

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.)

Survey upbeat on economy, backs more freedom for business

Five years ago, when Nirmala Sitharaman took over as finance minister, she appeared uncertain amid criticism of waning growth, resulting in a series of post-Budget announcements, including a massive cut in corporate tax. As she presents a record seventh straight budget, the Modi's gov't economic report card presented an economy which is on a strong footing – projecting a 6.5-7% growth this year – with robust public finances, riding on high tax collections and improved quality of spending. The contrast could not have been sharper and has been laid out vividly in the Economic Survey 2023-24 tabled in Parliament on Monday. The Survey, meant to be a comprehensive official account of the financial year gone by, did flag the challenges confronting the economy – from the geopolitical situation, resulting in greater protectionism, to climate change and the impact of artificial intelligence, and its possible impact on jobs – but sounded more comfortable with the inflation trajectory, stating that India had handled the price situation better than peers and the short-term outlook was benign.

The Times of India - 23.07.2024

https://timesofindia.indiatimes.com/india/survey-upbeat-on-economy-backs-more-freedom-for-business/amp_articleshow/111937652.cms

Need to become a \$30 trn economy with \$18,000 per capita income: NITI paper

India needs to strive to be a \$ 30 trillion economy with a per capita income of \$ 18,000 per annum by 2047, the approach paper for vision for Viksit Bharat in 2047 has said. NITI Aayog in a paper titled 'Vision for Viksit Bharat @ 2047: An Approach Paper' said India needs to avoid the Middle-Income trap and carefully work towards breaking out of it. "As for the economy, to become a developed nation, we need to strive to be a \$ 30 trillion economy by 2047 with a per capita income of \$ 18,000 per annum. "The GDP would have to grow nine times from today's \$ 3.36 trillion and the per capita income would need to rise 8 times from today's \$ 2,392 per annum," it said. The

Big tax boost lets Nirmala raise capex & yet cut deficit sharply

The Budget for 2024-25 looks at first glance like a finance minister's dream come true. Nirmala Sitharaman has been able to sharply raise the outlay on capital expenditure, which is spending on creating productive assets, over the "provisional actual" (PA) figures for 2023-24 without resorting to borrowing more. As a result, she has been able to project a dramatic cut in fiscal deficit. How has this been possible? Let's look at the receipts side of the Budget to begin with. Revenue receipts are projected to rise about 15% over PA 2023-24 from Rs 27.3 lakh crore to Rs 31.3 lakh crore. Part of this is to come from higher tax receipts, which Sitharaman estimates will rise by 11% from Rs 23.3 lakh crore to Rs 25.8 lakh crore after the share of states has been accounted for. The rise in tax revenues, in turn, is projected to happen largely because of individual income tax collections rising by almost 14% from Rs 10.4 lakh crore to Rs 11.9 lakh crore. Income tax on corporates as well as goods and services tax (GST) are expected to record more modest increases of about 12% and 11%, respectively.

The Times of India - 24.07.2024

<https://timesofindia.indiatimes.com/business/india-business/big-tax-boost-lets-nirmala-raise-capex-yet-cut-deficit-sharply/articleshow/111973592.cms>

Stake sales pared, govt more an investor now

There is a change in strategy in a way, the time horizon is a little more flexible in the way you look at value creation and monetisation. We have to keep concentrating on value creation. Dividend continues to be important to us. Dividend should be in sync with how an investor looks at it. So, the government as an investor and minority shareholders as investors, we are trying to align. We want companies to be profitable, push capex which is fruitful and push management for the growth of the companies. If we are maximising only dividends or maximising disinvestment, I think we are going farther from the normal investors' behaviour.

paper also noted that progressing from a middle-income to a high-income level requires sustained growth in the range of 7-10 per cent for 20-30 years and very few countries have managed to do this. Defining the concept of Viksit Bharat, the paper said it is a Bharat which will have all the attributes of a developed country with a per capita income that is comparable to the high-income countries of the world today.

Business Standard - 29.07.2024

https://www.business-standard.com/economy/news/need-to-become-a-30-trn-economy-with-18-000-per-capita-income-niti-paper-124072800318_1.html

Mfg & services sectors flash PMI at three-month high of 61.4 in July

Private sector activity in India rose to a three-month high of 61.4 in July from 60.9 in the previous month, the HSBC Flash India Composite Output Index showed Wednesday. Backlogs of work rose further, prompting the best upturn in employment in over 18 years, according to the survey report. Manufacturers particularly noted higher prices for coal, leather, pharma products, rubber and steel while services companies specifically cited egg, meat and vegetables as sources of inflation. The reading on the index remained above the 50-mark, which separates expansion from contraction for 36th consecutive month. The flash PMI records 75-85% of the total 800 Purchasing Managers Index survey responses by services and manufacturing firms received every month. The HSBC Flash India Manufacturing PMI was at a three-month high of 58.5 in July from 58.3 in June, signalling a historically strong improvement in the health of the sector. The HSBC Flash India Services PMI Business Activity Index was 61.1 in July as against 60.5 in June.

The Economic Times - 25.07.2024

<https://economictimes.indiatimes.com/news/economy/indicators/private-sector-activity-hits-3-month-high-of-61-4-in-july/articleshow/111996553.cms?from=mdr>

India's economic activity expands in July, services PMI rises to 61.1

India's economic activity expanded in July, fuelled by a jump in services and a pickup in manufacturing, a flash survey by HSBC Holdings Plc showed. The services purchasing managers'

Then, my behaviour is more like fiscal management. Instead of being driven by the fiscal, we have to change time horizon of monetisation. We don't have to do it aggressively. We can do it gradually like an investor in a calibrated manner. We should create value and liquidity in stocks. Why should I race to bring down the government stake to the 51% level and why not 60% level, why not 65%? Companies are investing in projects, which will accrue value in months ahead, why sell in a hurry? So, the timing has to be right.

The Financial Express - 26.07.2024

<https://www.financialexpress.com/budget/stake-sales-pared-govt-more-an-investor-now-3564437/>

Consumer activity growth slows to 7% in 2023: Report

Consumer reach points (CRPs) of FMCG brands — a measure of consumer activity — witnessed a growth of 7% to 115 billion in 2023, mirroring the consumption pattern in the economy and slowdown in the sector. CRPs consider actual purchase made by the consumer and frequency at which these purchases are made in a calendar year. According to Kantar's latest Brand Footprint India report, all sectors — foods, homecare, health, beauty and beverages, except dairy, registered a slowdown in CRPs during 2023. However, overall CRPs increased almost 33% in the last five years. During 2023, food, which has the largest share in the FMCG space of about 37%, was largely flat. Others like homecare, health and beauty and beverages suffered the most, data tracking CRP growth said. K Ramakrishnan, MD, South Asia, Worldpanel division at Kantar said, "Consumer choice is a very reliable strength test for a brand across market conditions. As we see over the years, consumers are making increasing trips for purchase and that adds their options and in turn, their choice" In 2023, biscuits and confectionery major Parle topped the list for 12th year in a row, with a CRP score of 7980 million.

The Times of India - 26.07.2024

<https://timesofindia.indiatimes.com/business/india-business/consumer-activity-growth-slows-to-7-in-2023-report/articleshow/112026975.cms>

India's fiscal credibility improved in recent years: Fitch Ratings

Fitch Ratings believes the Indian government "should be able to achieve" its goal of reducing the deficit below 4.5% of GDP in FY26, as the Centre has improved its fiscal credibility in

index rose to 61.1 from 60.5 last month, while the manufacturing purchasing managers' index increased slightly to 58.5 from 58.3 in June. That drove the composite PMI to a three-month high of 61.4 from 60.9 the previous month. The indexes are based on preliminary survey results and are a signal of business confidence in the economy. A reading above 50 indicates expansion compared with the previous month, while a print below that indicates contraction in activity. "The rise in output in July was led by a further increase in business activity in the manufacturing sector, while the pace of expansion in services output also accelerated and remained well above its long-run average," Pranjul Bhandari, chief India economist at HSBC, said in a statement. "Companies turned more optimistic in July, following a moderation in business confidence in June."

Business Standard - 25.07.2024

https://www.business-standard.com/economy/news/india-s-economic-activity-expands-in-july-services-pmi-rises-to-61-1-124072400344_1.html

Govt to reassess interest of bidders in SCI, BEML, others

Govt will reassess interest from bidders in a clutch of public sector companies that were to be privatised, including Shipping Corporation and BEML, but Concor and BPCL are no longer on the table for now, a top official said on Friday. Tuhin Kanta Pandey, secretary in the department of investment and public asset management (Dipam), also said data room access would be given to IDBI Bank bidders after RBI sent its "fit and proper" assessment, as reported first by TOI last week, and govt hopes to complete the sale by the year-end. "We will undertake a review of all the transactions, which are pending, whether bidder interest will continue," Pandey told TOI in an interview, adding that entities such as HLL and NMDC Steel are also in the list. Transactions, such as Shipping Corporation and BEML, have been in the pipeline for almost four years and their fate remains uncertain. Concor and BPCL sale had been put off due to opposition from railways and petroleum ministries. "I won't really conjecture at this stage."

The Times of India - 27.07.2024

<https://economictimes.indiatimes.com/news/economy/policy/govt-to-reassess-bidders-for-shipping-corp-and-beml-hits-pause-on-concor-and-bpcl/articleshow/112057262.cms?from=mdr>

Among the petroleum items, crude oil could be brought under GST first': CBIC Chairman

recent years. "The government's record in recent years of achieving or outperforming on its budget deficit targets has improved its fiscal credibility – the deficit in FY24, at 5.6% of GDP, was well below the original target of 5.9%," the global ratings agency said in its report. In the current financial year, the government cut its fiscal-deficit target to 4.9% of the GDP in the full Budget, 20 basis points lower than 5.1% pegged in the interim Budget in February. Fitch said that the improved target for the current year partly reflects a large dividend (about Rs 2.11 trillion) from the Reserve Bank of India (RBI), received in May. "We believe that it should be achievable as the government's assumption of 10.5% nominal GDP growth in FY25 is modestly below our current forecast," it said.

The Financial Express - 27.07.2024

<https://www.financialexpress.com/policy/economy-indias-fiscal-credibility-improved-in-recent-years-fitch-ratings-3566117/#>

India is doing a factory reset on the jobs scene

Manufacturing is seeing a turnaround in India and the government's budget boost for factory jobs might just be the catalyst to turn a swell into a wave. The pace of job growth in manufacturing has overtaken that of the services sector, the biggest employer for several decades since the IT boom of the early 2000s, according to an exclusive study by Teamlease Degree Apprenticeship. The growth pace for jobs in manufacturing witnessed a 200% expansion over the past two years (2022 to 2024) compared with a drop of 35% in the services sector. To be sure, the services sector, including IT and non-IT industries, continues to do the heavy lifting, accounting for the greater number of jobs created in India. Growth in the manufacturing industry has picked up pace, mostly in the last two years, with the introduction of production-linked incentive (PLI) schemes and as companies increase manpower amid capacity expansion plans. Meanwhile, the tech industry has been hit by global economic uncertainty.

The Economic Times - 27.07.2024

<https://economictimes.indiatimes.com/news/economy/policy/india-is-doing-a-factory-reset-on-the-jobs-scene/articleshow/112050761.cms?from=mdr>

India's fuel consumption grows 2.6% in June, driven by surge in ATF and Petrol use

Higher duty on gold was not only fuelling smuggling but also causing market distortion and revenue loss, as it led to imports in non-bullion forms under various free trade agreements (FTAs) where they qualified for lower or even nil rates, Central Board of Indirect Taxes & Customs (CBIC) Chairman Sanjay Kumar Agarwal said in an interview with Soumyarendra Barik and Ravi Dutta Mishra. Agarwal stated that tariff rationalisation is undertaken with an objective to promote domestic manufacturing and boost exports and that the roadmap to bring petroleum products under the ambit of the Goods and Services Tax (GST) regime could start with crude oil as it would help integrate the entire petroleum product supply chain.

The Indian Express - 29.07.2024

<https://indianexpress.com/article/business/economy/cbic-chairman-sanjay-kumar-agarwal-express-interview-higher-duty-on-gold-petroleum-products-fta-9481559/>

Centre drops plan to infuse Rs 15,000-crore equity in OMCs

The government has dropped plans to infuse Rs 15,000 crore equity in Indian Oil, Bharat Petroleum, and Hindustan Petroleum as state oil marketing companies have turned profitable. The government did not allocate capital for infusion in state oil companies in the budget on Tuesday. It had allocated Rs 30,000 crore in last year's budget to help oil companies pursue green projects. The proposed amount, however, was cut to Rs 15,000 crore in the interim budget presented in February this year as companies started turning profitable. "Oil marketing companies are cash-rich and largely self-sufficient," said Gaurav Moda, India Energy Leader at EY. "They are expected to contribute significantly to the government's national capex spend plan, particularly towards an atmanirbhar and greener economy." Indian Oil, Bharat Petroleum, and Hindustan Petroleum have reported a combined profit of Rs 80,986 crore in 2023-24 against a profit of Rs 1,138 crore in the previous year. From the very beginning, oil companies were not excited about receiving equity from the government as they could easily borrow for green projects from the market at competitive rates, multiple industry executives previously told ET.

The Economic Times - 24.07.2024

https://economictimes.indiatimes.com/industry/energy/oil-gas/centre-drops-plan-to-infuse-rs-15000-crore-equity-in-omcs/articleshow/111958669.cms?utm_source=c

India's consumption of petroleum products in June 2024 recorded a 2.6% increase, reaching 19.93 million metric tonnes (MMT), up from 19.48 MMT in June 2023, according to the latest PPAC Industry POL & NG Consumption Report. The report highlighted notable trends in various fuel types, including a 4.6% rise in motor spirit (MS) or petrol consumption, which stood at 3.30 MMT for the month, compared to 3.15 MMT the previous year. Diesel (HSD) usage modestly grew by 1.0% to 7.98 MMT, while aviation turbine fuel (ATF) consumption surged by 10%, reflecting increased air traffic across the country. Additionally, the domestic sale of passenger vehicles in June 2024 saw a 4.9% increase, with sales reaching 294,000 units up from 280,000 in June 2023. In contrast, kerosene (SKO) consumption saw a significant decline of 28.8%, primarily used within the Public Distribution System (PDS).

The Economic Times - 24.07.2024

https://energy.economictimes.indiatimes.com/news/oil-and-gas/indias-fuel-consumption-grows-2-6-in-june-driven-by-surge-in-atf-and-petrol-use/111942085?utm_source=top_story&utm_medium=latestNews

India raises US oil imports in June, marginally cuts supply from Russia

India's monthly oil imports from its biggest supplier Russia slipped marginally in June while those from the United States rose to the highest since Feb. 2022, data obtained from the industry sources showed. India is the world's third-biggest oil importer and consumer, importing more than 80% of its oil needs. Indian refiners had placed orders in May for most of the June-arrival oil barrels. Refiners in India together shipped in 1.98 million barrels per day (bpd) of Russian oil in June, down 3.7% from the previous month, the data showed. However, during the first fiscal quarter ended June 30, India's imports of Russian oil rose by an annual 1.2%, according to the data. Russia exported more crude in the June quarter due to outages at its refineries from Ukrainian drone attacks, a trader with an Indian refiner said, but added that supply is expected to fall in the September quarter.

Business Standard - 25.07.2024

https://www.business-standard.com/world-news/india-raises-us-oil-imports-in-june-marginally-cuts-supply-from-russia-124072400760_1.html

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Business Standard - 25.07.2024

https://www.business-standard.com/world-news/india-raises-us-oil-imports-in-june-marginally-cuts-supply-from-russia-124072400760_1.html

Modi government maps green steel plan in bid to bring down carbon intensity

The ministry of steel has prepared a road map for the decarbonisation of the sector with the aim to bring down carbon intensity of the industry with the use of renewable energy, green hydrogen and carbon capture technology. A consultation paper, prepared with the effort of 14 task forces, will be released in the public domain soon for consultation and feedback before it becomes a policy document. The task forces consisted of people from the industry, academia and think tank, among others. "The task forces studied the aspects of instruments or mechanism to advance the decarbonisation of steel. They have submitted their report and we have integrated them into a road map after inter-ministerial consultations. It will be put up in the public domain for consultation in the next 7-10 days," Nagendra Nath Sinha, secretary of steel, said. Speaking at an interactive session with Bengal-based steelmakers organised by the Bharat Chamber of Commerce in Calcutta on Saturday, Sinha said the target is to bring down

Significant progress made by India in Global Logistics Rankings, says Survey

India's logistics sector has made substantial progress, with the Economic Survey 2024 reporting a significant rise in the World Bank Logistics Performance Index (LPI) rank. India's ranking in the International Shipments category improved to 22 in 2023 from 44 in 2014. The Economic Survey attributed this improvement to the government's modernisation and digitalisation efforts. Domestic manufacturing and export competitiveness improved significantly due to the PM Gati Shakti and National Logistics Policy (NLP); the survey stated. The Economic Survey also highlighted that the PM Gati Shakti National Master Plan portal was used for network planning and congestion projections. It also noted that big data from e-way bills and FASTag was leveraged to estimate future transportation demand and enhance logistics efficiency. "The Government utilized the PM Gati Shakti National Master Plan portal for network planning and congestion projections," the survey explained.

The Economic Times - 23.07.2024

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/india-has-made-significant-progress-in-global-logistics-rankings-according-to-the-economic-survey-for-2024/articleshow/111924028.cms?from=mdr>

Sanjay Kumar Singh takes over as Director (Projects), NHPC

Sanjay Kumar Singh has taken over as Director (Projects), NHPC Limited, India's premier hydropower company and a Schedule 'A' enterprise of Government of India on 24th July 2024. Singh holds a degree in Bachelor of Engineering (Civil) and has more than 32 years of vast and varied experience in Power and Infrastructure sector in respect of execution of mega and prestigious projects in India and Bhutan. Prior to his appointment as Director (Projects), NHPC, Singh held the position of Chief General Manager at SJVN Ltd. During his tenure at SJVN, he headed several key projects and worked as Head of the Project of Sunni Dam HEP (Construction stage), Naitwar Mori HEP (Construction stage), Luhri HEP Stage II (Survey & Investigation stage) and Jhakhol Sankri HEP (Survey & Investigation stage).

Sarkaritel.com - 26.07.2024

<https://www.sarkaritel.com/sanjay-kumar-singh-takes-over-as-director-projects-nhpc/>

carbon intensity in the steel sector in a graded manner.

The Telegraph - 29.07.2024

<https://www.telegraphindia.com/business/modi-government-maps-green-steel-plan-in-bid-to-bring-down-industrys-carbon-intensity/cid/2037031>

Manoj Mittal appointed as CMD of SIDBI

Manoj Mittal has taken charge as Chairman and Managing Director (CMD) of the Small Industries Development Bank of India (Sidbi), approved by the Government of India. Before this, he was the managing director (MD) of the Industrial Finance Corporation of India (IFCI). Mr. Mittal has over 33 years of experience in the financial services sector, including his previous tenures as MD and CEO of IFCI and deputy managing director at Sidbi, the bank said in an official statement.

PSU Connect - 28.07.2024

<https://www.psuconnect.in/news/manoj-mittal-appointed-as-cmd-of-sidbi/43596>

CMDE DK Murali assumes charge as CMD of BECIL

CMDE DK Murali, IN (Retd.) has assumed the charge of Chairman and Managing Director (CMD) of Broadcast Engineering Consultants India Limited (BECIL), a Mini-Ratna PSU under the Ministry of Information & Broadcasting. Prior to this, he had served in the Indian Navy, for nearly 35 years. He has completed B Tech in Electrical Engineering, Master of Engineering in Electronics & Tele Communication, PG Diploma in Management Studies and M. Phil in Defence & Strategic Studies. He had served Indian Navy for 35 years, having been commissioned as an officer in November 1989. During his Naval career, he held a variety of appointments, including sea appointments on frontline Naval warships, as well as appointments in training, inspection, ship repair yards, trials units, projects and tenures at Command and Naval Headquarters.

PSU Watch - 23.07.2024

<https://psuwatch.com/psu-appointments/cmde-dk-murali-assumes-charge-as-cmd-of-becil>