WEEKLY MEDIA UPDATE

Issue 347

28 May, 2018
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.)

India's GDP growth in Q4 of FY18 seen at 7.4%: ICRA

Rating agency ICRA expects GDP growth in January-March 2017-18 at 7.4 per cent on account of good rabi crop harvest and improved corporate earnings, up from 7.2 per cent in the third quarter. The Central Statistics Office (CSO) is scheduled to come out with GDP estimate for the fourth quarter (Q4) of fiscal 2017-18 and provisional annual estimates for the year 2017-18 on May 31. "The domestic GDP growth rate is expected to improve to 7.4 per cent in Q4 FY2018 from 7.2 per cent in Q3 FY2018, exceeding the implicit forecast of 7.1 per cent embedded in the CSO's Second Advance Estimate of National Income for 2017-18," Icra said in a release. As per ICRA, the growth of the Indian gross value added (GVA) at basic prices in year-on-year (YoY) terms is likely to record a considerable recovery to 7.3 per cent in Q4 FY2018 from 6.7 per cent in Q3 FY2018, thereby rebounding above 7 per cent after a gap of five quarters.

The Financial Express - 22.05.2018

http://indianexpress.com/article/business/economy/indias-gdp-growth-in-q4-of-fy18-seen-at-7-4-icra-5185393/

Economy may have Grown by 7.1-7.5% in March Qtr

India's economy may have expanded by 7.1-7.5% in the January-March quarter – driven by manufacturing and construction – compared with 7.2% in the third quarter, independent experts said ahead of the release of official data next week. The Central Statistics Office will put out the growth estimates for the fourth quarter and for 2017-18 on May 31. It pegged FY18 GDP growth at 6.6%, which would suggest growth of 7.1% in the last quarter. The economy expanded 7.1% in FY17. India's industrial output expanded 4.3% in FY18, with manufacturing growing 4.5%, according to the Index of Industrial Production (IIP). The IIP is a quantity-based measure while GDP is assessed on value added, which means that manufacturing GDP growth can be higher than that measured by IIP. HDFC Bank expects the economy to have grown 7.3% in the last quarter of the previous financial year compared with the implicit GDP forecast of 7.1% put out by the CSO earlier as part of the second advance estimate.

The Economic Times - 26.05.2018

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F05%2F26&entity=Ar00304&sk=E2A3C202&mode=text

CII pegs India's growth between 7.3-7.7 per cent riding on 'structural reforms'

Industry chambers Confederation of Indian Industry (CII) on Monday said that it expects India's economy to grow at 7.3-7.7 per cent in 2018-19 on the back of "sustained structural reforms", recovery in global markets and a normal monsoon. The industry body in a statement said that "sustained structural reforms" have led to a rebound in the country's economy as businesses across several key sectors experience firm growth trends. "The impact of sustained structural reforms is now being felt on the ground as a mammoth economy is turning around," CII President Rakesh Bharti Mittal was quoted as saying in a statement. "Businesses across several key sectors are experiencing firm growth in sales and orders, indicating better capacity utilisation

Spike in crude prices can widen CAD to 2.5% of GDP: SBI report

Rising oil prices may not prompt the RBI Governor-headed Monetary Policy Committee (MPC) to go for a rate hike in its June meeting but it can widen the Current Account Deficit (CAD) to 2.5 per cent of the Gross Domestic Product (GDP), a SBI report said on Monday. The Indian basket of crude oil touched $77.43/barrel (one barrel equals to 159 litres) and is expected to touch $80 soon. This resulted in pushing retail selling price of petrol and diesel to an all-time high of ₹76.57 and ₹67.82 respectively in Delhi on May 21. Rising fuel prices will also push up inflation which, in turn, can impact policy interest rate. However, the report has a different view at least for the time being. "We refute the current argument of and higher investment expectations." According to CII, strong rural consumption is reflected in sectors such as consumer non-durables, two-wheelers and tractors. "The feedback from businesses is that the rebound in the economy is now firmly entrenched and the positive impact of the actions taken by the government, including major structural reforms, are being felt on the ground," Mittal added.

The Economic Times - 28.05.2018
https://economictimes.indiatimes.com/news/economy/indicators/cii-pegs-indias-growth-between-7-3-7-7-per-cent-riding-on-structural-reforms/articleshow/64349701.cms

impending rate hike by the RBI on the face of surge in oil prices. We find that oil price as such has not led to countries switching to rate hikes. It is more related to the respective domestic economic developments," the report authored by Soumya Kanti Ghosh, Group Chief Economic Advisor with the State Bank of India, said.

The Hindu Business Line - 21.05.2018
https://www.thehindubusinessline.com/economy/spike-in-crude-prices-can-widen-cad-to-25-of-gdp-sbi-report/article23952937.ece

Looking to arrest rise in fuel price: Petroleum minister Dharmendra Pradhan

The cry for cut in excise duty on petrol and diesel increased on Monday as diesel prices touched its highest ever in the history in Mumbai touching Rs 72.21 a litre, while petrol prices in the city touched the highest in almost five years at Rs 84.40 per litre. The prices of diesel was seen at Rs 67.82 a litre in Delhi, Rs 70.37 in Kolkata and Rs 71.59 in Chennai. Meanwhile, petrol prices in Delhi was seen at Rs 76.57 a litre, Kolkata at Rs 79.24 and Chennai at Rs 79.47 a litre on Monday. Calming the nerves of consumers, petroleum minister Dharmendra Pradhan on Monday said the government is looking into options to bring the petrol and diesel prices under control. "Various alternatives are being looked," Pradhan said. Meanwhile, industry associations too stepped in on Monday demanding a cut in excise duty of petrol and diesel. "Unless swift action is taken to address the situation, the economic growth will again head towards a speed-breaker. Amongst the most immediate actions that can be taken by the government is to bring down the excise duty on fuel," said Rashesh Shah, President of industry body FICCI.

Business Standard - 22.05.2018
http://www.business-standard.com/article/economy-policy/looking-to-arrest-rise-in-fuel-price-petroleum-minister-dharmendra-pradhan-118052101424_1.html

Industry seeks cut in fuel excise duty as oil prices zoom

India Inc. today urged the government to cut excise duty on petrol and diesel immediately, observing that rising oil prices pose a high risk to India's economic growth trajectory. Industry bodies Ficci and Assocham also pitched for inclusion of automobile fuel under the ambit of GST as a long-term solution to rising prices, which coupled with a weakening rupee would increase the country's import bill significantly and have a cascading impact on inflation. "With global oil prices once again spiralling upwards, the macro-economic risks of higher inflation, higher trade deficit and pressure on balance of payments with attended consequences for the rupee value have once again surfaced," Ficci President Rashesh Shah said. He said the weakening rupee will further add pressure on the import bill, highlighting that there is also a risk of monetary policy turning hawkish, which would in turn have a bearing on growth of private investments. "At a time when Indian economy is on a recovery path, rising oil prices are again posing high risk to India's economic growth trajectory," Shah said.

The Economic Times - 22.05.2018
https://economictimes.indiatimes.com/news/company/corporate-trends/industry-seeks-cut-in-fuel-excise-duty-as-oil-prices-zoom/articleshow/64256590.cms

Government working on excise cut as fuel prices hit new peak

A cut in oil prices looked imminent on Tuesday with the government busy crunching numbers for reducing the excise duty on motor fuels and looking at alternatives to soften the blow from bubbling crude as petrol and diesel prices notched up fresh records at Rs 76.87 and Rs 68.08 a litre, respectively, in Delhi — the reference market — on Tuesday. An indication of the government's

Fuel price: No ad hoc measures; Govt 'working on a long-term solution'

Even as the oil marketing companies raised fuel prices for the 10th consecutive day, the Government had no firm answer to the problem. All it said on Wednesday was that a 'long term solution' was being worked out, but kept mum on the details. Petrol prices have gone up by ₹2.54 a litre and diesel by ₹2.41 a litre since May 14. With international prices of crude and desire to scale down the relentless rise in pump prices came from none other than BJP president Amit Shah when he said it was a matter of concern in the highest echelons of the government and will be addressed in a few days. "As far as (rising) petrol prices are concerned, the government is taking it very seriously. Tomorrow (Wednesday) the oil minister will be holding a meeting with all the oil companies. The government is looking into the reasons for the rising prices and will certainly come out with a formula to deal with it or resolve the matter in 2-4 days. The oil minister has also informed the people about this today" Shah told reporters.

The Times of India - 23.05.2018

https://timesofindia.indiatimes.com/business/india-business/govt-working-on-excise-cut-as-fuel-prices-hit-new-peak/articleshow/64279664.cms

petrol-diesel still rising, any relief will be possible only through Government intervention However, the Government has ruled out any ad hoc solution. "The government is keen that instead of having an ad hoc measure, it may be desirable to have a long-term view which addresses not only the volatility but also takes care of the unnecessary ambiguity arising out of frequent ups and downs. That process is underway," Union Law Minister Ravi Shankar Prasad told reporters here on Wednesday. The Minister refused to elaborate either on the measures being considered or the possibility of a duty reduction. On the question of excise duty, he said proceeds from such taxes are used for the country's development, including building of highways, digital infrastructure, electricity to villages, hospitals and education.

The Hindu Business Line - 24.05.2018

https://www.thehindubusinessline.com/economy/fuel-price-no-ad-hoc-measures-govt-working-on-a-long-term-solution/article23971301.ece

Fuel price hike Highlights: GST 'one way to ease the situation', says Petroleum minister Dharmendra Pradhan

Rising fuel prices have set off a political firestorm in the past few days as petrol and diesel rates have skyrocketed. On Thursday, petrol price touched Rs 85.29 per litre in Mumbai, while in Delhi the price inched higher to a new record of Rs 77.47 per litre. Similarly, the diesel rates have also touched a high of Rs 68.53 and Rs 72.96 per litre in Delhi and Mumbai, respectively. Amid mounting pressure from the Opposition parties on the relentless fuel price hike, Union Oil Minister Dharmendra Pradhan said that the Centre was deliberating on an "immediate solution" to deal with rising fuel prices. "The oil ministry is of the view to bring petroleum products under the purview of the GST in order to bring down the prices of petrol and diesel. We are deliberating on an immediate solution to this problem till that time," Pradhan said in Bhubaneswar. Meanwhile, Union Minister Nitin Gadkari had on Wednesday said subsidising petrol and diesel to bring down their rising retail prices will take money away from social welfare schemes of the government and that increase in oil prices is "unavoidable" since India is now linked to the global economy.

The Indian Express - 25.05.2018

http://indianexpress.com/article/india/fuel-price-hike-live-petrol-diesel-prices-hit-new-high-cross-rs-77-in-new-delhi-rs-85-in-mumbai/?#liveblogstart

High fuel prices: Govt may not give any relief

Faced with a tough political call over high fuel prices, the Narendra Modi government is looking to stick it out, calculating the global rally in crude is likely to lose steam and this will ease the squeeze consumers are experiencing. Sources said while high fuel prices were problematic, the government may be reluctant to consider responses such as cuts in excise to reduce pump rates. This would affect revenue collection and reduce availability of funds for welfare schemes, while also adversely impacting fiscal discipline that has kept inflation under check. The view in the government is that the rally is unsustainable since it is not based on market fundamentals. Indeed, oil prices have slipped by $2 per barrel in the last two days after Opec kingpin Saudi Arabia and its partner outside the grouping, Russia, hinted that they may agree to wind down the two-year production cut deal. The political imperative for providing instant relief to consumers, too, is gone with the completion of the Karnataka polls. Elections in Rajasthan, MP and Chhattisgarh are in November, giving ample time for the government to wait for oil price correction.

The Times of India - 28.05.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F05%2F28&entity=Ar00200&sk=8F2D94DB&mode=text

Reforms face fuel price test

The government's attempt to boost domestic oil and gas production could take a hit, if "windfall tax" is considered as a long-term solution to meet the rising prices of petrol and diesel, analysts said. "A windfall tax will discourage both domestic and international companies from entering the oil exploration and production industry, keeping India dependent on imports," energy expert Kirit Parikh said. The spike in global crude prices resulting in the rising price of fuel has been an area of concern for the NDA government. The Centre, however, has limited options to protect consumers - a duty cut would have a marginal impact on the prices, while bringing petrol and diesel under the GST is an arduous process as states will not be willing to forgo revenue loss. The government, therefore, has a plan to impose a cess on the incomes of oil exploration companies such as ONGC, Oil India and Vedanta-run Cairn India. "Any windfall tax on PSU upstream companies will be credit negative for these companies as the earnings of these companies are already affected by the rise in cess effected in the recent past.

The Telegraph - 26.05.2018

https://www.telegraphindia.com/business/reforms-face-fuel-price-test-233114

High oil price: India staring at fuel subsidy burden up to Rs 53,000 crore

With global crude oil prices hovering at record high levels, India is staring at a ballooning of fuel subsidies up to Rs 53,000 crore in the current financial year ending March 2019. State-owned Oil and Natural Gas Corp (ONGC) and Oil India (OIL) may have to bear a large part of the burden impacting their financials, according to Moody's Investors Service. As the oil prices rise, ONGC and OIL face increasing risk that the government will once again require them to share in the country's fuel-subsidy burden. "Because of the government's widening fiscal deficit, ONGC and OIL could be asked to bear part of the Indian government's fuel subsidy for oil, if prices stay above $60 per barrel for the fiscal year ending March 2019," said Vikas Halan, Senior Vice President at Moody's. The two companies have not contributed to fuel subsidies since June 2015 but have paid for over 40 per cent of the country's annual subsidy bill in previous years. Halan said the net impact of the subsidy sharing will be manageable for ONGC and OIL, even if they are required to bear the entire shortfall between budgeted and actual amounts for 2018-19.

The Economic Times - 23.05.2018

https://energy.economictimes.indiatimes.com/news/oil-and-gas/high-oil-price-india-staring-at-fuel-subsidy-burden-up-to-rs-53000-crore/64268245

ONGC, OIL face risk of fuel subsidy sharing: Moody's

State-run exploration and production companies Oil and Natural Gas Corporation Ltd (ONGC) and Oil India Limited (OIL) face the increasing risk that the government of India will once again require them to share in the country's fuel-subsidy burden, said Moody's Investors Service in a note released on Tuesday. "Because of the government's widening fiscal deficit, ONGC and OIL could be asked to bear part of the Indian government's fuel subsidy for oil, if prices stay above $60 per barrel for the fiscal year ending March 2019," said Vikas Halan, a Moody's senior vice president. The two companies have since 2015 not contributed to fuel subsidies. They had, however, in previous years paid for more than 40% of the country's annual subsidy bill. "The net impact of the subsidy sharing will be manageable for ONGC and OIL, even if the two companies are required to bear the entire shortfall between budgeted and actual amounts for the fiscal year ending March 2019," added Halan.

Mint - 24.05.2018

To reduce fuel price, government looks at ONGC to share the burden

Wary of slipping on fiscal deficit targets, the Finance Ministry is reluctant to take a hit on excise duty levied on petrol and diesel. So, as rising fuel prices set off a political firestorm, it is the Petroleum Ministry which has stepped in. Sources have told The Indian Express that it is working on getting Oil & Natural Gas Corporation (ONGC) to take the burden. "The Ministry plans to direct ONGC to sell its crude oil at below ruling international prices by capping the price at, say, $70 for the entire fiscal year. Oil India Ltd (the other national oil producer) will not be a part of this scheme," a government official said. ONGC supplies an estimated 20 per cent of the country's total crude oil requirement to refining-cum-marketing companies IOC, HPCL and BPCL. The official said the exact price cap hasn't been determined as ONGC has asked for a higher price to fund its capital expenditures for the next two years. Incidentally, ONGC and OIL last contributed to fuel subsidies in June 2015 with contributions of over 40 per cent of the annual subsidy bill.

https://www.livemint.com/Industry/3Mw6wrehPzbT7dL0qHvPKK/ONGC-OIL-face-risk-of-subsidy-sharing-Moodys.html

The India Express - 24.05.2018
http://indianexpress.com/article/india/to-reduce-fuel-price-government-looks-at-ongc-to-share-the-burden-5189025/

Centre mulling immediate solution to deal with fuel prices: Union Oil Minister

Under fire from opposition parties over unprecedented fuel price hike, Union Minister for Petroleum and Natural Gas Dharmendra Pradhan once again appealed to the State Government to consider reduction of VAT on petrol and diesel. "Several factors are responsible for the surging oil prices which are beyond the control of the Government. Soaring prices of global crude oil and fluctuation in currency exchange rates are the two major factors," Pradhan told a media conference here on Thursday. Reduction of Central excise and VAT is the only way for the Centre and the States to bring down the fuel price. The Centre has already reduced the excise duty by Rs two per litre in October last year. "I had appealed to the State Government then to take a similar step by reducing the VAT on petrol and diesel to reduce the burden on the consumers. However, the State rejected my request," he said. "I have no hesitation to appeal the State Government once again to consider a tax reduction on the two essential items," Pradhan said.

The Indian Express - 25.05.2018
http://www.newindianexpress.com/nation/2018/may/24/centre-mulling-immediate-solution-to-deal-with-fuel-prices-union-oil-minister-1819045.html

GST on fuel price not possible until all state FMs agree: MoS Finance

With prices of petrol and diesel soaring high, Minister of State (MoS) for Finance Shiv Pratap Shukla on Wednesday suggested that imposing Goods and Services Tax (GST) on fuel price will not be possible until and unless all state finance ministers agree. "Crude is imported. Foreign companies are raising price. Petroleum Minister has said petrol and diesel should be brought under GST. Point is, it can't be brought before the Council until and unless all state finance ministers agree," Shukla told here. Shukla further assured that Prime Minister Narendra Modi is looking into the matter seriously. Earlier in the day, former Union Finance Minister P. Chidambaram claimed that the rates can be reduced by Rs. 25 per litre, but the government is not doing so. "It is possible to cut up to Rs 25 per litre, but the government will not. They will cheat the people by cutting price by Re 1 or Rs 2 per litre of petrol," he said in a tweet. Petrol prices rose by 30 paisa in most metropolitans earlier today. In Mumbai, they touch Rs. 85 per litre, whereas in New Delhi, the rate has crossed Rs. 77 for a litre, fuming the general public.

The Economic Times - 24.05.2018
https://energy.economictimes.indiatimes.com/news/oil-and-gas/gst-on-fuel-price-not-possible-until-all-state-fms-agree-mos-finance/64298031

Higher crude prices threaten govt's dividend income from oil PSUs

Rising crude oil prices are not only bad for India's currency and current account deficit, but could also negatively impact the government's income from central public sector enterprises by drying up the dividend bonanza from oil companies. In FY17, energy public sector undertakings (PSUs) such as Oil and Natural Gas Corporation (ONGC), Indian Oil, Bharat Petroleum, Hindustan Petroleum and Gail (India) accounted for 46 per cent of all dividend pay-outs by PSUs, the highest in at least a decade and up from 25 per cent a year ago. Most importantly, oil PSUs cushioned the blow to the exchequer from the poor profitability and lower dividend pay-outs from public sector banks and manufacturing firms such as Bharat Heavy Electricals, Coal India, Steel Authority of India (SAIL) and NMDC. The recent rise in crude oil prices threatens the dividend bonanza from oil PSUs as these companies would now find it tough

Crude oil price rise could moderate later, suggests Spanish survey

Crude oil prices are trading around multiyear highs. Brent oil has already seen $80-plus a barrel in futures, before correcting. However, analysts think prices could moderate but not for a while. FocusEconomics, a Spain-based economic think tank, says after surveying economists and analysts: "We do not expect the current sweet spot in oil prices will be sustainable further down the road. Higher prices are allowing an increasing number of shale oil producers to ramp up production, especially in the United States. More, rising trade disputes and elevated political tensions across the globe are threatening to derail an otherwise promising global growth trajectory. Prices could be averaging $66.5 a barrel in Q4 (October to December) of 2018." Brent oil has averaged $69.37 a barrel since January. The think tank's economists forecast a range for Q4 of $57-81.7.

to increase retail fuel prices, hence risking their profitability. Analysts say that the biggest fiscal impact would be felt in FY19.

Business Standard - 25.05.2018

http://smartinvestor.business-standard.com/market/Smartmoves-94930-Smartmovesdet-BHEL_at_52_week_low_on_huge_volumes.htmhttp:/www.smartinvestor.in/market/story-528045-storydet-Higher_crude_prices_threaten_govts_dividend_income_from_oil_PSUs.htm#.WwvpH0iFPIU

Natixis, a London-based commodity research house, says: "Due to sanctions, Iran's 2.5-300,000 barrels a day of export will not happen, which Opec (the petro exporting nations' cartel) members are likely to replace."

Business Standard - 24.05.2018

http://www.business-standard.com/article/companies/crude-oil-price-rise-could-moderate-later-suggests-spanish-survey-118052400049_1.html

Indian fuel prices fourth highest among top 10 crude oil consuming nations

At a time when petrol and diesel prices have hit record high, an analysis based on data compiled from various online sources reveals that petrol and diesel prices in India are not only the highest in this region but also fourth highest among the top 10 crude oil consuming nations in the world. India is, says the US Energy Information Administration, the third largest consumer of crude oil in the world at 4.14 million barrels a day (mbd), about four per cent of global consumption. The US (19.53 mbd) and China (12.02 mbd) are the top two. In this list of the top 10 consumers, India has one of the costliest prices — $1.19 a litre for petrol and $1.05 a litre for diesel. The top three are Germany, South Korea and Japan, based on May 21 international product pricing data available with Globalpetrolprices.com. Based on the data, the world's largest oil producer, Saudi Arabia, has the cheapest price among the top 10 consumers — $0.54 a litre for petrol and $0.13 a litre for diesel. Followed by Russia, the US, Brazil, Canada and China. The average global price of petrol last week stood at $1.18 a litre and $1.07 a litre for diesel.

Business Standard - 28.05.2018

http://www.business-standard.com/article/economy-policy/indian-motor-fuel-prices-fourth-highest-among-top-10-crude-oil-nations-118052700624_1.html

HPCL-MRPL merger likely by this fiscal-end

Hindustan Petroleum Corporation Ltd is hopeful of merging with or acquiring Mangalore Refinery and Petrochemicals Ltd before the end of the financial year 2018-2019. HPCL has recently become a subsidiary of fellow public sector undertaking Oil and Natural Gas Corporation. MRPL was already a downstream subsidiary of ONGC. HPCL has already expressed its interest of merging with MRPL to boost its refining capacity and add more products to its output. In response to a query on whether HPCL will be able to complete the deal in the current financial year, HPCL Chairman and Managing Director, M K Surana said, "We hope." "The integration makes sense. In principal we feel that it is the right direction and we need to look at the methodology of implementing it," he said. Hindustan Petroleum Corporation Ltd is hopeful of merging with or acquiring Mangalore Refinery and Petrochemicals Ltd before the end of the financial year 2018-2019. HPCL has recently become a subsidiary of fellow public sector undertaking Oil and Natural Gas Corporation. MRPL was already a downstream subsidiary of ONGC.

The Hindu Business Line - 24.05.2018

https://www.thehindubusinessline.com/companies/hpcl-hopeful-of-merging-with-mrpl-by-this-fiscal-end/article23967168.ece

UAE oil for Mangalore strategic stockpile arrives

India today received the first shipload of crude oil from UAE for storage at the Mangalore underground strategic storage which will act an insurance in times of emergencies. Ship MT Inspiration carrying 2 million barrels of crude oil belonging to Abu Dhabi National Oil Company (ADNOC) docked at the Mangalore port after sailing for a week, an official statement said here. Indian Strategic Petroleum Reserve Ltd - a special purpose vehicle that build India's maiden strategic storages - had in February signed a contract with ADNOC to lease out part of the Mangalore storage.

Definition of petroleum may include Shale too

The oil ministry plans to amend the Petroleum & Natural Gas Rules 1959 to include shale in the definition of petroleum, a change that would allow private companies to explore and produce the resource in the blocks they already operate. It has sought public comments in the next two weeks for the proposed amendment. The current definition excludes shale and therefore bars private companies from exploiting it from fields that are producing conventional oil and gas or coal-bed methane. The proposed amendment aims to broaden the scope of

Under the pact, ADNOC will store about 5.86 million barrels of crude oil at Mangalore storage at its own cost. "The filling up began with the 2 million barrels reaching Mangalore today," the statement said. ADNOC will bring additional crude oil and fill up the Mangalore cavern later this year. India has in the first phase of strategic oil storage programme built underground facilities with total capacity of 5.33 million tonnes (around 39 million barrels) at Vishakhapatnam in Andhra Pradesh, Mangalore and Padur in Karnataka.

Business Standard - 22.05.2018

http://www.business-standard.com/article/pti-stories/uae-oil-for-mangalore-strategic-stockpile-arrives-118052101152_1.html

India's steel output grows 4% to 8.59 MT in April

India's crude steel production grew 4.4 per cent to 8.59 million tonne (MT) during April 2018, according to official data. The country had produced 8.22 MT during the same month a year ago, the Joint Plant Committee (JPC) said in a report. "During April 2018, crude steel production was at 8.59 MT, a growth of 4.4 per cent over April 2017," it said. SAIL, Rashtriya Ispat Nigam Ltd (RINL), Tata Steel, Essar Steel, JSW Steel and Jindal Steel and Power Ltd together produced 5.01 MT during April. This was 6.7 per cent more compared to 4.7 MT the six players had produced in April 2017, the report said. "The rest 3.57 MT came from other producers, showing a growth of 1.4 per cent over April 2017," it added. During April 2018, the output of hot metal was at 5.80 MT as compared to 5.38 MT during the year-ago month. While 4.83 MT was produced by the six companies, the rest 0.96 MT came from other producers. Output of pig iron rose 1.9 per cent to 0.80 MT from 0.78 MT in April 2017.

The Economic Times - 28.05.2018

https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/indias-steel-output-grows-4-to-8-59-mt-in-april/articleshow/64275524.cms

Goods exporters body seeks parity between domestic, export steel price

To bring a parity between the domestic and export prices of steel, the Engineering Export Promotion Council of India (EEPC India) has asked the Union government to consider several measures, including price parity in indigenous and exported

petroleum by dropping the line that refers to exclusion of shale. The amendment will help Essar Oil, Great Eastern Energy, Reliance Industries Ltd, Vedanta and other private players wanting to exploit shale in their fields. The government's 2013 policy permits only state-run Oil and Natural Gas Corp and Oil India to explore shale. ONGC's experience in shale exploration hasn't been very encouraging so far though they have spent significant time and money on it.

The Economic Times - 27.05.2018

https://economictimes.indiatimes.com/industry/energy/oil-gas/definition-of-petroleum-may-include-shale-too/articleshow/64345826.cms

Steel industry poised for stable growth in 2018

Last week we reviewed the commodity prices as they are likely to behave in FY19. The available indications suggest a gradual downward trend in global prices of iron ore, coking coal and scrap from the current level. This sounds good for the steel industry which sees uplift in the demand front. The short-range outlook of WSA forecasts 1.8% growth in global steel consumption in 2018 led by India (5.5%), USA (2.7%), EU (2.5%), Turkey (5.0%), Russia (2.1%) and South Korea (1.0%). China is also likely to consume similar volume of steel as in 2017. Meanwhile, the World Economic Outlook, brought out by IMF recently, has predicted a reasonably good global GDP growth of 3.9% and this would be fuelled by GDP growth of 7.4% in India, 6.6% in China, 2.4% in EU and 2.9% growth in USA. Japan, a major steel producer is also likely to experience a GDP growth of 1.2% in the current year. Thus higher global economic growth which would also require an investment growth of 11% over last year to take the share of investment as a percentage of global GDP to 26% as per IMF estimates would generate substantial steel demand in varying proportions in different countries depending on the primary focus of Fixed Asset Investment as a percentage of GDP.

The Financial Express - 24.05.2018

https://www.financialexpress.com/industry/steel-industry-poised-for-stable-growth-in-2018/1178958/

Weak rupee, high fuel rates hit Indian carriers

Rising jet fuel prices, a weakening rupee and inability to charge fares reflecting higher costs due to intense competition have begun taking a toll on the health of Indian carriers. Jet Airways Group on Wednesday declared Q4, FY18 loss of steel and lowering of basic customs duty on some steel products. The engineering export body has time and again stated that the price of domestic steel procured by exporters is higher than the cost of steel exported from the country. Another suggestion that the exporters' lobby has made is that the basic customs duty on some steel products should be removed, in turn lowering the price of domestically manufactured steel. "The moment we reduce the basic customs duty, the price of domestic steel goes down," Suranjan Gupta, additional executive director, EEPC India said. In a presentation made to the Union government, EEPC chose products that were used by a broad majority of the engineering industry. The analysis by EEPC India is restricted to a few primary steel products used by a broad majority of the engineering industry.

Business Standard - 27.05.2018

http://www.business-standard.com/article/economy-policy/goods-exporters-body-seek-parity-between-domestic-export-steel-price-118052100349_1.html

Rs 1,040 crore as opposed to a profit of Rs 583 crore in same quarter of previous fiscal. For 2017-18, Jet reported a loss of Rs 636 crore against a profit of Rs 1,499 crore in 2016-17. Jet Group's total revenue rose 8% to Rs 24,511 crore in FY18 compared to Rs 22,693 crore in FY17. Results of the two other listed airlines had also shown similar stress due to the worsening oil-rupee combine. Indi-Go's net profit had fallen 73% in Q4, FY18 to Rs 117.6 crore from Rs 440 crore in corresponding period last fiscal. IndiGo's fuel cost during the January-March, 2018, quarter had risen to Rs 2,338 crore from Rs 1,751 crore a year ago. IndiGo's profit for FY18 was Rs 2,242.4 crore, up 35% from Rs 1,659.2 crore in FY17. SpiceJet had said that its bottom-line was impacted by Rs 81.4 crore in the quarter ended March, 2018, due to 12.7% hike in crude prices.

The Economic Times - 24.05.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F05%2F24&entity=Ar01616&sk=CE0C49CB&mode=text

IndiGo, Air India Express among five cheapest airlines in the world

Low-cost carriers IndiGo and Air India Express have been ranked among the top five cheapest airlines in the world in providing international connectivity. Air India Express, the wholly-owned subsidiary of state-run carrier Air India has been ranked second and the budget carrier IndiGo placed at fifth position in a Global Flight Pricing Report prepared by Melbourne-based Rome2rio — a multimodal travel planning site. Two other Indian carriers also figured in the list. Jet Airways gained the 12th place followed by Air India at 13th position. The report compared 200 major airlines across continents by the average price per kilometre with Air Asia X taking the pole position. Air India Express, mostly connecting Gulf countries and Singapore, has an average cost of $0.08 per km and IndiGo $0.10 per km. The latter connects Indian cities with Gulf countries besides Bangkok, Colombo and Kathmandu. AirAsia X at the top has an average of USD 0.07 per km. The data was analysed by taking into account the economy class airfares displayed by Rome2rio during the first two months of this year, totalling some 1.5 million price points.

The Hindustan Times - 28.05.2018

https://www.hindustantimes.com/business-news/indigo-air-india-express-among-five-cheapest-airlines-in-the-world/story-Dx5vE1pFaah67lR5hvMG7J.html

Ministry plans long-term visas to help double tourist inflows

The tourism ministry is proposing long-term visas as a measure to boost foreign tourist arrivals in the country. Tourism Minister KJ Alphons told ET in an interview that his ministry is mooting introduction of long-term visas, easing of travel restrictions in some regions, and more flights to popular tourist destinations as measures to help double foreign tourist arrivals in three years. "We already have multiple-entry visas. Now we want long-term visas like in the US and other countries, like 5- and 10-year visas, for which we will write to various ministries," Alphons said. "Currently, the duration is 60 days. All these things add up to our target of doubling tourist inflow in three years." Foreign tourist arrivals in 2017 increased by 15.7% from a year ago to top 10 million. "We should be getting 100 million tourists in 10 years. We can do it. In three years, we want to take the number to 20 million. We got $27 billion last year from foreign tourist arrivals. In 5-7 years we should be earning $100 billion," he said, adding that the global average of growth in tourist numbers was 5%.

The Economic Times - 28.05.2018

https://economictimes.indiatimes.com/industry/services/travel/ministry-plans-long-term-visas-to-help-double-tourist-inflows/articleshow/64266122.cms

Soon air passengers can enjoy paperless boarding

Domestic air passengers could soon be enjoying a complete paperless boarding experience at airports as the government under a biometric-based 'digi-yatra' initiative will provide them a unique ID for hassle-free entry. For this, passengers need to enrol with the programme through the government's revamped AirSewa-II portal to generate a 'digi-yatra' ID for paperless service. "We are utilising Aadhaar infrastructure to first authenticate a passenger and thereafter we will be developing the database and identification procedures so that people can get into the airport without any paper. It will improve convenience and increase the throughput of our airports," Minister of State Jayant Sinha told reporters here. The Aadhaar-based verification will, however, be done only once, he said, clarifying that the initiative is "voluntary" and passengers are free to decide on enrolling for digi-yatra. "The architecture is designed in a way to ensure privacy is fully protected. Supreme Court has said that privacy is a fundamental right. The privacy has been built into the digital yatra system," Sinha said.

Business Standard - 23.05.2018

http://www.business-standard.com/article/pti-stories/soon-air-passengers-can-enjoy-paperless-boarding-118052201254_1.html

GST to be levied on goods stored in customs warehouse only on final clearance: CBIC

The Central Board of Indirect Taxes and Customs (CBIC) has asked its field offices to levy GST on goods in customs warehouse only at the time of final clearance. The move is aimed at ensuring ease of doing business for importers, experts said. In a circular to principal chief commissioners and chief commissioners, the GST policy wing of the CBIC said, "transfer/sale of goods while being deposited in a customs bonded warehouse" is a common trade practice whereby the importer files an 'into-bond' bill of entry and stores the goods in a customs bonded warehouse. The importer then supplies such goods to another person, who then files an 'ex-bond' bill of entry for clearing the said goods from the customs bonded warehouse for home consumption. The CBIC said that the Customs Tariff Act has been amended with effect from March 31, 2018, to state that the valuation for the purpose of levy of Integrated GST (IGST) on warehoused imported goods at the time of clearance for home consumption would be either the transaction value or valuation done at the time of filing the 'into-bond' bill of entry, whichever is higher.

DNA - 28.05.2018

http://www.dnaindia.com/business/report-gst-to-be-levied-on-goods-stored-in-customs-warehouse-only-on-final-clearance-cbic-2619232

Sagarmala funds pledge

The Union shipping ministry is eyeing the award of projects worth around Rs 70,000 crore under the flagship Sagarmala programme in 2018-19. The Rs 8-lakh-crore programme, which started in 2015, will cover around 570 projects across four verticals - port modernisation, connectivity enhancement, port-linked industrialisation and coastal community development. "At present, we have projects worth around Rs 3.5 lakh crore in progress or in the planning stage. We are looking at additional projects worth Rs 70,000 crore," K.K. Aggarwal, joint secretary of the Sagarmala project in the ministry of shipping, told The Telegraph on the side-lines of a Bengal Chamber of Commerce event on Friday. Most of the fresh investment will be for port modernisation and better connectivity. Aggarwal said despite the challenges such as longer gestation period for some projects on account of the preparation of reports, getting environment and statutory clearances, evaluating financial viability, the programme has progressed well.

The Telegraph - 26.05.2018

Darj to get container depot for Sagarmala

Apart from the port at Tajpur, West Bengal stands to gain an internal container depot (ICD) at Darjeeling, coastal employment zones at Kolkata and Haldia and hubs for export of leather items, footwear and furniture from the Centre’s Sagarmala Project. The ICD at Darjeeling is under implementation and will be one of the 15 multi-modal logistics parks being developed across India. “We have identified more than 570 projects at a total investment of nearly Rs 8,00,000 crore. The plan is to reduce costs with minimum change in infrastructure. Ports will be modernized and connectivity to them will be improved. The next step is to develop skills among the coastal communities. Finally, there will be port land industrialization. We want future industries to come up closer to ports and create Coastal Industrial Zones and Maritime Clusters,” K K Aggarwal, joint secretary, Sagarmala Project, Ministry of Shipping, said in Kolkata on Friday.

The Times of India - 26.05.2018

https://www.telegraphindia.com/business/sagarmala-funds-pledge-233116

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F05%2F26&entity=Ar02418&sk=63FB78F5&mode=text

Now, foreign ships can move commodities on local routes

Foreign-flagged ships will be allowed to transport agriculture, horticulture, fisheries and animal husbandry commodities between Indian ports without a licence, the Shipping Ministry said in an order issued on Tuesday in a second round of cabotage relaxation. On Monday, the Ministry had eased cabotage rules by allowing foreign-flagged container ships to carry export-import (Exim) containers for transhipment and empty containers on local routes without a licence. Only Indian registered ships are allowed to ply on local routes for carrying cargo, according to India's cabotage law. Foreign ships can operate along the coast only when Indian ships are not available, after taking a licence from the Director-General of Shipping, according to the rule that was designed to protect local ship owners. The cabotage relaxation granted to foreign flagged ships for carrying agriculture, horticulture, fisheries and animal husbandry commodities specified in the Indian Trade Classification (ITC), Harmonised System (HS) of the Director-General of Foreign Trade, Union Ministry of Commerce and Industry, is conditional on such commodities contributing to at least 50 per cent of the total cargo on board the ship, PK Sharma, Under Secretary in the Shipping Ministry, said.

The Hindu Business Line - 24.05.2018

https://www.thehindubusinessline.com/news/now-foreign-ships-can-move-commodities-on-local-routes/article23971760.ece

Cabotage tweak flags 'foreign flight' by container ship operator

In a retaliatory move, Shreyas Shipping & Logistics Ltd, the country's biggest container ship operator, said it will flag out its Indian-registered ships to overseas business-friendly jurisdictions after the Centre decided earlier this week to open the country's coastal shipping to foreign container lines. "We will flag our ships out, it doesn't make any sense to stay here any longer," Ramesh S. Ramakrishnan, Chairman and Managing Director of Mumbai-listed Shreyas Shipping told BusinessLine in an interview on Friday. Shreyas runs 11 container ships accounting for 90 per cent of EXIM trans-shipment along the Indian coast. "We have been operating in an environment where it is far more expensive as compared to other regimes and we have been very committed about ensuring that we are able to develop the transhipment business over many ports, plus we have been developing the ability to offer something which is very cost effective for the domestic market as well. Both together makes this business fly," he said.

The Hindu Business Line - 26.05.2018

https://www.thehindubusinessline.com/news/cabotage-tweak-flags-foreign-flight-by-container-ship-operator/article23993753.ece

Pravin Agrawal appointed BHEL director

State-run power equipment maker BHEL today said Pravin L Agrawal has been appointed as part-time official director on its board. An Indian Forest Service officer, Agrawal is presently joint secretary in the Department of Heavy Industry (DHI), Ministry of Heavy Industries and Public Enterprises, BHEL said in a statement.

Agrawal, 49, is a Commonwealth scholar and holds post-graduate degrees in sustainable development, public policy and management from different global universities. He has varied experience in public policy and governance issues, it added.

Moneycontrol - 22.05.2018

https://www.moneycontrol.com/news/business/pravin-agrawal-appointed-bhel-director-2573285.html

Rajiv Sikka takes over as IGL Director (Commercial)

Rajiv Sikka has taken over as Director (Commercial) of Indraprastha Gas Ltd (IGL), the supplier of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) in the NationalCapital Territory of Delhi, Noida, Greater Noida, Ghaziabad and Rewari. Mr Sikka, who took charge of the new post on Friday, possesses a degree in Civil Engineering from HBTI, Kanpur and a Masters in Urban and Regional Planning from School of Planning and Architecture, Delhi. He is a result oriented and experienced senior leader having nearly 30 years of experience in the oil and gas space skilled in B2B and B2C sales and marketing, business strategy, business planning, team building and operations in BPCL. IGL is a joint venture of GAIL (I) Ltd and BPCL along with Government of NCT of Delhi.

WebIndia123 - 26.05.2018

https://news.webindia123.com/news/Articles/India/20180526/3352683.html