WEEKLY MEDIA UPDATE

Issue 399

27 May, 2019
Monday

(This document comprises news clips from various media in which Balmer Lawrie is mentioned, news related to GOI and PSEs, and news from the verticals that we do business in. This will be uploaded on intranet and website every Monday.)

Indian economy projected to grow at 7.1% in FY20: UN report

India's economy is projected to grow at 7.1 per cent in fiscal year 2020 on the back of strong domestic consumption and investment but the GDP growth is a downward revision from the 7.4 per cent estimated in January this year, according to a report by the United Nations. The World Economic Situation and Prospects (WESP) 2019 Mid-year Update, released here Tuesday, said that the Indian economy, which generates two-thirds of the regional output in South Asia, expanded by 7.2 per cent in 2018. "Strong domestic consumption and investment will continue to support growth, which is projected at 7.0 per cent in 2019 and 7.1 per cent in 2020," the report said. The estimates for India, however, reflect a downward revision from the projections made in the World Economic Situation and Prospects 2019 report released in January this year. That report had estimated that India would grow at 7.6 per cent in fiscal year 2019 and 7.4 per cent in 2020. It must be noted that despite the downward revisions, India remains the fastest growing major economy in the world, ahead of China. Dawn Holland, the Chief of the Global Economic Monitoring Branch at the UN DESA, said India should focus on increasing private sector involvement in investment as she underlined that the impact of demonetisation on the country's economic growth passed through "relatively quickly" and there is no longer a "hangover" from the reform on the country's current growth prospects.

Business Today - 22.05.2019

https://www.businesstoday.in/current/economy-politics/indian-economy-projected-to-grow-at-7-percent-in-fy20-un-report/story/348889.html

OECD: India's economy to grow 7.5% by 2020 amid slowing global growth

India's economic growth will regain strength and approach 7.5% by 2020 buoyed by rural consumption and subdued inflation, the Organisation for Economic Co-operation and Development (OECD) said in its Economic Outlook on Tuesday. "Gross domestic product (GDP) growth in India is projected to strengthen to close to 7.25% in FY19 and close to 7.5% in FY20," the intergovernmental agency said. This growth will come from higher domestic demand due to improved financial conditions, fiscal and quasi-fiscal stimulus, including new income support measures for rural farmers, and recent structural reforms. Lower oil prices and the recent appreciation of the rupee will reduce pressures on inflation and the current account. Highlighting that India has the fastest growth among G20 economies with export growth holding up well, it said: "Investment growth will accelerate as capacity utilisation rises, interest rates decline, and geopolitical tensions and political uncertainty are assumed to wane". India's economy grew at a six-quarter low of 6.6% in the October-December period. The statistics office will release of the quarterly GDP estimate for January-March and provisional annual estimates for 2018-19 on May 31.

The Economic Times - 22.05.2019

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2019%2F05%2F22&entity=Ar01503&sk=BA325287&mode=text

Wake-up call after win

The Narendra Modi-government must confront head-on multiple economic problems as the euphoria of re-election subsides, analysts said. Top on its agenda will be job creation, higher growth and more investments, besides the need to check the fiscal deficit and removing farm distress. "The decisive election results will propel India's growth pace to the next orbit and drive the transformation of the country," Vikram S.

Arvind Panagariya wants new government to push privatisation of PSUs

The next Indian government must show strong commitment to fiscal consolidation, consolidate central ministries, go for aggressive privatisation of public sector undertakings and create a new international trade negotiation entity to fast-track the economic growth of the country, eminent Indian- American economist

Kirloskar, president of the CII, said. However, the immediate priority would be to arrest the economic slowdown and nurse the nation's financial sector back to health. The economic growth fell to its slowest pace in five quarters at 6.6 per cent in the third quarter (October-December, 2018), forcing a lowering of the growth forecast for the fiscal to 7 per cent in February from 7.2 per cent in January. The first set of macro data for the new government arrive on May 31 in the form of fourth-quarter GDP numbers, which may show further deceleration to 6.4 per cent. Ajay Bodke, CEO and chief portfolio manager of Prabhudas Lilladher, said the government needed to urgently address the slowing down of growth, faltering consumption, moribund private investments and weak exports. "With limited fiscal space and build-up of massive off balance sheet liabilities, a focused effort to address a strong and sustained revenue mobilisation is necessary," he said.

The Telegraph - 27.05.2019

https://www.telegraphindia.com/business/wake-up-call-after-win/cid/1691295

Arvind Panagariya has said. Panagariya, who served as the first Vice Chairman of the NITI Aayog from January 2015 to August 2017, was responding to a question on what should be the priorities of the government to be formed after the declaration of the election results on May 23. "Show strong commitment to fiscal consolidation to ensure that private sector is not starved of investment funds," Panagariya told PTI. Reducing the number of central ministries to 30 is another important thing that the new government would like to do to make it in line with international standards and improve the efficiency of the governance, Panagariya said. "India has more ministries than almost any other country. Most of the well governed countries have 30 or fewer ministries whereas India has 50 plus," he said. "Too many ministries lead to multiple agencies with competing interests in nearly every policy issue, slowing down even impeding desirable change.

The Economic Times - 21.05.2019

https://economictimes.indiatimes.com/policy/arvind-panagariya-wants-new-government-to-push-privatisation-of-psus/articleshow/69424216.cms

PSU privatisation a vexing challenge

Despite decades of platitudes and rhetoric on the sale of loss-making public sector companies from successive governments at the Centre, there hasn't been much movement forward. However, irrespective of which party or coalition forms the new government at the Centre now, the priority this time around is likely to be to carry out the pending proposals for strategic sales of these units to their logical conclusion. So far, a number of loss-making PSUs have been identified by the Union government for privatisation through strategic sale of stakes, but these proposals have failed to take off. However, top officials say that this time around, the intent is quite clear and such measures are not likely to be opposed politically. Earlier this month, in the midst of the polling season, the government came out with a notice seeking bids to sell its 98.11 per cent stake in the Almora-based pharma company — Indian Medicines Pharmaceutical Corporation Ltd —which was into manufacturing both generic and ayurvedic drugs. The Expressions of Interest are to be submitted by June 10, 2019, according to the official notice. Officials say that the drug maker has been lying shut for some time, but could be of interest to both Indian and multinational companies interested in entering the field of ayurveda.

The New Indian Express - 23.05.2019

http://www.newindianexpress.com/business/2019/may/23/psu-privatisation-a-vexing-challenge-1980763.html

Focus on PSUs: Govt looks to boost market cap of state-run firms

With the listed central public-sector enterprises (CPSEs) losing about Rs. 2.33 lakh crore in market value in little over a year, the government is working on an action plan to restore and boost the m-cap of these entities. As part of this, some of the firms may be asked to list their subsidiaries. Also, CPSE staff may be rewarded with employee stock ownership plans (ESOPs) similar to such performance-boosters in the private corporate sector. The market capitalisation of listed CPSEs (there are 55 of them) stood at Rs. 12.89 lakh crore on May 17, 2019, down 15.3% from Rs. 15.22 lakh crore as on March 31, 2018. During the same period BSE m-cap rose 3.05%. Besides assorted policy obligations on these firms which make it difficult for them to operate in a commercial environment, the shrinking of m-cap of CPSEs is also due to fierce competition from private sector which they find it difficult to put up with. Among them, 257 CPSEs (listed and unlisted) saw their aggregate net profit grow at a muted 2.3% in FY18 compared to 9.86% in the previous year, largely due to steep 12% decline in 'other income' while raw material cost also rose 15%. So, a recovery in the valuation of CPSEs would help the Centre maximise revenue from strategic disinvestment/minority-stake sales in these companies.

The Financial Express - 27.05.2019

https://www.financialexpress.com/market/what-govt-plans-to-boost-market-cap-of-public-sector-entities/1589848/

India has ended Iranian oil imports to comply with US sanctions: Envoy

India has ended all imports of oil from Iran, its ambassador in Washington said Thursday, becoming the latest country to comply with the US sanctions. India had already sharply decreased its imports from Iran and bought one million tonnes (tons) of crude in April, the last month before Washington stepped up its pressure campaign against Tehran and ended all exemptions to sanctions, Ambassador Harsh Vardhan Shringla said. "That's it. After that we haven't imported any," Shringla told reporters during a briefing on Prime Minister Narendra Modi's election victory. Shringla said India has also ended all imports from Venezuela because it considered itself a partner of the United States -- but said the shift had caused pain at home, with Iran formerly supplying 10 percent of India's oil needs. Calling Iran "an extended neighbour" of India with longstanding cultural links, Shringla declined to say if New Delhi shared President Donald Trump's concerns about Tehran. "This is an issue that has to be dealt with, really, between the United States and Iran. We are only, in many senses, looking at it as a third party," Shringla said. But he added: "We would not like to see a move towards any escalation in any way in that area, for the simple reason that we depend very heavily on stability in that part of the world."

Business Standard - 25.05.2019

https://www.business-standard.com/article/economy-policy/india-has-ended-iranian-oil-imports-to-comply-with-us-sanctions-envoy-119052400105_1.html

Panel submits a report on reducing oil import dependency

A high-level committee submitted its report on a strategy to reduce India's oil import dependence, an official statement said without giving details. The high-level committee (HLC) was constituted to examine the issues relating to the preparation of action plan to create synergy among R&D centres of oil and gas PSUs, tax issues and ways to benefit from GST, it said. "The HLC, consisting of Anil Kakodkar, eminent scientist; and Sidharth Pradhan, an expert on financial and tax issues, also looked into merger, acquisition and consolidation of oil and gas PSUs and the joint ventures; explored the need and possibility of formation of new entity dealing with oil services and supply of qualified manpower to oil and gas sector around the world," it said adding the panel submitted recommendation on reducing India's oil dependency. During 2018, India consumed 204.92 million tonnes of petroleum products and 58.64 billion cubic metres of natural gas while the domestic production of crude oil and natural gas almost stagnated. "The import dependency of crude oil and LNG during the year was 82.59 per cent and 45.89 per cent, respectively which is likely to increase in days to come," the statement said.

The Economic Times - 22.05.2019

https://economictimes.indiatimes.com/industry/energy/oil-gas/panel-submits-a-report-on-reducing-oil-import-dependency/articleshow/69434253.cms

GST, biofuels push on the wish list of oil & gas companies in NDA's second term

With the National Democratic Alliance (NDA) retaining power with a massive mandate in the national elections, India's oil and gas industry is hoping to be brought under goods and services tax (GST), besides a push for city gas distribution (CGD) and bio-fuels. Several analysts said NDA's re-election will be credit neutral for the domestic oil and gas sector, but company officials are hoping for further reforms. "Work that was moving slowly due to the election mode, we are hoping is expedited now. We want the government to bring natural gas under the ambit of GST and expect that the work on the city gas distribution segment picks up," an executive from a CGD company said on condition of anonymity. The industry believes that bringing natural gas under GST would make

India's oil imports jumped 14% in April, Iran shipments down 42%

India's crude oil imports jumped 14 per cent to 19.7 Million Tonne (MT) last month. In value terms, the country's oil import bill rose 18 per cent to $9.8 billion in April, according to data published by the oil ministry. However, crude oil imports from sanctions-hit Iran dropped 42 per cent to 1.41 MT in April. Indian Oil Corp (IOC), the country's largest fuel retailer and the largest domestic importer of Iranian crude, has ended its term-contract with Iran for import of crude oil on the back of economic sanctions imposed on that nation by the US. External affairs minister Sushma Swaraj, in a meeting with her Iranian counterpart Javad Zarif earlier this month, had said that the country will take a call on importing Iranian crude post general transport of natural gas across the country more efficient. India is expected to double its LNG (liquefied natural gas) import infrastructure in five years, and along with China, is expected to be a prominent driver of natural gas demand. India is also using LNG to meet its increasing needs to secure energy supply. LNG's share of India's total gas supply mix exceeded 50% for the first time in 2018, according to the Shell LNG Outlook 2019.

Mint - 26.05.2019

https://www.livemint.com/industry/energy/gst-biofuels-push-on-the-wish-list-of-oil-gas-companies-in-nda-s-second-term-1558854468101.html

elections. Despite US sanctions on Iran, its oil supply to India increased 6.24 per cent to 24 MT last fiscal. India managed to import a sizeable amount of Iranian crude last year primarily due to waivers and winding down period provided by US. India's crude oil imports from another sanctions-hit country, Venezuela, increased 28 per cent to 1.61 MT in April. Overall, the volume of India's oil imports had risen 2.8 per cent to 226.6 MT in 2018-19, pushing the country's oil import dependence to 83.7 per cent as compared to 82.9 per cent in the previous fiscal.

The Economic Times - 22.05.2019

https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-oil-imports-jumped-14-in-april-iran-shipments-down-42/69448604

Shell opens its first lubricants laboratory in India

Shell India, the subsidiary of oil and gas multinational Royal Dutch Shell, today inaugurated its new lubricants laboratory at its Technology Centre in Bengaluru, the company said in statement. The laboratory, which will house 15 technical experts, would support Indian and global Original Equipment Manufacturers (OEMs) besides supporting customers across automotive and industrial sector, according to the company. Mansi Tripathy, country head, Shell Lubricants India, said, "In addition to serving OEMs, this laboratory will also enable us in developing performance data of Shell branded products relevant to Indian customers." According to the company, Shell has major laboratory facilities in Houston, Hamburg, Shanghai, Tokyo, and a global network of 50 expert product application specialists around the world (including four in India). India is the world's third largest market for lubricants.

The Economic Times - 22.05.2019

https://energy.economictimes.indiatimes.com/news/oil-and-gas/shell-opens-its-first-lubricants-laboratory-in-india/69428898

Oil Dragged Down by Swelling U.S. Stockpiles and Trade Tensions

Oil tumbled the most in almost three weeks as a raft of negative U.S. data revived fears of a supply glut while persisting U.S.-China trade tensions threaten demand. Futures in New York slipped 2.7% Wednesday, the biggest drop since May 2, after the U.S. Energy Department said weekly crude inventories had swelled to the highest level since July 2017. Gasoline stockpiles also grew faster than expected, domestic oil production ticked up and refinery utilization fell to the lowest seasonally adjusted level in five years. Prices had already been falling along with equity markets Wednesday as trade tensions between the world's top two economies showed no signs of abating. The Trump administration was said to be considering new restrictions on Chinese firms, after blacklisting Huawei Technologies Co. last week. On Tuesday, the Organization for Economic Cooperation and Development trimmed its global growth projection. "It's a tough one to be bullish about," said Rob Thummel, managing director at Tortoise, a Kansas-based money manager that oversees $21 billion in assets, referring to the Energy Department report.

Bloomberg Quint - 23.05.2019

https://www.bloombergquint.com/business/oil-loses-steam-as-trade-war-stokes-concern-on-demand-outlook

Government restricts bio-fuel imports

Impacted by a consumption slowdown, India's economy faces another peril, that of rising trade protectionism, which, along with tensions in the Middle East, will hamper merchandise exports and widen the trade deficit, as it did in April. The fact that India has had a trade deficit since 1988 might not come as a surprise, for unlike its east Asian

Reliance topples Indian Oil to become the biggest Indian company

Richest Indian Mukesh Ambani's oil-to-telecom conglomerate Reliance Industries has toppled state-owned Indian Oil Corp (IOC) to become the country's biggest company by revenue. Reliance in the 2018-19 fiscal year that ended March 31, reported a turnover of Rs 6.23 lakh neighbours, the country relies more on internal consumption for its economic growth. But a wider trade deficit, at this time, will come as a double whammy for the economy which already faces slowdown in internal consumption. The trend seems to continue with April data showing a widening gap. However, the data from 1988 to 2018 shows that overall trade balance as a percentage of the GDP has come down substantially. "The data clearly suggest that the trade deficit is primarily on account of imports of intermediary products and not the finished goods," Export Promotion Council of India Chairman Mohit Singla told IANS. "The trend also suggest that slowly, we are moving away from non-renewable energy to renewable energy sources, which depicts, that in time to come, our import bill owing to import of oil will be much less." Singla also said that "due to sustained efforts of the government", finished products have been replaced by intermediary products which will definitely reduce India's trade deficit.

The Economic Times - 26.05.2019
https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-set-to-face-wider-trade-deficit-though-oil-imports-to-ease-soon/69501633

crore. In comparison, IOC posted a turnover of Rs 6.17 lakh crore for the fiscal, according to regulatory filings by the two companies. It was also the most profitable company in the country with a net profit of more than double that of IOC in FY2019. Reliance, which was about half the size of IOC till about a decade back but its bet on burgeoning consumer base and foray into new businesses such as telecom, retail, and digital services vastly expanded its business, clocked a net profit of Rs 39,588 crore in FY19. IOC, on the other hand, ended the year with a net profit of Rs 17.274 crore. IOC till last year was the most profitable PSU but may have lost this position to Oil and Natural Gas Corp (ONGC) in 2018-19. ONGC is yet to declare its FY19 earnings but it had clocked a net profit of Rs 22,671 crore in the first nine months of the fiscal year. Net profit of IOC, which depends on oil refining, petrochemicals and gas business for its revenue, had in 2018-19 declined by 23.6 per cent over Rs 22,189.45 crore net profit it had earned in 2017-18

The Economic Times - 21.05.2019
https://energy.economictimes.indiatimes.com/news/oil-and-gas/reliance-topples-indian-oil-to-become-the-biggest-indian-company/69427924

India's crude steel output remains almost flat at 8.662 MT in April

India's crude steel output remained almost flat at 8.662 million tonne (MT) during April 2019, according to official data. The domestic crude steel production stood at 8.653 MT during April 2018, according to a report by the Joint Plant Committee (JPC), which comes under the Ministry of Steel. "Crude steel production stood at 8.662 MT in April 2019, up by 0.1 per cent over April 2018," the report said. State-run Steel Authority of India Ltd, Rashtriya Ispat Nigam Ltd along with private firms Tata Steel, Essar Steel, JSW Steel, and Jindal Steel and Power produced 5.082 MT and the remaining 3.58 MT came from other producers, it added. During April this year, the production of hot metal was 1.4 per cent down at 5.825 MT, against 5.907 MT in April 2018. The output of pig iron grew 3.9 per cent to 0.537 MT in April, compared with about 0.517 MT in the same month a year ago. The JPC is the only institution in the country that collects data on the domestic iron and steel sector. India has set an ambitious target of increasing its crude steel production capacity to 300 million tonne by 2030-31.

Business Today - 27.05.2019
https://www.businesstoday.in/current/corporate/indias-crude-steel-output-remains-almost-flat-at-8662-mt-in-april/story/350785.html

Steel industry stares at production disruption in 2020: India Ratings

Domestic steel production would be significantly affected if there is delay in auction of mines which would complete 50 years of operations by March 2020, according to ratings agency India Ratings and Research (Ind-Ra). With around 60 million tonnes of actual production of iron ore from these mines likely to be disrupted, this would impact the credit profile of non-integrated steel players like JSW Steel, Rashtriya Ispat Nigam Limited and merchant miners. This could also trigger an increase in in imports though given the high cost of importing ore, Ind-Ra said it does not expect import volumes to go up substantially. The license of about 288 merchant mines will expire by March 2020, out of which 59 mines are under operations, according to Ind-Ra’s assessment. A majority of these –some 59 mines -- are iron ore mines situated in Odisha and Karnataka with around 85 million tonnes of approved annual capacity. Ind-Ra said it estimates that around 60 million tonnes of the actual production of iron ore from these mines could be disrupted. “Considering that the auction process on an average takes three to six months to complete, a delay in initiating them until the latter half of 2019 due to the Lok Sabha elections in the country could affect the timely auction of mining lease,” the report said.

The Economic Times - 22.05.2019
https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steel-industry-stares-at-production-disruption-in-2020-report/articleshow/69428602.cms

Millennials prefer Indian heritage destinations to foreign visits: Survey

Millennials in India prefer a historical or heritage destination within the country to a more commercialised foreign destination, a recent survey has revealed. According to the survey conducted by global hospitality service Airbnb, along with biotechnology company 23andMe, almost 60 per cent of Indians between the age of 23 to 38 years, want to travel domestic to better understand the heritage and culture of the country. "While 89 per cent believe that heritage trips are somewhat more valuable than normal vacations, about 68 per cent strongly agree to the trend led again by the dominant millennial population of India," the survey based on data collected from 1,000 individuals above the age of 18 years, said. It also noted that new age travellers, who were looking for more holistic and unique travel experiences, were driven by curiosity and were extremely keen on learning about family origins at heritage destinations. "Travellers are now keen on discovering their country for its rich legacy, and are making a shift to choose culture and exploring their roots over other traditional leisure destinations," Amanpreet Bajaj of Airbnb - India said. Food emerged as the other factor that encouraged Indians to travel, especially if it was outside the country.

The Hindu Business Line - 24.05.2019
https://www.thehindubusinessline.com/news/variety/millennials-prefer-indian-heritage-destinations-to-foreign-visits-survey/article27237324.ece

Domestic air traffic falls for first time in 6 years in April

Air traffic in India, considered one of the fastest growing aviation markets in the world, fell for the first time in six years in April, the month Jet Airways stopped operations. The grounding of India's oldest airline Jet Airways, however, helped bigger rival IndiGo get control of 50% of the domestic market, with Air India and SpiceJet following with much smaller shares. In April, Indian carriers flew 11.3 million passengers locally, down by about 2% from the same month last year, according to data released by the country's aviation regulator, Directorate General of Civil Aviation (DGCA). The last time air traffic had declined was in June 2013—down 3% year-on-year to 4.86 million passengers, after Vijay Mallya's Kingfisher Airlines downed shutters. Local traffic in March 2019 increased a tad to 11.60 million from 11.58 million in the same month the previous year. Traffic growth rate, which till last year was in double digits, has fallen to low single digits since February. Jet Airways grounded its operations on April 17, running out of money and failing to raise funds to stay afloat. It started grounded large swathes of its capacity in February.

The Economic Times - 24.05.2019
https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2019%2F05%2F24&entity=Ar02120&sk=35FD5036&mode=text

DP World acquires 76% stake in KRIL

Global port operator DP World Thursday said its joint venture with the National Investment and Infrastructure Fund (NIIF) HIPL has acquired 76 stake in KRIBCHO Infrastructure Ltd (KRIL). Hindustan Infralog Pvt Ltd (HIPL) is a joint venture between DP World and NIIF. HIPL has acquired KRIL through its subsidiary Continental Warehousing Corporation (NhavaSeva) in which it holds 90 per cent stake. The company, however, did not disclose the financial details of the deal. KRIL is an integrated multi-modal logistics operator. "With the acquisition of KRIL, DP World will emerge as one of the leading integrated rail terminal and container train operators in India with an enhanced network to provide door-to-door connectivity to cargo owners," DP World said in a

Adani Ports to set up first container terminal outside India in Myanmar

Adani Ports and Special Economic Zone will set up its first container terminal outside India in Myanmar at an estimated cost of USD 290 million (over Rs 2,000 crore). The company signed an agreement Thursday to develop and operate a container terminal at Yangon Port in Myanmar. Construction for phase one of the project will commence next month and will be completed by June 2021. It is a two-phase project. "Total project cost for both phases would be USD 275-290 million. The investment is in line with APSEZ strategy to have a footprint in Southeast Asia and expand the container terminal network," Adani Ports and Special Economic Zone (APSEZ) said in a statement.

statement. It will also augment DP World's existing business in terms of the business model and geographic footprint, offering an integrated portfolio to the entire logistics value chain, it added. "KRIBCHO (KrishakBharati Cooperative Society) Limited, will continue to retain the remaining 24 per cent shareholding, the statement said, adding the purchase consideration is below one per cent of DP World's net asset value as of FY 2018.

The Economic Times - 24.05.2019

https://economictimes.indiatimes.com/industry/transportation/shipping-/-transport/dp-world-acquires-76-stake-in-kril/articleshow/69461110.cms

Also, the terminal will be integrated with APSEZ ports/terminals along the east and south coast of India, unlocking synergies by offering multiple entry/exit points for shipping lines, APSEZ, the logistics arm of Adani Group, said. The BOT (build, operate, transfer)/ lease agreement is signed for 50 years and extendable twice for ten years each. "The terminal will have a capacity to handle 0.80 million TEUs (twenty foot equivalent unit) of containers... The estimated cost for implementing phase I of 0.5 million TEUs is between USD 220-230 million and phase II expansion to 0.8 million TEUs is expected to cost between USD 55–60 million," it added.

The Economic Times - 23.05.2019

https://economictimes.indiatimes.com/industry/transportation/shipping-/-transport/adani-ports-to-set-up-first-container-terminal-outside-india-in-myanmar/articleshow/69461515.cms

Bengal emerging as warehousing hub

West Bengal, and particularly Kolkata and its suburbs, is fast emerging as a major warehousing and logistics hub. It is learnt that deals worth ?500-700 crore have either been inked or are being finalised for warehouses along National Highway 2 (Delhi Road) and National Highway 6 (Bombay Road). Negotiation for the acquisition of at least 500 acres of land in various villages is under way. Logistics-focussed global PE funds and developers such as Morgan Stanley, ESR (backed by Warburg Pincus), Allcargo Logistics, Indospace, Embassy and others are putting in big money. The Delhi Road, Old Delhi Road and Bombay Road areas are around 30-40 km from the city and are well connected to North Indian, Eastern and North-Eastern States. What has induced developers and PE funds to look at the eastern region are the advent of GST, better connectivity, higher penetration of e-commerce and a sound 'hub and spoke' model. Kolkata and its suburbs took up warehousing space to the tune of 3.5 million sq. ft last year. According to Swapan Dutta, Branch Director Corporate – Senior Management, at real estate consultancy firm Knight Frank (India) Pvt Ltd, there is a distinct move from smaller warehouses in the northern and southwestern fringes of the city. The preferred areas include those along the highways.

The Hindu Business Line - 22.05.2019

https://www.thehindubusinessline.com/news/national/west-bengal-emerging-as-warehousing-hub/article27199180.ece