

## Daily Economic News Summary: 8 December 2016

### 1. Pact to set up India's largest refinery inked

Source: Live Mint ([Link](#))

State-run refiners Indian Oil Corp., Bharat Petroleum Corp. and Hindustan Petroleum Corp. on Wednesday signed a preliminary accord to set up a 60 million tonne refinery cum petrochemical complex in Maharashtra, proposed to be the largest in the country. An oil ministry statement said Indian Oil will lead the consortium. Details of the project including the investment required will be worked out after pre-project studies. The deal on mega refinery was one of the 11 partnership agreements signed during the Petrotech ministerial conference in the capital. Meanwhile, state-owned explorer Oil and Natural Gas Corp. has hired global oilfield service providers Halliburton Company and Schlumberger Ltd to enhance output from its producing fields. While Halliburton will aid the explorer to boost output from the Kalol field in Gujarat, Schlumberger will assist the company in raising the output from Geleki field in Assam, said the statement. ONGC is focusing on the Northeast region as part of a larger government plan to have Rs1.3 trillion of public and private investments in the region to double the country's oil and gas output in the next 15 years with an eye on markets such as Bangladesh, Nepal, Bhutan and Myanmar. This was outlined in a hydrocarbon vision document the ministry brought out in February. The country now produces about 223 million tonnes of petroleum products and 33 billion cubic metres of natural gas a year. Domestic consumption stood at 185 million tonne of finished petroleum products in 2015-16.

### 2. AIR earns Rs4.78 crore from 'Mann Ki Baat' in 2015-16

Source: Live Mint ([Link](#))

Prime Minister Narendra Modi's monthly radio address *Mann Ki Baat* on state-owned All India Radio (AIR) managed to garner advertisement revenue of Rs4.78 crore in 2015-16. In a written reply in the Lok Sabha, minister of state for information and broadcasting Rajyavardhan Rathore said that AIR monetizes on the radio broadcast of *Mann Ki Baat*, but the show does not earn any ad revenue on digital platforms (AIR application). "Accordingly, the gross revenue generated via this programme during 2015-16 through advertisements is Rs4,78,22,480," he said in his reply. Overall, AIR registered a revenue of Rs447.76 crore in 2015-16, up from Rs435.1 crore in 2014-15. *Mann Ki Baat* has also been visually adapted for telecast on Doordarshan

channels. Both AIR and Doordarshan are owned by public broadcaster Prasar Bharati. So far, AIR has aired 26 episodes of *Mann Ki Baat*. The show was launched in October 2014 and AIR started monetizing on the show that December. “*Mann Ki Baat* majorly generates ad revenue from government ads. In 2014-15, we were able to generate close to Rs1 crore,” said an AIR official, who did not wish to be identified. AIR currently operates a total of 419 stations across the country. Its overall network includes FM channels (FM Gold and FM Rainbow), local radio stations, Vividh Bharati stations and five community radio stations. AIR also extends to over 108 countries. The external services division of AIR covers these countries using 27 languages (15 foreign and 12 Indian).

### **3. Tata Steel sweetens offer to UK workers, moves closer to Thyssenkrupp merger**

**Source: Live Mint ([Link](#))**

Tata Steel UK on Wednesday offered British unions a deal guaranteeing jobs and investment in return for cutbacks to pensions, moving the company a step closer to merging its European assets with Germany’s Thyssenkrupp. Britain’s largest steelmaker offered to keep production at the country’s largest steel plant in Port Talbot, Wales, going for at least five years, with a commitment to try to avoid any compulsory redundancies for five years, steel unions said. It also offered to invest 1 billion pounds in its UK business over the next 10 years. In return however, Tata, which employs some 4,000 people at the Welsh plant and 11,000 in the UK as a whole, wants to close employees’ costly final salary pension scheme to future accruals and replace it with a defined contribution scheme. Unions will ballot on the plan in January next year.

### **4. Adani Transmission to buy Reliance Infrastructure’s Rs1,000 crore power assets**

**Source: Live Mint ([Link](#))**

Adani Transmission Ltd has agreed to buy Reliance Infrastructure Ltd’s Western Region System Strengthening Scheme (WRSSS) power transmission assets of about 3,100 circuit km at an enterprise value of Rs1,000 crore. Reliance Infra owns India’s first private sector transmission projects—WRSSS B and WRSSS C—located in Maharashtra, Gujarat, Madhya Pradesh and Karnataka. In October, the two companies had signed a binding term sheet agreement for Reliance Infra’s three operational transmission projects —WRSSS B, WRSSS C and Parbati Koldam Transmission Co. Ltd. Reliance Infrastructure owns 74% in Parbati Koldam located in Himachal Pradesh and Punjab in joint venture with Power Grid Corp. of India Ltd.

Adani Transmission has six fully operational transmission systems and it is also constructing additional projects of around 1900 circuit km in Rajasthan, Chhattisgarh, Madhya Pradesh, Maharashtra, Jharkhand and Bihar. Once the acquisition of the WRSSS transmission assets is completed, the transmission network of Adani Transmission is set to reach 10,350 circuit km.

## **5. Alvarez & Marsal to increase headcount, presence in India**

**Source: Live Mint ([Link](#))**

Turnaround specialist Alvarez & Marsal (A&M) is looking to increase the number of employees in India, the consulting firm's biggest market outside the US and Europe, said top executives. "From a headcount perspective this (India) is the fastest growing region outside of the US for us. So it's extremely important," said Nick Alvarez, managing director and national practice leader of A&M's private equity performance improvement group and transaction advisory group. "Our largest market is the US followed by the UK and Europe and I would say that India has become the third." A&M is looking to increase its India headcount to 125 from 95 currently, and is also looking to set up an office in Delhi, said Vikram Uttamsingh, co-head of A&M India. It currently operates from its Mumbai office. "We are thinking of setting up a risk management vertical for banks. That's an opportunity that we see here in India. We will look to do that sometime next year," he said. A&M is also in the process of setting up an office in Delhi. "We have decided to set up a Delhi office, because we think that is a big market for us on the restructuring side, both with the banks and corporates. We are in the process of hiring a leader for the Delhi office, which will be a managing director level hire," he said.

By Shreya Chopra

