

(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.)

Balmer Lawrie in News

The Hindu Business Line
6th May 2015, Kolkata

Balmer Lawrie to invest ₹265 crore for expansion

To spend ₹100 cr for revamping lubricants business

JAYANTA MALLICK
Kolkata, May 5

Balmer Lawrie & Co Ltd plans to invest around ₹265 crore on its lubricants and warehouse businesses in the next few years.

The company will spend ₹100 crore for revamping its speciality lubricants business and ₹165 crore in building seven temperature-controlled multi-product warehouses in two phases, Virendra Sinha, Chairman and Managing Director of the Government-owned company, told *BusinessLine*.

The investment in the lubricants business will be mainly done at its Kolkata plant.

"The speciality lubricants for high-end uses in automobiles and industrial products are currently drawing the manufacturing focus of the company. We are involved in improv-



Virendra Sinha, CMD, Balmer Lawrie

ing the processes and revamping our research and development efforts towards this segment," he said.

The company has already upgraded its 50,000 tonnes a year Silvassa lube plant at a cost of ₹150 crore.

It is also looking into expanding its retail distribution network for speciality lubricants and improvement in brand visibility and supply chain.

The plan is to expand the distribution network to 100 new

towns. The diversified company will invest ₹65 crore in the first phase of setting up three temperature-controlled warehouses — one each in Hyderabad, Rewari (in Haryana) and Patalganga (near Mumbai).

"All three will have a capacity of 3,000 pallets each," Sinha added. In the second phase, it would set up four such warehouses in Chennai, Bengaluru and Pune.

Meanwhile, the company has decided to make foray into leather finishing chemical. It is currently talking to a European company for technology tie-up and substantial buy-back arrangement for leather finishing chemicals.

This new facility will be set up at its Chennai plant.

Balmer Lawrie, after setting up a 19.2 lakh barrels a year steel drum manufacturing unit at Navi Mumbai, is now considering improving efficiencies at its other such plants in Andhra Pradesh and Tamil Nadu.

Balmer Lawrie to invest Rs 265 crore on lubricants and warehouse businesses
<http://money.livemint.com/news/company/news/balmer-lawrie-to-invest-rs-265-crore-on-lubricants-and-warehouse-businesses-372187.aspx>

Mint – 06.05.2015

India's manufacturing, services growth outpaced China in April: HSBC

Manufacturing and service sectors in India expanded at a faster pace last month than China, even as economic growth moderated overall in emerging markets, a survey said. The HSBC Emerging Markets Index (EMI), a monthly indicator derived from Purchasing Managers' Index surveys, fell to 51.3 in April, from 51.5 in March, registering the weakest rate of expansion since January. "The emerging markets continued

India is now world's fastest growing country: PM Modi

In a veiled dig at the erstwhile Congress-led UPA regime for scams, Prime Minister Narendra Modi on Sunday said the policy changes initiated by his government have led to India becoming the world's fastest growing country. "During the months of February, March and April (2014) the only news that came were scams... coal scam, submarine scam, scams on the air, water and land," said Modi at a function where he

to act as a brake on global economic growth at the start of the second quarter," Chief Economist at Markit Chris Williamson said. Of the four biggest emerging markets, China registered the weakest rise in output since January, while the Indian private sector business activity rose for the 12th consecutive month, albeit at the weakest pace since October.

The Economic Times - 08.05.2015

<http://economictimes.indiatimes.com/news/economy/indicators/indias-manufacturing-services-growth-outpaced-china-in-april-hsbc/articleshow/47200014.cms>

Make in India drove FDI up by 56%: data

As the government struggles to maintain investor confidence, foreign direct investments (FDI) into India has surged by 56% in five months since the Make in India programme was launched on September 24, official data revealed. The inflow into the manufacturing sector alone saw a jump of 45% at \$6.9 billion from \$4.8 billion in the corresponding period a year ago. "India received \$21.2 billion in inflows overall during the five-month period, against \$13.5 billion in the same period last year. If this surge continues, then as per our estimates, 2015-16 would be the year with the second highest FDI ever received by the country since 2000 (when maintenance of data started)," the official said. The highest FDI inflow into India was in 2010-11, at \$45 billion. FDI inflows in April-September 2014 were to the tune of about \$16 billion. Of the five months under consideration, December and January saw the highest FDI inflows, the officials said. Industry experts say that the Make in India campaign has been a game-changer for the investment climate.

The Hindustan Times - 05.05.2015

<http://www.hindustantimes.com/business-news/make-in-india-drove-fdi-up-by-56-data/article1-1344291.aspx>

11 Indian firms in Forbes Global 2000 list

Eleven Indian companies figure in Forbes magazine's annual list of the world's biggest companies, with China landing five of the top 10 spots for the second year in a row. State Bank of India (world ranking 152) tops the Indian companies in the 13th Annual Global 2000 list with assets worth \$400.6 billion, followed by Indian Oil (349) in the second and Coal India (490) in the third place. Other Indian companies on the list are Power Grid Corporation of India Limited (980), Bank of India (982), GAIL (India) Limited (1,018), Steel Authority of India Limited (1,383), Union Bank of India (1,432), Central Bank of India (1,663), Indian Overseas Bank (1,711) and Indian Bank (1,894). Criteria for the ranking in the list

dedicated to the nation the Rs 16,000-crore revamped and modernised IISCO Steel plant at industrial town of Burnpur in West Bengal's Burdwan district. "It has been a year of this new government, and today we don't have news about the coal scam, rather about coal auction," said Modi at the concluding engagement of his two-day maiden visit to the state since becoming the prime minister.

Zee News - 10.05.2015

http://zeenews.india.com/business/news/economy/india-is-now-worlds-fastest-growing-country-pm-modi_125774.html

GST rate will be lower than speculated 27%, assures Jaitley

Finance Minister Arun Jaitley cleared the air on the GST (Goods and Services Tax) rate. While replying to the debate on the Constitution Amendment Bill, which was subsequently passed by the Lok Sabha, he said the GST rate will be much lower than the speculated 27 per cent. Jaitley said neither the Centre nor the GST Council has given this figure. RNR (Revenue Neutral Rate) is the rate of tax at which States will not have any revenue loss. However, 27 per cent RNR would mean that both goods and services will attract 27 per cent GST. The average GST rate globally is 16.4 per cent. The rates will be decided by the GST Council itself, he said. When TMC leader Saugata Roy asked for a specific rate, the Minister said that he would not commit as that would lead to speculation. The 13th Finance Commission had suggested 18 per cent as a possible figure.

The Hindu Business Line - 06.05.2015

<http://www.thehindubusinessline.com/economy/constitutional-amendment-bill-for-gst-gets-lok-sabha-nod/article7176171.ece>

Rs 15,000 crore given for revival of 13 CPSEs in West Bengal

Government has approved packages amounting to more than 15,000 crores for revival of 13 Central Public Sector Enterprises in West Bengal, Rajya Sabha was informed today. Minister for Heavy Industries and Public Enterprises G M Siddeshwara said there are 290 CPSEs in the country functioning under the administrative control of various ministries and departments and that the total investment in equity and long-term loans in these CPSEs stood at Rs 9,92,971 crore as on March 31 last year "The administrative ministry/department takes steps on case to case basis for revival of sick CPSEs under its jurisdiction. Government has

included sales, profits, assets and market value. In total, Global 2000 companies account for \$39 trillion in revenue, \$3 trillion in profits, \$162 trillion in assets, and \$48 trillion in market value in 2015. Total market value grew 9 percent year-over-year, the most among the four metrics.

Deccan Herald - 06.05.2015

<http://www.deccanherald.com/content/476044/1-1-indian-firms-forbes-global.html>

DYK: CPSE ETF bonus units are different from others

The record date for the Central Public Sector Enterprises exchange-traded fund's (CPSE ETF) bonus was set at 30 March. The ETF, which was launched last year, gave one bonus unit for every 15 units held to those who remained invested since the new fund offer (NFO). However, these bonus units are not the usual mutual fund (MF) bonus that gets distributed to investors. This is good news for CPSE investors, and here is why. When a MF scheme issues bonus it comes out of your own capital. Bonus distribution was a norm long back in the Indian MF industry when awareness was low. In those days, bonus was perceived to be a good thing. Later, in 2002, when the government taxed dividends in the hands of debt fund investors, the popularity of bonus plans shot up. However, soon after when dividend distribution tax was reintroduced, the popularity of bonus plans went down, though a few schemes continue to issue bonus units.

Mint -07.05.2015

<http://www.livemint.com/Money/NFW941OUrw4gteenBqH0M/DYK-CPSE-ETF-bonus-units-are-different-from-others.html>

Government asks central public sector enterprises to enrol employees under Aadhaar

After central government employees, the Narendra Modi administration has turned its focus on public sector enterprises, directing all central public sector enterprises (CPSEs) to ensure that their employees are enrolled under Aadhaar and it should be used for a host of purposes, including attendance and salary disbursement. There are around 13.51 lakh employees, excluding contractual workers in 290 CPSEs. In a circular, the department of public enterprises (DPE), a nodal agency for all state-run enterprises, has said, "Aadhaar card be adopted for enrolment of CPSE employees, contract and daily workers for various purposes like attendance, payment of wages, provident fund and employee state insurance (ESI)." A senior official with DPE confirmed the development, saying all administrative ministries have been 'requested' to

approved revival packages amounting to Rs 15205.13 crore in respect of 13 CPSEs having registered offices in the state of West Bengal," he said.

The Economic Times - 07.05.2015

http://articles.economictimes.indiatimes.com/2015-05-07/news/61902624_1_cpse-revival-packages-west-bengal

Top 41 PSUs are biggest contributors to govt coffers, says CAG

The top 41 public sector units (PSUs), including oil sector biggies such as Oil and Natural Gas Corporation, Oil India and Indian Oil Corporation, power sector giant NTPC and mining behemoth Coal India, contributed as much as 65 per cent to the combined annual profit of Rs 1,53,907 crore earned by 202 government-owned firms in 2013-14. According to the latest report of the Comptroller and Auditor General (CAG) of India, out of the 202 Central PSUs which earned profit during FY14, as many as 111 declared a dividend amounting to Rs 66,051 crore of which the government received Rs 41,842 crore. This works out to a 17.06 per cent return on the government's investment. The report states that ten PSU under the administrative control of the ministry of petroleum and natural gas contributed Rs 14,977 crore of the total dividend, which works out to 22.7 per cent.

Business Today - 11.05.2015

<http://businesstoday.intoday.in/story/ongc-oil-india-contribute-65-per-cent-annual-profit-of-202-psus/1/219128.html>

Many CPSEs not complying with corporate governance norms: CAG

A large number of central public sector enterprises (CPSEs) were not complying with compulsory corporate governance guidelines prescribed by the Department of Public Enterprises, government auditor CAG said on Tuesday. Observing a departure from mandatory corporate governance norms, CAG found that there was no independent director on the board of 18 CPSEs, including Jute Corporation of India, Delhi Metro Rail Corporation, and Cotton Corporation of India, among others. In view of the "continuous and recurring instances of non-compliance" of DPE guidelines, CAG recommended that a "dedicated mechanism either in the Ministry of Finance or DPE may be instituted so that all issues of non-compliance are addressed through regular and critical review".

Business Standard - 06.05.2015

ensure that the CPSEs under them have their employees on the Aadhaar platform.

The Economic Times - 05.05.2015

<http://economictimes.indiatimes.com/news/economy/policy/government-asks-central-public-sector-enterprises-to-enrol-employees-under-aadhaar/articleshow/47156312.cms>

PSUs float 70,000 job openings in 2015, more to come

Riding high on Prime Minister Narendra Modi's 'Make in India' initiative, public sector undertakings (PSUs) have floated over 70,000 job openings in the last four months and there are many more to come. National Highway Authority of India, Bharat Heavy Electricals Ltd, Railway Recruitment Boards, among several other PSUs and banks, have doled out vacancies across functions. "PSUs will see aggressive hiring through 2015-16, and this is expected to be the highest-ever recruitment drive in over a decade," said Aditya Narayan Mishra, president — staffing, Randstad India, a recruiting firm. "However, government initiatives like 'Make in India' will definitely be a big boost for job creation." Several vacancies for engineers, teachers, scientists, policemen, clerks, management trainees, data-entry workers, among others have been on offer.

The Hindustan Times - 09.05.2015

<http://www.hindustantimes.com/business-news/psus-float-70-000-job-openings-in-2015-more-to-come/article1-1345363.aspx>

Govt plans Hindi proficiency training for employees

The Centre will impart training for proficiency in Hindi to all central government personnel who possess "working knowledge of Hindi", but has decided not to shove the "rashtra bhasha" down the reluctant gullets outside north. The initiative has been designed while taking care not to impose Hindi on personnel educated in the southern states or most of northeast region, as official language rules recognize an employee as having "working knowledge of Hindi" only if he/she has passed matriculation or an equivalent examination with Hindi as one of the subjects or has declared himself to have acquired such knowledge. The purpose of the training, said a recent order issued by department of official language of the home ministry, is to make such personnel "proficient to carry out their official work in Hindi".

The Times of India - 05.05.2015

<http://timesofindia.indiatimes.com/india/Govt-plans-Hindi-proficiency-training-for-employees/articleshow/47155956.cms>

http://www.business-standard.com/article/economy-policy/many-cpses-not-complying-with-corporate-governance-norms-cag-115050500952_1.html

Appointment of Functional Directors / CMDs in CPSEs

In accordance with the Government of India's Resolution dated 3rd March, 1987, Public Enterprises Selection Board is responsible for the selection and placement of personnel in the posts of Chairman, Managing Director or Chairman-cum-Managing Director (Level-I), and Functional Director (Level-II) in PSEs as well as in posts at any other level as may be specified by the Government. Notification dated the 4th April, 2008, allowed Private Sector Executives also to apply for Board level post(s) in CPSEs for a period of 5 years. Issue of extension of period is under examination of the Government. This was stated by the Minister of State for Personnel, Public Grievances and Pensions and Minister of State in the Prime Minister's Office Dr. Jitendra Singh in a written reply to a question by Shri N.K. Premachandran in the Lok Sabha today.

Business Standard - 06.05.2015

http://www.business-standard.com/article/government-press-release/appointment-of-functional-directors-cmds-in-cpses-115050600544_1.html

Smash the PSU oil cartel

Why then should Indian Oil Corporation (IOC), Bharat Petroleum Corporation (BPCL) and Hindustan Petroleum Corporation (HPCL) charge the same prices at their pumps for petrol and diesel? Aren't they different entities and why are they not competing with each other like the telecom, airline and housing finance companies? Worse, why do they coordinate their price increase or decrease announcements? The answers to these questions lie in the unfinished part of reform of the oil industry which is setting the national oil companies free and unleashing competition between them on the one hand, and with private retailers such as Reliance Industries, Essar and Shell, on the other. Periodic price adjustments in tandem — such as the one last week when petrol and diesel prices were increased by significant margins — would be seen as cartelisation behaviour if IOC, BPCL and HPCL were private players and not government companies.

The Hindu Business Line - 04.05.2015

<http://www.thehindubusinessline.com/opinion/columns/raghuvir-srinivasan/smash-the-psu-oil-cartel/article7170799.ece>

Who's scared of rising crude prices?

Global crude prices have risen over 40% since January, albeit from muted levels. But there is no cause for alarm, even with its impact on domestic inflation, compounded by rupee depreciation. For one, the rise in oil prices is likely to stay range bound, in the face of weak demand. Global oil demand for 2015 is projected at no more than 93.6 million barrels a day (MBD), and supply estimated at a comfortable 95.2 MBD. For another, higher oil prices will help the uncertain growth prospects of several economies around the world, including those of the US, Russia and Opec nations, and help ward off the danger of a global slowdown. India will, of course, need to keep petro fuel prices flexible and step up efforts to switch freight haulage from diesel to coal. The gradual weakening of the rupee — it slid below 64 to the US dollar last week, before recovering a bit — needs to be seen as required correction to avoid currency overvaluation against the backdrop of sluggish exports

The Economic Times - 11.05.2015

<http://blogs.economictimes.indiatimes.com/et-editorials/whos-scared-of-rising-crude-prices/>

Crude shock for subsidy bill

The spike in global crude prices and the weakening of the rupee against the dollar could impact the Rs 30,000-crore oil subsidy bill of the government. While crude prices have soared over 40 per cent since January and are around \$68 per barrel, the rupee has dipped to a 20-month low, breaching the psychological \$64 to a dollar. "We are watching the situation. There is no need to take any knee-jerk measure," a senior oil ministry official said. Finance ministry officials said, "The government has enough cushion for now to deal with the crude price hike ... we don't expect a rise in crude prices to hurt the fuel subsidy bill for now." The spike in crude prices from a six-year low of \$45.19 in January had prompted state-owned oil retailers to increase petrol prices by about Rs 4 a litre, the biggest in three years. "The movement of prices in the international oil market and the rupee-dollar exchange rate shall continue to be closely monitored and developing trends of the market will be reflected in future price changes," Indian Oil Corporation said.

The Telegraph - 07.05.2015

http://www.telegraphindia.com/1150508/jsp/business/story_18844.jsp#.VVCME46qqko

Rebound in Crude Oil Prices No Threat to Global Economy, Say Analysts

A 50 percent recovery in crude oil prices raises concerns about its impact on global economy, but analysts see more chances of a fall in prices than for a rise. "We do not think that a rebound in oil prices to \$60-70 per barrel represents a major threat to the global recovery," said Capital Economics in a note on Thursday. It says current level of prices is far below the average of \$110 (for Brent) seen between 2011 and mid-2014, benefitting the consumers. Besides, the current rebound in oil prices is expected to ease pressure on the producers to a little extent. Brent crude oil prices have recovered to nearly \$70 per barrel, up \$24 from its January low of \$46 per barrel. The recent rebound in oil prices has largely been supported by falling US oil production over the past three months, as drillers idle their oil rigs due to weak prices.

International Business Times - 08.05.2015

<http://www.ibtimes.co.in/rebound-crude-oil-prices-no-threat-global-economy-say-analysts-631822>

Will the government reduce financial burden on oil PSUs?

The net margins of two state-owned upstream oil PSUs has nosedived thanks to fall in crude oil prices in the global market. Oil India Ltd and ONGC have been affected the most by the fall. Now, credit rating agency Fitch as suggested that the government should reduce the burden on them. "We expect the Government to intervene to reduce this financial burden on the state-upstream companies in light of the significantly low oil prices, which should ease pressure on their operating cash generation," Fitch said in a statement. But so far there has been no action or firm proposals of how to address this issue. Low energy prices would continue to moderate India's inflation rate, which has already fallen from over 10 per cent in early 2013 to below 6 per cent over the past few months. "This should lead to lower interest rates, boosting investment," it said.

India Public Sector - 09.05.2015

<http://www.indiapublicsector.com/2015/05/will-government-reduce-financial-burden.html>

Methodology change for ease of doing business foxes govt

World Bank arm International Finance Corporation's (IFC) decision to alter the methodology for the Doing Business Report has come as a surprise for government departments, which have been focusing on ways to help India move up annual global ranking from a dismal 142nd rank among 189 countries. Sources said as part of the simplification drive initiated after the new government came to power last May, some of the departments, such as commerce, had merged some of the forms to reduce paperwork, besides moving from a system of physical filing and submission of these documents to an online mechanism. Similarly, in certain cases, the departments had not done away with the system of periodic checks to ensure that the data being submitted by companies was not being manipulated to take advantage of government schemes.

The Times of India - 11.05.2015

<http://timesofindia.indiatimes.com/business/india-business/Methodology-change-for-ease-of-doing-business-foxes-government/articleshow/47226946.cms>

Low fares might leave airlines stranded in the long run

Domestic airlines in India seem intent on digging their own grave. With oil prices slowly inching up and fares heading south, airline losses are likely to mount. It's almost as if the present accumulated losses are not quite enough. According to data compiled by Cleartrip, average fares this year are almost 15 per cent lower than the same time last year. Some routes show a sharper drop. Samyukth Sridharan, president and chief operating officer, Cleartrip, says the lower fares partly reflect the lower fuel prices but also partially additional capacity on certain routes and increased competition as a result. He declined to comment on what the issue of break-even means for specific airlines since their break-evens vary significantly. The launch of two new carriers, Air Asia and Vistara, has led to additional capacity, even as Spicejet stabilises its operations. IndiGo has also been steadily adding routes and capacity.

Business Standard - 08.05.2015

http://www.business-standard.com/article/economy-policy/low-fares-might-leave-airlines-stranded-in-the-long-run-115050800019_1.html

Export infra on mind, Commerce Ministry seeks Rs 300 cr from Finance Ministry

India domestic passenger traffic grows 17.9% in March

According to the International Air Transport Association (IATA), Indian airlines saw traffic jump of 17.9 per cent in March this year, likely reflecting market stimulation by local carriers and a strengthening economy, stated a release. IATA released global passenger traffic results for March 2015 showing demand (revenue passenger kilometres or RPKs) rose 7.4 per cent compared to March 2014. This was an improvement on February, when year-over-year growth was 6.4 per cent. Domestic air travel rose 8.0 per cent in March year-on-year, driven by growth in China and India. Capacity rose 6.0 per cent and load factor was 82.0 per cent, up 1.5 per cent percentage points over March 2014. March international passenger traffic rose 7.0 per cent compared to the year-ago period.

Travel Biz Monitor - 08.05.2015

<http://www.travelbizmonitor.com/Top-Stories/india-domestic-passenger-traffic-grows-179-in-march-27301>

Air India may add 4-5 new European destinations, opt for bigger aircraft

Air India may start flying to four or five new destinations in Europe and is also looking at the possibility of getting six Boeing 787-900 aircraft which are more spacious than the current B 787-800 in its fleet. It is obvious that Air India is planning significant overseas expansion in the coming months. But is it a wise move? This expansion may come right after the airline has been forced to restructure almost all overseas flights it began with much fanfare in 2013-14. It made some wrong moves like combining two cities in a new country without enough traffic between these cities; launching flights to destinations where there is not enough traffic and being over optimistic with flight frequencies. A source said today that the idea of clubbing two destinations in a country while launching flights was a bad one and needs to be corrected. Air India launched operations to Sydney, Melbourne, Rome and Milan in Italy and to Moscow in 2013-14 with disastrous results.

First Post - 07.05.2015

<http://www.firstpost.com/politics/air-india-may-add-4-5-new-european-destinations-opt-bigger-aircraft-2232842.html>

OIL appoints Roy as Director for HR and Business Development

Worried over a steep decline in exports, the Commerce Ministry has sought Rs 300 crore to develop export infrastructure around ports. "We have to modernise our export infrastructure in order to boost exports. Export situation is not good. We have sought Rs 300 from the Finance Ministry to develop the infrastructure," a top commerce ministry official told PTI. The amount is proposed to be used this fiscal only to set testing laboratories, certification centres, warehouses, cold storages, convention centres and exhibition centres around ports. The Commerce Ministry has identified some ports where the funds would be deployed. The official said the Finance Ministry has provided only Rs 50 crore, which is not adequate and "we have urged them to increase the allocations". India's exports dipped deeper into the negative zone, recording a decline of 21 percent in March.

Zee News - 10.05.2015

http://zeenews.india.com/business/news/economy/export-infra-on-mind-commerce-ministry-seeks-rs-300-cr-from-finance-ministry_125748.html

Biswajit Roy has taken over as the Director (Human Resources and Business Development) of Oil India Ltd (OIL), the nation's second-largest exploration and production company. Roy, who has over 32 years of experience, was Executive Director at Indian Oil Corp (IOC) before moving to OIL. He replaces N K Bharali, who superannuated in February this year. Roy's experience spans across a spectrum of diverse functions such as marketing, operations, business development, human resources, besides a stint at IOC's Dubai office, Oil India said in a statement. A chemical engineer from University of Roorkee (now known as IIT Roorkee), he completed National Management Programme (NMP) from Management Development Institute (MDI), Gurgaon.

Business Standard - 08.05.2015

http://www.business-standard.com/article/pti-stories/oil-appoints-roy-as-director-for-hr-and-business-development-115050800711_1.html