

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 sees global growth on strong 2023 Tailwinds

The global economy is set to receive a boost in 2024 from a slightly stronger-than-anticipated performance last year, according to the head of the International Monetary Fund. While managing director Kristalina Georgieva refused to be drawn on how the Washington-based lender will revise its forecasts later in January, she pointed out that the US was "poised for a soft landing" as interest rates start to decline. "The world economy has proven to be remarkably resilient," Georgieva said at an event at Bloomberg House in Davos on Tuesday. "2023 comes better than we expected by a small margin. There is some wind coming from 2023 into 2024." IMF chief's sentiment was echoed by her colleague, first deputy managing director Gita Gopinath, who told a Davos panel that the chances of a so-called soft landing have gone up "quite a bit" and that market expectations for rapid interest-rate cuts are "a bit premature."

Money Web - 17.01.2024

<https://www.moneyweb.co.za/news/economy/imfs-georgieva-sees-global-growth-aided-by-2023-tail-winds/>

Economy will grow in 2024, need to tame inflation, says RBI Report

The Indian economy is poised to sustain its momentum in 2024 while the slow revival of the rural economy and moderate growth in private consumption highlighted the need for bringing down inflation to 4% to achieve inclusive growth, the Reserve Bank of India said in its state of the economy report. Besides the importance of reigning on inflation, the report also charted out a bucket list for sustaining the momentum achieved in 2023 and securing a minimum 7% GDP growth in FY25. In India, potential output is picking up with actual output running above it, although the gap is moderate. "Balance sheets of financial institutions need to be strengthened and asset

India can become \$5 trillion economy much before 2028: Puri

Union Minister Hardeep Singh Puri on Tuesday asserted that India could become a five trillion-dollar economy much before 2028 and said the country's energy transition needs to be done in an orderly manner to safeguard the interests of its large population. Puri, the Minister for Petroleum and Natural gas as well as housing and urban affairs, said India is aware of its commitments towards sustainability goals and will meet all the targets in time while meeting the requirements of a growing economy. He was speaking at a CII-EY breakfast session on 'accelerating India's energy transition towards sustainable economic growth' on the sidelines of the World Economic Forum Annual Meeting 2024. "I don't think we need to wait till 2028 to become a five trillion-dollar economy, and if you look at what is happening, it should happen much before 2028," he said while listing various macroeconomic parameters. "I also think that the transition has to be orderly because transition by nature has to have both a clear roadmap and it must have in place all the safeguards that will ensure that there are no knee-jerk decisions taken," he noted.

PSU Watch - 17.01.2024

<https://psuwatch.com/newsupdates/india-can-become-5-trillion-economy-much-before-2028-puri>

Budget may peg nominal FY25 GDP growth at 10.7%: economists

The interim Budget for 2024-25 could peg India's nominal GDP growth for the next financial year at 10.7% or thereabouts, going by the median of a poll of 15 economists. The estimates for nominal GDP growth for the next fiscal range from 9.5% to 11.3%, with most economists expecting the figure at 10.5%. "With the base effect propping up wholesale inflation, nominal GDP growth could be higher in FY25," said Sakshi Gupta, principal economist, HDFC Bank. Gupta sees real GDP growth at 6.3% in FY25, and CPI and WPI inflation, respectively, at 4.7% and 6.5%. The nominal GDP assumption holds significance as

quality improved even further. The ongoing consolidation of fiscal and external balances needs to continue. The gains of the transformative technological change that is underway must be harnessed for inclusive and participative growth in a sound risk free environment," the report prepared by the central bank's economic researchers led deputy governor Michael Debabrata Patra.

Zee Business - 19.01.2024

<https://www.zeebiz.com/economy-infra/news-indian-economy-likely-to-grow-7-percent-in-2024-25-inflation-to-ease-further-rbi-governor-shaktikanta-das-272550>

Fitch affirms India at 'BBB', outlook stable

India's rating is underpinned by a robust medium-term GDP growth outlook and sound external finances, which remain intact as the country has effectively navigated a fraught external environment in the past few years. Weak public finances - illustrated by high deficits, debt and interest/revenue ratio compared with peers - continue to be the largest constraint for the rating. Lagging structural metrics, including World Bank governance indicators and GDP per capita, also weigh on the rating. Growth Outperforming Peers: India is poised to remain one of the fastest-growing countries globally in the next few years as the robust economic momentum is proving resilient. We forecast GDP growth of 6.9% in the fiscal year ending March 2024 (FY24), well above our 6.0% FY24 forecast from our last review in May 2023, before easing to 6.5% in FY25. Investment is likely to remain a key growth driver, as the government's capex drive is likely to continue and private investment should accelerate gradually. Consumption is likely to moderate further in the near term due to reduced household savings buffers.

Fitch Ratings - 17.01.2024

<https://www.fitchratings.com/research/sovereigns/fitch-affirms-india-at-bbb-outlook-stable-16-01-2024#>

India's goods & services exports marginally up in 2023

The country's exports of goods and services rose marginally by 0.4 per cent to \$765.6 billion in 2023 despite global economic uncertainties, according to the commerce ministry data. Sectors which helped keep India's exports afloat include electronics, pharmaceuticals, cotton yarn, fabrics and made-ups, ceramic products, meat, dairy and poultry products, fruits and vegetables and information technology. Goods exports in the last

based on this estimate the Budget pegs its fiscal deficit target for a financial year. In the current year, the Budget had assumed nominal GDP growth at 10.5% and fiscal deficit at 5.9% as percentage of GDP. However, the first advance estimate, released earlier this month, projected nominal GDP to grow merely 8.9% - as a consequence, the fiscal deficit may come in at 6.0%, if it remains unchanged in absolute terms at Rs 17.87 trillion.

The Financial Express - 20.01.2024

<https://www.financialexpress.com/budget/budget-may-peg-nominal-fy25-gdp-growth-at-10-7-economists-3369747/>

Trade deficit narrows to 5-month low in Dec, exports at 9-mth high

India's goods exports growth crawled back into positive terrain in December, rising 1% to \$38.5 billion, which was the highest monthly reading since March, while a fall in imports helped narrow the trade deficit to a five-month low. Latest data released by the commerce department estimated that goods imports declined 4.7% to 58.3 billion, while the trade deficit narrowed to \$19.8 billion (see graphic). Higher interest rates, following high inflation, have led to consumers cutting down discretionary spending in western countries and a fall in commodity prices has resulted in lower value of crude and refined products such as petrol and diesel. During December 2023, key export sectors that have recorded negative growth included petroleum products, ready-made garments of all textiles, chemicals, and leather products. Sectors which are in the positive zone include plastic, electronic goods, engineering items, and gems and jewellery. "The whole globe is facing an adverse condition. Globally, the picture is quite bad, but India is doing well.

The Economic Times - 16.01.2024

<https://timesofindia.indiatimes.com/city/delhi/indias-trade-deficit-narrows-to-threemonth-low-as-exports-grow/articleshow/106881469.cms>

Budget 2024: Centre may increase FY25 capex target for CPSEs by 12-13%

The Centre may raise the capital expenditure (capex) target for central public sector enterprises (CPSEs) in the financial year 2024-25 (FY25) by 12-13 per cent to help drive economic growth, according to a report by The Economic Times (ET). In absolute terms, the capital expenditure projection for 54 CPSEs and five departmental arms, including the Railway

calendar year, however, contracted by 4.71 per cent to \$ 431.9 billion while services exports are estimated to have risen by 7.88 per cent to \$ 333.8 billion, the data showed. The merchandise imports also dipped by 7 per cent to \$ 667.73 billion last year as against \$ 720.2 billion in 2022. The latest data for the services sector released by the RBI is for November 2023. The data for December 2023 is an estimation by the ministry. The main export destinations for India are the US, the UAE, the Netherlands, Bangladesh, the UK and Germany.

Business Standard - 22.01.2023

https://www.business-standard.com/industry/news/india-s-goods-services-exports-marginally-up-in-2023-124012100162_1.html

EPFO adds 13.95 lakh net members during November 2023

EPFO's provisional payroll data released on 20th January, 2024 highlights that EPFO has added 13.95 lakh net members in the month of November, 2023. Cumulative net addition of members during the current financial year continues to remain higher than that of the corresponding period of previous year. The data indicates that around 7.36 lakh new members have enrolled during November, 2023. Among the newly joined members, the age-group of 18-25 years constitutes 57.30% of total new members added during the month, showing that majority of the members joining organised sector workforce of the country are youth, who are mostly first-time job seekers. Payroll data reflects that approximately 10.67 lakh members exited but rejoined EPFO. In fact, these members switched their jobs and re-joined the establishments covered under the ambit of EPFO and opted to transfer their accumulations instead of applying for final settlement thus, extending their social security protection.

PIB - 21.01.2024

<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1998131>

Oil demand is expected to fall half in 2024: IEA

The Paris-based agency has anticipated the increase in global oil demand to halve from 2.3 million barrels per day [bpd] to 1.2 million bpd in

Board and National Highways Authority of India, is anticipated to be around Rs 8.20-8.30 trillion for FY25. This marks an increase from the FY24 target of Rs 7.33 trillion, which was itself a 13.4 per cent rise over the revised FY23 target of Rs 6.46 trillion. As of December 31, CPSEs had spent Rs 5.51 trillion, reaching 75.1 per cent of the combined capital expenditure target for FY24. This figure is 22 per cent higher compared to the same period the previous year. As earlier reported by Business Standard, the government is expected to continue its focus on increasing capital expenditure, particularly in the infrastructure sector, in the upcoming Budget 2024.

Business Standard - 22.01.2024

https://www.business-standard.com/budget/news/budget-2024-centre-may-increase-fy25-capex-target-for-cpses-by-12-13-124012200263_1.html

Interim Budget 2024 | Oil and gas sector seeks various reliefs, policy push

The country's natural gas industry has sought greater emphasis on implementation of reforms aimed at promoting consumption of the fuel in the upcoming interim Budget. The industry expects the government to make use of natural gas mandatory for areas where the infrastructure is ready and gas is flowing to help the country achieve the target of increasing gas share in the energy mix to 15% from the current 6% by 2030. The industry is also hopeful of the long-standing demand of natural gas being categorized under the infrastructure sector to avail improved financing and credit opportunities. "We look forward to the government's commitment by considering the inclusion of natural gas under the GST ambit," said Hardip Singh Rai, Chief Executing Officer of THINK Gas. Of course, the GST Council which comprises the Centre and states will have to take a call on this. The government has been emphasizing on making the country a gas-based economy while taking several initiatives to increase the share of gas in the energy mix in the recent few years.

The Financial Express - 22.01.2024

<https://www.financialexpress.com/budget/interim-budget-2024-oil-and-gas-sector-seeks-various-reliefs-policy-push-3370901/>

Oil prices rise on strong demand estimates

Oil prices rose on Thursday as the IEA joined producer group OPEC in forecasting relatively strong growth in global oil demand this year,

2024. As per the expectations, the pace of demand growth will be strategically maintained by China this financial year, as the world's second-largest economy accounts for around 60 per cent of the oil demand growth. The cited reasons behind the downgraded oil demand are strict economic influence, international rate of interest, and increase of electric vehicles coupled with the growing structure of green energy has sharply led to a decrease the demand of oil demand in the next half of 2023 and mid-start of 2024. The projections led by the International Energy Agency predicted global consumption will rise by 1.24 million barrels per day [bpd] in 2024. Yet the predictions were so far low from OPEC's 2.25 million bpd projection. Similarly, the organization has expected the world oil supply to rise by 1.5 million bpd to 103.5 million bpd in 2024, stimulated by incredible output growth from the United States, Brazil, Guyana, and Canada.

PSU Connect - 20.01.2024

<https://www.psuconnect.in/news/oil-demand-is-expected-to-fall-half-in-2024-said-ia/40898>

Natural gas consumption in India sees more growth than petrol, diesel in Apr-Dec period

The consumption of natural gas witnessed higher growth in the April-December period of FY2023-24 in comparison to the consumption of petrol and diesel year-on-year, official datasets show. While natural gas consumption at 49,540 MMSCM (in April-December 2023) clocked a growth of 9.4 percent in comparison to the corresponding period of the previous year, the consumption of petrol grew by 5.7 percent and diesel by 4.4 percent during the same period. Natural gas consumption in December 2023 was 5,472 MMSCM which was 8.9 percent higher than the corresponding month of the previous year. Petrol consumption, on the other hand, during the month of December 2023 recorded a volume of 2.99 MMT which was 0.2 percent higher than 2.98 MMT recorded in December 2022. Diesel consumption during the month of December 2023, with a volume of 7.6 MMT, registered a 2.5 percent decrease over 7.8 MMT registered in December 2022.

PSU Watch - 20.01.2024

<https://psuwatch.com/newsupdates/natural-gas-consumption-in-india-sees-more-growth-than-petrol-diesel-in-apr-dec-period>

Oil PSUs achieve 84% of capex target in first 9 months of FY24

State-run oil companies made a capital spending of '89,000 crore in the first nine months of the current fiscal year as they enhanced new production and distribution facilities. The spending

with price impetus also coming from disruption to U.S. output and geopolitical risks in the Middle East. Brent crude futures gained 37 cents, or 0.5%, to \$78.25 a barrel by 1005 GMT while U.S. West Texas Intermediate crude futures rose 55 cents, or 0.8%, to \$73.11. The International Energy Agency (IEA) now expects oil demand to grow by 1.24 million barrels per day (bpd) in 2024, up 180,000 bpd from its previous projection, its monthly report said. The agency cited improved economic growth and lower crude prices in the fourth quarter. The Organization of the Petroleum Producing Countries (OPEC) had said on Wednesday that it expected demand growth of 2.25 million bpd this year, unchanged from its forecast in December. The producer group also said oil demand is expected to rise by a robust 1.85 million bpd in 2025 to 106.21 million bpd.

The Economic Times - 19.01.2024

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/oil-prices-rise-on-strong-ia-and-opec-demand-estimates/106960238>

India to keep diversifying oil supply, accelerate energy transition: Hardeep Singh Puri

Supply cuts by OPEC+, costly shipments from some traditional Middle East suppliers and geopolitical tension is driving India, the world's third biggest oil importer, to diversify its crude sources and accelerate its energy transition, its Oil Minister Hardeep Singh Puri said. "Whenever there is vulnerability and uncertainty in the market, the transition gets accelerated. No-one is looking at that", Puri told Reuters in an interview at this week's World Economic Forum in the Swiss ski resort of Davos, referring to attacks by the Houthis on ships in the Red Sea. Puri said that while OPEC+ nations have a right to decide on their energy production, supply cuts against such uncertainty, and the resulting adverse impact on global prices, will dent long term demand. It is "imperative" for India to accelerate its transition to green energy in this scenario, he added.

The Economic Times - 18.01.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-to-keep-diversifying-oil-supply-accelerate-energy-transition-hardeep-singh-puri/articleshow/106924077.cms>

Asian refiners craft contingency plans amid Red Sea crisis: S&P GCI

The ongoing Red Sea crisis has prompted Asian refiners to reassess their oil policies and develop alternative plans to secure steady feedstock flows. While immediate impacts on near-term

is about 84% of their combined capex target of '106,000 crore for the current fiscal year, according to the oil ministry data. Indian Oil Corp has been the biggest spender among state oil companies this year. With an expenditure of '27,000 crore, it has achieved nearly 90% of its target for the year. ONGC has spent '24,500 crore, or about 80% of its annual target. ONGC's overseas arm ONGC Videsh has spent '2,400 crore, three-fourths of the annual budget. HPCL has spent '9,500 crore, nearly exhausting its annual budget of '10,000 crore as the greenfield refinery being built in Barmer, Rajasthan absorbs a lot of capital. BPCL has used up 80% of its annual budget of '10,000 crore. GAIL has spent '6,400 crore, or 80% of its annual target. Oil India too has used up 80% of its annual budget of '5,000 crore.

The Economic Times - 20.01.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/oil-psus-achieve-84-of-capex-target-in-first-9-months-of-fy24/articleshow/106998009.cms>

Cheap Russian oil cuts OPEC's share of India imports to record-low 50%

The annual share of OPEC's oil in India's crude imports fell to its lowest level ever in 2023 while that of discounted Russian barrels surged to an all-time high, data obtained from trade and industry sources show. India, the world's third-biggest oil importer and consumer, has long relied on the nearby middle eastern nations for meeting most of its oil needs to cut freight costs. Last year for the first time India imported nearly equal quantities of oil from the Organisation of Petroleum Exporting Countries (OPEC) members as it did from non-members, the data shows. The South Asian nation imported an average 4.65 million barrels per day (bpd) oil in 2023, up 2% from the previous year. OPEC's share in India's crude oil diet plunged to about 49.6% in the first nine months of this fiscal year from April compared with 64.5% a year earlier, the data show. Altered trade flows due to geopolitical tensions and costlier shipments from some traditional suppliers have expedited India's efforts to diversify its import sources and tap cheaper supplies from even far-flung areas such as Russia.

The Economic Times - 19.01.2024

<https://economictimes.indiatimes.com/industry/energy/oil-gas/cheap-russian-oil-cuts-opecs-share-of-india-imports-to-record-low-50/articleshow/106965784.cms>

Alok Sharma assumes charge as Director (R&D) of Indian Oil

Alok Sharma has joined as Director (Research & Development) at Indian Oil Corporation Limited (IOCL), the company said on Wednesday. Prior to his elevation as Director (R&D), he was serving as

oil supplies appear limited, the situation has refiners contemplating alternative routes to ensure uninterrupted feedstock supply, potentially leading to increased insurance costs and squeezed refining margins, according to S&P Global Commodity Insights (GCI). Despite Asia's heavy reliance on imported oil, the strategic efforts of top importers to diversify their oil import baskets and expand strategic storage in recent years provide a buffer for ensuring smooth feedstock flow even in the face of crises.

The Economic Times - 20.01.2024

<https://energy.economictimes.indiatimes.com/news/oil-and-gas/asian-refiners-craft-contingency-plans-amid-red-sea-crisis-sp-gci/106989691#>

India defers \$602 mln plan to fill parts of strategic petroleum reserve

India has deferred a 50-billion-rupee (\$601.78 million) plan to fill parts of its strategic petroleum reserve, keeping in mind emerging trends in oil markets, the finance ministry said on Saturday. In the federal budget for 2023-24, the government had outlined a plan to purchase crude oil worth 50 billion rupees for caverns in the southern cities of Mangalore and Visakhapatnam. India, the world's third-biggest oil importer and consumer, imports over 80% of its oil needs and has built strategic storage at three locations in southern India to store over 5 million tons of oil to protect against supply disruptions.

The Economic Times - 21.01.2024

https://economictimes.indiatimes.com/industry/energy/oil-gas/india-defers-602-mln-plan-to-fill-parts-of-strategic-petroleum-reserve/articleshow/107014835.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Executive Director at Centre for High Technology under the Ministry of Petroleum and Natural Gas (MoPNG). Sharma is a post graduate engineer in Chemical Engineering from IIT-Delhi and Graduated from Gujarat University. At his previous role, he played a pivotal role in coordinating refining, petrochemical and alternatives for pan Indian oil and gas industry. During his career in Indian Oil, his various achievements inter alia include pivotal role in establishing India's first hydrocracker Unit in Gujarat Refinery as well as Hydro processing lab and Resid Block at R&D centre. With a visionary approach to catalyse Indian Oil's ambitions in alternative energy, he spearheaded the research and development endeavours in hydrogen, gasification, solar, CO2 capture and energy storage technologies.

PSU Watch - 18.01.2024

<https://psuwatch.com/psu-appointments/alok-sharma-assumes-charge-as-director-rd-of-indian-oil>