

(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.)

Indian economy projected to grow by 7.7% in FY 2017: UN report

India is projected to grow by 7.7 per cent in fiscal 2017, remaining the fastest growing large developing economy, as it benefits from strong private consumption and gradual introduction of significant domestic reforms, a United Nations report said. The United Nations World Economic Situation and Prospects (WESP) 2017 report launched today said India's economy is projected to grow by 7.7 per cent in fiscal year 2017 and 7.6 per cent in 2018, benefiting from strong private consumption. It however cautioned that low capacity utilisation and stressed balance sheets of banks and businesses will prevent a strong investment revival in the short term. China's growth on the other hand is projected to remain stable at 6.5 per cent for fiscal years 2017 and 2018, supported by favourable domestic demand and accommodative fiscal measures, including off-budget fiscal support through policy banks and public-private partnerships. However the implications of China's ongoing economic rebalancing will inevitably be felt by the region in the medium and long-run through trade (including commodity prices) and financial channels, albeit to a varied extent across countries, the report added.

The Economic Times - 17.01.2017

<http://economictimes.indiatimes.com/news/economy/indicators/indias-economy-projected-to-grow-by-7-7-in-fy-2017-un-report/articleshow/56629889.cms>

GST: Centre, States reach consensus over dual control, rollout likely from July 1

India will likely be able to roll out the goods and services tax (GST) from July 1 following a breakthrough on Monday over the seemingly intractable issue of tax administration after the Centre accommodated states' concerns. India will likely be able to roll out the goods and services tax (GST) from July 1 following a breakthrough on Monday over the seemingly intractable issue of tax administration after the Centre accommodated states' concerns. "It's a significant headway," Union Finance Minister Arun Jaitley said after a day-long meeting of the GST Council with both sides agreeing on most matters. Under the

IMF slashes India's growth forecast to 6.6% from 7.6%

The International Monetary Fund (IMF) on Monday cut India's economic growth estimate for 2016-17 to 6.6% from its earlier projection of 7.6% due to the impact of the government's move to scrap some high value currency notes in early November. The agency raised China's GDP growth estimate for 2016-17 to 6.7% from the earlier 6.5%. If the projections are realised then India risks losing the "fastest growing major economy" tag. IMF expects the economy to recover and grow by 7.2% in 2017-18, still slower than the previous estimate of 7.6%. In 2018-19, it expects the Indian economy to grow by 7.7%. "In India, the growth forecast for the current (2016-17) and next fiscal year were trimmed by one percentage point and 0.4 percentage point, respectively, primarily due to temporary negative consumption shock induced by cash shortages and payment disruptions associated with the recent currency note withdrawal and exchange initiative," the IMF said in its World Economic Outlook update.

The Times of India 17.01.2017

<http://timesofindia.indiatimes.com/business/india-business/imf-slashes-indias-growth-forecast-to-6-6-from-7-6/articleshow/56608202.cms>

GST code to soften penalty punch

The Centre and states have decided to water down the penal provision of GST to ensure that tax evasion up to Rs 2 crore is a bailable offence. "In case of offences where the amount does not exceed Rs 2 crore, the person arrested for violation of GST laws will be entitled to bail," an official privy to the GST Council's last meeting said. The penal provisions in GST will be less onerous than the provision in the Indian Penal Code (IPC) for the same type of offences. Under the model GST law, offences recognised as "cognizable and non-bailable" for "arrest" are those where the amount of tax evaded (including wrong input tax credit and refund taken wrongly) exceed Rs

proposed tax regime, 90% of all assesses with a turnover of Rs 1.5 crore or less will be assessed for scrutiny and audit by state authorities, the remaining 10% by the Centre. Above that limit, Centre and states will assess in a 50:50 ratio. The agreement hammered out was based on a proposal by Tamil Nadu.

The Economic Times - 17.01.2017

<http://economictimes.indiatimes.com/news/economy/policy/april-1-deadline-for-gst-ruled-out-4-options-now-for-arun-jaitley-in-budget-2017/articleshow/56598850.cms>

GDP may slow down if GST implemented in hurry: Tax officials to Arun Jaitley

Claiming that demonetisation has affected country's growth, a major central revenue body has asked finance minister Arun Jaitley not to implement goods and services tax (GST) in a hurry and threatened to take legal recourse in case their concerns are not addressed. It termed as "illegal" certain decisions taken by Jaitley-headed GST council and demanded that they be corrected. It also sought that the officer's body be consulted before any final decision is taken. The council in its meeting on 16 January, had agreed to give states the powers to levy tax on economic activity within 12 nautical miles of territorial waters. Also, it was decided that the states will have powers to assess and administer 90% of the tax payers under Rs1.5 crore annual turnover, while the remaining would be controlled by the Centre. In a letter to Jaitley, the All India Association of Group B Central Excise Gazetted Executive Officers, said the decision to transfer 90% of service tax assesses to states is not supported by any lawful and logical base and therefore, the decisions taken by GST council should be withdrawn immediately.

Mint - 22.01.2017

<http://www.livemint.com/Politics/s5UcstTWPPTyTdY4fVhq7K/GDP-may-slow-down-if-GST-implemented-in-hurry-Tax-officials.html>

Cover drive! Rs 2-lakh insurance cover for 3 years for Jan Dhan account holders on cards

The government is considering an umbrella insurance scheme under which all Pradhan Mantri Jan Dhan Yojana (PMJDY) account holders will be offered free Rs 2-lakh insurance cover for three years amid a broader push to create a robust social security net for the poor. There are about 27 crore account holders under the PMJDY fiscal inclusion scheme. Of these, 16 crore have been seeded with Aadhaar numbers, ensuring that welfare payments reach their intended beneficiaries. If the scheme provides both accident

1 crore. India Inc had expressed its concern over the penal provisions in the proposed new indirect tax regime. Naushad Forbes, president of the CII, said at the Vibrant Gujarat summit: "There is a provision to arrest an industrialist for non-bailable offences, which covers five different potential offences. The tax laws provide for only one offence, that is, if you collect taxes and do not pass it on to the government."

The Telegraph - 20.01.2017

https://www.telegraphindia.com/1170120/jsp/business/story_131314.jsp#.WicA9vB97IU

For Cash-Mukt India! 6 BPOs, 2 telcos and a consultancy running helpline for free

Six big-name business process outsourcing (BPO) companies, two telecom majors and one big consultancy are running a GoI helpline called Cash-Mukt Bharat Abhiyan (CMBA) — and they are not charging a paisa for it. The helpline, running from December 15, is getting 3 lakh calls a day, and even though its aim is to help users understand digital payment systems, plenty of citizens are calling '14444' for grievance redressal on specific digital payment platforms. The helpline has been put together by Nasscom and Payments Council of India, at the request of NITI Aayog and DoT. The companies involved are Tata Consultancy Services, Tata Business Support Services, Tech Mahindra, Genpact, Intelinet Global Services and Aegis. Vodafone and Tata Teleservices are the telecom majors who are supplying phone line capacity for the helpline. Deloitte is managing the project.

The Economic Times - 19.01.2017

<http://economictimes.indiatimes.com/news/politics-and-nation/for-cash-mukt-india-6-bpos-2-telcos-and-a-consultancy-running-helpline-for-free/articleshow/56653720.cms>

Cut in fuel excise duty a possibility

The government today hinted at a cut in excise duty on petrol and diesel if the prices pinched motorists hard and stated that it would not return to the subsidy regime. Fuel prices have spiked following the decision of oil producers to cut output. "There will be no subsidy regime in petrol and diesel. Petrol price was deregulated in June 2010 and diesel in October 2014 and the same will continue," oil minister Dharmendra Pradhan told reporters today. The surge in international rates has led to petrol prices being hiked for the fourth time since December and thrice in case of diesel. "There

and life insurance, the benefit could cost the government more than Rs 9,000 crore, it's been estimated. "There are various proposals that are being considered," said a government official aware of deliberations. "One of them is to provide the insurance cover and the government will bear the premium cost for three years." The government launched three social security programmes in 2014 — PMSBY, PMJJBY and APY — to bring the poor into the fold of formal financial services.

The Economic Times - 21.01.2017

<http://economictimes.indiatimes.com/news/economy/finance/cover-drive-rs-2-lakh-insurance-cover-for-3-years-for-jan-dhan-account-holders-on-cards/articleshow/56675315.cms>

Turning off engines at red lights can save Rs 14,000 crore: Pradhan

The Minister of State (Independent Charge) for Petroleum & Natural Gas, Dharmendra Pradhan said that the draft norms on fuel efficiency for heavy duty vehicles will be released on April 1. The Minister made the announcement during his address at the Saksham 2017, month-long awareness drive on fuel conservation in the capital. He said that the BS IV fuel will be available across the country from April, and that the Ministry is already planning and working on bringing in BS VI fuel by 2020. Speaking at the event, Pradhan urged everyone to follow fuel conservation steps and contribute to saving of energy and fuel wherever they can. He added there are more than 15 crore two wheelers and more than 3 crore three wheelers currently on roads in India. By turning off vehicle engine at red light stops of traffic signal, about 2 % of fuel can be saved which translates to Rs 14000 crore of saving for the country. Drawing a parallel to the PMUY which has an allocation of Rs 8000 crore to distribute LPG cylinders to 5 crore BPL families across the country.

Millennium Post - 17.01.2017

<http://millenniumpost.in/NewsContent.aspx?NID=352557>

Crude oil, natural gas output down in Dec

Domestic production of crude oil and natural gas in December fell compared with the same month last year. While crude oil production fell by 0.8 per cent to 3.05 million tonnes, natural gas production for was 0.01 per cent lower at 2.736 BCM. Interestingly, ONGC's oil production during December 2016 is 0.47 per cent higher this month. OIL too performed better than last year, clocking a 3.87 per cent increase. The country's overall crude oil production was pulled down by a 4.81 per cent lower production by private players

will be no going back to subsidisation. Subsidies are anti-poor. Subsidy should be given only to needy persons and not to people who can afford," he said, indicating that petrol and diesel are being mostly consumed by people who can afford them. On whether the government will look at cutting excise duty, he said no developed country had passed on the entire slump in global oil prices — which began in second half of 2014 to take crude to more than a decade low — to consumers.

The Telegraph - 17.01.2017

https://www.telegraphindia.com/1170117/jsp/business/story_130767.jsp#.WIC1tvB97IV

Oil slides on prospect of rising US production

Oil prices fell to their lowest level in a week on Wednesday on expectations US producers would boost output, while the Organisation of the Petroleum Exporting Countries (Opec) signalled a drop in the global oil supply surplus this year as the producer group's output fell from a record high. Brent futures were down 33 cents, or 0.6 per cent, at \$55.14 a barrel by 11:49 am EST (1649 GMT), while US West Texas Intermediate (WTI) crude fell 40 cents, or 0.8 per cent, to \$52.08. Both contracts were down over \$1 earlier Wednesday, putting them at their lowest levels since January 11. US shale production is set to snap a three-month decline in February, the US Energy Information Administration said on Tuesday, as energy firms boost drilling activity. EIA projected oil production in the biggest US shale fields would rise by 40,750 barrels per day (bpd) to 4.748 million bpd in February.

Business Standard - 19.01.2017

http://www.business-standard.com/article/international/oil-slides-on-prospect-of-rising-us-production-117011900101_1.html

Centre may make domestic steel use binding for Govt projects

In a bid to increase domestic steel consumption, the Centre is planning to come up with a policy under which it will be mandatory to use locally manufactured steel for all infrastructure and construction projects of the government. "Talks are going on with concerned ministries for introduction of policy to make it mandatory to use India made steel for all infrastructure and construction projects of the government," Steel Minister Chaudhary

and joint ventures at 0.86 MT. Gas production showed a similar trend with ONGC producing 5.92 per cent more natural gas at 1.92 BCM. But gas production by OIL was 7.37 per cent lower at 0.24 BCM. Further, natural gas production by private companies and joint ventures was 13.55 per cent lower at 0.56 BCM. Refinery production was 6.43 per cent higher at 21.44 MT. Production in joint venture refineries was 9.36 per cent higher at 1.57 MT.

The Hindu Business Line - 21.01.2017

<http://www.thehindubusinessline.com/news/crude-oil-natural-gas-output-down-in-december/article9493698.ece>

Ministry pushes for India-made steel only for govt infra projects

Concerned over the anaemic growth in steel consumption, steel minister Birender Singh urged all concerned ministries to use India-made steel only for infrastructure and construction projects of the government. He also wants a modification in the general financial rules to include life cycle cost analysis in design and planning stage of public projects. At a consultative committee meeting on Monday, he also said the ministry is exploring new avenues for usage of steel like steel bridges, containers, water tanks and crash barriers. "We have spoken to different central and state governments to enhance usage of steel," the minister said. Singh said the ministry has constituted four committees with representatives from INSDAG, steel producers, consultants, architects, users and government authorities to promote steel usage with the mandate of formulating codes and standards, life cycle cost analysis and sustainability, development of designs of various utility structures and skill development in the steel sector.

The Financial Express - 18.01.2017

<http://www.financialexpress.com/economy/ministry-pushes-for-india-made-steel-only-for-govt-infra-projects/512204/>

'Govt working to make iron ore available at reasonable prices for small steel producers'

The Ministry of Steel is formulating a policy to protect small steel producers hit by volatility in iron ore prices by making it available to them at a 'reasonable' price. Recently, the Government made Coal India supply a specific quantity of coal in e-auction at a fixed base price, including the cost of production and pre-determined profit. The coal e-auction is also restricted to specific region

Birender Singh said during meeting of the Parliamentary Consultative Committee. The meeting was on initiatives taken by the steel ministry to enhance demand and production of steel and status of completion of projects by PSUs. "We are exploring new avenues for usage of steel like steel bridges, containers, water tanks and crash barriers and so on. We have spoken to different central and state governments to enhance usage of steel

Millennium Post - 17.01.2017

<http://www.millenniumpost.in/NewsContent.aspx?NID=352564>

Narendra Modi government targets 300 mn tonnes steel production, all set to invest whopping Rs 10 lakh crore

The government aspires to enhance the country's steel production capacity to 300 million tonnes (mt) by 2030-31 from around 125 mt now with a projected investment of R10 lakh crore even as it, in the draft New Steel Policy (NSP), admits that capital mobilisation will be a challenging task given the enormity of required fund and the current industry situation. The proposed NSP 2017, which has been put out on the steel ministry's website for public comments, also intends to domestically meet entire demand of high grade automotive steel, electrical steel, special steels and alloys for strategic applications by 2030-31 and be a net exporter of the alloy by 2025-26. Presently, these products constitute the bulk of the imports that stood at 11.7 mt last fiscal. The proposed policy aims to enhance India's per capita steel consumption to 160 kg by 2030-31 from around 61 kg now with the vision of creating a globally competitive steel industry that promotes inter-sectoral growth.

The Financial Express - 17.01.2017

<http://www.financialexpress.com/economy/narendra-modi-government-targets-300-mn-tonnes-steel-production-all-set-to-invest-whopping-rs-10-lakh-crore/510820/>

Regional connectivity scheme: Government receives bids for 240 routes

The civil aviation ministry has received bids from 11 companies for around 240 routes under the regional connectivity scheme. The last date for bid submission was on Monday. According to the initial information, the ministry has received 49 proposals to link 46 unserved airports and 12 underserved airports. "The number of routes for which bids have

to limit competition and sharp surge in prices. A similar model is being worked out for iron ore. Currently, NMDC, the largest supplier of iron ore, considers average international iron prices to fix the base prices making it difficult for small steel producers to bid in the auction. Speaking on the sidelines of the '25th Steel Consumers' Council meeting in Mumbai on Saturday, Chaudhary Birendra Singh, Union Minister of Steel, said the Ministry has appointed a committee two months ago to study ways to curtail the sudden spike in prices of iron ore supplied by public sector companies such as NMDC.

The Hindu Business Line - 22.01.2017

<http://www.thehindubusinessline.com/economy/policy/steel-policy-iron-ore/article9496333.ece>

Udan Will Help Job Growth Take Off In A Big Way: Govt

Union Minister of State for Civil Aviation Jayant Sinha on Thursday said that the Regional Connectivity Scheme will prove a step change in the civil aviation sector of the country and result in net job growth. The minister declared that the scheme is on track and would possibly be launched by mid-February or early March. "In addition to core activities like pilots, airhostess, security, ground staff there will be a boom for jobs in allied sectors like transportation, cargo handling and hotels in the cities included under regional connectivity scheme," said Jayant Singh emphasizing the benefits of the scheme in addressing unemployment. "There may be some loss on job for tourist and transport operators in metros but there is no calculation for that. As the employment multiplier in aviation is very high, around 6, it shall result into net job growth. The scheme will be a real boost for economy and job creation in the country," he added. The minister informed that some new aviation companies have also shown interest in starting regular flights for 43 u-served and 12 underserved airports in the country.

Millennium Post - 20.01.2017

<http://www.millenniumpost.in/udan-will-help-job-growth-take-off-in-a-big-way-govt-179854?NID=353072>

Government yet to act as air fares jump manifold during festive season

Successive governments' continued failure to curb sudden - and steep - hike in air fares, especially during festivals or emergencies when demand is at its peak, has forced travellers to pay through

been received is 283 out of which 240 routes have been identified as regional connectivity scheme routes. The assessment of bids is still on," a source said. The government has turned down a suggestion from Federation of Indian Chambers of Commerce and Industry to postpone the bidding process by 30 days after the budget. The list of routes for which bids have been received will be declared on Wednesday. This will be followed by a round of counter bidding and the technical bids will be opened on February 3.

Business Standard - 17.01.2017

http://www.business-standard.com/article/economy-policy/government-receives-bids-for-240-regional-routes-spot-please-use-117011601359_1.html

Air Passenger Traffic Stays On Growth Route, Flies 24% In December

Union Minister Ashok Gajapathi Raju on Tuesday said the domestic aviation market continued on the growth trajectory in December last year despite demonetisation as the air passenger traffic surged nearly 24 per cent in the previous month. "Dec'16 betters the Nov'16 record of highest number of passengers in a month and records 23.9% growth. No demonetisation slowdown," Raju, the Civil Aviation Minister tweeted. "Almost one crore passengers in December and ten crore in 2016. Indian Aviation is on a roll. May we continue to have safe and vibrant skies," he said in another tweet. Domestic air passenger traffic rose 23.9 per cent in December 2016 to 95.52 lakh from 77.09 lakh registered during the same period of 2015 even as IndiGo continued to deliver poor on time performance besides losing market share by almost 2 per cent in the month. However, domestic travel demand in 2016 touched nearly 100 million mark, with the Indian airlines flying a total of 998.88 lakh ((99.88 million) passengers between the January-December period of 2016 as compared to 810.91 lakh in 2015, an increase of 23.18 per cent over 2015.

Millennium Post - 19.01.2017

<http://www.millenniumpost.in/air-passenger-traffic-stays-on-growth-route-flies-24-in-december-179500?NID=352721>

Foreign trips will now cost you more

With the government hiking service tax on tour operators, booking a tour from this week will get pricier. According to tour company Thomas Cook (India), a package of Rs 1 lakh will cost about Rs 4,000-4,500 more. With foreign tour

their nose during crunch situations. "Pongal was being celebrated in TN and people were travelling there from all parts of India, leading to a spurt in demand," said Manoj Chacko, CEO of SOTC's business travel vertical. The latest to suffer were commuters flying in and out of Chennai in the past 2-3 days. Due to Pongal, the air fares to the city to travel the same day had been at an all-time high. The one-way ticket between Delhi-Chennai cost up to Rs 26,000 if bought on the day of travel. Chacko said the spike in fares on certain sectors almost always happens during festive times, like for Kolkata during Durga Puja and for Mumbai during Ganesh Chaturthi

The Times of India - 18.01.2017

<http://timesofindia.indiatimes.com/india/government-yet-to-act-as-air-fares-jump-manifold-during-festive-season/articleshow/56635340.cms>

packages costing anywhere up to Rs 4 lakh per person, a family holiday will get significantly more expensive. Mahesh Iyer Thomas Cook (India) COO said: "The resultant doubling of tax rate on the sector... will see a corresponding increase in tour pricing, which will in turn be passed onto customers." With the rupee falling visa-vis the dollar and oil prices rising that may lead to end of cheap international airfares, tour companies fear a fall in outbound traffic in the post-demonetisation era and are protesting against the hike in service tax. The industry has already taken up the issue with the government.

The Times of India - 22.01.2017

<http://timesofindia.indiatimes.com/india/foreign-trips-will-now-cost-you-more/articleshow/56710982.cms>

Ved Prakash Mahawar takes over as ONGC director

Ved Prakash Mahawar today took over as Director (Onshore) of state-owned Oil and Natural Gas Corp (ONGC). "As Director (Onshore), a board level position, he will be directly looking after all the onshore operations spread across the country which significantly contribute towards ONGC's overall physical performance," the company said in a statement here. He replaces Ashok Verma, who superannuated yesterday.

Economic Times - 18.01.17

<http://economictimes.indiatimes.com/industry/energy/oil-gas/ved-prakash-mahawar-takes-over-as-ongc-director/articleshow/48308818.cms>