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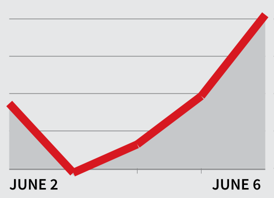

IN FOCUS

	Week's close	Week's change
Nifty 50	25003.05	+252.35
P/E Ratio (Sensex)	22.99	+0.21
US Dollar (in ₹)	85.62	+0.05
Gold Std 10 gm (in ₹)	96756.00	+1783
Silver 1 kg (in ₹)	105285.00	+7827

GLOBAL LEAP. **NMDC to establish** overseas investment arm at GIFT City, focusing on strategic mineral assets, says Chairman Amitava Mukherjee **p10**

CORPORATE FILE. **To stay competitive,** IT firms invest in digital transformation, upskilling and new partnerships **p7**

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MONDAY SPECIALS.

CLEANTECH

Falling solar prices call for storage systems

On May 25, between 9.30 and 9.45 am, the market-clearing price of solar power sold on the real-time market of the Indian Energy Exchange was zero. The price stayed zero only for a brief period, but it still raised eyebrows. Renewable energy observers may remember that just a decade ago, experts were predicting the fall in solar prices to "grid parity" levels. **p6**

CURRENT ACCOUNT

Why payments banks don't count yet

Payments banks continue to struggle even after a decade of existence, largely on account of a decline in revenue and throughput volumes in remittance, Aadhaar-enabled payments system and micro-ATM business and wafer-thin margins. Currently, six payment banks are operating in the country. These niche banks, which were established during 2016-18 to promote financial inclusion. **p9**

Banks may cut savings, deposit rates again to guard margins

REPO RIPPLE. Lenders eye 25-50 bps cuts amid faster rate transmission and surplus funds

Piyush Shukla
Mumbai

In view of the expected surplus liquidity and to protect margins, banks are likely to conduct the second round of savings account interest rate cuts by 25-50 basis points (bps), effect more reductions in term deposit rates after the Reserve Bank of India (RBI) front-loaded its policy action by cutting the benchmark repo rate by 50 bps, senior bankers say.

Banks have already reduced deposit rates by up to 40 bps since February and are expected to take more cuts hurting those who rely on fixed income.

"The first round of savings account interest rate cut has happened; our bank also did it. I think there will be more to come, and the deposit rate may fall by 25-50 bps. The core point is that we have been living in very tight liquidity conditions over the past two years, some of which were triggered by global factors and some were induced by the RBI," a private sector banker said.

"Now they (RBI) have started course correction. Everything that the RBI has done over the past six months, including open market operations, and repo rate cuts, are signals to the market that liquidity will be in surplus," they added.

SURPLUS LIQUIDITY

- Deposit rates may now fall by 25-50 bps; large and mid-sized private banks had last cut savings account interest rate in April-May
- OMOs, repo cuts are signals that liquidity will be in surplus, aiding deposit rate cuts
- On an average, banks have cut deposit rate by 27 bps since February, RBI Governor said on Friday

RATE REALIGNMENT

Large and mid-sized private banks had cut interest rates on savings accounts as well as deposits in April-May. The reduction in savings account interest rate is essential for lenders to protect their margins, experts say, as the change can be implemented quickly as against term deposits, which re-price with a lag of over a year. Loans, meanwhile, re-price faster than deposits.

"The RBI announced a more than expected repo cut of 50 bps, given moderating inflation and front-loading the same to support growth. The transmission on a significant part of the loan book for the banking system would be almost immediate (and certainly within a quarter) given that the retail and MSME book is linked to the same," said Harsh Dugar, ED at Federal Bank.

"On the deposit side, this would lead banks to cut FD rates faster and also likelihood of cut in savings bank rate to manage net interest margins. The RBI has also announced a cut in CRR in 4 tranches spread over September to November, which would also help banks with liquidity to support growth and also bring down the cost of funds," he said.

FASTER TRANSMISSION

To be sure, RBI Governor Sanjay Malhotra on Friday said that transmission of the repo rate cut is happening at a faster rate in the current easing cycle versus past trends. While short-term bond yields have fallen by over 50 bps, on an average, banks have reduced deposit rate by 27 bps, while outstanding loan rates have fallen by 17 bps, and on fresh loans, the interest has moderated by 6 bps.

"Going by past trends, the transmission has happened much faster...Normally, it takes 6-9 months for transmission, but it's only been 4 months since we started cutting repo in February. However, we need to do it faster and that is why we have front-loaded our actions...," he said.

Five banks cut lending rates **p3**

India eyes US, Russia, 3 others as China curbs magnet supply

Abhishek Law
New Delhi

India is racing against time to forge rare earth magnet supply chains with five nations, as China's export chokehold has hit EV production here. And the clock is set at: 45-60 days.

Discussions have been initiated with five other countries — Vietnam, Indonesia, Japan, the US and Russia — for the supply of rare earth magnets, with parallel discussions underway at the Chinese Embassy here to allow Indian buyers access to the EV-making component.

India's import of the item is to the tune of 809 tonnes.

At least a 45-day time period is being sought to explore and set up supply chains from Asian nations, while for Russia and the US, it will be a lengthy 60-day timeline, according to top government officials taking direct stock of the matter told *businessline*.

An alternative, recently discussed but yet to be formalised, is to allow companies to import entire assemblies or sub-assemblies instead of individual magnets. But necessary changes to quality control rules and eligibility norms under various government schemes mandate that domestic value addition be relaxed. Most of these schemes seek domestic value addition, based on which subsidies or production incentives are provided here.

China controls 70% of rare earth magnets production, and 90% of the supplies

Rare earth magnet supplies with automobile makers are expected to last till June-end, at most. Since mid-April, there have been no supplies.

DIPLOMATIC PUSH

Efforts are now underway through diplomatic channels.

The Indian Embassy in Beijing is working to arrange a meeting between an Indian industry delegation and Chinese government officials, including representatives from the Chinese Ministry of Commerce.

Last week, top brass of one of the line ministries called up the Indian Ambassador in Beijing to co-ordinate with the Chinese Ministry of Commerce, so that rare earth magnets can be provided to the Indian auto car makers so that the day-to-day functioning is not affected.

Efforts are on by two other line ministries to speed up the process and ensure that all the approvals which will be needed for the auto makers are in place.

"At this point, a SIAM delegation is scheduled to go to China, but the date is yet to be fixed," said a government top brass.

SUPPLY CHAIN CONCERNS

Government officials told *businessline* that possibilities are high to procure the rare earths from Vietnam and Indonesia.

Japan does have rare magnets, but they're not of the same quality as that found in China, the official said, adding that: "Vietnam would be the option right now because the supply chain can be set up immediately."

Also read **p10**

Singapore Airlines deepens ties with Air India, offers deputation to pilots in low-cost brand Scoot

Aneesh Phadnis
Mumbai

Singapore Airlines (SIA) and Air India are deepening their partnership, bringing mutual benefits in sales, operations and other areas.

In a recent initiative, Air India pilots are being offered deputation opportunities in SIA's low-cost subsidiary, Scoot. Around 100 positions are available for captains and first officers for a one- to two-year deputation on a voluntary basis. While Scoot will be able to fill up vacancies, Air India pilots would get international exposure and an opportunity to train on the Embraer, which they currently do not operate.

Air India managing director and CEO Campbell Wilson described the opportunity as a win-win for both the airlines. Wilson said Air India and SIA share close ties that are increasingly bringing mutual benefits.

TURNAROUND PLAN

Other SIA executives, Basil Kwauk and Hamish Maxwell are also contributing to Air India's turnaround plans. There is information sharing between the two airlines, and SIA has also hosted Air India executives to impart their knowledge, Wilson said. SIA said it is offering its support to Air India as a significant minority shareholder. "We will continue to engage with the Tata Group and Air India, contributing our expertise in specific areas that will be mutually beneficial, subject to regulatory restrictions," the airline said.

"We actively seek talent within and outside Singapore, focusing on attracting and retaining qualified individuals who align with our values and can contribute to Scoot's continued growth," Scoot said.

SIA partnered with Tata Sons to launch Vistara in 2015. Following Vistara's merger with Air India, the Singapore carrier holds 25.1 per cent share in the unified airline. The two airlines also have an extensive code-share pact.

The investment in Air India is a part of SIA's multi-hub strategy, enabling it to participate in the fast-growing Indian market and complement its Changi airport hub.

While air travel demand between India and Singapore remains strong, SIA also competes with other major regional and international airlines. In FY25, SIA flew over 2.4 million passengers to/from India. Around 65 per cent of the traffic flew onward or connected via Singapore to India. "Indian market continues to be strong, and we are optimistic about it. We are looking at how to collaborate closely with Air India," SIA CEO Goh Choon Phong told *businessline*.

At Junicorn summit, teenage innovators catch investors' eye

They pitch solutions to social challenges; secure $50,000 each at Texas varsity contest

KV Kurmanath
Hyderabad

Their English may have been basic, but their presentations spoke volumes at the recent 'Junicorn' contest held at Texas State University, San Marcos in the US.

Investor interest was caught, as a passionate bunch of teenage Indian innovators from Odisha, Andhra Pradesh and Telangana and mostly from humble backgrounds, shared their ideas on solving knotty social challenges. So much so that the young innovators got a commitment of $50,000 each to help them build their products.

JA Chowdhary, ISF Founder-President (left) with Hema Sai (right) who presented an eco-friendly brick that attempts to solve the problem of plastic pollution

MEANINGFUL VENTURES

Take Venkata Lakshmi, a ninth grader at the HEAL School and Orphanage near Gannavaram in Andhra Pradesh. Moved by the struggles women face during menstruation, she developed biodegradable pads that she called NaturaShe. "Many women still rely on cloth rags, risking infections and long-term health issues. We are seeing usage of plastic in the preparation of sanitary napkins, which is causing environmental and health issues," Venkata Lakshmi said, while pitching NaturaShe to the investors. Her product contains jute, cotton, loofah and flax seed oil. Her fellow student from the same school, Hema Sai, presented an eco-friendly brick that attempts to solve the problem of plastic pollution. The 'Eco-Brickster' is made from recycled plastic and fly ash.

Then there was Sai Satyam Pradhan, a final-year student from BOSE College in Odisha, who spent two years building Sobady, a self-charging electric vehicle powered by solar, wind, kinetic, and piezo energy. From classroom sketches to a working prototype, Sai Satyam proved that innovation doesn't need a fancy lab — just relentless drive.

EVERYONE A WINNER

"They may have come from humble backgrounds, but they attracted the attention of investors and mentors," JA Chowdhary, Founder-Chairman of International Startup Foundation (ISF), which organised the Junicorn summit, told *businessline*.

"We had nine winners picked out of the pre-event based on Junicorns' presentations, but at the event, since every kid performed exceptionally well, the ISF decided to declare everyone a winner," said Padma Alluri, CEO, ITS Corp and Impact leader, ISF Junicorn. "Every Junicorn that pitched its idea got a commitment for funding, go-to-market access and mentorship. We are working with these kids to help them take their projects to the next level," she said.

QUICKLY.

EAM Jaishankar embarks on week-long Europe trip

New Delhi: External Affairs Minister S Jaishankar on Sunday embarked on a week-long visit to Europe to hold talks with leaders of France, the European Union and Belgium to boost bilateral ties and reaffirm India's policy of zero-tolerance against terrorism. Jaishankar will first visit France. PTI

Sat Pal Bhanoo to be LIC CMD for three months

Mumbai: The Government has entrusted Sat Pal Bhanoo, MD of Life Insurance Corporation of India (LIC), the financial and administrative powers and functions of the Chief Executive Officer and Managing Director (CEO & MD) of the Corporation for three months with effect from June 08, 2025. This comes as Siddhartha Mohanty completes his term as CEO & MD. OUR BUREAU

Fiscal measures take centre stage to stimulate growth, consumption

POSITIVE OUTLOOK. Debt managers are optimistic that average cost of borrowing could fall below 7% in FY26

Shishir Sinha
New Delhi

With the Monetary Policy Committee having initiated reductions in the policy interest rate and cash reserve ratio (CRR), the focus has now squarely shifted to fiscal measures aimed at boosting consumption and growth. Three critical avenues are under consideration: rationalisation of GST rates; reduction in borrowing costs and a re-organisation of States' capital expenditure.

A meeting of the GST Council is anticipated shortly, with strong indications that it will deliberate on rate restructuring. The current GST framework is characterised by four general rates (5, 12, 18, and 28 per cent), alongside multiple special rates (0, 0.25, 3 per cent) and a compensation cess (1-22 per cent) on selected items. A Group of Ministers (GoM) is reviewing this structure, and while their report is yet to be submitted, there is a strong likelihood that the Council will aim to reduce the number of rates and potentially lower taxes on some items.

TAX BOOST. Strong GST collections (₹2 lakh crore), coupled with healthy growth in direct taxes could enable the government to reduce its overall borrowing ISTOCKPHOTO

SIMPLIFIED APPROACH

Paras Jasrai, Senior Analyst with India Ratings & Research (Ind-Ra), believes that the four-tier GST structure has made the tax structure complex. Advocating for a more streamlined approach, he stated, "There should be the merger of the 12 per cent slab into 5 per cent and 18 per cent rates, which would help in streamlining processes, reduce litigation, and enhance revenue efficiency."

Jasrai further suggests a strategic approach for policy certainty.

"For building policy certainty, the government can announce staggered reduction of tax slabs in a phased manner. This would enhance trust and improve tax collections for the government," he said.

The GST Council finds itself in a comfortable position to consider such reforms, given the robust growth in GST collections, which have exceeded ₹2 lakh crore in two successive months. This strong GST collection, coupled with healthy growth in direct taxes and a higher-than-estimated surplus transfer from the RBI, could enable the government to reduce not only its cost of borrowing but also its overall borrowing.

Debt managers are optimistic that the average cost of government borrowing could fall below the 7 per cent level in FY26, after remaining at or above this mark for the preceding three years. RBI data indicate that the cost of government borrowing (weighted average yield on government debt issuances) decreased to 7 per cent in FY25, from 7.2 per cent in FY24 and 7.3 per cent in FY23.

Sunil Kumar Sinha, Professor at the Institute for Development and Communication said, "While the lower cost of borrowing will help in the coming years, immediate gain would be through additional liquidity through a combination of higher revenue receipts and lower borrowing."

He said the extra money can be used to provide more to States under fifty-year interest-free loan for capital expenditure. Sinha explained that States' capex has a lower gestation period than Centre. It will also boost consumption in States.

Ranen Banerjee, Partner with PwC India, said, "The State governments have to also align to the fiscal roadmap that the Centre has been following with higher capex and productive expenditure allocations. Next-gen reforms on ease of doing business at the State level focusing on decriminalisation and optimal regulation to bring down cost of doing business for manufacturing small and medium enterprises should be prioritised."

ICAI drafts overseas network norms for CA firms

Shishir Sinha
New Delhi

In a strategic move to bolster India's homegrown audit, accounting, and advisory firms, the Institute of Chartered Accountants of India (ICAI) has drafted 'Overseas Network' guidelines. This aims to create a regulatory framework that fosters the development of professional networks for chartered accountancy (CA) firms, enabling them to compete more effectively on both domestic and international fronts.

The ICAI emphasises the necessity of this framework, stating, "There is a need to open up the profession of CA to a more globalised environment where India could not afford to get itself isolated."

These proposed guidelines will allow ICAI member firms to collaborate with overseas networks, both within India and abroad. The draft outlines key aspects such as registration, changes in constitution, and annual return filings, and mandates that each overseas network designates a nodal officer responsible for compliance with ICAI guidelines. This push for global competitiveness is part of a broader effort to help firms stand against international giants like EY, PwC, KPMG, and Deloitte. Complementing the overseas network guidelines are revised rules for the merger and demerger of CA firms and new guidelines for the aggregation of Limited Liability Partnerships (LLPs).

MERGER RULES

The aggregation guidelines, issued in January, allow an LLP (Indian CA firm) to partner with another LLP or CA firm. This enables firms to expand capabilities, market presence, and achieve operational efficiencies by combining resources and diversifying services.

The ICAI's revised merger and demerger guidelines aim to streamline processes and remove practical obstacles that previously hindered CA firms from pursuing such strategic consolidations. The regulator is also developing a dedicated networking portal to help members connect, share resources, and leverage complementary strengths through networking, mergers, partnerships, and collaborations.

TODAY'S PICK.

JSW Energy (₹523): BUY

Gurumurthy K
bl. research bureau

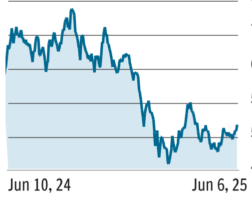
The up move in JSW Energy seems to be gaining strength gradually. The 2.9 per cent rise on Friday marks the end of the corrective fall. It also indicates that a fresh leg of the up move has begun.

A cluster of supports exists in the broad ₹506-496 region. Immediate resistance is around ₹530. However, the chances are high that the stock will break this resistance. Such a break can take JSW Energy's share price up to ₹575-580 in the coming weeks. Traders can buy JSW Energy shares now at ₹523.

Accumulate on dips at ₹516. Keep the stop-loss at ₹492. Trail the stop-loss up to ₹530 as soon as the stock goes up to ₹538. Move the stop-loss up to ₹540 and ₹555 when the share price touches ₹548 and ₹565, respectively.

Exit the long positions at ₹580.

JSW Energy Ltd



Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

5 banks cut repo-linked lending rates by 50 bps; loans to get cheaper

Our Bureau
Mumbai

Punjab National Bank (PNB), Bank of India (BoI), UCO Bank, Indian Bank and Bank of Baroda (BoB) have slashed their repo-linked lending rates (RLLRs) by 50 basis points, making home loans, vehicle loans, personal loans, and MSME (micro, small and medium enterprise) loans cheaper to that extent.

The cut in RLLRs by the aforementioned public sector banks follows the monetary policy committee voting by a 5-1 majority to reduce the repo rate by a steep 50 bps from 6 per cent to 5.5 per cent on June 6.

Whenever the repo rate is increased or decreased, banks' RLLRs go up or down to that extent.

RATE BREAKUP

Along with the repo rate cut, the central bank had also slashed the cash reserve ratio (CRR) by 100 bps from 4 per cent to 3 per cent of banks' deposits in four tranches, beginning September.

The CRR cut will ensure that banks not only have durable liquidity (total liquidity to be released due to the cut is ₹2.5 lakh crore), but the transmission of the repo rate cut into lending and deposit rates is faster.

PNB has decided to lower its RLLR from 8.85 per cent (including Business Strategic Premium/ BSP of 20 bps) to 8.35 per cent (including BSP of 20 bps) with effect from June 9. However, the bank left the Marginal Cost of Lending Rate (MCLR) and base rate unchanged.

THE IMPACT. The steep cut of 50 bps in repo rate is expected to sharply impact the net interest margins of the banks, and Q2FY2025 is expected to be the weakest ISTOCKPHOTO

BoI has lowered its RLLR to 8.35 per cent from 8.85 per cent with effect from June 6.

UCO Bank said it will revise its RLLR to 8.3 per cent from 8.8 per cent with effect from June 9. The bank also decided to cut MCLR rates across the board by 10 bps, with the one-year MCLR getting lowered to 9 per cent (against 9.1 per cent earlier), with effect from June 10. MCLR serves as a benchmark for corporate loans.

NIM PRESSURE

Indian Bank has decided to cut its RLLR to 8.2 per cent from 8.7 per cent with effect from June 9.

BoB has revised its RLLR lower to 8.15 per cent from 8.65 per cent with effect from June 7.

Karur Vysya Bank has revised its 6-month MCLR by 10 bps to 9.8 per cent (from 9.9 per cent) and one-year MCLR by 20 bps to 9.8 per cent (10 per cent) with effect from June 7.

Sachin Sachdeva, Vice-President, Sector Head - Financial Sector Ratings, ICRA, observed that the steep cut of 50 bps in repo rate is expected to sharply impact the net interest margins (NIMs) of the banks and Q2FY2025 is expected to be the weakest.

Thereafter, the pressure on NIMs is expected to decline with the benefit starting to flow in from CRR cut and extent of cut taken by banks on their saving rate deposits while the term deposit rates will reprice downward with a lag.

Banks will see a benefit of 3-4 bps on the interest margins for FY2026 due to the 100 bps cut in CRR, per Sachdeva's assessment.

'Bharat Global Ports, Container Shipping Line to lead India's global maritime ambitions'

bl.interview

Abhishek Law
New Delhi

India is moving ahead with green shipping agenda as it looks to leverage ports as green hydrogen hubs, and push for incentives and sops to support sustainable shipbuilding activities, said Sarbananda Sonowal, Union Minister of Ports, Shipping & Waterways.

The Bharat Global Ports Consortium will push India's strategic investment into overseas port infra facilities; while the Bharat Container Shipping Line will acquire and lease container vessels. *Edited excerpts*:

MoPSW has been trying to secure green hydrogen contracts for various ports and set up the infrastructure.

The Ministry has identified three major ports to be developed as green hydrogen hubs — Deendayal Port in Gujarat, Paradip Port in Odisha, and VO Chidambaranar Port in Tamil Nadu. The private sector has participated in these green hydrogen projects. This is evidenced by the leasing of 3,400 acres of land by Deendayal Port Authority (DPA) and 501 acres of land by VO Chidambaranar Port Authority (VOCPA) to private entities.

Common infrastructure for such projects — common electrical infrastructure and desalination plants — will be provided by the ports.

At Deendayal Port, a 1-MW capacity electrolyser green hydrogen pilot project is under way. It is slated for completion by July 2025, and will be scaled up to 10 MW. At VOC Port, a hydrogen generation project has been initiated on a pilot basis. Bunkering and re-fuelling facilities are being developed for green methanol-making.

Any special sops for green shipbuilding activities?

Under the Shipbuilding Financial Assistance Policy (SBFAP), there are provisions for wind farm installation vessels and sophisticated dredgers as specialised vessels, which are eligible to get higher financial aid, over ₹40 crore — the upper limit for non-specialised vessels.

There will be a financial assistance of 30 per cent for vessels, whose main propulsion is achieved by green fuels such as methanol/ammonia/hydrogen fuel cells. Another aid of 20 per cent for vessels with electric means of propulsion or vessels, fitted with hybrid propulsion system, has also been proposed. In terms of funds, ₹4,000 crore have been earmarked, under SBFAP, between April 1, 2016 and March 31, 2026. Of this, ₹385.16 crore has been utilised till date.

> SCI has only two container vessels (4,400 TEU). Competing globally requires vessels more than 15,000 TEUs costing $230 million each.
>
> **SARBANANDA SONOWAL**
> Union Minister of Ports, Shipping & Waterways

The Ministry has launched the Green Tug Transition Programme (GTTP), which aims to reduce carbon emissions and minimise its impact by encouraging adoption of sustainable tugboats.

The Ministry has also proposed to extend and enhance the existing financial assistance policy. Accordingly, for vessels deemed as special vessels or green/hybrid vessels and highly-specialised vessels, the shipbuilding financial assistance scheme (SBFAP 2.0) offers aid of 15 per cent up to ₹100 crore and 25 per cent above ₹100 crore.

Could you explain the concept behind the Bharat Global Ports consortium, its need and scope of work?

A consortium of India Ports Global Ltd (IPGL), Indian Port Rail & Ropeway Corporation Ltd (IPRCL), and Sagarmala Development Company Ltd (SDCL), known as the Bharat Global Ports Consortium, will promote, develop, and manage international ports and terminals.

IPGL will lead this consortium. It will oversee cargo handling, manage facilities and traffic, logistics, and collaborate with international ports.

The IPRCL will provide assistance with civil and mechanical works that include the development of berths, warehouses, port buildings, rail and road connectivity, and mechanisation of port operations.

The SDCL's role includes formulating financial strategies and offering advice on project financing and execution. We are leveraging it as a non-banking financial company.

There are currently no plans for an initial public offering (IPO) of this consortium.

How soon can SDCL become an NBFC?

An application with the RBI was filed on December 20, 2024. The certificate is likely by June 2025.

What would be the broad contours of the Bharat Container Line?

The Ministry proposed the formation of the Bharat Container Shipping Line (BCSL) under the aegis of the Shipping Corporation of India (SCI). India's current containerisation rate is under 30 per cent — lower than developed countries.

The Ministry observed, over 90 per cent of India's trade by volume depends on maritime transport. We also found out that the SCI currently has only two container vessels (4,400 TEU). Competing globally requires vessels more than 15,000 TEUs (twenty equivalent units), costing $230 million each, which is beyond SCI's standalone funding capacity.

The BCSL, as a joint venture, will own these ships and lease them to SCI under long-term bareboat charter agreements, allowing SCI to operate and manage them.

GMDC's new lignite mines to go live by 2026-27

Avinash Nair
Ahmedabad

Left with four operational lignite mines, Gujarat Mineral Development Corporation (GMDC) is looking to operationalise some six new lignite mines by financial year 2026-27 (FY27).

"Till last year, we had five existing lignite mines. Now, we have only four, one has closed down. By the turn of this decade, we would have only one which is growing and probably 1 or 2 which are petering out, so production from these mines would be nearing exhaustion," said Roopwant Singh (IAS), Managing Director, GMDC.

The lignite mines at Mata No Madh, Umarsar, Tadkeshwar, Rajpardi and Bhavnagar form the backbone of operations of the company. "This year, we are looking at 10-15 per cent growth in the existing lignite business from our four existing mines. Progress has been made on the larger of the six mines, which are going to deliver major volumes, i.e Lakhpat in Kutch, and Walia and Damlai in Bharuch. These are long gestation projects. We will see some expenditure there, volumes next year onwards," he recently told investors.

PAST GLITCHES

During FY25, GMDC produced 8.1 million tonnes per annum (mtpa) of lignite. It fell short of the mining target of 10 mtpa.

"It was an ambitious target. It happened on account of two factors, beyond our control. Our fifth and smallest mine — Rajpardi — had a safety incident and we had to close that mine. We lost some volume there. Secondly, a major ramp-up was expected from our Bhavnagar project... We could not proceed on it (second part of the package) because of late land acquisition of two villages. That has been resolved now," Singh said. However, by 2035, GMDC expects lignite production to reach 15 million tonnes from Gujarat.

About 70 per cent of the projected volumes is expected to flow from the six new lignite mines.

The six new mines have a total lignite reserve of around 400 million tonnes. Three of them — Lakhpat, Bharkhandam and Panandhro Extension — are in Kutch district and are "dual mineral" projects with a cumulative 135 million tonnes of lignite and 1,800 million tonnes of limestone.

FPIs shed $1.02 billion despite RBI's repo rate cut

Anupama Ghosh
Mumbai

Foreign portfolio investors (FPIs) concluded the week ended June 6, 2025, as net sellers worth $1.02 billion from Indian markets, marking a sharp reversal from the previous week's net inflow of $705 million. The week witnessed significant volatility in FPI flows, with massive outflows in the initial days followed by a recovery towards the weekend.

On June 2, FPIs recorded the largest single-day net outflow of ₹18,241.87 crore, with equity investments alone seeing net sales of ₹5,003.74 crore. June 4 saw another major outflow of ₹7,025.27 crore.

"The initial three days saw significant outflows, with FIIs withdrawing approximately $1.22 billion. This sentiment was triggered by renewed US-China trade tensions and rising US bond yields, which steered investors towards safer assets," said Himanshu Srivastava, Associate Director, Morningstar Investment.

FPI outflows

Date	in ₹ cr
June 2, 2025	18,241.87
June 3	2,733.93
June 4	7,025.27
June 5	2,009.79
June 6	181.39
Weekly total	**30,192.25**

Source: NSDL

The week's pattern showed June 3 with net outflows of ₹2,733.93 crore, followed by June 4's ₹7,025.27 crore outflow. However, sentiment began recovering on June 5 with net outflows reducing to ₹2,009.79 crore.

VOLATILITY TO STAY

On June 6, FPIs turned marginally positive with net outflows of just ₹181.39 crore, and equity markets showing net inflows of ₹49.41 crore, coinciding with the RBI's 50 basis points repo rate cut along with a 100 bps reduction in cash reserve ratio.

"The RBI rate cut is likely to support investor confidence amidst the ongoing global uncertainties," noted Vinod Nair, Head of Research, Geojit Investments Ltd. Despite the week's net outflows, FPIs have remained net buyers in June with ₹4,575.59 crore, according to Shrikant Chouhan, Head Equity Research at Kotak Securities.

"FPI flows are expected to remain volatile," Chouhan noted.

The debt segment saw consistent outflows throughout the week, with debt-general Limit, debt-VRR, and debt-FAR categories all recording net sales. On June 2, total debt outflows reached ₹13,283.53 crore across all debt categories.

In the derivatives segment, FPIs maintained active participation with significant trading volumes across index futures, options, and stock derivatives throughout the week.

Market analysts expect FPI flows to remain sensitive to global developments, while domestic factors like the RBI's monetary policy stance will continue to influence investor sentiment in the near term.

CHENNAI
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Palatable option

Duty cuts on edible oils strike the right balance

India's retail inflation has cooled, but one item that has continued to sizzle is cooking oils. The 'oils and fats' component of the Consumer Price Index (CPI) has shown a persistent year-on-year escalation of 16-17 per cent in recent months. This is perhaps why the Centre decided to slash import duties on crude edible oils last week, just seven months after sharply hiking it. On May 30, the basic customs duty on crude soyabean, palm and sunflower oil was reduced from 20 per cent to 10 per cent, cutting the effective tariff to 16.5 per cent including cess. Duties on refined oils have been left untouched and remain at an effective 35.75 per cent.

Cooking oil has been a key contributor to inflation since September last year (when crude edible oils were raised from 0 to 20 per cent and refined oils from 12.5 to 32.5 per cent). The partial rollback now promises consumers some relief. While the change may also cheer the edible oil processing industry, farmers may need to budget for lower realisations. Tariff decisions on edible oils are a tricky balancing act, given the conflicting interests of consumers, the oil processing industry and farmers. For consumers, the perpetual shortfall in domestic supplies of cooking oil, the near-60 per cent import dependence and concentrated supply origins pose a problem. Soyabean, sunflower and palmoil crop prospects in Malaysia, Indonesia, Argentina or Brazil can trigger high volatility in global oil prices which gets passed on to Indian consumers. Farmers find the oilseed crop less remunerative than crops like paddy, where Minimum Support Prices are backed by assured procurement. Frequent tinkering with edible oil trade and tariff policies add to the uncertainty around realisations for farmers. The domestic solvent extraction and refining industry is plagued by excess capacity. With limited domestic availability of oilseeds, the industry relies on imported crude oils and manages profitable operations only when duty differentials between crude and refined oils are wide.

Given this situation, the Centre does appear to have struck a reasonable balance. By halving duties on crude edible oil, it has tried to bring down raw material costs for the oil processing and refining industry. The wide difference of 19.25 per cent between crude and refined oils makes it viable for refiners to use idle capacity for profitable operations. Farmer interests have also been kept in mind to an extent, by retaining a 10 per cent tariff on crude oils and not restoring it back to zero duty, as was the case before September 2024. However, the timing of this cut could have been better. Coming just when kharif sowing is picking up steam, the duty cut can prompt farmers to rethink oilseed acreage.

The extent of relief to consumers will also depend on whether the extraction and refining industry passes on cost savings. Should it prove tardy in passing on benefits, the Centre can consider slashing tariffs on refined oils too by 5-6 percentage points.

POCKET

RAVIKANTH

LINE& LENGTH.

TCA SRINIVASA RAGHAVAN

The long history of friends falling out

History is replete with strong friendships ending in bitter feuds. In the past, kings and heads of states even got their erstwhile friends murdered

Everyone is getting excited about the Donald Trump and Elon Musk quarrel as if it is the first time such a thing is happening. But as some great man once said there is nothing new under the sun.

The sorry tale of friends falling out is so distressingly long that it's hard to know where to start. You can find the same story in different parts of the world, from China to Chile, Denmark to South Africa.

We all know about the British quarrels, of course, because we were taught British history for a hundred years. We even know about that scoundrel of a king, Henry II who fought with his good friend and adviser, the Archbishop of Canterbury. That was 1400 years ago!

Their quarrel lasted for nearly a decade, from 1161 to 1170 and ended with the latter being murdered. Typically, the British historians now say that maybe it wasn't because Henry ordered it but because his lieutenants decided to be helpful. If you believe that you will believe anything.

Napoleon Bonaparte, who was from the French army, also parted ways with two of his closest friends and advisers. Both were generals, just like he had been before he grabbed power in 1799. The best known one who was discarded is Jean Junot. But General Jean Lannes is probably a better example.

We must not forget Kaiser Wilhelm I of 19th century Germany and his *grise eminence*, Otto Von Bismarck. Together they united Germany, just as Sardar Patel united India. And then the Kaiser booted out Bismarck. The episode came to be known as 'dropping the pilot'. After that the Kaiser lost the plot as well.

KILLING FRIENDS

Tsarist Russia, of course, is full of such examples. The worst of these was a fellow called Leo Vorensky who was Catherine the Great's lover for many years. Catherine let him be killed saying it was all for all for Mother Russia! There were a few more who met the same or similar fates.

Nor has the world forgotten the horrific quarrel between Joseph Stalin and Leon Trotsky. Both had fought together against the Tsar.

Then they fell out and Stalin exiled Trotsky in 1926. Stalin then had him hacked to death in 1940 in Mexico, just to be sure. Trotsky, however, lives on in JNU. Then there is the notorious fight between Adolf Hitler and Ernst Roehm. They were close friends and partners from 1918 onwards, until in 1934 Hitler had him killed or, according to another version, leaving nothing to chance, killed him himself.

If you want a job done properly, he must have thought, you must do it yourself.

You will find a somewhat similar story in Pakistan between Prime Minister Iskandar Mirza and his defence minister, General Ayub Khan. They were good friends.

India also has its share of such dramatic ruptures. Jawaharlal Nehru and Subhash Chandra Bose; Nehru and Abul Kalam Azad; Indira Gandhi and Dinesh Singh; Rajiv Gandhi and the two Aruns, Singh and Nehru.

Mirza was the patron, Ayub Khan the beneficiary. Until one fine day Khan forcibly sent Mirza into exile, with just a suitcase. When the latter died 11 years later he wasn't allowed to be buried in Pakistan.

General Musharraf and prime minister Nawaz Sharif re-enacted that episode in 1999. Sharif sacked Musharraf and Musharraf then sacked Sharif. Jolly fellows, both. Today Shahbaz, younger brother of Nawaz, is the prime minister and is very careful not to annoy Field Marshal Asim Munir, the only general in history to be promoted after a defeat.

INDIAN STORIES

India also has its share of such dramatic ruptures. Jawaharlal Nehru and Subhash Chandra Bose; Nehru and Abul Kalam Azad; Indira Gandhi and Dinesh Singh; Rajiv Gandhi and the two Aruns, Singh and Nehru. Also there was VP Singh who wasn't quite such a close friend of Rajiv but certainly a close associate. He destroyed Rajiv's reputation in the Bofors scandal.

Such cases abound at the State level also. M Karunanidhi and MG Ramachandran in Tamil Nadu and the Thackerays in Maharashtra are the most prominent examples. Not all that long ago, Arvind Kejriwal was dumping all those who had helped him become Chief Minister of Delhi.

The list of these quarrels and perfidies is depressingly long going back to Julius Caesar who was murdered by his closest friends. As to the Muslim rulers of India, the less said the better.

But two things are worth noting. One, the friendships that last through the inevitable ups and downs are far greater in number than those that don't. There are several Atal Behari Vajpayees and Lal Krishna Advanis.

Secondly, generally the friends that take the lower profile don't do very badly in life and gradually their reputations are restored and refurbished. Not always but often enough.

India could cut tariffs for all except China

At a time when rules of the trade game are crumbling, India should look at out-of-the-box options

Himanshu Jaiswal
A Ganesh-Kumar

Global trade is shifting rapidly with Donald Trump back in the White House. After a tariff stand-off, the US and China have agreed to a 90-day truce; US tariffs on Chinese goods dropped from 145 per cent to 30 per cent, and China's from 125 per cent to 10 per cent. While the move offers hope, the outcome remains uncertain, and tensions could quickly return. Nearly all countries, including India, are already facing a 10 per cent baseline US tariff.

India has been in Trump's crosshairs since the start of his second term. On April 2, he proposed a 26 per cent reciprocal tariff on Indian imports, later withdrawn, but imposed a 10 per cent baseline tariff.

These duties, introduced under the International Emergency Economic Powers Act (IEEPA) of 1977, were recently blocked by a US court, though an appeals court granted interim relief, keeping them in place.

Even if reciprocal tariffs are scrapped for good, other levies, like metal tariffs under Sections 232, and other restrictions under Section 301, will remain. The uncertainty driven by the US' volatile trade stance and ongoing legal battles are far from over.

What policy steps should India take? So far, India has largely avoided retaliating against US tariffs — except on May 12, when it informed the WTO of plans to counter the US duty on Indian steel and aluminum. Beyond that, India has taken a reconciliatory path, pursuing a trade deal with the US through tariff concessions.

PROACTIVE APPROACH

But this reactive approach needs to shift. India should adopt a proactive, broad-based strategy, including across-the-board tariff cuts. There are strong reasons for this: India's average MFN tariffs, higher than many peers, distort markets and limit choices; unilateral tariff cuts are WTO-compliant and benefit all partners, unlike FTAs; and trade economists have long argued for such trade reforms, which are long overdue.

Tariff cuts improve resource allocation and boost overall economic welfare. Lower duties on intermediate inputs reduce costs, making domestic goods cheaper and exports more competitive.

While this spurs job creation through higher production, it can also raise dumping risks. China, a frequent offender, may target India regardless of tariff cuts due to weak global demand and its own strained economy.

Simulation results

	Tariff cuts for all	Tariff cuts for all except China
Welfare (in $ billion)	53.8	51.4
Change in GDP (%)	2.6	2.5
Sectoral output (%)	2.8	2.6
Domestic demand (%)	1.0	2.3
Aggregate export (%)	2.3	1.6
Aggregate import (%)	4.3	3.8
Imports from China (%)	8.6	1.7

As a large market, India is an attractive outlet for China's surplus. In 2024, according to the Director General of Trade Remedies (DGTR), 25 of 31 ongoing anti-dumping investigations and 24 of 29 concluded cases involved Chinese firms.

While India's DGTR follows a lengthy process to resolve dumping cases, a more strategic response to Chinese dumping in these uncertain times is to cut tariffs for all trading partners, except China.

This makes Chinese goods relatively costlier than those from other trade partners, which would reduce dumping risks while still reaping trade war gains. Though not strictly WTO-compliant, the global trade war itself is unfolding outside WTO norms. In such abnormal times, India must act decisively to protect its economic interests.

To test the impact of two policies — (i) cutting tariffs for all, and (ii) cutting tariffs for all except China — we ran global trade simulations using the GTAP dataset and model, a global computable general equilibrium model. The simulation results are in the table.

With a 25 per cent across-the-board tariff cut, India could gain $54 billion, boost GDP by 2.6 per cent, sectoral output by 2.8 per cent, and exports by 4.3 per cent.

However, imports from China would surge by 8.6 per cent, raising dumping concerns. Under the second policy, where tariffs on China remain unchanged, GDP, welfare, and output remain strong, domestic demand doubles, and exports stay positive.

In a rapidly shifting global trade landscape, India must respond with agility and strategic foresight. While forging a trade pact with the US may offer some gains, unilateral tariff reforms — especially those excluding China — can deliver economic dividends while safeguarding against dumping risks.

Ganesh Kumar is a Professor and Jaiswal is a Ph.D scholar at the Indira Gandhi Institute of Development Research, Mumbai

BELOW THE LINE

TRUSTEES. Under the lens GETTY IMAGES

Norms for trustees

Dragging bank CEOs and board into a legal tangle is an old tactic loan defaulters employ to delay recovery proceedings.

Recently, a large private sector bank's CEO became a victim of this tactic, with a FIR being filed by an uber-rich trustee of a cash-rich Mumbai trust. Stung to the quick by the FIR, the Bank disclosed that the Trustee and related parties owe "substantial amounts" to it, which remain unpaid.

Is it not time the Government arrived at "fit and proper" criteria for trustees too (they cannot be trustees if they wilfully default on loans), just like RBI has for bank CEO appointments?

Culinary celebrations

Father's Day, Mother's Day, Lover's Day and Environment Day, etc are *passe*. Here comes World Poha Day, also known as Vishwa Poha Diwas, which was celebrated on June 7. It was a day to recognise the cultural significance and health benefits of *poha*, a flattened rice dish that's a staple in many Indian households. *Poha* is a versatile dish, enjoyed as a traditional breakfast, an evening snack or even a light meal. Coming soon — Rice Day, Wheat Day, *Dal* Day. This is all very well, if only prices of agriculture commodities remain within the common man's reach.

Eastern inspiration

'Why is India not like America, Japan or Europe? These questions are often asked in movies. "However, if we want to become like that, shouldn't we also have the self-discipline like those people have?"

Tamil Nadu Chief Minister MK Stalin said this at his address on the World Environment Day celebrations. The Cleanliness Mission launched by the State government is the first step towards creating awareness about segregation of garbage.

"You should take responsibility for the schemes introduced by the government for environmental protection as your own project," he told the audience.

No more fellow travellers

The ambitious Kaleshwaram Project of Telangana at the banks of Godavari continues to generate political heat. You may ask, so what is new as most projects draw political attention.

What makes this different is one Cabinet Minister coming forward to depose before the Justice PC Ghose Commission which is probing into alleged irregularities in the project.

Telangana Agriculture Minister T Nageswara Rao has categorically rejected the claims made by BJP MP Etela Rajender regarding the Kaleshwaram Lift Irrigation Project, calling them "false, misleading, and part of a larger conspiracy to deflect from the ongoing investigation."

"The Cabinet Sub-Committee on which I served never deliberated on the Kaleshwaram project," said Rao. "The Government Order sanctioning the project was issued before the committee was even formed. It was never discussed or approved by the Cabinet during the BRS regime — a fact I can personally attest to."

The Minister went on to say that he will cooperate fully with the probe. "I will submit an affidavit, along with all relevant documentary evidence, to refute the baseless claims made by Etela Rajender," he said. "Dragging my name into this issue is unwarranted and an attempt to create confusion to protect those truly responsible."

Both Rao and Rajender were ministers in the erstwhile BRS government in Telangana. The project is the brainchild of former Chief Minister and founder of BRS K Chandrashekar Rao.

Our Bureaus

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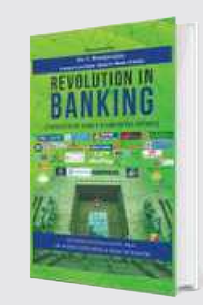
Banking on India

The book traces the six eras of Indian banking

BOOK REVIEW.

Poornima Joshi



Title: Revolution in Banking: Wheels of India's Growth Story
Authors: Nirmal Bansal & Suneel Gupta
Publisher: Adhyayn Books
Price: ₹1,500

From a rudimentary structure that primarily facilitated mercantile activities central to the Colonial economy in the British era, the evolution of India's banking sector into a technology-fired, sophisticated and inclusive system is a fascinating account, ably told by Nirmal Bansal and Suneel Gupta in their new book, *Revolution in Banking: Wheels of India's Growth Story*.

The book is an instructive historical account of India's banking evolution, dividing it into six distinct eras, each marked by transformative policy decisions that shaped the trajectory of the sector.

It starts from Era One that marked the early years of banking in the pre-Independence period, through the development of financial systems and the economic context of the first few Five Year Plans between 1950-1968.

Era Two focuses on a transformative period of bank nationalisation and its social impact between 1969-1990 to another historical period of opening up of the economy, global approach, technology and computerisation between 1991-2005 and finally Era Five, encompassing two decades between 2005-2025, marking major shifts, the mobile revolution and major innovations in the banking sector.

Era Six looks at futuristic trends in banking between 2026-2050.

It is a comprehensive manual for bankers, sector experts as well as academics for its insightful capture of the trends in each of these periods. The most significant event during the colonial period was the formation of the Reserve Bank of India in 1935 which proved to be a defining moment in India's banking sector regulation.

FORMATIVE YEARS

The period just after Independence was essentially formative for the banking sector; preparing the ground for the later nationalisation of banks and development of a more inclusive and vibrant banking sector. A significant event in this period was the emergence of the State Bank of India in 1955 which signalled a sea change in the effort to reach the rural population.

Then came the transformative era between 1969-1990 when major banks were nationalised and the essential functions of the banking industry were linked to the socio-economic growth of the country. This era was marked by a change in emphasis from catering to a limited urban and industrial clientele to encouraging financial inclusion.

The period after economic liberalisation marked a transformation towards a more liberal and open framework. It marked a shift from manual systems towards computerisation, centralised systems that enabled real-time transaction processing and services beyond the reach of physical branch sites. Emerging at this time were innovations including Core Financial Systems (CBS), Automated Teller Machines (ATMs) and internet banking.

The period up till 2025 has seen an extraordinary shift, driven by bold reforms, government initiatives and technological innovations. This period saw the expansion of mobile banking, digital wallets, business correspondents, small finance banks and, most significantly, the rise of Unified Payments Interface (UPI).

Coupled with the technological transformation was the public policy orientation that was focused on financial inclusion and disbursement of welfare policies through the banking system. The JAM (Jan Dhan, Aadhaar and Mobile) initiative was a landmark that ensured that each citizen had access to a bank account and could avail of government initiatives.

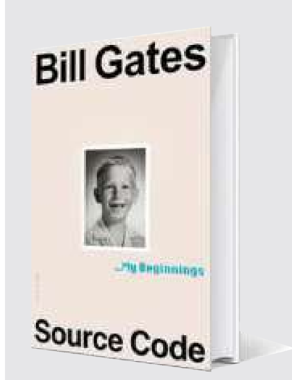
This book is an important resource for anyone trying to decipher the banking sector and its centrality to India's growth story over the decades.

Stories of contrasting journeys

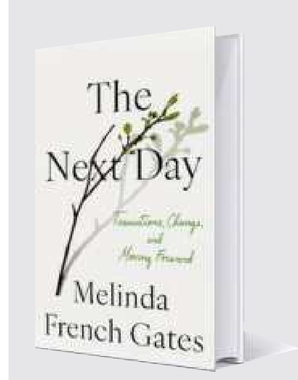
Bill Gates' biography is all about Microsoft's success while Melinda's book is on the pain of separation and moving on

BOOK REVIEW.

Naveen Chandra



Title: Source Code: My Beginnings
Author: Bill Gates
Publisher: Allen Lane
Price: ₹999



Title: The Next Day
Author: Melinda French Gates
Publisher: Bluebird
Price: ₹750

If Bill Gates memoir, *Source Code*, is a wry, self-deprecating memoir of his beginnings as a programmer till he and his friend Paul Allen started Microsoft in 1975, Melinda's book *The Next Day* is about the ending of their 27-year marriage in 2021 and the struggle to move on with her life.

Released within weeks of each other, the books detail their contrasting journeys and how they were bound by the many similarities in their lives.

Coming nearly 30 years after *The Road Ahead* (1997) in which Bill Gates wrote about the information highway powered by the age of technology and rising computing power, *Source Code* is the first part of a trilogy detailing his life.

As if in continuation from her last book, *The Moment of Lift* (2019) on women empowerment, Melinda intermittently turns her memoir into a self-help book urging people to listen to their inner voice. She details the key transitions in her life like stepping out of her parent's home, having a child, losing a friend and her break-up with Bill.

Melinda believes leaving her marriage was the hardest and most important thing that she has done in her life. The fear and loneliness of her struggle to tether away was partly due to her mother who had kept their family together for 63 years and who couldn't imagine Melinda as a girl who would be ever divorced.

Melinda says she felt like a speedboat tied to the dock, engines revving, pulling, and straining against the ropes holding it back as she was trying to cut the ropes with a pen knife. It wasn't easy and she had several panic attacks before they finalised the separation.

SIMILAR LIVES

Both have led regulated lives; Bill had no girlfriends, no hobbies and was obsessed with programming just as Melinda was a geek who focused on studies. While Bill rebelled against the order in his household, Melinda was brought up in an organised home and a school that defined even the length of her skirts and checked her nails every day.

Ironically, both lost their closest friends. Bill lost Kent Evans, his best friend and childhood anchor, in a mountaineering accident and Melinda talks about her special longtime friendship with John Nielson and how his death affected her.

By his own account, Bill is very lucky. He was born at the right time at the right place, his affluent parents sent him to a privileged private school, where he was introduced to programming very early and the relaxed, liberal environment helped him pursue his coding skills. Although he showed streaks of arrogance and rebelliousness, and had awkward social skills, it was his high IQ that defined him and was instrumental in his phenomenal success. In her book, Melinda fondly recalls their hilarious wedding video where their multi-tiered cake was all set to be cut and how she broke into uncontrollable laughter as she saw Bill furiously calculating how many pieces needed to be cut for the people around.

Using access granted due to their programming software created to run automated billing systems, Bill, and Paul Allen, working on computer powered by Intel's new 8080 processor chip in the Harvard lab, created the Basic programming language. Since Harvard objected to the use of their systems for personal profit, Gates dropped out and with Allen co-founded Microsoft.

Melinda says running Pivotal Ventures, which helps fund childcare programmes and invests in women in tech, keeps her busy and talks of how Reese Witherspoon and Michelle Obama counselled her that ageing is "just another word for living".

She was always a goal-setter, a value ingrained in her by her parents, always full of long-term and short-term goals. As a parent, to be good enough and see the big picture like her father rather than chase perfectionism like her mother. She was a program manager at Microsoft when she met Bill.

TOUGH NEGOTIATOR

Melinda dreaded the fact that she would have to negotiate with Bill, who she calls the toughest negotiator in the world, as they went about planning a future they weren't going to share. We get a glimpse of the tough part in Bill's book as he recalls his negotiations with IBM, his friends and the MITS for control of the software he and Paul Allen had written.

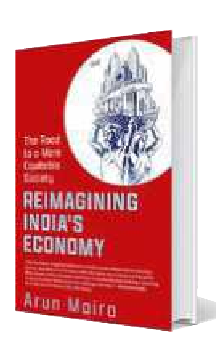
Undoubtedly, *Source Code's* best chapter is the last. At a frenetic pace, unlike the languidness of the rest of the book, Gates describes minutely the process of forming Microsoft, how he got Allen to agree to a 64:36 stock split in his favour, how they got their first employees as they sensed that the microcomputer revolution was rapidly luring people to buy a personal computer who would need a software that would help them engage with it.

If you're looking for that one success trick that made Bill Gates the richest man in the world, you won't find that in this book for he makes it look so easy. A tale of a series of serendipitous events lead to a watershed moment when Microsoft is formed, and how its monopoly makes him a billionaire.

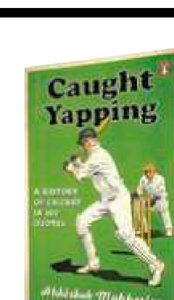
On the other hand, Melinda, who perhaps is the world's richest divorcee, makes her divorce and its post phase, seem so hard. What the books manage to do is to reaffirm that even if you have hundreds of billions in your bank, you are just that, human.

The reviewer runs 91 Film Studios that produces and distributes regional language feature films

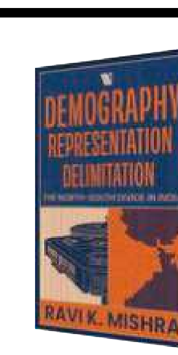
NEW READS.



Title: Reimagining India's Economy: The Road to a More Equitable Society
Author: Arun Maira
Publisher: Speaking Tiger
This book is a story of the evolution of the Indian economy after 1947. It provides ideas for leaders of change



Title: Caught Yapping: A History of Cricket in 100 Quotes
Author: Abhishek Mukherjee
Publisher: India Penguin
This book takes a never-trodden before route to narrate the history of cricket, using the medium of quotes



Title: Demography Representation Delimitation: The North - South Divide in India
Author: Ravi K. Mishra
Publisher: Westland Non-Fiction
This book reveals that all regions of India have experienced phases of peak population growth, though at different times

thehindu businessline.

TWENTY YEARS AGO TODAY.

June 9, 2005

No simultaneous bad debt recovery proceedings

Lenders will have to continue to package their bad debt recovery effort within the legal limitation period. This follows the Finance Ministry ruling out the possibility of allowing them to initiate simultaneous proceedings before the Debt Recovery Tribunal (DRT) while taking action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (Securitisation Act).

Pranab urges India Inc to pick up defence orders

The Defence Minister, Mr Pranab Mukherjee, said that Indian industry must attempt to pick up defence production orders through increased public-private participation and suggested that as much as Rs 4,000 crore could be available for indigenous production.

Maran convinces Intel to set up facility

Intel is likely to set up an advanced test manufacturing facility in the country. "I have been able to convince Intel Chairman, Dr Craig Barrett, to choose India over China and Vietnam for advanced test manufacturing facility unit, and Intel will be making an announcement on the exact location for the new unit in a month's time," the IT Minister, Mr Dayanidhi Maran, said.

Short take

Innovation in India needs IP support

Rajesh Mehta
Umesh Rathod

For Viksit Bharat 2047, protecting intellectual property (IP) must be a national priority.

Historically, India has shared its traditional knowledge generously from Ayurveda to Zero but often without securing legal ownership, leading to losses such as the turmeric and Basmati rice patent disputes. Now, AI-generated content often imitates Indian art and symbols without credit. As India moves toward a $5 trillion economy, placing IP creation, protection, enforcement, and commercialisation at the core of our development model is essential.

India's IP ecosystem has grown rapidly, with over 1,00,000 patents granted in 2023–24, a ten-fold rise since 2010. Trademark registrations have doubled since 2017, and India ranks 39th on the Global Innovation Index, leading among lower-middle income countries.

Cities like Delhi, Bengaluru, and Mumbai have become innovation hubs. Yet, questions remain about the depth of these innovations. While over 500 new patent examiners have been recruited to reduce backlogs, challenges in effective IP utilisation persist.

Each year, 15 lakh engineering students graduate, many submitting innovative final-year projects. Most innovations go unassessed for patentability. A student team built a two-wheeler EV with six patentable features but lacked IP awareness. Of 117 Indian unicorns, only 16 have filed patents, showing limited focus on protection and commercialisation.

Starting IP education from Class 8 and expanding initiatives like NIPAM and KAPILA can create foundational knowledge while IP clinics at academic expos can assess project potential. Filing must be simpler and cheaper, especially in smaller cities. MSME schemes and regional centres can bridge access gaps. Tracking government-funded IP outcomes start-ups, jobs, tech transfer ensures impact.

With the rise of AI, copyright laws must evolve to safeguard original works. A Nasscom survey found that 70 per cent of Indian AI companies fear innovation theft due to weak IP frameworks. Legal aid and stronger IP justice, along with better impact measurement, are vital.

India produces over 40,000 Ph.Ds annually, primarily in STEM, but often disconnected from real-world problems. Industry-driven innovation models, like those in the US, Israel, Nordic nations and Japan, enable higher commercialisation. India needs platforms where industries present problems and academia responds, promoting co-patenting and joint IP models. Every Indian idea whether from a rural artist, student, or start-up deserves protection.

The writers are international columnist

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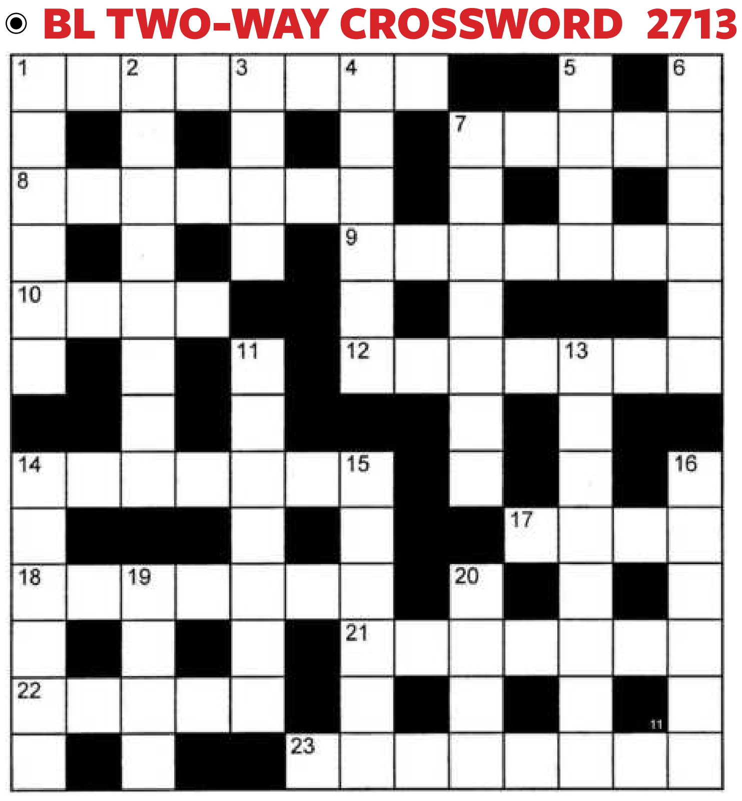


EASY

ACROSS

01. Supersede (8)
07. A two-electrode semiconductor (5)
08. Answer (7)
09. Introduce irrelevant matter (7)
10. Stack (4)
12. One moving aimlessly (7)
14. Introductory statement (7)
17. Pimple (4)
18. One's share, particularly if illicit (4,3)
21. High spirits (7)
22. To pester (5)
23. The number on muster-roll (8)

DOWN

01. Play violin badly (6)
02. Concluding movement or voluntary (8)
03. Swag (4)
04. Signified agreement (6)
05. Skeleton member (4)
06. Incense-burning pan (6)
07. High office (7)
11. Concerning love (7)
13. Boozing (8)
14. Social outcast (6)
15. Accomplish, bring about (6)
16. Stink (6)
19. Good-hearted (4)
20. Cabbage with open curled leaves (4)

NOT SO EASY

ACROSS

01. Oust one forgotten by the humble petitioner (8)
07. A semiconductor that is odd in its construction (5)
08. React to person who changes on the day (7)
09. To wander off the subject of dregs is difficult (7)
10. Get a fortune for a Roman javelin (4)
12. Fisherman that is less than terrified maybe (7)
14. Introductory words allow one to step round whistle-blower (7)
17. There's a place on the programme for it to rain slightly (4)
18. Dishonest share of the money for fake perhaps (4,3)
21. Exaltation alone, it might appear (7)
22. Number being short will, in any setting, rattle one (5)
23. The intensity of military force (8)

DOWN

01. Thin application of butter may mean trouble for some (6)
02. Concluding movement derived from old set-up (8)
03. It's money for goods that are stolen (4)
04. Seemed to agree one was falling asleep (6)
05. Seize it to remove skeleton of fish (4)
06. A thurible fashioned for the screen (6)
07. Grandeur of bearing it, dying for a change (7)
11. Declaration of a Conservative relating to love (7)
13. Drinking gin, lit out very quietly (8)
14. An outcast has a harp one can play (6)
15. How to produce the meaning conveyed (6)
16. Bad smell of riot gas then dispersed (6)
19. Sort of family that starts drifting (4)
20. It may leak out of the cabbage (4)

SOLUTION: BL TWO-WAY CROSSWORD 2712

ACROSS 7. Passion-flower 8. Trustworthy 12. Soften 14. Damage 16. Diadem 18. Fledge 19. Undertakers 23. Deteriorating

DOWN 1. Past 2. Esau 3. Cotton 4. Afford 5. Bolt 6. Very 9. Refrain 10. Hoarder 11. Mete 12. Side 13. Ewe 15. Awl 17. Margin 18. Fiacre 19. Used 20. Drey 21. Eats 22. Song

CHENNAI
businessline.
MONDAY - JUNE 9 - 2025

NEWS SNIPPETS.

Thermal PLF dips in April

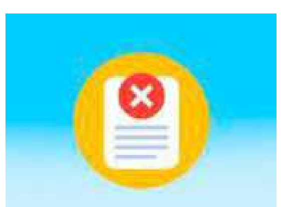
The plant load factor (the ratio of actual generation to maximum possible generation) of India's thermal power plants fell in April 2025 to 73.85 per cent, from 77.51 per cent in April 2024.

The sharpest decline was in plants owned by State governments, where the PLF slid to 66.29 per cent from 73.37 per cent. In the private sector, it was 76.33 per cent compared with 80.16 per cent. The least decline was in the Central government's plants — 76.33 per cent from 80.16 per cent.

Experts attribute the fall to the rise in renewable energy generation — 23.85 billion kWhr in April 2025, against 17.99 per cent in April 2024. Coal-fired plants are asked to scale back to accommodate cheaper solar power during solar hours.

Permission revoked

Connectivity approval (GNA-RE) given to AM Green Ammonia (India) Pvt Ltd for 1,660 MW, and Green Infra Renewable Energy Farms Pvt Ltd for 800 MW in Tuticorin area, and to AM Green Ammonia (India) for 2,000 MW in Kakinada area, have been revoked because the companies failed to submit bank guarantees.



Accordingly, the bidding process for setting up substations in these two areas has been "kept on hold for the time being, as there are no applications from green hydrogen/ammonia developers in Tuticorin and Kakinada," according to the minutes of the 29th meeting of the National Committee on Transmission.

Government grant for 28 innovations in rooftop solar

Who would have thought that the humble rooftop solar (RTS) lends itself to so many innovations?

The Ministry of New and Renewable Energy has announced a 'call for proposal' for "innovative projects component under PM Surya Ghar: Muft Bijli Yojana", offering up to ₹30 crore for selected projects.

The call lists as many as 28 innovation possibilities, showing how much one can do with rooftop solar. These are: blockchain-based peer-to-peer RTS, digital solutions for RTS, smart building materials, RTS with electric vehicles, grid-responsive RTS with battery storage solutions, discom IT systems for RTS management, special financing products along with financing intermediaries, innovative business models for RTS expansion — such as virtual net metering and rent-a-roof models, integration of RTS with smart grids, hybrid renewable solutions, community solar models, energy efficiency enhancements for RTS, advanced energy management systems, decentralised microgrids with RTS, low-cost RTS deployment techniques, demand response mechanisms for RTS, urban planning integration, solar rooftop solutions for industrial and commercial applications, predictive maintenance and data analytics for RTS, RTS in disaster-resilient infrastructure, automation and robotics in RTS deployment, enhanced safety features in RTS installations, AI-driven RTS optimisation models, collaborative models for RTS in urban housing, RTS with thermal energy storage solutions, advanced metering solutions for RTS systems and innovative policy mechanisms and regulatory models.

The last date for submission of project proposals is July 29.

◉ **BEYOND THE GRID**

Falling solar prices call for storage systems

FOR KEEPS. Availability of cheaper batteries further strengthens the case for energy storage over long-distance power transmission

POWER SHIFT. Battery energy storage systems can stabilise the grid and unlock new revenue streams ISTOCK

M Ramesh

On May 25, between 9.30 and 9.45 am, the market clearing price of solar power sold on the real-time market (RTM) of the Indian Energy Exchange (IEX) was zero. This meant that anyone who bought solar power from the market would have had to pay only the transmission and open access charges.

The price stayed zero only for a brief period, but it still raised eyebrows. Renewable energy observers may remember that just a decade ago, experts were predicting the fall in solar prices to "grid parity" levels. Humpty Dumpty couldn't have had a greater fall.

The 'zero price' was perhaps an outlier, but throughout May renewable energy prices were subdued. Particularly on May 25, near-zero prices were recorded across several time blocks between 9.15 am and 2.30 pm. Thanks to unseasonal rains and the early onset of the monsoon, there was a 4 per cent drop in electricity consumption year-on-year.

"At the same time, increased hydro, wind and thermal generation enhanced supply liquidity on the exchange platform, resulting in lower prices both in the day-ahead market (DAM) and RTM," says Rohit Bajaj, Joint Managing Director, IEX. The RTM market clearing price averaged ₹3.43 per unit in May 2025 — a 28 per cent decline year-on-year. "These prices presented an opportunity to discoms and commercial and industrial consumers to meet their demand at a competitive price and to replace their costlier power by procuring through exchanges," Bajaj tells *businessline*. As a result, the RTM segment recorded its highest ever monthly volume — 4,770 million kWhr — in May 2025, marking a 42 per cent year-on-year increase, he says.

GRID STABILITY

On the flip side, the decline in solar prices, taken in conjunction with the falling prices of batteries, has strengthened the case for storage over long-distance transmission. "This is a call for storage," says Dr Rashi Gupta, a storage expert and the Managing Director of Vision Mechatronics. "The price signals are there and the direction is clear. We need to allow demand and market forces to choose storage technologies," Gupta, who is also a member of the UN Council of Engineers for Energy Transition, posted on LinkedIn.

She added that the shift to zero tariffs during peak solar hours "highlights the need for innovative solutions". Battery energy storage systems (BESS) can, she pointed out, stabilise the grid, provide flexibility, and unlock new revenue streams.

Other experts agree. "With the anticipated surge in solar power in the coming years, we are likely to see a structural shift toward lower daytime energy prices," says Ashwin Gambhir, Fellow, Prayas Energy Group, a Pune-based energy think-tank. "This presents a valuable opportunity to improve the time-of-day tariff design and expand the role of energy storage in strengthening the Indian power grid," Gambhir says.

Disha Agarwal, Senior Programme Lead at the Council for Energy, Environment and Water (CEEW), points out that only about 7 per cent of generated power is traded on the exchanges in India, and as a last resort, after meeting most of the demand through long-term contracts and accounting for local supply disruptions due to weak networks. "That said, there lies a huge untapped opportunity in turning consumers into active market participants and avoiding supply-demand mismatches," she says.

She points to a recent CEEW finding that 24 GW of demand shift from evening to daytime hours in 10 states could help India absorb an additional 40 BU of renewables in 2030, which would otherwise be curtailed or remain unsold. Many states are already trying to implement time-of-day electricity pricing through smart meters; in Gujarat, for instance, consumers with smart prepaid meters get ₹0.60 per unit discount between 11 am and 3 pm.

FREQUENCY IMPACT

Experts have also noted that storage, hybrids, and flexible demand are not optional any more. This is not just because plain vanilla solar does not get a good price. At times, when more solar energy is injected into the grid and there isn't much demand, it affects the frequency. This has been noted in the minutes of the 29th meeting of the National Committee on Transmission. Observing that high solar power injection causes "persistent high frequency" in the grid, the document notes that thermal generation stations are having to be backed down to accommodate solar.

It notes: "As thermal generating units are required during non-solar hours to ensure resource adequacy, these units cannot be taken out of service during the high-frequency operation period. The addition of more solar generation without commensurate energy storage would further increase the coal flexibility challenge during the daytime."

CTUIL mulls BESS to lower cost of transmission

Our Bureau

Rajasthan faces a problem of high share of solar generation. The State is gearing up to build 75 GW of solar capacity. The power will have to be transmitted over long distances to consumption centres.

The Central Transmission Utility India Ltd, a subsidiary of Power Grid Corporation of India Ltd, proposes to build a high-voltage direct current (HVDC) transmission line between Barmer in Rajasthan and South Kalamb in Maharashtra; it is considering two alternative technologies.

If built with the old, proven line commutated converter (LCC) technology, the cost of the project is estimated at ₹25,261 crore. Alternatively, the modern, flexible voltage source converter (VSC) technology would entail a cost of ₹34,814 crore.

Now, however, there is a new thinking in the National Transmission Committee. Why not bring in battery energy storage systems (BESS) to lower the cost of transmission? HVDC transmission lines are typically designed to handle peak power. But if the peak could be flattened using BESS, an HVDC line could be less pricey.

"As the cost of BESS, based on recent tenders, is observed to be less than the cost of proposed HVDC systems, it is suggested that planning suitable BESS capacity may be explored in the Rajasthan RE complex," the minutes of the panel's 29th meeting states.

This, it says, "would provide multifold benefits in terms of transmission system being planned for RE evacuation, providing the necessary flexibility support during the non-solar hours, resource adequacy during non-solar hours and has low gestation period compared to HVDCs."

The chairperson of the Central Electricity Authority has directed CTUIL to carry out a lifetime cost-benefit analysis of BESS vis-à-vis the proposed HVDC transmission schemes.

◉ **DELECTABLE SIX-FOOTERS**

Insects: A nutrition powerhouse with a planet-friendly reputation

K Bharat Kumar

How about crunching into some spicy food made of roasted insects? If your reaction to this is 'Something new? Let me try it', you could well end up being a champion evangelist in the world's fight against climate change.

Entomophagy, or the practice of eating insects, has been around for thousands of years in some cultures. But only in recent years has it caught popular attention as a potential saviour of humanity from catastrophic climate change.

Dr R Shekhara Naik, Professor and Head, Department of Food Science and Nutrition at Yuvaraja College, Mysore University, says a key human activity that contributes to greenhouse gas emissions is animal agriculture. Processing of traditional meat "causes the release of greenhouse gases such as methane, carbon dioxide, and nitrous oxide".

His colleague Dr Deepika M co-authored a paper last year, titled 'Entomophagy: A sustainable food alternative to save the planet', which points out that, globally, livestock production accounts for 14.5 per cent of all greenhouse gas emissions caused by human activity, with beef having the highest footprint due to the large amounts of methane that an average cow produces. Agriculture accounts for 92 per cent of the freshwater footprint of humanity; almost 35 per cent relates to animal farming, he points out.

CUTTING LOSSES

In the paper, the authors say that the production of meat is directly and indirectly related to loss of forests, and many species face extinction due to the destruction of natural environments.

A viable alternative to going meat-free is entomophagy. Insect farming, Deepika says, produces about 100 times less greenhouse gases per kg of mass organism. "Edible insects like grasshoppers, crickets and mealworms are rich in protein and contain significantly higher sources of minerals such as iron, zinc, copper, and magnesium than beef."

Achieving high output with minimal input is key to sustainably producing top-quality food, especially protein sources. A comparison of the feed conversion ratios (FCRs) of various meats like pork, chicken, beef, and insects gives us a clearer idea about their sustainability.

EDIBLE BUG. Grasshoppers are a rich source of protein and minerals ISTOCK

Crickets, says Naik, have an FCR efficiency twice that of chicken, four times that of pork, and 12 times that of beef. This indicates the significantly lower use of metabolic energy during the developmental stages of crickets compared to the rest.

The paper shows that "while some insects like termites, cockroaches, and scarab beetles contribute to GHG emissions due to internal bacteria, commercially farmed edible species such as *Tenebrio molitor* (mealworm), *Locusta migratoria* (locust), and *Acheta domesticus* (house cricket) demonstrate lower GHG emissions".

GENTLE FOOTPRINT

Insects need less land, water, and feed per unit while providing equivalent nutritional value. This is largely due to their cold-blooded nature, which results in much higher food conversion efficiency (FCE). For instance, mealworms have a remarkably smaller water footprint — less than 2 litres per kg — as against livestock, which can require 2,200 litres per kg. An estimated 70 per cent of water usage is attributed to livestock farming and agricultural activities.

A note from the University of Florida points out that if more people took to entomophagy, there would be far less deforestation, as insect farming requires less land.

A resource guide at the Library of Congress tells us that about 2 billion people regularly consume insects around the world.

An added advantage in farming edible insects is their ability to thrive on food waste. Insects also generate less waste, and their excrement can serve as fertilizer. According to the website of bio R&D firm Protberia, insect excrement, or frass, is a "powerful organic fertilizer capable of improving both crops and soil properties".

Food production to feed an estimated 10 billion mouths globally by 2050 will only quicken climate change. Entomophagy could make a difference here.

Business powered by the circular economy

Armed with innovation and patented technology, startups are turning multiple kinds of recycled waste into useful products

Preeti Mehra

A new category of products have arrived in the market, but few have noticed them. These are solutions thrown up by the circular economy. Leading the charge in developing them are several startups, which are innovating ways to strengthen our nascent recycling system.

Some patented and others awaiting patents, these products have the potential to help us throw away less, use stuff for longer, and lessen the load on burgeoning landfills — be it plastic waste, agri waste, or e-waste.

GREEN BUILDING BLOCKS

Bengaluru-based Victoria Joslin D'Souza, co-founder and Managing Director of Swachha Eco Solutions, has developed two innovative products — Re-Tile and Re-Polymix — derived from multi-layered plastic (MLP), which finds no takers and is the most difficult to collect.

Partnering with the Bruhat Bengaluru Mahanagara Palike Dry Waste Collection Centre at Attur, she has turned waste plastic into tiles, which she has christened 'Re-Tile'. D'Souza explains that it takes 15 disposable containers, or 150 polythene bags or disposable spoons, or 10-15 cosmetic bottles to make one piece of these interlocking tiles.

The product awaits a patent, but several designers and architects in Bengaluru are using them, she says. The tiles have resistance up to 150 degrees Celsius, are fire-retardant, anti-slip, and can bear heavy loads.

DUMP NOT. Giving a new avatar to plastic, agri and electronic waste

Re-Polymix, again, is made from recycled plastic and is used in building roads. Mixed with asphalt, it is said to enhance road performance and durability, as validated by the highway technology institute Resource Centre for Asphalt and Soil Training Academy (Rasta) and the Central Institute of Petrochemicals Engineering & Technology (CIPET). According to D'Souza, the environmental impact of Re-Polymix per 1,000 tonnes of asphalt includes plastic diversion of 3–10 tonnes, saving of 60-100 tonnes of virgin bitumen, saving of 1.8 tonnes of carbon dioxide, and energy saving of up to 60 per cent when compared to virgin plastic production.

ASH TO NEW LIFE

While plastic waste and recycled plastic granules show great potential for being transformed into useful products, agricultural waste is not far behind. Startups Brisil and Cancrie, which received grants recently from venture philanthropy platform ACT, transform agri waste into innovative patented green products.

Brisil, the brainchild of Tanmay Pandya, produces bio-silica from rice husk and rice straw ash. Companies that generate energy from rice husk struggle to dispose of the ash waste, which is typically dumped on an open ground or at a landfill. But IITian Pandya, whose unit is based in Vadodara, uses his patented chemical technology to produce bio-silica, which finds extensive use in several manufacturing industries including tyres, footwear, toothpaste, and pharmaceuticals. "In India around 30 lakh tonnes of husk ash is generated annually," estimates Pandya, whose venture is currently consuming 10,000 tonnes and targets 50,000 tonnes by 2027.

Brisil's bio-silica can additionally help prevent the indiscriminate mining of riverbeds for silica by the sand mafia.

Jaipur-based Cancrie, co-founded by Dr Akshay Jain and Mahi Singh, uses coconut shells, kernels, sugarcane bagasse, and even hair waste to produce high-value nano-carbons, which find use in lead acid and lithium ion batteries, and capacitors.

"Using an energy-efficient patented process, Cancrie transforms waste into nano-carbons optimised for five key parameters: surface area, pore volume, structure, conductivity, and functionality," explains CEO Jain.

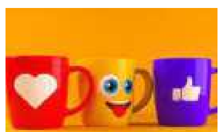
These improvements result in enhanced electrolyte flow and higher battery performance, thereby reducing the frequency of battery replacement and lowering the demand for valuable mined resources such as lithium, cobalt, and nickel. "Cancrie's high-purity nano-materials are produced through an energy-efficient process," says COO Singh.

Currently, field trials and some pilot projects are on to take forward the company's circular economy mission.

OFFICE BUZZ.

Emojis and work communication

Digital body language is emerging as a crucial form of workplace expression, and the generation gap is evident here. Almost 9 in 10 Gen Zers say emojis are useful at work,



according to a recent survey by Atlassian, a software company specialising in collaboration tools . But less than half of Gen X and baby-boomer knowledge workers think emojis have a place at work.

Atlassian, in collaboration with YouGov, surveyed 10,000 knowledge workers from the US, Australia, France, Germany, and India.

It says a general misalignment in communication practices between newer workforce entrants and older colleagues is exemplified by the emoji debacle, and this disagreement can ladder up to major cultural issues, especially in workplaces where written communication — not in-person meetings — is the norm.

Nearly 61 per cent of Gen Zers said they're more likely to read messages that drop in an emoji or two. So next time you write to a young colleague, be sure to sprinkle in a few emojis!

Future-ready talent

According to Deloitte's Campus Workforce Trends, placement cycle 2025 reveals a rising confidence in future-ready talent, marked by a 3.91 per cent hike in campus salaries, a 15

per cent increase in hiring budgets and a 38 per cent uptick in GenAI adoption across recruitment. Employers are doubling down on skill-first strategies, fuelled by technology and purpose, from smarter screening to stronger retention. As a result, campus attrition has dropped by 300 basis points in FY25, reflecting more substantial alignment between talent potential and business needs.

The trends report says organisations are recalibrating how they engage and retain young talent in a tech-forward world to minimise the campus-to-corporate acclimatisation period. Internships are being reimagined through behavioural assessments, learning agility, technical assessments, cultural alignment, and digital DNA as pivots to early-career development. As a result, pre-placement offer conversions have surged by 24 per cent in FY25.

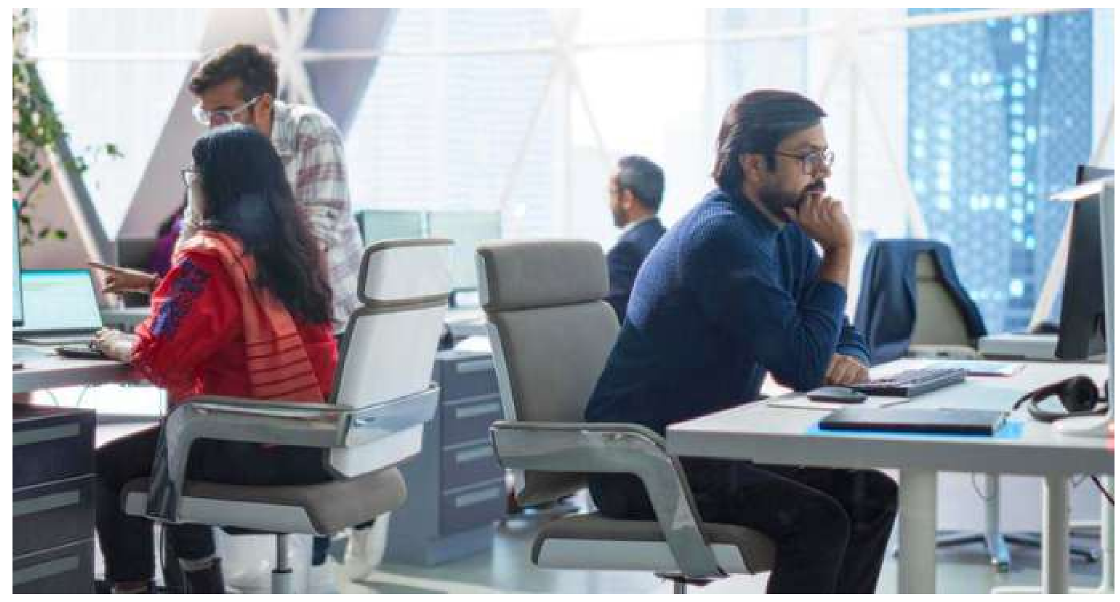
The report reveals a strategic shift in early-career hiring, favouring a skills-first, AI-enhanced and outcome-centric approach over conventional credentials. Cybersecurity and robotics are the top-paying tech skills in campus placements.

REBOOTING INDIAN IT

Tech firms bet on AI to offset slowdown

BUILDING RESILIENCE. To stay competitive, IT firms invest in digital transformation, upskilling, and new partnerships and acquisitions

Sanjana B
Venkatesha Babu



GOLDEN MEAN. The IT services industry faces the need to balance short-term caution with long-term bets on AI ISTOCK

For 39-year-old Samir Kumar (name changed on request), a software architect, April this year was a roller coaster. In the first week, he and his wife joyfully welcomed their second child, a daughter. Less than a fortnight later, he was laid off by the leading electronics system design and manufacturing firm he was working at for the past seven years, as part of a "global restructuring of operations".

Kumar says, in the regular scheme of things, he would have found another job within days. But nearly six weeks after he was "let go", things have been tough and he blames it on the aggressive adoption of artificial intelligence (AI). He believes that a huge chunk of his erstwhile role has been automated. To a large extent, his suspicions are not unfounded, say experts.

Earlier this year, in February, Bangladeshi-British tech entrepreneur Emad Mostaque, founder of Stability AI, had warned of the impending destruction of Indian IT and business process management (BPM) sector due to AI. He said at an event that economies such as India would be impacted due to large-scale adoption of AI. Some of this is already playing out in the IT sector, but at a much smaller scale for the present, experts says.

A TIME FOR RECALIBRATION

Facing headwinds and fierce competition, India's IT services industry is undergoing a strategic recalibration — balancing short-term caution with long-term bets on AI, innovation, and global expansion. As discretionary tech spending remains tight and service commoditisation (interchangeability between providers) intensifies, experts say firms must double down on workforce upskilling, digital transformation, and the creation of IP-led, AI-driven offerings to stay relevant and resilient in a rapidly evolving global market.

According to Nasscom, the Indian IT industry was projected to close FY25 with revenues of $282.6 billion, reflecting a 5.1 per cent year-on-year increase. Growth hotspots include sub-sectors like engineering R&D and global capability centres (GCCs). This follows a four per cent revenue growth in FY24, with an anticipated acceleration to over six per cent in FY26.

Rajesh Ranjan, managing partner, Everest Group, acknowledged that IT services were grappling with macroeconomic pressures and uncertainty, tightening discretionary spending, attempts to leverage in-house models via GCCs, and demand for AI-led higher productivity.

DD Mishra, VP Analyst, Gartner, observed that as automation spreads, reliance on manual labour decreases, enhancing operational efficiency. This leads to cost reductions and creative disruptions in existing businesses.

During Wipro's Q4FY25 earnings call, CEO and MD Srini Pallia noted that the global industry environment remained largely uncertain throughout the year, compounded by recent tariff announcements. "We are speaking to clients across sectors to understand how things are playing out on the ground. Even though the underlying demand for tech reinvention remains strong, clients are approaching it more cautiously. They are focused on cost, speed, and AI-led efficiency," he commented.

"Leading IT firms are investing in building AI capabilities to enhance efficiency and client value," Mishra said.

IT firms battle AI headwinds

Annual revenue growth (CC)	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
TCS	7.1	-0.8	15.4	13.7	3.4	4.2
Infosys	9.8	5	19.7	15.4	1.4	4.2
HCLTech	16.7	1.1	12.7	13.7	5	4.7
Wipro	-0.4	-2.3	26.9	11.5	-4.4	-2.3

All figures are in per cent; source: company reports

MUTED GROWTH AHEAD

Joseph Anantharaju, co-Chairman and CEO of Happiest Minds Technologies, remarked that Indian IT services is recalibrating, as growth is expected to be muted in the short term. "The industry must focus on delivering business outcomes, helping customers automate their processes and workflows, leveraging AI and GenAI to create new revenue streams and optimise costs, and proactively use code automation tools to reduce IT costs and accelerate execution."

He said IT firms are investing in AI research, talent, and platforms, embedding AI across the service stack — from intelligent operations to AI-powered software engineering. "To truly reinvent, the industry must move from being service providers to strategic AI partners — helping clients reimagine business models, not just processes."

Ashutosh Sharma, VP and Research Director, Forrester, added that firms can stay competitive by delivering cost-efficient solutions, meeting immediate client needs, and guiding them toward future opportunities. A similar shift played out during the early days of the digital era, when global players like Accenture, IBM, and Deloitte gained an edge by acquiring digital firms early. A deeper understanding of client requirements eventually demanded a broader transformation of systems, operations, and processes. Indian IT service providers caught up and grew significantly as digital became mainstream.

"We are in an AI-driven phase. Accenture has done fairly well because they were among the first to spot the trend. Indian IT services tend to be more cautious in catching up. Sometimes, a lack of vision may hold them back," he said.

Salil Parekh, CEO and MD, Infosys, reiterated this, saying AI is part of all discussions on new deals. During the company's Q4 earnings call, he highlighted that Infosys is embedding AI across several existing initiatives. "We see AI bringing new opportunities and projects... we saw a 4.2 per cent increase in revenue... We are seeing a growing demand from clients, who are moving from a use-case approach to an AI-led transformation approach."

K Krithivasan, CEO and MD of Tata Consultancy Services, also noted that the company's pipeline of AI and GenAI engagements has grown, with a notable rise in deal wins across both 'AI for IT' and 'AI for business' segments.

FOCUS ON OUTCOMES

FY25 witnessed a noticeable shift in the cloud market with a significant growth in sovereign cloud requirements (ensuring data is stored, processed, and governed within national borders), AI infrastructure investments, and accelerated upgrading of outdated IT systems, he observed. These trends are driven by privacy, the need for instant AI-driven decisions from live data, and demand for technological currency.

"There is evident maturity in the request for GenAI pilots, with a sharper focus on business outcomes rather than mere experimentation. We try to deploy AI in every project," commented Krithivasan during TCS' Q4 earnings call.

Everest Group's Ranjan said that while a full reboot will take time, IT service players will focus on developing an AI-trained workforce, creating more IP-led solutions, moving into tier-2/-3 locations, developing GCC-specific offerings, and targeting geographies beyond the US and UK.

"Investment in AI is increasing but is uneven and conservative compared to publicly announced GenAI commitments by global heritage providers. While there is growth in IP platforms, most are still tools to accelerate services, not standalone revenue generators. Further, most are largely undifferentiated. With agentic AI expected to play a significant role in the future, the big opportunity is to help organisations become ready to adopt the future defined by 'systems of action' (AI-driven, context-aware actions with little human intervention)," he concluded.

Long innings: Does loyalty pay?

PEOPLE@ WORK

KAMAL KARANTH

ISTOCK

Playing in a team for a month each year for 18 years and working in an organisation full time for decades aren't one and the same. But even if we dare to compare an employee's stint at a company and Virat Kohli's long innings with Royal Challengers Bengaluru (RCB), some of the expressions in the world of work may sound more entitled than empowering.

"I have been in this company for eight years; I need growth now."

"After the new CEO has come, every leadership role has been filled by outsiders. Is he signalling something for long-timers like us?"

"I have given the best time of my life, health in building this. I deserve to be treated better."

During various phases of your career, you must have heard these relatable statements from your colleagues, friends and family in different contexts.

LOYALTY RETURNS

This year, big global companies like Puma, Unilever, and United Health promoted long-tenured executives as their new CEO from within. Volvo Cars rehired its former CEO, who earlier had a long tenure with the firm. Between 2018 and 2025, scan through the 460 CEO appointments across 1,822 top-tier companies and you will find that 1,015 of these are internal appointments and 446 are external. Clearly, 80 per cent of these marquee companies are choosing leaders from within. At the same time, in India, of the Nifty50 list, 32 companies made CEO appointments, of which 66 per cent chose an internal leader. Beyond the promotional benefits, which are tangible, tenured employment also gives you some strange perks that are difficult to measure. Some organisations tend to consult their loyal senior leaders on key decisions like M&As, expansions or crucial hires. In the case of RCB, it's difficult to fathom their management appointing new coaches, captains and key foreign players without Kohli's nod. Boards have a natural bias to recruit leaders who have spent significant time with previous employers.

STUMBLING BLOCKS

If one has too many tenured senior leaders who haven't grown in the system, it inhibits any transformation the organisation seeks. If the leaders have stagnated in the system, it's likely that an old coterie can get built, and new hires may struggle to find their feet or collaborate with the larger team. Any new strategy, technology, structure, or process will be met with resistance when loyalty culture precedes meritocracy.

Some of these stumbling blocks will be so subtle that it would become difficult to establish that it's deliberate. In these circumstances, building a future via bridging the past becomes increasingly challenging. Hence, new leaders opt to hire their own loyalists from ex-employers, rather than trying to make it work through long-tenured leaders.

THE PLUSES

A motivated tenured team is a blessing to any new CEO or founder, as role-taking becomes natural and execution seamless. "My job is mostly presidential; I do town halls, give awards, press interactions, lunches with external stakeholders," shared one of my peers who joined as MD of a large company. She added that leaders were tenured and connected to the organisation's cause, and hence most things were in a state of auto flow. A growing organisation fuelled by internal role expansions of employees is a potent combination for long-term transformation. When you have a large number of driven tenured leaders who enable connection for newbies, passing on the organisation ethos, the positive vibes become organic and you won't need HR teams to design posters or campaigns to promote culture.

ROLLING STONES

But one can't deny that shorter tenures give you better jumps in terms of titles and money. Don't we know of our ex-colleagues, friends who keep changing jobs every two years and flaunt their inflating salaries and designations? Fifty-six per cent of the external country heads hired by new global capability centres (GCCs) in India over the last 30 months had tenures of less than five years in their previous stint.

The larger question is, what do the stayers get in return? Or should they expect something at all, say something like a corner room, eventually, at the place where they stayed or somewhere else, because they had tenure?

I asked a board member about the obsession for long tenures for CEO roles. He responded, "What's valuable is that when individuals stay in the organisation for long, they go through the various cycles of ups and downs of the enterprise, plus the various phases of growth and leadership transitions. These intrinsic experiences are much more diverse leaders, in terms of their expertise."

THE SACRIFICE

When you talk to some of the leaders who have stayed for long, the feeling one tends to get is that of service and sacrifice. Some of us forget why we stayed that long. Something must have kept us there, either the fulfilment of the role, the connection to the organisation, the relationship to the manager, the money was decent, or the promise of tomorrow. Depending on how we are treated during various phases of the organisation, we are either grateful or resentful of our tenure. Many of us move after a long time either because the promise of tomorrow didn't materialise or the most awaited C-suite role did not come.

Will Kohli be happier had he never won the IPL trophy earlier, or be happy that he finally won under the same franchise that also bet on him?

Reminds me of the quote, "Loyalty is a characteristic trait. Those who have it, give it free of charge."

Kamal Karanth is co-founder of Xpheno, a specialist staffing firm

AERIAL AMBITION

FIL Industries rigs ropeway to growth

Chitra Narayanan

UP AND AWAY. Syed Junaid Altaf, Group Executive Director, FIL Industries

India's skyline is changing dramatically. New ropeways — or aerial tramways — are coming up all over the country. Betting big on this form of 'sustainable mobility' is FIL Industries, one of the companies behind the ambitious Dehradun-Mussoorie ropeway project that aims to cut travel time between the two towns to just 20 minutes (from 90 minutes by road).

FIL, set up by a Kashmiri entrepreneur, is part of the Mussoorie Sky Car Private Ltd consortium along with French giant POMA and SRM Engineering LLP, which is building the cable car project, with the first leg expected to be ready by September 2026.

Syed Junaid Altaf, Group Executive Director, FIL Industries, points to how ropeway infrastructure — long associated with pilgrim places or tourist hotspots in hilly areas — is now finding a new direction, making for an exciting opportunity. Take, for instance, the Kashi ropeway project in Varanasi to connect Banaras Cantt Railway Station to Godowlia Chowk, perhaps the first use case of a cable car inside a crowded city.

"There is a boom in terms of announcements in the ropeway space. In this decade, India will see three times the number of ropeways, compared to the first 75 years after Independence," declares Junaid. Indeed, the National Highway Logistics Management Ltd recently awarded five projects and initiated feasibility studies for 16 more.

Significantly, the FIL-POMA-SRM consortium has also secured the Yamunotri ropeway project, spanning 3.8 km between pilgrim site Yamunotri and Kharsali in Uttarakhand.

ZIPPING IN

It was in 2014 that FIL Industries, which operates the 2.8-km-long Skyview by Empyrean — the highest ropeway in India in terms of ground clearance — at Sanget–Patnitop, in Jammu and Kashmir, entered the aerial tramway business.

And it entered holistically, offering F&B, hospitality, retail and other allied services that are intrinsic to ropeway projects. Patnitop, for instance, is a full destination management project including rooms, food, retail, and adventure tourism activities. The Dehradun-Mussoorie project will also see retail, entertainment, and a host of other activities.

"Till 2014, we were primarily in the agricultural space," says Junaid, describing how FIL Industries, set up by his father in 1989, started as a trader of agro-chemicals, got into manufacturing, and then agri services.

With pride, he describes how his father was good at integrating various lines of the agri-business. He himself has incubated and developed new business lines in horticulture through FILAVAL Nursery Pvt Ltd, bringing in the first foreign direct investment in the space in J&K through a joint venture with French player Dalival, one of the largest stone fruit nurseries in Europe.

In 2014, a chance meeting with someone from POMA triggered interest in ropeways. "At that time there were not too many ropeway operators in India and, given my love for skiing, my interest was aroused," says Junaid. Plus, he says, they wanted to get into an area that would have large entry barriers and called for partnerships, thereby attracting only serious players.

"Next 18 months, I learned a lot about the business and, simultaneously, we were looking at identifying areas in India where these could be built, and we submitted seven or eight proposals to the government. In 2016, there was a global tender for Patnitop — we put in the bid and won," says Junaid, describing how building the ropeway end-to-end in two years and four months was a record of sorts and a testament to the strong Indo-French collaboration.

NOT A SMOOTH RIDE

But it was by no means a smooth takeoff. On July 20, 2019, the ropeway project at Patnitop, the first infrastructure venture of the company, was inaugurated. On August 5, Article 370 was removed, and everything shut down in J&K. In 2020, Covid happened. "We reopened only after that, but now we employ more than 150 people and it is one of the largest investments in tourism in J&K," says Junaid, who adds that the group invested about ₹150 crore.

What was a sleepy hollow until 2018, has now become a thriving tourist destination. With nearby Katra, the stop for Vaishno Devi, attracting 2 million tourists a year, Patnitop naturally benefited.

But even as Patnitop was booming, Operation Sindoor cast a shadow. "The immediate effect was the cancelling of more than 50 per cent of room bookings, along with substantially fewer footfall for the ropeway," says Junaid. There has been an uptick in bookings for June, so he expects normalcy to return in a couple of months.

But he is philosophical. Such projects, especially when developing a new ecosystem, require at least 10 years for payback, he says.

Even as he talks about the growing opportunity in the space, he is aware of the challenges involved in building the infra, and so FIL is thinking of becoming a specialised operating company. The larger goal, he says, is to put India on the global map as a hub for an advanced, fast, safe, and eco-friendly ropeway system.

FUND FACTS.

$125 million

Myntra Designs Private Limited received funding from Fk Myntra Holdings Pte Limited on May 27, taking the total funding to $1.827 billion.

$63 million

Citykart Ventures Private Limited received Series B funding from TPG NewQuest (Newquest Capital Partners) and A91 Partners on May 27, taking the total funding to $79 million.

$55 million

Saarathi Finance And Credit Private Limited received Series A funding from TVS Capital, Lok Capital, Evolvence India, and Paragon Partners on May 28, taking the total funding to $57 million.

$40 million

Snitch Apparels Private Limited received Series B funding from 360 ONE (IIFL Asset Management), SWC Global, IvyCap Ventures, and Ravi Modi Family Office on June 2, taking the total funding to $53 million.

$32 million

Cj Darcl Logistics Limited received funding from CJ Logistics Corporation on May 27, taking the total funding to $182 million.

Source: PrivateCircle Research, a private market intelligence platform

RE POSTS.

Why startup founders fail:
1. Build something nobody wants
2. Don't know how to get customers
3. Give up too early
And how to fix it:
• Build one feature
• Ship fast
• Kill faster

Marc Lou
@marc_louvion

All of a sudden every 'startup' in India is now a 'pre-IPO' company

Anupam Mittal
@AnupamMitta

You're more likely to meet India's AI founders in the Bay Area than in Bangalore.
In the AI wave, B2B founders are moving to the US much earlier in their journey compared to the SaaS wave.

Tejeshwi Sharma
@tejeshwi_sharma

DELIVERING RESULTS

E-commerce's vital third-party partner

DROP PIN. The blistering growth of e-retailers sees third-party logistics firms playing a starring role under tight deadlines and margins

Jyoti Banthia

READY TO GO. Third-party logistics players handle e-commerce despatches and inventory management at scale ISTOCK

Quick commerce, the high-speed cousin of e-commerce, is no longer just about 10-minute grocery drops. Platforms such as Zepto, Blinkit, and Instamart are racing to keep pace with rising demand across categories like fashion, electronics, and personal care, and expansion beyond metros. In turn, third-party logistics (3PL) players are emerging as essential partners in this sprint, solving for intercity fulfilment, temperature-sensitive despatches, and inventory management at scale. Marked by tight timelines and low margins, their operations demand precision, capital, and tech-first innovation to stay sustainable.

According to data from market intelligence platform Tracxn, the 3PL sector has mopped up $4.6 billion in funding since 2021, including $70 million so far this year; in 2024, it raised $296.4 million.

NON-METRO DEMAND

Quick commerce is still concentrated in urban centres, but steadily growing demand from Tier-2 cities is prompting 3PLs to expand coverage and capacity.

"We've seen a surge in order volumes, while the average order value (AOV) has more than doubled," says Anil Kabra, VP-3PL Sales at Xpressbees.

However, quick commerce still accounts for less than one per cent of Xpressbees' total volume, underlining its nascency in the broader retail logistics network.

Other players are seeing a more pronounced shift. At JustDeliveries, quick commerce is a core growth vertical.

"It contributes around 45 per cent of our revenue," says Pradeep Murugesan, co-founder and COO of JustDeliveries. "Dark store expansion and frequent B2B (business-to-business) replenishments for perishables have made mid-mile logistics a critical part of the ecosystem."

The company, which focuses on temperature-controlled and ambient despatches, is scaling up Tier-2 operations through a mix of intercity hubs and fulfilment clusters. "Tier-1 continues to drive volume, but we're seeing a structured ramp-up in emerging cities through regional hubs," Murugesan adds.

Saahil Goel, MD and CEO, Shiprocket, observes that growth is centred not just around food or groceries — it's extending to categories like beauty, healthcare, fashion, and electronics.

"In Tier-1 cities, customers increasingly expect hyperlocal delivery to be the default, especially for D2C (direct-to-consumer) brands and marketplaces," he says. In Tier-2/3 cities, the demand is fuelled by rising digital adoption, improved local infrastructure, and desire for services on par with metros, he adds.

Unicommerce, a backend technology provider for D2C and e-commerce sellers, is seeing a growing demand from non-metro markets. "In FY25, over 10 per cent of quick commerce orders processed through Uniware came from Tier-2 and -3 cities," according to CEO Kapil Makhija. "This expansion is bringing diverse categories — from supplements to fashion accessories — into the quick commerce fold."

PROFITABILITY AND TECH

While consumer demand is climbing, 3PL firms remain cautious about the unit economics of quick commerce, particularly for last-mile operations.

"The biggest challenge is balancing high order volumes with low AOVs," says Kabra of Xpressbees. "There's minimal scope for order consolidation, so manpower and processing costs are high. AOV becomes critical for long-term viability."

JustDeliveries doesn't operate in the last-mile segment, but facilitates it through B2B inventory movement. "We handle replenishment from mother warehouses to dark stores, where timing is everything," Murugesan says. "High-frequency, appointment-based deliveries in congested zones leave no room for error — especially for perishables, where even a small delay can lead to spoilage."

Shiprocket emphasises the growing role of technology in solving complexities in last-mile deliveries. "Managing unpredictable order spikes and ensuring real-time visibility are two major hurdles," says Goel. "Through our hyperlocal network, we optimise rider allocation using mobile-first tech and a pool of more than 10 courier partners."

The company, which handles hyperlocal fulfilment through its Shiprocket Quick app, says demand from Tier-2/3 is rising. "For consumers in emerging markets, quick commerce builds digital trust — it's a gateway to brand confidence and faster adoption," Goel notes.

Echoing this, Unicommerce's Makhija points to the D2C segment's push for quick commerce fulfilment. "We've seen newer SKUs like nutraceuticals, intimate hygiene, kitchenware, and babycare entering this space," he says. "This evolution demands better backend integration and multi-node fulfilment strategies."

SUSTAINABILITY

Alongside the growing traction, many logistics companies also navigate thin margins and tight delivery windows.

"For mid-mile players, profitability is possible when route density and order predictability are high," says Murugesan. "With disciplined operations and service-level consistency, 3PLs can build a viable model — but it takes scale and smart planning."

For last-mile specialists, the margins are even thinner. With little room for batching or consolidation, many rely on high-density urban clusters to stay afloat.

"Quick commerce can be profitable with delivery density, dynamic routing, and multi-category utilisation," says Goel. He foresees the model becoming multi-pronged — where delivery is just one part of a larger service stack. "Adjacencies like returns, micro-fulfilment, storage and even SaaS (software-as-a-service) integrations offer additional revenue streams," he says.

FUNDING INTEREST

While platforms compete on delivery time and assortment, investors say logistics capabilities may emerge as the true differentiator.

"Investors are focusing on high-margin sectors like last-mile delivery and SaaS-driven 3PL platforms," says Apoorva Ranjan Sharma, co-founder and MD of venture capital firm Venture Catalysts.

Unicommerce highlights that new-age 3PLs offer technology, integrations, and intelligence alongside physical movement. "The next logistics unicorns won't just move packages — they'll redefine how commerce is structured across borders, categories, and customer journeys," says Makhija.

STARTUPS: VAI-THEE-FUSS

Pitch decks must rest on a strong business plan and team

VAITHEESWARAN K

In this third and concluding segment on 'Creating effective pitch decks', we shall dwell on the business plan, the team, the capital asked for, and the deployment plans for the investment.

The business plan is a very important part of a pitch deck. An early-stage business plan is a forecast of how the business may scale up in future. It should cover all elements of the business, such as product, marketing, sales, distribution, margins, item-wise costs, people, and so on.

I was once asked which was the best fiction I have read and I recall saying it was an early-stage startup's business plan. This may sound funny but, the fact is, it's almost impossible to predict how the various moving parts of the startup will change over time, and most forecasts go awry.

The first business plans of giants like Google, Amazon, Facebook, and Uber make for fascinating reading, because what the storied founders estimated and what unfolded in reality are so different.

A good business plan includes the profit-and-loss statement, balance sheet and, most importantly, the cash-flow statement. The cash-flow statement will indicate how much capital is required for the business before breakeven. Many startup plans do not indicate break-even because it is not a goal, but that is an entirely different matter.

In my book *Failing to Succeed*, I wrote about a 2x2x2 formula I recommend to early-stage founders. Simply put, double the costs, halve the revenues, and halve the margins after the business plan is ready. This will bring out the worst-case scenario on capital requirements, because markets may change, customer behaviour is unpredictable, the product may fail, competition may do something else, and the best laid plans will go out the window.

After the business plan, ask for an amount from the investors (say, ₹50 lakh) with a clear plan on how it will be deployed.

For a chain of tea cafes, for instance, this could be the number of new cafes to be opened, the spend on marketing, people, technology, operations, and so on. It is always a good idea to plan 10-15 per cent for miscellaneous and unknown expenses.

Finally, the most important thing investors look for: Does the management team have the background and experience to execute? The harsh reality is that anyone can build a solid startup on powerpoint. Rolling up the sleeves to execute on the ground differentiates the doers from the dreamers. This is the most critical parameter on which investors take a call for early-stage investments. It is rare to find a successful startup that started with a weak team.

The writer is a serial entrepreneur and best-selling author of the book 'Failing to Succeed'; posts on X @vaitheek

Kick-starting a satellite race in ultra low-earth orbit

Ahmedabad-based Orbitt Space sets its sights on a new frontier in earth observation services

Sanjana B

AIMING 'LOW'. Orbitt Space co-founders Christopher Parmar (left) and Anupam Kumar

Unlike most other space-tech ventures that stick to low-earth orbit (LEO) satellite operations, Ahmedabad-headquartered Orbitt Space is going for the sub-250 km zone — ultra-low earth orbit (ULEO) — which largely remains untapped due to challenges such as high atmospheric drag and fuel constraints.

Co-founders Christopher Parmar and Anupam Kumar had each spent over eight years at ISRO, specialising in satellite design, testing, and deployment. They left the national space agency in February 2025 and launched their startup a month later.

"Mega constellations like Starlink and OneWeb have launched thousands of satellites into the low-orbit space. In the last decade, this space has accumulated over 20,000 space objects and 10 cm high debris. We wondered whether operating in the same orbit over the next 10 years would be sustainable, given the growing risk of satellite collisions," Parmar says.

The ULEO zone presents a self-regulating solution to space debris, since satellites here are naturally de-orbited — burn up in the earth's atmosphere — post mission. Other advantages from this zone include sharper imaging, reduced signal latency, and radiation protection, enabling the use of cost-effective commercial electronics.

On the flip side, in this zone the atmosphere — though extremely thin — still contains enough residual molecules to create a drag on satellites.

To maintain a stable orbit, they require constant thrust compensation, typically through onboard propulsion systems.

In the near-vacuum LEO there is negligible atmospheric drag, making propulsion less critical for orbit maintenance.

EARLY TO THE RACE

"We are building a new propulsion technology that can compensate for the drag in the ULEO, giving the satellite a lifetime of five to seven years," Parmar explains.

The company's electric propulsion system uses residual atmospheric gases as propellant, eliminating the need for onboard fuel.

Paired with a high-agility, 200 kg satellite bus, Orbitt will offer services ranging from earth observation to low-latency telecommunications, climate monitoring, surveillance, and scientific missions, Parmar says.

Orbitt aims to prototype its technology in the coming year, followed by the qualification process, which includes rigorous testing of subsystems under a range of environmental conditions.

The CEO says the company is also planning a parallel technology demonstration mission. "This mission will allow us to test its performance under real atmospheric conditions." The goal is to commercialise the technology within four years after the qualification.

SUPPORT ECOSYSTEM

In May, Orbitt Space raised $1 million in a pre-seed funding round led by pi Ventures, with participation from IIMA Ventures. The company said the money will be deployed to accelerate the designing and development of its proprietary electric propulsion technology and avionics systems, build a core team of scientists and engineers, and the testing of its prototype.

Parmar says the company will use the facilities provided by the Indian National Space Promotion and Authorisation Centre (IN-SPACe) to fabricate and test space hardware. ISRO experts will offer technical support.

"IN-SPACe will be pivotal for our success and development process," he adds.

IIM-Ahmedabad is currently mentoring the company in building and scaling up a deep-tech, long-gestation startup — right from team building to policy creation.

A leg-up for the India growth story

bl.interview

Aishwarya Kumar

"We don't just invest in companies — we invest in ideas that can define India's future," says Vikram Gupta, founder and Managing Partner at IvyCap Ventures. With 55 investments under its belt, the homegrown early-stage venture capital firm's portfolio includes Bluestone, Snitch, Biryani By Kilo, Eggoz, GradRight, and Dhruva Space. The VC firm is also known for its endowment-based model, wherein it channels a part of its profit to leading institutions like the IITs and IIMs.

Edited excerpts:

> We focus deeply on the "why" behind the startup, to ensure they're solving a meaningful problem for the right reasons

VIKRAM GUPTA
Founder and Managing Partner, IvyCap Ventures

What is IvyCap Ventures' current 'assets under management' value?

We've raised four funds to date, including an initial angel fund. Our assets under management is now ₹5,000 crore across 55 firms.

What is your funding strategy, and which sectors are in focus?

We invest across stages, from seed to Series B, with a primary focus on Series A. While we remain sector-agnostic, our investments are guided by three core verticals. The first is the India growth and consumer story, which includes sectors like e-commerce, fintech, health-tech, and logistics — essentially businesses driven by the expanding Indian consumer base.

The second vertical is 'India for the world', where we back startups that leverage India's talent and cost-efficiencies to serve global markets, particularly in B2B SaaS, and consumer-tech. The third vertical is deep-tech and emerging-tech, where we invest in high-risk, disruptive ideas across areas like space-tech, robotics, semiconductors, and agentic AI.

What made you launch your endowment-based model?

When we launched IvyCap in 2011, we built it around a simple but powerful idea — to give back. We decided that a significant portion of our carry, our share of profits, would be directed toward creating endowment funds at institutions like the IITs, IIMs, BITS, and ISB. We helped launch India's first institutional endowment fund at IIT-Delhi in 2019.

Since then, several IITs and IIMs have followed suit, using these endowments to support innovation, entrepreneurship, and research.

How do you select startups for funding?

We engage with startups that have already raised a seed or angel round, or founders from IITs and other strong backgrounds, even before their first fundraise. Our team of 50 includes 20 investment professionals who assess the business model, scalability, capital requirements, and potential to hit benchmarks like $1 billion in revenue (or $100 million for B2B SaaS). A key part of our diligence is founder motivation — we focus deeply on the "why" behind the startup, to ensure they're solving a meaningful problem for the right reasons.

How many startups do you typically invest in annually?

This year, we expect to invest in around 20 companies.

Are there any segments you're extra bullish on?

Yes, we see strong potential in defence-tech, space-tech, semiconductors, AI, machine learning, IoT, and blockchain. Traditional sectors like healthcare will see greater tech adoption with a rise in healthcare spending and insurance penetration.

NEWS SNIPPETS.

Adding shine to gold loans

Borrowers taking small-ticket consumption loans of up to ₹2.5 lakh against pledged gold are likely to benefit under the RBI's new 'Lending Against Gold and Silver Collateral Directions, 2025'. Lenders will offer a higher loan-to-value (LTV) ratio of 85 per cent against the extant 75 per cent, irrespective of borrowing size. The higher LTV is for loans given on bullet repayment basis (where both principal and interest are due for payment at the maturity of the loan). LTV is the ratio of gold loan to the value of gold at current market prices. Where the total consumption loan amount per borrower is "more than ₹2.5 lakh and less than or equal to ₹5 lakh", and "above ₹5 lakh", the LTV has been pegged at 80 per cent and 75 per cent, respectively.

DATA BANK.

Retail, services sectors star in double-digit bank credit growth

Double-digit growth in bank credit was sustained during FY25 (at 12 per cent versus 16.3 per cent during FY24), led by the retail and services sectors, according to the Reserve Bank of India's latest annual report.

Public sector banks (PSBs) registered a higher credit growth compared with private sector banks (PVBs), with the former maintaining the largest share in total credit.

Sector-wise, credit to agriculture and allied activities continued to register double-digit expansion in 2024-25. Industrial credit remained robust, driven by a pick-up in credit to medium and large industry.

Credit to micro and small industries continued to flow, albeit with some moderation in the recent period. Similarly, credit to services sector grew, but at a decelerated pace. Credit to services sector moderated from elevated levels, following the increase in risk weights on scheduled commercial banks' (SCBs) credit to non-banking financial companies (NBFCs) by 25 percentage points in November 2023.

Personal loans grew by 14 per cent, as at end-March 2025, as compared with 17.6 per cent during the previous year, supported by housing loans, which account for nearly half of the segment. Vehicle loans and other personal loans grew by 8.6 per cent and 8.4 per cent, respectively, at end-March 2025.

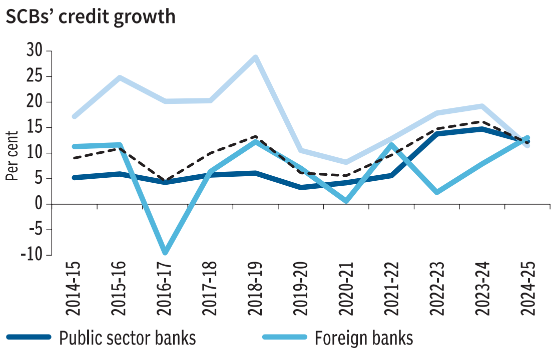
Overall, firm-specific factors, macroeconomic conditions, and relative funding costs are the key borrowing determinants, varying across sectors and time. Given the strong bank balance sheets, a revival in private investment can potentially drive increased demand for bank credit, the report said.

Deposit growth

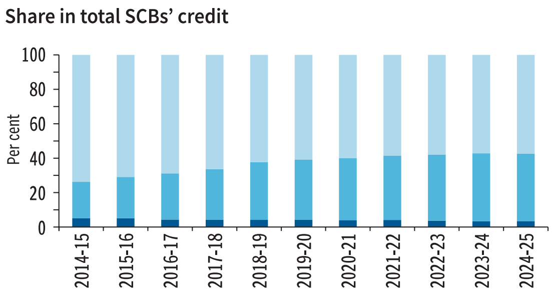
SCBs' deposit growth (10.6 per cent) remained below that of bank credit (12 per cent) during FY25; however, the wedge between deposit and credit growth narrowed, which led to a decline in the incremental credit-deposit ratio. To bridge the funding gap, banks took recourse to large issuances of certificates of deposit (CDs), which rose to ₹11.9 lakh crore during FY25, as compared to ₹8.7 lakh crore during FY24.

Bank group-wise credit

SCBs' credit growth

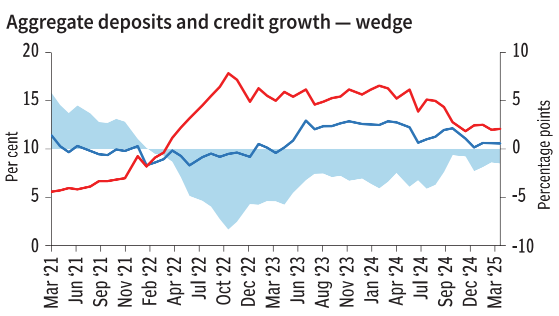


Share in total SCBs' credit

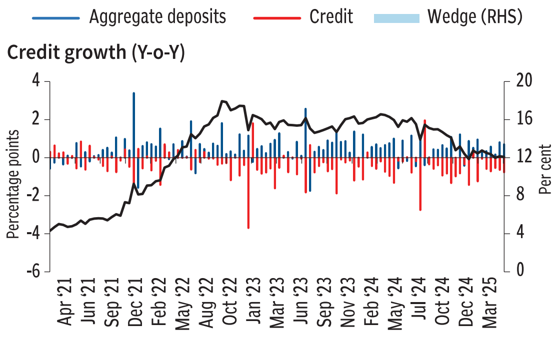


SCBs' deposits and credit

Aggregate deposits and credit growth — wedge



Credit growth (Y-o-Y)



Source: RBI

SMALL CHANGE

Why payments banks don't count yet

KNOW YOUR LENDER. Meant to promote financial inclusion, payments banks struggle to remain viable and relevant

Piyush Shukla

Payments banks continue to struggle even after a decade of existence, largely on account of a decline in revenue and throughput volumes in remittance, Aadhaar-enabled payments system (AePS) and micro-ATM business, wafer-thin margins, and limited scope of operations.

Currently, six payments banks are operating in the country. These niche banks, which were established during 2016-18 to promote financial inclusion by leveraging technological advancements, collectively account for less than one per cent of all scheduled commercial bank deposits.

In 2013, the Reserve Bank of India (RBI) had released a discussion paper on 'Banking structure in India — The way forward'. One of its observations was the need for niche banking in India, and that differentiated licensing could be a step in this direction.

Similarly, the Committee on Comprehensive Financial Services for Small Businesses and Low Income Households, chaired by Dr Nachiket Mor, had recommended in its 2014 report that, given the difficulties faced by pre-paid payment instruments issuers (PPI issuers) and the underlying concerns with this model, existing and new PPI issuer applicants should instead apply for a payments bank licence or become business correspondents (BCs).

Subsequently, in Union Budget 2014-15, it was announced that the RBI would create a framework for licensing small banks and other differentiated banks. The differentiated banks will serve niche interests. Local area banks and payments banks were contemplated to meet the credit and remittance needs of small businesses, the unorganised sector, low-income households, farmers, and the migrant workforce.

INCLUSIVE CREDIT. Having built a large network of merchants and depositors, payments banks have been seeking authorisation to extend small-ticket loans of up to ₹2 lakh BLOOMBERG

The RBI then introduced payments bank licence guidelines in 2014. The regulator received 41 applications for payments banks, and approved 11 — namely Aditya Birla Nuvo, Airtel M Commerce Services, Cholamandalam Distribution Services, Department of Posts, Fino PayTech, National Securities Depository, Reliance Industries, Dilip Shanghvi, Vijay Shekhar Sharma, Tech Mahindra, and Vodafone m-pesa.

The payments banks were not allowed to lend. Their scope of activities included opening low-cost deposit account with ₹1 lakh limit initially (later revised to ₹2 lakh) per customer, providing payments and remittance service, internet banking services, acting as a BC for other banks, and distribution of mutual fund units, insurance products, and pension products, among others.

CHALLENGES GALORE

Within years of receiving in-principle approval for operating a payments bank, Cholamandalam, Vodafone, Dilip Shanghvi, Tech Mahindra and Aditya Birla Nuvo surrendered their licence. A decade after payments banks started operations, only Fino Payments Bank is listed on stock exchanges and Airtel Payments Bank has achieved a large size. The RBI's embargo on Paytm Payments Bank has stalled its business operations, while Jio Payments Bank, NSDL Payments Bank, and India Post Payments Bank have built a limited presence.

Revenues of existing payments banks are under pressure. According to the financial results of Fino Payments Bank, in FY25 revenue from the remittance business, a key hook product and material contributor to the topline, fell to ₹341 crore from ₹455 crore in FY24. Overall remittance throughput decreased to ₹36,018 crore in FY25 from ₹52,695 crore in FY24.

Similarly, AePS business revenue rose by just ₹10 crore on-year to ₹120 crore in FY25, while AePS throughput was down to ₹31,189 crore (from ₹32,873 crore in FY24). Micro-ATM business revenue fell to ₹65 crore (₹86 crore), while micro-ATM throughput was down to ₹8,516 crore (₹13,032 crore).

These figures perhaps explain why Fino applied for a small finance bank licence about two years ago. Other payments banks do not share their detailed quarterly financial results.

"Remittances have been majorly affected due to the RBI's new framework on domestic money transfer for regulated firms. Effective since November 1, 2024, the stricter know your customer (KYC) norms, aimed at secure money transfers within India, has had an industry-wide impact," a source said. The micro-ATM and AePS business, meanwhile, is affected due to the rise of UPI transactions, including in rural and semi-urban areas.

WHAT LIES AHEAD

Payments banks are optimistic that the rising adoption of technology among smaller merchants augurs well for them. The use of mobile point-of-sale (mPOS) devices at merchant outlets is growing, which can help payments banks grow their customer base, further expanding their reach and influence in the financial services sector.

Citing the change in customers' mode of payment and the large network of merchants and depositors that payments banks have built, industry officials have long been asking the RBI to allow them to extend small-ticket loans of up to ₹2 lakh.

In an earlier interview with *businessline*, Airtel Payments Bank MD Anubrata Biswas had said that India's payments bank industry touches nearly 20 crore users each month, of whom 40-50 per cent lack access to formal credit. Allowing payments banks to lend could significantly boost formal credit and financial inclusion in the country, he added.

Experts say the time may be ripe for the RBI to revisit the payments bank model. Allowing small-value lending could enhance viability and profitability.

AIFs: A wealth of options

Regulatory clarity, tech aids propel quest for newer investment choices

ARNIKA DIXIT

India's wealth management landscape is being reshaped by a confluence of factors, including evolving demographics, rising incomes, shifting investment preferences, and asset appreciation. With net worth exceeding ₹5 crore, nearly one per cent of Indians now qualify as high net-worth individuals (HNI); meanwhile, the number of ultra-wealthy individuals (with ₹1,000-plus crore assets) grew to 1,539 — representing a 46 per cent increase in wealth from last year, according to Hurun India. The affluent base is growing not just in numbers but also financial sophistication, paving the way for innovative investment platforms like alternative investment funds (AIFs).

While metropolitan cities have long remained hubs of diversified financial planning, a new wave of demand is emerging from the smaller cities — driving the need for financial strategies that go beyond the urban strongholds. There is also a shift from physical assets such as property and gold to financial assets, especially equity and other higher-yield products.

Today, one size does not fit all, as tailored investments for specific risk-return goals are increasingly in demand. Technology has emerged as a key enabler, transforming how investors access, evaluate, and engage with sophisticated wealth solutions. By enhancing service delivery through automation, real-time analytics and AI, technology is helping create a more seamless, personalised, and insight-driven investment experience for the emerging affluent.

RISE OF AIFS

The growing popularity of alternative investments stems from progressive regulatory developments and continuous technological advancements.

Over the past six years, commitments in the Indian AIF industry has soared by over 378 per cent — from ₹2.82 lakh crore in FY19 to ₹13.49 lakh crore in Q4FY25. This near five-fold expansion highlights the significant market potential. AIF's expanding reach beyond ultra-HNIs to a broader spectrum of investors owes to several factors.

Firstly, enhanced transparency and regulatory support from SEBI through measures such as mandatory dematerialisation of AIF holdings and aligning risk-return profiles with financial commitments have strengthened governance and boosted investor confidence.

Secondly, the diversified investment choices under the three distinct categories of AIFs provide fund managers the flexibility to invest across a wide spectrum of asset classes. This includes debt instruments (such as venture debt and structured debt), listed and unlisted equity (including private equity funds), real estate, infrastructure assets (including REITs and InvITs), and even derivatives for strategic leverage and enhanced returns.

Thirdly, AIFs have greater operational flexibility, compared to mutual funds. Given that AIFs, with a minimum investment threshold of ₹1 crore, are primarily targeted at HNI investors, the regulatory environment is less restrictive, giving fund managers more flexibility in constructing and managing portfolios, potentially leading to more competitive risk-adjusted returns.

Lastly, alternatives offer two compelling advantages: diversification and outperformance potential. With traditional equity returns stabilising, investors are pivoting to sophisticated strategies that promise both higher yields and insulation from market swings.

AIFs have consistently outperformed mutual funds and gold over the long term. As of September 2024, Long-Only Cat III AIFs delivered 23.52 per cent annual returns over five years, compared to 18.98 per cent for Nifty50 TRI mutual funds and 14.88 per cent for gold.

The AIF industry in India shows strong growth potential, with a forecasted compound annual growth rate of 26 per cent, to reach ₹43.64 lakh crore by 2028. Together the portfolio management services (PMS) and AIF industries are projected to cross ₹100 lakh crore by 2030.

LOOKING AHEAD

SEBI's introduction of specialised investment funds (SIFs) has the potential to bridge the gap between mutual funds and PMS. SIFs, with a minimum investment requirement of ₹10 lakh, are structured yet adaptable investment vehicles with higher risk-return potential. SIFs will attract HNIs, much like PMS and AIFs, but at a lower entry threshold. They are expected to further reshape the investment landscape by providing unique benefits and addressing existing gaps.

The growth of AIFs in GIFT City is set for the next phase of significant expansion. With over 200 funds registered in this deemed offshore location and a strong pipeline, GIFT City offers non-resident Indians a streamlined, tax-efficient route to invest in India. It also provides resident Indians a regulated avenue to explore offshore opportunities under the Liberalised Remittance Scheme.

The real disruption? When India's street-smart investing psyche — honed on real estate and generational savings — collides with the algorithmic precision of global alternatives. The winners won't be those who adapt. They'll be the ones who code the rules mid-game.

ISTOCK

The writer is President and Head — Wealth, Cards and Payments, Axis Bank

YELLOW FEVER

Central banks on track for fourth year of massive gold purchases

De-dollarisation trend firmly in place, says consultancy Metals Focus

RESERVE STRENGTH. The bullion-dollar question

Reuters

Central banks worldwide are on track to buy 1,000 tonnes of gold in 2025, which would be their fourth year of massive purchases as they diversify reserves from dollar-denominated assets into bullion, consultancy Metals Focus said. Gold prices are up 29 per cent so far this year after hitting a record high of $3,500 per troy ounce in April on geopolitical tensions and economic uncertainty as US President Donald Trump continues to roll out his tariff policies.

The price rally has so far kept purchases by central banks, a crucial category of demand, unaffected with the first-quarter buying in line with the 2022-24 quarterly average, Metals Focus said recently in its annual report. "The drivers that have underpinned de-dollarisation in recent years remain firmly in place," the consultancy said. "If anything, President Trump's unpredictable policy stance, his public criticism of (Fed chair) Jerome Powell and the deteriorating US fiscal outlook have further eroded confidence in the US dollar and Treasuries as ultimate safe-haven assets."

"Elevated geopolitical tensions since the start of his administration have also curtailed the appeal of US assets." Accounting for almost one-fourth of total demand, central banks are the third largest category of gold consumption after the jewellery sector and physical investment. In 2025, purchases from central banks are expected to fall by 8 per cent from last year's record high of 1,086 tonnes.

In January-March, Poland, Azerbaijan, and China — consistent buyers in recent years — led the officially reported buying, Metals Focus said, adding that steady inflows into Iran also suggest further purchases by the Central Bank of Iran. Meanwhile, jewellery demand for bullion has been hit hard by the price rally.

Gold jewellery fabrication fell 9 per cent to 2,011 tonnes in 2024 and is expected to deliver a 16 per cent slump this year, with India and China accounting for much of this decline. The consultancy expects average gold prices to rise by 35 per cent this year, after 23 per cent growth in 2024, and reach $3,210 per ounce "with further strength likely into 2026".

QUICKLY.

NCLAT rejects BYJU's plea in Akash shareholding row

New Delhi: The National Company Law Appellate Tribunal (NCLAT) has dismissed a plea filed by Think & Learn, owner of BYJU's, challenging an NCLT order directing to maintain status quo regarding the company's stake in Aakash Educational Services. The NCLAT Bench said that since the NCLT order is an "consensual" interlocutory order, which is not deciding any of the rights of the parties, no interference is called for by the appellate tribunal at this stage. PTI

Airtel hopes to work with banks to fight online scam

New Delhi: Airtel has approached over 40 banks, as well as RBI and the NPCI, proposing a close collaboration to curb digital frauds, including sharing intelligence over repository of known fraudulent financial domains. The telecom operator also pushed for proactive blocking of malicious and rogue sites and to build a multi-layered defence to combat digital frauds. PTI

Meta Platforms in talks to invest $10b in Scale AI

Meta Platforms is in talks to make a multibillion-dollar investment into artificial intelligence start-up Scale AI, said sources. The financing could exceed $10 billion in value, they said, making it one of the largest private company funding events of all time. The terms of the deal are not finalised . BLOOMBERG

China's curbs on rare earths may hit smartwatches, wireless earbuds too

KEY PLAYER. Beijing accounts for nearly 70% of global rare earth element mining, controls 90% of global output

S Ronendra Singh
New Delhi

The supply chain issue of rare earth magnets from China is not only going to impact the auto industry, but also the electronics manufacturers, especially the smartwatches and wireless earbuds (TWS), said sources in the industry.

"Although such magnets are a small part of these electronic items (TWS and smartwatches), they are a crucial component without which the products are incomplete. The companies have a stock of these magnets for at least a couple of months, but beyond that if the restriction continues, it would impact the production cycle," an industry source told *businessline*.

CORE COMPONENT. Rare earth magnets are crucial for the vibration motors that allow smartwatches and earbuds to provide alerts and notifications, say analysts REUTERS

According to analysts, tracking the electronics industry, rare earth magnets are crucial for the vibration motors that allow smartwatches and earbuds to provide alerts and notifications. They are also used in other components of smartwatches.

Over the last few weeks, China has imposed export restrictions on rare earth magnets for which it holds a monopoly, in both supply and processing. China accounts for nearly 70 per cent of global rare earth element (REE) mining and controls 90 per cent of total worldwide production.

WAIT & WATCH

"It is impacting mostly the auto industry as of now and they do have inventory for the next couple of months, but after that, it may even get more serious and impact other industries. But, for true wireless stereo and smartwatches, we see very little impact. There were some issues last month, but as of now, there is no big impact on the industry," said a Delhi-based analyst.

According to the experts, China's export restrictions could also lead to shortages of smartwatches and other devices that rely on rare earth magnets, and as demand outstrips supply due to restrictions, the price of smartwatches could increase.

India's smartwatch sales already declined 33 per cent year-on-year (y-o-y) in the first quarter (Q1) of 2025, despite experiencing a 5 per cent quarter-over-quarter (q-o-q) uptick, according to the latest research from Counterpoint's IoT Service Research.

This was largely driven by softening demand in the budget segment and inventory corrections across major brands, it said.

Noise maintained its market leadership with a 29 per cent share, but declined in sales 17 per cent y-o-y, followed by boAt at 14 per cent market share, witnessing a significant decline of 35 per cent y-o-y in Q1 2025.

However, Titan, including its sub-brand Fastrack, moved to the third spot in Q1 2025, with a shipment growth of 7 per cent y-o-y and a market share of 12 per cent in Q1, the Counterpoint data indicated.

Washing liquids, ready-to-cook mixes among fastest growing categories: Kantar Report

Meenakshi Verma Ambwani
New Delhi

Washing liquids has emerged as the fastest growing category, more than doubling in terms of volumes, in the last two fiscal years.

Reflecting the consumers' growing need for speed along with freshness, ready-to-cook mixes also doubled its volumes during this period.

Rise of premiumisation and shoppers gravitating towards larger packs, indicate that moderate to strong growth is expected in the urban FMCG segment over the next few quarters,

OTHER SECTORS. Barring cornflakes, breakfast cereals led by muesli, porridge and oats have seen growth over 1.5 times.

Kantar's latest FMCG Pulse report stated.

As per data released by the research and insights firm, washing liquids grew at 2.7x and has added close to 24 new million households since FY23. "Currently having a penetration slightly above 20 per cent, the category has massive headroom to grow. Operating in the same fabric care sector is washing soaps, which is steadily losing relevance as shoppers move to products that leave lesser mess to clean up after. Fabric care is perhaps one category that is seeing a major behaviour upheaval, as more shoppers adopt more of liquid products," the report noted.

Ready-to-cook mixes is the only other category to have doubled its volumes in the past two years, adding as many as 18 million households, primarily driven by batters. "Clearly, consumers want speed but also freshness and partial control over their meals, and that is driving these diverse behaviours within the same space," the report added.

Barring cornflakes, cereals led by muesli, porridge, and oats have seen growth over 1.5 times in the last two years. Stating that the cornflakes category, which lacks "health connotation" has seen "volume losses", the report attributed the "premiumisation" wave led by affluent Indian consumers as the key reason.

URBAN RECOVERY

Indian households' shopping trips were seen stabilising to 156 per year in FY25. At the same time, the average pack size across categories grew around 16 gm in FY25 over FY24 across categories.

"It indicates confidence returning to the shoppers," Kantar stated in its report.

NMDC ready to set up an overseas investment arm

Richa Mishra
Hyderabad

Amitava Mukherjee, CMD of NMDC

The proposed subsidiary of National Mineral Development Corporation (NMDC) at the GIFT City in Gujarat will work as its overseas investment arm. Likely to be in place in another few months, the arm is expected to be named NMDC Global.

Speaking to *businessline*, Chairman and Managing Director of NMDC, Amitava Mukherjee, said: "We have all necessary approvals in place. We are very clear it will be a fully-owned subsidiary of the parent, NMDC. We have also identified the place at the GIFT City. We hope to complete the formalities soon."

NMDC has been actively looking at assets overseas.

"We have adopted a very structured approach for such potential acquisitions. We have been looking at 22-23 assets, some of them have sort of faded away, some of them have crossed a few levels of assessment," said Mukherjee.

MINERAL ASSETS

NMDC has been eyeing acquisitions across 10 mineral assets abroad, including coking coal in Australia and Indonesia, and nine other critical minerals like lithium, copper, cobalt, nickel, bauxite, gold, among others.

The company is also exploring critical mineral block acquisitions in Africa. The proposed overseas investment arm will be based on the lines of ONGC Videsh Ltd, the overseas investment arm of public sector oil giant, ONGC.

"Once the overseas arm is in place, then, through it, we will decide which model to adopt for our various investments," he said adding, "there could be two models basically — with whom we can either form a joint venture or create another subsidiary at the place of acquisition. However, all this will be channelised through the proposed investment arm, which in turn will be directly under the parent."

NMDC has been eyeing acquisitions across 10 mineral assets abroad and nine other critical minerals

Asked if he could rope in another partner for the acquisition, he said, "we will go on our own, but during the time of development, if so required, we can rope in a partner with similar interest. You really cannot predict a model and it will vary from asset to asset. Basically, friends and family can join us subsequently, but initially we will like to take decision on our own."

DATA ASSESSMENT

Elaborating on the process which NMDC is adopting, he said, "we have a structured approach for evaluating assets. There are six stages, starting from identifying the asset, elementary data assessment, followed by site visit by our geologists and mining people, then there are at least two technical studies, financial assessment, before it reaches the board. The entire process takes over an year or two."

HDFC rejects 'malicious allegations' of Lilavati Trust against its CEO

Press Trust of India
New Delhi

HDFC Bank has denied Lilavati Trust's allegation that the bank's MD and CEO Sashidhar Jagdishan was involved in a series of financial frauds.

The allegation levelled by Lilavati Kirtilal Mehta Medical Trust, its trustees and officials against the bank's MD and CEO are baseless and malicious, an HDFC Bank's spokesperson said.

The trust, which oversees Lilavati Hospital in Mumbai, had called upon the board of HDFC Bank, the RBI, SEBI and the Finance Ministry to suspend Jagdishan from all executive and board roles with immediate effect. "An FIR... was registered under orders of the Bombay Magistrate Court after a seized cash diary revealed ₹14.42 crore misappropriated by trustees, of which ₹2.05 crore was received by Jagdishan, establishing his direct involvement," the trust had alleged.

According to the HDFC Bank spokesperson, Jagdishan is being targeted by unscrupulous people who are abusing the legal process to thwart the recovery of the long outstanding loan due to the bank from recalcitrant defaulters.

"The Trustee, Prashant Mehta and his family members owe substantial amounts to HDFC Bank which were never repaid. Recovery and enforcement actions have been taken by the bank over two decades and at every stage Prashant Mehta and his other family members have launched numerous vexatious legal actions," the statement said.

Infosys starts ops at GIFT City; to employ 1,000

Our Bureau
Ahmedabad

Infosys has commenced operations at its Gujarat Development Centre (GDC) in GIFT City, where it will employ about 1,000 people.

"With the talent, the development centre will focus on delivering cutting-edge technology to our financial services clients leveraging the IFSC framework," said Jayesh Sanghrajka, Group CFO, at an event where Gujarat Chief Minister Bhupendra Patel and IFSCA Chairman K Rajaraman were also present.

STRATEGIC DECISION

"As an organisation we made a strategic decision to invest in new development centres that are closer to our employees, offer flexibility and at a place where the top tier talent is readily available. Given Gujarat's robust talent pool, establishing a presence here was a very easy decision," he said.

"This new development centre will play a crucial role in attracting talent, upskill local talent, and provide them with global opportunities.

"This centre can accommodate 1,000 employees and aligns with Infosys' future-ready hybrid workforce," Sanghrajka said.

Welcoming Infosys to the State, Patel said that the firm has invested ₹32 crore in setting up this development centre at GIFT City.

In May 2025, Cognizant launched a 600-workforce strong techfin centre for serving the company's global clients.

The development centre at GIFT City "will function as a key TechFin hub, delivering advanced digital solutions for global BFSI clients.

DRDO gives 9 production licences to 10 public and private industries

Dalip Singh
New Delhi

Vehicles Research & Development Establishment (VRDE), a Defence Research and Development Organisation (DRDO) laboratory, transferred technologies of nine systems to 10 industries, to establish a robust defence industrial ecosystem with the participation of public and private sectors.

The licencing agreements were handed over to individual company representatives in the presence of Secretary, Department of Defence R&D and Chairman, DRDO, Samir V Kamat during an event organised at VRDE, located in Ahilyanagar, Maharashtra on Saturday.

Bharat Electronics Ltd (BEL) got the contract to manufacture "CBRN Recce vehicle (Tracked) Mk-II" which is a reconnaissance platform capable of identifying areas contaminated with CBRN (chemical, biological, radiological, and nuclear) agents and transmit this information to the supported formations.

Expandable mobile shelter, which offers a comfortable and spacious working environment in fields, contract also went to BEL.

PRODUCTION DEALS

Dass Hitachi Ltd and Gonna Engineering Private Ltd got separate deals for production of multi-purpose decontamination system, meant for decontamination of vehicles, equipment, personnel and terrain against biological and chemical warfare agents.

Similarly, Bharat Forge, was offered the licence to produce mounted gun system (MGS) which has been designed and developed by adopting 155 mm/52 calibre ATAGS armament system (Designed & Developed by ARDE) on 8x8 high mobility vehicle.

The contract for anti-terrorist vehicle (Tracked), has been given to government-owned BEML Ltd and private firm, Metaltech Motor Bodies Private Ltd.

Tata Advanced Systems Ltd got the licence to produce urban mobility solution, Vajra-riot control vehicle that DRDO believes will come in handy for police and Central Armed Police Force like CRPs to control unruly mob in cities.

The deal to manufacture the full trailer of 70t tank transporter for main battle tank (MBT) Arjun Mk-1A, was given to Tata International Vehicle Applications and SDR Auto Private Ltd.

The BEML along with Dass Hitachi Ltd, got separate contracts for manufacturing of unit maintenance vehicles as well as unit repair vehicles for MBT Arjun.

Lalithaa Jewellery Mart files for ₹1,700 cr IPO

TE Raja Simhan
Chennai

Lalithaa Jewellery Mart Pvt Ltd plans to tap the capital markets, and has filed its Draft Red Herring Prospectus (DRHP) with SEBI.

The company is looking to raise ₹1,700 crore with a fresh issue of ₹1,200 crore and an offer-for-sale of ₹500 crore worth shares by its promoter Kiran Kumar Jain, as per the DRHP filed on Friday.

The company may also consider a pre-IPO placement.

The company plans to utilise fresh issue proceeds up to ₹1,014.5 crore to set up 12 stores in India, and the remaining for general corporate purposes.

It plans to set-up these stores as a mix of large format, medium format and small format stores.