

# WEEKLY MEDIA UPDATE

(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 unit launched

■ **BHUBANESWAR:** Balmer Lawrie on Saturday said Union minister Rameswar Teli has unveiled its first cold chain facility in the East. The unit at Chhatabar on the outskirts of Bhubaneswar will cater to the growing demand for seafood, dairy and agri-products, the public sector enterprise said. ¶¶

The Telegraph –  
31.07.2022

### Balmer Lawrie opens Cold Chain Unit at Bhubaneswar

**STATESMAN NEWS SERVICE**  
BHUBANESWAR, 29 JULY:

Balmer Lawrie & Co. Ltd., a Miniratna I PSE under the Ministry of Petroleum & Natural Gas, announced the unveiling of its new state-of-the-art Cold Chain Unit at Bhubaneswar on Friday.

Minister of State for Petroleum and Natural Gas & Labour and Employment, Rameswar Teli inaugurated the Cold Chain facility in the presence of Mr. Adika Ratna Sekhar, CMD and other senior officials from Balmer Lawrie & Co. Ltd.

The Cold Chain Unit is Balmer Lawrie's first Cold Chain Unit in the Eastern Region and fourth in the country.

The Cold Chain Unit in this region will also cater to the growing demands of

seafood, dairy, agri-products industries, and Quick Service Restaurants (QSR).

Mr. Adika Ratna Sekhar, CMD addressed the media.

Mr. Adhip Nath Palchaudhuri, Director [Service Businesses] and R.M. Uthayamja Director [Manufacturing Businesses] were also present.

The Cold Chain Unit is equipped with latest refrigeration technology and automated product handling with minimum human contact with food and food grade products ensuring product safety and integrity.

The advanced set up is ideal for not only quality food product for export but also domestic storage of fruits and vegetables particularly potatoes in controlled temperatures.

Odisha being the 4th

largest fish producing state with a nine-fold increase in sea food exports in last two decades, our Cold Chain Unit at Bhubaneswar is the perfect "go-to" infrastructure for seafood exporters in this region, said officials.

It is supported by the company's own fleet of Temperature Controlled Vehicles (TCVs).

A total investment of Rs. 32 crore was made to set up the Cold Chain Unit at Bhubaneswar.

Bhubaneswar Cold Chain Unit is spread over 1.5 acres and with a storage capacity of 2000 pallets (frozen) and 3000 MT (chilled / ambient) caters to various industrial segments. The Unit has the FSSAI, MIPEDA, Factories and Boilers Act 1948 and PCB certifications and the Fire & Safety license.

The Statesman –  
30.07.2022

# Balmer Lawrie's new state-of-the-art Cold Chain Unit comes up in Odisha

Political & Business Daily – 30.07.2022

P&B BUREAU

BHUBANESWAR, JUL 29

INTEGRATED logistics service provider Balmer Lawrie & Co. Ltd. on Friday announced the unveiling of its new state-of-the-art Cold Chain Unit at Bhubaneswar in Odisha.



Union Minister of State for Petroleum and Natural Gas Rameswar Teli inaugurated the Cold Chain facility in the presence of Balmer Lawrie Chairman & Managing Director Adika Ratna Sekhar and other senior officials of the Company.

The Cold Chain Unit at Chhatabar near the Capital City of Odisha is Balmer Lawrie's first such Unit in the Eastern Region and fourth in the country. The Company has been aggressively enhancing its presence in providing cold chain solutions through its brand LOGI-COLD. The setting up of the Cold

Chain Unit at Bhubaneswar is in line with the Government of India's "Act East" policy and "AtmaNirbhar Bharat" initiative.

The Cold Chain Unit in this region will cater to the growing demands of seafood, dairy, agri-products industries, pharma and Quick Service Restaurants (QSR), said CMD Ratna Sekhar.

"Odisha being the 4th largest fish producing state with a nine-fold increase in sea food exports in the last two decades, our Cold Chain Unit at Bhubaneswar is the perfect "go-to" infrastructure for seafood exporters in this region. It is ably supported by the Company's own fleet of Temperature Controlled Vehicles (TCVs) which ensure last

mile delivery," he added.

A total investment of Rs. 32 crore was made to set up the Cold Chain Unit at Bhubaneswar.

The Cold Chain Unit in Odisha is strategically located and is in close proximity to the national highway making it convenient for the customers. It is equipped with the latest refrigeration technology and automated product handling with minimum human contact with food and food grade products ensuring product safety and integrity. The advanced setup is ideal for not only quality food products for export but also domestic storage of fruits and vegetables particularly potatoes in controlled temperatures.

The Bhubaneswar Cold Chain Unit is spread over 1.5 acres and with a storage capacity of 2000 pallets (frozen) and 3000 MT (chilled/ambient) caters to various industrial segments. The Unit has the PSSAI, MPEDA, Factories and Boilers Act 1948 and PCB certifications and the Fire & Safety license.

## ସମ୍ବାଦ

### ଛତାବରରେ ବାଲ୍ମୀକର ଲରିର ନୂଆ କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍

Sambad – 30.07.2022

ଖର୍ଚ୍ଚରେ, ୨୯୭(ଭମିଷ): ମିଳିତରୁ ମହା ବାଲ୍ମୀକର ଲରି ପଞ୍ଚୁ ଛତାବରରେ ଗ୍ରାହକ କରାଯାଇପାରିବା କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍କୁ ଭର୍ଚୁଆଲ୍ ମଧ୍ୟମରେ ଯୋଗାଇଦିଆ ଓ ପ୍ରାକୃତିକ ବାଷ୍ପ ବ୍ୟବହାର କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍ରେ କରିଛନ୍ତି। ଏହି ଅବସରରେ କଂପାନିର ଅଧ୍ୟକ୍ଷ ଆଦିକା ରତ୍ନା ଶେଖର ଯୋଗ

ଦେଇଥିଲେ। ଶ୍ରୀ ଶେଖର କହିଛନ୍ତି ଯେ ଏହା ଲେଉଟି ପୂର୍ଣ୍ଣାଙ୍ଗରେ କଂପାନିର ପ୍ରଥମ ଓ ଲେଖକ ରତ୍ନା ଶେଖର ୩୨ କୋଟି ଟଙ୍କା ବିନିଯୋଗରେ ୧.୫ ଏକର ଭମିଷରେ ଏହାକୁ ଗ୍ରାହକ କରାଯାଇଛି। ଏହା ପ୍ରାକୃତିକ ଖାମସ



ରଞ୍ଜିତକାରୀ ପାଇଁ ଉପଯୁକ୍ତ ଭିଡିଓକୁ ଉପଯୁକ୍ତ ଭେଦ। ଏଥିରେ ଲେଖକ ଖାମସ ଖାମସା(ନିର୍ଦ୍ଦେଶକ)ର କଂପାନି, ଆଲୁ ପାଲ, ପରିଚାଳନା ଆଦିରୁ ମଧ୍ୟ ମହାସିତ

BHUBANESWAR Edition Page No. 15 July 30, 2022

Sakaal – 30.07.2022

### ବାଲ୍ମୀକର ଲରିର ନୂଆ କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍

ଭୁବନେଶ୍ୱର, ୨୯୭(ଭମିଷ): ବାଲ୍ମୀକର ଲରି ଏହି ଦେଶ ମିଳିତରୁ ପଞ୍ଚୁ ଅତି ଭୁବନେଶ୍ୱର ଛତାବରରେ ଏହାର ଅତ୍ୟଧୁନିକ କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍ ଉଦ୍ଘାଟିତ ହୋଇଯାଇଛି। କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍ରେ ଓ ପ୍ରାକୃତିକ ବାଷ୍ପ ମଧ୍ୟମରେ ଅଧୁନିକ ଏହି ମିଳିତରୁ ବି-ଏମ୍ପି ଅନିବା ରଚନାରେ ଏହା ବ୍ୟବହାର ଅତ୍ୟଧୁନିକ ଅଧୁନିକାତ କଂପାନିରେ କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍ ଉଦ୍ଘାଟିତ ହୋଇଯାଇଛି। ଏହା ପ୍ରାକୃତିକ ବାଷ୍ପ ବ୍ୟବହାର କୋଲ୍ଡ ଚେନ୍ ଯୁନିଟ୍ରେ କରିଛନ୍ତି। ଏହି ଅବସରରେ କଂପାନିର ଅଧ୍ୟକ୍ଷ ଆଦିକା ରତ୍ନା ଶେଖର ଯୋଗ



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## BALMER LAWRIE'S NEW COLD CHAIN UNIT AT BBSR

Bhubaneswar: Balmer Lawrie & Co Ltd, a Miniratna I PSE under the Union Ministry of Petroleum & Natural Gas announced the unveiling of its new state-of-the-art Cold Chain Unit at Bhubaneswar on Friday. Minister of State for Petroleum and Natural Gas Rameswar Teli inaugurated the facility.



Pioneer –  
01.08.2022

- <https://www.indiablooms.com/finance-details/16580/bhubaneswar-balmer-lawrie-co-unveils-new-cold-chain-unit.html>
- <http://www.uniindia.com/~cold-chain-comes-up-in-hubaneswar/Business%20Economy/news/2790803.html>
- <https://www.dailypioneer.com/2022/state-editions/page-3-briefs-page-3-briefs-2022-07-31.html>
- <https://pragativadi.com/balmer-lawries-new-state-of-the-art-cold-chain-unit-unveiled-in-city/>
- <https://orissadiary.com/inauguration-of-balmerlawries-new-cold-chain-unit-at-bhubaneswar/>
- <https://www.orissapost.com/balmer-lawrie-launches-its-first-cold-chain-unit-in-eastern-region/>
- <https://www.newsdrum.in/business/balmer-lawrie-launches-its-first-cold-chain-unit-in-eastern-region-67905.html>

## IMF slashes India's FY23 GDP growth forecast by 80 bps to 7.4%

The International Monetary Fund (IMF) on Tuesday slashed India's growth forecast for 2022-23 (FY23) by 80 basis points to 7.4 per cent, citing less favourable external conditions and rapid policy tightening by the central bank. In its update to the April World Economic Outlook, the IMF said that though a global recession in 2022 was ruled out with a growth estimate of 3.2 per cent, the balance of risks was squarely to the downside, driven by a wide range of factors that could adversely affect the global economic performance. "The risk of recession is particularly prominent in 2023, when in several economies growth is expected to bottom out, household savings accumulated during the pandemic will have declined, and even small shocks could cause economies to stall. For example, according to the latest forecasts, the United States will have real GDP growth of only 0.6 per cent in the fourth quarter of 2023 on a year-over-year basis, which will make it increasingly challenging to avoid a recession," it said.

*Business Standard - 26.07.2022*

[https://www.business-standard.com/article/economy-policy/imf-slashes-india-s-fy23-gdp-growth-forecast-by-80-bps-to-7-4-122072601026\\_1.html](https://www.business-standard.com/article/economy-policy/imf-slashes-india-s-fy23-gdp-growth-forecast-by-80-bps-to-7-4-122072601026_1.html)

## Core growth slows in June but grows in double digits

India's core sector output grew a firm 12.7% in June though it slowed from 19.3% in May as the base effect that boosted growth in earlier months began to normalise. The Index of eight core industries was up 8% in June 2022 from the pre-pandemic level of June 2019, indicating a recovery in infrastructure sectors and a pickup in the economy. The index measures the output of eight industries — coal, crude oil, natural gas, refinery products, fertiliser, steel, cement, and electricity. All sectors except crude oil showed growth in production in June, with coal output rising 31.1% from a year ago. Electricity generation was up 15.5% in June, refinery products output grew 15.1% while fertiliser production rose 8.2% in the month from a year earlier. Production of cement rose 19.4%, steel was up 3.3%, and natural gas 1.2%. Crude oil output declined 1.7% from a year earlier. Even if compared against June 2019, which was pre-pandemic, growth was impressive at 8%.

*The Economic Times - 30.07.2022*

[https://epaper.timesgroup.com/article-share?article=30\\_07\\_2022\\_001\\_001\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=30_07_2022_001_001_etkc_ET)

## Finance ministry plans to rationalise non-capital spending



## **Fiscal deficit at ₹3.5 lakh cr in Q1, 21.2% of FY23 target**

The Centre's fiscal deficit came in at 21.2% of the FY23 budget estimates at the end of June quarter, official data released Friday showed. Fiscal deficit stood at 18.2% of the revised FY22 estimates at the end of June in the preceding year. In absolute terms, the fiscal deficit — the gap between revenues and spending that is met with borrowing — stood at ₹3.52 lakh crore at the end of June, as per the data released by the Controller General of Accounts (CGA). Tax revenues at the end of the quarter stood at ₹5.06 lakh crore, 22% higher than the same quarter last year. Non-tax revenues contracted by 51.2% in the same period due to 69.4% lower surplus transferred by the RBI to the centre, pulling down the overall revenue receipts that grew by a tepid 5.2%. Total expenditure stood at ₹9.48 lakh crore, which is 24% of the full year target. This includes capital expenditure of ₹1.75 lakh crore, which was up by 57% compared to last year. Revenue expenditure was up by 9% compared to last year.

*The Economic Times - 30.07.2022*

[https://epaper.timesgroup.com/article-share?article=30\\_07\\_2022\\_007\\_003\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=30_07_2022_007_003_etkc_ET)

## **Import reliance for oil jumps 10 percentage pts since 2015**

India's import dependence for oil has increased by 10 percentage points (pps) since 2015 to the current level of 87%, in sharp contrast to the goal set by the prime minister to reduce it by the same quantum during the period. And with declining domestic production and a spurt in consumption post the pandemic, the inexorable forex outflows for energy will likely continue unabated at least in the short to medium term. In March 2015, Prime Minister Narendra Modi exhorted all stakeholders to increase the domestic production of oil and gas to reduce import dependence from 77% then to 67% by 2022, and further down to 50% by 2030. However, according to official data from the Petroleum Planning and Analysis Cell (PPAC), the reliance on imports has only seen a steady rise since then. In FY22, import dependence was 85.6%, in April-June this year it was 86.5%, and in June alone, 87%. With the rise in crude oil prices and also in the volume of imports, the import bill shot up from \$62.2 billion in FY21 to \$120.4 billion in FY22.

*The Financial Express - 26.07.2022*

<https://www.financialexpress.com/market/comm-odities/import-reliance-for-oil-jumps-10-percentage-pts-since-2015/2605882/>

The finance ministry plans to rationalise non-capital expenditure to complement the price-busting measures of the Reserve Bank of India (RBI). Senior finance ministry officials have asked various ministries and government departments to avoid new schemes with significant revenue expenditure. Ministries and departments have been told that they should not expect additional funds in the revised estimates for revenue expenditure. The government is being cautious as fiscal slippages could undermine RBI's efforts to manage inflation. The departments need to stick to budget estimates, senior officials added. The fiscal deficit for the fiscal is set at 6.4 per cent of GDP. But the government has already reduced petrol and diesel duties while raising the subsidy on fertilisers. Last week, the government reduced the windfall tax on domestic oil and gas players.

*The Telegraph - 26.07.2022*

<https://www.telegraphindia.com/business/finance-ministry-plans-to-rationalise-non-capital-expenditure/cid/1876529>

## **India's June crude oil imports up on demand recovery, Russian discounts**

India's crude oil imports in June rose nearly 21% from the same month last year, helped by a steady increase in consumption, while refiners continued to bring in discounted Russian fuel to manage elevated global energy prices, government data showed on Tuesday. "It's impossible to ignore the base effects of last year's (coronavirus-related) restrictions and the impact that has on demand," said OANDA analyst Craig Erlam, adding that the world economy had roared back to life since. But he cautioned that though impressive, the annual data should be taken with a pinch of salt. Fuel consumption in the world's third-biggest oil consumer also increased in June and seemed to be heading back towards pre-pandemic levels. Adding to the import volume, refiners in India, which had rarely bought Russian oil because of high freight costs, also got an opportunity to snap up oil at hefty discounts to Brent and Middle East staples amid sanctions on Mexico.

*Mint - 26.07.2022*

<https://www.livemint.com/news/india/indias-june-crude-oil-imports-up-on-demand-recovery-russian-discounts-11658830067122.html>

## **India's top refiner reports quarterly loss on fuel discounts, higher costs**

Indian Oil Corp Ltd on Friday reported a loss for the first quarter, as the country's top refiner sold fuel at a discount in the domestic market while its costs jumped. Indian fuel retailers such as IOC, Hindustan Petroleum Corp have not revised pump prices for months to insulate consumers from the global crude price surge, helping the government's efforts to mitigate the impact of inflation. State refiners have had to step up domestic sales of fuel and have suffered marketing losses despite buying cheaper Russian crude as private refiners reduced their share to focus on exports due to higher margins. State-owned Indian Oil's net loss was 19.93 billion Indian rupees (\$251.34 million) for the quarter ended June 30 compared with a profit of 59.41 billion rupees a year earlier. Revenue from operations surged about 63% to 2.52 trillion rupees, while expenses jumped about 73% to 2.55 trillion rupees. The company said its gross refining margin, or profit from converting a barrel of oil into refined products, was \$31.81 per barrel in the three months to June, compared with \$6.58 per barrel a year earlier.

*The Economic Times - 29.07.2022*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-top-refiner-reports-quarterly-loss-on-fuel-discounts-higher-costs/93211079>

## **Windfall tax may go up if crude prices rise: Revenue Secretary Tarun Bajaj**

The Centre will continue fortnightly review of windfall tax on locally produced crude oil, which will be increased if international crude prices go up, revenue secretary Tarun Bajaj said on Thursday. He also ruled out any additional borrowing in the current fiscal, saying the government will take care of the fiscal deficit through higher revenues and by controlling expenses. "If the rates go up or crude prices go up, then naturally the taxes would go up, Bajaj told reporters, adding that everybody is getting adjusted to this new norm. The Centre had on July 1 imposed a levy of ₹23,250 per tonne on domestically produced crude oil. After a review last week, this was reduced to ₹17,000 per tonne as the global crude oil softened. On being asked as to how long the review will continue, Bajaj said it will depend on the oil prices in the international market.

*The Economic Times - 29.07.2022*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/windfall-tax-may-go-up-if-crude-prices-rise-revenue-secretary-tarun-bajaj/93204407>

## **IOC, OVL to acquire stake in Tullow's \$3.5bn project**

Flagship refiner-retailer IndianOil has roped in ONGC Videsh (OVL), the overseas investment arm of state-run explorer ONGC, to revive talks for buying a stake in Tullow Oil's Lokichar oil field in Kenya in a deal size seen at more than \$2 billion, if finalised. Sources said senior executives from the two Indian entities are in Kenya on an exploratory mission. The mission's findings will decide whether IndianOil and OVL decide to proceed to formalise a proposal. The sources said IndianOil had in March shown some interest in acquiring stake in the project, the size of which was then estimated at \$3.5 billion. But those initial contacts with Tullow withered - perhaps because of the project and investment size. This explains IndianOil roping in OVL, which brings on the table expertise in operating oil fields. Tullow holds 50% stake in the south Lokichar field and is willing to give up operatorship in favour of a strategic partner. Total of France and Africa Oil Corporation hold 25% each.

*The Economic Times - 30.07.2022*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ioc-ovl-to-acquire-stake-in-tullows-3-5bn-project/93223761>

## **A new bench of traders muscle in to supply Russian oil to India**

India is set to get more channels to buy cheap Russian oil, with a new wave of smaller, international traders muscling into its vast market by offering barrels shunned by rivals after the invasion of Ukraine. State-run refiners such as Indian Oil Corp. are warming to the idea of buying from the lesser-known traders. Refinery officials said they've found it easier to work with them, rather than directly with Russian producers, as there's less bureaucracy that slows negotiations with firms such as Rosneft PJSC. Companies include Wellbred and Montfort have been marketing Russian oil to Indian buyers, joining the likes of Coral Energy and Everest Energy as more traders emerge to fill the gap left by larger merchants such as Vitrol Group, said the officials, who declined to be named. According to their websites, the companies have offices in Switzerland, Dubai and Singapore.

*The Economic Times - 29.07.2022*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/a-new-bench-of-traders-muscle-in-to-supply-russian-oil-to-india/93198524>

## **India boosted Russian oil imports in April-May by more than 400,000 bpd**

India cranked up Russian oil imports by 4.7 times in April - May, or by more than 400,000 barrels per day (bpd), year-on-year, thanks to a price discount, the Russian central bank said on Tuesday. Indian refiners have been snapping up relatively cheap Russian oil, shunned by Western companies and countries since sanctions were imposed against Moscow for what it calls a "special military operation" in Ukraine. The central bank also said that China increased Russian oil purchases by 55% in May as Russia surpassed Saudi Arabia as the top oil seller to China.

*The Economic Times - 26.07.2022*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-boosted-russian-oil-imports-in-april-may-by-more-than-400000-bpd/articleshow/93138556.cms>

## **IOC to invest Rs 564 crore in West Bengal in FY'23**

State-owned Indian Oil Corporation (IOC) will make investments worth INR 564 crore in more than a few tasks in West Bengal this fiscal. Executive director and state head of West Bengal gross sales workplace (WBSO) Prithvi Bharat informed newshounds right here that the tasks are catalytic dewaxing plant at Haldia, augmentation of Paradip-Haldia-Durgapur pipeline and crude pipeline in Haldia. Of them, Haldia tasks will draw in INR 240 crore. IOC may even fund a brand new LPG bottling plant at Kharagpur at a price of INR 208 crore, taking its overall quantity to 6 within the state. Bharat stated the corporate at this time has 4 CNG pumps in Kolkata and 19 in West Bengal. Plans are there to extend the quantity via some other two within the town and 10 extra within the state all the way through 2022-23. The CNG is sourced from IOC's three way partnership with Adani, he added.

*The Economic Times - 28.07.2022*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ioc-to-invest-rs-564-crore-in-west-bengal-in-fy23/93189989>

## **Petroleum Minister India Hardeep Singh Puri reviewed India's investment in overseas assets**

Union Minister of Petroleum and Natural Gas Shri Hardeep Singh Puri reviewed India's investment in overseas assets with a view to achieving PM Modi's target of energy independence by 2047. The Prime Minister's vision of becoming 'energy independent' by 2047, leading to boost electric mobility, a gas-based economy, doping ethanol in petrol, and a Hydrogen production hub. The Minister in the meeting said, Given our thrust to increase E&P, underscored the importance of aligning our investment strategy to access equity oil & diversifying India's crude oil supply. He further added this will also strengthen the foothold of our companies in these countries, further opening business avenues & reinforcing our bilateral energy bridges.

*PSU Connect - 29.07.2022*

<https://www.psuconnect.in/news/petroleum-minister-india-reviewed-indias-investment-in-overseas-assets/33618>

## **Natural gas demand dips as power companies, refiners switch to alternative fuels**

India's natural gas consumption is shrinking as refiners, power producers and petrochemical plants are using less of the pricey fuel. Domestic consumption fell 2.5% year-on-year in the first quarter of FY23 while gas imports declined 10%, oil ministry data showed. In June, consumption fell 4% over the year. A part of the decline in imports has been offset by rising domestic output, which expanded 5% over the year in April-June. This has also resulted in lower capacity utilization at gas import terminals. The decline in demand is mainly due to industries switching to alternative fuels, an industry executive said. Refiners switched to liquid fuels while generators have been less inclined to use expensive gas to produce power, he added. During April-May, for which sectoral break-up is available, the fertilizer sector remained the biggest consumer of natural gas, with consumption rising 15%. The fertilizer sector, which can fully pass on input costs to customers, consumed 18% less domestic gas and 34% more expensive imported gas compared to a year earlier.

*The Economic Times - 26.07.2022*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/natural-gas-demand-dips-as-power-companies-refiners-switch-to-alternative-fuels/articleshow/93120669.cms>



## **LPG subsidy may be back in FY23**

After the near elimination of the budgetary subsidy on liquefied petroleum gas (LPG) in FY22, the Union government may have to provide a tidy sum for this purpose in FY23. Even though no subsidy has been transferred to the bank accounts of households as cooking gas subsidy since June 2020, an incomplete pass-through of costs to consumers has inflated the state-run oil marketing companies' under-recoveries on this count. Also, the re-introduction of LPG subsidy under the Ujjwala Yojana, which is meant for low-income people at the rate of Rs 200/cylinder, in May 2022 is seen to cost Rs 6,100 crore in FY23. The ministry of petroleum is understood to have flagged requirement of about Rs 40,000 crore to cover LPG under-recoveries of OMCs in H2FY22 and the current fiscal, citing elevated global crude and LPG prices. Nomura has estimated OMCs' under-recoveries on LPG in Q1FY23 alone at Rs 9,000 crore, according to it, in H2 last year, the under-recoveries were to the tune of Rs 6,500-7,500 crore.

*The Financial Express - 26.07.2022*

<https://www.financialexpress.com/market/commodities/lpg-subsidy-may-be-back-in-fy23/2605897/>