

(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.)

Conflicting rules

Stock-exchange-listed central public sector enterprises (CPSEs) could face difficulties in complying with the Securities and Exchange Board of India's (Sebi) new norms on corporate governance as some of these guidelines are in conflict with the provisions of the Companies Act of 2013.

Sebi's new rules, which would be effective October 1, envisage that CPSEs get shareholders' approval for related-party transactions, establish a whistleblower mechanism, make elaborate disclosures on pay packages and appoint at least one woman director on their boards. There are around 45 listed CPSEs in India.

Sebi is in the process of revising its corporate governance norms to bring them in line with the provisions of the new Companies Act, 2013 so that India Inc in general and the CPSEs in particular adopt best practices in corporate governance.

The Financial Express - 23.04.2014

<http://www.financialexpress.com/news/conflicting-rules/1242924>

India needs 26,000 independent directors in next one year

The stipulation that one third of the board strength of the listed companies should be independent directors with at least one lady director in the new Companies Act 2013 has made the category of independent directors a hot property in the country.

At present there is a huge gap between the demand and availability of independent directors. In the next one year, the country will require 26,000 independent directors. There is an immediate need of 2700 women directors," said J S Ahluwalia, president of Institute of Directors (IOD), an apex association of directors formed in 1990 to improve their professional competence.

Economic Times - 26.04.2014

<http://economictimes.indiatimes.com/news/news-by-company/corporate-trends/india-needs-26000-independent-directors-in-next-one-year/articleshow/34262798.cms>

A Temasek model for PSUs?

A holding company model for PSU ownership, based on Singapore's Temasek, has got a lot of traction in recent months, with prominent figures from public sector like chairmen of Sail and Bhel publicly endorsing the idea. The concept is being debated at public forums as a new government is expected to take charge at the Centre in a month's time. With PSUs facing interference from administrative ministries, Sail chairman CS Verma mooted the idea of setting up a holding company on the lines of Temasek to give autonomy and better manage state-owned firms.

By virtue of the government owning a substantial stake in public sector undertakings, the administrative ministries appoint bureaucrats to the boards of these companies. In the Temasek model, the government's stake would be transferred to a holding company, thereby not requiring the appointment of bureaucrats who are often accused of interfering in the day-to-day functioning of PSUs.

The Financial Express - 23.04.2014

<http://www.financialexpress.com/news/a-temasek-model-for-psus-/1242926>

MF investments rise in banks & PSUs, fall in pharma & IT cos

Mutual fund investments in banks and public sector units rose in the fourth quarter of 2013-14, while pharma companies and select IT firms saw a dip.

Fund houses increased their exposure in 14 banks, quarter-on-quarter analysis of shareholding data of MF holding in 395 out of BSE 500 companies for the quarter ended March shows. MF investment in public sector bank SBI rose by R1,911 crore in the quarter, highest among banks.

The Financial Express - 26.04.2014

<http://www.financialexpress.com/news/mf-investments-rise-in-banks-psus-fall-in-pharma-it-cos/1244119>

Planning Commission may not lower 12th Plan growth target

The Planning Commission's internal meeting on Wednesday, to be headed by Prime Minister Manmohan Singh, may not suggest any cut in 8 per cent annual average growth target for the 12th Plan though the economy performed below average in the first two years of this period.

"The Planning Commission may refrain from suggesting any cut in the annual average growth target of 8 per cent in the 12th Plan during the internal meeting scheduled on Wednesday," a source said, adding that it would deliberate on the draft mid-term appraisal document for the 12th Plan.

Economic Times - 27.04.2014

<http://economictimes.indiatimes.com/news/economy/policy/planning-commission-may-not-lower-12th-plan-growth-target/articleshow/34287309.cms>

Soon, you may be able to use your phone in-flight

You may soon be able to keep your mobile phone switched on during flight, with the aviation regulator Directorate General of Civil Aviation (DGCA) mulling over a proposal to approve it by bringing in amendments in the present laws.

If the rule is implemented, the flyers can turn on their cell phones into 'flight safe mode', thus giving them the independence to work, play video games, listen to music, watch pre-loaded movies or even type their emails. The mails would, however, be sent only after the plane lands at the airport. This, aviation experts say, will give the passengers more time to work, read or play. "It has been a long-pending demand of the airlines," said a DGCA source. The development will also bring respite to scores of travellers flying in the no-frill airlines, having no access to any form of entertainment during the flight.

dna - 23.04.2013

<http://www.dnaindia.com/mumbai/report-soon-you-may-be-able-to-use-your-phone-in-flight-1981088>

New Indian Railways app lets you keep track of train schedules

Now rail users can get information on expected arrival and departure timings of a particular train on their mobile phones besides tracking its position on a real time basis. Centre for Railway Information Systems (CRIS), the information and technology arm of railways, has launched a new mobile application which can be used for various enquiries including train timings, a senior Railway official said.

Air traffic grows 1.8% but occupancy drops despite discount

Domestic air traffic grew marginal 1.8% in March in comparison to same month last year but occupancy fell from 75.6 percent to 71.7% during the month despite a slew of discount offers by airlines. The total number of passengers flown in March 2014 was 5.16 million compared to 5.07 million in same month last year.

Business Standard - 25.04.2014

http://www.business-standard.com/article/companies/air-traffic-grows-1-8-but-occupancy-drops-despite-discounts-114042501193_1.html

No Wi-Fi in Planes Please, We Are India

Each time you board an aircraft to fly in India — or even overfly the country — you are journeying back in time. An iron curtain prohibits flyers in Indian airspace from enjoying Wi-Fi connectivity. While international flyers can log on to the net as soon as they are out of Indian airspace, desi ones can do so only before take-off and after landing.

National carrier Air India stumbled on this archaic — but still in vogue — rule while preparing to have Wi-Fi on its aircraft. A team of senior officials recently met officials of Geneva-based OnAir, which provides both internet and mobile connectivity to almost 30 top airlines globally like British Airways, Emirates, Etihad, Singapore Airlines and Thai.

India Times - 21.04.2014

<http://www.indiatimes.com/lifestyle/travel/no-wifi-in-planes-please-we-are-india-142995.html>

New tariff rules being mulled for port operators

The shipping ministry has embarked on an exercise to ascertain whether port operators falling under the 2005 tariff regime should be allowed to migrate to the new, market-linked 2013 tariff rules.

It will examine whether these operators have really taken a hit on their profitability as they claim and whether they are resorting to

National Train Enquiry System (NTES) is railways' back-end system which provides information to the public about train schedules on a near real time basis.

Firstpost - 24.04.2014

<http://tech.firstpost.com/news-analysis/new-indian-railways-app-lets-you-keep-track-of-train-schedules-222354.html>

Crucial days ahead for terminal operators at state-owned ports

Global container terminal operators such as PSA International Pte. Ltd, APM Terminals Management BV and DP World Ltd are awaiting the recommendations of an inter-ministerial panel on the migration of old cargo terminals operating at Indian government-owned ports to the market-linked rate regime announced in July last year for new projects. The aim is to bring all cargo-handlers, both old and new, under a common pricing platform.

The panel, headed by B.K. Chaturvedi, member (transport), Planning Commission, in its first meeting held on 9 April, asked for information on the audited financial accounts of the last three years of the 13 terminals operating under the earlier tariff regime. The combined investment by firms in these terminals is about Rs.10,000 crore.

Live Mint - 24.04.2014

<http://www.livemint.com/Opinion/HKSDXYkeCxbUxQnB3IJUPM/Crucial-days-ahead-for-terminal-operators-at-stateowned-por.html>

handling lower level of traffic to avoid tariff cuts that are applicable under the 2005 cost-plus tariff guidelines.

The Economic Times - 23.04.2014

<http://economictimes.indiatimes.com/industry/transportation/shipping/-transport/new-tariff-rules-being-mulled-for-port-operators/articleshow/34084494.cms>

Fuel demand grows by 0.7% in FY14; slowest in last 12 years

India's fuel demand rose by its slowest pace in almost 12 years after monthly price increases chipped away growth in diesel consumption.

The world's fourth-largest oil consumer saw petroleum product demand growing by a meagre 0.7% to 158.197 million tons in 2013-14, according to the latest oil ministry data here. The growth is the slowest since 2001-02 when demand had expanded by 0.4% to 100.432 million tons.

Diesel, which is India's most consumed fuel accounting for close to 45% of the total petroleum product demand, recorded a 1% drop in demand at 68.370 million tons, the first drop in consumption since 3.7% fall in 2001-02.

Business Standard - 22.04.2014

http://www.business-standard.com/article/economy-policy/fuel-demand-grows-by-0-7-in-fy14-slowest-in-last-12-years-114042200982_1.html