WEEKLY MEDIA UPDATE

Issue 491

08 March, 2021
Monday

(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 signs MoU with IIM Calcutta Innovation Park

Balmer Lawrie & Co. Ltd., a PSE under the Ministry of Petroleum & Natural Gas (MOPNG), GOI signed an MOU with IIM Calcutta Innovation Park (the incubation centre under the aegis of Indian Institute of Management, Calcutta) for taking forward its Round 2 Startup Fund program. The MOU was signed by Mr. Adhip Nath Palchaudhuri, Director (Service Businesses), Balmer Lawrie and Mr. Subhrangshu Sanyal, CEO, IIM-CIP in the presence of Mr. Adika Ratna Sekhar, Director (HR & CA) and C&MD (Additional Charge), Mr. Sandip Das, Director (Finance), Balmer Lawrie and Prof. Anju Seth, Director, IIM Calcutta. As part of this association, IIM-CIP would carry out a national level startup hunt exclusively for Balmer Lawrie. The selected startups would be supported with funds, workspace, knowledge resources, mentors and a platform for networking and connecting with customers and investors.

The Hindu Business Line – 03.03.2021

সমঝোতা সই

রাষ্ট্রায়ত্ত সংস্থা বামার লরি অ্যান্ড কোম্পানি লিমিটেডের সঙ্গে সমঝোতাপত্র সই করল আইআইএম ক্যালকাটা ইনোভেশন পার্ক। রাউন্ড ২ স্টার্টআপ ফান্ড প্রোগ্রামের জন্য এই অনুষ্ঠানে ছিলেন বামার লরির ডিরেক্টর অধীপনাথ পাল চৌধুরি ও আইআইএমের সিইও শুভ্রাংশু সান্যাল। স্টার্টআপ ফান্ড কার্যক্রম ২০১৭ সালে শুরু করে বামার লরি।

Aajkaal – 03.03.2021

Balmer Lawrie & Co. Ltd. sign MoU with IIM Calcutta Innovation Park

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Mid-day – 04.03.2021

Biz activity resumption slowed down in Feb last week: Nomura

The pace of resumption of India's business activity slowed marginally in the last week of February as rising Covid-19 cases in some states weighed on mobility, brokerage firm Nomura said in a note. The Nomura India Business Resumption Index (NIBRI) eased to 98.5 for the week ended February 28, down from 99.3 recorded in the previous week as the Google retail and recreation mobility and Apple driving indices moderated, even as the Google workplace mobility improved, it said. While this posed a near term risk to India's economic normalisation, Nomura's medium-term projections remained intact. On average, the NIBRI rose to 98 in February compared with 93.6 in the previous month and 92.2 in December, implying a faster rate of normalisation, the note said. The Japanese brokerage had forecast India's economy to contract 6.7% in the current fiscal followed by a sharp rebound to 13.5% growth in FY22 on the back of tailwinds from the lagged impact of easy financial conditions, front loaded fiscal activism, strong global growth and the 'vaccine pivot' point.

The Economic Times - 02.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F02&entity=Ar00917&sk=0F48E696&mode=text

GDP growth in FY21 may beat estimates: Finmin

Economic activity in India has gathered pace and the financial year could end better than projected in the second advance estimates of gross domestic product (GDP) released last month, the finance ministry said in its monthly review of the economy. The mild rise in Covid cases has not dented the steady uptick in consumer sentiment, which has been bolstered by the inoculation drive, the ministry noted in its February review. "Positive GDP growth in Q3 of FY 21 – for the first time since the onset of the pandemic – adds to the positive sentiment as the economy is set to close the year with activity levels higher than measured in the second advance estimates of GDP," the review said. There is further strengthening of the "V-shaped recovery" that began in the second quarter, it noted. The Central Statistics Office has estimated an 8% contraction in GDP in FY21. Based on GDP data for the first nine months, this would mean a1.1% contraction in the fourth quarter of the fiscal year. "GDP growth is expected to be in positive territory in the second half of 2020-21, on the back of higher government expenditure, moderated contraction in private

All engines of demand starting to fire, says RBI

The RBI's state of the economy note has said that there is economic recovery with drop in Covid cases and "all engines of aggregate demand are starting to fire". The central bank has also said that the only thing missing is private sector investment as even bank credit has started to pick up steam. "Economic activity is gaining steam as Covid incidence recedes and the ongoing vaccine rollout releases pent-up optimism," the RBI said. One of the indicators of improved demand was the rise in power consumption. Peak power demand touched a new high, hitting 189.6GW on January 30. Electricity consumption continued to expand through January and February for the fifth and sixth successive months, growing at 4.8% and 7.3%, respectively. The household survey of the Centre for Monitoring Indian Economy finds that employment conditions improved through January, with average employment rate inching up to 37.9% from 36.9% a month ago. "Sectors like real estate, construction and services, which suffered employment losses during the lockdown, have evidently recovered to pre-Covid levels," the report said.

The Times of India - 02.03.2021

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2021%2F03%2F02&entity=Ar01507&sk=B6B48A47&mode=text

Economic activity-wise, worst of pandemic crisis over: Debroy

The worst of the Covid-19 crisis, economic activity wise, is over, and one can look forward with some optimism for the economy in general, said Bibek Debroy, chairman of the Economic Advisory Council to the Prime Minister. The real growth comes from four different sources — consumption, investment, government expenditure and net exports, Debroy noted, speaking at the Dun & Bradstreet BFSI & FinTech Summit 2021. There is a lot of uncertainty surrounding growth in the external sector. "So, the real sector growth has to primarily come about through consumption, investments and government expenditure ... the budget drives reforms on all three counts, consumption, investment and government expenditure," he said. One of the messages in this budget is that tax rates will have stability, Debroy said. He observed that the budget focussed on promoting growth by driving reforms to boost consumption, investment and government expenditure.

The Economic Times - 06.03.2021

consumption and net exports emerging out of dismal retrenchment," the report said.

The Economic Times - 06.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F06&entity=Ar00300&sk=7218FB64&mode=text

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F06&entity=Ar00914&sk=A382DE5B&mode=text

India Inc's business confidence highest in decade: FICCI Survey

FICCI's Overall Business Confidence Index has witnessed a decadal high of 74.2 in the current round on account of improvement in present conditions as well as expectations, the industry body said on Sunday. The Index had stood at 70.9 in the previous survey and 59 a year ago, noted the survey. It revealed recovery of demand conditions, improved capacity utilisation and a promising outlook on various operational parameters. With regard to the constraining factors for business, the demand situation has improved on back of the release of the pent-up demand build up during the lockdown. However, rising raw material costs is emerging as a bothersome factor for members of India Inc. The rise in fuel and other commodity prices is beginning to exert pressure on the input costs of companies, FICCI stated on the survey. Companies participating in the survey cited high input costs including man power costs, weak demand conditions and lack of availability of affordable credit as their top-most concerns for the year 2021.

The Economic Times - 08.03.2021

https://economictimes.indiatimes.com/news/economy/indicators/india-incs-business-confidence-highest-in-decade-ficci-survey/articleshow/81377360.cms

Manufacturing activity eases marginally in Feb

Manufacturing activity in India eased marginally in February and employment decreased as the country saw rise in fresh Covid-19 infections in some states, a private survey showed Monday. The IHS Markit India Manufacturing Purchasing Managers' Index was 57.5 in February compared to 57.7 in January but remained above its long-run average of 53.6. A reading above 50 indicates expansion while below that signals contraction. The survey report showed that February data pointed to the strongest increase in input inventories in the survey history as firms reacted to rising production needs by lifting purchasing activity and the expansion in input buying was the fastest in almost a decade. Going ahead, goods producers expect output to increase over the coming 12 months based on improvement in

Feb services activity rises fastest in a year, jobs fall further

A quicker increase in new orders and stronger demand led to expansion in India's service providers' business activity at the fastest rate in a year in February with the Covid-19 vaccine roll out leading to an improvement in business confidence, a private survey said Wednesday. The India Services Business Activity Index rose to 55.3 in February from 52.8 in January. A figure above 50 indicates expansion, while a sub-50 reading signals contraction. However, employment continued to fall for third month in a row and companies noted the sharpest rise in overall expenses in eight years. Transport & storage was the best-performing segment of the service sector among the five categories monitored by the survey, recording the strongest increases in new business and output during February. Information & communication was the only sub-sector to post contraction in sales and business activity. Companies in this category also bucked the general trend of positive growth projections and signalled a neutral outlook for output, the survey showed.

The Economic Times - 04.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F04&entity=Ar00904&sk=3A541156&mode=text

PLIs to Raise Output by $520b: PM

The production-linked incentive schemes, aimed at boosting domestic manufacturing and exports, is expected to increase the country's production by $520 billion in the next five years, Prime Minister Narendra Modi said on Friday. "$520 billion of production is estimated to take place in India in the next five years through PLI alone," Modi said at a webinar on PLI schemes. "There is also an estimate that workforce will double in the sectors that have been given PLI. This will help increase income and demand." He also said the government aims to reduce 6,000 compliances on businesses at the central and state levels to increase ease of doing business in the country. "With technology, we can get rid of the need to continuously fill up forms," the prime minister said. The government had announced 13 PLI schemes in wake of the economic conditions and the lifting of restrictions as the vaccination programme expands. Pollyanna De Lima, economics associate director at IHS Markit, said the overall degree of business optimism was the joint-highest for three months.

The Economic Times - 02.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F02&entity=Ar00905&sk=EF829FFC&mode=text

Covid-19 pandemic last year to encourage large companies to ramp up manufacturing base and boost exports from India. The total incentives under the PLI schemes, covering sectors such as telecom, electronics, auto part, pharma, chemical cells and textiles, are pegged at Rs1.97 lakh crore over a five-year period.

The Economic Times - 06.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F06&entity=Ar00912&sk=44AAB42E&mode=text

Exports slip by 0.3% in Feb, imports grow 7%

India's exports dipped 0.3% to $27.7 billion, largely due to lower global oil prices, while imports rose 7% to $40.6 billion, resulting in a higher trade deficit. Preliminary numbers released by the commerce department on Tuesday estimated trade deficit at $12.9 billion, compared to $9.9 billion in the corresponding period last year, but a tad lower than January 2021 level of $14.5 billion. During February 2021, non-petroleum exports were estimated at $25.2 billion, 3.6% higher than the year ago level. Non-petroleum imports were estimated to have gone up by 16.5%, indicating that demand in the domestic market was returning to normal. At the same time, higher commodity prices would have accounted for a part of the increase in the import bill. Gold and electronic goods were among two sectors that saw a sharp increase in imports during February, with the shipment of yellow metal more than doubling over the corresponding period in 2020.

The Times of India - 03.03.2021

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2021%2F03%2F03&entity=Ar01716&sk=64EA55AF&mode=text

Directors must pass dual test: Sebi

The Securities and Exchange Board of India (Sebi) is proposing to give a greater say to minority shareholders in the appointment, re-appointment and in the removal of independent directors. In a consultation paper, the market regulator tightened the norms with regard to the resignation of the independent directors on the grounds of personal reasons or other commitments by suggesting a cooling off period of one year before the directors can join another board. Similar cooling off period has been proposed if the directors are elevated to a position such as a whole-time director in the same company. It also mooted the grant of long-vesting ESOPs to the independent directors in lieu of cash-based commissions. The appointment and the re-appointment of the independent directors shall be subject to dual approval — the approval of the shareholders and the approval by "majority of the minority" (simple majority) shareholders. Minority shareholders mean shareholders, other than the promoter and promoter group.

The Telegraph - 02.03.2021

https://www.telegraphindia.com/business/directors-must-pass-dual-test-sebi/cid/1808262

Separate fund under EPFO likely for new individuals

The government could create a separate fund under the Employees' Provident Fund Organisation (EPFO) for contributions from individuals who join the scheme voluntarily once it is thrown open to everyone. A launch date for this fund would be announced separately when the scheme is made universal, said officials. A separate fund is being considered to ensure the new individual subscribers do not draw upon the benefits of years of investments of more than 60 million EPFO subscribers from the existing corpus of over ₹10 lakh crore. The EPFO has retained 8.5% return for this financial year, much higher than about 7% available on small savings schemes. "Discussions are on within the labour ministry to set up a

Fuel demand slips as prices hit new highs

Record prices have begun crushing demand for fuels that had almost fully recovered from the pangs of the pandemic. Petrol sales contracted 2% year-on-year in February after growing 6.3% in January and 9.3% in December. Diesel sales collapsed 8.6% on-year last month after narrowing their decline to 2.2% in January and 2.8% in December. The February data covers only sales by state-run oil retailers, which control about 90% of the domestic fuel retail market. The demand for jet fuel was 40.6% lower while that for cooking gas grew 7.6%, according to state company executives. Part explanation of weaker sales of petrol and diesel lies in shorter February this year. The month separate corpus for individuals once the EPFO scheme is opened for all," a senior government official told ET on condition of anonymity. "We cannot allow new individuals to reap benefits of the long-term investments of EPFO." Currently, the EPFO's provident fund scheme is available to establishments and workers who are in a formal employee-employer relationship. Self-employed individuals such as chartered accountants, doctors and lawyers are not eligible to subscribe to the scheme.

The Economic Times - 08.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F08&entity=Ar01303&sk=039097BD&mode=text

had 29 days in 2020 as it was a leap year. However, industry executives blame record prices as the bigger reason for demand contraction. "Let's not forget that the economy is still not out of the woods," said an industry executive who requested not to be identified. "People are still worried about their income and cautious about spending, and so they may be already cutting on unnecessary fuel expenditure." Petrol and diesel prices have risen by about ₹9 per litre in three months, triggering warnings by the Reserve Bank of India and economists of the inflationary effect it could have on the economy that's trying to shake off the recessionary effects of the pandemic.

The Economic Times - 02.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F02&entity=Ar00907&sk=10FA04FC&mode=text

India's fuel demand to rebound in 2021-22 with 10% growth

India's fuel consumption is likely to rise nearly 10 per cent in the fiscal year beginning April 1, as a reflating economy drives petrol and diesel demand, according to Oil Ministry's projections. Petroleum product consumption in 2021-22 could hit 215.24 million tonnes, compared to the revised estimate of 195.94 million tonnes consumption of the current fiscal year ending March 31, the ministry's Petroleum Planning and Analysis Cell (PPAC) said. This will be the fastest pace of fuel product consumption in six years. As the economy rebounds from its worst contraction on record and industrial activity picks up, fuel consumption is projected to rise. An over two-month-long lockdown imposed to curb the spread of the COVID-19 pandemic had shrunk demand to less than half as most vehicles went off roads, trains stopped plying and airlines halted operations. The reopening of the economy has brought demand back but diesel - the most consumed fuel in the country - is yet to reach pre-pandemic levels. This, industry officials say, is mostly because of not all public transport coming back on roads and trains operating at a lower capacity.

Business Standard - 02.03.2021

https://www.business-standard.com/article/economy-policy/india-s-fuel-demand-to-rebound-in-2021-22-with-10-growth-121030201089_1.html

Petrol, diesel use to grow 13% in FY22

India will consume 13% more diesel and petrol in 2021-22 than the current fiscal, posting the sharpest annual increase in six years to retain its position as the engine of growth in global energy demand. According to latest government projections, demand for other refined products will also post record growth as the economy gets back to work after last year's pandemic-induced break. The oil ministry's market tracker Petroleum Planning and Analysis Cell (PPAC) has pegged consumption of all petroproducts at 215 million tonnes, or 10% more than the almost 196 million tonnes in revised estimate for 2020-21. The estimate of record growth is driven mainly by a low base caused by the drastic fall in consumption during the lockdown in 2020 and a protracted unlock process. This becomes clear from PPAC's estimate of a 74% growth in jet fuel consumption in 2021-22. This is partly because sales are still at 40% of February 2020, when the pandemic was yet to hit. So, as flight services return to normal, pent-up demand will drive sales to record growth. In another instance, consumption of LPG, one of the few uninterrupted services through the pandemic, is projected to rise by about 5% in 2021-22.

The Economic Times - 04.03.2021

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2021%2F03%2F04&entity=Ar01121&sk=26DD443A&mode=text

Petrol price can come down to Rs 75 if brought under GST, but there is lack of political will: SBI Economists

Oil price stabilization fund to help consumers from rising crude prices: Report

Petrol price can go down to Rs 75 a litre across the country if brought under the ambit of the Goods and Services Tax (GST), but there is a lack of political will, which is keeping Indian oil product prices at one of the highest in the world, economists at SBI said on Thursday. Diesel will come at Rs 68 a litre and the revenue loss for the Centre and states will be only Rs 1 lakh crore or 0.4 per cent of GDP, according to the calculation by the economists made under the assumption of global crude prices at USD 60 a barrel and exchange rate at Rs 73 per dollar. At present, every state has its own way of taxing fuels, while the Centre also collects its own duties and cess. Petrol prices have touched Rs 100 per litre in some pockets of the country and concerns are being expressed about the high taxation which is making the fuels dearer. The SBI economists said bringing petrol and diesel under the goods and services tax is an unfinished agenda of the GST framework and getting the prices under the new indirect taxes framework can help.

The Economic Times - 04.03.2021

https://energy.economictimes.indiatimes.com/news/oil-and-gas/petrol-price-can-come-down-to-rs-75-if-brought-under-gst-but-there-is-lack-of-political-will-sbi-economists/81326438

The Government should set up an crude oil price stabilisation fund which can be used in bad times for compensating revenue loss by cross subsidising fund saved from good times, without hurting the consumer, according to a report by State Bank of India economists. One of the unfinished agendas of the current goods and services tax (GST) regime is bringing petrol and diesel under GST. "Centre & states are loathe to bring crude oil products under the GST regime as Sales Tax/VAT on petroleum products is a major source of own tax revenue for them" say SK Ghosh, group chief economic advisor, SBI and his team. "Thus, there is lack of political will to bring crude under the ambit of GST" Interestingly, no country in the world has a completely transparent mechanism in pricing petroleum products. However, the federal nature of taxing makes estimating state-wise petroleum, oil and Lubricant (POL) related product prices an especially tough exercise for India.

The Economic Times - 05.03.2021

https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-price-stabilization-fund-to-help-consumers-from-rising-crude-prices-report/81341293

Oil guzzler India says OPEC+ decision to hit economic recovery

India, the world's third-biggest oil importer and consumer, on Friday said the decision by major producers to continue with output cuts as prices move higher could threaten the consumption led-recovery in some countries. The Organization of the Petroleum Exporting Countries (OPEC) and its allies, a group known as OPEC+, agreed on Thursday not to increase supply in April as they await a more substantial recovery in demand amid the coronavirus pandemic. Crude prices rose after announcement and are up 33 per cent this year. Brent crude futures for May on Friday rose nearly 1 per cent, to $67.44 a barrel, and are on track for a near 2 per cent gain this week. "As one of the largest crude-consuming countries, India is concerned that such actions by producing countries have the potential to undermine consumption-led recovery and more so hurt consumers, especially in our price-sensitive market," Minister for Petroleum and Natural Gas Dharmendra Pradhan told Reuters. India, hit hard by the soaring oil prices, urged producers to ease output cuts and help the global economic recovery from the coronavirus pandemic. "We were really hopeful that OPEC and OPEC+ would have eased the production cuts to some degree taking into account the fragile recovery of the global economy, particularly in developing countries," Pradhan said.

The Economic Times - 05.03.2021

India asks OPEC+ to fulfil promise of price stability - oil minister

India, the world's third largest oil importer and consumer, wants major OPEC+ producers to boost output in order to fulfil their promise of stable crude markets, the nation's oil minister Dharmendra Pradhan said on Wednesday. Pradhan said at the CERAWeek conference by IHS Markit that India, where fuel demand is recovering to pre-pandemic levels, would like to rely on reasonable and responsible oil prices. Oil prices have recovered from last year's price crash spurred by the pandemic, helped by production cuts by the OPEC+ group, comprising the Organization of the Petroleum Exporting Countries and allies including Russia. Crude benchmarks rose more than 2% on Wednesday on expectations that OPEC+ might decide against increasing output to ease prices when they meet on Thursday. The group had previously been widely expected to ease the production cuts. Rising oil prices are posing fiscal challenges for India, where heavily-taxed retail fuel prices recently touched record highs, threatening the demand-driven recovery.

The Economic Times - 04.03.2021

https://energy.economictimes.indiatimes.com/news/oil-and-gas/india-asks-opec-to-fulfill-promise-of-price-stability-oil-minister/81321868 https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-guzzler-india-says-opec-decision-to-hit-economic-recovery/81344062

Govt can cut excise duty on petrol, diesel by Rs 8.5 a litre without hurting revenues

The government has room to cut excise duty on petrol and diesel by up to Rs 8.5 per litre without impacting its target for revenue from the tax on the two fuels, analysts said. Petrol and diesel prices hover at a historic high following a relentless increase in rates over the past nine months. There have been calls by opposition parties as well as sections of society to the government to reduce excise duty to ease consumer pain. "We estimate excise duty on auto fuels in FY22 (April 2021 to March 2022), if it is not cut, at Rs 4.35 lakh crore versus budget estimate of Rs 3.2 lakh crore. "Thus, even if excise duty is cut by Rs 8.5 per litre on or before April 1, 2021, FY22E budget estimate can be met," ICICI Securities said in a note. It expressed optimism for an excise duty cut given demand recovery, impending privatisation and inflation concerns but expected it to be more modest than Rs 8.5 a litre. Excise duty was raised by Rs 13 and Rs 16 per litre on petrol and diesel between March 2020 and May 2020, and now stands at Rs 31.8 on diesel and Rs 32.9 per litre on petrol. The increase in excise duty was to mop up gains arising from international crude oil prices falling to a two-decade low.

The Economic Times - 04.03.2021

https://energy.economictimes.indiatimes.com/news/oil-and-gas/govt-can-cut-excise-duty-on-petrol-diesel-by-rs-8-5-a-litre-without-hurting-revenues/81321862

India can use cheap oil in reserves: Saudi

Saudi Arabia asked India to use the cheap oil in its strategic reserves to deal with the current price rally as the Arab nation and its allies ignored New Delhi’s plea to increase supply. Crude rose to $68 a barrel on Friday. India had bought oil from Saudi Arabia and other producers to fill its strategic reserve for about $18 a barrel last year when the pandemic had dented demand. Rising crude prices, up nearly 70% since October, had prompted India to criticise producers’ extended supply cut. While warning that the higher prices would impede the fragile economic recovery from the pandemic, Union oil minister Dharmendra Pradhan had repeatedly sought easing of supplies. Petrol and diesel prices have risen about Rs 9 per litre each over the last three months, raising concern that high fuel costs may stoke inflation. “With regard to India, very simple, I would ask my friend that he withdraw some of the cheap oil that they bought in April, May, and June. There is an opportunity cost for not withdrawing it now,” Saudi energy minister Prince Abdulaziz bin Salman said.

The Economic Times - 06.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F06&entity=Ar00314&sk=8A191F7E&mode=text

OPEC+ debates whether to raise or freeze oil output as price recovers

OPEC and its allies in will decide on Thursday whether to freeze oil output or raise it slightly from April as a recent price rally is clouded by concern over the fragility of economic recovery during the COVID-19 pandemic. The market has been expecting the OPEC+ group of producers to ease supply cuts by about 500,000 barrels per day (bpd) from April. OPEC's de facto leader Saudi Arabia has also been expected to partially or fully end its voluntary production cut of an additional 1 million bpd. But three OPEC+ sources said on Wednesday that some key members of the Organization of the Petroleum Exporting Countries (OPEC) had suggested that output across the OPEC+ group should be kept unchanged. It was not immediately clear whether Saudi Arabia would end its voluntary cuts or extend them, they said. Russia has been insisting on raising output to

Oil companies raise margins as consumers suffer fuel price blues

The oil price rise may be hitting the fuel consumers hard, but it is the oil companies that are making the most from the current situation, strengthening their margin on the sale of petrol and diesel and jacking up profits. At the current historic high fuel price levels in the country, the marketing margin taken by the oil marketing companies (OMCs) on retail sale of petrol and diesel has touched a high of over Rs 3 per litre. What this means is that while rising fuel prices burn a bigger hole in the consumers' pockets, the OMCs are increasing their earnings and getting a lift in the current difficult environment created by the Covid-19 pandemic. According to a report from Motilal Oswal Financial Services, OMCs are earning marketing margins of Rs 2.8-3.6 per litre on petrol and diesel. This is higher than their long-term average of Rs 3 per litre avoid prices spiking any further and lending support to shale oil output from the United States, which is not part of OPEC+. But in February Moscow failed to raise output, despite being allowed to do so by OPEC+, because harsh winter weather hit output at mature fields.

The Economic Times - 04.03.2021
https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-debates-whether-to-raise-or-freeze-oil-output-as-price-recovers/81331603

and has been facilitated by regular price hikes. As the OMCs are still raising the price of petrol and diesel in phases, companies could expect to give further boost to their revenue and profits. Sources in the OMCs said that margins are related to refinery gate prices at which marketing companies get products for sale at pumps.

The Economic Times - 03.03.2021
https://energy.economictimes.indiatimes.com/news/oil-and-gas/oilcos-raise-margins-as-consumers-suffer-fuel-price-blues/81303242

India in talks with global oil, gas majors for investments: Pradhan

Global oil and gas giants, including ExxonMobil, Saudi Aramco, and ADNOC, are exploring investments in India, Minister of Petroleum and Natural Gas Dharmendra Pradhan has said. “Some of the major global investors are very interested. BP, Total, and Shell are already in India,” Pradhan said on Thursday during the virtual event CeraWEEK by IHS Markit. “We’re talking to ExxonMobil. Aramco and ADNOC are scouting their possibility in India.” Pradhan said Indian Oil and Exxon Mobil will set up a joint venture firm under the MoU signed recently to develop LNG as a long-haul transport fuel. “We have planned to spend around $143 billion on energy infrastructure. India is consciously moving towards a gas-based economy: more LNG terminals, more reformist policy for more domestic gas production, more pipelines, CGD networks, more fertiliser plant revival, and more refineries,” Pradhan said. The Minister criticised OPEC for production cuts that have raised crude prices and increased pressure on the central government to reduce excise duties on petrol and diesel.

Energy Infra Post – 05.03.2021
https://www.energyinfrapost.com/india-in-talks-with-global-oil-gas-majors-for-investments-pradhan/

OPEC president says oil market rebalancing, pandemic still a risk

The global oil market is rebalancing after damage to demand wrought by the COVID-19 pandemic was met with curbs on output by producers from the Organization of the Petroleum Exporting Countries (OPEC), the group's president said on Tuesday. "Crude prices are relatively stable ... we see a certain balance between demand and supply," OPEC president Diamantino Azevedo told Reuters in an interview. "However, due to the pandemic situation the world is living through and with new waves arriving, we could have a situation of smaller demand due to confinements. Vaccination of the global population against COVID-19 will certainly increase demand". OPEC and other key exporters such as Russia, a grouping dubbed OPEC+, meet on Thursday and are expected to discuss allowing as much as 1.5 million barrels per day (bpd) back into the market to address demand likely to be unlocked later in the year as vaccine programmes gather pace. But Azevedo, Angola's minister of Mineral Resources and Petroleum, who occupies OPEC's rotating presidency, warned that any worsening of the pandemic could lead producers to tamp down output.

The Economic Times - 03.03.2021
https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-president-says-oil-market-rebalancing-pandemic-still-a-risk/81306001

BPCL closes in on privatisation, may sustain valuation multiple

The stock of Bharat Petroleum Corporation (BPCL) gained over 3% on Tuesday in a volatile market following the company’s decision to sell its entire stake of 61% in Numaligarh Refinery (NRL) and purchase of Oman Oil’s holding in the Bina refinery. These transactions are seen as an important milestone towards achieving the government’s goal to divest from BPCL. BPCL has

EPFO liquidates equity outlay, retains 8.5% payout for FY21

Amid declining interest rates, the Employees’ Provident Fund Organisation (EPFO) has managed to hold on to an 8.5% rate for the current financial year, providing relief to its nearly five crore active subscribers. Many will be hit hard by the government’s move to tax returns if contributions top Rs 2.5 lakh annually. The decision was taken at a meeting of the sold the stake to a consortium of Oil India and Engineers India for an equity value of ₹16,000 crore. This pegs NRL's enterprise value (EV) at 7.8 times its FY20 earnings before interest, tax, depreciation, and amortisation (EBITDA). After deducting capital gains tax, BPC will receive a net cash flow of nearly ₹9,000 crore. In another transaction, BPCL plans to buy out the entire holding of Oman Oil in the Bina refinery taking its total stake to 100%. To finance the deal worth ₹2,400 crore, BPCL may use the proceeds from the NRL stake sale.

The Economic Times - 03.03.2021

https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F03%2F03&entity=Ar00801&sk=861EA822&mode=text

EPFO's central board of trustees headed by labour minister Santosh Gangwar. The decision will need to be endorsed by the finance ministry, which is known to raise the red flag almost every year before holding itself back. The retirement savings agency has relied on the stock market to offer higher returns. "For FY 2021 (2020-21), EPFO decided to liquidate investment and the interest rate recommended is a result of combined income from interest received from debt investment as well as income realised from equity investment. This has enabled EPFO to provide higher return to its subscribers and still allowing EPFO with healthy surplus to act as cushion for providing higher return in future also.

The Times of India - 05.03.2021

https://epaper.timesgroup.com/Olive/ODN/TimesOfIndia/shared/ShowArticle.aspx?doc=TOIKM%2F2021%2F03%2F05&entity=Ar00701&sk=9E1BE6C1&mode=text

Moving on: Warehousing on recovery path

The sector's growth story remains intact as growing demand from segments like e-commerce, retail and FMCG is leading companies to concentrate on supply chain risk mitigation and resilience, as well as faster last-mile delivery. Even as Covid and the lockdown shook up the warehousing industry, throwing supply lines into disarray, the sector's growth story remains intact as growing demand from segments like e-commerce, retail and FMCG is leading companies to concentrate on supply chain risk mitigation and resilience, as well as faster last-mile delivery. A recent study by consulting firm Praxis Global Alliance said that in pre-Covid times, Grade-A and B warehouse in India grew at 18% CAGR over FY 2018-2020. Going ahead, e-commerce and retail are expected to push demand for Grade-A and B warehouses, which are expected to grow at a much faster pace between FY 2018 and 2025. It forecasts that demand for Grade-A warehousing is likely to grow at a CAGR of 25% from 107 million sq. ft (MSF) to 325 MSF between FY20 to FY25, while demand for Grade-B warehouses will grow at 20% CAGR from 167 MSF to 419 MSF during the period under review.

The Financial Express - 06.03.2021

https://www.financialexpress.com/industry/moving-on-warehousing-on-recovery-path/2207643/

Maritime Vision 2030 envisages Rs 3 lakh cr investment in port projects, 20 lakh jobs

The Maritime India Vision-2030, a 10-year blueprint with the aim of overhauling the Indian maritime sector, envisages Rs 3 lakh crore investment in port projects that in turn promises to generate employment for 20 lakh persons. Prime Minister Narendra Modi unveiled the Maritime India Vision (MIV) 2030 on Tuesday while inaugurating the three-day Maritime India Summit 2021, participated by 24 nations. "Maritime India Vision 2030 would involve an investment of over Rs 3 lakh crore, which would generate more than 20 lakh jobs and unlock annual revenue potential for major ports worth over Rs 20,000 crore," according to the Ministry of Ports, Shipping and Waterways' document. As per the document, Rs 1-1.25 lakh crore investments are planned in augmenting the infrastructure of major ports, which would help in creating 7-10 lakh jobs. It envisages developing mega capacity ports in high potential areas of Gujarat, Maharashtra and Odisha-West Bengal Cluster at an investment of over Rs 80,000 crore.

The Economic Times - 03.03.2021

https://economictimes.indiatimes.com/industry/transportation/shipping-/-transport/maritime-vision-2030-envisages-rs-3-lakh-cr-investment-in-port-projects-20-lakh-jobs/articleshow/81295056.cms

Concor forays into container manufacturing to lessen reliance on China imports

M Venkata Rao joined as MD & CEO of Central Bank of India

In a boost to the indigenous manufacturing of containers and to ease the container shortage in the country, Container Corporation of India has launched the process of manufacturing containers in India. Indian manufacturers BHEL, Braithwaite are implementing a Concor order to develop 1,000 prototypes each, which will be tested and results made available at the end of March. The total annual requirement of containers for Concor is 8,000, which the state-run company has been fulfilling through imports from China, at a total cost of around Rs 200 crore. To keep at bay Chinese advantage in the Indian container market and give a push to the Atmanirbhar Bharat initiative, Concor will float an open tender to meet the requirement of 6,000 more containers. “Our annual requirement will be around 8,000 containers for the next five years. We are going to float an open tender, inviting domestic manufacturers for this,” said V Kalyana Rama, CMD, Concor. India is equipped with the technical know-how required to manufacture these containers and the various specified materials required for container manufacture which enhance weather resistant qualities and strength are also available in the country.

The Financial Express - 06.03.2021

https://www.financialexpress.com/industry/concor-forays-into-container-manufacturing-to-lessen-reliance-on-china-imports/2207199/

Matam Venkata Rao has taken over charge as Managing Director & CEO of Central Bank of India with effect from 1st March, 2021. Prior to joining the current assignment, Rao was Executive Director, Canara Bank for more than three years where he played a pivotal role in the Bank's progress and in amalgamation of Syndicate Bank with Canara Bank Mr. Matam Venkata Rao is a Post Graduate in Agriculture from Sri Venkateshwara Agriculture College, Tirupati, Andhra Pradesh. He is a Certified Associate of Indian Institute of Bankers. A seasoned banker with varied experience, Rao joined Allahabad Bank as Agricultural Field Officer in 1988 and worked in various capacities in different geographical areas of the country.

Millennium Post - 03.03.2021

http://www.millenniumpost.in/business/m-venkata-rao-joined-as-md-ceo-of-central-bank-of-india-433215