WEEKLY MEDIA UPDATE

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Monday

(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.)

Indian economy to grow at 7.4% in 2017, 7.6% in next year, says ADB report

India is expected to achieve the projected growth rate of 7.4 percent in 2017 and further up 7.6 percent next year on strong consumption demand, with South Asia leading the growth chart in Asia and the Pacific, an ADB supplement report said today. "India, the sub-region's largest economy, is expected to achieve previous growth projections of 7.4 percent in 2017 and 7.6 percent in 2018, primarily from strong consumption," the supplement of Asian Development Bank (ADB) Outlook 2017 said. According to the report, South Asia will be the fastest growing of all sub-regions in Asia and the Pacific, with growth on track to meet original projections of 7 percent in 2017 and 7.2 percent in 2018. The growth prospects in developing Asia for 2017 have improved on the back of stronger than expected export demand in the first quarter of this year, it said. In the supplement, ADB has upgraded its growth outlook in the Asian region to 5.9 percent in 2017 from 5.7 percent and to 5.8 percent for 2018 from 5.7 percent.

First Post - 20.07.2017
http://www.firstpost.com/business/indian-economy-to-grow-at-7-4-in-2017-7-6-in-next-year-says-adb-report-3835439.html

India's economy to grow faster than China: IMF

India will stay ahead of China in growth sweepstakes in 2017 as well as 2018, said the International Monetary Fund (IMF) while retaining the country's GDP forecast at 7.2 per cent for the current fiscal. According to IMF's World Economic Outlook Update, India's growth is projected to accelerate to 7.7 per cent in 2018-19, from 7.2 per cent forecast for 2017-18. While the IMF has retained India's growth estimate as provided in the World Economic Outlook (WEO) in April, in the case of China, the forecast has been marginally raised to 6.7 per cent in 2017 and 6.4 per cent in 2018 from earlier projections. India, however will continue to grow faster than China in 2017 as well as 2018. Growth in India, the multilateral agency said, is forecast "to pick up further in 2017 and 2018, in line with the April 2017 forecast. It added: "While activity slowed following the currency exchange initiative, growth for 2016 -- at 7.1 per cent -- was higher than anticipated due to strong government spending and data revisions that show stronger momentum in the first part of the year."

The Times of India - 24.07.2017
http://timesofindia.indiatimes.com/business/india-business/indias-economy-to-grow-faster-than-china-imf/articleshow/59737739.cms

China's GDP Growth Beats Expectations

China's economy expanded faster-than-expected in the second quarter, setting the country on course to comfortably meet its 2017 growth target and giving policymakers room to tackle big economic challenges ahead of key leadership changes later this year. The boost to growth was in part driven by firmer exports and production, in particular steel, which could heighten trade tensions as the United States and China begin economic talks this week. US President Donald Trump has made the US trade deficit with China a top agenda item in bilateral talks and has also flagged the steel trade as a point of contention. China's gross domestic product rose 6.9% in the second quarter from a year earlier, the same rate as the first quarter, the National Bureau of Statistics said on Monday. That was higher than

GST is negative for Oil & Gas, broadly neutral for Electric Utilities: Fitch Ratings

India’s landmark taxation reform, the Goods & Services Tax (GST) that came into effect earlier this month, is a major negative for the Oil and Gas industry and broadly neutral for utilities operating in the electricity sector, US-based Fitch Ratings, one of the three big credit rating agencies globally, has said. “The exclusion of key petroleum products from GST means that energy companies will continue paying existing Value Added Tax (VAT) determined by individual states, and other levies on the sale of their products, without the benefit of being able to apply offsetting input credits from the additional GST they will now have to pay for goods purchased or services received,” the analysts' expectations of a 6.8% expansion. Economic data from the second quarter has prompted a number of analysts to upgrade their GDP forecasts for China for 2017, although some moderation in growth is expected later this year as policymakers' efforts to rein in property and debt risks weigh on activity. "I n genera l, we expect GDP growth to remain robust in the second half but slower than the first half, due to the high base," Citi economists said in a research note.

The Economic Times - 18.07.2017

http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Chinas-GDP-Growth-Beats-Expectations-18072017015020

agency said today in a detailed report on the varying impact of the GST regime on Indian economy. The new GST regime, which came into effect on 1 July, will replace a vast array of indirect state taxes and the national service tax. Key oil and gas products – crude oil, natural gas, motor spirit or petrol, high-speed diesel and aviation fuel – are excluded from GST.

The Economic Times - 19.07.2017

http://energy.economictimes.indiatimes.com/news/oil-and-gas/gst-is-negative-for-oil-gas-broadly-neutral-for-electric-utilities-fitch-ratings/59647063

Cabinet approves revised pay scales for PSU executives, staff

The cabinet on Wednesday approved revised pay allowances for executives and other categories of staff at central public sector undertakings, sources said. Help in motivating the staff! That is hoping against hope! The revision is based on the recommendation of the third pay commission for state run entities. Sources said a vast chunk of employees at state run firms will benefit from the revision and it will also help in motivating the staff in these companies. The government has implemented the recommendations of the 7th Pay Commission for central government employees. It also approved revised allowances for central government staff. Any recommendations of a pay commission for central government employees' sparks demand for higher salaries from various entities including state run companies. There are more than 320 central public sector undertakings, according to latest data.

The Times of India - 20.07.2017

http://timesofindia.indiatimes.com/business/india-business/cabinet-approves-revised-pay-scales-for-psu-executives-staff/articleshow/59675093.cms

New ministerial panel mulls multiple ways to cut oil imports

Set with a steep target to cut India's oil imports by 10 per cent by 2022, the Oil Ministry has formed an inter-ministry monitoring and advisory body to achieve the mark through a combination of raising domestic output and relying on alternate fuel sources. The first meeting of the newly formed Integrated Monitoring and Advisory Council (IMAC) was held yesterday wherein the progress on import reduction of oil and gas was reviewed, Oil Minister Dharmendra Pradhan said today. "Increased domestic production, promotion of biofuels, renewable energy, better roads, urban planning, fuel conservation, development of mini-grids, promotion of electrical vehicles put together will contribute in the process" of achieving the import reduction target, he said. Prime Minister Narendra Modi had in March 2015 set a target to cut India's reliance on imports for meeting its oil needs by 10 per cent to 67 per cent by 2022.

The Economic Times - 20.07.2017

http://economictimes.indiatimes.com/industry/energy/oil-gas/new-ministerial-panel-mulls-multiple-ways-to-cut-oil-imports/articleshow/59684657.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Not just 1, India set to get 3 mega oil giants soon

While ONGC is on the verge of acquiring the government's 51.11% stake in oil retailer Hindustan Petroleum Corporation (HPCL), the government has lined up two more such big mergers under a grand plan to create three oil PSUs with integrated operations. Indian Oil Corporation (IOC), the country's largest company by revenue, is likely to acquire the government's 66.13% stake in upstream firm Oil India (OIL) while another oil marketer, Bharat Petroleum

HPCL- ONGC deal gets nod

The Union cabinet today gave it's in- principle approval to the sale of the government's 51 per cent stake in HPCL to ONGC. The two oil majors will retain their separate brand identity, but HPCL will become a subsidiary of ONGC. Sources said a committee headed by finance minister Arun Jaitley would take up the task of completing the sale within a span of a year and appointing merchant bankers to advise on the consolidation. ONGC had sent a proposal to acquire HPCL today, oil minister Dharmendra

Corporation (BPCL) is likely to acquire the government's 54.88% stake in GAIL (India), the dominant gas transporter and marketer. The IOC-OIL and BPCL-GAIL transactions could fetch the government close to Rs 31,600 crore as in each case its share in one company will be sold to the other. The proposed ONGC-HPCL consolidation is expected to enrich the exchequer by Rs 29,000 crore as 51.11% government stake in HPCL will be bought by the explorer. While the ONGC-HPCL transaction will likely go through in a couple of months after the Cabinet approval later this month, the timing of the other two deals would be decided after evaluating how the ONGC-HPCL consolidation pans out, sources said.

The Financial Express - 18.07.2017

http://www.financialexpress.com/industry/not-just-1-india-set-to-get-3-mega-oil-giants-soon/767550/

Pradhan said in Parliament on Wednesday. The net financial effect will be a transfer of over Rs 25,000 crore from ONGC to the government coffers as consideration for the sale. Till now, the government has managed to sell stakes in state- run firms aggregating Rs 7,896.87 crore. The takeover by ONGC, which has a market cap of Rs 2,01,866.79 crore, will make it one of Asia's largest oil and gas majors by market capitalisation and assets, besides adding to ONGC's (which is primarily an oil explorer) refining capacity.

The Telegraph - 20.07.2017

https://epaper.telegraphindia.com/detail/269326-1551257.html

HPCL may buy 2 ONGC units before merger

State-run Hindustan Petroleum Corp (HPC) may acquire two subsidiaries of Oil and Natural Gas Corp (ONGC) before the explorer takes over the refiner, a senior government official said. The two ONGC units are Mangalore Refinery and Petrochemicals (MRPL) and ONGC Petro Additions (OPaL). Such a move would consolidate all of ONGC's downstream operations in HPCL, leaving it free to focus on exploration and production. HPCL will look after refining and marketing, according to this line of reasoning. HPCL already has a 16.96% stake in MRPL, in which ONGC holds 71.63%. ONGC has a 49.36% stake in OPaL with GAIL holding 49.21%. The government has already begun the process of appointing transaction advisors for the ONGC-HPCL deal and will seek an independent valuation of its stake in the refiner.
The government currently holds a 51.1 % stake in HPCL. Earlier this week, the Cabinet Committee on Economic Affairs (CCEA) accorded "in principle approval" for the strategic sale of its stake, "along with transfer of management control" to ONGC.

The Economic Times - 22.07.2017

http://economictimes.indiatimes.com/industry/energy/oil-gas/hpcl-may-buy-2-ongc-units-before-merger/articleshow/59706299.cms

Merging to gain muscle

The merger of HPCL, a marketing entity, with the oil giant ONGC, a downstream player, is to be welcomed as it will not only create an oil behemoth domestically but is a precursor to a much more exciting merger of several players in the exploration and marketing space. This could even mean Indian Oil taking over Oil India or BPCL taking over Gail. There are reportedly 11 players, four of them being big players, and it is evident that the name of the game today in the government's playbook is consolidation. This, however, does not take away the fact that it will also bolster the government's financials by at least Rs 20,000 crore in its efforts to meet its disinvestment target of Rs 72,500 crore. However, whilst this merger will give ONGC muscle to compete with the global giants, it will still be tough as the market value of the combined entity will be a mere $42 billion. Its global competitors, like Shell has a market value of $220 billion and ExxonMobil $340 billion. This only underscores the need to expedite the mergers in this space.

Deccan Chronicle - 23.07.2017

http://www.deccanchronicle.com/opinion/dc-comment/230717/merging-to-gain-muscle.html

50 Million Litres Of Crude Stolen From India's Largest Onshore Oilfield

Police in Rajasthan have cracked a criminal syndicate accused of smuggling more than 50 million litres of crude oil inside water tankers from India's largest onshore oilfield, an official said. The theft at the Cairn India oilfield went undetected for nearly six years until police in Rajasthan arrested

IOC-Oil India merger: IOC to buy 66% stake in Oil India

Indian Oil Corporation (IOC) may buy out the government's 66% stake in the Oil India, part of government's plan to create a giant integrated oil company, as announced by the Finance Minister in his 2017 Budget speech. Government's view is that the merger between

25 people this week for involvement in the sophisticated smuggling network. Local media reported Rs. 49 crore worth of oil could have been stolen in total from the oilfield run by a subsidiary of British mining giant Vedanta Resources. More than 75 people, many drivers and contractors working at the oilfield, are still wanted in connection with the heists, said district police chief Gangandeep Singla. "The company suspected something fishy was happening and complained to us, and during investigations we found this was an organised ring," he told AFP. He said the drivers were authorised to carry water -- a by-product in oil exploration -- from exploration sites for dumping but some of the tankers were filled with crude instead.

NDTV - 24.07.2017

http://www.ndtv.com/india-news/50-million-litres-of-oil-smuggled-from-indias-largest-onshore-oilfield-in-rajasthans-barmer-1728204

Indigenous tech for biofuels may emerge soon, says Dharmendra Pradhan

The government is hopeful that a new model regarding the use of biofuels and developed through indigenous technology would emerge in the coming days, Petroleum Minister Dharmendra Pradhan said today. During the Question Hour in Rajya Sabha, the Petroleum and Natural Gas minister said that efforts were being made by Indian scientists regarding the use of biofuels. As per the existing policy, ethanol for ethanol blended petrol (EBP) programme is procured from the molasses route by the public sector oil marketing companies. Ethanol production through molasses in the country for in 2016-17 is estimated to be 220 crore litres, he said. "This ethanol/alcohol is used in the potable liquor sector, chemical sector and EBP programme. In the current ethanol supply year, oil PSUs have executed agreements for the supply of 78.7 crore litres of ethanol," he said.

The Economic Times - 20.07.2017

http://economictimes.indiatimes.com/industry/energy/oil-gas/indigenous-tech-for-biofuels-may-emerge-soon-says-dharmendra-pradhan/articleshow/59667133.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Petroleum Institute: Bill introduced in Lok Sabha

The government on Tuesday tabled the Bill to establish the Indian Institute of Petroleum and Energy in Visakhapatnam as an institution of national importance. The Bill was introduced as the Indian Institute of Petroleum and Energy Bill in the Lok Sabha by Minister of State (Independent

behemoth refiner and marketer, Indian Oil Corp and smaller oil exploration firm, Oil India Ltd should happen in this fiscal year itself. It is not yet clear whether this merger would be an all-cash deal, an all-stock deal, or a mix of the two, reported a national daily. It is expected that this deal will be executed after the ONGC and HPCL merger, added the report. The government of India announced in June that it is planning to sell its 51.1% stake in HPCL to ONGC by the end of this year, in a deal worth USD 4.5 billion.

India Infoline - 18.07.2017

http://www.indiainfoline.com/article/news-top-story/ioc-oil-india-merger-ioc-oil-india-merger-ioc-to-buy-66-stake-in-oil-india-117071800351_1.html

LNG prices may remain low for 5-6 years: Petronet LNG

Reports from Petro watch indicate that liquefied natural gas (LNG) imports in June were at a record low. In an interview to CNBC-TV18, RK Garg, Director-Finance at Petronet LNG shared his readings and outlook on the same. Overall fundamentals are good and overall growth is on increasing trend, he said. LNG consumption in the country during 2016 have been 19 million tonne, there has been a growth and that growth momentum would continue. There is an increase in the overall demand of the gas in the country, he added. Speaking about Dahej, he said that, there is a ramp up going on due to capacity expansion to 15 million tonne. Tariff increase is a yearly phenomenon and would happen in January 2018, he said. Mundra terminal is getting ready by end of this year and it is in Gujarat, we thought there could be some synergy with Dahej and Mundra. That is why Petronet is looking into the terminal, said Garg. No concrete decision has been taken yet, yes we are looking into it, he confirmed.

Moneycontrol - 20.07.2017

http://www.moneycontrol.com/news/business/companies/lng-prices-may-remain-low-for-5-6-years-petronet-lng-2329625.html

Global base oil market forecast 2017

The global base oil market was valued at $35,430 million in 2016, and is expected to reach $38,031 million by 2023, registering a CAGR of 1.0% from 2017 to 2023. Base oils are largely derived from crude oil base stocks. Group I mineral base oil is the primarily used base oil of the industrial lubricants business.

Charge) for Petroleum and Natural Gas, Dharmendra Pradhan. It is estimated that the establishment of the institute will require total capital expenditure of ₹655.46 crore and an endowment fund of ₹400 crore. The budgetary support for capital expenditure has been spread out till 2022-23 and was scheduled to begin from 2016-17. The Bill seeks to promote education and research in the area of petroleum, hydrocarbons and energy. Promotion of research and development for the benefit of oil, gas, petrochemical industry and the energy sector has also been identified as a focus area for the institution.

The Hindu Business Line - 19.07.2017
http://www.thehindubusinessline.com/news/education/petroleum-institute-bill-introduced-in-lok-sabha/article9775972.ece

Limited PSU role in steel revival

State-run steel majors such as SAIL or RINL could lend expert teams or take on management contracts to run sick entities such as Bhushan and Essar Steel that are set to be taken over by banks under new RBI recovery norms. "We can consider lending expert teams to run steel firms taken over by banks or some other way to run them … but SAIL and RINL have too much on their plates, they cannot take over sick steel units," steel minister Chaudhary Birender Singh said in an interview to The Telegraph . The RBI has already identified 12 extremely stressed assets which banks are trying to take over and these include Essar Steel, Electrosteel, Bhushan Steel and Monnet Ispat. Essar had tried to stall the move, but without success. Banks and the finance ministry had earlier wanted SAIL and other steel sector PSUs to take over the stressed assets. However, SAIL declined to play ball, and the steel ministry supported the decision as this could deplete the PSU's major's cash reserves at a time it was just turning the corner — from making cash losses to cash profits.

The Telegraph - 20.07.2017
https://epaper.telegraphindia.com/detail/269326-15438836.html

Muted selloff signals in steel

The government plans to stay invested in RINL, or the Vizag Steel Plant, as it believes the huge investment of Rs 12,300 crore will pay off after a revamp. It also wants RINL to explore automobile grade steel even as SAIL is negotiating with

However, the world base oil market is currently undergoing rapid change, driven mainly by the technical demand from high performance automotive engine oil applications, impacting all lubricant applications. Demand for oils in the automotive industry, especially from emerging countries, and stringent environmental legislation leading to strict performance standards drive the global base oil market. However, the fluctuating costs of crude oil and regulations concerning emission norms are expected to hamper the market growth in the future. The global shift from Group I base oils to Group II & III present numerous growth opportunities to market players.

WhaTech - 20.07.2017
https://www.whatech.com/market-research/materials-chemicals/341586-global-base-oil-market-forecast-2017-2023-insights-shared-in-detailed-report

Strong economy the backbone of steel consumption

It is heartening to note that Indian economy is moving at the highest rate in the recent period and would continue to do so in the near future if the projections by IMF, World Bank, ADB and other reputed consultants are to be believed. In the current year, Indian GDP is projected to grow at 7.1%, closely followed by China (6.7%), South East Asian countries (3.5-6.5%) and advanced countries (1.0-3.7%). There is an overall appreciation of economic reforms underway in several states of the country that are making significant contributions to improve the country's ranking in doing business, competitiveness and similar other economic indicators. The tax reforms in the form of GST from the beginning of the current month has been hailed by all as one of the major steps in aligning with global fiscal standards. The headline inflation rate is coming down and comparable to economically strong countries. The WPI rate and the consumer price index for the month of June'17 at 0.90% and at 1.54% respectively are in sync with the long term inflation target set by RBI.

The Financial Express - 18.07.2017
http://www.financialexpress.com/economy/strong-economy-the-backbone-of-steel-consumption/767449/

GST impact: Manufacturing cost to rise as power kept out of pan India tax regime, Steel Ministry tells PMO

The steel ministry has expressed concerns that cost of steel manufacturing will increase as electricity, being one of the major inputs, has

Arcelor- Mittal for a joint venture in a similar area. Steel minister Chaudhary Birender Singh said there would no "quick exits" in Durgapur's Alloy Steel Plant and two other PSUs, proposed by the Niti Aayog. "My experts tell me that with 90 per cent of the work done and over Rs 12,000 crore invested, it does not make sense to sell stakes in RINL at this stage. It would be better for us to stay invested and see the project turn around," Singh said in an interview to The Telegraph. The Vizag Steel Plant (Rashtriya Ispat Nigam Ltd) incurred a net loss of Rs 1,421 crore during 2015- 16, leading to demands of a stake sale in the standalone facility. However, the proposal was shelved following resistance from Chandrababu Naidu's Telegu Desam Party for which the Vizag plant represents the largest single manufacturing investment in the state.

The Telegraph - 24.07.2017
https://epaper.telegraphindia.com/detail/270099-152353996.html

been kept out of the Goods and Service Tax. The concerns were expressed at a recent meeting of the ministry with the Prime Minister's Office, a government official said. "Electricity being a major input for steel industry will increase the cost of manufacturing if it remains out of the GST," the official said. The concerns were also expressed by the steel ministry during the meeting that the Clean Energy Cess of Rs 400 per tonne which was being charged pre GST remains effectively non-convertible in the new regime. Natural gas, one of the inputs used in manufacturing sponge iron/Hot Briquetted Iron, an intermediate product used in steel making, has been kept out of GST purview. Under the previous regime, a partial was available, the official said. "However, in the new regime, the tax paid on the natural gas is a cost and no input tax credit is available on the same," the official added.

The Financial Express - 18.07.2017
http://www.financialexpress.com/industry/gst-impact-manufacturing-cost-to-rise-as-power-kept-out-of-pan-india-tax-regime-steel-ministry-tells-pmo/768160/

Bharat makes overnight trips for hospitals; India travels for leisure

Over a third of Indian households make overnight trips from their place of usual residence but there is a big difference in the drivers of these trips in urban India and rural Bharat. The latest report from the National Sample Survey Organisation (NSSO) on domestic tourism show that rural India was more likely to make overnight trips for health and medical purpose while urban India was more likely to make such trips for holidaying, leisure and recreation. The NSSO report titled Domestic Tourism in India noted that just five overnight trips per 100 rural households were for holidaying, leisure and recreation while 16.9 trips were for health and medical reason. The corresponding number per 100 urban households were 12.7 trips for holidaying, leisure and recreation and 9.5 trips for health and medical purposes. When the data was drilled deeper for households reporting at least one overnight trip during the 365 days preceding the survey, the trend became more pronounced. On an average, just 27 overnight trips made by a rural tourist household were for holidaying, leisure and recreation compared to 90 trips made for health and medical reason.

The Hindu Business Line - 19.07.2017
http://www.thehindubusinessline.com/news/bharat-makes-overnight-trips-for-hospitals-india-travels-for-leisure/article9775981.ece

Game plan to make AI sale- worthy

The government is looking at all options for Air India — from paring the ailing national carrier's debt to selling its subsidiaries separately — as there is a growing realisation that its huge debt burden has made the Maharaja unattractive to prospective buyers. Corrective actions are, therefore, necessary to make the sale yield money to the government, top officials tasked with a study to revive the airline has said. The cabinet had last month agreed in principle to disinvest the government's stake in Air India, but left the details of the exercise to a group of ministers headed by finance minister Arun Jaitley. "An ' as is where is' sale will attract perhaps at the most one buyer who would bid a token amount to take over the entire airline as a going concern… however, an attempt at making the disinvestment attractive by writing off a part of the Rs 52,000- crore accumulated debt would make it a better deal," said the officials. Air India's aircraft and engineering assets along with its buildings are considered to be worth about Rs. 30,000 crore.

The Telegraph - 19.07.2017
https://epaper.telegraphindia.com/detail/269194-151714776.html

World Bank to Draw Up Plan for Railways' Rs 5-lakh-cr Makeover

The World Bank will help draw up a granular makeover blueprint for the Indian Railways, which is investing `. 5 lakh crore to transform itself from a colonial era mass transporter into a strategic platform underpinning growth in Asia's third-biggest economy. The multilateral lending agency would partner the 164-year-old railroad network, the world's fourth longest, to help the state transporter with investment and planning, digitisation and technology development, besides establishing a Railway University and the Rail Tariff Authority. The bank, which has earlier worked with the Railways for financing the Eastern Dedicated Freight Corridor Project, will provide advisory services and programme management consultancy for this transformation exercise for 2-3 years. "We needed this arrangement to buy arrangement to build our capacity and deliver projects on a mission mode. World Bank's expertise would be a great gain," a top rail ministry official said. Rail minister Suresh Prabhu has drawn up an ambitious plan to transform Railways with an investment of Rs. 5 lakh crore in the next four years.

The Economic Times - 19.07.2017

http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=World-Bank-to-Draw-Up-Plan-for-Railways-19072017013034

50% spurt in Indian flyers in two years, railways numbers down

Airlines in India have registered a 50 per cent increase in the number of passengers carried over the past two years. Compared to 7 crore passengers in 2014-15, the 15 airlines in India carried 10.37 crore passengers in 2016-17, data released by Lok Sabha on Wednesday stated. Low-cost airlines like Indigo, Air Asia and Go Air have been the carriers of this growth registering an increase of 75, 382 and 32 per cent during the period. In absolute terms, Indigo carried 1.79 crore passengers more in 16-17. The carrier accounts for 40 per cent of all passengers carried in FY17. The increase comes at a time when Indian Railways has lost 17 crore passengers from FY14 to FY17. Statistics also show that Indian Railways had 14.2 crore passengers in all air-conditioned classes like AC sleeper, 3-tier, executive class and AC chair car in 2016-17. The data is contiguous with comments of Union Civil Aviation Minister Jayant Sinha, who wrote in TOI in October 2016 that airlines have reached rail parity in terms of AC fares and passengers.

The Times of India - 22.07.2017

http://timesofindia.indiatimes.com/business/india-business/50-spurt-in-indian-flyers-in-two-years-

Airfares in India projected to increase by 8.7% in 2018

Domestic demand is increasing, particularly in China and India, putting additional pricing pressure on key markets in both, according to the 2018 Global Travel Forecast report released by travel management company Carlson Wagonlit Travel and GBTA Foundation, the research arm of Global Business Travel Association. Asia Pacific is expected to see a 2.8% rise in airfares 2018, while airfares in India are projected to increase by 8.7% in 2018 (the biggest increase across all key markets in the APAC region). According to the report, airlines in the region broadly are partnering with GDSs to display basic economy airfares and grow ancillary fee revenue, also resulting in a move away from manual bookings and toward consistency in fare displays. As the fastest-growing aviation market in the world, Beijing Capital and Hong Kong Airport have reached terminal capacity while Mumbai and New Delhi are expected to do the same in 2018 and 2021, respectively.

The Economic Times - 19.07.2017

http://economictimes.indiatimes.com/industry/transportation/airlines-/-aviation/airfares-in-india-projected-to-increase-by-8-7-in-2018/articleshow/59666070.cms

Govt Nod to Build 34 Logistics Parks

The government has approved a plan to build 34 mega multi-modal logistics parks at an investment of Rs. 2 lakh crore. The projects, for which land is already available with state governments, will be taken up through public-private-partnerships. A special purpose vehicle would be formed with state governments, central government and private players to execute the projects. The parks would lease space to private companies to run their operations centrally and save on warehouse cost. "Logistics parks will act as freight aggregation and distribution hubs and will enable long haul freight movement between hubs on larger sized trucks, rail and waterways. It will reduce freight transportation costs," road transport and highways minister Nitin Gadkari told ET. The roads ministry has signed MoUs with 36 different government departments including various ports, state governments, transport corporations, railways and aviation ministries to come out with a joint multi-modal logistics park policy that will specify designs of parks, locations, trunk infrastructure needed and the pricing structure.

The Economic Times - 21.07.2017

railways-numbers-down/articleshow/59711121.cms

No new port near 100 km vicinity of major ports: Par panel

Concerned about new ports eating into the profitability and business of India's 12 major ports, a parliamentary panel has recommended that no new port be allowed in 100 km vicinity of top ports without a nod from board. The recommendation assumes significance in the wake of 12 major ports losing about 33 per cent market share to non-major and private ports. "New ports are coming up in the vicinity of major ports affecting their business and profitability. The committee therefore recommends that no new ports be established in the 100 km vicinity of existing major ports without the permission of board..," Parliamentary Standing Committee on Transport said in its latest report. The 31-member committee, chaired by Mukul Roy has given its recommendations after examining the Major Port Authorities Bill, 2016, referred to it by the Rajya Sabha Chairman on January 12 this year. The bill seeks to provide greater autonomy to the 12 ports in decision-making besides repealing of Major Port Trusts Act of 1963.

DNA - 24.07.2017

http://www.dnaindia.com/business/report-no-new-port-near-100-km-vicinity-of-major-ports-par-panel-2511157

http://epaperbeta.timesofindia.com/Article.aspx?eid=31817&articlexml=Govt-Nod-to-Build-34-Logistics-Parks-21072017013023

India: Bill proposing full autonomy for ports approved: Minister

The government has approved a draft bill to empower 12 major ports in India by providing them full autonomy in decision-making for greater efficiency, Union Minister of State for Shipping Mansukh Lal Mandaviya said on Tuesday. Once enacted, the Major Port Authorities Bill, 2016, would replace the Major Port Trusts Act, 1963, he said in a written reply to a question in the Rajya Sabha. The new bill proposes to constitute a Board of Port Authority for each major port — in place of the Board of Trustees — which would have the power to use its property, assets and funds “in such manner and for such purposes as it may deem fit for the benefit of the major ports”, an official statement said. The bill also empowers the ports to enter into and perform any contract “necessary for the performance of its functions”, to make regulations for the purposes of operation, development and planning, and to raise loans and issue securities.

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