

# 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's growth to remain robust in '25: World Bank

World Bank on Tuesday said growth in Indian economy is expected to remain strong during next financial year, driven by robust investment and services activity. Against its projection of 6.3% expansion in 2023, the latest Global Economic Prospects has now pegged GDP growth at 6.4% in 2024 and 6.5% in 2025 (In India's case, World Bank follows financial year). Government's advance estimates, released on Friday, estimated that Indian economy will grow 7.3% during the current financial year. At the projected growth rate, India will retain its crown as the world's fastest growing major economy. The multilateral agency said that investment, while decelerating marginally, will remain robust on the back of support from healthy corporate and bank balance sheets as well as public investment. This will come even as the World Bank expects consumption demand to taper off due to high inflation and a fall in post-pandemic pent-up demand. Over the next few months, the election related uncertainty may impact foreign investment, it warned.

*The Times of India - 10.01.2024*

<https://timesofindia.indiatimes.com/business/india-business/indias-growth-to-remain-robust-world-economy-to-slow-down-in-2024-world-bank/articleshow/106674251.cms>

## India likely to clock 6.9-7.2% GDP growth in FY'24: Deloitte

India is expected to clock a GDP growth in the range of 6.9-7.2 per cent in the current financial year on the back of improving economic fundamentals, Deloitte India said in an update to its quarterly outlook. As per the first advance estimates of national income released by the National Statistical Office (NSO), the Indian economy is estimated to grow by 7.3 per cent in the 2023-24 fiscal, against 7.2 per cent a year ago, mainly due to a good show by mining & quarrying, manufacturing and certain segments of services sectors. Deloitte India's recent economic outlook report said there is an underlying momentum that is building up in the Indian economy, as seen in the improving economic

## India can become the world's third-largest economy by 2027-28, says Sitharaman

Exuding confidence in the country's economic growth, finance minister Nirmala Sitharaman on Wednesday said that India would be able to become the third largest economy in the world and the gross domestic product or GDP will cross \$5 trillion by 2027-28, while it would be a developed nation by 2047, with GDP touching \$30 trillion. "India, with a GDP of roughly \$3.4 trillion, is currently the fifth largest economy in the world, after the US, China, Japan, and Germany," she said at the launch of the Viksit Gujarat roadmap 2047 at the Vibrant Gujarat Global Summit. The finance minister further said that the people of India met with post-Covid challenges and built resilience. "During the Amritkal, which will mark 100 years of India's Independence in 2047, emphasis is given to sunrise industries. Also, the foreign direct investment (FDI) policy of the Narendra Modi government has helped attract foreign investment, with \$595 billion coming in the last 9 years," Sitharaman said.

*Deccan Chronicle - 11.01.2024*

<https://www.deccanchronicle.com/business/economy/100124/india-can-become-the-worlds-third-largest-economy-by-2027-28-says-si.html>

## Budget 2024: Goldman Sachs says Centre may peg fiscal deficit for FY25 at 5.3%

The Centre may announce a fiscal deficit target of 5.3 per cent of the gross domestic product (GDP) for FY25 in the upcoming Interim Budget, to be tabled on February 1, 2024, Goldman Sachs said. The Centre will meet its fiscal deficit target of 5.9 per cent of the GDP as the receipts are likely to be higher than the estimates by 0.2 per cent of the GDP, Goldman Sachs said in its report, Asia in Focus. In the fiscal year FY24 (April 2023 to March 2024), the Centre has been able to achieve robust tax collection, primarily through direct taxes, according to Goldman Sachs. This has provided the government with some fiscal room to increase

fundamentals. India's current account deficit (CAD) was at 1.9 per cent of GDP in 2022-23 and is expected to be further lower in 2023-24, it said. Further, foreign exchange reserves remain at a comfortable level of Rs 568 billion which is equivalent to over 10 months of import cover.

*The Economic Times - 12.01.2024*

[https://economictimes.indiatimes.com/news/economy/indicators/india-likely-to-clock-6-9-7-2-gdp-growth-in-fy24-deloitte/articleshow/106772240.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/indicators/india-likely-to-clock-6-9-7-2-gdp-growth-in-fy24-deloitte/articleshow/106772240.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

### **Retail inflation surges to 4-month high; IIP dips to 8-month low**

Retail inflation surged to a four-month high of 5.69 per cent in December driven by higher prices of food items such as pulses, spices, fruits and vegetables, data released by the National Statistical Office (NSO) Friday showed. Separately released NSO data also showed that factory output, as measured by the Index of Industrial Production (IIP), slipped to an eight-month low of 2.4 per cent in November as against 11.6 per cent a month ago, and 7.6 per cent a year ago, due to a high-base effect and slower growth in manufacturing, mining and capital goods output. This marked the second consecutive month of rise in headline retail inflation and four calendar years and a quarter (51 months) of retail inflation staying above the 4 per cent mark in the 4 +/- 2 per cent band of medium-term inflation target set by the Reserve Bank of India (RBI). The annual rate of food inflation, as measured by the Consumer Food Price Index, surged to 9.53 per cent in December from 8.70 per cent in November and 4.19 per cent a year ago. Urban areas recorded double-digit 10.42 per cent food inflation in December and rural areas registered 8.49 per cent.

*The Indian Express - 13.01.2024*

<https://indianexpress.com/article/business/economy/higher-vegetable-prices-push-retail-inflation-4-month-high-9107165/>

### **Budget 2024: Modest divestment targets seen for FY25, medium term**

The government could set modest divestment targets in budgets not just for FY25 but over the medium term too, as it reviews its sell-off strategy, senior officials said. The finance ministry has stepped up focus on bolstering profitability at central public sector enterprises so they can pay regular dividends to shareholders, including the government, one of the officials told ET. "Money is

spending while still meeting the fiscal deficit target of 5.9 per cent of GDP. The government's capital expenditure (capex) has played a crucial role in driving overall investment growth in recent years. However, it is expected that the focus on capex will continue at a slower pace compared to previous years, as the central government aims for medium-term fiscal consolidation.

*Business Today - 13.01.2024*

<https://www.businesstoday.in/union-budget/story/budget-2024-goldman-sachs-says-centre-may-peg-fiscal-deficit-for-fy25-at-53-413043-2024-01-12>

### **CPSEs meet 75% of FY24 capex target in April-Dec; State-run firms, Railways, NHAH invest Rs 5.51 trillion, up 22% on year**

The central public sector enterprises (CPSEs) and other government agencies like the NHAH and the Railways have invested Rs 5.51 trillion or 75% of their combined FY24 capital expenditure target in April-December period. On an annual basis, these entities' capex grew by robust 22.4% in the first nine months of the current financial year. The corresponding growth in the year-ago period was 19.3%. The capex target for the CPSEs and other agencies was set at Rs 7.33 trillion for FY24 as against Rs 6.62 trillion in FY23. The data pertains to select CPSEs having annual capex target of Rs 100 crore and above as well as other government organization. Thanks to robust public capex, investment demand grew by 11% in the second quarter compared with 8% growth in the first quarter of FY24. The investment rate (GFCF as % of GDP) also inched higher to 35.3% compared with 34.2% a year ago.

*The Financial Express - 13.01.2024*

<https://www.financialexpress.com/business/infrastructure-cpses-meet-75-of-fy24-capex-target-in-april-dec-state-run-firms-railways-nhai-invest-rs-5-51-trillion-up-22-on-year-3363457/>

### **Exports may take \$30bn hit over Red Sea threats**

India may see around \$30 billion shaved off its total exports in the current fiscal year, as threats to cargo vessels in the Red Sea lead to a surge in container shipping rates and prompt exporters to hold back on shipments. The initial assessment, conducted by the Research and Information System for Developing Countries, a New Delhi-based thinktank, would mean a 6.7%

fungible. Whether it comes from disinvestment or dividend, it will have the same effect on the budget," he said. Dividend receipts have, so far, this fiscal, already breached the annual target, while disinvestment has hit about a fifth of the goal. The Department of Investment and Public Asset Management (DIPAM) has garnered ₹10,052 crore from disinvestment so far, against the budgeted ₹51,000 crore. On the other hand, dividend receipts stood at ₹43,843 crore, against the FY24 target of ₹43,000 crore. Last fiscal, DIPAM's dividend receipts had exceeded the government's revised estimate by over 37%, more than offsetting a 29% drop in divestment revenue.

*The Economic Times - 11.01.2024*

[https://economictimes.indiatimes.com/news/economy/finance/modest-divestment-targets-seen-for-fy25-medium-term/articleshow/106712301.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/finance/modest-divestment-targets-seen-for-fy25-medium-term/articleshow/106712301.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

### **Russia maintains lead as India's top oil supplier, commanding over 35% of imports despite recent slowdown**

India's fuel consumption rose to a seven-month high in December to about 20.054 million metric tons, data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry showed. Total consumption, a proxy for oil demand, in December rose by 6.2% from 18.89 million tons in November, data showed. It was up around 2.6% compared with the same period a year earlier. Sales of diesel, mainly used by trucks and commercially run passenger vehicles, rose by 0.9% month-on-month to 7.60 million tons. Sales of gasoline in December slipped 4.5% from the previous month to 2.99 million tons. Sales of sports utility vehicles rose in December, while small car sales fell despite high discounts, data from Indian automakers showed last week. Sales of bitumen, used for making roads, rose by 12.9% from November, while fuel oil use increased by 9.6% in December. Cooking gas, or liquefied petroleum gas, sales rose by 5.6% to 2.63 million tons, while naphtha sales jumped by 27.9% to about 1.33 million tons, the data showed.

*The Economic Times - 08.01.2024*

[https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-fuel-demand-hits-seven-month-high-in-december/106627279?utm\\_source=newslisting&utm\\_medium=latestNews](https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-fuel-demand-hits-seven-month-high-in-december/106627279?utm_source=newslisting&utm_medium=latestNews)

drop in Indian exports, based on last fiscal year's \$451 billion total. "The crisis in the Red Sea would indeed impact India's trade and may lead to further contraction," said Sachin Chaturvedi, director general of the thinktank. The government hasn't released any official estimates on the impact of the Red Sea crisis on Indian exports. The number of ships passing through the Suez Canal is down about 44% compared to the average for the first half of December, according to Clarkson Research Services, a unit of the world's largest ship broker. Vessels with a combined tonnage of about 2.5 million gross tons passed through in the week to January 3, compared with about 4 million tons at the start of last month, they said.

*The Times of India - 09.01.2024*

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-exports-may-take-a-30-billion-hit-on-red-sea-threats/articleshow/106638280.cms?from=mdr>

### **Indian refiners set to ask for extra Saudi oil after sharp price cut**

Two Indian state refiners are seeking to boost imports of Saudi crude oil after the kingdom cut the official selling price of its key export grade for February to the lowest in 27 months, company sources said. Indian Oil Corp, the country's top refiner, and Bharat Petroleum Corp, are looking at lifting an additional 1 million barrels of oil each from Saudi Aramco in February, the sources said. Saudi Aramco typically notifies Asian buyers of their monthly crude allocations by the 10th of every month. Indian oil companies and Saudi Aramco did not immediately respond to Reuters emails seeking comments. IOC is seeking more oil from Saudi Arabia and West Africa partly as it is facing problems in buying Russian light sweet crude Sokol because of challenges in payments, one of the sources said. India, the world's third-biggest oil importer and consumer, has been gorging on Russian crude, sold at a discount after western nations shunned purchases from Moscow.

*The Economic Times - 10.01.2024*

<https://economictimes.indiatimes.com/industry/energy/oil-gas/indian-refiners-set-to-ask-for-extra-saudi-oil-after-sharp-price-cut/articleshow/106668153.cms>

## Exporters fear business loss from protracted Red Sea crisis

Indian exporters are yet to see any large-scale rejection of export consignments or demand to renegotiate contracts as a result of the Red Sea blockade but are increasingly worried that any inordinate delay in the resolution of the crisis might seriously jeopardise their business. Exporters of textiles and apparel have already started witnessing an increase in transit time in some cases, and rise in freight, but still has the buyers' confidence intact. In most cases, it is the buyer who pays for transport, sources from the exporting community say. Sensing delays, some of the buyers are opting to take cargo by air specially of seasonal fashion items because any delay will mean missed sales, managing director of Joyti Apparels and past chairman of Apparel Export Promotion Council said. Some buyers from US, Canada and Mexico have opted to take delivery by sea. According to exporters the use of longer routes via Cape of Good Hope in Africa to avoid the Red Sea and Suez will add 14 days to the travel time and higher freight.

*The Financial Express - 11.01.2024*

<https://www.financialexpress.com/policy/economy-exporters-fear-business-loss-from-protracted-red-sea-crisis-3360214/>

## Centre to invest ₹60k cr in river cruise tourism

The Centre is planning to invest Rs 60,000 crore by 2047 in the river cruise tourism and green vessel development sector. Union minister of ports, shipping and waterways Sarbananda Sonowal disclosed this on Monday while unveiling the "Harit Nauka" (green vessels) guidelines and the "River Cruise Tourism Roadmap 2047". He chaired the first inland waterways development council meeting in the city. "We shall invest Rs 45,000 crore in river cruise, which will take the passenger capacity from 2 lakh to 15 lakh in river cruises by 2047," the minister said, adding, that his government aims to invest another Rs 15,000 crore over the next 10 years to develop 1,000 vessels and ferries as green transport. "In all, there will be a Rs 60,000 crore investment by 2047, and it will be done in a public-private partnership model," Sonowal said.

*The Hindustan Times - 09.01.2024*

<https://www.hindustantimes.com/india-news/centre-to-invest-rs-60k-crore-in-river-cruise-tourism-sarbananda-sonowal-101704722270119.html>

## Russia sanctions help push India's diesel exports to EU by 42% in December

India's diesel exports to Europe rose 42% year-on-year in December on a combination of winter demand and the near absence of Russian supplies in the continent. India exported 248,000 barrels per day (bpd) of diesel to Europe in December, up from 175,000 bpd in December 2022 and 247,000 bpd in November, according to energy cargo tracker Vortexa. India's overall exports rose 17% year-on-year in to 637,000 bpd. Europe's share in India's diesel exports was 39% in December, up from 32% in December '22 and 37% in November. India didn't export any diesel to the US in December. The share of the US in India's total diesel exports was 14% in December '22 and 4% in November. India's diesel export growth "is a result of strong refinery runs and softer domestic demand," said Serena Huang, analyst at Vortexa. In November, diesel exports grew 43% year-on-year to 669,000 bpd.

*The Economic Times - 12.01.2024*

[https://economictimes.indiatimes.com/industry/energy/oil-gas/russia-sanctions-help-push-indias-diesel-exports-to-eu-by-42-in-december/articleshow/106707927.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/energy/oil-gas/russia-sanctions-help-push-indias-diesel-exports-to-eu-by-42-in-december/articleshow/106707927.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

## Changes to WB Logistics Index

India is looking closely at the World Bank's Logistics Performance Index to identify gaps and pitch for changes while focussing on areas it is lagging in, people familiar with the development told ET. Officials said the present perception-based methodology captures India's reforms such as Logistics Data Bank and Unified Logistics Interface Platform in a limited manner and that information on sample size and sub-indices is not available in the public domain.

The Department for Promotion of Industry and Internal Trade (DPIIT) also plans to onboard a consultancy to liaison with the World Bank to suggest areas of improvement to make the methodology comprehensive that adequately captures India's reforms in logistics. "Onboarding of a dedicated team of 5-6 experts is being planned. These experts will help undertake comprehensive research of the gaps and target interventions required across the logistics ecosystem, with focus on the six parameters of the LPI," said Sumita Dawra, special secretary (logistics), DPIIT.

*The Economic Times - 09.01.2024*

<https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/india-to->

## **Ritu Goswami appointed as Director (Technical) of RCF Ltd**

The Central Government has approved the appointment of Ritu Goswami as Director (Technical) of Rashtriya Chemicals and Fertilizers (RCF) Limited. According to an order issued from the Ministry Chemicals and Fertilizers on January 11, Goswami has been appointed to the post for a period with effect from the date of her assumption of charge of the post till the date of her superannuation i.e. March 31, 2027, or until further orders, whichever is earlier. Presently, she is serving as General Manager (Technical) in National Fertilizers Limited (NFL). Goswami was recommended for the post of Director (Technical) of RCF by the PESB panel on August 9, 2023. She was selected for the post from a list of 11 candidates.

*PSU Watch - 13.01.2024*

<https://psuwatch.com/psu-appointments/ritu-goswami-appointed-as-director-technical-of-rcf-ltd>