

(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 GDP growth likely to range up to 1.5% in FY21: CII

India's GDP is likely to range between a decline of 0.9 per cent and a growth of 1.5 per cent in the current financial year, with the economy undergoing a "turbulent" phase caused by the coronavirus-induced lockdown, according to a report. The Confederation of Indian Industry (CII) in a paper - A plan for economic recovery - has laid out its growth expectation under three scenarios and suggested "urgent" fiscal interventions. In the baseline scenario, the Gross Domestic Product (GDP) is expected to grow at just 0.6 per cent on an annual basis as economic activity is expected to remain constrained due to continuing restrictions on the free movement of goods and people beyond the lockdown period. This will lead to disruption in supply chains, slow pick-up in investment activity, labour shortages in the short-run and muted consumption demand on account of reduced household incomes, the industry body said. In the optimistic scenario, which envisages a faster pick-up post the lockdown period, the GDP is forecast to register a growth of 1.5 per cent in the best case.

The Economic Times - 24.04.2020

<https://economictimes.indiatimes.com/news/economy/indicators/indias-gdp-growth-likely-to-range-up-to-1-5-in-fy21-cii/articleshow/75320821.cms>

India Inc's business confidence at lowest levels since the global financial crisis: FICCI survey

A survey by industry body FICCI has "revealed sharpest moderation" in the confidence level of India Inc since the global financial crisis of 2008-09 as the coronavirus outbreak has adversely affected their businesses. The industry chamber said that as per its Business Confidence Survey, timely action by the government will enable quicker return to normalcy for the domestic economy. It also demanded a further 100 basis points reduction in the repo rate by the RBI. Global economic prospects have worsened conspicuously with the outbreak of coronavirus. Many countries, including India, have had to adopt strict social distancing norms and lockdowns to prevent the pandemic from spreading resulting in a near halt

CARE Ratings expects GDP growth at 1.1% in current financial year

CARE Ratings on Friday said the country's GDP growth is likely to decline to 1.1 per cent in the current financial year 2020-21 due to the coronavirus pandemic. The domestic rating agency added that the estimate has a "downward bias", saying predicting the recovery is very difficult at present. Since the outbreak of the crisis, which has seen the country being put under a 40-day lockdown, watchers have been warning about a heavy toll on the economy, with some analysts also expecting the GDP to contract in 2020-21. "We are expecting GDP growth to be 1.1-1.2 per cent in FY21 with a downward bias," CARE Ratings said in a note. The note also said that currently, the agency is not sure when the pandemic will subside or end and what would be the wider ramifications of the same. However, it said agriculture and government sectors will statistically provide an upward thrust to the economy, which will have many other sectors under pressure.

Moneycontrol - 24.04.2020

<https://www.moneycontrol.com/news/business/economy/covid-19-pandemic-care-ratings-expects-gdp-growth-at-1-1-in-current-financial-year-5187941.html>

India seeks IMF, WB help to deal with IIP, CPI data gaps

Faced with the challenge of data inadequacy caused by the Covid-19 pandemic and lockdown, India has approached multilateral agencies including the International Monetary Fund and World Bank to ascertain the practices elsewhere in the world to prepare economic indicators such as industrial production, retail inflation and economic growth. Experts said deficiencies in data collection could affect the accuracy and reliability of the indicators. Data inadequacy has become a global phenomenon in the wake of Covid-19 and the Ministry of Statistics and Programme Implementation (MoSPI) is collaborating with global institutions on data collection practices and to learn from the experiences of other countries facing the

of economic activity. "The Overall Business Confidence Index stood at 42.9 in the current round vis-à-vis an index value of 59.0 reported in the last survey," FICCI said. The index value had slipped to a low of 37.8 in the second quarter of 2008-09 – at time of the global financial crisis.

The Economic Times - 21.04.2020

<https://economictimes.indiatimes.com/news/economy/indicators/india-incs-business-confidence-at-lowest-levels-since-the-global-financial-crisis-ficci-survey/articleshow/75247967.cms>

Lockdown is hurting and it can get worse

The lockdown has allowed the country to prepare capacity to deal with infection, which may last for a while. Now, it's time to open up the economy substantially after May, may be barring a few Covid-19 hotspots. Brokerages and research bodies have tabulated the costs. The extension of the lockdown is set to cause a direct output loss of more than 8%. Experts believe a recession in India is inevitable. India needs two things: First, substantive stimulus squarely aimed at reviving economic spirits and, second, close govt-industry interaction to reopen the economy as fast as possible. As countries close down their borders, sectors like auto and pharmaceuticals face a shortage of supplies, as well as demand as customers reduce their spending. FMCG firms have shut down their manufacturing units. Weaker firms are seeing a cash flow shortage, because of which workers are receiving pay cuts and even pink slips. Many organisations can't afford to pay salaries on time, which in turn contributes to shortage of demand.

The Economic Times - 24.04.2020

<https://economictimes.indiatimes.com/news/economy/lockdown-is-hurting-and-it-can-get-worse/loss-of-income/slideshow/75344567.cms>

Raw material, movement of labour biggest hurdles: CII

Movement of labour and raw material are the biggest hurdles faced by businesses allowed to resume operations amid the nationwide lockdown, the Confederation of Indian Industry (CII) has said. The findings are part of a nationwide survey conducted by CII last week to determine the effectiveness of the exit from lockdown in specific zones and sectors. "The CII survey indicates that permits for enterprises, passes for workers and supply chain movement are the key hurdles for industry in exit from lockdown," CII director general Chandrajit Banerjee said in a statement. The industry body has suggested that in non-containment zones, businesses should be allowed to operate without the requirement of permits as these are coming in way of the industry's efforts

same issues. "It is largely the World Bank we are in talks with who in turn are connecting us with other countries and organisations," said one official. Economists said the current situation was a threat to the accuracy and reliability of the indicators.

The Economic Times - 27.04.2020

<https://epaper.timesgroup.com/Olive/ODN/Th eEconomicTimes/shared/ShowArticle.aspx?doc =ETKM%2F2020%2F04%2F27&entity=Ar00707&sk=0584F144&mode=text>

Lockdown exit plan will seek to sustain gains: Officials

India's top leadership is working on a careful strategy to lift the lockdown without losing the gains that have been achieved through the stringent nationwide shutdown, said a senior government official. "Imposing a lockdown is very easy — you stop everything," he said. "However, opening a lockdown is difficult. The mindset of the system also has to change. There is no formula for that." The Centre is monitoring various challenges related to resumption of economic activities on a day-to-day and case-to-case basis, he said. One key obstacle is economic hubs being located in red zones, where the disease needs to be curbed. The three-week lockdown imposed on March 25 was extended to May 3 as India seeks to control the coronavirus outbreak. "We have divided the country into zones — hotspots and non-hotspots — and permitted economic activity in the second zone," the official said.

The Economic Time - 24.04.2020

<https://economictimes.indiatimes.com/news/politics-and-nation/exit-plan-will-seek-to-sustain-gains-officials/articleshow/75334109.cms?from=mdr>

Govt gets started to make work from home process smooth

Expect efficient software and hardware solutions for 'work from home' and a set of parameters defining the practice. The Centre, recognising that WFH is here to stay, has started industry-wide discussions to make the process easier, more rigorously defined and more secure. A senior government official who spoke off the record told ET: "There are two aspects to WFH. One, how to use technology to allow seamless experience... essentially an array of products... software suits and hardware that don't compromise data security, and second, defining basic parameters of working from home." The telecom ministry and ministry of electronics and information technology (MeitY) are working on the first aspect, the

to exit the lockdown. "Workers can be permitted to commute on the basis of a letter issued by the employer organisation, with the facility to travel on their own vehicles," Banerjee added. A majority of respondents said guidelines issued by the ministry of home affairs (MHA) on April 15 and 16 on operational zones in rural and urban areas were clearly communicated by state governments.

The Economic Times - 27.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F27&entity=Ar00711&sk=180A3C30&mode=text>

COVID-19 relief measure: Firms may get EPF relief for April too

The facility given to employers registered with the Employees' Provident Fund Organisation (EPFO) to defer their statutory provident fund contributions for the wage month of March by a month may be extended for another 30 days. Firms may also be given a similar 30-day relief for depositing April EPF funds, the worst-affected month for business and the industry due to Covid-19. The proposal, which has potential to provide around Rs 30,000-crore liquidity – Rs 15,000-crore dues for each wage month of March and April – in the hands of employers, is under discussion in the Ministry of Labour and Employment, sources said. However, when contacted, central provident fund commissioner Sunil Barthwal said, "We will wait till May 3 for further announcement, since filing of electronic challan-cum-return (ECR) date for April is up to May 15." Around 6.6 lakh establishments contributed to the EPFO in the last one year. Firms cumulatively contributed Rs 1,47,503 crore in 2018-19 towards EPFO. The cumulative contribution in 2019-20 went up to Rs 1,63,176 crore (revised estimate) which is likely to go up further to Rs 1,81,709 crore (BE) in 2020-21.

The Financial Express - 23.04.2020

<https://www.financialexpress.com/money/covid-19-relief-measure-firms-may-get-epf-relief-for-april-too/1936861/>

Coronavirus effect: FY21 disinvestment plan to be reviewed

The department of investment and public asset management (DIPAM) will review the FY21 Budget plan to raise an ambitious Rs 2.1 lakh crore via sale of government stakes in companies in light of the Coronavirus pandemic. It feels the feasibility of many proposed transactions are now suspect. Among the mega deals in the disinvestment pipeline, the government had planned to garner

department of personnel and training could work on the second. Telecom and IT minister Ravi Shankar Prasad has asked telecom and IT ministries to talk to industry to identify roadblocks and discuss possible solutions. The government will encourage industry to design products, and then make policies around them, the official said.

The Economic Times - 25.04.2020

<https://economictimes.indiatimes.com/news/politics-and-nation/govt-gets-started-to-make-wfh-process-smooth/articleshow/75362359.cms?from=mdr>

Saving Jobs: Govt looks to ease cos' financial burden

The government is looking at ways for companies to prevent job cuts through a range of money-saving measures such as a freeze on bonus payments, deferred increase in minimum wages, reduction in overtime payments and longer shift hours. These changes can be implemented through notifications or amendments and could be in place for a one-year period to tide over the economic crisis arising of the Covid-19 pandemic, an official told ET. "While there will be no additional cost to the Centre, it will reduce the cost of employment," the official said. The Payment of Bonus Act, 1965, provides for bonuses to be paid at 8.33% per annum to employees in certain establishments on the basis of profit, production or productivity. Minimum wages for workers are revised by 8-12% every year, based on the Consumer Price Index. The government is of the view that deferring the increments can save the extra money that employers would have shelled out. The changes, if brought in, would apply to organised sector firms, which constitute barely 10% of the country's 500 million workforce, although they would amount to substantial savings for employers, especially MSMEs.

The Economic Times - 24.04.2020

<https://economictimes.indiatimes.com/news/company/corporate-trends/saving-jobs-govt-looks-to-ease-cos-financial-burden/articleshow/75338701.cms?from=mdr>

Govt alters strategic divest plan, more HPCL-ONGC-like deal on cards

In a major change in stance, the disinvestment department may look at strategic stake sale of smaller public sector companies to larger ones instead of privatising large state-owned companies, two senior finance ministry officials said. With the COVID-19 pandemic and its impact on the stock market, there has been erosion in value of shares of many public sector

Rs 70,000-80,000 crore by selling 53.3% stake in an oil retailer-cum-marketer in FY21. A plan was also announced to sell 30.8% in ConCor to a strategic buyer. Further, a substantial amount was planned to be raised by selling up to 10% stake in state-run insurer LIC through its listing. Officials admit that the disinvestment target is irrelevant post COVID-19 as no one knows when economic activities will become normal. While listing of the insurance behemoth LIC is unlikely in FY21 due to volatile market conditions, big ticket strategic sales such as BPCL are also facing headwinds. With lockdown imposed by many countries worldwide including India, DIPAM is expected to extend for the second time the deadline for submission of expression of interest (EoI) for strategic sale of the Centre's 100% stake in Air India (AI).

The Financial Express - 22.04.2020

<https://www.financialexpress.com/economy/coronavirus-effect-fy21-disinvestment-plan-to-be-reviewed/1935626/>

Coronavirus: Govt to mop up ₹1.2 tn; freezes DA, DR hike for employees, pensioners

The central government froze inflation-linked pay raises for 11.5 million of its employees and pensioners for 18 months as it moved to create fiscal space to build a ₹1.2 trillion war chest to combat the coronavirus pandemic and the massive stimulus spending needed to revive a stalled economy. The Centre's decision to defer three instalments of dearness allowance (for employees) and dearness relief (for pensioners) from January 2020 to July 2021 will help it save ₹37,530 crore. State governments will save an additional ₹82,566 crore by freezing the payments, according to the Union government's estimate, freeing up funds to fight the outbreak. "Normally, state governments follow the central government orders. It is estimated that the saving on freezing three instalments of DA and DR of state government employees and pensioners will be approximately ₹82,566 crore. Thus, the total anticipated saving of central and state governments will be ₹1.2 trillion, which will help fight the battle against covid-19 and its fallout," a senior government official said on condition of anonymity.

Mint - 24.04.2020

<https://www.livemint.com/news/india/central-government-freezes-da-dr-hike-for-employees-pensioners-till-july-2021-11587629823509.html>

Central government employees' retirement age not being reduced: Minister

companies the government had planned to privatise in 2020-21 (Apr-Mar). "Given the current market condition and the outlook for the entire year, it seems difficult to privatise some PSUs. However, the disinvestment department will have to try other avenues like the exploring the option of larger PSUs taking over smaller ones if they make strategic sense," one of the officials told Cogencis. Another official said the department was planning to prepare a list of entities that are possible candidates for acquisition by larger units across sectors. "It is important that the units are strategically compatible with each other in case of a takeover. But first, the task will be to shortlist such companies after taking views from administrative ministries and departments," the second official said.

Cogencis - 23.04.2020

<http://www.cogencis.com/newssection/govt-alters-strategic-divest-plan-more-hpcl-ongc-like-deal-on-cards/>

No clause in rules to arrest CEOs: Centre To States

The Centre on Thursday wrote to all states, clarifying that there is "no such clause" in the April 15 guidelines which allow a state to "take legal action, including imprisonment of a CEO" in case an employee is found Covid-19-positive. The letter from home secretary Ajay Bhalla was issued to all chief secretaries after he, along with DPIIT (department for promotion of industry and internal trade) secretary Guruprasad Mohapatra, held a meeting with prominent industry representatives including those from the CII, Ficci and Assocham. The letter sought to address some specific apprehensions – imprisonment of CEOs, sealing the factory premises for three months and shutting down a factory for two days for non-compliance of April 15 guidelines – which were raised by industry representatives. "I would like to clarify that there is no such clause in the consolidated revised guidelines and therefore there is no basis for such misplaced apprehensions," wrote Bhalla, adding that "these should not be misused to harass the management of any manufacturing/commercial establishments".

The Economic Times - 24.04.2020

<https://economictimes.indiatimes.com/news/politics-and-nation/no-clause-in-rules-to-arrest-ceos-centre-to-states/articleshow/75328022.cms?from=mdr>

Contribute one day's salary to PM-CARES: Centre to staff

Amid reports that the government is considering a proposal to reduce the retirement age of central government employees, Minister of State for Personnel Jitendra Singh has clarified that there is no such move. Central government staff retire at the age of 60 while reports had claimed that the government is planning to reduce it to 50. "There is no such move to reduce the retirement age nor (there) has been such a proposal discussed or contemplated at any level in the government," Singh said blaming certain motivated elements for planting such disinformation time and again in a section of media over the last few days and attributing it to the government sources or the Department of Personnel and Training (DoPT). He said, each time a prompt rebuttal is sought to be made in order to clear the confusion in the minds of stakeholders. Singh said, it was unfortunate that at a time the country is going through the coronavirus crisis, there are certain elements and vested interests which try to underplay all the good works done by the government by planting such media stories.

Mint - 27.04.2020

<https://www.livemint.com/news/india/central-government-employees-retirement-age-not-being-reduced-minister-11587960017577.html>

Crude crash to ease some Covid-19 pain for India

US crude WTI sank into negative territory for the first time in history at -\$37/barrel and Brent, the benchmark for two-thirds of the global oil trade, settled at an 18-year low of \$21.5 on Tuesday, sending traders and the global oil industry scurrying for cover. But India, the world's third largest oil importer, has much to gain though there will be pain for producers like ONGC. The price crash has come at a time when the country is in lockdown mode and economic activities remain seriously curtailed, with the possibility they will remain so for longer than anticipated. The producers, however, will see return on their big-ticket investments turn negative without tax relief from the government. "The crash saves India from subsidising the exporting countries who created the conditions for the crash and are now trying to artificially raise it. As an economy dependent on (oil) imports, low prices are always good. The present situation is better because there is no certainty that economic activity will return to the pre-Covid-19 period quickly. So current low prices, when economic activities are muted and may remain so, are preferable than, say, \$50-60/barrel," a key government official told TOI.

The Times of India - 22.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2>

Some central government ministries are now appealing to all its officers and staff to contribute one day's salary, including Department of Revenue seeking the donation every month till March 2021, to the controversial PM-CARES fund to raise money for fighting the COVID-19 pandemic. Several ministries and departments like Labour and Employment and Revenue under Ministry of Finance have issued office memorandum and circulars to employees on Friday even as the move invited criticism from some senior Opposition leaders like CPI(M) General Secretary Sitaram Yechury. "It has been decided to appeal to all officers and staff of Department of Revenue to contribute one day's salary every month till March 2021 to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM-CARES) to aid the government's efforts to fight the COVID-19 pandemic," the circular issued by Department of Revenue said. However, an office memorandum issued by the Ministry of Labour and Employment does not mention about contributing to PM-CARES every month.

Deccan Herald - 21.04.2020

<https://www.deccanherald.com/national/north-and-central/contribute-one-days-salary-to-pm-cares-centre-to-staff-826863.html>

Cheaper oil, foreign flows a tailwind for rupee

India's rupee, among Asia's worst performing currencies this year, could be the fastest in the region to rally as the world restarts economic activities after the coronavirus pandemic, oil prices weaken and the U.S. dollar eases broadly, analysts said. The partially convertible Indian rupee has lost nearly 7 per cent against the dollar so far this year, despite heavy dollar supplying intervention by the central bank. It hit a life low of 76.92 to the dollar on Wednesday. But a turnaround could be swift because of the collapse in the price of oil, which is a major import for the country, and the return of foreign investment into rupee stocks and bonds. The crash in oil prices to 18-year lows is in particular a tailwind for the rupee and could even return the country's current account balance to a surplus for the first time in 15 years, economists said. "Global liquidity glut and prolonged lower global rates is expected to bring back risk-on sooner than the recovery in the real economy. I expect to see a recovery in the rupee in the next month or so," said Upasna Bhardwaj, economist at Kotak Mahindra Bank.

The Economic Times - 24.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/cheaper-oil-foreign-flows-a-tailwind-for-rupee/75349393>

[F2020%2F04%2F22&entity=Ar01111&sk=D8AD086C&mode=text](https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F22&entity=Ar01111&sk=D8AD086C&mode=text)

Oil plunges below \$15 as storage sites in US fill

Oil plunged below \$15 a barrel in New York, a fresh 21-year low, as inventories soar because of the supply-demand mismatch that's been created by the coronavirus. The most immediate West Texas Intermediate contract fell as much as 22% to \$14.19 a barrel. While a major part of the slump is because the May futures contract expires on Tuesday, the collapse nonetheless reflects a fast-growing glut of oil, and rapidly expanding stockpiles in Cushing, Oklahoma, the American pricing hub. As WTI futures have tumbled, it has opened up a discount of almost \$9 a barrel to the June contract, to which most trading has now transferred. Buyers in Texas are offering as little as \$2 a barrel for some oil streams, raising the possibility that American producers may soon have to pay customers to take crude off their hands, particularly as landlocked producers struggle to find homes for their oil. Crude stockpiles at Cushing, Oklahoma — the key US storage hub — have jumped 48% to almost 55 million barrels since the end of February, Energy Information Administration data show. The hub had working storage capacity of 76 million as of September 30, according to the EIA.

The Economic Times - 21.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F21&entity=Ar00515&sk=2737C44D&mode=text>

No big profits, but oil cos making record margins

Fuel retailers are making an unprecedented margin of ₹13 per litre, six times the average of 2019-20 as domestic fuel rates have been frozen for weeks, while global crude prices have crashed. However, this will not lead to heavy profits because demand has fallen sharply as the lockdown has kept most motorists away from the pump. Brent crude oil fell to \$27.10 a barrel on Monday, down 46% since the beginning of March as the coronavirus pandemic has destroyed about 30% of global oil demand. US crude fell 28% on Monday to \$13 a barrel, a 21-year low, on concerns country's crude storage was running out of space. Since the beginning of March, the domestic rates of petrol have fallen by Rs 2.3 per litre, or 3.2%, and that of diesel by Rs 2.2 per litre, or 3.5%. In the same period, international rates of petrol and diesel have fallen by about 50% and 40%, respectively. Fuel retailing in India is dominated by state firms Indian Oil, Hindustan

First time in history, oil futures sell at below \$0 in US

Oil futures in the US collapsed to below zero for the first time ever as the economic turmoil caused by the coronavirus crisis left traders desperate to avoid taking delivery of physical crude. In an unprecedented day of trading, the price for the May contracts wiped out all value, breaking every low for oil prices since 1946. Stocks were also slipping on Wall Street, with the S&P 500 down 0.9%, but the market's most dramatic action was by far in oil, where benchmark US crude for May delivery plummeted to negative \$3.7 per barrel as of 2.15 pm (eastern time). The move showed just how oversupplied the US oil market has become with industrial and economic activity grinding to a halt as governments around the globe extend shutdowns. Since the start of the year, oil prices have plunged after the compounding impacts of the coronavirus and a breakdown in the original OPEC+ agreement. With no end in sight, and producers around the world continuing to pump, that's causing a fire-sale among traders who don't have access to storage. With the collapse of the oil prices, gold climbed as much as 1% on Monday.

The Times of India - 21.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2020%2F04%2F21&entity=Ar00103&sk=839E5EE8&mode=text>

How India should exploit the crash in crude prices

On Monday, April 20, 2020, the price of May futures contract for West Texas Intermediate (WTI) fell to a negative \$37.63 per barrel, a one-day drop of a massive 306 per cent, the first of its kind in history. When the price of a commodity or contract becomes negative, it basically means buyers are being paid by sellers to take the goods or contracts away from them. Demand destruction, Covid-19-related global lockdown in large parts of the globe, the Russia-OPEC price war, rising inventories due to an oil glut and IMF's recent forecast of a negative GDP growth of 3 per cent for the world, negative 5.9 per cent for USA and only 1.2 per cent for China in 2020, led to this unprecedented oil crash. India does not import WTI crude, which is primarily used by USA and Canada. Indian crude basket is a weighted average of sour crude (Dubai/Oman) and sweet crude, sourced from the North Sea and called Brent crude.

Petroleum and Bharat Petroleum. Private retailers include Reliance Industries, Shell and Nayara Energy Domestic fuel rates are expected to vary daily to reflect the changes in the international fuel prices and the exchange rate.

The Economic Times - 21.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F21&entity=Ar00706&sk=1771E373&mode=text>

Indian oil refiners stare at Rs 25,000 cr inventory loss: Crisil

For oil refiners, the Covid-19 pandemic seems to have delivered a dual blow -- big inventory loss in the January-March quarter and a likely plunge in gross refining in the subsequent three months. According to Crisil Ratings, Indian oil refiners may make inventory loss of over Rs 25,000 crore in the January-March quarter because of 70 per cent fall in crude oil prices. The likely plunge in gross refining margins would follow (GRMs) in the first quarter (April-June) of Fy21 because of demand destruction. Crude prices nosedived from an average \$55 per barrel in February to \$33 in March and closed at around \$20 end of March as demand slumped because of the pandemic. On April 12, OPEC+2 reached a deal for a record production cut of 9.7 million barrel a day. Yet crude prices have hovered low because of the pandemic-induced plunge in demand across the globe. "It has caught refiners on the wrong foot," the rating agency said in its report on the oil sector.

The Economic Times - 24.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-refiners-stare-at-rs-25000-cr-inventory-loss-crisil/75346251>

India's crude oil production falls 6 per cent in FY20

India's crude oil production in 2019-20 fell 6 per cent and gas declined 5 per cent over the previous year as companies struggled with ageing fields, official data showed. Refineries processed 1 per cent less crude in 2019-20 mainly due to run rates dropping in March by 6 per cent as the COVID 19 pandemic destroyed demand. In March, which experienced one week of nationwide lockdown, Reliance Industries' refinery run rate fell to 90 per cent. Processing at RIL's export-only refinery in Jamnagar fell 24 per cent. RIL's other unit in Jamnagar, however, refined 5.7 per cent more crude. In March, Nayara Energy processed 4 per

Indeed, besides WTI, Brent crude too fell by over 35 per cent this week, between Monday and Wednesday, to as low as \$16 per barrel.

The Economic Times - 24.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/how-india-should-exploit-the-crash-in-crude-prices/75338931>

India's natural gas production falls 14% in March as demand dries up, 2019-2020 production lowest in 18 years

The ongoing Covid-19 pandemic has dented the demand of petroleum products in India and also reduced the demand for natural gas, forcing Exploration and Production (E&P) companies to scale down production in March 2020, fresh data sourced from the Petroleum Ministry showed. India's production of natural gas in March declined 14 per cent to 2,411 Million Standard Cubic Meter (MMSCM), as compared to the corresponding month a year ago. According to a report by the oil ministry natural gas production by Indian E&P players had been impacted in March on account of decreased production in response to less off take by gas power plants, fertilizer plants, industrial customers as well as operational issues faced by E&P companies. The country's natural gas production during 2019-2020 declined 5 per cent to 31,180 MMSCM, the lowest recorded output in at least 18 years, an analysis of historic data by ETEnergyWorld showed.

The Economic Times - 23.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-natural-gas-production-falls-14-in-march-as-demand-dries-up-2019-2020-production-lowest-in-18-years/75323099>

OPEC's share in Indian imports lowest in nearly 2 decades: data

OPEC's share of India's oil imports fell to 78.3 per cent in 2019/20, its lowest in at least 19 years, data obtained from industry and trade sources show, as refiners in Asia's third biggest economy increased imports of US and Mediterranean grades. India, which usually imports about 80 per cent of its needs from members of the Organization of the Petroleum Exporting Countries (OPEC), has been diversifying its suppliers as local refiners have upgraded plants to process cheaper crude grades. The world's third-biggest oil importer shipped in 4.5 million barrels per day (bpd) of

cent less crude while joint ventures BORL processed 4 per cent more and HMEL processed 12 per cent less. Indian Oil, BPCL, HPCL, ONGC and other state-run refineries together processed 4 per cent less in March. Crude oil production in 2019-20 fell 6 per cent to 32.16 million metric tonnes, led by 15.5 per cent decline in fields operated by private players. Production from fields operated by ONGC fell 2 per cent and those by Oil India declined nearly 6 per cent.

The Economic Times - 23.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-crude-oil-production-falls-6-per-cent-in-fy20/75327827>

Global oil supply to fall 6 per cent by 2030 due to delayed projects: data

Global oil supplies may be 6 per cent less than expected by 2030 because of delays to investments by energy companies in response to falling crude prices due to the coronavirus crisis, data from energy analysts at Rystad showed. Oil and gas companies across the world have slashed investment budgets, exiting projects or delaying bringing them onstream to counter a fall in crude prices to record lows due to a supply glut as the coronavirus outbreak destroyed demand. Delayed final investment decisions (FID) for projects which take years to come on stream are already expected to shrink global supply of oil and gas by 5.6 per cent by 2025, with the majority of the revisions coming from shale oil, mostly found in the United States, Rystad said. Continental Resources, the largest oil producer in North Dakota has halted most of its production in the U.S. state and notified some customers it would not supply crude after prices dived into negative territory this week, people familiar with the matter said.

The Economic Times - 24.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/global-oil-supply-to-fall-6-per-cent-by-2030-due-to-delayed-projects-data/75351331>

Two Indian refiners cut Mideast crude purchases in May: sources

At least three Indian refiners have curbed oil imports from Middle East producers, including Saudi Arabia, for May because of storage constraints as local fuel demand slumped following the coronavirus outbreak, company officials said. This is the second consecutive month that Indian refiners have cut their long-term crude imports as space to store excess oil is running out because companies are cutting their processing as stay-

oil in the last fiscal year to March 2020, about 0.9 per cent less compared with a year ago, data showed. Of that, about 3.53 million bpd came from OPEC members. The share of OPEC oil in India's 2019-20 crude imports might be the lowest ever as crude imports by country before 2001-02 are not available. In 2019/20 India's overall imports declined as most refiners had shut units for upgrades ahead of stricter fuel standards effective from April 1.

The Economic Times - 24.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/losing-appeal-opecs-share-in-indian-imports-lowest-in-nearly-2-decades-data/75338964>

Crude crash: Oil reserves get a leg-up since March, yet import bill shrinks in FY20

India has ramped up its strategic oil reserves since mid-March in view of the slump in crude prices and hopes to fill it to the brim by May end, yet, the country's oil import bill in FY20 could be just a little over \$100 billion, much lower than \$111.9 billion reported in FY19. Against the projected \$111.3 billion (233 million tonne) for FY20, India imported just \$95.5 billion (207 million tonne) of crude oil in April-February of the fiscal, which was even 7.2% lower than in the year-ago period (6.6% lower in rupee term). Though the March import data have not been officially released yet, according to global oil market research agency Refinitiv, India imported 20.3 mt of crude in the month — the highest monthly import volume since October 2019. Purchases continued at a brisk pace in April too. The monthly average imports in April-February FY20 was 18.8 mt. Refinitiv said Indian "refiners were among the first to cash in on the low-price environment", and were "among the first to pick up the extra Middle Eastern (West Asian) barrels".

The Financial Express - 27.04.2020

<https://www.financialexpress.com/market/cru-de-crash-oil-reserves-get-a-leg-up-since-mar-yet-import-bill-shrinks-in-fy20/1940443/>

The next chapter of the oil crisis: The industry shuts down

Negative oil prices, ships dawdling at sea with unwanted cargoes, and traders getting creative about where to stash oil. The next chapter in the oil crisis is now inevitable: great swathes of the petroleum industry are about to start shutting down. The economic impact of the coronavirus has ripped through the oil industry in dramatic phases. First it destroyed demand as lockdowns shut factories and kept drivers at

home measures to curb the spread of the virus have slashed fuel demand. One of the refinery officials said his company has cut May purchases from Saudi Arabia by about 80%, while an official at a second company said it will take 66% less oil from Saudi Arabia in May compared with their average monthly purchases from the country. For crude supplied by Abu Dhabi National Oil Co (ADNOC), the first refinery official said his company will take just one cargo in May instead of an average of two each month, while the second refinery official plans to receive some deferred cargoes from April and has nominated only one cargo for May.

The Economic Times - 22.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/two-indian-refiners-cut-mideast-crude-purchases-in-may-sources/75291392>

World Bank slashes outlook for oil, metals as coronavirus crushes demand

The World Bank slashed its outlook for oil and metals prices on Thursday due to the economic fallout of the coronavirus pandemic and said the commodity market shock could hit developing countries hardest. Crude oil prices are expected to average \$35 a barrel this year, down 43 per cent from the average in 2019, the World Bank said, marking a sharp downward revision from its October forecast. "The downward revision reflects an historically large drop in demand," the World Bank said in a press release. It said overproduction from OPEC and other major world oil producers was exacerbating the price decline. Metals prices, meanwhile, are seen dropping 13 per cent overall this year, the World Bank said. But gold, a traditional safe-haven investment, is seen up nearly 15 per cent. It added that the impact of the health crisis on agricultural commodity prices is expected to be moderate, but that supply chain disruptions could raise the food security risk in some places. "This enormous shock to commodity markets and low oil prices could deliver a serious setback to developing economies," said Makhtar Diop, World Bank Vice President for Infrastructure, in the press release.

The Economic Times - 23.04.2020

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/world-bank-slashes-outlook-for-oil-metals-as-coronavirus-crushes-demand/75327650>

Virtual Tourism is the new Attraction

home. Then storage started filling up and traders resorted to ocean-going tankers to store crude in the hope of better prices ahead. Now shipping prices are surging to stratospheric levels as the industry runs out of tankers -- a sign of just how distorted the market has become. The spectre of production shut-downs -- and the impact they will have on jobs, companies, their banks, and local economies -- was one of the reasons that spurred world leaders to join forces to cut production in an orderly way. But as the scale of the crisis dwarfed their efforts, failing to stop prices diving below zero last week, shut-downs are now a reality. It's the worst-case scenario for producers and refiners.

The Economic Times - 27.04.2020

<https://economictimes.indiatimes.com/news/international/business/the-next-chapter-of-the-oil-crisis-the-industry-shuts-down/articleshow/75388726.cms?from=mdr>

India's crude steel output declines 14 pc to 8.65 MT in March: World Steel Association

The country's crude steel output decline 14 per cent to 8.65 million tonne (MT) during March, according to a report by the World Steel Association. India has been observing a nationwide lockdown since March 25, which has impacted production, demand and supplies of steel in the country. The country had produced 10.04 MT of crude steel during the same month a year ago, the World Steel Association (worldsteel) said in its latest report. In March 2020, the global steel output was also down by 6 per cent to 147.05 MT as compared with 156.51 MT in March 2019. The global industry body said, "Due to the ongoing difficulties presented by the COVID-19 pandemic, many of this month's (March) figures are estimates from national and regional associations, which may be revised with the next month's production update." Global steel giant China also, for the first time in many months, has reported a fall in its output. The country, which has a sizeable share in global output, produced 78.97 MT steel in March, down 1.7 per cent as compared with 80.34 MT in the corresponding month of 2019, according to data from the report.

The Financial Express - 24.04.2020

<https://www.financialexpress.com/industry/indias-crude-steel-output-declines-14-pc-to-8-65-mt-in-march-world-steel-association/1937429/>

Flight takeoff hopes dashed

From live meditation sessions with Buddhist monks to virtual visits to see the dogs of Chernobyl to cooking with a Moroccan family and online art viewing in Hong Kong, sightseeing is now online and tourism and hospitality services are doing what they can to keep travellers and key patrons engaged during the ongoing lockdown. Sensing a long-term lull in overseas travel, the Ministry of Tourism launched 'Dekho Apna Desh', a webinar series hosted by experts who will share key nuggets and information on destinations like Varanasi, Pondicherry, Ladakh, Kolkata and Lucknow. An official said the ministry would increasingly focus on building interest around key domestic destinations going forward this year. "Survival is being talked about but people are looking at what needs to be done once the lockdown is lifted. Especially now, when international travel will take time to recover, we need to be focusing on building domestic tourism a lot more and to make travelling Indians realise there's so much beauty in one's own country. That is the first thing to be done," said the official.

The Economic Times - 27.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F27&entity=Ar00413&sk=E4763D7&mode=text>

COVID-19 crisis likely to hit 29 lakh jobs in Indian aviation, dependent sectors: IATA

The coronavirus pandemic is expected to impact more than 29 lakh jobs in the Indian aviation and dependent industries, global airlines' grouping IATA said on Friday. Commercial flight services in the country remain suspended till May 3 amid the nationwide lockdown to curb spreading of coronavirus infections. Besides, the pandemic and subsequent lockdown have significantly impacted economic activities, with aviation and tourism among the worst affected segments. The International Air Transport Association (IATA) said its latest estimates indicate a worsening of the country impact from the COVID-19 crisis in the Asia-Pacific region. About India, IATA said the pandemic is expected to potentially impact 29,32,900 jobs in the country's aviation and its dependent industries. The passenger traffic has declined 47 per cent.

The Economic Times - 25.04.2020

<https://economictimes.indiatimes.com/industry/transportation/airlines/-/aviation/covid-19-crisis-likely-to-hit-29-lakh-jobs-in-indian-aviation-dependent-sectors-iata/articleshow/75343652.cms?from=mdr>

Cash-strapped airlines will come under severe pressure with the government saying it will not allow commercial flights to operate till the time it is confident that the pandemic is under control. Airlines had been selling tickets in advance even though the government said there had been no decision on allowing them to operate, civil aviation minister Hardeep Singh Puri said in a series of tweets. "Airlines will be given sufficient notice and time to resume bookings and flights," he said. The minister said: "As some airlines did not heed our advisory and opened bookings, and started collecting money from customers, a directive was issued to them restraining them from doing so." While government-run Air India stopped the bookings after the ministry's advisory, private carriers ignored it and continued taking bookings for travel after May 3, prompting the aviation regulator DGCA to issue a circular. "All airlines are hereby directed to refrain from booking tickets... Further, the airlines may note that they shall be given sufficient notice and time for restarting operations," the circular said. Sources said airlines have sought a formal order from the authorities and clarity regarding flight resumption and the booking window.

The Telegraph - 21.04.2020

<https://www.telegraphindia.com/business/coronavirus-pandemic-flight-takeoff-hopes-dashed/cid/1766639>

Govt asks major ports to defer rentals, waive charges, penalty in view of EXIM cargo drop

Noting a drop in export-import (EXIM) cargo due to supply chain disruptions on account of the COVID-19 pandemic, the government has asked India's all 12 major ports to defer the lease rentals and licence fees-related charges for April, May and June. They have been asked to waive rentals in proportion to the cargo drop and not to levy penalties. In a letter, the shipping ministry has asked the ports to provide relief in the form of exemptions/ remission of charges to the shipping liners, exporters, importers, logistics providers and other stakeholders hit by the coronavirus outbreak. The relief measures are aimed at boosting EXIM cargo by supporting and rebuilding the logistics chain. "The logistics chain-related businesses including traders, importers, exporters, port operators, shipping lines and transporters are facing a huge challenge in maintaining their businesses due to a lower trade volume as well as cash flow issues

The Economic Times - 23.04.2020

<https://economictimes.indiatimes.com/industry/banking/finance/covid-19-govt-asks-major-ports-to-defer-rentals-waive-charges-penalty>

[in-view-of-exim-cargo-drop/articleshow/75289263.cms](https://www.financialexpress.com/economy/a-modest-fall-for-port-volumes-in-march/1940411/)

Coronavirus pandemic | Domestic logistics sector likely to see 6-8% decline in FY21, says ICRA

The domestic logistics sector is likely to witness a 6-8 per cent decline in the current fiscal on account of COVID-19 outbreak, rating agency ICRA said on Wednesday. The rapid rise of COVID-19 pandemic and a 40-day lockdown is adversely impacting the logistics sector, which has seen a sharp fall in freight availability because of restrictions on production of non-essential goods and shortage of fleet for movement of essential goods owing to dearth of drivers, thereby resulting in spike in truck rentals, ICRA said in a statement. "The pandemic induced nationwide lockdown has further accelerated the ongoing slowdown in the Indian macroeconomic conditions resulting in subdued freight availability. Consequently, in FY2021 too, the ratings agency expects a contraction of 6-8 per cent Y-o-Y in revenue of its sample of logistics companies," ICRA said.

Moneycontrol - 24.04.2020

<https://www.moneycontrol.com/news/business/coronavirus-pandemic-domestic-logistics-sector-likely-to-see-6-8-pc-decline-in-fy21-says-icra-5180421.html>

Sanjay Kothari is New CVC

Sanjay Kothari, the secretary to the president, was on Saturday appointed the Central Vigilance Commissioner, according to a Rashtrapati Bhavan communique. The post of the chief of the Central Vigilance Commission was lying vacant since June last year after KV Chowdary completed his tenure.

The Economic Times - 26.04.2020

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2020%2F04%2F26&entity=Ar00209&sk=D4B1C880&mode=text>

A modest fall for port volumes in March

Compared to the sharp decline in EXIM trade, major port volumes declined by a modest 5% y-o-y in Mar'20. The decline was led by container volumes which fell sharply by 12% y-o-y (in TEU terms; 9% y-o-y in tonnage terms). Ex-containers, major ports' volumes declined by 3.2% y-o-y in the month.

The Financial Express - 27.04.2020

<https://www.financialexpress.com/economy/a-modest-fall-for-port-volumes-in-march/1940411/>