

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.)

IMF raises India's FY24 growth forecast to 6.1%

The International Monetary Fund (IMF) on Tuesday raised India's gross domestic growth projection for 2023-24, citing robust quarterly growth driven by domestic investment. "Growth in India is projected at 6.1% in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment," the IMF said in its latest update to the World Economic Outlook (WEO). In April, the IMF had cut India's GDP growth forecast for 2023-24 to 5.9% from 6.1%, citing heightened global certainty. The latest update to the WEO retained the GDP growth forecast for 2024-25 at 6.3%. The estimate helps India retain the fastest growing major economy tag for this fiscal year and the next. The IMF's projection is lower than the Reserve Bank of India's estimate of 6.5%. The World Bank estimates growth at 6.3% and the Asian Development Bank at 6.4%.

The Times of India - 26.07.2023

https://epaper.timesgroup.com/article-share?article=26_07_2023_015_013_toikc_TOI

India's per capita income seen growing nearly 70% to USD 4,000 by FY30

India's per capita income is likely to grow by nearly 70 per cent to USD 4,000 by FY 2030 from USD 2,450 in fiscal 2023, helping it become a middle-income economy with USD 6-trillion GDP, stated a report. According to the report, the major growth driver will be external trade which may nearly double to USD 2.1 trillion by 2030 from USD 1.2 trillion in fiscal 2023 when the GDP printed in at USD 3.5 trillion. Furthermore, household consumption will also play a key role. The second biggest growth driver will be household consumption which is seen jumping to USD 3.4 trillion by fiscal 2030-which is as big as the current size of the GDP-from USD 2.1 trillion in fiscal 2023, Standard Chartered Bank said in a weekend report which assumes a 10 per cent nominal GDP growth annually from now on. Household consumption is as much as 57 per cent of GDP now.

India set to be third largest economy by FY28: SBI Research

India will become the third largest economy by FY28, two years earlier than projected, said SBI Research economists in a note on Thursday. "The Indian economy continues to enjoy a period of sustained goldilocks," SBI Research economists said, pointing out that India will surpass Japan and Germany at the current growth rate and account for a 4% share of global GDP. SBI economists said India will likely grow 8.1% in the first quarter of FY24, pushing the overall growth rate to 6.5%. India recorded a 13.5% growth in the first quarter of FY23. The forecast aligns with RBI projections of 6.5% growth in FY24 but is more optimistic than the IMF's revised forecast of 6.1%. Earlier this week, the IMF revised its growth forecast upwards by 0.2 percentage points on the back of strong domestic investment. PM Narendra Modi on Wednesday remarked that the country will become the third largest economy during his third time in office. The general elections are due in 2024.

The Economic Times - 28.07.2023

https://epaper.timesgroup.com/article-share?article=28_07_2023_008_012_etkc_ET

Industrial licenses issued under IDR Act to be valid for 15 years

The government on Monday said that all industrial licenses issued under the Industries (Development and Regulation) Act will now be valid for 15 years as against three years. In a press note, the department for promotion of industry and internal trade (DPIIT) said that the move is aimed to promote ease of doing business. "In supersession of all earlier Press Notes, the period of validity of industrial license is being extended from three years to fifteen years for all kind of licenses henceforth to be granted under IDR Act in line with the validity of licenses being issued for defence items as a measure for ease of doing business," the DPIIT said. The ministry concerned can grant extension of three years. As per the guidelines, this is applicable for extension of validity of the license in cases where the existing license

The Economic Times - 31.07.2023

<https://economictimes.indiatimes.com/news/economy/indicators/per-capita-income-seen-growing-nearly-70-to-usd-4000-by-fy30/articleshow/102249069.cms?from=mdr>

Chemicals and Petrochem may Get PLI Scheme: Finance Minister

Finance minister Nirmala Sitharaman Thursday said the government is considering a production-linked incentive (PLI) scheme for the chemicals and petrochemicals sector to promote manufacturing and to reduce import dependency. "We are in favour of having India becoming a manufacturing hub and therefore of course we will consider the PLI also for the chemicals and petrochemicals," Sitharaman said at the 'Global Chemicals and Petrochemicals Manufacturing Hubs in India' summit, organised by Federation of Indian Chambers of Commerce & Industry's (Ficci). She said global manufacturers in the chemical industry are looking to diversify their production capabilities and India stands out as an alternative destination for manufacturing. The minister said the government is focussed on green growth and industry should keep in view energy efficiency and renewable energy commitments of India and the Hydrogen Mission. We should remember that India has set its sights on becoming energy independent by 2047 and achieving net zero by 2070.

The Economic Times - 28.07.2023

https://epaper.timesgroup.com/article-share?article=28_07_2023_011_015_etkc_ET

Muted price trends for crude oil and LNG may not last: Report

Thanks to supply tightness, the global crude oil and spot LNG prices are likely to rise over the next few years despite concerns over a demand reduction in key markets and overall economic slowdown, according to a new report. "The balance of demand-supply across oil & gas sector suggests a narrow, albeit rising trend for both commodities over the next 12 months. While the muted trends for both commodities have lasted a tad longer than what we were estimating earlier, longer-term trends still hold," equity research firm ICICI Securities said in a report. It estimates crude prices of \$80-85/bbl, term LNG prices of \$11-12/MMBtu and spot LNG prices of \$16-18/MMBtu

holder has not commenced production of the items within 15 years of issue of license.

The Economic Times - 25.07.2023

<https://economictimes.indiatimes.com/news/economy/policy/industrial-licenses-issued-under-idr-act-to-be-valid-for-15-years/articleshow/102085596.cms>

PSU oil marketing companies' operating profit likely to hit ₹1-lakh crore in FY24

The operating profit of the three state-run oil marketing companies (OMCs) is expected to hit ₹1-lakh crore in FY24, from the average of around ₹60,000 crore between FY17 and FY22, Crisil Ratings said on Tuesday. The cumulative operating profit of ₹1-lakh crore this financial year by Indian Oil Corporation (IOCL), Hindustan Petroleum Corporation (HPCL) and Bharat Petroleum Corporation (BPCL) will be three times of the profit of ₹33,000 crore clocked in FY23. The higher profitability would help improve the sector's credit metrics, which had weakened significantly in the past few fiscals amid muted profitability and significant capital expenditure (capex), Crisil Ratings said. An analysis of three OMCs rated by Crisil Ratings, accounting for the entire sector, indicates as much. Government-owned OMCs earn from two businesses: refining, where they earn a gross refining margin which is the value of refined products at the refinery gate minus the cost of crude oil used to produce them; and marketing, where they earn a margin on petrol, diesel and other petroleum products sold mainly through retail pumps, the agency explained.

The Hindu Business Line - 25.07.2023

<https://www.thehindubusinessline.com/companies/psu-oil-marketing-companies-operating-profit-likely-to-hit-1-lakh-crore-in-fy24/article67120034.ece>

India's petroleum products consumption rises nearly 5% in Q1 FY24

Data from Petroleum Planning and Analysis Cell (PPAC) showed that the growth was led by a 13.4% growth in jet fuel consumption, followed by an 8.1% increase in diesel use and 6.8% rise in petrol usage. A total of 2 million metric tonne (MMT) aviation turbine fuel (ATF) was consumed during the first quarter of this fiscal, against 1.7 million metric tonne a year ago. Diesel and petrol consumption stood at 23.9 MMT and 9.4 MMT, respectively, during the quarter under review, compared to 22.2 MMT and 8.8 MMT, respectively, a year ago. The monthly tracker for June released by PPAC,

over 2023-24. This is well above the futures price averages of 79.1/bbl for crude and 15.5/MMBtu for spot LNG. Term prices, which are typically linked as a percentage of Brent crude prices, are likely to increase steadily.

The Economic Times - 26.07.2023

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/muted-price-trends-for-crude-oil-and-lng-may-not-last-report/102126910>

India's ethanol blending programme faces uncertainty due to crop impact

India's ethanol blending programme is likely to face challenges next year as sugarcane and food grain availability is expected to decline due to the uneven spread of monsoon rains, according to experts. Erratic and uneven rainfall this year has affected sugarcane and rice cultivation in the country, which means less will be available for the distilleries. State-run Food Corporation of India (FCI) has already stopped supply of rice for ethanol production owing to an expected shortfall of rice for general consumption. Maharashtra and Karnataka, which together contribute about 45% to the country's ethanol blending programme, expect a fall of 10-15% in sugarcane yield (per acre production), as delayed monsoon has scorched the standing crop on about 10-15% of crop area. There is also a reduction of over 10% in the area under cane in these two states.

The Economic Times - 27.07.2023

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-ethanol-blending-programme-faces-uncertainty-due-to-crop-impact/102170788>

BSNL's Shivendra Nath set to be next CMD of EPIL

Shivendra Nath is set to be next Chairman & Managing Director (CMD) of Engineering Projects (India) Ltd. a PSU under the Ministry of Heavy Industries & Public Enterprises. He has been recommended for the post by the Public Enterprises Selection Board (PESB) panel on Thursday. Presently, Nath is serving as Senior General Manager in Bharat Sanchar Nigam Limited (BSNL), a PSU under the Department of Telecommunications. Nath has been recommended for EPIL's CMD post from a list of four candidates, who were interviewed by the

showed that consumption of liquefied petroleum gas (LPG), major part of which consists of domestic cooking gas, rose 2.9% to 67.34 lakh metric tonne in the first three months of this fiscal. During the same period last fiscal, the LPG consumption across the country stood at 65.41 lakh metric tonne.

Mint - 25.07.2023

<https://www.livemint.com/economy/indias-petroleum-products-consumption-rises-nearly-5-in-q1-fy24-11690204005253.html>

Centre should consider lowering TCS on overseas tour package: Report

The government should consider lowering TCS on overseas tour packages and allow foreign cruise vessels to operate on Indian waters besides other steps to increase outbound tourism, a report said on Sunday. The report titled "Unlock the Potential: A Look into Outbound Tourism", drafted by Nangia Andersen LLP in collaboration with FICCI said that India's outbound tourism market is projected to rise by 11.4 per cent CAGR between 2023 and 2032. The growth in the Indian travel and tourism industry is driven by a combination of rising income levels and changing lifestyles, development of diverse tourism offerings and policy and regulatory support by the government authorities, it added. The report suggested a few measures that the government may implement to support this expanding sector, including rolling back TCS (Tax Collected at Source), enhancing opportunities for partnership with foreign countries, collaboration with airlines, and allowing foreign cruise vessels to operate on Indian waters.

Business Standard - 30.07.2023

https://www.business-standard.com/india-news/centre-should-consider-lowering-tcs-on-overseas-tour-package-report-123073000412_1.html

Indra Dev Narayan assumed charge of CMD of MECL

Shri Indra Dev Narayan has assumed the charge of Chairman cum Managing Director of Mineral Exploration And Consultancy Limited (formerly Mineral Exploration Corporation Ltd.) (MECL). A Mining Graduate, Shri Narayan is an alumnus of Vishveshvarya National Institute of Technology, Nagpur of the Year 1990 batch. Prior to his taking charge as CMD, MECL he was the Regional Director of CMPDIL, Bilaspur.

PSU Connect - 27.07.2023

PESB selection panel in its selection meeting held on July 27. Out of four candidates, two candidates were from BSNL and one each from Engineering Projects (India) Limited and Indian Railways Service of Engineers.

PSU Watch - 28.07.2023

<https://psuwatch.com/psu-appointments/bsnls-shivendra-nath-set-to-be-next-cmd-of-epil>

<https://www.psuconnect.in/news/indra-dev-narayan-assumed-charge-of-cmd-of-mecl/38646>