

(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.)

Economy to Grow Less Than 7% in FY18: Forecasters

India's economy is likely to grow 6.4-6.7% in the current fiscal, down from 7.1% in 2016-17, independent experts said ahead of the release of first official estimate on Friday. The national economy expanded 6% in the first half of the year, with growth improving to 6.3% in July-September from a three-year low of 5.7% in the previous quarter. GDP grew 7.1% in 2016-17 while gross value added or GVA was 6.6%. Some of the recent indicators have pointed to a recovery – core sector growth hit a 13-month high of 6.8% in November while manufacturing Purchasing Managers' Index scaled a five-year high. The Reserve Bank of India has retained its economic growth projection for 2017-18 at 6.7% saying that the risks are evenly balanced. Most independent economists, however, said that they expect GVA to grow 6.5% in 2017-18. "All indicators do not show a structural recovery. Credit growth is yet to pick up and output gap has not closed till now," said Indranil Pan, chief economist at IDFC Bank.

The Economic Times - 04.01.2018

<https://economictimes.indiatimes.com/news/economy/economy-to-grow-less-than-7-in-fy18-forecasters/articleshow/62359827.cms>

GDP growth seen slowing to 4-year low of 6.5% in 2017-18

The Central Statistics Office (CSO) on Friday forecast that GDP growth in the current financial year ending March 31 will slow to a four-year low of 6.5%, from the provisional 7.1% pace seen in 2016-17, dragged down by deceleration in the agriculture and manufacturing sectors. Gross Value Added (GVA) was also projected to expand by 6.1% in 2017-18, slowing from 6.6% in the preceding fiscal year, according to the first advance estimates of national income for 2017-18, released by the CSO. Within this, the GVA growth rate for 'agriculture, forestry and fishing' is expected to slow sharply to 2.1%, compared with the previous year's 4.9% pace. Manufacturing sector growth has been forecast at 4.6% in 2017-18, compared with the 7.9% expansion provisionally estimated for 2016-17. "In

GDP can clip at 6.7% average for 5 yrs: Fitch

The country has the potential to grow at an average of 6.7% per annum over the next five years and will be the fastest growing large economies, global ratings agency Fitch has said. Even though this rate of growth is lower than the potential and what policymakers have been aspiring for, it is ahead of the 5.5% growth estimated for China and Indonesia, who are joined at the second-fastest rank. Demographic factors, where India is among the youngest countries in the world with a maximum number of people in the working age group, and investment rates will be aiding the country, it said in a report on Thursday. The country is set to witness a continued robust growth in the working-age population in the next five years, bolstering growth potential, it said, adding Indonesia, Mexico, Turkey and Brazil will also benefit from a similar trend. The GDP recovered to 6.3% in the September quarter from a six-quarter-low of 5.7% in the preceding June quarter.

The Economic Times - 05.01.2018

<https://economictimes.indiatimes.com/news/economy/indicators/fitch-says-gdp-can-clip-at-6-7-average-for-next-5-years/articleshow/62368307.cms>

Core sector growth hits 13-mth high

The country's infrastructure sector output growth rose to a 13-month high in November on the back of robust performance by the steel and cement sectors, which should augur well for overall industrial growth. Data released by the commerce and industry ministry on Monday showed annual growth rate in the core sector — spanning coal, cement, steel, fertiliser, electricity, refinery products, natural gas and crude oil — hit 6.8% in November, faster than the previous month's 5% and higher than the 3.2% recorded in November 2016. Cumulative growth during April to November was 3.9%. The core sector accounts for 40.3% of the Index of Industrial Production (IIP) and is a pointer to the performance of the sector, data for which will be released later in the month. "A favourable base effect led spike in the

agriculture, what we are seeing is a base effect because last year saw a very high growth rate because it followed two years of drought," Statistics and Programme Implementation Secretary and Chief Statistician of India TCA Anant said at a press conference in the national capital.

The Hindu - 06.01.2018

<http://www.thehindu.com/business/Economy/gd-p-growth-seen-slowing-to-4-year-low-of-65-in-2017-18/article22378942.ece>

Factories flourish in December

India 's factory activity expanded at the fastest pace in five years in December, a private sector survey showed on Tuesday, buoyed by a rise in output and new orders, which allowed firms to raise prices. The factory flourish comes a day after eight core sector industries registered a 6.8 per cent growth in November — the highest in 13 months. The twin sets of data firm up views that business in Asia 's third- largest economy continues to recover but also highlights risks that rising price pressures will keep the Reserve Bank of India from slashing interest rates further. The Nikkei Manufacturing Purchasing Managers ' Index, compiled by IHS Markit, rose to 54.7 in December from November's 52.6, marking its fifth straight month above the 50- level that separates expansion from contraction. "India 's goods-producing economy advanced on its recovery path, with operating conditions improving at the strongest pace since December 2012," said Aashna Dodhia, an economist at IHS Markit and the author of the report. "Strong business performance was underpinned by the fastest expansions in output and new orders since December 2012 and October 2016, respectively. The latest survey showed the new orders sub-index, a proxy for domestic demand, also rose to 56.8 in December, the highest since October 2016.

The Telegraph - 03.01.2018

<https://epaper.telegraphindia.com/detail/157963-15375374.html>

Per capita income growth may fall 8.3% to Rs 1,11,782 in FY18

India's per capita income, a gauge for measuring living standard, is likely to witness a slower growth of 8.3 per cent at Rs 1,11,782 in FY 2017-18. In 2016-17, per capita income of Indians had grown by 9.7 per cent to Rs 1,03,219. "The per capita net national income during 2017-18 is estimated to be Rs 1,11,782 showing a rise of 8.3 per cent as compared to Rs 1,03,219 during 2016-17 with the growth rate of 9.7 per cent," said First Advance Estimates of National Income, 2017-18'

expansion of cement and steel contributed to the uptick in growth of the core industries to a 13-month high 6.8% in November 2017, even as four of the eight industries (coal, natural gas, fertilisers and electricity) recorded a sequential dip in growth," said Aditi Nayar, principal economist at ratings agency ICRA.

The Times of India - 02.01.2018

<https://timesofindia.indiatimes.com/business/india-business/core-sector-growth-hits-13-mth-high/articleshow/62330962.cms>

India's services sector returns to growth in Dec: PMI

The Indian services sector returned to marginal growth in December as new orders broadly stabilised, says a monthly survey. Even as there was a turnaround, business activity growth in December was slight and remained well below the average recorded for the survey history as a whole. The seasonally adjusted Business Activity Index improved to 50.9 in December from 48.5 in November, signalling a renewed increase in business activity. In PMI lexicon, a print above 50 means expansion and a score below that denotes contraction. "India's service economy showed signs of recovery as it returned to marginal expansion in December. That said, it remained on a weak growth trajectory amid reports that the Goods and Services Tax (GST) was still hindering efforts to secure new clients," said Aashna Dodhia, Economist at IHS Markit, and the author of the report. Meanwhile, production growth at Indian manufacturers quickened to the fastest in five years in December and accordingly, the headline seasonally adjusted Nikkei India Composite PMI Output Index rose from 50.3 in November to 53.0 in December, the highest since October 2016.

The Times of India - 05.01.2018

<https://timesofindia.indiatimes.com/business/india-business/indias-services-sector-returns-to-growth-in-dec-pmi/articleshow/62362037.cms>

Take holistic view on CPSEs closure, says Parliamentary panel to Niti Aayog

A parliamentary panel has suggested the Niti Aayog to develop a more 'holistic view' on strategic disinvestment or closure of state-owned enterprises that may have a chance of progressing with some assistance. In its report tabled in Parliament today, the Standing Committee on Industry said it is of the opinion that "CPSEs are still relevant and they may be allowed reasonable and financially prudent chances to revive and restructure". On the issue

released by the Central Statistics Office (CSO). The per capita income in real terms (at 2011-12 prices) during 2017-18 is likely to attain a level of Rs 86,660 as compared to Rs 82,269 for the year 2016-17, it said. The growth rate in per capita income (real terms) is estimated at 5.3 per cent during 2017-18, as against 5.7 per cent in the previous year, it added. The economic growth is expected to slow to a four-year low of 6.5 per cent in 2017-18, the lowest under the Modi-led government, mainly due to poor performance of agriculture and manufacturing sectors.

The Economic Times - 06.01.2018

<https://economictimes.indiatimes.com/news/economy/indicators/per-capita-income-growth-may-fall-8-3-to-rs-111782-in-fy18/articleshow/62383494.cms>

Skill Councils Told to Ensure Hiring of Trained Personnel

The government has asked industry to provide jobs to personnel trained in their respective sector skill councils, warning that future fund allocation to the council will be withheld and unutilised money will be taken back if there is no increase in hiring. The push comes ahead of general elections scheduled in 2019, where the slow pace of job creation could be a big issue. The Ministry of Skill Development & Entrepreneurship, which funds the sector skill councils through the National Skill Development Corporation, has told them to ensure that their industry partners provide jobs to people who have been trained and that these numbers must be reflected on the smart portal created for the purpose, a person familiar with the matter told ET. The skill development ministry funds the centrally sponsored Pradhan Mantri Kaushal Vikas Yojana, which is the flagship scheme for skill training. The allocation for 2017-18 was about Rs. 3,000 crore compared with Rs. 1,000 crore allotted in 2015-16.

The Economic Times - 03.01.2018

<https://economictimes.indiatimes.com/jobs/skill-councils-told-to-ensure-jobs-by-industry/articleshow/62343121.cms>

Diesel prices in city touch Rs.62.36/L, highest since '14

Diesel prices in Kolkata flared up to Rs 62.36 on Monday, scaling a peak since September 2014.

of strategic disinvestments or closures, the committee said though the modern theories of government and economics want the government to withdraw from business, while deciding upon disinvestments/closures, it is always prudent to keep in mind that CPSEs are also meant to serve larger social causes. Citing the example of Hindustan Newsprints Limited, a central public sector enterprise (CPSE) which was classified only as "Incipient Sick" in 2016, the panel found that the decision was taken despite the dissent of Department of Heavy Industry and the perception that the company could have turned around with a modernisation mill development plan that was under submission.

The Financial Express - 03.01.2018

<http://www.financialexpress.com/india-news/take-holistic-view-on-cpses-closure-says-parliamentary-panel-to-niti-aayog/999335/>

Global stocks at new high, oil reaches peak since '15

Market bulls resumed their charge on Thursday, as strong data from the world's biggest economies sent stock index records tumbling and oil prices to their highest since mid-2015. In an apparent acceleration of last year's global equity boom, MSCI's world index and London's FTSE both set records in Europe, and the Dow Jones broke the 25,000-barrier when Wall Street reopens. Tokyo's Nikkei had earlier shot to its highest since 1991 with a 3.3% surge. Asia-Pacific, excluding Japan, scaled a decade-high peak as a fifth day of gains in China helped emerging market stocks to a six and-a-half-year high as well. "It is a continuation of the goldilocks story," said Michael Metcalfe, State Street Global Markets' head of macro strategy. "The main theme last year was strong growth and accommodative (monetary) policy, and the data we have had so far suggest that the growth is expected to accelerate, and without inflation." The data published on Thursday reinforced expectations that solid world growth will boost demand for goods, including oil, and lift corporate earnings.

The Times of India - 05.01.2018

<https://timesofindia.indiatimes.com/business/international-business/global-stocks-at-new-high-oil-reaches-peak-since-15/articleshow/62374088.cms>

Oil price hike shadow on govt, industry

There have been concerns over rising crude oil prices putting pressure on the Budget, but more worrying could be an impact on industry,

Petrol, kerosene and jet fuel too continued to a steady climb across the country in step with a surge in the cost of global crude oil. State-owned oil companies sold diesel to retail consumers for Rs 59.70 a litre in Delhi on Monday at the highest ever price in the city. In Mumbai, diesel price was Rs 63.35, highest since March 2017, while in Chennai, the price was Rs 62.90 which is the highest since September 2014. Petrol prices in Delhi, Mumbai, Chennai, Kolkata and many other cities were the highest since October 3, 2017, when the Centre decided to cut excise duty by Rs. 2 on petrol and diesel to bring some relief to consumers. October was also the month the government directed companies to stop monthly hikes in prices of cooking gas – hikes were intended to eliminate subsidy on cooking fuel. Petrol and diesel prices are linked to international rates, revised daily and published on the website of state owned oil companies. Prices of cooking gas, jet fuel and other oil products are revised monthly.

The Economic Times - 02.01.2018

https://epaperlive.timesofindia.com/Repository/ET/KOL/20180102/15/02012018_etc_kol_15_1_col_r1.pdf

Proposal to cap airfares

A parliamentary panel has sought the capping of airfares in all sectors and said India 's airlines have failed to pass on the reduction in jet fuel prices even as they charge up to 10 times the base fares in peak seasons. In its report tabled on Thursday, the parliamentary committee on transport, tourism and culture has noted that "the issue of exorbitant airfares charged during the festival seasons, holiday seasons, natural disasters and political/ social unrest was at the centre- stage of the deliberations of the committee". The report criticised the current system of fare buckets, which could result in "airlines charging more than ten times of the advance booking fare". It went on to "recommend the ministry of civil aviation to consider fixing an upper limit of the air tickets for every sector". The government had earlier weighed the idea of capping fares in the suggestions leading to an aviation policy. However, this was given a quiet burial as airlines protested and pointed out that fare buckets that varied with demand were the norm.

The Telegraph - 05.01.2018

<https://epaper.telegraphindia.com/detail/158360-145254666.html>

especially aviation, since its cost of operations is steadily going up. The benchmark Indian crude oil basket crossed \$66 a barrel last week. Aviation turbine fuel is at a three-year high of ~\$57,349 a kilolitre, while the diesel price is at an all-time high of ~\$60.12 a litre (both for Delhi). With little fiscal room available for the government to manoeuvre on duties, the days of high-fuel cost are threatening to be back again. For the Centre, which had estimated \$55 a barrel of average crude oil prices for the current year, the price rise is, nonetheless, not very discomfoting since the Indian crude oil basket is below that average and was \$54 till December 2017. Pointing out that the price rise was a big challenge for the government, Union Petroleum Minister Dharmendra Pradhan said the Centre had agreed in principle to include petroleum products within the GST ambit. "There is a consensus gaining momentum in India to bring petroleum products into GST. The GST Council is debating on it," the minister stated at a Business Standard event.

Business Standard - 08.01.2018

<https://www.pressreader.com/india/business-standard/20180108/281509341577529>

India will account for 50 million outbound tourists by 2020: Report

Merubhai Bharwad, a farmer from Dholka near Ahmedabad is busy planning his next international trip, one that he plans to take in around a year's time to Canada. Bharwad is an avid international traveller — he has travelled with friends and family to locations in South Asia mostly and claims to take one foreign trip in about two years. "One has plan in advance and do some cash flow management to be able to save enough for an international trip," says Bharwad who is a graduate in commerce and prefers group tours. Bharwad is not a lone example — many farmers and agri-commodity traders from his village are travelling overseas regularly. Manish Sharma, owner of Akshar Travels and chairman of the Gujarat Tourism Development Society, said that farmers and others associated with agriculture roughly comprise around 27 per cent of the tourists going overseas from Gujarat. Sharma works with around 30 tour operators across Gujarat and handles nearly 30 per cent of the traffic going out of the state.

Business Standard - 08.01.2018

http://www.business-standard.com/article/economy-policy/number-of-indians-travelling-abroad-to-double-by-2020-118010700295_1.html

Domestic airfares get 9-15% cheaper on increase in flights and competition

A Parliamentary Committee has rapped airlines for the exorbitant rise in fares but data shows ticket prices in January are lower on an annual basis. Domestic fares for travel within a fortnight of booking are 9-15 per cent lower now owing to increased capacity and competition. While the rupee has strengthened against the dollar, continuous rise in aviation turbine fuel price since July has negated the gains. Owing to competitive pressures however airlines have refrained from hiking fares. While airlines are evaluating a fare hike, analysts say airlines would have to increase fares by around 7 per cent to maintain the current level of profitability. According to data compiled by online portal MakeMyTrip, the average industry-wide fares for same day and next day travel have reduced 9-11 per cent compared to last January. Fares for travel up to seven days and between seven-fifteen days are 11 and 15 per cent lower. MakeMyTrip (MMT) said the maximum dip is in Mumbai-Delhi route where fares are lower by around 25 per cent while Mumbai-Bengaluru route is the only sector where fares have increased by around 5 per cent.

Business Standard - 08.01.2018

http://www.business-standard.com/article/companies/domestic-airfares-get-9-15-cheaper-on-increase-in-flights-118010700419_1.html

Tax incentives for tourism on cards

The government plans to cut taxes on travel and tourism in the upcoming budget and give more incentives to the \$210-billion sector. The move could add to a domestic tourism boom at a time low inflation and rising incomes are changing the lifestyle and consumption patterns of an estimated 250 million middle-class Indians. With scores of destinations introduced on airline routes last year, air travel is also surging. The country's tourism sector grew over 10 per cent in the six months ended September, compared with around 8 percent in the year-ago period. According to an industry report, tourism employs 40 million people in India and could add 10 million jobs in a decade. "We'll announce measures in the budget to promote investment in the tourism sector," a top finance ministry official said, adding that finance minister Arun Jaitley is in favour of lowering the 28 per cent tax on hotel tariffs and offering incentives to attract private investments. Companies expected to benefit from the move include airlines such as IndiGo and Jet Airways and hotel operators such as Indian Hotels, that owns

Flight ticket prices may increase in 2018 on higher jet fuel costs, GST

Travelling in India via airlines may get a little heavy on the pockets as airlines may increase prices of flight tickets. Passengers may have to pay nearly 13% more for flight tickets, a report by Economic Times said estimated Friday. The report cited two reasons for the increase in prices. First was rising fuel prices that have gone up an estimated 16%. And the second reason was Goods and Services Tax that has increased cost for airlines by 27%. "I do see fares increasing at half the rate of cost increase up to a limit. The increase in fares will be more in last-minute fares and advance purchase fares will remain cheap," said the executive who did not want to be identified. Jet fuel prices rose 4% in August. In September, Zeebiz reported ATF prices of Rs 50,020 per litre in New Delhi. Applicable tax rate on passenger tickets for economy class had been reduced under GST from 6% to 5%. While tax rate for business and first class was increased from 9% to 12%. With airlines generating a major portion of their revenues from economy class, disallowance of input tax credit on inputs (excluding services) for economy class will result in an additional cost to them," said ICRA's Kinjal Shah, Co-Head Corporate Sector Ratings said.

Zeebiz - 05.01.2018

<http://www.zeebiz.com/companies/news-flight-ticket-prices-may-increase-in-2018-on-higher-jet-fuel-costs-gst-34512>

Uttar Pradesh Govt to prepare its own Logistics Policy to boost growth

The Uttar Pradesh Government is for the first time, drafting its own logistics policy, as higher industrial activity, economic growth and the Government's recent policy decisions are triggering unprecedented growth in the sector. "With both the Eastern and the Western freight corridors and several industrial corridors passing through Uttar Pradesh, we are at a good position to take advantage of this logistics revolution which we expect to see in the next two years," Rajiv Kumar, Chief Secretary of the UP State Government said recently. The policy will entail the establishment of at least five industrial parks across the State, the smallest with an investment of Rs 200 crore, said another top official in the UP Government. The policy will also include various incentives for logistics players if they invest in this sector in the State. This and three other policies -- on pharma, electric vehicles and defence -- were discussed at a meeting of the State Government officials on January 3. "This was an Inter-

the Taj Mahal chain, and EIH Ltd that operates the Oberoi hotels.

The Telegraph - 07.01.2018

<https://www.telegraphindia.com/business/tax-incentives-for-tourism-on-cards-199194>

Logistics performance ranking of states to be released on Monday

The Commerce Ministry will come out with a Logistics Performance Index (LPI) tomorrow, ranking states in terms of the logistical support they provide to promote trade, a senior government official said. "This will be a perception based ranking and it is the first time in the world that it is coming at the sub-national level," the ministry official said. The index will act as a dynamic toll for the ministry to identify bottlenecks in this area. "We will be able to see why perception is negative for some states," the official added. The World Bank has assisted the ministry in preparing the index. The ranking is based on about eight parameters including transportation facilities available in states and documentation procedures. The ranking aims at encouraging states to work and improve their logistics related infrastructure. Inadequate infrastructure is impacting the country's trade and investments. Logistics services such as customs and ports are Central Government matters but, "why they are functioning smoothly in certain states and not in others, the ranking would help us in understanding this also," another official said.

The Hindu Business Line - 08.01.2018

<http://www.thehindubusinessline.com/economy/logistics/logistics-performance-ranking-of-states/article10018533.ece>

India: Cargo traffic at major ports up by 3.64% during Apr-December

The country's 12 major ports recorded a 3.64 per cent growth in cargo traffic during April-December 2017 at 499.41 million tonnes (MT), as per official data. Eight major ports - Kolkata (including Haldia), Paradip, Visakhapatnam, Chennai, Cochin, New Mangalore, JNPT and Kandla - registered positive growth in traffic during the period. "The major ports in India have recorded a growth of 3.64 per cent and together handled 499.41 million tonnes of cargo during the period April to December, 2017 as against 481.87 million tonnes handled during the corresponding period of previous year," the Ministry of Shipping said.

Hellenic Shipping News - 08.01.2018

<http://www.hellenicshippingnews.com/india-cargo-traffic-at-major-ports-up-by-3-64-during-apr-december/>

Departmental meeting wherein several modalities of the policy were discussed.

Daily Shipping Times - 04.01.2018

http://www.dailyshippingtimes.com/news-upload/upload/fullnews.php?fn_id=18588

Indian ports set to double their profit, says Gadkari

Indian ports are expected to generate a profit of Rs 7,000 crore this year, Road Transport, Highways and Shipping Minister Nitin Gadkari said today. Addressing some 3,000 delegates at the Asean-India Pravasi Bhartiya Divas here, he highlighted the profitability of investments in Indian projects, and underlined the potential of a wide range of projects. "For this year, we are expecting a profit of 7000 crore from port operations (as) all ports are making profits," profits," said Gadkari, pointing out that it would be more than double from Rs 3,000 crore three years ago. Six new port projects were being planned, said Gadkari, who inaugurated the gathering where over nine sessions are being held on all aspects of business opportunities in India. He invited Asean investors to participate in Indian infrastructure projects, as the pace of development is accelerated. He pointed out the 28 km per day of road completion, up significantly about three years ago. The target is to complete 40 km per day, added Gadkari.

The Economic Times - 07.01.2018

<https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/indian-ports-set-to-double-their-profit-nitin-gadkari/articleshow/62393341.cms>

Sharma new Bharat Chamber president

Sitaram Sharma was elected president of Bharat Chamber of Commerce, Kolkata, following its 117th AGM. Sharma is the chairman of Mironda Group of Companies and MD, Mironda Trade & Commerce. He has also been the honorary consul of the Republic of Belarus at Kolkata for Eastern India for over 15 years.

The Times of India - 05.01.2018

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/#>