

(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.)

## World Bank sees growth at 7.3%

Growth in India is firming up and projected to accelerate to 7.3 per cent in the 2018-19 financial year and 7.5 per cent in the next two years, the World Bank said on Sunday. The global lender said the Indian economy appeared to have recovered from the temporary disruptions caused by demonetisation and the introduction of the goods and services tax (GST). However, domestic risks and a less benign external environment impact the outlook, it said. Growth reached 6.7 per cent in financial year 2017-18, with significant acceleration in recent months, it said. "Prompted by the adoption of the GST and the recapitalisation of banks, growth in India is firming up and is projected to accelerate further," the World Bank said in its latest report on South Asia. Growth in India, it said, is expected to rise to 7.3 per cent in 2018-19 and to 7.5 per cent in the following two years, with strong private spending and export growth as the key drivers. On the production side, the turnaround in the second half was led by manufacturing (that grew at 8.8 per cent versus 2.7 per cent in the first half). Agriculture growth improved, and services growth held steady at 7.7 per cent.

*The Telegraph - 09.10.2018*

[https://epaper.telegraphindia.com/textview\\_224\\_153\\_163527620\\_4\\_1\\_8\\_08-10-2018\\_71\\_1.html](https://epaper.telegraphindia.com/textview_224_153_163527620_4_1_8_08-10-2018_71_1.html)

## IMF reduces China's growth forecast more than India's

The International Monetary Fund (IMF) has retained its growth projections for India in 2018 but marginally reduced it for 2019, while China's growth is expected to moderate more. "India's growth is expected to increase to 7.3% in 2018 and 7.4% in 2019, (slightly lower than in the April 2018 World Economic Outlook [WEO] for 2019, given the recent increase in oil prices and the tightening of global financial conditions), up from 6.7% in 2017," the IMF said in its update to WEO. "This acceleration reflects a rebound from transitory shocks (the currency exchange initiative and implementation of the national Goods and

## IMF retains India FY19 growth outlook at 7.3%

The International Monetary Fund (IMF) has retained its India growth forecast for the current year and marginally pared it for next fiscal, citing the drag from higher crude prices and tightening of the global financial situation. But it will remain the fastest-growing major economy, well ahead of China, it said. In its latest World Economic Outlook, the IMF said India will grow 7.3% in FY19 and 7.4% in FY20. It had in January forecast FY20 growth at 7.5%. China is forecast to grow 6.6% and 6.2% in 2018 and 2019, respectively. The Indian economy grew 6.7% in FY18. "This acceleration reflects a rebound from transitory shocks (the currency exchange initiative and implementation of the national goods and services tax), with strengthening investment and robust private consumption," the IMF said. The forecast for investment growth in FY19 is weaker than in April, despite higher capital spending. India's medium-term growth prospects remain strong at 7.75%, benefiting from ongoing structural reform and a favourable demographic dividend, the report said. The economic recovery is supported by domestic demand-led pickup.

*The Economic Times - 09.10.2018*

<https://epaper.timesgroup.com/Olive/ODN/Th eEconomicTimes/shared/ShowArticle.aspx?doc =ETKM%2F2018%2F10%2F09&entity=Ar0131 2&sk=1CFB610D&mode=text>

## More steps to cut CAD on cards

Finance minister Arun Jaitley on Saturday said there are some more steps on the anvil to narrow the current account deficit (CAD) and bolster forex inflows. The government has taken some steps and some more measures are likely to narrow the CAD, Jaitley said at a business event here. Last month, the government had announced "five steps" to contain the CAD, which had widened to 2.4 per cent of the GDP in the first quarter of 2018-19. One of the steps was to allow manufacturing entities the facility of external commercial borrowing (ECB) with a minimum maturity of one year, instead of the earlier limit of three

Services Tax), with strengthening investment and robust private consumption," the multilateral agency said. China is projected to grow 6.6% in 2018 and slow to 6.2% in 2019 and this is largely been attributed to the impact of the latest round of US tariffs on Chinese imports. The moderation in China's growth will help India retain the fastest growing major economy tag at least for the next two years. "At the global level, recent data show weakening in trade, manufacturing, and invest,"

*The Times of India - 09.10.2018*

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F10%2F09&entity=Ar01704&sk=D05A4A62&mode=text>

### **Manufacturing activity strengthens in September, PMI rises to 52.2**

Manufacturing growth picked up pace in September as did goods and services tax (GST) collections, but sentiment was tempered by slower infrastructure sector growth and tepid auto sales, separate sets of data released on Monday showed. The Nikkei India Manufacturing Purchasing Managers' Index strengthened in September to 52.2 from 51.7 in August. A reading over 50 on this survey-based index indicates expansion, anything below it reflects contraction. In sync with this, GST collections rose to Rs 94,442 crore in September compared with Rs 93,690 crore in August, the finance ministry said. However, the core sector index, which measures output across eight infrastructure sectors, rose 4.2% in August compared with an upwardly revised 7.3% in July. The core sector index has a 40% weight in the index of industrial production (IIP), which along with muted auto sales, indicates that industrial growth could moderate in August. IIP numbers will be released on October 12. "The slowdown in growth of core sector output and automobile production, as well as an unfavourable base effect, are likely to dampen the IIP growth for August 2018 to 3.0-4.0%," said Aditi Nayar, principal economist at ICRA.

*The Economic Times - 03.10.2018*

<https://economictimes.indiatimes.com/news/economy/indicators/manufacturing-activity-strengthens-in-september-pmi-rises-to-52-2/articleshow/66023967.cms>

### **RBI lowers retail inflation projection to 3.9-4.5 pc for second half of FY19**

The Reserve Bank Friday lowered its retail inflation projection for the second half of the current fiscal to 3.9-4.5 per cent mainly because of an unusually benign trend in food prices. Food inflation has remained unusually benign, which imparts a downward bias to its trajectory in the second half

years. Further, restrictions were removed with respect to foreign portfolio investors' exposure limit of 20 per cent in corporate bond portfolio to a single corporate group or company or entity and 50 per cent of any issue of corporate bond. In April, the RBI had imposed these restrictions on FPIs. With regards to rupee denominated bonds, popularly known as Masala bonds, the government had decided to do away with the withholding tax on bonds issued till March 2019. The current withholding tax is 5 per cent.

*The Telegraph - 07.10.2018*

[https://epaper.telegraphindia.com/textview\\_23674\\_114657231\\_4\\_1\\_10\\_07-10-2018\\_71\\_1.html](https://epaper.telegraphindia.com/textview_23674_114657231_4_1_10_07-10-2018_71_1.html)

### **Service activity slows in Sept, Purchasing Managers' Index at 50.9**

Weak demand and stagnant new work made India's services sector expand at a slower pace in September compared with August, a private survey showed on Thursday. The Nikkei/IHS Markit Services Purchasing Managers' Index declined to 50.9 in September from 51.5 in August. The new reading was the lowest in the last four months of improving activity but remained above the 50-mark that separates growth from contraction. "Growth of India's services economy spluttered during September amid reports of faltering demand for services," said Paul Smith, Economics Director at IHS Markit and author of the report. Despite a slight improvement in the manufacturing sector, where output growth strengthened to a solid pace, the composite PMI fell to a four month low of 51.6 in September against 51.9 in August. Rising price pressures were cited as a factor weighing on market activity, with reports from panellists of rising fuel and import prices driven by the stronger US dollar. Companies reported that market conditions were underwhelming amid a lack of demand at a time of generally higher prices, according to the survey.

*The Economic Times - 05.10.2018*

<https://economictimes.indiatimes.com/news/economy/indicators/service-activity-slows-in-sept-purchasing-managers-index-at-50-9/articleshow/66065247.cms>

### **Selloff plan: Govt eyes global ETF**

The government plans to take its disinvestment programme overseas with an exchange traded fund (ETF) that will not just help it meet this year's target of Rs 80,000 crore but also tap a wider investor base. While the plan may require regulatory tweaks, the department of investment and public asset management

of the year, the central bank said in its fourth bi-monthly monetary policy unveiled here. "Inflation is projected at 4 per cent in second quarter (July-September) 2018-19, 3.9-4.5 per cent in H2 (October-March) and 4.8 per cent in Q1:2019-20 (April-June), with risks somewhat to the upside," it added. The Reserve Bank of India (RBI) kept the key repo rate unchanged at 6.25 per cent. "The decision of the Monetary Policy Committee (MPC) is consistent with the stance of calibrated tightening of monetary policy in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/-2 per cent, while supporting growth," RBI said in a statement.

*The Economic Times - 05.10.2018*

<https://retail.economicstimes.indiatimes.com/new/industry/rbi-lowers-retail-inflation-projection-to-3-9-4-5-pc-for-second-half-of-fy19/66087238>

### **Government prepares guidelines to hive off CPSEs' non-core business**

The Finance Ministry is drafting a framework for ministries and departments which they would follow while selling non-core assets of CPSEs, an official said. The 'Asset Monetisation Framework', which is being drafted by the Department of Investment and Public Asset Management (DIPAM), will help the administrative ministries to fast track hiving off and sale of non-core assets of central public sector enterprises (CPSEs) under their administrative control. "The framework will act as broad guidelines for the ministries to identify non-core assets and proceed with their sale process in an efficient and transparent manner," the official said. To start with, DIPAM, after consulting ministries and CPSEs, has already identified huge tract of land and other assets of nine state-owned companies which will be hived off before they are put on the block for strategic sale. The sale process of these assets has to be taken forward by the concerned administrative ministries, the official said. The nine CPSEs whose non-core assets have been identified for hiving off are Pawan Hans, Scooters India, Air India, Bharat Pumps & Compressors, Project & Development India (PDIL), Hindustan Prefab, Hindustan Newsprint, Bridge and Roof Co and Hindustan Fluorocarbons.

*The Free Press Journal - 08.10.2018*

<http://www.freepressjournal.in/business/government-prepares-guidelines-to-hive-off-cpses-non-core-business/1370693>

(Dipam) has already started exploring markets, where the ETF can be listed, sources told TOI. "Details are yet to be worked out but we are exploring the option along with an ETF for central public sector enterprises," said a source. An exchange traded fund is like a mutual fund and comprises a basket of shares or bonds. The government already has two ETFs, with Bharat-22 launched last year being its flagship. A debt ETF is also planned during the current financial year but that is largely seen to be a tool to help public sector companies, especially the smaller and mid-sized ones, to raise funds from the bond market. The move comes at a time when domestic stock markets have remained choppy, prompting the government to slow down on some of the planned initial public offers as well as follow on issues by PSUs.

*The Times of India - 05.10.2018*

<https://timesofindia.indiatimes.com/business/india-business/selloff-plan-govt-eyes-global-etf/articleshow/66078622.cms>

### **State Oil cos buy Iran crude for Nov despite US curbs**

State oil companies have ordered purchase of Iranian oil for November, oil minister Dharmendra Pradhan has said, adding that he expected the global leadership to understand India's needs. The US sanctions on Iran take effect from November 4 and Washington wants countries to cut imports of Iranian oil to zero while conceding that some countries may need longer to comply with this. India and the US have been engaged on possible waiver on sanctions but no final word on this has come yet from either side. "We are discussing with all the authorities concerned on that issue (Iran sanctions). We have to fulfil all our domestic requirements. Some of our companies have already made the nominations for November," Pradhan told reporters. "We expect global leadership will understand the needs of our country." Fear of supply crunch due to Iran sanctions has been driving up crude oil prices for the past few months. Crude nearly touched \$87 a barrel last week but dropped on Monday to \$83 following reports that the US was considering handing over waivers on sanctions to some countries, and Saudi Arabia's plans to raise output to record levels to meet any shortfall from Iran supply cut.

*The Economic Times - 09.10.2018*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F10%2F09&entity=Ar01310&sk=4102CA52&mode=text>

## Centre mulling over measures to reduce fuel prices

Minister of State for Finance Shiv Pratap Shukla on Wednesday said Prime Minister Narendra Modi is chalking out plans to reduce the skyrocketing fuel prices. "There has been no inflation under the Prime Minister Narendra Modi regime. However, the fuel prices have soared high. The Prime Minister is chalking out plans to reduce them," he said. On Tuesday, fuel prices continued the upward trend as the petrol price was hiked by 12 paise and diesel by 16 paise in Delhi. In Mumbai, petrol was being sold at Rs 91.20 per litre while diesel price was Rs 79.89 per litre. While the Centre has been facing flak from the Opposition for not doing enough to curb rising fuel prices, Union Petroleum and Natural Gas Minister Dharmendra Pradhan has maintained that the hike in the prices of petrol and diesel is due to depreciation in the value of the Indian Rupee against the US dollar and rising global crude oil prices.

*The Economic Times - 04.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/centre-mulling-over-measures-to-reduce-fuel-prices/66062697>

## Pvt retailer join PSUs in subsidising petrol, diesel

India's biggest private fuel retailer Nayara Energy, formerly known as Essar Oil, will join state-owned oil companies in subsidising petrol and diesel by Re 1 per litre, its chief executive B Anand said Friday. The government had Thursday cut excise duty on petrol and diesel by Rs 1.50 per litre each and asked state-owned oil marketing companies to absorb another Re 1 so that retail prices come down by Rs 2.50 per litre. "We welcome the government move. It is a positive development and was needed to provide relief to consumers," Anand told reporters here. Nayara, which owns 4,756 petrol pumps out of the 63,275 retail outlets in the country, will "align with OMCs" on absorbing Re 1, he said. As a result of the duty and subsidy from oil companies, petrol price in Delhi was cut by Rs 2.5 per litre to Rs 81.50 a litre. Similarly, diesel rates were reduced to Rs 72.95 a litre from all-time high of Rs 75.45. BJP-ruled states matched the Thursday's announcement with a similar reduction in local sales tax or VAT. Maharashtra and Gujarat governments were among the first to announce a matching Rs 2.50 cut.

*Business Today - 05.10.2018*

## Centre to absorb ₹1.5/ litre to bring down petrol, diesel prices

Feeling the heat of spiralling auto fuel prices, the Narendra Modi government on Thursday relented and announced a lowering of excise duty by ₹1.50 a litre. It also asked the public sector oil marketing companies — Indian Oil Corporation, Bharat Petroleum Corporation, Hindustan Petroleum Corporation — to cut prices by ₹1 a litre. This is the second time in its tenure that the government has lowered the excise duty on auto fuels. Announcing the decision, Finance Minister Arun Jaitley told media persons that he had written to State governments to lower their VAT/Sales Tax by ₹2.50 a litre. Taken together, these measures should bring down petrol and diesel prices by ₹5 per litre. That is ₹1 less than the price derived on the basis of the market-driven formulae. The excise duty cut will be effective from midnight of October 4/5, while the OMCs' new prices will take effect from 6 am on Friday. The government also clarified that its instruction to OMCs to absorb the spike in global prices did not mean a return to price controls.

*The Hindu Business Line - 04.10.2018*

<https://www.thehindubusinessline.com/economy/centre-to-absorb-15-litre-to-bring-down-petrol-diesel-prices/article25126071.ece>

## No going back on fuel price deregulation: Dharmendra Pradhan

Dharmendra Pradhan on Monday said there was no question of going back on deregulation of fuel pricing despite the government asking state-owned firms to subsidise petrol and diesel by Rs 1 per litre. Speaking at The Energy Forum, he said international oil prices touching a four-year high of \$85 per barrel is a "challenge" that has resulted in fuel prices continuing to rise despite a one-off excise duty cut and public sector units (PSUs) subsidising fuel. Pradhan said he had spoken to Saudi oil minister Khalid A Al-Falih and "reminded him of the June commitment of Opec to increase production by 1 million barrels per day" to help cool prices. "Maybe Opec is not following the June decision," he said. The combination of high international oil prices and a depreciating rupee has made imports costlier, resulting in retail pump rates shooting up. Petrol price on Monday was hiked by 21 paise a litre and diesel by 28 paise. This propelled petrol price in Delhi to Rs 82.03 per litre and diesel to Rs 73.82. Pradhan said the decision to cut excise duty on petrol and diesel by Rs 1.50 per litre each and ask oil PSUs to absorb another Re 1-a-litre was aimed at "giving relief to consumers".

*The Economic Times - 08.10.2018*

<https://www.businesstoday.in/pti-feed/pvt-retailer-join-psus-in-subsidising-petrol-diesel/story/284033.html>

## **Indian government seeks to reassure markets on deregulation of fuel prices**

The Indian government on Saturday sought to assure investors that the government would not go back to regulating fuel prices, a day after oil company shares tumbled on concerns about a return to a regime that has hurt their profits in the past. The government said on Thursday it was cutting petrol and diesel by 2.50 rupees per litre to help Indians struggling to pay fuel prices that had climbed on the back of a rise in global crude prices and a weakening rupee. The move was seen as a reversal of a 2014 decision to scrap regulated fuel prices - a regime that was blamed for deterring state oil marketing firms from expanding and for choking off investment in domestic oil fields by India's biggest oil producer. "Let me categorically assure all that there is no going back on deregulation of oil prices," India's finance minister Arun Jaitley said in a Facebook post on Saturday. Prime Minister Narendra Modi freed up the price of diesel in October 2014 after a decade of regulation, saying it would encourage competition among vehicle fuel retailers and enhance efficiency in oil company services.

*The Economic Times - 06.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indian-government-seeks-to-reassure-markets-on-deregulation-of-fuel-prices/66100931>

## **India needs to completely reframe oil policy; has no future without storage tech: Amitabh Kant**

India needs to completely re-frame its oil policy and the country's oil companies must venture into storage technology because that is where the energy future lies, according to NITI Aayog Chief Executive Officer (CEO) Amitabh Kant. "The Rocky Mountain Institute study shows that India has a potential to set-up 20 Gigafactories. Why are none of our oil companies thinking along these lines. The future belongs to storage and batteries and when both the world of energy and transportation converge at the point of storage, that is where the future of India lies," Kant said, speaking at an energy sector event here. He added if the country needs to clean up its cities, it will have to move away from a fossil fuel-based economy to a renewable energy-based one. "Close to 78 per cent of the goods are moved by lorries. Railways only transports 22 per cent of the goods. Buses and lorries within the city require CNG and for city-

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/no-going-back-on-fuel-price-deregulation-dharmendra-pradhan/66120311>

## **Troubled by rising LPG prices? You can reclaim the subsidy now**

About two crore consumers who had given up cooking gas subsidy or never received one can get the benefit by asking their gas agency at a time when rapidly rising crude oil price is making the kitchen fuel expensive, oil company executives said. Rocketing oil prices have pushed up the domestic rate of non-subsidised cooking gas by Rs 389 a cylinder, or 79%, in the last two years, the steepest among all dominant kitchen fuels in the country, setting a chatter among consumers if they can reclaim subsidy they gave up a few years ago. By comparison, the price of cooking gas sold below market rates has risen just 17.6% in two years. This has meant a six fold rise in subsidy to Rs 376.6 on a 14-kg cylinder from Rs 62.9 two years ago. The country has about 24.5 crore cooking gas customers, of which 8.3%, or about two crore customers do not receive subsidy. About 1.04 crore customers gave up subsidy in the last couple of years, responding to a call by the government to surrender subsidy so that scarce state resources can be allocated to the needy.

*The Economic Times - 09.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/troubled-by-rising-lpg-prices-you-can-reclaim-the-subsidy-now/66127799>

## **Fuel price reduction may dent oil firms' EBITDA by Rs 6,500 crore: Moody's**

The recent cut in petrol and diesel prices by Rs 2.50 by the Centre is estimated to reduce the combined EBITDA margins of IOCL, HPCL and BPCL by Rs 6500 crore during current fiscal, rating agency Moody's said Monday. It also said on October 4, the government reduced petrol and diesel retail selling prices by Rs 2.50 per liter, through the lowering of excise duties by Rs 1.50 per litre and asking the country's oil marketing companies (OMCs) to absorb the remaining Rs 1 per liter (\$2.1 per barrel) price cut. "We estimate that the government's decision will reduce the combined EBITDA (earnings before interest, tax, depreciation and amortisation) of the three OMCs by INR 65 billion (Rs 6500 crore) in fiscal 2019, which ends in March 2019, which is around 9 per cent of their total EBITDA of INR 692 billion (Rs 69200 crore in fiscal 2018). Despite the negative earnings effect of the government's

to-city needs we need LNG," he said. Kant said that India's energy imports are pre-dominantly fossil fuels and there is a huge need for reduction in imports and emissions.

*The Economic Times - 09.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-needs-to-completely-reframe-oil-policy-has-no-future-without-storage-tech-amitabh-kant/66128058>

### **Fitch said govt move on fuel prices to impact profitability of OMCs**

The government directive to state-owned fuel retailers to subsidise petrol and diesel will have a negative impact on their profitability and credit metrics, Fitch Ratings said on Friday. While cutting excise duty by Rs 1.50 per litre, the government had on Thursday asked Indian Oil Corp (IOC), Bharat Petroleum Corp Ltd (BPCL) and Hindustan Petroleum Corp Ltd (HPCL) to absorb Re 1 per litre increase in fuel rates. Fitch, however, said the ratings of the three firms will be unaffected as they are driven by state support. The ratings of BPCL and IOC are equalised with the sovereign, while that of HPCL is aligned with its parent, Oil and Natural Gas Corporation Ltd (ONGC). "The government reduced the prices of petrol and diesel by Rs 2.50 per litre on October 4, 2018 in response to rapid increases since the start of the year - the diesel price in Delhi, for example, has risen by 27 per cent. "Excise duty on these fuels has been cut by Rs 1.50, but the state oil marketing companies (OMCs) have been directed to bear the cost of the additional Re 1 per litre," Fitch said. Fuel prices will continue to be adjusted daily depending on future market moves, but the margins earned by OMCs have effectively been narrowed, which amounts to an implicit subsidy for consumers, it said.

*Asian Age - 05.10.2018*

<http://www.asianage.com/business/market/051018/fitch-said-govt-move-on-fuel-prices-to-impact-profitability-of-omcs.html>

### **Rising use of plastics to drive oil demand to 2050: International Energy Agency**

Plastics and other petrochemical products will drive global oil demand to 2050, offsetting slower consumption of motor fuel, the International Energy Agency (IEA) said on Friday. Despite government efforts to cut pollution and carbon emissions from oil and gas, the Vienna-based agency said it expected the rapid growth of emerging economies, such as India and China, to propel demand for petrochemical products. Petrochemicals that are derived from oil and gas feedstocks form the building blocks for products

decision, we continue to expect the three OMCs to report higher EBITDA in fiscal 2019 versus fiscal 2018, given higher sales volume, stable refining margins and the depreciating Indian rupee," the report said.

*The Economic Times - 08.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/fuel-price-reduction-may-dent-oil-firms-ebitda-by-rs-6500-crore-moodys/66116309>

### **India looking to generate 40% power from non-fossil fuel by 2030, says Modi**

India was targeting 40% of electricity generation from non-fossil fuel-based resources by 2030, to reduce reliance on polluting coal to meet its energy needs, Prime Minister Narendra Modi said on Tuesday. Modi said he saw the 121-country International Solar Alliance (ISA) as the future OPEC for meeting energy needs of the world.

The Organization of the Petroleum Exporting Countries (OPEC) led by Saudi Arabia currently meets close to half of the world's oil needs. Speaking at the first assembly of the ISA, the Prime Minister said solar power will play the same role that oil wells have played over the past few decades in meeting global energy needs. Stating that the focus must be on renewable sources for meeting energy needs, he said India wanted to bring all UN members on board of the ISA. Modi said 50 gigawatt (GW) of renewable energy will be added to existing capacity and non-hydro renewables will contribute 20% of the country's total energy needs. "This is the right time to invest in solar manufacturing," Modi said, adding, he saw an investment potential of Rs 70,000 crore to Rs 80,000 crore in solar manufacturing.

*Mint - 02.10.2018*

<https://www.livemint.com/Industry/c8wqSFouAg1RHqmIhP8r8M/India-looking-to-generate-40-power-from-nonfossil-fuel-by.html>

### **IEA boss urges oil producers to ease supply concerns**

Major oil producers must take "the right steps" to ease supply concerns that have lifted crude prices to a four-year high, the head of the International Energy Agency told Reuters on Thursday. "It is now high time for all the players, especially those key producers and oil exporters, to consider the situation and take the right steps to comfort the market, otherwise I don't see anybody benefiting," IEA Executive Director Fatih Birol said in a telephone interview. The rise in oil prices to more than \$85

that range from plastic bottles and beauty products to fertilisers and explosives. Oil demand for transport is expected to slow by 2050 due to the rise of electric vehicles and more efficient combustion engines, but that would be offset by rising demand for petrochemicals, the IEA said in a report. "The petrochemical sector is one of the blind spots of the global energy debate and there is no question that it will be the key driver of oil demand growth for many years to come," IEA Executive Director Fatih Birol told Reuters.

*The Economic Times - 05.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/rising-use-of-plastics-to-drive-oil-demand-to-2050-international-energy-agency/66081965>

### **A bump in the road for private fuel retailers**

Price controls on transport fuels are likely to hurt the expansion of private petrol pump chains of Rosneft-led Nayara Energy, Shell Plc and Reliance Industries amid concerns that rising global crude prices and approaching elections may tempt the government to give a heavy subsidy to sales by competing outlets of state firms. The announcement brought a sense of déjà vu to private fuel retailers. India freed up petrol prices in 2010 and diesel prices in 2014, that allowed private retailers to reopen their pumps that were mothballed for years after the government allowed price controls to snap back a decade ago. The first round of fuel deregulation, in the early 2000s, had lasted just a few years, during which Essar Oil and Reliance Industries had made a significant dent in the state monopoly in fuel retailing. However, public anger after crude oil's rise to record levels forced the government to resume heavy subsidies that made private sales unviable. But in the last four years, private players had rebuilt their network, reopening older pumps and adding new ones.

*The Economic Times - 05.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/a-bump-in-the-road-for-private-fuel-retailers/66079259>

### **Indian firms eye stake in Russian oilfields, LNG project**

Indian energy firms are eyeing stake in oilfields in Russia's Pechora and Okhotsk Seas as well as developing the LNG project in the former communist nation, a statement issued after talks between visiting Russian President Vladimir Putin and Prime Minister Narendra Modi said. The two sides are also looking at the possibility of building a gas pipeline from Russia to India to supply energy, the joint statement said. They also hoped

a barrel and concerns over global trade are putting heavy pressure on emerging economies, he said. "Expensive energy is back at a bad time for the global economy," Birol said. The recent rally in crude prices was driven by concerns over tightening supplies as exports from Iran dropped sharply before the start of renewed U.S. sanctions on Tehran next month. The Organization of the Petroleum Exporting Countries, led by Saudi Arabia, and non-member Russia have pledged to boost production.

*The Economic Times - 04.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/iea-boss-urges-oil-producers-to-ease-supply-concerns/66070891>

### **GAIL's massive gas pipeline network will be moved to a subsidiary**

Gas marketer GAIL (India) has started the work to transfer one of its business verticals — pipelines and marketing — into a subsidiary of the parent company and has already hired a consultant to work out the options, two sources close to the development told FE. "Both options — either to make transmission a subsidiary and retain marketing as the main company or the other way around — are being evaluated to see which one works out," said one of the sources, adding there are internal teams also working along with a third-party to assess the options available and legal nitty-gritties involved. The company will be creating a subsidiary, same as GAIL Gas, which operates the city gas distribution business, in order to put the marketing and pipelines businesses at an arm's length. Earlier, the government was of the view that the company should concentrate on creating pipeline infrastructure which is its core responsibility and let go of the marketing vertical, as said by petroleum minister Dharmendra Pradhan last year.

*The Financial Express - 06.10.2018*

<https://www.financialexpress.com/industry/gail-kicks-off-process-to-create-subsiary/1339460/>

### **ONGC not in a hurry to offload stake in IOC, GAIL**

State-owned Oil and Natural Gas Corp (ONGC) is not in a hurry to sell its stake in Indian Oil Corp and GAIL (India) and will wait for the right price before offloading the shares, a senior company official said. ONGC holds 13.77 per cent stake in oil refiner IOC and 4.86 per cent in gas utility GAIL India. "It is true that we are now a fully integrated company. We are India's largest oil and gas producer and the acquisition

for early completion of talks by Indian companies to take a stake in Vankor cluster at an early date. ONGC Videsh, the overseas arm of Oil and Natural Gas Corp (ONGC), entered Russia in 2001 by buying 20 per cent stake in the Sakhalin-1 oil and gas field in Far East Russia. Since then it has acquired Russia-focused Imperial Energy as well as picked up stake with other state-owned firms in the Vankor and Taas-Yuryakh Neftgazodobycha oilfields in Russia. The joint statement said the two sides supported continuing dialogue between PJSC NOVATEK and the energy companies of India for cooperation in the field of liquefied natural gas (LNG).

*The Economic Times - 06.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indian-firms-eye-stake-in-russian-oilfields-lng-project/66094888>

### **India's crude steel output up 3.7% in August to 8.8 million tonne**

India's crude steel output increased 3.7 per cent to 8.8 million tonne (MT) in August 2018, according to the World Steel Association (worldsteel). The country had produced 8.5 MT during the same month last year, the global industry body said in its latest report. "Global crude steel production was at 151.7 MT in August 2018, a rise of 2.6 per cent compared to August 2017, it added. China's steel production for August stood at 80.3 MT, an increase of 2.7 per cent as compared to 78.2 in the same month of 2017. Japan's output grew marginally by 0.9 per cent to 8.8 MT in the month. The US produced 7.5 MT of crude steel in August 2018, an increase of 5.1 per cent in comparison to same month of the 2017. Spain and Italy produced 1.2 MT of crude steel in August. France's crude steel production was 0.9 MT in the reported month. China's steel production for August stood at 80.3 MT, an increase of 2.7 per cent as compared to 78.2 in the same month of 2017. Japan's output grew marginally by 0.9 per cent to 8.8 MT in the month. The US produced 7.5 MT of crude steel in August 2018, an increase of 5.1 per cent in comparison to same month of the 2017.

*DNA - 02.10.2018*

<https://www.dnaindia.com/business/report-india-s-crude-steel-output-up-37-in-august-to-88-million-tonne-2670219>

### **Air travel to get costlier as jet fuel rates rise 7.3%**

Jet fuel rates have risen by up to 7.3%, which will likely make flying costlier. State oil companies have raised rates of jet fuel by 7.3% for domestic

of (oil refiner) HPCL has extended our presence in the downstream industries. "And so naturally, it now does not make sense for ONGC to hold stake in Indian Oil Corp (IOC). But, we will wait for the right price," said the official. ONGC, he said, got over Rs 3,000 crore in dividend income from investments in IOC and GAIL in 2017-18 financial year. "This is a decent return on capital and can help me hold on to shares for long," he said. "I am in no hurry to sell the stake. We will wait for the right price." ONGC's 13.77 per cent stake in IOC at Monday's closing price of Rs 153.80 apiece on BSE is worth over Rs 20,500 crore. Its 4.86 per cent stake in GAIL is worth close to Rs 4,200 crore at Monday's closing price of Rs 380.75.

*Asian Age - 03.10.2018*

<http://www.asianage.com/business/companies/021018/ongc-not-in-a-hurry-to-offload-stake-in-ioc-gail.html>

### **Travel portals seek clarity on TCS provision under GST**

India's online travel providers such as MakeMyTrip, Yatra, Cleartrip and others are in a quandary over the new tax collected at source (TCS) under the goods and services tax (GST). TCS provision mandates all e-commerce operators, except those acting as agents, to deduct tax. All such portals, which have online as well as offline business, are also agents of International Air Transport Association (IATA). A circular issued in September has created some confusion prompting the industry to seek a clarification from the government. "It is not a marketplace. We carry full transaction. We are IATA agents and should not fall under the ambit of TCS. We are seeking a clarification from the government," said Pravin Chugh, president, Travel Agents Federation of India (TAFI). "We could also approach the courts if we do not get a favourable clarification." TAFI represents more than 600 travel service providers. The GST law provides that an ecommerce operator, other than an agent, will need to withhold tax on all payments made to suppliers and deposit the tax collected with the government.

*The Economic Times - 03.10.2018*

<https://economictimes.indiatimes.com/news/economy/policy/travel-portals-seek-clarity-on-tcs-provision-under-gst/articleshow/66060096.cms>

### **Warehousing stock to reach 297 mn sq. ft. by 2021: Report**

Total warehousing stock in eight major cities in the country is expected to grow at a CAGR of 21 per cent till 2021, and reach 297 million sq. ft.,

airlines, and 5% for international airlines from Monday. ATF prices are up by Rs 5,100 per kilo litre for domestic and \$37 for international airlines. Companies revise prices of jet fuel at the beginning of every month after factoring in changes in oil prices and exchange rate. A combination of rising crude oil, falling rupee and heavy taxes also pushed up rates of petrol and diesel by 24 paise and 32 paise a litre respectively on Monday. Petrol was sold for Rs 91.08 a litre and diesel Rs 79.72 in Mumbai on Monday. In Delhi, petrol was Rs 83.73 and diesel at Rs 75.09. Crude oil topped \$83 a barrel on Monday. The exchange rate fell to 72.91 rupees a dollar. Falling oil exports from Iran ahead of the US sanction that becomes effective from November 4 is pushing up oil prices as traders are worried that supply cut due to sanctions may be hard to make up by other producers.

*The Economic Times - 03.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/air-travel-to-get-costlier-as-jet-fuel-rates-rise-7-3/66039449>

### **G S Chaturvedi takes over as Director-Exploration at ONGC Videsh**

ONGC Videsh Ltd (OVL), the overseas arm of state-run petroleum explorer Oil and Natural Gas Corporation (ONGC), today announced G S Chaturvedi has taken over as Director-Exploration at the company with effect from 1 October, 2018. Chaturvedi has over three decades of experience handling Exploration and Production (E&P) projects in various capacities at ONGC. "Chaturvedi has a track record of taking progressively responsible and challenging roles in different aspects of oil and gas exploration, from data acquisition and interpretation to management of domestic exploration business," the company said in a statement. He has been responsible for business development and Production Sharing Contract and Joint Venture management apart from handling issues related to domestic exploration policy over the past five years. Chaturvedi holds a Masters in Technology degree in Exploration Geophysics from Banaras Hindu University, Varanasi and started his career in ONGC in 1985 as Geophysicist (Surface) in ONGC.

*The Economic Times - 04.10.2018*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/g-s-chaturvedi-takes-over-as-director-exploration-at-ongc-videsh/66067165>

driven by strong demand after the implementation of GST and grant of infrastructure status for the sector, a report said. The total warehousing space in top eight cities including Mumbai, NCR, Ahmedabad, Bengaluru, Pune, Chennai, Hyderabad and Kolkata is expected to reach 204 million sq. ft. by 2019, consulting firm KPMG said in its report. The report noted that the country's warehousing industry, which was valued at Rs 56,000 crore in 2017, has got a major boost after the implementation of GST, with improvements in efficiencies and cost-savings. Smaller and fragmented warehouses are getting consolidated into centralised warehousing hubs with increasing focus on supply chain efficiencies, it said. The government in November last year awarded infrastructure status to the logistics sector, that comprises industrial parks, cold chains and warehousing facilities. The report said this infrastructure status has paved the way for institutional players to invest in the sector, bringing in a number of benefits for the warehousing realty.

*The Economic Times - 02.10.2018*

<https://economictimes.indiatimes.com/industry/services/property/-/construction/warehousing-stock-to-reach-297-mn-sq-ft-by-2021-report/articleshow/66039297.cms>

### **PFS appoints Pawan Singh as MD & CEO**

PTC India Financial Services (PFS) Thursday said it has elevated Pawan Singh as MD and CEO for a period of five years. The Board of Directors of PFS in a meeting on Wednesday appointed Singh as MD and CEO with immediate effect for a period of five years or up to the date of superannuation, whichever is earlier, it said. His elevation comes post retirement of Ashok Haldia on September 18. With experience of over 34 years in finance including infrastructure finance, Singh has been with PFS as Director (Finance) and Chief Financial Officer (CFO) for nearly seven years. Prior to joining the board of PFS, Singh served as Director Finance of Delhi Transco, Genco and Holdco. Presently, Singh is on the board of IIFCL Asset Management Company and Board of Governors, MDI Gurgaon. He holds MBA and PhD in management.

*Business Standard - 04.10.2018*

[https://www.business-standard.com/article/pti-stories/pfs-appoints-pawan-singh-as-md-ceo-118100400984\\_1.html](https://www.business-standard.com/article/pti-stories/pfs-appoints-pawan-singh-as-md-ceo-118100400984_1.html)

## **V. Gopi Suresh Kumar takes over as new Director Projects of RITES**

V. Gopi Suresh Kumar has taken over as new Director Projects of RITES Limited. Prior to joining RITES, Suresh Kumar served in EPIL for seven years in the position of Executive Director heading Business Development & Marketing Division. He was also Regional Head to conduct business affairs of the company activity for the Southern Region and Sri Lanka which involved marketing & execution of infrastructure projects such as ports, water supply, dams, industrial and irrigation projects. He also served for 26 years in IRCON International Limited in various capacities and executed prestigious infrastructure projects related to railways, highways, flyovers, bridges, ROBs in different parts of India and overseas such as Nepal & Bangladesh.

*Daily Hunt - 04.10.2018*

<https://m.dailyhunt.in/news/india/english/millennium+post-epaper-millpost/v+gopi+suresh+kumar+takes+over+as+new+director+projects+of+rites-newsid-98519533>

## **Shri Arun Kumar Singh takes over as Director of marketing in BPCL**

Shri Arun Kumar Singh has taken over as our Director (Marketing), Bharat Petroleum Corporation Limited effective today.

*Indian Bureaucracy - 02.10.2018*

<https://www.indianbureaucracy.com/arun-kumar-singh-appointed-director-marketing-bpcl/>