

(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 may be third largest economy after 2030: UK think tank**

India could become the world's third largest economy after 2030 and its ascension could see France and Italy kicked out of the exclusive G8 group or its membership increased to 10 to accommodate India and Brazil, according to a new study. According to a report by the UK think tank Centre for Economics Business and Research (CEBR), China will overtake the US as the largest economy in the world in 2029 with the US slipping to second place and India close behind at third. India's projected GDP in 2030 was \$10,133 billion, behind America's \$32,996 billion and China at the top with a projected GDP of \$34,338 billion. However, India will become the largest economy in the Commonwealth in 2019 when its economy overtakes the British economy. The study also says that India is finally starting to catch up with China and will eventually overtake the Communist-giant in the second half of the century. Britain will move up to take fourth spot and Brazil will complete the top five.

*The Economic Times - 27.12.2015*

<http://economictimes.indiatimes.com/news/economy/indicators/india-may-be-third-largest-economy-after-2030-uk-think-tank/articleshow/50342078.cms>

## **India did well in year of global economic turmoil: Finance Minister Arun Jaitley**

Voicing "great satisfaction" over performance of the Indian economy in "a year of turmoil and volatility" globally, Finance Minister Arun Jaitley today dismissed grumblings about the economy not having taken off as "cynicism -- a way of life in India". Looking back at 2015, Jaitley said India has been the bright spot with growth prospects of 7-7.5 per cent despite global slowdown and adversities, and expressed optimism that the growth rate which is "quite good" would improve further in the months to come. India has responded well to the challenge posed by the slowdown in global economy, he said, but acknowledged that "there are areas (in which) we have to respond faster". "As the year ends, I look back with a sense of great satisfaction," Jaitley told PTI in an interview, during which he

## **India will be fastest growing economy over next 10 years: Harvard researchers**

India, with a projected annual growth rate of 7 per cent, has the potential to be the world's fastest growing economy over the coming decade, surging ahead of its South Asian economic rival China that will continue to see a slowdown, according to Harvard researchers. "India has the potential to be the fastest growing economy over the coming decade... India tops the global list for predicted annual growth rate for the coming decade, at 7.0 per cent," new growth projections presented by researchers at the Centre for International Development (CID) at Harvard University showed. "This far outpaces projections for its northern neighbour and economic rival, China, which the researchers expect to face a continued slowdown to 4.3 per cent growth annually to 2024, the report said. South Asia and East Africa have the greatest potential for "rapid growth" as oil economies and other commodity-driven economies face the slowest growth outlook, it said.

*The Economic Times - 22.12.2015*

[http://articles.economictimes.indiatimes.com/2015-12-22/news/69237644\\_1\\_fastest-growing-economy-global-economic-growth-growth-rate](http://articles.economictimes.indiatimes.com/2015-12-22/news/69237644_1_fastest-growing-economy-global-economic-growth-growth-rate)

## **World Bank may revise India's growth projection: Kaushik Basu**

World Bank chief economist Kaushik Basu today indicated that the bank may revise its GDP growth projection for India after it goes for a stock-taking in a few months. "There could be some changes in the January review of India's growth forecast," Basu said. He was responding to media queries on whether failure of the Centre to get the GST Bill passed will have an impact on the projection. "Decision-making and reforms can have an impact in terms of growth rate and the fact that a couple of important decisions did not go through could have an impact. But India is dominating for a couple of reasons," Basu said here today. Recession in Brazil and Russia and slowdown in China have made India the leading economy in terms of growth prospects for the first time this year,

underlined that India's fiscal fundamentals are "extremely sound".

*The Economic Times - 27.12.2015*

<http://economictimes.indiatimes.com/news/economy/indicators/india-did-well-in-year-of-global-economic-turmoil-finance-minister-arun-jaitley/articleshow/50341361.cms>

### **Finance Ministry cuts divestment target by 57% for FY16**

The finance ministry has cut its ambitious disinvestment revenue target by 57% to Rs 30,000 crore for the current fiscal as 'strategic' sales have failed to take off and minority stake sales in PSUs also staggered after some initial promise, due to volatile market conditions, sources said. Despite missing targets in the past five years, the Centre had set a stiff disinvestment revenue target of Rs 69,500 crore (Rs 41,000 crore through PSU stake sales and Rs 28,500 crore via strategic stake sales including privatisation of some PSUs) for FY16. Even though Rs 12,700 crore was collected in the first half of FY16 by selling stakes in four PSUs, the highest disinvestment in the first half in the past seven years, the government is finding it tough to come out with any new sales. This was evident from the fact that there were no stake sales in September-December as the market was volatile and investors had very low appetite for PSU stocks, one official said.

*The Financial Express - 22.12.2015*

<http://www.financialexpress.com/article/economy/finmin-cuts-divestment-target-by-57-for-fy16/182403/>

### **Assocham lowers fiscal's export outlook again - to \$255-260 bn**

Associated Chambers of Commerce and Industry (Assocham) on Sunday further lowered its outlook for India's exports in the current fiscal to \$255-260 billion, countering the government's claim that there is no crisis in the sector. The development came on a day when industry chamber FICCI said the country's third quarter manufacturing is also set to decline due to sluggish exports. While India's exports stood at \$310 billion in the previous fiscal, Assocham in September had forecast the fiscal's exports to be around \$265-268 billion. The decline in exports continued for the 12th month in a row in November as these fell nearly 25 percent to \$20.01 billion amidst a slowdown in global demand. "Given the further decline in the last few months, the chamber is revising its outlook downward, disagreeing with a pre-dominant

Basu said. Until October, the World Bank retained. India's growth forecast at 7.5 per cent for 2015-16 and expected it to be 7.8 per cent in 2016-17 and 7.9 per cent in 2017-18.

*The Economic Times - 27.12.2015*

<http://economictimes.indiatimes.com/news/economy/policy/world-bank-may-revise-indias-growth-projection-kaushik-basu/articleshow/50333559.cms>

### **India's manufacturing sector on the wane in Dec qtr: Ficci**

The revival prospects for India's manufacturing sector in the October-December quarter seem to be weakening mainly due to a sluggish exports scenario, according to Ficci. The industry chamber in a survey had earlier indicated a revival in the manufacturing activity in the second quarter of the ongoing fiscal, which seems to be slowing down little bit in the October-December period, as a lesser percentage of respondents expect high growth to continue in the quarter under review. "The percentage of respondents expecting higher growth in the December quarter has gone down to 55 percent as compared to 63 percent for the previous three months," Ficci said. "Exports are primarily responsible for this less optimistic outlook besides domestic factors like poor demand conditions, high interest costs etc," it added.

*Money Control - 28.12.2015*

<http://www.moneycontrol.com/news/economy/indias-manufacturing-sectorthewanedec-qtr-ficci-4748801.html>

### **Boom in lubricants segment attracts foreign players**

Petrol and diesel prices have been deregulated but it is the lubricants segment that those in the oil marketing sector find attractive and are preparing to fight over. In the past year, the segment has seen entry of Malaysia's Petronas and Spain's Repsol. Last week, Petronas Lubricants International (PLI) launched a \$50-million lubricant blending plant at Patalganga, Maharashtra. This, it said, would help make it a formidable entity in the segment here. "India is without exception a very important market for us in the Asia region and we are confident of the potential. Therefore, we have embarked on a solid growth plan to accelerate our business here in India," said Giuseppe Pedretti, PLI's Asia head. Constructed on 25 acres of industrial land, with an estimated production output of 110

government view as if there is no big problem in the sector," Assocham said in a statement here.

*The Times of India* - 27.12.2015

<http://timesofindia.indiatimes.com/business/india-business/Assocham-lowers-fiscals-export-outlook-again-to-255-260-bn/articleshow/50345528.cms>

## **Falling crude oil prices offer comfort to lubricant makers**

Crude oil prices have declined further and that is good news for lubricant makers—Castrol India Ltd and Gulf Oil Lubricants India Ltd (Golil). But the benefits of lower crude oil prices come with a lag. Priyank Chandra, an analyst at Dolat Capital Market Pvt. Ltd, points out that prices of base oil (key raw material for lubricant makers) reflect crude oil prices with a lag of one-two months. "Further, both Castrol and Golil tend to keep 2-3 months' base oil inventory, which means the benefits of crude oil price decline will reflect with a lag to that extent," said Chandra. This means if crude oil prices remain stable, then investors can expect some fillip to margins for the coming two-three quarters. In fact, both companies have seen an improvement in their operating profit margin in recent quarters. The chart shows the details for the past six quarters. One reason why Castrol's operating margin is far higher is due to its premium pricing strategy. Its operating margin for the June and September quarters was 30% and 28%, respectively.

*Mint* - 24.12.2015

<http://www.livemint.com/Money/yyniDiHUsUJqTDdC38hi2L/Falling-crude-oil-prices-offer-comfort-to-lubricant-makers.html>

## **Opec sees demand for its crude oil falling for rest of decade**

The Organization of the Petroleum Exporting Countries (Opec) said demand for its crude oil will slide to 2020, though less steeply than previously expected, as rival supplies continue to grow. It will need to pump 30.7 million barrels a day by the end of the decade, Opec said Wednesday in its annual World Oil Outlook. That's 1.7 million barrels more than projected a year ago, and one million less than the group pumped in November. The forecast underlines the struggle faced by Opec's as it seeks to defend market share against a surge in output from rivals such as the US and Russia. While Opec is slowly taming the expansion of competitors, the collapse in oil prices means the financial costs of its strategy are immense. Brent crude futures touched an 11-year low of \$36.04 a barrel on December 21. "Although lower oil prices continue to foster some demand growth, their

million litres a year, this factory is to commence operations by end-2017.

*Business Standard* - 25.12.2015

[http://www.business-standard.com/article/companies/competition-in-lubricant-segment-hots-up-115122400380\\_1.html](http://www.business-standard.com/article/companies/competition-in-lubricant-segment-hots-up-115122400380_1.html)

## **India gets oil deals as Russia opens doors**

India returned to Russia after six years for a bouquet of oil deals, potentially worth \$2-3 billion, as Moscow actively seeks partners for meeting capital needs of new fields, amid low crude prices and western sanctions. On Thursday, Rosneft, the world's largest publicly-traded oil company, formalised sale of 15% stake in its 100% subsidiary Vankorneft to ONGC Videsh (OVL) for \$1.3 billion. The deal gives OVL access to Rosneft's crown jewel Vanko, the largest onland Russian field developed in the last 25 years. This was followed by a preliminary agreement for giving OVL more stake later and partnerships in other onland fields. Rosneft also signed a preliminary agreement with a consortium of IndianOil and Oil India (OIL) for selling a stake in another subsidiary, TaasYuryakh Neftgazodobycha, which is developing the Srednebotuobinskoye field. Though the IOC-OIL combine is seeking 29%, which could be worth in excess of \$1 billion.

*The Times of India* - 26.12.2015

<http://timesofindia.indiatimes.com/business/india-business/India-gets-oil-deals-as-Russia-opens-doors/articleshow/50329026.cms>

## **Govt to expand visa-free diplomatic travel to more countries**

Seeking to expand the envelope of visa-free travel for holders of diplomatic and official passports to other countries, the Union Cabinet today approved a model agreement on exemption from visa requirements for such people. "This would facilitate visa-free entry, transit and stay up to 90 days (or less) in any period of 180 days (or more) in the territory of India or signatory country for holders of diplomatic and official passports of either country," an official statement said. This is part of India's ongoing efforts to expand the envelope of visa-free travel for holders of diplomatic and official passports to other countries of the world. Visa free agreements have been signed with 69 countries. There are still more than 130 countries with which India is

impact seems to be limited by other factors," the group said.

*Business Standard - 23.12.2015*

[http://www.business-standard.com/article/markets/opec-sees-demand-for-its-crude-oil-falling-for-rest-of-decade-115122301199\\_1.html](http://www.business-standard.com/article/markets/opec-sees-demand-for-its-crude-oil-falling-for-rest-of-decade-115122301199_1.html)

## **Thomas Cook to discontinue Kuoni brand in India**

Thomas Cook (India) will discontinue the Kuoni brand in India within a week of closing the acquisition of Swiss travel major Kuoni Group's travel business in the country and in Hong Kong for Rs 535 crore. Kuoni India will be rebranded SOTC India and will operate independently. The acquired company, with its brands SOTC, Sita and Distant Frontiers, will continue to engage in outbound and inbound tour business and add to Thomas Cook's bottom line. As per the transaction, Thomas Cook (India) has the right to continue with the Kouni brand in India for one year and in Hong Kong for five years. "The Kuoni brand in India will disappear in weeks. The company will be rebranded as SOTC India, which is a strong brand in India. Tour and related services will be offered under SOTC, Sita and Distant Frontiers brands. The process of change has been initiated," Madhavan Menon, Managing Director, Thomas Cook (India) told The Hindu, adding Kuoni is not a very strong brand in India.

*The Hindu - 22.12.2015*

<http://www.thehindu.com/news/cities/mumbai/business/thomas-cook-to-discontinue-kuoni-brand-in-india/article8016626.ece>

## **Indian business travellers `More Digital' than Asian peers**

A large section of Indian business travellers booked their flights online, showing the highest propensity to use such services, even ahead of the Chinese and Japanese. This was evident from a study conducted by Singapore Tourism Board and travel technology firm Amadeus which said Indians are more "digital" than any other Asian nation's -85% Indian business travellers booked their flights online -and are keen to use and pay for such facilities. "Indian business travellers demand digital services and are willing to pay for these and other add ons from their own pockets," said the study which explored business travel trends in five key Asian markets such as China, Japan, Indonesia, Singapore and India. Sixty four per cent Indians preferred on line medium for their hotel bookings, it said. The study pointed out that India is the highest penetrated market for online bookings amongst the five countries. Business travellers from India want freedom in their travel

yet to enter into or sign similar agreements, it said.

*The Economic Times - 22.12.2015*

[http://articles.economictimes.indiatimes.com/2015-12-22/news/69237371\\_1\\_countries-diplomatic-and-official-passports-visa-free-entry](http://articles.economictimes.indiatimes.com/2015-12-22/news/69237371_1_countries-diplomatic-and-official-passports-visa-free-entry)

## **Travel portals seeing bulk of hotel bookings on mobile site, apps**

In a clear sign of changing hotel and flight booking habits among Indians, travel portals like MakeMyTrip and Cleartrip are seeing about half of the hotel bookings coming from mobile phones, including apps, which now also account for a significant one-third of their flight bookings. Moreover, bulk of the new customers are coming through such channels and not the website. Mobile booking is assuming a greater importance for these portals. For some of the portals, mobile site along with apps are accounting for over half of the traffic. "Cleartrip's latest quarter reported an inflection point for our mobile-first customers, where over 60 per cent of our total traffic came from the mobile channels, overtaking our desktop channel for the first time," said Subramanya Sharma, chief marketing officer at Cleartrip. Cleartrip's mobile app has seen over nine million downloads since its launch in 2012.

*Business Standard - 22.12.2015*

[http://www.business-standard.com/article/companies/travel-portals-seeing-bulk-of-hotel-bookings-on-mobile-site-apps-115122100731\\_1.html](http://www.business-standard.com/article/companies/travel-portals-seeing-bulk-of-hotel-bookings-on-mobile-site-apps-115122100731_1.html)

## **Digital makeover: SMS new ticket as Railways may go paperless**

It will soon be the end of the road for printed railway tickets in the country. A file has been moved in the Railway Ministry which will replace the paper ticket with an SMS, which commuters will receive each time they book a ticket at the railway counter. Currently, only those who buy e-tickets online get an SMS. Officials said the ministry's finance directorate is perusing the matter. The Railways, officials said, will purchase premium services, which send out an SMS the moment ticket details are punched into the Passenger Reservation System machines installed at counters across the country. Once the new system is in place, the 162-year-old organisation's crossover to the digital age would be complete. The plan is to eventually phase out thousands of old printers and even schedule charts that are pasted on train coaches. The SMS tickets might also carry advertisements, so

booking processes and prefer to make their own bookings via online portals.

*The Economic Times - 27.12.2015*

<http://tech.economictimes.indiatimes.com/news/internet/indian-business-travellers-more-digital-than-asian-peers/50330296>

## **Indian Railways hike Tatkal ticket charges from December 25**

The Railways hiked the Tatkal ticket charges from December 25 with the aim to improve passenger revenue collections. While a passenger has to shell out Rs 200 for the Tatkal booking of Sleeper class instead of Rs 175, for AC-3 the maximum revised charge is Rs 400 instead of Rs 350 earlier and minimum is Rs 300 instead of Rs 250, according to the Railway notification. In Sleeper class minimum Tatkal charge was Rs 90 which has been hiked to Rs 100. Minimum and maximum charges depend upon the travel distance. The hike is more for the AC class segment while the Second Class Tatkal charges remain unchanged. In AC-2 a passenger has to pay Rs 400 now as against the earlier rate of Rs 300 in minimum Tatkal charges and Rs 500 as maximum charge against Rs 400 earlier. In Executive Class, the minimum Tatkal charge has been hiked to Rs 400 from Rs 300 and maximum Rs 500 from Rs 400. According to Railways the software will be changed accordingly by CRIS to adjust the new fares

*The Economic Times - 23.12.2015*

<http://economictimes.indiatimes.com/industry/transportation/railways/indian-railways-hike-tatkal-ticket-charges-from-december-25/articleshow/50302175.cms>

## **Air fares drop on top busy routes across country**

Low fuel price (aviation turbine fuel) and expansion in capacity with the launch of new airlines like Vistara and AirAsia have resulted in drop in air fares across the country's top busy routes. In fact, the average fares across these five routes, if a consumer booked tickets 6-14 days in advance for travel during the current month, are the lowest since December 2012. Airlines usually register high occupancy levels during December as due to Christmas and New Year holidays there's large-scale travel by tourists. The five major routes are Delhi-Mumbai, Bangalore-Delhi, Mumbai-Hyderabad, Delhi-Goa and Mumbai-Chennai. Average fares on the Delhi-Mumbai route, the busiest one, in December stood at Rs 4,984, much lower than what they were during the same month in the last three years — Rs 7,000 (Dec 2014), Rs 9,502 (Dec 2013), and Rs 8,395 (Dec 2012).

*The Financial Express - 24.12.2015*

that the national transporter does not have to bear the cost of sending them.

*The Indian Express - 24.12.2015*

<http://indianexpress.com/article/india/india-news-india/digital-makeover-sms-new-ticket-as-railways-may-go-paperless/>

## **Indian Railways online ticket booking: ICICI Bank does a first, launches rail facility on website**

Indian Railways online ticket booking: ICICI Bank today announced the launch of a facility that allows users to book online rail tickets on its website icicibank.com. This facility is being offered in association with the Indian Railway Catering & Tourism Corporation Ltd. (IRCTC). ICICI Bank is the first bank in the country to offer such a facility on its website. Customers of any bank can use this Indian Railways online ticket booking service to book online rail tickets on the bank's website itself, without visiting any other site. Commenting on the launch, Rajiv Sabharwal, Executive Director, ICICI Bank Limited, said: "Online rail ticket booking on the Bank's website for customers of any bank is yet another exciting service for the rapidly growing digitally savvy customer base in India. This service will soon be also available on the bank's mobile banking app, iMobile as well as on its digital bank on mobile phone, Pockets."

*The Financial Express - 23.12.2015*

<http://www.financialexpress.com/article/industry/banking-finance/indian-railways-online-ticket-booking-icici-bank-launches-rail-facility-on-website-check-irctc-co-in/183009/>

## **Jet Airways takes on travel portals, offers 'Best Price Promise'**

Jet Airways has launched "Best Price Promise" initiative and will refund the difference in fares to passengers in case online portals offer cheaper tickets than its website. The initiative aims to encourage web bookings on jetairways.com (mobile site) and on the Jet Airways app and will enable the airline to reduce sales and distribution costs. The scheme is available only on the India-site of Jet Airways and for its domestic and international flights originating in India. This scheme is not available for code share or interline flights operated by other airlines. Jet Airways has said it will refund customers in case of difference of Rs 250-500 on one way and return domestic tickets and Rs 500-1,000 on one way and return international tickets. The airline will refund the difference of fare purchased on Jet Airways and third party website fare, it said.

*Business Standard - 23.12.2015*

<http://www.financialexpress.com/article/industry/companies/air-fares-drop-on-top-busy-routes-across-country/183276/>

### **India to make foreign carriers bid for additional flying rights**

India is all set to become the world's first country to make foreign airlines bid to get more flying rights. The government will offer additional flying rights for different cities and auction them to airlines of countries within 5,000 km of India. These extra rights will be sold for three years and the move is targeted mainly at Gulf carriers that dominate international travel market to and from India. While Indian airlines accounted for 36% of the international traffic in 2014, Gulf carriers such as Emirates, Qatar Airways, Air Arabia and Etihad had a 30% share. A brainchild of aviation secretary R N Choubey, this plan for auctions - which is still being finalised - will be a part of his aviation policy that is expected to be implemented next month. The additional bilateral will be over and above existing flying rights that have been exhausted, thereby leading to demand for more from foreign carriers.

*The Times of India - 25.12.2015*

<http://timesofindia.indiatimes.com/business/india-business/India-to-make-foreign-carriers-bid-for-additional-flying-rights/articleshow/50317699.cms>

[http://www.business-standard.com/article/companies/jet-airways-takes-on-travel-portals-offers-best-price-promise-115122300543\\_1.html](http://www.business-standard.com/article/companies/jet-airways-takes-on-travel-portals-offers-best-price-promise-115122300543_1.html)

### **Travel Report: Indians Are Preferring Domestic Destinations Over International Ones**

Indians are preferring domestic destinations over international ones for this winter vacations, as 88 per cent have booked for travel to popular spots across the country, according to findings by online travel company MakeMyTrip. More people (88 per cent) tend to be travelling to domestic locations compared to international (12 per cent) destinations, according to Christmas and New Year travel trends by MakeMyTrip. This analysis is based on actual bookings made by customers from January-November 2015, for Christmas and New Year weekends. However, the data found that people are spending 7.5 times more on their international holidays compared to the domestic ones during this festive season. The data also revealed that 44 per cent of customers made their travel plans 1-2 months in advance while nearly half of the travellers (49 per cent) made their bookings over two months in advance.

*The Huffington Post - 23.12.2015*

<http://www.huffingtonpost.in/2015/12/23/indian-domestic-travel-man-8803692.html>