

# 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.)

## **ADB retains India's growth forecast at 6.4% for current fiscal**

The Asian Development Bank (ADB) on Wednesday retained India's economic growth forecast at 6.4 per cent for FY24 on recovery in consumption demand in both rural and urban areas but said suppressed exports due to global slowdown will be a drag. The Indian economy grew 7.2 per cent in 2022-23. In an update to its Asian Development Outlook (ADO), ADB lowered its inflation projection for current fiscal year (FY24) at 4.9 per cent, from 5 per cent pegged in April, on softening crude oil prices, even though it estimated core inflation to remain "stubbornly high". "Assuming normal rainfall and other weather factors, and no further geopolitical shocks, India is expected to grow by 6.4 per cent in FY2023 (current fiscal) and 6.7 per cent in FY2024, as projected in ADO April 2023," ADB said. In current fiscal year, consumption demand in India is expected to recover with improvement in both rural and urban demand as reflected in such indicators as consumer confidence, urban unemployment, and motorbike sales.

*The Indian Express - 20.07.2023*

<https://indianexpress.com/article/business/economy/adb-retains-indias-growth-forecast-for-current-fiscal-8847510/>

## **Cos' revenue growth in Q1 may slow down, but margins to rise**

For the first time in eight quarters, Indian corporates' aggregate revenue could see a decline as demand slowed and commodity prices fell, but profitability may improve marginally as raw materials prices eased, said Crisil. Revenue growth for the June quarter could fall 200 basis points lesser than in the previous year, said the rating company. A basis point is 0.01 percentage point. On-year growth rate could also ease for the fourth straight quarter to six to eight percent. But operating profit margin may climb to 20% from 19.6% in the first quarter of last fiscal, and 19.3% in the fourth quarter, it said. "Of the total on-year incremental revenue during the first quarter, nearly 60% would have been contributed by just

## **No major reforms expected till 2024 polls, rains may weigh on prices: S&P**

India is unlikely to embark on any major new reforms till the 2024 elections, but momentum could pick up if the next government comes with a strong mandate, S&P Global Ratings said Wednesday. The central government will be able to meet its fiscal deficit target, but the country faces the risk of rising prices due to uneven monsoons. "Regarding the elections in India, our expectation is that major new reforms in the country are probably unlikely right up to the election cycle and until the 2024 elections are over," Andrew Wood, Director, Asia Pacific Sovereign Ratings, S&P Global Ratings, said during a webinar. "After that, reform momentum could pick up if there is a strong mandate for the next government". Addressing concerns that rising expenditure could strain government finances, Wood said revenue growth in India has remained healthy, and the deficit is expected to decline. "The general government deficit will stay in the 7-9% range," Wood pointed out, mentioning that the global rating agency expects the general government (state and Centre combined) deficit to fall to 8.9% this fiscal from 10% in FY23.

*The Economic Times - 20.07.2023*

[https://epaper.timesgroup.com/article-share?article=20\\_07\\_2023\\_004\\_030\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=20_07_2023_004_030_etkc_ET)

## **IMF warns inflation may stay high, sees need for monetary tightening**

The International Monetary Fund (IMF) Tuesday cautioned that inflation could remain higher for longer, requiring even more monetary policy tightening, as it pitched for strengthening global safety nets to protect the vulnerable sections of the population. IMF chief Kristalina Georgieva, in her observations at the G20 finance ministers and central bank governors meeting, called upon the membership to restore the primacy of multilateral lender's quota resources by successfully completing the 16th quota review by the end of this year. The IMF chief said the debt restructuring process still needs to be speedier and more effective as the costs of delays in reaching agreements are borne

three segments — investment-linked, export-linked, and consumer discretionary products and services," said Aniket Dani, director, Crisil. "Within these, a majority of this rise is likely driven by the automobile and cement sectors. Export-linked sectors are seen bucking the decline largely on the back of healthy growth in IT services and pharmaceuticals".

*The Economic Times - 19.07.2023*

[https://epaper.timesgroup.com/article-share?article=19\\_07\\_2023\\_006\\_003\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=19_07_2023_006_003_etkc_ET)

## **India can become developed nation by '47 with 7.6% growth**

India could become a developed country by 2047 with an average annual real GDP growth of 7.6% sustained over the next 25 years, the Reserve Bank of India (RBI) said on Monday in its July news bulletin. The article, authored by Harendra Behera, Dhanya V, Kunal Priyadarshi and Sapna Goel, who are from the RBI's Department of Economic and Policy Research said that it is feasible, powered by the growth augmenting impact of policy focus on structural reforms, investments, logistics and digitalization of the economy, upskilling the labour force to reap the potential of favourable demography, and sectoral policy initiatives covering manufacturing, exports, tourism, education, and health. According to the RBI, the task, however, may not be easy, given the current level of capital stocks, infrastructure and skill sets of the people. India needs to follow a multipronged approach for engaging the large pool of labour force productively and harnessing growth opportunities in knowledge-oriented sectors.

*The Indian Express - 18.07.2023*

<https://www.newindianexpress.com/business/2023/jul/18/india-can-become-developed-nation-by-47-with-76-growth-2595972.html>

## **Report: Swachh Bharat, JJM improved sanitation**

Between 2015-16 and 2019-21, the MPI (multi-dimensional poverty index) value has nearly halved from 0.117 to 0.066 and the intensity of poverty has reduced from 47% to 44%, thereby setting India on the path of achieving the SDG (Sustainable Development Goals) target 1. 2 (of reducing multi-dimensional poverty by at least half) much ahead of the stipulated deadline of 2030. "It demonstrates the government's strategic focus on ensuring sustainable and equitable development and eradicating poverty by 2030, thereby adhering to its commitment

acutely by borrower countries and their people, who are least able to bear this burden.

She noted that medium-term growth prospects remained weak. "We are thus looking at a mixed picture, and risks remain on the downside," she said, adding that there is a need to strengthen the global financial safety net.

*The Economic Times - 19.07.2023*

[https://epaper.timesgroup.com/article-share?article=19\\_07\\_2023\\_009\\_015\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=19_07_2023_009_015_etkc_ET)

## **Manufacturing sentiment positive in first quarter, shows Ficci survey**

Federation of Indian Chambers of Commerce & Industry's (Ficci's) latest quarterly survey on manufacturing reveals that sentiment is positive during the first quarter (Q1). Over 57 per cent of respondents expect a higher level of production during the April-June quarter. This is on the back of higher orders and continuing optimism in domestic demand conditions in Q2 as well, the survey added. In the fourth quarter of FY23, 55 per cent of the respondents reported higher production levels. Responses have been drawn from over 400 manufacturing units from both large and SME (small and medium enterprise) segments with a combined annual turnover of over Rs 7.70 trillion. Ficci's survey assessed the sentiments of manufacturers for Q1 in nine major sectors. They are automotive and auto components, capital goods and construction equipment, cement, chemicals, fertilisers and pharmaceuticals, electronics and white goods, machine tools, metal and metal products, textiles, apparels and technical textiles, toys and handicrafts as well as miscellaneous.

*Business Standard - 18.07.2023*

[https://www.business-standard.com/economy/news/sentiments-remain-positive-for-indian-manufacturing-in-q1-ficci-survey-123071700812\\_1.html](https://www.business-standard.com/economy/news/sentiments-remain-positive-for-indian-manufacturing-in-q1-ficci-survey-123071700812_1.html)

## **Hardening crude dampens prospect of cut in retail fuel prices**

The recent hike in crude oil prices to around \$80 from \$75 per barrel has dampened the chances of a reduction in retail fuel prices. Oil price will have to remain below \$80 for a long period before oil marketing companies (OMCs) begin passing down the benefit to consumers, industry experts said. "Now, with the oil prices going above \$80, it (cutting the retail petrol and diesel prices) has once again gone out of active consideration. In fact, we can bear it up to a level of \$85-\$90, but beyond that means losses," said a refinery official. Oil prices gained

towards the SDGs," according to an official statement. The national MPI measures deprivations across health, education and standard of living that are represented by 12 SDG-aligned indicators. These include nutrition, child and adolescent mortality, maternal health, years of schooling, school attendance, cooking fuel, sanitation, drinking water, electricity, housing, assets, and bank accounts. Marked improvement is witnessed across all the 12 indicators, according to the report.

*The Times of India - 18.07.2023*

[https://epaper.timesgroup.com/article-share?article=18\\_07\\_2023\\_012\\_016\\_toikc\\_TOI](https://epaper.timesgroup.com/article-share?article=18_07_2023_012_016_toikc_TOI)

## **Petrol, diesel sales fall as monsoon ebbs demand**

India's petrol and diesel consumption fell in the first half of July as fury of monsoon flipped travel plans and reduced the demand in the agricultural sector, preliminary industry data showed. Demand for diesel, the most consumed fuel in the country accounting for about two-fifths of the demand, fell 15% to 2.96 million tonnes in July 1- July 15, compared to the year-ago period. Consumption of diesel, which had soared 6.7% and 9.3% in April and May, respectively, as agriculture demand picked up and cars yanked up air-conditioning to beat the summer heat, has tapered since the second half of June after the monsoon set in. Month-on-month sales fell almost 20%, when compared with 3.68 million tonnes of diesel consumed in June 1- June15. Petrol sales dropped 10.5% to 1.25 million tonnes during the first half of July 2023, when compared with the same period last year. Sales were down 10.8% month-on-month, the data showed.

*The Hindu - 18.07.2023*

<https://www.thehindu.com/business/Economy/petrol-diesel-sales-fall-as-monsoon-ebbs-demand/article67089788.ece>

## **Fall in freight to keep Russian oil in demand**

Narrowing discounts and concerns over rupee payments notwithstanding, Russia will likely retain its newly acquired tag of India's top oil supplier because of a sharp fall in freight, according to analysts and sources from oil marketing companies. The lower freight costs will largely offset the impact of the plunge in discounts, retaining the attractiveness of Russian oil for Indian buyers, they said. Freight rates for delivery of Russian oil to western India from Baltic ports, which had shot up to around \$18 per barrel in early 2023 following western sanctions last

momentum in recent weeks after Saudi Arabia and Russia announced supply cuts and inflation eased in the US. The crude price has been hovering around \$80 a barrel in July while the average price of Indian basket of crude oil was below \$75 for the months of May and June, as per the oil ministry. "Chances of a cut in fuel prices have been impacted. The OMCs will wait and watch how crude oil prices pan out.

*The Financial Express - 19.07.2023*

<https://www.financialexpress.com/market/commodities/hardening-crude-dampens-prospect-of-cut-in-retail-fuel-prices/3177023/>

## **Natural gas prices down over 70% in 1 year. Decoding the bad news**

Global natural gas prices shed more than 70 per cent in the last 12 months, influenced by a complex interplay of supply and demand dynamics shaped by geopolitical events, weather patterns, technological advancements, and global economic conditions. In the key US NYMEX futures platform, prices have been struck at \$2-3 mmbtu levels since the start of the year. Similarly, after hitting an all-time high of Rs 801 in domestic MCX futures, prices plummeted sharply, trading below Rs 250 levels throughout the period. The year 2022 was the most volatile period ever for gas prices. Global supply chain uncertainties due to the Russia-Ukraine war and export hindrances from the top producer, the US, resulted in unusual price fluctuations in the commodity. Russia used its natural gas exports as an economic weapon against Western European countries last year, which forged worries over acute fuel shortage, sending prices to record highs.

*The Economic times - 24.07.2023*

<https://economictimes.indiatimes.com/markets/commodities/news/natural-gas-prices-down-over-70-in-1-year-decoding-the-bad-news/articleshow/102053239.cms>

## **Gross leasing of industrial-warehousing space down 12% across 5 cities**

Leasing of Industrial & warehousing spaces during April-June fell 12 per cent year-on-year to 40 lakh square feet area across five major cities mainly due to lower demand in Delhi-NCR and Chennai, according to Colliers. Real estate consultant Colliers India released its India industrial and warehousing market snapshot for the April-June quarter of this calendar year, showing the gross leasing in April-June across five cities fell 44 pc from the previous quarter. As per the data, leasing of industrial and

December, began moderating after March, and are now down to less than \$10 a barrel. "The cost of transportation of Russian oil to western India from Novorossiysk currently stands at \$6.8-7 per barrel, and \$9.5-10 per barrel from Baltic ports," head of economic department at Russia's Institute for Energy and Finance Sergey Kondratyev said in an article for InfoTEK analytical centre.

*The Financial Express - 20.07.2023*

<https://www.financialexpress.com/market/commoities/fall-in-freight-to-keep-russian-oil-in-demand/3178610/>

### **ONGC revamp: New director to spearhead new energy, petrochemicals business**

Oil and Natural Gas Corporation (ONGC) will have a new director to spearhead its new energy, petrochemicals and corporate strategy, as part of a board revamp aimed at breathing fresh life into the state-controlled behemoth. A new director for strategy and corporate affairs has been created, according to an office order from the company. This will be besides a newly consolidated production division following a board-level reorganisation. ONGC aims to draw synergies from the merger of its onshore and offshore divisions in creating a director for production, which is headed by Pankaj Kumar. The post of Director (Production) has been created after merging Director (Onshore), who is in charge of all oil and gas fields located on land, and Director (Offshore) who looks after all offshore assets such as the prime Mumbai High fields.

*The Economic Times - 18.07.2023*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/ongc-revamp-new-director-to-spearhead-new-energy-petrochemicals-business/101809678>

### **Rajay Kumar Sinha takes charge as SBICAPS chief**

Rajay Kumar Sinha has taken charge of SBI Capital Markets Limited (SBICAPS) with effect from July 14. Prior to this, he was in charge of Treasury operations at State Bank of India (SBI), managing investment portfolio, money market, equity, private equity & forex operations of the bank, per a SBICAPS statement. SBICAPS is the wholly owned investment banking arm of SBI. Sinha, who joined SBI in 1991 as a Probationary Officer, has replaced Amitava Chatterjee, who has moved to SBI, Corporate Centre, as Deputy Managing Director, in charge of Commercial Clients Group.

*The Hindu Business Line - 19.07.2023*

warehousing space in Pune region rose 15 per cent to 10 lakh (1 million) square feet during April-June period. Mumbai also saw a 12 per cent increase in demand to 9 lakh (0.9 million) square feet in the second quarter of this calendar year. The leasing in Bengaluru went up 17 pc to 7 lakh (0.7 million) square feet during April-June.

*Business Standard - 24.07.2023*

[https://www.business-standard.com/industry/news/gross-leasing-of-industrial-warehousing-space-down-12-across-5-cities-123072300282\\_1.html](https://www.business-standard.com/industry/news/gross-leasing-of-industrial-warehousing-space-down-12-across-5-cities-123072300282_1.html)

### **LIC appoints Sat Pal Bhanoo as new MD**

Life Insurance Corporation of India on Wednesday announced that it has appointed Sat Pal Bhanoo as the managing director of the company. "Shri Sat Pal Bhanoo, Additional Zonal Manager (In-Charge) Zonal Office, LIC of India, Bhopal, has been appointed as Managing Director, LIC of India vice Shri Siddhartha Mohanty (presently serving as Chairperson) with effect from the date of assumption of charge of office and upto the date of his superannuation (i.e.,31.12.2025), or until further orders, whichever is earlier," LIC said in a regulatory filing. Sat Pal Bhanoo will take charge from Siddhartha Mohanty, who has been appointed as chairman of the firm in April. The insurance major had earlier appointed M Jagannath as one of the managing directors in its board and he had taken charge of the position on March 13, 2023.

*The Financial Express - 20.07.2023*

<https://www.financialexpress.com/industry/lic-appoints-sat-pal-bhanoo-as-new-md/3178544/>

### **A Madhavarao assumes charge as CMD of BDL**

A Madhavarao has assumed charge as Chairman & Managing Director (CMD) of Bharat Dynamics Limited (BDL) with effect from July 19. Prior to this, he was serving as Director (Technical) in the same organisation. The Central Government has approved the appointment of A Madhavarao for the BDL's CMD post for period with effect from the date of his assumption of charge of the post till the date of his superannuation i.e., April 30, 2026, or until further orders, whichever is earlier. Madhavarao had joined BDL in March 2020 as Executive Director and was currently holding the post of Director (Technical) with additional charge of Director (Production). An Alumnus of

<https://www.thehindubusinessline.com/money-and-banking/rajay-kumar-sinha-takes-charge-as-sbicaps-chief/article67093329.ece>

various prestigious educational Institutes and Universities, Madhavarao has a B. Tech in Electrical Engineering, ME in Electronics & Telecommunication, M Sc in Defence Studies, MBA in Finance and Master of Management Studies.

*PSU Watch - 21.07.2023*

<https://psuwatch.com/defencewatch/cmde-a-madhavarao-assumes-charge-as-cmd-of-bdl>

### **Anuttam Mishra set to be next Director (Technical) of IREL**

Anuttam Mishra is set to be next Director (Technical) of IREL India Limited, a PSU under the Department of Atomic Energy (DAE). He has been recommended for the post by the Public Enterprises Selection Board (PESB) panel on Wednesday. Presently, he is serving as General Manager (Technical) in the same organisation. Mishra has been recommended for the post of Director (Technical) of IREL from a list of nine candidates, who were interviewed by the PESB selection panel in its selection meeting held on July 19. Out of nine candidates, five candidates were from IREL and one each from NMDC Limited, NALCO, WCL and NLC India Limited.

*PSU Watch - 20.07.2023*

<https://psuwatch.com/psu-appointments/anuttam-mishra-set-to-be-next-director-technical-of-irel>