

(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 uploaded on intranet and website every Monday.)

Oil PSUs team up for Skill India

Oil PSUs members have come together to set up a Skill Development Institute in Visakhapatnam (SDI-Vskp). The Members, HPCL, IOCL, BPCL, ONGC, OIL, GAIL, EIL and Balmer Lawrie, have taken this initiative for skills development of unemployed youth under the Skill India programme. K Nagesh, secretary, Skill Development Institute, Visakhapatnam and chief manager-HR, HPCL, Mumbai said, "Skill Development Institute, Visakhapatnam is committed to raise the bar in the process of imparting technical skills to unemployed youth including soft skills & digital literacy and make them ready for industrial assignments. Partnership with NSDC is a momentous step towards achieving our commitment to the Skill India Mission." SDI-Visakhapatnam has entered into an MOU with the National Skill Development Corporation (NSDC), under the ministry of skill development and entrepreneurship to partner on various areas. Under this MoU, over 600 people from local areas will be provided training at subsidized cost on an annual basis.

Governance Now - 29.12.2016

<http://www.governancenow.com/news/psu/oil-psus-team-skill-india>
<https://bureaucracytoday.com/psumarket.aspx?id=130014>

India's economy briefly trumped Britain in 2016

It is no mean achievement when Indian economy flexed its muscles in 2016 and briefly nosed ahead of Britain -- its once colonial master. But, the honour was fleeting as India quickly fell back to the sixth-largest position, with considerable headwinds from demonetisation and delay in Goods and Services Tax (GST) rollout queering the pitch. At the start of 2016, everything looked hunky-dory as the country took pride in being the world's fastest-growing major economy, but the momentum seemed to have petered out by the end of the year as spending took a hit and industrial activity faltered with the junking of 86 per cent of currency in circulation, leading to an across-the-board downgrade in growth projections. The first half saw India being called the bright spot - and rightly so -- in a world searching for growth engine. The government moved in to reconfigure its economic architecture through new institutional mechanisms - like the one to tackle monetary policy. But Brexit, protectionist signal from Donald Trump fresh from the surprise US presidential election win, the Syrian turmoil and an uptick in oil prices partly reversed some of the gains and capped 2016 as a tumultuous year.

Business Standard - 01.01.2017

http://www.business-standard.com/article/economy-policy/india-s-economy-briefly-trumped-britain-in-2016-117010100180_1.html

Demonetisation takes toll on manufacturing, PMI falls below 50

Shortages of money in the economy made India's manufacturing sector dip into contraction for the first time in 2016, a private survey showed on Monday. The Nikkei India Manufacturing Purchasing Managers' Index fell to 49.6 in December from November's 52.3. A reading above 50 indicates economic expansion, while a reading below 50 points toward contraction. "PMI data for December indicated that the rupee demonetisation took a toll on manufacturing performance," the survey report showed. It further added: "Cash shortages and lower workplace activity resulted in job shedding and falling buying levels during December." The withdrawal of high-value rupee notes from November 8 onwards was blamed for the downturn, as cash shortages in the economy reportedly resulted in fewer levels of new orders received. "With the window for exchanging notes having closed at the end of December, January data will be key in showing whether the sector will see a quick rebound," guided Pollyanna De Lima, Economist at IHS Markit and author of the report.

The Economic Times - 02.01.2017

<http://economictimes.indiatimes.com/news/economy/indicators/demonetisation-takes-toll-on-manufacturing-pmi-falls-below-50/articleshow/56288723.cms>

China manufacturing growth slows in December

Manufacturing activity in China slowed slightly in December, official figures showed today, as the world's second largest economy stabilises. The official purchasing managers' index (PMI), which gauges the conditions at factories and mines, came in at 51.4 in December, down from 51.7 in the previous month which marked its fastest growth for two years. A figure above 50 marks an expansion of manufacturing activity, and below 50 a contraction. Analysts surveyed by Bloomberg had expected an average of 51.5 for December. The key manufacturing sector had been struggling in the face of sagging world demand for Chinese products and excess industrial capacity left over from the country's infrastructure boom. But an upturn in the housing and construction markets thanks to cheap credit — following a series of monetary easing measures — has contributed to a sharp rebound in manufacturing activity. However, an alternative index calculated independently by the research firm Caixin Insight Group, which focuses on small and medium-sized companies, shows a sharp decline in growth in recent months.

The Hindu Business Line - 02.01.2017

<http://www.thehindubusinessline.com/news/world/china-manufacturing-growth-slows-in-december/article9453612.ece>

Weeks before Budget, Finance Minister Arun Jaitley lists out benefit of low tax rates

India has been guided by the principle that a lower level of taxation is the key to building a globally competitive economy in the past two and a half decades since liberalisation, FM Arun Jaitley said, touching off speculation about his plans for the Budget, which is just weeks away. "We have seen post-1991 the entire course of economy altering itself," he said. "What you need is a broader base of economy, for which you need a lower level of taxation." Jaitley subsequently scotched any broader interpretation of his remarks with a tweet. "I have read several inaccurate versions of my speech today at NACEN (National Academy of Customs Excise and Narcotics) in the media." ET had reported on Monday that the government is likely to announce dramatic changes in the direct tax regime and both personal and corporate taxes could be slashed. The government's November 8 demonetisation announcement has led to economic dislocation and tax cuts would help reverse the loss in sentiment.

The Economic Times - 27.12.2016

Lower levy logic in growth push

Top economists, at a meeting chaired by Prime Minister Narendra Modi at Niti Aayog, today suggested a reduction in personal income tax to align with global benchmarks and a unified customs duty of 7 per cent to boost manufacturing. They also favoured the use of big data in policy-making and recommended a rejig of the tax administration. "During the meeting experts suggested a reduction in tax rates, exemptions... they also suggested a cut in corporate tax rates. They felt the inverted duty structure should be corrected and there should be a unifying customs duty of 7 per cent to boost the manufacturing sector," Arvind Panagariya, vice-chairman of Niti Aayog, who had organised the meet at Modi's request, told reporters. The meeting, "Economic Policy - The Road Ahead", was organised as a brainstorming session to chalk out strategies to counteract the post-demonetisation slowdown and throw up suggestions for the Union budget, which is likely to be tabled in Parliament on February 1 instead of the usual date of February 28.

The Telegraph - 28.12.2016

https://www.telegraphindia.com/1161228/jsp/business/story_127172.jsp#.WGod5fB97IU

Prime Minister says people have welcomed demonetisation wholeheartedly

Prime Minister Narendra Modi defended his demonetisation plan, reiterating that the people of the country had welcomed it "wholeheartedly" and attacked the opposition for criticising the initiative. "I believe India is standing at a watershed moment, on the cusp of actualising its inherent potential as a developed nation and global leader," he told India Today in an interview. He said the frequent rule changes were required to stay "a step ahead of the enemy," while adding that the government had never wavered on its intent. "This decision is so huge that even our best economists remain confused in their calculations. India's 1.25 billion citizens, however, have welcomed it wholeheartedly and supported it even in the face of great personal difficulties, intuitively understanding its impact and importance," he said. He derided the opposition for its stance on demonetisation and stalling Parliament. "I pity some of our opponents, especially the

<http://economictimes.indiatimes.com/news/economy/policy/weeks-before-budget-finance-minister-arun-jaitley-lists-out-benefit-of-low-tax-rates/articleshow/56192050.cms>

Note ban to transform eco: RBI governor

Short-term disruptions in certain segments of the economy and public hardship notwithstanding, demonetisation will transform the economy and impart "far-reaching" changes going forward, according to RBI governor Urjit Patel. In a statement issued as part of the Financial Stability Report (FSR), Patel said that the withdrawal of Rs 500 and Rs 1,000 notes will result in greater intermediation, efficiency gains, accountability and transparency through increasing adoption of digital modes of payments. "The government's resolve to take on the shadow economy through various measures is expected to deliver net direct and collateral benefits to the Indian economy in the long run and will also improve India's international standing," the RBI said in the FSR released on Thursday. The FSR is a half-yearly exercise carried out by central banks across the world to identify weak links in financial systems and see how they impact various players under stress test conditions. According to the RBI's stress tests under the baseline scenario, the gross non-performing asset (GNPA) ratio may increase from 9.1% in September 2016 to 9.8% by March 2017 and further to 10.1% by March 2018.

The Times of India - 30.12.2016

<http://timesofindia.indiatimes.com/business/india-business/Note-ban-to-transform-eco-RBI-guv/articleshow/56245732.cms>

Target of 1.5 crore LPG connections to BPL households met in 8 months

The government has been able to achieve the full year's target of providing 1.5 crore LPG connections under the Pradhan Mantri Ujjwala Yojana (PMUY) within eight months. According to the Ministry for Petroleum & Natural Gas statement, the top five States with maximum connections are UP (46 lakh), West Bengal (19 lakh), Bihar (19 lakh), Madhya Pradesh (17 lakh) and Rajasthan (14 lakh). These States constitutes nearly 75 per cent of the total connections released. The government had allocated ₹8,000 crore in the Union Budget 2016. According to data released from the Ministry, the national LPG coverage increased from 61 per cent on January 1, 2016 to 70 per cent on December 1, 2016. As per the scheme, an adult woman member of a BPL

Congress leadership, for the desperation they have been exhibiting," the Prime Minister said.

The Economic Times - 30.12.2016

<http://economictimes.indiatimes.com/news/politics-and-nation/prime-minister-says-people-have-welcomed-demonetisation-wholeheartedly/articleshow/56245642.cms>

Phenomenal growth in digital payments post note ban: Pradhan

Making a pitch for cashless transactions, Minister of State for Petroleum and Natural Gas Dharmendra Pradhan today said there has been a phenomenal growth of about 25 per cent in digital payments for buying petroleum products at petrol pumps across the country post demonetisation. Cashless transactions used to be 10 per cent of sales before the withdrawal of 1000 and 500 rupee currency notes, and now it has come to about 25 per cent in the country, Pradhan said at a function organised here to create awareness among customers on cashless payments. The growth of digital payments in petrol and diesel sale in Kerala comes to around 20 per cent, he said. Out of 55,000 petrol pumps in the country, about 40,000 are now equipped with digital payment methods and the rest would be supplied with POS terminals in a few months, he said. On the incentive offered by the Ministry for consumers using digital payment route, he said the 0.75 discount on petrol and diesel is directly credited to their bank accounts.

The Economic Times - 30.12.2016

<http://economictimes.indiatimes.com/news/economy/policy/phenomenal-growth-in-digital-payments-post-note-ban-pradhan/articleshow/56256321.cms>

Oil prices steady as rise in US inventory slows upswing

Oil prices steadied on Thursday after a surprise increase in U.S. inventories helped stall an upward trend that has pushed global crude benchmarks to their highest levels since July last year. U.S. light crude was down 20 cents at \$53.86 by 1130 GMT, while North Sea Brent crude was up 5 cents at \$56.27 a barrel. Traded volumes were thin with many investors away for year-end holidays, although the expiry of the front-month February ICE Brent contract on Thursday could generate some activity. Both crude oil benchmarks have made big gains this month since OPEC and other producers agreed to curb production in an attempt to balance an oversupplied fuel market. "The market is in good shape although

family identified through Socio-Economic Caste Census (SECC) data is given a deposit-free LPG connection with financial assistance of ₹1,600 per connection. The government statement noted that 14 States/UTs, having LPG coverage less than the national average, hilly States of J&K, Uttarakhand, Himachal Pradesh and all North-East States are identified as priority states for implementing the scheme.

The Hindu Business Line - 29.12.2016

<http://www.thehindubusinessline.com/economy/policy/target-of-15-crore-lpg-connections-to-bpl-households-met-in-8-months/article9449682.ece>

Steel production grows 9%, exports up 60%

The overall steel production grew by 8.8% between April-November, 2016 compared to the same period last year. Steel imports have declined by 38.28% between April-November, 2016 while exports have increased by 59.96% during the same period, according to government figures. The per capita consumption of total finished steel in the country has risen from 58 kg in 2011-12 to 63 kg in 2015-16, while the crude steel capacity in the country stood at 121.97 million ones in 2015-16 (source: JPC) and the production of crude steel stood at 89.79 mt during the same year. The government has extended Minimum Import Price (MIP) on 19 steel products till February 4, 2017 in order to provide a level playing field to the domestic steel producers. A provisional anti-dumping duty has been notified on import of flat products (hot rolled and cold rolled) and on wire rods from China, Japan, Korea, Russia, Brazil, Indonesia and Ukraine. Among other steps taken to give a boost to the steel industry, the Steel Authority of India Ltd has undertaken modernisation and expansion of its integrated steel plants at Bhilai, Bokaro, Rourkela, Durgapur and Burnpur.

India Infoline - 29.12.2016

http://www.indiainfoline.com/article/news-top-story/steel-production-grows-9-exports-up-60-116122900174_1.html

Railways may bring in cess on tickets again

The Railways may bring back a cess on tickets to finance its proposed Rs.1 lakh crore Rail Safety Fund after a rise in derailments this year. The Railways had asked the Finance Ministry to sponsor almost 93 per cent of the fund. However, the Finance Ministry agreed to contribute only 25 per cent and asked it to raise the rest. "In 2001-2007, a Special Railway Safety Fund of Rs.17,000 crore was created. The Railways raised Rs.5,000

it might fail to make significant advances this year," said analyst Tamas Varga at London brokerage PVM Oil Associates. "If that is the case the uptrend should continue in early January." Data released by industry group the American Petroleum Institute (API) late on Wednesday showed a 4.2 million barrel increase in U.S. crude stocks in the week to Dec. 23.

Business Standard - 29.12.2016

http://www.business-standard.com/article/economy-policy/oil-prices-steady-as-rise-in-us-inventory-slows-upswing-116122900695_1.html

Spike in last-minute ticket prices: Air fares up 65% on holiday demand

Last-minute domestic flight ticket prices are up 65% on a year-on-year (y-o-y) basis on the back of strong travel demand during the Christmas-New Year week, according to online travel portals. The spike in last-minute airfares is in contrast to 2015 when fares registered a decline. Last-minute airfares in December 2015 were 35-40% lower than the same month in 2014. In fact, average fares throughout 2015 were the cheapest in three years owing to a combination of low crude oil price and capacity addition. According to Sharat Dhall, chief operating officer (B2C) at Yatra.com, on an average, there is a 15-20% increase in last-minute fares in December. On certain routes, the increase is as high as 65%. "These fares are as a result of increased passenger loads in the peak holiday season. Demonetisation impacted the sales initially but since then, things are back to normal. We've seen a growth in last-minute bookings, which is driving up fares," said Dhall.

Business Standard - 27.12.2016

http://www.business-standard.com/article/companies/spike-in-last-minute-ticket-prices-air-fares-up-65-on-holiday-demand-116122700010_1.html

Indian Railways announce 10% rebate in vacant train berths

The Railways on Friday said that it has decided to extend, for six months, the 10% rebate in basic fare on the vacant berths or seats in the reserved class of all other trains after preparation of the first chart. "Indian Railways has decided to extend the rebate of 10% in the reserved class of all other trains with effect from January 1, 2017 on an experimental basis for six months," the Rail ministry said in a

crore through safety surcharge on passenger fare and the remaining Rs.12,000 crore came from the Finance Ministry. We are thinking on the same lines again," said a senior Railway Ministry official, on condition of anonymity. The 2001 move was based on recommendations of the Railway Safety Review Committee. The fund was also meant for improving safety of rolling stock, upgrading training facilities, and simulators for locomotive drivers, among other things. During 2001-2007, the Railways levied a fee of Rs.1 for second class ordinary trains and Rs.2 for second class Mail or Express trains per person.

The Hindu - 31.12.2016

<http://www.thehindu.com/news/national/Railway-s-may-bring-in-cess-on-tickets-again/article16966394.ece>

Rlys Plans Highest Outlay of Rs 1.35 Lakh Cr for FY18

Indian Railways is likely to have its highest plan outlay of around Rs 1.35 lakh crore for the next financial year. The national transporter plans to seek almost 60,000 crore from the finance ministry as gross budgetary support and another Rs.25,000 crore from LIC as loan. The remaining amount will be raised by the Indian Railways Finance Corporation (IRFC) bonds, internal resources and public private partnerships (PPP). "We'll have the highest outlay for next financial year. We have already entered into a memorandum of understanding (MoU) with LIC as per which we can avail of an annual loan of 25,000 crore. Through IRFC bonds we can get anywhere between Rs. 20,000 crore and Rs. 25,000 crore. Several project will also be taken up on PPP," a senior railway board official said. "Even if we don't get desired funds from the finance ministry, we'll be able to manage the same annual outlay," the official added. Railways has also set up various joint ventures with state governments. Funds spent through these JVs are accounted as PPP by railways.

The Economic Times - 27.12.2016

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Rlys-Plans-Highest-Outlay-of-Rs-135-Lakh-27122016013020>

Major Port Authorities Bill 2016: Aim is to empower ports by providing full autonomy, give infrastructure boost

Cargo traffic in India has grown slowly over the last 4-5 years. The government's focus on

statement. Earlier the rebate of 10% was only in Rajdhani, Duronto and Shatabdi Express trains, when introduced on December 19 during the review meeting on "Flexi fare", launched in September. "10% rebate shall be applicable on the base fare of last ticket sold for a particular class and train just before preparation of first chart," the Rail ministry said. The discount would however be applicable on the surged fare base and not on the original base fare. Reservation fee and superfast charge as applicable shall be levied in full and service tax etc. as applicable shall be levied.

Business Standard - 30.12.2016

http://www.business-standard.com/article/economy-policy/indian-railways-announce-10-rebate-in-vacant-train-berths-116123001129_1.html

Coming Up: Port Projects Worth Rs 12 Lakh Crore

Port-led development projects worth Rs 12 lakh crore will be awarded in the coming years, shipping and road transport minister Nitin Gadkari said on Monday. Gadkari said projects worth Rs 1 lakh crore under Sagarmala programme are already in various stages of implementation. His ministry plans to undertake construction of four new major ports, 200 small and minor ports and more than 2,000 water ports under the programme. To undertake the ambitious Sagarmala programme, the shipping ministry has set up Sagarmala Development Company (SDC). The company will identify port-led development projects and provide equity support for Special Purpose Vehicles (SPVs) set up by ports, states and central ministries. The company will help in structuring activities, bidding out projects for private sector participation and identifying suitable risk management measures for strategic projects across multiple states. SDC would act as the nodal agency for coordination and monitoring of all the currently identified projects under Sagarmala as well as other projects emerging from the master plans or other sources.

The Economic Times - 27.12.2016

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Coming-Up-Port-Projects-Worth-Rs-12-Lakh-27122016013021>

Four more logistic parks proposed

With the proposed logistic parks (truck terminals) at Mangalapally and Batasingaram on the city's outskirts to materialise soon, the Hyderabad Metropolitan Development

developing shipping as a mode of transport is key to reducing the over-dependence on roads as a mode of transport. In light of this, the government recently announced the Major Ports Authorities Bill, 2016 as a long pending reform of the Major Port Trusts Act, 1963—the Bill has been introduced in the Lok Sabha. It aims to empower major ports by giving them full autonomy and ensure transparency in operations by decentralising decision-making. It will also aid in the expansion of port infrastructure. The Bill has been made precise in comparison to the 1963 Act, by removal of overlapping or obsolete sections. In terms of provisions, the new law shall assign full authority to the Board of Port Authority to enter into contracts, on planning and development, fixing of tariffs, etc. Decisions on reference tariff for bidding on PPP projects, on lease rates etc. would also be taken by the Board of Port Authority.

The Financial Express - 02.01.2017

<http://www.financialexpress.com/economy/major-port-authorities-bill-2016-aim-is-to-empower-ports-by-providing-full-autonomy-give-infrastructure-boost/493424/>

Authority (HMDA) has drawn plans to establish another four such logistic parks along national highways on the outskirts of the city. The state government has already given the green signal for a logistic park at Batasingaram in Hayatnagar mandal on the Vijayawada highway and 7 km from the Outer Ring Road (ORR), and another at Mangalapally in Ibrahimpatnam mandal on the Nagarjunasagar road and close to ORR. The works on them will begin shortly. With the proposed logistic parks (truck terminals) at Mangalapally and Batasingaram on the city's outskirts to materialise soon, the Hyderabad Metropolitan Development Authority (HMDA) has drawn plans to establish another four such logistic parks along national highways on the outskirts of the city. The state government has already given the green signal for a logistic park at Batasingaram in Hayatnagar mandal on the Vijayawada highway and 7 km from the Outer Ring Road (ORR), and another at Mangalapally in Ibrahimpatnam mandal on the Nagarjunasagar road and close to ORR.

The New Indian Express - 02.01.2017

<http://www.newindianexpress.com/cities/hyderabad/2017/jan/02/four-more-logistic-parks-proposed-1555195.html>