

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.)

S&P Raises FY25 India Growth Forecast to 6.8%

S&P Global Market Intelligence on Tuesday raised India's FY25 growth forecast to 6.8% from 6.5% projected earlier. "We have revised up 2024's growth forecast for India due to stronger than expected momentum at the start of the year," said Ken Wattret, global economist at S&P Global Market Intelligence. An improving global economic environment and an expected gradual easing of domestic financial conditions will support economic activity, he said. The global analytics firm also raised India's FY24 forecast upward to 7.3% from 6.9% projected earlier. The government expects the economy to grow 7.6% in FY24. Last month, RBI governor Shaktikanta Das in an interview said the economy could expand by nearly 8% this fiscal. India's growth numbers released last month showed that the economy expanded 8.2% in the first three quarters. "The latest GDP data indicate stronger than expected growth during the first three quarters of fiscal year 2023, led by government infrastructure spending," Wattret said.

The Economic Times - 20.03.2024

<https://economictimes.indiatimes.com/news/economy/indicators/sp-global-market-intelligence-revises-indias-fy25-growth-upwards-to-6-8/articleshow/108622438.cms?from=mdr>

Core inflation seen below 3% in May, say economists

Amid low commodity prices and weak private consumption, economists expect core consumer price index (CPI) inflation to decline further in the near term and possibly even fall below the 3% mark in May. "The current sequential momentum in core CPI has weakened to about 0.2% m-o-m in seasonally adjusted terms. This, if it continues for the next few months, can see core inflation fall below 3% in May 2024," said Dhiraj Nim, economist, ANZ Banking Group. "I expect a gradual fall to about 3% or slightly lower in the next four months." In February, core inflation — which excludes food and fuel components in the CPI basket — stood at 3.3%, the lowest in the current series with base year 2012. Since

RBI forecasts 8% growth prospects on strong demand visibility

The Reserve Bank of India's (RBI) monthly bulletin released on Tuesday highlighted the state of the Indian economy and stated that the India can sustain a GDP growth of 8 per cent fuelled by a conducive macroeconomic configuration which can further the country's growth trajectory. "Over the period FY21-FY24, growth has averaged above 8 per cent; and the underlying fundamentals indicate that this can be sustained and even built upon," the bulletin highlighted. The Central Bank also highlighted that the global economy is losing steam and some of the most resilient economies are seeing a slowdown in growth. High frequency indicators suggest further moderation in the near future, it added. However, amidst all this, India's real GDP growth reached a six-quarter peak in the third quarter of FY24. Behind this push to the GDP was strong momentum, robust indirect taxes, and reduced subsidies. The RBI added that the strong structural demand visibility and improved corporate and bank balance sheets are expected to fuel growth in the coming periods.

The Financial Express - 20.03.2024

<https://www.financialexpress.com/policy/economy-rbi-forecasts-8-growth-prospects-on-strong-demand-visibility-3430902/>

Manufacturing boost propels business activity to 8-month high in March

India's private sector activity rose to an eight-month high in March, helped by a pick-up in growth at goods producers and buoyant demand that prompted aggregate sales rising sharply. The HSBC Flash India Composite PMI (Purchasing Managers' Index) Output Index rose to 61.3 in March, compared with a downward revised figure of 60.6 in February, according to the third flash results released by the company on Thursday. The index measuring the month-on-month change in the combined output of India's manufacturing and service sectors was inside growth territory for the 32nd consecutive month. This upturn was led by the manufacturing industry with the fastest

December, it has stayed in the 3% range. One reason for the decline could be linked to the high base effect, given that core inflation had averaged 6.1% in FY23. However, the continuous fall also reflects underlying weaknesses in demand conditions, partially due to the monetary policy measures taken by the RBI. Since February 2023, the central bank has kept the policy repo rate unchanged at 6.50%.

The Financial Express - 19.03.2024

<https://www.financialexpress.com/policy/economy-core-inflation-seen-below-3-in-may-say-economists-3429703/>

Revenue boom for Modi government as PSU dividend receipts set to touch Rs 62000 crore

The Modi government is expected to benefit from the growing profitability of state-owned PSUs with dividend receipt in 2023-24 likely to cross the budgeted revised estimates (RE) by about 24 per cent to Rs 62,000 crore. The government has so far garnered Rs 61,308.80 crore as dividend receipt for 2023-24, according to the latest data of the Department of Investment and Public Asset Management (DIPAM). The Modi government is expected to benefit from the growing profitability of state-owned PSUs with dividend receipt in 2023-24 likely to cross the budgeted revised estimates (RE) by about 24 per cent to Rs 62,000 crore. The government has so far garnered Rs 61,308.80 crore as dividend receipt for 2023-24, according to the latest data of the Department of Investment and Public Asset Management (DIPAM). Officials are confident the collections will cross the Rs 62,000-crore mark in the remaining days of the fiscal. While presenting the Union budget for 2023-24, finance minister Nirmala Sitharaman had estimated earnings of Rs 43,000 crore through 'Dividends from Public Sector Enterprises and other investments'.

The Telegraph - 19.03.2024

<https://www.telegraphindia.com/business/revenue-boom-for-modi-government-as-public-sector-enterprises-dividend-receipts-set-to-touch-rs-62000-crore/cid/2007848>

India's FY25 economic outlook is bright, but inflation fear stays on: Fin Min

The finance ministry said India's economic outlook for FY25 is bright, thanks to strong growth and robust fundamentals, but headwinds such as hardening crude oil prices and global supply chain bottlenecks remain. In its Monthly Economic

expansions in factory orders and production in nearly three-and-a-half years. "Service providers noted a sharp increase in business activity that was broadly similar to February, while manufacturers recorded the strongest upturn in production since October 2020. According to survey participants, efficiency gains and robust consumer appetite, alongside investment in technology and favourable market conditions, spurred sales. The pace of growth was substantial and stronger than that recorded in February," said the survey.

Business Standard - 21.03.2024

https://www.business-standard.com/economy/news/manufacturing-boost-propels-business-activity-to-8-month-high-in-march-124032100482_1.html

India's exports may reach \$450 bn this fiscal: FIEO Prez Ashwani Kumar

The country's merchandise exports are expected to reach USD 450 billion by the end of this fiscal despite geo-political challenges like the Red Sea crisis, newly elected president of apex exporters body FIEO Ashwani Kumar said on Tuesday. He said that the need of the hour is to address the Red Sea crisis challenges by ensuring the availability of marine insurance and rational increase in freight charges. The exporting sector, particularly, MSMEs, needs easy and low-cost credit, and marketing support to further boost the country's exports, Kumar said, adding early conclusion of free trade agreements such as with the UK and Oman will also help push the outbound shipments. "I will focus on addressing issues of MSMEs as they are going to play. They will play a key role in achieving the USD 1 trillion goods export target by 2030. They are the backbone of the economy and they are facing certain issues pertaining to credit. I would urge banks to come forward in extending support to these units," Kumar said.

Business Standard - 20.03.2024

https://www.business-standard.com/economy/news/india-s-exports-may-reach-450-bn-this-fiscal-fieo-prez-ashwani-kumar-124031900331_1.html

Engineering exports at \$10 billion despite Red Sea challenges, slowdown in key markets

Engineering exports remained positive for the third straight month in February 2024 despite challenges posed by the Red Sea crisis and a slowdown in some of the key markets, EEPC

Review for February 2024 released on March 22, the ministry noted that the ongoing disruptions in the Red Sea could lead to a rise in oil prices, thereby posing upside risks to inflation and, consequently, to growth. "Sustained increases in shipping costs due to disruption can drive up inflation. The crisis is also reverberating in global food prices. Disruptions in grain shipments from the Russian Federation, Ukraine, and Europe pose risks to global food security," the ministry said in its monthly review. Experts have been for a while raising concerns over a resurgence in global inflationary pressures as shipping costs soar due to relentless attacks by Yemen-based Houthi rebels on vessels passing through the Red Sea, a route that accounts for 30 percent of the world's container traffic and 12 percent of global trade. The finance ministry acknowledged that Asian economies such as China, Japan, India, and South Korea are among the largest net oil importers globally. Hence, continued shipping disruptions could hit Asia. A rise in oil prices could spur inflation and thereby impact growth.

Moneycontrol - 22.03.2024

<https://www.moneycontrol.com/news/business/indias-fy25-economic-outlook-remains-bright-but-inflation-fear-stays-on-fin-min-12509031.html>

Spotlight shifts to oil demand as OPEC+ move clears the air on supplies

The decision by OPEC and its allies to extend production cuts until June as well as the surprise decision by Russia of an extra round of reductions have largely laid out a clear near-term supply roadmap for global oil markets. But a lukewarm market reaction to those decisions suggests that no fireworks are in store on the demand side. In addition, non-OPEC output might be more than enough to cover any incremental demand growth, which is largely expected to be modest. Saudi Arabia, Iraq, the UAE and several other OPEC+ countries said March 3 they planned to maintain some 1.7 million b/d in output curbs through the end of June. The quotas were originally scheduled to expire at the end of March, but the alliance decided to keep a tighter grip on supplies for a while longer amid a hazy economic outlook. Russia, on the other hand, said it would implement a new formula that would gradually convert its previous export cuts into crude production cuts over that span.

The Economic Times - 19.03.2024

https://energy.economictimes.indiatimes.com/news/oil-and-gas/spotlight-shifts-to-oil-demand-as-opec-move-clears-the-air-on-supplies/108580047?utm_source=newslisting&utm_medium=latestNews

India chairman Arun Kumar Garodia said. In February this year, the value of engineering shipments stood at \$9.94 billion, registering a growth of 15.9 per cent over the same month last year. On the back of better performance in the second half of the year, the cumulative engineering exports growth has now turned positive. In the April-February period of the current financial year, engineering exports stand at \$98.03 billion compared with \$96.48 billion in the corresponding period of the previous year. The optimism has sprung in the backdrop of moderating global inflation and improving economic growth forecasts of an optimistic outlook for world trade in 2024, the United Nations Conference on Trade and Development (UNCTAD) said. The decline in the value of global trade throughout 2023 was primarily driven by reduced demand in developed nations and trade weaknesses within East Asia and Latin American regions, UNCTAD said in its 'Global Trade Update'. Lower commodity prices further contributed to lowering the value of international trade in 2023. In contrast, trade in services saw growth for most of 2023.

The Telegraph - 26.03.2024

<https://www.telegraphindia.com/business/engineering-exports-at-10-billion-despite-red-sea-challenges-slowdown-in-key-markets/cid/2009186>

Imports of natural gas continue to surge

India's appetite for imported natural gas is dramatically growing with prices falling in the international markets. Imports of liquefied natural gas (LNG) surged 33% year-on-year in February, after increasing 26% in January, 12% in December last year and 5% in November. LNG imports cost \$1.1 billion in February, as much as in the year-ago period, even though the volumes were a third higher this year at 2.45 billion cubic metres. For the first 11 months of this financial year, LNG imports cost \$12 billion, lower than \$15.9 billion last year, even though volumes were up 18% this year. For consumers, gas became more attractive than alternative fuels due to unusually low prices this winter, said an industry executive, adding that industrial consumers are switching to gas as it has become more affordable. Fertiliser, city gas and power sectors accounted for two-thirds of the increase in imported gas consumption in January.

The Economic Times - 19.03.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/imports-of-natural-gas-continue-to-surge/articleshow/108597085.cms>

India targets to hike share of natural gas in the energy mix to 15 per cent'

India targets to increase the share of natural gas in its overall primary energy mix to 15 per cent by 2030 from the prevailing 6 per cent share, said credit rating agency CARE Ratings. In its latest report on the industry, CARE Ratings said India is envisaged to have robust demand for natural gas from all the major consumption segments viz. fertiliser, city gas distribution, power, refineries, and petrochemicals. "After digesting the shocks of the Covid-19 pandemic and the Russia-Ukraine war, gas consumption in FY24 is expected to be the highest ever in the country," it said. According to the report, imported LNG prices which had shot up significantly in FY23 due to supply disruptions, arising from the outbreak of the Russia-Ukraine war, have also now normalised during the last year. Further with a sizeable expansion of LNG export capacities being undertaken by the gas surplus hubs/regions of the world, imported LNG prices in India are expected to remain range-bound, thus supporting demand, the report states.

Sarkaritel.com - 20.03.2024

<https://www.sarkaritel.com/india-targets-to-hike-share-of-natural-gas-in-the-energy-mix-to-15-per-cent/>

Crude oil processing volumes remain steady in Feb at 20.9 MMT: PPAC

Crude oil volumes processed by Indian refiners remained steady in February at 20.9 million metric tonnes (MMT), data released by the Petroleum Planning and Analysis Cell (PPAC) on Wednesday showed. Processed volumes rose by a marginal 0.14 per cent as compared to 20.8 MMT processed in February 2023. On a sequential basis however, volumes fell 7.48 per cent from January's 22.5 MMT. Out of the total volume processed in February, government-owned oil public sector undertakings (PSUs) and joint ventures accounted for 14.3 MMT, while private refiners processed 6.5 MMT of crude oil. In February, crude oil imports decreased by 6.5 per cent to 18.01 MMT, compared to the corresponding period in the previous year. On a sequential basis, imports fell 16.8 per cent. According to estimates by London-based commodity data analytics provider Vortexa, which uses ship movements to gauge imports, Russia remained the single-largest supplier of crude oil for the 17th consecutive month as of February.

Business Standard - 22.03.2024

India's Russian oil imports edged up in February from January

India's import of Russian oil edged up in February over January, reversing declines seen in the past two months, data from industry sources showed on Wednesday, as refiners received some parcels of Russian light sweet Sokol grade. The world's third biggest oil importer and consumer, India has been gorging on Russian oil since the West imposed sanctions on Moscow for its invasion on Ukraine in February 2022. The South Asian nation emerged as the top buyer of Russian oil in 2023 after some entities and nations retreated from purchases in December 2022. Last month, Indian refiners imported 1.51 million barrels per day (bpd) of Russian oil, a rise of about 2.8% from January, the data showed. That was about 12.2% lower than the corresponding month a year ago. Russian oil made up about 32% of India's overall oil imports in February, compared with 28% the previous month, the data showed.

The Economic Times - 20.03.2024

https://economictimes.indiatimes.com/industry/energy/oil-gas/indias-russian-oil-imports-edged-up-in-february-from-january/articleshow/108648775.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Self-sufficiency in petro products declines, amid steady exports

India's petroleum products exports may be marginally outpacing the overall outward shipments, but imports of these items are rising at a faster rate. As a result, the country's self-sufficiency in oil products has been witnessing a decline from 14.5% in 2011-12 to 12.6% in 2022-23, and further to 12.3% in April-February this fiscal, according to data from the government's Petroleum Planning and Analysis Cell. India is already a huge net importer of crude oil and import reliance for this primary source of energy has only risen in recent years. The country imported 43.8 million tonnes of petroleum products in Apr-Feb period, up 9% from the year last year. The imports were valued at \$21.2 billion. India exported 57.3 million tonnes of refined oil products during the first eleven months of the current financial year, up 4% on year on the back of rising demand from overseas markets. In February alone, the country exported 5.8 million tonnes of petroleum products, up 14.8% from last year.

The Financial Express - 22.03.2024

https://www.business-standard.com/economy/news/crude-oil-processing-volumes-remain-steady-in-feb-at-20-9-mmt-ppac-124032000868_1.html

Government allows UAE's Adnoc to export oil from Indian strategic storage

The government has allowed Abu Dhabi National Oil Company (Adnoc) to export crude oil it has stored in underground strategic storages at Mangalore to give operational flexibility to the foreign firm, an order of the Ministry of Commerce and Industry said on Saturday. At present, crude oil, which is the raw material for producing fuels like petrol and diesel, is not allowed to be exported except through the state-owned Indian Oil Corporation (IOC). In an order, the ministry said the condition of export being allowed only through IOC will continue, but "AMI (Adnoc Marketing International (India) RSC Limited India) is exempted from STE conditions and is allowed to re-export crude oil from their commercial stockpile at Mangalore strategic petroleum reserve, at their own cost". India, the world's third-biggest oil importer and consumer, imports over 85 per cent of its oil needs and has built strategic storages at three locations to store up to 5.33 million tonnes of oil as insurance against any supply disruption. The storage at Visakhapatnam (1.33 million tonnes) in Andhra Pradesh, Mangalore (1.5 million tonnes), and Padur (2.5 million tonnes) in Karnataka can meet about 9 days of national demand. The Indian Strategic Petroleum Reserve Ltd has leased half of the 1.5 million tonne capacity in Mangalore storage to Adnoc. The remaining was retained by ISPRL.

The Economic Times - 23.03.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/government-allows-uaes-adnoc-to-export-oil-from-indian-strategic-storage/articleshow/108733365.cms>

India stops taking Russian oil delivered on Sovcomflot tankers

All of India's refiners are now refusing to take Russian crude carried on PJSC Sovcomflot tankers due to US sanctions, further complicating the trade that has flourished since the invasion of Ukraine two years ago. Private and state-run processors including the biggest — Indian Oil Corp. — have stopped taking cargoes if they're on Sovcomflot tankers, said people familiar with the matter. Refiners are scrutinizing the ownership of each ship to make sure they're not affiliated with the company, or other sanctioned groups, they added, asking not to be named because the information is private. The broader pushback follows a similar move by India's biggest private

<https://www.financialexpress.com/market/commodities-self-sufficiency-in-petro-products-declines-amid-steady-exports-3433160/>

Transition capex and R&D spending crucial for Indian oil & gas companies net zero goals: Report

Indian oil and gas companies are setting net zero and sustainability targets that are significantly more aggressive than those set by their international counterparts, according to a report by India Ratings and Research (Ind-Ra). The analysis suggests that the Indian O&G sector's ambitious goals, set for the years 2035 to 2046, are challenging given the current lower allocations of capital expenditure (capex) towards the green transition, which is mainly focused on reducing process emissions. "The progress against interim milestones and the availability of funding will be key in assessing its success," Ind-Ra noted, underscoring the importance of these factors in realizing the set objectives. The agency emphasized that the journey towards these ambitious targets would hinge critically on these factors, given the sector's initial steps towards broader environmental goals.

The Economic Times - 23.03.2024

https://energy.economictimes.indiatimes.com/news/oil-and-gas/transition-capex-and-rd-spending-crucial-for-indian-oil-gas-companies-net-zero-goals-report/108692873?utm_source=top_story&utm_medium=lates

Global crude prices, supply chain concerns due to Red Sea attacks may curb growth: Finance ministry

The economic outlook in 2024-25 looks bright, but the hardening of crude oil and supply chain concerns pose an upside risk to inflation and consequently to growth, the finance ministry monthly economic report said. "Sustained increases in shipping costs due to disruption can drive up inflation. The crisis is also reverberating in global food prices. Disruptions in grain shipments from the Russian Federation, Ukraine, and Europe pose risks to global food security," the ministry said in its monthly review. Experts have been for a while raising concerns over a resurgence in global

refiner, Reliance Industries Ltd., reported earlier this week. The heightened scrutiny on the tanker giant appears to have also swept up other oil ships carrying Russian oil, with two vessels waiting several weeks off the South Asian coast without any indication of when they will unload. Indian Oil, Bharat Petroleum Corp., Hindustan Petroleum Corp., Mangalore Refinery & Petrochemicals Ltd. and Nayara Energy Ltd. — 49% owned by Russia's Rosneft PJSC — didn't immediately reply to emails seeking comment.

The Economic Times - 22.03.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-stops-taking-russian-oil-delivered-on-sovcomflot-tankers/articleshow/108704791.cms?from=mdr>

Biranchi Das takes over as Director (personnel) at SECL

Shri Das brings with him a rich and extensive experience of over 29 years in diverse areas of human resource management. He is an alumnus of the Department of Personnel Management and Industrial Relations, Utkal University, Odisha

PSU Connect - 22.03.2024

<https://www.psuconnect.in/news/biranchi-das-takes-over-as-director-personnel-at-secl/41897>

inflationary pressures as shipping costs soar due to relentless attacks by Yemen-based Houthi rebels on vessels passing through the Red Sea, a route that accounts for 30 per cent of the world's container traffic and 12 per cent of global trade. A rise in crude price would trigger inflationary pressure on the economy and impact growth. India imports over 80 per cent of its needs. The review said India may face a sectoral impact on agricultural commodities, marine products, textiles and chemicals, capital goods, and petroleum products due to the ongoing Red Sea crisis.

The Telegraph - 23.03.2024

<https://www.telegraphindia.com/business/global-crude-prices-supply-chain-concerns-due-to-red-sea-attacks-may-curb-growth-finance-ministry/cid/2008748>

EPFO adds net 1.6 mn members in January; 808,000 enroll for 1st time

Retirement fund body EPFO added a net 1.6 million subscribers in January 2024, according to payroll data released on Sunday. Around 808,000 members were enrolled for the first time in January 2024, a labour ministry statement said on Sunday. The Employees' Provident Fund Organization's (EPFO) provisional payroll highlighted that the EPFO has added 1.602 million members on a net basis in January 2024, the ministry said. A noticeable aspect of the data is the dominance of the 18-25 age group, constituting a significant 56.41 per cent of the total new members added in January 2024 indicating the majority of individuals joining the organized workforce are youth, primarily first-time job seekers.

Business Standard - 24.03.2024

https://www.business-standard.com/economy/news/epfo-adds-net-1-6-mn-members-in-january-808-000-enroll-for-1st-time-124032400554_1.html