

(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.)

PESB could become statutory body

The Syndicate Bank bribery issue, in which the CBI smelt irregularities in the bank chief's appointment, has brought the focus back on the issue of granting a statutory status to the Public Enterprises Selection Board (PESB). To prevent recurrence of such incidents, the Narendra Modi government is thinking of making PESB a statutory body whose decisions on appointments would be final, without needing a formal approval from the administrative ministry or the minister.

The department of personnel and training, which is giving the proposal a final shape, has been asked to expedite the process. The idea is to shield the PSU executive selection process from allegations of favouritism in future. Also, the changes will greatly speed up the process of filling vacancies. Under the proposal, since the board would have representation from officials of the concerned administrative ministry, the PSE and the Cabinet secretariat—and hence all points of view are considered—the decision on candidate would not require any further approval and could be implemented without delays.

The Financial Express - 25.08.2014

<http://www.financialexpress.com/news/pesb-could-become-statutory-body/1282721>

Government defers decision on ONGC, CIL, NHPC stake sale

The government today deferred a decision on its stake sale in three PSUs — ONGC, Coal India and NHPC as Finance Minister Arun Jaitley was not in town. The Cabinet Committee on Economic Affairs did not take up the disinvestment proposals as the minister concerned was not present, Law Minister Ravi Shankar Prasad told reporters here after the CCEA meeting.

As per estimates, disinvestment in the three PSUs could yield the exchequer over Rs 40,000 crore, enough to meet the target for the current fiscal. The proposals before the CCEA, headed by Prime Minister Narendra Modi, was to sell 5 per cent stake in ONGC, which could fetch about Rs 18,000 crore at current market price. Besides another 10 per cent stake sale of Coal India which could fetch about Rs 22,000 crore to the exchequer. Also the

Retail share in PSU selloff up

Retail investors can now have a bigger share in the PSU stake sale, with the government doubling the quota under the offer-for-sale (OFS) route for them to 20 per cent. "We have changed the retail investor quota in the offer-for-sale route. All future disinvestments will now have 20 per cent quota for small investors," a senior finance ministry official said. At present, the retail investor quota in OFS is 10 per cent, while 30 per cent are reserved for them in the follow-on public offer (FPO).

"The decision has been taken after consultation with Sebi. The move will increase participation of small investors in the disinvestment programme," the official added. Under the OFS mechanism, a minimum of 25 per cent of the shares offered are reserved for mutual funds and insurance companies. The government has been using the OFS route for divestment of PSUs. Market regulator Securities and Exchange Board of India (Sebi) had in January 2013 permitted the promoters of top 100 companies to use auctions, or the OFS, route to dilute stake in listed companies.

The Telegraph - 31.08.2014

http://www.telegraphindia.com/1140901/jsp/business/story_18786371.jsp#.VAP7_mSxA4

After IOC, govt to sack independent directors of ONGC, HPCL, MRPL

After sacking four independent directors of IOC, the Narendra Modi-government is now seeking to remove nine similar Congress-appointedees from the board of ONGC, HPCL and MRPL. The NDA government is reviewing all appointments made by the previous UPA regime during its last year in office and is removing the political appointees wherever possible, sources said.

After getting Indian Oil Corp, the nation's largest oil firm, to drop four independent directors and Engineers India Ltd to boot out two, it is now seeking to sack former Power Secretary P Uma Shankar, chartered accountant S Ravi and former BPCL Chairman RK Singh from the board of ONGC. It also wants chartered accountant Rohit Khanna to be

11.36 per cent stake sale in NHPC could fetch over Rs 2,600 crore. In the current fiscal the government plans to mop up Rs 43,425 crore from selling stake in PSUs.

Economic Times - 27.08.2014

http://articles.economictimes.indiatimes.com/2014-08-27/news/53284840_1_stake-sale-government-defers-decision-nhpc

Industry needs to be responsible for corporate ethics, says CAG

Emphasising upon the need for good corporate governance, Comptroller and Auditor General Shashi Kant Sharma today said there is a dire need for the industry to shoulder the responsibility for "corporate ethics". Sharma said however that it would take a while before the change is seen in the mindset that is driven by good corporate governance. "India is a thriving business destination and there is a dire need for the industry to shoulder the responsibility for corporate ethics," Sharma was quoted as saying in a statement issued by consultancy EY while releasing a survey today.

"Although we seem to be moving the needle toward greater compliance, it will be a while before we can see a change in mind-set, driven by good corporate governance," Sharma said. As per the survey titled 'The whistle blowing quandary: India Inc's journey from oblivious to obvious', fraud and misconduct threat risk landscape has expanded exponentially, propelling the government to take additional steps to enhance corporate governance.

Economic Times - 26.08.2014

http://articles.economictimes.indiatimes.com/2014-08-26/news/53243505_1_corporate-ethics-governance-sharma

Railways to set up ticketing centres outside stations

For easy access of tickets from counters other than railway stations, Indian Railways will open up yatri ticket suvidha Kendra. These kendras will sell both reserved and unreserved tickets through PRS (passenger reservation system) and UTS (unreserved ticketing system) counters respectively. Railways has also allowed private participation in the establishment and operation of these centres. In this connection, Indian Railways has given instructions to all the zonal railways including North Central Railway.

Talking to TOI, chief public relations officer of NCR Naveen Babu said, "The suvidha kendra will provide passengers the facility of getting both reserved and unreserved tickets at the marketplace. Private parties will be selected for the establishment of these centres." The applicant desirous of opening up a kendra should have

removed from the board of Hindustan Petroleum Corp Ltd (HPCL).

Hindustan Times - 31.08.2014

<http://www.hindustantimes.com/business-news/after-ioc-govt-to-sack-independent-directors-of-ongc-hpcl-mrpl/article1-1258462.aspx>

Govt notifies FDI in railway operations

The government on Wednesday opened the railways for private and foreign investments in select areas - high-speed train, suburban corridors and dedicated freight lines. Foreign investment would also be allowed in construction and maintenance of these lines and rolling stock manufacturing facilities, electrification and signalling. However, foreign direct investment (FDI) beyond 49 per cent in sensitive areas will require Cabinet approval on a case-to-case basis. FDI was so far allowed only in mass rapid transit (MRT) systems of railways.

Other key areas that would now be open to FDI include freight terminals, passenger terminals and infrastructure industrial parks relating to railway sidings. Through a notification, the government also widened the definitions of "infrastructure" and "common facilities" in the consolidated FDI policy circular of February 2014, to include railway line or sidings, including electrified tracks and connectivity to main railway line.

Business Standard - 28.08.2014

http://www.business-standard.com/article/economy-policy/govt-notifies-fdi-in-railway-operations-114082800032_1.html

IRCTC app to book train tickets now available on BlackBerry 10

With an eye on the growing usage of mobile applications, IRCTC has launched a new application to book tickets for BlackBerry smartphone users. "The official IRCTC App can now be downloaded from BlackBerry Store on BlackBerry 10 smartphones and users can book train tickets using the app," said a senior IRCTC official.

The number of tickets booked through e-ticketing system on IRCTC website has gone up many times since capacity enhancement of the portal recently. It costs about Rs 100 crore to the Railway PSU for strengthening the ticketing site. On an average 7,000 tickets are booked on the website per minute and about 5 lakh tickets are booked daily. CRIS, the technical arm of railways, was involved in the upgrading of the IRCTC website. With the IRCTC app on

worked as an authorized ticketing agent providing railway ticketing (reserved and unreserved) services for at least five years. He should have an office and premises outside the railway station equipped with adequate infrastructure.

The Times of India - 27.08.2014

<http://timesofindia.indiatimes.com/city/allahabad/Railways-to-set-up-ticketing-centres-outside-stations/articleshow/40939056.cms>

Govt wants loss-making airlines to pay for its 'regional connectivity' mission

The Ministry of Civil Aviation is keen to enhance air connectivity to India's remote towns and small cities but wants airlines to bear the brunt of this mission. Or so it seems from a draft policy on Regional and Remote Area Connectivity. The policy clearly states that all scheduled airlines - Air India, SpiceJet, IndiGo, GoAir, Jet Airways - will have to match capacities on regional routes and trunk routes by 2016. This means they will have to substantially increase seats on regional routes which are often not viable because they connect one major city with smaller cities in a region.

For example, a regional route in the North could be connecting Delhi to Chandigarh, Delhi to Meerut etc. In the Western region, it could mean a flight between Mumbai and Gondia for example. Trunk routes are those which connect destinations with enough traffic potential such as Delhi-Mumbai. This policy will replace the current route dispersal guidelines which mandate that airlines deploy 10 percent of their capacity in remote areas.

Firstpost - 29.08.2014

<http://firstbiz.firstpost.com/corporate/govt-wants-loss-making-airlines-to-pay-for-its-regional-connectivity-mission-96084.html>

Aviation growth boosts tourism via increased advance flight bookings: MakeMyTrip

Noting the recent developments in the Indian aviation sector, like discounts and inventory management, online travel company, MakeMyTrip.com has undertaken an analysis to understand the impact of the sector on the consumption pattern and behaviour of Indian travellers. TravelBiz Monitor presents highlights of the findings Indian travellers are now more inclined to book flight tickets in advance for both domestic and international travel, thanks to the latest developments in the Indian aviation scenario. Tracking the consumer trends with regard to advance booking of tickets in the first half of 2014, MakeMyTrip states that aggressively-priced fares, competitive discounts and smart

BlackBerry, one can plan journey with a tap of a finger. The official said the app is user friendly and easy to operate. There are about 31 crore reserve tickets being booked in a year out of which 55% tickets are sold through windows. While 37% tickets are booked online, 8% are being booked by ticketing agents.

Times of India - 28.08.2014

<http://timesofindia.indiatimes.com/tech/apps/I-RCTC-app-to-book-train-tickets-now-available-on-BlackBerry-10/articleshow/41094135.cms>

British Airways unveils new booking initiative

British Airways is now allowing customers to hold a fare for up to 72 hours for GBP five for short-haul flights and GBP ten for long-haul flights. According to a report in travelmole.com, the new scheme is only available through the airline website and is designed to give travellers the time to make sure they're happy with their flight choices before paying. If within 72 hours customers want to pay for their flights, the hold deposit is refunded and the ticket can be bought. If they decide not to go ahead with the booking, they lose the deposit.

"There's nothing more frustrating than seeing a great flight price but not being able to book it straight away, either because you may need to get the time off work or check it's ok with family or friends - then coming back and finding there are no seats left or the price has changed," said Drew Crawley, Chief Commercial Officer, British Airways.

Travel Biz Monitor - 25.08.2014

<http://www.travelbizmonitor.com/british-airways-unveils-new-booking-initiative-24989>

Jet Airways unveils digital travel platform for SMEs

Jet Airways BSE 0.91 % has launched a digital travel and business networking platform on its website exclusively for small and medium scale enterprises (SMEs), primarily in the hope of regaining some corporate passenger share it has lost in recent years to low-fare carriers.

"The segment is quite big. As (Prime Minister Narendra) Modi said, 65% of India's economy is dependent on SMEs," Rajeev Nambiar, Jet's vice-president, sales told ET. "To give a classic example, Ahmedabad itself has about 2,500 SMEs. Now, we may have direct connect with 300 but there's good scope for another 1,800 as well and that's the link this product would form," Nambiar said. Apart from selling air

inventory management by airlines have provided a boost to the travel industry in 2014. Rajesh Magow, Co-founder and CEO - India, MakeMyTrip, said, "The discounts helped both planned and impulse leisure travellers to get the best deals for their trips. While international fares bucked the trend, 30-plus-day advance purchase continues to be the best time to book domestic flights. Travellers' comfort with mobile phones continues to grow and we recorded many high-value transactions on the device. The most expensive domestic flight transaction booked on a phone was for Rs 2.23 lakh, while the largest international travel transaction was at Rs 5.4 lakh."

Travel Biz Monitor - 25.08.2014

<http://www.travelbizmonitor.com/aviation-growth-boosts-tourism-via-increased-advance-flight-bookings-makemytrip-25018>

SpiceJet's Next Year's Tickets Go on Sale from Rs 499

It is raining discounts for air travelers in India. Budget carrier SpiceJet is offering tickets for next year at a promotional fare from Rs. 499. This offer is applicable for bookings made till September, 3 2014 and travel date between January 16, 2015, and October 24, 2015 (both dates inclusive). The fares are inclusive of fuel surcharge but all statutory taxes and fees are to be paid by the passenger as applicable on the date of travel. This promotional offer is only valid on SpiceJet's domestic network. The fares under this sale are non-refundable and non-changeable. SpiceJet started the fare war in January with up to 50 per cent discounted fares which was followed up all other airlines including the national carrier Air India. Since then SpiceJet has launched more than a dozen discount sales schemes. Budget carrier Air Asia India has also come up with another discount offer. The airline is offering all-in fares from Rs. 1,290 on different routes. This offer is applicable on bookings till September 7, 2014, and travel period between September 5, 2014 and December 11, 2014.

NDTV Profit - 01.09.2014

http://profit.ndtv.com/news/industries/article-spicejets-next-years-tickets-go-on-sale-from-rs-499-657142?utm_source=ndtv&utm_medium=top-stories-widget&utm_campaign=story-9

New entity likely to develop last-mile port connectivity

The shipping ministry is looking at setting up a special purpose vehicle (SPV) for all major ports to provide last-mile rail connectivity. Public sector undertakings (PSUs) under the administrative control of the Indian Railways are being considered to develop the SPV, which will involve subscription-based equity from all the major

tickets with special packages for SMEs, the platform will help with hotel bookings, car rentals, business insurance, telecom and business solutions, single-point contacts to arrange meetings, events & group travel. "SMEs using this tool will also have access to emails, electronic documents, an integrated calendar to better manage business tasks & meetings," said Belson Coutinho, vice-president, marketing, eCommerce and Innovations at the airline.

The Economic Times - 29.08.2014

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jet-airways-unveils-digital-travel-platform-for-smes/articleshow/41143360.cms>

IndiGo Joins Fare War With All-Inclusive Rs. 1,887 Offer

Budget carrier IndiGo has joined the fare war by offering fares from an all-inclusive Rs. 1,887, which the airline says is its all-time low ever. This offer is open on bookings today and travel period between September 25, 2014, and January 15, 2015. It is applicable on the airline's domestic routes.

Meanwhile, IndiGo's rival SpiceJet has extended its festive offer till today. Under the festive season offer, SpiceJet is offering all-in fares from Rs. 1,888 on travel between September, 25, 2014 and January, 15, 2015 (both dates inclusive). This offer was originally scheduled to end on August 27.

New entrant AirAsia India is also offering promotional fares from Rs. 600 on advance tickets. This offer is available on bookings made till August 31 and travel period between October 26, 2014, and October 24, 2015.

NDTV Profit - 28.08.2014

<http://profit.ndtv.com/news/industries/article-indigo-joins-fare-war-with-all-inclusive-rs-1-887-offer-655305>

Government initiates steps aimed at corporatisation of major ports

The Narendra Modi led-government has initiated steps aimed at "corporatising" India's major ports and has started the process for appointment of a world-class consultant to come out with a draft report for amendments in the relevant act do so. The move is aimed at infusing professionalism in the major ports in

ports.

The proposal, in preliminary stages, is likely to be finalised within a couple of months. "We are currently exploring setting up an SPV to enhance last-mile port connectivity using railways," said a senior ministry official. "It will involve an equity base of Rs 50-100 crore which will be funded by port trusts. The work will either be done by the SPV or it can be outsourced."

Last-mile connectivity, in this case, is linking the port to the railway network. Using railway to move cargo increases efficiency and reduces cost, when compared with road transport. But last-mile connectivity has been an issue ports have been grappling with for a while. Cities and population have become impediments to port connectivity. Ministry officials and analysts pointed out that ports would benefit from this move, as it would improve the turnaround time and efficiency.

Business Standard - 28.08.2014

http://www.business-standard.com/article/economy-policy/new-entity-likely-to-develop-last-mile-port-connectivity-114082800021_1.html

5 Indian firms among Forbes' most innovative companies

Five Indian companies, including Hindustan Unilever and Tata Consultancy Services, are among Forbes' list of the world's 100 most innovative companies that investors think are most likely to "generate big, new growth ideas". The annual 'World's Most Innovative Companies' list, released on Wednesday, has been topped by California-based global cloud computing company Salesforce for the fourth year in a row.

The Hindu - 21.08.2014

<http://www.thehindu.com/business/Industry/5-indian-firms-among-forbes-most-innovative-companies/article6337573.ece>

Damodar Valley Corporation Appoints A W K Langstieh as Chairman

A W K Langstieh has been appointed as Chairman, Damodar Valley Corporation (DVC). He is an IAAS officer.

Business Week - 26.08.2014

<http://investing.businessweek.com/research/stock/s/private/snapshot.asp?privcapId=22136037>

order to make them compete with private sector ports as well empower financial autonomy.

"Process for appointment of a world class consultant has been initiated," Shipping Ministry said while fixing a deadline of October 30 for appointment of consultant and coming out with draft amendments to Major Ports Trust Act, 1963. The development follows the Prime Minister taking a review of the sector last month in which the issue was raised. The Ministry, an official said, is hopeful of getting Cabinet nod on the proposal in the next seven months after consultations on draft amendments with the stakeholders and its vetting by Legislative department by November 30. Once the ports get corporate structure by conversion into entities under the Companies Act, they will have financial and operational autonomy, the official said.

Economic Times - 31.08.2014

http://articles.economictimes.indiatimes.com/2014-08-31/news/53413125_1_major-ports-new-managlore-v-o-chidambarnar

Launch of website of Pension Fund Regulatory and Development Authority

The Union Minister for Finance, Corporate Affairs and Defence, Shri Arun Jaitley launching the website of Pension Fund Regulatory and Development Authority (PFRDA), in New Delhi on August 26, 2014.

PIB

(Source: PSU Connect - 27.08.2014)

C K Dey selected as Director (Fin), CIL

PSEB has recommended the name of Shri C K Dey, Director (Finance), ECL, for the post of Director (Finance), Coal India Limited (CIL) at a PESB meeting held on August 25, 2014. As many as six persons were interviewed for the same.

PESB - 25.08.2014

<http://pesb.gov.in/recommendation/Recommendation-25082014.pdf>