

(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 set to grow fastest at 7.5 percent

Growing at the fastest pace, India is projected to grow at 7.5 percent in 2016 and 2017 fiscal as China slows to 6.3 percent in 2016 and 6.0 percent in 2017, according to the IMF. The slower pace of China's growth primarily reflects weaker investment growth as the economy continues to rebalance, the International Monetary Fund said in its January update of the World Economic Outlook (WEO). India and the rest of emerging Asia are generally projected to continue growing at a robust pace, although with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. Growth prospects in parts of Asia have diminished somewhat as a result of the unexpectedly big external spill overs from China's growth transition, the WEO said. In contrast, India, a major net commodity importer, continues to grow at the fastest pace among emerging economies. Growth forecasts for most emerging market and developing economies reveal a slower pickup than previously predicted.

*Business Standard - 20.01.2016*

[http://www.business-standard.com/article/news-ians/india-set-to-grow-fastest-at-7-5-percent-116012000078\\_1.html](http://www.business-standard.com/article/news-ians/india-set-to-grow-fastest-at-7-5-percent-116012000078_1.html)

## World Economic Forum: Indian economy needs multiple growth engines, says Arun Jaitley

The Indian economy needs some multiple engines of growth, while the focus for the government now is on reviving private investments, Finance Minister Arun Jaitley said on Thursday. "We have a very noisy democracy, but I am finding that there are more people who want to support growth and the others are a very minuscule minority. Any economy needs multiple engines of growth," he said at a session here on the side-lines of the World Economic Forum annual meeting, organised jointly by the Confederation of Indian Industry and the Boston Consulting Group. "In the past we had fewer such engines and we need a few more. Public investment is one that we are doing. We are concentrating on infrastructure and for the first time in history, we have been able to rationalise the subsidies," Jaitley said. "India is a noisy democracy but I am sure that we would be able to

## Economy to improve; private investments still a concern: Assocham

The country's economy is expected to improve in the coming six months, but private sector investments will be a concern due to sluggish capacity utilisation and pressure on profit margins, according to an Assocham Bizcon Survey. Nearly 63 per cent of the poll respondents felt "the state of economy would be better in the coming six months". However, it found that lack of investment appetite in the private sector in the backdrop of lower capacity utilisation, excess supply and continuous pressure on profitability are the key areas of concern for the next few quarters. In terms of the domestic investment, 58.3 per cent respondents felt there has been no change in the investment plans at the level of individual firms. The sentiment seems to remain muted, going forward with 62.5 per cent respondents of the view that January to March 2016 quarter would not see much change in the investment levels.

*The Economic Times - 24.01.2016*

<http://economictimes.indiatimes.com/news/economy/indicators/economy-to-improve-private-investments-still-a-concern-assocham/articleshow/50704665.cms>

## India can be a bright spot, says economist Nouriel Roubini

India, with an accelerated pace of reforms, has the potential to be one of the bright spots in a woe-stricken global economy, says "Dr Doom" Nouriel Roubini, the US-based economist famous for calling the 2008 global financial meltdown. Roubini, who goes by various monikers including "permabear" for his usually circumspect views of things, told ET in an interview that while structural reforms in India were directionally right, the speed of policy changes could be faster. The Turkey-born, Italy-raised professor of economics and international business at New York University's Stern School of Business will be a guest speaker at the Economic Times Global Business Summit on January 29-30 in Delhi. He will be among a long list of luminaries speaking at the summit, due to be inaugurated by Prime Minister Narendra Modi. Roubini, 57, who specialises in emerging

get all of them through. Some measures have got delayed but none of them have actually hit a complete roadblock," he added.

*The Economic Times - 22.01.2016*

<http://economictimes.indiatimes.com/news/economy/policy/world-economic-forum-indian-economy-needs-multiple-growth-engines-says-arun-jaitley/articleshow/50671264.cms>

## **China's growth hits 25-yr low, raises stimulus hope**

China's economy grew at its weakest pace in a quarter of a century last year, raising hopes Beijing would cushion the slowdown with more stimulus policies, which in turn prompted a rally on the country's rollercoaster share markets. Growth for 2015 as a whole hit 6.9% after the fourth quarter slowed to 6.8%, capping a tumultuous year that witnessed a huge outflow of capital, a slide in the currency and a summer stocks crash. Concerns about Beijing's grip on economic policy have shot to the top of global investors' risk list for 2016 after a renewed plunge in its stock markets and the yuan stoked worries that the economy may be rapidly deteriorating. China's slowdown, along with the slump in commodity prices, prompted the International Monetary Fund (IMF) to cut its global growth forecasts again on Tuesday, and it said it expected the world's second-largest economy to see growth of only 6.3% in 2016. Data from China's statistics bureau showed that industrial output for December missed expectations with a rise of just 5.9%, while electric power and steel output fell for the first time in decades last year.

*The Times of India - 20.01.2016*

<http://timesofindia.indiatimes.com/business/international-business/Chinas-growth-hits-25-yr-low-raises-stimulus-hope/articleshow/50646716.cms>

## **Manufacturing to move into 'zero defect, zero effect' category**

Just weeks after the high-profile launch of Start-up India, the Centre is looking at rolling out yet another major initiative, dubbed ZED, which was first mentioned by Prime Minister Narendra Modi in his 2014 Independence Day speech and yet again last week. The acronym stands for zero defect, zero effect (on the environment) — high quality manufacturing that's also green. Expected to be launched in March, the programme is to be widely discussed at Make in India week next month. Officials said the initiative is meant to raise quality levels in the unregulated micro small and medium enterprises (MSME) sector, the engine of growth for the Indian economy, driving almost 38% of the nation's GDP and employing 110

markets, said the world economy had moved to a lower growth trajectory for some time to come and predicted emerging market growth now at 4-5% compared with 5-6% earlier.

*The Economic Times - 20.01.2016*

<http://economictimes.indiatimes.com/news/economy/policy/india-can-be-a-bright-spot-says-economist-nouriel-roubini/articleshow/50646642.cms>

## **Export crisis, Rupee slides and bowling woes**

India's merchandise exports declined for the 13th consecutive month, according to the December trade data released last week. Shipments fell 14.75% in December from last year, although they rose compared to November levels. The commerce ministry has projected that India's exports in 2015-16 would fall by around 13% to a level of \$270 billion compared to 2014-15. The poor performance has made the task of achieving the government's target of taking exports of goods and services to \$900 billion a daunting task. Weak global demand and a relatively stronger rupee are being seen as a major reason for the tepid performance, according to experts. The situation could worsen further if China devalues its currency even more. Riding on high gross refining margins due to low crude prices, Reliance Industries Ltd (RIL) posted a record 39% increase in profit for the quarter ended 31 December. RIL's net profit, which stood at Rs7,290 crore, surpassed the Rs7,100.4 crore median profit estimate of analysts polled by Bloomberg.

*Mint - 24.01.2016*

<http://mintonSunday.livemint.com/news/export-crisis-rupee-slides-and-bowling-woes/2.4.3792805116.html>

## **Govt might tap rich PSUs for more dividend**

Cash-rich Coal India Ltd (CIL) and a clutch of oil-marketing firms may be called upon by the government to cough up larger dividends this time around to help meet the shortfall from other public sector enterprises and state-owned lenders. The government has estimated revenues from dividends from public sector enterprises and other investments at Rs 36,174.14 crore for 2015-16 as against Rs 28,423 crore received in 2014-15. Most state-owned lenders could see their profits shrink further as they provide for non-performing assets and 'emerging stress'. Moreover, they also need to maintain capital adequacy ratios to adhere to Basel III norms. In H1FY16, a clutch

million Indians. It's thereby seen as a cornerstone of the flagship Make in India programme, which is aimed at turning India into a global manufacturing hub, generating jobs, lifting incomes and boosting growth.

*The Economic Times - 21.01.2016*

<http://economictimes.indiatimes.com/news/economy/policy/manufacturing-to-move-into-zero-defect-zero-effect-category/articleshow/50664212.cms>

### **Crude oil dips below \$28**

Brent oil dipped to below \$28 a barrel as it extended declines after international sanctions on Iran were lifted, paving the way for increased exports from the Organization of the Petroleum Exporting Countries (Opec) producer amid a global glut. Futures lost as much as 4.4 per cent in London, slipping to the lowest since November 2003. Iran is beginning efforts to boost output and exports by 500,000 barrels a day now that restrictions have been lifted, Amir Hossein Zamaninia, deputy oil minister for commerce and international affairs, said on Sunday. Saudi Arabia's Oil Minister Ali al-Naimi said prices will rise, and that market forces and cooperation among producing nations will lead to stability. "There is ongoing negative pressure on oil prices from oversupply," Ric Spooner, a chief analyst at CMC Markets in Sydney, said by phone. "Iran is not new, but we've arrived now at the point where sanctions have been removed and it's going to be a key focus for the markets over coming weeks".

*Business Standard - 19.01.2016*

[http://www.business-standard.com/article/international/crude-oil-dips-below-28-116011900035\\_1.html](http://www.business-standard.com/article/international/crude-oil-dips-below-28-116011900035_1.html)

### **Indian basket of crude oils goes sub-\$25 a barrel**

With Iran declaring its intent to increase current oil production by around 50 percent, the Indian basket of crude oils fell overnight by over a dollar and half, at close of trade, to under \$25 a barrel on the previous trading day on Monday, as per official data here. The Indian basket, comprising 73 percent sour-grade Dubai and Oman crudes and the balance in sweet-grade Brent, closed on Monday at \$24.96 for a barrel of nearly 160 litres. It had touched a previous monthly low of \$24.21 in April of 2003. Marking a 13-year low, the price of the Organisation of Petroleum Exporting Countries (OPEC) basket of twelve crudes stood at \$23.58 a barrel on Monday, compared to \$24.74 on the previous Friday, said the organisation's secretariat said. India can resume its unrestricted import of oil from Iran, which is expected to increase its export of 1.1 million barrels of oil per

of 25 PSBs collectively reported a 20% y-o-y drop in profits to Rs 16,165 crore and with provisions expected to rise, they are unlikely to be able to match their FY15 collective pay-out ratio of 20%.

*Financial Express - 25.01.2016*

<http://www.financialexpress.com/article/industry/companies/govt-might-tap-rich-psus-for-more-dividend/201390/>

### **Oil plumbs new lows below \$27 as rout persists**

US oil prices crashed below \$27 dollars a barrel on Wednesday for the first time since 2003, caught in a broad slump across world financial markets with traders also worried that the crude supply glut could last longer. Oil has fallen more than 25 per cent so far this year, the steepest such slide since the financial crisis, piling more pain on oil drillers and producing nations alike. Yet they keep pumping more oil into an oversupplied market. Venezuela requested an emergency OPEC meeting to discuss steps to prop up prices, but other delegates dismissed the idea. A UAE shipping firm became one of the first to resume direct business with Iran after international sanctions on Tehran were lifted at the weekend, a reminder of how quickly more oil may flow. "The Iranians are clearly stepping it up to battle for market share in Europe," said John Kilduff, partner at Again Capital LLC in New York.

*The Economic Times - 21.01.2016*

<http://economictimes.indiatimes.com/markets/commodities/oil-plumbs-new-lows-below-27-as-rout-persists/articleshow/50659850.cms>

### **Social spending: Business houses turn misers, PSUs fare worse on corporate social responsibility**

They might be making big bucks but when it comes to shelling out money for social causes, their actions don't match the earnings. Only half of the private companies are fulfilling corporate social responsibility obligations. The government-run public sector undertakings fare even worse. The failure to adhere to spending two per cent of net profit on social activities by corporate houses is hitting many government schemes suffering from fund crunch. Many members of Parliament raised the issue of lack of money to execute work under schemes like Adarsh Gram Yojana. As per the current provisions of Companies Law, certain categories of profitable companies are required to shell out at least two per cent of their three-year annual average net profit towards CSR initiatives. A

day by 500,000 soon, followed by a further 500,000 bpd thereafter, thus adding to the supply glut that has resulted in global prices plunging in a year from levels of \$120-\$130 a barrel to below \$30.

*The Economic Times - 19.01.2016*

[http://articles.economictimes.indiatimes.com/2016-01-19/news/69900666\\_1\\_indian-basket-iranian-crude-barrel](http://articles.economictimes.indiatimes.com/2016-01-19/news/69900666_1_indian-basket-iranian-crude-barrel)

### **Domestic air traffic grows 20.3% in 2015, driven by falling fares**

India's local airlines carried 81.09 million passengers in calendar 2015, as against 67.38 million in the previous year, registering a growth of 20.34%. During December, domestic airlines registered 19.71% growth compared to the corresponding month in the previous year, according to Directorate General of Civil Aviation (DGCA) data published on Monday. Growth was largely driven by falling fares and more flights. On 14 January, Mint reported that India—already the fastest growing aviation market—posted 25.1% growth in domestic passengers carried in November, leaving the US, the world's largest aviation market, a distant No. 2 with 9.1% growth. This was according to data published by the International Air Transport Association (IATA), a lobby group of nearly 260 airlines that represent 83% of global air traffic. India has 10 airlines, including scheduled and regional airlines

*Mint - 19.01.2016*

<http://www.livemint.com/Companies/Y5IXv3r4xb6iYKZCJR06JL/Domestic-air-traffic-grows-203-in-2015-driven-by-falling.html>

### **Thomas Cook to consolidate Kuoni Group's travel business**

Tour operator Thomas Cook (India) Ltd is consolidating the travel business of Kuoni Group in India six months after acquiring it. Under the new structure, Kuoni India Ltd will be renamed SOTC Travels (India) Ltd while the brand Kuoni will cease to exist by December. Thomas Cook acquired Kuoni Travel (India) Pvt. Ltd, a travel operator in India, and Kuoni Travel (China) Ltd, a premium travel operator in Hong Kong, last year. As part of the consolidation, Kuoni's inbound travel businesses SITA Travels and destination management business Domestic Frontiers will be de-merged from Kuoni India and merged into Thomas Cook's unit Travel Corp. (India) Ltd. The third and main travel business—Thomas Cook (India)—will continue to compete with SOTC in the market. Madhavan Menon, chairman and managing director of Thomas Cook, said the company has decided not to integrate the SOTC with itself even though the licence of using the

study by Crisil said that compliance with two percent CSR spending is low even among government companies as only 43 per cent of PSUs adhered to the rule.

*Mail Today - 21.01.2016*

<http://indiatoday.intoday.in/story/social-spending-business-houses-turn-misers/1/575756.html>

### **IRCTC Introduces A Compulsory 35-second Wait To book Tickets Online**

Booking a normal ticket using the Indian Railway Catering and Tourism Corporation (IRCTC) website is a lesser pain now. But if you are trying to get a Tatkal ticket booked, then you may feel that you are participating in Kaun Banega Crorepati's fastest finger first to reach the hot seat. But now, the Ministry of Railways has taken various measures on IRCTC website to control ticket booking using automated software in furtherance to strengthen its Passenger Reservation System (PRS). During a combined press conference held today by the ministry, IRCTC chairman and managing director AK Manocha has announced that now it is not possible to book ticket online before 35 seconds mandatory wait. This move along with other measure has been taken by Indian Railways to facilitate hassle-free booking by genuine ticket seekers.

*Gizmodo - 20.02.2016*

<http://www.gizmodo.in/indiamodo/IRCTC-Introduces-A-Compulsory-35-second-Wait-To-book-Tickets-Online/articleshow/50654032.cms>

### **International airlines woo Indians with discounted tickets**

International airlines have flooded the Indian market with discounted tickets as plunging oil prices have lowered their operating costs, despite the rupee's fall. Indian carriers, which pay for substantial costs in dollars, are also trying to match the offers. In the last one month, big global players like Qatar, Emirates, Etihad, British Airways, Jet and Air India had come out with special offers. According to travel portal Yatra, BA special offer return fares for Delhi New York start at Rs 64,000 against their usual Rs 88,000. Qatar Airways was offering return fares of about Rs 54,000 on this route. Similarly, Yatra said Etihad was offering Delhi-London-Delhi for about Rs 29,000 instead of the usual Rs 41,000. Qatar Airways recently concluded a travel fest where it was offering discounts of up to 50% on its entire network. Similarly, Emirates was offering fares starting at Rs 19,000, Rs 34,000 and Rs 52,550 to the

brand Thomas Cook will expire by 2025. "We are choosing a safer bet by not integrating two brands. However, we will be sharing non-customer facing services such as human resources, IT, legal, administration, media buying and airline buying with Kuoni to derive synergies," Menon said.

*Mint - 21.01.2016*

<http://www.livemint.com/Companies/V6pXTYiJa4FiXeYCMsqQWP/Thomas-Cook-to-consolidate-Kuoni-Groups-travel-business.html>

### **India ranks third on world emerging markets logistics index: Agility**

Climbing two rungs by overtaking Brazil and Indonesia, India ranked third in an emerging markets logistics index for 2016, which rates countries based on business environment. The report, which was released on Monday, ranked China and the United Arab Emirates first and second, respectively. The index ranks 45 leading emerging markets using three metrics. Size and growth attractiveness make up 50% of the overall index score, while compatibility and connectedness each account for 25% of the overall score. The index findings use data on economic output, project growth, financial stability, population size, market access and business regulation, foreign direct investment, market risk and security threat along with country's domestic and international transport infrastructure, and look at how well they connect.

*Mint - 18.01.2016*

<http://www.livemint.com/Politics/r5NYNiNSXQvutKHkY43wN/India-ranks-third-on-world-emerging-markets-logistics-index.html>

Gulf, Europe and Americas, respectively, till recently. Airlines like BA are still offering special fares—Rs 45,000 and Rs 64,000 for India-UK and US (East Coast) return tickets — if bookings are made by the end of this month.

*The Times of India - 22.01.2016*

<http://timesofindia.indiatimes.com/business/india-business/International-airlines-wool-Indians-with-discounted-tickets/articleshow/50676982.cms>

### **Rajeev Sharma CMD-REC recommended for CMD-PFC post**

Public Enterprise Selection Board (PESB) recommended the name of Mr. Rajeev Sharma for the post of Chairman and Managing Director of Power Finance Corporation. Mr. Sharma is currently CMD of Rural Electrification Corporation. Mr. Sharma an ex-employee of PFC is recommended after the interview held on 18-01-2016. He will be taking over from outgoing CMD Mr. M.K. Goel who will be retiring in August 2016.

*Sarkaritel.comm -19.01.2016*

<http://www.sarkaritel.com/rajeev-sharma-cmd-rec-recommended-for-cmd-pfc-post-196615/>