

(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.)

EIU, Moody's slash India's growth forecast

The Indian economy will grow by 2.1% in 2020-21, while nearly all major G20 economies will shrink, the Economist Intelligence Unit (EIU) said on Friday as global ratings agency Moody's slashed India's growth forecast to 2.5% for 2020 from the earlier 5.3% due to the impact of the Covid-19 pandemic. EIU said the global economy will shrink by 2.2%. If EIU forecast is realised, India will emerge as the fastest-growing major economy in the world even at the sharply reduced rate and along with China and Indonesia will record expansion against the backdrop of the devastation caused by the coronavirus. Moody's said the G20 economies, which is a grouping of developed and emerging countries, will experience an unprecedented shock in the first half of this year and will contract in 2020 as whole, before picking up in 2021. Among the G20 countries, the EIU downgraded growth in Italy, Germany and Brazil by over 7 percentage points. Although India is among the five major economies that saw lowest downgrade, but its economic growth is also being cut by about 4 percentage points, EIU said. Moody's said it had revised downwards global growth forecast for 2020 as the rising costs of the coronavirus shock particularly for advanced economies, and the policy responses to combat the downturn were becoming clearer.

The Times of India - 28.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F03%2F28&entity=Ar01109&sk=E4FD5C38&mode=text>

India could witness first technical recession since the 1990s: Report

The nation-wide lockdown in India could lead to its Gross Domestic Product (GDP) growth declining in the fourth quarter (January-March) of financial year 2019-2020 and the first quarter (April-June) of 2020-2021, equity research firm Motilal Oswal said in a report, adding that with two consecutive quarters of GDP decline, the Indian economy could see its first technical recession since the 1990s. The ongoing Covid-19 pandemic coupled with an oil price crash has severely impacted economic activity in India and globally. An analysis of the

FY21 GDP growth may crash to 3-decade low on Covid-19

The impact of the coronavirus pandemic and the consequent 21-day countrywide lockdown will slow India's GDP growth to 2.6% for FY21, the lowest in nearly three decades, according to an estimate released by SBI group chief economic adviser Soumya Kanti Ghosh. Moreover, ratings agency Crisil has also slashed its forecast for next fiscal to 3.5% from the earlier 5.2%. The total cost of the ongoing lockdown will be at least Rs 8 lakh crore in nominal terms — an income loss of Rs 1.77 lakh crore and a loss in capital income of Rs 1.7 lakh crore, said Ghosh. Estimates showed that, over a 60-year period, global GDP declined only once annually in 2009 by 1.7%. Assuming that global GDP declines at nearly a similar rate in 2020 and, given India's share in global GDP at 3.5%, it implies a contraction of 2% of real GDP in FY21. This is due to India's integration with the global economy through trade and social consumption channels, research by the country's largest lender showed. "We estimate another 1.7% impact on real GDP because of the 21-day lockdown in FY21, resulting in at least 70% of the economy at a standstill. We thus peg our FY21 GDP estimate at 2.6%, with a clear downward bias, with Q1FY21 GDP numbers witnessing a contraction.

The Times of India - 27.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F03%2F27&entity=Ar01300&sk=3F09C323&mode=text>

March CPI inflation figures may have caveats as data suffers due to Covid lockdown

The government is likely to release the retail inflation numbers for March with caveats while industrial production data is unlikely as factories stop production and data collection gets hit due to the Covid-19 pandemic and the countrywide lockdown to contain it. The Ministry of Statistics and Programme Implementation (MoSPI) is assessing the quality and amount of data that can be collected to estimate the consumer price index (CPI) inflation for this month. The data for

adverse impact of the lockdown on economic activity suggests that a single day of complete national lockdown could shave off as much as 14-19 basis points (bp) from annual growth and 55-75 bp from quarterly growth. "It implies that with 7 days of complete lockdown and 8 days of partial lockdown, real GDP could decline by around 3 per cent YoY in 4QFY20 – as against our initial estimate of 4.7 per cent. With 14 days of complete lockdown in Apr'20 and assuming that things normalize from mid-May'20, real GDP could decline 12.2 per cent YoY in 1QFY21," the report said.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-could-witness-first-technical-recession-since-the-1990s-report/74827610>

Govt likely to Fall Short of Revised Divestment Target by ₹15,000 cr

With a week to go for the financial year to end, the government is set to fall short of its revised divestment target of Rs 65,000 crore by a little over 20%, even as officials expect some deals to close this month. Proceeds from divestment including offers for sale, equity traded funds and buybacks, stood at Rs 35,537.32 crore as of March 12, officials said, adding that an additional Rs 15,000 crore is expected from NTPC's buyout of NeepCo and THDC and the sale of Kamarajar Port Ltd. to Chennai Port Trust. "(Proceeds of) THDC and NeepCo will happen in the coming days. Kamarajar Port will also happen," an official said, asking not to be identified. "But this year's targets cannot be met." While a few share buybacks from public sector units are in the works, offers for sale will not be taken up owing to the volatile situation in the stock markets, a second official said. Conceding that the coronavirus outbreak and the oil price crash have created a volatile situation in the markets, officials said that while March 2020 has been dry, the month otherwise typically sees average inflows of between Rs 15,000 crore and Rs 20,000 crore every year.

The Economic Times - 25.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F03%2F25&entity=Ar01112&sk=1D4560B5&mode=text>

Jobs and Salaries Safe Despite Disruption, Cos Tell Staff

Leading companies in India are proactively assuring employees that they will be taken care of financially while the lockdown continues or even if it gets extended. From paying advance salary to both regular and contractual workers a week

March is scheduled to be released on April 13. "We are assessing the situation and the numbers would depend on the flow, quality and quantity of data," an official aware of the development said. "We will put the caveats and see how much data we can put out." The Index of Industrial Production (IIP) for March could face problems because production has stopped due to the lockdown, the official said. The Index of Industrial Production (IIP) for March could face problems because production has stopped due to the lockdown, the official said.

The Economic Times - 30.03.2020

<https://economictimes.indiatimes.com/news/economy/indicators/mar-cpi-inflation-figures-mayhave-caveats-as-data-suffers/articleshow/74877927.cms?from=mdr>

Govt Nets ₹14K Cr Via Stake Sale in 3 CPSEs

The government has completed strategic sales of its holding in three companies, netting about Rs 14,000 crore, even as the total proceeds for the financial year are likely to fall short of the revised target, by over 20%. The government completed strategic sales of state owned power companies THDC and NEEPCO, netting Rs 11,500 crore in the process, department of investment and public asset management (DIPAM) said in a statement. The government sold its 74.49% stake in THDC India Ltd for Rs 7,500 crore, and its full stake in North Eastern Electric Power Corporation Ltd (NEEPCO) for Rs 4,000 crore to India's largest power generation company NTPC. Additionally, sale of 66.67% stake owned by the government in Kamarajar Port Ltd was also completed, in favour of Chennai Port Trust, for Rs 2,383 crore, the department said in separate statements. ET had reported earlier this week that strategic divestments of the three entities was nearing completion and proceeds of the same - about Rs 15,000 crore - will get accrued to the government coffers within the month.

The Economic Times - 28.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F03%2F28&entity=Ar01101&sk=5E91DC49&mode=text>

Donations by firms to PM CARES fund will qualify as CSR

The ministry of corporate affairs (MCA) on Sunday said donations to the Prime Minister's emergency fund set up to fight the Covid-19 pandemic will qualify as corporate social responsibility (CSR) spending that companies

before the usual salary credit date to honouring joining date commitment for new joiners even if they cannot come on board, companies are going all out to reassure employees. Stalled projects and work irregularities will not come in the way of salary payments, HR heads of top business groups confirmed. Companies are also assuring contract workers (vendors, housekeeping staff, maintenance personnel et al) of their jobs as well as uninterrupted pay. Steel major Tata Steel has conveyed to all employees that salaries will be paid on time and there will be no disruption at all to salary payments due to the lockdown. For its contract workers and vendors, including people on temporary projects, maintenance staff, cleaning staff, housekeeping people and various other contract workers in their offices and factories, there will be no disruption in payment even though work has stopped.

The Economic Times - 27.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETK1M%2F2020%2F03%2F27&entity=Ar00107&sk=A20EE795&mode=text>

Industry Wants 15-month Fiscal

After the government postponed deadlines for filing tax and earning returns several companies and stakeholders have sought extension of current financial year to a 15-month one, to end in June 2020. As per the proposal the next financial year would start from July this year and would end in March 2020. According to the people in the know several companies have seen all their ratios—from debt to equity to return on capital—go for a toss in the past month. The government in last few days reached out to several industry experts to seek their opinion on impact of such a step, say people with direct knowledge of the matter. "It's only fair that companies are given additional time because even when tax deadlines are extended, there is a pressure from revenue department to pay before March end, as that's the year-end for them," said Dinesh Kanabar, CEO, Dhruva Advisors. Industry experts point out that for all the companies last one month has hugely impacted cash flows and that has resulted in mark to market. "An extension of the financial year would not only relieve practical challenges around book closures and stock taking during a lock down, but also help in the larger backdrop of closing and reporting when things would hopefully be less unsettled, than doing it now in the midst of significant uncertainty" Gautam Mehra, leader, tax and regulatory services, PwC India.

The Economic Times - 30.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETK>

are mandated to make. Finance and corporate affairs minister Nirmala Sitharaman tweeted that donations from CSR funds can now be made to the Prime Minister's "Citizen Assistance and Relief in Emergency Situations" (PM CARES) fund. The minister also tweeted an MCA notification, which said the fund was set up primarily to deal with any emergency or distress situation such as the one posed by the Covid-19 pandemic. "It is clarified that any contribution made to the PM CARES fund shall qualify as CSR expenditure under the Companies Act 2013," it said. Firms spend about ₹15,000 crore on CSR annually, according to official estimates. The Companies Act stipulates that businesses with a net worth of at least ₹500 crore or revenue of ₹1,000 crore or net profit of ₹5 crore should spend at least 2% of their net profit on CSR. Any lapse in meeting this obligation should be explained in the annual financial statement.

Mint - 30.03.2020

<https://www.livemint.com/news/india/coronavirus-crisis-govt-says-donations-to-pm-s-fund-covered-under-csr-spending-11585457109577.html>

IEA says global oil demand could drop 20 per cent as 3 billion people in lockdown

Global oil demand could dive by 20 per cent as 3 billion people are in a lockdown because of the coronavirus outbreak, the head of the International Energy Agency (IEA) said on Thursday as he called on OPEC leader Saudi Arabia to help stabilise oil markets. "Today, 3 billion people in the world are locked down. As a result of that we may well see sometime throughout this year demand to fall down, as some say, about 20 million barrels per day," Fatih Birol told an Atlantic Council conference call. The world's oil demand stood at 100 million barrels per day (bpd) in 2019. Birol said that, despite huge demand destruction, oil supply was nevertheless set to rise by another 3 million bpd as part of Saudi Arabia's market share battle with Russia. "Being the president of the G20 this year, one would expect that Saudi Arabia will provide a constructive support to the stabilisation of the global oil markets based on their past record," he said. He did not say whether Saudi Arabia, Russia and the United States could play a stabilising role together with the IEA.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/iea-says-global-oil-demand-could-drop-20-per-cent-as-3-billion-people-in-lockdown/74838601>

[M%2F2020%2F03%2F30&entity=Ar01408&sk=13987D51&mode=text](https://www.economictimes.indiatimes.com/news/oil-and-gas/global-oil-demand-forecast-to-fall-by-4-9-mln-bpd-in-2020-rystad/74820398)

Oil demand to plunge by 10.5 million bpd in March, more in April: Goldman Sachs

Goldman Sachs expects oil demand to fall by 10.5 million barrels per day (bpd) in March and possibly by as much as 18.7 million bpd in April, the Wall Street bank said in a note dated March 25. "A demand shock of this magnitude will overwhelm any supply response including any potential core-Organization of the Petroleum Exporting Countries output freeze or cut," the investment bank said. Refiners across the world have been reducing operations as the spread of the coronavirus has led to steep falls in aviation and motor fuel demand. "The scale of the demand collapse will require a large amount of production to be shut-in, of potential several million barrels per day," the bank said, adding that such a hit on production would not likely be reversed quickly. Oil prices fell on Thursday following three days of gains, with coronavirus travel bans and lockdowns offsetting hopes a \$2 trillion U.S. stimulus package will shore up economic activity.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-demand-to-plunge-by-10-5-million-bpd-in-march-more-in-april-goldman-sachs/74827538>

In oil markets, it's back to 1998 crisis pricing

Brent oil futures may be trading at \$27 per barrel but oil producers are selling their crude in the physical market at lower prices not seen since the aftermath of the Asian financial crisis of the late 1990s. Most are offloading their oil for below \$20 a barrel as the coronavirus pandemic savages demand and global supply rises amid a battle between Saudi Arabia and Russia for market share, according to traders, state oil firms, major refiners and prices quoted in physical markets. While some crude grades typically sell at a discount to Brent, the market environment is making that gap even wider and other grades that usually cost more than the European benchmark are now cheaper for the most time ever. The discounting is leaving revenue per barrel at a fraction of the prices factored into many 2020 budgets, which is likely to put even more pressure on government finances in some oil producing countries. In extreme cases, once discounts and other costs have been applied, the value of some producers' oil is close to \$10 a barrel while Venezuela's Merey crude sold for as little as \$8 last week, according to Refinitiv data and traders.

The Economic Times - 27.03.2020

Global oil demand forecast to fall by 4.9 mln bpd in 2020: Rystad

Global oil demand could fall by as much as 4.9 million barrels per day (bpd), or by about 4.9 per cent, in 2020 due to the coronavirus outbreak, Norway's biggest independent energy consultancy Rystad Energy said on Wednesday. The consultancy had forecast last week it would fall by 2.8 million bpd in 2020. Rystad said oil demand in the month of April was forecast to fall by 16 million bpd, compared to a year earlier. Rystad forecast a fall in jet fuel demand year on year of 20 per cent, or 1.4 million bpd, while air traffic was expected to drop 8 per cent. It said demand for vehicle fuel would fall 5.6 per cent, or by 2.8 million bpd, year on year.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/global-oil-demand-forecast-to-fall-by-4-9-mln-bpd-in-2020-rystad/74820398>

Pradhan wants petrol pumps to throw lifeline to needy, IOC appeals against panic-booking of LPG refills

Petroleum minister Dharmendra Pradhan on Friday urged petrol pumps to throw a lifeline to the "needy" by providing food, water or any other help, even as IndianOil Corporation appealed consumers against resorting to panic booking of LPG refills as the company's operational sites were functioning normally and there was no shortage of kitchen, motor or aviation fuels. Pradhan took stock of the supply situation on the ground and state-level operations through a video-conference with teams of executives in Punjab, Haryana, Chandigarh, Himachal Pradesh, Gujarat, Kerala, Bihar, Jharkhand and Jammu & Kashmir. He asked them to start supplying free LPG cylinders to 8.3 crore poor households who were given free connection under the 'Ujjwala' scheme. On its part, IndianOil, which supplies nearly half of the 27.59 crore active LPG customers, said there was no shortage of any fuel and all bulk storage points, LPG distributorships and fuel stations were functioning normally. "The terminals and depots, LPG distributorships and fuel stations are well-stocked... Customers are

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/in-oil-markets-its-back-to-1998-crisis-pricing/74838580>

The World's on the brink of running out of places to store oil

The world will run out of places to store oil in as little as three months, according to an industry consultant. IHS Markit said that current rates of supply and demand mean inventories will increase by 1.8 billion barrels over the first half of 2020. With only an estimated 1.6 billion barrels of storage capacity still available, producers will be forced to cut output because by June there'll be no place left to put the unwanted crude, it said. The oil market has been hammered by falling demand as a result of the coronavirus outbreak, and as Saudi Arabia vows to flood the market with crude at deep discounts, following the collapse of the coalition of the Organization of Petroleum Exporting Countries and allies including Russia. On Thursday, Pakistan banned imports of crude and fuels because its storage sites are full. Vitol Group and Gunvor Group, two of the world's top merchants, say there's heavy interest in storing while several traders have booked supertankers to hoard barrels at sea. Supply may exceed demand by 12.4 million barrels a day in the second quarter, with other traders, banks and consultants also forecasting bumper surpluses, IHS said. Vitol said on Wednesday that demand has fallen as much as 20 million barrels a day from last year.

The Economic Times - 28.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/the-worlds-on-the-brink-of-running-out-of-places-to-store-oil/74856791>

Now, India a key contributor to crude slump due to nationwide lockdown

From being a big beneficiary of low oil prices just a fortnight ago, India has turned into a key contributor to the global price slump as nationwide lockdown destroys demand, cuts run rates at refineries and shrinks local gas output and its import. The lockdown has hammered consumers' ability to benefit from low oil and gas prices and is set to dramatically squeeze the government's revenue from the sector despite recent duty hikes. Storages at refineries are overflowing with refined products as motorists go off the roads, planes disappear from the skies and factories shut, forcing refiners to cut utilisation. Indian Oil has cut

advised not to panic or resort to hoarding and panic-buying... or visit the showrooms and go down of their LPG distributorships for obtaining refills," a company statement said.

The Economic Times - 28.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/pradhan-wants-petrol-pumps-to-throw-lifeline-to-needy-ioc-appeals-against-panic-booking-of-lpg-refills/74857012>

Oil storage crisis is new threat to OPEC

Oil prices are horribly low, but they could go lower still. Brent crude prices have dropped to \$27 a barrel from \$70 in January because Saudi Arabia and Russia are pumping as much as possible at the same time as the coronavirus is causing an unprecedented global slump in demand for crude. Soon there may be nowhere to store all the surplus oil. There are 7.7 billion barrels of onshore storage capacity globally, according to analysts at Rystad Energy. Right now, more than three-quarters of that storage space is already being used, they say, which in theory leaves room to stockpile the equivalent of a little more than 1.7 billion barrels. But in practice, there's less storage space than that available. Storage tanks tend not to be filled above 85% of capacity, one oil expert told Breakingviews. That shrinks the available headroom relating to the 7.7 billion barrels of global capacity to around 600 million barrels. That's much less than what is going to be needed. Rystad estimates supply could exceed demand to the tune of 15 million barrels a day in the second quarter, or more than 1.3 billion barrels, as huge consumers like India go into lockdown.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-storage-crisis-is-new-threat-to-opec/74831628>

Two Indian refiners declare force majeure to curb Mideast oil supply

Two Indian refiners declared force majeure on crude purchases from the Middle East on Friday after fuel demand plummeted due to a nationwide lockdown to stem the spread of coronavirus and the companies' tanks are full, sources said. Prime Minister Narendra Modi has asked India's 1.3 billion people to stay indoors for three weeks in the world's biggest lockdown, shutting down Asia's third-largest economy and leaving millions of economically vulnerable people without work. This has led to a sharp decline in local fuel demand, leading companies to cut crude refining as their storage tanks are

run rate by 30 per cent. Other refiners too have sharply slowed, forcing some to look for new places to store their products. "Inventory build-up has also led to storage constraints. It is critical that the government enables shared access to strategic petroleum reserves and PSU storage infrastructure for private companies," Nayara Energy CEO B Anand told ET. Demand is falling so sharply that refiners will have to turn away some crude-carrying ships that have already set sail for India, an executive at a state refiner said. Labour shortage due to lockdown has also forced BPCL to defer its shutdown plans.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/now-india-a-key-contributor-to-crude-slump-due-to-nationwide-lockdown/74839155>

India's top refiner cuts crude processing by 25 per cent- 30 per cent on low fuel demand

Indian Oil Corp, the country's top refiner, has cut crude processing at its refineries by 25 per cent to 30 per cent as local demand for refined fuel is hit following complete lockdown to curb spread of coronavirus, it said in a statement on Wednesday. India has imposed a sweeping lockdown of its 1.3 billion people on Wednesday for 21 days, and is only allowing the supply of essential commodities. The move prompted several industries to shut operations and some ports in the country to declare force majeure. "In the wake of the COVID-19 outbreak in the country, the demand for petroleum products like petrol, diesel, fuel oil, bitumen, etc., have reduced substantially. The demand for ATF (Aviation Turbine Fuel) has also come down sharply due to suspension of flights," it said, adding only demand for cooking gas is rising. State-owned Indian Oil controls about a third of India's 5 million barrels per day (bpd) refining capacity. Other state oil refiners are also reducing crude processing as local fuel demand has tumbled.

The Economic Times - 25.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-top-refiner-cuts-crude-processing-by-25-per-cent-30-per-cent-on-low-fuel-demand/74813041>

India's energy demand dips sharply as lockdown bites

India's demand for petrol, diesel and jet fuel has declined by up to a third in the last five weeks, while power consumption dropped by a quarter as

full to the brim. Indian Oil Corp (IOC), the country's top refiner, has reduced its crude processing by 30 per cent to 40 per cent and shut its naphtha cracker plant in northern India because of falling demand and "to avoid tank top-up situation", the company said in its force majeure letter to crude suppliers. "...circumstances arising out of COVID-19 outbreak are beyond our control ...all of which adversely impact the performance of our obligation," IOC said in the letter, seen by Reuters.

The Economic Times - 28.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/two-indian-refiners-declare-force-majeure-to-curb-mideast-oil-supply/74856760>

India's oil production in Feb dips 6.4 pc on lower pvt sector output

India's oil production fell 6.4 per cent in February as a decline in output from fields operated by private firms negated a rise in production from ONGC fields. Crude oil production at 2.39 million tonnes in February was 6.41 per cent lower than 2.56 million tonnes output in the same month a year back, according to official data released by the oil ministry here. State-owned Oil and Natural Gas Corp (ONGC) reported a 4.64 per cent rise in production at 1.67 million tonnes as output from its offshore fields saw a pick-up. However, fields operated by the private sector firms reported a 32.6 per cent drop with those in Rajasthan seeing a sharp 32.3 per cent lower production. Rajasthan fields operated by Vedanta Ltd was lower because of "shutdown during February 5 to 29, for major plant maintenance activities," the ministry said. Crude oil production by Oil India Ltd (OIL) in February was 13.13 per cent lower at 240,260 tonnes. Natural gas production dipped almost 9 per cent to 2.2 billion cubic meters as ONGC logged over 4 per cent lower output on the back of a drop in output from eastern offshore fields.

The Economic Times - 25.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-oil-production-in-feb-dips-6-4-pc-on-lower-pvt-sector-output/74808726>

Coronavirus-driven demand destruction an opportunity for India to fill strategic oil reserves

The historic slump in global crude oil prices, caused by the Coronavirus-led demand

the coronavirus pandemic and the 21-day lockdown to check the infection from spreading brought almost all commercial and industrial activities to a grinding halt. But LPG demand recorded 4 per cent growth during this period as families were confined to their homes due to the lockdown. On year-ago basis, the demand is higher by 6.5 per cent. Latest data from grid operator POSOCO shows power consumption dropping to 2.59 billion units on Friday, the third day of the national lockdown. This is a level last seen on March 1, 2015, when India had 25 per cent less generation capacity. Power consumption has fallen as the lockdown hit the largest chunk of demand -- industry (41 per cent), agriculture (18 per cent) and commercial establishments (8 per cent). Domestic consumption make up 33 per cent of the demand, which is expected to rise over the next fortnight or so when families staying at home switch on air-conditioners as temperature rises. Chairman of India's largest refiner and fuel retailer IndianOil, Sanjiv Singh said demand for petrol has fallen by 13.5 per cent between February 20 and March 28, diesel 21 per cent, jet fuel 27 per cent because the lockdown curbed economic activities.

The Economic Times - 30.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-energy-demand-dips-sharply-as-lockdown-bites/74880930>

Coronavirus: India to save \$45 billion on oil imports next fiscal, says CII

With the spread of the Coronavirus denting global oil prices, India, that imports 80 per cent of its crude oil needs, is likely to save a whopping \$45 billion on oil imports next financial year, according to Confederation of Indian Industry (CII). A \$1 decline in the price of crude oil reduces the country's import bill by \$1.5 billion. "In 2020, international crude oil prices are expected to average \$35 per barrel from \$65 per barrel in 2019, a fall of about \$30 per barrel. India is expected to save about \$45 billion on oil imports for full year 2020-21," the industry chamber said in a report. The report on the State of the Economy and Coronavirus Impact also noted that the Union government has increased the excise duty and cess on both petrol and diesel cumulatively by Rs 3 per liter. "This will lead to an additional estimated revenue of Rs 40,000 crore for 2020-21. This will reduce Fiscal Deficit to GDP ratio by 0.2 per cent in 2020-21," the report said.

The Economic Times - 23.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/coronavirus-india-to-save-45-billion-on-oil-imports-next-fiscal-says-cii/74759111>

destruction and the Saudi-Russia price war, is a golden opportunity for India to fill its strategic petroleum reserves. "Building Strategic Petroleum Reserves (SPR) to ensure energy security is increasingly important to India especially as its oil demand continues to grow amid supply uncertainty and its current strategic stockpiling capability is low. The supply surge will benefit India as a major crude importer, and this is an opportune time for additional filling of SPR caverns due to weak oil prices in the near term," According to S&P Global Platts. India is behind other major consuming countries such as the US, China and Japan when it comes to strategic oil reserves. The country's SPR under the first phase, which is managed by Indian Strategic Petroleum Reserves Ltd (ISPRL), has a combined capacity of 5.33 million tonne (MT) in three locations in the south: Vishakhapatnam (1.33 MT), Mangalore (1.50 MT) and Padur (2.50 MT). The three facilities together hold 40 million barrels of oil.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/coronavirus-driven-demand-destruction-an-opportunity-for-india-to-fill-strategic-oil-reserves/74846233>

Ten signs the oil industry is bent out of shape

The oil industry has been hit by a simultaneous demand and supply shock in March as the coronavirus pandemic cuts fuel consumption and top producer Saudi Arabia raises output to full capacity to fight a price war with rivals. International crude oil prices have lost about 45 per cent this month and fallen below the cost of much of the world's production, causing energy companies worldwide to slash spending by tens of billions of dollars. The collapse in demand and of energy diplomacy between Saudi Arabia, Russia and others have triggered unprecedented responses from governments and investors. Here are ten signs of an industry in distress. Riyadh shocked the oil industry by going on the offensive after talks collapsed with Russia in early March on a deal to cut supply to compensate for how coronavirus was hitting demand. Saudi Arabia slashed export prices and said it would pump at a record of 12.3 million barrels per day, pouring a flood of oil into a market that needed less.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ten-signs-the-oil-industry-is-bent-out-of-shape/74823561>

21-day lockdown to dent petrol diesel sales; Margin gains to offset impact on OMCs

The ongoing 21-day lockdown in India up to 14 April is likely to result in steep decline in auto and other fuels sales volume for oil marketing companies but the impact on the firms is likely to be offset by the gains in marketing margins. "5 per cent year-on-year decline in 2020-21 estimated sales volume implies 1.3-3.0 per cent year-on-year fall in volumes in the rest of 2020-21 assuming 50-90 per cent fall during 1-14 April 2020," equity research firm ICICI Securities said in a note. For oil retailers, the marketing margin on the two automobile fuels, which currently stand at Rs 4.96 per litre, are likely to be record high in early April 2020. "We estimate refinery transfer price (RTP) of diesel and petrol to decline by Rs 6.1-9.9 per litre on 1 April. This steep RTP fall would boost net margin to Rs 10.42-12.16 per litre on 1 April'20 depending on whether there is no retail price cut (no cut in the last nine days) or daily cut is Rs 0.27-0.31 per litre or Rs 0.15-0.16 per litre," the note said.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/21-day-lockdown-to-dent-petrol-diesel-sales-margin-gains-to-offset-impact-on-omcs/74830549>

Saudi Arabia has assured India of uninterrupted LPG supply: Dharmendra Pradhan

India's oil minister said on Sunday that he had discussed global oil market developments with Saudi Energy Minister Prince Abdulaziz bin Salman and Aramco's Chief Executive Amin Nasser as well as uninterrupted LPG supplies to India. "Prince Abdulaziz assured (me) of LPG supplies in the coming days to support our domestic requirement," Dharmendra Pradhan posted on his Twitter account. On Friday, two Indian refiners declared force majeure on crude purchases from the Middle East after fuel demand plummeted due to a nationwide lockdown to stem the spread of coronavirus and the companies' tanks are full, sources told Reuters.

The Economic Times - 29.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/saudi-arabia-has-assured-india-of-uninterrupted-lpg-supply-dharmendra-pradhan/74873144>

Global oil refiners to deepen output cuts as virus destroys demand

Oil refiners from Texas to Thailand are bracing for deeper output cuts, bruised by an unprecedented demand shock as more countries lock down and restrict travel to contain the spread of the coronavirus. In Asia, home to over a third of the global refining capacity, India's top refiner has slashed output by up to 25 per cent-30 per cent while operators in Japan, South Korea and Thailand - already running at reduced rates - are looking at more cuts even as they shut plants for maintenance. Several refineries in Europe and the United States have also cut output since last week. China, which restarted its economy after weeks of lockdown, is an outlier with its refining sector showing signs of recovery amid a decline in the number of new virus cases. Global oil demand, however, will likely slump 18.7 million barrels per day (bpd) in April, versus a 10.5 million bpd drop in March, Goldman Sachs analysts said. Total annual consumption will drop 4.25 million bpd from 2019 levels, they added. "Such a collapse in demand will be an unprecedented shock for the global refining system," the analysts said.

The Economic Times - 26.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/global-oil-refiners-to-deepen-output-cuts-as-virus-destroys-demand/74828208>

LNG tankers build up around Indian ports after force majeure

At least five fully-laden liquefied natural gas (LNG) tankers are idling offshore India, as yet unable to discharge their cargoes, after importers there declared force majeure earlier this week, according to an analyst and shipping sources. Gas demand is falling globally amid the fast-spreading coronavirus which has capped industrial output, forcing LNG tankers in several regions to remain at sea fully laden with no immediate destination, the sources said. At least three major buyers in India, the world's fourth largest LNG importing country, issued force majeure notices to suppliers earlier this week as domestic gas demand slumped and port operations were affected by a nationwide lockdown to curb the spread of the virus. Five LNG tankers have been flagged as floating storage off the coast of western India, said Rebecca Chia, an analyst at data intelligence firm Kpler. Another 8 tankers which loaded cargoes in March from Australia, Nigeria, Qatar, Angola and the United States are due to head to India, a Singapore-based shipbroker said.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/lng-tankers-build-up-around-indian-ports-after-force-majeure/74841515>

Saudi struggles to find buyers for extra crude as demand dives: sources

Saudi Arabia is struggling to find customers for its extra oil as demand plummets due to the coronavirus and freight rates surge, industry sources said, undermining the kingdom's bid to seize market share from rivals by expanding production. Royal Dutch Shell and per cent refiners were taking less Saudi crude, Finland's Neste was not taking any in April and Indian refiners had sought delayed deliveries, the sources said. Polish refiners were also easing up on purchases, they added. The world's top oil exporter plans to boost exports sharply after the collapse this month of a three-year deal on cutting supply between Organization of the Petroleum Exporting Countries and other producers, including Russia. But with demand also tumbling because of global measures to contain the coronavirus outbreak, oil companies have been reducing refinery processing rates and are in no rush to buy extra Saudi barrels, the sources said. Global oil demand is expected to fall by 20% in coming months, International Energy Agency President Fatih Birol said on Thursday.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/saudi-struggles-to-find-buyers-for-extra-crude-as-demand-dives-sources/74838653>

Russia calls for new enlarged OPEC deal to tackle oil demand collapse

A new OPEC+ deal to balance oil markets might be possible if other countries join in, Kirill Dmitriev, head of Russia's sovereign wealth fund said, adding that countries should also cooperate to cushion the economic fallout from coronavirus. A pact between the Organization of the Petroleum Exporting Countries and other producers, including Russia (known as OPEC+), to curb oil production to support prices fell apart earlier this month, sending global oil prices into a tailspin. "Joint actions by countries are needed to restore the (global) economy... They (joint actions) are also possible in OPEC+ deal's framework," Dmitriev, head of the Russian Direct Investment Fund (RDIF), told Reuters in a phone interview. Dmitriev and the Energy Minister Alexander Novak were Russia's top negotiators in the production cut deal with OPEC. The existing deal expires on March

Russia says coronavirus crisis cuts global oil demand by up to 20 mln bpd

Measures to contain the spread of the coronavirus have cut oil demand in the United States, Europe and China by around 15-20 million barrels per day, Russian Deputy Energy Minister Pavel Sorokin told RBC TV on Friday. The coronavirus epidemic has forced governments around the world to try to curb its spread. Entire countries have been put under lockdown, with travel restrictions hitting fuel demand and leading to the grounding of many airlines. The impact of the coronavirus crisis has hit oil prices just as they were coming under pressure from the collapse of a producer agreement to limit supply. They are down nearly two thirds this year following the failure of talks earlier this month between the Organization of the Petroleum Exporting Countries and other leading oil producers including Russia. Sorokin said that plans by OPEC to crank up its oil production after the talks failed have put additional pressure on the market. "We have already experienced quite a big shock due to the coronavirus," he said. "However, we could have avoided additional shocks ... from the OPEC countries' statement that they are boosting production."

The Economic Times - 28.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/russia-says-coronavirus-crisis-cuts-global-oil-demand-by-up-to-20-mln-bpd/74856722>

2020 spending on new oil, gas projects could fall by 68 per cent yr/yr: Rystad Energy

Spending on new oil and gas projects could fall by more than two thirds this year if oil prices remain at the current levels, the Oslo-based Rystad Energy consultancy said on Monday. Crude oil prices dropped more than 60 per cent since the start of the year as demand fell due to travel and business restrictions to stem the spread of the coronavirus, while Russia and Saudi Arabia ended an agreement to curb production. Investments are likely to fall to \$61 billion or by 68 per cent if the Brent crude price stays at around \$30 a barrel, and to \$82 billion, in case the price rises to \$40 a barrel, compared with \$192 billion spent in 2019. North Sea oil was trading at \$25.7 a barrel by 1533 GMT on Monday. "Upstream players will have to take a close look at their cost levels and investment

31. Dmitriev declined to say who the new deal's members should or could be. U.S. President Donald Trump said last week he would get involved in the oil price war between Saudi Arabia and Russia at the appropriate time.

The Economic Times - 27.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/russia-calls-for-new-enlarged-opec-deal-to-tackle-oil-demand-collapse/74846370>

Covid-19: India's plan to build gas-based economy receives setback

India's plan to develop a gas-based economy with the cleaner fuel gradually becoming the mainstay of country's energy security needs has received a major setback as the Covid-19 pandemic has severely impacted demand, resulting in curtailed operations globally. In India the current lockdown has led to 15-20 per cent overall demand hit due to the closure of most of the factories in sectors excluding fertiliser, power and refineries. This has resulted in curtailed operations by gas producing companies such as OIL and ONGC, According to brokerage firm Emkay, GAIL may see a 15-20mmscmd decline in marketing volumes as the lockdown progresses, while transmission volumes may also decline up to 10-15mmscmd. In addition, with the closure of distribution channels and truck transportation, GAIL's petchem sales have stopped. Other gas companies such as GSPL have seen its throughput down by 5mmscmd, with CGD being the major reason. Morbi ceramic offtake is seen falling by over 4mmscmd to under 3mmscmd currently, while CNG sales in Gujarat is down 80 per cent.

The Economic Times - 29.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/covid-19-indias-plan-to-build-gas-based-economy-receives-setback/74869479>

Indian aviation sector may incur \$3.3-3.6 billion loss in June quarter: CAPA India

Indian aviation sector is projected to incur a staggering USD 3.3-3.6 billion loss in the first quarter of the next financial year if flight services remain grounded till June-end, according to a report. Aviation consultancy CAPA India on Wednesday also said there is a need for a coordinated national aviation industry response to the current situation. India has suspended operation of commercial flights till April 15 as part of larger efforts to prevent spreading of coronavirus infections. In a report, CAPA India said airlines are expected to post a loss of around

plans to counter the financial impact of lower prices and demand," said Audun Martinsen, head of Rystad's energy service research. "Companies have already started reducing their annual capital spending for 2020," he added.

The Economic Times - 24.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/2020-spending-on-new-oil-gas-projects-could-fall-by-68-per-cent-yr/yr-rystad-energy/74788107>

Airline revenues in 2020 to go down by 44% over 2019: IATA

Airline revenues globally in 2020 is set to decline by 44% in revenues over 2019, as airlines ground flights due to poor passenger demand and countries closing borders to control the spread of Coronavirus, the International Air Transport Association (IATA). "Revenue loss of \$250 bn in 2020 over 2019... which is a 44% decline over 2019... Before any recovery takes place, airlines may run out of cash," said Brian Pearce, chief economist at IATA. Earlier, in February, IATA had estimated that global airlines would lose about \$113 bn in revenues due to the Coronavirus pandemic. IATA DG Alexandre de Juniac said that the airlines would need support from the government to be flying in this case. "We would ask the governments to act fast in providing financial relief to airlines. Some countries have done it and that is a positive sign," Juniac said. Pearce said that there is a positive sign as they are seeing a turning point in the domestic Chinese market, which is showing an improvement, but the recovery for the aviation sector would be much slower.

The Economic Times - 25.03.2020

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/airline-revenues-in-2020-to-go-down-by-44-over-2019-iata/articleshow/74801012.cms>

Coronavirus: Steel ministry asks PSUs not to cut production

The steel ministry on Monday held a meeting with management of PSUs under its control to take stock of the situation amid the coronavirus outbreak, and asked them not to reduce production. Steel Secretary Binoy Kumar chaired the meeting, via video-conferencing, in which senior officials of SAIL, RINL, NMDC, MOIL and KIOCL, among others, participated, sources said. "They were asked about their preparedness at their plants and units in the wake of outbreak of coronavirus. They (PSUs) have been asked to produce as usual and not reduce production," one of the sources said.

USD 1.75 billion while that of airports and concessionaries could be USD 1.50-1.75 billion. Ground handlers are estimated to post a loss of USD 80-90 million. Together, the loss for the sector is anticipated to be USD 3.3-3.6 billion in the first quarter of the next financial year. At current exchange rates, the amount translates to around Rs 25,000 to 27,000 crore. The projections are based on the assumption that all domestic and international operations remain grounded until June 30, 2020, CAPA India said.

The Economic Times - 26.03.2020

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/indian-aviation-sector-may-incur-3-3-3-6-billion-loss-in-june-quarter-cap-india/articleshow/74813509.cms>

Domestic Steel Demand to See Sharp Fall in Q1

Domestic steel demand is likely to see a sharp dive in the first quarter of the coming fiscal (Q1FY21) on the back of stalled factories and production cutbacks across major user industries like auto and construction, said rating agency ICRA on Friday. "Steel industry growth is closely linked to that of a country's GDP. With GDP growth rate being revised downward by nearly 4.5% in Q1FY21, domestic steel consumption growth is also expected to come down, according to ICRA. "We estimate steel demand to grow by 2-3% in FY21," ICRA's senior vice president Jayanta Roy said. Earlier, in November it was forecast to grow by 6.5%. Moody's Investors Service has also more than halved India's 2020 growth forecast to 2.5% on Friday from 5.3% earlier. Steel companies in India raised benchmark hot rolled coil (HRC) steel prices in the past five months to Rs 38,000 per tonne. However, amid subdued demand and the Covid -19 led lockdown, prices will come under pressure and might fall to Rs 36,500 in April 2020, ICRA said. Steel majors have opted for scaling down output and maintaining plant and equipment on standby mode with minimal workforce as the nation-wide lockdown amidst the Covid-19 outbreak has brought demand down to a trickle.

The Economic Times - 28.03.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F03%2F28&entity=Ar01105&sk=7EE2311A&mode=text>

Govt asks shipping lines not to impose container detention charges on EXIM shipment

To maintain proper supply lines at seaports and facilitate unhindered cargo movement, the government on Sunday asked all shipping companies not to collect any detention charges on

SAIL has implemented various preventive measures across its plants, units and offices to contain spread of the virus. Quarantine facilities and isolation wards have been prepared at SAIL hospitals. The company has restricted travel of its employees and the majority of the meetings are being conducted through video-conferencing. At RINL, biometric attendance has been suspended. An isolation ward has been arranged with a quarantine facility at the Vizag plant.

The Economic Times - 24.03.2020

https://m.economictimes.com/industry/indl-goods/svs/steel/coronavirus-steel-ministry-asks-psus-not-to-cut-production/amp_articleshow/74776162.cms

Cargoes in limbo: Logistics companies suspending operations

Air freight operators and logistics firms are being forced to suspend operations because goods are piling up at cargo terminals due to lack of staff and trucks have been halted by police enforcing the Covid-19 lockdown across the country. That could lead to essential supplies grinding to a halt as the country embarks on a three-week lockdown despite express government assurances that this wouldn't be the case. Among the goods ferried by these firms are food, medicines, masks, sanitiser sanitisers and even testing kits for the Covid-19 virus. Global air freighter operators Fedex and UPS are suspending most flight operations to and from India. DHL Express may follow soon. Logistics companies including Ecom Express, Safexpress and Spoton Logistics are shutting warehouses and delivery centres. They have stopped taking orders. Trucks of India's DTDC, carrying medicines and equipment, have been halted midway. Future Supply Chain, which carries goods to Big Bazaar stores, managing "sporadic operations" but its trucks are banned in states such as Punjab.

Economic Times - 26.03.2020

<https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/logistics-cos-suspending-operations/articleshow/74819301.cms?from=mdr>

Anil Agarwal for the first time takes board position on Vedanta Ltd

Metals and mining magnate Anil Agarwal has for the first time taken a board position on his flagship Indian firm, Vedanta Ltd, replacing his brother Navin. Agarwal, 66, who turned a tiny scrap metal business into a mining

export-import (EXIM) cargo in the wake of the situation arising due to coronavirus outbreak. Shipping companies have been asked not to levy any container detainment charges on import and export shipments till April 14. The decision was taken after delays were reported in evacuation of goods from ports due to disturbance in the downstream services. "In order to maintain proper supply lines at the Indian seaports the shipping lines are advised not to impose any container detainment charge on import and export shipments for the period from March 22, 2020 to April 14, 2020 (both days inclusive)," an advisory issued by Directorate General of Shipping said. During this period, shipping lines are also advised not to impose any new or additional charge, it said adding the decision is purely a one-time measure to deal with the present disruptions caused by spread of COVID-19. "Government is taking all-round actions to fight against COVID—19 and its negative impacts on the economy," said Shipping Minister Mansukh Lal Mandaviya.

The Economic Times - 30.03.2020

<https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/govt-asks-shipping-lines-not-to-impose-container-detention-charges-on-exim-shipment/articleshow/74873290.cms>

conglomerate, had so far headed the board of London-headquartered Vedanta Resources. The Indian flagship Vedanta Ltd houses its oil and gas, aluminium, power, iron ore, steel and copper business. In a statement, the company said Agarwal has been appointed "as the non-executive chairman of Vedanta Ltd". He replaces his brother Navin, who will now be the Executive Vice Chairman of the Board. The changes followed chief executive officer S Venkatakrishnan resignation. He was replaced by Sunil Duggal, current head of Vedanta unit Hindustan Zinc Ltd. "The company will be run by a management committee comprising of CEO, CFO, CHRO and CCO who will take all key decisions collectively under the guidance of Chairman," the statement said. Besides the Agarwal brothers, Vedanta Ltd also has Anil's daughter Priya as a board director. His trusted lieutenant Tarun Jain is also on the board.

The Economic Times - 30.03.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/anil-agarwal-for-the-first-time-takes-board-position-on-vedanta-ltd/74881144>