

(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's financial conditions better over previous quarter: CII-IBA

Ahead of the Reserve Bank of India's fifth bi-monthly policy review for this fiscal next week, industry chamber CII on Sunday said the country's overall financial conditions have shown a healthy improvement, thanks to low cost of funds, strong liquidity, better external financial linkages and uptick in economic activity. "The CII-IBA Financial Conditions Index at 70.3 for Q3 FY 2015-16 shows healthy improvement in the overall financial conditions in the Indian economy vis-a-vis the previous quarter," the Confederation of Indian Industry (CII) said, citing its latest survey. The index is based on a survey of major banks and financial institutions on their expectations of key financial and economic variables determining financial conditions of the Indian economy. A majority of respondent banks and financial institutions surveyed reported improvement or no change in overall financial conditions as against a deterioration over the previous quarter.

Business Standard - 29.11.2015

http://www.business-standard.com/article/news-ians/india-s-financial-conditions-better-over-previous-quarter-cii-iba-115112900602_1.html

Wealth in India to grow faster than China by 2020

Swiss private wealth manager, Julius Baer estimates that wealthy individuals in India will be worth \$2.3 trillion by 2020 from \$1.425 trillion in 2016. In a report released on Thursday, its fifth annual Asia Wealth Report which monitors the cost of living in luxury and wealth creation in Asia, Julius Baer said 25% of global wealth is estimated in the continent of which India is strategic part. China continues to be the country with the highest amount of wealth. Wealthy individuals are projected to be worth \$8.25 trillion in 2020 from \$5.10 trillion in by 2016. However, the wealth of high net worth individuals in India is going to rise at a faster clip, by 94% between 2014 and 2020 as opposed to China which will grow at 74%. According to the report, the pool of investable assets held by HNIs could reach \$14.5 trillion by 2020 a growth of 160% in the current decade. The report took into consideration 11 Asian cities -

India's economic growth will soon be in double digit: Rajnath Singh

Taking a dig at the economic policies of the previous UPA government, Union Minister Rajnath Singh today said the country's economy was revived by the Modi government and India has now become the "hot favourite" destination for foreign investors. The Union Home minister exuded confidence that in a few years, India's economic growth would be in double digit. Singh said a number of significant steps were taken when the Atal Bihari Vajpayee government came to power in late 1990s, due to which the GDP growth rate had touched 8 per cent and the then prevailing global economic recession did not impact the country. "But after 2004, even though there was growth initially, the momentum lost gradually. The country could not achieve the desired growth. They could not match the momentum achieved by the Vajpayee government. By 2014, the economic condition of the country further deteriorated.

The Economic Times - 28.11.2015

<http://economictimes.indiatimes.com/news/economy/indicators/indias-economic-growth-will-soon-be-in-double-digit-rajnath-singh/articleshow/49959382.cms>

Reforms delay may hit investment: Moody's

A failure to implement reforms could hamper investment in India amid weak global growth, global ratings agency Moody's Investors Services cautioned on Wednesday. It is highly unlikely that major reforms would be enacted in the upper house of Parliament where the ruling coalition is in a minority, Moody's said, adding that despite overall supportive domestic conditions for the country's companies, potential headwinds loom from a loss of reform momentum. The Modi administration so far this year has been unable to enact legislation on key reforms, including a unified Goods and Services Tax (GST) and the Land Acquisition Bill, it said. The government hopes to get the GST Constitution Amendment bill approved in Parliament and is keen to push the legislative business. It has reached out to the opposition parties to forge a consensus and ensure the

Hong Kong, Singapore, Shanghai, Mumbai, Taipei, Jakarta, Manila, Seoul, Kuala Lumpur, Bangkok and Tokyo.

The Economic Times - 26.11.2015

<http://economictimes.indiatimes.com/news/economy/indicators/wealth-in-india-to-grow-faster-than-china-by-2020/articleshow/49936850.cms>

India set for Paris climate meet with grand plans on renewables

Seeking a grand alliance among 122 nations to pursue solar energy, India is set to make a significant impact at the 12-day climate change conference in Paris, with Prime Minister Narendra Modi himself unveiling the country's position on Monday, the opening day. The Indian prime minister will be among the 147 heads of state and government who have, thus far, consented to attend the event - officially called the 21st Session of the Conference of Parties under the United Nations Framework Convention on Climate Change. Around 50,000 participants, including 25,000 delegates and stakeholders from 196 nations, are to converge in the French capital to forge a legally-binding deal to protect the environment from global warming, without sidestepping the aspirations of poor and developing nations. "Developed countries have to walk the talk," India's Environment Minister Prakash Javadekar told IANS ahead of the crucial meet, hoping for some flexibility from rich nations led by US President Barack Obama, German Chancellor Angela Merkel and French President Francois Hollande.

Business Standard - 30.11.2015

http://www.business-standard.com/article/news-ians/india-set-for-paris-climate-meet-with-grand-plans-on-renewables-115112900388_1.html

Government plans to wind up some sick PSUs: Anant Geete

The government is looking to wind up some sick public sector enterprises, minister of heavy industries and public enterprises Anant Geete said on Friday. "We are also thinking about closing down two more units, including a unit of HMT and Tyre Corporation of India Ltd. We are discussing these proposals," Geete said. The minister made it clear that the government has no plans for divestment of loss-making central public sector enterprises. "We are not going in for disinvestment of any (loss-making CPSEs). Some were approved for closure earlier. We have prepared individual proposals for them," said Geete. There are no plans to set up a land bank using surplus land of CPSEs either, he said. The government has already circulated cabinet notes on closure of four CPSEs including three units of

passage of the crucial GST bill. The government has identified implementation of GST as a key reform initiative.

The Times of India - 26.11.2015

<http://timesofindia.indiatimes.com/business/india-business/Reforms-delay-may-hit-investment-Moodys/articleshow/49928580.cms>

Government to sell PSU stakes when market conditions improve: FM Arun Jaitley

Government will sell stake in some state-owned companies, especially those in metals business, only when market conditions improve, Finance Minister Arun Jaitley today said amid concerns that the Rs 69,500 crore disinvestment target for the current fiscal may be missed. "I have already said there are few stocks, especially metal stocks, which are down globally. Therefore, in such circumstances it would not be appropriate to sell such stocks in the market," he said after a meeting with the heads of public sector banks here. "We will sell such stocks after market condition improves," he said. The government has budgeted to raise Rs 69,500 crore through disinvestment in 2015-16. Of this, Rs 41,000 crore is to come from minority stake sale in PSUs and the remaining Rs 28,500 crore from strategic stake sale. With eight months of the current fiscal about to be over, the government has been able to sell stake only in four companies -- PFC, REC, Dredging Corp and IOC -- to net Rs 12,600 crore.

The Economic Times - 24.11.2015

<http://economictimes.indiatimes.com/news/economy/finance/government-to-sell-psu-stakes-when-market-conditions-improve-fm-arun-jaitley/articleshow/49893137.cms>

PMO to oversee plan to reform central public sector enterprises

The government is planning to give a push to expenditure plans of central public sector enterprises and help them better utilise their surplus reserves as part of a strategy to reform the companies. The exercise is being overseen by the Prime Minister's Office and includes drawing up of a plan for sick companies, officials said. Under this plan, sick companies are being put in three separate baskets, they said. "The administrative ministries will classify their firms as weak, sick or incipient sick. Accordingly, they will put in place a restructuring plan which may include divestment, privatisation or closure options for sick and incipient sick firms," said an official with the Department of Public Enterprises, requesting not to be identified. The ministries concerned will present the revival

HMT and Tungabhadra Steel Products, while discussions are on with the defence ministry on Hindustan Cables. The government, which recently shut down BRPSE, an agency for revival and closure of loss making enterprises, has come up with new guidelines on restructuring of loss-making firms.

The Economic Times - 28.11.2015

<http://economictimes.indiatimes.com/news/economy/policy/government-plans-to-wind-up-some-sick-psus-anant-geete/articleshow/49954966.cms>

1 in 4 listed PSUs do not have independent directors: report

As many as 25 per cent of the listed public sector companies have no independent directors on the board, reveals the India Board Report 2015-16, published by Hunt Partners in association with AZB & Partners and PwC. The lowest representation of independent directors was in listed public sector companies (40 per cent) in 2011-12, which declined further to 37 per cent in 2014, the report said. The Companies Act, 2013, precludes relatives and those with financial relationships with the company from becoming independent directors. However, the IBR survey 2014 found that around 25 per cent of companies had so-called independent directors, who were relatives of the owners. It is surprising that 97 per cent of independent directors reported that their letter of appointment does not mention the workload expected from them. Also on an average, an independent director commits less than nine days per year to board work. This compares very unfavourably with recent research results by McKinsey that identified the average work commitment in top international companies at 40 days.

The Hindu Business Line - 28.11.2015

<http://www.thehindubusinessline.com/companies/no-independent-directors-in-25-per-cent-of-public-sector-firms/article7924025.ece>

DIPP defines manufacturing for FDI; Companies producing here, free to sell online

India has activated recent policy changes that liberalised foreign direct investment (FDI) rules and has spelt out the definition of the term "manufacturing" to provide clarity to companies and promote ecommerce. Under the revised policy, a company manufacturing goods in India is free to sell online without any restrictions. However, the term "manufacturing" had not been clearly defined in the policy. As per the definition by the Department of Industrial Policy and Promotion, "any change in the physical object

plan for such firms within nine months of the closure of the financial year, the official said. The government has also asked state-run firms to share details of issues they are facing in their projects which could derail their capex plans.

The Economic Times - 24.11.2015

<http://economictimes.indiatimes.com/news/economy/policy/pmo-to-oversee-plan-to-reform-central-public-sector-enterprises/articleshow/49899904.cms>

Rupee falls to two-year low, recovers

The Indian rupee dipped in the early hours of trade on Friday to its lowest level against the US dollar in over two years, mainly on account of the gaining strength of the American currency, but recovered somewhat on likely sales by the central bank. The Indian currency was at 66.88 to a dollar at 9.15 a.m., falling nearly 40 paise in two days on account of selling by foreign funds. But some dollar sales by public sector banks, ostensibly at the behest of the Reserve Bank of India (RBI), cushioned the losses, analysts said. Analysts said the accumulated dollar buying owing to two consecutive holidays for outright purchases coupled with the usual month-end demand for greenbacks from foreign banks and oil importers put pressure on the rupee value. The Indian spot markets were closed on Nov 25, followed by the US markets on Nov 26. "Positive domestic equities and suspected selling has led the rupee to recover from the day's high," Hiren Sharma, senior vice president, currency advisory at Anand Rathi Financial Services, told IANS

Business Standard - 27.11.2015

http://www.business-standard.com/article/news-ians/rupee-falls-to-two-year-low-recovers-115112700261_1.html

Crude oil, natural gas output falls in October

Domestic production of crude oil and natural gas in October fell compared to the same month last year. While crude oil production dropped 2.08 per cent, natural gas output dipped 1.82 per cent, data released by the Ministry for Petroleum and Natural Gas showed. Crude oil production during the month was 3.151 million tonne against 3.218 million tonne in the same month last year. Production from Cairn India's Rajasthan fields and ONGC's onshore fields fell by 2.35 per cent and 3.87 per cent, respectively. Despite the fall in crude oil production, imports

resulting in transformation of the object into a distinct article with a different name or bringing a new object into existence with a different chemical composition or integral structure" would qualify as manufacturing. The move is expected to boost Prime Minister Narendra Modi's 'Make in India' initiative, which is aimed at spurring the manufacturing sector. Companies that assemble products in India, such as those in the automobile and telecom sectors, stand to gain while those that have simply been processing or relabelling products won't qualify as manufacturers, according to experts.

The Economic Times - 25.11.2015

http://articles.economictimes.indiatimes.com/2015-11-25/news/68560873_1_defence-sector-dipp-construction-development-sector

India's oil import bill likely to dip 35% to Rs 4.73 lakh crore in FY'16

India's crude oil import bill is likely to dip by 35 per cent to \$73 billion this fiscal as global energy prices slumped on weak demand. India had imported 189.43 million tons of crude oil in 2014-15 for Rs 6.87 lakh crore. This fiscal the imports are projected at 188.23 million tons, almost the same level as last year. According to data available from Petroleum Planning & Analysis Cell of the Ministry of Petroleum & Natural Gas, the country imported 114.9 million tons of crude during April- October for \$43.6 billion. Going by the trend, PPAC projected an import of 188.23 million tons for \$73.28 billion or Rs 4.73 lakh crore. Officials said while the April-October 2015 imports are based on actuals and for November 2015 to March 2016, the imports are estimated at \$55 per barrel of oil and an exchange rate of Rs 65 to a US dollar. A \$1 per barrel change in crude price impacts the net import bill by Rs 3,513 crore or \$0.54 billion. Similarly, Re one variation in exchange rate impacts the import bill by Rs 2,972 crores (\$0.46 billion).

The Economic Times - 25.11.2015

<http://economictimes.indiatimes.com/news/economy/finance/indias-oil-import-bill-likely-to-dip-35-to-rs-4-73-lakh-crore-in-fy16/articleshow/49922173.cms>

India May Spend \$95 Billion on Railways over 5 Years: Morgan Stanley

India is expected to spend a whopping \$95 billion (over Rs. 6.34 lakh crore) on ramping up its rail infrastructure, a step that will help in increasing the country's manufacturing competitiveness, a report says. The Indian Railways suffered in the past due to "underinvestment and poor policies", said foreign broking firm Morgan Stanley's

during the month were lower than that of last year. According to data from the Petroleum Planning and Analysis Cell, crude oil imports in October was 3.85 per cent lower at 15.56 million tonne. This was mainly because the crude throughput at domestic refineries during the month was also 4.43 per cent lower. Domestic refineries processed 18.268 million tonne of crude against 19.115 million tonne in the year-ago period. Natural gas production also fell in October after showing two months of marginal growth. During the month, the production stood at 2.795 billion cubic metre (2.846 billion cubic metre last year).

The Hindu Business Line - 24.11.2015

<http://www.thehindubusinessline.com/economy/domestic-crude-oil-natural-gas-production-falls-in-october/article7908477.ece>

Oil imports from Asia-Pacific spike in October as refiners tap new routes

Crude oil imports from the Asia-Pacific region spiked last month as its refiners looked beyond their traditional suppliers for cheaper purchases amid a global supply glut. Crude imports from points east of India, mainly Malaysia and Australia, surged to 187,000 barrels per day (bpd) in October, the highest since April 2014, according to ship tracking data obtained from sources and compiled by Thomson Reuters Oil Research & Forecasts. That was more than double the volume imported from Asia-Pacific in September and up some 70 percent from a year ago, the data showed. The surge in shipments were a boost to Malaysia, Southeast Asia's second-biggest oil producer, and Australia, where some refineries have been shut. Malaysia in particular has been looking for stable outlets to bolster oil revenues and cushion the impact of falling global crude prices, reducing spot prices to attract buyers and offering grades to refiners further away such as in India.

The Economic Times - 24.11.2015

<http://economictimes.indiatimes.com/industry/energy/oil-gas/oil-imports-from-asia-pacific-spike-in-october-as-refiners-tap-new-routes/articleshow/49904048.cms>

Growth in foreign tourist arrivals at 3-year low

The National Democratic alliance government's move to hard sell India as a hot tourism destination is yet to show results. According to Union tourism ministry statistics, the growth in inbound travel (foreign tourists coming to India) is a modest four per cent this calendar year (till October), compared to the previous year. This

research arm in its recent report. Morgan Stanley Research's Industrial Analyst Akshay Soni, who authored the report, believes that the "historical lack of delivery in the Railways creates scepticism, but this time could be different". Mr Soni estimated that India will spend \$95 billion on railway over the next 5 years, which would result in 12 per cent GDP growth between 2014-15 to 2018-19. "Of course, the ensuing productivity gains will improve India's manufacturing competitiveness and the lower CO2 emissions on freight would help India meet its 2030 emission targets," it added. The report also sees inventory cost gains for Corporate India. It's clear that the railways is the answer to solving India's transport infrastructure challenges.

NDTV - 29.11.2015

<http://www.ndtv.com/india-news/india-may-spend-95-billion-on-railways-over-5-years-morgan-stanley-1248990>

Weak rupee not a dampener for foreign tours, say travel cos

Weak rupee has not dented the demand for foreign travel as operators continue to see a surge in bookings. "Our outbound travel business is growing significantly. Over the past year, the rupee fell from 60 to 66 against the dollar. But, we have not seen a decline in demand. Our focus on innovation has worked well in our favour. Our teams have created packages and products tailored to every customer budget and this have resulted in strong consumer uptake. We've launched our summer 2016 holidays and the demand is truly encouraging," said Madhavan Menon, managing director, Thomas Cook India. According to Outbound Tour Operators Association of India president Guldeep Singh Sahni, foreign travel is growing at 15-20 per cent in 2015 and some companies are reporting even higher growth. "Weak rupee is not a deterrent. Customers may lower their travel budgets, but will not cancel plans due to the currency factor," he added. Foreign tour costs are divided in two components — rupee and a foreign currency component. Accommodation, ground transport, fees at attractions, guide fees, meals are covered in foreign currency component, while air tickets, visa cost, insurance and tour managers' salaries are factored in rupee.

Business Standard - 28.11.2015

http://www.business-standard.com/article/companies/weak-rupee-not-a-dampener-for-foreign-tours-say-travel-cos-115112700844_1.html

is the slowest pace of growth in the past three years. In 2014, foreign tourist arrivals grew by 10.2 per cent over 2013. Data for the month of October, considered to be the start of the peak travel season in India thanks to the pleasant weather, is an indicator of India not being a favoured destination for international travellers at this point. In the month, inbound travel grew a mere 1.7 per cent against the same month last year - the lowest pace of growth in the past six months. In comparison, the growth in foreign tourist arrivals in October last year was 9.6 per cent. Experts struggle to suggest a prominent reason behind the trend.

Business Standard - 24.11.2015

http://www.business-standard.com/article/economy-policy/growth-in-foreign-tourist-arrivals-at-3-year-low-115112300447_1.html

Railways mulling dynamic fares in reserved classes of all trains

Railways is considering introduction of dynamic fare pricing for all reserved classes in all express and mail trains, similar to the mechanism followed by airlines. As of now, the dynamic fare pricing system, under which fare goes up if the demand is high, is operational in limited number of special 'Suvidha' trains. The transporter, which is incurring huge losses on subsidizing low passenger tariff, is considering the proposal after the success of premium trains and Suvidha trains. "Yes, we are considering the proposal," said Sharat Chandra Jethi, additional member (commercial), Railway Board, when asked about the move. A source said the details of the plan are still under discussion stage. However, the move, according to a senior railways official, is aimed at ensuring easy availability of confirmed tickets to genuine passengers and to raise more resources. He said the recent decision to change cancellation norms—doubling the cancellation charges and no refund on cancellation of confirmed tickets four hours before scheduled departure of the train—is also a move in the same direction to help genuine passengers and break the touts hold on the ticketing system.

The Times of India - 28.11.2015

<http://timesofindia.indiatimes.com/india/Railways-mulling-dynamic-fares-in-reserved-classes-of-all-trains/articleshow/49954783.cms>

Baltic Dry Index hits 30-year low

The Baltic Dry Index, a measure of shipping rates, fell to 498 points to touch a 30-year low on Friday, signalling that the recovery of the world economy is some distance away. The index, which measures costs of shipping commodities such as coal, iron ore, steel and grain, plunged 1.19% to 498 points on Friday, pushed down by waning demand in global trade. "It signals further trouble for the global economy," said Atul J. Agarwal, managing director at shipping and oil exploring company Mercator Ltd, said.

Mint - 24.11.2015

<http://www.livemint.com/Money/H2cdXCTfsWi2rb7DBBPij/Baltic-Dry-Index-hits-30year-low.html>

Dr N Mohapatra takes charge as SAIL's Director (Personnel)

Dr. N. Mohapatra, has taken charge of the Director (Personnel) of Steel Authority of India Limited (SAIL). Prior to this he was, Executive Director (Personnel) at SAIL's IISCO Steel Plant, Burnpur and Bokaro Steel Plant, Bokaro.

Sarkaritel.com - 27.11.2015

<http://www.sarkaritel.com/dr-n-mohapatra-takes-charge-as-sails-director-personnel-195553/>