

(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.)

## **GST, demo done, India can clock higher growth: CEA**

Having overcome the short term consequences of GST and demonetisation, India can now propel itself into a higher growth trajectory, Chief Economic Adviser Arvind Subramanian said today. He further said the policymakers have to reevaluate whether more has to be done to deal with banking sector woes. "After we put behind some of the major structural reform, growth has started to revive... In some way there are two or three big reform actions that don't necessarily involve new stuff that we have to do," he said while referring to the Goods and Services Tax (GST) implementation and Air India privatisation. Banks are saddled with Rs 10 lakh crore of bad loans which the policymakers are trying to resolve through insolvency and bankruptcy code and other steps. "If we can solve this twin balance sheet challenge given the new developments and if we put the short term consequences of GST and demonetisation behind us, I think that could itself propel us to higher rates of growth than we have seen recently," Subramanian said at the India Economic Conclave.

*The Times of India - 30.03.2018*

<https://timesofindia.indiatimes.com/business/india-business/gst-demo-done-india-can-clock-higher-growth-cea/articleshow/63532722.cms>

## **Companies to split top post**

Capital market regulator Sebi on Wednesday took a key step to improve the corporate governance framework of listed firms by partly accepting the recommendations of the Uday Kotak Committee. One of the suggestions that has been accepted by the board of the Securities and Exchange Board of India (Sebi), albeit with modification, is that listed companies will have to separate the post of chairman and managing director/ CEO. To begin with, this rule will apply to the top 500 listed firms by market capitalisation with effect from April 1, 2020. Among the other recommendations that have found favour with Sebi include the disclosure of expertise of directors and the appointment of at least one independent woman director. The top 500 listed firms will have to appoint at least one independent woman director by April 1, 2019. The

## **Core growth at 5.3%**

A spike in cement and fertiliser production has helped to push up infrastructure sector growth to 5.3 per cent in February. The eight infrastructure industries, also called the core sector and comprising coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity, had grown just 0.6 per cent in February 2017. However, the core sector had expanded 6.1 per cent in January this year. Fertiliser and cement production rose 5.3 per cent and 22.9 per cent, respectively, during the month under review. Electricity generation too grew 4 per cent in February against 1.2 per cent expansion in February 2017, according to official data released on Monday. Petroleum refinery production spurted 7.8 per cent in February against a contraction of 2.8 per cent in the year ago month, the data showed. "A favourable base effect underpinned the pick-up in growth of cement output to a robust 22.9 per cent and that of steel output to a moderate 5 per cent in February 2018. Increased budgetary support for affordable housing, rural economy and infrastructure are expected to support cement demand in 2018-2019," said Aditi Nayar, principal economist with Icrea.

*The Telegraph - 03.04.2018*

<https://epaper.telegraphindia.com/detail/179543-154137150.html>

## **From IRFC to Mazagon Dock, glut of PSU public offers to continue in 2018-19**

The spree of initial public offerings of equity (IPO) by state-owned firms will continue in 2018-19. First up are likely to be rail companies Rites and IRFC, which will be taken public by May, Business Standard has learnt. Two more rail public sector undertakings (PSUs), Ircon and RVNL, are expected to follow later in the year. However, the planned IPO of IRCTC has been put in cold storage indefinitely, with neither the rail ministry nor the department of investment and public asset management in favour. The government's combined disinvestment target for 2018-19 is Rs 800 billion. The other IPOs expected include Mazagon Dock Shipbuilders, Garden Reach

rule will be applicable to top 1,000 listed entities by April 1, 2020. The Sebi board, at its meeting on Wednesday, considered the Uday Kotak panel suggestions and decided to accept around 80 per cent of them.

*The Telegraph* - 29.03.2018

<https://epaper.telegraphindia.com/detail/178277-14251314.html>

### **Govt notifies new accounting standard, effective April 1**

Companies will have to adopt more detailed revenue recognition ways from April 1 as the government has notified a new accounting standard. The Corporate Affairs Ministry has notified Indian Accounting Standard (Ind AS) 115 which would be effective from the new financial year, starting Sunday. According to experts, Ind AS 115 will help in more transparent accounting of revenues and have an impact on companies operating in diverse sectors, including technology, real estate and telecom. The objective of Ind AS 115 is to establish the principles that an entity should apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer, as per the ministry's notification. The standard requires an entity to recognise revenue "to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services", it noted.

*The Economic Times* - 29.03.2018

<https://economictimes.indiatimes.com/news/economy/policy/govt-notifies-new-accounting-standard-effective-april-1/articleshow/63536056.cms>

### **India will seek reasonable energy pricing: Dharmendra Pradhan**

Petroleum minister Dharmendra Pradhan on Wednesday said that India is a price-sensitive customer and will seek reasonable rates as its energy demand grows. This comes in the backdrop of India setting in place a new energy architecture, with the first long-term liquefied natural gas (LNG) US cargo from the Houston-based Cheniere Energy Inc. expected to reach Dabhol terminal in Maharashtra on 31 March. "We are price sensitive" and "want a reasonable price", said Pradhan at a press conference here. "It has to be affordable for our consumers." With a glut in global LNG supplies; India, the world's fourth-largest LNG importer has been trying to renegotiate its contracts. It has been successful in inking new

Shipbuilders & Engineers, and three general insurance PSUs, which will be merged into a single entity and then listed on the exchanges. These are National Insurance, Oriental Insurance and United India Insurance.

*The Times of India* - 30.03.2018

[http://www.business-standard.com/article/markets/from-irfc-to-mazagon-dock-glut-of-psu-public-offers-to-continue-in-2018-19-118033000017\\_1.html](http://www.business-standard.com/article/markets/from-irfc-to-mazagon-dock-glut-of-psu-public-offers-to-continue-in-2018-19-118033000017_1.html)

### **Govt keeping close eye on oil prices: Dharmendra Pradhan**

With petrol and diesel prices touching multi-year highs, oil minister Dharmendra Pradhan on Monday said the government is keeping a close eye on international prices but said there is no going back on free market pricing. He said consumers will benefit if petrol and diesel are brought under Goods and Services Tax (GST) regime at the earliest. Petrol price on Monday hit a four-year high of Rs73.83 a litre, while diesel rates touched an all-time high of Rs64.69 in the national capital on rising international oil rates. "India needs market pricing to provide oil to all," Pradhan said at an event organised to mark the launch of Euro-VI grade petrol and diesel in the national capital. Fuel pricing is based on a transparent mechanism, he said, attributing the spurt in rates to happening in international market. With petrol and diesel prices touching multi-year highs, oil minister Dharmendra Pradhan on Monday said the government is keeping a close eye on international prices but said there is no going back on free market pricing.

*Mint* - 02.04.2018

<https://www.livemint.com/Industry/b80NnN6m6J977fEz1yVTcP/Dharmendra-Pradhan-says-govt-keeping-close-eye-on-oil-prices.html>

### **Petrol price hits 4-year high in Delhi, diesel at all-time high**

Petrol price on Sunday hit a four-year high of Rs73.73 a litre while diesel rates touched an all-time high of Rs64.58 in Delhi, renewing calls for the government to cut excise tax rates. State-owned oil firms, which have been since June last year revising auto fuel prices daily, on Sunday raised petrol and diesel rates by 18 paise per litre each in Delhi, according to a price notification. Petrol in the national capital now costs Rs73.73 a litre, the highest since 14 September 2014 when rates had hit Rs76.06. Diesel price at Rs64.58 is the highest ever, with previous high of Rs64.22 being on 7 February 2018. The oil ministry had earlier this year sought a reduction in excise duty on petrol and

deals with Qatar's RasGas Co. and Exxon Mobil Corp. Cheniere Energy Inc. has signed a 20-year deal with state-run Gail India Ltd to supply 3.5 million tonnes per annum (mmtpa) of LNG. Of 9 mmtpa of LNG contracted by India from the US, Gail accounts for 5.5 mmtpa. Indian firms have inked long-term LNG contracts totalling 22 mmtpa and are exploring strategies such as time swap of volumes, destination swaps and contract on free on board basis to reduce the final fuel price. India imported 19 million metric tonnes of LNG in 2016-17.

*Mint - 29.03.2018*

<https://www.livemint.com/Industry/UiWvRvaY4Cv7NW4lovWH7O/India-will-look-for-reasonable-energy-pricing-Dharmendra-Pradhan.html>

### **Bring petrol and diesel under GST: Dharmendra Pradhan appeals to council**

Union Minister of Petroleum & Natural Gas Dharmendra Pradhan on Monday appealed to the Goods and Services Tax (GST) Council to include petrol and diesel products in the GST framework after fuel prices reached a new high today. Pradhan said, "We are sensitive regarding petrol and diesel price hike. We have advocated for bringing petroleum products under GST. We want GST Council to soon take a decision regarding this. I am hopeful that petroleum products will also come under GST soon." Pradhan further added that petrol and diesel prices were directly proportional to the international factors. He said that since India is a consumer sensitive country, the government has even reduced excise duty to control the rising fuel prices. Petrol price on Monday, April 2, reached Rs 81.69 per litre in Mumbai while diesel was at Rs 68.89 per litre, the highest ever. India reportedly has the highest retail prices of petrol and diesel among South Asian nations. Oil has risen by about 4 per cent since late 2000.

*India.com - 02.04.2018*

<http://www.india.com/news/india/petrol-diesel-price-hike-oil-minister-dharmendra-pradhan-appeals-to-gst-council-to-bring-fuel-under-goods-services-tax-2976250/>

### **Diesel use in India set for record in 2018**

Diesel consumption growth in calendar 2018 may be more than double last year, analysts and traders told Reuters, aided by an expected regular monsoon this year that should boost demand in the world's third-largest oil consumer for diesel used in harvesting and other farming, leading to higher rural spending. "Barring extreme events and expecting a continuation in good GDP (gross domestic product) growth accompanied by an

diesel to cushion the impact rising international oil rates but finance minister Arun Jaitley in his budget presented on 1 February ignored those calls. India has the highest retail prices of petrol and diesel among South Asian nations as taxes account for half of the pump rates. Jaitley had raised excise duty nine times between November 2014 and January 2016 to shore up finances as global oil prices fell, but then cut the tax just once in October last year by Rs2 a litre.

*Mint - 02.04.2018*

<https://www.livemint.com/Industry/D7qoPlyhVWHUX2lgfLTj/Petrol-price-hits-4year-high-diesel-at-highest-level.html>

### **No respite for consumers: Govt may not lower excise duty on auto fuel**

The government is not likely to lower the excise duty on petrol and diesel despite the retail prices hitting new highs. Speaking at an event to mark the roll out of BS VI grade fuels in Delhi-National Capital Territory, Minister for Petroleum and Natural Gas, Dharmendra Pradhan, said, "Petrol and diesel prices are international commodities whose prices are aligned to global variations. The government recently lowered the excise duty and this benefit was passed on to the consumers." In October last year, the Centre had cut excise duty by ₹2 a litre when petrol price reached ₹70.88 a litre and diesel ₹59.14 in Delhi. But prices have been on a steady rise and petrol now costs ₹73.83 a litre while diesel costs ₹64.69 a litre in the Capital. This is the highest price ever at which diesel has been sold in Delhi. For petrol, the current price is the second highest after that of ₹76.06/litre reached in September 14, 2013. Currently, the Centre charges excise duty of ₹15.33/litre on diesel and ₹19.48/litre on petrol.

*The Hindu Business Line - 03.04.2018*

<https://www.thehindubusinessline.com/economy/no-respite-for-consumers-govt-may-not-lower-excise-duty-on-auto-fuel/article23414195.ece>

### **India's oil import bill to jump by 25% in FY18**

India's oil import bill is likely to jump by a quarter to USD 87.7 billion in the current fiscal year which ends this weekend as international oil prices have surged. India had imported 213.93 million tonnes (MT) of crude oil 2016-17 for USD 70.196 billion or Rs 4.7 lakh crore. For 2017-18, the imports are pegged at 219.15 MT for USD 87.725 billion (Rs 5.65 lakh crore),

average monsoon, India's diesel consumption should be up to about 7.7 million tonnes towards the end of the year," said Sukrit Vijayakar, director of consultancy Trifecta Energy. Strong growth would end two choppy years which saw consumption dented by a surprise demonetization programme launched by India's government that crimped public spending after the most commonly used bank notes were removed from circulation at virtually no notice. India's average monthly diesel consumption was about 6.6 million tonnes, or about 1.6 million barrels per day (bpd), in 2017. That was up about 3.1 percent from 2016, when average monthly consumption was 6.4 million tonnes.

*Reuters - 27.03.2018*

<https://in.reuters.com/article/india-diesel/diesel-use-in-india-set-for-record-in-2018-idINKBN1H30PS>

### **Oil briefly hits \$71, with US supply, Middle East in focus**

Oil hit \$71 a barrel before retreating on Tuesday, supported by concern about possible disruption to Middle East supply but capped by fast rising global output and a dollar recovery. Brent crude futures were up 18 cents at \$70.30 by 1404 GMT, down from its brief high. West Texas Intermediate (WTI) futures slipped 6 cents to \$65.49, after touching \$66.41. The dollar recovered from earlier lows, erasing some gains in oil, which had neared its highest since late January. The oil price has risen more than 7 percent so far this month and by 5.3 percent in the first three months of 2018, putting it on track for a third consecutive quarterly gain, a move seen in late 2010. Supply curbs by OPEC, Russia and their allies have helped push Brent above \$70 this year for the second time since late 2014, but analysts said this strength may not persist long. "For oil, we expect the supply deficit of the past couple of quarters to give way to a surplus, driven largely by strong growth in US tight oil supply," Barclays Research analysts said in a note, a reference to US shale production.

*The Economic Times - 28.03.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F03%2F28&entity=Ar01112&sk=C9057267&mode=text>

### **Oil and Gas: Goldman Sachs says it's age of restraint for investment; here's why**

The oil & gas sector goes through long, c.30-year investment cycles, which we split into three distinct phases: Expansion, Contraction and Restraint. These long-cycle dynamics are driven by the market's risk premium on long-term oil prices, which tends to expand when there is a

according to the latest data available from oil ministry's Petroleum Planning and Analysis Cell (PPAC). India relies more than 80 per cent on imports to meet its oil needs. During first 11 months of current fiscal (April 2017 to February 2018), the country imported 195.7 MT crude oil for USD 63.5 billion. The basket of crude oil that India imports averaged USD 55.74 per barrel in the April-February period as compared to USD 47.56 a barrel in 2016-17 and 46.17 in 2015-16. "April 2017-February 2018 crude oil imports are based on actuals and for March 2018, crude oil imports are estimated at crude oil price USD 65 per barrel and exchange rate Rs 65 to a US dollar," PPAC said.

*The Economic Times - 27.03.2018*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/indias-oil-import-bill-to-jump-by-25-in-fy18/articleshow/63464408.cms>

### **Costlier gas to affect consumers**

The hike in domestic natural gas prices to a two-year high of \$3.06 per million British thermal unit (mBtu) from April 1 can affect consumers as the input cost of power, fertiliser, piped natural gas and CNG would go up. However, the 6 per cent increase in prices would marginally benefit exploration firms such as ONGC as the appreciation in the rupee would reduce the extent of the hike. "From the consumers' perspective, the increase in domestic gas prices is negative. The upward revision would increase the cost of domestic gas-based power generation by about 3 per cent," Prashant Vasisht, vice-president and co-head (corporate ratings), at Icria said. However, the impact on power tariffs will hardly be felt as less than 8 per cent of the total electricity comes from gas-fired plants. "As regards the impact on city gas distribution (CGD), the CGD players could increase CNG and PNG (domestic) prices by Rs 0.50-0.55 per kg and Rs 0.35-0.40 per standard cubic meter (scm), respectively," he said. CARE Ratings said the raw material cost for the fertiliser industry could increase by 5 per cent.

*The Telegraph - 31.03.2018*

<https://www.telegraphindia.com/business/costlier-gas-to-affect-consumers-219674>

### **India set to tap into alternative oil suppliers as OPEC's crude inflation continues**

India is considering suppliers outside of the OPEC (Oil and Petroleum Exporting Countries) cartel, its biggest oil supplier, in light of the recent hike in crude oil prices and production cuts. Petroleum and Natural Gas Minister

perception of long-term abundance of oil resources and contract at times of perceived tightness, driving the industry's long-cycle investments. The phases of the cycle can be clearly identified by trends in fixed asset investments, as companies respond to changes in the long-term oil price risk premium by increasing or curtailing investment in long-term capacity. The Expansion phases (1973-1980 and 2003-2013) are characterised by a perceived long-term shortage of capacity, driving rising investment and new entrants, funded by broadly available debt and equity financing. This leads to cost inflation, which tends to accelerate 2-4 yrs into the cycle, as suppliers face increasing demand from a broader range of clients and raise prices, while efficiency and productivity deteriorate.

*The Financial Express - 02.04.2018*

<http://www.financialexpress.com/industry/oil-and-gas-goldman-sachs-says-its-age-of-restraint-for-investment-heres-why/1117923/>

### **China no threat on energy front: Dharmendra Pradhan**

China is no threat to India in terms of securing its energy supplies even though the two compete on the world stage for energy sources, oil minister Dharmendra Pradhan has said. "China has its own strategy, India has its own strategy. I don't feel any threat from anybody," Pradhan said at India Economic Conclave. He added that all key producers in the world need an assured market for their supplies, and India offers that big and expanding market. China and India are the second and the third largest oil consumers in the world and are forecast to account for the biggest share of incremental energy demand for the next 25 years. Since mid-2014 when global oil prices fell, heavy consumers like India and China have gained more bargaining power with respect to producers who are seeking to secure consumers for their supplies. For energy security, India and China have bought stakes in oil and gas fields across the globe in the past two decades, competing closely with each other for some assets. "China may have deep pocket, but we have big credibility," Pradhan said on India's way of dealing with countries that offer potential hydrocarbon resources in which Indian firms could invest.

*The Economic Times - 02.04.2018*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/china-no-threat-on-energy-front-dharmendra-pradhan/articleshow/63538238.cms>

Dharmendra Pradhan on Monday announced the government's decision—ahead of OPEC's summit on Thursday—to contact other suppliers in an attempt to replace OPEC's expensive oil, a prospect that can also stand to provide a greater impetus to the country's renewable energy initiatives. Pradhan added that India, the world's third-largest oil consumer—accounting for 83% of OPEC's oil exports—would be acting in its "national interest" by shifting to cheaper crude options at a press conference in New Delhi on Thursday. OPEC members are also set to meet on Thursday to decide whether or not to extend production cuts to ease the global oil supply. Owing to a huge reliance on imports for meeting 86% of its 4.6 million barrels per day capacity, the retail prices of fuel in India have risen sharply.

*Qrius.com - 30.03.2018*

<https://qrius.com/india-will-tap-into-alternative-oil-suppliers-as-opecs-crude-inflation-continues/>

### **First LNG cargo shipment from US reaches India**

India's received its first LNG Cargo from the US under a long-term contract of GAIL (India) Ltd on Friday. A GAIL statement said the cargo was received at Dabhol. "Commencement of LNG supplies under the Henry Hub indexed contracts is significant for GAIL and the Indian markets as well," the statement added. Speaking on the event, Minister for Petroleum and Natural Gas, Dharmendra Pradhan, said: "The arrival of the first LNG cargo from the US was a significant milestone in the direction of realising adequate availability of natural gas through imports from diversified sources. A shift towards a gas based economy would require augmenting domestic production as well as imports." Adequate investments in natural gas infrastructure including pipeline, LNG import terminal and City Gas Distribution network is also a focus area for the government, he added. GAIL will have a portfolio mix of LNG indexed to Henry Hub (HH) and crude oil. GAIL has 5.8 million tonne per annum (MTPA) of US LNG in its portfolio.

*The Hindu Business Line - 31.03.2018*

<https://www.thehindubusinessline.com/news/national/first-cargo-of-us-gas-reaches-india/article23393233.ece>

## **India Hikes Natural Gas Price To Its Highest In Two Years**

India hiked the prices of locally produced natural gas to its highest in at least two years in what will boost earnings of producers like Oil and Natural Gas Corporation Ltd. and Oil India Ltd. The government increased the price by 6 percent to \$3.06 per million metric British thermal units, according to a circular by the Petroleum Planning and Analysis Cell. This is the second consecutive hike after five straight cuts. The ceiling price for gas to be produced from difficult fields was also hiked 8 percent to \$6.78 per mmBtu for the six months to September 2018. India hiked the prices of locally produced natural gas to its highest in at least two years in what will boost earnings of producers like Oil and Natural Gas Corporation Ltd. and Oil India Ltd. The government increased the price by 6 percent to \$3.06 per million metric British thermal units, according to a circular by the Petroleum Planning and Analysis Cell. This is the second consecutive hike after five straight cuts. The ceiling price for gas to be produced from difficult fields was also hiked 8 percent to \$6.78 per mmBtu for the six months to September 2018.

*Bloomberg - 28.03.2018*

<https://www.bloomberquint.com/markets/2018/03/28/india-hikes-natural-gas-price-to-its-highest-in-two-years>

## **India beats Japan to emerge second largest steel maker**

Superseding Japan, India has now emerged as the second-largest steelmaker in the world. With China on top, India had been holding the number three slot for the third year in a row till 2017. A spectacular 3.4% rise in production to 8.4 million tonne (mt) compared with Japan's 0.5% output fall to 8.2 mt in February made India's production second highest not just for the month, but for the January-February period of the current year as well. Japan had produced more than India in all preceding months including in January 2018. While China is miles ahead of others in terms of production, the gap between Japan and India was narrowing in the past few years. Japan produced 104.7 mt steel in 2017 compared with India's 101.4 mt. In 2016, the gap was wider at 9.3 mt and 16 mt in 2015. India reached three-digit production level for the first time ever, when the steel production for the calendar year 2017 crossed the 100 million tonne mark. However, India's steel production grew 6.2% in 2017 compared with a marginal decline in Japan's production, which had brightened India's prospect of becoming the second largest steel producer in 2018.

*The Financial Express - 27.03.2018*

## **Surge in Global Steel Demand to Push Up Prices at Home**

Steel producers may look at increasing prices at home, as macro trends show signs of a global recovery and as they try to extract maximum benefit from pricing in the first quarter before the lax monsoon season sets in. However, based on historical evidence, this is unlikely to result in any significant increase in the realisations for companies, steel industry experts said. Even with an average price increase of Rs. 3,500 per tonne between January and March, average realisation for the last quarter of the current fiscal year is expected to move up only by ₹1,500 per tonne. This is because of the variance in price hikes and realisations that exist because of the heterogeneous nature of the industry that offers multiple products with pricing trends differing from product to product. A price hike is also due for companies rewriting their earlier contracts that were based on a lower base existed before December 2017.

*The Economic Times - 28.03.2018*

<https://epaper.timesgroup.com/Olive/ODN/Th/eEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F03%2F28&entity=Ar00909&sk=3AFD9068&mode=text>

## **US tariffs may hit Indian steel, aluminium exports: Govt**

India's exports of steel and aluminium products may become costlier and uncompetitive in the American market due to the US decision to impose duties on such goods, the government has said. The US has imposed duty of 25 per cent and 10 per cent on certain steel and aluminium imports. The decision was effective from March 23. India has already requested the US for exemption to its steel exports, Minister of State for Commerce and Industry C R Chaudhary said in a written reply in the Rajya Sabha yesterday. "Though it would be difficult to estimate what would be the quantum of impact on Indian steel and aluminium exports, the Indian exports may become costlier and uncompetitive in the US market especially against other countries who are exempted from levy of tariff by the US," he has said. He added that the protectionist measure on steel and aluminium is not in the best interest of furthering global trade. Iron and steel exports to the US stood at USD 309.18 million during April-January this fiscal. On the other hand, shipments of articles of iron and steel aggregated at USD 1.35 billion during the same period.

*The Times of India - 29.03.2018*

<http://www.financialexpress.com/industry/india-beats-japan-to-emerge-second-largest-steel-maker/1111885/>

### **Airfares to Get Cheaper During Calamity**

The Directorate General of Civil Aviation (DGCA) is working on a policy that will mandate airlines to increase flights to non-trunk routes so as to keep airfares reasonable to small cities. The aviation regulator is also set to regulate airfares during natural calamities to ensure that passengers are not fleeced by airlines, like during the 2015 floods in Chennai, a senior DGCA official said. The policy is being formulated on the direction of the Prime Minister's Office (PMO), which received several complaints of airlines charging exorbitant fares on non-trunk routes and during times when other modes of transport are hit because of disasters or various political or social developments such as strikes. "We will soon come out with a policy to ensure rationalisation of fares on routes like Delhi-Leh — where fares are high due to lesser number of flights — by getting more capacity on them," said the official, who did not want to be named. "We are going to leave trunk routes untouched as the regulator should not be regulating fares in a free market. Also, fares on trunk routes are quite reasonable."

*The Economic Times - 28.03.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F03%2F28&entity=Ar00108&sk=616DC9E8&mode=text>

### **AAI asks Air Deccan, Air Odisha to start UDAN flights soon**

Taking note of long delays, the Airports Authority of India (AAI) has now given a month's time to Air Deccan and Air Odisha to start operations on routes bagged by them in the first round of bidding under the regional air connectivity scheme, according to officials. State-owned AAI is the nodal agency for the scheme — UDAN (Ude Desh ka Aam Naagrik) — which seeks to connect unserved and under-served airports as well as make flying more affordable. Under the first round of UDAN, as many as 70 airports, including 31 unserved and 12 under-served ones, were to be connected. Five airlines, including Air Deccan and Air Odisha, won bids to operate UDAN flights on 128 routes. While winners of the first round were announced in March last year, many routes are yet to be operational on account of multiple factors, including certain airports yet to be fit for operations and some airlines not being fully ready. Against this backdrop, officials said the AAI has

<https://timesofindia.indiatimes.com/business/india-business/us-tariffs-may-hit-indian-steel-aluminium-exports-govt/articleshow/63535719.cms>

### **Traffic tailwind to aviation flight path**

The domestic aviation sector is likely to end 2017- 18 on a positive note because of buoyant passenger traffic, which is estimated to rise around 18 per cent, rating agency Icria said on Saturday. The credit rating agency said the domestic passenger traffic growth remained healthy because of an improvement in core growth drivers such as economic environment and increasing tourism demand. Headwinds in the form of firm crude oil prices and delays in delivery of aircraft did not impact the sector's fortunes much. The strong demand pushed the passenger load factor to an all-time high of 86.5 per cent in the current fiscal and India remains one of the best performing key domestic aviation markets in the world in terms of passenger load factor. Icria said the estimated passenger traffic growth was broadly in line with its previous estimates of 15- 17 per cent. On international routes too, the domestic airlines continued to outperform the industry during the year. International passenger traffic growth from India is estimated to be around 10 per cent during the year, while Indian airlines are expected to report a higher growth of 13.5 per cent during the same period.

*The Telegraph - 01.04.2018*

<https://epaper.telegraphindia.com/detail/178990-2429490.html>

### **This summer, holidays abroad to turn costlier by 15 per cent**

This summer, travelling overseas is going to get expensive by 10-15 per cent due to changing currency rates. While the dollar has not fluctuated much, currencies such as euro, rand and yen have gone up since last summer. For instance, an 8-day package tour to Japan by SOTC, which was Rs. 1.80 lakh is now above ₹2 lakh, which is sync with the yen going up. "Almost all currencies except the dollar have gone up, but it is the euro which has stepped up drastically versus the rupee, making travel more expensive this summer," said Rajeev Kale, President & Country Head - Leisure Travel, Thomas Cook. Even though there are travel companies advertising heavy discounts and are even willing to bear the 5 per cent GST charges, travel costs have still gone up. "Travel companies have been giving discounts in the form of lessening the additional burden of GST and are advertising to extend the price benefit.

served notices to Air Deccan and Air Odisha asking them to commence operations on the routes awarded to them in a month's time.

*The Indian Express* - 27.03.2018

<http://indianexpress.com/article/business/aviation/aai-asks-air-deccan-air-odisha-to-start-udan-flights-soon-5113596/>

## **Government invites bids to sell 76 per cent stake in Air India**

The government unveiled the contours of its long-awaited plan to divest Air India on Wednesday. It proposes to sell 76% of Air India along with low-fare subsidiary Air India Express and a 50% stake in AISATS, a ground handling joint venture with Singapore Airport Terminal Services (SATS), as a single entity along with most of the national carrier's debt and prefers an open bidding route for the sale. The government has also decided to retain a 24% stake in this entity after the divestment, it said in the expression of interest (EoI) document released on Wednesday. Air India's new owner will take on debt of Rs 33,392 crore, which could make it less attractive for potential bidders. The sale of Air India, long a drag on the exchequer, has been attempted several times before, making this one of the key initiatives of the government and sparking political opposition. EoIs have to be submitted by May 14, 2018, and the government intends to complete the sale by the end of 2018. "Air India has interests in other entities which are in the process of being transferred to a separate SPV (special purpose vehicle) and will not be a part of the proposed transaction."

*The Economic Times* - 29.03.2018

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/government-calls-out-bids-to-sale-76-per-cent-stake-in-air-india/articleshow/63517638.cms>

## **More than 5 lakh GST e-way bills issued on Day 2 of rollout**

GST e-way bill was off to a successful start with more than five lakh e-way bills generated till 7 pm on the first working day of its implementation. The roll-out of e-way bill without any glitches came as a relief to businesses who were fearing disruption to trade. With the successful rollout of e-way bill—an electronic documentation of movement of goods—a key anti-evasion measure under goods and services tax is now in place. The government is hoping that this will help in improving tax

But there is a major difference in the cost of travel since last summer as currencies like the euro have gone up by almost 11 per cent with average room rates across Europe going up from €50 to almost €90 today," says Sriram Rajmohan, CEO& MD, Club 7.

*The Hindu Business Line* - 28.03.2018

<https://www.thehindubusinessline.com/economy/this-summer-holidays-abroad-to-turn-costlier-by-15-per-cent/article23366314.ece>

## **Indian ship owners threaten to flag out if cabotage is eased and RoFR removed**

Fleet-owners in India have threatened to flag their ships outside the country if cabotage is further eased and a so-called right of first refusal (RoFR) available to them is removed. Forcefully defending its turf in the wake of signals emanating from the government's policy managers in Delhi on potential cabotage relaxation and removal of RoFR, industry lobby Indian National Ship owners Association (INSA) has said the move will have a "definite impact" on the economy without any "discernible gain". This has sparked fears among fleet owners at a time when many developed countries are strengthening their cabotage laws to protect their national flag ships. Only Indian registered ships are allowed to ply on local routes for carrying cargo, according to India's cabotage law. Foreign ships are allowed to operate along the coast if Indian ships are not available, and with the permission of India's maritime regulator. Local shipping companies get a right to match the lowest rate offered by a foreign flag in tenders issued by state-run firms under the chartering guidelines framed by the Director-General of Shipping. Only if Indian shipping companies decline, is a foreign flag ship allowed to carry the cargo.

*The Hindu Business Line* - 31.03.2018

<https://www.thehindubusinessline.com/economy/logistics/indian-ship-owners-threaten-to-flag-out-if-cabotage-is-eased-and-rofr-removed/article23395090.ece>

## **K Sreekant takes over as Director-Finance of NTPC**

NTPC Ltd, India's largest power generator, today announced Kandikuppa Sreekant has taken over as Director-Finance of the company with effect from 19 March. Sreekant is currently serving as Director-Finance at power transmission utility Powergrid Corp (PGCIL). "Ministry of Power, through its office order dated 28 March 2018, has assigned the additional charge of the post of Director (Finance), NTPC to Kandikuppa Sreekant,



revenues under GST. Initially, GST e-way bill was made mandatory for all inter-state movement of goods valued above Rs50,000 from 1 February. However, the information technology network was unable to cope with the load leading to long delays in the generation of e-way bills forcing the government to defer its rollout to 1 April. "GST revenues will pick up further as more compliances come in. E-way bill will help in checking tax evasion," finance secretary Hasmukh Adhia said. Though the central government and state governments are giving taxpayers time to adjust to the new mechanism, checking of trucks by tax authorities will begin soon.

*Mint - 02.04.2018*

<https://www.livemint.com/Industry/3890B9QcHk4hu0uC2g32aM/Eway-bill-systems-to-face-real-test-today.html>

Director (Finance), Power Grid Corporation India Ltd for a period of 6 months with effect from 19 March 2018, or till the appointment of a regular incumbent or until further orders, whichever is the earliest," the company said in a statement. Sreekant, 54, is a Certified Management Accountant (CMA) and holds a PGDM in Finance from Management Development Institute, Gurgaon. He has over 32 years of experience in the power sector in Finance & Accounting function including Long Term Financial Planning, Investment Appraisals, formulation of Capital Budgets, Resource Mobilization from domestic and international markets and Corporate Accounts, NTPC said.

*The Economic Times - 30.03.2018*

<https://energy.economictimes.indiatimes.com/news/power/k-sreekant-takes-over-as-director-finance-of-ntpc/63532796>