264.cms>

## **NMP registers 4.42% growth in cargo handling**

The New Mangalore Port (NMP) has registered a

53 mega tourism projects in consultation with State Governments, out of which 35 have been sanctioned.

*Press Information Bureau - 03.04.2012*

<http://pib.nic.in/newsite/erelease.aspx?relid=82072>

## **International air travel up 9.3% in Feb: Iata**

International air passenger traffic in February rose 9.3% year on year but faltering business sentiment and stubborn fuel costs were cause for concern, the

International Air Transport Association (Iata) said on Tuesday. The figures were also flattered by the timing of annual Lunar New Year holidays in Asia, Brazil's

carnival, and year-ago figures hurt by uprisings in north Africa. International freight rose 5.1% in February.

*Mint - 03.04.2012*

<http://www.livemint.com/2012/04/03160651/International-air-travel-up-9.html>

## **Better infrastructure can boost productivity at container freight stations**

Chennai has the maximum number of container freight stations (CFSs). There are 28 in operation with three more to be set up soon. The CFSs are located in North Chennai, especially near the industrial zone of Manali, serving both Chennai and Ennore ports.

But the moot questions are: Does Chennai really need so many CFSs and is there enough business for them all? Or have the operators set up the facilities anticipating 'mega' growth in container traffic in and around Chennai in the next five years? Talking to a cross-section of people in the shipping industry revealed that the players feel there will be enough business for the many CFSs. However, if the anticipated projects, including the Rs 3,800-crore mega container terminal in Chennai port, are delayed, then the CFS operators may be in big trouble.

*The Hindu Business Line - 01.04.2012*

[http://www.thehindubusinessline.com/industry-and-economy/logistics/article3269260.ece?homepage=true&ref=wl\\_home](http://www.thehindubusinessline.com/industry-and-economy/logistics/article3269260.ece?homepage=true&ref=wl_home)

## **New rail service connects North India with CPT**

Connecting North India to Cochin Port Trust,

growth of 4.42% in cargo handling in 2011-12. The port handled 32.94 million tonnes in the last financial year as against 31.55 million tonnes in 2010-11. The growth is mainly due to increase in handling coal, petroleum, oil and lubricants (POL) crude, edible oil, timber, granite, containers.

The port has also seen an increase in number of vessels handled in 2011-12 to 1136 from 1,097 over the previous fiscal.

*The Times of India - 04.04.2012*

<http://timesofindia.indiatimes.com/city/mangalore/NMP-registers-442-growth-in-cargo-handling/articleshow/12527110.cms>

### **Cochin port cargo handling up 12%**

Cochin port has achieved a 12 per cent growth in cargo handling for the financial year 2011-12 to touch the 20-million mark in one year for the first time. The port achieved a throughput of 20.1 million tonnes. Oil handling was up 14 per cent, and break bulk and bulk handling 53 and 14 per cent respectively, while container throughput increased 6 per cent, a release said. The port has initiated the process of creating modern cargo handling infrastructure and a mobile harbour crane to support bulk/break bulk handling will be commissioned in June. It can now assure 'berthing on arrival' to large bulk carriers with up to 12.5 metre draft on Willingdon Island. Besides, warehouses are being upgraded and provision has been made for direct barge loading from its Ernakulam and Mattancherry wharves.

*Business Standard - 03.04.2012*

<http://www.business-standard.com/india/news/cochin-port-cargo-handling12/469865/>

### **South African red tea with health benefits to hit India soon**

Caffeine-free red tea, with a number of health benefits, would soon be available for Indian consumers as South Africa-based Blue Africa Trading (BAT) plans to enter into a trading pact with a number of Indian companies. BAT's Managing Director Charl Rudman told Business Standard, "We will sign an MOU with a Mumbai-based House of Bhaishankars, an export/import company, to supply red tea to speciality tea shops. We would be supplying it with Rooibos tea." Rooibos tea (Aspalathus lin-earis) is a type of herbal tea. It is similar to green tea but offers more benefits.

*Business Standard - 03.04.2012*

<http://www.business-standard.com/india/news/south-african-red-teahealth-benefits-to-hit-india-soon/469892/>

Arshiya Rail Infrastructure Limited, a subsidiary of supply chain and logistics major Arshiya International, has started a bi-weekly train service. The first train carrying 90 TEUs of white cement from Jodhpur reached the CPT in the wee hours of Tuesday. The consignment is to be distributed to various parts of Kerala and Tamil Nadu. The service opens up connectivity between Inland Container Depots in North India to the International Container Transshipment Terminal (ICTT), Vallarpadam.

*IBN Live - 05.04.2012*

<http://ibnlive.in.com/news/new-rail-service-connects-north-india-with-cpt/245587-60-122.html>

### **Top three container terminals yet to cut rates**

India's top three container terminals have defied the tariff regulator's order to cut rates by ignoring the deadline for their reduction.

The issue puts the spotlight back on the powers of the Tariff Authority for Major Ports (TAMP), the regulator for ports controlled by the Union government, and reinforces the view that it's unable to enforce decisions.

"We haven't yet started billing the new rates notified by TAMP," said a top executive at Nhava Sheva International Container Terminal Pvt. Ltd (NSICT), the facility run by Dubai's DP World Pvt. Ltd at Jawaharlal Nehru (JN) port. He didn't want to be named. JN port is India's busiest container gateway.

*Mint - 07.04.2012*

<http://www.livemint.com/2012/04/06220627/Top-three-container-terminals.html?atype=tp>

### **Tea companies brew profits on higher prices**

Stocks prices of tea plantation companies McLeod Russel and the Goodricke Group, gained 5-9 per cent last week, outperforming the BSE FMCG index, which gained two per cent and the Sensex (nominal gain of 0.2 per cent). This increases their year-to-date gains to 30-50 per cent, mainly driven by improving tea prices. Analysts expect tea prices to tread higher due to production lagging a rising demand and this looks sustainable in the long term. While this is positive for the sector, most analysts are bullish on McLeod Russel due to its size and geographical diversification.

*Business Standard - 05.04.2012*

<http://www.business-standard.com/india/news/tea-companies-brew-profitshigher-prices/470140/>

## **Tata Global gets to buy Russian tea unit**

Tata Global Beverages (TGB), the maker of Tetley tea and a unit of India's second-largest industrial group, has got regulatory approval to buy out its Russian tea unit

from a partner in that country, Bloomberg reported.

*DNA - 04.04.2012*

[http://www.dnaindia.com/money/report\\_tata-global-gets-to-buy-russian-tea-unit\\_1671187](http://www.dnaindia.com/money/report_tata-global-gets-to-buy-russian-tea-unit_1671187)

## **Narsing Rao appointed CMD of Coal India**

Coal India Ltd today got a full time Chairman and Managing Director. According to sources, the appointments committee of the Union Cabinet has cleared appointment of Mr S. Narsing Rao as CMD of CIL for a five-year term. The 53-year, 1986-batch IAS (Indian Administrative Services), is currently the Chairman and Managing Director of Andhra Pradesh Government-controlled Singareni Collieries Company Ltd (SCCL). Mr Rao will be the first non-CIL nominee to assume the top job of the company since July 1983.

*The Hindu Business Line - 03.04.2012*

<http://www.thehindubusinessline.com/companies/article3277688.ece>