

(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.)

India to be base to economic pole of global growth: Harvard study

India will be the base to the economic pole of global growth over the coming decade, remaining ahead of China, according to a Harvard University research. The study also warns of a continued slowdown in global growth over the coming decade. India and Uganda top the list of the fastest growing economies to 2025, at 7.7 per cent annually. "The economic pole of global growth has moved over the past few years from China to neighbouring India, where it is likely to stay over the coming decade," new growth projections presented by researchers at Centre for International Development at Harvard University (CID) said. Growth in emerging markets is predicted to continue to outpace that of advanced economies, though not uniformly. The projections are optimistic about new growth hubs in East Africa and new segments of South-East Asia, led by Indonesia and Vietnam. Researchers attribute India's rapid growth prospects to the fact that it is particularly well-positioned to continue diversifying into new areas, given the capabilities accumulated to date.

The Hindu - 07.07.2017

<http://www.thehindu.com/news/international/india-to-be-base-to-economic-pole-of-global-growth-harvard-study/article19221220.ece>

June Services PMI Soars to 8-Month High on New Orders

Activity in India's services sector expanded at its fastest pace in eight months in June, as new business orders surged and demand improved, a private survey showed on Wednesday. The NikkeiIHS Markit Services Purchasing Managers' Index (PMI) rose to 53.1 in June from 52.2 in May. A reading above 50 indicates expansion. Unlike the manufacturing sector that saw a slowdown in activity in the run up the launch of goods and services tax from July 1, the services sector has not been impacted. "Growth of service sector activity and inflows of new business picked up as better demand conditions and marketing efforts bore fruit," said Pollyanna De Lima, an economist at IHS Markit and the author of the report. Employment rose modestly across sector, rising to May's near four-year peak. Another survey from

Demonetisation Impact Fading, Reforms To Pay Off: IMF On Indian Economy

India's economic growth outlook is improving as impact of demonetisation is fading and some key reforms are paying off, the IMF or International Monetary Fund said. However, the multilateral organisation expressed concern over the country's corporate debt and banking system vulnerabilities. "In India, the outlook has improved as the impact of demonetisation seems to be fading and recent key structural reforms continue to pay off," the IMF said in a note prepared for the leaders Group of 20 major economies ahead of their two-day summit on July 7-8 in Hamburg, Germany. The IMF flagged the vulnerability of India's banking system, which is grappling with high levels of bad assets, and high corporate debt levels. "Among emerging economies elsewhere, reflecting the long period of favourable financing conditions, corporate leverage (e.g., in India, Indonesia, and Turkey) and bank vulnerabilities (e.g., in India) increased as well.

NDTV - 06.07.2017

<http://www.ndtv.com/india-news/demonetisation-impact-fading-reforms-to-pay-off-imf-on-indian-economy-1721247>

Export boost: Govt exempts SEZs from integrated GST

Providing relief to SEZs, the government has exempted goods imported by units or developers of special economic zones from integrated goods and services tax (IGST). "The central government...hereby exempts all goods imported by a unit or a developer in the Special Economic Zone (SEZ) for authorised operations, from the whole of the integrated tax leviable thereon under...the Customs Tariff Act, 1975 read with section 5 of the Integrated Goods and Service Tax Act, 2017," the Department of Revenue has said in a notification. An SEZ area is considered to be a foreign territory for trade operations and duties, and is mainly set up for promoting exports. Exports from SEZs grew by about 12 per cent to Rs 5.24 lakh crore in 2016-17. The

the same firm on Monday had shown manufacturing activity slowing to a four-month low in June at 50.9. Put together, the seasonally adjusted Nikkei India Composite PMI Output Index rose from 52.5 in May to an eight-month high of 52.7 in June, the highest since the second quarter of 2016.

The Economic Times - 06.07.2017

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=June-Services-PMI-Soars-to-8-Month-High-06072017013023>

Government to decide on 25% public holding for PSUs: Sebi chief Ajay Tyagi

The government will need to take a call on whether listed public sector companies be exempted from the 25% minimum public shareholding rule, market regulator Securities and Exchanges Board of India chairman Ajay Tyagi has said. He also said Sebi will consider stricter norms for credit ratings agencies, mainly because they have failed to take timely action in the case of stressed companies, and that the National Stock Exchange (NSE) should ideally file revised offer documents for its initial public offer (IPO). "DIPAM (department of investment and public asset management, under the ministry of finance) has represented to us on 25% minimum shareholding, but the government has to decide on this," Tyagi said on Monday on the sidelines of an event organised by Standing Conference of Public Enterprises (SCOPE), an organisation representing central public sector companies. DIPAM oversees stake sale of state-run companies. It had proposed that all listed PSUs must ensure that their public holding is minimum 25% by August 21, 2017. But a number of such firms are not likely to be able to meet the deadline.

The Economic Times - 04.07.2017

<http://economictimes.indiatimes.com/markets/stocks/news/sebi-chief-disfavours-preferential-treatment-for-psus/articleshow/59426067.cms>

GST fuels spike in cooking gas price

Domestic cooking gas (LPG) price has gone up by as much as Rs 32 per cylinder - the steepest rise in six years - following the implementation of GST. In Delhi, subsidised LPG rates have risen to Rs 477.46 per 14.2-kg cylinder from Rs 446.65 from July 1. In the previous indirect tax regime where separate factory-gate duty and sales tax were levied, LPG attracted a zero or nil excise duty all over the country. VAT or sales tax was nil in Delhi as well as Chandigarh, Haryana, Jammu and Kashmir, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and some north-eastern states. It ranged from 1 per cent to 5 per cent in other states. However, under GST, which subsumed

shipments from these zones in 2015 -16 were aggregated at Rs 4.68 lakh crore. Till May 1, the government had approved as many as 421 zones. Out of this, 218 are operational. However, with the GST Council firm on high tax rate for hybrid vehicles, auto companies which had big plans for this category will have to rethink their strategy, he added.

Millennium Post - 07.07.2017

<http://www.millenniumpost.in/business/business-251066>

Six states to join swachh club on Oct 2

Six states – including four BJP-ruled states – are all set to join the elite Swachh Club by declaring themselves Open Defecation Free (ODF) on the third anniversary of Swachh Bharat Mission on October 2. As the Modi government gears up to celebrate the third anniversary of its flagship cleanliness initiative it has much to cheer for. Kerala, Telangana, Jharkhand, Madhya Pradesh, Maharashtra and Chhattisgarh would declare their urban areas open defecation free. Last year, on the second anniversary of Swachh Bharat Mission, only Gujarat and Andhra Pradesh could claim this honour. However, these states have surpassed targets set for them under the mission. The six states account for 1,137 urban local bodies of the 4,041 all over India. A review undertaken by secretary, urban development, DS Mishra, on Monday revealed that by Gandhi Jayanti, 1,559 cities and towns – about 40% – would be ODF. In terms of achievement of actual targets, India would achieve the halfway mark with just the eight states and one union territory going ODF.

The Economic Times - 05.07.2017

<http://economictimes.indiatimes.com/news/politics-and-nation/six-states-including-four-bjp-ruled-states-set-to-declare-themselves-open-defecation-free/articleshow/59447518.cms>

Pradhan launches work on ₹ 6,000 crore LNG terminal

Ground breaking ceremony of the Rs 6,000 crore LNG Terminal was held at Dhamra port in Odisha's Bhadrak district on Saturday. Petroleum Minister Dharmendra Pradhan performed the Bhumi Pujan in the absence of Odisha Chief Minister Naveen Patnaik. The 5 MMTPA capacity LNG terminal would play a major role in accelerating the process of development and economic growth in eastern India, Pradhan said. Construction of the LNG import terminal would involve an investment of Rs 6,000 crore, while a 2539 km long network of pipeline to transport gas would be laid at a

more than a dozen central and state levies, a 5 per cent tax was levied on subsidised LPG. This essentially meant that states where VAT was nil or less than 5 per cent, rates have gone up. Besides Delhi, subsidised LPG price in Calcutta has gone up by Rs 31.67 per cylinder to Rs 480.32. In Chennai, it has gone up by Rs 31.41 to Rs 465.56, according to information available from oil companies.

The Telegraph - 05.07.2017

https://www.telegraphindia.com/1170705/jsp/business/story_160218.jsp

India, China to drive road freight fuel consumption: IEA

Emerging and developing countries in Asia, particularly China and India will account for about 90 per cent of the net increase in road freight oil demand till 2050, according to International Energy Agency (IEA). In its report titled 'The future of trucks' it says that this demand will be equivalent to around 30 per cent of the total oil demand growth from all sectors. IEA estimates that the oil demand from road freight vehicles is set to rise by 5 million barrels per day to 2050. The report also notes that energy intensity would fall by nearly 40 per cent below the current levels, as road freight vehicles become increasingly more efficient. These efficiency improvements will be driven by Canada, China, Japan and the United States, the only countries with heavy-duty fuel economy standards already in place. And from the European Union, Mexico, India and Korea that are looking to introduce them. The International Council on Clean Transportation estimates that by 2020, the European Union, India, Korea and Mexico will have adopted standards for heavy duty vehicles.

The Hindu Business Line - 04.07.2017

<http://www.thehindubusinessline.com/news/world/india-china-to-drive-road-freight-fuel-consumption-iea/article9747188.ece>

Indian refiners tap spot crude market to feed increased capacity

Indian companies have stepped up purchases of high-sulphur crude oil from the Middle East and Russia in the spot market to feed demand from expanded refining capacity, trade sources said. Four refiners in the world's third largest crude importer bought 9 million barrels of Middle East and Russian crude loading in July-August via spot tenders last month, drawing down excess supplies in the market after China's demand slowed. Refiners such as Indian Oil Corp (IOC) and Bharat Petroleum Corp Ltd (BPCL) have opted to buy

cost of Rs 13,000 crore, the petroleum minister said. The network would connect 13 districts of Odisha and states like Jharkhand and Uttar Pradesh, Pradhan said. Stating that the country now has only one gas terminal in Gujarat, Pradhan said that natural gas would now be brought to Bhadrak from countries like America, Canada and Qatar. The natural gas from the terminal would also be supplied to various city gas distribution networks in the eastern India.

Millennium Post - 08.07.2017

<http://www.millenniumpost.in/business/business-251423>

Why bigger is better for oil companies

Public sector undertakings dominate in the petroleum sector. Whether it is in producing oil and gas or the downstream business of retailing petroleum products, they have the lion's share. The government, however, aims to create even bigger PSUs through consolidation. "It's not going to be a merger of all oil public sector undertakings into one," Petroleum Minister Dharmendra Pradhan said after the announcement for consolidation was made by Finance Minister Arun Jaitley in his Budget speech in February. "It's an in principle decision taken by the government to develop a few integrated state oil companies, which will have better risk management capacity and the clout to compete in international markets," said Pradhan. Though this hinted at creation of more than one integrated company, it is widely expected that the biggest of them all, Oil and Natural Gas Corporation, will be the first one to get off the block to become even bigger through some form of takeover of Hindustan Petroleum Corporation Ltd (HPCL), the second largest petroleum retailer in the country.

Business Standard - 06.07.2017

<https://www.pressreader.com/india/business-standard/20170705/282346859833734>

Petrol, Diesel Prices Drop By Almost 6% After Launch Of Daily Revision

After the newly introduced system of daily revisions of petrol and diesel prices came into effect on June 16, 2017, the price of fuel has come down by almost 6 per cent. While petrol prices dipped by Rs 2, prices for diesel have fallen more than Re 1 across the country. After the price revision on Tuesday, the cost of one litre of petrol was Rs. 63.08 in New Delhi, Rs. 66.14 in Kolkata, Rs. 74.30 in Mumbai and Rs. 65.46 in Chennai. Similarly, the cost of diesel was Rs. 53.44 per litre in New Delhi, Rs. 55.74

more spot crude as they gradually ramp up output, rather than increase long-term crude supplies, the sources said. IOC expects to run its new 300,000-bpd Paradip refinery at full capacity this year, while BPCL plans to ramp up output at its Kochi refinery to 310,000 bpd by September after an expansion, they said. "Refiners are buying heavier grades to increase middle distillate and fuel oil yields," Ehsan Ul Haq, director at London-based consultancy Resource Economics said, as refining profits for these products have strengthened.

The Economic Times - 04.07.2017

<http://economictimes.indiatimes.com/industry/energy/oil-gas/indian-refiners-tap-spot-crude-market-to-feed-increased-capacity/articleshow/59438239.cms>

HPCL, ONGC merger may get Cabinet nod this month, but the deal may still take 1 year

The Department of Disinvestment has issued a Cabinet note on the proposed amalgamation of the state-run refiner Hindustan Petroleum Corp Ltd with the giant oil explorer Oil and Natural Gas Corp, CNBC Awaaz reported on Thursday, amid news reports of the Prime Minister's Office's disappointment on the slow progress in the government's quest to create a huge energy PSU of the global scale. The Cabinet may take up the proposal as early as in next 10 to 15 days, PTI reported later in the day citing an unidentified source. However, a deal may still not be immediately in sight, as the handover of HPCL to ONGC may take one year even after the government securing the Cabinet nod, CNBC Awaaz reported citing unidentified sources. Earlier last week, ET Now had reported that the PMO, which is firm on merging the two oil companies, had expressed unhappiness with the slow pace of movement on the proposed sale of HPCL to ONGC. The government will seek an in-principle approval from the Cabinet for sale of 51% equity stake in HPCL to ONGC, CNBC Awaaz report said, adding that in the process of handover of HPCL's management control to ONGC, the disinvestment will be done via a strategic stake sale.

The Financial Express - 06.07.2017

<http://www.financialexpress.com/market/commodities/ongc-hpcl-merger-cabinet-note-stake-sale-approval-gom/752047/>

Oil rebounds from biggest slump in four weeks on inventory drop

Oil rebounded from the biggest daily loss in four weeks as industry data showed US crude and gasoline stockpiles declined. Futures climbed 1.7% in New York following Wednesday's 4.1% loss. Crude and gasoline inventories both dropped

per litre in Kolkata, Rs. 58.76 per litre in Mumbai and Rs. 56.25 per litre in Chennai. Meanwhile, the price of fuel in non-metro cities, as well as for non-branded petrol and diesel have also seen a major decrease after the nationwide fuel revision policy was adopted. This drop is despite the fact that petroleum products were not subsumed under the Goods and Services Tax (GST). One of the major reasons for the decrease in costs of petrol and diesel is the removal of politically dependent artificial pricing.

India.com - 04.07.2017

<http://www.india.com/business/petrol-diesel-prices-drop-by-almost-6-after-launch-of-daily-revision-2293509/>

Royal Dutch Shell plans retail expansion in India

Global oil major Royal Dutch Shell has lined up its "most aggressive" expansion plan across the world in the Indian fuel retail segment, which includes selling liquefied natural gas (LNG) through retail outlets. According to data released by the petroleum planning and analysis cell (PPAC) in May, out of the total 59,595 retail outlets in India, Shell owns only 85. "We have licences for 2,000 outlets. We had around 150 outlets at one time. Since pricing is deregulated now, we do have aggressive expansion plans. It will be one of the most aggressive expansion plans, across the world that Shell has seen," said Nitin Prasad, chairman, Shell Companies in India. Prasad added that the company would look at opportunities like bringing LNG into retailing as part of its expansion story. In November 2016, Petronet LNG (PLL), Indian Oil Corporation and Tata Motors jointly introduced LNG as a fuel in commercial vehicles in Thiruvananthapuram. If it works out, Shell's plan to bring LNG — considered a cleaner fuel — into retailing will be the second such initiative in India.

Business Standard - 05.07.2017

<http://smartinvestor.business-standard.com/market/story-468805-storydet-Royal-Dutch-Shell-plans-retail-expansion-in-India.htm#.WV9-9SGPIU>

Fuel dispensers to be electronically sealed with passwords soon

Petrol dispensing machines will soon be electronically sealed with passwords to prevent any manipulation of electronic systems to cheat motorists, it was decided at a meeting of government officials with oil marketers and

by more than by 5.5 million barrels last week, the American Petroleum Institute (API) was said to report. Government data on Thursday is also forecast to show supplies declined. Oil remains in a bear market amid concerns that rising supply from Libya to the US will counter production cuts from the Organization of Petroleum Exporting Countries (Opec) and its partners including Russia. American crude stockpiles are more than 100 million barrels above the five-year average. "The bullish news is the weekly oil stocks data from the API," said Michael Poulsen, an analyst at Global Risk Management Ltd. "Now the weekly oil inventory report from the EIA (Energy Information Administration) will be followed closely for confirmation or deviation." West Texas Intermediate (WTI) for August delivery advanced 78 cents to \$45.91 a barrel at 9:56am on the New York Mercantile Exchange.

Mint - 06.07.2017

<http://www.livemint.com/Money/ljtZWfUCipqNodKpieRccP/Oil-rebounds-from-biggest-slump-in-four-weeks-on-inventory-d.html>

Oilmin to Finmin: Allow input tax credit on five products

Oil ministry has urged finance ministry to put in place a temporary system to allow oil companies to claim input tax credit until crude oil, natural gas, diesel, petrol and jet fuel are covered under the goods and services tax (GST) regime. GST, which came into effect this month, covers most goods and services across the country but temporarily excludes the five key oil products that are the biggest source of revenue for oil companies. Other oil products such as cooking gas, kerosene and naphtha are part of GST. Oil companies, therefore, are dealing with two parallel systems of taxation. While they pay GST on equipment and services they use for operations, they cannot set this off against excise duty and value added tax they pay on output such as crude oil, gas, petrol, diesel and jet fuel, resulting in stranded taxes, which, according to one estimate, could be nearly Rs 25,000 crore a year. Following a representation by the oil industry, oil ministry has told finance ministry that stranded tax would become a major burden on oil companies and must be addressed quickly, an oil ministry official said.

The Economic Times - 10.07.2017

<http://economictimes.indiatimes.com/news/economy/policy/oilmin-to-finmin-allow-input-tax-credit-on-five-products/articleshow/59519725.cms>

equipment manufacturers, officials said. The decision comes after a number of petrol pumps in Uttar Pradesh and Maharashtra were found to be cheating customers by dispensing less fuel than what is reflected on the electronic display, mainly by using an electronic chip to manipulate the pulsar card that measures the amount of fuel being pumped in. "The legal metrology rules have a provision for e-sealing of pulsar cards, which are currently mechanically sealed," said an official from the department of consumer affairs. "So it can be done right away, without any cost requirements," the person told ET. Pulsar card is one of the components of fuel dispensing machines which is sealed by legal metrology department. Officials said e-sealing would ensure that technicians cannot tamper with it or attach any 'pulse frequency enhancer' chip with it.

The Economic Times - 07.07.2017

<http://economictimes.indiatimes.com/news/politics-and-nation/fuel-dispensers-to-be-electronically-sealed-with-passwords-soon/articleshow/59468020.cms>

Quarterly steel output grows 4.3% to 24.73 mt

India's crude steel production grew 4.3 per cent to 24.73 million tonne (MT) during first quarter of the ongoing fiscal. The crude steel production stood at 23.71 MT during April-June of 2016-17, Joint Plant Committee (JPC), a body under Ministry of Steel, said in its latest report. Last month, the production rose 3.24 per cent at 8.29 MT against 8.03 MT in June 2016. In April-June, hot metal output stood at 15.99 MT, registering a growth of two per cent over same period last year, JPC said in the report adding, "overall hot metal production last month at 5.32 MT was almost at the same level as in June 2016 and May 2017." During the quarter, the country's pig iron production for sale was at 2.28 MT, down three per cent over same period last year. Overall production for sale of pig iron last month was at 0.75 MT, down 0.9 per cent over May this year and 3.7 per cent over June 2016. "Production of total finished steel for sale was at 26.30 MT during April-June 2017, a growth of 6.7 per cent over same period of last year," the report said.

Millennium Post - 07.07.2017

<http://www.millenniumpost.in/business/business-251282>

Strict norms for state-run companies purchase of local steel

The steel ministry has come out with strict norms for compulsory procurement of domestically-manufactured iron and steel products by the large public-sector buyers like the railways. According to the directions issued by the ministry under the policy approved by the Cabinet in May, for every project with steel use above Rs 50 crore, the state-run agency concerned will have to submit an annual declaration on the extent of compliance and reasons for non-compliance, if any, in the preceding year. The steel ministry has also stipulated that all future tender documents floated by the government agencies should explicitly spell out the qualification criteria for adherence to 15% value-addition within the country. Value addition shall be the difference between the net selling price of a steel manufacturing unit in India and the landed cost of imported input-steel. The policy, however, won't apply in cases where the existing procurement is governed by external funding agencies. The steel ministry has already notified 11 product categories including HR coil, CR coil and a variety of steel pipes and tubes under the policy.

The Financial Express - 04.07.2017

<http://www.financialexpress.com/industry/strict-norms-for-state-run-cos-purchase-of-local-steel/747749/>

Travelling Abroad Gets Cheaper from Tier-2 Cities

If you were considering a Sentosa trip for your kids, or seeking much-needed retail therapy on Orchard Road, you'd be better off giving Delhi's crowded airport a miss and flying to Singapore instead from Jaipur. The reason is simple: It's much cheaper to board a flight from Sanganer - just about half of what it costs to fly to Singapore from Delhi's T3. Fares on short-haul overseas routes from non-metro airports nosedived this summer, dovetailing neatly into federal efforts at spreading aviation to the hinterland and smaller cities in India. Data compiled for ET by online travel portal ixigo show that international budget carriers are offering cheap fares from Lucknow, Jaipur and Trichy, to Singapore, Hong Kong and other cities in India's neighbourhood (see chart). The entry of budget carriers on the short-haul routes and lower operational fees at tier-2 airports have caused fares to fall. Data show that the average of lowest fare available for August on the Delhi-Singapore route comes to about Rs. 10,145, which is 45.30% more than the fare available between Jaipur and Singapore -Rs.5,549.

The Times of India - 10.07.2017

Now, government wants you to give up rail fare subsidy

After the success of the 'Give-It-Up' campaign on cooking gas subsidy, the government has drawn up a similar plan for rail fares, giving passengers the option to voluntarily forego the subsidy on tickets. The railways plans to launch the scheme next month. A source said that to begin with, the national transporter will offer two "slabs" of subsidy surrender — 50% and 100% of the subsidy amount. As of now, the state-run transporter bears 43% of the cost of all rail fares even as it incurs a loss of about Rs 30,000 crore every year in subsidising passenger fares. The 'Give-It-Up' option will be available for tickets booked online or bought from counters. In order to make passengers aware of the subsidy burden on the fare, the railways had started printing — "Indian Railways recovers only 57% of cost of travel on an average" — on computerised tickets although the current accounting system does not give the exact cost. Faced with the huge subsidy burden on the passenger segment, the railways has introduced dynamic fared in elite trains like Rajdhani and Shatabdi.

The Times of India - 06.07.2017

<http://timesofindia.indiatimes.com/india/now-govt-wants-you-to-give-up-rail-fare-subsidy/articleshow/59464474.cms>

Flight ticket prices to drop sharply as govt enforces Delhi tariff

Airfares are set to drop, along with aircraft landing and parking fees, in a potential boon to both passengers and airlines. In an order on Friday, Aviation regulator Directorate General of Civil Aviation (DGCA) slashed the user development fee (UDF) for passengers on both domestic and international flights originating in Delhi with immediate effect. Passengers will be charged only Rs10 as UDF for domestic flights such as Delhi-Mumbai from as much as Rs578 earlier. For a Delhi-New York international flight, this will drop from as much as Rs1,335 per ticket to Rs45, DGCA said in its order, which has been reviewed by Mint. Until now, both departing and arriving passengers had to pay the UDF. Now, only those departing from Delhi airport will have to pay the fee. Airlines will save on aircraft landing and parking fees, which are being nearly halved. A Delhi-Mumbai flight for the next fortnight is currently selling for a base price of Rs2,100. This could be cut to Rs1,600 if airlines pass on the benefits to consumers.

Mint - 08.07.2017

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Travelling-Abroad-Gets-Cheaper-from-Tier-2-Cities-10072017007021#>

India back at top of domestic air travel growth chart globally: IATA

After a temporary blip, India is back as the world's fastest growing domestic air travel market in May, according to International Air Transport Association (IATA). India saw domestic air travel in May 2017 over same month in previous year grow at 17.7%, followed by China at 16.8%. IATA had said that India had been the fastest growing domestic aviation market globally for 22 months in a row, while giving the figures for March. But in April, Russia overtook India by witnessing 16.7% growth as opposed to India's 15.3%. The very next month India got back at the top. IATA said the fastest growing markets — India, China, Russia and Japan — saw double digit growth in domestic air travel with the figures being — 17.7%, 16.8%, 12.8% and 10.3%. However, growth rates in India are moderating from the heady 20% plus seen in past two years. The reason: oil prices are inching up due to which airlines are hiking fares leading to a fall in passenger traffic growth. "After adjusting for inflation, airfares at the start of the second quarter were around 6% lower than a year ago.

The Economic Times - 07.07.2017

<http://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/india-back-at-top-of-domestic-air-travel-growth-chart-globally-iata/articleshow/59485027.cms>

AirAsia India Gearing up to Start Intl Flights

AirAsia India aims to scale up to a fleet of 20 planes by September-October and commence international operations thereafter, its CEO Amar Abrol said on Tuesday. Any domestic airline with a fleet size of at least 20 aircraft will be eligible for international operations under India's aviation policy. AirAsia India currently has a fleet of 10 Airbus A320 planes. Abrol said the initial international destinations in the airline's plan would naturally be those in Southeast Asia, the stronghold of its parent AirAsia Berhad. As a precursor of sorts, the airline is launching Fly-Thru, a service which facilitates seamless check-in for passengers through to the final destination. Abrol said it is in its testing stages. He said AirAsia India would stick to its earlier target of doubling revenue and passenger traffic this year although he declined to give any projection on profitability. He said the airline is almost every month clocking

<http://www.livemint.com/Politics/Fx178HgjZFm6rEcpKRRK1IN/Airfares-to-drop-sharply-as-govt-enforces-Delhi-tariff.html>

IndiGo clears air on AI bid

IndiGo, which has expressed interest in acquiring Air India, today said it is more keen on the national carrier's international operations and its low-cost arm Air India Express. While ruling out a joint venture with the government for Air India, IndiGo founders Rahul Bhatia and Rakesh Gangwal were quick to add that if the Centre decided to sell the entire operations to a single entity, they could explore that option, too. "We would look at acquiring all of Air India's international operations and Air India Express... If the government decides that it wants to go down the path of divesting itself from all the operations of Air India, we will certainly give it a very close look," Bhatia told analysts in a conference call. The IndiGo founders pointed out that the acquisition of Air India will give it access to certain closed international markets. While there are concerns about Air India's huge debt, the founders indicated that IndiGo had no desire to take over its entire debt. They added that while India is the world's third largest aviation market, it remained under-served by long haul international flights.

The Telegraph - 07.07.2017

<https://epaper.telegraphindia.com/detail/267203-153826189.html>

Ethihad says it's committed to strategic partnership with Jet Airways

Ethihad Airways has said it is committed to a strategic partnership with Jet Airways that continues to be strong and healthy. The Gulf carrier's assertion comes amid reports that Jet Airways is in exploratory talks to sell stake to Delta Air Lines. With 24% stake, Ethihad is a strategic partner of Jet Airways. In an e-mailed statement to PTI, an Ethihad spokesperson said both airlines continue to enjoy a strong and healthy relationship. "We remain committed to our strategic partnership which has grown to become the largest carriers of international traffic to and from India with one in five passengers flying with Ethihad Airways and Jet Airways. "Together, we operate 257 services each week, each way between Abu Dhabi and 15 cities across India," the spokesperson said. Stressing that speculation of anything to the contrary is completely misguided and misinformed, the spokesperson said the

passenger ticket revenue of". 100 crore, double the amount in the same period last year.

The Economic Times - 06.07.2017

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=AirAsia-India-Gearing-up-to-Start-Intl-Flights-06072017005016>

360-day advance rail booking for foreigners

Now, foreign tourists can book train tickets 360 days in advance from abroad instead of the present 120 days. The Indian Railways will announce the facility this week. Aiming to attract more foreigners and NRI travellers, Railways have undertaken steps to facilitate easy booking of tickets for them. However, foreigners will be allowed to book tickets only in first AC, second AC and executive class of mail and express trains and in Rajdhani, Shatabdi, Gatimaan and Tejas trains 360 days in advance as the facility is not available for sleeper and third AC. Foreigners are also not allowed to book tickets in Suvidha trains that cater to last-minute travel planners. The aim is to provide adequate time to foreigners and NRIs to plan their holidays well in advance, said a senior Railway Ministry official. He said the advance reservation period has been extended to 360 days for foreigners/NRIs and they can book their tickets online using credit or debit cards without depending on travel agents.

The Hindu Business Line - 04.07.2017

<http://www.thehindubusinessline.com/economy/logistics/360day-advance-rail-booking-for-foreigners/article9747167.ece>

GST Freeway Brings Cargo on Express Line

A truck from Chennai to Jamshedpur carrying tyres made by Apollo Tyres reached in three and a half days as state border barriers began to be dismantled after the goods and services tax (GST) came into force on July 1. The same truck would have taken five days earlier. Many producers and transport operators are reporting logistics efficiency gains after states abolished border check posts in the wake of GST, which promises one nation, one tax, one common market. As many as 22 have removed barriers and others will do so soon. "The time has reduced by nearly 30% as there are no multiple check points and taxes," said B Krishna Rao, category head at Parle Products. "The initial assessment from our

dynamic partnership with Jet Airways has resulted in increased benefits for travellers.

Mint - 07.07.2017

<http://www.livemint.com/Companies/lfjdKBn3CuMispdz0pDZIM/Etihad-says-its-committed-to-strategic-partnership-with-Jet.html>

GST: Logistics to grow at 10% as new tax to benefit organized players: Ica

The logistics sector is to grow at 9-10% in the medium term on GDP expansion, and the goods and services tax (GST) era will see benefits accruing to organized players, a report said on Monday. "Indian logistics industry is at the cross-roads, poised for growth on the back of the economic recovery and changing industry dynamics," domestic ratings agency Ica said in a note. The GST, which got introduced on Saturday, will favour organized logistics players going forward, it said. The organized players will benefit because under GST, there will be a consolidation of warehousing network, higher degree of tax compliance and creation of a level playing field between "express" and traditional transport services through input tax credit, it said. "The domestic sector is currently in a transformation phase with game-changing trends like implementation of GST, increasing focus by foreign investors across the logistics value chain, growing demand for end-to-end solution providers and emergence of new avenues such as e-commerce, logistics parks, cold chains and new start-ups," Ica's group head for the corporate sector, Subrata Ray, said.

Mint - 04.07.2017

<http://www.livemint.com/Politics/nQhssFXyHMFdh2zWMtF22L/Logistics-to-grow-at-10-GST-to-benefit-organized-players.html>

Port Operators Eye Big Business from Car Shipments, Bet on RoRo Vessels

Indian port operators are betting big on transportation of cars by sea, encouraged by the government's push on coastal shipping and the significant fillip to the automotive sector from GST. Gujarat Pipavav Port plans to triple its annual handling of automotive cargo via RoRo (roll on roll off) vessels to 300,000 cars by 2020, Keld Pederson, the managing director of the port owned by Netherlands-based APM Terminals, told ET in an interview. RoRo ships are vessels designed to carry wheeled cargo such as cars and trucks, which are driven on and off the ship on their own wheels or using a platform vehicle. Mumbai Port Trust handled the biggest chunk of exported cars via RoRo in

logistics partner is that we are saving at least three days if not more in our supply chain now." ET's reporters fanned across the country to get a sense of how GST is playing out on the ground in terms of goods movement. But while there's evidence of barriers going down, there is also enough indication that not all of officialdom seems to be on the same page.

The Times of India - 10.07.2017

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=GST-Freeway-Brings-Cargo-on-Express-Line-10072017001014>

the fiscal year ended March 2017. At more than 2 lakh units, the volume was 20% more than the previous year. Mumbai's Jawaharlal Nehru Port Trust, India's biggest container port, would look at setting up a RoRo facility for vehicles at a satellite port it is planning to build at Wadhwan with an investment of Rs 10,000 crore, its deputy chairman said.

The Economic Times - 06.07.2017

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Port-Operators-Eye-Big-Business-from-Car-Shipments-06072017013026>

Logistics sector to gain most from GST as costs will be down by 20%: Nitin Gadkari

Back-of-the-envelope calculations say logistics costs would come down by at least 20%. Companies could do this with a hub-based warehouse system instead of having warehouses in all major consumer states. The checkpoints at state borders have already been brought down. Karnataka, Andhra Pradesh and Tamil Nadu, along with 20 more states, have dismantled border checkpoints, reducing hassles for trucks. Several others are in the process (of doing so). The border checkpoints have been removed even as states await electronic way bills, which will make truck movement easier. The e-way bill on GSTN (Goods and Services Tax Network) is expected to be introduced soon and will aid movement of trucks. India is a growing economy and the high cost of logistics, currently at 14% of GDP, was having a negative effect. The average speed of freight transportation has been increased from the current 20-25 km per hour to 40 km per hour. Trucks that were earlier doing 200 km a day would do 400 km now. Small traders need not worry as anyone with an annual turnover of Rs 20 lakh doesn't come under the ambit (of GST). And those (with turnover) between Rs 20 lakh and Rs 75 lakh will just have to file the return.

The Economic Times - 05.07.2017

<http://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/logistics-sector-to-gain-most-from-gst-as-costs-will-be-down-by-20-nitin-gadkari/articleshow/59447433.cms>