

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 to be a \$7-trillion economy by 2030: CEA

India will be a \$7-trillion economy in the next seven years if the present growth trajectory is maintained, chief economic advisor (CEA) Anantha Nageswaran said on Saturday. "We are the fifth largest economy on course to becoming the third largest economy in a few years. In fact, I will say 7-in-7 is the buzz slogan, that is \$7-trillion economy in seven years. It is possible if India maintains its present growth trajectory, and in that journey startup entrepreneurs are going to play an important role," he said. According to recent RBI estimates, the Indian economy is expected to grow 6.5% this financial year, lower than 7.2% recorded in 2022-23. The International Monetary Fund (IMF) has projected growth of 6.3% every year till 2028. The CEA was delivering the leadership talk at the Huddle Global 2023 of Kerala Startup Mission (KSUM) in Thiruvananthapuram. Nageswaran said tier-2 and tier-3 cities of the country, including the capital of Kerala, are emerging as startup powerhouses leveraging the improvement in infrastructure and government's supportive policies.

The Financial Express - 19.11.2023

<https://www.financialexpress.com/policy/economy-india-to-be-a-7-trillion-economy-by-2030-cea-3310766/>

India's Q2 GDP growth seen at 6.7% on strong services play

The Indian economy likely grew better than expected 6.7% in the July-September quarter, according to a median forecast of 10 economists polled by ET, boosted by a strong services sector that accounts for two-thirds of the economy. The Reserve Bank of India (RBI) has forecast 6.5% growth in the quarter. Robust manufacturing and construction activity also likely contributed to growth in the second quarter, economists said. Forecasts ranged from 6.2% to 7%. The economy grew 7.8% in the April-June quarter and 6.2% in the July-September quarter last fiscal. "We expect GDP growth to moderate sequentially to 7% in the second quarter of FY24, partly on a less supportive base, while exceeding the MPC's last estimate of 6.5%," said ICRA chief economist Aditi Nayar,

India Inc Q2 profit surges, revenue growth muted

India Inc delivered strong double-digit growth in net profit in the September quarter, riding a stellar show by automobiles, banking and finance, cement and metal companies with a domestic focus. Revenue expanded in single digits as consumer goods companies faced volume pressure and IT companies continued to struggle for growth. Net profit surged to an eight-quarter high of 41.4% for a sample of 3,573 companies in the second quarter of the current fiscal year from a year earlier. Revenue grew a modest 6.2%, posting a second consecutive quarter of low growth after double-digit expansion in the preceding nine quarters. In the year-ago quarter, revenue had risen 25.9% while net profit fell 8.5%, underlining the strong base effect that lifted bottom-line growth but dampened the top-line rise. Lower commodity prices and fuel prices and cost-cutting initiatives helped expand profit despite the muted revenue growth.

The Economic Times - 16.11.2023

<https://economictimes.indiatimes.com/market/s/stocks/earnings/india-inc-q2-profit-surges-revenue-growth-muted/articleshow/105246224.cms>

Economy to expand faster in Q3 on capex, consumption demand

The Indian economy, buttressed by North Block's unwavering focus on productivity-boosting structural reforms, investments and 'ebullient' domestic consumption, is expected to expand faster in the third quarter than earlier estimated despite lingering growth concerns beyond home, the central bank said in its latest bulletin Thursday. "Investment demand appears to be resilient with the government's infrastructure spending, an uptick in private capex, automation, digitalisation, and indigenisation providing a boost," the Reserve Bank of India (RBI) said. India's gross domestic product (GDP) expanded 7.8% in the first quarter of FY24, through which the RBI expects the economy to increase 6.5%. Several global

giving the highest estimate in the survey. The official national accounts data for the second quarter of the current fiscal will be released at the end of November.

The Economic Times - 15.11.2023

<https://economictimes.indiatimes.com/news/economy/indicators/indias-q2-gdp-growth-seen-at-6-7-on-strong-services-play/articleshow/105219970.cms>

Economy on track despite headwinds

India's economy remains on track despite elevated external headwinds and is heading towards a "bright future", finance minister Nirmala Sitharaman said on Wednesday, as she cited the International Monetary Fund (IMF) estimate to suggest the country will surpass Japan and Germany to emerge as the world's third largest economy by 2027. Addressing the Indo-Pacific Regional Dialogue in the national capital, Sitharaman said India will remain the world's fastest-growing major economy with a growth rate of under 7% this year. "Amidst the gloom of supply chain disruptions and economic turbulence generated by contemporary conflicts that impact the Indo-Pacific, irrespective of whether they are occurring in relatively distant Ukraine or in relatively-proximate Israel or Yemen— and despite the palpable tensions prevalent in the South and East China Sea— the Indian economy stands out as a bright spot," the minister said. The Indian economy, according to the IMF, could grow 6.3% this fiscal and the next, more than double the global average of 3% for 2023 and 2024. India, she said, aims to position itself as a hub in new and diversified supply chains across the world.

The Economic Times - 16.11.2023

<https://economictimes.indiatimes.com/news/india/ongoing-conflict-in-israel-and-gaza-poses-a-challenge-to-imec-fm/articleshow/105240318.cms>

WPI inflation at -0.5%, remains in negative zone for 7th straight mth

Wholesale price inflation remained in the negative zone for the seventh consecutive month in October as prices of manufactured products, fuel and some of the food items remained subdued. Data released by the commerce and industry ministry on Tuesday showed inflation, as measured by the wholesale price index (WPI), fell 0.5% in October, compared to 0.3% in the previous month. The

economic think-tanks expect India to be the growth driver through this year and the next although global trade remains rather shaky, posing expansion challenges for several competing high growth economies.

The Economic Times - 17.11.2023

<https://economictimes.indiatimes.com/news/economy/indicators/investments-and-festive-boost-to-lift-q3-gdp-rbi/articleshow/105271070.cms>

Retail inflation cools to 4-mth low of 4.9%

Retail inflation eased to a four-month low in October as prices of some food items and fuel moderated and slid a shade below the 5% mark, providing much-needed relief from stubborn price pressures and triggering hopes of a possible interest rate cut in next year. Data released by the National Statistical Office on Monday showed retail inflation, as measured by the consumer price index, rose an annual 4.9%, slower than the 5% in the previous month and below RBI's upper tolerance limit (6%). In October 2022, retail inflation was at 6.8%. Rural inflation was higher at 5.1% while urban was at 4.6%. Retail inflation has been moderating as supplies have improved and the pressure exerted by food items, particularly vegetables, have eased. Fuel prices, which have moderated, have also helped. Core inflation (minus food and fuel) also moderated to 4.4%. But prices of cereals and products, pulses and products and spices continued to exert pressure. Interest rates will remain high, RBI governor Shaktikant Das had said last month and asserted that the central bank remains extra vigilant on the evolving inflation dynamics to ensure a sustained easing of price pressures. Experts said RBI is expected to move on rates by August next year, depending on the inflation trajectory.

The Times of India - 14.11.2023

<https://m.timesofindia.com/business/india-business/retail-inflation-cools-to-4-mth-low-of-4-9/articleshow/105193206.cms>

Manufacturing sector expected to grow faster, says Ficci survey

India's manufacturing sector is expected to grow faster after picking up pace in the second quarter of this financial year, according to a survey by the Federation of Indian Chambers of Commerce and Industry (Ficci). About 80% of the respondents reported a higher number of orders in July-September, while 79% reported a higher level of production, the industry body

ministry said the negative rate of inflation in October, 2023 is primarily due to fall in prices of chemicals and chemical products, electricity, textiles, basic metals, food products, paper and paper products, compared to the corresponding month of previous year. The food articles group rose 2.5%, slower than the previous month's 3.4%, while vegetable prices fell 21% during the month. Onion prices continued to remain under pressure, rising an annual 62.6% in October compared to 55.1% in the previous month. The fuel and power group contracted 2.5% during the month compared to a decline of 3.4% in the previous month. The manufactured products group fell 1.1% in October compared to 1.3% in the previous month.

The Times of India - 15.11.2023

https://epaper.indiatimes.com/article-share?article=15_11_2023_017_015_toikc_TOI

Exports jump 6.21% to \$33.57 bn in Oct, trade deficit rises to \$31.36 bn

India's merchandise exports rose 6.21 per cent to \$33.57 billion in October this year, even as the trade deficit touched a record high of \$31.46 billion during the month, government data showed on Wednesday. Imports increased by 12.3 per cent to \$65.03 billion in the month under consideration due to a jump in gold imports. Inbound shipments of gold rose by 95.5 per cent to \$7.23 billion. Oil imports also increased by 8 per cent to \$17.66 billion during the month. The country's trade deficit in goods in October last year stood at \$26.31 billion. The deficit during October is the "highest" because of the largest import figures, Additional Secretary in the Commerce Ministry L Satya Srinivas said. Cumulatively, exports during the April-October period this fiscal contracted by 7 per cent to \$244.89 billion, while imports fell 8.95 per cent to \$391.96 billion. The trade deficit during the seven-month period was \$147.07 billion against \$167.14 billion in the corresponding period last year. Gold imports during the period rose 23 per cent to \$29.5 billion, while crude oil imports dipped by 18.72 per cent to about \$100 billion during April-October this fiscal.

Millennium Post - 16.11.2023

<https://www.millenniumpost.in/business/exports-jump-621-to-3357-bn-in-oct-trade-deficit-rises-to-3136-bn-540496>

Ministries discuss ways to improve India's LPI ranking

The government on Saturday said that 11 ministries and departments, including commerce

said. The existing average capacity utilisation in manufacturing is around 74%, which reflects a sustained economic activity in the sector, a FICCI statement said, adding that this is slightly higher than 73% capacity utilisation reported in the previous quarters. As per the survey, the future investment outlook has improved compared to the previous quarter, with more than 57% of the respondents reporting plans for investment and expansion in the coming six months. This is a slight improvement over the previous survey. Demand, both in the domestic and overseas markets, emerged as a key concern, with more than 40% respondents highlighting inadequate demand as a significant constraint.

The Hindi Business Line - 14.11.2023

<https://www.thehindubusinessline.com/economy/manufacturing-sector-growth-expected-to-continue-ficci-survey/article67528394.ece>

FY24 fiscal deficit seen at 5.9% even if nominal GDP misses Budget assumption: Official

The Centre is confident of meeting its fiscal deficit target of 5.9 per cent of the Gross Domestic Product (GDP) for financial year 2023-24 even if there is any variation in nominal GDP growth as the tax revenue trend is comfortable so far, a senior government official said Wednesday. The government is not looking at any curbs on spending, with some reallocation of savings expected to happen as it looks towards additional allocation for existing or new schemes in the supplementary demands for grants in the upcoming Parliament session, the official added. Concerns have risen about nominal GDP growth not meeting the Budget assumption of 10.5 per cent as wholesale inflation has been negative for seven consecutive months. Some estimates have pegged the nominal GDP growth to be around 9 per cent which could result in a lower GDP deflator as it is primarily made of the Wholesale Price Index (WPI). The fiscal slippage risks arise from the fact that the government's fiscal deficit target of 5.9 per cent is calculated as a percentage of the GDP.

The Financial Express - 15.11.2023

<https://indianexpress.com/article/business/economy/fy24-fiscal-deficit-seen-at-5-9-even-if-nominal-gdp-misses-budget-assumption-official-9028333/>

By 2030, world needs to cut emission by 43%: UN report

The world needs to cut 43% of its emission by 2030, compared to 2019 levels, to be within the

and industry, steel, and railways held deliberations on measures taken and action plans needed to improve the country's Logistics Performance Index (LPI) ranking. Sumita Dawra, Special Secretary (Logistics) in the Department for Promotion of Industry and Internal Trade (DPIIT) met the nodal officers of the LPI dedicated cell formed in the stakeholder departments on Friday to discuss the Measures Taken and Action Plan for improving India's LPI ranking. Dawra said that a targeted action plan is important to improve the logistics efficiency of the country and the country's ranking in the World Bank LPI, according to a statement issued by the commerce and industry ministry. The dedicated cell meets every fortnight to assess the measures taken and outcomes achieved in improving performance across six parameters of LPI including customs, infrastructure, etc.

The Economic Times - 19.11.2023

<https://economictimes.indiatimes.com/news/economy/policy/steel-civil-aviation-among-11-ministries-discuss-ways-to-improve-indias-logistics-performance-index-ranking/articleshow/105317281.cms>

IEA raises forecasts for global oil demand

Global oil markets won't be as tight as expected this quarter, as upward revisions to demand are outpaced by upgrades to supplies, the International Energy Agency (IEA) said. The IEA boosted forecasts for world fuel consumption this year on surprising strength in China, and still anticipates a supply shortfall during the fourth quarter. But it will be roughly 30% smaller than previously projected, at about 900,000 barrels a day. "World oil demand continues to exceed expectations," the Paris-based agency said in its latest monthly report. Yet "world oil supply growth is also exceeding expectations" as "production growth in the US and Brazil has been outperforming forecasts." The softer outlook fits with a retreat in prices, which briefly slumped to a three-month low below \$80 a barrel in London last week. Fears have abated that conflict in the Middle East will disrupt oil exports and worsen inflationary pressures, while the economic backdrop in China has darkened. World oil demand will climb by 2.4 million barrels a day this year — a shade higher than projected last month — to a record annual average of 102 million barrels a day, the IEA said.

The Times of India - 15.11.2023

<https://timesofindia.indiatimes.com/business/international-business/iea-raises-forecasts-for-global-oil-demand/articleshow/105219704.cms?from=mdr>

'safe' limit of global temperature rise, but emissions under the current mitigation target are projected to be only 2% below those levels, shows a new UN synthesis report on countries' collective climate actions released on Tuesday. It highlights that peaking of global emissions will, however, occur within this decade. The synthesis report, released ahead of the upcoming UN climate conference (COP28) in Dubai, also shows that while emissions will not increase after 2030, compared to 2019 levels, they are still "not demonstrating rapid downward trend" — a necessity of this decade to limit warming below the 'danger' level. Limiting temperature rise to 1.5 degrees Celsius by the end of this century is considered safe to avoid the worst impacts of climate change, including more frequent and severe droughts, heat waves and rainfall.

Business World - 15.11.2023

<https://www.businessworld.in/article/By-2030-World-Needs-To-Cut-Emission-By-43-UN-Report/15-11-2023-498893>

OPEC says oil market remains strong despite negative sentiment

OPEC on Monday said oil market fundamentals remained strong and blamed speculators for a drop in prices as it slightly raised its 2023 forecast for global oil demand growth and stuck to its relatively high 2024 prediction. Oil has weakened to around \$82 a barrel for Brent crude from a 2023 high in September near \$98. Concern about economic growth and demand has pressured prices, despite support from supply cuts by OPEC and its allies, and conflict in the Middle East. But the Organization of the Petroleum Exporting Countries in a monthly report said the market was healthy despite "exaggerated negative sentiments", citing strong Chinese imports, minor downside risks to economic growth and a robust physical oil market. "Recent data confirms robust major global growth trends and healthy oil market fundamentals," OPEC said in a feature article at the start of its report. "Oil prices have trended lower in recent weeks, mainly driven by financial market speculators."

The Economic Times - 14.11.2023

<https://economictimes.indiatimes.com/industry/energy/oil-gas/opec-says-oil-market-remains-strong-despite-negative-sentiment/articleshow/105187365.cms>

India asks OPEC to ensure oil market stability

India, the world's third largest oil consumer, has asked oil producers cartel OPEC to maintain and ensure market stability for the benefit of consumers, producers and global economy. Oil Minister Hardeep Singh Puri said this at the 6th India-OPEC Energy Dialogue that took place on November 9 in Vienna, an official press statement said on Monday. The meeting was co-chaired by OPEC secretary general Haitham Al Ghais and Puri. "The open and candid discussions at the meeting focused on key issues related to oil and energy markets with a specific emphasis on ensuring availability, affordability and sustainability, which are necessary in ensuring the stability of energy markets. The two sides discussed the short, medium and long-term outlooks for the industry and recognized the important role of India in global economic growth and energy demand," the statement said. At the meeting, Puri highlighted that as the third-largest energy consumer, crude oil importer and the fourth-largest global refiner, close ties between India and OPEC are not only essential but also natural.

The Economic Times - 14.11.2023

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-asks-opec-to-ensure-oil-market-stability/articleshow/105189874.cms>

COP28: Petroleum ministry warns against curbs on hydrocarbon investments

India should stick to its position that further investment in developing and extracting oil and gas resources is needed in tandem with the exploration of carbon-free alternatives at the upcoming global COP28 climate change summit in the UAE, Petroleum Ministry officials said. This stance has been part of the Ministry's recommendations to inter-ministerial consultations on COP28, they said. "The argument is in line with Prime Minister Narendra Modi's call to ensure major investments into India's oil and gas exploration and production (E&P) sector, even as we remain committed to boosting renewable energy and phasing out carbon emissions. We can't have a situation where such investments are capped globally, since our developmental needs and energy security can't be compromised," a senior official said. According to the International Energy Agency (IEA), India's share in global oil demand is 5.5 per cent in 2023, much below the United States' 20 per cent and China's 16.1 per cent. However, it is rising at a fast clip and is set to hit 6.6 per cent over the next five years. Meanwhile, India's primary energy demand will

Oil price rise would hit 2024 global growth, inflation outlook: Fitch

Higher-than-expected oil prices in a scenario where the ongoing Middle East conflict disrupts oil supply would cause lower economic growth and higher inflation, according to Fitch Ratings. According to the rating agency, world GDP growth would be 0.4 percentage points lower in 2024, but only 0.1 percentage points lower in 2025, although the absence of a significant rebound suggests there could be a persistent moderate impact beyond the initial shock. Fitch's September Global Economic Outlook (GEO) assumed average oil prices of USD75 a barrel (bbl) and USD70/bbl in 2024 and 2025, respectively. Using simulations from the Oxford Economics Global Economic Model, the rating agency estimated the impact of higher oil prices throughout 2024-2025. Their scenario assumes that, due to supply restrictions, oil prices average USD 120 per barrel in 2024 and USD 100 per barrel in 2025. Oil prices averaged USD 82 per barrel in 2023 until the October 7 assault on Israel by Hamas, when prices increased to USD 94 before easing to USD 87 by early November.

The Economic Times - 14.11.2023

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-price-rise-would-hit-2024-global-growth-inflation-outlook-fitch/105173884>

Domestic air traffic rises 3% in October

Domestic air traffic rose by over 3 per cent in October on a month-on-month basis with the onset of the festival season. Domestic carriers flew 12.6 million passengers in October, around 4 lakh extra passengers, compared to September. However average passenger load factor dropped to 86.3 per cent in October from 87.2 per cent in September. Air India saw market share gains in October as it added flights. The Tata Group airline registered a market share of 10.5 per cent, entering into double-digit territory for first time after several months. SpiceJet, too, saw an increase in its share as it inducted leased planes, but had lowest on-time performance (58.1 per cent) at four metro airports. IndiGo topped punctuality charts, registering on time performance of 88.5 per cent. Akasa Air was the second best at 83.9 per cent. "Domestic airlines flew 50 additional flights per day in October compared to September, but flew over 1,300 fewer passengers a day," said Ameya Joshi, founder of aviation blog, Network Thoughts.

The Hindu Business Line - 17.11.2023

more than double to 38.5 million barrels of oil equivalent per day (mboe/d) in 2045, the Organization of the Petroleum Exporting Countries (OPEC) believes.

Business Standard - 15.11.2023

https://www.business-standard.com/india-news/cop28-petroleum-ministry-warns-against-curbs-on-hydrocarbon-investments-123111300841_1.html

<https://www.thehindubusinessline.com/economy/logistics/domestic-air-traffic-rises-3-in-october/article67540481.ece>