

# Q1 GDP growth seen at 15-16% on base effect

SBI estimates growth rate at 15.7%, ICRA at 13%; data to be made public tomorrow

## SHISHIR SINHA

New Delhi, August 29

The economy is expected to register growth rate between 15 and 16 per cent during April-June quarter of the current fiscal (FY23). Although, some economists say it could be between 13 and 14 per cent mainly due to the base effect.

The Central Statistics Office will come out with GDP number for Q1 tomorrow (August 31).

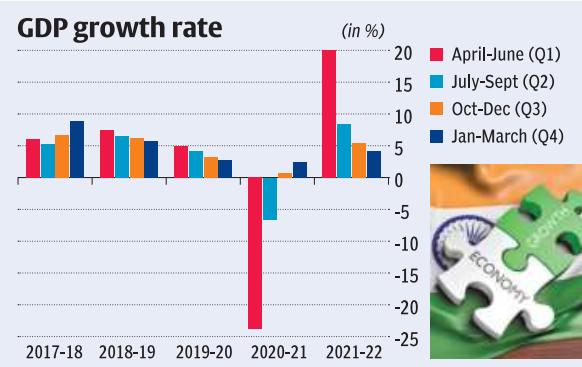
Various high frequency indicators have recorded mixed movement during April-June period. For example, Purchasing Managers' Index (PMI) for Manufacturing came down to 53.9 in June from 54.7 in April; while for services, it went up from 57.9 in April to 59.2 in June.

During the quarter, GST collection recorded all-time high collection and second all-time high collection of ₹1.67-lakh crore and ₹1.44-lakh crore, re-

spectively. In RBI's monthly bulletin, a chapter titled 'State of the Economy' highlighted various positive developments during the said three months period. The central government's capital outlay grew by 53.5 per cent, while revenue expenditure increased by 8.8 per cent.

On the receipts front, growth in gross tax revenue picked up during April-June, despite unfavourable base effects, driven by positive momentum in direct taxes. Moreover, the government earned ₹1.5-lakh crore from 5G spectrum auctions, of which at least ₹13,365 crore will be paid as the first annual instalment, providing comfort on receipts from non-tax sources. The RBI projects GDP growth rate of 16.2 per cent for the first quarter.

**SBI sees lower growth**  
At the same time, research report of SBI estimates growth



Source: MOSPI and SBI Research

rate a tad lower at 15.7 per cent.

The report, authored by a team led by Soumya Kanti Ghosh, Group Chief Economic Adviser of SBI, said several indicators suggest that the economy is making resilient progress in Q1 FY23 inspite of the drag from global spillovers, elevated inflation and some slackening of external demand, as geopolitical developments take their toll on world trade.

Domestically, an intense heat wave in major regions limited economic activity in the

earlier months, despite which most of the high frequency indicators showed improvement especially in services sector activity.

"Against this backdrop, the Q1 FY23 GDP numbers are expected to be much higher (in double digits), though this largely reflects base effects of the steep absolute contraction in the corresponding quarter a year ago," the report said.

**Moderate growth: ICRA**  
However, ICRA has projected the year-on-year (YoY) growth

of the GDP in Q1 FY23 at 13 per cent.

Aditi Nayar, Chief Economist, ICRA, said the anticipated double-digit GDP expansion in Q1 FY23 benefits from the low base of the second wave of Covid-19 in India in the same quarter previous year and the robust recovery in the contact-intensive sectors following wider vaccination coverage.

## Commodities impact

"In ICRA's assessment, there has been a shift in demand towards contact-intensive services from discretionary consumer goods for the mid-to-higher income groups.

"This, in conjunction with the emerging cautiousness in export demand, and the impact of high commodity prices on volumes as well as margins for the industrial sector, are likely to result in a relatively moderate industrial growth. Additionally, the impact of the heat wave on the wheat harvest is expected to result in a low growth of the agricultural sector in Q1 FY23," she said.



Union Minister of State for Electronics and IT Rajeev Chandrasekhar releasing a report in New Delhi PTI

## Focus on exports

Speaking at the launch a report by India Council for Research on International Economic Relations (ICRIER), in collaboration with India Cellular and Electronics Association (ICEA), he said India is the world's second largest manufacturer of mobile phones,

from \$5.8 billion to \$16 billion. India now plans to achieve the size and pace of exports attained by successful exporting nations such as China and Vietnam.

Electronics as a sector has jumped to the sixth largest export from India this year. Mobile phones top the export basket and are expected to contribute nearly 50 per cent of the total electronics exports by next year, it said. The government has asked Chinese mobile companies to increase their exports from India and there is no proposal to ban the sale of handsets below ₹12,000 made by such firms, the minister said.

"Our study finds that China and Vietnam have adopted the mantra of 'first globalise, then localise,'" Deepak Mishra, Director and CEO of ICRIER, said.

"With exports as our key focus, we are working on policies that will increase domestic value addition over the next few years," Pankaj Mohindroo, Chairman of ICEA said.

# BPCL identifies petrochemicals, RE, EVs and retail as key areas

## OUR BUREAU

New Delhi, August 29

Aiming to expand its revenue stream and accelerate clean energy transition, state-run Bharat Petroleum Corporation on Monday identified six key strategic areas, including petrochemicals, renewable energy (RE) and consumer retailing.

"The company has identified six strategic areas — petrochemicals, gas, RE, new businesses (consumer retailing), e-mobility and upstream, which will serve as pillars of future growth," Arun Kumar Singh, BPCL Chairman said in his speech to shareholders.

Later, he told reporters on crude

oil sourcing that the company is in talks with several suppliers including Russia. On short-term sourcing from Russia, Singh said that BPCL is in dialogue, but nothing has been finalised.

### Projects in the pipeline

Singh pointed out that the oil marketing company's (OMCs) "topmost priority" now is to enhance its presence in the petrochemicals space.

"Company has planned two new projects — ethylene cracker project at Bina Refinery and polypropylene project at Kochi Refinery — for which feasibility studies and other pre-project activities are underway. They are likely to come on stream by 2026-27," he added.

### Consumer retailing

Another key focus area for the CPSU

is consumer retailing, where the BPCL Chairman pointed out that the company will offer consumables, durables and services by leveraging its pan-India network of over 20,000 fuel stations and more than 6,200 LPG distributors.

Singh said BPCL has come out

with the concept of creating highway fast charging corridors to address range anxiety for four-wheelers.

### Clean energy push

As part of its net-zero carbon emission target by 2040, BPCL has

planned to scale up its RE portfolio from less than 50 megawatts (MW) presently to 1 gigawatt (GW) by 2025 for which it will invest ₹5,000 crore. The company will expand it further to 10 GW by 2040, the investments for which are under planning.

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<b>NOTICE INVITING TENDER</b>	
Ref No: BPSCL/MM/22-23/Paper Advt./2291	
Dated 26/08/2022	
Sl. No.	NIT No. / Date
1.	BPSCL/MM/22-23/C-009 NIT-117/2085 dt.03/08/2022 Residual Life Assessment (RLA) of Pressure Parts of Boiler # 4.
2.	BPSCL/MM/22-23/C-003 NIT-117/2118 dt.08/08/2022 Assisting the Boiler Personnel for smooth and efficient operation of Dusi Preparation system.
3.	BPSCL/MM/22-23/C-070 NIT-117/2129 dt.08/08/2022 Residual Life Assessment (RLA) of Turbo-generator # 2 during Capital Repair.
4.	BPSCL/MM/22-23/C-067 NIT-117/2119 dt.10/08/2022 Procurement of High Pressure, High Temperature Manual Stop Valves for CPP Boiler & Turbine.
5.	BPSCL/MM/22-23/C-093 NIT-117/2111 dt.19/08/2022 Procurement of Boiler Quality Seamless Tubes.
6.	BPSCL/MM/22-23/C-060 NIT-117/2283 dt.25/08/2022 Annual Maintenance Contract for Maintenance of Electrical Equipments including Revamping / Overhauling of HT Motors of RCPH.
7.	BPSCL/MM/22-23/C-072 NIT-117/2120 dt.25/08/2022 Assisting the Boiler Personnel in routine operation activities at 0 & 8 M in TPP Boilers.
8.	BPSCL/MM/22-23/C-092 NIT-117/2282 dt.25/08/2022 Procurement of Spares for ESP (Model no.424/15, Make-M/s Kirloskar (AAF).

For Tender documents kindly visit Website: [www.bpscl.com](http://www.bpscl.com) / tenders.gov.in Bidders are requested to visit website regularly.

# 'Confident of achieving \$300-b electronics output target by 2026'

Rajeev Chandrasekhar bets on exports to make the country a global hub

## OUR BUREAU

New Delhi, August 29

The government on Monday said that it was confident of the Indian electronics industry reaching a production of target of \$300 billion and exports of \$120 billion by 2025-26.

"I have full confidence that this opportunity of \$300 billion worth of electronics production and \$120 billion of exports by 2025-26.

"This, in conjunction with the emerging cautiousness in export demand, and the impact of high commodity prices on volumes as well as margins for the industrial sector, are likely to result in a relatively moderate industrial growth.

"These are real opportunities and we will deliver..." Rajeev Chandrasekhar, Minister of State for Electronics and Information Technology, Skill Development and Entrepreneurship, told reporters here on the sidelines of an event.

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