

(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 could grow 8% during 2016-2020: Goldman Sachs

An improvement in ease of doing business coupled with gains from higher education levels and convergence in Technology is expected to put India on a higher growth trajectory, according to American financial services major Goldman Sachs. It has forecast India's potential economic growth could rise to 8% over the period FY16- 20 from 7% in FY12-15, going by the new GDP or gross domestic product series. "A convergence of technology, gains in education, and improving ease of doing business due to less red tape ("TEE"s) could be the key drivers of growth, in our view "said Tushar Poddar, chief India economist, Goldman Sachs. It expects India's GDP to grow by 7.5% in FY'16. Justifying its stand Goldman Sachs said that by 2020, India's economy could gain over 300 million more internet users and 50 million more high-school graduates. It is already adding 200 thousand bank accounts every day, and nearly 800 government services have moved online, reducing red tape.

The Economic Times - 14.09.2015

<http://economictimes.indiatimes.com/news/economy/indicators/india-could-grow-8-during-2016-2020-goldman-sachs/articleshow/48957419.cms>

Government making concerted efforts for faster, inclusive growth: Bandaru Dattatreya

Government is making "concerted" efforts for achieving faster and more inclusive growth for improving working condition of workers and skilling youth, Labour Minister Bandaru Dattatreya has said. "Government is making concerted efforts for achieving faster (and) more inclusive growth, bringing improvement in the living and working conditions of the unorganised workers and equipping the youth and new labour market entrants with appropriate skills," Dattatreya said at an award function. India has a strong workforce of around 47 crore with 1.2 crore entering labour market every year. He further said that the Ministry is in the process of making four unified labour codes as per the recommendations of 2nd National Labour Commission. Also present at the event, Labour Secretary Shankar Aggarwal said,

India a \$4 trillion economy in the making; expect multibagger return from equities

Foreign investors are quite keen on India and are rather optimistic on its economic prospects, but political impediments to reforms could dampen their interest, Finance Minister Arun Jaitley said on Monday in an interview with ET Now. India's economy is likely to expand by a faster clip this year than last year's 7.3%, and the government aims to catapult this growth rate to double digits, Jaitley said. "The investors are very keen on India. A number of them are quite bullish on India and many of them are very optimistic, but cautiously so, because they want Indian reform story to go on and they do not want domestic constraints of India's politics at some stage to block that story," Jaitley added. Despite global headwinds, analysts on Dalal Street are also confident that India should be able to revive its GDP growth in the coming years and outperform other emerging market economies (EMs).

The Economic Times - 21.09.2015

<http://economictimes.indiatimes.com/markets/stocks/news/india-a-4-trillion-economy-in-the-making-expect-multibagger-return-from-equities/articleshow/49041326.cms>

India Will Ensure Economic Fundamentals Remain Strong: Jaitley

Ahead of the much-awaited monetary policy update by the US Federal Reserve on Thursday, India's Finance Minister Arun Jaitley said the country's economic fundamentals will be kept strong through appropriate policy interventions to meet eventualities and keep attracting investments. "In such a situation where there is turmoil almost by the day in global markets, we are trying to make the fundamentals of our own economy strong so our ability to resist these changes can substantially improve," Jaitley said. "Without investment, there is going to be no additional economic activity," he told the India Economic Convention organised here by the Federation of Indian Chambers of Commerce and Industry (FICCI). The remarks come just ahead of the Federal Open Market Committee of the US meeting on Thursday to review the

"We are trying to simplify labour laws to make life simple for industries and young entrepreneurs."

The Economic Times - 17.09.2015

<http://economictimes.indiatimes.com/news/economy/policy/government-making-concerted-efforts-for-faster-inclusive-growth-bandaru-dattatreya/articleshow/49004563.cms>

Gujarat ranks first in ease of doing business: World Bank report

Gujarat emerged as number 1 state in ease of doing business with 71.14% according to World Bank reports. Andhra Pradesh followed Gujarat with 70.12%. Jharkhand, Chhattisgarh and Madhya Pradesh emerged as top 5 states along with Andhra Pradesh and Gujarat in ease of doing business which is basically an assessment of business reforms sponsored by the Department of Industry Policy and Promotion (DIPP). Among the major states, West Bengal occupied 11th slot, Tamil Nadu (12th), Haryana (14th), Delhi (15th), Punjab (16th), Himachal Pradesh (17th), Kerala (18th), Goa (19th), Bihar (21st) and Assam (22nd). Arunachal Pradesh is ranked the last with 1.23%. The ranking of the states, prepared by the World Bank at the behest of the government, was based on eight specified parameters which include setting up of business, allotment of land, labour reforms and procedure for environmental clearance.

DNA - 14.09.2015

<http://www.dnaindia.com/money/report-gujarat-ranks-first-in-ease-of-doing-business-world-bank-report-2125147>

Commerce minister seeks sops for exports

Faced with falling exports, the commerce department has sought fresh government support to prop up the flow of goods from the country. Sources said more funds have been sought for the Merchandise Exports from India Scheme (MEIS) in addition to Rs 9,000-10,000 crore for reviving the interest subsidy scheme for select sectors. The scope of the interest subvention scheme is almost identical to the one announced by UPA although the coverage is proposed to be expanded to cover more engineering products, processed food items and electronic goods. The interest subsidy scheme is expected to cost around Rs 2,000 crore annually but funding has been sought for five years to provide policy certainty, said sources. The request for more assistance comes at a time when exports are down over 16% during April-August and have registered a decline for nine months in a row. With

interest rate regime, which the global financial markets, including India, are watching very keenly.

The New Indian Express - 17.09.2015

<http://www.newindianexpress.com/business/news/India-Will-Ensure-Economic-Fundamentals-Remain-Strong-Jaitley/2015/09/17/article3033133.ece>

Inflation to be kept low while reforms implemented: RBI

Reserve Bank of India (RBI) Governor Raghuram Rajan on Friday said inflation should be kept low not only now but also in the future, adding that reforms are needed for sustainable growth. Rajan said at an event here that keeping inflation down and implementing reforms are needed for maintaining sustainable growth. There are expectations that the RBI would reduce interest rates at its next monetary policy review later this month. This has been reinforced with the US Federal Reserve deciding to hold its interest rates much against the earlier expectation they would be hiked. On the US Federal Reserve's decision, Rajan said this could be due to concerns about the American economy. He said the US may be waiting for more information before deciding on a rate hike. Rajan also said the banks should quickly balance their books, adding there was need for a bankruptcy code to enable the lenders better handle their loan accounts.

Business Standard - 18.09.2015

http://www.business-standard.com/article/news-ians/inflation-to-be-kept-low-while-reforms-implemented-rbi-115091800363_1.html

India can boost exports by \$500 bn with trade liberalization: Study

India could increase its exports by \$500 billion per year by joining the next stage of the Trans-Pacific Partnership (TPP) trade agreement after implementing economic reforms proposed by the Narendra Modi government, according to a new study. The study "India's Rise: A Strategy for Trade-Led Growth" by C. Fred Bergsten of the Peterson Institute for International Economics, was released here Thursday ahead of the first-ever India-US Strategic and Commercial Dialogue starting Monday. Presenting the study at an event here, Bergsten argued trade liberalization would enable India to increase its annual economic growth to 8 to 10 percent, as targeted by the government of Prime Minister Modi. Millions of new jobs would be created as a result, and poverty would be substantially further reduced, he said. "By

commodity prices continuing to fall, analysts are already lowering the forecast for the current year and say exports will be significantly lower than last year's level of \$310 billion. A revival of exports is also critical for a pick-up in the industrial production.

The Times of India - 21.09.2015

<http://timesofindia.indiatimes.com/business/india-business/Commerce-minister-seeks-sops-for-exports/articleshow/49039267.cms>

Exports declined by 20.7 percent in August

Trade deficit rises to US\$ 12.48 billion in August 2015 from US\$ 10.67 billion in August 2014. India's merchandise exports continued to decline for ninth straight month at 20.7% to US\$ 21.27 billion in August 2015 over a year ago. Meanwhile, merchandise imports also declined 9.9% to US\$ 33.74 billion. The trade deficit increased 17% to US\$ 12.48 billion in August 2015 from US\$ 10.67 billion in August 2014. Oil imports plunged 42.6% to US\$ 7.36 billion, while non-oil imports increased 7% to US\$ 26.39 billion in August 2015 over August 2014. The share of oil imports in total imports was 21.8% in August 2015, showing sharp decline from 34.2% in August 2014. India's basket of crude oil plunged 53.6% to US\$ 47.33 per barrel in August 2015 over August 2014. Among the non-oil imports, the major contributors to the overall decline in imports were pearls and precious stones 14% to US\$ 1.16 billion, coal 22% to US\$ 0.97 billion, metalliferous ores 23% to US\$ 0.62 billion.

Business Standard - 15.09.2015

http://www.business-standard.com/article/news-cm/exports-dip-20-7-in-august-2015-gold-imports-jump-140-115091501425_1.html

US is the best partner for 'Make in India': US Under Secretary of Commerce

The United States is the best partner for Prime Minister Narendra Modi's "Make in India" campaign as the two nations seek to reinforce their strategic interests through commerce, a senior US government official said Tuesday. Under Secretary of Commerce Stefan Selig said that because the US produces "the best manufacturing exports" India will have "no better partner" in its bid to make the country "an elite manufacturing hub on the global stage." Briefing reporters here on the US-India Strategic and Commercial Dialogue (S&CD) to be held in Washington next week, he said the meeting "will examine how achieving our commercial goals can advance our mutually reinforcing strategic interests, including those under President Obama's rebalanced Asia and Prime Minister Modi's Act East policy." Vice

contrast, India will lose as much as \$50 billion of current exports because of increasing discrimination against it by other countries if it remains outside the new global trade network," according to the study.

Business Standard - 17.09.2015

http://www.business-standard.com/article/news-ians/india-can-boost-exports-by-500-bn-with-trade-liberalization-study-115091701166_1.html

Only 12% employees spend 10 years in a job

Aspirations of an upwardly mobile career have brought down employee tenures in a single role in organizations with a large majority of people spending just two-five years in their current tenures. A study by executive search firm Executive Access India, the findings of which were exclusively shared with TOI, indicates that as many as 64% of the respondents it surveyed have held their current roles for less than five years and almost 35% of the respondents have held their current tenures for less than two years. In contrast, a minority of 12% have served tenures in a single role exceeding ten years. Just about a decade back, the statistic around people who held their tenures for more than ten years was double this number. "It is alarming that the number of people delivering shorter tenures in an organization is as high as 88%. The 12% the study talks about (those who exceed a decade in their roles) was at least 25% a decade ago.

The Times of India - 16.09.2015

<http://timesofindia.indiatimes.com/business/india-business/Only-12-employees-spend-10-years-in-a-job/articleshow/48979609.cms>

PSUs' capex down 24% in 2014-15

Contrary to the belief that public-sector undertakings (PSUs) were stepping up investments, they actually cut back on their capital expenditure in 2014-15, shows a Business Standard analysis of capital expenditure (capex) by 36 listed PSUs in the past three years. These companies' capex, after increasing 27.8 per cent from Rs 1.32 lakh crore in 2012-13 to Rs 1.69 lakh crore in 2013-14, declined 23.5 per cent to Rs 1.29 lakh crore in the year ended March 31, 2015. These numbers suggest that the PSUs will have to increase their investments by 30.77 per cent in the current financial year to just reach the 2013-14 level. With a collapse in private-sector investments over the past few years, the government had hoped to kick-start an investment cycle by getting cash-rich PSUs, sitting on an estimated

President Joe Biden, Secretary of State John Kerry, External Affairs Minister Sushma Swaraj, will address USIBC's 40th anniversary celebrations.

The Economic Times - 16.09.2015

<http://economictimes.indiatimes.com/news/economy/policy/us-is-the-best-partner-for-make-in-india-us-under-secretary-of-commerce/articleshow/48982795.cms>

Five CPSEs may be shut in three months

The government plans to shut down five central public sector enterprises — HMT Bearings, HMT Watches, HMT Chinar Watches, Tungabhadra Steel Products and Hindustan Cables — in the next three months. "The cabinet has already given the in principle approval for their closure," heavy industries and public enterprises minister Anant Geete said on Tuesday. "Now, we have to send individual proposals relating to voluntary retirement scheme (VRS) of each company to the cabinet for funds. That should be cleared within three months," he said. Employees of the five companies will be offered VRS based on pay scale of 2007 plus additional benefits such as encashment of leave and gratuity. In 2014, the NDA government had cleared an 'improved' voluntary retirement scheme for Central Inland Water Transport Corporation, which was to be followed by its disinvestment. As per the Public Enterprises Survey 2013-14, losses at sick/loss-making central public sector enterprises (CPSEs) declined 29.78 per cent to Rs 20,055 crore in 2013-14 from Rs 28,562 crore in 2012-13.

The Economic Times - 16.09.2015

<http://economictimes.indiatimes.com/news/economy/policy/five-cpses-may-be-shut-in-three-months/articleshow/48979975.cms>

China fuel oil imports to slow further on reforms

Chinese imports of fuel oil will drop further this year and next as reforms in the world's No.2 economy allow more independent refineries to ship in crude oil as an alternative feedstock, traders and analysts said. China is opening its crude oil imports to buyers outside the state-owned sector, with independent refiners so far getting the go-ahead to use a total of nearly 700,000 barrels per day (bpd) in crude imports, or about 11 percent of total crude shipments into the country. With seven refiners already receiving the final greenlight to use imported crude oil and two of them granted licenses to import directly themselves, analysts expect fuel oil to be displaced quickly. Consultancy Energy Aspects

cash reserve of Rs 2 lakh crore, to step up capital investments.

Business Standard - 21.09.2015

http://www.business-standard.com/article/economy-policy/psus-capex-down-24-in-2014-15-115092100054_1.html

WB Govt to tap 1 lakh acres of government land for industry

At a time when availability of land has become a crucial obstacle for industrial projects nationally and has been an important issue of debate at the Centre, the state of West Bengal is planning to tap over one lakh acres available with the government in a bid to woo investors back to the state. Confirming the development, the state's finance minister Amit Mitra, told TOI, "We are pro-poor and pro-business. Bengal is one case where reality is significantly better than perception. The question of land acquisition doesn't arise. The government and its various departments have over one lakh acres of ready land bank, which we have decided to give to business houses to set up industries." West Bengal, under Mamata Banerjee's regime, has been competing hard for big-ticket investments against other states such as Madhya Pradesh, Chhattisgarh, Maharashtra, Gujarat and Tamil Nadu, among others. Highlighting the financial achievements of the state, Mitra said, "Tata Metaliks, a group company of the Tata Group, has been recently allotted 300 acres for expansion.

The Times of India - 15.09.2015

<http://timesofindia.indiatimes.com/city/mumbai/Bengal-woos-investors-with-govt-land/articleshow/48964932.cms>

OPEC sees crude rising to \$80 by 2020 as rival suppliers falter

OPEC expects the average price of its crude oil to rise to \$80 a barrel by 2020 as supply from non-members grows more slowly than expected. Production from nations outside the Organization of Petroleum Exporting Countries will be 58.2 million barrels a day in 2017, 1 million lower than previously forecast, according to an internal research report from the group seen by Bloomberg News. While OPEC expects little stimulus to demand in the medium term as a result of cheaper oil, it estimated that the average price of its crude will increase by about \$5 annually to 2020 from \$55 this year. The impact of current low prices is "most apparent on tight oil, which is more price reactive than

said fuel oil demand could fall by 9 percent next year. "Straight run fuel oil imports have dropped a lot mainly as teapot refineries are getting import licenses for crude," said a trader with a Chinese state-owned company.

The Economic Times - 18.09.2015

<http://economictimes.indiatimes.com/news/international/business/china-fuel-oil-imports-to-slow-further-on-reforms/articleshow/49008276.cms>

High Airport Charges Unlikely to Impact Airfares: Report

Higher airport charges are unlikely to have a major cascading impact on airfares as they account for less than 10 per cent of a carrier's operating costs, according to airport sources. While the quantum of airport charges has been a matter of debate in the country, where the aviation sector has high growth potential, the government is now looking at ways to address the issue of high air fares, especially during festive seasons. An analysis of the financials of airlines indicates that airport charges are not a major cost factor as they account for less than 10 per cent of the carriers' operating costs, according to airport sources. Passing on the reduction in air fuel prices to passengers would result in low air fares substantially while a cut in airport charges is unlikely to have a major impact, they added. Aeronautical tariffs include the parking, landing and navigation fees for airlines, besides levies on passengers under the user development fees. Voicing concerns over the government's plan to privatize the four state-run airports, he had said it might result in a steep hike in user fees.

NDTV Profit - 20.09.2015

<http://profit.ndtv.com/news/aviation/article-high-airport-charges-unlikely-to-impact-airfares-report-1219676>

Air travel may become affordable for aam aadmi as Modi government proposes cap on fares

The Narendra Modi government plans to cap airfares between small towns and cities in an ambitious proposal to throw open the chance of air travel to millions of Indians dependant on crowded ground transport. A proposal under consideration by civil aviation ministry will allow airlines to bid for the right to operate flights between hundreds of small towns and cities located within one hour of flying distance from each other. Airfares between these cities will be capped at Rs 2,000 or Rs 2,500 per passenger. The balance will be paid back to these companies by the government through the levy of a cess on national and

other liquids sources," according to the report. "Supply reductions in the US and Canada from 2014-2016 are clearly revealed." The price of oil has tumbled more than 50 per cent in the past year, triggering a cutback in drilling in the US and other non-OPEC nations.

Business Standard - 17.09.2015

http://www.business-standard.com/article/companies/opec-sees-crude-rising-to-80-by-2020-as-rival-suppliers-falter-115091701077_1.html

Goodbye passport issues, long queues, as India proposes visa-free travel in 15 nations

India aims to propose a system that will allow visa-free, short business trips to 15 other countries under the Regional Comprehensive Economic Partnership (RCEP) free-trade agreement as part of efforts to boost regional commercial ties. The Department of Commerce plans to pitch the idea to RCEP members and has sought home ministry approval for the plan. The business travel card is modelled on that of the Asia Pacific Economic Cooperation (Apec), said a commerce department official. "We have discussed this idea with the ministry of home affairs and they don't seem to have much of a problem with it." RCEP is a 16-country grouping that includes the 10 Association of Southeast Asian Nation Asean members and their trading partners— India, South Korea, Japan, China, Australia and New Zealand. The card will help bonafide business travellers avoid visa documentation and long queues at passport control.

The Economic Times - 16.09.2015

<http://economictimes.indiatimes.com/nri/visa-and-immigration/goodbye-passport-issues-long-queues-as-india-proposes-visa-free-travel-in-15-nations/articleshow/48978634.cms>

Govt says it may take steps to cap high airfares if airlines don't act

Airlines have sought time from the government to address the issue of fares shooting up during peak travel seasons with junior aviation minister Mahesh Sharma hinting that government will exercise all options to cap fares if airlines don't take steps on their own. The aviation ministry had on Tuesday convened a meeting with carriers after Prime Minister Modi had expressed concern over this issue. However, there were sharp differences of opinion between the aviation ministers -- Cabinet minister Ashok Gajapathi Raju and his deputy Mahesh Sharma. Raju told reporters: "We had a very lively discussion on pros and cons, floors and caps (on

international flights. A senior civil aviation ministry official said that India can become the third-largest aviation market in the world, if it makes it's 300 million middle class Indians fly at least once a year through these initiatives.

The Economic Times - 19.09.2015

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/air-travel-may-become-affordable-for-aam-aadmi-as-modi-government-proposes-cap-on-fares/articleshow/49019234.cms>

Airlines may be allowed to handle ground operations under new civil aviation policy

The government is likely to allow airlines to handle ground operations on their own in the country's airports, a key change of stance that will meet the demand of carriers and end a court case on the matter. The change will be part of the new civil aviation policy, which will be put up in the public domain for discussions by the end of this month. The government had proposed in 2007 that airlines should outsource ground handling services to one of three agents, including an Air India subsidiary, at the airports of New Delhi, Mumbai, Kolkata, Chennai, Hyderabad and Bengaluru. The airlines opposed the move and went to court, seeking continuation of the existing system. "The policy will allow airlines to continue doing ground handling themselves. The case in courts will immediately end as the government agrees to their demand," said a senior civil aviation ministry official, who did not want to be identified.

The Economic Times - 21.09.2015

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/airlines-may-be-allowed-to-handle-ground-operations-under-new-civil-aviation-policy/articleshow/49038993.cms>

India Easing Law to Allow Special Cargo Ships Between its Ports

In an effort to decongest roads and railways, the government on Monday announced it was easing cabotage law for a period of five years to allow special vessels like Ro-Ro ships for transporting cargo between different ports along its coast. "With this relaxation, vessel operators will be allowed to bring foreign flagged vessels of this category to ply on the coastal routes," the shipping ministry said in a statement. Prior to this move, it was essential under the cabotage law to use Indian ships for carriage of goods between local routes, and foreign ships could be allowed to operate only when domestic vessels were not available. "Such special vessels are in short supply in the country but since they cater to specific class

air fares) with them. Probably, in a week or 10 days we will meet them again and take their suggestions. One suggestion was additional capacity deployment by the airlines during festive season. This could also help in bringing down fares," he said. Raju reiterated that the government does not wish to regulate fares.

The Times of India - 16.09.2015

<http://timesofindia.indiatimes.com/india/Govt-says-it-may-take-steps-to-cap-high-airfares-if-airlines-dont-act/articleshow/48979548.cms>

Govt proposes to include ATF in GST

The government is once again trying to include aviation turbine fuel (ATF) in the goods and service tax (GST) to bring about uniform taxation on the fuel, which comprises around 60% of the cost of airline companies. There were proposals to this effect earlier also but a final decision has not been taken. So far, petroleum products have been kept outside the ambit of GST. Even if ATF gets included in GST, it does not mean that other petroleum products would get included as well. Any decision on ATF taken by the government needs to be approved by the empowered committee of the state finance ministers. If ATF becomes a part of GST, the tax on the fuel will go down to 4% from 30%. Aviation secretary RN Choubey had said earlier the ministry will talk to individual state governments to reduce the prices of ATF so that it benefits airlines, which have run in losses for years. The inclusion of ATF in GST is also a part of the draft civil aviation policy which has been in the works for more than eight months now, and delayed by over four months.

The Financial Express - 17.09.2015

<http://www.financialexpress.com/article/economy/govt-proposes-to-include-atf-in-gst/137061/>

Port Traffic Growth Likely To Languish, Continue To Prefer Market Leader: BofA Merrill Lynch

Weak economic revival and global trade continue to impact the traffic at 12 major ports in the country, according to a study by BofA Merrill Lynch Global Research. The weaker-than-expected domestic revival has impacted non-oil-non-gold imports while weak global growth continues to hit exports growth, says the study. The port sector witnessed a tepid 3.9 per cent year-on-year (y-o-y) growth in the first half of the calendar year 2015. After registering a robust 11 per cent y-o-y growth during 9MFY15, container traffic has slowed down to just 3 per cent y-o-y in the first half of the calendar year 2015 due to weak EXIM trade. The BofA Merrill

of cargo, their availability will make it possible to shift cargo movement for these commodities from road and rail to coastal shipping," the statement said. The availability of Ro-Ro vessels, designed to carry wheeled cargo like automobiles and trucks, is "essential" to develop coastal shipping and decongest roads and railways, it said. It would also enable a green mode of transport reducing fuel intensity and reduce carbon emissions. Cabotage restrictions are in place in many countries to insulate domestic shipping industry from foreign competition as well as for the purpose of national security.

NDTV - 15.09.2015

<http://www.ndtv.com/india-news/india-easing-law-to-allow-special-cargo-ships-between-its-ports-1217506>

Lynch Global Research has recently cut its growth estimates for non-oil-non-gold imports as well as for exports. Despite India's muted power demand growth at 0.5 per cent in the first half of the calendar year 2015 against robust 8.5 per cent domestic coal production growth, the study says that the growth in coal traffic has remained strong at 20 per cent mainly driven by a robust 24 per cent y-o-y growth in thermal coal.

Business World - 18.09.2015

<http://www.businessworld.in/energy-infrastructure/port-traffic-growth-likely-languish-continue-prefer-market-leader-bofa-merrill#sthash.8b9jxZ0T.dpbs>