

## Daily Economic News Summary: 10 May 2016

### 1. Nagarjuna Oil in talks with Saudi Royal Family to revive refinery

Source: **Times of India** ([Link](#))

Nagarjuna Oil Corporation, which is setting up a refinery in Tamil Nadu, has initiated talks with the royal family of Saudi Arabia for a possible strategic investment as it attempts to complete the project that has been held up for over four years now. In addition, public sector oil companies, led by IndianOil, are also being nudged by the government to look at possible equity investment. Sources said talks with the Saudi royal family were initiated earlier and the lenders and the PM's Office, which began monitoring the project a few months back, were informed about the discussions around six weeks ago. In fact, the government has taken it up with some Saudi officials and the promoters have been advised to pursue the issue.

A source said equity infusion from the Saudi royal family would depend on discussions at the bilateral level. Prime Minister Narendra Modi as well as petroleum minister Dharmendra Pradhan recently visited Saudi Arabia and oil was clearly the main item on the agenda. The Nagarjuna Oil refinery, which will have an annual capacity of six million tonnes in the first phase, is nearly 60% complete but has been held up since a cyclone hit Cuddalore in December 2011. It has been identified as one of the projects that the PMO is pushing for completion.

### 2. Domestic car sales up 1.87% in April: SIAM

Source: **Business Standard** ([Link](#))

Domestic passenger car sales increased 1.87% to 1,62,566 units in April as against 1,59,588 units in the year-ago period. Last month, motorcycle sales rose by 16.24% to 10,24,926 units from 8,81,743 units a year earlier, according to data released by the Society of Indian Automobile Manufacturers (SIAM). Total two-wheeler sales in April rose 21.23% to 15,60,339 units. Sales of commercial vehicles rose 17.36% to 53,835 units in April, SIAM said.

### 3. Indirect tax collections up by 41% in April

Source: **Business Standard** ([Link](#))

The Centre's indirect tax mop-up rose 41 per cent in April led by high excise collections, signalling a pick-up in economic activity. A part of the collections was on account of additional

revenue measures announced in the current year, Revenue Secretary Hasmukh Adhia tweeted on Monday. Revenue on account of indirect tax - which includes customs, excise duties and service tax - stood at Rs 64,393 crore in April. Adhia said excise duty mop-up in April went up 70 per cent to Rs 28,252 crore against Rs 16,546 crore in the year-ago month.

#### **4. Samsung No.1 in affordable space**

Source: **Economic Times** ([Link](#))

Samsung Electronics has topped the affordable segment in India's fast growing smartphone market, capturing 58% share in the quarter to March on the back of bumper 8 million unit sale of its Galaxy J series. Data compiled by GfK showed that Samsung's volume share in the segment also increased to 55% in the quarter.

#### **5. India is our top pic among Asian countries: Stuart Parks, Invesco Perpetual**

Source: **Economic Times** ([Link](#))

India's structural advantages such as strong demographics, low commodity prices and higher spending on infrastructure make Indian equities our top pick in Asian markets, said Stuart Parks, head of Asian equities at Invesco Perpetual. In an interview with Sanam Mirchandani, Parks, who is based in Oxfordshire, UK, said Indian market is approaching a fair value and is at an inflection point for a rally. Edited excerpts:

#### **How do you rank India among emerging markets?**

**Stuart Parks:** *The structural advantages of India remain quite large relative to other emerging markets (EMs). The demographics are better and the ability to kick-start growth by boosting infrastructure spend are advantages. The profitability of Indian companies in general seems to be higher than other EMs. Commodity prices remain historically low, an advantage which is in direct contrast to many EMs, where falling commodity prices are bad or their economies. The longterm picture for India seems to be more attractive than others.*



**By Harsha Hazarika**