

(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.)

Exports drive US economic acceleration

The US economy expanded at its fastest rate in two years in the third quarter as an upturn in exports helped drive annualised GDP growth to 2.9 per cent, twice the pace in the previous quarter. The healthier economic figures will feed into the debate as campaigning reaches a crescendo ahead of next month's presidential election. Donald Trump has painted a consistently dark picture of the US's growth performance, decrying the recovery as the worst since the Great Recession and attacking his opponent for pursuing a "failed economic agenda" as he pledges to boost growth to above 4 per cent. By contrast, Hillary Clinton is attempting to tap into improved economic optimism, even as she acknowledges the recovery has been uneven amid rising inequality. The firm GDP report will deprive Mr Trump of fresh evidence supporting his narrative of decaying growth and poor exports, even if it fails to dispel longer-term concerns about poor corporate investment and productivity.

Financial Times - 29.10.2016

https://www.ft.com/content/1b65a246-9d07-11e6-a6e4-8b8e77dd083a?ftcamp=published_links%2Frss%2Fhome_asia%2Ffeed%2F%2Fproduct

Despite efforts, India moves up only one place on ease of doing business rankings

India moved up only one position in the International Finance Corporation's (IFC) ease of doing business rankings, triggering a strong reaction from the government which said the string of reform initiatives undertaken by it in the last one year had not been factored in by the World Bank arm. The Doing Business 2017 report released late on Tuesday showed that India was placed 130th among 190 countries that had been surveyed for the annual rankings, with Russia, Bhutan, South Africa, China, Nepal, Sri Lanka and Brazil ranked higher. New Zealand replaced Singapore as the easiest place for doing business. While the government's focus on improving India's ranking and an overhaul of the Companies Act came in for praise in the report, labour laws were flagged for creating economic distortions even as

Economy to grow 8 per cent, agri sector over 4 per cent this fiscal: Shaktikanta Das

Pinning hopes on a slew of government reforms, Economic Affairs Secretary Shaktikanta Das today said the GDP growth will be around 8 per cent this fiscal while the agriculture sector is expected to grow over 4 per cent. "The GST will happen, bankruptcy law has happened. Both these pieces of legislation together with amendments to the arbitration law, DRT, company laws have potential to create a very vibrant and dynamic economy," he said. "We have an economy which has recorded 7.6 per cent growth, thanks to good agriculture where the growth we expect to be upwards of 4 per cent definitely. It could be even 4.5 per cent... We are looking at growth upwards of 7.6 per cent and hopefully close to 8 per cent," he said at an ASSOCHAM event here. In 2015-16, the country's economy grew 7.6 per cent and the Economic Survey in February had projected a growth rate of 7-7.75 per cent for the current fiscal while RBI had forecast 7.6 per cent.

The Economic Times - 25.10.2016

<http://economictimes.indiatimes.com/news/economy/policy/economy-to-grow-8-per-cent-agri-sector-over-4-per-cent-this-fiscal-shaktikanta-das/articleshow/55051352.cms>

Jaitley defends GST design

Finance minister Arun Jaitley today came out with a blog in which he has argued in favour of a four-slab GST (goods and services tax) structure. "Some have suggested that multiple tax rates are disadvantageous to GST and would neutralise some of the advantages of a uniform tax structure. The reality is that multiple tax rates in India are inevitable. Different items used by different segments of society have to be taxed differently. Otherwise, GST would be regressive. Air conditioners and hawaii chappals cannot be taxed at the same rate," Jaitley wrote in the blog. The government has proposed a four-rate tax structure of 6, 12, 18 and 26 per cent, with a majority of goods coming under the 18-per-cent slab. Items, mostly food products, constituting nearly 50 per cent of the weight in the consumer price index, have been proposed

IFC took note of the plan to overhaul the regime. India's overall score improved marginally to 55.27 as it climbed up the rankings for providing electricity connections, enforcing contracts through commercial divisions in Bombay and Delhi high courts, easier rules for trading across borders and making Employee's Social Insurance Corporation's payments.

The Times of India - 26.10.2016

<http://timesofindia.indiatimes.com/business/india-business/Despite-efforts-India-moves-up-only-one-place-on-ease-of-doing-business-rankings/articleshow/55059024.cms>

Arun Jaitley wants to use PSUs to help PSBs; here's why abundant caution is a must

On the face of things, finance minister Arun Jaitley asking PSUs to explore the possibility of taking over stressed assets of public sector banks (PSBs) is a good idea. Even assuming banks are able to get rid of defaulting promoters—this is a big assumption, though—and can take control of the assets, selling them requires a big haircut and, given the existing CVC/CBI/CAG system, bankers are naturally scared to take this call; also, assuming that bankers are willing to take this call, what do they do if there is no immediate buyer since the asset will just go to seed. A public-sector-to-public-sector sale, on the other hand, does not run this risk since an SBI will be able to convince the CBI that a 40% haircut on a power plant sold to NTPC cannot possibly be an act of corruption. As for NTPC, it will be able to get a power plant much cheaper than if it had to construct it from scratch on its own, and there will be no cost/time delays on account of issues like not getting land or other clearances. It is, however, important to be cautious here. For one, any takeover of a stressed asset has to be a call the PSU takes, it cannot be taken by even the line ministries—at the meeting with the FM, various secretaries of different ministries like power and steel were present, suggesting they could have a proactive role in the proposed sales.

Financial Express – 26.10.2016

<http://www.financialexpress.com/fe-columnist/arun-jaitley-wants-to-use-psus-to-help-psbs-heres-why-abundant-caution-is-a-must/430204/>

PM takes 1st step to making India a gas-based economy

For some time now there has been a great deal of buzz about India's move to a gas-based economy. And on Monday, this perhaps takes the first step with Prime Minister laying the foundation stone for Rs 1,000 crore city gas distribution network for

to be exempted from GST. "Those taxed below 3 per cent as the total tax of the Centre and the states will be taxed at a zero rate. Those between 3 per cent and 9 per cent will be taxed at 6 per cent; those between 9 per cent and 15 per cent will be taxed at 12 per cent and there would be a standard rate of 18 per cent," he said. The blog comes barely a week before the GST council meeting on November 3-4 to discuss and finalise the rate structure.

The Telegraph - 27.10.2016

http://www.telegraphindia.com/1161027/jsp/business/story_115828.jsp#.WBMpq1R97IU

Oil PSUs making \$20 billion investments in refinery expansion

India may turn into a net importer of fuel oil as its state-owned refiners are making multi-billion dollar investments to upgrade their refineries and produce more profitable refined products such as gasoline or diesel. India has traditionally been a net exporter of fuel oil, the residue oil left after initial crude refining that is typically used in shipping and power generation. That is about to change. Three state-run energy firms -- Indian Oil Corp, Bharat Petroleum and Hindustan Petroleum -- plan to spend \$20 billion on refinery expansions to add units by 2022 that would process fuel oil into gasoline and diesel, boosting their output to meet growing local demand for transport fuels. "Our fuel oil production will be less because everywhere we are going for residue upgrades," said B. Ashok, Chairman of the country's biggest refiner Indian Oil Corp (IOC). Private refiners Reliance Industries and Essar Oil have already invested heavily to build advanced refineries which produce gasoline at the expense of fuel oil. With state refiners now doing the same, India will soon have to sharply raise imports of fuel oil, two traders that participate in the market said.

The Economic Times – 28.10.2016

<http://economictimes.indiatimes.com/industry/energy/oil-gas/oil-psus-making-20-billion-investments-in-refinery-expansion/articleshow/55112387.cms>

Eastern gas grid in focus

Prime Minister Narendra Modi on Monday laid the foundation stone for a 1,500-km-long gas pipeline in his parliamentary constituency as part of the government's Rs 51,000-crore project to provide natural gas to the eastern region. "India cannot progress unless the

Varanasi. The 800 inch km pipeline network will be used to supply clean fuel to the end consumers in the city. The hashtag #UrjaGanga (River of Energy) aptly conveys the benefits that people of Varanasi will enjoy once the infrastructure is put in place. Varanasi, thus becomes the first city in the government's growth roadmap of Eastern India. The government had recently approved 2540 km of gas pipeline Jagdishpur – Haldia, Bokaro – Dhamra pipelines, which will ensure smooth supply of gas in five states of Uttar Pradesh, Bihar, Jharkhand, West Bengal and Odisha. It also means cities including Varanasi, Patna, Ranchi, Jamshedpur, Kolkata, Bhubaneswar, Cuttack will have city gas distribution system and people will have an option to switch to cleaner fuel.

Millennium Post - 25.10.2016

<http://www.millenniumpost.in/NewsContent.aspx?NID=330251>

Bajaj Auto enters into strategic tie-up with Gulf Oil Lubricants

Gulf Oil Lubricants India Limited (GOLIL) has entered into a strategic Original Equipment Manufacturer tie-up with Bajaj Auto Limited to manufacture and supply lubricants. Under this tie-up, Gulf Oil, a Hinduja Group Company, will manufacture Bajaj Genuine Oil in their manufacturing facility and distribute these lubricants in Bajaj Auto's dealer network as well as tap into the bazaar market through Gulf's dealer network and in rural areas. "Bajaj evokes inspiration across generations. Bajaj Genuine Oil, with its long drain interval of 10,000 km, is yet another addition to the range of products with differentiated value propositions. This association, our first OEM tie-up in the two-wheeler segment, will help us grow further in the Motorcycle Oil segment where we have a strong presence in the "Bazaar" and also provide a platform to increase the reach of the Bajaj Genuine Oil in the markets," Ravi Chawla, Managing Director, Gulf Oil Lubricants India Limited, said in a statement.

The Hindu Business Line - 26.10.2016

<http://www.thehindubusinessline.com/companies/gulf-oil-bajaj-auto-tieup-for-lubricants/article9271807.ece>

Gulf Oil Lubricants plans to start production from Chennai plant in Oct 2017

Gulf Oil Lubricants India Ltd, a part of the Hinduja Group, plans to start commercial production at the under-construction Chennai plant by the end of

eastern part progresses. We want to make this region a vibrant economic centre for growth. For this, we have to link the region with the clean fuel," Modi said. The 1,500-km long pipeline, which is a part of the Urja Ganga project, aims to provide cooking gas to the residents of seven cities - Varanasi, Patna, Ranchi, Jamshedpur, Calcutta, Bhubaneswar and Cuttack. "Within three years, I want to replace all households using wood for cooking to gas-based cooking, be it either LPG or piped natural gas," he said. The Centre has planned investments of Rs 51,000 crore in the east. This includes Rs 13,000 crore for the Jagdishpur-Haldia & Bokaro-Dhamra pipelines, Rs 6,000 crore for the Dhamra LNG project, Rs 6,000 crore for a city gas distribution network and Rs 26,000 crore for a fertiliser project.

The Telegraph - 26.10.2016

http://www.telegraphindia.com/1161026/jsp/business/story_115636.jsp#.WBMn4IR97IU

GP Petroleums Launches Repsol Passenger Car Lubricant In India

GP Petroleums, a leading lubricant manufacturer which is also a part of UAE-based Gulf Petrochem Group, has launched Repsol's fully synthetic Passenger Car Motor Oils (PCMO) in India. GP petroleum has an exclusive licence agreement with Repsol S A, Spain to manufacture and market 'Repsol' brand of lubricants across the nation. Cricketer Suresh Raina earlier this year had launched the 'Repsol' brand in India. The PCMO range follows the successful launch of Repsol's Motor Cycle Oil, which is also available as a world-class fully synthetic product that goes by the name of 'Repsol Elite NEO XTI 5W-40' and a premium car engine oil 'Repsol Elite NEO 5W-30' in the Indian market. The two products launched by Repsol are the 'Elite NEO XTI 5W-40' and 'Elite NEO 5W-30'. The NEO XTI 5W-40 is a fully synthetic product which is known for its high-performance levels and allows optimized performance along with longer drain intervals, excellent soot dispersion, anti-wear, anti-corrosion properties & viscosity stability in extreme conditions.

Zig Wheels - 27.10.2016

<https://www.zigwheels.com/news-features/news/gp-petroleums-launches-repsol-passenger-car-lubricant-in-india/26742/>

New oil hunt policy delayed

The government's plan to shift to the Hydrocarbon Exploration Licensing Policy (Help) is likely to be delayed as the deadline for submitting bids for the marginal fields has been extended till the third week of next month.

second quarter (Q2) next year. "The project is on schedule and we hope to start commercial production sometime by the end of second quarter (Q2) or early third quarter next year," disclosed Manish Kumar Gangwal, chief financial officer, Gulf Oil India Lubricants Ltd, during a conference call with investors on October 21, 2016. In May this year, the company conducted ground-breaking ceremony for its second plant in India at Ennore (Chennai) having a capacity of around 40,000-50,000 kilo litre (KL). At present, Gulf Oil manufactures lubricants at its Silvassa facility – the capacity of which has been augmented from 75,000 kilo litre (KL) to 90,000 KL recently. The construction and PEB (pre-engineered buildings) work contract has already been awarded for the Chennai plant and the full scale construction work is currently underway.

Business Standard - 24.10.2016

http://www.business-standard.com/content/b2b-chemicals/gulf-oil-lubricants-plans-to-start-production-from-chennai-plant-in-oct-2017-116102400614_1.html

Air India likely to fly to six new world destinations in 2017: CMD

Air India expects to add six new international destinations next year, its Chairman and Managing Director Ashwani Kumar Lohani said here on Friday. "We have added four international destinations this year, one of the biggest expansion by a globally leading airline," he told travel agents and business partners at a Diwali celebration dinner. Its latest expansion will be Air India Express service between Singapore, Kolkata and Dhaka, starting from November 19. Air India's new service from Delhi to Madrid commences from December 1. It will also connect Singapore, he said. Air India expects to add six new international destinations next year, Lohani said, without giving details as to which destinations will be added. Lohani, first time in Singapore, also attended the board meeting as chairman of AISATS, a ground handling joint venture between Air India and Singapore Airport Terminal Services. AISTATS handles Air India and customer airlines ground handling services in Delhi, Bangalore, Hyderabad, Trivandrum and Mangalore.

Millennium Post - 29.10.2016

<http://millenniumpost.in/NewsContent.aspx?NID=330917>

AAI creates new subsidiary for air cargo logistics and allied services

Airports Authority of India has created a wholly owned subsidiary AAI Cargo Logistics and Allied

Besides revenue sharing in oil and gas, the policy also gives marketing freedom in gas. "We were planning to have the auction under the Help model from early next year. However, with the extension of the bidding for marginal fields till November 21, it would be difficult to wrap up the process in the current year itself. The Help round could get delayed because of this," a senior oil ministry official said. The small and marginal fields relinquished by ONGC and Oil India are being offered for bidding on simpler contractual terms together with pricing and marketing freedom. The government is offering 46 contract areas with 67 oil and gas fields, estimated to hold over 625 million barrels of oil and oil equivalent gas and spread over 1,500 sq. km.

The Telegraph - 31.10.2016

http://www.telegraphindia.com/1161031/jsp/business/story_116496.jsp#.WBb_ON97IU

Railways sees GST derailing its freight traffic

Just as the nation is set to embrace the revolutionary Goods and Services Tax (GST) and start giving the finishing touches as the countdown begins, government's own arm, the Railways, sees significant erosion of its freight business with the coming of the GST regime, as stated in an internal meeting document. "Freight loading was not showing much promise and the likely implementation of GST with effect from April 2017 accompanied by the removal of Octroi duties/check posts, may further adversely impact the railway's share of freight business," minutes of the quarterly meeting of the Railways for deciding on procurement has mentioned. Confirming the development, a senior official of the ministry said presentations before the finance ministry and GST Council have been made to treat GST rate on Railways freight favourably. "There is an apprehension of Railways freight traffic coming down due to the GST regime. The most important factor is what would be the GST rate on rail transport and how it compares with road transportation.

DNA - 31.10.2016

<http://www.dnaindia.com/money/report-railways-sees-gst-derailing-its-freight-traffic-2268906>

Sagarmala to optimise logistics services in India

The central government's programme for port-led development - Sagarmala - is all set to

Services Company Ltd (AAICLAS). The new entity has been set up with a vision to become one of the foremost integrated logistics network operators in the country with the primary focus on handling air cargo and allied services. The subsidiary, though owned by AAI, will be functionally and administratively independent. It will provide ground handling, documentation, transport services for carriage of bonded and non-bonded cargo and screening services and related value added services at airports in India and abroad, AAICLAS said in a statement. All the activities currently being carried out by the AAI cargo department will be merged with the new entity. Speaking at the unveiling of the new entity here late on Tuesday evening, RN Choubey, Secretary, Civil Aviation, said the new company hopes to achieve a turnover of around ₹380 crore in the next one and half to two years.

The Hindu Business Line - 26.10.2016

<http://www.thehindubusinessline.com/economy/logistics/aai-sets-up-new-logistics-subsidiary/article9270589.ece>

optimise India's logistics services in coming years, said Visakhapatnam Port Trust deputy chairman PL Haranadh. Participating in a conference on 'Cost, Finance, Taxation and Accounting: Issues and Challenges in Logistics and Supply Chain Management' organised by Gitam School of International Business on Saturday, Haranadh said logistics play an important role in economy of a country particularly if we reduce logistics cost that ultimately lead to positive impact on GDP growth. He pointed out that the present thermal power plants are procuring coal through railways which is increasing the logistics cost. If the power sector depends on coastal shipping for coal supply, then it would reduce the logistics cost and also impact power tariff. This is applicable to the steel industry as well, he added.

The Times of India - 30.10.2016

<http://timesofindia.indiatimes.com/city/visakhapatnam/Sagarmala-to-optimise-logistics-services-in-India/articleshow/55137398.cms>