WEEKLY MEDIA UPDATE

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(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.)

Fitch lowers India growth forecast to 7.2%

Fitch Ratings Thursday revised downwards India's GDP growth forecast to 7.2% for current fiscal citing higher financing cost and reduced credit availability. In its Global Economic Outlook, Fitch projected that for 2019-20 and 2020-21 financial years, India's GDP growth will be 7% and 7.1% respectively. Fitch had in June projected India to grow at 7.4% in current fiscal and 7.5% in 2019-20. "We have lowered our growth forecasts on weaker-than-expected momentum in the data (GDP), higher financing costs and reduced credit availability. We now see GDP growth at 7.2% in the fiscal year ending March 2019 (FY19), followed by 7.0% in FY20 and 7.1% in FY21," it said. It said GDP growth "softened quite substantially" in July-September quarter of current fiscal growing by 7.1%, as against 8.2% in April-June. "Consumption was the weak spot, stepping down from 8.6% to 7.0%, though still growing at a healthy rate. Other components of domestic demand fared well, notably investment, which has been steadily strengthening since 2H17. The external sector was again a significant drag on over-all GDP amid steadily accelerating imports," Fitch said. The global rating agency said India's fiscal policy should continue to support growth in the run-up to elections in early 2019.

The Economic Times - 07.12.2018
https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F12%2F07&entity=Ar01100&sk=D4E8E330&mode=text

Crisil trims India's growth forecast to 7.4% on lower global trade

Crisil has lowered India's GDP growth forecast by 10 basis points to 7.4% for the current fiscal due to lower global trade and GDP growth. India's GDP growth rate fell to 7.1 per cent in July-September quarter from 8.2 per cent in the April-June quarter. "As the trade intensity of growth declines, India's exports, which saw a revival in early part of 2018, could likely see slower growth. The upturn so far in exports was being led by a low base, easing of constraints posed by GST implementation and lingering impact of global trade revival in 2017," Crisil said. Crisil added that, "Investment growth is only firing on one cylinder - government spending - through the public sector, and higher capital spending by states." Despite downward revision in GDP forecast, Crisil predicts that India's growth this fiscal will be faster compared to the previous fiscal. The rating agency added that for the rest of this fiscal, growth will find support from private consumption, driven by continued government spending on construction activities (rural roads, affordable housing and MGNREGS projects), benign inflation, and revision in government salaries at the state level.

Business Today - 06.12.2018
https://www.businesstoday.in/top-story/crisil-trims-indias-growth-forecast-to-7.4-on-lower-global-trade/story/297236.html

Mfg activity at 11-mth high in Nov: Survey

Manufacturing activity rose at its fastest in nearly one year in November on the back of rising new orders and demand, reinforcing the view that the sector is continuing its recovery from the impact of demonetisation and GST implementation glitches. The Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose for the third consecutive month in November to 54, up from 53.1in October. PMI is based on data compiled from monthly replies to questionnaires sent to purchasing executives in over 400 industrial companies. Buoyed by stronger demand

Strong domestic demand pushes services PMI to four-month high in November

Lifted by a significant rise in domestic demand, service activity in India expanded in November at the quickest pace in four months, a private survey showed on Wednesday. The Nikkei India Services Business Activity Index rose from 52.2 in October to 53.7 in November, signalling a solid upturn in output that was the strongest since July. A reading of over 50 on this survey-based index indicates expansion, below that contraction. A sister index on Monday had shown manufacturing activity gain momentum conditions and greater sales, manufacturers increased production at the second quickest pace since October 2016. The rise was led by intermediate goods firms, although robust growth was seen in the consumer and capital goods categories. New orders expanded at the second fastest rate in over two years, slower only than that seen in December 2017. Companies suggested that marketing efforts bore fruit, while stronger demand boosted sales. Expansion in new orders was supported by greater sales to international markets. Growth of new export work quickened to the fastest in just under four years, as producers reportedly received bulk orders from clients in key export destinations.

The Times of India - 04.12.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F12%2F04&entity=Ar01615&sk=28580256&mode=text

and PMI rising to 54 in November from October's 53.1. Put together, the seasonally adjusted Nikkei India Composite PMI Output Index rose from 53.0 in October to 54.5 in November, pointing to the fastest expansion in private sector activity since October 2016. "November saw India's economy spring back to life, as manufacturers and service providers registered stronger increases in business activity amid an upsurge in demand," the survey report said. Services jobs rose in November, stretching the current sequence of expansion to 15 months. So far, 2018 proved to be the strongest year for employment growth for a decade, it said.

The Economic Times - 06.12.2018

https://economictimes.indiatimes.com/news/economy/indicators/strong-demand-takes-november-services-growth-to-four-month-high-pmi/articleshow/66949147.cms

CAD widens to 2.9% of GDP

The country's current account deficit (CAD) widened to 2.9% of the GDP in the second quarter of this fiscal (FY19) compared to 1.1% in the year-ago period, mainly due to a large trade deficit, the RBI said on Friday. The CAD was $19.1 billion during the quarter ended September 30, 2018. It increased from $7 billion in the second quarter of FY18. The CAD stood at $16 billion (2.4% of GDP) in the April-June quarter. The CAD has increased to 2.7% of GDP in first half of FY19 from 1.8% in the corresponding period of FY18 on the back of a widening trade deficit. According to the RBI, the widening of the CAD on a year-on-year (y-oy) basis was primarily on account of a higher trade deficit at $50 billion as compared to $32.5 billion a year ago. The RBI's preliminary data on the country's balance of payments (BoP) for July-September FY19 further revealed that net services receipts increased by 10.2% on a y-o-y basis, mainly on the back of a rise in net earnings from software and financial services. Private transfer receipts, mainly representing remittances by Indians employed overseas, amounted to $21 billion during the quarter — increasing by 20% from their level a year ago. In the financial account, net foreign direct investment at $8 billion in the second quarter of FY19 moderated from $12.4 billion in the similar period of the previous fiscal.

The Times of India - 08.12.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F12%2F08&entity=Ar01709&sk=E6FB7517&mode=text

Eye on Divestment Target, CPSE M&A Plan to Continue

The finance ministry will go ahead with its merger and acquisition (M&A) programme in central public sector companies (CPSEs) despite opposition from administrative ministries as it looks to meet the disinvestment target for the year. Top of the agenda is merger of Power Finance Corporation (PFC) and Rural Electrification Corporation (REC). Another major deal could be NTPC taking over hydropower firm SJVN. "There are some minor issues which are being looked at," said a finance ministry official adding that at least two such deals will happen before the end of this fiscal. "Everything should be in place by the start of the last quarter," the official added. There was some opposition from the Power Ministry which felt that the PFC-REC merger but the larger view has prevailed that a single entity would be able to achieve economies of scale. So far, the government has realised Rs 15,247 crore as disinvestment proceeds against the budgeted target of Rs 80,000 crore for FY 18-19. Another Rs 17,000 crore are expected through the CPSEETF which was oversubscribed 3.5 times. Around Rs 18,000 crore are expected from PFC-REC deal.

The Economic Times - 04.12.2018

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F12%2F04&entity=Ar01317&sk=B310156D&mode=text

Ministries told to continue spending allocated budgets

The finance ministry has asked ministries and departments to continue spending their allocated budgets as it got down to preparing the interim budget for FY20, signalling its comfort with government finances even as the fiscal deficit crossed the full-year estimate in October. The government has budgeted the fiscal deficit this financial year at 3.3% of GDP, which independent experts said may be breached, an assessment the government does not seem to share. "Ministries have been asked to spend whatever has been allocated... There is no directive that they need to put expenditure on hold," a government official privy to the deliberations told ET. The budgeted fiscal deficit for FY19 is pegged at Rs. 6.24 lakh crore, or 3.3% of GDP. The gap in the first seven months came in at Rs. 6.49 lakh crore, or 103.9% of the estimate. At the same point last year, the fiscal deficit was 96.1% of the estimate and the government eventually breached its target of 3.2% of GDP to end FY18 at 3.5% of GDP. "Concerns persist that a shortfall may arise in FY2019 relative to the budgeted level, in indirect tax revenues driven by CGST and excise collections, non-tax revenues led by dividends and other communication services, and disinvestment proceeds," said Aditi Nayar, principal economist at ICRA.

The Economic Times - 07.12.2018

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F12%2F07&entity=Ar01319&sk=14B5A2A0&mode=text

Govt may infuse Rs. 2,000cr in loss-making non-life PSUs

The government is likely to come out with a proposal for recapitalisation of loss-making public sector nonlife insurance companies. The department of financial services has been asked to prepare a plan, which sources said would require about Rs 2,000-crore infusion in the near future. The issue of the government-owned insurance companies incurring losses and how they were finding it tough to be in the business was raised at a recently held meeting chaired by Prime Minister's principal secretary Nripendra Mishra and officials from IRDAI and other departments. "There is a fear that if corrective steps — including pumping in of fresh capital — are not taken, these companies may have to reduce the scale of their business," said a source. In his February 2018 budget, finance minister Arun Jaitley had announced the merger of three non-life insurers — United India Insurance, National Insurance and Oriental Insurance — to create the largest non-life company. The merged entity was subsequently expected to go for a listing. The companies had invited proposals from consultants for the merger. However, sources said that shortfall of capital was an impediment.

The Times of India - 07.12.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F12%2F07&entity=Ar01702&sk=12D19A37&mode=text

Disinvestment drive gathering pace: Receipts nearing FY19 target; to hit Rs 65,000 crore by Jan-end

If the transactions already initiated and the plans laid out materialise, the Centre's disinvestment revenue by January-end may touch Rs 65,000 crore, at a striking distance from the FY19 target of Rs 80,000 crore. So far this year, the Centre has garnered about Rs 32,998 crore in disinvestment receipts, 77% of which via exchange-traded funds. While another Rs 17,000 crore worth transactions are expected by end-January, about Rs 15,000 crore is assured from the proposed Power Finance Corporation's purchase of the Centre's 52.63% stake in Rural Electrification Corporation after Cabinet accorded in-principle nod to the deal on Thursday. Of the transactions by January, the Centre could garner about Rs 12,000 crore from share buybacks by PSUs. PSUs going for share buybacks include IOC, Oil India, ONGC, NLC, Cochin Shipyard, BHEL and Coal India. About Rs 5,000 crore is expected from relatively smaller deals such as sale of Centre's

Govt contribution to NPS Up at 14%

The Cabinet on Thursday raised the government's contribution to the National Pension Scheme (NPS) to 14% of the basic salary from the 10% at present, sources said. Minimum employee contribution will, however, remain at 10%. The Cabinet also approved tax incentives under 80C of the Income Tax Act for employees' contribution to the extent of 10%, they said. The government and employees now contribute 10% of basic salary each to NPS. While the minimum employee contribution remains at 10%, the government contribution has been increased from 10% to 14%. The Cabinet also allowed government employees to commute 60% of the fund accumulated at the time of retirement, up from 40% at present. Also, employees will have the option to invest in either fixed income instruments or equities, sources said. According to the Cabinet decision, if the employee decides not to commute any portion of the accumulated fund in NPS at the time of retirement and transfers 100% to entire stake in Pawan Hans (worth about Rs 1,000 crore) and Dredging Corporation of India (up to Rs 1,000 crore); listing of North Eastern Electric Power Corporation (which may fetch about Rs 1,300 crore) and MSTC; and couple of offers for sale (OFS) may also go through before January-end.

The Financial Express - 10.12.2018
https://www.financialexpress.com/economy/modi-govts-disinvestment-drive-receipts-to-touch-rs-65-cr-by-jan-end/1408605/

annuity scheme, then his pension would be more than 50% of his last drawn pay, sources said. The government did not announce the decision in view of the ensuing polls in Rajasthan on Friday. While the government is yet to decide on the date of notification of the new scheme, sources said, such changes usually come into effect from the beginning of the next financing year.

The Economic Times - 07.12.2018
https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2018%2F12%2F07&entity=Ar01601&sk=1F8AC512&mode=text

PM Modi's call for low oil price counts for Opec, says Saudi minister

PM Modi's voice against high oil prices counts much for Opec and forms a valuable component of deliberations by the grouping of 14 countries, said Khalid A Al-Falih, oil minister of Saudi Arabia — the de-facto leader of Opec — on Thursday in Vienna, where the grouping's oil ministers are assembled to discuss an output cut to shore up crude prices. "We just met with him (Modi) at Buenos Aires (during the G-20 summit) and privately he made those points of view very strongly that he does care for Indian consumers. I've seen him three times in India at various energy events in India. He also was very vocal (against high oil prices)," Bloomberg TV showed Falih telling reporters in Vienna. The pace of the country's economic growth is seen driving incremental demand for oil through the next decade or so. PM Modi, assisted by oil minister Dharmendra Pradhan, has tirelessly driven the dialogue for reasonable oil pricing, trying to reason that it is in the long-term interest of the producer-countries. Modi told global oil bosses, including Falih, who had assembled for a brainstorming session in October, that they were killing their 'golden goose' (consumer countries) by keeping oil prices high.

The Economic Times - 07.12.2018
https://energy.economictimes.indiatimes.com/news/oil-and-gas/pm-modis-call-for-low-oil-price-counts-for-opec-says-saudi-minister/66982638

OPEC projects over-supply and demand slow-down in 2019, may announce output cut

The Organization of Petroleum Exporting Countries (OPEC) in its meeting today weighed the prospects of facing an over-supplied crude oil market in 2019, along with a slow-down in oil demand, Suhail Mohamed Al Mazrouei, Minister of Energy and Industry at UAE and President of the OPEC conference said in Vienna today. Mazrouei added that the recent developments in oil and gas market require a change in strategy decided earlier in June 2018. "As we look forward to 2019, we see a new set of challenges. This includes the general consensus that prospects point to higher supply growth than expected global requirement and there are signs of a potential slowdown in demand," Mazrouei said as part of his opening address to the 175th meeting of the OPEC conference. Saudi Arabia has indicated it wants OPEC and its allies to curb output by at least 1.3 million barrels per day, or 1.3 percent of global production, news agency Reuters reported from Vienna. "Today, it is vital that we thoroughly examine the potential gap between supply and demand in 2019, and how this might impact inventory levels and the extremely hard won market balance we have achieved over the past two years," Mazrouei said.

The Economic Times - 07.12.2018
https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-projects-over-supply-and-demand-slow-down-in-2019-may-announce-output-cut/66972182

Opec slash to make fuel costlier, strain govt funds

Like all good things, the current run of declining fuel prices appears set to end as Opec, the grouping of 14 major oil exporting countries, on Friday stitched a last-minute deal to throttle output by 1.2 million barrels per day (bpd), or a

Fuel prices set to soar again, industry wants scrapping of daily revision

Petroleum dealers and bulk consumers such as truckers and bus operators have revived their demand to abolish daily price revision of motor fuels, two days after the Organisation of the Petroleum Marketing Countries (Opec) decided quarter of India's daily consumption. But several imponderables such as the fault lines within Opec, rising exports from the US and the level of compliance by Russia – the non-Opec producer wielding considerable influence over the global oil market – are expected to moderate the pinch at the pumps for fuel consumers. Agency reports from Vienna, where energy ministers from the grouping and its outside partners are assembled, said Opec members will pare production by 80,000bpd and its partners by 40,000bpd from January. The deal will be reviewed in April. Global oil prices jumped 4% on the news as the market saw a clear roadmap after the grouping had appeared to be faltering on Thursday. A clearer picture will emerge when the market opens on Monday and more details are known. Opec accounts for 40% of global supplies. For India, which imports over 80% of its oil, the grouping's member countries account for 82% of crude, 75% of natural gas and 97% of LPG (domestic cooking gas) supplies.

The Times of India - 08.12.2018

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2018%2F12%2F08&entity=Ar01105&sk=C8CAE48D&mode=text

to cut down crude oil production globally. Opec's Friday's decision to reduce crude oil production by 1.2 million barrels per day is likely to burn a hole in the customers' pocket again after a period of two months that saw prices of petrol and diesel decline steadily from their peak. The decision has left the Indian retail market on edge as it was just recovering from skyrocketing prices that hit businesses across sectors. "It is certain from Opec's decision that the prices can never be stable and we want the Centre to do away with the daily price revision system," KM Basave Gowda, president of Federation of Akhila Karnataka Petroleum Traders said, adding that the association has sent representations to both the Centre and the state government. M Prabhakar Reddy, chairman of All India Dealers Association, said while it is ideal to bring petrol and diesel under GST, if it is getting delayed, and then the daily revision must be stopped till motor fuel is taxed under the new regime.

The Economic Times - 10.12.2018

https://energy.economictimes.indiatimes.com/news/oil-and-gas/fuel-prices-set-to-soar-again-industry-wants-scrapping-of-daily-revision/67018503

Govt's petroleum subsidy expenditure crosses 83% of budgeted target within first 6 months

The government's expenditure on petroleum subsidy in the first six months of the current financial year crossed 83 per cent of the budgeted allocation of Rs 24,933 crore for the fiscal, fresh data published by the oil ministry's statistical arm showed. This mostly includes under-recovery on Liquefied Petroleum Gas (LPG) and Kerosene apart from natural gas subsidy for north-east. The total subsidy expenditure went up 82.10 per cent to Rs 20,672 crore during the first six months (April-September) of the current financial year, as compared to an expenditure of Rs 11,352 crore incurred in the corresponding period a year ago. The government had budgeted for an overall petroleum subsidy of Rs 24,933 crore for financial year 2018-2019, a mere 1.93 per cent increase over Revised Estimate of Rs 24,460.48 allocated for 2017-2018. According to K Ravichandran, Senior Vice President at research and ratings agency ICRA, the budgeted petroleum subsidy for 2018-2019 should be around Rs 45,000-50,000 crore considering Brent crude price at $70 per barrel for the year and an exchange rate of Rs 65 against the dollar. He added that the budgeted petroleum subsidy could fall short by around Rs 20,000-25,000 crore.

The Economic Times - 04.12.2018

https://energy.economictimes.indiatimes.com/news/oil-and-gas/govts-petroleum-subsidy-

Niti Aayog-led panel mulls free-market pricing for all local natural gas

A panel led by the Niti Aayog vice chairman is actively considering free-market pricing for natural gas produced from all fields, a major market-friendly reform that oil companies say is necessary to boost domestic output. The oil ministry has already told the panel that such a move is necessary as it will help companies such as ONGC, Reliance Industries and Vedanta significantly step up output. If approved by the Cabinet, this would eliminate the current pricing formula that is often blamed for under-exploitation of the country's gas fields and declining output. The panel was set up in October after rocketing oil prices and a battered rupee drove up the import bill and drew the government's attention to stagnant domestic oil production. The committee has been tasked with recommending measures to vitalise India's exploration and production sector. The panel, comprising the Niti Aayog vice chairman, its CEO, the Cabinet secretary, economic affairs secretary, petroleum secretary and ONGC chairman, is expected to shortly submit its report to the Prime Minister's Office. The committee is consulting state-owned and private sector producers, the regulator, service providers and other stakeholders to prepare a blueprint for boosting local output.

The Economic Times - 05.12.2018

https://energy.economictimes.indiatimes.com/news/oil-and-gas/niti-aayog-led-panel-mulls-expenditure-crosses-83-of-budgeted-target-within-first-6-months/66930576

free-market-pricing-for-all-local-natural-gas/66946998

Fuel prices set to rise, but rates won't touch record highs

The pact between members of OPEC and allies to curb global oil supply will raise domestic fuel rates but keep them below record levels as oil producers would likely check unreasonable jump in crude rates to avoid demand destruction, industry executives and analysts said. The members of Organisation of Petroleum Exporting Countries (OPEC) led by Saudi Arabia and Russia-led allies agreed on Friday to remove 1.2 million barrels per day (mbpd) of supply from the global market from January. OPEC will cut 0.8 mbpd while non-OPEC countries will reduce 0.4 mbpd of supplies under an agreement valid for six months. The decision pushed crude oil up 4% to about $62 a barrel on Friday. The supply cut agreement will unlikely take oil above $70 a barrel due to increased barrels from the US, world's top producer, and Libya and a belief among producers that they can't let prices rise to levels that destroys demand, Hindustan Petroleum Corp chairman M K Surana told ET. Libya, Venezuela and Iran, three members of OPEC, have been exempted from the planned cuts.

The Economic Times - 10.12.2018

https://economictimes.indiatimes.com/industry/energy/oil-gas/fuel-prices-set-to-rise-but-rates-wont-touch-record-highs/articleshow/67018517.cms

Ethanol blending with petrol to double at 8% in 2018-19 sugar year: Oil Ministry

Ethanol blending with petrol is likely to double to 8 per cent in the current season as a better price is being offered by oil marketing companies, Petroleum Minister Dharmendra Pradhan said on Friday. The minister also assured additional soft loans to mills for expanding the ethanol capacity. Addressing the 84th annual general meeting of sugar industry body ISMA, he said the government has taken a number of steps in the last four years to bring a "paradigm shift" in the Rs 1 lakh crore sector. "Blending of ethanol with petrol has reached 4 per cent from 1-1.5 per cent in the last four years. In 2018-19 sugar year (October-September), the blending level will reach 7-8 per cent," Pradhan said. The minister said although buying ethanol is costly for oil marketing companies because of hike in procurement price, the government has taken a holistic view to boost ethanol production for farmer's welfare as well as to meet our energy requirements. Pradhan said the government spends Rs 8-10 lakh crore of foreign exchange to meet energy demand by importing crude oil, LNG and other products.

The Economic Times - 08.12.2018

https://energy.economictimes.indiatimes.com/news/oil-and-gas/ethanol-blending-with-petrol-to-double-at-8-in-2018-19-sugar-year-oil-ministry/66996097

Domestic flat steel prices likely to face temporary pressures from cheap imports: Icra

An impending threat of higher imports from free trade countries like Japan and South Korea is poised to rein in domestic steel production and put temporary pressure on steel prices in the January -March quarter of FY2019. Combine with a steep fall in international prices this is likely to force domestic flat steel manufactures to opt for a downward revision in prices. "The threat of cheaper flat steel imports to India in the near term has increased and, as a result, domestic flat steel producers may have to brace for a downward revision in prices, especially in Q4 FY2019 (fourth quarter of 2018-19 fiscal)," ratings agency Icra said in its latest research report. Chinese hot rolled coil export offers have declined from USD 560 per MT in the first week of October to USD 477/MT at November-end. A major reason for the sharp correction in prices is the ongoing oversupply

India's crude steel output grows 4% to 8.92 MT in November

India's crude steel output grew 3.8 percent to 8.92 million tonne (MT) in November 2018, according to the Joint Plant Committee (JPC). The country produced 8.60 MT crude steel during the same period a year ago, JPC said in its latest report. "Crude steel production stood at 8.92 MT in November 2018, up 3.8 per cent over November 2017, and was up 1.7 per cent over October 2018," the report said. State-run SAIL, Rashtriya Ispat Nigam, Tata Steel, Essar Steel, JSW Steel and Jindal Steel and Power together produced 5.42 MT. This was 8 per cent more compared to 5.01 MT the six players produced in November 2017, it said. The rest 3.50 MT crude steel came from other producers. The overall production of finished steel stood at 10.87 MT in the reported month, up 3.6 per cent over 10.50 MT produced in November 2017, the report said. During November, India's hot metal concerns in China during winter, Jayanta Roy, senior vice-president, Icra said. "We believe that seaborne steel prices would remain soft in the coming months. However, a typical pick-up in Chinese demand post the winter months is likely to lead to a recovery in international steel prices in the next fiscal", he added.

The Economic Times - 04.12.2018

https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/domestic-flat-steel-prices-likely-to-face-temporary-pressures-from-cheap-imports-icra/articleshow/66936559.cms

production stood at 6.15 MT, up 8.6 per cent from the year-ago period. The output of pig iron rose to 0.49 MT from 0.47 MT in November 2017. India has set a target of producing 300 MT crude steel by 2030 with an investment of Rs 10 lakh crore. A national steel policy has already been approved by the Cabinet in this regard.

Moneycontrol - 09.12.2018

https://www.moneycontrol.com/news/business/indias-crude-steel-output-grows-4-to-8-92-mt-in-november-3268651.html

Aviation sector sees double digit growth for 50th month in a row

India posted its 50th consecutive month of double-digit growth (15 per cent) in October. While this was a slowdown from 19.6 per cent in September, the strong upward trend in traffic remains in place. The data on global passenger traffic announced by International Air Transport Association (IATA) for October shows that demand (measured in revenue passenger kilometres or RPKs) rose 6.3 per cent compared to the same month last year. This marked a rebound from 5.5 per cent growth recorded in September 2018, which was an eight-month low. The capacity also grew 6.3 per cent and load factor was flat at 81.1 per cent, matching last year's record for the month. "October's healthy performance is reassuring after the slower demand growth in September, some of which was attributable to weather-related disruptions. However, the bigger picture is that traffic growth has moderated compared to earlier in the year, reflecting a more mixed economic backdrop and reduced demand stimulation from lower fares," said IATA's Director General and CEO Alexandre de Juniac. Asia-Pacific airlines' traffic rose 5.8 per cent compared to the year-ago period, up from 5.4 per cent YoY growth in September. Capacity climbed 5.4 per cent and load factor rose 0.3 percentage points to 78.9 per cent.

The New Indian Express - 07.12.2018

http://www.newindianexpress.com/business/2018/dec/07/aviation-sector-sees-double-digit-growth-for-50th-month-in-a-row-1908191.html

Air India ends 30-year-old ties with ticket reservation company

In an important move, national carrier Air India (AI) ended its thirty-year-old relationship with global air ticket reservation data provider Amadeus on Tuesday. Travel agents say the immediate impact will be felt by passengers whose AI tickets were booked through agents/travel portals using Amadeus computerised reservation network, which is a Global Distribution System (GDS) company. At 5.30 am, AI took its air ticket inventory off Amadeus global computer network to deepen its relationship with the latter's rival, the UK-based Travelport. With the move, AI believes it will save Rs 3,000 crore in the next six years. AI's critics have warned that severing relationship with Amadeus, the current market leader, would impact its ticket bookings, as most of the travel agents in India are on the Amadeus system. Critics of the AI move point out that Amadeus is the leading GDS provider in India, Europe and the Middle East—markets where AI earns most of its revenue from. "In India, about 55% travel agents use Amadeus, which alone generated Rs 10,000 crore worth of business for AI in the last financial year. AI will lose about 30-40% of that revenue.

The Times of India - 05.12.2018

https://timesofindia.indiatimes.com/business/india-business/ai-ends-30-year-old-ties-with-ticket-reservation-company/articleshow/66945758.cms

India registers 10% growth in containerised trade in Q3 2018, says report

The demand for India-made goods such as vehicles and mechanical appliances as well as refrigerated cargo such as onions, meat, seafood, and pharmaceuticals have driven exports, the company said. Overall, the containerised market has displayed strength, with far less fluctuation compared to the previous year. India's containerised trade with the world grew by 10 per

Outlook for port sector stable, rebound in coal volumes positive for players: ICRA

Terming rebound in coal volumes and steady progress on the Sagarmala project positive for Indian port sector players in the medium term, rating agency ICRANSE -0.41 % Wednesday maintained stable year-end outlook for the port sector. "ICRA has given a stable outlook for the port sector, in its year-end assessment. The prospects for the Indian port sector players in cent year-on-year in the July-September quarter, a report by global container shipping company Maersk said Monday. The demand for India-made goods such as vehicles and mechanical appliances as well as refrigerated cargo such as onions, meat, seafood, and pharmaceuticals have driven exports, the company said. “Increasing competitiveness of Indian exports, coupled with improved demand in various destination countries, has propelled exports to grow at 10 per cent year-on-year…. Simultaneously, imports have risen 9 per cent year-on-year, largely dominated by a heavy inflow of paper, metal and white goods,” the report said. Overall, the containerised market has displayed strength, with far less fluctuation compared to the previous year.

The Financial Express - 04.12.2018

https://www.financialexpress.com/industry/india-registers-10-growth-in-containerised-trade-in-q3-2018-says-report/1402399/

the medium term are expected to be favourable, supported by continuing healthy growth in cargo of major volume drivers Coal, Crude and Containers," the rating agency said in a statement. Coal imports, which had become a concern over the last 2 years, have been witnessing a rebound and could continue to with the momentum witnessed in first half of FY 2019, it said. Demand revival from the power sector and key consumer industries would be critical for sustained pick-up in coal imports, it said. Besides coal, ICRA expects that over the medium to long term, overall cargo growth will gain further traction, driven by domestic requirements of crude oil, for meeting domestic petroleum requirements; and containers, given the cost and logistical advantages associated with containerisation, the agency said.

The Economic Times - 05.12.2018

https://economictimes.indiatimes.com/markets/stocks/news/outlook-for-port-sector-stable-rebound-in-coal-volumes-positive-for-players-icra/articleshow/66956654.cms

Infrastructure for logistics in India booming due to GST: Report

Demand for logistics infrastructure is booming in India due to the introduction of Goods and Services Tax (GST) that has revolutionised how goods are delivered across the country, showed the Emerging Trends in Real Estate Asia Pacific 2019, a real estate forecast jointly published by the Urban Land Institute (ULI) and PwC. This has also been helped by the government of India according infrastructure status to warehousing projects, the report added. Looking at Indian cities, Mumbai stands out with respect to demand for high-quality office space. The city is also seeing a strong growth in co-working assets. On the retail front, high-end malls continue to perform well if properly managed. However, mid-tier facilities are often unprofitable, given that Indian consumers are migrating online. According to the report, at the Asia Pacific region level, ongoing competition among investors to place capital is continuing to shape how investors approach the sourcing of assets, despite signs the market may now be approaching a cyclical top. In particular, value-add plays continue to be a focus, as owners look to upgrade assets by providing more flexibility, better user experience, and improvements leveraging design and technology functions.

The Economic Times - 03.12.2018

https://realty.economictimes.indiatimes.com/news/allied-industries/infrastructure-for-logistics-in-india-booming-due-to-gst-report/66921800