

(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.)

Goldman revises India FY21 growth upwards to -10.3%

Goldman Sachs revised upwards its FY21 growth forecast for India to a 10.3% contraction, from -14.8% it had projected in September, according to a report released on Tuesday. As announcements of effective vaccines begin to take hold of the global pandemic rhetoric, the investment bank projected India's GDP to rebound to 13% in the next fiscal, compared with 15.7% estimated earlier. "A pivotal assumption for our 2021 India growth outlook is broad-based availability of an effective vaccine, which could allow containment policies and mobility to normalize fully by mid-2022," said Jonathan Sequeira and Andrew Tilton, economists at Goldman Sachs, in the report. This should allow a meaningful activity rebound in 2021, particularly in consumer-facing services sectors, where activity remains significantly below pre-Covid levels, it said. "Overall, we expect real GDP growth to rebound to 13% in FY22 (above consensus expectations of 10.9%), after an expected -10.3% contraction in FY21," the report said. The latest revision marks the second such upgrade in India's FY21 performance by a global institution.

The Economic Times - 18.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F11%2F18&entry=Ar00704&sk=4247F7B8&mode=text>

Economy may have contracted 10.2% in Q2, say experts

The Indian economy likely contracted 10.2% in the July-September quarter from the year earlier according to the median estimate of 10 economists and experts polled by ET, which would be a substantial improvement from the 23.9% decline in the June quarter due to the Covid-led lockdown. It's also an advance from the 12% median estimate in poll ET conducted in September as the economy picked up pace toward the end of the second quarter. At a contraction of 10.2% from the year earlier, the implied sequential growth from the first quarter would be 57%. The latest estimates of the contraction ranged from 8% to 13.5% as agriculture and

Moody's ups India's FY21 growth forecast

Moody's Investors Service on Thursday upped India's growth forecast to (-) 10.6 per cent for the current fiscal, from its earlier estimate of (-) 11.5 per cent saying the latest stimulus prioritises manufacturing and job creation, and shifts focus to longer-term growth. Last week, the government announced a new fiscal package amounting to around Rs 2.7 lakh crore, which included production-linked incentive scheme for manufacturing units and enhanced credit guarantee programme for small businesses. Moody's said the latest measures aim to increase the competitiveness of India's manufacturing sector and create jobs, while supporting infrastructure investment and is "credit positive" as it presents potential upside to growth forecasts. "We have revised our real, inflation-adjusted GDP forecast for fiscal 2020 (April 2020-March 2021) to a 10.6 per cent contraction, from a 11.5 per cent drop previously," Moody's said. In September, the global agency had projected Indian economy to contract 11.5 per cent this fiscal.

The New Indian Express - 19.11.2020

<https://www.newindianexpress.com/business/2020/nov/19/moodys-ups-indiasfy21-growth-forecast-to-106-per-cent-from-earlier-estimate-of-115-per-2225384.html>

GDP contraction likely to have narrowed to 9.5 per cent in September quarter: Icra

The contraction in the country's Gross Domestic Product (GDP) may have narrowed to 9.5 per cent in the second quarter of the current fiscal from 23.9 per cent in the April-June quarter, says a report. The Central Statistics Office (CSO) will release the GDP data for the second quarter of FY21 on November 27. In a report on Thursday, rating agency Icra said the Year-on-Year (YoY) contraction in Indian GDP (at constant 2011-12 prices) is estimated to have narrowed appreciably to 9.5 per cent in Q2 FY2021 from 23.9 per cent in Q1 FY2021, as the economy recovered from the lows of the

manufacturing propped up growth, aided by favourable government policies, while the services sector lagged behind on account of continued restrictions and consumer caution, independent economists said. The government is expected to announce second-quarter GDP figures at the end of this month. "The pace of contraction in GDP is likely to have more than halved in Q2 FY2021 as compared to Q1 FY2021," said ICRA principal economist Aditi Nayar, adding that growth during the quarter was led by electricity within the industrial sector followed by mining and manufacturing. ICRA has estimated a second-quarter contraction of 9-10%.

The Economic Times - 19.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F11%2F19&entity=Ar00100&sk=29602980&mode=text>

Economy improving, growth to turn positive in Q3, Q4 of FY21: Ashima Goyal

India's macroeconomic situation is improving fast and the country's GDP growth will turn positive in the third and fourth quarters of the current financial year, eminent economist Ashima Goyal said on Sunday. Goyal in an interview to PTI said the management of the COVID-19 pandemic and gradual unlocks announced by the government have helped in avoiding multiple COVID-19 peaks. The growth estimates by different agencies are being continuously revised, she said. "We are seeing the consensus negative forecasts shrinking below double digits now. Since unlock 4 in September that prevents states from restricting inter-state movements we are seeing supply chain disruptions easing and rapid pick-up in activity. Growth will turn positive in Q3 and Q4." Goyal, who has been appointed as member of the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI), said there is progress on many reforms and that will make higher long-run growth sustainable.

Business Standard - 23.11.2020

https://www.business-standard.com/article/pti-stories/economy-improving-fast-growth-to-turn-positive-in-q3-q4-of-fy21-ashima-goyal-120112200189_1.html

Too soon to cheer: Recovery, but a slow one

With the services sector yet to see a meaningful uptick — sectors such as hotels, restaurants, aviation and retail remain sluggish — the year could end with significant job losses. While the

pandemic-induced lockdown. It said the contraction in the Gross Value Added (GVA) at basic prices is expected to have moderated considerably to 8.5 per cent in the July-September quarter from 22.8 per cent in the previous three months. The ease in GVA would be led by industry to (-) 9.3 per cent from (-) 38.1 per cent, driven primarily by manufacturing and construction and services to (-) 10.2 per cent from (-) 20.6 per cent), it said.

The Economic Times - 19.11.2020

<https://economictimes.indiatimes.com/news/economy/indicators/gdp-contraction-likely-to-have-narrowed-to-9-5-per-cent-in-september-quarter-icra/articleshow/79302826.cms>

Fitch: reforms to lift medium-term growth

Global rating agency Fitch Ratings has said the government's pandemic-driven renewed reform agenda that includes agriculture and labour reforms could potentially raise India's medium term growth. "Several reforms passed by parliament since the pandemic set in could lift medium-term growth prospects," it said in a note on Friday. The agency listed as positive developments a range of decisions taken by the government, from changes in the laws governing the agriculture sector and the passage of new labour codes to the privatisation drive of state-owned enterprises (SOEs) among others. Fitch expects the government to stay reform-minded over the next few years, at both the central and state level, but added that implementation risks were significant. Most notable of the recently-passed legislations was the decision to give farmers more flexibility over where to sell their produce, the note said. "Stripping out middle men, as the reform allows, could improve farmer incomes while reducing consumer prices. Nevertheless, implementation risks are significant," it said.

The Economic Times - 21.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F11%2F21&entity=Ar00704&sk=4D825D87&mode=text>

India's manufacturing poised to witness recovery in Jul-Sep: Survey

India's manufacturing sector is poised to witness recovery in the July-September quarter, even as hiring outlook for the segment remains bleak, according to a survey. Industry

economy is no doubt recovering from the lows of the April-June period and the festive season would have spurred consumer spends, there are no indications yet the momentum will sustain after December. With the services sector yet to see a meaningful uptick — sectors such as hotels, restaurants, aviation and retail remain sluggish — the year could end with significant job losses. Analysts at Nomura say business resumption plateaued in the week to November 15 and was trending at 15 pps below pre-Covid levels. Indeed, some part of the ramp-up in production in consumer durables can be attributed with low stocks at dealers that needed to be replenished. Also, corporate India's Q2FY21 profits were impressive, for a large number of companies came on the back of steep fall in costs rather than higher revenues.

The Financial Express - 23.11.2020

<https://www.financialexpress.com/economy/too-soon-to-cheer-recovery-but-a-slow-one/2134173/>

DIPAM signs pact with World Bank for advising on CPSE asset monetization

DIPAM, which mainly handles government's disinvestment programme, on Monday signed an agreement with the World Bank for providing advisory services for asset monetization. The Department of Investment and Public Asset Management (DIPAM) is mandated with facilitating monetization of non-core assets of government CPSEs (central public sector enterprises) under strategic disinvestment. "The World Bank advisory project, approved by the Finance Minister, is aimed at analyzing public asset monetization in India and benchmarking its institutional and business models against international best practices as well as supporting development of operational guidelines and capacity building for their implementation," an official statement said. It is expected that this project would facilitate and accelerate the non-core asset monetization process and help unlock the value of these unused/marginally used assets which have the potential to substantially augment financial resources for further investments and growth, it added.

The Economic Times - 17.11.2020

<https://economictimes.indiatimes.com/news/economy/finance/dipam-signs-pact-with-world-bank-for-advising-on-cpse-asset-monetization/articleshow/79249040.cms>

body FICCI's latest quarterly survey on manufacturing points towards recovery of the manufacturing sector in the second quarter ended September as compared to the previous quarter, with a rise in percentage of respondents reporting higher production. The proportion of respondents reporting higher output during July-September rose to 24 per cent, as compared to 10 per cent in the previous quarter. Besides, the percentage of respondents expecting low or same production is 74 per cent in the second quarter which was 90 per cent in the first quarter of 2020-21. However, hiring outlook for the sector, though improving slightly, shows a bleak picture as 80 per cent of the respondents mentioned that they are not likely to hire additional workforce in the next three months.

Business Standard - 22.11.2020

https://www.business-standard.com/article/pti-stories/india-s-manufacturing-poised-to-witness-recovery-in-jul-sep-survey-120112200475_1.html

Steep capex targets being set for 3 dozen public sector companies

Fiscally strained, the central government is going all out to leverage the public sector companies owned by it. While pressures has been mounted on them to play a larger role in boosting the exchequer via higher-than-usual dividend pay-outs and share buybacks, they are likely to be asked to increase their capital expenditure to vertiginous heights. The idea is to cushion an imminent overall decline in overall public investments caused by reduced capex by states and the Centre's inability, if not hesitation, to scale up its own budgetary spending beyond a limit. Government sources told FE that about three dozen CPSEs (excluding large unincorporated public sector entities like the NHAI and the Railways) with annual capex budget of Rs 500 crore and above would be directed to raise their capex target for the current fiscal to Rs 3.2 lakh crore, up 50% from the level envisaged at the start of the year. Further, these companies will require to raise their capex to Rs 4.3 lakh crore in FY22, a year which will likely see the economy's continued over-reliance on public expenditure to negate the possibility of a second year of negative growth.

The Financial Express - 17.11.2020

<https://www.financialexpress.com/economy/steep-capex-targets-being-set-for-3-dozen-public-sector-companies/2129771/>

Additional instalment of DA for CPSE execs, non-unionised supervisors frozen

The Department of Public Enterprises (DPE) on Thursday announced freezing of additional dearness allowance for executives and non-unionised supervisors of central public sector enterprises (CPSEs) drawing salaries under certain pay scales till June 30, 2021. "In view of the crisis arising out of COVID-19, it has been decided that additional instalment of dearness allowance payable to employees of CPSEs drawing pay as per 2017, 2007, 1997, 1992 and 1987 IDA pay revision guidelines, due from October 1, 2020, shall not be paid," the DPE said. Further, the additional instalments of the DA due from January 1, 2021, and April 1, 2021, will also not be paid. However, dearness allowance at current rates (with effect from July 1, 2020) will continue to be paid, said the DPE's circular. "As and when the decision to release the future instalments of dearness allowance due from July 1, 2020, is taken by the government, the rates of dearness allowance as effective from October 1, 2020, January 1, 2021, and April 1, 2021, will be restored prospectively," DPE said.

Business Standard - 20.11.2020

https://www.business-standard.com/article/economy-policy/addl-installment-of-da-for-cpse-execs-non-unionised-supervisors-frozen-120111901448_1.html

Inflation spanner in RBI plans

The Reserve Bank of India is in a bind on whether to check prices or kickstart recovery with retail inflation at its highest since May 2014 while the economy is now in "technical recession". Consumer price inflation (CPI) in October rose to 7.61 per cent from 7.27 per cent in the preceding month thus remaining above the central bank's medium term target (4 per cent with a band of +/- 2 per cent) for the seventh straight month. A large part of the headline inflation was because of elevated food prices. But a bigger concern is core inflation, which is inflation leaving aside food & beverages and fuel. Core inflation is at 5.47 per cent which indicates transmission of food inflation to non-food segments. The monetary policy committee of the RBI with its mandate to keep a check on prices will now be keen to raise rates — but this could wreck the possibility of an economic recovery. Economists are, however, of the view the interest rate setting body is likely to continue its accommodative stance and choose the option of a pause in the policy repo rate as it waits for inflation to cool down.

The Telegraph - 19.11.2020

<https://www.telegraphindia.com/business/inflation-spanner-in-rbi-plans/cid/1797659>

Wholesale inflation rises to 8-month high of 1.5%

Wholesale inflation shot up to an eight-month high in October as food prices, particularly vegetables remained firm and manufactured products also hardened, prompting economists to say that rising price pressures may force RBI to hold interest rates. Data released by the commerce and industry ministry on Monday showed inflation, as measured by the wholesale prices, rose an annual 1.5% in October, higher than 1.3% in the previous month. It was flat in the year earlier period. The spurt was led by a surge in core inflation (minus food and fuel) to an 18-month high but the data also brought some cheer, with numbers pointing to a cooling in food inflation. But, month-on-month vegetable and food product prices were firm.

The Times of India - 18.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F11%2F18&entity=Ar01305&sk=F1DCF433&mode=text>

Tight budget: Outlays for most ministries slashed

As the Union Budget FY22 preparations get underway, annual budget outlays for the current year have been revised downwards for most ministries, barring two notable exceptions of the ministries of rural development and food and consumer affairs. The spending cuts, as reflected in the revised estimates (REs) for the ministries, are steep in most cases. The squeeze will also reflect on the expenditures by social sector and welfare ministries in the current fiscal. While new schemes requiring substantial budgetary spending have been unveiled under the stimulus packages — like the PM Garib Kalyan, Anna and Rozgar (EPF support) Yojanas — other centrally schemes are bearing the brunt. An analysis by FE revealed that despite the three rounds of stimulus measures announced so far, the FY21 Budget size would at best be the same as the budget estimate (BE) of Rs 30 lakh crore. It could even be lower. As the chart shows, all ministries except four — rural development, food and consumer affairs, agriculture and labour — spent less than 50% of the annual outlay for FY21 in the first half of the year (April-September).

<https://www.financialexpress.com/economy/tight-budget-outlays-for-most-ministries-slashed/2134141/>

Daily working hours may be extended to 12 from 10.5 Now

The labour ministry has proposed to cap the number of working hours in an establishment at 12 in a day – higher than the current 10.5 – and 48 in a week. The draft rules for the Code on Occupational Safety, Health and Working Conditions, made public Friday, are in line with recent moves by some states to extend the daily working hours to 12. The draft rules also provide for a single licence for contractors and staffing firms, allowing them to operate across India with one registration as against multiple state or location-specific registrations. It prohibits the hiring of contract labour for core activities, which will be defined by the appropriate government and may include work of perennial nature. "The period of work of a worker shall be so arranged that inclusive of his intervals for rest, it shall not spread over for more than 12 hours in a day," the ministry said, while capping the total work hours permitted in a week at 48. The current limit under the Factories Act stands at 10.5 hours, which works out to 9.5 hours, with one hour of rest.

The Economic Times - 21.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F11%2F21&entity=Ar00703&sk=A318D129&mode=text>

Government weighs new solution for problem of sick PSUs

After repeated changes in strategy to shut down sick public sector companies such as Scooters India Ltd., the government is contemplating a new approach. It is now considering a policy to separate land holdings of such sick companies from the process of their closure. Shutting down sick central government-owned companies, those that have eroded their net worth, has been a task, as several of them face pending litigation—often related to land. Hence, the Finance Ministry is working on a new framework that would delink land holdings from the process of closing the PSU, and transfer the land held by it to the administrative department/ministry, said a government official on the condition of anonymity. Bloomberg Quint sought a confirmation from the Finance Ministry but has yet to receive one. For instance, Scooters India has two ongoing land disputes with the Uttar Pradesh government for two land parcels. The new policy may lead to

EPFO records 1.49 mn net new enrolments in Sept, up from 880,000 in Aug

Net new enrolments with retirement fund body EPFO rose to 14.9 lakh in September from 8.8 lakh in August 2020, according to its latest payroll data, providing a perspective on formal sector employment amid the coronavirus pandemic. Provisional payroll data released by the EPFO last month had shown that net new enrolments stood at 10.05 lakh in August this year. The figure has now been revised down to 8.8 lakh. The net enrolments with the Employees' Provident Fund Organisation (EPFO) had dropped to 5.72 lakh in March 2020 from 10.21 lakh in February, according to the payroll data released in May. Latest data released on Friday showed that net new enrolments in April were in the negative zone at (-) 1,49,248 against the figure of (-) 1,04,608 released in October. This means that the number of members who exited the EPFO subscription was more than those who joined or rejoined the scheme.

Business Standard - 21.11.2020

https://www.business-standard.com/article/economy-policy/epfo-records-1-49-mn-net-new-enrolments-in-sept-up-from-880-000-in-aug-120112001124_1.html

Pradhan asks Oil Cos to partner Global Explorers

Domestic oil and gas producers should function like holding companies, farming out their exploration acreages and involving global players with advanced technologies to speed up project execution and run them professionally, oil minister Dharmendra Pradhan has said. "Business as usual approach will not work. From day one, it has to be a commercially-viable, technology-friendly model and run professionally," Pradhan told a gathering of industry executives at a ceremony to give away exploration licenses to the winners in the latest, fifth, round. ONGC and Oil India have won seven and four blocks, respectively, in the latest round. India has introduced several policy measures in the exploration sector in the last few years but has attracted limited interest from foreign or private players. Domestic oil production has been declining for a decade and the country imports more than 80% of its

transfer of the land to the Department of Heavy Industries, thereby allowing the department to see through the litigation and its outcome.

Bloomberg Quint - 23.11.2020

<https://www.bloombergquint.com/business/government-weighs-new-solution-for-problem-of-sick-psus>

Modi says India set to double oil refining capacity in 5 years, earlier than expected

India plans to nearly double its oil refining capacity in the next five years, Prime Minister Narendra Modi said on Saturday, offering a much more aggressive timeline than previously despite the coronavirus pandemic blighting the economy. The country's energy minister was quoted in June as saying India's oil refining capacity could jump to 450-500 million tonnes in 10 years from the current level of about 250 million tonnes. But addressing a petroleum university's convocation, Modi said "work is being done to nearly double the country's oil refining capacity in the next five years". The convocation was also addressed virtually by billionaire Mukesh Ambani, whose Reliance Industries Ltd operates the world's biggest oil refinery in Modi's home state of Gujarat. Modi said India was also aiming to raise the share of natural gas in its energy-consumption mix by up to four times. The cleaner-burning fuel currently accounts for about 6% of the energy consumed in the country.

The Economic Times - 22.11.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/modi-says-india-set-to-double-oil-refining-capacity-in-5-years-earlier-than-expected/79347833>

Domestic natural gas output falls 8.6% in October

Domestic natural gas production fell 8.6% year-on-year (y-o-y) to 2,414 million metric standard cubic metre (mmscm) in October. The 2.6 million tonne (MT) of crude oil produced in the country during the month was also 6.3% lower than the production in the year-ago period. Indigenous natural gas production caters to about 51% of the country's requirements, while around 85% of the country's crude oil is imported. Domestic natural gas production fell 12.9% y-o-y to 13,939 mmscm in the first half of the fiscal, as operations became increasingly unviable for energy production companies with government lowering selling prices. As noted earlier by Care Ratings, the gross

requirement. Domestic companies need to increase their execution pace and move at 'exponential speed' in managing their exploration projects, Pradhan said.

The Economic Times - 18.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F11%2F18&entity=Ar00713&sk=24818610&mode=text>

India's diesel sales fall 5 per cent in early November -industry data

India's diesel sales dipped in the first half of November after briefly recovering from the impact of the COVID-19 pandemic in October, raising concerns about industrial growth in Asia's third largest economy. Diesel sales by the country's state-run refiners fell 5% during the first fifteen days of November compared with the year earlier period, to 2.86 million tonnes, according to provisional data compiled by Indian Oil Corp (IOC). India's diesel consumption, which accounts for about 40% of overall refined fuel sales in the country and is a key parameter linked to its economic growth, had risen for the first time in eight months in October. IOC, Hindustan Petroleum Corp and Bharat Petroleum own about 90% of India's retail fuel outlets. Lower diesel sales in the world's third largest crude importer could be bad news for oil producers and refineries as the fuel accounts for the bulk of refiners' output. However, industry officials say diesel demand typically picks up before the festival season, which runs from mid-October until early November, and slows down during and after it.

The Economic Times - 16.11.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-diesel-sales-fall-5-per-cent-in-early-november-industry-data/79244868>

India to see Rs 10,000 cr investment in LNG stations: Dharmendra Pradhan

India will see an investment of Rs 10,000 crore in the next three years in setting up of LNG stations, a fuel that promises to revolutionise long-haul transport with reduced cost and lesser emissions, Oil Minister Dharmendra Pradhan said on Thursday. Liquefied natural gas (LNG), which is supercooled natural gas, is favoured by long-haul buses and trucks due to its higher energy density than CNG, its ability to give a 600-800 km run on a single fill, and it being 30-40 per cent cheaper than diesel. So far, India uses petrol, diesel, CNG and auto-LPG as fuels to run automobiles. LNG is a new fuel that can be dispensed from outlets similar to petrol

production of domestic natural gas will fall 10.6% during FY21 as "no company would aggressively want to increase production or get into high-risk projects with such a low gas price". The current price for gas produced from local fields has been revised to an all-time low of \$1.79/mmBtu by the government, which is much below the breakeven point for most fields, the agency noted.

The Financial Express - 17.11.2020

<https://www.financialexpress.com/industry/domestic-natural-gas-output-falls-8-6-in-october/2129662/>

Govt makes it easier to win oil and gas projects for local-content bidders

At a time when the country's oil and gas sector is executing projects worth about Rs 5.88 lakh crore, the Union government has amended the purchase-preference-local-content (PPLC) policy for the sector. In order to boost domestic manufacturing, the new policy allows bidders using local products to win contracts even if they quote rates 20% higher than the lowest bid. The purchase preference margin was earlier kept at 10%. The policy will be applicable for all tenders issued by public sector oil and gas companies and their joint ventures. "Class 1 local supplier", or a supplier whose goods and services has 50% or more local content, will get purchase preferences for government procurements. For procurement of goods or services where there is sufficient local supply capacity, only Class 1 suppliers will be allowed to participate in the auctions, the amended policy note released by the ministry of petroleum and natural gas said.

The Financial Express - 20.11.2020

<https://www.financialexpress.com/economy/govt-makes-it-easier-to-win-oil-and-gas-projects-for-local-content-bidders/2132513/lite/>

OPINION: OPEC+ panel sees weaker oil demand in 2021

OPEC and its allies have revised oil demand scenarios for 2021 with demand seen weaker than previously anticipated, a confidential document seen by Reuters shows, supporting the case for a tighter supply policy next year. "For 2021, oil demand is expected to grow by 6.2 million barrels per day, year on year, representing a downward revision of 0.3 million barrels per day compared to last month's assessment," the report by a panel of officials from OPEC+ producers, called the Joint Technical Committee (JTC), said. The JTC has met

pumps, and is used not just in long long-haul buses and trucks but also in running mining equipment, as bunker fuel, and rail locomotives. LNG will reduce the cost of operation as well as reduce carbon emissions, Pradhan said at the launch of construction of the first 50 LNG dispensing stations. "In the next three years, Rs 10,000 crore will be spent on setting up of 1,000 LNG stations in the private and public sector," he said.

The Financial Express - 20.11.2020

<https://www.financialexpress.com/modities/india-to-see-rs-10000-cr-investment-in-lng-stations-dharmendra-pradhan/2132089/>

State-run oil marketing cos to focus on Bharat to boost sales

State-run oil marketing companies (OMCs), including Indian Oil Corp. Ltd (IOCL), Bharat Petroleum Corp. Ltd (BPCL) and Hindustan Petroleum Corp. Ltd (HPCL), will set up 6,000 fuel retail outlets this fiscal year with a major focus on rural and semi-urban areas, besides highways, as sales in urban areas have stagnated, said OMC officials. BPCL, which plans to add 1,800 retail outlets, registered better growth in sales in rural and small-town areas in the last quarter. "We don't have adequate presence in rural and semi-urban markets, where growth is happening more in the country today because metros have saturated. So, we are trying to capture the market which are growing," said N. Vijayagopal, chief financial officer, BPCL. The focus on rural areas will help raise BPCL's market share in diesel and petrol sales to about 32% from 29%, Vijayagopal added. During the covid-induced lockdown, demand for auto fuels had fallen, but gradually recovered after the restrictions were lifted in phases.

Mint - 17.11.2020

<https://www.livemint.com/industry/energy/state-run-oil-marketing-cos-to-focus-on-bharat-to-boost-sales-11605581541113.html>

Oil From Russia to U.S. Gets Snapped Up in Asia Buying Binge

Physical cargoes of crude oil from Russia, the U.S. and the Middle East were getting snapped up at higher prices as buyers across Asia entered a bidding war to secure supplies. January shipments of Russian ESPO, a favorite among Chinese and Japanese refiners, were sold at a five-month high premium over Dubai prices after spot differentials for Sokol rose \$1 a barrel. In the Middle East, Chinese buyers were seen buying grades such as Das at a premium to its official price, even though the

virtually on Monday ahead of the meeting of the Joint Ministerial Monitoring Committee, which meets on Tuesday and can recommend policy steps to OPEC+. The OPEC+ group of producers was due to raise output by 2 million bpd in January - about 2% of global consumption - as part of a steady easing of record supply cuts implemented this year. But with demand for fuel weakening, OPEC+ has been considering delaying the increase. An option gaining support among OPEC+ nations is to keep the existing curbs of 7.7 million bpd for a further three to six months, OPEC+ sources said, rather than tapering the cut to 5.7 million bpd in January.

The Economic Times - 17.11.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opinion-ope-panel-sees-weaker-oil-demand-in-2021-document/79260986>

PSUs may be roped in if BPCL sale does not get desired valuations

The government may consider roping in at least two of its blue chip firms - Indian Oil Corporation (IOC) and Oil and Natural Gas Corporation (ONGC) - to participate in the strategic disinvestment of BPCL as an alternate plan if the current bidding process, open to private sector domestic and global players, failed to get the desired interest or valuation, two officials privy to discussions on the issue said. Anil Agarwal's Vedanta Group and couple of overseas funds are said to be among "multiple suitors" for state-owned Bharat Petroleum Corporation Ltd (BPCL) in the initial expression of intent (EoI) stage, bids for which closed on Monday. But several global players, including Aramco, Adnoc, Rosneft etc, have stayed out of the race. Even with multiple suitors, the interest level for BPCL remains low in current subdued market conditions. If at price bidding stage early next month, government shares fetch lower prices, a fresh bidding may be called for BPCL that may allow PSU participation, the official sources said.

The Economic Times - 18.11.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/psus-may-be-roped-in-if-bpcl-sale-does-not-get-desired-valuations/79282584>

Dull response to BPCL sale may derail divestment goal

Investors are not showing much interest in the sale of the government's 53% stake in Bharat

light-sour variety is typically not popular among the nation's processors. Buying interest across Asia has been strong after some refiners obtained less oil than usual in term supply contracts from OPEC producers such as Saudi Aramco and Iraq's SOMO. The value of Iraqi crude continued to inch higher after an earlier transaction last week due to tight supplies. Chinese demand has also grown after private refiners received crude-import quotas that were 20% larger than last year's concession.

Bloomberg Quint - 18.11.2020

<https://www.bloombergquint.com/global-economics/oil-from-russia-to-u-s-snapped-up-on-asia-s-growing-appetite>

Vedanta, two global funds among BPCL's 'many suitors'

Anil Agarwal's Vedanta Group and two overseas funds are said to be among suitors for state-owned Bharat Petroleum Corporation (BPCL), which the government is seeking to privatise. Government sources told TOI that Vedanta is among the "multiple suitors" for the oil marketing company. The names of the two funds were not immediately known. The government and transaction advisor Deloitte have so far not disclosed names of the entities that have evinced interest in acquiring the government's 53% stake in BPCL. The deadline for submitting an expression of interest ended Monday evening. Several top oil companies have stayed out of the race. Vedanta, which had focused on the metals space, expanded into energy through the acquisition of Cairn, a major contributor to India's domestic crude production. Domestic production, however, accounts for just around a fifth of the entire oil consumption in the country. If its plans materialise, BPCL will give a much-needed boost to the group's energy thrust through its four refineries in Mumbai, Kochi and Bina, although the Numaligarh facility in Assam will be hived off.

The Times of India - 18.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F11%2F18&entity=Ar01315&sk=7CE9E48E&mode=text>

Oil find, just 47km from city, holds commercial potential

After decades of claims by oil and natural gas exploration agencies, Bengal finally looks set to

Petroleum Corp. Ltd (BPCL), which is expected to fetch the Centre around ₹45,000 crore. The privatization process could thus well be derailed, said investment bankers aware of the divestment process. "Till a year ago, global energy majors were holding discussions for the BPCL stake sale. However, given the current situation and the muted response, it won't be surprising if no one bids for BPCL in the final round," said an investment banker who works on energy deals seeking anonymity. Till last October, Saudi Aramco, Rosneft, Kuwait Petroleum, ExxonMobil, Shell, Total SA, and Abu Dhabi National Oil Co. were reported to be holding talks with the Centre on BPCL's stake sale. On Monday, the Centre said it has received expressions of interest (EOIs) from "several" domestic and international investors for BPCL's stake sale. Vedanta Group and two US funds have reportedly submitted their EOIs.

Mint - 20.11.2020

<https://www.livemint.com/companies/news/dull-response-to-bpcl-sale-may-derail-divestment-goal-11605834793503.html>

China all set to eclipse US as world's biggest oil refiner by 2021: IEA

Earlier this month, Royal Dutch Shell pulled the plug on its Convent refinery in Louisiana. Unlike many oil refineries shut in recent years, Convent was far from obsolete: it's fairly big by US standards and sophisticated enough to turn a wide range of crude oils into high-value fuels. Yet Shell, the world's third-biggest oil major, wanted to radically reduce refining capacity and couldn't find a buyer. As Convent's 700 workers found out they were out of a job, their counterparts on the other side of Pacific were firing up a new unit at Rongsheng Petrochemical's giant Zhejiang complex in northeast China. It's just one of at least four projects underway in the country, totalling 1.2 million barrels a day of crude-processing capacity, equivalent to the UK's entire fleet. The Covid crisis has hastened a seismic shift in the global refining industry as demand for plastics and fuels grows in China and the rest of Asia, where economies are quickly rebounding from the pandemic. In contrast, refineries in the US and Europe are grappling with a deeper economic crisis while the transition away from fossil fuels dims the long-term outlook for oil demand.

Business Standard - 23.11.2020

https://www.business-standard.com/article/international/china-all-set-to-eclipse-us-as-world-s-biggest-oil-refiner-by-2021-iea-120112300033_1.html

find a place on the oil map of the world. Union minister for steel, petroleum & natural gas, Dharmendra Pradhan, has confirmed the commercial viability of an oil and gas reserve discovered in 2018 by ONGC in Ashoknagar of North 24 Parganas, just 47km from Kolkata. For the past two years, stakeholders had kept their excitement in check as several similar claims of oil finds in Bay of Bengal near the Sunderbans had later turned out to be commercially unviable. But putting to rest speculations, the petroleum minister announced on Thursday that "going by experts", the ONGC find "can be commercially exploited" and added that samples from the exploration field in Ashoknagar had recently been taken to Indian Oil's Haldia refinery for further analysis. "Next week I would come to Bengal and may visit the place. This would be a first-of its-kind for Bengal," Pradhan said while addressing the annual general meeting of MCCI over video link.

The Times of India - 20.11.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F11%2F20&entity=Ar00115&k=4BF4298E&mode=text>

Govt working towards Atmannirbharta in mining & steel to make India a global manufacturing hub: Steel Minister

The mining, coal, and petroleum sectors have received a lot of focus from the government towards reform and development in the past few years, oil and steel minister Dharmendra Pradhan has said. "Our steel consumption per capita has grown over the years and our market has gained more capability," he said speaking at the virtual national mining summit organized by PHD Chamber of Commerce and Industry today. Talking about reforms in the mining sector, Pradhan said the shift away from nomination system has helped in equal distribution of revenue to respective states. He asserted that there is a need to exploit, access, and monetize natural resources and at the same time leveraging technology. He said monetization of mineral resources is essential along with cost optimization and it should be done keeping in mind the profitability of the investor. Pradhan emphasized that while India is becoming self-reliant, we need to make India a global manufacturing hub for which we need to monetize mineral resources of the country.

The Economic Times - 19.11.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/govt-working-towards-atmannirbharta-in-mining-steel-to-make-india-a-global-manufacturing-hub-steel-minister/79287698>

Govt will look into suggestions of banning iron-ore exports amid supply crisis: Dharmendra Pradhan

Union Steel Minister Dharmendra Pradhan on Thursday said there were supply constraints of iron ore for the steel sector and the Centre will "look into" suggestions to ban export of the key raw material. Representatives of the sector have been seeking a ban on iron-ore exports to aid the domestic industry and had earlier sought the minister's intervention to tide over the crisis. "It is a good suggestion, let us see. We are talking to stakeholders," Pradhan said during a virtual interaction at Merchants' Chamber of Commerce's annual general meeting. He also called for policy initiation on the part of state governments to tackle the supply woes. The minister, however, said though there is supply constraints at present, in 2019-20, the total aggregate production of iron-ore was 250 million tonne in the country and domestic demand was 180 million tonne. The representatives, including members of MCC said the central government can also consider allowing state-owned miners to take over mines, at least on a temporary basis, which are yet to begin commercial production.

Mint - 20.11.2020

<https://www.livemint.com/politics/policy/govt-will-look-into-suggestions-of-banning-iron-ore-exports-amid-supply-crisis-dharmendra-pradhan/amp-11605795491773.html>

Domestic air passenger volume falls 57% to 5.2 million in October

Domestic air passenger volume fell 57.21 per cent to 52.71 lakh in October over the year ago period, as airlines continued to operate at a much lower capacity, the Directorate General of Civil Aviation's (DGCA) data showed on Wednesday. The number of total passengers carried by domestic airlines in October last year stood at 1.23 crore. However, passenger load factor (PLF) showed some recovery in October due to increase in demand after easing of lockdown restrictions and onset of festive season, DGCA said. The average load factor of nine domestic airlines, which operated flights during the month, was at 59.2 per cent, with scheduled commuter airline Star Air clocking the best PLF at 71.6 per cent. State-run helicopter operator Pawan Hans Ltd had the lowest PLF at 21.9 per cent in the previous month. Air India flew 4.94 lakh passengers during October, while IndiGo, the largest carrier by market share, flew 29.7 lakh passengers. Passenger volume of SpiceJet and GoAir stood at 7.04 lakh and 3.95 lakh, respectively, during the month. AirAsia India carried a total of 3.74 lakh passengers, while Vistara flew 3.39 lakh passengers, as per DGCA's data.

Business Standard - 19.11.2020

https://www.business-standard.com/article/economy-policy/domestic-air-passenger-volume-falls-57-to-5-2-million-in-october-120111801314_1.html