

(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.)

## Balmer Lawrie in News

### Balmer Lawrie celebrates Yoga Day



The 7th International Day of Yoga was observed and celebrated across all the units and establishments of Balmer Lawrie. A webinar on benefits of yoga and meditation was organised for the employees. Employees also participated in the slogan and poster competitions organised on the occasion. Employees were encouraged to participate in the various virtual programs on the Common Yoga Protocol organised by MOPNG and Ministry of AYUSH

Mid Day –  
02.07.2021

### India Inc beats view with strong Q4 show

Indian companies harnessed demand buoyancy to register robust sales and profit expansion in the March quarter, and the momentum underpinning last year's V-shaped recovery should resume in the latter half of FY22 as economic activity accelerates in lockstep with the pace of vaccinations. A low statistical base also helped add sheen to the report cards of companies regardless of size, with analysts having pencilled in strong growth undergirded by pent-up demand. "The performance was in-line for our coverage universe of stocks and better than expected for the Nifty," said Gautam Duggad, research head, Motilal Oswal Institutional Equities. "More importantly, for the entire FY21, despite the pandemic and lockdowns, Nifty profits are up 23% and EPS is up 14% year-on-year, the highest in a decade, and unthinkable a year ago." For a 13-quarter common

### Economic activity recovering since late-May; RBI Guv Shaktikanta Das

The second wave of the pandemic took a "grievous toll" on India, but the dented economic activity has started recovering from late-May, Reserve Bank Governor Shaktikanta Das said on Thursday. In a first, Das flagged the rising data breaches and cyber-attacks as a risk facing the economy, along with others like firming global commodity prices. "The recovery that had commenced in the second half of 2020-21 was dented in April-May 2021, but with the wave of infections abating as rapidly as it had set in, economic activity has started to look up in late May and early June," Das wrote in his foreword to the bi-annual Financial Stability Report prepared by the RBI. The report said the gross non-performing assets of banks have been stable at 7.5 per cent in March 2021 — the same level as six months ago — but are

sample of 2,437 companies, revenue expanded 16% year-on-year, the fastest pace in at least nine quarters. Net profit surged nearly seven times. In the year-ago quarter, profit had fallen 73.5%, while revenue dropped 5.8%.

*The Economic Times - 01.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F07%2F01&entity=Ar00404&sk=508376AA&mode=text>

## **Stronger recovery seen post September**

Several parts of the economy are rebounding as the impact of the second wave of the pandemic wanes. However, a stronger recovery is expected post September once the vaccination drive makes more headway and as the festive season sets in. It's critical the services sector — a big employer — revives soon else consumption demand could continue to stay weak. The job market is showing some signs of improvement but with thousands of small businesses ravaged, millions have lost their livelihoods. In the absence of private sector investments, which are sluggish and will stay so, it's hard to see a meaningful number of employment opportunities being created in the near-term. Right now, even getting back to pre-pandemic levels of activity on key counts looks a stretch.

*The Financial Express - 05.07.2021*

<https://www.financialexpress.com/economy/stronger-recovery-seen-post-september/2283809/>

## **Covid relief: no big fiscal dent seen**

The government's relief measures unveiled on Monday are unlikely to leave a large fiscal dent, although a higher subsidy bill for food and fertiliser, announced earlier, is expected to result in some slippage. While the government pegged the impact of the series of steps at a little under Rs 6.3 lakh crore, it refrained from giving any estimate of the cost of the string of measures. Economists were, however, unanimous in suggesting that the steps will create contingent liability in the form of guarantees, with the impact on spending being muted. CARE Ratings estimated additional spending by the Centre at over Rs 1.5 lakh crore, of which close to Rs 1.1 lakh crore was on account of food and fertiliser subsidy. Among the announcements made on Monday, the Centre will chip in with Rs 15,000 crore for boosting public

expected to go up to 9.8 per cent in March 2022, as per its baseline scenario. Das said the dent on balance sheets and performance of financial institutions in India have been much less than what was projected earlier, but was quick to add that a clearer picture will emerge as the effects of regulatory reliefs fully work their way through.

*The Indian Express - 02.07.2021*

<https://indianexpress.com/article/business/economic-activity-pandemic-recovering-cyber-attacks-shaktikanta-das-7384812/>

## **Exports grow in June; trade gap at \$9.4b**

Driven by engineering goods, petroleum products, and gems and jewellery, India's merchandise exports in June rose 47.34% on year to \$32.46 billion, taking the first quarter exports to a record high of \$95.36 billion, preliminary data released by the government Friday showed. April-June exports grew 85.36% over \$51.44 billion in the corresponding quarter a year ago and 17.85% over the first quarter of FY20. Goods imports in June increased 96.33% to \$41.86 billion, led by petroleum, pearls, precious & semi-precious stones, and electronics, leaving a trade deficit of \$9.4 billion compared to a trade surplus of \$0.71 billion in June 2020. "India is thus a net importer in June 2021," the commerce and industry said in a statement. Trade deficit in May was at an eight-month low of \$6.3 billion.

*The Economic Times - 03.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F07%2F03&entity=Ar00707&sk=2918C111&mode=text>

## **India eight core sector output advances 16.8% due to low base effect**

The output of eight core sectors grew by 16.8 per cent in May, mainly due to a low base effect and uptick in production of natural gas, refinery products, steel, cement and electricity, official data released on Wednesday showed. The eight infrastructure sectors of coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity had contracted by 21.4 per cent in May 2020 due to the lockdown restrictions imposed to control the spread of the COVID-19 infections. In March this year, these key sectors had recorded a growth of 11.4 per cent, and 60.9 per cent in April. According to the commerce and industry ministry data, production of natural gas, refinery products, steel, cement and electricity jumped by 20.1 per cent, 15.3 per cent, 59.3 per cent, 7.9 per

health infrastructure, while there will be additional outgo of under Rs 10,000 crore this year on the broadband initiative for rural areas. Free visas and revival of North East Regional Agricultural Marketing Corporation aren't going to leave a big hole in the Centre's book.

*The Times of India - 29.06.2021*

<https://timesofindia.indiatimes.com/business/india-business/covid-relief-no-big-fiscal-dent-seen/articleshow/83939978.cms>

## **Mfg activity contracts for first time in 11 months: Survey**

Activity in the country's manufacturing sector contracted for the first time in 11 months in June as the localised lockdowns against the backdrop of the second wave of Covid-19 hurt demand, a survey showed on Thursday. Registering 48.1 in June, below May's 50.8, the IHS Markit India Manufacturing Purchasing Managers' Index (PMI) was below the critical no-change mark of 50 for the first time since July 2020. The latest results highlighted renewed contractions in factory orders, production, exports and quantities of purchases. With business optimism fading over the month, job shedding continued, the survey results showed. The PMI averaged 51.5 in the opening quarter of 2021-22, the lowest three-month figure since the same period one year ago. Several economists, agencies and the Reserve Bank of India (RBI) are of the view that impact of the second wave would be muted and confined to the first quarter of the current financial year, which ends in March 2022, with possibility of some spill over to July. Majority of them have reduced GDP growth projections from strong double-digit expansion projected earlier for 2021-22, citing the impact of the second Covid-19 wave.

*The Economic Times - 02.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2021%2F07%2F02&entity=Ar01508&sk=EA6F91BE&mode=text>

## **Fiscal deficit improves to 8.2% of FY22 target in May**

India's fiscal deficit at the end of May came in at 8.2% of the budgeted estimate for FY22 as against 59% in the same period last year, on the back of better revenues and lower subsidy pay out, according to official data released Wednesday. Fiscal deficit in April-May stood at ₹1.23 lakh crore, data showed. Higher revenues in these two months coupled with lower expenditure aided in

cent and 7.3 per cent in May, as against (-) 16.8 per cent, (-) 21.3 per cent, (-) 40.4 per cent, (-) 21.4 per cent and (-) 14.8 per cent in May 2020, respectively. Coal output too rose by 6.9 per cent during the month under review as against a negative growth of 14 per cent in the same month of the previous year.

*Business Standard - 01.07.2021*

[https://www.business-standard.com/article/news-cm/india-eight-core-sector-output-advances-16-8-due-to-low-base-effect-121070100164\\_1.html](https://www.business-standard.com/article/news-cm/india-eight-core-sector-output-advances-16-8-due-to-low-base-effect-121070100164_1.html)

## **Current A/c ended FY21 in surplus, a first in 17 years**

India's current account ended in a surplus last fiscal year for the first time in 17 years, led by shrinkage in demand for imported items through the pandemic, although the last quarter ended in a deficit after mobility curbs were withdrawn in phases. The current account balance — comprising the net of India's export of goods and services — recorded a surplus of 0.9% of GDP in FY21 as against a deficit of 0.9% in FY20, central bank data showed. The last time the current account ended in a surplus for a whole fiscal was in 2003-04 when the surplus touched 2.3% of GDP. Overall, the balance of payments ended in a surplus of \$87 billion during the year on strong capital flows, with a bulk of the flows through foreign direct investment and portfolio flows. The current account has been supported by a sharper narrowing of merchandise trade deficit than invisibles comprising services, transfers, investment and travel receipts and payments that slowed down. Net invisible receipts were lower in FY21 due to increases in net outgo of overseas investment income payments and lower net private transfer receipts, even though net services receipts were higher than a year ago, RBI said.

*The Economic Times - 01.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETM%2F2021%2F07%2F01&entity=Ar00906&sk=B57B6E4B&mode=text>

## **Rising petrol, diesel prices pose challenge to Indian recovery and inflation**

Indian pump prices are in uncharted territory as ever-increasing government levies coincide with crude's recovery from the depths of the Covid-19 pandemic. Fuel costs have been ratcheted up to current levels by the combined effects of rising benchmark Brent prices and numerous tax hikes over the past few years.

limiting the deficit, experts said. April-May, 2021 witnessed localised restrictions imposed by states due to the second wave of pandemic, but tax revenues were marginally impacted unlike in the previous financial year when nationwide lockdown halted economic activities. Tax revenues in the period came in at ₹2.33 lakh crore or 15.1% of the budget estimates. "Tax revenues stood at ₹1.4 lakh crore in May 2021, which is very high relative to even the pre-Covid levels of ₹0.9-1.0 lakh crore for the month of May in 2017-2019," said Aditi Nayar, chief economist at ICRA. Experts said surplus transfer of ₹99,122 crore from the Reserve Bank buoyed the nontax revenues that reached 47.9% of the budget estimate. The government managed to achieve 18% of its budget estimate of total receipts 18% in the first two months of the financial year.

*The Economic Times - 01.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETM%2F2021%2F07%2F01&entity=Ar01706&sk=3779E6E9&mode=text>

### **Sebi brings in new 'investors'; stricter independent dir norms**

The board of the Securities and Exchange Board of India (Sebi) has approved a new category of wealthy, well-informed investors who will be allowed to invest in riskier products, not usually allowed to individuals. Termed accredited investors, these entities could be individuals, family trusts, proprietorships, etc. The regulator's board also tightened the norms for independent directors. It said that independent directors can be appointed only through a special resolution passed by shareholders. A special resolution requires 75 per cent of votes in favour to be passed. The regulator has also elaborated and strengthened the disclosure requirements for the skills required to be an independent director. Moreover, the regulator also said that nomination and remuneration committee of the board of directors, which decides on appointments and compensation, and the audit committee should have two-thirds independent directors compared to a simple majority now. The regulator also stipulated that all related party transactions shall be approved by only independent directors on the audit committee.

*The Indian Express - 30.06.2021*

<https://indianexpress.com/article/business/sebi-brings-in-new-investors-stricter-independent-dir-norms-7381932/>

The record-high gasoline and diesel prices are leaving some Indian car owners unable to afford the cost of using their vehicles and spurring the country's transport industry to agitate for change. Buying gasoline in major Indian cities such as Mumbai costs almost twice as much as in New York, casting a shadow on the recovery across Asia's second-largest oil guzzler as virus-related movement restrictions are eased. The federal government kept upping taxes last year even as it put the country into a national lockdown and global crude prices collapsed. Mumbai gasoline costs have risen by more than 25% over the past three years, while diesel prices have climbed by a third over the same period, according to data from Indian Oil Corp.

*Mint - 29.06.2021*

<https://www.livemint.com/news/india/rising-pump-prices-pose-challenge-to-indian-recovery-and-inflation-11624924188020.html>

### **FM Sitharaman asks ministries to surpass capex target set for FY22**

Finance Minister Nirmala Sitharaman on Tuesday exhorted ministries to aim to achieve more than their capital expenditure (capex) targets for this fiscal, highlighting that enhanced spending will play a critical role in revitalising the economy post-pandemic. During a meeting with senior officials to review the status of implementation of Budget announcements and measures to expedite infrastructure investment, she also urged the ministries and their Central Public Sector Enterprises (CPSEs) to ensure clearance of Micro, Small and Medium Enterprises (MSME) dues by July 31. This was the sixth review meeting by the finance minister with ministries and departments on the infrastructure roadmap. Sitharaman further urged the ministries to explore Public Private Partnership (PPP) mode for viable projects, the finance ministry said in a statement. "While reviewing the capital expenditure performance of the ministries and their CPSEs, the Finance Minister emphasised that enhanced CAPEX will play a critical role in revitalising the economy post-pandemic and encouraged the ministries to front-load their capital expenditure," it said.

*Business Today - 30.06.2021*

<https://www.businesstoday.in/latest/economy-politics/story/fm-sitharaman-asks-ministries-to-surpass-capex-target-set-for-fy22-300038-2021-06-30>

## **Govt asks ministries to restrict expenses in September quarter**

The central government on Wednesday asked various ministries and departments to restrict expenses to a maximum of 20 per cent of their annual budgetary allocation in the September quarter as part of austerity measures amid the coronavirus pandemic. However, the restrictions on expenditure for the second quarter (July-September period) of the current fiscal would not be applicable to select ministries and departments, including health, agriculture, fertilizers, pharmaceuticals, and food. The ministries of housing and urban affairs, drinking water, railways, road transport, MSME, and rural development have also been exempted from the 20 per cent expenditure restrictions. All other ministries and departments "will be required to restrict overall expenditure to 20 per cent of BE 2021-22 in Quarter 2 (July to September 2021)," according to an office memorandum issued by the Department of Economic Affairs under the Ministry of Finance. The curbs would also not be applicable for activities such as pension payments, interest payments, and transfers of funds to states.

*India Today - 01.07.2021*

<https://www.indiatoday.in/business/story/govt-asks-various-ministries-to-restrict-expenses-at-20-of-budget-allocation-in-sept-quarter-1821491-2021-07-01>

## **Eye on consolidation: Govt may end cross-holding in oil PSUs**

The government may gradually end the cross-holding structure existing in the oil sector as it looks to further consolidate operations of public sector enterprises and go ahead with its privatisation plan by getting a fair valuation of assets. Official sources said that all oil sector PSUs may be asked to exit from their investments made in equity shares of other state-owned entities. This could be done in phases, depending on the market conditions, so that the shares get a maximum valuation. The cross-holding structure among oil PSUs was built in the late 1990s as the government sold its shares in Oil India Ltd (OIL), Oil and Natural Gas Corporation (ONGC), Gas Authority of India Ltd (GAIL) and Indian Oil Corporation (IOC) in a bid to raise funds. Consequently, while GAIL and IOC hold 7.84 and 2.45 per cent stake respectively in ONGC and OIL hold 14.20 and 5.16 per cent stake respectively in IOC. Also, IOC and ONGC hold 2.47 and 4.94 per cent stake respectively in GAIL India, and BPCL

## **Rs 1.75L cr disinvestment target on track, says CEA**

The target of mopping up Rs 1.75 lakh crore from disinvestments of some of the public sector companies, including LIC and BPCL during the current fiscal, is on track and groundwork is being prepared for the goal, Chief Economic Advisor Krishnamurthy Subramanian said on Monday. On the COVID-19 pandemic, Subramanian said the impact of the second wave is lesser than that of the first one. In an interactive session, organised by Federation of Telangana Chambers of Commerce and Industry, the CEA said robust GST collections, over Rs one lakh crore per month for eight months in a row shows that consumption is picking up indicating positive signal for growth. "There has to be a lot of work which is going on and this year there is actually a lot of emphasis on achieving these targets. Remember that Rs 1.75 lakh crore, a good part of it will be from LIC's IPO (Initial Public Offering). Second is Bharat Petroleum (BPCL) privatisation. And these two together itself can account for a large part of (disinvestment target)," he said. The Centre budgeted Rs 1.75 lakh crore from stake sale in public sector companies and financial institutions, including 2 PSU banks and one insurance company, in the current fiscal year.

*Millennium Post - 30.06.2021*

<http://www.millenniumpost.in/business/rs-175l-cr-disinvestment-target-on-track-says-cea-444870>

## **OPEC+ seen pumping more oil in 2021, keeping some cuts through 2022**

OPEC+ is moving towards gradually adding about 2 million barrels per day (bpd) to the oil market from August to December, an OPEC+ source told Reuters as the group eases back on output curbs amid a recovering global economy and an oil price rally. Monthly increases would be 0.4 million bpd under the plan, the source said, adding that an OPEC+ ministerial committee had proposed this to the wider group. Another source said Saudi Arabia and Russia, the biggest producers in the OPEC+ alliance, had reached a preliminary agreement. Responding to oil demand destruction caused by the COVID-19 crisis, OPEC+ last year agreed to cut output by almost 10 million bpd from May 2020, with plans to phase out the curbs by the end of April 2022. Cuts now stand at about 5.8 million bpd. Oil prices extended gains on news of the latest increase plans because some traders had expected a bigger output rise in August. Brent crude was trading above \$75 a barrel on Thursday, close to 2-1/2 year highs.

(2.47 per cent), HPCL (2.47 per cent) and IOC (4.93 per cent) together own partial equity in OIL

*The Economic Times - 29.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/eye-on-consolidation-govt-may-end-cross-holding-in-oil-psus/83914944>

### **Oil prices 'very challenging', need them to sober a bit: India to Opec**

Ahead of a meeting of oil producers' cartel OPEC, India on Tuesday said the current oil prices are "very challenging" and rates need to be a "little bit sober" lest they impact a consumption-led recovery of the global economy. Oil Minister Dharmendra Pradhan, who last week again urged OPEC to phase out its production cuts, said India is a price-sensitive market and it will buy oil wherever it gets competitive rates. The rebound in international oil prices from lows hit last month on the back of demand recovery has led to a spike in petrol and diesel retail prices in India. Fuel rates are at record highs across the country and petrol has crossed Rs 100 a litre mark in about a dozen states and union territories, while diesel is being sold at over Rs 100 a litre in Rajasthan and Odisha. "Today's price is a very challenging one," Pradhan said at BNEF Summit. "I am persuading my producer friends" for a reasonable price of oil. He said he had a very good discussion with OPEC Secretary-General Mohammed Barkindo last week.

*Business Standard - 30.06.2021*

[https://www.business-standard.com/article/economy-policy/oil-prices-very-challenging-need-them-to-sober-a-bit-india-to-opec-121062901725\\_1.html](https://www.business-standard.com/article/economy-policy/oil-prices-very-challenging-need-them-to-sober-a-bit-india-to-opec-121062901725_1.html)

### **Enough scope for govt to cut fuel tax by Rs 4.50 a litre: ICRA**

The government can reduce fuel taxes by Rs 4.50 a litre and still keep revenue at last year's level as the expected rise in consumption will make up loss of extra income from higher levies imposed last year, Moody's investors service company ICRA said in a note on Friday. Such a tax cut will reduce pump prices and lower CPI (consumer price index) inflation by 10 basis-points, ease pressure on household budgets to allow a faster revival in consumer sentiment and give RBI's monetary policy headroom to support a revival in growth, the note by ICRA chief economist Aditi Nayar said. Here's how ICRA worked out the math. Petrol

The proposed increase "would keep the market tight this summer, with still rising demand over the coming weeks", UBS analyst Giovanni Staunovo said, adding that consensus had been for an addition of 0.5 million bpd a month or slightly more.

*The Economic Times - 02.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-seen-pumping-more-oil-in-2021-keeping-some-cuts-through-2022/84055151>

### **India fuel consumption picks up in June as lockdowns ease**

India's auto fuel demand picked up in June as economic activity accelerated after the easing of pandemic-related lockdowns, preliminary sales data showed on Thursday. State-run refiners sold 2.12 million tonnes of gasoline last month, up 29.35per cent from May and about 5.7per cent from the year-earlier period. Sales of gasoil, which accounts for about two-fifths of India's overall refined fuel consumption and is directly linked to industrial activity in Asia's third-largest economy, rose 18.5per cent from May to 5.36 million tonnes, but were down 1.84per cent from June 2020. Compared to June 2019, demand for gasoline and gasoil last month slipped 10.4per cent and 18.8per cent, respectively. Fuel demand in India would recover to pre-pandemic levels by the end of this year after being hit by a deadly second wave of coronavirus, oil minister Dharmendra Pradhan said on Tuesday. In May, local fuel consumption, a proxy for oil demand, slumped to its lowest since last August as lockdowns and travel restrictions in several states stalled mobility and muted economic activity.

*The Economic Times - 02.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-fuel-consumption-picks-up-in-june-as-lockdowns-ease/84012629>

### **Pradhan puts ONGC, OIL on notice: perform or get shipped out**

Petroleum Minister Dharmendra Pradhan on Tuesday put state-owned ONGC and OIL on notice saying oil and gas reserves they hold need to be monetised through joint ventures with domain experts or the government will take them away and auction them. Speaking at BNEF Summit, he said state-owned firms cannot indefinitely sit on resources when the nation is a net importer of oil and gas. Despite India bidding out acreages to private and other companies since the 1990s, Oil and Natural Gas Corporation (ONGC) and Oil India Ltd (OIL) hold a "sizeable number of acreage for years," he

consumption is projected to post annual increase of 14% and diesel 10% in 2021-22 on the low base of 2020-21. But compared to 2019-20, sales are expected to be nearly 7% higher for petrol and about 3% lower for diesel. The increased sales will push up government's aggregate fuel tax revenue by 13%, or Rs 40,000 crore, to Rs 3,60,000 crore in the current fiscal from Rs 3,20,000 estimated in 2020-21. If the government gives up the Rs 40,000 crore extra income, it can reduce pump prices by Rs 4.50 a litre but still have earnings at last financial year's level.

*The Economic Times - 29.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/enough-scope-for-govt-to-cut-fuel-tax-by-4-50-a-litre-icra/83909324>

### **Oil firms as demand hopes outweigh rise of COVID-19 variant**

Oil prices rose on Tuesday as broad hopes for a demand recovery persisted despite new outbreaks of the highly contagious Delta variant of the coronavirus prompting fresh mobility curbs worldwide. Brent crude futures were up 50 cents, or 0.7%, at \$75.18 a barrel by 1400 GMT, having slumped by 2% on Monday. U.S. West Texas Intermediate (WTI) crude futures rose 55 cents, or 0.8%, to \$73.46 after a 1.5% retreat on Monday. "From a global perspective, there are seemingly growing concerns over the increase in the COVID-19 Delta variant," said StoneX analyst Kevin Solomon. "The market has grown relatively immune to COVID-19 developments, but if lockdowns occur in larger demand centres in Asia, we may see the market's nonchalance abate." Spain and Portugal, favourite summer holiday destinations for Europeans, imposed new restrictions on unvaccinated Britons on Monday, while Australians also faced tighter curbs owing to flare-ups of the virus across the country. However, the market still expects the rollout of vaccination programmes to brighten the demand outlook, analysts said.

*Business Standard - 29.06.2021*

[https://www.business-standard.com/article/international/oil-firms-as-demand-hopes-outweigh-rise-of-covid-19-variant-121062901513\\_1.html](https://www.business-standard.com/article/international/oil-firms-as-demand-hopes-outweigh-rise-of-covid-19-variant-121062901513_1.html)

### **Oil Min proposes steps to protect City Gas Cos**

No company, except the licensee, can sell natural gas to homes and vehicle owners in a licensed area without the central government's permission even after the city gas network has been declared a common carrier by the regulator, the oil ministry has proposed. This essentially means a city gas

said. "We have asked them to do two things - do it yourself, (produce oil and gas) through some joint venture (with domain experts and foreign companies) (and) through a new business model. But the government cannot permit you to hold resources for an indefinite time," he said. ONGC and OIL, which discovered and brought to production all of India's eight sedimentary basins, produce about three-fourths of the nation's oil and gas. The two, especially ONGC, have faced criticism ranging from not being able to quickly bring discoveries to production to lower recovery.

*The Economic Times - 30.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/pradhan-puts-ongc-oil-on-notice-perform-or-get-shipped-out/83974215>

### **Govt issues draft notification on ethanol blending in petrol**

Paving the way for the transformation of the fossil fuel ecosystem in the country, the Ministry of Road Transport and Highways has issued a draft notification for facilitating use of a blend of 12 per cent and 15 per cent ethanol in gasoline as automotive fuels. Comments have been invited from stakeholders within a period of 30 days. "The newly manufactured gasoline vehicles fitted with spark ignition engine compatible to run on ethanol gasoline blends of E-12 and E-15 shall be type approved as per prevailing gasoline emission norms," the draft notification said. Recently, Road Transport and Highways Minister Nitin Gadkari had said the government will take a decision over flex-fuel engines as it is considering making these mandatory for the automobile industry. "...I am going to issue an order to the industry that only petrol engines will not be there, there will be flex-fuel engines, where there will be choice for the people that they can use 100 per cent crude oil or 100 per cent ethanol," he had said.

*The Economic Times - 30.06.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/govt-issues-draft-notification-on-ethanol-blending-in-petrol/83979310>

### **GAIL looks at petrochemicals, renewables for growth**

State-owned GAIL India Ltd is eyeing expansion in petrochemicals, specialty chemicals and renewables as it pivots a new strategy to expand the business beyond natural gas, its chairman Manoj Jain said. The nation's largest gas marketer and shipper has adopted a revised

licensee may face automatic competition only for its industrial and commercial customers after the end of the exclusivity period while its home and super profitable CNG business may get longer protection. Licensees get cheaper domestic gas for supply to homes and vehicles while depending on expensive imported gas for other customers. Cheap domestic gas comes mainly from old fields and its price is regulated by a government-set formula. "Third-party access for marketing natural gas to CNG (transport) and PNG (domestic) segments in an authorised geographical area, shall be allowed only when the central government finds it necessary or expedient to do so having regard to factors such as availability of domestic gas for such purpose and overall public interest," say the oil ministry's draft rules for open access to natural gas pipelines and city gas distribution network.

*The Economic Times - 01.07.2021*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETM%2F2021%2F07%2F01&entity=Ar01610&sk=533F4E58&mode=text>

### **ONGC commits to Rs 30,000 cr procurement of equipment and services**

State-owned ONGC on Sunday said it will procure equipment and services worth over Rs 30,000 crore to support its oil and gas exploration and production operations, which will provide local entities business and support 'Aatmanirbhar Bharat' initiative. "Oil and Natural Gas Corporation Limited (ONGC) is going all out in its efforts to realise the dream of Aatmanirbhar Bharat. At the heart of its endeavours are enhanced transparency and streamlined contracting practices, which will enable the promotion of a business friendly environment for ONGC's business partners," the company said in a statement. To promote its renewed push to ease contracted business practices, ONGC organised a special online business partners' meet, titled 'Building Bridges in ONGC's Supply Chain: Aatmanirbhar Bharat: Prosperous India'. ONGC chairman and managing director Subhash Kumar, along with company directors, interacted with the equipment and service providers and took their suggestions in order to further improve and simplify procedures.

*The Economic Times - 04.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ongc-commits-to-rs-30000-cr-procurement-of-equipment-and-services/84120938>

future blueprint, called 'Strategy 2030' to define its journey through the next decade. "This strategic plan will help us to address our challenges in changing industry scenarios and provide new areas for growth with geographic expansion," he told in an interview. GAIL transports over 70 per cent of all gas shipped in the country through its network of 13,340-km network of natural gas trunk pipelines. It sells 55 per cent of all natural gas in the country and has petrochemical plants at Pata in Uttar Pradesh and Lapatkata in Assam that gives it a 17.5 per cent market share. The firm will convert an existing LPG Plant at Usar in Raigad district of Maharashtra into 500,000 tonnes per annum polypropylene complex with an estimated investment of Rs 8,800 crore by 2023-24, he said adding the company will explore opportunities in the petrochemicals segment to meet high future demand of polyethylene and polypropylene.

*The Economic Times - 05.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/gail-looks-at-petrochemicals-renewables-for-growth/84131268>

### **UAE rebuffs plan by OPEC, allies to extend production pact**

The United Arab Emirates on Sunday pushed back against a plan by the OPEC oil cartel and allied producing countries to extend the global pact to cut oil production beyond April 2022, a rare statement revealing the country's frustration with the group. The Emirati Ministry of Energy called the proposal to extend the agreement for the entirety of 2022 without raising its production quota "unfair to the UAE," according to state-run WAM news agency. One of the group's largest oil producers, the UAE is seeking to increase its output — setting up a contest with ally and OPEC heavyweight Saudi Arabia, which has led a push to keep a tight lid on production. The combined OPEC Plus grouping of members led by Saudi Arabia and non-members, chief among them Russia, failed to reach an agreement Friday on oil output. Negotiations over the dispute are set to resume Monday. The UAE said it supported plans for output increases over the summer, believing the market to be "in dire need of higher production.

*Mint - 05.07.2021*

<https://www.livemint.com/industry/energy/uae-rebuffs-plan-by-opec-allies-to-extend-production-pact-11625410671545.html>

## **Govt may issue guidelines for 'flex-fuel' vehicles by October**

Auto companies may soon be asked to manufacture passenger and commercial vehicles that run on multiple fuel configuration aimed at reducing the use of polluting fossil fuels and cutting down harmful emissions. New guidelines for use of flexible fuel vehicles (FFVs) using flex engines is expected to be issued by the third quarter of current year (FY22) that would specify engine configuration and other changes required in vehicles to conform to stipulated changes in fuel mix. The government is also working on an incentive scheme to promote manufacture and use of flex engines in vehicles. The details would be specified when policy in this regard is unveiled. The use of flexible fuel vehicles (FFVs) is being actively looked at by the government to ensure increased use of bio-fuels for running vehicles, Petroleum Secretary Tarun Kapoor had told IANS earlier. An FFV is a modified version of vehicles that could run both on gasoline and doped petrol with different levels of ethanol blends.

*The Economic Times - 05.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/govt-may-issue-guidelines-for-flex-fuel-vehicles-by-october/84136029>

## **Reliance Industries signs deal with Abu Dhabi National Oil Co to build chemical project in Ruwais**

Reliance Industries has signed an agreement with Abu Dhabi National Oil Co (Adnoc) to build a multi-billion-dollar chemical project in Ruwais, Abu Dhabi, marking the group's first investment in a greenfield overseas project. Reliance, which operates the world's biggest refining complex at Jamnagar, Gujarat, is becoming more international in its focus. Previously, it has bought stakes in some overseas explorations and manufacturing assets. "This is a significant step in globalising Reliance's operations, and we are proud to partner with Adnoc in this important project for the region," Mukesh Ambani, the chairman of Indian oil-to-telecom conglomerate, said in the statement. Last week, Ambani announced the appointment of Saudi Aramco chairman Yasir al-Rumayyan as a director on Reliance's board and said this is the "beginning of the internationalisation of Reliance". The group hopes to formalise a deal to sell a 20 per cent stake to Aramco in its oil-to-chemical business.

*The Telegraph - 30.06.2021*

<https://www.telegraphindia.com/business/reliance-industries-signs-deal-with-abu-dhabi-national-oil-co-to-build-chemical-project-in-ruwais/cid/1820603>

## **BPCL completes acquisition of 36.62 percent stake in Bharat Oman Refineries**

Bharat Petroleum Corporation (BPCL) has effected the payment of Rs 2399.26 crore to OQ S.A.O.C (OQ formerly known as Oman Oil Company S.A.O.C.) for the acquisition of 888,613,336 (36.62%) equity shares in Bharat Oman Refineries (BORL) on 30 June 2021 and the said shares have been transferred to BPCL. With this, BORL has become a wholly-owned subsidiary of BPCL.

*PSU Connect - 02.07.2021*

<https://www.psuconnect.in/news/bpcl-completes-acquisition-of-36.62-percent-stake-in-bharat-oman-refineries/28488>

## **Air travel may become costlier as jet fuel prices soar**

prices of Air Turbine Fuel (ATF), also known as jet fuel, soared to Rs 68,262 per kilolitre (KL) in Delhi on Thursday, around 30 per cent more expensive than in January 2021. Jet Fuel was reportedly at Rs 50,979 in January 2021. According to Indian Oil Corporation Limited (IOCL), the largest supplier of ATF in the country, on Thursday reported price hiked by 3.6 per cent in the Delhi region. The reason behind the ATF price hike is the increasing global oil prices. "ATF prices hiked in Delhi by 3.6 per cent and stood at Rs 68,262.35 per kl, in Kolkata it is increased by 3.27 and is at Rs 72,295.24 per kl; it increased by 3.77 per cent and stood at Rs 66,482.90 in Mumbai and in Chennai it is at Rs 66,482.90 per kl" IOCL said. According to available data, jet fuel was increased by about 30 percent within six months, "On January 1, ATF fuel price was 50979 per kilolitre, February 1 it was reported Rs 53795 per kl, on March 1, Rs 59400 per kl, on April 1, ATF price was Rs 58374 per kl, where on May 1, it was Rs 61690 per kl and June 1 it was reported Rs 64118 per kilolitre," the data showed. Aviation experts say that ATF prices play an important role in the Indian aviation industry. Ticket prices are dependent on ATF and other unavoidable charges.

*The Economic Times - 02.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/air-travel-may-become-costlier-as-jet-fuel-prices-soar/84017228>

## **Pandemic drives sea freight prices to record high with disrupted logistics**

Container shipping prices have reached record highs some 18 months after the outbreak of the coronavirus pandemic which disrupted maritime logistics chains and drove demand sky-high. "We are basically running out of vessels and of empty containers," Alan Murphy, head of the consultancy Sea Intelligence, told AFP. "There's been a massive shortage of empty containers, they are in the wrong place, they are stuck in ports and not in Asia ready to be loaded." The Freightos Baltic Index, a benchmark for major shipping routes, has more than tripled in a year to nearly \$7,000 (5,900 euros) for a trip from China to the west coast of the United States. A trip to Europe has exceeded \$10,000, compared with just \$1,600 at the same time last year. Murphy said the unprecedented situation compounded the troubles of the last 10 years, which he said had been "really bad for the shipping lines". Blighted by overcapacity in the sector, he said the firms "were losing money every time they were moving a container".

*The Economic Times - 04.07.2021*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/pandemic-drives-sea-freight-prices-to-record-high-with-disrupted-logistics/84109439>