

(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.)

India to become \$10 trillion economy with 10% growth: Amitabh Kant

India will become \$10 trillion economy and achieve growth rate of 10 per cent by 2032, Niti Aayog chief executive officer Amitabh Kant said on Thursday. The country's growth rate was 7.6 per cent in 2015-16 and its economy worth \$1.7 trillion. In a presentation made during Civil Services Day function attended by Prime Minister Narendra Modi and large number of civil servants, he projected creation of 175 million jobs and zero per cent of Below Poverty Line (BPL) population by 2032. "Growing at 10 per cent will transform India. India will be a \$10 trillion economy with no poverty in 2032," his presentation reads. The presentation was made on the status of implementation of reports of 'Group of Secretaries' formed by the Modi government. A total of eight Group of Secretaries were formed in December last year on focus areas.

The Times of India - 21.04.2016

<http://timesofindia.indiatimes.com/business/india-business/India-to-become-10-trillion-economy-with-10-growth-Amitabh-Kant/articleshow/51926974.cms>

High capital expenditure with poor returns to hurt PSUs' credit profile: S&P

Cautioning against higher capital expenditure by state-owned companies, Standard & Poor's today said poor returns on such investments and increase in leverage could weaken their credit profiles in the long term and increase their dependence on the government for support. In its report titled 'Indian government-owned companies' credit quality will deteriorate in the long run', S&P Ratings Services said increasing capital spending may have its short-term benefits, but may not be desirable over the long term. "Poor returns on capital investments and increase in leverage could weaken the stand-alone credit profiles of India's government-owned companies in the long term. It will also increase these companies' dependence on the government for support," S&P credit analyst Mehul Sukkawala said.

The Economic Times - 18.04.2016

China lauds India's GDP growth

China has complimented India for "doing a good job" in maintaining an impressive growth rate despite a global slowdown and is keen on working together to push for reforms in the international financial system. Stating that his country was keen to ramp up investments in India, Chinese foreign minister Wang Yi said the two emerging economies can contribute significantly in helping the world economy by keeping up their growth momentum. "First of all, we both need to grow our own national economies. On this front, we want to commend India for doing a good job in promoting economic growth," Wang said. Here to attend foreign ministers' meeting of RIC (Russia, India, China), he said, "We need to join hands in playing a positive role in improving the global economic and financial governance.

The Times of India - 25.04.2016

<http://timesofindia.indiatimes.com/business/india-business/China-lauds-Indias-GDP-growth/articleshow/51972300.cms>

Government considering proposal to liquidate some loss-making PSUs

As it looks to contain public expenditure, the government is considering a proposal to liquidate some loss-making PSUs while protecting the interest of their employees who may be offered "lucrative" pay-outs. In line with recommendations of Expenditure Management Commission, a proposal for liquidating some loss-making PSUs is being examined, sources said. The government, sources said, may provide for lucrative one-off sum toward pension payments for the staff of those loss identified loss making companies. As per the latest government report, there are 77 loss-making PSUs at the end of March last year with a total aggregate loss of Rs 27,360 crore. It is understood that Expenditure Management Commission, formed in September 2014, recommended liquidating loss-making PSU by selling of assets such entities wherever possible.

The Economic Times - 24.04.2016

<http://economictimes.indiatimes.com/news/economy/indicators/high-capital-expenditure-with-poor-returns-to-hurt-psus-credit-profile-sp/articleshow/51876205.cms>

In a first, top-rated PSUs may get to sell retail taxable bonds

In a first, the government may allow top-rated central government-owned companies to sell retail taxable bonds. The move should offer interest rates higher than bank or public savings deposits. "Modalities are yet to be finalised, but bond issuers are usually expected to go public," economic affairs Secretary Shaktikanta Das told ET, putting the lid on all market speculations. "They may also be allowed a spread over and above the GSec yield (to offer attractive interest rate), although the matter is to be discussed in detail," he said. Rumours were agog that they were another series of tax-free bonds, a super-hit investment bet among retail and wealthy investors last financial year. Some thought, these could be infrastructure bonds, where investment of up to Rs 20,000 only was eligible for additional tax deduction. "These are additional top-up bonds, not tax-free bonds. Issuers will go to the market only when they are about to exhaust Budget allocations," Das said.

The Economic Times - 25.04.2015

<http://economictimes.indiatimes.com/markets/bonds/in-a-first-top-rated-psus-may-get-to-sell-retail-taxable-bonds/articleshow/51972145.cms>

Services sector driving Indian economy: President

Terming the services sector as the "sector of the current millennium", President Pranab Mukherjee on Wednesday said it has emerged as an agent of change for the country and is driving the Indian economy in an inclusive and equitable manner. "This sector drives the Indian economy in an inclusive and equitable manner. It is the 'sector of the current millennium', in terms of generating employment, skill development, bringing in FDI, enhancing trade and boosting strategic partnerships," Mukherjee said. He was speaking after inaugurating the Second Edition of Global Exhibition on Services - 2016 at India Expo Centre & Mart, Greater Noida. The President said India has one of the fastest growing services sectors in the world with annual growth rate of above 9 percent since 2001. The contribution of services sector of India to overall GDP has increased sharply, from 41 percent in 1990-91 to 66 percent in 2014-15.

The Times of India - 21.04.2016

<http://economictimes.indiatimes.com/news/economy/policy/government-considering-proposal-to-liquidate-some-loss-making-psus/articleshow/51964385.cms>

Rupee might head lower in the medium term

In the second quarter of 2016, the global financial scenario looks very different compared to the sombre start to the year. The first rate hike by the US Federal Reserve, in December 2015, created financial market volatility and capital outflows from emerging market (EM) economies, and steep losses in commodities and currencies. However, much has changed since and three triggers were mainly responsible for the current reversal. First, the likely tacit G-20 agreement forged in Shanghai has had implications for markets. The resultant coordinated action in March seems to have calmed waters effectively. This was further reinforced by the Fed's dovish commentary about slower rate hike prospects. Second, the situation in China has also improved and stabilised. Chinese headline forex reserves rose \$10 billion to \$3.2 trillion in March, the first such development since October 2015.

Business Standard - 24.04.2016

http://www.business-standard.com/article/markets/rupee-might-head-lower-in-the-medium-term-116042400781_1.html

Tide Water Oil acquires UK firm for £9.59 m

Tide Water Oil (India), controlled by state-owned Andrew Yule & Co Ltd, has acquired British lubricant firm Price Thomas Holdings Ltd (PTHL) for £9.59 million. In a filing to the stock exchanges, Tide Water said that PTHL, a lubricant manufacturing unit in UK, will lend it space in the competitive European market. Tide Water is expanding market for its branded lubricant Veedol in Europe. "As the target company has a manufacturing facility in the UK, the proposed acquisition is envisaged to result in competitive product pricing of the acquirer for the European market," Tide Water said. PTHL's gross revenue as on December 31, 2014 was £10.92 million with a corresponding PBT of £0.87 million. PTHL is a manufacturer and supplier of lubricants and car care products in the UK and in overseas automotive markets such as Ireland, Sweden and Bulgaria.

The Hindu Business Line - 20.04.2016

<http://www.thehindubusinessline.com/companies/tide-water-oil-acquires-uk-firm-for-959-m/article8500103.ece>

<http://timesofindia.indiatimes.com/business/india-business/Services-sector-driving-Indian-economy-President/articleshow/51911756.cms>

LPG subsidy surrender valid for only one year: Oil Minister Dharmendra Pradhan

More than one crore consumers who have voluntarily given up their cooking gas subsidy have the option to switch back to subsidized cylinders after a year, oil minister Dharmendra Pradhan has said. One crore 13 lakh households have given up cooking gas subsidy so far across the country in response to the government call to well-off citizens to surrender their share of subsidy. India has a total of 20.21 crore cooking gas consumers. A massive media campaign by the government and an oil collapse that has depressed cooking gas prices and squeezed subsidy have aided consumer decision to dump subsidy. The subsidy, which varies from state to state, is just about Rs 90 on a 14.2 kg cooking gas cylinder in Delhi today, a reflection of the two-thirds drop in oil prices in two years. But if the oil prices, currently around \$45 per barrel, were to climb back to the mighty heights seen a few years ago, buying a non-subsidised cylinder might start hurting consumers as commodity spike is often accompanied by a general inflation in the economy.

The Economic Times – 23.04.2016

http://economictimes.indiatimes.com/industry/energy/oil-gas/lpg-subsidy-surrender-valid-for-only-one-year-oil-minister-dharmendra-pradhan/articleshow/51944662.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Crude prices dip as global glut outweighs Kuwait oil strike

Crude futures slipped on Tuesday on a persistent global glut and the failure of a producer meeting at the weekend to rein in the ballooning oversupply, although a sharp drop in output in Kuwait due to an oil worker strike underpinned prices briefly. Kuwait's output has dropped to 1.1 million barrels per day (bpd) from 2.8 million bpd due to the worker strike. However, analysts expect the disruption to be brief and markets to soon refocus on the global glut given the failure of major exporters to agree on an output freeze at their Sunday meet. Brent crude was at \$42.78 a barrel at 0317 GMT, 13 cents below their previous close. US West Texas Intermediate (WTI) futures were down 5 cents at \$39.73 a barrel. The benchmarks had climbed to \$43.20 and \$40.13, respectively, earlier in the session on Kuwait's output woes.

The Hindu Business Line - 19.04.2016

PM Narendra Modi to launch Rs 8,000 crore scheme for free LPG connections to poor

Prime Minister Narendra Modi will on May 1 launch an ambitious Rs 8,000 crore scheme to provide 5 crore free LPG connections to BPL families using the money saved from 1.13 crore cooking gas users voluntarily giving up their subsidies. Modi will launch the Pradhan Mantri Ujjwala Yojana at Ballia in Uttar Pradesh on May 1 and do a repeat function at Dahod in Gujarat on May 15. Though 'Give-it-Up' campaign seeking the well-heeled to voluntarily surrender cooking gas subsidies for one year was launched in January, 2015, Modi on March 27 last year officially launched the programme. "Since the launch, 1.13 crore people have given-up LPG subsidies and are buying cooking gas at market price," Oil Minister Dharmendra Pradhan told reporters here. Maharashtra tops the list with 16.44 lakh consumers giving up subsidies. Uttar Pradesh saw nearly 13 lakh users give up subsidies, followed by Delhi (7.26 lakh). Prime Minister's home state of Gujarat was way down the list with just 4.2 lakh giving up subsidies. Pradhan's home state of Odisha was even lower at 1.3 lakh.

The Economic Times – 22.03.2016

<http://economictimes.indiatimes.com/news/economy/policy/pm-narendra-modi-to-launch-rs-8000-crore-scheme-for-free-lpg-connections-to-poor/articleshow/51943231.cms>

Oversupply persists in oil markets

Oil, as an asset, has gained charm in recent weeks with prices rising for the second month in a row. WTI and Brent have gained by around 11.5 per cent and 10 per cent, respectively, in April till date. In March, they were up by around 13.6 per cent and 10.09 per cent, respectively, indicating increased investor interest in the asset class. However, it's not all rosy, although March marked the market's best quarterly gains since mid-2015. Many believe that the rally could fade soon if the major crude exporters go in for an output freeze. Market watchers believe that the rebound in US crude from the 12-year lows touched in February was due more to short covering rather than improving fundamentals. The April 17 meeting in Doha, between the Organisation of the Petroleum Exporting Countries (OPEC) and other major suppliers, including Russia, did not result in any output freeze.

<http://www.thehindubusinessline.com/markets/commodities/crude-prices-dip-as-global-glut-outweighs-kuwait-oil-strike/article8492858.ece>

India's dependence on crude oil imports on rise as consumption increases

Domestic crude oil production fell for the fourth straight year in 2015-16, even as oil consumption rocketed 11%, pushing up India's import dependence. A collapse in oil prices coupled with a rapid economic growth has helped push up oil consumption at home. More vehicle purchases, increased use of diesel for irrigation due to weak monsoon and rising air traffic chiefly drove up consumption to 183.5 million metric tonne (mmt), compared to 165.5 mmt in the previous year. In comparison, India produced just 36.9 mmt of crude oil in 2015-16, lower than 37.5 mmt in the previous year. The country's largest oil producer, state-run Oil and Natural Gas Corporation (ONGC), witnessed an output decline to 18.5 mmt from 18.6 mmt in the previous year. Oil producers have been struggling with ageing fields where outputs have been falling.

The Economic Times - 22.04.2016

http://economictimes.indiatimes.com/industry/energy/oil-gas/indias-dependence-on-crude-oil-imports-on-rise-as-consumption-increases/articleshow/51934359.cmsutm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

PSU oil firms to spend Rs2,500 crore to open 3,100 fuel stations

State-owned oil companies will spend Rs.2,500 crore to open close to 3,100 fuel stations this financial year as rivals from the private sector step on the gas, multiple company officials said. According to officials at oil marketing companies (OMCs), the full impact of diesel price deregulation, which was introduced in October 2014, will be seen this fiscal year, and they have already introduced measures to take on competition. India's three OMCs—Indian Oil Corp. Ltd (IOCL), Bharat Petroleum Corp. Ltd (BPCL) and Hindustan Petroleum Corp. Ltd (HPCL)—together sell over 95% of all petrol and diesel consumed in India. Historically, diesel was sold at subsidised prices in India, with the government compensating the OMCs later. Private fuel marketers received no such subsidy, and were edged out of the market. However, with subsidies now phased out, companies such as Reliance Industries Ltd (RIL) and Essar Oil are finding the market attractive. Cheaper crude oil, stable fuel prices and rise in fuel demand also have sparked optimism.

The Hindu Business Line - 19.04.2016

<http://www.thehindubusinessline.com/markets/commodities/oversupply-persists-in-oil-markets/article8495099.ece>

Oil prices set for one of the biggest weekly rises in 2016

Oil prices rose in Asian trade on Friday, setting crude futures on course for solid weekly gains, as market sentiment becomes more upbeat despite ongoing oversupply. International benchmark Brent crude futures were trading at \$44.98 per barrel at 0418 GMT, up 45 cents or 1 percent from their last settlement. US West Texas Intermediate (WTI) crude was up 50 cents or 1.2 per cent at \$43.68 a barrel. Brent has risen about 4.5 per cent so far this week and WTI 8 per cent, putting the contracts on track for a solid price rally. Crude is up by more than two-thirds since its 2016 lows between January and February. Traders said that sentiment in the entire commodity complex had turned more confident, with new cash being put into the market by investors, lifting prices. Another factor has been producers taking advantage of higher prices by locking in production.

The Financial Express - 22.04.2016

<http://www.financialexpress.com/article/markets/commodities/oil-prices-set-for-one-of-the-biggest-weekly-rises-in-2016/241211/>

'India to be 4th largest solar market in 2016'

India is set to become fourth largest solar market this year and pip 3 major European markets - the UK, Germany and France - with likely capacity addition of 5.4 GW in 2016. "India is poised to become the fourth largest solar market in 2016, leaving behind three major European solar markets (UK, Germany and France) with expected new capacity addition of 5.4 GW in 2016," consulting firm Bridge to India said in its latest edition of India Solar Handbook report. According to the report, with rapid falling costs and increased demand for solar installation, the market has seen tremendous growth over past 12 months, making it one of the most favourable markets for investments from global players. As per the report, about 65 GW of solar capacity is expected to be added globally in 2016, with Asian countries dominating the global PV market. As of April 2016, India has already installed 6.6 GW of utility scale solar and 740 MW of rooftop solar capacity.

Business Standard - 22.04.2016

Mint – 20.04.2016

<http://www.livemint.com/Companies/bN5rBQDxM5WBh9qcDltDrJ/PSU-oil-firms-to-spend-Rs2500-crore-to-open-3100-fuel-stat.html>

Govt allows officers to travel in airlines other than AirIndia

Government has relaxed the rules of air travel by its officials allowing them to fly in airlines other than Air India but with certain conditions. In an office memorandum, the Home Ministry said officers are now allowed to travel by airlines other than Air India in deserving cases due to operational or non-availability or other reasons with effect from April 1, 2016. Quoting a communication of the Civil Aviation Ministry, Home Ministry said it has devised guidelines as well as proforma for requests for relaxation to travel by airlines other than Air India. The laid down conditions to avail the facility include request for relaxation must be submitted to Integrated Finance Division (IFD) at least 7 working days in advance from the date of travel, submission of non-availability of seats (NAS) certificate issued by authorised agents besides others.

The Times of India - 20.04.2016

<http://timesofindia.indiatimes.com/india/Govt-allows-officers-to-travel-in-airlines-other-than-AirIndia/articleshow/51913359.cms>

Foreign Tourist Arrivals grew 10% yoy

Foreign Tourists Arrivals (FTAs) during the period January - March 2016 were 25.08 lakh with a growth of 10.0% as compared to the FTAs of 22.81 lakh with a growth of 3.5% in January-March 2015 over January - March 2014. FTAs during the Month of March 2016 were 8.17 lakh as compared to FTAs of 7.29 lakh during the month of March 2015 and 6.90 lakh in March 2014. There has been a growth of 12.1% in March 2016 over March 2015. Foreign Exchange Earnings (FEEs) during the month of March 2016 were Rs. 13,115 crore as compared to Rs. 11,133 crore in March 2015 and Rs. 10,479 crore in March 2014. Ministry of Tourism compiles monthly estimates of Foreign Tourist Arrivals (FTAs) on the basis of Nationality wise, Port-wise data received from Bureau of Immigration (BOI) and Foreign Exchange Earnings (FEEs) from tourism on the basis of data available from Reserve Bank of India. The following are the important highlights regarding FTAs and FEEs from tourism during the month of March 2016.

India Infoline - 21.04.2016

http://www.indiainfoline.com/article/news-top-story/foreign-tourist-arrivals-grew-10-yoy-116042100361_1.html

http://www.business-standard.com/article/pti-stories/india-to-be-4th-largest-solar-market-in-2016-116042201108_1.html

India's domestic air passenger traffic grows 25% in March

Domestic air passenger traffic continued to soar high in March, registering a growth of 25.25% at 78.72 lakh fliers from 62.85 lakh fliers in the same month last year, according to Directorate General of Civil Aviation (DGCA) data. The number of passengers carried by airlines during January-March jumped 24.03% to 230.03 lakh fliers this year from 185.46 lakh fliers in the period last year. IndiGo increased its market share to 38.4% in March from 36.8% in the previous month. Jet Airways saw its share reduce to 17.6% during the month from 18.4% in the preceding month. Similarly, SpiceJet's market share declined to 12.8% from 13.1% in February 2016. Air India also witnessed a fall in March to 14.7% from 15.4% in February 2016. Smaller carriers such as AirAsia India, Vistara and Air Costa either retained their market share or saw a marginal decline.

Travel Biz Monitor - 22.04.2016

<http://www.travelbizmonitor.com/Ministry/indias-domestic-air-passenger-traffic-grows-25-in-march-30305>

Air ticket cancellation fee

Cancelling an air ticket comes at a cost, but now you will have to pay much more. This month, low-cost airlines, including IndiGo, SpiceJet and GoAir have increased their cancellation fees by Rs.150-350. The previous hike was in February. Budget carrier SpiceJet has increased its cancellation charges to Rs.2,250 on domestic routes and to Rs.2,500 on international routes. Earlier, the charges were Rs.1,899 and Rs.2,349, respectively. IndiGo has increased its cancellation fee to Rs.2,250, while GoAir has revised this to Rs.2,225 from Rs.1,900, an increase of Rs.325. Usually, all cancellation fees are deducted from the total amount of the basic fare plus fuel charges and the remaining amount is refunded. But if the base fare and fuel charge together are lower than the cancellation fee, then the entire amount will be deducted as cancellation charges. Hence, you will not get any refund. For instance, a Pune-Ahmedabad one-way ticket for 13 May costs Rs.2,054.

Mint - 25.04.2016

<http://www.livemint.com/Money/f0NVAojf1XouCNBLCUwsvL/OMG-Air-ticket-cancellation-fee.html>

Indian Railways to run time-tabled freight trains

After recording a dismal growth of 1% freight loading in FY16, Indian Railways has embarked on significant reforms in its freight policies in order to meet the budgeted incremental loading target of 50 million tonnes or 4.5% for FY17. The transporter has already started identifying sections to run the first of its kind "time-tabled" freight trains on a pilot basis, starting May-June this year. These time-tabled freight trains, which will reach their destinations in specified time, will initially be for parcel and container traffic on selected routes where there is an opportunity of free passage for a few hours. The IR is looking at running such container trains on the Jaipur-Ahmedabad-Pipav Port and the Delhi-Mumbai routes. The national carrier will also run time-tabled parcel trains on Delhi-Howrah-Guwahati routes and is also contemplating on transporting time-tabled coal-laden freight trains on the Delhi-Mughalsarai route.

The Financial Express - 21.04.2016

<http://www.financialexpress.com/article/economy/indian-railways-identifies-routes-to-run-time-tabled-freight-trains/240494/>

Kumar is Nominee Director of NHPC Ltd

Power Trading Corporation of India has got Jayant Kumar as the Nominee Director of National Hydroelectric Power Corporation Limited, Bureaucracy Today has learnt. Jayant Kumar has been the Chief Financial Officer and Director of Finance at NHPC Ltd. since May 26, 2015. He is Cost Accountant by profession, and has eminent career in NHPC. He has rich and varied experience of over three decade in the Corporate Financial Management. Kumar is responsible for the entire gamut of Financial Management of the organization including Resource Mobilization, Optimum Utilization of Funds, Budgetary Control and investment decisions, Tariff etc. He has led several landmark transactions for the corporation such as Initial Public Offer (IPO) in 2009, Issuance of Tax free Bonds in 2013, Buy Back Offer of shares in 2013.

Bureaucracy Today - 21.04.2016

<https://bureaucracytoday.com/psumarket.aspx?id=98858>