

(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.)

## World Bank sees strongest rebound in 80 years despite divergence

Emerging market and developing nations will continue to struggle with the Covid-19 pandemic and its aftermath even as a few major economies spur the strongest post-recession global growth in 80 years, the World Bank said. Global gross domestic product will expand 5.6% this year, up from 4.1% forecast in January, the Washington-based development organization said in its semi-annual Global Economic Prospects report. That will be fuelled largely by a 6.8% expansion in the U.S. and 8.5% in China. The World Bank revised its historical data to reflect updated GDP weights. Though most advanced nations are projected to return to their pre-pandemic per-capita income levels in 2022, two-thirds of emerging and developing nations are projected to remain below it. Growth in low-income countries is expected to be the second-slowest of the past 20 years at 2.9% --down from the 3.4% forecast in January, held back by lack of access to vaccines. "It's the tale of two recoveries," Ayhan Kose, director of the World Bank group that produced the report, said in an interview. "On the one hand, advanced economies, big countries, are delivering fast growth, record growth. On the other hand, you have these low-income countries struggling to generate growth."

*The Economic Times - 09.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETK M%2F2021%2F06%2F09&entity=Ar00502&sk=B4F4BCD1&mode=text>

## Crisil cuts FY22 growth projection to 9.5% on hit to pvt consumption, investment

Domestic credit ratings agency Crisil on Monday cut its FY22 growth estimate for India to 9.5% from the earlier 11% due to the hit to private consumption and investments following the second wave of Covid-19. The rating agency joins other watchers who have cut their FY22 growth projections, with some pegging it as low as 7.9%. The economy had contracted by 7.3% in FY21. Cutting its forecasts, economists at Crisil said "the downward revision is premised on the clearly

## World Bank slashes India's growth forecast to 8.3% in FY22

The World Bank on Tuesday slashed its 2021-22 GDP growth forecast for the Indian economy to 8.3 per cent from 10.1 per cent estimated in April, saying economic recovery is being hampered by the devastating second wave of coronavirus infections. It projected a 7.5 per cent economic growth in the 2022-23 fiscal (April 2022 to March 2023). The Washington-based global lender, in its latest issue of Global Economic Prospects released here, said an enormous second COVID-19 wave in India is undermining the sharper-than-expected rebound in activity seen during the second half of fiscal year 2020-21, especially in services. "India's recovery is being hampered by the largest outbreak of any country since the beginning of the pandemic," the World Bank said. The projected growth compares to the worst ever contraction of 7.3 per cent witnessed in the fiscal year ended March 31, 2021 (FY21) and 4 per cent expansion in 2019-20. In April this year, the World Bank had forecast a 10.1 per cent growth in Indian GDP for FY22. This was higher than 5.4 per cent it had projected in January. But now the projections have been slashed.

*The Indian Express - 09.06.2021*

<https://indianexpress.com/article/business/economy/world-bank-slashes-indias-growth-forecast-to-8-3-per-cent-in-fy22-7350693/>

## India may see U-shaped recovery only by August, say experts

India's economy could begin to recover only by August, experts said, forecasting a 'Ushaped' turnaround from the slump caused by the second wave of the pandemic. Economic activity will likely continue at current low levels for another two months before picking up pace, they said. The government expects revival will take place earlier. "We will see a more drawn out recovery, so the V-shaped recovery we saw last year is going to be more U-shaped and you will see that across indicators," said Yuvika

evident hit to the two engines of growth — private consumption and investment — by the second wave." Their note said daily cases have "mercifully" peaked, but added that states will be cautious about unlocking anytime soon owing to risks of another wave and tardy vaccinations. It underlined that this is unlike what was witnessed after the first wave last fiscal, when a largely uniform and calibrated reopening spurred quite a sharp recovery.

*Mint - 08.06.2021*

<https://www.livemint.com/economy/crisil-cuts-fy22-growth-projection-to-9-5-on-hit-to-pvt-consumption-investment-11623068065867.html>

## **Business activity gathers steam, rises for 2nd week**

Business activity in India picked up for the second consecutive week, led by mobility, after dipping to a one-year low in the last week of May as states began to ease lockdown restrictions with fall in Covid-19 cases, according to brokerage firm Nomura. The Nomura India Business Resumption Index (NIBRI) rose to 69.7 for the week ended June 6, from 62.9 a week earlier and representing a 9.5 percentage points (pp) improvement from 60.2 recorded in May-end, the firm said in a note on Tuesday. While this indicated that the worst was over for the economy, growth would only rise gradually by June and would crucially depend on two factors, the pace of relaxation of restrictions and the pace of vaccinations, it said.

*The Economic Times - 09.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F09&entity=Ar00310&sk=330CB169&mode=text>

## **Exports grow by 52.4% to hit \$7.7 billion in first week of June**

India's merchandise exports hit \$7.71 billion in the first week of June, raising expectations that they will remain buoyant for the fourth month in a row. Exports have remained above \$30 billion for three consecutive months starting March, when shipments hit a record \$34.45 billion. Early recovery in the US and Europe due to the decline in Covid cases overseas and faster vaccination is

Singhal, economist at QuantEco Research. Demand is unlikely to respond to the easing of lockdown curbs as sharply as last year as the most severe impact in the second wave has been on the urban middle class and upper income sections, economists said. Also, rural India has been hit harder this time. Besides, last year, the combination of pent-up demand and the festive season drove a sharp recovery. But this year, the severe second wave that has impacted millions and the possibility of a third wave of the pandemic is likely to keep a lid on consumer sentiment.

*The Economic Times - 08.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F08&entity=Ar00108&sk=E124614B&mode=text>

## **Govt holds back IIP data for April**

The government has held back the release of complete data of the Index of Industrial Production (IIP) for April, as was done for the same month last year due to the COVID-19 lockdown. Last year in June, the National Statistical Office (NSO) had held back the release of complete IIP data due to the effect of the nationwide lockdown on factory output. This year too industrial production was hit due to lockdown restrictions imposed by states to curb the second wave of the pandemic. According to the partial data released on Friday by the NSO, the IIP (general index) stood at 126.6 points in April this year. The IIP was at 54 points in April 2020 and 126.5 points in April 2019. Industrial output had shrunk by 57.3 per cent in April 2020. As per the partial data, IIP growth works out to be 134 per cent in April 2021 over the same month last year, mainly due to the low base effect. However, industrial growth was flat in April if we compare the IIP to that in the same month of 2019.

*The Economic Times - 12.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F12&entity=Ar00705&sk=4DFEF547&mode=text>

## **Keep an eye on expenses, finmin tells ministries**

The finance ministry has asked all ministries and departments to cut controllable expenditure by a fifth and suggested as many as 18 areas where reductions can be made, such as advertisement and publicity, office expenses and overtime allowance. The government faces higher expenditure on the centralised procurement of Covid-19 vaccines and the free

fuelling demand for Indian goods. Exports are expected to support growth in FY22 by providing a cushion against the sharp correction in domestic demand due to cautious consumer sentiment on the back of rising health costs. Tentative data for the first week of June released by the commerce ministry on Wednesday showed exports grew 52.4% to \$7.71 billion, while imports rose 82.91% to \$9.1 billion. Non-petroleum exports increased by 49.35% while non-petroleum imports rose 72.8% during the same period. Top countries to which exports increased include the US (59.9%), United Arab Emirates (57.9%) and Bangladesh (212%). Similarly, top countries from which imports rose include China (90.9%), US (89.4%) and UAE (164.5%).

*The Hindustan Times - 10.06.2021*

<https://www.hindustantimes.com/business/exports-grow-by-52-4-to-hit-7-7-billion-in-first-week-of-june-101623270586898.html>

### **SPV to monetise PSU land in last lap**

The government is firming up contours of the special purpose vehicle for monetising land available with public sector enterprises, which is likely to be on the lines of NBCC and could operate on a fee based model, said a senior official. Land assets of central public sector enterprises (CPSEs) under closure and non-core land assets of CPSEs under strategic divestment would be pooled and then monetised by the company. "It will be more or less like a permanent entity, which would continue to monetise land assets. Separate set of expertise and people will be needed, who will have to be recruited," the official said, asking not to be named. If the titles of the land are transferred to the company then it would be able to earn from the sales, however if the titles remain with the CPSEs or ministries, a fee would be charged for the sale or development process, the official added. Freehold land will be transferred to this proposed firm, which will monetise it through direct sale or through the real estate investment trust or REIT model. CPSEs that cannot monetise land assets on their own would also form part of the pool, rather than large entities or CPSEs that can undertake monetisation on their own.

*The Economic Times - 09.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETM%2F2021%2F06%2F09&entity=Ar00908&sk=E47576FB&mode=text>

### **Oil hits multi-year highs in third weekly gain on demand recovery**

Oil prices reached fresh multi-year highs on Friday, closing out a third straight week of gains

food ration programme that's been extended until November. "Government has decided all ministries and departments should take steps to curb wasteful expenditure," the Department of Expenditure said in a June 10 directive to ministries seen by ET. "All ministries and departments are requested to take steps to curtail all avoidable non-scheme expenditure and aim for 20% reduction in controllable expenditure." Spending related to containment of Covid-19 has been excluded from the purview of these curbs. The 18 areas pointed out for cost control include overtime allowance, rewards, travel, office expenses and petrol.

*The Economic Times - 12.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F12&entity=Ar00102&sk=CABE2162&mode=text>

### **Fuel demand slips to 9-month low in May, down 1.5% to 15.1 MT**

India's fuel demand in May slumped to its lowest in nine months as restrictions to curb the second wave of COVID infections stalled mobility and muted economic activity. Fuel demand fell 1.5 per cent to 15.1 million tonnes despite the low base of May 2020 and was down 11.3 per cent when compared to the previous month, according to data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry. India was under one of the world's strictest lockdowns in May last year, which brought all mobility and economic activity to a grinding halt. This year, though the infection rate is much severe, restrictions are localised. Personal mobility is not as hampered as last year and more factories have remained open while cargo movement between states too hasn't been as badly affected. Petrol consumption at 1.99 million tonnes in May was up 12 per cent over the previous year, it was down 16 per cent over April and 27 per cent over the pre-COVID era. Diesel sales were up marginally to 5.53 million tonnes year-on-year but were down 17 per cent over April and 29 per cent over the pre-COVID period.

*The Economic Times - 12.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F12&entity=Ar00707&sk=8501E9D3&mode=text>

### **Despite uncertainties, OPEC sticks to forecast of oil demand surge in second half**

on an improved outlook for worldwide demand as rising COVID-19 vaccination rates help lift pandemic curbs. Brent crude futures settled at \$72.69 a barrel, rising 17 cents after reaching their highest since May 2019. For the week, Brent was up 1%. US West Texas Intermediate (WTI) crude futures settled at \$70.91 a barrel, up 62 cents, settling at their highest since October 2018. WTI was up 1.9% on the week. "In 2022 there is scope for the 24-member OPEC+ group, led by Saudi Arabia and Russia, to ramp up crude supply by 1.4 million barrels per day (bpd) above its July 2021-March 2022 target," the IEA said. US investment bank Goldman Sachs said it expects Brent crude prices to reach \$80 per barrel this summer as vaccine rollouts boost global economic activity. "The rollout of the vaccine in North America as well as Europe is helping to restore demand at the same time that OPEC+ has reigned in production," helping propel oil prices, said Andy Lipow of Lipow Oil Associates in Houston.

*The Economic Times - 12.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-hits-multi-year-highs-in-third-weekly-gain-on-demand-recovery/83461560>

### **OPEC+ complies with 115% of agreed oil curbs in May – source**

OPEC and its allies maintained strong compliance with agreed oil output targets in May, when the first part of a gradual production increase took effect, according to figures given by an OPEC+ source on Friday. The Organization of the Petroleum Exporting Countries and allies, known as OPEC+, complied with 115% of agreed output curbs in May, the source said. OPEC said this week the April figure was 114%. OPEC+ is returning 2.1 million barrels per day (bpd) to the market from May through July as part of a plan to gradually unwind last year's record oil output curbs, as demand recovers from the pandemic.

*The Economic Times - 12.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opeccomplies-with-115-of-agreed-oil-curbs-in-may-source/83451899>

OPEC stuck to its prediction of a strong world oil demand recovery in 2021 led by the United States and China despite uncertainties stemming from the pandemic, pointing to a need for more oil from the producer group. In a monthly report on Thursday, the Organization of the Petroleum Exporting Countries said demand would rise by 6.6% or 5.95 million barrels per day (bpd) this year. The forecast was unchanged for a second consecutive month. The report's forecast comes despite a slower-than-expected recovery in the first half of this year and as it warns of "significant uncertainties" such as the potential emergence of new variants of the coronavirus. "Global economic recovery has been delayed due to the resurgence of COVID-19 infections and renewed lockdowns in key economies, including the Eurozone, Japan and India," OPEC said in its monthly report. "Overall, the recovery in global economic growth, and hence oil demand, are expected to gain momentum in the second half," it said.

*The Economic Times - 10.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/despite-uncertainties-opeccomplies-to-forecast-of-oil-demand-surge-in-second-half/83402428>

### **Current fuel prices 'problematic' for people, govt saving money for welfare schemes: Dharmendra Pradhan**

Amid uproar over the rise in fuel prices which has crossed Rs 100-mark in some states, Union Petroleum Minister Dharmendra Pradhan on Sunday admitted that the current fuel prices are "problematic" for people but asserted that the government is saving money for welfare schemes. When asked about Congress' nationwide protest against the skyrocketing fuel prices, Pradhan asked why fuel prices are high in Congress-ruled states. "I accept that current fuel prices are problematic for people, but be it central or state government, over Rs 35,000 crores is being spent on COVID-19 vaccines in a year. In such dire times, we are saving money to spend on welfare schemes," he said. "Rahul Gandhi must answer why fuel prices are high in Congress-ruled states like Punjab, Rajasthan, and Maharashtra. A lot of money is being invested for welfare schemes across the country," Pradhan said. He added, "If he is so concerned about the poor, he should instruct Maharashtra CM to reduce taxes as prices. The price in Mumbai is so high because tax is the highest in Maharashtra".

*The Economic Times - 14.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/current-fuel-prices-problematic-for-people-govt-saving-money->

## **Govt aiming for composite energy retailing, says Petroleum Minister Dharmendra Pradhan**

Union minister of petroleum and natural gas Dharmendra Pradhan said on Tuesday that the government aims to move towards the concept of energy retailer where all different transport fuels – hydrogen, diesel, petrol, compressed natural gas (CNG), liquefied natural gas (LNG) and EV batteries swapping facility – shall be available at a single point. Pradhan was speaking at an online event where he inaugurated 201 new CNG retail outlets owned by joint ventures and subsidiaries of GAIL. The minister also inaugurated two mobile refuelling units (MRUs) for refuelling CNG vehicles in Raigad, Maharashtra and Delhi. The MRUs belong to Mahanagar Gas and Indraprastha Gas, respectively. Asserting that the future of fuel retail is mobile, Pradhan said that “we are bringing in innovation in energy retailing and making it mobile and delivering at the doorsteps”. MRUs can store up to 1,500 kg CNG and can fill 150 to 200 vehicles per day and will help supply CNG in areas not yet connected through pipelines and at places where there is shortage of land to set up conventional CNG stations.

*The Financial Express - 09.06.2021*

<https://www.financialexpress.com/industry/govt-aiming-for-composite-energy-retailing-pradhan/2267742/>

## **Indian government offers 32 areas in latest small oil, gas field auction**

The government will auction unmonetised large oil and gas fields of state-owned ONGC and OIL to boost the country's hydrocarbon production, Petroleum Minister Dharmendra Pradhan said on Thursday. Speaking on the launch of the third round of auction of small discovered fields, he said companies cannot indefinitely sit on resources they may have discovered. These resources actually belong to the nation and they will be monetised by bidding them out to interested entities, he said. As many as 32 oil and gas blocks with 75 discoveries have been offered in the Discovered Small Field (DSF) round-III. These small and marginal fields were discovered by state-owned Oil and Natural Gas Corporation (ONGC) and Oil India Ltd (OIL) but they were not economically viable to be developed due to the fiscal regime and their small size. Under DSF, liberal terms including pricing and marketing freedom are offered, making them viable. "There will be no DSF next time. Next time, it will be a

## **India's Petronet to invest \$2.6 billion for local expansion over 5 years**

India's top gas importer Petronet LNG will invest \$2.6 billion over five years to expand local infrastructure as investing in overseas projects is 'not lucrative' in the current liquefied natural gas (LNG) surplus market, its head of finance said. "Right now, investment in LNG terminals anywhere outside India is not very lucrative because LNG is available at very low prices it is only recently that prices have increased... availability of LNG is plenty," Vinod K Mishra said during an analyst call after the company reported its March quarter earnings. He said at the moment, there was no financial incentive to invest in overseas projects to lock in LNG supplies. The company was earlier planning to invest in projects in Sri Lanka, Bangladesh, Qatar and Tellurian's Driftwood LNG project. India wants to raise the share of gas in its energy mix to 15% by 2030 from 6.2% and is raising its local output. Mishra said higher domestic supplies could hit costly spot LNG imports in the short term, but would not impact imports in the long term as India's gas consumption is expected to jump.

*The Economic Times - 10.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-petronet-to-invest-2-6-billion-for-local-expansion-over-5-years/83402572>

## **India's PAT scheme saved 17 mtoe energy, mitigated 87 MT CO2 annually**

India's Perform Achieve and Trade (PAT) scheme led to energy savings of 17 million ton of oil equivalent (mtoe) and resulted in the mitigation of around 87 million tonne of CO2 annually, according to the power ministry. The ministry said in a statement the Standards and Labeling (S&L) Program introduced by the Bureau of Energy Efficiency (BEE) resulted in estimated electricity savings of 56 Billion Units during 2020-21 worth over Rs 30,000 crore. The initiative helped reduce around 46 MT CO2 emissions annually. The scheme now covers 28 appliances and over 15,000 models of energy efficient products have been awarded star labels, a popular symbol among the consumers for endorsing energy savings, the ministry said. By 2020, the PAT scheme coverage had been extended to 13 most energy intensive sectors in the country including cement, iron and steel, fertilizer, thermal power plants, refineries, petrochemicals, railways and others. The PAT

'major' round (auction of large fields)," Pradhan said.

*The Economic Times - 10.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indian-government-offers-32-areas-in-latest-small-oil-gas-field-auction/83402472>

### **Air travel seen picking up amid falling Covid cases, bookings rise**

As Covid-19 cases start to decline, demand for travel is growing again, with airlines as well travel portals reporting up to 100% increase in bookings. Increase in vaccination would also help revive the sector, said industry executives. IndiGo, India's largest carrier in terms of market share and capacity, said bookings have doubled since the low of May this year. "According to the minister's tweet, daily flown passengers have moved up from the bottom of 40,000 to now over 80,000. So, we can say booking and flying passengers have almost doubled from the bottom sometime in the middle of May 21," Sanjay Kumar, chief strategy and revenue officer at IndiGo, said. Domestic carriers together ferried more than 85,000 passengers on Sunday.

*The Economic Times - 08.06.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F06%2F08&entity=Ar00415&sk=3A34ECC4&mode=text>

scheme provides mandatory targets for identified large units and the excess energy saved by them is issued as energy saving certificates which are tradable instruments.

*The Economic Times - 10.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-pat-scheme-saved-17-mtoe-energy-mitigated-87-mt-co2-annually/83393208>

### **EU countries clear plan to ease cross-border tourism over summer**

European Union countries agreed on Friday to an easing of travel restrictions over summer that will allow fully vaccinated tourists to avoid tests or quarantines and broaden the list of EU regions from which it is safe to travel. Ambassadors from the 27 EU member states approved a modified European Commission proposal that people who have been fully vaccinated for 14 days should be able to travel freely from one EU country to another, current EU president Portugal said. Restrictions for other travellers should be based on the degree to which the country they are coming from has COVID-19 infections under control. Just over a quarter of EU adults are now fully vaccinated. The revised guidelines come as the EU introduces COVID-19 certificates that will indicate whether a person is vaccinated, has immunity because they were previously infected, or has had a recent negative test. The system is set to be ready by July 1, although some countries will launch certificates earlier.

*Reuters - 12.06.2021*

<https://www.reuters.com/world/europe/eu-countries-clear-plan-ease-tourism-over-summer-diplomats-2021-06-11/>