

(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.)

## Revised Estimates Keep FY17 GDP Growth Unchanged at 7.1%

Indian economy grew 7.1% in FY17 according to the second revised estimates, unchanged from initial estimates, but the revised data showed sharp rise in investment for year when the note ban was implemented. The government's second revised estimates also showed that India's GDP grew 8.2% in 2015-16 compared with the 8% growth as per the earlier estimates. Gross fixed capital formation (a proxy for investment) rose a whopping 10.1% in 2016-17 compared with 5.2% rise in FY16, first revised estimates of national income released by the Central Statistics Office showed on Wednesday. However, data released by the office earlier this month had showed investment increasing by only 2.4% in 2016-17. "Earlier, we used to compile GFCF on basis of capital goods in the index of industrial production but now it is based on the Annual Survey of Industries data," said a statistics department official explaining the spike. "While general government has been the key engine of investment, the household sector too has shown an increase especially in machinery and equipment," said Devendra Kumar Pant, chief economist at India Ratings.

*The Economic Times - 01.02.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F02%2F01&entity=Ar01502&sk=7D311627&mode=text>

## Core Sector Growth Slows to Five-month Low of 4% in Dec

Growth of the eight core sectors slowed to a five month low of 4% in December 2017 due to negative performance of segments such as coal and crude oil, official data showed on Wednesday. The output growth recorded in December is the lowest since July 2017, when these core sectors had witnessed 2.9% expansion. These eight industries -- coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity - had witnessed a growth of 5.6% in December 2016. The output of coal and crude oil sectors contracted 0.1% and 2.1% respectively during the month under review. Growth in steel and electricity generation slowed to 2.6% and 3.3%

## India's double-digit growth difficult in current global scenario: DEA secretary

Achieving a double-digit economic growth for India in current global scenario is difficult but the country is on path to clock 8% plus expansion by 2020-21, a top finance ministry official said. In his budget speech on 1 February, finance minister Arun Jaitley said India is firmly on course to achieving over 8% growth and becoming the world's fifth largest economy. The country has recorded an average growth rate of 7.5% in the first three years of the Modi government. "What we are projecting is, this year second half will have a growth higher than 7%. Next year, 7-7.5% average growth rate has been projected. "That would mean that there would be some quarters where growth might exceed 8%. So we might see some 8% plus growth quarter next fiscal," Subhash Chandra Garg, the department of economic affairs secretary (DEA) told PTI. The secretary further said that in 2020-21 "India should" be able to grow at about 8%. When asked by when India could move into a double digit growth trajectory, Garg said it is difficult as the growth in the global economy is not that high. Global growth is 3.5-4%, he said.

*Mint - 04.02.2018*

<http://www.livemint.com/Politics/187bCfBKa2Vb0ajqciBr2J/Indias-doubledigit-growth-difficult-in-current-global-scen.html>

## Govt working on raising share of exports in GDP to 20%: Prabhu

The government will come out with a strategy document on increasing the share of exports to 20 per cent of the GDP, Commerce Minister Suresh Prabhu said on Sunday. In an interaction with export promotion councils in Kolkata, he asked the industry to come up with a detailed plan to push the country's exports. "He (Prabhu) informed that government is also coming up with strategy document to increase export to 20 per cent of GDP. For this he requested industry to come up with proper business plan to increase exports," the commerce ministry said in a tweet. According to Federation of Indian Export Organisation

respectively in December last year as against 15.9% and 6.4% in the same month of 2016. Refinery products, natural gas, fertiliser and cement recorded healthy growth last month. Cumulatively, the growth in the eight core sectors during April-December this fiscal slowed to 4% as against 5.3% in the same period last fiscal. The growth in key sectors will have implications for the Index of Industrial Production (IIP) as these eight segments account for about 41% of the total factory output.

*The Economic Times - 01.02.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F02%2F01&entity=Ar01505&sk=8D212AAC&mode=text>

### **Govt is likely to meet fiscal deficit target of 3.2% for FY18**

The government is likely to rein in the fiscal deficit at the targeted level of 3.2% of gross domestic product (GDP) in the current financial year (2017-18), despite worries that it may breach the limit. Indications emerging from sources show that the government will signal its "strong commitment" to fiscal consolidation in the Budget. In all Budget speeches since 2014-15, FM Arun Jaitley has reiterated his commitment to fiscal consolidation. Last year, he overcame pressure from several quarters to step up spending to boost growth and adhered to the fiscal goal. Financial markets, however, expect a minor slippage in meeting the target. The uncertainty over indirect tax receipts, following the rollout of the Goods & Services Tax (GST) had triggered doubts about the government's ability to stick to the target. The move to unveil an extra borrowing of Rs 50,000 crore also added to the worries. But this borrowing has now been scaled down to Rs 20,000 crore, much to the relief of financial markets, indicating the government's comfort level with the cash position.

*The Times of India - 30.01.2018*

<https://timesofindia.indiatimes.com/business/india-business/govt-is-likely-to-meet-fiscal-deficit-target-of-3-2-for-fy18/articleshow/62686785.cms>

### **PSU payout next fiscal to be lower**

The government expects lower dividend proceeds at Rs 52,494.71 crore from central public sector enterprises and other investments during 2018-19. This is going to be nearly Rs 2,315.29 crore less than the Rs 54,810 crore estimated for the current fiscal, according to the budget document. However, according to the budget estimate for

(FIEO), the current share of exports in GDP is 18 to 19 per cent. In his budget speech last week, Finance Minister Arun Jaitley had said that India's exports are likely to expand by about 15 per cent in the current fiscal, ending March 31. "Indian economy is now \$2.5 trillion - seventh largest in the world. India is expected to become the fifth largest economy very soon," he had said. The country's merchandise shipments rose 12.36 per cent to \$27.03 billion in December 2017.

*The Times of India - 05.02.2018*

<https://timesofindia.indiatimes.com/business/india-business/govt-working-on-raising-share-of-exports-in-gdp-to-20-prabhu/articleshow/62780008.cms>

### **Divestment target up**

The government on Thursday said it was increasing its disinvestment target to Rs 80,000 in 2018-2019, a mild increase over this year's Rs 72,500 crore. The government is set to cross the target this fiscal. A number of complex stock sales, including by state firms to other state firms, helped the government rake in nearly Rs 1 lakh crore this financial. This is the first time in seven years that the government has completed the disinvestment target on the back of multiple deals like an agreement with ONGC for the strategic sale of its 51.11 percent equity share-holding in HPCL at a consideration of Rs 36,915 crore. "The 2017-18 budget estimates for disinvestment were pegged at the highest ever level of Rs 72,500 crore. We have already exceeded the budget estimates. I am assuming receipts of Rs 1,00,000 crore in 2017-18," Jaitley said while presenting the Union Budget, 2018-2019. The Centre set to achieve its disinvestment target for the current financial year through sale of equity in state-owned companies, including strategic sales. The target included Rs 46,500 crore as disinvestment of central public sector enterprises, Rs 15,000 crore from strategic disinvestment and Rs 11,000 crore from listing of insurance companies.

*The Telegraph - 02.02.2018*

<https://www.telegraphindia.com/business/divestment-target-up-205470>

### **India beats global average on budget transparency**

India has scored slightly better than the global average when it comes to budget transparency, according to results of the Open Budget Survey (2017) released on January 30. With a rank of 53 among 115 countries covered by the survey, India's score of 48 out of 100 for transparency

2017- 18, the government expected Rs 67,529.24 crore from central public sector enterprises and other investments. The lower dividend from these companies indicates that profitability of these enterprises would be under stress during the next fiscal. According to the norms, all profit- making central public sector undertakings (CPSUs) are required to declare a minimum dividend on equity of 20 per cent or a minimum dividend payout of 20 per cent of post- tax profit, whichever is higher, subject to availability of disposable profits. However, the government as the majority shareholder could seek higher dividend from PSUs with large disposable profits or healthy cash reserves. A higher or special dividend may also be considered.

*The Telegraph - 04.02.2018*

<https://epaper.telegraphindia.com/detail/165263-125923329.html>

## **Oil Demand may Gain or Fall 20% in 2040: Exxon**

If climate change curbs live up to their promise, oil demand may fall 20% by 2040, Exxon Mobil Corp. says in one forward looking report. But a more likely scenario is it will grow by 20%, the company says in separate outlook. The reports were both released Friday. Which one to believe? The first comes in response to a shareholder vote last year that demanded Exxon publish the risks it faces if the world hits its carbon-emissions goal to limit global warming to 2 degrees Celsius above pre-industrial levels. The second is what the Irving, Texas-based explorer uses "to help guide multibillion-dollar investment decisions," according to its preamble. In both instances, the study authors say the world will still need trillions of dollars of investment in fossil fuels to meet its energy needs over the next two decades. The business outlook, as might be expected, is more hawkish. Its findings show oil and natural gas still supplying about 55% of the world's energy needs by 2040, with oil the biggest contributor. Coal is expected to fall to less than 30% in 2040 from approximately 40% in 2016. Electric and hybrid cars will approach 40% of light-vehicle sales by 2040, compared to 3% in 2016, it said.

*The Economic Times - 05.02.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F02%2F05&entity=Ar01206&sk=FDBB53D7&mode=text>

(as against the global average of 43) showed an improvement of two percentage points over the 2015 index. Every two years, the International Budget Partnership (IBP) — using over a hundred indicators — assesses budget transparency based on the amount, level of detail and timeliness of budget information made available to the public. Results of the Open Budget Survey (2017) highlight that the global average score of budget transparency has declined by 2 percentage points from 45 in 2015 to 43 in 2017. It reflects that 89 out of the 115 countries fail to make sufficient budget information publicly available. IBP states that this failure undermines the ability of citizens to hold their government to account for managing public funds.

*The Times of India - 01.02.2018*

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F02%2F01&entity=Ar02013&sk=B994FA9C&mode=text>

## **Oil settles lower after dollar strengthens, rising U.S. output**

Oil prices settled lower on Monday, pressured by a strengthening dollar and rising U.S. crude output, but prices remained on track for the biggest January increase in five years. Brent crude futures LCOc1 for March delivery settled down \$1.06, or 1.5 percent, at \$69.46 a barrel, after rallying to a session high of \$70.64. U.S. West Texas Intermediate (WTI) crude futures CLc1 fell 58 cents, or 0.9 percent, to close at \$65.56 a barrel. The rally in oil prices has been buoyed by the U.S. dollar's six straight weekly slides. The greenback is set to fall 3 percent this month. .DXY Oil is priced in the U.S. currency, so a falling dollar can boost demand for crude from buyers using other currencies. The dollar index had been below \$90 since Jan. 24. But the currency has rebounded 0.3 percent since Friday to \$89.31, which has weighed on crude prices. "The strength in the dollar pushed some sellers in the market. There are some warning signs that maybe the rally is getting a bit overextended," said Gene McGillian, manager of market research at Tradition Energy in Stamford, Connecticut.

*Reuters - 30.01.2018*

<https://www.reuters.com/article/us-global-oil/oil-settles-lower-after-dollar-strengthens-rising-u-s-output-idUSKBN1FI05L>

## **Fuel bill gets tax cut, but can't escape cesspool**

You'll have to wait for the global oil market to cool off before your fuel bill comes down. The Budget pared excise duty on petrol and diesel, but took away the benefit by raising cess by an equal amount. So there's neither a Budget shock nor cheer for motorists. In other words, if pump prices aren't jumping on higher cess, they aren't coming down either because of the excise cut. This means you'll have to continue to pay more for motor fuels in tune with rising global crude prices. The Budget reduced the basic excise duty by Rs 2 a litre to Rs 4.48 on petrol and Rs 6.33 on diesel. But at the same time, the road cess, also described as additional excise duty, was rechristened 'road and infrastructure cess' and raised by Rs 2 to Rs 8 a litre on both fuels. There's a view in the industry that a lower excise duty will help pare pump prices if crude cools off in the days ahead. This will depend on whether the road cess is being levied as a percentage of the price. Deloitte's Debasish Mishra also sees an upside.

*The Times of India - 02.02.2018*

<https://timesofindia.indiatimes.com/business/india-business/budget-2018-consumers-left-at-mercy-of-global-oil-market/articleshow/62748793.cms>

## **Leather industry hopeful of 10% export growth**

Export of leather and leather products, which was on the decline for the last two years, is seeing signs of revival. The exports grew 1.48 per cent at \$4,388 million between April and December 2017 as opposed to \$4,324 million for the same period in 2016 due to a revival of demand in the EU. Addressing media persons prior to the 33rd edition of Indian International Fair to be held here from February 1 to 3, Mukhtarul Amin, Chairman, Council for Leather Exports, said the industry expected exports to grow 3-4 per cent in the next few months and reach 10 per cent growth by the end of this year. "While the EU is the largest market for leather goods, the focus has shifted to other markets such as the US," he added. Indian leather exports to the US have grown from 8 per cent to 15 per cent in the last couple years. "But the potential is huge as our market share is barely 1-2 per cent," he added. The CLE has tied up with Footwear Distributors and Retailers of America to further increase its market share. Russia, which is the 12th largest global importer of leather and leather products, is another focus area.

*The Hindu Business Line - 31.01.2018*

<http://www.thehindubusinessline.com/news/leather-industry-hopeful-of-10-export-growth/article22596533.ece>

## **Govt unveils Rs 2,600 cr leather & footwear industry package**

Union minister Suresh Prabhu on Wednesday unveiled the Central government's Rs 2,600 crore package for the leather and footwear industry, saying it had the potential of generating over three lakh jobs and formalising another two lakh in the next three years. The Union Cabinet had last month okayed the package for employment generation in the leather and footwear sectors, with an approved expenditure of Rs 2600 crore over three financial years from 2017-18 to 2019-20. "The special package has the potential to generate 3.24 lakh new jobs and assist in formalisation of two lakh jobs in three years... this is about half a million jobs (overall)," Prabhu, Minister for Commerce and Industry, said after inaugurating the 33rd India International Leather Fair (IILF) 2018 here on Wednesday. Underlining the Centre's commitment to the leather industry, he said the government wanted to set up mega leather, footwear and accessories clusters and would provide infrastructure support in this regard.

*Millennium Post - 01.02.2018*

<http://www.millenniumpost.in/business/govt-unveils-rs-2600-cr-leather-footwear-industry-package-282587>

## **With an allocation of Rs 1,014 crore, air connectivity to Northeast gets a leg-up**

The Centre's emphasis on increasing air connectivity to the Northeast continued in the Union Budget for 2018-19 presented on Thursday, in which the finance ministry provided an impetus of Rs 1,014.09 crore for the upcoming financial year towards revival of 50 airports and viability gap funding to improve aviation infrastructure in the region under the flagship regional connectivity scheme. This amount is nearly five times the allocation of Rs 200.11 crore as per the revised estimates of 2017-18. "Regional connectivity scheme of UDAN (Ude Desh ka Aam Nagrik) initiated by the government last year shall connect 56 unserved airports and 31 unserved helipads across the country. Operations have already started at 16 such airports," Finance Minister Arun Jaitley said during his Budget speech. "Sarkar ki is pahal se hawai chappal pehne wale nagrik bhi hawai jahaaj mein yatra kar rahe hain (With this initiative, people wearing slippers are also travelling in aeroplanes)," he added.

*The Indian Express - 02.02.2018*

<http://indianexpress.com/article/business/budget/union-budget-2018-arun-jaitley-aviation->

[infrastructure-with-an-allocation-of-1014-crore-air-connectivity-to-northeast-gets-a-leg-up-5048494/](https://www.economicstimes.indiatimes.com/industry/transportation/shipping/-/transport/indias-logistics-sector-to-reach-usd-215-bn-by-2020-survey/articleshow/62693817.cms)

## **India's logistics sector to reach USD 215 bn by 2020: Survey**

The country's logistics industry which is worth around USD 160 billion is likely to touch USD 215 billion in the next two years with the implementation of GST, Economic Survey today said. "With the implementation of GST, the Indian logistics market is expected to reach about USD 215 billion in 2020, growing at a CAGR of 10.5 per cent," Economic Survey 2017-18 tabled in Parliament said. The Indian logistics industry which provides employment to more than 22 million people has grown at a compound annual growth rate (CAGR) of 7.8 per cent during the last five years, it said. The Global Ranking of the World Bank's 2016 Logistics Performance Index shows that India jumped to 35th rank in 2016 from 54th rank in 2014 in terms of overall logistics performance. India has improved its rank in all the six components of logistics performance index, it added. Realising the importance of the sector and to address the inefficiencies, the government has included the sector in the Harmonised Master List of Infrastructure Subsector.

*The Economic Times - 30.01.2018*

<https://economicstimes.indiatimes.com/industry/transportation/shipping/-/transport/indias-logistics-sector-to-reach-usd-215-bn-by-2020-survey/articleshow/62693817.cms>

## **Steel PSUs' capex slashed by 11% to Rs 11,317 cr for FY19**

Investments budgeted for nine PSUs under the Ministry of Steel have been lowered by 10.45 per cent to Rs 11,316.84 crore for the 2018-19 fiscal. These PSUs are: Steel Authority of India Ltd (SAIL), Rashtriya Ispat Nigam Ltd (RINL), Hindustan Steelworks Constructions, NMDC, KIOCL, Manganese Ore India Ltd, MECON, MSTC and Ferro Scrap Nigam Ltd. The government had budgeted Rs 12,637.71 crore for these public sector undertakings (PSUs) for the current fiscal. Investments were further revised downwards to Rs 11,455.91 crore compared to budget estimates. The country's top iron ore producer NMDC's capex has been slashed by a huge 27 per cent to Rs 3,778 crore for the next fiscal. The government had made a budget provision of Rs 5,174 crore for it for the ongoing fiscal. As per the budget document, RINL's capex has been lowered by 26 per cent at Rs 1,400 crore for the next fiscal as against Rs 1891.65 crore budgeted for the

## **Anchors aweigh: New JNPT terminal set to open**

'Centaurus', a container ship owned by French line CMA CGM, will dock at Bharat Mumbai Container Terminals (BMCT) in Jawaharlal Nehru Port Trust (JNPT), on Friday, marking the official opening of the biggest single-container terminal built in India with record-high foreign direct investment (FDI). BMCT, a wholly owned unit of Singapore's PSA International — one of the world's top three container port operators — has signed up Swahili Express service or SWAX (India-West Asia-Africa trade lane) run by a consortium of CMA CGM and Emirates Shipping Line, as its first customer. The service connecting JNPT with Jebel Ali, Khor al Fakkan, Mombasa, Dar es Salaam and Djibouti is run with five ships — four from CMA CGM and one from Emirates Shipping. The start of commercial operations of the first phase of the ₹7,915-crore, 4.8-million twenty-foot equivalent units (TEUs) capacity terminal will help State-owned JNPT double its capacity from 4.8 million TEUs. The project involves construction of two berths, of 1 km each, in two phases, with the first phase designed to handle 2.4 million TEUs at a cost of ₹4,719 crore.

*The Hindu Business Line - 30.01.2018*

<http://www.thehindubusinessline.com/economy/anchors-weigh-new-jnpt-terminal-set-to-open/article22596876.ece>

## **Vinod Kumar takes over as IndianOil Chief Vigilance Officer**

Vinod Kumar has joined as the Chief Vigilance Officer of IndianOil on January 22, 2018. Vinod Kumar believes, "Vigilance function should aim to achieve more transparency in the organisation and expedite the decision-making process." An officer from the Indian Forest Service (1987 batch), Kumar has held several prestigious positions in the Govt. of Uttarakhand. Before joining IndianOil, he was leading the function of Land Survey Directorate in the State, mainly looking after the critical issue of Forest Land Transfer cases under the Forest Conservation Act.

*Millennium Post -30.01.2018*

<http://www.millenniumpost.in/business/vinod-kumar-takes-over-as-indianoil-chief-vigilance-officer-282186>

current fiscal. The capex of domestic steel giant SAIL, however, has been revised upward to Rs 4,000 crore for 2018-19 as against Rs 3,500 budgeted for 2017-18. The steel ministry expects SAIL to show profit next year on the back of continued improvement in global commodity market.

*The Economic Times - 05.02.2018*

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steel-psus-capex-slashed-by-11-to-rs-11317-cr-for-fy19/articleshow/62776087.cms>

### **Prakash Tiwari appointed NTPC Director (Ops)**

Prakash Tiwari has taken over the charge as Director (Operations), NTPC with effect from January 31, 2018. Prior to elevation to the post of Director (Operations), he was working as ED (Operations) & was looking after all activities related to operation of NTPC power plants. Prakash Tiwari is a Mechanical Engineering Graduate from NIT Raipur. He joined NTPC as 6th batch Executive Trainee in 1981. He has an illustrious career spanning over 37 years of outstanding contribution in management of large size plants in the area of power plant operation & maintenance and in project construction as a Professional Manager, Strategic Planner and a Business Leader. He has led several initiatives for achieving operational excellence of Plants.

*Millennium Post - 01.02.2018*

<http://www.millenniumpost.in/business/prakash-tiwari-appointed-ntpc-director-ops-282592>

### **R P Srivastava new Coal India personnel director**

R P Srivastava has taken over as Coal India's new full-time personnel & industrial relations (P&IR) director from today. Srivastava was earlier Executive Director of Rashtriya Ispat Nigam Ltd, Coal India said today. There was no full-time personnel director after R Mohan Das' service was terminated on March 30, 2017 based on a ministerial decision. Western Coalfields Ltd CMD R Mishra was holding additional charge as director personnel in the interim period.

*Business Standard - 31.01.2018*

[http://www.business-standard.com/article/pti-stories/r-p-srivastava-new-coal-india-personnel-director-118013100875\\_1.html](http://www.business-standard.com/article/pti-stories/r-p-srivastava-new-coal-india-personnel-director-118013100875_1.html)

### **ONGC new director (finance)**

Subhash Kumar took over as director (finance), ONGC on January 31. He was recommended by Public Enterprise Selection Board (PESB) on October 26 and appointed to the post by the President of India.

*The Times of India - 03.02.2018*

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F02%2F03&entity=Ar02205&sk=1E86286C&mode=text>

### **A K Das takes charge as NTPC-Dadri Group GM**

A K Das has taken charge as Group General Manager of NTPC Dadri on January 31, 2018 following super annotation of S K Sinha, ED. Prior to this, Das was the GM (O&M) NTPC Dadri. He has done BE (Electrical Engineering) from Jadavpur University, Kolkata, in 1981. Das joined NTPC Limited in 1981. During his career he has served at NTPC's Singrauli, Vindhyachal, Kaniha, Farakka, Bongaigaon and Dadri.

*Millennium Post - 03.02.2018*

<http://www.millenniumpost.in/business/a-k-das-takes-charge-as-ntpc-dadri-group-gm-282959>