

(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.)

Balmer Lawrie in news

Dainik Jagran
Kolkata 25 August 2015

बामर लारी का मुनाफा 33 फीसद बढ़ा

कोलकाता : कोलकाता स्थित सार्वजनिक क्षेत्र की बामर लारी एंड कंपनी लिमिटेड ने 30 जून, 2015 को खत्म हुई पहली तिमाही में अपने शुद्ध लाभ में 33 फीसद की बढ़ोतरी हासिल की है। इस दौरान यह पिछले वर्ष की समान तिमाही के 24.96 करोड़ रुपये के मुकाबले बढ़कर 33.24 करोड़ रुपये हो गया। आलोच्य अवधि में कंपनी की बिक्री तीन फीसद बढ़कर 760.43 करोड़ रुपये हो गयी। पिछले वर्ष की समान तिमाही में यह 735.86 करोड़ रुपये थी।

आज
21 AUGUST 2015, FRIDAY, LUCKNOW

बालमेर का इंजन डीजल ऑयल बाजार में लखनऊ

बालमेर लारे कंपनी ने आटोमोटिव सेक्टर के लिए बालमेर इंजन डीजल आईल और 4 टी आईल के टेक्नोलॉजिक पैक लांच किये हैं। आयोजित समारोह में कंपनी के सीओओ (ग्रीस एंड लुब्रीकेंट्स) आनंदा सेनगुप्ता ने इन प्रोडक्ट की लॉन्चिंग की। इस दौरान कंपनी ने डीजल इंजन आईल के लिए नई तकनीक डेक्स्ट्रल तथा टू व्हीलर्स के लिए वॉल्वेटेक की लॉन्चिंग भी की। इस मौके पर उत्तरी भारत से आए बड़ी संख्या में डीलर्स और डिस्ट्रीब्यूटर्स मौजूद थे।

India to remain fastest growing major economy for second straight quarter

For investors worried about the health of emerging economies, India's gross domestic product data for April-June should supply some cheer on Monday - the country is expected to remain the fastest growing major economy for a second straight quarter. The median estimate from a Reuters poll of economists put GDP annual growth at 7.4 percent in the quarter, just below 7.5 percent in January-March. But doubts persist over India's new way of calculating GDP, introduced early this year, even though the method gained an endorsement from the World Bank's chief economist. With the change method, India's growth topped that of China in the first quarter this year. Still, India's robust headline growth does not square with the not-so-rosy ground reality. Monday's data is expected to fuel hopes in New Delhi of taking the baton of global growth as China's economic slowdown deepens.

The Economic Times - 31.08.2015

<http://economictimes.indiatimes.com/news/economy/indicators/india-to-remain-fastest-growing-major-economy-for-second-straight-quarter/articleshow/48737385.cms>

Inflation under control and economy in revival mode, says FM Arun Jaitley

Enthused by increase in indirect tax collections, Finance Minister Arun Jaitley on Monday said that the economy is in a revival phase and hinted that it will clock a growth rate in excess of 8% in 2015-16. "Our fiscal deficit figures are under control. Inflation is very much under control. We stand by the growth projections which we made at the beginning of the year and indirect taxation data actually supplements the idea of those projections," he said while addressing a conference of Chief Commissioners and Director Generals of Customs, Central Excise and Service Tax. The Economic Survey presented by Jaitley in February had projected a growth rate of 8.1 to 8.5% for the current financial year. Observing that the indirect tax collections improved by 14.6% in April-July after discounting for the fresh revenue initiatives, the Minister said that the Indian economy is in a revival phase though challenges exist as far as global developments are concerned.

DNA - 24.08.2015

<http://www.dnaindia.com/money/report-inflation-under-control-and-economy-in-revival-mode-says-fm-arun-jaitley-2117881>

Reforms may increase India's ratings: Moody's

Even as the China jitters continued to roil world financial markets, Moody's Investors Service gave a vote of confidence to the Indian economy, placing it higher relative to other countries it rates. "We assess India's economic strength as High (+) relative to all other sovereigns we rate. The size of its economy, its growth rate and our expectation of continued strong economic growth support this assessment," Moody's said in a report, 'Credit Analysis: India, government of ', released on Tuesday. The ratings firm said the Indian economy's scale, currently pegged at \$2 trillion, insulates it to some degree against global or domestic trends that could otherwise hurt growth. It backed the government's reform agenda. Authorities are making efforts to address some of the institutional constraints faced by the country, it said, while also cautioning that such efforts may not immediately improve growth or governance.

The Economic Times - 26.08.2015

http://articles.economictimes.indiatimes.com/2015-08-26/news/65886675_1_baa3-rating-rating-outlook-indian-economy

Won't renew ordinance on land acquisition: Modi

Prime Minister Narendra Modi on Sunday said his government will not renew the land acquisition ordinance that lapses on Monday. He said the ordinance, which was to lapse on Monday, will not be renewed and added that a statutory order would ensure that farmers get higher compensation for their land under 13 other central acts including those for highways and railways. "We had issued an ordinance which lapses tomorrow (August 31). I have decided, let it lapse. We will not renew it," Modi said during his radio address 'Mann Ki Baat' on Sunday. The prime minister, in his nearly 20-minute address, said there were 13 points, referring to already existing acts for acquiring land. He said the rules would be changed to give farmers higher benefit under these laws. Modi said a statutory order was being brought to include 13 central Acts to extend benefits to those farmers whose land is acquired. "The government's heart is clear on the land Act. We are ready to accept any recommendation that favours the farmers."

Business Standard - 30.08.2015

http://www.business-standard.com/article/news-ians/won-t-renew-ordinance-on-land-acquisition-modi-115083000402_1.html

Core concerns could pull down domestic revival

If Monday's mayhem in the stock MARKETS was a wrinkle for investors, the Union government's assurance that the fundamentals of economy are quite strong and that the downside is attributable to external factors maybe heartening albeit insufficient. A closer look at the core sectors of economy shows that the state of affairs are far from satisfactory and worse in the last five years, including the worst-performing years of the UPA government. The depression could even have a ricocheting impact on the government's Make in India push. At 2.4 per cent, the overall growth in core industries during the first quarter has been lower than annual averages since 2010-11, which have been upwards of three per cent and even as high as 6.6 per cent in 2010-11. The performance, according to the government data that capture production in eight core industries, has been the worst in years.

Business Standard - 27.08.2015

http://www.business-standard.com/article/economy-policy/core-concerns-could-pull-down-domestic-revival-115082600472_1.html

Importers' belief in rupee stability makes them go for short hedges

Indian importers are not rushing to hedge their dollar exposure as they did in 2013 as many believe in the rupee's stability and India's improved macro fundamentals. Some importers are also waiting to see what the US Federal Reserve will do next month on interest rates. When the rupee loses value against the US currency, importers spend more on their purchases, whereas exporters earn more for every dollar they receive from overseas sales. "Importers have started hedging but with short-term contracts between 10 days and 30 days," said Keta Kurkute, AVP-forex advisory, Mecklai Financial. "They are awaiting the US Fed policy decision in September, while India's macro fundamentals are much better than they were seen two years ago in August 2013. This makes the rupee stand in a good stead despite all odds." Dealers say the current depreciation of the rupee is not unexpected because the local currency is still overvalued by about 8-10% in terms of the real effective exchange rate.

The Economic Times - 25.08.2015

http://articles.economictimes.indiatimes.com/2015-08-25/news/65847401_1_paise-importers-exchange-rate

Exports face target slip risk

The country could miss the export target of \$310 billion for the current fiscal with shipments contracting for the eighth consecutive month in July. Exporters have been hit by a slump in demand and the yuan devaluation, which makes Chinese products cheaper, will reduce the competitiveness of Indian goods in the global market. Traders said missing the export target seemed imminent unless the government came out with incentives to boost shipments. During the first four months (April-July) of the current financial year, exports were down 15 per cent to \$89.82 billion. Imports declined 12.01 per cent to \$134.86 billion, while the trade deficit stood at \$45 billion. "Export performance has been weak because of poor global demand. The devaluation of the yuan has added to our woes. We are requesting the Centre to step in and reverse the negative trend to achieve the target," said A. Sakthivel, former president of the Federation of Indian Export Organisations (FIEO). Exports stood at \$310 billion in the last fiscal against a target of \$340 billion. For the current year, the government has set a target of \$310 billion, given the tough global situation.

The Telegraph - 31.08.2015

http://www.telegraphindia.com/1150831/jsp/business/story_39890.jsp#.VePIIiWqqko

Cash-rich PSUs told to pay for infra fund

The centre has asked the cash-rich public sector enterprises (PSEs) in the metals & mining, power and oil sectors to fork out Rs 10,000-12,000 crore as special dividend to part-finance the Rs 20,000 crore national investment and infrastructure FUND (NIIF). Finance minister Arun Jaitley had proposed the NIIF in this year's Union budget to catalyse the infrastructure sector by providing both equity and debt support. The special dividend will be in addition to the interim dividend that the PSUs pay to the government out of their profits. "We have already told the profit-making PSEs with cash surpluses to be prepared and declare special dividends after their second quarter results. The quantum for each company would be decided by the finance ministry in October," said a government official privy to the development. Unlike regular dividend, special dividend is not dependant on the profit posted by a company and can be declared out of cash reserve. The government feels that as PSEs are not going to use their entire cash reserves for capital investment, and a portion can be used to mobilise resources for NIIF.

Financial Chronicle - 25.08.2015

<http://www.mydigitalfc.com/news/cash-rich-psus-told-pay-infra-fund-880>

Fall in fuel prices responsible for dip in exports, says Commerce Ministry

As merchandise shipments continue to fall since last December, a top official in Commerce Ministry on Tuesday attributed the declines to sharp fall in fuel prices overseas, which led to a dip in petroleum product exports. Claiming that exports to the US are doing well, Commerce & Industry Ministry additional secretary J K Dadoo said TRADING with the European Union has been impacted due to economic woes of the 27-nation bloc. "Our exports are doing well, while the European Union is still under some pressure because of the ongoing economic pressure there, exports to the US have picked up," Dadoo told a seminar organised by Dun & Bradstreet. "Petroleum prices have been falling and that has affected our exports," he added. It can be noted that in Q1, Reliance, which alone contributes over a quarter of the country's exports reported an over 40% plunge in exports. In July 2014, the merchandise exports had amounted to \$25.79 billion.

DNA 25.08.2015

<http://www.dnaindia.com/money/report-fall-in-fuel-prices-responsible-for-dip-in-exports-says-commerce-ministry-2118438>

Oil price slide likely to cushion shortfall from disinvestments

Using the gains from the low global crude oil prices, the finance ministry is hoping to offset any shortfalls from disinvestment proceeds this fiscal. "There are expected to be about Rs 30,000 crore to Rs 40,000 crore savings in the fuel subsidy as well as additional revenue generation due to the low oil prices, higher excise duty, along with measures such as 'give it up' for LPG subsidy. We have to see how this materialises as the rupee too is very volatile," said a senior official. The finance ministry is banking on these savings to meet any shortfall in revenue from stake sales in public sector units that is necessary to meet the fiscal deficit target. "Minority stake sales in PSUs are going on and it looks like the target will be met. But we have to see what happens in strategic sales," said the official. The Centre had budgeted Rs 69,500 crore from disinvestment in PSUs in 2015-16, of which Rs 41,000 crore is expected from minority stake sales and another Rs 28,500 crore is estimated to be raised through strategic sales.

The Indian Express - 28.08.2015

<http://indianexpress.com/article/business/business-others/oil-price-slide-likely-to-cushion-shortfall-from-disinvestments/>

Why weak crude oil prices may cushion India Inc's bruises from weaker rupee

A strengthening dollar, particularly in a short span, worries investors as a weaker home currency makes import costlier and corporate India imports more than what it exports. But, a closer look at the nature of imports of India Inc reveals that this time around, the pressure of a weaker rupee - it has fallen by 3% in a month — may not be as acute. This is because of the significantly lower price of crude oil, which forms nearly two-thirds of corporate India's imports. The presumption excludes events of extreme turmoil in the currency market. According to the ET Intelligence Group's analysis of the annual import cost and export revenue of the BSE 500 companies, imports by oil and gas companies formed 64% of total imports of the sample in 2014-15. The proportion was between 62% and 67% over the past five years. The sample included 437 companies across sectors, which published annual reports for 2014-15. The sample's aggregate import was Rs 13.4 lakh crore in 2014-15 whereas export was Rs 8.2 lakh crore.

The Economic Times - 31.08.2015

<http://economictimes.indiatimes.com/markets/stocks/news/why-weak-crude-oil-prices-may-cushion-india-incs-brusies-from-weaker-rupee/articleshow/48737336.cms>

Frontload disinvestment plans, govt told

The Government's plans for disinvestment need to be front-loaded to take advantage of supportive market conditions, and to forestall cutbacks in capital expenditure to meet deficit targets, the Reserve Bank has said. In its Annual Report (2014-15), the RBI observed that cutbacks in capital expenditure compromise the quality of fiscal consolidation. It said the projected increase of about 179 per cent in disinvestment receipts, despite a track record to the contrary in terms of actual realisation, poses possible risks to overall budgetary targets for 2015-16. According to the Union Budget, the government is expecting to rake in ₹69,500 crore in the form of miscellaneous capital receipts (₹41,000 crore via disinvestment receipts and ₹28,500 crore via strategic disinvestment) in 2015-16. This includes both disinvestment in loss-making units, and some strategic disinvestment. In the financial year so far, the government managed to sell minority stakes in three public sector companies — Power Finance Corporation, Rural Electrification Corporation and Dredging Corporation — to raise over ₹3,300 crore.

The Hindu Business Line - 28.08.2015

PM's Office Draws Up List of 58 Sick Public Sector Units, Wants Roadmap

The office of Prime Minister Narendra Modi has stepped into the process of divestment, calling for a clear roadmap for 58 loss-making Public Sector Enterprises. It has been decided to close five of these units immediately, 11 will stop getting non-budgetary support. The cabinet secretary had been asked to get an action plan ready for either the revival or the closure of the rest within a month. He has now moved a note asking the Department of Disinvestment to become the nodal ministry and take control over the entire process of overseeing the revival or closure of the sick PSUs. The PMO's directive comes after an earlier effort to make it easy to do business in India and the government unveiled a series of steps to facilitate the process. "It is a matter of great concern for the government because of the insolvency and sickness of the Public sector undertakings... Assets worth crores of rupees are locked in," said the principal secretary in PMO Nirpendra Mishra.

NDTV - 24.08.2015

<http://www.ndtv.com/india-news/pms-office-draws-up-list-of-58-sick-public-sector-units-wants-roadmap-1210549>

IOC stake sale: Govt rakes in Rs 9,300cr amid bloodbath in markets

The government today raised over Rs 9,300 crore from 10 per cent stake sale in IOC after "calls" to institutional investors, like LIC, rescued the sale that was hit by the bloodbath in stock markets. The offer for sale of 24.28 crore shares was over-subscribed by 1.18 times on an overall basis, but retail investors picked up less than one-fifth of their quota. The share sale helped the government get about Rs 9,379 crore. The stake sale, billed as the biggest disinvestment of the fiscal so far, happened on a day when global meltdown wiped away a massive 1,624 points, or nearly 6 per cent, from the benchmark BSE Sensex, dipping IOC shares to Rs 378 as against the auction floor price of Rs 387. Disinvestment Secretary Aradhana Johri termed the sale as highly successful given the market conditions and said with this the government has managed the best ever first half disinvestment collections in seven years. Together with three other disinvestments since April, the government has mopped up over Rs 12,600 crore.

Business Standard - 25.08.2015

<http://www.thehindubusinessline.com/money-and-banking/frontload-disinvestment-plans-govt-told/article7587321.ece>

Government's 10% stake sale not to impact IOC's ratings: Moody's

The government's 10 per cent stake sale in Indian Oil Corp (IOC) will not have any impact on the company's ratings, Moody's Investors Service and Fitch Ratings said today. In separate statements issued today, the two global agencies said that after the stake sale, the government will continue to hold a majority stake of 58.57 per cent in IOC. The government on Monday sold 10 per cent stake in IOCBSE -0.22 % through an offer for sale and raised over Rs 9,300 crore. Moody's Investors Service said IOC's ratings remain supported by its strategic importance to the country, given its position as India's largest refiner and distributor of petroleum products. "The government will retain its majority stake in the company after the stake sale, and as such does not affect our assessment of sovereign support for IOC," Moody's VP and Senior Credit Officer Vikas Halan said. Fitch Ratings said refiner Indian Oil Corporation's ratings is "unaffected" by lower state stake.

The Economic Times – 26.08.2015

http://articles.economictimes.indiatimes.com/2015-08-26/news/65886818_1_stake-sale-refiner-indian-oil-corporation-majority-stake

PSUs not following rules around appointing independent directors: Report

Top public sector units (PSU) are themselves not following the rules around appointing independent directors, a research report by Institutional Investor Advisory Services India Limited (IIAS), a proxy advisory firm. According to the report 31 out of 46 PSU boards (in the S&P BSE 500) do not have an adequate representation of independent directors, primarily because the government is yet to fill these vacancies. The Companies Act 2013 has clarified rules around the independent directors including the number of directors and rule around at least one woman director required on the job. However, many companies are finding it hard to attract independent directors for its board. Industry trackers say that while the independent directors' responsibilities have gone up tremendously the remuneration remains a problem. Add to that, under the new regulations an independent director can end up in jail if the company is ever involved in a fraud or any other malpractice.

The Economic Times - 17.08.2015

http://www.business-standard.com/article/pti-stories/ioc-stake-sale-govt-rakes-in-rs-9-300cr-amid-bloodbath-in-mkts-115082401157_1.html

OMCs stare at inventory loss yet again as crude slips to record low

August appears to be the cruellest month for state-run oil refiners. After posting record profits and inventory gain in the first quarter of 2015-16, they are staring at an inventory loss, as Brent crude price fell to a six-and-a-half-year low in August. The depreciating rupee is fuelling forex losses and the low gross refining margins (GRMs)—profit earned on each barrel of crude oil processed—are likely to have a cascading effect on the profits of refiners. That means the second quarter (July-September) results of Indian Oil Corp. Ltd (IOCL), Bharat Petroleum Corp. Ltd (BPCL) and Hindustan Petroleum Corp. Ltd (HPCL) are unlikely to be rosy. "This will be the quarter when the state-owned refiners will be having a tough task to keep their heads above water. They will have to deal with substantial losses," said an executive from the international trading division of a private refining company.

Mint – 28.08.2015

http://www.livemint.com/Industry/hLq6PoYJBj_rDXklhe4GWN/OMCs-stare-at-inventory-loss-yet-again-as-crude-slips-to-rec.html

India's oil imports to be 90 percent by 2020: Report

India's import dependence on oil is likely to touch 90 percent by 2020 due to widening supply-demand gap on growing appetite for the fossil fuel, a joint study said on Friday. If the trend of importing more oil continues, India's dependence is likely to reach 90 percent by 2020 from 79 percent last fiscal (2014-15) on widening supply-demand gap, accentuated by growing appetite for fossil fuels, said the report titled "Let's energise - Meeting India's growing fuel demand" by India-Tech Foundation and PricewaterhouseCoopers Ltd (PwC). Noting that the country had to diversify its energy basket through use of alternative fuels, the report said otherwise higher percentage of GDP (gross domestic product) would have to be spent on imports, increasing vulnerability to price shocks. "Though we imported 79-80 percent of our oil needs, spending \$138 billion last fiscal (2014-15), dependence on overseas suppliers will continue due to limited domestic production," said Deepak Mahurkar, PwC India leader for oil and gas.

Mid Day - 29.08.2015

<http://economictimes.indiatimes.com/news/economy/policy/psus-not-following-rules-around-appointing-independent-directors-report/articleshow/48696549.cms>

Global oil prices stabilise

Oil stabilised on Wednesday after China's central bank moved to support the country's economy, but prices stayed near 6-1/2-year lows as a heavy supply glut kept the market outlook bearish. "Oil is catching its breath a bit and seeing if MARKETS have been oversold or not," Capital Economics commodities economist Thomas Pugh said. Brent was up 20 cents at \$43.41 a barrel intra-day, and U.S. crude was up 15 cents at \$39.46 a barrel. Oil has lost a third of its value since June on high U.S. production, record crude pumping in the Middle East and concern about falling demand in Asian economies. On Monday, both crude oil benchmarks saw their lowest TRADES since early 2009, dropping as much as six per cent in one session after heavy falls in equity markets. "The trend remains down, but in an erratic phase where attempts to recover are being made," PVM Oil Associates director Robin Bieber said. China has cut interest rates and lowered the reserves banks must hold and injected 140 billion yuan into banks through short-term liquidity operations to calm fears about a severe economic slowdown.

The Hindu - 26.08.2015

<http://www.thehindu.com/business/markets/glob-al-oil-prices-stabilise/article7583438.ece>

Lower crude oil price gives lubricants a smoother ride

Oil producers will lose from the falling crude oil prices, but companies using oil as a raw material will be celebrating. Take lubricant makers such as Gulf Oil Lubricants India Ltd (GOLIL) and Castrol India Ltd that use crude oil derivatives as key inputs (base oil and additives). Castrol clocked an operating profit margin of as much as 30% in the June quarter, nearly 10 percentage points higher year-on-year. Its operating performance was also helped by a decline in advertising and sales promotion expenses. Of course, that also suggests Castrol chose not to pass on the full benefits from the declining input costs to end-users. GOLIL clocked an operating margin of 15%, which was higher year-on-year and sequentially but it fell short of Street estimates. But revenue growth was really nothing to write home about for both firms. Since crude oil prices have fallen in the current quarter, these companies should continue to benefit in FY16. Note that there is a lag in the fall in crude oil prices and that of base oil.

Mint - 30.08.2015

<http://www.mid-day.com/articles/indias-oil-imports-to-be-90-percent-by-2020-report/16494167>

Stable global markets spur crude oil prices

Stable world markets coupled with hopes of a healthier world economic growth and demand lifted the Indian basket of crude oil prices to \$44.28 a barrel, official data showed on Friday. Data furnished by the government-run Petroleum Planning and Analysis Cell showed the strengthening of oil prices, after it fell over \$2.50 over the previous weekend to \$42.97 a barrel. As per official data the Indian basket's price stood at \$44.28 per barrel (bbl) on Thursday from \$42.63 per bbl on the previous close on Wednesday. The crash in global equities markets, fears of a slowdown in China and higher inventory build-up in the US had caused global crude oil prices to plunge to a new six-year low on Monday. The Indian basket -- comprising 73 percent sour-grade Dubai and Oman crudes, and the balance in sweet-grade Brent -- had fallen to its lowest since December 2008-- when the prices averaged \$40.61 for the month.

Business Standard - 28.08.2015

http://www.business-standard.com/article/news-ians/stable-global-markets-spur-crude-oil-prices-115082801198_1.html

India's crude oil refinery output jumps 9% in July 2015

India's crude oil refinery output jumped 9% to 18.947 million tonnes (mt) in July 2015 over July 2014, showing acceleration in the pace of growth from 6.2% growth recorded in the previous month June 2015. The output of public sector refineries declined 3.2% to 9.495 mt. However, the output of private refineries surged 9.2% to 7.949 mt, while that of public-private JV refiners shot up five times to 1.503 mt in July 2015. Among public refineries, the output of Indian OIL rose 2.5% to 4.54 mt, while the output of Mangalore Refineries moved up 4.8% to 1.03 mt in July 2015 over July 2014. The output of Numaligarh Refineries improved 3.6% to 0.248 mt, but that of Chennai Petroleum declined 10% to 0.699 mt. The output of Hindustan Petroleum and Bharat Petroleum also declined 27% to 1.041 mt and 0.9% to 1.932 mt in July 2015. Among private refiners, the output of Essar Oil increased 5.1% to 1.748 mt, while that of Reliance Petroleum also surged 10.4% to 6.2 mt in July 2015 over July 2014.

<http://www.livemint.com/Money/DW3uxaYLgBcymA0j2O3EbN/Lower-crude-oil-price-gives-lubricants-a-smoother-ride.html>

Business Standard - 25.08.2015

http://www.business-standard.com/article/news-cm/india-s-crude-oil-refinery-output-jumps-9-in-july-2015-115082501344_1.html

Twin options before new airlines

The government is exploring options whereby new airlines such as Vistara and AirAsia India may be allowed to fly abroad by either buying domestic flying credits from existing carriers or signing an agreement to earn credits within a time frame. Under the present 5/20 rule, the new entrants must have five years of experience in the domestic segment and a fleet of 20 aircraft before they can fly abroad, preventing them from competing with incumbents such as Air India and Jet Airways. The aviation ministry had planned to scrap the 5/20 rule but the move had been unanimously opposed by established carriers. However, after the recent review of the draft aviation policy by Prime Minister Narendra Modi, it was decided that wide-ranging consultations and a consensus among all stakeholders were essential for the successful implementation of any policy. According to ministry officials, under the proposed domestic flying credits (DFC) rule, an airline may be allowed to buy 20-30 per cent of the credits required to fly abroad. An airline can apply for an international permit to destinations that have a travel time of at least six hours or more from India after it accumulates 300 DFCs.

The Telegraph - 31.08.2015

http://www.telegraphindia.com/1150831/jsp/business/story_39891.jsp#.VeQFHwWqgko

With more bang for the buck after rupee's fall, tourists inflows may rise by 15-20%

The sharp fall in the rupee to an all-time low against the US dollar may have sent the markets reeling, but it augurs well for the domestic tourism industry which expects to welcome more foreign tourists during the upcoming peak season starting October. India has become a more attractive destination as foreign tourists stand to save 5-10% on travel in the country, industry executives said. "The rupee depreciation comes as a bonanza for the inbound travel industry as a lot of travellers from Western Europe and the US, who are typically long-stay travellers, will see a significant reduction in their overall cost of travel to India," said Sharat Dhall, president of travel portal Yatra.com. Foreign tourist arrivals have grown about 10% in the past five years. But this year, a stronger dollar, coupled with the e-tourist visa facility extended by government to 77 countries,

Hefty dollar brings a smile to tourists

The fall in rupee against the dollar will be welcomed by travellers heading to India. Because they'll benefit from the exchange rate, they will be able to spend more on travel within the country, entertainment and shopping. This should attract more foreign tourists though Southeast Asian countries are more popular than India as holiday destinations for tourists from the US, the UK and Europe. As foreign tourists from Western countries start arriving, the rupee's fall against the dollar to Rs.66 is bound to be a blessing for the local economy, experts said. Yatra.com president Sharat Dhall says the rising value of the dollar is good news for inbound tourism. "It's an advantage to tourists visiting India. We expect inbound tourism to go up by around 20%." Travel Agents Federation of India (TAFI) president Zakkir Ahmed said, "The rupee's fall may help tourists who have already booked trips. Though the dollar is one of the few currencies that are still holding out in the current economic climate, mid-level tourists from the US tend not to carry too much MONEY. Their expenses would have gone up at home too."

The Times of India - 25.08.2015

<http://timesofindia.indiatimes.com/city/chennai/Hefty-dollar-brings-a-smile-to-tourists/articleshow/48661781.cms>

Overseas airfares rise as rupee dips

International airfares are on the rise as the rupee is falling at a time when students from India fly abroad to join foreign universities, leading to a surge in demand for air travel. Travel professionals say higher airfares and weak rupee could impact outbound tourism significantly in coming months or alter the holiday habits of the middle-class Indian globetrotter. "The return fare from India to UK and Europe was about Rs 51,000 last month. Now, it is closer to Rs 68,000. Similarly, return fare from India to New York and Chicago/Washington in July was Rs 73,000 and Rs 84,000 that is now Rs 96,000 and Rs 91,000. This is due to beginning of student travel season and weakening of rupee," said Benson Samuel of Riya Travels. "The return fare to Mauritius has gone up from Rs 32,000 to Rs 40,000," Samuel added. Anil Kalsi of Delhi-based Ambe World Travels, said airfares have two components —

could result in a 15-20% uptick in the number of tourists from the US, the UK and Europe during the upcoming season.

The Economic Times - 26.08.2015

<http://economictimes.indiatimes.com/industry/services/travel/with-more-bang-for-the-buck-after-rupees-fall-tourists-inflows-may-rise-by-15-20/articleshow/48675807.cms>

Flight tickets may cost more as government mulls cess on airfares

The government is planning to impose a cess of 2 per cent on air tickets in the new civil aviation policy. The money will be utilised for viability gap funding of domestic carriers operating flights to regional and remote areas, such as the Northeast, said sources. Analysts said the move could push up ticket prices. A viability gap funding means the government meets a portion of a project cost to attract private investment. Such funding is usually needed to support projects that are socially significant but fall short of financial viability. Under the proposed aviation policy, the government is looking to enhance connectivity to regional and remote areas. The money garnered through cess will be used to provide funds to airlines to encourage them to fly on these unviable routes. The government is also weighing options to tweak international flying norms for domestic airlines. At present, carriers who have completed five years of domestic operations and have at least a fleet of 20 planes (5/20) are eligible to fly on international routes.

ABP Live - 28.08.2015

<http://www.abplive.in/business/2015/08/28/article697813.ece/Flight-tickets-may-cost-more-as-government-mulls-cess-on-airfares>

Travel trends & culinary trails popular with Indian travellers

Every season brings in a new learning curve, say industry experts about the evolving trends witnessed with Indian travellers. Traditional cookie-cutter packaged tours no longer hold interest for today's Indian consumers. Today, travellers fancy a customised holiday with freedom to create their own tailor made itineraries specific to their interests, be it cuisine-culinary, art-architecture, culture-history or wildlife and adventure. In the current season, the Indian travellers are increasingly preferring being on board in a well-equipped "floating resort" with a delightful array of entertainment options and numerous facilities. Opting for itineraries that enable travellers to re-connect with their inner self — a spiritual refresh and rejuvenation package. Sports tourism has been catching interest

base fares and taxes/surcharge. "The latter are directly linked to CURRENCY valuation. Since they have gone up, average international airfares are up by Rs 3,000 to Rs 4,000," he said.

The Times of India - 26.08.2015

<http://timesofindia.indiatimes.com/business/india-business/Overseas-airfares-rise-as-rupee-dips/articleshow/48674413.cms>

Jet Airways slashes fares on select international routes

In a fresh discounted ticket offer, private carrier Jet Airways today lowered its base fares for both business and economy class for travel on select international routes via its overseas hub Abu Dhabi for a limited period. Tickets under the four-day special discounted fares offer should be booked between Aug 24 and Aug 27 while the travel must commence between September 15 this year and June 15 next year, according to the Jet Airways website. The offer is also available on the flights operated by the partner airline Etihad Airways. The international destinations on which these low fares have been made available include Brussels, London, Paris, Toronto and to select destinations in the Gulf, Middle East, Africa, Europe and USA on flights operated by Jet Airways and Etihad Airways, the airline said.

The Economic Times - 24.08.2015

http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/jet-airways-slashes-fares-on-select-international-routes/articleshow/48657485.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Tourism boards propose single visa for ASEAN countries

Tourism boards of South East Asian countries have mooted a single common visa to boost tourist arrivals from India. "South East Asia has always been an attractive destination for Indian visitors. In fact, India has been consistently been one of the top 10 source MARKETS to this region. Last year we have over 102 million visitors to ASEAN countries and over 3 million were from India," said Manoharan Periasamy, chairman of ASEAN Promotional Chapter for Tourism. ASEAN stands for Association of South East Asian Nations and tourism boards are planning to celebrate Visit ASEAN year in 2017. However, over 80% of Indian tourists went to three countries – Malaysia, Singapore and Thailand – indicated the overwhelming popularity of these destinations. Direct air links is one reason for

especially from affluent Indians (corporate, film moguls, HNI-UHNI etc.) to witness their favourite global sports live by travelling to the host country.

The Economic Times - 27.08.2015

<http://economictimes.indiatimes.com/magazines/travel/travel-trends-culinary-trails-popular-with-indian-travellers/articleshow/48681068.cms>

India, Seychelles sign bilateral agreement to increase number of flights to seven per week

India and Seychelles have signed a bilateral agreement, under which the number of flights between the two countries would increase from the current four per week to seven per week, informed Joel Morgan, Minister of Foreign Affairs and Transport, Seychelles. The agreement was signed in New Delhi. Morgan was speaking at an event to share Seychelles' vision for the Indian market. James A Michel, President of the Republic of Seychelles, was also present at the event. Roy Kinnear, CEO, Air Seychelles, who was also present on the occasion, said, "Depending on the demand for our flights, we will further increase the frequency." In April 2015, Air Seychelles had increased the number of frequencies to India from three to four per week, and further increased connectivity in May 2015 by expanding its code-share agreement with Jet Airways to nine cities, namely Delhi, Chennai, Kolkata, Hyderabad, Bengaluru, Jaipur, Ahmedabad, Kochi, and Thiruvananthapuram.

Travel Biz Monitor - 29.08.2015

<http://www.travelbizmonitor.com/Top-Stories/india-seychelles-sign-bilateral-agreement-to-increase-number-of-flights-to-seven-per-week-28242>

Govt plans subsidy on select routes to boost tier II traffic

In a first, the civil aviation ministry is looking at giving an upfront subsidy to airlines so that the cost of air travel on certain routes is brought within the reach of the common man. Airfares on metro routes, however, are set to get steeper as this subsidy — to be offered on a pre-determined number of seats on certain identified routes to underserved and unserved tourist destinations, places on the religious circuit and those with potential for small scale business travel— will be funded through a levy on air tickets in high-volume traffic generating sectors. As per the blueprint finalised by the ministry and part of the draft civil aviation policy, the government is planning to provide a flat subsidy per seat for a specified number of seats on a select routes. The incentivised route would be put up for competitive

growth of traffic to these countries. "The current need for multiple visas is hindering cross-border tourism in this region.

Business Standard - 27.08.2015

http://www.business-standard.com/article/current-affairs/tourism-boards-propose-single-visa-for-asean-countries-115082700155_1.html

Aviation regulator okays SpiceJet's 'zero baggage' fare scheme

The Directorate General of Civil Aviation (DGCA) has given its nod to no-frills airline SpiceJet to offer discounts to passengers travelling without check-in baggage. As per the scheme firmed up by the airline, all passengers travelling without check-in baggage will be able to avail of a discount of Rs 200 at the time of booking their air tickets. A senior official in the DGCA said, "Passengers will get a discount of Rs 200 if they travel without check-in baggage. But if the passenger reports for the flight with check-in baggage, he will have to pay Rs 400 at the airport." This charge would include a penalty of Rs 200 and the Rs 200 he had availed of as discount earlier. The official added that SpiceJet had sought permission to charge a penalty of Rs 750 per passenger but the government did not approve the levy. "A meeting was held recently in which it was decided that the airline can charge total penalty of Rs 400 only", informed the official. The decision will be communicated to SpiceJet shortly.

The Indian Express - 29.08.2015

<http://indianexpress.com/article/business/companies/aviation-regulator-okays-spicejets-zero-baggage-fare-scheme/>

Indian Logistics: Taking giant leaps forward

The Indian logistics sector is undergoing transformation with a restructuring of both its stakeholders: transportation and storage. Against the backdrop of expansion in the economy, the logistics industry has assumed a pivotal role in reducing costs by improving efficiency and increasing competitiveness. The interplay of infrastructure, technological advancements and newer types of services associated with this industry is likely to define how it is going to help the customers in reducing costs with the provision of efficient services. The expected changes in government taxation policies and regulation of service providers would be the most important factors in the process of development of the industry. That apart, growth of overall logistics network from

bidding and the operator who quotes the lowest subsidy would be awarded the right to avail of the viability gap FUNDING (VGF) support in the sector.

The Indian Express - 27.08.2015

<http://indianexpress.com/article/business/business-others/govt-plans-subsidy-on-select-routes-to-boost-tier-ii-traffic/>

Subdued trade takes toll on container shipping

World trade is slowing. A reason, of course, is a decline in prices as a result of the COMMODITY meltdown. But volumes, too, are declining. True, data from CPB Netherlands Bureau for Economic Policy Analysis shows volumes (seasonally adjusted) increased 2% month-on-month in June. However, compared with January this year, volumes (global import and exports, both) have declined 0.1% and we haven't really seen much of a recovery in the first six months of 2015. The situation in Emerging Asia is worse, with exports from the region having declined 2.8% so far this year. In fact, signs of slowing TRADE are showing up in shipping indices as well. Containerized shipping is now sailing in stormy waters. The Shanghai (Export) Containerized Freight Index (SCFI), which reflects spot rates for container transport from Shanghai to the rest of the world, has risen 23% from its all-time low in July. Still, it is down one-third year-to-date to 675 on 21 August.

Mint - 27.08.2015

<http://www.livemint.com/Money/nqK3X9Oqgd8LWsWSHg8bPO/Subdued-trade-takes-toll-on-container-shipping.html>

the perspective of TRADE would be essential in assisting Government of India's 'Make in India' strategy.

India Infoline - 26.08.2015

http://www.indiainfoline.com/article/news-top-story/indian-logistics-taking-giant-leaps-forward-115082600317_1.html

Re-bidding allowed for private cargo terminals

Private cargo-handling facilities at Union government-owned ports, struggling with rate and other operational issues that have hurt their performance, will be allowed to restructure and better their project terms by offering their terminals for re-bidding to discover revenue share price afresh. At least three such private facilities have or are being put to re-tendering. Private cargo terminals at Union government-owned ports are selected on the basis of revenue share—the entity willing to share the most from its annual revenue will win the project. Chettinad International Coal Terminal Pvt. Ltd and JSW Infrastructure Ltd have applied on a tender issued by Kamarajar Port Ltd, the entity that runs the port at Ennore near Chennai in Tamil Nadu, to examine whether its plan to convert an idle, privately funded iron ore terminal into a coal-handling facility can fetch better revenue share for the port than the one agreed to by the original developer.

Mint -29.08.2015

<http://www.livemint.com/Politics/nGqesYmfv0fNErPIfAoPSK/Rebidding-allowed-for-private-cargo-terminals.html>