

(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.)

IMF sees India as bright spot in global economy

Calling the Indian economy a bright spot "in an environment of increased uncertainty", the International Monetary Fund (IMF) on Thursday said India's growth will benefit from recent policy reforms, a consequent pickup in investment, and lower commodity prices. "Strong domestic demand in India should also be a positive factor in 2016," the IMF said in its latest report on global prospects and policy -- "IMF Developments, Outlooks, Risks". In a noting relevant for India, the report said: "In many net commodity importers, lower commodity prices have alleviated inflation pressure and reduced external vulnerabilities." "After a modest and uneven expansion in 2015, the global economy is expected to grow next year at 3.6 percent which, given sluggish global growth since the crisis, would be the fastest pace since 2011," said the report released here. Listing three major "transitions" weighing on the global outlook as the US Federal Reserve's likely normalising of monetary policy, cooling of China's economy and end of the decade-long "commodity super cycle", the IMF said emerging economies' growth is projected to rebound in 2016.

Business Standard - 12.11.2015

http://wap.business-standard.com/article/news-ians/imf-sees-india-as-bright-spot-in-global-economy-115111201282_1.html

No. 2 US Fed official: Economy growing despite global weakness

The No. 2 official at the Federal Reserve said Thursday that the strong dollar and global economic weakness have been a drag on growth, but the U.S. economy has been weathering the shocks reasonably well. Fed Vice Chairman Stanley Fischer said that the decision by the central bank to keep its ultra-low interest rate policies in place has been a key factor in shielding the economy. But he noted some sectors heavily exposed to international trade have been affected. The Fed raised the possibility at its last meeting that when it meets again in December, it could begin raising interest rates, something it has not done in nearly a decade. Fischer said a Fed rate hike will depend on how the economy is

India Can Become \$10 Trillion Economy in Over 2 Decades: Pranab Mukherjee

Asserting that the Indian economy has shown resilience in the face of challenging global trends, President Pranab Mukherjee today said it has the potential to attain a size of \$10 trillion over the next two decades. Inaugurating the 35th India International Trade Fair (IITF) 2015 here at Pragati Maidan, he said there was a need to provide impetus to domestic manufacturing, and 'Make in India' campaign along with focus on Asia, Africa and Latin America as newer export markets will help sustain the challenges from the external sector. "We are a \$2.1 trillion economy and have the potential to be a \$10 trillion economy over the next two decades provided we are able to give fillip to manufacturing and innovation," Mukherjee said. "Our economy has admittedly withstood the challenging global economic scenario of the past few years. Despite the economic slowdown afflicting major economies in the world, India has remained largely insulated," he said. Barring a below 5 per cent growth in one year (2012-13), India's economy has shown resilience, the President said.

NDTV Profit - 14.11.2015

<http://profit.ndtv.com/news/economy/article-india-can-become-10-trillion-economy-in-over-2-decades-pranab-mukherjee-1243323>

Japan's economy contracts, enters recession in third quarter

Japan's economy contracted in the third quarter as business investment fell, confirming what many economists had predicted: The nation fell into its second recession since Prime Minister Shinzo Abe took office in December 2012. Gross domestic product (GDP) declined an annualized 0.8% in the three months ended September, following a revised 0.7% drop in the second quarter, meeting the common definition of a recession. Economists had estimated a 0.2 percent decline for the third quarter. Weakness in business investment and shrinking inventories drove the contraction as slow growth in China and a weak global outlook prompted Japanese companies to hold back on spending

performing when officials meet on Dec. 15-16. "As policymakers, we must always be vigilant to events unfolding differently than we expect and we must be ready to act accordingly," Fischer said in comments delivered to a Fed research conference where Fed Chair Janet Yellen also spoke.

The Financial Express - 13.11.2015

<http://www.financialexpress.com/article/economy/no-2-us-fed-official-economy-growing-despite-global-weakness/165252/>

China's factory output at 7-month low

China's factory output growth hit a seven-month low in October while investment expansion slipped to its weakest pace since 2000, signs that further government policy support may be needed to shore up slowing demand in the world's second biggest economy. The one bright spot in tepid October data released Wednesday was an improvement in retail sales, which appear to be keeping the growth rate of the world's second-largest economy from sliding. Factory output grew slower-than-expected at an annual 5.6 per cent in October, the weakest in seven months, National Bureau of Statistics data showed. That was below a Reuters forecast of 5.8 per cent and down on September's 5.7 per cent. Fixed asset investment rose 10.2 per cent in the first 10 months, in line with expectations but the weakest pace since 2000 and easing from a 10.3 per cent gain in the January-September period. The cooling real estate sector remained a drag on investment, with property investment growth slowing to 2.0 per cent in January-October from 2.6 per cent in the first nine months.

Business Standard - 11.11.2015

http://www.business-standard.com/article/international/china-s-factory-output-at-7-month-low-115111100610_1.html

Govt moves to raise PSUs to world standards

In a bid to improve the efficiency and profits of state-owned firms, the government is working an ambitious plan to benchmark their performance with global standards. According to the plan, the Department of Public Enterprises (DPE) will specify new efficiency and performance targets for each of the 13 sectors that public sector units are classified in. "We are appointing consultants to examine national and global standards and set sectoral benchmarks that PSUs must aspire to meet. They cannot just be an avenue for employment generation but should be productive, efficient and profitable entities. "The objective is to pull up the performance of these firms so that

and production. While growth is expected to pick up in the current quarter, the GDP report could put pressure on Abe and Bank of Japan governor Haruhiko Kuroda to boost fiscal and monetary stimulus. The BOJ holds a policy meeting later this week.

Mint - 16.11.2015

http://www.livemint.com/Politics/IFUZzQKpZgN_Q3NbPh98iMJ/Japans-economy-contracts-enters-recession-in-third-quarter.html

IIP slows on manufacturing, consumer non-durable dip

Factory output moderated to a four-month low in September at 3.6 per cent compared with the revised 6.2 per cent growth registered by the industrial production in August, as the manufacturing and consumer non-durable sectors posted poor performance during the period. According to the index of industrial production (IIP) data released by the ministry of statistics and programme implementation, only half of the 22 industry groups showed growth during the month while the consumption demand declined, reflected in the 4.6 per cent contraction witnessed by consumer non-durable goods production in September compared with a growth of 1.3 per cent during the same period last year and 0.4 per cent growth last month. The data showed that the cumulative growth during the April-September period stood at 4 per cent compared with 2.9 per cent during the year-ago period. As per the sectoral classification, while the manufacturing sector grew 2.6 per cent during the month compared to 2.7 per cent during the same period last year.

Indian Express - 13.11.2015

<http://indianexpress.com/article/business/business-others/iip-slows-on-manufacturing-consumer-non-durable-dip/>

Government relaxes FDI norms across 15 sectors

The Centre on Tuesday announced 'Big Bang' Foreign Direct Investment (FDI) reforms, easing norms across 15 sectors including defence, banking, construction, single brand retail, broadcasting and civil aviation. This is aimed at boosting the investment environment and bring in more foreign investments in the country. The move comes two days after the Bharatiya Janata Party-led National Democratic Alliance suffered a resounding defeat in the Bihar Assembly elections. It also comes a day before the Prime Minister Narendra Modi's visit to the UK where he would have had to otherwise face tough questions on his government's major initiatives

they are able to stand on their feet," said a senior government official. The move is also expected to increase the attractiveness of these firms for investors, as part of the government's disinvestment drive. "While PSU stocks are considered a safe bet by investors, but often their attractiveness loses lustre because of problems of efficiency and corporate governance. The benchmarking will show that the government means business," said the official. The benchmarks would be included in the memorandum of understanding between the DPE and the PSUs that sets annual standards for performance and dividends.

The Hindu Business Line - 10.11.2015

<http://www.thehindubusinessline.com/economy/govt-moves-to-raise-psus-to-world-standards/article7862402.ece>

Easing of FDI norms to prop up investment, GDP growth: Fitch

Liberalisation of foreign direct investment (FDI) rules in 15 sectors is a significant structural macroeconomic reform that will support investment and real GDP growth over the long term, Fitch Ratings said today. Implementation of these reforms and boosting investment is an important credit factor for India, both to bolster growth and to reduce external vulnerabilities, it said. "We forecast Indian real GDP growth to come in at 7.5 per cent this year and accelerate to 8.0 per cent in 2016 and 2017," it said in a statement. The liberalisation of FDI rules announced on Tuesday, together with an earlier announced plan to restore the financial viability of the country's power distribution companies (Discoms), "indicates that India's reform momentum remains intact", Fitch said. Key changes to the FDI regime announced on November 11 include raising the limit for FDI approvals from the Foreign Investment Promotion Board (FIPB) to Rs. 5,000 crore from Rs. 3,000 crore, increasing foreign—investor limits in several sectors including private banks, defence and non—news entertainment media as well as allowing property developers to sell completed projects to foreign investors without lock—in periods.

Business Standard - 13.11.2015

<http://www.thehindubusinessline.com/economy/policy/easing-of-fdi-norms-to-prop-up-investment-gdp-growth-fitch/article7869160.ece>

Swachh Bharat cess to be levied on portion of taxable service

Finance Ministry today said that service tax on restaurant bills will go up from 5.6 per cent to 5.8 per cent following the levy of 0.5 per cent Swachh

to spur foreign investment. It also comes just ahead of the crucial Winter Session of Parliament, slated to start on November 26, where important Bills such as the Goods and Services Tax Bill are expected to be taken up for passage. For facilitating faster approvals on most of the proposals, the government also raised the threshold limit of approval by Foreign Investment Promotion Board from the earlier Rs 3,000 crore to Rs 5,000 crore. As per the extant policy, FIPB considers foreign investment proposals of inflow up to Rs 3,000 crore and those above that limit are placed for consideration of the Cabinet Committee on Economic Affairs.

The Hindu - 12.11.2015

<http://www.thehindu.com/business/Economy/government-relaxes-fdi-norms-across-15-sectors/article7866950.ece>

Renewables to Overtake Coal as World's Largest Power Source, Says IEA

The International Energy Agency's (IEA) latest report found that "in advance of the critical COP21 climate summit in Paris, there's a clear sign that an energy transition is underway." The World Energy Outlook 2015 report, published today, found that "renewables contributed almost half of the world's new power generation capacity in 2014 and have already become the second-largest source of electricity (after coal)." More than 150 countries have submitted climate pledges ahead of the Paris climate talks, and they are "rich in commitments on renewables and energy efficiency," says the IEA. The report also found renewables are set to become "the leading source of new energy supply from now to 2040." And renewables will overtake coal as the largest source of electricity generation by the 2030s. The IEA projects "turbulent times" ahead for coal: "Coal has increased its share of the global energy mix from 23 percent in 2000 to 29 percent today, but the momentum behind coal's surge is ebbing away and the fuel faces a reversal of fortune." China's coal use will "plateau at close to today's levels," says the IEA, but India's energy demand will grow to 2.5 times its current rate.

Eco Watch - 10.11.2015

<http://ecowatch.com/2015/11/10/renewables-to-overtake-coal/>

Low prices should give no cause for complacency on energy security, IEA says

An extended period of lower oil prices would benefit consumers but would trigger energy-

Bharat cess on all taxable services from November 15. The Ministry, however, clarified that the Swachh Bharat cess will not apply on those services for which payments have been received prior to November 15 and invoices raised before November 29. It would mean that the Railway and flight tickets booked before November 15 will not attract the additional levy. The Swachh Bharat cess, the statement said, will be levied only on the portion of taxable services (after abatement) and will go towards funding of the cleanliness drive, a pet project of Prime Minister Narendra Modi. "Swachh Bharat Cess will come into effect from November 15, 2015, at the rate of 0.5 per cent on all services, which are presently liable to Service Tax. This will translate into a tax of 50 paise only on every one hundred rupees worth of taxable services. The proceeds from this cess will be used for financing and promoting Swachh Bharat initiatives," the Ministry said in a statement.

The Economic Times - 12.11.2015

<http://economictimes.indiatimes.com/news/economy/finance/swachh-bharat-cess-to-be-levied-on-portion-of-taxable-service/articleshow/49761247.cms>

Crude oil futures decline to Rs. 2,757 per barrel

Crude oil futures fell 0.51 per cent to Rs. 2,757 per barrel today, in line with a weak trend in Asian trade, as speculators cut down their bets. Crude oil for delivery in November was trading lower by Rs. 14 or 0.51 per cent at Rs. 2,757 per barrel with a business volume of 3,818 lots at the Multi Commodity Exchange (MCX). Also, oil prices for December delivery was trading Rs. 10 or 0.35 per cent down at Rs. 2,866 per barrel with a business volume of 461 lots. Analysts said the fall in crude oil futures is mostly in tune with a weak trend in Asian trade where it remained under pressure today after a huge jump in US crude inventories reinforced projections that a supply glut will persist well into next year. Meanwhile, West Texas Intermediate crude for December delivery fell 24 cents to \$41.51, while Brent for December delivery was trading four cents higher at \$44.10 a barrel in Asian trade on the New York Mercantile Exchange.

The Hindu Business Line - 13.11.2015

<http://www.thehindubusinessline.com/markets/commodities/crude-oil-futures-decline-to-rs-2757-per-barrel/article7872649.ece>

Travel companies beef up online presence for wider customer reach

security concerns by heightening reliance on a small number of low-cost producers, or risk a sharp rebound in price if investment falls short, says the International Energy Agency (IEA) in the 2015 edition of its flagship World Energy Outlook publication (WEO-2015). The report finds that the plunge in oil prices has set in motion the forces that lead the market to rebalance, via higher demand and lower growth in supply, although the adjustment mechanism in oil markets is rarely a smooth one. In the central scenario of WEO-2015, a tightening oil balance leads to a price around \$80 per barrel by 2020. But WEO-2015 also examines the conditions under which prices could stay lower for much longer. Since prices at today's levels push out higher-cost sources of supply, such a scenario depends heavily on the world's lower-cost producers: reliance on Middle East oil exports eventually escalates to a level last seen in the 1970s.

Business Standard - 12.11.2015

<http://www.business-standard.com/article/news-cm/low-prices-should-give-no-cause-for-complacency-on-energy-security-iea-says-1151112000651.html>

Oil edges up after Paris attacks, French air strikes in Syria

Crude oil futures rose on Monday as France launched large-scale air strikes against Islamic State in Syria, but analysts said oil and other commodities were expected to remain under pressure as oversupply weighs on prices. Crude benchmarks, which lost 8% last week, saw high levels of activity as commodity traders looked for direction after the deadly attacks in Paris on Friday. Front-month US crude futures broke back above \$41 a barrel, trading at \$41.08 a barrel at 0425 GMT, up 34 cents from their last close. Internationally traded Brent was at \$44.98 a barrel, up over a percentage point and half a dollar, testing resistance at \$45 per barrel. Once markets settled following a nervous start, oil prices began rising. Traders said the higher prices were largely a matter of sentiment, with a risk premium being factored in following France's large-scale air strikes against Islamic State positions in Syria in response to the shootings and bombings in Paris that killed more than 130 people.

Mint - 16.11.2015

<http://www.livemint.com/Money/pzWBMUq3ddpTEiYdom4DYM/Oil-edges-up-after-Paris-attacks-French-air-strikes-in-Syria.html>

Indian Railways: Now book tickets online 30 minutes prior to departure of train

With Indians increasingly preferring to plan and book holidays online, traditional offline players are embracing online platform for a wider reach. Thomas Cook India has beefed up its presence in the online space by enabling consumers to even make travel related purchases on its website at the click of a button. The company, which has had an online presence for over a decade, now allows travellers to purchase foreign exchange and request for visas online. The shift from offline to digital platforms has taken places across industries, and travel and tourism is no exception. "This can be mostly attributed to the extent of convenience and accessibility virtual platforms offer," says Amit Madhan, chief operating officer - IT and eservices -Thomas Cook India. Changing customer behaviour and the growth of book-it-yourself internet sites such as MakeMyTrip, Cleartrip, Yatra, Goibibo and Expedia has made offline travel majors enter the world of online travel -where at a click of a button, one gets the information needed to plan a vacation.

The Economic Times 12.11.2015

<http://economictimes.indiatimes.com/industry/services/travel/travel-companies-beef-up-online-presence-for-wider-customer-reach/articleshow/49751058.cms>

Railways mulling flexi fares for all trains

Indian Railways is considering introduction of dynamic fares for all classes in all trains on the lines of air fares. The plan was mooted after the success of premium trains and Suvidha though fares were expensive, sometimes touching levels that are just 50% lower than air fares on many of the short routes. As passenger traffic has been dipping in the last few years across the country, railways is looking at different ways to generate revenue from passengers on high-density routes. Different suggestions are being mooted by the commercial wing of railway zones because railways has limitations in expanding its network. Passenger earnings went up by 8.5% in April-September period when compared to the corresponding period last year though the number of passengers dipped. Sources said that railway ministry was discussing two options - introduction of dynamic fares, which will increase and decrease depending on the demand for tickets, and to introduce special fares for tickets booked closer to the departure date.

The Times of India - 14.11.2015

<http://timesofindia.indiatimes.com/india/Railways-mulling-flexi-fares-for-all-trains/articleshow/49776189.cms>

Come November 12, you can book a railway ticket online 30 minutes prior to the departure of a train. In a passenger-friendly move, Railways has also made changes in its system of preparation of chart, which would now be prepared twice. First reservation chart would be prepared four hours prior to departure of a train while second and final one, 30 minutes before the train departs, a senior Railway official said. According to the revised rules, booking will be allowed on internet as well as at reservation counters for a particular train, subject to availability of berths, even after the preparation of first reservation chart. Railways has also made it mandatory for the concerned department to finalise the reservation chart four hours before the departure of train from November 12 in order to facilitate passengers to know the status of their ticket and plan their journey well in time.

The Financial Express - 10.11.2015

<http://www.financialexpress.com/article/economy/indian-railways-now-book-tickets-online-30-minutes-prior-to-departure-of-train/164146/>

Railways doubles cancellation charges 'to end ticket black-marketing'

The railways has some bittersweet news for passengers. While it doubled ticket cancellation charges, it reduced the deadline to cancel waitlisted and reservation against cancellation (RAC) tickets to half an hour prior to departure of the train. The changes, which were announced earlier, came to effect on Thursday. The railway has said the move is to make cancellations more convenient to passengers and end black-marketing of tickets by touts. From Thursday onwards, passengers who cancel their tickets even 48 hours prior to departure will lose anywhere between Rs 120 to Rs 300 per ticket. This is against the earlier cancellation charges of Rs 60 to Rs 150 per ticket. "While clerk age levied for cancellation has been raised from Rs 30 to Rs 60 for any reserved class, cancellation charges have gone up from Rs 120 to Rs 240 for first air-conditioned executive class, Rs 100 to Rs 200 for second class air-conditioned coaches, Rs 90 to Rs 180 for third class AC coaches and Rs 30 to Rs 60 for second class tickets," stated the press release.

The Times of India - 12.11.2015

<http://timesofindia.indiatimes.com/india/Railways-doubles-cancellation-charges-to-end-ticket-blackmarketing/articleshow/49755449.cms>

Cargo traffic at 12 major ports up 3.67% in Apr-Oct

Cargo volume handled by country's 12 major ports rose by 3.67% to 347.88 million tonnes during April-October 2015 over the same period a year ago. The state-run ports had handled 335.57 million tonnes (MT) of cargo during April-October 2014. Kandla Port handled the maximum 57.31 MT of cargo during the period, which was up 4.79% against 54.69 MT during April-October 2014. Paradip Port handled 42.50 MT, during the first seven months of the current fiscal. The port had handled 40.27 MT during the same period a year ago. JNPT at Mumbai handled 37.38 MT while Mumbai Port handled 36.12 MT and Visakhapatnam port handled 32.97 MT of cargo respectively during April-October period. Chennai handled 29.97 MT, Kolkata 29.16 MT, New Mangalore 19.58 MT, VO Chidambaranar 21.78 MT, Kamarajar (Ennore) 18.36 MT, Cochin 13.11 MT and Mormugao 9.59 MT during the April-October period. Mormugao port registered the highest growth of 25.27% during the period followed by V O Chidambaranar 19.06% growth.

Business Standard - 15.11.2015

http://www.business-standard.com/article/pti-stories/cargo-traffic-at-12-major-ports-up-3-67-in-apr-oct-115111500148_1.html

B B Singh Become News CMD of MSTC

B B Singh, Director (Commercial), MSTC, has been selected for the post of Chairman-cum-Managing Director, MSTC Limited at a Public Enterprises Selection Board (PESB) meeting held on November 13, 2015.

Bureaucracy Khabar - 14.11.2015

<http://bureaucracykhabar.com/?p=789>

DGCA nod to zero bag fares

Aviation regulator Directorate General Of Civil Aviation (DGCA) has now allowed domestic carriers to roll out "zero bag" fares and charge penalty against check-in baggage for tickets booked under such an offer. At present all domestic private airlines except national carrier Air India allow a flyer to carry up to 15 kgs of check-in baggage without any cost. Air India allows its passengers to carry up to 23 kgs of check-in baggage free of cost. "Airlines are allowed to offer no check-in baggage/hand baggage only fare scheme subject to the condition that the penalty to be imposed on a passenger, who avails such schemes but turns up with baggage for check-in at airline counter, cannot exceed the amount of incentive offered compared to lowest fare," DGCA said in its updated Air Transport Circular for unbundling of services. Reacting to the development, budget carrier SpiceJet, which had first rolled out such a scheme in June this year, said regulator's move is in line with the changing trends in the industry.

The Times of India - 13.11.2015

<http://timesofindia.indiatimes.com/india/DGCA-nod-to-zero-bag-fares/articleshow/49762246.cms>

I S Jha appointed CMD of Power Grid Corporation of India Ltd

State-run transmission utility Power Grid Corporation of India Ltd (PGCIL) today said I S Jha has been appointed as its Chairman and Managing Director. Jha was the Director Projects since 2009 and was also holding the additional charge as CMD of the company.

The Economic Times - 12.11.2015

<http://economictimes.indiatimes.com/industry/energy/power/i-s-jha-appointed-cmd-of-power-grid-corporation-of-india-ltd/articleshow/49755396.cms>