

(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.)

Status quo with positive vibes

Standard & Poor 's stuck with its BBB- sovereign rating — the lowest investment grade — and stable outlook for India on Friday, citing low per capita income, high debt and weaker government finances while remaining positive about the country 's future economic growth. The S& P stance is at variance with the view of its peer Moody's Investors Service, which last week upgraded India 's credit rating to Baa2 from Baa3, one notch higher than S& P s current rating, citing progress on economic and institutional reforms. The Moody s rating pat, after more than 13 years, was a shot in the arm for the Narendra Modi-government, which had been facing economic headwinds since last year's sudden demonetisation and this year 's hurried rollout of the GST. The upgrade also raised the hope that other international rating agencies could do the same. However, S& P dashed that hope, drawing guarded response from the government. Economic affairs secretary Subhash Chandra Garg said S& P chose to play cautious and hoped that the reforms would reflect in an upgrade next year.

The Telegraph - 25.11.2017

<https://epaper.telegraphindia.com/detail/293372-16467423.html>

India GDP growth rate in Q2 likely at 6.2-6.3 pct: NITI Aayog VC Rajiv Kumar

The Budget for 2018-19 should focus on the social sector and an attempt should be made to provide universal health insurance cover to citizens. In an interview with Prasanta Sahu and Saurabh Kumar, NITI Aayog vice-chairman Rajiv Kumar says the think-tank can play a role similar to the GST Council for the social sector to generate better outcomes. One can't make policy with an eye on pleasing rating agencies. India's policy objective has to be employment generation, acceleration of growth in employment- generating sectors and inclusion of the last decile. That's why NITI is now focusing on 115 most backward districts to improve human development index. Nobody expected what Moody's did after 14 years. The

Economy May Pick Up in Sept Quarter

India's economic growth is likely to have gained momentum in the quarter ended September with various forecasts pegging the growth at 6.3%, rebounding from a three-year low of 5.7% growth in the previous quarter. Most independent economists expect the gross value added, or GVA, to have grown 6.3-6.5% in the July-September quarter. GVA is the total value of goods and services produced in the economy after deducting the cost of inputs and raw materials used for them. If gross domestic product (GDP) measures economic output from consumers' side, GVA provides a picture from the producers' side. Net taxes on products are added to GVA to arrive at GDP where net taxes are taxes on products less subsidies on products. Most analysts now prefer to focus on GVA given the uncertainty in indirect taxes. GVA had grown 5.6% and GDP rose 5.7% in the first quarter. India Ratings and Research has forecast GVA to grow 6.4% and gross domestic product growth at 6.5% in the second quarter ended September. "A major change in GVA is expected from industry with all three elements of manufacturing, mining and electricity likely to pick up in the second quarter," said Devendra Kumar Pant, chief economist at India Ratings.

The Economic Times - 27.11.2017

<http://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/#>

Cabinet clears wage policy for CPSEs, offers no budgetary support

The Cabinet on Wednesday cleared the way for the eighth round of wage negotiations for workmen in Central Public Sector Enterprises (CPSEs) by clearing a policy in this regard. However, the policy makes it clear that no budgetary support would be provided for any wage increase by the government, and the entire financial implication would be borne by the respective CPSEs from their internal resources. "In those CPSEs for which the government has approved restructuring/ revival plan, the wage revision will be done as per the provisions of the approved restructuring/ revival plan only," an official release said. According to the approved policy, CPSE

rating upgrade came because of the solid structural reforms in the last two-and-a-half years. Now, we have to focus on consolidation of reforms. For example, we have to get GST stabilised and get it to converge into three tax rates. If we move in that direction, we will see massive formalisation of economy and expansion of tax net.

The Financial Express - 23.11.2017

<http://www.financialexpress.com/economy/india-gdp-growth-rate-in-q2-likely-at-6-2-6-3-pct-niti-aayog-vc-rajiv-kumar/944185/>

Oil, gas PSU mergers exempt from CCI approval

Merger and acquisition deals involving public sector oil and gas companies have been exempted from seeking the Competition Commission approval, says a notification. The corporate affairs ministry's decision to exempt such deals from the ambit of the Competition Commission of India (CCI) comes against the backdrop of the proposed consolidation and stake purchases among state-owned oil and gas companies. In July, the Cabinet Committee on Economic Affairs (CCEA) approved sale of the government's 51.11 per cent stake in oil refiner HPCL to the country's largest oil producer ONGC. The ministry has said all cases of combinations involving the central public sector enterprises (CPSEs) operating in oil and gas sectors under the Petroleum Act, 1934, have been exempted from the CCI approval requirement for five years. The exemption will also be applicable to their "wholly- or partly-owned subsidiaries operating in the oil and gas sectors, from the application of the provisions of sections 5 and 6 of the (Competition) Act, for a period of five years", the notification issued on November 22 said.

The Indian Express - 23.11.2017

<https://timesofindia.indiatimes.com/business/india-business/oil-gas-psu-mergers-exempt-from-cci-approval/articleshow/61765331.cms>

Saudi Aramco, SABIC plan to build \$20-bn oil-to-chemicals complex

State oil giant Saudi Aramco and petrochemical producer Saudi Basic Industries Corp signed a memorandum of understanding on Sunday to build a \$20 billion complex converting crude oil to chemicals in the kingdom. The project, which the partners said would be the largest crude-to-chemicals facility in the world, is a sign that the Saudi government plans to spend heavily on diversifying the economy beyond crude oil exports. Private sector investment has slowed in

managements would be free to negotiate wage revision for workmen where the periodicity of wage settlement of five years or 10 years has expired generally on December 31, 2016 "keeping in view the affordability and financial sustainability of such wage revision for the CPSEs concerned," the release added.

The Hindu Business Line - 22.11.2017

<http://www.thehindubusinessline.com/news/cabinet-gives-nod-to-wage-policy-framework-for-cpse-workers/article9969505.ece>

Indian refiners processed record oil volume in October: Government

Indian refiners processed a record 5.2 million barrels per day of oil in October as the world's third biggest oil consumer added extra capacity to meet the rising fuel demand, government data showed on Thursday. The world's third biggest oil importer sees its diesel and gasoline consumption rising by about two-thirds by 2030, oil minister Dharmendra Pradhan said on Wednesday. The nation, which produces a fraction of its oil consumption, shipped in a record 4.83 million bpd in September ahead of processing to fuel the additional capacities. India, which imports about 80 percent of its oil needs, has emerged as a key driver of growth in global oil demand and is set to surpass China as the fastest-growing oil products market in Asia, according to a recent report by the U.S. Energy Information Administration. India is increasing refining capacity to keep pace with the expected growth in fuel demand as Prime Minister Narendra Modi seeks to boost the manufacturing sector. Recently the country added 170,000 bpd of capacity at the Kochi plant of Bharat Petroleum Corp and Bathinda refinery of HPCL-Mittal Energy.

The Economic Times - 24.11.2017

<https://economictimes.indiatimes.com/industry/energy/oil-gas/indian-refiners-processed-record-oil-volume-in-october-government/articleshow/61772457.cms>

India's crude steel output jumps 5% to 8.6MT in Oct: worldsteel

India's crude steel production rose 5.3 per cent to reach 8.629 million tonnes (MT) in October 2017, global steel body worldsteel said in a report. The country had produced 8.197 million tonnes of steel during the same month last year, the World Steel Association (worldsteel) said. According to the report, India's steel output during January-October 2017 was 6.4 per cent higher at 84.123 MT, as against 79.073 MT during the corresponding period of 2016.

the last few years because of low oil prices and government austerity policies, so Riyadh aims to invest billions of dollars on developing value-added manufacturing industries such as chemicals, as well as service industries like tourism. Aramco Chief Executive Amin Nasser told reporters that a final decision on whether to go ahead with the crude-to-chemicals project would be made by the end of 2019. His company was tentatively looking at the Red Sea port city of Yanbu, already an industrial centre, as the location for the project, he added. The complex would start operations in 2025, processing about 400,000 barrels per day of Arabian Light crude oil to produce about 9 million tonnes of chemicals and base oils annually, plus 200,000 bpd of diesel for domestic consumption.

Business Standard - 27.11.2017

http://www.business-standard.com/article/international/saudi-aramco-sabic-plan-to-build-20-bn-oil-to-chemicals-complex-117112600396_1.html

Private sector may get government funding to promote tourism

The government plans to partly finance private sector expenditure on promoting tourism in India and may offer leading hotels, travel agencies, online travel portals and airlines as much as 50 per cent of their annual marketing budget as a fixed contribution, based on their credibility. The proposal, which will be a win-win proposition for stakeholders, is aimed at pushing government initiatives such as development of tourist circuits and zones, islands and beaches. It will add to the country's foreign exchange earnings and create much-needed jobs. Private ventures will have more funds for promotion, with a sustained contribution from the government. The government is discussing the idea with stakeholders and assessing the annual cost of the initiative, a senior government official told ET. "The amount of financing to private players will depend on the star-rating and size of hotels as well as travel agencies," the official said on condition of anonymity. The government's view is that tourism is a big employment generator and has a multiplier impact on the economy and hence there is an all-round effort to give a major push to the sector. India's share in world tourist arrivals is expected to increase to 1 per cent by 2020 and 2 per cent by 2025 from 0.63 per cent currently.

The Economic Times - 23.11.2017

<https://economictimes.indiatimes.com/news/economy/policy/private-companies-may-get-government-funding-for-promoting-tourism/articleshow/61760329.cms>

Japan, the second largest crude steel producing nation, reported a 1 per cent contraction in output at 8.971 MT in October 2017, compared to 9.060 MT during same month last year. During the first ten months of 2017 too Japan's steel output dipped 0.2 per cent to 87.239 MT from 87.442 MT in the year-ago period. India is already the world leader in stainless steel production and the third largest crude steel producer. China maintained its position as the world leader in crude steel production, registering a 6.1 per cent rise in output during last month as well as January-October period of 2017. In October, China produced 72.362 MT of crude steel as against 68.228 MT in the year-ago month.

Business Standard - 27.11.2017

http://www.business-standard.com/article/pti-stories/india-s-crude-steel-output-jumps-5-to-8-6mt-in-oct-worldsteel-117112600227_1.html

Airfares May Go Up as Govt Plans to Raise Passenger Services Fee

Passengers should brace themselves for a fare increase, as the government is likely to raise the passenger services fee (PSF) by at least 38% to meet the cost of security at Indian airports. The government, which earlier had plans to not raise PSF and transfer the cost to consolidated fund of India (CFI), will now have to raise it, after the finance ministry declined to fund the deficit. "The finance ministry has agreed to transfer the cost to CFI but only if it is revenue-neutral for them, which would mean we will have to raise PSF. We estimate that the raise could be in the range of Rs.50 per ticket, which would not just help bridge the annual fund gap but also the deficit accumulated over the years," said a senior aviation ministry official, who did not want to be identified. A PSF of Rs.130 is charged on every ticket booked and the fund accumulated from the levy is used to fund security cost at airports, primarily to pay salaries of the CISF personnel manning the airports. The aviation ministry was of the view that any increase in rates would burden passengers and wanted the finance ministry to shift the cost of security at airports to the consolidated fund of India.

The Economic Times - 23.11.2017

<http://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/#>

Travel Cos, Airlines, Hotels may Get Govt Funds for Sales Push

The government plans to partly finance private sector expenditure on promoting tourism in India and may offer leading hotels, travel agencies, online travel portals and airlines as much as 50% of their annual marketing budget as a fixed contribution, based on their credibility. The proposal, which will be a win-win proposition for stakeholders, is aimed at pushing government initiatives such as development of tourist circuits and zones, islands and beaches. It will add to the country's foreign exchange earnings and create much-needed jobs. Private ventures will have more funds for promotion, with a sustained contribution from the government. The government is discussing the idea with stakeholders and assessing the annual cost of the initiative, a senior government official told ET. "The amount of financing to private players will depend on the star-rating and size of hotels as well as travel agencies," the official said on condition of anonymity. The government's view is that tourism is a big employment generator and has a multiplier impact on the economy and hence there is an all-round effort to give a major push to the sector. India's share in world tourist arrivals is expected to increase to 1% by 2020 and 2% by 2025 from 0.63% currently.

The Economic Times - 23.11.2017

<http://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/#>

Core status for logistics

The logistics sector, covering cold chain and warehousing among others, has been given the infrastructure status by the government to attract more funds at competitive rates and give a boost to both domestic and external demand, leading to more employment. Logistics players can now borrow at easier terms with enhanced limits and get larger amounts of external commercial borrowings. They can also access longer tenor funds from insurance companies and pension funds and will be eligible to borrow from India Infrastructure Financing Company Limited. Logistics costs of exports are very high in the country, making Indian goods less competitive globally. The definition of logistics includes industrial parks, warehouses, cold storages and transportation. Anshuman Magazine, chairman, India and South East Asia, CBRE, said: "With India's growing economy, increased movement is expected in the industrial and warehousing segment." Both cold chain and warehousing facilities are covered in the announcement and will go a long way in strengthening infrastructure development."

The Telegraph - 21.11.2017

Mumbai airport's flight record shows surge in India air travel

Rising incomes and cheaper fares offered by budget carriers are fuelling air travel in India, an aviation market set to be the third biggest behind China and the US. In signs traffic is surging, Mumbai on Friday handled 969 flights in a 24-hour period, a world record for an airport that operates only one runway at any given point of time, the Times of India reported Sunday, citing an official at the Mumbai International Airport Ltd. The aim is to reach 1,000 aircraft movements, the official told the newspaper. Indian carriers flew about 100 million domestic passengers last year, and the International Air Transport Association estimates the market will add about 337 million more in the next two decades. About 97% of India's 1.3 billion people have never been on an airplane, according to low-cost airline SpiceJet Ltd, indicating the potential for growth in traffic. Mumbai's airport, which has two runways, can operate only one at a time because they criss-cross each other, with lack of land ruling out the construction of one more.

Mint - 27.11.2017

<http://www.livemint.com/Companies/wnS2FjT-p3HsCtKCME3t1EN/Mumbai-airports-flight-record-shows-surge-in-India-air-trav.html>

Logistics parks get mega push; four hubs to be set up

Discussion with states has begun on the Union government's mega programme to build logistics parks across the country. The Union Cabinet last month approved setting up of logistics parks at 35 locations under the 'Bharatmala' programme. Work was to first start at Mumbai, Bengaluru, Surat and Nagpur for warehousing hubs. "Preparation of the detailed project report has started and in the next two-three months, project award would take place," an official, requesting anonymity, told Business Standard. The ministry of road transport & highways has asked the state governments of Andhra Pradesh and Tamil Nadu to change the proposed locations for a park each at Vijayawada and Chennai. The ministry and National Highways Authority of India (NHAI) felt the sites indicated by both states weren't suitable; "they would not have garnered enough volumes to sustain", the official said. "For a logistics park, location is everything – for instance, if one train rake can go to a location, then 10 trucks should not be

<https://epaper.telegraphindia.com/detail/292563-14562586.html>

Better connectivity: New international air cargo complex at Vizag airport

Union Civil Aviation Minister P Ashok Gajapati Raju inaugurated the new international air cargo complex at the airport. He said it was a small beginning and "Vizag should go on to compete with Mumbai and Chennai in handling air cargo in view of the vast potential of the area." The State government has given land for extension of runways at Vijayawada and Rajahmundry to facilitate the landing of bigger aircraft, Raju said. The facilities at the Vizag airport will be improved and the new airport at Bhogapuram in Vizianagaram district will also cater to the needs of the city, he added. "Civil aviation has a force multiplier effect on the growth of the economy and the sector will witness great changes," the Minister said. The new air cargo facility has 674.64 sq. metres of space, including 120.06 sq. metres open space containing all essential facilities. G Prakash Reddy, director of the airport, said the complex had all the facilities, though there was a little bit of delay in setting it up. M Sadhu Sundar, Vice-Chairman and Managing Director of AP Trade Promotion Corporation, said the local trade and exporters should make full use of the facilities.

The Hindu Business Line - 22.11.2017

<http://www.thehindubusinessline.com/economy/logistics/better-connectivity-new-international-air-cargo-complex-at-vizag-airport/article9968634.ece>

used; otherwise the site is no use," said Abhaya Agarwal, partner at consultants EY India.

Business Standard - 24.11.2017

http://www.business-standard.com/article/economy-policy/bharatmala-project-initial-work-begins-on-logistics-parks-117112300964_1.html

Major Ports' cargo traffic up 3% at 383 MT in Apr-Oct FY18

The country's top 12 major ports witnessed 3.26 per cent rise in cargo traffic to 382.91 million tonnes (MT) during April-October period of the current fiscal, mainly due to pick up in iron ore demand. These top ports, under the control of the Centre, had handled 370.81 MT cargo during the April-October period of the last fiscal. The growth in cargo traffic was mainly on the back of higher handling of products like iron ore and POL (petroleum, oil and lubricants) besides containers, as per data from the Indian Ports Association (IPA). The ports recorded a 17.97 per cent growth in handling of iron ore traffic during the period to 25.30 MT, while both POL and containers registered a growth of over 6 per cent each. Kandla Port handled the highest traffic volume of 63.13 MT during the April-October period followed by Paradip Port 55.78 MT, JNPT 37.90 MT, Mumbai Port 36.72 MT and Visakhapatnam 35.74 MT, according to IPA data. Kolkata Port, including Haldia, handled 32.13 MT of cargo, while Chennai Port handled 30.48 MT.

The Economic Times -27.11.2017

<https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/major-ports-cargo-traffic-up-3-at-383-mt-in-apr-oct-fy18/articleshow/61804439.cms>

V K Raizada takes over as ED of IOC Panipat refinery

V K Raizada has taken over as Executive Director, Panipat of IndianOil's Refinery & Petrochemical Complex at Panipat, the largest integrated Refinery Complex of its kind in the country from November 21, 2017. Prior to taking over charge of Executive Director, Panipat, Raizada was working as Executive Director (Technical), Panipat Refinery, overseeing all technical aspects of day to day working of the Mega Refinery. An Electrical Engineer from the Delhi College of Engineering, supplemented with a Senior Management Training from IMI, Delhi and Europe, Raizada has over three decades of experience to his credit in the national and international Hydrocarbon Industry. After joining IndianOil in 1984 as a Graduate Engineer Trainee, he has worked in various capacities at IndianOil's Mathura Refinery in Uttar Pradesh, Panipat Refinery, Haryana and at the Refinery Headquarters, New Delhi.

Millennium Post - 23.11.2017

<http://www.millenniumpost.in/business/v-k-raizada-takes-over-as-ed-of-ioc-panipat-refinery-272327>