

Summer to fire up sales of ACs, beer, sunscreen

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New Delhi, 4 April

Earlier this week, the India Meteorological Department forecast above-normal maximum temperatures from April through June over most parts of the country, along with above-normal heatwave days likely over most parts of the South Peninsula, Central India, East India, and the Northwest plains.

Fast-moving consumer goods (FMCG) majors and consumer durables companies alike are expecting growth in demand this summer season after last year's unseasonal rain washed out sales for the companies.

A spokesperson for Voltas, the market leader in air conditioners (ACs), said the industry was poised for double-digit growth across channels. "We are optimistic about the season and are expecting good growth in the segment. We are well-prepared to meet the surge in demand," the spokesperson said.

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FMCG FIRMS TO FACE Q4 VOLUME PRESSURE
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HOT SALES AHEAD

▶ **VOLTAS** expands manufacturing operations in Chennai to cater to the growing demand for ACs

▶ **EPACK DURABLE** enters room cooler segment, eyes additional ₹250-300 crore revenue by FY28



▶ **LONE WOLF** beer expects a twofold increase in demand

▶ **COCA-COLA** ramping up distribution in light of surging demand

▶ **McNROE** — maker of Wild Stone deodorant — expects 18 per cent growth this season

Summer to fire up AC, beer, sunscreen mkt sales

"We anticipate more business coming in from the Tier-II and Tier-III markets," the Voltas spokesperson said.

To address this growing demand, the company, which currently operates four manufacturing plants, is expanding in Chennai.

Epack Durable, which manufactures ACs for durables companies like Voltas, Haier, etc., expects a growth rate of more than 15 per cent this year if the heatwave persists beyond May.

"Last year 10 million units of ACs were sold in the market. This year, the industry expects to sell 11.5 million units. We have a good order book and are running at 100 per cent capacity to cater to this surge in demand," said Ajay D D Singhania, managing director (MD) and chief executive officer (CEO), Epack Durable.

The company, on Thursday, also announced its entry into the room cooler segment, eyeing revenue of ₹250-300 crore from the business by 2027-28. Beverage giant Coca-Cola too is ramping up distribution to address the summer season sales.

"In India, we are always attuned to market dynamics and consumer preferences. As the summer season approaches, we are adopting a segmented approach and strategically ramping up distribution to stay connected with our consumers and embrace this time of year," said a company spokesperson.

Bisleri too anticipates a major increase in sales of both water and fizzy drinks, especially in regions experiencing extreme weather.

"The increase is more pronounced for fizzy drinks, prompting us to add new manufacturing facilities for our range of Limonata, Pop, Rev, and Spyci Jeera. We have also added new facilities and extended our e-commerce service footprint across new towns and localities," said Angelo George, CEO, Bisleri International.

Ice cream companies are also expecting a summer surge in sales.

"We are encouraged by the steady increase in demand we have observed in March and the prediction of a long and intense summer season. Our projections indicate an industry growth of 15-20 per cent this summer. In the past couple of years, we have grown faster than the industry. We assume that this year too, we will grow faster than the market," said Mohit Khattar, CEO, Graviss Foods, which operates Baskin Robbins India.

Beer companies too are betting on the summer season this year to drive sales.

"The beer category has seen steady growth in the mid-single digits, a trend that we anticipate to continue. Over the past few quarters, we've experienced strong momentum with high single-digit volume growth. The upcoming warm summer bodes well for beer con-



sumption, although we must remain cautious due to the upcoming elections," said Vivek Gupta, MD and CEO, United Breweries, which markets Kingfisher beer in the country.

"At Lone Wolf, we expect a substantial surge in demand this year, particularly in the April-June quarter, with a projected twofold increase compared to the previous year, mainly attributed to our expanded production capacity and the heightened demand driven by the onset of summer," said Atul Kumar Singh, co-founder and MD of Lone Wolf. However, with the general elections in the offing and the imposition of the model code of conduct, the company estimates a 10-15 per cent decrease in on-trade sales numbers, with retail operations largely remaining unaffected. Beauty companies too are already seeing a surge in sales of sunscreens and deodorants as consumers prepare for the summer conditions.

"We have seen growth of approximately 20 per cent compared to the previous year's figures. Going ahead, we anticipate the deodorant segment to achieve a growth rate of roughly 18 per cent this year," said Ankit Daga, head of business development at McNROE, which markets deodorant brands like Wild Stone and Secret Temptation.

Skincare company Re'equil expects a 60-70 per cent growth in the sun protection category in the coming year.

"The sun care category in India has been growing strongly on the back of growing awareness of its importance for all age groups," said Vipul Gupta, founder and director at Re'equil.

"We expect a substantial surge in the demand for summer essentials like deodorants, sunscreens, aqua perfumes, and menthol-based shampoos. The heightened awareness of the need for protection against the sun's rays and changing temperatures are already driving growth in select categories," said Anmol Sikka, senior director and head-beauty and personal care at the online shopping platform Myntra.

bank's notification, some market participants expressed optimism that the volatility in the rupee's exchange-traded derivatives, particularly options, might decrease.

"The immediate implications of the circular wouldn't be any for now as there is no change in the RBI's policy approach to the regulatory framework. However, trading volumes on such platforms could experience a rise that had slumped sharply in the past two days due to the unwinding of positions. Further, the pressure on the options premiums could stabilise," said Amit Pabari, managing director at CR Forex. "The option premium which had risen to 3.5 per cent might come down to 1.5 per cent- 2 per cent," he added.

Transactions in currency futures were primarily driven by the retail segment who couldn't transact in OTC markets because banks demanded proof of underlying exposure, which they didn't have. These retail trades accounted for more than 50 per cent of total transactions and contributed



significantly to liquidity in exchange-traded currency futures. Initially, when currency futures trading began in August 2008, the RBI allowed transactions in dollar-rupee currency futures for hedging foreign exchange rate risks or other purposes.

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came after market hours, whatever had to happen has already happened," said Ritesh Bhansali, vice-president at Mecklai Financial

Services. "The circular has not changed or modified; they have just changed the date. If the circular has come today and they said the regulatory

frameworks remain the same, that means nothing is going to change in future as well," he said.

Following the central