

(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.)

Indian economy can grow at 9 per cent for a decade: Professor Lawrence Summers

India has the potential to grow at 9 per cent for a decade and 8 per cent in subsequent years if the country takes bold reform measures, eminent economist and Harvard University professor Lawrence Summers said today. "Except India, major emerging economies seem to be losing momentum... I think if India maximises its potential, it could grow at 9 per cent for a decade, and 8 per cent a decade after that, and 7.5 per cent for a decade after that," Summers said during a session at the Hindustan Times Leadership Summit. Summers, who is president Emeritus and Charles W Eliot professor at Harvard University said he is very optimistic about the capacity of India but the country needs bolder reforms. "... 9 per cent growth, decline by 0.5 per cent to 1 per cent every decade, that is my sense about India's potential that is not my forecast for India because India would have to reform more boldly and take a whole set of steps not just at the national level but at the level of states, and even at the level of culture if it wants to achieve that potential," he said.

The Economic Times - 05.12.2015

<http://economictimes.indiatimes.com/news/economy/indicators/indian-economy-can-grow-at-9-per-cent-for-a-decade-professor-lawrence-summers/articleshow/50055050.cms>

Investment demand, manufacturing play stellar role in GDP growth

Gross fixed capital formation contributed as much as 29.9% of the total growth in gross domestic product, or GDP, (adjusted for discrepancies) in the July-September quarter. In other words, investment demand, long thought to be moribund, shows distinct signs of revival. Gross fixed capital formation increased by 6.8% from a year ago. The government push to capex might be having some effect. The bulk of the increase in GDP was of course contributed by private consumption, which increased by 6.8% and accounted for 55.1% of the rise in GDP from a year ago. Government final consumption expenditure was up 5.2%, contributing as much as 10% to GDP growth.

ADB keeps India's growth forecast unchanged at 7.4% this year

The Asian Development Bank (ADB) today kept its economic growth forecast for India unchanged at 7.4 per cent for the current financial year and 7.8 per cent for the next fiscal. ADB, however, warned of exports contracting due to weakness in external demand and the downside risk which the economy is facing due to sluggish private investment and weak rural demand. "India's economy faces further downside risks from sluggish private investment and rural demand weakened by slow wage growth and muted increase in support prices for agricultural products," ADB said in its 'Outlook 2015 Supplement: Growth Holds Its Own in Developing Asia'. India is on track to reach the Update forecast of 7.4 per cent in the fiscal year ending March 31, 2016, as growth picked up to 7.4 per cent in the second quarter (July-September) from 7.0 per cent in the first quarter, ADB said. "Leading indicators such as sales of commercial vehicles, car sales, and air passenger traffic were also gathering momentum. However, continued weakness in external demand will likely cause exports to contract this year," ADB said.

Business Standard - 03.12.2015

http://www.business-standard.com/article/pti-stories/adb-keeps-india-s-growth-forecast-unchanged-at-7-4-this-year-115120300425_1.html

Core sector output growth slows to 3.2 per cent; cement and fert bright spots

India's core sector output grew 3.2 per cent in October, the same as in the previous month, but a robust increase in coal and cement output and strong electricity generation provided some cheer. The growth was much slower compared with the 9 per cent increase posted in the same month last year, data from the Ministry of Commerce and Industry showed on Monday. "Electricity and coal, which are indicators of underlying demand, have grown. This shows that overall things are improving," said Saugata Bhattacharya, chief economist at Axis Bank. The eight infrastructure sectors that make up the core sector index - coal, crude oil, natural gas,

Overall, while GDP growth improved to 7.4% from 7% in the first quarter, it's worth recalling that growth was 6.7% and 8.4%, respectively, in the June and September quarters last year. In other words, the 7.4% growth during the September 2015 quarter was on top of a high 8.4% growth last year, which is commendable.

The Mint - 01.12.2015

<http://www.livemint.com/Money/YkTTTTf6S3oDm uMsea8s3aI/Investment-demand-manufacturing-play-stellar-role-in-GDP-gr.html>

Manufacturing sector growth slumps to 25-month low in November

Manufacturing activity in India slowed to a 25-month low in November, pulled down by higher input cost inflation, a private survey showed. The Nikkei Manufacturing Purchasing Managers' Index declined to 50.3 in November from 50.7 in October, data released on Tuesday showed. The index has fallen for the fourth consecutive month. A reading above 50 on this survey based index denotes expansion. The data comes a day after the central statistics office released the GDP data for the September quarter that showed a marked 9.3 per cent increase in manufacturing in the period. "November PMI data point to tepid manufacturing growth across India, with gloomy domestic demand resulting in weakest expansion in production in 25 months," said Pollyanna De Lima, economist at Markit, the agency that compiles the index. The PMI is based on survey response and it also measures sentiment month on month as opposed to GDP that is increase from last year and actual quantitative rise in output.

The Economic Times - 01.12.2015

http://articles.economictimes.indiatimes.com/2015-12-01/news/68688382_1_gdp-data-november-pmi-markit

Modi to deepen reforms; no fiscal deficit concern

Prime Minister Narendra Modi on Friday vowed to move ahead with economic reforms, while Finance Minister Arun Jaitley said there was no major worry on meeting fiscal deficit targets. Addressing the 13th edition of the Hindustan Times Leadership Summit here, Modi signalled his government's intentions, saying reforms were not limited to investment and disinvestment. He said his focus was on translating good intentions into action. He outlined his government's approach to achieving economic objectives through efficiency and targeting subsidies -- and not necessarily through big-bang announcements that grab newspaper headlines. He cited instances to show how the government had sought to bring about

refinery products, fertilisers, steel, cement and electricity - together have a 38 per cent weight in the Index of Industrial Production (IIP). Four of the eight industries recorded a disappointing contraction in October 2015, while cement and fertiliser sectors posted double-digit growth at 11.7 per cent and 16.2 per cent, respectively.

The Economic Times - 01.12.2015

<http://economictimes.indiatimes.com/news/economy/indicators/core-sector-output-growth-slows-to-3-2-per-cent-cement-and-fert-bright-spots/articleshow/49983386.cms>

Services sector hits 5-month low of 50.1 in November: HSBC PMI index

Services sector hit a five-month low witnessing the slowest rise since July in incoming new work as Indian services companies saw demand growth lose strength during November, as per HSBC PMI index. Down from October's eight-month high of 53.2 to 50.1 in November, the seasonally adjusted Nikkei Business Activity Index - which is based on a single question asking respondents to report on the actual change in output at their companies compared with one month ago - pointed to broadly unchanged levels of services activity across India, the report said. As a consequence, business activity broadly stagnated and confidence waned. The gloomy trend was also observed in the labour market, as employment rose at a pace that was historically muted. Meanwhile, companies reported no change in selling prices, despite a further increase in costs, it said.

The Hindu Business Line - 04.12.2015

<http://www.thehindubusinessline.com/economy/nikkei-india-composite-pmi-output-index-falls-to-5month-low-of-502-in-nov/article7944500.ece>

Rupee hits 2-yr low of 67, Sensex dips on global cues

The Sensex dropped 249 points on Friday to settle at a two-week low of 25,638, tracking a global rout after the ECB stimulus fell short of expectations. Sentiment was also impacted by a weakening rupee which fell to 67.01 intraday, a two-year low, which along with sustained capital outflows kept investors on the edge. The RBI stepped in through public sector banks to support the rupee, which resulted in the domestic currency closing at 66.69 - three paise lower than its previous close. Meanwhile, data released by the RBI showed that India's foreign exchange reserves fell \$750 million to \$351.6 billion in the fortnight ending November 27. RBI governor Raghuram Rajan has indicated

changes since he led the BJP-led NDA to power 18 months ago. The prime minister referred to expectations among industrialists for big-bang reforms but said changes were being brought without causing social tensions or creating banner headlines.

News X - 05.12.2015

<http://www.newsx.com/national/14469-modi-to-deepen-reforms-no-fiscal-deficit-concern>

Investment cycle showing signs of pick-up: Moody's

Moody's Investors Service on Tuesday said investment levels in India are showing early signs of recovery driven by an upturn in capital expenditure and increased public spending. In its December 2015 issue of 'Inside India', the agency however, said a broad-based and sustainable revival in the private sector capital expenditure cycle will likely take longer to materialise. "Recent high-frequency data show that India's investment cycle is starting to pick up," Moody's V-P and Senior Research Analyst Rahul Ghosh said. A revival in private sector capital expenditure will be required to sustain the recovery in investment activity because India's weak fiscal position will limit the ability of the government to further expand public sector-led investment, he added. "A broad-based and sustainable revival in the private sector capital expenditure cycle will likely take longer to materialise, given the high debt levels in the non-financial corporate sector, asset quality concerns in banking and subdued external demand," Ghosh said.

Moneycontrol - 01.12.2015

http://www.moneycontrol.com/news/economy/investment-cycle-showing-signspick-up-moodys_4399721.html

Parliamentary panel on PSUs presses for more clarity on CSR

The Committee on Public Undertakings (CoPU) headed by former Himachal Pradesh Chief Minister and veteran BJP MP Shanta Kumar has urged the government to amend the Companies Act to define corporate social responsibility (CSR). Addressing reporters along with BJP patriarch LK Advani, who is also a panel member, Kumar said the Corporate Affairs Ministry should draft the guiding principles for CSR funding to include poorer sections of the society in the growth process. He said the spirit of CSR should be in line with the Antyodaya philosophy. After examining the pattern of expenditure, Kumar said the panel found that it had not always targeted the poorest of the poor, or the most backward of the country's areas. "The committee, therefore, recommended that CSR should be clearly defined in the Act itself.

that a Fed rate hike is almost a certainty, stating that it is almost as widely anticipated as was RBI's status quo policy on December 1.

The Times of India - 05.12.2015

<http://timesofindia.indiatimes.com/business/india-business/Rupee-hits-2-yr-low-of-67-sensex-dips-on-global-cues/articleshow/50050093.cms>

PSUs to be corporatised: Modi

Prime Minister Narendra Modi on Friday said his government can look at corporatising state-run firms as an alternative to improve their viability since divesting them or closure were not the only available options. "In our country reformists would say that you do disinvestment. If we do, then they would say this government has done 'very good'. If strike happens then there will be a photo on front page saying 'Modi murdabad, Modi murdabad'. We have made shipping companies, which were running in losses, profitable." "Do we have only two ways to improve things one either disinvest them or shut them down. But there is a third way which is to corporatise it and change its work culture. Bring efficiency and make it apolitical and we can change things," he said while speaking at an event here. Talking about stalled projects, Mr Modi said there were about 85 major projects which were not working. "Even their foundation stones could not be traced." "I reviewed them and I can tell you this that about 60-65 projects have started working satisfactorily.

Asian Age - 05.12.2015

<http://www.asianage.com/business/psus-be-corporatised-modi-112>

Over 2,000 companies do not have women directors: Government

More than 2,000 companies, including PSUs, have failed to appoint women directors on their boards while prosecution has been launched against 121 unlisted firms for non-compliance, the government said today. Certain class of listed and unlisted companies are mandatorily required to have at least one woman director on their boards under the new company's law. Corporate Affairs Minister Arun Jaitley today said 1,707 listed companies, including public sector undertakings, do not have women directors. Besides, there are 329 unlisted private and public sector firms without a woman director on their boards. "Prosecution has been launched against 121 defaulting unlisted companies (other than PSUs)," Jaitley said in a written reply to the Lok Sabha. Capital markets regulator Sebi had

The definition should cover the broader principles of CSR spending so as to ensure that allocations are spent for the specified activities targeting poor and backward areas," the report, submitted in Parliament on Friday, said.

The Hindu Business Line - 04.12.2015

<http://www.thehindubusinessline.com/economy/policy/parliamentary-panel-on-psus-presses-for-more-clarity-on-csr/article7949542.ece>

Modi and Holland launch solar alliance

Prime Minister Narendra Modi along with French President Francois Hollande today launched the International Solar Alliance and pledged India's assistance of USD 30 million for the initiative that brings together developed and developing countries. Modi also announced that India will host the initiative in the premises of the National Institute of Solar Energy in Gurgaon, Haryana. He said that India will provide land and contribute about USD 30 million to build the Secretariat infrastructure. "We will support operations for five years, and together we will raise long terms funds to achieve our goals," Modi said. "This is an alliance that brings together developed and developing countries, governments and industries, laboratories and institutions in a common enterprise," he said at the launch of the International Solar Alliance. "This day is the sunrise of new hope -- not just for clean energy, but for villages and homes still in darkness; and for our mornings and evenings filled with a clear view of the glory of the sun," the Prime Minister said of the launch of the initiative supported by over 100 countries. Modi said that as the developing world lifts billions of people into prosperity, the hope for a sustainable planet rests on a bold global initiative.

Firstgreen.co - 04.12.2015

<http://www.firstgreen.co/2015/12/modi-and-holland-launch-solar-alliance/>

More Than 62 Lakh Toilets Built Under Swachh Bharat Mission

The government has built 62.38 lakh toilets in 2015-16 as part of Swachh Bharat Mission (Gramin), parliament was informed on Wednesday. "In respect of Swachh Bharat Mission (Gramin) against expected outcome of 50 lakh for individual household latrines for the year 2014-15, 58,54,987 latrines were constructed, which is an achievement of 117 percent of the expected outcome. "Of these, 49.49 lakh household latrines were constructed after the launch of Swachh Bharat Mission (Gramin), indicating more than 446 percent increase in construction of toilets after the launch of SBM (G) as compared to pre-SBM period of 2014-15. During 2015-16, 62.38

prescribed fines on listed companies, other than public sector undertakings (PSUs), between Rs 50,000 and Rs 1,42,000, depending on the period of default from April 1 - October 1, 2015.

The Economic Times - 04.12.2015

<http://economictimes.indiatimes.com/news/company/corporate-trends/over-2000-companies-do-not-have-women-directors-government/articleshow/50042370.cms>

Paris climate meet reaches draft deal, India's concerns visible

Less than a week into the crucial global climate change conference here, some 196 participating countries on Saturday reached a draft deal which seeks to address one of India's main demands that rich nations must extend emerging economies both funding and technology so that their clean and green development goals do not entail unfair costs or burden. The delegates at the 21st Conference of Parties under the United Nations Framework Convention on Climate Change, who have been holding deliberations here since November 30 said they have a blueprint that seeks to reduce carbon emissions and limit global warming at a level that will be negotiated next week. The draft was handed over at the plenary session on Saturday morning, after working through the night before on the fourth such text issued in the past three days. Once the officials come to an understanding, it is expected to be scaled up to the ministerial level for a pact where India will be led by its Environment Minister Prakash Javadekar.

Business Standard - 05.12.2015

http://www.business-standard.com/article/news-ians/paris-climate-meet-reaches-draft-deal-india-s-concerns-visible-115120500896_1.html

Swachh Bharat partnership with India one of the best: Bill Gates

Microsoft founder and philanthropist Bill Gates on Friday promised to extend all support to Centre's efforts to expand the reach and effectiveness of sustainable sanitation services under the Swachh Bharat Mission. Urban Development Minister M Venkaiah Naidu and Gates, who is Co-Chair of Bill & Melinda Gates Foundation, discussed at length implementation of the sanitation campaign in urban areas of the country. "Foundation's cooperation with India to promote safe and sustainable sanitation services to all is one of its best partnerships," Gates said after the meeting. The foundation had signed a Memorandum of Cooperation with the UD

lakh toilets have already been constructed as on November 30, 2015," Minister of State for Drinking Water and Sanitation Ram Kripal Yadav told the Lok Sabha. The government has a target of building 1.04 crore individual household toilets by October 2, 2019.

New Indian Express - 03.12.2015

<http://www.newindianexpress.com/nation/More-Than-62-Lakh-Toilets-Built-Under-Swachh-Bharat-Mission/2015/12/03/article3159383.ece>

Oil Firms to Benefit From Low Rates, Price Deregulation: Fitch

Fitch Ratings on Monday said low oil rates and price deregulation in India's oil and gas sector will have a positive impact on the rated companies in the sector, especially the oil refining and marketing firms. Upstream companies like ONGC will benefit from having to offer lower discount on crude oil they sell to refiners following greater clarity on the fuel subsidy-sharing formula. "These changes will also minimise the negative impact on their cash generation from lower oil and gas prices", Fitch said in a report. Fitch expects refining margins to narrow from January-June levels this year, although margins will remain "relatively robust in 2016". "We also expect a high level of volatility in crude-oil prices, exposing refiners to inventory gains and losses during 2016," it said. Fitch said low crude-oil prices and diesel price deregulation would be positive for marketing firms as that would trim their under-recoveries on subsidised fuels, working capital and related debt requirements.

NDTV Profit - 01.12.2015

<http://profit.ndtv.com/news/corporates/article-oil-firms-to-benefit-from-low-rates-price-deregulation-fitch-1249454>

India's crude oil output to continue to fall despite government's efforts: IEA

India's crude oil production will continue to fall in the next quarter century despite the government's ambitious targets, declining to less than half the current output as new reserves fail to compensate for the decay in existing fields, the International Energy Agency has said. The Modi government has set a target of cutting oil import dependence by 10 per cent in next seven years as it hopes to reverse the decline in domestic oil output through a slew of policy measures, fresh investments and technological interventions. But the Paris-based agency has poured cold water over the government's plan, underlining in its 'India Energy Outlook' report that low-quality reserves and insufficient policy responses will make the country more dependent on imports. By 2040, India's imports will rise to 90 per cent of the overall oil

Ministry to promote sanitation services in January this year. Naidu informed Gates that "after a slow start, all the states are now becoming pro-active to ensure cleanliness following huge enthusiasm generated among the public about sanitation in urban areas.

Indian Express - 04.12.2015

<http://indianexpress.com/article/india/india-news-india/swachh-bharat-partnership-with-india-one-of-the-best-bill-gates/>

Oil price could halve, predicts Goldman

The oil market is out of whack and Goldman Sachs doesn't see this situation sorting itself out for another year. In a note to clients on Friday following Opec's latest output announcement, Goldman's Damien Courvalin wrote the oil market's supply and demand balance won't be restored until Q4 of 2016 at the earliest. On Friday, Opec - the 13 member oil cartel - announced it will look to maintain its current rate of production at around 31.5 million bpd. Goldman expects Opec output to come in closer to 31.8 million barrels per day. Opec also said it would discuss how to accommodate higher production out of Iran at its next meeting in June. Goldman added Opec commentary, "further stressed the need for the oil market to rebalance on its own and the organisation made no comment on adhering to country level quotes." This approach from Opec could send oil prices even lower as markets are likely to still fail to clear oversupply.

The Economic Times - 07.12.2015

<http://www.pressreader.com/india/economic-times/20151207/281930246913117/TextView>

India's petroleum products consumption growth at five-year high

If consumption of petroleum products is an economic indicator, India seems to have a reason to cheer. The country's consumption of domestic and industrial fuels -- including petrol, diesel, cooking gas, Kerosene, naphtha and others -- grew at a massive 17.5 per cent in October, the highest monthly growth rate witnessed in at least the past five years. Consumption of petroleum products rose 17.7 per cent to 15.2 million tonne (MT) in October 2015 from 12.9 MT in the same month last fiscal, according to fresh data released by Petroleum Planning and Analysis Cell (PPAC), the oil ministry's technical arm. A Business Standard review of the numbers showed this growth level has not been achieved in the period since April 2010 for which data is publicly

demand, from 70 per cent at present, according to the IEA. India's crude oil production fell marginally in 2014-15 and was about the same in the seven months of the current fiscal as that a year-ago period.

The Economic Times - 01.12.2015

<http://economictimes.indiatimes.com/industry/energy/oil-gas/indias-crude-oil-output-to-continue-to-fall-despite-governments-efforts-ia/articleshow/49983426.cms>

Crude oil prices up ahead of OPEC meet

Oil prices rose in Asia today as traders hedged their bets ahead of a meeting of the OPEC cartel whose members are divided on whether to slash production in an oversupplied global market. Analysts said however that the rise was likely to be short-lived as the Organization of the Petroleum Countries is expected to maintain the current high output levels favoured by influential members Saudi Arabia and other Gulf states. US benchmark West Texas Intermediate (WTI) for delivery in January was up 18 cents at \$41.26 and Brent crude for January was trading 15 cents higher at \$43.99 at around 0200 GMT (0730 IST). Both contracts had gained since a sharp fall on Wednesday that saw WTI close below \$40 for the first time since late August. "While oil advanced for the second day ahead of the OPEC meeting, there is really nothing much to cheer about," said Bernard Aw, market strategist at IG Markets in Singapore. "At an informal meeting attended by OPEC members on Thursday, Saudi Arabia is adamant that any output cuts by the group needs to be accompanied by non-OPEC producers such as Russia," he said.

The Hindu Business Line - 05.12.2015

<http://www.thehindubusinessline.com/markets/commodities/crude-oil-prices-up-ahead-of-opec-meet/article7948270.ece>

Scientists apply molecular science for 'perfect' friction-free oil

Scientists from BP petroleum industry are applying molecular science in their laboratories to make the perfect oil blend to reduce engine friction and increase efficiency. According to the company, friction caused by various metal-to-metal contact points is a major problem for car engines; costing the UK economy an estimated 24 billion pounds (36.2 billion USD) each year through lost efficiency and damage through wear and tear. The only barrier between the high-force contacts of engine surfaces is a thin layer of lubricant, but they are coming under increasing pressure from modern engines. At BP's facility in Berkshire, west of London, scientists and engineers are working

available. The massive surge in fuel consumption was led by a 16.3 per cent growth in diesel, which alone accounts for 41 per cent of the fuel basket, followed by 14.5 per cent growth in petrol and 12.5 per cent jump in cooking gas usage.

Business Standard - 07.12.2015

http://www.business-standard.com/article/economy-policy/india-s-petroleum-products-consumption-growth-at-five-year-high-115120700131_1.html

India's Iran oil imports hit eight-month low

India's oil imports from Iran fell for the fourth straight month in November to touch an eight-month low, preliminary tanker arrival data obtained by Reuters shows, as its two biggest buyers cut purchases to meet annual targets. Western sanctions against Iran's controversial nuclear programme limits the Gulf country's oil exports to 1-1.1 million barrels per day (bpd), with buyers such as India curbing annual purchases to 220,000 bpd. But India, the world's fourth biggest oil consumer, has been stepping up purchases of cheaper crude from regions including the Asia-Pacific and Latin America. The country's year-on-year imports from Iran fell nearly 45 percent to about 138,100 bpd in November - a 24 percent drop from October, according to the data and a report compiled by Thomson Reuters Oil Research and Forecasts. Private refiner Essar Oil's purchases tanked by more than three-quarters to about 1 million barrels, while imports by the other big buyer, Mangalore Refinery and Petrochemicals Ltd, declined to about 2 million barrels.

Reuters - 04.12.2015

<http://in.reuters.com/article/india-iran-oil-idINKBN0TN0KK20151204>

Leather sector sales target set at \$27 bn

The Council of Leather Exports (CLE) along with other agencies has devised a plan to more than double sales revenue in next five years to \$27 billion. Last year, leather sector reported total sales of nearly \$13 billion, of which exports accounted for \$6.5 billion. By 2020, the export target is \$15 billion. As per the plan, CLE along with Footwear Design and Development Agency and Central Leather Research Institute plans to hold road shows, business-to-business meetings and conferences in different countries to attract foreign direct investment, introduce new technologies, designs and concepts and showcase India's potential to the outside world.

tirelessly to create lubricants that operate inside the latest motor engines, while improving the performance and efficiency of vehicles already on the market. The pressure inside modern engines also increases the need for effective fuels and lubricants.

Asian Age - 07.12.2015

<http://www.asianage.com/science-health/scientists-apply-molecular-science-perfect-friction-free-oil-764>

India to become world's 3rd largest aviation market

In what indicates early signs of India flying past some of the top aviation markets in coming years, it has continued double-digit growth in October on high demand for air travel. According to a recent industry projection, India could become third largest aviation market in the world displacing the UK by 2026. Compared to major aviation markets like Brazil, Russia and China it has registered higher jump in capacity expansion as well as passenger traffic. The fact that most of the Indian carriers like IndiGo, SpiceJet and Jet Airways have aggressive fleet induction plan the air traffic is expected to post similar growth in coming months. The world's ninth biggest market posted 17.6 per cent growth in revenue passenger kilometres (RPKs) as against 12.8 per cent by China and 10.3 per cent by Russia, International Air Transport Association (IATA) figures for the month of October showed. Geneva-based IATA which represents nearly 260 airlines comprising 83% of global air traffic said in an official statement that world air traffic, grew 7.5 per cent year-on-year in the month of October.

Financial Chronicle - 03.12.2015

<http://www.mydigitalfc.com/news/india-become-worlds-3rd-largest-aviation-market-854>

Centre rules out cap on airfares

The government is not keen to regulate domestic airfares despite a parliamentary panel's suggestion of a cap. In a written reply to the Lok Sabha, the minister of state for civil aviation Mahesh Sharma said airfares were not controlled by the government. He added that there was no proposal with the government to regulate the economy class fare on domestic routes. "Airlines are free to fix the ticket rates after taking into consideration various factors, including the cost of operation and characteristics of service," he said. A tariff monitoring unit has been set up at the Directorate General of Civil Aviation (DGCA) to monitor fares on certain routes on a random basis to ensure that airlines do not charge fares outside the range declared by them. "The analysis on a

"The target has been set in consultation with the Commerce Ministry by bringing in the leather sector under the purview of Make in India scheme. Our first target is to double the total sales by 2020.," said Council for Leather Exports Chairman, M. Rafeeqe Ahmed.

The Hindu - 06.12.2015

<http://www.thehindu.com/business/Economy/leather-sector-sales-target-set-at-27-bn/article7953138.ece>

Parliamentary panel pitches for capping maximum airfares

Amid concerns over steep fluctuations in air ticket prices, a Parliamentary panel has suggested capping maximum airfares on domestic routes. The Civil Aviation Ministry told the panel that the "government no longer regulates the airfares" while stating that considerable information is provided to the public in a transparent manner on air ticket prices. The Department-Related Parliamentary Standing Committee on Transport, Tourism and Culture -- chaired by K D Singh -- has suggested cap on maximum airfares in its report tabled in Parliament today. The report pertains to action taken by the government on the observations/recommendations of the panel on the Ministry's Demands for Grants (2015-16). In the recommendations made by the panel, it was suggested that there should be a regulatory mechanism to see that airfares remain within a reasonable range and also observed that the existing system has not worked

The Economic Times - 01.12.2015

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/parliamentary-panel-pitches-for-capping-maximum-airfares/articleshow/49999212.cms>

Retain 5/20 rule for airlines: ASSOCHAM.

The Centre should continue with the 5/20 rule, which stipulates that a domestic airline must have a fleet of 20 aircraft and have completed five years of domestic operations before it becomes eligible to start flights abroad, ASSOCHAM has said. In its submission to the Civil Aviation Ministry on the Draft Civil Aviation Policy, ASSOCHAM has argued that the existing level playing field must be maintained for incumbent carriers vis-à-vis new entrants. The draft policy has made four suggestions on the policy. It points out that the new domestic flying credit system which the draft policy is proposing is not in "national interest", as it favours foreign airline joint ventures here.

random basis has shown that the fares remained well within the price bucket uploaded by the airlines on respective websites," Sharma said.

The Telegraph - 04.12.2015

http://www.telegraphindia.com/1151204/jsp/business/story_56580.jsp#.VmUIMdIrLIV

For top travel portals like MakeMyTrip and Yatra, journey has been far from profitable

India's top travel portals, MakeMyTrip, Cleartrip and Yatra, are making losses despite growth in demand in tourism and air travel, even as their brick-and-mortar peers such as Cox & Kings and Thomas Cook BSE -1.71 % are profitable. Cleartrip posted a net loss of Rs 29 crore for the year ended March 31, 2015, a recent company filing with the Registrar of Companies showed. This was lower than the previous year's Rs 41 crore. Earlier, Nasdaq-listed MakeMyTrip said its net loss for the fiscal second quarter through September more than doubled to \$12.1 million (Rs 80.8 crore). Yatra.com's 2013-14 loss narrowed to close to half from the previous year at Rs 40.19 crore, according to its ROC filing, but industry sources said it posted a loss in fiscal 2015 as well. Neither Yatra nor Cleartrip has posted an annual net profit yet. MakeMyTrip last reported an annual net profit in fiscal 2012. Cox & Kings, on the other hand, posted a net profit of Rs 40 crore in the July September quarter, when Thomas Cook reported Rs 6.74 crore profit.

The Economic Times - 07.12.2015

<http://economictimes.indiatimes.com/industry/services/travel/for-top-travel-portals-like-makemytrip-and-yatra-journey-has-been-far-from-profitable/articleshow/50071602.cms>

The Hindu Business Line - 03.12.2015

<http://www.thehindubusinessline.com/economy/logistics/retain-520-rule-for-airlines-assochem/article7945756.ece>

Long weekend travel fast becoming a trend: Survey

Travelling is no longer restricted to a once-a-year activity as more and more people are preferring long weekends to break the monotony of their usual schedules, according to a survey. Long weekend seems to be triggering travel plans, with more than half the respondents having travelled thrice or more on long weekends during the last one year, according to a MakeMyTrip 'Long Weekend Travel Trends India (2015)' survey. The weeklong survey was conducted among 1,000 respondent via email. The survey revealed that 62 per cent of the respondents preferred hill stations during a long weekend break, followed by beaches (54 per cent). About 31 per cent respondents said they would prefer a historical destination for their weekend getaway, it said. The survey noted that despite being a short duration travel, people start make their long weekend travel plans fairly in advance, probably to beat the rush. 30 per cent of the respondents said they plan their travel only a week in advance, it said.

The Economic Times - 06.12.2015

<http://economictimes.indiatimes.com/industry/services/travel/long-weekend-travel-fast-becoming-a-trend-survey/articleshow/50061798.cms>