

(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 e-mailed on every Monday.)

## **Modi government has avoided growth steroids: Paul Gruenwald, S&P Global Ratings**

The India story looks much better than any other in the region, said Paul Gruenwald, chief economist (Asia-Pacific) at S&P Global Ratings. China, on the other hand, needs to moderate growth expectations, he said in an interview with ET. I think there is a numeric difference more than a qualitative difference. Numerically, India is lot more interesting, it's the growth driver of the region. We are so used to China drive the region and enamoured with the China story. All of a sudden it looks India is pulling ahead in terms of narrative and the story. They have the GST Bill passed by the Upper House. We have the bankruptcy law. We have financial inclusion. The budget looks better, the weather looks better. So start to line up these things and you can say overall pretty comfortable with at 7.5% or 8% growth. Also, directionally in terms of quality of growth.

*The Economic Times - 09.09.2016*

<http://economictimes.indiatimes.com/opinion/interviews/modi-government-has-avoided-growth-steroids-paul-gruenwald-sp-global-ratings/articleshow/54202987.cms>

## **NITI Aayog pitches for strategic sale of 44 Central PSUs**

NITI Aayog has made a case for strategic sale in as many as 44 public sector undertakings where the government can reduce its holding below 50 per cent by selling its stake. NITI Aayog's recommendation of strategic sale of these PSUs is part of the task entrusted to it by the government to suggest ways to divest Centre's stake in profit-making as well as loss making and sick units. "NITI Aayog has already recommended about 44 companies for strategic sale and that is going through a process. Dipam (Department of Investment and Public Asset Management) is working on that, taking it forward. "But for us, it's an ongoing process, so we are looking at the second lot, the third lot and we will come out with recommendations," NITI Aayog CEO Amitabh Kant told reporters here. Under the strategic sale, government's stake is reduced to 0-49 per cent in a PSU which is also called privatisation. Kant said

## **'New GDP series gives a more balanced view of economy'**

The methodology of estimating GDP in the new series using 2011-12 as a base year does not necessarily give an optimistic view of the economy but presents a more balanced view, argued the Chief Statistician of India TCA Anant. The new methodology brings in a more comprehensive and differentiated set of data. In fact the change in the base year led to lowering of GDP by 2 per cent, he said in an interaction organised by the Chennai International Centre. Also, for example, following the revision in base year, the Gross Value Addition in retail trade was found to be lower than that computed in the old series with the base year as 2004-05. On the other hand the GVA in the corporate sector is better captured under the present methodology. The value addition is estimated not just at the factory level but also from the full set of services that go into manufacturing as the data are from the statutory filing of accounts by the company.

*The Hindu Business Line - 09.09.2016*

<http://www.thehindubusinessline.com/economy/new-gdp-series-gives-a-more-balanced-view-of-economy/article9086374.ece>

## **Centre to release norms for sick PSUs asset sale soon**

The Government will soon come out with detailed guidelines for disposal of land and other assets of state-owned sick and loss making companies which are being considered for closure. "When a company is going to close down a particular unit assets have to be disposed of. Specific guidelines are under issue by the Department of Public Enterprises," a senior government official said. Assets like building, plant and machinery of sick Central Public Sector Enterprises (CPSEs) would be sold through e-auction. In case of free-hold land, the state governments will be offered to buy it at the prevailing market price, the official said. "If it is a free-hold land in the name of the company, they have to first approach the state government which may purchase the land for public purpose. But the price of that should be the present day acquisition cost," the official added. Government think-tank Niti Aayog has

the recommendations are based on "a very detailed analysis and inputs that it took".

*Business Standard - 07.09.2016*

[http://www.business-standard.com/article/economy-policy/niti-aayog-pitches-for-strategic-sale-of-44-central-psus-116090700507\\_1.html](http://www.business-standard.com/article/economy-policy/niti-aayog-pitches-for-strategic-sale-of-44-central-psus-116090700507_1.html)

## **Govt Shortlists Bankers to Manage Stake Sale in SUUTI Portfolio Cos**

The government has kick-started its biggest fund mobilisation through asset sales by appointing merchant bankers to divest minority stakes held in listed and unlisted companies through the Specified Undertaking of the Unit Trust of India (SUUTI). Three merchant bankers — Citi, Morgan Stanley and ICICI Securities — were shortlisted from a dozen-odd candidates on Saturday. Three more - HSBC, JM Financial and SBI Capital Markets - have also been selected should any of the first three runs into a conflict-of-interest situation, said people aware of the development. The exercise, once completed, could help Finance Minister Arun Jaitley mop up over \$10 billion and bankroll flagship projects of Prime Minister Narendra Modi or narrow the fiscal deficit which is expected to widen after the implementation of the Seventh Central Pay Commission recommendations on government employee salaries.

*The Economic Times - 12.09.2016*

<http://economictimes.indiatimes.com/news/economy/finance/government-shortlists-bankers-to-manage-stake-sale-in-suuti-portfolio-companies/articleshow/54283657.cms>

## **Cabinet approves creation of GST Council**

The Union Cabinet on Monday approved the setting up of a GST Council, which will decide the rate of tax under the new Goods and Services Tax (GST) regime, likely to kick in from April 1, 2017. The GST Council will consist of Union Finance Minister, Minister of State in charge of Revenue Department and State finance ministers, the government's official spokesperson tweeted after a Cabinet meeting headed by Prime Minister Narendra Modi. The Cabinet "approved setting up of GST Council and setting up its Secretariat," an official statement said adding the council will hold its first meeting on September 22 and 23. It will make recommendations on important issues related to GST, including items and rates. Its secretariat costs will be borne by the Central government. GST implementation steps are ahead of schedule so far, the government said. "The steps required in the direction of implementation of GST are being taken ahead of the schedule so far."

*The Hindu - 12.09.2016*

identified 74 loss-making public sector undertakings. Of these, the official said 26 have been recommended for closure.

*The Hindu Business Line - 08.09.2016*

<http://www.thehindubusinessline.com/economy/policy/centre-to-release-norms-for-sick-psus-asset-sale-soon/article9081392.ece>

## **GST bill gets nod from President Pranab Mukherjee**

The legislation amending the Constitution to enable goods and services tax (GST) has become a law with President Pranab Mukherjee giving his assent to the bill ratified by more than 50 per cent state assemblies. This is a significant milestone achieved in the implementation of GST that sets the stage for GST Council, which will work out the details of the tax, including the rate at which it will be levied. The President has signed it, a government official said. The Constitution (122nd Amendment) (GST) Bill allows for introduction of GST that will replace multiple indirect taxes levied by centre and states, creating one national market that is expected to bump up GDP by as high as 2 per cent. Once the date of the new tax is notified all state and central taxes that it subsumes will cease to exist. The government is looking to implement the new tax regime from April 1, 2017.

*The Economic Times - 09.09.2016*

<http://economictimes.indiatimes.com/news/economy/policy/gst-bill-gets-nod-from-president-pranab-mukherjee/articleshow/54179729.cms>

## **Independent directors are back in demand fuelled by the New Companies Act**

Demand for independent directors is at a high fuelled by the New Companies Act and rules brought up the market regulator, and being the chairman's friend isn't anymore the most important qualification to get a call to fill up that position. Companies are increasingly looking to induct on board people who can add value to decision-making. Estimates by firms that conduct board-level searches, such as Egon Zehnder, Korn Ferry and RGF Executive Search, suggest a 20-25% increase in demand for independent directors in the past six months. "As of last March, a lot of people had to step down from boards because of the new Companies Act and Sebi regulation that limits the number of board seats you can have," said Sunit Mehra, managing partner at executive search firm Hunt Partners.

*The Economic Times - 06.09.2016*

<http://www.thehindu.com/news/national/cabinet-approves-creation-of-gst-council/article9099725.ece>

## **Government may allow employees to raise NPS fund in stocks soon**

Government is expected to take a decision soon on a proposal to allow its employees to raise their contribution in stocks as well as choose fund managers under the New Pension System, regulator PFRDA said today. "As you know we have been talking with government to open up the choice of both the fund manager and investment pattern for the government subscribers, these discussions are still going on. The proposals are with the government and hopefully a decision will be taken up by them very shortly," Pension Fund Regulatory and Development Authority (PFRDA) Chairman Hemant G Contractor said today. Contractor said that government had expressed concerns that all employees would not be able to understand the investment pattern and may end up making wrong choices.

*The Economic Times - 09.09.2016*

<http://economictimes.indiatimes.com/markets/stocks/news/government-may-allow-employees-to-raise-nps-fund-in-stocks-soon/articleshow/54197042.cms>

## **India on path of becoming pivot for hi-tech manufacturing: UN**

India is on the path of becoming a "pivot" for high-tech world manufacturing even as global manufacturing growth is expected to remain low in 2016 due to weakened financial support for productive activities, a new UN report said. The quarterly 'World Manufacturing Production report', published by the UN Industrial Development Organisation (UNIDO) said world manufacturing output is expected to increase by only 2.8 per cent in 2016. However, in contrast to recent years, there will be no breakout from the low-growth trap in 2016. Growth performance was much higher in Asian economies, where manufacturing output rose by 6.5 per cent in the second quarter of 2016. According to the latest GDP data released in India, the manufacturing sector grew 9.1 per cent during April-June 2016, a slight decline from the 9.3 per cent clocked in January to March.

*The Economic Times - 07.09.2016*

<http://economictimes.indiatimes.com/news/economy/indicators/india-on-path-of-becoming-pivot-for-hi-tech-manufacturing-un/articleshow/54043459.cms>

<http://economictimes.indiatimes.com/news/company/corporate-trends/independent-directors-are-back-in-demand-fuelled-by-the-new-companies-act/articleshow/54023950.cms>

## **ESIC raises wage threshold to Rs21,000, aims to add 50 lakh workers**

The government on Tuesday overruled opposition from employers to allow an increase in the number of people eligible for Employees' State Insurance (ESI), which provides medical care to industrial workers and their dependents, by raising the salary cap of beneficiaries to Rs.21,000 per month from Rs.15,000. This means all industrial workers drawing a salary of up to Rs.21,000 will be eligible for health care—from primary to tertiary—at more than 1,500 clinics and hospitals run by the Employees' State Insurance Corporation (ESIC) directly or indirectly. The move will add three million workers to the ESIC pool, benefiting 12 million more people when their dependents are taken into account. Tuesday's decision will add nearly Rs.3,000 crore to the labour ministry-run ESIC's corpus annually. The pro-worker step comes days after a nationwide labour strike disrupted normal life in parts of the country.

*Mint - 07.09.2016*

<http://www.livemint.com/Politics/EccAww4ndlxC3ciUqxbFUN/ESIC-raises-wage-threshold-to-Rs21000-aims-to-add-50-lakh.html>

## **August services activity up at 3.5-year high**

India's services activity jumped to a more than three-and-a-half year high in August, a private survey showed, providing some comfort about the economy looking up and indicating that the poor first quarter was likely an aberration. The Nikkei India Services Business Activity Index came in at 54.7 in August, a sharp spike from 51.9 in July and the highest since January 2013, riding on strong local and foreign demand. A reading above 50 on this survey-based index indicates expansion, while a figure below that denotes contraction. The services data follows strong gains in the agency's Purchasing Managers' Index (PMI) for manufacturing in August and in the double-digit car sales growth by many manufacturers last month. "The service sector showed upbeat levels of performance in August...a further uptick in backlogs-the sharpest in nearly two years - may lead service providers to create jobs in coming months," said Pollyanna De Lima, an economist at Markit and author of the report.

*The Economic Times - 06.09.2016*

<http://economictimes.indiatimes.com/news/economy/indicators/august-services-activity-up-at-3-5-year-high/articleshow/54022778.cms>

## **FDI: Manufacturing remains unattractive**

The recently published Annual Report of Reserve Bank of India profiles the trends of foreign direct investment (FDI) flows into India. These offer some insights about the allocation of such investments these last few years. How and where capital resources are distributed in an economy is instructive for many reasons. Amongst other things, it tells us which sectors are more profitable or yield relatively higher returns to capital. Illustratively, the allocations of investments across the tradeable and non-tradeable segments shed light upon the relative attractiveness of these two aggregates. In turn, if non-tradeable goods' prices are higher relative to those of tradeable, an internal appreciation of the real exchange rate, it carries significance for macroeconomic policies. At the balance of payments level, there are potential implications about future foreign currency earnings or liabilities from current investments.

*The Financial Express - 12.09.2016*

<http://www.financialexpress.com/fe-columnist/fdi-manufacturing-remains-unattractive/373991/>

## **The retail-friendly Indian: A shop for every 15 families Manufacturing**

Indians continue to show their entrepreneurial spirit -by opening more and more shops. With over 1.6 crore retail shops in the country -about one for every 15 families -this sector of work outguns every other. Manufacturing, considered the backbone of prosperity for any economy, is second to retail with over 1 crore units. But manufacturing employs over 3 crore people, beating retail trade, which has about 2.7 crore. Transport companies, warehousing, hotels and eateries and healthcare-related enterprises are other major occupations, while educational enterprises have emerged as major employers with over 2 million such businesses employing nearly 1.1 million people. These facts emerge from the 6th Economic Census conducted by the government in 2013, detailed results of which were released earlier this year. The Economic Census counts all kinds of enterprises across the country, except cultivation of crops and their care and protection.

*The Times of India - 12.09.2016*

<http://epaperbeta.timesofindia.com/Article.aspx?eid=31812&articlexml=The-retail-friendly-Indian-A-shop-for-every-11092016001032>

## **MoS Dharmendra Pradhan pitches for startup funds by PSUs to promote innovation in energy sector**

Oil Minister Dharmendra Pradhan on Tuesday urged the public sector undertakings to create startup funds on the lines of private sector in order to promote innovation and nurture new ideas in the energy sector. "I am advising my CEO friends in PSUs that if Ratan Tata can put his private funds for start-ups and if Narayana Murthy can do that for new start-ups then why cannot you (do that)," Pradhan said addressing a conference on methanol economy organised by NITI Aayog. "ONGC has already offered Rs 100 crore for start-ups. Can we create a synergy in innovation and this kind of startup fund? This can be a win win situation for all of us. Let us create a platform for our young Indians and scientific brains," he said.

*The Indian Express - 07.09.2016*

<http://indianexpress.com/article/india/india-news-india/dharmendra-pradhan-psus-startup-innovation-energy-sector-3016487/>

## **India aims to reduce crude import 10% by 2022: Dharmendra Pradhan**

India on Friday said it plans to reduce crude oil import by 10% by 2022 to ensure energy security with oil and petroleum Minister Dharmendra Pradhan highlighting the government's bid to achieve self-sufficiency by enhancing indigenous production of petroleum products. "(This is) A key step of the larger plan to ensure 'Energy Security' for the country," he said while addressing Asian oil and gas industry executives at the launch a road show for discovered small fields with reserves of 650 million barrels of oil and gas which are being offered for exploration. He highlighted "the government goal of reducing crude oil imports by 10 per cent by 2022. Crude oil import currently accounts for 70-75% of India's total crude oil consumption". "Aligned with its cherished goal of enhancing indigenous production of crude oil, the government has come up with a new policy—hydrocarbon exploration and licensing policy," Pradhan said.

*Mint - 10.09.2016*

<http://www.livemint.com/Industry/EsMwKmeQ7x21BWRzvfZG8K/India-aims-to-reduce-crude-import-10-by-2022-Dharmendra-Pr.html>

## **India will soon be zero petroleum import country: Nitin Gadkari**

With the Centre focusing more on developing alternative fuel economy, India will soon stop importing petroleum products, Union Minister Nitin Gadkari said today. "We are going to develop this country where our import of petroleum will be zero. We are promoting alternative fuel like ethanol, methanol, bio-CNG...this will boost the rural and agriculture centre and create huge employment," Road Transport and Highways Minister said. Despite low prices globally, India at present is incurring a massive Rs 4.5 lakh crore on crude imports which was earlier Rs 7.5 lakh crore, Gadkari said addressing a conference on methanol economy organised by Niti Aayog today. India is one of the fastest growing economy in the world. At present, it is "golden opportunity" to cash on its agriculture, bamboo, surplus coal and power. "The time has come to diversify agriculture," the minister asserted stating that it has the potential to change the entire rural economy at a time when more than 10,000 farmers in Vidarbha region had committed suicide.

*The Economic Times - 06.09.2016*

<http://economictimes.indiatimes.com/industry/energy/oil-gas/india-will-soon-be-zero-petroleum-import-country-nitin-gadkari/articleshow/54031397.cms>

## **Steel sector shines in August; import falls, export and demand rise**

August turned out to be a bright month for the over USD 100 billion Indian steel industry, with imports of the metal declining, while exports and consumption registering an upward trend. After declining for 2 consecutive months, country's steel consumption rose, though marginally, to 6.97 million tonnes (MT) last month compared to July 2016. Consumption in the world's third largest steel producer rose 2.7 per cent in August this year, against July, while on year-on-year basis the growth was one per cent, latest data by Steel Ministry's Joint Plant Committee (JPC) showed. India's consumption of total finished steel saw a growth of 1.3 per cent in April-August this fiscal to 33.74 MT over the same period of last year, it added. The demand had declined for the second-straight month in July 2016, falling over 7 per cent to 6.3 MT compared to June, whereas in June 2016, it fell 8 per cent to 6.8 MT over May.

*The Economic Times - 09.09.2016*

<http://economictimes.indiatimes.com/industry/in-dl-goods/svs/steel/steel-sector-shines-in-august-import-falls-export-and-demand-rise/articleshow/54177903.cms>

## **Shell Lubricants partners with Komatsu to launch diesel engine oil**

Shell Lubricants in partnership with Komatsu, world's leading manufacturer of construction and mining equipment from Japan, has launched a specially reformulated lubricant - Komatsu Genuine oil 15W-40 - in India. Following a global alliance of more than 15 years, the two companies have come together to create this new formulation that meets the requirements of API CI-4, DH1 which makes it a unique combination. The specially developed diesel engine oil will ensure that Komatsu's construction and mining range of equipment are taken care of in the best way possible and deliver optimal performance, said Shell Lubricants in a press release. Akhil Jha, vice president technical, Shell Lubricants India, commented, "As part of Shell Lubricants' commitment to developing superior lubrication solutions, we work closely with our OEM partners to develop products to fit their needs.

*Business Standard - 09.09.2016*

[http://www.business-standard.com/content/b2b-chemicals/shell-lubricants-partners-with-komatsu-to-launch-diesel-engine-oil-116090800343\\_1.html](http://www.business-standard.com/content/b2b-chemicals/shell-lubricants-partners-with-komatsu-to-launch-diesel-engine-oil-116090800343_1.html)

## **Centre extends LTC for air travel to J&K, northeast**

The Ministry of Personnel on Friday evening announced that the government has decided to extend by another two years rules allowing government employees to travel by air to northeast, Jammu and Kashmir and Andaman and Nicobar islands. The Ministry said government employees should continue to travel by Air India economy class at LTC-80 fare or less. For travel to Jammu & Kashmir, travel by other airlines is allowed provided the journey is undertaken in economy class at a fare less than or equal to LTC-80 fare of Air India. Air tickets should be purchased either directly from the airlines (booking counters/website) or through authorised agents only, the Ministry said and added that efforts should be made to book the air tickets at the cheapest fare possible.

*The Hindu - 10.09.2016*

<http://www.thehindu.com/news/national/centre-extends-ltc-for-air-travel-to-jk-northeast/article9091861.ece>

## **Most Rajdhani, Durgam and Shatabdi fares up 30-40%**

Starting Friday, most Rajdhani, Shatabdi and Durgam train tickets will cost 30-40% more than they do now. This dramatic rise is because the railways has introduced surge pricing on these trains for all classes except first class AC and executive chair car. Under the scheme, dubbed "flexi fares" by the railways, the current base fares will increase by 10% with every 10% of berths sold, subject to a ceiling of 1.5 times the base fare, for most classes except third AC for which the ceiling will be 1.4. This means a half-empty train will still see fares at one-and-a-half times the current levels. Back of the envelope calculations show that at the 1.5x level, Rajdhani and Durgam tickets will cost 42-43% more than they do now, while Shatabdi fares will rise by 32-33%. The change won't apply to tickets already issued even if the journey is on or after that date. Most Rajdhani and Durgams are fully booked, which means that passengers will have to shell out the highest fare.

*The Times of India - 08.09.2016*

<http://timesofindia.indiatimes.com/business/india-business/Most-Rajdhani-Durgam-and-Shatabdi-fares-up-30-40/articleshow/54161943.cms>

## **Railways price hike an experiment to read the market**

Behind the latest steep hike in railway fares on Wednesday, lies the national transporter's desire to test the market. And if all silent indicators are to be believed, passengers might have to brace for more hikes in the future. When and in what shape is as yet unknown. This round of hikes affects only .65 per cent of the 23 million passengers using trains every day. And it fetches around only an extra Rs 300-500 crore more for this financial year with seven months remaining. That's nothing, when compared to the target of Rs 51,000 crore from passenger earnings for the whole year, or the Rs 45,000 crore that Railways earned last year from passenger business. The Railways has called this an "experiment". First of all, to call it surge pricing (as many political bigwigs are calling it on social media) is a misnomer. Surge pricing (the term used by one taxi aggregator) means that most of the time, the entire service would be available at base price and dynamic higher pricing would kick in only in times of heavy demand.

*Indian Express - 08.09.2016*

<http://indianexpress.com/article/india/india-news-india/surge-pricing-in-railways-an-experiment-to-read-market/>

## **Surge pricing: Flying looks cheaper than train travel**

With the introduction of a flexi-fare system by the railways from Friday for 142 premium trains, including 42 Rajdhani trains, 46 Shatabdi and 54 Durgam trains, the gap between the airfares and rates of these premium trains has reduced. This may push more passengers towards aviation sector. Cashing in on the opportunity, Air India even came out with an advertisement on Saturday claiming Air India spot fares were cheaper than Rajdhani flexi fares. Under the new pricing policy, passengers travelling on these trains will have to shell out between 10 to 50 per cent more than the base fare. Railway estimates show that the fares of the new second-AC fares of a premium train between Delhi to Chennai Central is 3.8 per cent higher than the highest airfare on the same route. The estimated highest airfare for the route is about Rs 5,379 per passenger against Rs 5,584 for the surged price fare for second-AC.

*Business Standard - 10.09.2016*

[http://www.business-standard.com/article/current-affairs/surge-pricing-flying-looks-cheaper-than-train-travel-116091000741\\_1.html](http://www.business-standard.com/article/current-affairs/surge-pricing-flying-looks-cheaper-than-train-travel-116091000741_1.html)

## **Indians travelling more, spending more on trips**

Indian travellers are getting increasingly younger. They are also travelling and spending more than ever before, according to a survey by MakeMyTrip. Sample this: 30% of new travellers are in the age group of 18 to 24 years, compared to 24% last year and both spending and average vacation time period is up by 10%. Data collated from bookings on MakeMyTrip scanning over 400 cities travellers shows that on an average Indians holidayed from 7-9 days last year which has increased from 12-14 days this year with people clubbing multiple destinations in their itinerary. Spending has increased to Rs 50,000 for short haul destinations and a lakh for long haul trips. More people are taking 3-4 long weekend breaks in a year and a couple of short-holidays, especially during the festive season, said the survey conducted between January-June 2016. The India Travel Report 2016 also revealed that Indians took 1.7 trips this year as compared to 1.5 in the same time period in 2015.

*The Times of India - 08.09.2016*

<http://timesofindia.indiatimes.com/business/india-business/Indians-travelling-more-spending-more-on-trips/articleshow/54199612.cms>

## **India air travel rises, continues to defy global trend**

India continues to buck the global trend in domestic air travel with 26.2 per cent traffic growth in July, according to the International Air Transport Association (IATA). Globally, domestic travel demand climbed 3.8 per cent in July, compared to the same month last year, its slowest pace in 19 months, IATA said, adding China and India are booming, while more mature markets are stuck in neutral, and Brazil and Russia are sliding backwards. Globally, domestic capacity climbed 3.7 per cent and load factor rose 0.1 percentage point to 84 per cent. India outperformed all the other markets in both capacity (20.5 per cent year-on-year, or y-o-y, growth) and 26.2 per cent traffic growth, on the back of increase in flights and low fares. Indian airlines recorded 84.5 per cent load factor, with a 3.9 per cent y-o-y growth in occupancy. Airlines in the US and Russia however, fared better than their Indian counterparts in load factors.

*Business Standard - 08.09.2016*

[http://www.business-standard.com/article/current-affairs/india-air-travel-rises-continues-to-defy-global-trend-116090700771\\_1.html](http://www.business-standard.com/article/current-affairs/india-air-travel-rises-continues-to-defy-global-trend-116090700771_1.html)

## **Maha to get its third large port near Dahanu**

Maharashtra is set to get its third large port soon, with the Central government giving its nod for development of a new shipping terminal near Dahanu, about 150 km from Mumbai, for about Rs 2,500 crore. The new port, to be named Vadhavan Port, will be a joint venture between the government-owned Jawaharlal Nehru Port Trust (JNPT) and Maharashtra Maritime Board (MMB) and is expected to be operational by 2021-22. The Narendra Modi-led government has been urging states to join hands with the Centre to develop facilities for better maritime cargo transport. Under this initiative, the Sagar port in West Bengal was the first one to be launched in which the Kolkata port and the West Bengal Maritime Board have joined hands. Vadhavan Port is the second such initiative. One of the major advantages for the proposed port near Dahanu is its natural depth of sea level (draft) of about 20 metres, which will allow larger vessels to sail closer to the port. In comparison, the ports at JNPT and Mumbai have average draft of about 14-15 metres.

*The Times of India - 09.09.2016*

<http://timesofindia.indiatimes.com/city/navi-mumbai/Maha-to-get-its-third-large-port-near-Dahanu/articleshow/54199649.cms>

## **Air India looks to recast loans worth Rs 28k cr**

Saddled with a debt of almost Rs 50,000 crore, Air India is trying to restructure the Rs 28,000-crore working capital portion of this burden. The airline's top brass had an informal meeting with State Bank of India management last week in Mumbai where the Maharaja requested that SBI Caps be asked to examine the possibility of converting a part of the working capital debt into equity. A consortium of 19 banks have extended Rs 28,000 crore as working capital loan to the state-owned airline. Of this, Rs 22,000 crore is aircraft purchase related loan, which has been partially raised with guarantee from EXIM Bank from foreign institutions, and rest via NCDs (non-convertible debentures) and bonds. "For the working capital loan, Bank of India and Bank of Baroda have the biggest exposure individually of about Rs 2,000-2,200 crore each. SBI has an exposure of about Rs 1,200 crore," said a senior official. SBI leads this consortium of bankers for taking decisions on AI loans.

*The Times of India - 12.09.2016*

<http://timesofindia.indiatimes.com/business/india-business/Air-India-looks-to-recast-loans-worth-Rs-28k-cr/articleshow/54283403.cms>

## **Port investors poised for a better deal in India**

For years, private investors have lived with a rigid model concession agreement (MCA) that outlines the terms and conditions of a cargo contract at ports owned by the Indian government. This may be about to change as India embarks on an ambitious programme for port-led development that entails the setting up of 400 projects requiring an investment of some Rs.4.5 trillion. The new MCA written by the shipping ministry seeks to replace the rigidity associated with the present one to deal with market dynamics over a contract period that typically lasts 30 years. In its place, the new MCA will give more flexibility to investors. Mechanisms are being introduced to better balance risks between stakeholders rather than subject the private developer to more risks than the port authority, as is currently the case. For instance, the new MCA will facilitate the extension or reduction of the contract tenure to deal with cargo volatilities.

*Mint - 09.09.2016*

<http://www.livemint.com/Opinion/GZjgK7nOgeMqtYwC5mhDfJ/Port-investors-poised-for-a-better-deal-in-India.html>

## **V C Bhandari assumes charge as EIL Director (HR)**

V C Bhandari has assumed charge as Director (HR) of Engineers India Ltd wef August 26th. Bhandari completed his graduation in Electrical Engineering from Delhi College of Engineering in 1981 and acquired an MBA from Faculty of Management Studies, Delhi in 1990. He joined EIL in 1981 as a Management Trainee. Completing nearly 35 years in EIL, he has a wide spectrum of experience having worked in Engineering Design, Project Management and HR functions. He has been involved in implementation of mega- projects in Refineries and other Hydrocarbon areas. He also spearheaded EIL's diversification into Nuclear and Renewable Energy Projects. Bhandari has been deeply involved in various strategic exercises and developing the Mentoring Process and Management Pipeline program at EIL.

*Millennium Post - 06.09.2016*

<http://www.millenniumpost.in/NewsContent.aspx?NID=323772>

## **GK Satish takes over as Director (BD), IOC**

G K Satish today took over as Director (Planning and Business Development) of Indian Oil Corp (IOC). Prior to this, he was executive director in-charge (Gas Business) at IOC. He replaces Debasis Sen who superannuated yesterday. "A Graduate in Mechanical Engineering from the National Institute of Technology, Surat and a Post-Graduate in Management from Management Development Institute, Gurgaon, Satish has over 30 years' experience in Ioc in the areas of marketing operations, logistics, business development, international trade, natural gas business and human resources," the company said in a statement.

*Business Standard - 07.09.2016*

[http://www.business-standard.com/article/pti-stories/gk-satish-takes-over-as-director-bd-ioc-116090101099\\_1.html](http://www.business-standard.com/article/pti-stories/gk-satish-takes-over-as-director-bd-ioc-116090101099_1.html)