

(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 world's 7th most valued 'nation brand'; US on top

India has moved up one position to become the world's seventh most valued 'nation brand', with an increase of 32 per cent in its brand value to \$2.1 billion. The US remains on the top with a valuation of \$19.7 billion, followed by China and Germany at the second and the third positions respectively, as per the annual report on world's most valuable nation brands compiled by Brand Finance. The UK is ranked 4th, Japan is at fifth position and France is sixth on the list. While India and France have moved up one position each since last year, all the top-five countries have retained their respective places. However, the surge of 32 per cent in India's 'nation brand value' is the highest among all the top-20 countries on the list. China has retained its second position despite a decline of one per cent in its brand value to \$6.3 billion. Brand Finance said it measures the strength and value of the nation brands of 100 leading countries using a method based on the royalty relief mechanism employed to value the world's largest companies.

The Economic Times - 02.11.2015

<http://economictimes.indiatimes.com/news/economy/indicators/india-worlds-7th-most-valued-nation-brand-us-on-top/articleshow/49616942.cms>

India to grow at 7.5% in FY16, can combat global volatility, says WB

The World Bank says India, now the world's fastest growing economy, is relatively well-positioned to weather the global volatility and even set for a modest acceleration in growth in the years ahead. "The latest India Development Update expects India's economic growth to be at 7.5% in 2015-16, followed by a further acceleration to 7.8% in 2016-17 and 7.9% in 2017-18," the development lender said in its biannual report "India Development Update" released on Thursday. "However, acceleration in growth is conditional on the growth rate of investment picking up to 8.8% during FY16 to FY18," the bank warned listing a number of reforms the country needs to undertake flagging the goods and services tax as most urgent. It said the country has got a big boost from the lower energy prices that has helped

India to see average growth of 8.8% in next decade: Dun & Bradstreet

India's economic landscape is expected to undergo a major transformation over the next decade and is likely to achieve an average growth rate of around 8.8 per cent, a Dun & Bradstreet report says. According to the report, this increase in growth rate would culminate into high per capita income over the years. "We believe India has the potential to achieve a higher growth rate, given its domestic fundamentals," D&B said in a report titled 'Manufacturing India 2025' which outlines the country's growth journey during the next decade. "We expect India to realise its potential and achieve an average growth rate of around 8.8 per cent during the next decade," it said adding that with this, India's nominal GDP is expected to touch USD 3.4 trillion by 2019-20 fiscal and further to around USD 7.0 trillion by 2024-25 fiscal. The report however cautioned that in case of delay or failure to implement key policy reforms, nominal GDP might reach to USD 6.2 trillion by 2024-25.

The Economic Times - 29.10.2015

<http://economictimes.indiatimes.com/news/economy/indicators/india-to-see-average-growth-of-8-8-in-next-decade-dun-bradstreet/articleshow/49582163.cms>

India's ranking should have been significantly higher in WB index: FM Jaitley

Not fully satisfied with 12 position jump in India's ranking on ease of doing business index, Finance Minister Arun Jaitley today said the World Bank has not factored in all the steps taken by the government to improve business environment and ranking should have been "significantly higher". In the same breath, he also stated that there was a need to further cut down on the number of permissions required so that the time lag between the decision to invest and the actual investment can be shortened significantly. "States must realise that local laws which enable availability of land, environmental permissions, sanction of building plans need a relook," he said in a Facebook post titled 'The Ease of Doing Business'. Jaitley also posed a

repair external account and left India less vulnerable. "India has low trade exposure to China, while Indian financial markets (local bond markets in particular) are fairly closed. India's considerable foreign exchange reserves (9 months of retained imports) provide additional buffer," the bank said.

The Economic Times - 30.10.2015

<http://telecom.economictimes.indiatimes.com/news/industry/india-to-grow-at-7-5-in-fy16-can-combat-global-volatility-says-wb/49592499>

Govt Cos Scores Over Pvt Cos In Responsible Business Practices

As per the index released by the India Responsible Business Forum (IRBF) in New Delhi on Tuesday (October 27), it is found that public sector undertakings are showing stronger policy orientation with Navigator Holdings (NVGs) than private sector companies. Developed by Oxfam India, a not-for-profit organisation along with Corporate Responsibility Watch, Praxis and Partners in Change, the study reports that that public sector companies are showing "stronger policy alignment" with responsible business practices compared to their private sector counterparts. The findings of the study are based on an analysis of top 100 companies listed on the Bombay Stock Exchange (BSE) that focused on five aspects-- non-discrimination at the workplace, employee well-being, community development, inclusiveness in supply chain and community as business stakeholders. "PSUs make up for almost one half of the top 10 positions across the five elements.

Business World - 28.10.2015

<http://www.businessworld.in/companies-markets-sector-reports/govt-cos-scores-over-pvt-cos-responsible-business-practices#sthash.2IMdorPD.hxatqQQU.dpbs>

Govt to meet fiscal deficit target sans heavy spending cuts: FM Arun Jaitley

Finance minister Arun Jaitley on Tuesday said the government will meet the fiscal deficit target of 3.9% for the current fiscal year without resorting to heavy spending cuts, even as he admitted that the disinvestment revenue target could be missed. He said meeting FY16's ambitious disinvestment target of R69,500 crore is a challenge on account of the recent global crisis, which could have reduced investors' appetite. "The metal stocks are not doing particularly well, and (these stocks) were a large part of kitty that we had planned for this year. Therefore, I don't think it makes sense divesting at a time when prices are low," he said.

question if individual structures require separate approval once an industrial zone or new township has been cleared for environmental sanctions. "The World Bank has upped India's ranking in the Ease of Doing Business by twelve positions. Last month the World Economic Forum had similarly upgraded India.

Business Standard - 01.11.2015

http://www.business-standard.com/article/economy-policy/india-s-ranking-should-have-been-significantly-higher-in-wb-index-fm-jaitley-115110100373_1.html

How India can be in World Bank's top 100 list on doing business

World Bank chief economist Kaushik Basu says India can be in the top 100 countries in 'Doing Business' list, however, PM Narendra Modi's government must deliver on a number of economic parameters and tangible results on the ground - World Bank in its report on Wednesday has said that India jumped 12 places in the ease of doing business from 142 last year to 130 this year. Here we list top 7 points shared by Basu that have the potential to turn around the Indian economy and raise its doing biz ranking: Inclusiveness. India is a diverse society and its policies have to be such that all groups feel included, and part of society. This entails health and educational interventions for the disadvantaged. On economic reforms, there are a couple of big ticket items on the agenda. India can be in the much coveted top 100 countries' list on ease of doing business next year itself if it implements economic reforms, including the crucial Goods and Services Tax (GST).

The Financial Express - 29.10.2015

<http://www.financialexpress.com/article/economy/how-india-can-be-in-world-banks-top-100-list-on-doing-business-top-7-points-to-know/158278/>

China's manufacturing activity shrinks again

China's factory activity fell for an eighth straight month in October but at a slower pace as export orders flickered into life, a private survey showed on Monday, pointing to continued sluggishness in the world's second-largest economy. The Caixin/Markit China Manufacturing Purchasing Managers' Index (PMI) edged up to 48.3 in October from 47.2 in September. The highest reading since June 2015 will likely fuel hopes that the industry's long slump may be bottoming out. But it remained well below the 50 mark, signifying a further contraction that will raise doubts about

The government has managed to raise only Rs 12,700 crore so far this year by divesting small stakes in four PSUs. As reported by FE earlier, with the latest disinvestment in IOC having been bailed out by state-owned LIC, the department of disinvestment is contemplating to halve the Coal India offer size to 5% and might shift the sale to the January-March quarter.

The Financial Express - 28.10.2015

<http://www.financialexpress.com/article/economy/govt-to-meet-fiscal-deficit-target-sans-heavy-spending-cuts-fm-arun-jaitley/157662/>

Government Says Disinvestment Challenges Due to Commodities Slump

As challenges emerge in meeting the mammoth Rs. 69,500-crore disinvestment target for this fiscal year, the government has said one of the reasons behind this is the global commodity slowdown as many identified PSUs are from this space. "One of the reasons why the divestment process is challenging right now is because many of the companies we are considering for divestment are in the commodity industries," Minister of State for Finance Jayant Sinha said on Tuesday. "Whether it is Coal India or OMCs (Oil Marketing Companies) and so on... They are impacted by global commodity prices," Mr Sinha said here at an investment conference. Mr Sinha, who himself was a banker before becoming a minister last year, further said the government has to take that into consideration when and to what extent it will take the PSUs to markets. "Obviously, we have to ensure that we get best possible valuation for these valuable enterprises," he said. Mr Sinha, however, exuded confidence about meeting the overall tax revenue collection targets.

NDTV Profit - 28.10.2015

<http://profit.ndtv.com/news/economy/article-government-says-disinvestment-challenges-due-to-commodities-slump-1237085>

PSUs told to meet capex targets or pay dividends

In a bid to give a fillip to investments and growth, the finance ministry on Friday asked the public sector undertakings (PSUs) to achieve their capital expenditure targets for the current financial year or be ready to pay higher dividends to the Centre, sources said. The nudge to the companies to complete projects in a time-bound manner came during a capex review meeting chaired by finance minister Arun Jaitley with the PSU chiefs such as CMDs of NTPC, Indian Oil and Coal India. The capex of the PSUs is expected to be Rs 3.18 lakh

whether China's economy could see a modest pick-up in the fourth quarter. Taken together with official factory and services sector surveys released on Sunday, the readings reinforced most economists' views that business conditions in China are continuing to cool at a gradual albeit uneven rate, with no signs of a hard landing which recently spooked global investors.

The Times of India - 02.11.2015

<http://timesofindia.indiatimes.com/business/international-business/Chinas-manufacturing-activity-shrinks-again/articleshow/49624457.cms>

PSU disinvestment nets 71% of total fund raising in April-September

State-owned companies account for 71 per cent of the Rs 17,000 crore that has been mopped up through equity issuances during the first half of the current financial year. During April-September, government has raised Rs 12,600 crore through stake sale in four companies. This is also the highest amount raised through disinvestment in the first half of a fiscal in past seven years, according to market data. The government, say market experts, has done "exceedingly well" in PSU stake sale, especially against the backdrop of volatile market conditions. "It has stretched itself to the maximum while offloading PSU equity," said one expert. Private sector companies, which have a cumulative market capitalisation of 88 per cent, raised only Rs 4,950 crore through initial public offerings (IPOs). Government had set a target of raising Rs 69,500 crore through PSU disinvestment in current fiscal. Of this Rs 41,000 crore is to be raised through minority stake sale in PSUs and another Rs 28,500 crore through strategic stake sale.

The Economic Times - 28.10.2015

<http://economictimes.indiatimes.com/news/economy/finance/psu-disinvestment-nets-71-of-total-fund-raising-in-april-september/articleshow/49566974.cms>

Govt issues norms for revival of sick public sector units

Government today issued the guidelines for revival and restructuring of ailing and weak Central Public Sector Enterprises (CPSEs). "The concerned administrative ministry/ department will be responsible for formulating revival/ restructuring/ closure roadmap for sick CPSEs as per the principles outlined. "This would be done within three months from the issue of these guidelines in case of existing sick CPSEs, and within nine months from the end of the financial year for a CPSE becoming sick subsequently,"

crore, an increase of approximately R80,844 crore over revised estimate of 2014-15. Most PSUs are on track to meet their capex plan for the year. There are some who are lagging, we expect them to cover up in the remaining of the year," said one finance ministry official. Almost 50% of the PSUs have spent between 45-50% of their investment targets in April-September of FY16, sources added. The PSUs, which are lagging behind the schedule, have been asked to speed up investments. Sources said the PSUs have also been asked to pay more dividends if they fail their investment targets as the government finances are under stress due to likely shortfall in disinvestment and tax revenues.

The Financial Express - 31.10.2015

<http://www.financialexpress.com/article/economy/psus-told-to-meet-capex-targets-or-pay-dividends/159190/>

Oil prices flat in Asia before supplies report, Fed decision

Crude oil prices barely moved in Asia today as investors awaited a report on US crude inventories and the end of a Federal Reserve policy meeting, hoping for clues about its plans for interest rates. Analysts expect the report by the US Energy Information Administration later today to show a rise in stockpiles for the week ending October 23. A build-up in the inventories is typically interpreted as a sign of softer demand in the world's top oil-consuming nation and a dampener on prices. The mild autumn weather over much of the country, coupled with generous production of both oil and natural gas, has added to the oversupply and stockpiles are near all-time highs. In Asia, US benchmark West Texas Intermediate for December delivery was trading five cents higher at \$43.25 and Brent had risen four cents to \$46.85 at around 0615 GMT. The weakness in oil prices "mostly comes from anticipation of Wednesday's release of the US crude inventories", said Daniel Ang, an investment analyst with Phillip Futures in Singapore.

Business Standard - 28.10.2015

http://www.business-standard.com/article/international/oil-prices-flat-in-asia-before-supplies-report-fed-decision-115102800607_1.html

Ad valorem rates likely for levying cess on crude oil

The petroleum ministry is set to recommend to its finance counterpart switching to ad valorem rates for levying cess on crude oil from the current fixed rate of Rs 4,500 per tonne. The move follows multiple representations by the domestic industry

said the guidelines issued by the Department of Public Enterprises (DPE). The decision whether a company has become a sick company would be taken by the National Company Law Tribunal. "The administrative ministry of the concerned CPSE shall initiate the process for preparation of restructuring/revival plan, which may include disinvestment or privatisation or closure options for sick/incipient sick CPSEs based on the classification as given above within 6 months from the closure of the financial year or within one month from finalisation of Annual Accounts, whichever is earlier," the norms said.

The Economic Times - 30.10.2015

<http://economictimes.indiatimes.com/news/economy/policy/govt-issues-norms-for-revival-of-sick-public-sector-units/articleshow/49599494.cms>

Oil Industry Slipping Into the Red as Outlook Dims

The oil sector is gradually slipping into the red after years of fat profits as the slump in prices and a grim outlook bite deeper. The world's top oil companies have struggled in recent months to cope with the halving of oil prices since June 2014, cutting spending repeatedly, making thousands of job cuts and scrapping projects. The lower-for-longer outlook for oil prices took its heaviest toll yet in the third quarter as oil companies once again reported a dramatic drop in income, with some falling to a loss, having taken impairment charges of about \$25 billion in the first nine months of the year. With 10 of the top 20 European and North American oil and gas producers having reported third-quarter results, seven have posted losses. These include Royal Dutch Shell, Italy's Eni and in North America Occidental Petroleum Corp, Anadarko Petroleum Corp, Hess Corp, Suncor and ConocoPhillips. Shell, posted a third-quarter loss of \$7.4 billion on Thursday, hit by a massive \$8.2 billion charge after halting its controversial exploration in Alaska's Arctic sea and a costly oil sands project in Canada.

NDTV Profit - 29.10.2015

<http://profit.ndtv.com/news/industries/article-oil-industry-slipping-into-the-red-as-outlook-dims-1237912>

Airfares reach record high prices around Diwali

If you are taking a flight to some place for a vacation this Diwali, be ready to shell out at least 40 to 150% more on air tickets. Airfares are at a record high for the festival of lights, with tickets for some destinations priced at triple

to align cess on crude oil to international crude oil prices. If implemented, the proposal would benefit the likes of Vedanta subsidiary Cairn India, which operates the Barmer block in Rajasthan, India's largest on-land oil and gas field. "The government is in-principle in favor of having ad valorem rates for cess. We are currently collecting data on the subject (global crude prices and the quantum of cess imposed domestically) and later approach the finance ministry with the proposal," said a senior oil ministry official. The government levies a cess of Rs 4,500 per tonne on crude oil produced by state-run firms Oil and Natural Gas Corp (ONGC) and Oil India from fields given to them on a nomination basis. It is also levied on Cairn's Rajasthan field but is not levied on areas awarded under New Exploration Licensing Policy, including KG-D6 of Reliance Industries.

Business Standard - 29.10.2015

http://www.business-standard.com/article/economy-policy/ad-valorem-rates-likely-for-levying-cess-on-crude-oil-115102901224_1.html

Draft Aviation Policy: Passengers Will Have to Pay 2 Percent More as Levy

Even as the draft aviation policy unveiled on Friday proposes to cap the air fare at Rs 2500 for one-hour flight on regional routes, the fliers may have to pay an extra 2 per cent as levy on national and international travel. The proposed two percent levy will help the government mop up additional Rs 1500 crore, which will be used to fund the regional connectivity. The draft policy is aimed at taking flying to the masses" so that the number of air passengers can increase to up to 30 crore by 2022 and 50 crore by 2027. Similarly, international ticketing to increase to 20 crore by 2027. "The proposed 2 per cent levy on all domestic and international tickets can bring in Rs 1,500 crore a year that would be used to expand regional routes," civil aviation secretary Rajeev Nayan Choubey said here after unveiling the draft policy. Aviation minister Ashok Gajapathi Raju said, the draft policy was in line with the Prime Minister's directives that aviation be promoted in a big way and take flying to masses.

New Indian Express - 30.10.2015

<http://www.newindianexpress.com/business/news/Draft-Aviation-Policy-Passengers-Will-Have-to-Pay-2-Percent-More-as-Levy/2015/10/30/article3105498.ece>

Domestic air traffic to soar 3-fold to 218 mn by 2025: Report

The number of air travellers in the country is slated to rise more than threefold to 218 million by 2025 from 70 million in 2015 and each metro

their normal rates. Airlines have what they call a 'dynamic fare system', which allows them to reconfigure the price mechanism and offer fewer seats in the low-price range. "During most of the year, airlines operate flights to 60-70% of the capacity," said city-based tour operator Bhavin Patel. "The upcoming festive season is no less than a golden opportunity for them." A one-way economy class Ahmedabad-Kolkata ticket which costs around Rs5,500 - 7,000 during off-season, will cost more than Rs11,000 around Diwali. A similar rise in ticket rates for other destinations such as Goa, Pune, Chennai and Jaipur among others, has also been reported. "Those who had advance booking have been spared this steep hike in airfares," said a city-based operator. "Almost all the flights are running full, and people seeking tickets have very few options."

The Times of India - 29.10.2015

<http://timesofindia.indiatimes.com/india/Airfares-reach-record-high-prices-around-Diwali/articleshow/49560917.cms>

Government dithers on overseas flying rule

Even after months of intense deliberations with stakeholders, the government has not been able to decide on new rules for Indian carriers to fly abroad. The draft aviation policy issued on Friday listed out three options for the same: retain the 5/20 rule under which an airline must be five years old and have 20 planes in its fleet to go overseas; scrap 5/20 with immediate effect; link flying within the country to foreign flying rights. "We are seeking comments from the public and stakeholders on the draft policy. We are open to suggestions on this issue and will not limit it to just these three options if we get some good points in comments," said aviation secretary R N Choubey. He, however, added that the final aviation policy - which is expected around the year-end - will make the government's stand clear on this issue. Indian airlines are divided over the issue with 'old' carriers like Air India, Jet, IndiGo and SpiceJet against removing the 5/20 norm.

The Times of India - 02.11.2015

<http://timesofindia.indiatimes.com/business/india-business/Government-dithers-on-overseas-flying-rule/articleshow/49603079.cms>

India to get first dedicated rail freight corridor in December

India is likely to get its first freight-specific rail line commissioned in December, three months ahead of schedule, in Bihar. The 56-km stretch,

requires a second greenfield airport to handle the traffic, a report says. According to the report commissioned by Vistara airline and conducted by industry body CAPA (Centre for Asia Pacific Aviation), aviation can contribute 5 per cent to the country's GDP or USD 250 billion by 2025. This would mean the existing airports in the metros would not be able to meet the rising demand. By the turn of 2015, international traffic to the country would be 120 million, up from 51 million, the report said, adding that this would further jump to 254 million by 2035, while the domestic load would stand at 527 million by 2035. Similarly, the report pegs the fleet strength to rise more than threefold to 1,084 by 2025 from 394 in 2015 and further to 2,564 by 2035. The report called for increasing investment in airport infrastructure, airspace management and skill development as the sector is going to witness massive demand by 2025, which would necessitate that each of the major metros would have to have a new second airport.

The Hindu Business Line - 02.11.2015

<http://www.thehindubusinessline.com/economy/logistics/domestic-air-traffic-to-soar-3fold-to-218-mn-by-2025-report/article7829582.ece>

Nod for three new ports by December: Nitin Gadkari

The Union Government will give clearance to develop three new ports at Dahanu near Palghar district in Maharashtra, Kolachal in South Tamilnadu and Sagar Island in West Bengal within two months, said Nitin Jairam Gadkari, Union Minister for Shipping, Road Transport and Highways. The Rs 6000 crore satellite port planned at Dahanu is expected to decongest the Jawaharlal Nehru Port Trust (JNPT) in Navi Mumbai. JNPT will be the main developer for this project. The estimated Rs 21,000 crore Colachal port in Tamilnadu will be located about 50 kilometres away from the proposed Vizhinjam International Deepwater Multipurpose Seaport in Kerala, which was recently awarded to the Adani Group which plans to set up that port within 1000 days. "There is huge potential for cargo movement in that region and there is no harm in having two deep water ports at close proximity", said Gadkari. Speaking at a select press meet in Mumbai on Thursday, Gadkari said the Government's 'Saagarmala' project will make India one among the top maritime players in the world.

Business Today - 30.10.2015

<http://www.businesstoday.in/sectors/infra/nod-for-three-new-ports-by-december-nitin-gadkari/story/225466.html>

part of the eastern arm of the ambitious Rs 82,000-crore dedicated freight corridor project, will ease coal evacuation traffic from mines in the eastern region. "We will be able to bring the stretch between Durgawati and Sasaram into operation in December, ahead of the targeted commissioning at the end of the current financial year. We have submitted the papers to the CRS (Commission of Railway Safety) for safety clearance and his approval is expected to come in two months," a senior executive at Dedicated Freight Corridor Corporation (DFCC), the special purpose vehicle implementing the project, told Business Standard. The double-line pilot section will be commissioned with an investment of Rs 1,000 crore, which has been sourced from the Indian Railways as equity. He added DFCC had already eliminated the 18 railway level crossings that existed on the route by constructing road over bridges and road under bridges.

Business Standard - 28.10.2015

http://www.business-standard.com/article/economy-policy/india-to-get-first-dedicated-rail-freight-corridor-in-december-115102801012_1.html

GST will result in logistics cost cut: Report

The proposed goods and services tax (GST) if implemented well will result in substantial reduction in logistics costs and consolidation of warehousing facilities, according to a CII-PWC report. An inefficient logistics network created using smaller warehouses to save on state taxes has resulted in higher costs and increased inventory levels, it noted. "It is anticipated that GST will result in consolidation of warehousing alongside facilitating seamless inter-state flow of goods. GST is also expected to provide an opportunity to dismantle various check posts, thus bringing about a substantial reduction in logistics costs," it said. Currently, a complex web of subsidies, tariffs and cascading taxation in the transport and logistics sector has resulted in distorted pricing, created wasteful leakages and opportunities for rent-seeking, it noted, adding, "GST is expected to minimise multiplicity of taxes and tax cascading, especially in view of telow of credit".

The Economic Times - 30.10.2015

<http://economictimes.indiatimes.com/news/economy/policy/gst-will-result-in-logistics-cost-cut-report/articleshow/49598639.cms>