

(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.)

S&P retains lowest rating for India

S&P Global Ratings on Tuesday retained India's sovereign rating at the lowest investment grade of 'BBB-' with a stable outlook, saying that the country's strong external settings will act as a buffer against financial strains despite elevated government funding needs over the next 24 months. It said the sovereign credit ratings on India reflect the economy's above-average long-term real GDP growth, sound external profile, and evolving monetary settings. "India's democratic institutions promote policy stability and compromise, and also underpin the ratings. These strengths are balanced against vulnerabilities stemming from the country's low per capita income and weak fiscal settings, including consistently elevated general government deficits and indebtedness," it said in a statement. S&P Global Ratings has forecast economic activity in India to begin to normalise throughout the remainder of fiscal 2022, resulting in real GDP growth of about 9.5%. A significant proportion of this rebound will be due to the very weak base in the prior fiscal year, when the economy contracted by a record 7.3%. India's fiscal settings are weak, and deficits will remain elevated over the coming years even as the government undertakes some consolidation.

The Economic Times - 14.07.2021

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F07%2F14&entity=Ar00705&sk=F8F83E08&mode=text>

India's GDP to grow in double digits in Q1: ICRA

Economic recovery has gained momentum after the lifting of the localised lockdowns imposed in the aftermath of the second wave, but is "incomplete", according to a report by rating agency Icria. The Indian economy will grow in double digits for the April-June period on the low base of 2020-21 but will still be short of the levels observed in the first quarter of FY20, it said. "...the real GDP in Q1FY22 will trail the Q1FY20 level, while recording a double-digit y-o-y (year-on-year) expansion," it said in the report.

Business Today - 17.05.2021

India's economy to grow at 6.5-7% from FY23 onwards: CEA KV Subramanian

The country's economy will start witnessing a growth of 6.5 to 7 per cent from fiscal 2023 onwards, helped by various reforms undertaken by the government so far and also as COVID-19 vaccination drive progresses, Chief Economic Advisor Krishnamurthy Subramanian said. He expects the impact of the second wave not to be very significant. The country's economy contracted by 7.3 per cent in fiscal 2020-21. "Together with the reforms and focus on vaccination, I expect growth to start hitting close 6.5 to 7 per cent from FY23 onwards and accelerate from there on," Subramanian said at a virtual event organised by Dun & Bradstreet. "Given the significant reforms that have been done over the last one and a half years, I have no hesitation in saying that I look forward to a decade of high growth for India." He said the momentum in recovery that was seen in the fourth quarter of FY21 and overall in the second half of FY21 got impacted to some extent by the second wave of COVID-19.

Mint - 17.07.2021

<https://www.livemint.com/news/india/indias-economy-to-grow-at-6-5-7-from-fy23-onwards-cea-kv-subramanian-11626433833055.html>

Factory output rises, retail inflation softens

India's industrial production grew 29.3% year-on-year in May, helped by base effects that magnified growth while masking the sequential deterioration in the month that faced the brunt of the second wave of the pandemic. Simultaneously released data showed retail inflation slowed marginally to 6.27% in June from 6.3% in May but stayed outside the central bank's 2-6% target band for the second straight month. The index of industrial production (IIP) was 13.8% lower in May from the same month in 2019 and 8% down from April 2021,

<https://www.businesstoday.in/latest/economy/story/indias-gdp-to-grow-in-double-digits-in-q1-icra-301480-2021-07-16>

India's exports up 48.34% to Rs 2.4 lakh crore; trade deficit at Rs 69,800 crore in June

The country's exports rose by 48.34 per cent to Rs 2.4 lakh crore on account of healthy growth in shipments of petroleum products, gems and jewellery, and chemicals, leather and marine goods, according to the data released by the Commerce Ministry on Thursday. Imports in June too rose by 98.31 per cent to Rs 3.18 lakh crore, leaving a trade deficit of Rs 69,800 crore as against a trade surplus of Rs 5,880 crore in the same month last year. During April-June 2021, the exports increased by 85.88 per cent to Rs 7.1 lakh crore. Imports expanded to Rs 9.3 lakh crore during the first three months of the fiscal as against Rs 4.5 lakh crore in the same period last year, the data showed. Trade deficit during the quarter was aggregated at Rs 2.2 lakh crore as against Rs 67,900 crore during April-June 2020. Oil imports in June were Rs 79,500 crore, which were 116.51 per cent higher compared to Rs 36,700 crore in June 2020. During April-June 2021, the imports stood at Rs 2.3 lakh crore as against Rs 97,400 crore during the same quarter previous fiscal.

Deccan Herald - 16.07.2021

<https://www.deccanherald.com/business/business-news/indias-exports-up-4834-to-rs-24-lakh-crore-trade-deficit-at-rs-69800-crore-in-june-1009002.html>

Cabinet okays hike in DA of central govt employees to 28%

The Union cabinet on Wednesday increased the dearness allowance (DA) and dearness relief (DR) for 11.4 million central government employees and pensioners to 28% of basic pay from 17% effective prospectively from 1 July. However, three instalments of DA and DR held back from

underscoring the impact of the second wave. Industrial production had contracted 33.4% in May 2020, which magnified the growth this year despite the second wave derailing the economic recovery. Economists expect the central bank to continue to prioritise growth. "We continue to expect the MPC (monetary policy committee) to retain its current policy guidance in the August policy in favour of growth," said Kotak Mahindra Bank senior economist Upasna Bhardwaj.

The Economic Times - 13.07.2021

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F07%2F13&entity=Ar00103&sk=B17FC3FA&mode=text>

Services export may grow 10% in FY22 due to growth in various sectors: SEPC

The country's services exports are expected to grow 10 per cent in 2021-22 due to healthy growth of sectors such as professional and management consulting, audio visual, freight transport, and telecommunications, according to SEPC. Services Export Promotion Council (SEPC) Chairman Maneck Davar said despite the pandemic, the sector recorded a decline of only 3 per cent in exports in 2020-21 to USD 205.27 billion. "Based on the RBI data, we are confident that we will again experience high growth as services exports are projected to grow by 10 per cent in 2021-22 due to the performance of sectors such as professional and management consulting services, audio visual and related services, freight transport services, telecommunications, computer and information services," he said. The exports in 2019-20 and 2018-19 stood at USD 214.61 billion and USD 205.79 billion, respectively. To further boost the shipments, Davar suggested that the government should frame an incentive scheme in the forthcoming foreign trade policy which should be result-oriented and support MSMEs, which accounts for over 90 per cent of the services sector.

Business Standard - 19.07.2021

https://www.business-standard.com/article/economy-policy/services-export-may-grow-10-in-fy22-due-to-growth-in-various-sectors-sepc-121071800272_1.html

PFRDA, government in talks to tweak law to cover retirement funds

The government and the Pension Fund Regulatory & Development Authority (PFRDA) are discussing amendments to the law to ensure the regulation of a large number of superannuation funds that currently escape the required scrutiny. Although there are no official

last year will not be paid at the new rate, despite a demand by central government staff. The three additional instalments of DA to central government employees and DR to pensioners, which were due from 1 January 2020 till June 2021, were frozen in April, just a month after the cabinet approved a hike to 21% of basic pay from 17%. The government said this was because the pandemic had put central government finances under stress. On Wednesday, it said the decision to defer the three instalments for 18 months saved the Centre ₹37,530 crore and helped it create fiscal space to build a ₹1.2 trillion war chest to combat the coronavirus pandemic and for the stimulus spending needed to revive a stalled economy. State governments saved an additional ₹82,566 crore by freezing the payments, according to the Union government's estimate, freeing up funds to fight the outbreak.

Mint - 16.07.2021

<https://www.livemint.com/politics/policy/cabinet-hikes-dearness-allowance-dearness-relief-to-28-11626272655889.html>

ET Financial Inclusion Summit: One growth account for all of India

India's development priorities must have financial inclusion at its vanguard as New Delhi harnesses a raft of legacy and new-age resources, such as banks, insurers, phone companies and fintech platforms, to prevent pilferage in the delivery of federal welfare benefits and draw the marginalised in helping reach the collective goal of a \$5-trillion economy. "For a country of India's size, population and the challenges we address, financial inclusion is not only desirable but also a developmental imperative," Union housing and urban affairs minister Hardeep Puri said on Friday in his speech at the ET Financial Inclusion Summit. "This whole philosophy (of financial inclusion) is designed and operationalised to provide access to citizens, increase participation of stakeholders in government schemes and, in the process, reduce wasteful aspects like pilferage." "We are using the best of fintech to extend banking, credit, digital payment and insurance facilities to millions of citizens," Puri told delegates at the summit meeting. "I believe something of this scale has never happened in any other part of the world."

The Economic Times - 19.07.2021

<https://economictimes.indiatimes.com/industry/banking/finance/et-financial-inclusion-summit-one-growth-account-for-all-of-india/articleshow/84540724.cms>

estimates, around 400-500 are seen to be "unregulated" superannuation funds, with 50-60 being large players. There are at least three regulators for the pension business, with PFRDA handling the National Pension System (NPS), while the insurance regulator deals with annuities sold by life insurers. Mutual funds also sell pension schemes and are regulated by Sebi. "For regulating the superannuation funds that are not under the regulatory control of any financial regulator, we have proposed changes in the PFRDA Act, which is under consultations phase. We are of the opinion that regulatory control is necessary to ensure that the purpose for which the trust was created is being fulfilled by the Trustees and funds are being managed in the best interest of its beneficiaries or employees," PFRDA chairman Supratim Bandyopadhyay told TOI.

The Times of India - 19.07.2021

<https://timesofindia.indiatimes.com/business/india-business/pfrda-government-in-talks-to-tweak-law-to-cover-retirement-funds/articleshow/84540159.cms>

India's June oil imports hit their lowest in 9 months

India's crude oil imports in June fell to their lowest in nine months, as refiners curtailed purchases amid higher fuel inventories due to low consumption and renewed coronavirus lockdowns in the previous two months. India, the world's third-biggest oil importer and consumer, shipped in about 3.9 million barrels per day (bpd) of crude last month, about 7% down from May, but 22% higher from year-ago levels, tanker arrival data obtained from trade sources showed. India is the second major importer in Asia, after China, to post a slump in last month's crude imports. After an uptick in India's fuel demand in February and March, the country's refiners cranked up crude processing and oil imports, said an Indian refining official who declined to be named as he is not authorised to speak to media. However, fuel demand fell sharply in April and May after the government imposed restrictions to curb a second wave of coronavirus, leaving refiners with high fuel inventories. "We had enough inventory of refined fuel so there was little scope to raise crude imports," the source said, adding that the export market was unattractive as profits were low.

The Economic Times - 16.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-june-oil-imports-hit-their-lowest-in-9-months/84468403>

Petrol sales rise above Pre-Covid levels; diesel and jet fuel decline

Petrol sales rose above pre-pandemic levels in the first half of July as states eased mobility restrictions and economic activity picked up. Demand for petrol climbed 18% year-on-year and 3.4% over the first half of July 2019, according to data from state-run oil companies, which control nearly 90% of the retail fuels market. Diesel sales also improved sharply but remained lower than pre-Covid-19 levels. Sales of diesel surged 12.7% over last year but were 10.7% lower than the same period in July 2019. Jet fuel sales rose 20.4% from last July but were down 56% from 2019 as flights remain restricted. Cooking gas consumption increased 2.2% year-on-year but was about 5% lower than in the same period of 2019. Diesel makes up 40% of the country's oil demand and is mostly used in long-haul transport, mining, irrigation and backup generators. It is considered a key indicator of the country's economic activity. Diesel sales were slow to recover even last year after the first wave of the pandemic receded, as industrial activity took time to gather pace. Petrol, on the other hand, picked up fast as it is mostly used by passenger cars and two-wheelers.

The Economic Times - 17.07.2021

<https://epaper.timesgroup.com/Olive/ODN/TheEconomicTimes/shared/ShowArticle.aspx?doc=ETKM%2F2021%2F07%2F17&entity=Ar00904&sk=E9640DD8&mode=text>

OPEC sees world oil demand reaching pre-pandemic level in 2022

OPEC stuck to its forecast for a strong recovery in world oil demand in the rest of 2021 and predicted oil use would rise further in 2022 similar to pre-pandemic rates, led by growth in China and India. The Organization of the Petroleum Exporting Countries said in its monthly report on Thursday that demand next year would rise by 3.4% to 99.86 million barrels per day (bpd), averaging more than 100 million bpd in the second half of 2022. Oil demand averaged 99.98 million bpd in 2019, according to OPEC. "In 2022, healthy expectations for global economic growth in addition to improved containment of COVID-19 through the acceleration of vaccination programmes, effective treatment and natural immunisation, particularly in emerging and developing countries, along with frequent testing procedures, are assumed to spur consumption of oil next year to comparable pre-pandemic levels," OPEC said in the report. The report reflected OPEC's confidence that world demand would recover robustly from the pandemic, allowing the group and its allies to further ease record supply

Govt's excise collections on petrol, diesel jumps 88% to Rs 3.35 lakh cr

The union government's tax collections on petrol and diesel jumped by 88 per cent to Rs 3.35 lakh crore in the year to March 31, after excise duty was raised to a record high, the Lok Sabha was informed on Monday. Excise duty on petrol was hiked from Rs 19.98 per litre to Rs 32.9 last year to recoup gain arising from international oil prices plunging to multi-year low as pandemic gulped demand. The same on diesel was raised to Rs 31.8 from Rs 15.83 a litre, according to a written reply to a question given by the Minister of State for Petroleum and Natural Gas Rameswar Teli in the Lok Sabha. This led to excise collections on petrol and diesel jumping to Rs 3.35 lakh crore in 2020-21 (April 2020 to March 2021), from Rs 1.78 lakh crore a year back, he said. Collections would have been higher but for fuel sales falling due to lockdown and other restrictions imposed to curb the spread of the coronavirus pandemic, which muted economic activity and stalled mobility. In 2018-19, excise collections on petrol and diesel were Rs 2.13 lakh crore.

The Economic Times - 19.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/govts-excise-collections-on-petrol-diesel-jumps-88-to-rs-3-35-lakh-cr/84547618>

Domestic natural gas output up 19% in June

Domestic natural gas production increased 19.1% to 2,769 million standard cubic metre (mscm) in May on a year-on-year (y-o-y) basis, mainly due to higher production from Reliance Industries and BP's ultra-deep-water field in the KG-D6 Block of the Krishna Godavari basin on the east coast. The output had fallen 8.1% y-o-y to 28,670.6 mscm in FY21. Indigenous natural gas production caters to about 51% of the country's requirements, while around 85% of the country's crude oil is imported. The 2.5 million tonne (MT) of crude oil produced in the country during the month was 1.9% lower than the production in the year-ago period. The data for June oil and gas imports are not available yet, but the cumulative LNG import of 5,242 mscm in April-May, 2021 was higher by 24.9% compared with the corresponding period of the previous year. The value of LNG import in the first two months of FY22 was \$1.5 billion, about 67% higher annually. Due to the increase in global crude oil rates, the value of the import was \$8.3 billion, 261% higher than May 2020. In the first two months of FY22, the value of

curbs made in 2020. Some analysts had seen oil demand peaking in 2019.

The Economic Times - 15.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-sees-world-oil-demand-reaching-pre-pandemic-level-in-2022/84440915>

Oil Minister Puri, Saudi counterpart hold talks on bilateral energy partnership

Union Minister for Petroleum and Natural Gas Hardeep Singh Puri on Thursday met with Saudi counterpart Abdul Aziz bin Salman Al Saud, and held discussions on strengthening bilateral energy partnership and developments in the global energy markets. Puri, who took charge of India's oil ministry last week, said Saudi Arabia is a central player in the international energy market. "Had a warm and friendly discussion with His Royal Highness, Prince Abdul Aziz bin Salman Al Saud, Minister of Energy of Saudi Arabia on strengthening bilateral energy partnership and developments in the global energy markets," Union minister Hardeep Singh tweeted. Puri also conveyed his desire to work with Prince Abdulaziz to bring greater predictability and calm in the global oil markets. "Saudi Arabia is a central player in the international energy market. I conveyed my desire to work with His Royal Highness Prince Abdulaziz to bring greater predictability and calm in the global oil markets, and also to see hydrocarbons become more affordable," the minister said. He further highlighted the crucial role of Saudi Arabia in the rapidly growing energy needs of India in the coming years.

The Economic Times - 16.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-minister-puri-saudi-counterpart-hold-talks-on-bilateral-energy-partnership/84461780>

Puri conveys India's concerns over high oil prices to Saudi, UAE

India, the world's third-biggest oil consumer, has conveyed to OPEC countries its concern over high oil prices that are threatening to impact the nascent economic recovery after the devastating pandemic. New Oil Minister Hardeep Singh Puri has made phone calls to key OPEC nations to convey the desire for an affordable price for consumers. After calling his counterparts in Qatar and the UAE, he called Organization of the Petroleum Exporting Countries (OPEC) kingpin Saudi Arabia on Thursday evening. "Had a warm and friendly discussion with His Royal Highness, Prince Abdul Aziz bin Salman Al Saud, Minister of Energy of Saudi Arabia on strengthening bilateral energy partnership and developments in the

crude import, at \$16.8 billion, was 217% higher than the same period last year though import volumes were up only 13.8% to 35.5 MT.

The Financial Express - 16.07.2021

<https://www.financialexpress.com/industry/domestic-natural-gas-output-up-19-in-june/2291279/>

Oil Min Puri dials UAE for affordable oil prices

As fuel prices climbed to a record high, India's new Petroleum Minister Hardeep Singh Puri has started dialling oil-producing nations to impress upon them for a need to make prices affordable for consumers. Puri, who last week called Energy Minister of Qatar, on Wednesday dialled his counterpart in the UAE, Sultan Ahmed Al Jaber. "Conveyed my desire to work closely with UAE and other friendly countries to bring a sense of calm, predictability and realism among other suppliers in the energy market to make it more affordable for consumers," Puri tweeted. The rebound in international oil prices from lows hit in May on the back of demand recovery has sent petrol and diesel rates to a record high in India. Petrol has crossed the Rs-100-a-litre mark in more than one and a half dozen states and union territories, while diesel is being sold at over Rs 100 a litre in Rajasthan and Odisha. "Had a warm courtesy call with HE Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology and MD & Group CEO of @AdnocGroup. Discussed ways and means to invigorate the vibrant bilateral strategic energy partnership between India and UAE," Puri said.

The Economic Times - 14.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-min-puri-dials-uae-for-affordable-oil-prices/84408369>

High global crude rates are behind fuel price hike: Oil Secy Tarun Kapoor

Fuel price has gone up because the international price for crude has shot up, the fuel price in India is linked to the international product price. We are working on increasing the reserves here in India by PPP, says Tarun Kapoor, Oil Secretary. Fuel price has gone up because the international price for crude has shot up, the fuel price in India is linked to the international product price and the price of petrol internationally went up to almost \$89-\$90, now it has come down slightly. The international price of petrol and diesel used to be almost equal, but now in the recent past, what we have seen is that the price of petrol has become much higher than the price of diesel internationally.

global energy markets," Puri tweeted. Saudi Arabia, he said, is a central player in the international energy market. "I conveyed my desire to work with His Royal Highness Prince Abdulaziz to bring greater predictability and calm in the global oil markets, and also to see hydrocarbons become more affordable," he said. Saudi Arabia is the world's largest exporter of crude oil and India's second-biggest source after Iraq.

The Economic Times - 17.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/puri-conveys-indias-concerns-over-high-oil-prices-to-saudi-uae/84472652>

Oil cos to strengthen profits even as consumers suffer from rising fuel prices

The oil price rise may be hitting consumers hard, but oil companies 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 of fuel price levels in the country, the margin taken by the oil marketing companies (OMCs) on retail sale of petrol and diesel has touched a high of around Rs 3 per litre. What this means is that while rising fuel prices burn a bigger hole in the consumer's pocket, the OMCs are increasing their earnings and getting a lift in the current difficult environment created by the Covid-19 pandemic. According to a research report from ICICI Direct, all oil marketing companies are expected to strengthen their earnings in April-June quarter of FY22 on the back of rising marketing margin and improved gross refining margin. Though profit of companies is expected to fall quarter-on-quarter due to exceptional gains made by some of the companies in the January-March period, as on a YoY basis, they would make more money in Q1.

The Economic Times - 15.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-cos-to-strengthen-profits-even-as-consumers-suffer-from-rising-fuel-prices/84437409>

OPEC, allies raise limits for 5 countries to end oil dispute

OPEC and allied nations agreed Sunday to raise the production limits imposed on five countries next year and boost their production by 2 million barrels per day by the end of this year, ending a dispute that roiled oil markets. The disagreement, sparked by a demand by the United Arab Emirates to increase its own production, temporarily upended an earlier meeting of the cartel. In a statement Sunday, the cartel announced that

The oil companies fixed their price based on the product price and, therefore, the price of petrol has been high and now it is a little bit stable for the last few days. But then we have this 15-day rolling average system. We expect that if the international price cools down a little bit, then things would be better.

The Economic Times - 17.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/tarun-kapoor-on-bpcl-privatisation-ethanol-blending-target-oil-strategic-reserves/84465452>

Saudi-UAE deal to be a bullish catalyst for oil, says Goldman

Goldman Sachs expects an oil supply agreement between Saudi Arabia and the United Arab Emirates to be a bullish catalyst for prices over coming months as the U.S. investment bank maintained its summer Brent price forecast at \$80 per barrel. Saudi Arabia and the UAE have reached a compromise over OPEC+ policy, an OPEC+ source told Reuters on Wednesday, in a move that should unlock a deal to supply more crude to a tight oil market. "Such an agreement would help bridge the (modest) divide between both countries and help remove the (low probability) OPEC+ tail risks of a potential price war or insufficient production growth," the bank said in a note on Wednesday. "We believe that risks to our bullish oil price forecasts are skewed to the upside, with the catalyst for such a move higher shifting from the demand to the supply side." Goldman expects \$2 to \$4 per barrel upside risk to its \$80 per barrel summer forecast and \$75 per barrel for its 2022 Brent price forecast. The bank also noted that a lack of an Iran nuclear deal would increase its 2022 price forecast by \$10/bbl.

The Economic Times - 15.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/saudi-uae-deal-to-be-a-bullish-catalyst-for-oil-says-goldman/84436571>

Oil and gas companies facing impact from Covid-led demand disruption

The revenue for Oil and Gas companies is estimated to decline in the first quarter (April-June 2021) owing to the second wave of COVID-19 led state-wise lockdowns impacting demand. The lower marketing sales volumes for Oil Marketing Companies (OMCs) and lower gas volumes for City Gas Distribution (CGD) companies is likely to be offset by an improvement in realisation for upstream

Iraq, Kuwait, Russia, Saudi Arabia and the UAE would see their limits rise. "What bonds us together is way much beyond what you may imagine," Saudi Energy Minister Prince Abdulaziz bin Salman said. "We differ here and there but we bond." Prince Abdulaziz declined to elaborate on how they came to that consensus, saying it would see the cartel "lose our advantage of being mysterious and clever." But he clearly bristled at earlier reports on the dispute between Saudi Arabia, long the heavyweight of the Vienna-based cartel, and the UAE. Prince Abdulaziz deferred at the beginning of a news conference afterward to al-Mazrouei in a sign of respect.

The Economic Times - 19.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-allies-raise-limits-for-5-countries-to-end-oil-dispute/84539906>

OPEC+ impasse risks price war as demand surges, says IEA

Stalled talks by top oil producers over releasing more supply could deteriorate into a price war just as COVID-19 vaccines are sending demand for oil surging, the International Energy Agency (IEA) said on Tuesday. "The possibility of a market share battle, even if remote, is hanging over markets, as is the potential for high fuel prices to stoke inflation and damage a fragile economic recovery," the Paris-based agency said. "The OPEC+ stalemate means that until a compromise can be reached, production quotas will remain at July's levels. In that case, oil markets will tighten significantly as demand rebounds from last year's COVID-induced plunge," it added in its monthly oil market report. A spat between Saudi Arabia and the United Arab Emirates forced OPEC+, which groups producers from the Organization of the Petroleum Exporting Countries, Russia and others, to abandon talks last week on boosting production after days of negotiations.

The Economic Times - 16.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/opec-impasse-risks-price-war-as-demand-surges-says-iea/84372054>

Directorate General of Hydrocarbons overhauls oilfield approval processes, cuts down paperwork

In a major overhaul, DGH has made it easier for firms to explore and produce oil and gas in the country by limiting the requirement of statutory

companies during the quarter. "In turn, we expect Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) for oil and gas companies under our coverage to decline by around 2 per cent quarter-on-quarter in first quarter 2021-22," equity research firm HDFC Securities said in a note. The Gross Refining Margin (GRM) for Indian Oil (IOC) is set to decline to \$1.4 per barrel in the June quarter, from \$2.5 per barrel recorded in the fourth quarter last financial year, owing to negative cracks from naphtha, Fuel Oil and LPG offsetting increase in spreads of gasoline, ATF and gasoil.

The Economic Times - 15.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-and-gas-companies-facing-impact-from-covid-led-demand-disruption/84432464>

IEA says refining throughput set to rise in July, August

Global refining runs are expected to continue rising in July and August due to increasing vaccination rates and easing social distancing measures around the world, the International Energy Agency (IEA) said on Tuesday. The Paris-based agency, however, expected the trend will lose momentum in winter due to seasonal maintenance of refineries. Refiners around the world significantly reduced their operations in 2020 as they faced an unprecedented fall in fuel demand brought about by the coronavirus pandemic and mobility restrictions. The lockdowns at their peak destroyed over 20% of global oil demand. Global refinery throughput <https://fingfx.thomsonreuters.com/gfx/ce/dgkplrezlpb/IEA%201.JPG> The refining runs have been rising since February as widespread vaccination programmes started in several countries and restrictions were eased. After stagnating in May, global refining throughput increased by 1.6 million barrels per day (bpd) in June, IEA said in its monthly report. That was the largest monthly increase since July 2020, which supported crude oil prices.

The Economic Times - 16.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/iea-says-refining-throughput-set-to-rise-in-july-august/84396935>

Crude oil may remain volatile as OPEC+ uncertainty lingers

It was a volatile week for crude oil, and more is in store. The week began on a firm note and tested the highest level since November 2014 in

approvals to only extension of contracts, sale of stake and annual accounts while allowing self-certification and deemed approval for the rest. The Directorate General of Hydrocarbons (DGH), the government's technical arm overseeing upstream oil and gas production, said procedures and processes for oil and gas blocks awarded under nine bids round of New Exploration Licensing Policy (NELP) and pre-NELP blocks are being simplified and standardised. While state-owned Oil and Natural Gas Corporation (ONGC) and Oil India Ltd (OIL) produce two-third of India's oil and gas from blocks or areas given to them on a nomination basis, the remaining output is from pre-NELP and NELP blocks. The pre-NELP blocks include Panna/Mukta and Taoil and gas fields in western offshore and Ravva field in the KG basin. But the biggest of oil and gas discoveries outside of the nomination acreage have happened in the blocks awarded under NELP since 2000. These include Reliance Industries Ltd.'s eastern offshore KG-D6 block and NEC-25. ONGC too has significant finds in NELP blocks.

The Economic Times - 13.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/directorate-general-of-hydrocarbons-overhauls-oilfield-approval-processes-cuts-down-paperwork/84377571>

reaction to fallout of OPEC talks over production policy. OPEC and allies called off the meeting amid disagreement over extending the current production deal from April 2022 to end of the year without altering the reference level from which production cuts are calculated. Lack of a deal to hike production starting next month fuelled concerns about tighter supply and pushed prices higher. Crude oil, however, retreated sharply as market players assessed other implications of the fallout of talks. Lack of production policy could lead individual countries to work on their own policy and some may raise output in view of rising prices and recovery in demand. Crude was also affected by renewed virus concerns, mixed economic numbers, slowdown in China and Fed's monetary tightening concerns. The market, however, stabilized following the inventory report which noted a sharp decline in US crude oil and gasoline stocks.

The Economic Times - 17.07.2021

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/view-crude-oil-may-remain-volatile-as-opec-uncertainty-lingers/84472463>