

(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.)

PM to meet India Inc over growth revival

With economic growth remaining sluggish and rupee depreciating, Prime Minister Manmohan Singh will have an interaction with the captains of industry later this month to discuss ways to boost industrial output and contain current account deficit (CAD).

Singh will meet the leaders of the industry on July 29 to review the state of economy and work out steps to push growth. The discussions will cover measures to correct CAD and revive industrial growth, a PMO statement said on Monday.

The issue of depreciation of the rupee and its impact on trade and industry will also be discussed. The meeting assumes significance as the government has been concerned over the sluggish growth, high CAD and depreciating rupee. CAD last fiscal was 4.8 per cent and government intends to bring it down to 4.2 per cent this financial year.

Singh will also discuss with the captains of the industry ways to accelerate skill development, besides development of Delhi-Mumbai Industrial Corridor (DMIC), Chennai-Bangalore Industrial Corridor (CBIC) and Amritsar-Delhi-Kolkata Industrial Corridor (ADKIC).

Singh will meet the leaders of the industry a month after setting an investment target of Rs 1.15 lakh crore in PPP (public-private partnership) projects across infrastructure sectors in rail, port and power in the next six months to pep up the investor.

The Indian Express - 09.07.2013

<http://www.indianexpress.com/news/pm-to-meet-india-inc-over-growth-revival/1139366/>

PM's Monitoring Group clears 4 projects worth Rs 8,000 crore

The Prime Minister's Project Monitoring Group has cleared four projects this week worth Rs 8,000 crore, two of which are from the power sector. This is in addition to the 11 power projects cleared last week involving an investment of Rs 52,300 crore.

"The system is well-established now. We are

Govt proposes to fix tenure of PSU chiefs

Plans are afoot to fix a tenure of three years for chief executives of companies run by the central government in order to improve accountability, transparency and efficiency.

The government has floated a cabinet note for consultation to this effect as these state-controlled firms, which employ 1.39 million people, struggle to compete with private sector rivals.

The proposal also calls for employees of a public sector enterprise to be made eligible to apply for the position of chairman and managing director even if they don't have two years of service left, according to several people aware of the development, who declined to be named.

Such measures come in the backdrop of allegations of impropriety in these firms that are being probed by the Central Bureau of Investigation and Central Vigilance Commission, the anti-corruption watchdog of the federal government.

India has around 260 companies controlled by the central government, which have invested a total of Rs.7.3 trillion as on 31 March 2012, according to the department of public enterprises. This doesn't include seven state-run insurance firms.

Mint - 09.07.2013

<http://www.livemint.com/Politics/r6JPZ5NPYBhtygKL2VxNRN/Govt-proposes-to-fix-tenure-of-PSU-chiefs.html>

Govt to delay large stake sales, ETF launch as Re dips

Concerned over choppy market condition and the fast depreciating rupee, the government may choose to push back launch of the much-awaited exchange traded fund (ETF) of Central public sector enterprises (CPSEs) and key stake sale issues.

"In the current situation, investors are wary

getting new applications steadily from various ministries and individual entrepreneurs whose projects are stuck and are trying to sort out glitches through direct communication between various ministries," a Government official involved in the process told Business Line.

The Hindu Business Line - 11.07.2013

<http://www.thehindubusinessline.com/economy/pms-monitoring-group-clears-4-projects-worth-rs-8000-crore/article4905617.ece>

and any major disinvestment issue will not see much interest," said a senior official, adding that the government will, at present, largely concentrate on selling stake in those public sector units that have to comply with the minimum public float norms.

The Indian Express - 10.07.2013

<http://www.indianexpress.com/news/govt-to-delay-large-stake-sales-etf-launch-as-re-dips/1139838/>

Plan for swift action against PSU officials for wrong doings

The Department of Public Enterprises (DPE) will soon move a Cabinet note proposing swift action against PSU officials indulging in malafide actions or wrong doings.

The proposal is a part of the recommendations made by the government-panel chaired by former SAIL Chairman S K Roongta. "The Group of Ministers (GoM), which was headed by Finance Minister P Chidambaram, had accepted the proposal that wherever there is a deliberate and malafide act for a gain (by PSUs officials), severe and swift action must be taken against them," an official told PTI.

Zee News - 14.07.2013

http://zeenews.india.com/business/news/companies/plan-for-swift-action-against-psu-officials-for-wrong-doings_79829.html

Recruitment guidelines for public sector issued

The government has issued an order making certain clarifications and modifications regarding the recruitment guidelines in public sector undertakings. Hereafter, PSUs will ensure that qualifications and eligibility of candidates are verified before calling them for a written test or skill test.

The government came up with such an order as lakhs of candidates apply for jobs online without requisite qualifications thereby causing waste of time and money to officials and applicants alike.

Deccan Chronicle - 09.07.2013

<http://www.deccanchronicle.com/130709/news-current-affairs/article/recruitment-guidelines-public-sector-issued>

US economic recovery will eventually benefit India: BofA-ML

Bank of America Merrill Lynch (BofA-ML) is of the opinion that a US economic recovery will eventually benefit India. However, the bank acknowledges that initially, the recovery may impact all emerging markets negatively. "We reiterate our contrarian view that India will eventually benefit from US recovery. Yet, it is just as natural that markets may initially tar all EMs with the same brush," Indranil Sen Gupta, India Economist at DSP Merrill Lynch (India) said in his report.

The Economic Times - 08.07.2013

<http://economictimes.indiatimes.com/us-economic-recovery-will-eventually-benefit-india-bofa-ml/articleshow/20973383.cms>

Falling rupee makes India hot tourist destination

India has become a more attractive destination amid the sharp depreciation in the rupee and the continuing unrest in global tourist hotspots such as Egypt and Turkey, the uptick in bookings for this winter shows.

Tour operators say with the rupee breaching the 61 mark against the US dollar, enquiries are pouring in and bookings have already risen by 15% compared with the previous year.

The Economic Times - 09.07.2013

<http://economictimes.indiatimes.com/news/news-by-industry/services/travel/falling-rupee-makes-india-hot-tourist-destination/articleshow/20980899.cms>

Airlines see a sea of red this fiscal

The rupee's fall could not have come at a worse time for the financially ailing Indian carriers. The dollar's gravity-defying act has translated into an 8-10% hike in costs even as ticket prices in the on-going lean season are down 25%.

The Times of India - 09.07.2013

Your airfares would have been cheaper, but for Rupee

The falling rupee has ensured that fares are not as low as they usually are in the July-September off-season — traditionally considered a lean season for airlines when fares are generally the lowest.

<http://timesofindia.indiatimes.com/business/india-business/Airlines-see-a-sea-of-red-this-fiscal/articleshow/20979484.cms>

Hindustan Times - 08.07.2013

<http://www.hindustantimes.com/business-news/SectorsAviation/Your-airfares-would-have-been-cheaper-but-for-Rupee/Article1-1089370.aspx>

DGCA to airlines: Unbundle services on 'opt in' basis

The Directorate General of Civil Aviation (DGCA) has issued a circular to airlines to unbundle services on 'opt in' basis, a method that allows passengers to choose what services they would prefer. Also, seats on 'opt in' basis will not exceed 25 percent of total seats. Middle seats cannot be offered for preferential seating except for the seats in the first row and the emergency exit row, the DGCA has stated in the circular.

Moneycontrol.com - 09.07.2013

http://www.moneycontrol.com/news/business/dgca-to-airlines-unbundle-services39opt-in39-basis_913968.html

AirAsia looks beyond Expedia, ties up with Makemytrip, Yatra

Malaysian low-cost carrier AirAsia has hooked up with online travel agencies Makemytrip and Yatra to sell tickets for its proposed airline venture in India, putting a big question mark over its exclusive arrangement with joint venture partner Expedia.

The Economic Times - 11.07.2013

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/airlines/-aviation/airasia-looks-beyond-expedia-ties-up-with-makemytrip-yatra/articleshow/21010686.cms>

New aviation regulator with more teeth gets Cabinet nod

Air fares could go up as the new aviation regulator, the Civil Aviation Authority, comes in with the right to levy a cess on air travel. The Union Cabinet today gave 'in principle' approval to the proposal (for bringing a legislation for a Civil Aviation Authority or CAA). Information and Broadcasting Minister Manish Tewari told reporters here that the new regulator, which will replace the Directorate-General of Civil Aviation (DGCA), will be an autonomous body. It will look after aviation safety and other issues such as affordable air services.

The Hindu Business Line - 11.07.2013

<http://www.thehindubusinessline.com/industry-and-economy/logistics/civil-aviation-authority-to-replace-aviation-regulator-dgca/article4904998.ece>

Fliers may be charged up to Rs 10 for every ticket purchased to fund new aviation regulator

The government is preparing to charge air passengers up to Rs 10 for every ticket purchased to create a new regulator for civil aviation, including the salary of staff, in an unusual instance of consumers having to directly pay for the running of a government authority. Civil aviation secretary KN Srivastava said the cost of creating and running the new regulator, Civil Aviation Authority (CAA), is estimated to be around Rs 112 crore a year and one of the sources of its funding will be passengers.

The Economic Times - 12.07.2013

<http://economictimes.indiatimes.com/news/news-by-industry/transportation/airlines/-aviation/fliers-may-be-charged-up-to-rs-10-for-every-ticket-purchased-to-fund-new-aviation-regulator/articleshow/21028991.cms>

IRCTC authorised agent to book air tickets for govt officials

The State-owned IRCTC has been appointed as an authorised agent for booking air tickets for official tours of government employees. "It has now been decided to include IRCTC as an authorised agent for the purpose of booking air tickets on government account," said a finance ministry office memorandum on guidelines on air travel on official tours and LTC.

The Hindu Business Line - 12.07.2013

<http://www.thehindubusinessline.com/industry->

Choice of preferred seats, meals on ticket booking sites soon, says IATA

With the unbundling of airline services like preferred seats, meals and baggage in India, the International Air Transport Association (IATA) has started a pilot project to display all such facilities on ticket booking sites to allow passengers to choose what they want. Besides the services for which Indian carriers levy charges apart from the air ticket price, several international airlines are now selling services like lounge access, fast-track immigration

[and-economy/logistics/irctc-authorized-agent-to-book-air-tickets-for-govt-officials/article4909099.ece](http://www.ndtv.com/news/industries/article-choice-of-preferred-seats-meals-on-ticket-booking-sites-soon-says-iata-324465)

clearance, in-flight entertainment and Wi-Fi access.

NDTV - 14.07.2013

<http://profit.ndtv.com/news/industries/article-choice-of-preferred-seats-meals-on-ticket-booking-sites-soon-says-iata-324465>

SCI may have to lobby to retain its Navratna status

The Shipping Corporation of India (SCI), the country's largest shipping company, may soon have to lobby with the Department of Public Enterprises for retaining its Navratna status. SCI registered a loss of Rs 428.2 crore in 2011-12 after incurring a net loss of Rs 114.3 crore in 2012-13. According to guidelines laid down by the Department of Public Enterprises for government-owned companies, Navratna status is taken away if a company posts losses on its books for three consecutive years.

Business Standard - 15.07.2013

http://www.business-standard.com/article/economy-policy/sci-may-have-to-lobby-to-retain-its-navratna-status-113071400247_1.html

Shipping firms pin hopes on sustained revival in US economy

The Baltic Dry Index (BDI), the benchmark for freight rates of bulk carriers, has gained near 40 per cent in a month to 1,120 but that hardly consoles Indian shipping companies, facing their worst crisis in 20 years. They are now pinning their hope on the revival of the US economy to get over the supply-demand imbalance.

Business Standard - 11.07.2013

http://www.business-standard.com/article/economy-policy/shipping-firms-pin-hopes-on-sustained-revival-in-us-economy-113071000739_1.html

TCS replaces Tata Steel as India's most admired company...SBI and ONGC are in the top ten

Software giant TCS has replaced its group firm Tata Steel as the country's most admired company, as per a Fortune list released today. TCS is followed by Hindustan Unilever, ITC, Infosys and SBI in the top-five, while last year's top-ranked firm Tata Steel has slipped to seventh position in the list of India's 50 most admired companies. Both ITC and Infosys are ranked at the third position. There are a total of four Tata Group companies on the list, while as many as ten PSUs have made it into the rankings, global business magazine Fortune's Indian edition said today.

Times of India - 09.07.2013

http://articles.timesofindia.indiatimes.com/2013-07-09/job-trends/40467978_1_dell-india-intel-india-microsoft-india

Professional CEOs rise in India Inc's power rankings; Mukesh Ambani tops the list

Even though many of India's largest businesses continue to remain promoter-led, a bunch of professional honchos is emerging from their shadows. Three of the top 10 in the 2013 edition of 'India Inc's Most Powerful CEOs' are professionals. Twenty of the top 50 and 39 in the top 100 also belong to this tribe. Five years ago, KV Kamath was the only professional in the top 10.

Economic Times - 12.07.2013

http://articles.economictimes.indiatimes.com/2013-07-12/news/40536698_1_most-powerful-ceos-et-corporate-dossier-india-inc

India Inc's M&A tally touches USD 11 bn in first half of 2013

Merger and acquisition activity in India witnessed a significant surge in the April-June period of the year taking the year-to-date tally to USD 10.9 billion through 130 transactions, says global deal tracking firm mergermarket.

Economic Times - 11.07.2013

<http://economictimes.indiatimes.com/india-incs-ma-tally-touches-usd-11-bn-in-first-half-of-2013/articleshow/21039971.cms>

S. B. Mainak appointed LIC MD

The Centre has appointed S. B. Mainak, Executive Director, LIC, as Managing Director of the state-owned life insurance behemoth. He will hold office from the date of assuming charge till February 29, 2016.

The Hindu Business Line - 08.07.2013

<http://www.thehindubusinessline.com/industry-and-economy/banking/s-b-mainak-appointed-lic-md/article4895482.ece>