

(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.)

Services sector picks up in February as fresh orders start pouring in

The country's services sector activity gathered momentum in February, driven by a quicker expansion in new work orders that supported a faster increase in output and job creation, a monthly survey showed Tuesday. The seasonally adjusted Nikkei India Services Business Activity Index rose from 52.2 in January to 52.5 in February, indicating an upturn in output. The services PMI was in the expansion territory for the ninth straight month. In PMI parlance, a print above 50 means expansion, while a score below that denotes contraction. New business received by services companies rose to a greater extent in February amid strengthening underlying demand, the survey said adding that the upturn in new orders in the services sector was domestically driven, as highlighted by a renewed contraction in external sales. According to Pollyanna De Lima, Principal Economist at IHS Markit, and author of the report, "Faster increases in new work and business activity supporting one of the best upturns in jobs for eight years." Meanwhile, the seasonally adjusted Nikkei India Composite PMI Output Index, that maps both the manufacturing and services industry, rose from 53.6 in January to 53.8, indicating acceleration in private sector activity in the country.

The Financial Express - 05.03.2019

<https://www.financialexpress.com/economy/services-sector-picks-up-in-february-as-fresh-orders-start-pouring-in/1505362/>

Cabinet allows FM-led ministerial panel to decide on price, timing of CPSE strategic sale

To fast-track strategic sale of CPSEs, the Cabinet on Thursday allowed the Alternative Mechanism to decide on the timing, price and quantum of shares of a state-run company to be put on the block for outright sale. "The CCEA (Cabinet Committee on Economic Affairs) has approved delegation of the following Alternative Mechanism in all the cases of strategic disinvestment of CPSEs where CCEA has given 'in-principle' approval for strategic disinvestment," an official statement said. The Alternative Mechanism (AM) on strategic

DIPAM to set up special cell to fast-track sale of non-core assets of CPSEs

The Ministry of Finance is planning to set up a special cell in the Department of Investment and Public Asset Management (DIPAM) to expedite the monetisation of non-core assets of state-owned companies. The 'Asset Monetisation cell' will also deal with cases related to the sale of immovable enemy property, which refers to the assets left behind by people who migrated to Pakistan or China and are no longer citizens of India. "The DIPAM is proposing to set up an 'asset monetisation cell' which will coordinate non-core asset sale of CPSEs with the concerned company and the Ministry. It will also appoint transaction advisors and valuers for the assets which are proposed to be sold," an official told PTI. The DIPAM would be seeking a director level officer from the personnel department to man the cell. Niti Aayog has been tasked with drawing up a list of non-core assets of various CPSEs, both healthy and sick ones, as a first step towards finance ministry's plan to monetise such assets. The report of Niti Aayog will be taken up by the alternative mechanism on disinvestment, headed by Finance Minister Arun Jaitley, following which the CPSE and the respective administrative ministry will further proceed with the monetisation process.

Moneycontrol - 04.03.2019

<https://www.moneycontrol.com/news/business/dipam-to-set-up-spl-cell-to-fast-track-sale-of-non-core-assets-of-cpses-3606261.html>

Finance Ministry eyeing part of non-core asset sale proceeds of CPSEs as dividend

The Finance Ministry is working out a mechanism under which CPSEs will have to part with a portion of the proceeds of non-core asset sales as dividend to the exchequer, an official said. However, proceeds from the non-core asset sales of state-owned companies which are candidates for strategic disinvestment and funds raised through sale of immovable enemy property will be treated as 'disinvestment proceeds', the official added. The Cabinet had last week approved laying down of procedure

disinvestment was set up in 2017 and consists of the finance minister, the road transport and highways minister and the minister representing respective administrative department. So far, the AM has decided on the terms and conditions of the sale from the stage of inviting of expressions of interest (EoIs) till inviting of financial bid. With Thursday's decision, the panel has been permitted to take decisions on final pricing of the transaction, quantum of shares to be sold and the selection of strategic partner or buyer. "This will facilitate quick decision-making and obviate the need for multiple instances of approval by CCEA for the same CPSE," the statement said after the Cabinet meeting, headed by Prime Minister Narendra Modi. As many as 35 central public sector enterprises (CPSEs) have already been lined up for strategic sale.

Business Standard - 07.03.2019

https://www.business-standard.com/article/pti-stories/cabinet-allows-fm-led-ministerial-panel-to-decide-on-price-timing-of-cpse-strategic-sale-119030700633_1.html

Exclusive: Saudi's Falih says no OPEC+ output policy change until June

Saudi oil minister Khalid al-Falih said on Sunday it would be too early to change OPEC+ output policy at the group's meeting in April and that China and the U.S. would lead healthy global demand for oil this year. The Organization of the Petroleum Exporting Countries and its allies such as Russia — known as the OPEC+ alliance — will meet in Vienna on April 17-18, with another gathering scheduled for June 25-26. Falih said the group was unlikely to change its output policy in April and if required would make adjustments in June. "We will see what happens by April, if there is any unforeseen disruption somewhere else, but barring this I think we will just be kicking the can forward," Falih said. "We will see where the market is by June and adjust appropriately," Falih said after a meeting with Indian oil minister Dharmendra Pradhan in New Delhi.

Reuters - 10.03.2019

<https://www.reuters.com/article/us-saudi-opec-exclusive/exclusive-saudis-falih-u-s-china-driving-oil-demand-no-april-opec-policy-change-idUSKBN1QQ0MM>

India wants to keep Iran oil purchases at 300,000 bpd in extended waiver: Sources

India wants to keep buying Iranian oil at its current level of about 300,000 barrels per day (bpd), as it negotiates with the Washington about extending a sanctions waiver past early May, two sources in India with knowledge of the matter

for monetisation of non-core assets of Central Public Sector Enterprises (CPSEs), including those which are up for strategic sale. It had also cleared the proposal for sale of immovable enemy property. Niti Aayog has been asked to draw up a list of non-core assets of CPSEs, whether profit making or loss incurring, for possible monetisation. "Modalities for monetisation of non-core assets of healthy as well as sick CPSEs are being worked out so that a portion of the amount can be realised by the government as dividend. Such a mechanism would provide incentive to the company to go ahead with asset sale with rewarding the government as promoter of these CPSEs," the official told.

The Economic Times - 10.03.2019

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-eyeing-part-of-non-core-asset-sale-proceeds-of-cpses-as-dividend/articleshow/68341557.cms>

India seeks Saudi investment in strategic oil storage, rescue plan for refinery project

India has invited Saudi Arabia to invest in its strategic oil storage even as it looks to resurrect a \$ 44 billion (Rs 3.08 lakh crore) refinery project with the world's largest oil producer after the BJP-ruled Maharashtra government denied land at the initial site. Saudi oil minister Khalid Al Falih, on his second visit to India in three weeks, discussed with its Indian counterpart Dharmendra Pradhan the 60 million tonne (MT) a year mega oil refinery cum petrochemical complex, whose initial allocated land in coastal Ratnagiri district of Maharashtra was denotified by the state government earlier this month, as part of electoral understanding between the ruling BJP and Shiv Sena.

The Economic Times - 11.03.2019

<https://timesofindia.indiatimes.com/business/india-business/india-seeks-saudi-investment-in-strategic-oil-storage-rescue-plan-for-refinery-project/articleshow/68342870.cms>

As petrol prices spike before polls, Dharmendra Pradhan seeks Saudi help to cool rates

With oil prices on the boil just as general elections are announced, Oil Minister Dharmendra Pradhan has asked world's largest oil exporter Saudi Arabia to play an active role in keeping rates at a reasonable level. Petrol

said. India has reduced its purchases of Iranian oil but has been in talks on extending its sanctions waiver, a senior India official said in January. New Delhi is asking to be allowed to still buy Iranian oil at current levels of around 1.25 million tonnes per month, or about 300,000 barrels per day, the sources said. The United States reimposed sanctions against Iran in November last year in a dispute over Tehran's nuclear and missile ambitions, after President Donald Trump pulled Washington out of a 2015 deal between Iran and six world powers. Although the United States granted Iran's biggest customers - China, India, Japan, South Korea, Taiwan, Turkey, Italy and Greece - waivers that have allowed them to continue limited imports, Washington is putting pressure on governments to eventually cut imports to zero. The current round of waivers expires around May 4.

The Economic Times - 11.03.2018

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-wants-to-keep-iran-oil-purchases-at-300000-bpd-in-extended-waiver-sources/articleshow/68301089.cms>

Will natural gas play the game-changer in India's energy future?

Recent city gas rounds to bring in Rs 1.2 trillion investments in next ten years and push goal of achieving 15% share of natural gas in energy mix. In 2012-13, the share of natural gas in India's energy mix was around 10.5 per cent. Surprisingly, despite the fact that the Narendra Modi-led government had set a goal of taking this share to 15 per cent by 2022, the contribution of natural gas in the country's energy basket has declined to almost 6.5 per cent now. The global average is 24 per cent and even within the country, in Gujarat, it is 25 per cent. With these dismal numbers, the target of becoming a gas-based economy appears a distant dream. A major reason for this is an almost static domestic natural gas.

Business Standard - 10.03.2019

https://www.business-standard.com/article/economy-policy/will-natural-gas-play-the-game-changer-in-india-s-energy-future-119030600307_1.html

and diesel prices have risen by over Rs 2 per litre in last one month as international rates have risen on hopes of the United States and China ending a trade war that has slowed down the global economic growth and OPEC ally Russia saying it would ramp up its crude supply cuts. Pradhan raised the issue of rising oil prices with the visiting Saudi Oil Minister Khalid Al-Falih late last night and sought a role of the Kingdom in cooling rates. "Shared my concern on the rising oil prices and sought active role to be played by Saudi Arabia for keeping oil prices at reasonable level," he tweeted after the meeting. An official statement issued Sunday said: "During the meeting, Pradhan referred to Saudi Arabia's pre-eminent role as a leading producer of crude oil in the world, and in maintaining global oil market balance." "He raised concerns about increasing trend in global crude oil prices. He also pointed to the need for uninterrupted supplies of crude oil and LPG to India in view of the OPEC-plus (decision to) cut (output)," it said. Both ministers, it said, also discussed about the possible adverse impact of recent geopolitical developments on global oil market.

The Economic Times - 11.03.2018

<https://economictimes.indiatimes.com/industry/energy/oil-gas/as-petrol-prices-spike-before-polls-dharmendra-pradhan-seeks-saudi-help-to-cool-rates/articleshow/68342820.cms>

In rare concession, India to hike Saudi flying rights by 40%

Saudi Arabia is set to become the biggest and only beneficiary of India's tightly managed foreign flying rights regime with the Centre giving the oil-rich nation a 40% hike in quota from April 1. The move, which follows the India visit of Saudi crown prince Mohammed bin Salman last month, will make Saudi Arabia the only country within a 5,000-km flying distance from India to have its quota increased by the Narendra Modi-led government. Requests for an increase in flying rights by others like Dubai, Qatar, China, Singapore and Malaysia, among others, have been rejected. Saudi Arabia had announced plans to invest \$100 billion in India's infrastructure sector during the crown prince's visit. The kingdom also backed India against Pakistan at the recent Organisation of Islamic Cooperation meet.

The Economic Times - 10.03.2018

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/in-rare-concession-india-to-hike-saudi-flying-rights-by-40/articleshow/68295906.cms>

Sale of slots will lead to uncertainty in airline operations: IATA

Sale of slots will lead to uncertainty in an airline's operations as well as harm established networks and future connectivity, according to global airlines' association IATA. A senior IATA official also said re-allocation of slots midway through a season would "probably be too late to enable airlines to publish services and for airports to resource according to expected demand". The International Airport Transport Association (IATA) is a grouping of around 290 carriers across the globe. Air India, Jet Airways and Vistara are also members. Recently, Philip Ireland, Manager (World Wide Airport Slots) at IATA said sale of slots would lead to uncertainty in an airline's operations, which negatively impacts the ability of both airports and airlines to invest in future services and infrastructure. "It would harm established networks and future connectivity, will compromise competition and create perverse incentives to a process that is fair, neutral and non-discriminatory today. "Disabling entry for many carriers, who today are able to access congested infrastructure - this only serves to undermine competitiveness of Indian aviation," he told PTI recently.

The Economic Times - 08.03.2018

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/sale-of-slots-will-lead-to-uncertainty-in-airline-operations-iata/articleshow/68312171.cms?from=mdr>

Spoton to enter third party logistics area

Bengaluru-based B2B logistics services provider Spoton is eyeing acquisitions as it firms up entry into the third party logistics (or 3PL) business over the next 6-9 months. Typically, 3PL providers specialise in integrated operations of warehousing and transportation services that can be scaled-up. The Rs 630-crore start-up is a B2B logistics service provider that operates primarily as an express cargo operator (roads). It plans to launch air-cargo services from June. About 60 per cent of Spoton's revenue comes from clients across sectors such as automobile and pharmaceuticals. E-commerce accounts for 5-7 per cent of its revenue. According to Abhik Mitra, Managing Director and CEO, Spoton Logistics, 3PL business has emerged as a huge market especially with the roll-out of GST. Companies are looking at 3PL players to take care of their entire gamut of warehousing and transporting solutions rather than just opting for carrying and forwarding agents. "Our foray in 3PL will probably be through an acquisition. We are looking around. Maybe, we will be finalising something over the next 6-9 months," he told Business Line.

The Hindu Business Line - 04.03.2019

Bengal govt gives nod to Rs 3,000-cr Kulpi Port project

The Bengal government is all set to revive the Kulpi Port project at an estimated cost of Rs 3,000 crore that is tipped to generate a minimum of 10,000 jobs.

The proposal to revive the Kulpi Port that has been lying defunct for almost a decade was cleared during the Cabinet meeting chaired by Chief Minister Mamata Banerjee on Thursday. The Bengal government had received the proposal of investment during the Bengal Global Business Summit (BGBS) in January this year. "The port has been lying defunct for 10-12 years. Kulpi, a riverine port, would see a minimum investment of Rs 3,000 crore. The figure may go up to even Rs 4,000-Rs 5,000 crore in the process. We are happy to inform you that at least 10,000 jobs would be created once the ancillary industries would come up centering around the port," state Finance and industry minister Amit Mitra said at Nabanna on Thursday. He also clarified that there will be no accusation of lands and the proposal of an SEZ status had already been denied by the government. There will be a huge number of indirect employment at the port, Mitra added.

Millennium Post - 07.03.2019

<https://m.dailyhunt.in/news/india/english/millennium+post-epaper-millpost/bengal+govt+gives+nod+to+rs+3+000+cr+kulpi+port+project-newsid-110560808>

PF transfers to be automated in FY20

Subscribers of retirement fund body Employees Provident Fund Organisation (EPFO) would not be required to file EPF transfer claims on changing jobs from the next fiscal as the process would be automated, according to a labour ministry official. At present, the subscribers are required to file forms for transfer of EPF claims on changing jobs, despite having a universal account number (UAN). The EPFO gets about eight lakh such transfer claims every year. "The EPFO is testing automation of EPF transfer on changing jobs on a pilot basis. The facility for all subscribers is expected to be launched any time next year," a senior labour ministry official said. The official added, "The EPFO had engaged C-DAC to study its operating systems to achieve the goal of becoming a paperless organisation. At present, 80% of the work is being done online. The automated transfer of EPF on changing jobs is one of the tools to be used to achieve that objective.

The Economic Times - 11.03.2019

<https://timesofindia.indiatimes.com/business/india-business/pf-transfers-to-be-automated-in-fy20/articleshow/68350764.cms>

<https://www.thehindubusinessline.com/economy/logistics/spoton-to-enter-third-party-logistics-area/article26431571.ece>

Vedanta appoints Ajay Kapur as CEO of aluminium, power business

Vedanta on Tuesday said it has appointed Ajay Kapur as the chief executive officer of its aluminium and power business. Kapur joins Vedanta from Ambuja Cements, where he was the managing director (MD) and chief executive officer (CEO) for its India business. "Ajay will provide leadership for unlocking the full potential of our aluminium and power business which is a \$10 billion asset with a revenue of \$6 billion. His enormous experience in the infrastructure sector will definitely work towards driving growth of India's largest aluminium capacity," Vedanta Resources Executive Chairman Anil Agarwal was quoted as saying in a statement. Kapur brings with him an experience of 31 years across business verticals. He will drive key priorities for the aluminium business which include strong focus on volume and cost and improving efficiencies, among others. Vedanta produces 2.3 million tonne of aluminium per annum, generates eight GW of power and operates two million tonne per annum alumina refinery.

The Hindu Business Line - 05.03.2019

<https://www.thehindubusinessline.com/companies/vedanta-appoints-ajay-kapur-as-ceo-of-aluminium-power-business/article26437495.ece>

Govt appoints REC CMD P V Ramesh as DG of National Archives of India

Ahead of REC's takeover by Power Finance Corporation (PFC), the government has appointed the former's top executive P V Ramesh as the director-general of the National Archives of India. Besides, there are talks that PFC Chairman and Managing Director Rajeev Sharma could be given additional charge to head REC. According to the Appointment Committee of the Cabinet (ACC) order on March 3, Ramesh has been appointed as the director-general of the National Archives of India under the Ministry of Culture. A source said, "There are talks that PFC CMD Rajeev Sharma would be given additional charge of the REC CMD eventually." In December 2018, the Cabinet Committee on Economic Affairs had approved the sale of the government's 52.63 per cent stake in REC to PFC. The government is expected to garner around Rs 15,000 crore from this merger. The government held 57.99 per cent stake in REC, and 65.64 per cent in PFC at the end of September. However, the government holding in REC came down to 52.63 per cent following stake sale through exchange-traded fund.

The Economic Times - 05.03.2019

<https://economictimes.indiatimes.com/industry/energy/power/govt-appoints-rec-cmd-p-v-ramesh-as-dg-of-national-archives-of-india/articleshow/68270948.cms>