

(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 e-mailed on every Monday.)

Balmer Lawrie in News

VPT Signs Five MoUs Worth Rs 20K Cr at Maritime Summit

The Visakhapatnam Port Trust (VPT) signed five MoUs with various business houses, worth Rs 20,000 crore, during the Maritime India Summit-2016 in Mumbai on Friday. The first MoU was inked between the VPT and Visakha Container Terminal Private Limited for setting up the second container terminal with an investment of Rs 633 crore on the Public Private Partnership (PPP) mode. The container terminal has a capacity of 0.54 million TEU (twenty equivalent units) and is expected to be completed in the next two years. The VPT entered into pact with the Visakhapatnam Port Road Company (a JV between the VPT and NHAI) for extension of the existing two-lane road to NH-16 into four-lane at an investment of Rs 100 crore. The fifth MoU signed with Balmer Lawrie & Co Limited is for establishing a multimodal logistic park on a 100-acre land belonging to the VPT with an investment of Rs 211 crore.

The New India Express - 16.04.2015

http://www.newindianexpress.com/states/andhra_pradesh/VPT-Signs-Five-MoUs-Worth-Rs-20K-Cr-at-Maritime-Summit/2016/04/16/article3382877.ece

<http://www.thehindu.com/news/cities/Visakhapatnam/vpt-signs-mous/article8482663.ece>

India to notch up to 7.5% growth in 2016-17: IMF

Driven by private consumption and increased industrial activity, India's growth is projected to notch up to 7.5% in 2016-17, overtaking China's GDP by more than 1%, the IMF said today. Retaining its last October forecast, the International Monetary Fund in its latest World Economic Outlook report said, "With the revival of sentiment and pickup in industrial activity, a recovery of private investment is expected to further strengthen growth." "In India, growth is projected to notch up to 7.5% in 2016-17, as forecast in October. Growth will continue to be driven by private consumption, which has benefited from lower energy prices and higher real incomes," it said. The World Economic Outlook report noted that in India, monetary conditions remain consistent with achieving the inflation target of 5% in the first half of 2017, although an unfavourable monsoon and an expected public sector wage increase pose upside risks.

Business Standard - 12.04.2016

http://www.business-standard.com/article/pti-stories/india-to-notch-up-to-7-5-pc-growth-in-2016-17-imf-116041200897_1.html

India's export to stay weak in FY17: Ind-Ra

IIP takes U-turn to rise 2% in February, kindles turnaround hopes

India's industrial production growth bounced back into positive zone in February, reversing three months of contraction and adding to the recent flow of positive data that suggests an upturn in the economy. The Index of Industrial Production (IIP) rose 2% in February from a year ago, compared with 1.5% decline in the previous month, data released by the statistics office on Tuesday showed. Overall April-February industrial growth is pegged at 2.6%, compared with 2.8% for the corresponding period in the previous fiscal. Experts said it was too early to call a rebound. "Industrial growth though positive at 2% for February is still very low and does not reveal any turnaround. Unless such a trend is maintained for three successive months, it will not be possible to conclude so," CARE Ratings said in a statement. The recent data flow has been positive and offers some hope of a turnaround.

The Economic Times - 13.04.2016

http://articles.economictimes.indiatimes.com/2016-04-13/news/72294871_1_consumer-non-durables-industrial-growth-capital-goods

Niti Aayog to give plan for divestment, strategic sale of PSUs in loss

Country's export is likely to stay weak this fiscal as global economies struggle to stabilise, India Ratings and Research said today. "We believe that export performance is likely to stay weak in FY17, as globally economies struggle to stabilise," the agency said in a report here. Apart from global demand, another major driver of the domestic export is established competitive advantage in specific sectors like refining, precious metals, pharmaceuticals. The rupee can act as an enabler for export revival but there is no strong linkages between the currency and trade performances, it added. "Evidences of linkages between exchange rate and trade performance are weak and do not suggest a strong relation," the report said. The agency expects the rupee to weaken and trade at an average of 67.5 in FY17. It further said the country's stance of calibrating its exposure both through exports' composition and destination has supported overall export performance.

MoneyControl - 12.04.2016

http://m.moneycontrol.com/news/economy/india-s-export-to-stay-weakfy17-ind-ra_6232901.html

Government explores leasing out central PSEs to private sector players

The government is exploring the possibility of leasing out central public sector companies (CPSEs) or their assets to private sector players in an innovation aimed at pushing its ambitious disinvestment agenda. A senior government official said a 99-year lease to the private sector was among the options being considered. The suggestion has been inspired by its use in the hospitality business, ensuring companies are run as private enterprises although the asset remains with the government. There are various models that can be put in use to maximise the disinvestment receipts," he said. "In case of hotels, we are already looking at such a model. This can be replicated in case of some other firms as well." The government has budgeted a revenue of around Rs 56,500 crore from disinvestment in this fiscal, including Rs 20,500 crore from strategic sales.

The Economic Times - 18.04.2016

<http://economictimes.indiatimes.com/news/economy/policy/government-explores-leasing-out-central-pses-to-private-sector-players/articleshow/51870959.cms>

No performance pay for staff of PSUs failing on capex targets

State-run companies that fail to deliver on their capital expenditure plans may not be allowed to

Niti Aayog is set to submit a blueprint for divesting government's stake in some public sector units (PSUs) and strategic sale of some units which have been sick for a long time Arvind Panagariya, the vice-chairman of the apex planning body said on Wednesday. There are two sets of issues. Decisions are to be made for sick firms. These are loss-making firms. Whether you close them down or you restructure them or what you want to do. The second set of issue is to do with disinvestment - - strategic sales. "Work is underway, it is slightly in more advanced stages on sick firms than on the firms that are put for strategic sales. We hope to move fast," Panagariya told reporters on the side-lines of first regional consultation on poverty elimination.

The Hindustan Times - 14.04.2016

<http://www.hindustantimes.com/india/niti-aayog-to-give-plan-for-divestment-strategic-sale-of-psus-in-loss/story-J5A4Iv8PJUL8zviUNTFMMM.html>

Collaborate and pool resources to face and overcome competition, says President

The President of India, Shri Pranab Mukherjee presented the Standing Conference of Public Enterprises (SCOPE) Excellence Awards in New Delhi today (April 11, 2016) on the occasion of the 7th Public Sector Day. Speaking on the occasion, the President said in a globally integrated economy, it is essential that our Central Public Sector Enterprises (CPSEs) collaborate and pool their resources to face and overcome competition. The financial, technical and manpower resources of our CPSEs need to be shared to enable better and more optimal solutions in increasingly customer driven markets. The exceptional human capital available with CPSEs should be harnessed to develop suitable strategies and interventions which lead to improvement in performance and expansion of operations both in domestic and global markets.

Business Standard - 11.04.2016

http://www.business-standard.com/article/government-press-release/collaborate-and-pool-resources-to-face-and-overcome-competition-says-president-116041100571_1.html

More central public sector units may opt for share buybacks soon

More central public sector enterprises (CPSEs) may buy back their shares or shares in other

distribute performance-related pay to their employees. A senior official with the ministry of heavy industry confirmed the development to ET. The official, who requested not to be named, said the idea is to push central public sector enterprises (CPSEs) to boost investment and growth. Government data released on Tuesday showed that capital goods production in February declined 9.8% from a year ago, a sign of sluggishness in investments. The government has been trying to revive investment through budget spending on infrastructure and getting cash-rich, state-run enterprises to spend. At present, CPSEs can provide for payment of PRP for their employees subject to a ceiling of 5% of the profit before tax. "We will monitor companies not only for capex but also for percentage of projects completed without time and cost over-runs," the official said.

The Economic Times - 14.04.2016

<http://economictimes.indiatimes.com/news/economy/finance/no-performance-pay-for-staff-of-psus-failing-on-capex-targets/articleshow/51818776.cms>

India's 2015-16 fuel demand rises at fastest pace in at least 15 years

India's fuel demand surged to its highest level in at least 15 years in the fiscal year ended March, driven by growing appetite for gasoline-guzzling vehicles and a boost in mining and manufacturing activity. Fuel consumption, a proxy for oil demand, rose 10.9 per cent to 183.5 million tonnes between April 2015 and March 2016, data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry showed. Consumption of gasoline or petrol rose 14.5 per cent to 21.8 million tonnes, its highest level in at least 15 years as Indian passenger vehicle sales grew at their fastest pace in five years in the last fiscal. Demand for gasoil, or diesel, grew at its fastest pace in four years, rising 7.5 per cent to 74.6 million tonnes. Global carmakers are launching new compact sedans and hatchbacks in India at competitive prices and higher vehicle sales are expected to help push India ahead of China as the energy demand growth leader.

The Economic Times - 13.04.2016

<http://economictimes.indiatimes.com/industry/energy/oil-gas/indias-2015-16-fuel-demand-rises-at-fastest-pace-in-at-least-15-years/articleshow/51809054.cms>

Oil oversupply to end later this year

Global oil markets will "move close to balance" in the second half of the year as lower prices take their toll on production outside Organization of Petroleum Exporting Countries (Opec), the

PSEs this year as the government looks to use idle cash to boost to disinvestment revenues. After the Budget in February laid greater stress on efficient management of government investment in CPSEs by addressing issues such as capital restructuring and dividend, the disinvestment department oversaw share buybacks by cash-rich Hindustan Aeronautics Ltd (HAL) and Bharat Dynamics in March. The government sold back a portion of its stake in these companies to raise about Rs.4,500 crore. According to the audited data available at the end of March 2015, CPSEs had a surplus cash of about Rs.2.55 lakh crore. Out of 235 CPSEs, 157 were profit-making. Seven CPSEs, including Coal India, accounted for cash and bank balance of more than Rs. 1 lakh crore.

The Financial Express - 15.04.2016

<http://www.financialexpress.com/article/economy/more-cpses-may-opt-for-share-buyback/237163/>

International Energy Agency sees India driving global oil demand growth

A deal to freeze oil production by Opec and non-Opec producers will have a limited impact on global supply and markets are unlikely to rebalance before 2017, the International Energy Agency (IEA) said on Thursday. The IEA, which oversees the energy policies of industrialised nations, said even though the decline in US output was gathering pace and Iran was not adding as many barrels as expected, the world would still produce more oil than it consumes throughout 2016. Oil has collapsed since mid-2014 to as low as \$27 per barrel, from as high as \$115, due to booming Opec and US supplies. Prices have recovered to above \$40 per barrel in recent weeks as US production declines accelerate and as major Opec and non-Opec producers are due to meet in Doha, Qatar, on 17 April to agree a deal to freeze global production. "If there is to be a production freeze, rather than a cut, the impact on physical oil supplies will be limited," the IEA said in its monthly report.

Mint - 14.04.2016

<http://www.livemint.com/Industry/tgQIDsCuxvR4dvni37cYoL/IEA-sees-India-driving-global-oil-demand-growth.html>

Opec raises crude oil production

Crude oil production from the Organization of the Petroleum Exporting Countries (Opec) rose 40,000 barrels per day (bpd) to 32.38 million bpd in March, driven by sanctions-free Iran,

International Energy Agency said. The world surplus will diminish to 200,000 barrels a day in the last six months of the year from 1.5 million in the first half, the agency said in a report on Thursday. Production outside the Opec will decline by the most since 1992 as the US shale oil boom falters. The glut is also being tempered as Iran restores exports only gradually with financial barriers to sales persisting even after the lifting of international sanctions. "There is no doubt as to the direction of travel for the supply-demand balance," the Paris-based adviser to industrialised nations said. "There are signs that the much-anticipated slide in production of light, tight oil in the US is gathering pace."

Business Standard - 15.04.2016

http://www.business-standard.com/article/international/oil-oversupply-to-end-later-this-year-116041500038_1.html

Gulf Oil Lines Up Rs 150 cr to Expand Lubricant Biz

Gulf Oil Corp is expanding its lubricant business in India with an investment of Rs 150 crore in setting up a plant in Chennai, as the Hinduja Group company sees opportunity emerging for value-added products driven by the Indian government's push to cutting down emissions. While it aggressively expands its fuel retail business globally, the company has not yet looked at entering the Indian market for fuel retail. "It is amazingly brave and wise of India to accelerate the pace of implementing emission norms. It gives us the possibility to work on products that are more focused on fuel economy," Frank Rutten, VP -international at Gulf Oil International, told ET. "The moment the legislation creates the right playing ground, the industry immediately plays into it by offering renewable, fuel efficient products." India recently set a 2020 target to implement BS VI emission standards, advancing its previous plan.

The Times of India - 14.04.2016

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31818&articlexml=Gulf-Oil-Lines-Up-Rs-150-cr-to-14042016016010>

Steel firms continue to be under stress as prices remain depressed

Domestic steel producers could be staring at grim profit and loss statements for the fourth quarter of 2015-16 as they have been unable to raise prices despite government support. The government levied a safeguard duty of 20 per cent on flat steel products in September 2015 to counter cheap imports. This was extended on March 31 and in

according to data compiled by global research firm Platts. Despite higher output, the benchmark Brent crude oil price firmed up by seven per cent in March to close at \$38.7 a barrel towards the month-end. Interestingly, Brent crude oil price continued its upward march to trade currently at \$41.6 a barrel, thus recording 14 per cent increase from March 1. "Iran and Iraq remain the big swing factors, having driven Opec output higher in March, while Saudi Arabia has been more neutral, keeping production steady since January," said Eklavya Gupte, senior editor at Platts. "Neither Iran nor Iraq has made firm commitments to the Doha talks on April 17, but their collective stance could be a decisive element regarding any agreement over a production freeze."

Business Standard - 15.04.2016

http://www.business-standard.com/article/international/opec-raises-crude-oil-production-116041500546_1.html

Sponge iron price up 10% in a month

The price of sponge iron jumped 10% in the past month, on an upsurge in demand from steel mills following the government's protectionist measure to protect the interest of domestic producers. Trading currently at Rs 12,500 a tonne, the steel making raw material has seen a sharp uptick in restocking from steel producers, amid expectation of a seasonal demand rise from infrastructure and housing activities. The sudden jump in sponge iron prices indicates a proportionate increase in prices of steel products and, thereby, a revival in the fortunes of steel mills. These have had a setback in the past two years, following a sharp increase in import from China, Japan and South Korea. The government has moved to curb this. "The prices of competing raw material i.e. melting scrap, has also jumped. The trend is likely to continue, with strong revival in sponge iron prices by the second half of the current financial year," said Amitabh Mudgal, vice-president, Monnet Ispat.

Business Standard - 14.04.2016

http://www.business-standard.com/article/companies/sponge-iron-price-up-10-in-a-month-116041400755_1.html

Govt begins probe into steel dumping by six nations

In a move to provide further protection for the steel industry, the government has started investigation of dumping by six countries – China, Japan, Russia, Korea, Brazil and Indonesia. The Directorate General of Anti-Dumping and Allied Duties has initiated anti-dumping investigation on the basis of the

addition, a Minimum Import Price was levied on 173 varieties of flat steel products. Despite this, Steel Authority of India Ltd, Tata Steel, JSW Steel, Essar Steel and others have been unable to raise domestic prices due to tepid demand growth. "The full impact of the government's measures against cheaper imports will come into effect over the next six months. We hope that demand also revives in that period. But, primarily this is the reason why we have been asking for an anti-dumping duty as well on steel imports. We are grateful that the government has finally begun investigations on this," an industry official told BusinessLine.

The Hindu Business Line - 16.04.2016

<http://www.thehindubusinessline.com/economy/steel-firms-continue-to-be-under-stress-as-prices-remain-depressed/article8480435.ece>

Foreigners, NRIs to book train tickets from abroad

Foreigners and NRIs will soon be allowed to book train tickets online for domestic travel in India from abroad using their credit or debit cards issued by respective foreign banks as the IRCTC is making necessary changes in its system to enable international transactions. Currently, foreigners and NRIs book their tickets through tour operators or relatives here. Our aim is to facilitate foreigners and NRIs hassle-free ticket booking facility and Indian Railways Catering and Tourism Corporation (IRCTC) has been instructed to do the needful, said a senior Railway Ministry official. Buddhist circuit trains, luxury services like 'Palace on Wheel', 'Maharaja' and other tourist specials are popular with foreigners and tickets are booked generally through tour operators. Besides the luxury trains, foreigners will be able to book tickets for regular service once the required system gets operational on the IRCTC ticketing site.

The Economic Times - 14.04.2016

<http://economictimes.indiatimes.com/industry/transportation/railways/foreigners-nris-to-book-train-tickets-from-abroad/articleshow/51825089.cms>

5-year rule for airlines to fly abroad may go

The rules for local airlines to fly overseas, a highly contested policy issue within the industry, are set to change with the government ready to abolish one of the current eligibility conditions while keeping the other. The condition of flying on domestic routes for five years for an overseas permit doesn't feature in a note circulated by the

application made by Steel Authority of India, JSW Steel and Essar Steel. The plea is supported by Tata Steel and Jindal Steel and Power. The applicants have requested for retrospective imposition of the anti-dumping duty due to the history of dumping by the six exporting countries, said the investigative body in a statement. All the interested parties have been asked to express their views within 40 days starting from Monday. The products covered under investigations are hot rolled coils of width up to 2100mm and thickness up to 25mm, hot rolled sheet and plates of a width up to 4950 mm and thickness upto150 mm. The period of investigation is July-December 2015.

The Hindu Business Line - 12.04.2016

<http://www.thehindubusinessline.com/economy/govt-begins-probe-into-steel-dumping-by-six-nations/article8467560.ece>

Tour operators moot for ethical tourism to end price wars on hotel rates

Tour operators in India are looking at formulating ethical tourism principles which would benefit all industry partners. The proliferation of online travel portals which display prices at heavy discounts for hotel bookings has led to a price war among the online and offline channels. In conversation with Express TravelWorld, Rakesh Lamba, co-chairman, Association of Domestic Tour Operators of India (ADTOI), said, "Under the ethical tourism policy we are requesting our principals, that is hoteliers, to allow discounted rates only to be displayed at B2B portals not on B2C portals. There has been a price war which is leading to confusion among travellers and losses for the industry. The B2C portals should have common rates set by the hotels and the discounted rates should only be visible on B2B portals. Service standards have also gone down drastically in the absence of respectable margins.

Financial Express - 12.04.2016

<http://www.financialexpress.com/article/travel/market-travel/tour-operators-moot-for-ethical-tourism-to-end-price-wars-on-hotel-rates/235140/>

Aviation Soaring to the skies

The aviation sector in India has not had it this good in years. Passengers are taking to the skies in droves. At about 8.1 crore tickets, domestic passenger traffic during January to December 2015 was up more than 20 per cent year-on-year. The pace has only picked up in 2016 — traffic growth until February this year is more than 23 per cent. India is today the fastest

civil aviation ministry for inter-ministerial consultations on Friday. But it keeps the requirement of a minimum fleet of 20 aircraft. There is an addition as well: every airline will have to maintain 20% of the total capacity in the domestic sector all the time. This is likely to be the final policy because ministers have already met and informally approved it. "We have the consent of all these ministers and ministries and the cabinet approval should come by the end of this month," said a senior aviation ministry official, who did not want to be named.

The Economic Times - 12.04.2016

http://articles.economictimes.indiatimes.com/2016-04-12/news/72267081_1_aviation-ministry-airasia-india-draft-policy

India keen to develop ports in Africa, Bangladesh, Iran: Nitin Gadkari

Pursuing its pro-active maritime policy, the government has expressed keenness to develop ports for various countries, including Africa, Bangladesh and Iran. "During the recent summit of heads of African nations, Prime Minister Narendra Modi and External Affairs Minister Sushma Swaraj expressed desire that India can join hands with various African nations for building roads and ports. My ministry will take up such works once the responsibility is given to us," Road Transport and Shipping Minister Nitin Gadkari said here on Monday. Talking to journalists at Foreign Correspondents Club here, the minister said the agreement between Bangladesh, Bhutan, India and Nepal to work on mutual infrastructure development and cooperation is unique and has gone down "very well". Gadkari also said the Modi government has undertaken major legislative reforms in last two years towards codification, rationalisation and simplification of maritime statutes.

Business Standard - 12.04.2016

http://www.business-standard.com/article/news-ians/india-keen-to-develop-ports-in-africa-bangladesh-iran-116041200133_1.html

Cargo volume growth at ports to remain sluggish, says ICRA

Cargo volume growth at Indian ports will remain sluggish in the near term on account of uncertainty associated with some of the cargo categories, including coal and container, according to a report by credit-rating firm ICRA. There is uncertainty in imported coal due to ramp up in domestic coal production and persisting delays in execution of Greenfield power projects. Container movement will be affected due to the relatively weak global environment and Exim trade. In the first half of 2015-16, total cargo handled at Indian

growing major aviation market in the world. This stellar growth has been made possible primarily by the deep cut in the cost of aviation turbine fuel (ATF), the largest operating expense for airlines in the country. The rout of crude oil since June 2014 has seen ATF following suit, even if not to the same extent. At ₹42,157, a kilolitre of ATF in Delhi today is about 40 per cent cheaper compared with two years back and 15 per cent over a year. This has translated into big savings for airlines.

The Hindu Business Line - 17.04.2016

<http://www.thehindubusinessline.com/portfolio/aviation-soaring-to-the-skies/article8486394.ece>

Paradeep port to develop outer harbour at Rs 4,179 cr

Paradeep Port Trust (PPT) has proposed to develop an outer harbour under the Sagarmala project. The harbour would offer the major port a draft of 22 metres, enabling it to handle huge Capesize vessels of 200,000 dead weight tonnage (dwt). The cost of developing the harbour is estimated at Rs 4,179 crore. Under its ambitious Sagarmala project, the central government is looking to mobilise at least Rs 10 lakh crore investment, including Rs 4 lakh crore in the infrastructure sector alone. Sagarmala is a project unveiled by the Narendra Modi government that aims to accelerate economic development by harnessing the potential of India's 7,500 km coastline. Of the various options of developing the outer harbour layout for PPT, IIT-Madras has recommended Southern Side layout. McKinsey-Aecom is carrying out the techno-economic feasibility study.

Business Standard - 11.04.2016

http://www.business-standard.com/article/companies/paradeep-port-to-develop-outer-harbour-at-rs-4-179-cr-116041100463_1.html

Bengal ports enjoy traffic surge

Cargo handled by the Calcutta Port Trust (CPT), the economic lifeline of Bengal, has hit a seven-year high in 2015-16, backed by a strong performance of Haldia Dock Complex. The CPT, which operates ports in Calcutta and Haldia, handled 50.19 million tonnes (mt) of cargo, up 8.43 per cent from the preceding fiscal. It had last handled over 50mt of cargo in 2008-09. Haldia, which is known as a dry bulk port, experienced growth mostly in import cargo. Apart from edible oil and LPG, the port handled higher amount of thermal coal and naphtha,

ports registered a 20-per cent increase to 516 million tonnes (MT) over first half of 2014-15. The growth was pegged down by de-growth in volumes by 1 per cent at non-major ports (under the control of State governments), which had registered a 13-per cent y-o-y growth in volumes, to 471 MT in financial year 2015. The weak performance was on account of 18-per cent drop in iron ore volumes; 11-per cent drop in other cargo and an 8-per cent drop in coal volumes.

The Hindu Business Line - 13.04.2016

<http://www.thehindubusinessline.com/economy/cargo-volume-growth-at-ports-to-remain-sluggish-says-icra/article8467526.ece>

thanks to NTPC and Haldia Petrochemicals (HPL). Jindal ITF has started trans loading operation by bringing coal in big ships at high sea and offloading them into smaller barges upstream along the Hooghly river up to Farakka in Murshidabad. This has given a fillip to the port. Moreover, HPL has started production at full throttle and needs to import its main raw material naphtha in large quantity.

The Telegraph - 18.04.2016

http://www.telegraphindia.com/1160418/jsp/business/story_80673.jsp#.VxSjw9R97IV