

# 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.)

## India must grow at 8% for 'Developed' tag by 2047, says WB Country Head

India needs to grow at 8% to realise its goal of becoming a developed economy by 2047, and private investment needs to pick up to support growth, said Auguste Tano Kouame, World Bank's India Country Director, Tuesday. The World Bank has in its India Development Update, released Tuesday, kept India's growth forecast for FY24 unchanged at 6.3%, despite moderating consumption and challenging global environment. "The 6.3% growth forecast for India is still going to be one of the highest growth rates among major economies in the world. So, India's growth rate is very respectable," Kouame told ET in an interview. Though high inflation and high-interest rate environment were a downside risk to the forecast, he underlined the resilience of the Indian economy to global headwinds. "India has been very resilient, one of the most resilient economies to the headwinds, whether there are headwinds from geopolitics or inflation of exchange rates," he said.

*The Economic Times - 04.10.2023*

[https://epaper.timesgroup.com/article-share?article=04\\_10\\_2023\\_009\\_010\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=04_10_2023_009_010_etkc_ET)

## India Inc's profit to grow at a fast clip

Corporate earnings for the September quarter are expected to grow at a fast clip, driven by good performances by oil marketing companies (OMCs), automobile manufacturers, banks, capital goods and cement makers, and metals producers. The numbers should be seen against the backdrop of a weak base of the year-ago period. Moreover, the results will be appearing a lot more subdued if the OMCs are excluded because they reported a loss in the base quarter. Kotak Institutional Equities (KIE) estimates profit growth for the Sensex set of companies at 19% year-on-year but just 2% quarter-on-quarter. For the Nifty 50, the brokerage estimates profits will grow at 23% y-o-y and remain flat on a sequential basis. Auto manufacturers are expected to post a strong revenue growth on the back of a high single-digit increase in the average selling price (ASP). Most companies have been able to take price hikes and

## RBI Monetary Policy: GDP growth forecast for FY24 unchanged at 6.5%, says Governor Shaktikanta Das

The Reserve Bank of India's (RBI) on Friday kept the GDP growth forecast for FY24 unchanged at 6.5%. In its bi-monthly monetary policy announced on October 6, RBI Governor Shaktikanta Das said the domestic economic activity exhibits resilience on the back of strong domestic demand in contrast to global trends. The central bank kept the July-September 2023 (Q2FY24) GDP growth forecast unchanged at 6.5% and that for Q3FY24 at 6.0%. GDP growth forecast for January-March 2024 (Q4FY24) has also been left unchanged at 5.7%. For April-June 2024, or Q1FY25, GDP growth estimates has been kept unchanged at 6.6%. The RBI's Monetary Policy Committee (MPC) unanimously decided to keep the repo rate unchanged at 6.5% on Friday. The SDF rate remains at 6.25% while the MSF rate and the bank rate remain at 6.75%.

*Mint - 07.10.2023*

<https://www.livemint.com/economy/rbi-monetary-policy-gdp-growth-forecast-for-fy24-unchanged-at-6-5-says-governor-shaktikanta-das-11696570362644.html>

## Rating upgrades for Indian Cos at decadal high

Credit rating upgrades for Indian firms relying on local consumption are averaging near the highest in a decade as infrastructure, automotive and cement companies harness robust cash flows to bolster balance sheets, pointing to an imminent revival in private sector capital expenditure. But merchandise exporters, such as textiles, jewellery, and specialty chemicals companies, are facing global trade headwinds. There has been a secular improvement in the financials of rated companies for the third straight fiscal year, credit rating companies said Tuesday after their latest debt-servicing assessment of borrowing corporates. Although the relative pace of upgrades has slowed, even the junk-bond category is witnessing upgrades, reducing the possibility of defaults. Conservative corporate

their product portfolios have been richer. Moreover, volumes have grown reasonably well.

*The Financial Express - 09.10.2023*

<https://www.financialexpress.com/business/industry-india-incs-profit-to-grow-at-a-fast-clip-3266573/>

## **India Inc may log a nifty performance in second qtr.**

Companies making up the Nifty 50 are expected to report another quarter of robust aggregate profit growth in the three months to September, helped by moderating commodity prices, a lower base effect, and standout performances by select automotive and financial businesses. Revenue growth outlook, although better than the fiscal first quarter, may be rather circumspect. ETIG's estimates showed aggregate net profit of Nifty 50 companies may climb 37.8% year-on-year in the three months to September, the highest since the second quarter of 2021 when profit growth, on a base of unprecedented contraction triggered by Covid-era mobility curbs, was 48.7%. Revenue growth will likely be relatively modest at 10.2% as demand in certain pockets, including rural regions, is yet to show a meaningful recovery. However, it would be better than the 6.9% expansion seen in the preceding quarter. The corporate performance in the quarter will provide direction to stock markets struggling amid a pullout by foreign portfolio investors (FPIs) that net sold Rs 14,767 crore in September.

*The Economic Times - 06.10.2023*

[https://epaper.timesgroup.com/article-share?article=06\\_10\\_2023\\_001\\_017\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=06_10_2023_001_017_etkc_ET)

## **Factory activity loses steam on slow rise in new orders**

A softer pace of expansion in new orders pushed manufacturing activity to its lowest level in five months at 57.5 in September, compared with 58.6 in August, according to data released Tuesday. "India's manufacturing industry showed mild signs of a slowdown in September, primarily due to a softer increase in new orders, which tempered production growth," said Pollyanna De Lima, Economics Associate Director, S&P Global Market Intelligence. The seasonally adjusted S&P Global India Manufacturing Purchasing Managers' Index remained above the 50-mark, which separates expansion from contraction, and the long-term average reading of 53.8. "Growth of new export orders softened from August's nine month high but remained sharp. Firms noted new business gains from clients in Asia, Europe, North America

action on debt financing and strong domestic demand — evident in a steady climb in capacity utilisation for capital-heavy industries such as steel, cement and metal processing units — are the likely reasons behind the broad-based improvement.

*The Economic Times - 04.10.2023*

[https://epaper.timesgroup.com/article-share?article=04\\_10\\_2023\\_001\\_009\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=04_10_2023_001_009_etkc_ET)

## **Business confidence index at three-quarter high in second quarter: CII**

The Confederation of Indian Industry's Business Confidence Index (CII-BCI) rose to a three-quarter high of 67.1 in the second quarter (July-September) of FY24 compared to 66.1 in the first quarter (April-June) on account of resilient domestic demand amid the global uncertainty. "The uptick noted in the index was driven by resilient domestic demand along with sustained government spending and deleveraged balance sheets of corporates and banks, even as the global scenario remained grim," said the latest report by the industry body. The index, covering about 200 firms of varying sizes, was composed during September 2023 and was released on Monday. Earlier, the index stood at 67.6 in the third quarter (October - December) of FY23. The report notes that a conducive domestic policy environment and healthy performance of several macroeconomic indicators have sustained the growth momentum of the economy.

*Business Standard - 09.10.2023*

[https://www.business-standard.com/economy/news/cii-business-confidence-index-rises-to-3-quarter-high-of-67-1-in-q2-123100800651\\_1.html](https://www.business-standard.com/economy/news/cii-business-confidence-index-rises-to-3-quarter-high-of-67-1-in-q2-123100800651_1.html)

## **Services activity rises at fastest pace in 13 years on strong demand**

Activity in the crucial services sector rose at its fastest pace in over 13 years in September on the back of strong demand and new business, which helped create fresh jobs and prompted business confidence to hit the highest in more than nine years, a survey showed on Thursday. The S&P Global India Services PMI business activity index rose from 60.1 in August to 61 in September, signalling a sharp upturn in output that was one of the strongest in over 13 years. The uptick meant that the index averaged 61.1 over the fiscal's second quarter, above that seen in the prior three-month period (60.6). September's expansion in output was attributed to effective marketing, favourable demand conditions and strong influxes of new business.

and the Middle East," S&P Global India noted in its release. India's trade deficit rose to a 10-month high in August, as exports declined 7% compared with the previous year.

*The Economic Times - 04.10.2023*

[https://epaper.timesgroup.com/article-share?article=04\\_10\\_2023\\_009\\_009\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=04_10_2023_009_009_etkc_ET)

### **RBI monetary policy: MPC keeps FY24 inflation forecast at 5.4%, governor highlights 4 key risks**

RBI monetary policy meeting: The Reserve Bank of India (RBI) maintained its 5.4% inflation projection for 2023–2024 and committed to take prompt action to stop any spillover effects from shocks in the price of food and fuel throughout the world. "Consumer Price Index (CPI) inflation is projected at 5.4% for 2023-24, with Q2 at 6.4%, Q3 at 5.6% and Q4 at 5.2%. The risks are evenly balanced. CPI inflation for Q1:2024-25 is projected at 5.2%," said Shaktikanta Das. As was largely anticipated, the RBI held the repo rate constant at its fourth straight policy meeting on Friday. The central bank kept the repo rate unchanged at 6.50% and stance of 'withdrawal of accommodation'. RBI monetary policy meeting was a three-day meeting of RBI Governor Shaktikanta Das-led Monetary Policy Committee (MPC), which began on Wednesday, October 4. The next RBI monetary policy meeting is scheduled during December 6-8, 2023. In order to ensure that inflation gradually aligns with the committee's target while continuing to support economic growth, the RBI also reaffirmed its policy position of "withdrawal of accommodation." The position was supported by five out of the six committee members.

*Mint - 07.10.2023*

<https://www.livemint.com/market/rbi-maintains-cpi-inflation-forecast-for-fy24-at-54-11696568911584.html>

### **Indian Oil, BPCL, HPCL to take a hit due to soaring crude prices: Moody's**

High crude oil prices will weaken the profitability of the country's three state-owned oil marketing companies -- Indian Oil Corporation Ltd, Hindustan Petroleum Corporation Limited (HPCL) and Bharat Petroleum Corporation Limited (BPCL) -- as they have limited flexibility to pass on higher raw material costs to consumers due to the forthcoming Lok Sabha elections in May 2024, according to a report by Moody's. The report points out that the market margins of the three oil companies -- the difference between their net

The survey is compiled from responses to questionnaires sent to a panel of around 400 service sector companies and the 50-point mark separates expansion from contraction.

*The Times of India - 06.10.2023*

<https://timesofindia.indiatimes.com/business/india-business/services-activity-rises-at-fastest-pace-in-13-years-on-strong-demand/articleshow/104198803.cms?from=mdr>

### **Engineering exports fall 4.55% to \$44.62 bn during April to August on global slowdown**

Engineering Exports Promotion Council (EEPC) said that overall exports of engineering goods from the country have been affected by the global slowdown. Overall engineering exports during April to August in 2023 dropped 4.55 per cent to \$44.62 billion as against \$46.74 billion in the previous similar period of 2022. According to an EEPC spokesman, engineering exports to Russia surged 178 per cent to \$568.41 million during April to August of fiscal 2023-24, which was \$204.17 million in the corresponding previous period. The exporters' body said that some of the major trading partners like the US and European countries have been affected by the global slowdown. The Russia-Ukraine conflict has also been ongoing, while China is also experiencing a slowdown. All these factors have affected India's engineering export demand, EEPC said. Engineering exports to the US fell 14 per cent year-on-year during April to August 2023.

*Millennium Post - 04.10.2023*

<https://www.millenniumpost.in/business/engineering-exports-fall-455-to-4462-bn-during-april-to-august-on-global-slowdown-535277>

### **Oil producers need to show sensitivity towards consuming nations: Puri**

With surging oil prices posing fresh challenges to importing nations around the world, Petroleum Minister Hardeep Singh Puri on Tuesday urged oil producers 'cartel OPEC to show sensitivity towards consuming countries to avoid economies slipping into recession and slowdown. Puri met OPEC Secretary General Haitham Al Ghais on the sidelines of the ADIPEC conference in Abu Dhabi to discuss the emerging oil scenario. "Discussed the global energy scenario in my meeting with OPEC SG,"

realized prices and international prices -- have already weakened significantly from the high levels seen in the April-June quarter of the current financial year. Marketing margins on diesel turned negative since August while margins on petrol have narrowed considerably over the same period as international prices increased. The earnings of the three OMCs, all of which enjoy a Baa3 stable rating, will weaken in the second half of fiscal 2024 if oil prices remain elevated at current levels of \$85/barrel (bbl) - \$90/bbl.

*Sarkaritel.com - 09.10.2023*

<https://www.sarkaritel.com/indian-oil-bpcl-hpcl-to-take-a-hit-due-to-soaring-crude-prices-moodys/>

### **State refiners buy more Russian oil in Sept despite G7 price cap**

State-run refiners increased their imports of Russian oil by a quarter in September over the previous month, helping boost India's imports from the country by nearly a tenth and providing further evidence that the G7 price cap wasn't proving much of a hindrance in oil imports. Russia supplied 1.57 million barrels per day (mbd) in September, up from 1.44 mbd in August, and increased its share in Indian crude imports to 38% from 33% a month ago, according to energy cargo tracker Vortexa. This is, however, lower than the 1.9 mbd that Russia supplied in July, which gave it a 42% share in Indian imports.

*The Economic Times - 06.10.2023*

[https://epaper.timesgroup.com/article-share?article=04\\_10\\_2023\\_001\\_002\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=04_10_2023_001_002_etkc_ET)

### **Travel roars back from Covid lows, and so do prices**

Domestic travellers should expect to pay higher prices for hotels, flights, and holiday packages during the upcoming festive season, as increased demand and the first 'curbsfree year' since the pandemic has led companies to raise rates. A shortage of aircraft due to the bankruptcy of budget airline Go First is likely to further inflate air fares, airline executives said. Hoteliers said they have been compelled to raise room tariffs to capitalise on bumper demand. At least 100 planes are currently grounded due to the bankruptcy of Go First and problems with Pratt & Whitney

he said in a post on X, formerly known as Twitter. "India imports about 60 per cent of its crude oil worth \$101 billion & other Petroleum products from OPEC members. I highlighted how ensuring access to affordable energy is a must for social upliftment." India imports more than 85 per cent of its oil needs. While the surge in oil prices in the last couple of months has not pinched the consumers as state-owned fuel retailers continue to sell petrol and diesel at below cost, it has threatened to upset the budget and indirectly fuel inflation.

*The Economic Times - 04.10.2023*

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-producers-need-to-show-sensitivity-towards-consuming-nations-puri/104145591>

### **As Israel-Hamas war escalates, crude oil traders are focused on Iran**

As oil traders prepare for the market to open after the sudden eruption of war in Israel, one question is key: will the conflict spread to the rest of the region? Crude traders don't expect a massive price surge as there's no immediate threat to supply. But all eyes are in Iran, a major oil producer and key backer of the Hamas group that launched this weekend's offensive in Israel. A retaliatory strike against the Islamic Republic would inflame fears over the Strait of Hormuz, the vital shipping artery which Tehran has previously threatened to shutter. There's also the prospect of the US cracking down again on a resurgent flow of Iranian oil exports. The "oil-disruption scenario," according to Bob McNally, president of Rapidan Energy Group and a former White House official, "would be if conflict spread to Iran."

*Business Standard - 09.10.2023*

[https://www.business-standard.com/world-news/as-israel-hamas-war-escalates-crude-oil-traders-are-focused-on-iran-123100800601\\_1.html](https://www.business-standard.com/world-news/as-israel-hamas-war-escalates-crude-oil-traders-are-focused-on-iran-123100800601_1.html)

### **12 major ports of India see cargo growth fall in first six months**

The 12 major ports of India handled 393.73 million tonnes cargo during the first six months of this fiscal year, representing a 2.35 per cent rise over the same period of the last fiscal and underscoring a deceleration in the pace of growth. Cargo traffic during April-September, 2022, in the government-owned major ports had risen 10.8 per cent from the corresponding period of the previous year as the economy rebounded from the aftershock of the Covid pandemic. The 12 major ports of India handled 393.73 million tonnes cargo during the first six

engines that power these planes. Other airlines are using short term leases to cover the capacity shortfall. While IndiGo, India's largest airline by market share, plans to lease 10 Airbus A320 aircraft by December, SpiceJet has received the aviation regulator's approval to eight Boeing 737 Max to cater to demand during the peak festive and winter travel season. "There is always a surge in demand from October to December on account of festivities like Durga Puja and Diwali, and people travelling for leisure and returning to their hometowns," said a spokesperson for IndiGo.

*The Economic Times - 07.10.2023*

[https://epaper.timesgroup.com/article-share?article=07\\_10\\_2023\\_001\\_019\\_etkc\\_ET](https://epaper.timesgroup.com/article-share?article=07_10_2023_001_019_etkc_ET)

### **Anuj Jain appointed as Director (Finance) of Indian Oil**

Anuj Jain has been appointed as Director (Finance) of Indian Oil Corporation Limited (IOCL), a Maharatna PSU under the Ministry of Petroleum & Natural Gas. The Appointments Committee of the Cabinet (ACC) has approved his appointment on October 8. According to an order issued from the Department of Personnel & Training (DoPT), Jain has been appointed to the post with effect from the date of for a period of five years with effect from the date of his assumption of the charge of the post, or till the date of his superannuation, or until further order, whichever is earlier.

*PSU Watch - 09.10.2023*

<https://psuwatch.com/psu-appointments/anuj-jain-appointed-as-director-finance-of-india-oil>

### **SBI chairman gets extension till Aug 2024**

State Bank of India on Friday said the government extended the tenure of the bank's chairman Dinesh Kumar Khara till August next year. The government extends the term of office of Dinesh Kumar Khara, Chairman, State Bank of India beyond October 2023 till he attains the age of 63 years, or until further orders, whichever is earlier, SBI said in a regulatory filing quoting the finance ministry's notification. Khara attains the age of 63 years on August 28, 2024. SBI, in another filing, informed about the extension of the tenure of Ashwini Kumar Tiwari as the managing director for two years beyond January 27, 2024.

*Millennium Post - 07.10.2023*

months of this fiscal year, representing a 2.35 per cent rise over the same period of the last fiscal and underscoring a deceleration in the pace of growth. Cargo traffic during April-September, 2022, in the government-owned major ports had risen 10.8 per cent from the corresponding period of the previous year as the economy rebounded from the aftershock of the Covid pandemic.

The major ports had handled 384.17 MT cargo during April-September of FY23 compared to 346.87 MT during the corresponding period of FY22.

*The Telegraph - 09.10.2023*

<https://www.telegraphindia.com/business/12-major-ports-of-india-see-cargo-growth-fall-in-first-six-months/cid/1972123>

### **K P Mahadevaswamy takes charge as CMD, NBCC (India) Limited**

K P Mahadevaswamy assumed the charge of Chairman & Managing Director of NBCC (India) Ltd., a distinguished Navratna CPSE w.e.f. from October 1, 2023. Prior to his appointment as CMD by Govt. of India, he held the charge of Director (Commercial), NBCC, his comprehensive portfolio included the execution of the Redevelopment of 7 GPRA Colonies, the Supreme Court Monitored "Amrapali Group Works," Real Estate Division, Business Development Division, Central Procurement Division, overseas works etc. He shall also hold the responsibility of Chairman, Hindustan Steelworks Construction Ltd. (HSCL) and HSCC (India) Limited, two subsidiaries of NBCC.

*Millennium Post - 07.10.2023*

<https://www.millenniumpost.in/business/k-p-mahadevaswamy-takes-charge-as-cmd-nbcc-india-limited-535669>

### **Ramaswamy N appointed as new CMD of GIC Re**

General Insurance Corporation of India (GIC) on Thursday announced the appointment of Ramaswamy N as its new Chairman and Managing Director (CMD). He has been appointed to the post with effective from October 1, 2023. This appointment follows the decision by the Ministry of Finance. Ramaswamy, a distinguished veteran in the insurance industry, brings with him a rich and diverse experience of over three decades at GIC Re. His journey within the organisation has been marked by remarkable achievements and a profound impact on various aspects of the reinsurance sector.

*PSU Watch - 04.10.2023*

<https://psuwatch.com/psu-appointments/ramaswamy-n-appointed-as-new-cmd-of-gic-re>

## **CONCOR's new CMD Sanjay Swarup assumes charge**

Shri Sanjay Swarup assumed charge as Chairman and Managing Director at CONCOR on October 01, 2023. A proven leader, he brings a wealth of logistics, infrastructure & IT experience to drive India's container logistics sector, in line with PM's vision of Atma Nirbhar Bharat & Gati Shakti. Mr. Sanjay Swarup has done his B.E. (Hons.)-Electronics and Communication Engineering from IIT Roorkee and PGDM (Public Policy and Management) from IIM Bangalore. He belongs to 1990 Batch of Indian Railway Traffic Service (IRTS). Mr. Swarup has extensive experience of leadership roles in CPSE and Government. His more than three decades career spans a range of assignments in Public Sector and Government.

*PSU Connect - 06.10.2023*

<https://www.psuconnect.in/news/concor-new-cmd-sanjay-swarup-assumes-charge/39511>