



8 Feb 2023

Business News Update

“Positive anything is better than negative nothing.”

ONGC set to start oil output from KG basin block in May, gas next year

After numerous delays, state-owned upstream major Oil and Natural Gas Corporation (ONGC) is finally set to start commercial crude oil production from its prolific deep-water block KG-DWN-98/2 from May and gas output from May of next year, the oil major's director (offshore) Pankaj Kumar said at the India Energy Week here. ONGC plans to start oil production from the Bay of Bengal block with volumes of 10,000 to 12,000 barrels per day (bpd), which will be ramped up to peak production level of 45,000 bpd in two to three months.

Source: [Indian Express, February 8, 2023](#)

Adani Enterprises stock jump 15% after promoters repay loans of \$1.1 bn

A day after the Adani Group promoters prepaid \$1.114 billion worth of loans ahead of their maturity to release pledged shares in its three listed entities, the stock of Adani Enterprises Ltd (AEL) Tuesday rose sharply by 14.63 percent. The share of AEL closed at Rs 1,802.5 apiece on BSE compared to the previous close of 1,572.4 apiece. It rose 25 per cent to touch Rs 1,965.5 apiece during the intraday trades. However, a day ahead of the Reserve Bank of India's (RBI) monetary policy announcement, the Sensex, declined 0.37 per cent,

Source: [Indian Express, February 8, 2023](#)

Indian banks exposure to Adani Group not large to pose risk, say rating agencies

Indian banks' exposure to the controversy-hit Adani Group is not very large to pose a threat to the credit ratings of lenders at present, global rating agencies Fitch Ratings and Moody's Investors Service said on Tuesday. However, they believe that a higher reliance of the ports-to-energy conglomerate on banks in absence of funding from the international market may increase the risk for these lenders, especially state-run banks.

Source: [Indian Express, February 8, 2023](#)



Business News Update

Zoom to cut headcount by about 1,300 jobs

Zoom Video Communications will lay off 15% of its workforce, or about 1,300 jobs, Chief Executive Officer Eric Yuan said in blog post on Tuesday, sending the company's shares up 7%. Yuan also said that he will take a salary cut of 98% for the coming fiscal year, foregoing his fiscal 2023 corporate bonus. The video conferencing software maker also said that its executive leadership team will reduce their base salary by 20% in the same period.

Source: [Indian Express, February 8, 2023](#)

=====

RBI Monetary Policy: Repo rate hiked by 25 bps, GDP forecast now at 7%

On Wednesday, the Reserve Bank of India (RBI) governor Shaktikanta Das announced a repo rate hike of 25 basis points (bps), taking the key benchmark interest rate to 6.5 per cent. The MPC's decision was split 4-2. This is the first rate hike in 2023. Before this, the repo rate was hiked by 35 bps on December 7. Das also announced that the MPC has decided to focus on withdrawal of the "accommodative stance" as the "situation does not look so grim now". The MPC met on February 6, and the meeting concluded on February 8.

Source: [Business Standard, February 8, 2023](#)

=====

Adani Group exposures not large to pose risks to banks: Fitch, Moody's

Indian banks' exposure to Adani Group companies is not that large to significantly risk their credit profile, said global rating agencies Fitch and Moody's on Tuesday. A statement by Moody's though warned that risks for banks can increase if the Adani Group becomes more reliant on loans. Banks' exposure to the group is less than one per cent of their total loans, said Moody's, which has issued frequently asked questions about risks. Fitch said: "We believe loans to all Adani group entities generally account for 0.8%-1.2% of total lending for Fitch-rated Indian banks equivalent to 7%-13% of total equity.

Source: [Business Standard, February 7, 2023](#)

=====