

(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.)

## India's growth rate at 5.7% for 2019-20: UN report

The UN projects India's economy to grow by 5.7 per cent in the current fiscal year and expects it to rise to 6.6 per cent in the next. The projection in the UN's World Economic Situation and Prospects report released on Thursday are higher than the 5 per cent made by the World Bank earlier this month. The UN growth estimate for the current fiscal is drastically lower than the forecast of 7.6 per cent made in last year's report in January and 7 per cent in the May update. The head of UN's Global Economic Monitoring Branch, Dawn Holland, told IANS that although there has been a steep decline in growth, India was still one of the high performers globally. Dawn Holland said that it was expected to improve its growth rate in the coming year because of the steps being taken. According to the report, only China has a higher growth rate than India among the world's large economies with a 6 per cent forecast for the current calendar year. Briefing the media about the report, UN's Chief Economist Elliott Harris presented a dire picture of the global economy last year when the world's gross product growth rate dropped to 2.3 per cent, the lowest in a decade.

*India Today - 17.01.2020*

<https://www.indiatoday.in/business/story/india-economy-to-grow-world-bank-2019-20-un-report-1637625-2020-01-17>

## Exports shrink 1.8% in Dec to suffer fourth month of fall

India's exports declined 1.8% in December to \$27.36 billion on the back of currency volatility and fluctuation in commodities prices coupled with a sluggish global economy. Exports had declined 0.34% in November 2019. Echoing the general economic sluggishness and weak domestic demand, imports witnessed a sharper decline. However, this helped narrow down trade deficit to \$11.25 billion in December, from \$12.12 billion in November, showed data released by the commerce and industry ministry on Wednesday. While overall imports declined 8.83% at \$38.61 billion, non-oil non-gold imports, an indicator of the strength of domestic demand contracted more steeply at 12.2%. Economists say this is a sign of worry. "The currency volatility besides fluctuation

## WPI reaches 7-month high in December

India's wholesale inflation accelerated to a seven month high of 2.59% in December, driven up by food articles especially onion, data released by the commerce and industry ministry showed on Tuesday. Wholesale price inflation was 0.58% in November. The previous high for wholesale inflation was 2.79% in May. The annual inflation, based on monthly wholesale price index (WPI), was 3.46% in December 2018. Food inflation was at a six-year high of 13.24%, an increase from 11.08% in November driven by a 70% inflation in vegetables, remains a source of concern, said economists. "The broad-based uptick in the WPI inflation in December was partly driven by an unfavourable base effect related to fuel and power, minerals, and crude petroleum and natural gas," said Aditi Nayar, principal economist at ICRA. Inflation in onions accelerated 455.8% last month from 172.3% in November while that in vegetables gained 69.7%. In potato, the rate surged almost 45% compared to an 8.51% decline in November.

*The Economic Times - 15.01.2020*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F01%2F15&entity=Ar01310&sk=B2D9F1FD&mode=text>

## Government may include off-budget spending for a clearer picture

The Centre could include a host of off-budget spending and other government liabilities on its books to give a clearer picture of finances though this could raise the fiscal deficit sharply. Top government officials have held discussions on the move amid budget preparations and there is a growing view that a full picture is needed. Finance minister Nirmala Sitharaman will present the budget on February 1. "A clear account of real fiscal deficit should be presented... There have been discussions," said a government official. There have also been suggestions that the government switch to accrual-based accounting from cash, which means including payments it owes. The government has budgeted a fiscal deficit of

in commodities prices including that of crude have also led to the decrease in exports of petroleum, which is a major constituent of India's exports," said Sharad Kumar Saraf, president, Federation of Indian Export Organisations (FIEO). Nineteen of the 30 exporting sectors showed a decline in outbound shipments.

*The Economic Times - 16.01.2020*

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F01%2F16&entity=Ar01109&sk=28D35E88&mode=text>

## Top post split by April 2022

The Securities and Exchange Board of India (Sebi) on Monday said it had deferred its direction to listed companies to split the post of chairman and managing director by two years to April 2022, giving a reprieve to around 338 companies, particularly some family-run entities. Sebi has specified that the top 500 listed entities by market capitalisation had to separate the roles of chairperson and managing director (MD), or chief executive officer (CEO), with effect from April 1, 2020. Sebi has also said the chairman and the CEO should not be related. The directions were made to improve the corporate governance structure of listed companies. The rules were based on the recommendations of the Uday Kotak-committee on corporate governance. According to a gazette notification dated January 10, the date of implementation of the provision has been deferred to April 1, 2022. The notification did not elaborate on the reasons behind the deferment. It is learnt the decision was taken in view of demand from corporates and to ease the compliance burden amid a slowdown in the economy.

*The Telegraph - 14.01.2020*

<https://www.telegraphindia.com/business/sebi-top-post-split-by-april-2022/cid/1735508>

## India's crude oil production may show marginal increase by 2024: IEA

India's domestic crude oil production is expected to increase marginally by 2024 with the country's increased reliance on oil imports exposing it further to supply side disruptions, geopolitical uncertainties, and volatile oil prices, according to a report by the International Energy Agency (IEA). "Its oil consumption of 4.4 million barrels per day in 2017 already represents 5 per cent of global consumption, and it is set to grow at a rapid pace of 3.9 per cent a year (well ahead of the global average of 1.2 per cent) in the medium-term, despite the market penetration of alternative fuels like biofuels and gas," Paris-based IEA said in its report titled 'India 2019 - Energy Policy Review'.

3.3% of GDP in the year to March. The fiscal deficit numbers have been criticised for excluding a number of items for which the general budget is liable. The move will mean the fiscal deficit for FY20 could get pushed to 4.5% or higher. Experts and others have repeatedly raised the issue of India's fiscal deficit numbers being understated.

*The Economic Times - 20.01.2020*

<https://economictimes.indiatimes.com/news/economy/policy/government-may-include-off-budget-spending-for-a-clearer-picture/articleshow/73407402.cms>

## Government seeks Rs 19,000 crore dividend from oil companies

The government is seeking a record Rs 19,000 crore in dividend from state oil companies, about 5% more than last year, to shore up its finances, according to people familiar with the matter. ONGC and Indian Oil, the biggest in the club, have been asked to pay about 60% of the total. The finance ministry has demanded that oil companies should maintain or increase the dividend payout this year. Company executives say the demand is being made even though profits have fallen from last year. Executives also complained that the government is seeking high dividend even though its stake in the companies have come down. While ONGC has been asked to pay a dividend of about Rs 6,500 crore, Indian Oil is expected to shell out Rs 5,500 crore, BPCL Rs 2,500 crore, GAIL Rs 2,000 crore, Oil India Rs 1,500 crore and Engineers India Rs 1,000 crore, according to people with knowledge of the matter.

*The Economic Times - 15.01.2020*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/government-seeks-rs-19000-crore-dividend-from-oil-companies/articleshow/73261584.cms>

## Tension but no shock on oil market: IEA

The brief spike in Middle East tensions as the US and Iran faced off has served as a reminder of the havoc disruptions in supply from the key oil producing region could wreak on the global economy, the IEA said Thursday. But it said ample stocks and production elsewhere mean the world is relatively well placed to react to a crisis. Washington and Tehran are currently in a standoff after tit-for-tat military actions over the past two weeks that had sparked fears of a large-scale confrontation that could choke off the Strait of Hormuz through which 20 percent of global oil supplies flow. "We cannot know how the geopolitical situation will play out over time,

According to the report, the growth is expected to primarily come from government-owned Oil and Natural Gas Corporation's (ONGC) KG-DWN98/2 deep-water oil and gas project with output starting in 2020 and reaching 78,000 barrels per day of oil at peak production. IEA further added that India's proven oil reserves are limited compared to the domestic needs and said that production is on a decline.

*The Economic Times - 15.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-crude-oil-production-may-show-marginal-increase-by-2024-iaea/73267713>

## **Oil prices expected to stay around \$65-70 through 2024: Kemp**

Long-term expectations about oil prices remain firmly anchored around \$65-70 per barrel, according to the latest annual survey of energy professionals conducted by Reuters. Plentiful supplies from U.S. shale plays and other sources outside the Organization of the Petroleum Exporting Countries are expected to keep prices close to their recent range for the indefinite future. Fears about peaking oil supplies, common ten years ago, have disappeared; now there are some indications that expectations about peaking oil demand are taking hold. Brent is forecast to average \$65 per barrel in each of the next five years based on the median, or \$67 this year rising slightly to \$69 by 2024 based on the mean. Most forecasters expect average prices to remain between \$60 and \$75 per barrel in each of the next five years, with only a very small number expecting them to dip below \$50 or rise above \$90. The results are based on a questionnaire sent to over 9,000 energy market professionals, with responses received from 950 between January 8-11.

*The Economic Times - 15.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-prices-expected-to-stay-around-65-70-through-2024-kemp/73266408>

## **Iran expects India to source its oil, devise new barter trade: Iranian minister**

Amid mounting tensions between the US and Iran, Iranian foreign affairs minister Mohammad Javad Zarif on Thursday said India will not find a stable and reliable energy partner other than Iran. He said losing Iran as a reliable source of energy will not make Indian economy more reliable. "For India's economic growth you need more and more energy and energy security, which has been an area of concern. I can assure you that you can't find an energy partner which is more stable more reliable than Iran. "We never involved politics in

but for now the risk of a major threat to oil supplies appears to have receded," the International Energy Agency said in its latest monthly report on oil markets. It noted that oil prices have receded after jumping \$4 per barrel, much as they did in September when a series of attacks on Saudi oil facilities briefly knocked out part of the production of the key exporter.

*The Economic Times - 17.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/tension-but-no-shock-on-oil-market-iaea/73299233>

## **India looks to double oil import from US, would seek concessions**

India plans to more than double its oil imports from the United States next year and would negotiate concessional terms for oil supplies during the expected visit of US President Donald Trump next month. President Trump would be accompanied by a high-level official and business delegation, including CEOs of top oil-producing companies. This would be used to negotiate better terms for US oil imports, diplomatic sources told IANS. A discount of \$2-4 per barrel on American oil to Dubai crude makes it cover higher freight costs. The India side would also negotiate for a higher credit period of 60-90 days that would bring import cost of US oil at par with Iranian oil. "The shipment of US oil to India has already increased over the past two years and we may end up importing close to 10 million tonnes (mt) in the current fiscal year. This would be doubled in FY21 if official and company level negotiations next month yields positive results," said an official source.

*The Economic Times - 17.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-looks-to-double-oil-import-from-us-would-seek-concessions/73317079>

## **India exploring ways to source crude oil from Russia: Pradhan**

India is exploring ways to source crude oil from Russia, Oil Minister Dharmendra Pradhan said. "We are working on the strategy to diversify our crude oil supply sources and we are now exploring ways to import crude from Russia as well," Pradhan told a Russian media delegation. Indian refiners have been seeking crude oil from different parts of the globe to reduce their dependence on the conflict-prone Middle-East region that currently makes up about 60 percent of its imports. "We are keen to explore the new sea route to source crude oil and LNG

our energy relations. And if we did, we don't have political problem with India. We are the secured source of energy for India," he said at the FIEO meeting here. India had stopped importing oil from Iran after the US refused to extend exemption from sanctions since last year. The minister, who is on a four-day visit to India, further said that India also needs diversification of the sources of the energy. "Losing Iran as the reliable provider of Indian energy needs, certainly does not make India more secured, does not make Indian economy more reliable," he said.

*The Economic Times - 17.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/iran-expects-india-to-source-its-oil-devise-new-barter-trade-iranian-minister/73316453>

### **IOC to decide on bidding for BPCL after govt lays out rules: Chairman**

Indian Oil Corp (IOC), the country's biggest oil firm, will decide on bidding to buy Bharat Petroleum Corporation Ltd (BPCL) after the government lists out rules for the stake sale, its Chairman Sanjiv Singh said Thursday. The Cabinet Committee on Economic Affairs had on November 21, 2019 decided to sell government's entire 53.29 per cent stake in country's second-largest state refiner BPCL, but a tender for sale hasn't yet been issued. "The expression of interest (Eoi) (for BPCL stake sale) hasn't been issued yet. We don't know the conditions. We have no information whether PSUs are allowed to bid or not," Singh told reporters here. "I cannot comment if IOC will bid or not unless we see the conditions set out in the Eoi." He said a decision on the issue can only be taken once there is clarity on the bidding process the government intends to follow. Soon after the Cabinet decision, Oil Minister Dharmendra Pradhan had hinted that PSUs will be kept out of BPCL privatisation.

*The Economic Times - 16.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ioc-to-decide-on-bidding-for-bpcl-after-govt-lays-out-rules-chairman/73295924>

### **Oil min to take Cabinet approval on natural gas sector reforms**

The government has decided against giving the power sector priority access to cheaper domestic gas. The petroleum ministry is finalising a note for the Cabinet on gas sector reforms which among other things proposes to restrict allocation of limited domestic gas for fertiliser, city gas distribution (CGD) and production of LPG. Sources

through Russia's Arctic. The route has the potential to cut the cost and time for transporting LNG from Russia to India, " Pradhan said. Pradhan told the media delegation that relations between Russia and India would reach new heights in times to come. "2019 was a landmark year which boosted the bilateral relations between India and Russia to hitherto unscaled heights, " he said.

*The Economic Times - 15.01.2020*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-exploring-ways-to-source-crude-oil-from-russia-pradhan/articleshow/73262160.cms>

### **Awaiting Eoi to decide on BPCL bid: IOC chairman Sanjiv Singh**

State-run Indian Oil Corporation (IOC) is waiting for the government to issue the expression of interest (Eoi) document for sale of the Centre's stake in Bharat Petroleum Corporation (BPCL) to decide if it will bid. IOC chairman Sanjiv Singh said the country's largest refiner would await more details on the sale and whether PSUs would be allowed to take part in the auctions. "The Eoi has not come out yet and we don't know the conditions," Singh told reporters, adding that "there has been no communication from the government yet asking PSUs not to bid". As FE reported earlier, IOC was evaluating the option of throwing its hat in the ring to bid for the government's stake in BPCL, which tops strategic disinvestment list firmed up for the current fiscal. According to an internal note circulated among IOC top brass which FE had accessed, its marketing division discussed "the issue of taking the government stake in BPCL or the ONGC stake in HPCL by IOC", in the light of risks to its business from possible privatisation of BPCL, at a meeting on October 25 last year.

*The Financial Express - 17.01.2020*

<https://www.financialexpress.com/industry/awaiting-eoi-to-decide-on-bpcl-bid-ioc-chairman-sanjiv-singh/1825826/>

### **Energy sector committed to welfare: Pradhan**

The Centre is committed to supporting backward communities through energy sector welfare schemes, according to Minister for Petroleum and Natural Gas, and Steel Dharmendra Pradhan. Speaking at the Special National Vendor Development Programme for SC-ST Entrepreneurs in the Petroleum and Steel

said that the oil ministry note has also proposed setting up gas exchange platform in the country while ending conflict of interest in the operations of gas utility GAIL by separation of its pipeline operations into a separate independent subsidiary. "A lot is at stake for the country's energy sector as we move towards developing a gas economy. There is a need to clearly identify the priority areas for allocation of domestic gas that remains in short supply while allowing other sectors to actively shift to market-based mechanism of sourcing the green fuel," said a government official not willing to be named.

*The Economic Times - 20.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-min-to-take-cabinet-approval-on-natural-gas-sector-reforms/73417096>

### **Total India head on Adani Gas board**

French energy giant Total SA's India head Alexis Thelemaque has been appointed as a director on the Board of billionaire Gautam Adani's gas retailing firm Adani Gas Ltd. The appointment follows Total buying a 37.4 per cent stake in Adani Gas Ltd - the firm that retails gas to automobiles and households for an estimated Rs 5,700 crore. "The Board of Directors of the company have, by way of circular resolution passed on January 14, 2020, appointed Alexis Thelemaque as an Additional Director (Non-Executive, Non-Independent)," Adani Gas said in a regulatory filing. Thelemaque, who joined Total Group in France in 1993, is Chairman and Managing Director of Total Oil India Pvt Ltd. Total, which in August 2018 exited a JV with Royal Dutch Shell in a 5 million tonne liquefied natural gas (LNG) import terminal at Hazira in Gujarat, had in October last year announced the acquisition of the stake in Adani Gas. This followed by a 50:50 joint venture the two had agreed upon in October 2018 for two LNG import terminals of Adani on the east and west coast of India as well as for setting up of 1,500 petrol pumps in the country over 10 years.

*The Economic Times - 15.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/total-india-head-on-adani-gas-board/73262235>

### **DHL to expand warehousing and supply chain businesses in India, says Ecommerce CEO Ken Allen**

Deutsche Post DHL will soon make a "big investment" to expand its Indian warehousing and supply chain capacity as the German logistics giant seeks to tap into the booming e-commerce

sectors on Monday, Pradhan said, "We have a plan to set up 75,000 new petrol pumps, of which 20,000 petrol pumps have been earmarked for the Schedule Caste and Schedule Tribe communities. We have issued Letters of Intent for 17,117 petrol pumps till now of which 3,627 have been issued to members of the SC/ST community." Pradhan also said that 3.5 crore of the 8 crore LPG connections distributed under the Pradhan Mantri Ujjwala Yojana (PMUY) have been given to the members of the SC/ST community.

*The Hindu Business Line - 13.01.2020*

<https://www.thehindubusinessline.com/economy/policy/energy-sector-committed-to-welfare-pradhan/article30559990.ece>

### **Reliance outpaces industry in petrol, diesel sales from its outlets**

Reliance Industries Ltd (RIL) has outpaced industry in clocking double digit sales growth in petrol and diesel from its nearly 1,400-odd petrol pumps in the third quarter ended December 31, 2019. In an investor presentation post announcing earnings for October-December 2019, Reliance, operator of the world's largest oil refining complex, said it registered an 11 per cent growth in diesel sales and 15 per cent growth rate in petrol sales from its 1,394 fuel retail outlets. This is compared to industry growth rate of 0.2 per cent for diesel and 7.1 per cent for petrol. Its per outlet throughput at 342 kilolitres per month was also nearly double that of petrol pumps operated by public sector firms such as Indian Oil Corp (IOC) and Bharat Petroleum Corp Ltd (BPCL). "Superior product mix and high asset utilisation underpinned strong earnings," it said in the presentation adding India's oil demand grew 3.2 per cent in October-December with petrol demand rising 7.1 per cent and LPG surging by 15 per cent. "Preference for petrol cars, improving road infrastructure and rural connectivity is driving petrol demand," it said.

*The Economic Times - 19.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/reliance-outpaces-industry-in-petrol-diesel-sales-from-its-outlets/73375169>

### **Blackstone's Allcargo funding boosts India logistics play**

Global investors appear to be seeing more flesh in Indian logistics verticals, as the country's freight industry gradually evolves from a largely fragmented, opaque mode to a more integrated, technology-enabled environment.

business driven by Amazon and Walmart-owned Flipkart, Ken Allen, CEO, DHL Ecommerce, said on Thursday. "The logistics of e-commerce and to consumer is going to be a big driver of the changes in the logistics industry. One of the results of that is that the warehousing and fulfilment centres are changing rapidly," Allen said. "More and more stuff is going to be delivered in individual packages to peoples' homes. Now, most of the stuff delivered by e-commerce is relatively small and light-weight and low-value but as it becomes easier to buy, the weight is going to go up as well. Seventy per cent of e-commerce now is less than two kilograms and over time, that will go to seven to eight kilograms. It doesn't sound like a lot but is four times bigger than what you've got now, and that would be driving a lot of investment in warehousing and fulfilment centres and deliveries to peoples' houses," he said.

*The Hindu Business Line - 17.01.2020*

<https://www.thehindubusinessline.com/economy/logistics/dhl-to-expand-warehousing-and-supply-chain-businesses-in-india-says-ecommerce-ceo-ken-allen/article30584830.ece>

### **BC Tripathi joins Essar Exploration & Production Mauritius as non-executive chairman**

Bhuvan Chandra Tripathi, former chairman and managing director of state-owned GAIL India Ltd, has joined Essar Exploration & Production Mauritius as the firm's Non-executive Chairman. Tripathi, whom the government had in July last year denied an extension of service as Chairman and Managing Director of GAIL India Ltd till he reached his superannuation age six months later, has taken a non-executive position on the board of the Mauritius-based firm, sources privy to the development said. He will chair the board but will not hold any executive position in the company, they said, adding Tripathi will provide managerial and functional advice for overseas E&P assets of the Essar group. Essar Exploration & Production Ltd Mauritius (EEPLM) is an early-stage developer, focussed primarily on oil & gas exploration, Ruias-owned Essar group said on its website.

*The Economic Times - 14.01.2020*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/bc-tripathi-joins-essar-exploration-production-mauritius-as-non-executive-chairman/73249048>

Reflecting that growing appetite, Allcargo Logistics Ltd. this week signed a deal to receive Rs. 380 crore (about \$53 million) from private equity group Blackstone to fund its inland logistics expansion program. That's another big boost for Allcargo, coming close on the heels of it buying 44.6 percent of domestic express logistics leader Gati Ltd. The intended debt and equity financing from Blackstone will be used for the development of logistics parks in key consumption hubs across India, Allcargo said in a statement. "Allcargo will retain a minority stake in the various logistics assets and transfer its debt as it relates to these specific assets to their relevant subsidiaries," the Mumbai-based company said. "This partnership will help Allcargo's growing 3PL [third-party logistics] business and enable [multinational companies] and Indian companies to access world-class warehousing assets."

*Joc.com - 15.01.2020*

[https://www.joc.com/international-logistics/logistics-providers/blackstones-allcargo-funding-boosts-india-logistics-play\\_20200115.html](https://www.joc.com/international-logistics/logistics-providers/blackstones-allcargo-funding-boosts-india-logistics-play_20200115.html)

### **Shri Bimlendu Kumar appointed as director NCL**

Govt of India has cleared the appointment of Shri Shri Bimlendu Kumar, General Manager, Central Coalfields Limited (CCL) to the post of Director (Personnel), Northern Coalfields Limited (NCL), Shri Arvind Kumar, Executive Director (ED), Neyveli Lignite Corporation India Limited (NLC India Limited) as Director (Technical) in Mineral Exploration Corporation Limited (MECL) and Shri Sandip Das, Sr. Vice President, Balmer Lawrie and Company Limited (BLC) to the post of Director (Finance), BLC.

*PSU Connect - 15.01.2020*

<http://www.psuconnect.in/news/Shri-Bimlendu-Kumar-appointed-as-director-NCL/20977/>