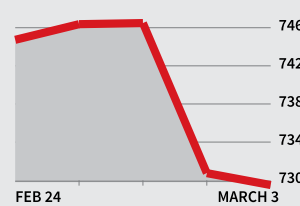


SENSEX 73085.94 (-112.16)



IN FOCUS

	LATEST	CHANGE
Nifty 50	22119.30	-5.40
P/E Ratio (Sensex)	20.35	-0.03
US Dollar (in ₹)	87.37	-0.12
Gold Std 10 gm (in ₹)	84978.00	+263
Silver 1 kg (in ₹)	94398.00	+918

EMBRACING TECH.

Ritika Gunnar of IBM discusses how Agentic AI differs from Generative AI and the impact of the autonomy AI agents bring **p10**



DATA FOCUS.

Funds released under MPLADS down 65 per cent in 2019-24 due to Covid **p2**

BENGALURU - CHENNAI - COIMBATORE - HUBBALLI - HYDERABAD - KOCHI - KOLKATA - MADURAI - MALAPPURAM - MANGALURU - MUMBAI - NOIDA - THIRUVANANTHAPURAM - TIRUCHIRAPALLI - TIRUPATI - VIJAYAWADA - VISAKHAPATNAM

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QUICKLY.

KEY INDICATOR

Manufacturing PMI slips to 56.3 in February



New Delhi: Manufacturing activity slowed in February, showed the dip in Purchasing Managers' Index to 56.3 from 57.7 in January. However, the good news is that it did not impact job creation. "(It is) still firmly within expansionary territory," Pranjul Bhandari, Chief India Economist at HSBC, said. Further, she added that robust global demand continued to boost the Indian manufacturing sector, which increased its purchasing activity and employment. **p3**

AS LOSSES MOUNT...

Ola Electric lays off over 1,200 staff in 2nd round

Bengaluru: Amid mounting losses, Ola Electric has trimmed its workforce by 1,200-1,300 in a second round of layoffs. The company let go of 500 people in November. Explaining the layoffs, sources said, "It's an ongoing, cyclical process where we hire more people while also letting go of some." **p10**

Kumbh: UP's GST mop-up rises by ₹1,000 cr in Jan, Feb

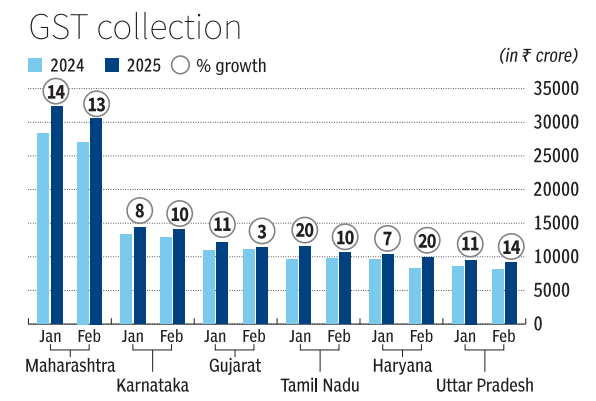
FESTIVAL PUSH. State's Goods and Services Tax growth rose 11%, 14% in the 2 months

Shishir Sinha
New Delhi

A surge of visitors on account of Mahakumbh contributed to Uttar Pradesh recording over ₹1,000 crore increase in GST collections in January and February over the corresponding period of 2024. Uttar Pradesh reported a double-digit growth in the Goods and Service Tax collections, which surpassed the national average of 9 per cent in February.

Uttar Pradesh witnessed a GST growth of 11 and 14 per cent in January and February respectively, when the Mahakumbh was ongoing. This brings it almost on a par with top performing States such as Maharashtra, Gujarat, Tamil Nadu, Haryana and Karnataka, which have experienced growth rates of 7-20 per cent.

Uttar Pradesh also performed much better in comparison with its own growth rate in the previous years. For instance, in January-February 2024, the GST growth rate was 10.8 and 8.4 per cent



Source: GST Portal

for the State respectively.

BOOST TO BUSINESS

The boost to the State economy will have a national impact as well. Last week, Chief Economic Advisor V Anantha Nageswaran said a likely contributor to economic growth this year can be the "huge spending" associated with the Mahakumbh. Travel, hospitality and local businesses boomed with over 60 crore people participating in the world's largest religious gathering. This surge in consumer

spending is expected to contribute to GDP growth from the expenditure side, he said. According to Manmohan Krishna, Chair Professor of NITI Aayog at University of Allahabad, said visitors to the three holy cities — Prayagraj, Varanasi and Ayodhya — used the digital payment mode, which helped collections. "Prices of various goods and services such as rooms, food, etc., were high and resulted in good GST collections. Digital payments contributed to the collections," he said. The

mop-up would have been even higher had cash transactions not been simultaneously high.

M K Agrawal, Professor of Economics at Lucknow University, said, "Mahakumbh has been hugely rewarding for UP's economy. With very little public investment, the business turnover in UP is expected to be in the range of ₹3-4 lakh crore."

LOCAL ECONOMY PUSH

The event simultaneously galvanised the local economy and businesses, including transporters, food chains, groceries, tents, etc. "Many amateurs would now feel tempted to join self-employment ventures instead of migrating and seeking jobs," he said.

Anup Kumar Mishra, Head of Economics Department at DAV PG College, BHU Varanasi, said a projected 45 crore devotees spending ₹3,000 each generates a ₹13.5 lakh crore inflow. "Accounting for a 2.5 per cent ripple effect, the total impact reaches ₹13.84 lakh crore," he said.

2-W wholesales to drop in March as OEMs clear stocks ahead of OBD II-B norms

S Ronendra Singh
New Delhi

With the latest on-board diagnostic-II B system (OBD II-B) emission norms set to kick off from April 1 for two-wheelers, wholesales in March are likely to drop because original equipment manufacturers (OEMs) will be clearing the older stocks during the month.

The impact is already seen in the sales of last two months, with leading companies such as Hero Moto-Corp, Bajaj Auto, Honda Motorcycle & Scooter India and TVS Motor Company reporting a decline.

For instance, Hero Moto-Corp's wholesales (dispatches to dealers) have dropped from 4,12,378 units in January to 3,57,296 in February, down 13.35 per cent. The country's largest scooter-maker, HMSI, reported a dip of around five per cent to 3,83,918 units in February from 4,02,977 units in January.

TVS Motor Company wholesales declined 6 per to 2,67,502 units in February from 2,93,860 in the previous month. Pulsar-maker Bajaj Auto reported a drop of around 15 per cent in its wholesales to 1,46,138 units

NEW NORMS

From April 1, two-wheelers manufactured in India are required to comply with OBD II-B emission standards that requires an OEM to put a monitoring system that continuously monitors and reports on emission levels on a real time basis

in February from 1,71,299 units in January.

OBD II-B MANDATE

From April 1, all new two-wheelers need to comply with OBD II-B emission standards that require OEMs to put a monitoring system to continuously report on vehicle emission levels on a real time basis.

It is part of the BS-VI Stage-2 emission norms that mandates all vehicles produced after March 31 to be equipped with the OBD II-B technology to track emissions more effectively. The OBD II-A was implemented from April 2023.

This would also mean that prices of the two-wheelers may rise again as OEMs would pass on the cost of in-

stalling the OBD system to customers, experts tracking the industry said.

Some companies like HMSI (Hornet 2.0), Suzuki Motorcycle India (V-Strom SX and the GIXXER Series) and TVS Motor Company (Jupiter 110) have already started rolling out vehicles compliant with the new norms.

"I think the retail sales will be better than the wholesales this month. Once the OBD II-B comes, then only we will be able to see the impact because of the price increases. So, if it is truly an OBD factor, the wholesale numbers would be down this month. Let's wait and watch... it could be a temporary product build problem (for meeting OBD norms)," Som Kapoor, Partner and Future of Mobility Leader, EY-Parthenon, told *businessline*.

"We don't have the data yet (for February retail sales) but the general way of thinking is that the OEMs need to exhaust the existing stocks before the OBD II-B comes... So, probably, production must be in control because OEMs need to correct the stocks as we can't repeat the same mistake of keeping the stock at a high level," said CS Vigneshwar, FADA President.

As US' strategic push sets off a global rally in cryptos, Indian industry seeks 'progressive govt policies'

Sanjana B
Bengaluru

US President Donald Trump on Sunday announced the creation of a 'Strategic Crypto Reserve' aimed at positioning the US as the "crypto capital of the world". In just 24 hours, nearly \$315 million in Bitcoin shorts were liquidated, and over \$330 billion flowed into the crypto market. ADA (Cardano) surged 70 per cent, XRP 40 per cent and Bitcoin 10 per cent in a single day.

The US initiative, which will include major cryptocurrencies such as Bitcoin, Ethereum, XRP, Solana and Cardano, has sparked a significant rally in digital asset prices, signalling a new era of institutional acceptance and regulatory clarity for the crypto industry. Industry

leaders in India are calling for progressive policies to harness this momentum.

INDUSTRY REACTS

Sumit Gupta, Co-founder, of CoinDCX, said, "Trump's announcements, starting with the creation of a Strategic Crypto Reserve, followed by hosting the first-ever White House Crypto Summit, has truly energised the industry. These moves represent a fundamental, era-defining shift, positioning the US at the forefront of the global crypto landscape."

The US initiatives have set a new global standard for how digital assets should be viewed, presenting a significant opportunity for countries to adopt progressive policies to drive growth in the crypto space, he said.

Raj Karkara, COO of ZebPay, said, "This reserve



Nearly \$315 million in Bitcoin shorts were liquidated, and over \$330 billion flowed into the crypto markets

comprising Bitcoin, Ethereum, XRP, Solana, and Cardano, which are fundamentally robust assets, is a welcome sign for the industry.

"These networks are battle-tested, offering security, scalability and innovation that drive the digital economy forward. This reserve adds credibility to crypto and sets a precedent

for other nations to fast-track regulations and embrace digital assets responsibly."

Ashish Singhal, Co-founder of CoinSwitch, said this move marks the "golden age of crypto". "With the US spearheading the creation of a Strategic Crypto Reserve, we could be on the brink of a global accumulation race — one that could push regulatory clarity forward and accelerate Web3 innovation. This is more than just a milestone for digital assets; it's a shift that could redefine global finance and technology."

INDIA'S INVOLVEMENT

Policy-wise, nations with high crypto adoption like India, are likely to reconsider their stance on crypto. "While we've made progress so far, we're still awaiting the publication of the discussion

paper, and hopefully, see some reflection of the US' new approach to crypto in that," the CoinDCX Co-founder said.

CoinSwitch's Singhal added that India stands at a crossroads. With its deep pool of tech talent, entrepreneurial spirit and thriving start-up ecosystem, the country has everything it takes to lead the next wave of blockchain-driven transformation. But to do so, India should embrace progressive policies, foster innovation and position itself as a hub for decentralisation.

This proposal is framed as a response to what Trump describes as "corrupt attacks" on the crypto industry by the Biden administration, Sathvik Vishwanath, Co-founder and CEO of Unocoin, explained.

HI-TECH CANINE



ELECTRONIC PET. A dog-shaped robot manufactured by China Mobile Home Service Robots shows off at the Mobile World Congress in Barcelona, Spain, on Monday. The expo will showcase the latest innovations and advancements in mobile technology, telecommunications and digital connectivity. **p11**

Amid delimitation debate, Tamil Nadu CM Stalin asks young couples to have babies soon

Linking population to political representation would be detrimental to South, fear CMs

Our Bureau
Chennai

The impending delimitation exercise and talk of adjusting parliamentary representation of States based on population has got Tamil Nadu, which scores high on population control, in a tizzy.

On Monday, Tamil Nadu Chief Minister MK Stalin urged young couples to have children "immediately" after marriage. "Earlier, we used to tell young couples to take their time in having a baby. But now, the situation has changed. You need to have babies soonest," he said.

"I say so because under the current delimitation proposal, a higher population will become a criteria to get more MPs for the State. We are here in this



MK Stalin, TN Chief Minister

situation because we implemented family planning well," he added. He was speaking at a wedding function of a DMK district secretary in Nagapattinam.

ALL-PARTY MEETING

The CM said an all-party meeting of the State would be held on Wednesday to discuss the issue. "Even with 39 seats, we are strugg-

ling today and if this reduces, it will be a problem," he added.

His comments come at a time when there is a fear among the Southern States that delimitation based purely on population as per the latest Census will be detrimental to them as they have been more stringent in population control policies as compared to the North.

AP CM N Chandrababu Naidu spoke last October about the crisis of an ageing population in the Southern States and called on people to have more children. He also floated a proposal that individuals will only be eligible to contest elections for a local body position if they had more than two children.

Reacting to Union Minister Amit Shah's clarifica-

tions that the delimitation will not affect seats in the Southern States, Karnataka CM Siddaramaiah also said that using the latest population figures for delimitation would disadvantage the Southern States.

Telangana CM Revanth Reddy noted that the South would "face injustice" if delimitation is carried out solely on population basis.

SOUTH'S LOWER TFR

While India has a Total Fertility Rate (TFR) of 2 at the national level, as per the National Family Health Survey 2019-21, Andhra Pradesh, Kerala, Telangana, Karnataka and Tamil Nadu are among States with TFR lower than 1.8. In contrast, the average TFR of States such as Uttar Pradesh, Madhya Pradesh, Bihar and Rajasthan stands at 2.4.

ED issues show-cause notices to Paytm parent for ₹611-crore FEMA violation

Our Bureau
New Delhi

The Directorate of Enforcement (ED) has issued show-cause notices (SCNs) to Paytm's parent company, One 97 Communication Ltd (OCL), its Managing Director and other subsidiaries for violating provisions of the Foreign Exchange Management Act (FEMA), 1999, to the tune of ₹611 crore.

SINGAPORE FORAY

The ED said its investigation revealed that OCL had made investments in Singapore but did not file the necessary report to the Reserve Bank of India for the creation of an overseas step-down subsidiary.

Other than that, OCL had also received foreign direct investment without following the pricing guidelines stipulated by the RBI, the ED charged.

OCL's subsidiary company in India, Little Internet



Paytm subsidiary companies — Little Internet Pvt Ltd and Nearbuy India Pvt Ltd — for contravening the provisions of FEMA, 1999, for ₹611 crore.

The SCN has been issued to initiate the adjudication proceedings against Paytm's companies under the FEMA, 1999.

FIRM ON COMPLIANCE

A Paytm spokesperson said, "We are working towards resolving the matter in accordance with applicable laws and regulatory processes. We remain committed to strengthening processes in adherence and upholding the highest standards of compliance and governance."

Paytm stated that it upholds principles of transparency, governance and compliance in all its business practices. "This matter is being addressed with a focus on resolving it in accordance with applicable laws," Paytm observed.

Survey pegs wheat crop at 110 mt

Gayathri G
Panjim

Wheat production during the 2024-25 crop year (July-June) is expected to be 8.2 per cent higher, mainly on higher acreage and farmers opting to sow climate-resilient varieties, according to a survey presented at the Roller Flour Millers Federation of India (RFMFI) conclave in Goa on Monday.

Releasing the first estimate of the much-awaited wheat crop, Nalin Rawal of Agriwatch said his organisation was "cautiously optimistic" that production this year will likely be 109.85 mt compared with its estimate of 105.79 mt last year.

The production estimate is significant as the trade has been speculating on the production, particularly with weather being warmer in February. In 2024, the Ministry of Agriculture pegged the wheat crop size at 113.29 mt.

Details **p8**

UltraTech Cement banks on retail and B2B reach for new cables and wires biz

ONE-STOP SHOP. It helps distributors set up 4,432 outlets for building solutions, aimed at retail customers

Our Bureau
Mumbai

UltraTech Cement, an Aditya Birla group company, is riding on its retail and B2B reach to make a splash in the cables and wires (C&W) market, which it plans to enter late next year.

The company has helped its distributors set up 4,432 UltraTech building solutions outlets with an eye to increase the share of customers' wallet to 60 per cent. These outlets sell all products needed in the construction industry, including steel roofing and sheets, sanitary fittings, electricals, plywood and power tools and

PVC Pipes and water tanks. The company has launched 31 new products in water proofing and dry-mix solutions. In a recent investor call, UltraTech said it targets achieving a revenue mix of 60 per cent from wires and 40 per cent cables through optimum utilisation level of its plant — to be set up near Bharuch, Gujarat — by FY31. It targets achieving over 20 per cent returns on capital employed and internal rate of return of 25 per cent. The company plans no additional capex in C&W in the near future and maintained that the current capacity will suffice till FY31. Initially, the focus will be on wires but UltraTech targets

● TARGET SET
UltraTech targets revenue mix of 60 per cent from wires and 40 per cent cables through optimum utilisation level of its plant — to be set up near Bharuch, Gujarat — by FY31



capacity of less than 5 per cent of the total industry can be absorbed without big impact by FY31, it said. Jefferies maintained that over FY25-27, Polycab will record a robust sales CAGR of 22 per cent and profit CAGR of 28 per cent, driven by new orders and improving performance in the Fast Moving Electrical Goods segment. Centrum Broking said the investment in C&W will take at least two-three years before any financial impact is visible. The key uncertainty, it added, is whether UltraTech will continue to be the group's investment vehicle for future ventures, given its strong operating cash flow.

CoC and RP refute Torrent Power's claim in SKS Power Generation case in Supreme Court

Suresh P. Iyengar
Mumbai

The Committee of Creditors (CoC) and the Resolution Professional (RP) of SKS Power Generation have told the Supreme Court that the resolution plan submitted by Sarda Energy and Minerals (SEML) was approved by 100 per cent voting in the exercise of its commercial wisdom and that that all resolution applicants were treated equally. Earlier, Torrent Power, an unsuccessful resolution applicant, alleged that SEML was permitted to convert a deferred payment of ₹240 crore into an upfront payment after the negotiation process had concluded and the bidder was allowed to increase its margin money for

bank guarantees from ₹104 crore to ₹180 crore post-negotiation. Responding to the allegations, both the CoC and the RP filed a detailed counter affidavit justifying their decision. They said it was arrived at through a rigorous evaluation process rooted in commercial wisdom. **COUNTER AFFIDAVIT** The CoC clarified that the ₹240 crore in question was not a modification but the net present value of a deferred payment originally outlined in the resolution plan. It maintained that the option to pay this amount upfront was always part of the plan and did not constitute a post-negotiation change. Regarding the increase in margin money for bank guar-



NEXT HEARING. The Supreme Court to hear the SKS Power case on Tuesday

antees, the CoC submitted that it was a clarification, not a modification. The CoC said that such clarifications are routine in resolution processes to ensure all aspects of the plan are fully understood and evaluated. It added that similar clarification requests were sent to all resolution applicants, including Torrent, to maintain fairness in the process. The RP, in his counter affidavit, refuted Torrent Power's claims of procedural irregularities. **‘LACK MERIT’** With the case scheduled for hearing on Tuesday, both the CoC and the RP have urged the Supreme Court to dismiss Torrent Power's appeal as lacking merit and legal grounding. According to the RP, the option to convert the deferred payment into an upfront payment and the clarification regarding the margin money for bank guarantees were embedded in the original resolution plan. He reiterated that these elements were not modifications introduced after the fact but were consistent with the plan's initial design.

Marriott had a record-breaking year in South Asia

Our Bureau
Mumbai

Marriott International had a record breaking year in South Asia in 2024 with strong business growth and unprecedented signings, its President and Chief Executive Officer, Anthony Capuano, said on Monday. During 2024, it signed 42 deals, contributing 7,000 rooms and expanding the region's year-end pipeline to nearly 20,000 rooms. It saw 11 per cent year-on-year growth in RevPar (revenue per available room) in 2024, led by average daily rate and occupancy. Markets such as Hyderabad, Gurugram, Bengaluru and Mumbai were instrumental in driving average daily rate growth.

Funds released under MPLADS down 65% in 2019-24 due to Covid

Jayant Pankaj
Chennai

The latest data on the Members of Parliament Local Area Development Scheme (MPLADS) show that the total funds released by the Central government covering the period of the 17th Lok Sabha (2019 to 2024) was around ₹4,510 crore, registering a decline of 65.2 per cent over the funds released in the previous Lok Sabha. This is primarily because no fund was released under the scheme in the two years of the pandemic.

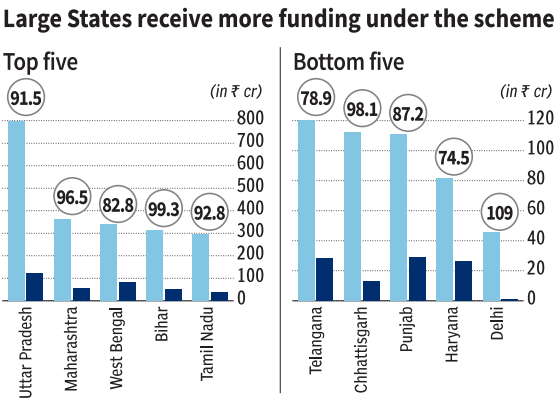
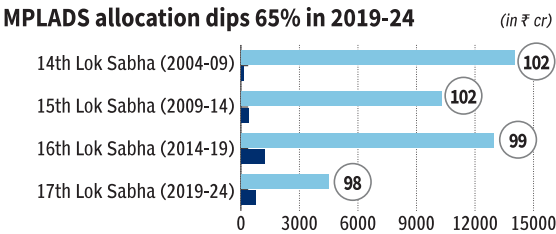
DATA FOCUS.

The MPLADS is a government scheme through which each MP receives ₹5 crore annually. MPs identify the developmental needs of their respective constituencies, and the funds are routed to the district authorities, who utilise them across 11 specific sectors, including infrastructure, education, health and others. The scheme is fully funded by the Central government.

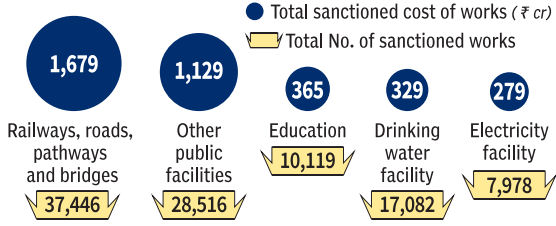
DMK MP P Wilson explained, “The government had frozen the funds for two years due to the pandemic, which impacted the financing of MPLADS, which can be a reason for the decline in funding.” The overall funds allocated to each MP amount to only around ₹5 crore. This amount is insufficient to address all the problems as districts have numerous and diverse requirements. The data from the MPLADS website show that during the period covering the 14th Lok Sabha, the Central government disbursed ₹14,023 crore to all the MPs; however, in the period covering the 16th Lok Sabha, the funds decreased to ₹12,945 crore. In the 17th Lok Sabha, it has further gone down to ₹4,510 crore due to Covid.

Local area development

Funds released by Central government % of funds utilised Unspent balance with district authority



Public infra remains a priority sector



Source: MPLADS website

USE OF FUNDS

During the period covering the 14th Lok Sabha, around 102 per cent of the funds were utilised by the district authority; however, around ₹143 crore remained unspent. During the 16th Lok Sabha, around 99 per cent of the funds were utilised, but ₹1,196 crore remained unspent with district authorities. In the 17th Lok Sabha, around 98 per cent of the funds were utilised, but ₹760 crore remained unspent. During the period covering the 17th Lok Sabha, MPs of Uttar Pradesh (₹798 crore), Maharashtra (₹360

crore) and West Bengal (₹339 crore) have received the highest funds. However, MPs of Delhi (₹45 crore), Haryana (₹81 crore), and Punjab (₹111 crore) received the lowest funds. Funds are mainly disbursed for developing facilities like railways, roads, pathways and bridges, which received ₹1,679 crore; other public facilities, which received ₹1,128 crore; and education received ₹364 crore in this given period. Around 73 per cent of funds were disbursed for these sectors alone during the period covering the 17th Lok Sabha.

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MANAGEMENT
ENGINEERING
ACCOUNTANCY

● BLENDING DISCIPLINES

Accounting in the era of STEM

SUSTAINING SUCCESS. Science-based start-up entrepreneurs also need a strong grounding in numbers

R Venkatakrishnan

In a rapidly-evolving business landscape, there is a strong case for integration of accounting into STEM (science, technology, engineering and mathematics) disciplines, which is also gaining momentum globally. This shift is particularly pertinent for India, where a burgeoning focus on STEM-driven entrepreneurship only further increases the necessity of robust accounting knowledge. Recognising accounting as a STEM field not only enhances financial literacy among innovators but also instils a critical sense of accountability, essential for sustainable growth. Traditionally, accounting has been viewed through a purely financial lens. However, the modern accounting profession increasingly intersects with technology and data analytics, not to speak of risk management, aligning closely with STEM fields. This integration facilitates advanced financial modelling, predictive analytics and efficient resource management, all of which are vital in today's data-driven economy. If accounting were part of the STEM portfolio, it would be clear that it is a pathway to putting high-level technical skills to practical use. **ENTREPRENEURIAL SUCCESS** India's entrepreneurial ecosystem is witnessing a surge in STEM-related start-ups, ranging from biotechnology to information technology. While these ventures are often rich in innovation, they may stumble on the financial acumen necessary for long-term success. Integrating accounting education into STEM curricula can bridge this gap, equipping entrepreneurs with the skills to manage finances effectively, assess economic viability and make informed strategic decisions. **DYNAMIC PRICING** In an era where dynamic pricing has become the norm across industries from e-commerce and ride-hailing services to airline ticketing and renewable energy, accounting plays a crucial role in strategic decision-making for STEM entrepreneurs. The ability to analyse cost structures, determine break-even



SCIENCE AND NUMBERS. Integrating accounting education into STEM curricula can equip entrepreneurs with the skills to manage their finances effectively GETTY IMAGES

points and assess marginal costs is essential for businesses operating in volatile pricing environments. Knowledge of accounting empowers entrepreneurs to optimise pricing strategies based on real-time financial data, ensuring profitability while remaining competitive. By integrating cost accounting principles with data analytics, start-ups can make informed decisions on pricing elasticity, discounting strategies and revenue optimisation. **CULTURE OF ACCOUNTABILITY** Entrepreneurs trained in accounting principles are better prepared to implement transparent financial practices, adhere to regulatory requirements and build trust with investors and stakeholders. This accountability is crucial in mitigating risks and maintaining the integrity of business operations. Entrepreneurs, today, operate in an environment where external financing, whether through debt or equity, is not just an option but a necessity for scaling their businesses. However, with increasing reliance on external funding comes heightened scrutiny from investors, lenders and regulatory authorities. Equity investors demand transparency in financial reporting to assess the viability of their investments, while lenders require assurance that financial obligations can be

met. As financial transactions grow in complexity, so do accounting standards and compliance requirements, making it imperative for entrepreneurs to have a strong grasp of financial discipline. Adhering to recognised accounting principles and regulatory norms is no longer a procedural formality but a fundamental expectation that determines access to capital, investor confidence and long-term credibility. Despite the enormous potential of many start-ups, failure to meet these expectations has led to serious consequences. In recent years, several high-profile start-ups in India have suffered significant setbacks due to governance failures and financial mismanagement. Byju's found itself entangled in financial controversies, including delayed reporting, misaligned growth projections and concerns over fund utilisation, all of which contributed to a drastic erosion of investor trust. BharatPe saw leadership disputes expose deeper governance flaws, raising red flags about internal controls and accountability. Zilingo, a fashion e-commerce startup, collapsed under allegations of financial misrepresentation, leading to the ousting of its CEO and eventual business failure. GoMechanic, an automotive service start-up, admitted to inflating revenue

figures, triggering a crisis that resulted in mass layoffs and investor exits. Similarly, Mojocare, a health and wellness start-up, came under scrutiny for financial irregularities that further underscored the need for rigorous compliance frameworks. These references serve as a stark reminder that financial missteps, whether intentional or due to negligence, can derail even the most promising ventures. Investors, regulators and other stakeholders now expect start-ups to maintain not only innovative business models but also sound financial discipline. The ability to navigate complex accounting standards and compliance requirements is no longer optional but a prerequisite for survival in an increasingly scrutinised start-up ecosystem. As the funding environment becomes more selective, entrepreneurs who prioritise financial transparency and governance will stand a far better chance of securing capital, sustaining investor confidence and ultimately building businesses that last. **ESG CONSIDERATIONS** Environmental, Social, and Governance (ESG) factors are also becoming central to business evaluations, worldwide. In India, regulatory bodies like SEBI have proposed expanding the sustainable finance framework, emphasising the need for comprehensive ESG reporting. Accountants play a pivotal role in this context by identifying relevant metrics, developing measurement methodologies and ensuring the accuracy of ESG disclosures. As India continues to advance in STEM fields, recognising accounting as an integral component of this framework is imperative. This recognition will equip entrepreneurs and professionals with the financial expertise necessary to navigate complex business landscapes, uphold accountability and meet evolving ESG standards. By embracing accounting within the STEM paradigm, India can foster a more holistic approach to education and business, driving innovation that is both economically viable and socially responsible.

The writer is Partner, RVKS & Associates

Bribery scandal exposes NAAC's Achilles' heel

KV Kurmanath

The recent news of NAAC (National Assessment and Accreditation Council) delisting about 900 assessors and the arrest of some top academics of some universities by CBI sleuths last month over bribery charges revealed that they were linked to a racket involving NAAC team members and a private university in Andhra Pradesh that was attempting to get a better NAAC ranking. The arrested include a few NAAC assessors from different universities and officials from the private university that wanted to obtain an A++ accreditation. The action proved the worst fears of academics who feel that arrests like these were waiting to happen. They feel that there are a few systemic issues that need to be fixed immediately. The NAAC conducts assessments and accreditation of these institutions and advises State and Central governments through analysis of accreditation reports. NAAC assesses institutions based on quality standards, evaluating their performance from processes to research and infrastructure, among others. However, the assessment system has been facing criticism on several counts for the last few years. **NAAC RATINGS** The branding and marketing around NAAC rankings seem to have a massive impact. With a large number of private universities sprouting over the last few years, NAAC ratings assumed significance as universities began to go to town with their top rankings. Since the stakes are high, some universities are reportedly trying to take to underhand methods to earn a better rank so that they can use it in their brand campaigns. Tracing the origins of the Council, VS Prasad, former Director of NAAC, and an educator for over 50 years, said that its creation was driven by factors including economic reforms influencing quality management practices, the 1986 Education Policy's call for an independent quality assurance agency, international quality

assurance practices and the changing landscape for higher education in India. Refusing to talk on the current happenings around the NAAC, Prasad recounted NAAC's contributions to higher education over the last few years and how it helped the institutes improve quality. He, however, felt that it is “currently in an assessment trap”. He felt that it was like engaging in quality assessment of universities without clearly knowing what its purpose is or narrowly interpreting its purpose. Prasad, who helmed the Council for five years from 2003, admitted that there should be some element of measurement, but that should not be the sole aim of the assessment. He also called for the strengthening of internal systems of educational systems. “The assessments and rankings should only be indicative. They can't be conclusive,” he said. There is also a criticism that public universities, particularly the State universities, are not equipped to meet the stringent quality parameters set by the Council and get a good ranking. Faced with an acute shortage of funds and staff, the public universities are no match to their peers in the private sector with deep pockets. If the issues around pre-NAAC assessment are shrouded with several issues, the post-accreditation phase poses challenges. Critics say there are no systems in place in several HEIs to maintain the quality parameters once they achieve an NAAC rating. Though the Council insists that HEIs should have quality assurance cells, they are mostly ineffective in most institutions. The NAAC has swung into action and has thoroughly assessed the situation and initiated an initiative to cleanse the system. “While the target of 50 per cent GER (gross enrolment ratio) in higher education by 2035 has been set to leverage the potential of the growing young population of India, the need for enhancing the quality of higher education is of paramount importance to the nation,” Ganesan Kannabiran, Director of NAAC, said in a recent newsletter of the Council.

QUICKLY.

Power consumption up at 131.54 bn units in Feb



New Delhi: India's power consumption grew marginally to 131.54 billion units (BU) in February, higher than 127.34 BU in the year-ago period, according to the government data. The highest supply in a day (peak power demand met) also rose to 238.14 GW from 222 GW in February 2024. **PM**

India Mobile Congress to begin from October 8

New Delhi: The ninth edition of the India Mobile Congress (IMC), Asia's largest digital technology forum, is set to take place in New Delhi from October 8-11, 2025, Communications Minister Jyotiraditya Scindia has said. IMC 2025 will serve as a global platform for industry leaders, policymakers, and technology enthusiasts to explore the future of connectivity, sustainability and innovation. **PM**

PMI slips to 56.3 in February as manufacturing growth slows

HOLDING GROUND. Despite dip, rates of expansion in output and sales remain elevated

Shishir Sinha
New Delhi

Manufacturing activity slowed in February as the Purchasing Managers' Index (PMI) dropped to 56.3 from 57.7 in January. The good news is that it did not impact job creation. "(It is) still firmly within expansionary territory," Pranjul Bhandari, Chief India Economist at HSBC, said, adding that robust global demand continued to boost growth in the Indian manufacturing sector, which increased purchasing activity and employment.

The Index is prepared on the basis of responses from purchasing executives of 400 firms. PMI above 50 means expansion while below 50 indicates contraction. It also reflects the latest situation ahead of the release of government data.

EXPANSION HOLDS
The survey report said that



DEMAND-DRIVEN. In response to an upturn in new orders, manufacturers continued to expand workforce in February **REUTERS**

despite slowing to its weakest since December 2023, rates of expansion in output and sales remained elevated in the context of the survey's 20-year history. Favourable domestic and international demand prompted firms to increase purchasing activity and hire extra workers at above-trend rates. However, "demand buoyancy kept charge inflation at an elevated level despite softer cost pressures," it said.

On job creation, the report said that in response to the upturn in new orders, manufacturers continued to

expand their workforce numbers in February, extending the current period of employment growth to a year. The rate of job creation was the second-best in the series' history, behind only that recorded in January. "One in ten firms signalled greater recruitment activity, while 1 per cent of companies shed jobs," the report said.

ISING INPUT COST
Meanwhile, Indian manufacturers faced another rise in input costs, with frequent reports of higher prices of

bamboo, leather, marketing, rubber and telecom.

Encouragingly, the overall rate of inflation eased for the third straight month to its weakest in a year. Concurrently, the rate of charge inflation was little changed from January, remaining above both its long-run average and that seen for input costs. Qualitative data showed that firms passed on higher labour costs to clients, facilitated by favourable demand conditions, the report added.

Firms expressed strong optimism about growth prospects for the coming year. "Business expectations also remained very strong, with nearly one-third of survey participants foreseeing greater output volumes in the year ahead. Although output growth slowed to the weakest level since December 2023, overall momentum in India's manufacturing sector remained broadly positive in February," Bhandari said.

Coal India revises production target to 788 mt for FY25

Our Bureau
Kolkata

State-run Coal India is expecting production of 788 million tonnes for the current financial year against the initial production target of 838 million tonnes (mt). Although international coal prices have softened, Coal India, the world's largest coal miner, has ruled out any price rationalisation.

Speaking at the Indian Coal Markets Conference, organised by mjunction, Coal India Chairman PM Prasad said the company was expect-

ing production of 788 mt and offtake of 765 mt for the current fiscal year. The initial coal production target for FY25 stood at 838 mt, but it was revised to 806-810 mt in January.

Notably, Coal India's offtake in April-February this fiscal grew marginally by 1.3 per cent to 693.4 mt from 684.7 mt in the same period last fiscal. Total production during this period was 695.3 mt, 1.5 per cent higher compared to 685.1 mt in the year-ago period.

The Coal India chairman attributed the slowdown in offtake to rake shortage in



PM Prasad, Chairman and MD, Coal India Ltd

large mines. However, he remained optimistic about growth in offtake in the coming months. He mentioned that the availability of rakes had been a concern due to the Mahakumbh Mela in Uttar Pradesh's Prayagraj, but rake

availability has improved after discussions with the Railways.

'NO PRICE CHANGE'
He ruled out any price rationalisation by Coal India amid softening of international coal prices. He pointed out that the company was aiming to complement, not compete with commercial mines.

Prasad urged private commercial block owners to seek support from the Central Mine Planning & Design Institute as it was committed to complementing the government's target of reducing coal imports.

Steel majors see flat production amid import concerns, but domestic demand stays strong

Abhishek Law
New Delhi

Amid ongoing concerns of rising imports from FTA countries and China and a double-digit domestic demand for steel, India's mills have flattened out on production of the alloy (finished steel), with some indicating possible production pull-backs on account of maintenance activities.

Government data and information collated by *businessline* through market sources show that some of the larger steel players have either reported flatish or less than 2 per cent y-o-y production growth for the 10-month-cumulative period of April-January of this fiscal.

India's finished steel production was at 120.5 million tonnes, up 5 per cent, but it was driven primarily by the "other steel maker categories" and JSPL's 20 per cent jump in numbers.

The larger mills — which account for nearly 55 per cent of production in the country — cumulatively saw a 1.3-odd per cent y-o-y rise at 65.8 mt while others (smaller & secondary ones) increased production by nearly 10 per cent to 54.7 mt. Comparative period production numbers were 64.6 mt and 50 mt, a Steel Ministry report shows.

For instance, PSU major SAIL saw April-Jan period production at 13 mt, down 3.5 per cent; while Tata Steel and JSW Steel — the two largest private players — saw production at 17.8 mt (up 1.5-odd per cent vs 17.5 mt, a year-ago) and at 19.4 mt levels (y-o-y).

SUPPLY AND PRICE
Research firm BigMint in a report said its composite steel index moved up 0.9 per cent week-on-week to 130.7 point, driven by reports of supply constraints. "Supply shortages, espe-

cially in North India pushed up prices (of HRC) despite demand remains comparatively subdued," the report noted, adding: "...prevailing crunch may have been an artificially created drive by pressing need among steel makers to temporarily pause the steady market downtrend."

Two steel makers told *businessline* that there are individual issues at their mills which led to flattening of numbers. Another said, it has added capacities but is operating at lower levels. The supposed shortages saw price of hot rolled coil prices move up by ₹800 per tonne to ₹48,000-50,000 per tonne levels in February; while cold rolled coil prices increased by ₹600 per tonne to ₹53,500-56,000 per tonne levels, it mentioned.

STRONG DEMAND
Demand has been good so far in India. Consumption was at 125 mt for the 10-month

period, indicating a near 12 per cent growth.

If government numbers are to be looked into, opening and closing stock difference was a negative 6,13,000 tonnes till January-end indicating lower stock levels on account of better demand.

As per BNP Paribas, NHAH has mandated the use of primary steel procured from producers with integrated steel plant in government projects.

The new prescribed list of preferred vendors for the metal includes SAIL, Jindal Steel, Tata Steel, JSW and RINL. This could come in a shot in the arm for the sector.

"We note that in 9MFY25, the central government spent 66 per cent of the budgeted capex compared with 72 per cent in 9MFY24. ...aggregate capex in these segments was down 1 per cent y-o-y vs a 6 per cent y-o-y growth in overall budgeted expenditure," the research firm noted.

'Gold will remain relevant in wealth preservation amid economic uncertainty'

KR Srivats
New Delhi

Gold will continue to hold significant value both as a store of wealth and an essential asset for diversification, said Chief Economic Advisor (CEA) Anantha Nageswaran.

Speaking at the 8th IGPC-IIMA Annual Gold and Gold Markets Conference 2025 in New Delhi on Monday, Nageswaran emphasised that gold's importance will remain salient in the coming years due to ongoing inflationary concerns and the consequences of historical global policy decisions. He believes gold will continue to play a crucial role for now in providing safety and diversification within investment portfolios, offering a reliable safeguard against the shifting tides of global monetary policies.

Nageswaran's remarks focused on the role of gold in an increasingly uncertain



V Anantha Nageswaran, Chief Economic Advisor **BIJOY GHOSH**

global economy, where inflationary pressures, exacerbated by loose fiscal and monetary policies, are creating volatility. He pointed out that the world is still dealing with the effects of policy changes that date back to 1973, when the gold standard was officially removed. This shift has led to the current state of the international monetary system, which Nageswaran described as a "monetary non-system" — one without rules or disciplined structures governing money supply.

"Gold will remain relevant not only as a store of value but also as an ornament for cultural and religious purposes," Nageswaran stated. "It will also serve as a crucial mechanism for portfolio diversification until the world transitions to a more structured international monetary system."

He acknowledged the global fear of inflation globally and its resurgence in the wake of expansive fiscal policies, particularly in developed nations. "... Because there are no rules, no signposts and no checks and balances on the discretion of policymakers, we are now relying heavily on asset prices, leverage and the broader health of savings, investments and employment growth."

ENDURING VALUE
Nageswaran's emphasis on gold's enduring value aligns with the broader global economic context, where infla-

tion fears remain persistent. The recent economic instability, amplified by policy failures and uncertain global dynamics, has led many to reconsider the role of traditional assets, with gold standing out as a stable and reliable hedge. According to Nageswaran, this continued relevance of gold highlights its indispensable role in the portfolios of investors looking for a safe haven against economic uncertainty.

He also noted that the shift from a monetary non-system to an international monetary system is a long-term and uncertain process, making it even more important for investors to maintain gold as part of their diversified investment strategy. "The day of reckoning, where we move to an international monetary system, is difficult to forecast," he explained, adding that gold will remain one of the few consistent assets offering stability amid such unpredictability.

Clean cooking push for low-income homes boosts LPG imports in 2024

Rishi Ranjan Kala
New Delhi

India's refined petroleum product (POL) imports during 2024 rose to record levels spurred by higher purchases of liquefied petroleum gas (LPG), as the world's third largest energy consumer pushes clean cooking initiatives, particularly targeting low-income households.

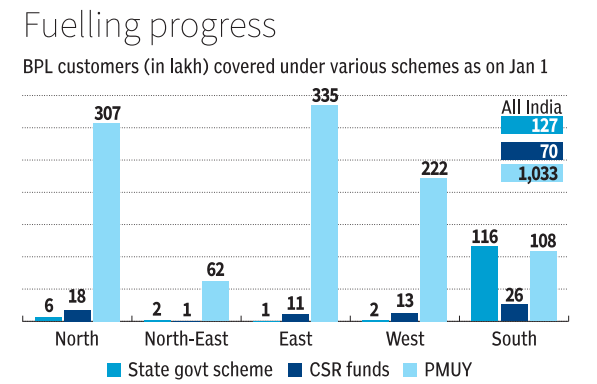
According to OPEC's February 2025 report, India's product imports recorded fresh highs in 2024, averaging 1.2 million barrels per day (mb/d), a gain of 85,000 b/d, or 8 per cent, over 2023. "LPG inflows contributed the most to the increase, up 71,000 b/d, or 12 per cent, boosted by clean cooking programmes targeted to support low-income families..." it added.

IMPORTS UP
LPG imports rose 10.30 per cent year-on-year (y-o-y) to 1.82 million tonnes (mt) in January 2025. However, it fell by 2.2 per cent on a monthly basis, as per the Petroleum Planning & Analysis Cell (PPAC).

During April-January in FY25, the in-bound cargoes increased 15.1 per cent y-o-y to 17.47 mt on a provisional basis. In fact, LPG imports during Q3 FY25 are among the all-time high numbers for the December quarter. Cargoes rose by 11.52 per cent y-o-y to 5.81 mt. Compared with Q3 FY23, the imports were higher by 18.10 per cent. October 2024 shipments almost touched 2 mt (1.985 mt).

Imports of POL products went up 8.2 per cent y-o-y during April-January FY25 to 43.08 mt, mainly due to increase in imports of petcoke and LPG, etc, PPAC stated.

Imports made due to deficit in production viz, LPG and Lubes/ LOBS accounted



for 46.2 per cent share of total POL products import during 10M FY25 compared to 43.2 per cent a year-ago. Share of LPG alone was 40.5 per cent, it added. LPG production stood at 1.18 mt in January 2025.

PMUY'S IMPACT
As of December 2024, the PMUY scheme (Ujjwala 1.0, 2.0 and extended) covers around 10.33 crore beneficiaries, since its launch in May 2016. As of December 2024, a total of 75.1 lakh connections have been issued under the Pradhan Mantri Ujjwala Yojana (PMUY-II extended scheme).

The highest percentage of PMUY connections since its inception in May 2016 have been in the Eastern region at 32.4 per cent. It is followed by Northern region (29.7 per cent), Western region (21.5 per cent), Southern region (10.5 per cent) and North-east region (6.0 per cent).

South dominates coverage of beneficiaries under State-sponsored schemes, with around 1.16 crore customers covered mainly in Andhra Pradesh, Tamil Nadu, and Telangana, PPAC stated. Only 1.081 crore PMUY connections have been issued as of December 2024 in Southern region, presumably because a large number of BPL families were already covered through State sponsored

schemes, it added.

As of December 2024, State-controlled oil marketing companies (OMCs) cumulatively had 32.89 crore active domestic LPG customers, served through 25,542 distributors. OMC's active domestic customers increased at a CAGR of around 8.5 per cent during April 2015 to December 2024. Their LPG distributors increased at a CAGR of around 6.3 per cent during April to 2008 to December 2024.

Around 33.3 lakh new domestic customers were enrolled during April-December in FY25. Public sector OMCs sold nearly 23.1 mt of LPG, of which about 88.7 per cent was in the domestic sector. During the said period, OMCs recorded a growth of 6.1 per cent y-o-y in total sales.

LPG UNDER RECOVERY
Motilal Oswal Financial Services in a recent commentary discussed the session on February 13 led by Oil Minister HS Puri and Oil Secretary Pankaj Jain during the India Energy Week (IEW) 2025. The Ministry of Petroleum & Natural Gas (MoPNG) has said that LPG is a regulated commodity. However, it "remains optimistic" about OMCs receiving compensation to cover LPG under-recovery related losses in FY25 till date.

'PM Gati Shakti Experimental Centre shows India understands sustainability'

Our Bureau
New Delhi



Justice Michael Wilson, former judge, Supreme Court of Hawaii, US

of speed coupled with technology brings together international capital at the world stage, he added.

"Noting that Hawaii has been experiencing environmental and transportation problems, Wilson praised PM Modi's efforts in implementing PM Gati Shakti and said that the initiative will give citizens hope as it reflects

dedication to the heritage, local artistry and also at the same time realises that we live in a planet that needs to be taken care of," a statement from Commerce & Industry Ministry stated.

Vesselin Popovski, Professor, Soka University, Japan, who also visited the centre with Wilson, said the initiative captured the beauty, diversity and creativity of the Indian government.

On the One District One Product (ODOP) initiative, which is also showcased at the centre, Popovski said the programme will benefit producers, consumers, suppliers and every stakeholder in the value chain. It is also an opportunity for international investment, as foreign consumers are also going to benefit from the initiative, he said.

CCI's M&A framework hits roadblock after SC's IBC ruling

KR Srivats
New Delhi

The Supreme Court's recent ruling in the AGI Greenpac-Hindustan National Glass acquisition case is set to have far-reaching implications for India's mergers and acquisitions (M&A) landscape, raising concerns over potential delays, regulatory rigidity and uncertainty in deal-making.

The judgment mandates prior approval from the Competition Commission of India (CCI) before creditors clear a resolution plan under the Insolvency and Bankruptcy Code (IBC). This is expected to add significant time to the approval process, affecting business transactions and investor confidence, sources said.

RISKY MOVE
The ruling effectively nullified the resolution plan for

Hindustan National Glass on the grounds that AGI Greenpac had not obtained prior CCI approval before its plan was approved by creditors. This decision underscores the court's interpretation that regulatory clearances must be secured before lenders give their nod. However, this shift is likely to introduce bottlenecks in the corporate resolution process, particularly in insolvency-driven transactions where speed is critical.

Industry experts warn that this interpretation could disrupt established practices in merger approvals, increasing regulatory scrutiny and procedural delays. The concern stems from the requirement that once the CCI issues a show-cause notice under Section 29(1) of the Competition Act, the entire process — including stakeholder consultations, impact assessments and potential modifi-

cations — must be followed before a final decision is reached. Previously, the CCI could approve combinations based on voluntary modifications from the transacting parties without undergoing full-fledged investigations.

BIG BLOW TO M&AS
Legal and corporate circles believe this development could negatively impact India's attractiveness as a global investment hub, as deal closures become increasingly unpredictable. The added procedural burden

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may deter foreign investors who seek clarity and efficiency in regulatory approvals, potentially affecting cross-border investments and M&A activity. Experts argue that while

competition concerns must be addressed, the rigidity introduced by the ruling could slow down business decisions, increase compliance costs and lead to legal uncertainties for companies.

APPOINTMENTS

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Leading the Power Sector

EU calling

Trade and investment deal prospects look up

Singed by US President Donald Trump’s tariff moves, the European Union seems keen to cement trade and investment ties with the rest of the world, which includes Latin America (where it has stitched together a trade deal), the Middle East and India. Last week’s visit of European Commission President Ursula von der Leyen to India should be seen in this context.

India and the EU have meandered along in trade talks since 2007, with the number of sticking points only expanding over time — so it is tempting to be dismissive of the EU’s latest overtures. However, von der Leyen’s latest attempt should be seen against the backdrop of sudden uncertainty in EU-US ties. Hopefully, the EU could turn out to be less rigid than before when bilateral talks resume soon. This is despite the fact that India is only the EU’s ninth largest trade partner (bilateral trade of \$190 billion in goods and services). India can negotiate deftly with its top trading partner. It ran up a goods trade surplus of \$20 billion in goods trade of \$140 billion in 2023. Of its exports of about \$80 billion to the EU, 25 per cent is petroleum exports. This may change if sanctions are lifted on Russia. Textiles and garments exports of close to \$7 billion can benefit from reduction in EU tariffs, now at 12-16 per cent. India could seek further market access in pharma, steel and electrical machinery.

The EU wants India to lower tariffs of 100-125 per cent on completely built up automobiles to 10-20 per cent for a certain number of units, beyond which India can slap the rates of its choice. However, the question is whether that number of cars to be allowed at low tariffs is too high for India’s comfort and the issues it could pose with respect to imports from other auto producing countries such as Japan, Korea and, not the least, the US. The EU is keen to push its EVs in particular, while the production here is in its infancy. It would be hard, indeed wrong, to expect India to concede ground on opening up markets to labour-intensive dairy products, when it has refused the same to Australia and New Zealand. Yet, a deal around allowing wines and spirits at lower duties, as well as a few concessions on auto imports in return for access in textiles can be examined.

However, trade with the EU is replete with non-tariff barriers, be it the Carbon Border Adjustment Mechanism (impacting steel and aluminium), EU Deforestation regulations and labour standards. While the EU cannot be expected to dilute these regulations directly, India could seek indirect concessions and compensation in an FTA, as suggested by analysts. India, in turn, should not concede so-called TRIPS-plus provisions such as ‘evergreening’. A bilateral investment treaty can work, provided there is clarity on dispute settlement systems. In services, some flexibility from India’s side on opening up legal and financial services could translate into gains in IT exports. Despite the hurdles, a deal with the EU has never looked more promising than in the prevailing global climate.

POCKET



We hear so much about jobless growth in India, but this may be changing. We need to recognise and act to sustain it. Let us examine various types of evidence. Multiple recent surveys show better job creation. After the many shocks of the 2020s, in the Annual Survey of Unincorporated Sector Enterprises (ASUSE) FY23 employment at 5.4 million was lower than in FY16, but it had overshot by FY24. The MSME Udyam portal has jobs rising from 121 million in 2023 to 201.9 million in 2024. The Annual Survey of Industries (ASI) FY23 found manufacturing employees increased 7.5 per cent to 18.4 million from 17.2 million in FY21. Periodic Labour Force Survey (PLFS) shows the average rate of growth of manufacturing employment rising from 1.15 per annum (pa) over 2017/18-19/20 to 5.8 pa over 2019/20 to 2022/23. In the RBI KLEMS database, 46.7 million jobs created in FY24 were more than double the 19.1 million in FY23.

Another relevant piece of evidence is increasing diversity in rural jobs and the rise in women’s labour force participation rate (LFPR), especially in rural areas. As males migrate or shift to rural non-farm employment (RNFE) more women are working. The 2023-24 PLFS annual report shows only 59.8 per cent of usual status rural workers are in agriculture, the rest are in various types of RNFE. Those with skills get higher paying RNFE. The share of male workers in agriculture fell to 49.4 per cent and that of female rose to 76.9 per cent.

A study of an Eastern UP village over 2006-2023 found income growth from agriculture was only 0.1 per cent pa but that from RNFE, including remittances, grew at 7.3 per cent pa; the share of agriculture in average household income fell from 22 per cent to 8 per cent.

Since PLFS data began in 2017/18, the rise of rural manufacturing employment at 4 per cent has exceeded the 3.8 per cent growth in urban manufacturing. Construction and trade are also large employers. Government schemes contribute to many of these activities.

In the 2000s, migration of males had coincided with a fall in women’s LFPR. Research suggests that women’s LFPR first falls as family incomes rise but then rises after income crosses a threshold. So the current rise in women working may not be due to need but to rising aspirations with income levels. Women’s LFPR is rising even in urban areas where migration is not a factor. At higher incomes, women can afford more household help and are less tied to the household.

It is argued high youth unemployment points to inadequate jobs. But youth try for better jobs. Above 35 years the waiting stops and unemployment falls. Many apply for



Sustaining change in Indian labour markets

BRIGHT SPOT. The labour market seems to be working with signs of structural change across the country. Skilling and job-specific training will help staff climb the quality ladder

government jobs, which pay much more than market rates at entry points (although much less at higher levels), have less work and more security. If these entry level jobs are made contract-based, youth unemployment will fall steeply.

As a result of these aspirations there are shortages and more wage growth in lower level jobs. PLFS shows the self-employed had the largest average wage growth in 2023-24 at 9.6 per cent, followed by casual workers at 7.4 per cent. Their daily wage of ₹433 compared well with the monthly stipend of ₹21,103 for regular wage earners, which grew at only 5.5 per cent.

WAGES AND INCOMES

Both rural and urban real wages are largely constant. ICRIER reports based on analysis of PLFS data show that since 2019, nominal and real urban wages have grown at 6 per cent and 0.5 per cent pa respectively. Is this consistent with more jobs and rising family incomes?

Labour productivity and surplus affect real wages. At this stage of labour absorption, income growth tends to come more from moving up the job ladder with skill-growth than from rising average real wages. Until the labour slack is absorbed real wages are unlikely to rise, except in skills where there are supply shortages.

Steady high growth of the past few years is, however, delivering more jobs at all levels. Despite some distortions,

Sticks as well as carrots are required to induce more corporate investment and job creation

Indian labour market seems to be working with signs of structural changes across the country.

Skilling facilities and job-specific training will help staff climb the quality and rewards ladder. Constant real wages are regarded as a failure of development policies, but in the 2010s high inflation became entrenched when real wage growth exceeded productivity.

Before 2010, informal and rural real wages did not adjust fully to food inflation, or did so only with a lag. Real wage growth was normally around zero.

But real rural farm and non-farm wages grew at about 7 per cent over 2010 to 2013, peaking in double digits. They returned, however, to the iteration around zero after severe tightening of financial conditions following double-digit inflation. The rise over 2010-2013 was due to unique and unsustainable conditions. Food inflation rose with global food prices in 2007.

Persistent high food inflation raised the demand for higher wages. High post GFC fiscal deficits with large expenditures pumped into construction in agriculture raised the demand for rural labour without relieving constraints on food supply. The rise in farm wages exceeding productivity further raised costs and prices. So wage growth exceeding productivity is unsustainable.

But slow income growth reduces consumption demand. Real private final consumption expenditure (PFCE) fell and fluctuated after the pandemic.

It grew only at 4 per cent in FY24 but had recovered to the pre-pandemic growth of about 7 per cent in FY25, implying some job growth and recovery in incomes. The slight dip to 6 per cent in Q2 was part of the cyclical slowdown

that should reverse as financial conditions ease.

SUSTAINING JOB GROWTH

Growth was steady and averaged 8.3 per cent in the three-year period 2021-24. Firms may be more willing to create jobs when they see steady growth. Growth was volatile in earlier periods of slow job growth. Recent cyclical changes support this conclusion. The labour market weakened in Q2 FY25 as growth fell to 5.4 per cent with an unemployment rate (UR) of 6.6. As government capex revived, Q3 UR fell to 6.4 per cent.

Average labour productivity has risen in the post-reform period but as yet has contributed largely to higher corporate margins, profits and savings. Sticks as well as carrots are required to induce more corporate investment and job creation. More competition can reduce margins. But uncertainty deters corporate expansion. Many external shocks created volatility despite domestic stability. Post-pandemic countercyclical macroeconomic and other supportive policies were able to sustain growth despite external shocks, giving business the confidence to hire and build for the future.

The traditional advice for emerging markets facing heightened global volatility is precautionary tightening. But policies that proved both feasible and effective post pandemic must be continued to deliver high growth and more jobs. India has reached a level of depth and diversity to be able to smooth external shocks. Such policies are the best response to Trumpian volatility and necessary to sustain fledgling labour market changes.

The writer is Emeritus Professor, IIGDR

The White House spectacle raises many questions

The Trump-Zelenskyy meeting has damaged not just bilateral ties but also harmed the NATO

Sridhar Krishnaswami

Whether playing to a script or something that played out spontaneously, Donald Trump and Volodymyr Zelenskyy have set the tongues wagging across the world, many forgetting that the two are not amateurs either to television or theatrics.

And at this point of time it hardly matters if Zelenskyy walked out of the White House in a huff or Trump ordered the Ukrainian delegation to get off “his” lawn.

At least for now the damage has been done with global leaders wondering how the principals are going to walk back.

Even before Zelenskyy landed in Washington, he should have known the mindset of a President and town that is clearly weary of writing cheques to a three-year war where no end is in sight. More than this the Ukrainian President should have known where Trump is coming from: that in part he believed that a deal on rare earths could be a starting point for a ceasefire which he believed the Russian President Vladimir

Putin would honour. Zelenskyy disagreed and all hell broke loose.

STUBBORN STANCE

What is baffling to many is that a full blown spectacle took place in a room where only nice things were to be said for a few minutes before the media would be politely asked to leave. The loud shouting match showed that neither Trump nor Zelenskyy was willing to give up on their respective stances — and with Vice-President JD Vance piping in with his two cents worth.

Journalists and historians will remember that tough words and language have been used in Presidential meetings, at the Oval Office or Camp David. But these have been in private and away from the glare of the media. The language spoken at the Richard Nixon or Lyndon Johnson meetings too was said to be “harsh”. Now, Trump and Vance are seen as “bullying” the visiting dignitary.

Zelenskyy too could have shown some finesse in countering some of the American President’s posturing on Putin. Remember how the French



HARD TALK. Neither Trump nor Zelenskyy was willing to give in

President Emmanuel Macron fact-checked Trump during his recent White House visit? In a friendly and disarming way.

To say that Trump or Zelenskyy went by a playbook in the showdown could be premature. But the damage has been done not just to bilateral relations but to Europe and the functioning of the North Atlantic Treaty Organisation (NATO). It is one thing for the Ukrainian leader to say “sorry”, ask for a return visit and sign the minerals deal. But it is highly unlikely that Washington under a Trump dispensation will underwrite a security

guarantee to Kyiv that has a NATO ticket with it. And that does not mean Trump has fallen for Putin hook, line and sinker.

The bottomline is that Trump is a businessman and has said he is “good” at making deals. He knows that this stage of the war is appropriate to strike a deal on rare minerals.

If Putin is allowed to have his way in the conflict, Ukraine may not be in a position to withstand the onslaught and in the end Putin may not want to strike a deal with the US for the same resources Russia is eyeing.

In the meantime Zelenskyy would have to stay in a war minus American weapons that would be stopped and a Europe that may be reluctant to match words with action in the absence of Washington.

All this brings back memories of Henry Kissinger who is said to have remarked, “It may be dangerous to be America’s enemy, but to be America’s friend is fatal.” Both Trump and Zelenskyy have given themselves something to think about.

The writer is a senior journalist who has reported from Washington DC on North America and United Nations

● **LETTERS TO EDITOR** Send your letters by email to bleditor@thehindu.co.in or by post to ‘Letters to the Editor’, The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Sustaining growth

This refers to ‘Growth niggles’ (March 3). The analysis underscores that despite rising geopolitical uncertainties, robust domestic economic performance offers a welcome counterbalance. Notable positives include a 9 per cent surge in GST collections as of February 25, heightened consumption expenditure which accounts for over 60 per cent of GDP and increased private capital spending. To sustain these gains, the RBI must ensure ample liquidity in the banking sector to support lending, while corporates should prioritise capex investment over dividend payouts. At the same time, FII inflows remain

vulnerable as the US dollar index continues its upward climb against emerging market currencies, including the rupee. This trend makes it essential for India to explore alternative sources of dollar mobilisation rather than relying solely on FIIs. Strengthening the export sector is also crucial. Looking ahead, finalising free trade agreements with the EU and the UK will be key to boosting exports.

Srinivasan Velamuri

Chennai

Leadership qualities

This is with reference to ‘Leadership is co-created with team members’ (March 3). Leaders lead by examples

is a known maxim. A versatile leader knows how to organise the staff, boost their morale, achieve targets, and celebrate the success. A true leader forgets his position and cares for all the staff members irrespective of their position. Great leaders know how to motivate staff, extract work from them, and are interested in their well-being.

Veena Shenoy

Thane

Shun combo products

This refers to ‘SEBI’s plan to offer MF-insurance combo product hits roadblock’ (March 3). This should be welcomed in the interest of the investing public. Huge amounts of

money, precious manpower and resources are wasted on futile, seeming ‘value adds’ of combo products, which are really ‘value drains’. We need pure products for savings, investment and insurance; combos are a drag and drain on these fronts. Through the years, our experimenting with combo savings and insurance has lulled ordinary investors into believing they have insurance and savings; the reality, however, is that they neither have adequate insurance cover nor respectable or reasonable return on investment.

Jose Abraham

Vaikom

Responsible transition

This is with reference to ‘Humans will hold supervisory positions in the AI age, says expert’ (March 3). Agentic AI refers to artificial intelligence systems that can achieve complex objectives or goals autonomously. Workers may want to seek employers that offer upskilling or training in other skill-sets if their role is likely to be impacted by agentic AI. Policymakers and businesses must ensure the benefits of this technology are widely shared, while mitigating its risks and challenges. If it is implemented well, agentic AI can be a powerful tool.

P Sundara Pandian

Virudhunagar, TN

Unfortunate crackdown

Karnataka microfinance ordinance is unnecessary

PVS Suryakumar

The Karnataka government recently passed an ordinance — the Karnataka Micro Loan and Small Loan (Prevention of Coercive Actions) Ordinance, 2025 — that seeks to restrain “usurious” practices in the microfinance sector. Unfortunately, the ordinance is misdirected, and is likely to do more harm than good by encouraging the return of informal money lending practices. It has incorporated stiff penalties — up to ₹5 lakh fine and imprisonment up to 10 years.

Microfinance often gets into the news for the wrong reasons. They are seen as new-age money, exploiting the poor and pursuing high loan growth.

NO STANDARD DEFINITION The ordinance refers to the attempt “to protect and relieve the economically vulnerable groups and individuals, especially farmers, women and women’s self-help groups from the undue hardship of usurious interest rates and coercive means of recovery by microfinance institutions or money lending agencies or organisations”. Curiously, there are no standard definitions for either of them. The ordinance is not applicable to RBI regulated entities. Banks, SFBs, NBFCs, NBFC-MFIs will be out of its purview.

However, the entities that come under the ordinance’s purview are not as clearly spelt out, even as the RBI regulated entities cover about 99 per cent of the microfinance market using the JLG model. Per the recent data, the microfinance market in Karnataka comprises about 143 lakh loan accounts with an outstanding of about ₹42,000 crore.

Besides this category, the self-help group model is being practised by about 2.4 lakh SHGs with over 25.6 lakh women members in Karnataka. Further, trusts, societies, NGOs, Section-8 companies also give small loans. Would these minor entities, moneylenders and those masquerading as MFIs come under the scanner?

While this may prompt the question of whether the ordinance is at all significant, the crucial issue here is that the ordinance could have a larger ecosystem impact, signs of which are already in evidence. It is learnt that the on-time repayments have slipped from about 95 per cent to



NOT CLEAR. The entities that fall under the ordinance’s purview

85 per cent. Consequently, microfinance portfolios are shrinking. We should also be conscious about the ‘counterfactual’ — the rise of moneylenders, when/if microfinance recedes. This does not seem to be understood. If an enterprise helps its borrower make money, s/he will pay for the services offered and this virtuous cycle must be respected and not disturbed. The all-India average loan size from an SHG is around ₹20,000 and MFI, ₹40,000 (₹44,000 in Karnataka). These small amounts are “access to formal finance”. They are not for investment loans but are ways and means advances. These loans cannot really seed an enterprise, but are lubricants to the lives and livelihoods of the poor and underserved. The ordinance could compromise this source.

RESILIENT MODELS On the MFIs’ part, the views of the SROs should be given due regard. Are NBFCs pushing the envelope because of their investors?

On the Government’s part, if SHG bank linkage programme is implemented in true ‘letter & spirit’ such problems will not occur. Karnataka has resilient models like SKDRDP (Sri Kshetra Dharamasthala Rural Development Programme) and Sanghamitra Rural Financial Services.

It is appropriate to invoke this 13th century Telugu quatrain from *Sumati Satakam*, “One should live in a village, where there is a lender, doctor, flowing river and righteous people reside”.

The Karnataka ordinance, issued on February 12, goes against this age-old wisdom.

The writer is former Deputy Managing Director, NABARD. Views are personal

Bond market exposure worrisome

For emerging and developing economies, it poses a serious threat to debt sustainability, public spending and development

MACROSCAN.



CP CHANDRASHEKHAR, JAYATI GHOSH

A new report from the OECD (*Global Debt Report 2024: Bond markets in a high debt environment*) provides some interesting — if concerning — evidence of the continued vulnerability of far too many developing countries to the whims of bond investors. The report is mainly concerned with OECD countries, but the data it provides for emerging and developing countries points to some serious potential problems in the near future.

The dramatic expansion of global bond markets (for both sovereign and corporate bonds) in the recent past is now well-known. The total value of these bonds, at around \$100 trillion, makes them almost as large as the estimated total global GDP.

OECD governments account for more than half of this, with the share of the US rising rapidly to more than a quarter of total bond values in 2023. But the rise in gross bonds issued by emerging and developing economies (hereafter EMDEs, using the World Bank’s classification) is also very striking.

SHARP INCREASE

Chart 1 shows the significant increase in annual gross bond borrowing by EMDEs since 2007. The earlier peak of \$2.7 trillion in 2011 was surpassed in pandemic year 2020, but since then bond borrowing has grown even more sharply to reach \$3.9 trillion by 2023. This increase in bond issues by EMDEs was dominated by China, as Chart 2 suggests, with data using 2015-19 averages as base.

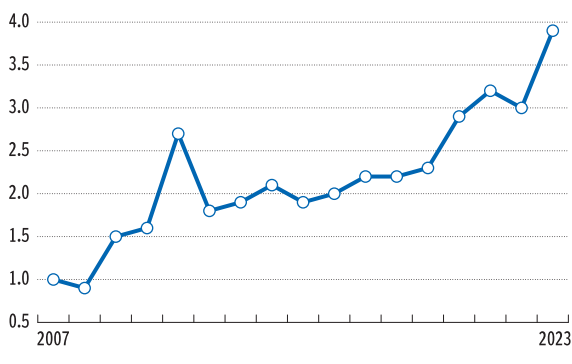
Indeed, public bonds issued in China in 2023 more than doubled over the previous year (bringing China’s share of gross borrowing to 37 per cent) because of increased public spending designed to revive growth.

The growing indebtedness of (mainly provincial) governments in China has been a focus of much discussion, but it is important to remember that almost all of China’s public debt is denominated in its own currency, renminbi, and so it is relatively protected from the shifts in cross-border capital flows and changes in interest rates that buffet other EMDEs. Similarly, the ratio of new bond issued in foreign currency by other Asian governments was only 2 per cent.

Meanwhile, the relatively lower increase in borrowing in Sub-Saharan Africa indicates that the region is once again facing difficulties accessing global bond markets in recent years; in fact, bond issuance in foreign currencies in this region fell from 5 per cent in 2022 to

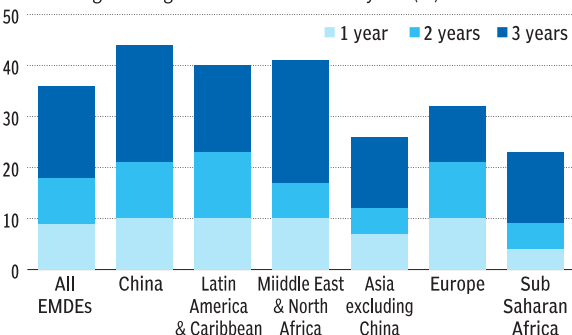
Significant rise

EMDE gross borrowing (\$ trillion)



Maturing soon

Outstanding sovereign debt due in next three years (%)



Source for all figures: Global Debt Report 2024, OECD, Paris

1 per cent in 2023. In the MENA region, gross borrowing actually declined by 10 per cent between 2022 and 2023.

However, this more modest borrowing or focus on domestic borrowing only does not mean that the debt difficulties of several EMDEs have reduced very much.

REPAYMENT DIFFICULTIES

The legacy debt continues to play a major role in creating repayment difficulties, especially because much of it was taken on in the period when access to foreign currency borrowing was much easier for almost all EMDEs.

This is an important issue because quite a lot of such sovereign bonds are due to mature in the next three years, as is evident from Chart 3. For both Latin America and the Caribbean and the MENA regions, more than 40 per cent of such debt falls due within three years.

Credit rating agencies are not helping, with the number of countries experiencing downgrades almost always significantly greater than those receiving upgrades

Meanwhile, credit rating agencies are not helping, with the number of countries experiencing downgrades almost always significantly greater than those receiving upgrades.

As Chart 4 shows, the worst year was 2020 when 91 countries experienced downgrades, but the relatively few numbers of upgrades throughout the period since 2015 indicates how difficult it has become to improve credit rating that has been downgraded.

Most of the downgrades have occurred in low and lower middle income countries.

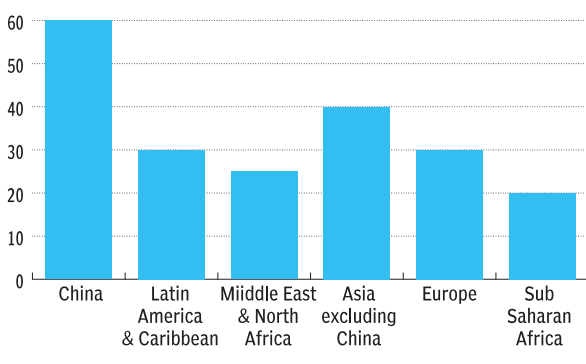
The greater “stringency” of bond markets to EMDE debt is also indicated by the average term-to-maturity (ATM) which increases when debtors are perceived more favourably. For the average of all EMDEs, the ATMs of sovereign bonds issued in 2023 increased to 4.8 years, compared to 4.4 the year before.

In low-income countries, it surprisingly increased from 5.4 in 2022 to 5.9 in 2023, but this is misleading, because although it actually declined for all countries in this group except Tanzania and Uganda.

In general, the lower ATMs represent a higher share of short-term borrowing, which makes countries particularly vulnerable to refinancing risks in a

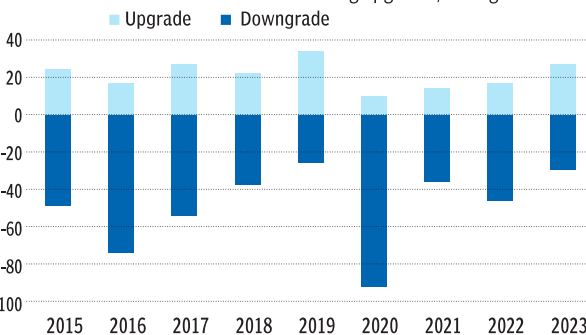
China dominates

Per cent increase in EMDE gross borrowing from 2015-19 average to 2023



Downgrades dominate

Number of EMDE countries with credit rating upgrades/downgrades



context of globally worsening credit outlooks.

Another concern is the average spread of EMDEs’ sovereign bond yields over the benchmark 10-year US Treasury yield. There was a slight decrease on average in 2023 compared to 2022, but the average yield is still above 1,000 basis points (10 per cent) in Sub-Saharan Africa. This makes such borrowing so expensive as to be prohibitive, and has emerged as not just a symptom but even a leading cause of debt distress.

REFINANCING RISK

Since so many bonds will mature by 2026, this makes the refinancing risk for such countries particularly great.

Refinancing risk is also large for countries in other regions such as Moldova (with more than 60 per cent of marketable debt, equal to 8 per cent of GDP maturing in 2024) and Argentina (45 per cent of marketable debt, or 10 per cent of GDP).

As bond markets become even more volatile with growing unpredictability of policies especially in the advanced economies, particularly the US, the dangers of excessive exposure to these markets are particularly clear. It is clearly time for the developing world to consider a new pattern of financing development.

thehindubusinessline.

TWENTY YEARS AGO **TODAY.**

March 4, 2005

Sensex hits all-time high

Stock prices zoomed on Thursday on the back of the Finance Minister’s reassurance regarding certain Budget proposals, taking the major indices to all-time high. Active buying by local mutual funds also buoyed the market sentiment. The BSE Sensex closed at a record high of 6,784.72, up 97.83 points (1.46 per cent). On the NSE, the S&P CNX Nifty closed the day at 2,128.85, up 35.6 points (1.70 per cent).

‘102 cr people not concerned with cash withdrawal tax’

The Government will come down heavily on tax evaders, according to the Finance Minister, Mr P. Chidambaram. Out of the 103 crore people in the country, Mr Chidambaram said, “Hundred and two crore people are not concerned with the tax on cash withdrawals of ₹10,000 every day...I need to discourage huge cash transactions.”

Infosys proposes to set up new campus in Bangalore

Software major Infosys Technologies is planning to set up a new campus in Bangalore and has sought about 350 acres of land from the Karnataka Government. The proposed campus would be located north of the city.

US wants to remove government spending from GDP

Lucia Mutikani

US Commerce Secretary Howard Lutnick said on Sunday he would strip out government spending from the gross domestic product (GDP) report, but gave no indication how soon this change might happen, while dismissing fears of a possible recession.

“You know that governments historically have messed with GDP,” Lutnick said during an interview on Fox News Channel’s ‘Sunday Morning Futures’ programme. “They count government spending as part of GDP. So I’m going to separate those two and make it transparent.”

Lutnick was asked whether he was concerned that the Trump administration’s policies, including

tariffs on imports and efforts to shrink the government through deep spending cuts and mass layoffs would push the economy into recession.

“No, no, no,” said Lutnick.

BUSINESS SENTIMENT

Business and consumer sentiment have deteriorated in recent months, erasing gains notched following President Donald Trump’s election victory in November. Data on consumer spending and the goods trade deficit have raised the risk of the economy contracting in the first quarter, fanning fears of a recession.

Federal government spending accounts for about 6.5 per cent of GDP. It contributed 0.25 percentage point to the economy’s 2.3 per cent annualised growth rate in the fourth quarter,



NATIONAL ACCOUNTS. Commerce Secretary Howard Lutnick plans changes

mostly from defence spending.

“If the government buys a tank, that’s GDP, but paying 1,000 people to think about buying a tank is not GDP,” said Lutnick, calling that “wasted money” as he explained the rationale for removing government spending from GDP.

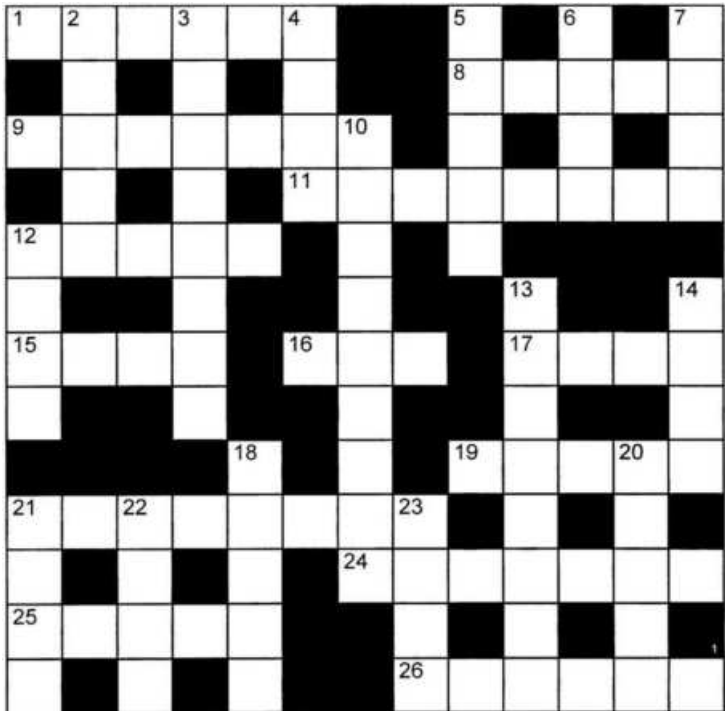
Tens of thousands of federal workers have been fired by tech billionaire Elon

Musk’s Department of Government Efficiency, or DOGE — an entity created by Trump to shrink and cut what the White House has called government waste.

Economists cautioned against changes to the current national accounts structure as it would make GDP very volatile and difficult to get a clear view of the economy’s health, creating more uncertainty.

“I don’t think the stock market, the financial markets would like that,” said Sung Won Sohn, Finance and Economics professor at Loyola Marymount University. It would also be impossible to compare the US economy’s performance against its global peers. Looking at the private sector alone would not give the full picture on growth, Sohn said. REUTERS

BL TWO-WAY CROSSWORD 2644



EASY

ACROSS

1. Drained energy from (6)
8. Not fettered (5)
9. Wild horse of the American prairie (7)
11. Rolled, wheeled along (8)
12. Aspic (5)
15. Eager, sharp (4)
16. Cuttlefish fluid (3)
17. Part of the eye (4)
19. Room for action (5)
21. Body of aeroplane (8)
24. Hair borne by lid (7)
25. Adhere (5)
26. Mended holes in hose (6)

DOWN

2. To divert, entertain (5)
3. Showing impatience, irritation (8)
4. Hollow in surface caused by blow (4)
5. Ringing sound made by glass (5)
6. Light, fleecy substance (4)
7. To curve, bow (4)
10. Type of plum (9)
12. A quip, gag (4)
13. Round (8)
14. Island (4)
18. Small flat scale (5)
20. Adhesive (5)
21. Quick (4)
22. Forepart of lower leg (4)
23. Looked at (4)

SOLUTION: BL TWO-WAY CROSSWORD 2643

ACROSS 1. Lamp-lighter 8. Wormwood 9. Glad 10. Prism 13. Tome 16. Heel 17. Wilt 18. Amid 20. Scape 24. Tyke 25. Henchman 26. Apron-string

DOWN 2. Airt 3. Power 4. Icons 5. Tight 6. Sweethearts 7. Advertising 11. Irons 12. Malta 14. Omit 15. Peri 19. Drear 21. Chess 22. Pacer 23. Omen

NOT SO EASY

ACROSS

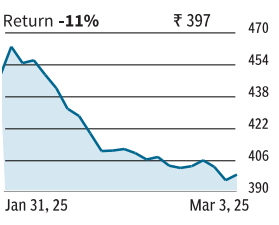
1. Used spade quietly and undermined it (6)
8. Misplace nothing inside that’s unconstricted (5)
9. Sort of horse has to be got with nag somehow (7)
11. Got one’s barrow going, having turned Lady Day into it (8)
12. Something gelatinous for John first to yell about (5)
15. Is eager to wait over the departed (4)
16. In certain knowledge it will make its mark in writing (3)
17. Flag-girl (4)
19. Range the South can deal with (5)
21. Fuel takes ages to get round body of aircraft (8)
24. Yale he’s ordered to produce Hair (7)
25. Don’t go for the cane (5)
26. Made repairs red, and altered it (6)

DOWN

2. Make one smile about Emu, as it were (5)
3. Peevish way not leapt at it (8)
4. Mark of knock hidden tentatively inside (4)
5. Gaol has a ringing sound to it (5)
6. Pulled over one’s eyes, one is hoodwinked by it (4)
7. Corner round which one would be mad to go (4)
10. Reg might affiance himself to a fruit (9)
12. Something to 2 needs the king to be in the pack (4)
13. It’s a letter all round (8)
14. Dry spot in the sea lies awkwardly (4)
18. The paint will come off like a bit of snow (5)
20. Give one a thrashing with something sticky (5)
21. How quickly Lent goes! (4)
22. Swarm up a bone in the leg (4)
23. Looked over what turned up in parade yesterday (4)

QUICKLY.

Wells Fargo sells ITC shares worth over ₹106 cr



Kolkata: Wells Fargo on Monday sold ITC Ltd's shares worth over ₹106 crore through an open market transaction. The US-based Wells Fargo, through Wells Fargo Emerging Markets Equity CIT, sold 26.55 lakh shares of ITC, according to the block deal data released on the NSE at an average price of ₹401.60. These shares were bought by SEI Trust Company through its arm. **OUR BUREAU**

SBI Large and Midcap fund completes 32 years

Mumbai: SBI Large and Midcap fund, an open-ended equity scheme investing in both large and midcap stocks, has completed a milestone of 32 years. The AUM of the scheme stands at ₹28,681 crore as on January 31. The fund produced a CAGR return of 15.72 per cent since inception. **OUR BUREAU**

Unifi MF unveils Dynamic Asset Allocation Fund

Chennai: Unifi Mutual Fund has introduced its first-ever dynamic asset allocation scheme, the Unifi Dynamic Asset Allocation Fund, designed to generate returns that outpace inflation across different economic cycles. The new fund offer that opened on March 3 will be available for subscription until March 7. The scheme will reopen for continuous investment from March 21. **OUR BUREAU**

Despite turmoil, equity MFs' returns over 3 yrs remain healthy

Suresh P Iyengar

Most of the equity mutual fund schemes have delivered negative returns in the last six month given the recent market mayhem amid foreign investors exit. Returns from small and mid-cap funds slipped 22 per cent and 19 per cent respectively while that of value funds were down 17 per cent in last six months ended February. Sectoral and flexi-cap funds were down 19 per cent and 16 per cent respectively in the same period.

1-YR RETURN: DRYING UP Over the one-year period, actively managed equity mutual funds returns were hanging precariously with value funds delivering 0.34 per cent while that of ELSS was 0.70 per cent. Mid-cap and focused funds gave a return of 3 per cent and 2 per cent respectively.

Despite small cap indices falling sharply, small cap funds have managed to deliver 21 per cent and 25 per cent respectively over 3-year and 5-year period. Mid-cap and value funds have de-

IPO slowdown to hit PE players' exit

FLIP SIDE. Most PE-backed IPOs are in mid-and small-cap space that saw significant volatility, price contraction

Ashley Coutinho

The slowdown in initial public offerings (IPOs) may queer the pitch for private equity players wanting to exit through this route. Three IPOs hit the market in February compared with six in January and 15 in December, hinting at a slowdown, in the backdrop of a volatile secondary market that has seen the Nifty slip 16 per cent from its all-time highs. Three out of the last four IPOs have given negative returns on listing day, according to primedatabase.com. Sustained selling by overseas investors and the Trump factor have muddied the waters for IPO launches, especially for companies that depend on the US market for revenues or raw material.

And with valuations taking a 20-40 per cent hit, PE players may not be keen to exit in a hurry. "PE firms looking for exits will have to wait till the window opens again or explore other avenues like secondary sales," said Pranav Haldea, Managing Director, PRIME Database. Last year saw 40 PE-backed IPOs, compared with 30 the previous year. Out of \$27 billion of PE exits, about \$3.3 billion was via IPOs, marking a 130 per cent increase over the previous year in value terms, according to EY analysis of VCEdge data. Offers for sale by PE/VC investors accounted for 11 per cent of the total IPO amount last year.

SIGNS OF SLOWDOWN Most of the PE-backed IPOs are in the mid- and small-cap space, which has seen signi-

Exit type by PE/VC investors

	Value (\$ bn)	
	2023	2024
Open market	12.84	12.87
Secondary	6.61	6.69
Strategic	3.48	3.65
IPO	1.42	0.27
Buyback	0.48	0.16

Source: EY analysis of VCEdge data

ficant volatility and price contraction in the recent past. "If this volatility continues, it will become very difficult for ECM bankers to find buyers at listing multiples that were prevailing 60 days ago. This could lead to a slowdown in the IPO pipeline momentum and we are already seeing early signs of the same," said Vivek Soni, Partner and National Leader



- Private Equity Services, EY India. In this scenario, private equity funds may prefer to work with their portfolio companies to focus on performance and financial discipline rather than look for an immediate exit through IPOs. "As and when the markets look up, the PE players will look at the IPO route again. On the other hand, the promoters who want to sell and the companies that need growth capital in the near term, may turn to private equity instead of the public

market," said Soni. PE-backed companies often attract richer valuations in the public markets on account of their established market position, growth potential, governance and operational improvements made from the time the PE investor steps in. **THE BRIGHT SIDE** Despite the current slowdown, the IPO pipeline remains robust, with past two months seeing 43 filings. Forty three companies have the regulatory nod for an IPO, while another 70 firms are awaiting approval. Together, these could potentially raise ₹1.85 lakh crore. All the 43 companies have received the regulatory nod in the past three months, implying they have another nine months to launch, considering an IPO validity period of one year.

Sensex, Nifty see wild swings, end in red; mid and small-caps continue to slide

Anupama Ghosh

Benchmark indices ended marginally lower on Monday after a volatile session, with markets recovering from intraday lows amid ongoing global trade concerns and continued foreign investor outflows. The BSE Sensex closed at 73,085.94, down 112.16 points or 0.15 per cent, while the NSE Nifty 50 index finished at 22,119.30, dipping 5.40 points or 0.02 per cent. The broader markets showed mixed trends, with the BSE Midcap index rising

0.25 per cent while the Smallcap index declined 0.7 per cent. The market opened on a positive note, with the Sensex rising over 350 points and Nifty trading above 22,200, before selling pressure emerged, pushing the indices lower. The Nifty tested the crucial psychological support of 22,000 before staging a recovery in the latter half of the session. "The market experienced a gradual recovery from its intraday low, driven by improving economic growth, a rebound in consumption expenditure, and healthy expansion in the agricultural

With valuations approaching oversold levels, indicators suggest a potential rebound

sector, which influenced investor sentiment," said Vinod Nair, Head of Research, Geojit Financial Services. "With valuations approaching oversold levels, domestic indicators suggest potential for a rebound. However, the longevity of this recovery remains uncertain." In sectoral performance,

realty, IT, metals, and consumer durables ended in the green, while oil & gas, banks, and media indices closed lower. The volatility index, India VIX, cooled by 1.06 per cent to 13.76, indicating a decline in market volatility.

GAINERS & LOSERS Among the top gainers on the NSE, Bharat Electronics Ltdtd with a 4.57 per cent jump, followed by Grasim Industries (3.18 per cent) and Eicher Motors (2.94 per cent). The major losers included Bajaj Auto (-2.44 per cent), Coal India (-2.37 per cent) and Reliance Industries (-2.17 per cent).

BSE shares crash 6 per cent as Goldman Sachs cuts target price

Akshata Gorde

Shares of BSE tumbled over 6 per cent on Monday after Goldman Sachs cut its target price, flagging concerns over the market regulator's proposed risk-monitoring rules that could curb proprietary trading and dampen market volumes. Goldman Sachs reduced its target price for BSE's shares to ₹4,880 from ₹5,650 while maintaining a Neutral rating. The stock fell 6.3 per cent to ₹4,343.65 during the session before closing at ₹4,359.45 on the NSE. Last week, the SEBI pro-

Mixed Feb sales send auto stocks to different leagues

Madhu Balaji

Shares of TVS Motor, Eicher Motors, Mahindra & Mahindra rose on Monday while Bajaj Auto, Ashok Leyland, Hero Motocorp and Maruti Suzuki depreciated. The auto sector showed resilience despite a weak market. Nifty Auto ended at 20,538.15, up 0.19 per cent. Analysts acknowledged a broader slowdown in demand across segments, while tractor volume sustained. Passenger vehicles and commercial vehicles were in line while tractor volumes exceeded Motilal Oswal's expectations. It added that Royal Enfield, Escorts Kubota and M&M tractors outperformed its estimates. M&M shined with 15 per cent y-o-y growth in overall auto sales in February 2025 to 83,702 units.

Both Bajaj Auto and Ashok Leyland recorded 2 per cent increase. Hero Motorcorp sales were hit by 17 per cent. Tata Motors saw 8 per cent. **TOP PICKS** Maruti Suzuki India emerged as the brokerages' favourite in PVs space, which sold 1,99,400 units in February, slightly up 0.97 per cent. Brokerages said the upcoming new launches would continue to help improve the mix and drive healthy earnings growth. Motilal Oswal also preferred M&M, given the upcycle in tractors and healthy growth in utility vehicles (UVs). In addition, Emkay Global analysts favoured TVS Motor and Eicher Motors. Among auto stocks, TVS Motor led with 4.79 per cent increase to ₹2,332. Eicher Motors closed among top gainers of Nifty 50 constituents, positive by 2.94 per cent at ₹4,914.

posed to replace the current notional terms approach for computing open interest (OI) in equity derivatives, with a future-equivalent or delta-based approach — aimed at curbing volatility in the derivatives segment. **SEBI MOVE TO IMPACT** This move could lower the industry's options premium to cash equity turnover ratio from 0.4x to 0.3x, said Goldman Sachs. This could cap the market share of the average daily premium traded for index options contracts at 30 per cent, which was at 22 per cent in February. The proposed changes, along with stricter monitor-

ing of trading limits under SEBI's F&O tightening, are expected to reduce activity from proprietary traders, who account for 70 per cent of BSE's daily turnover. Trading activity across the industry has been subdued, with both cash and options volumes underperforming expectations in February, the brokerage said. BSE's Average Daily Turnover in the cash segment also fell short of projections. Adding to investors concerns, BSE and its officials are facing legal scrutiny after a Mumbai court took cognizance of an FIR filed against former SEBI chief Madhabi Puri Buch, two BSE officials, and others.

BROKER'S CALL.

Monarch Network

ANUP ENGINEERING (BUY) Target: ₹3,800 CMP: ₹2,740.60 We initiate coverage on The Anup Engineering Ltd (Anup) with a Buy rating and a TP of ₹3,800. We believe Anup will enjoy a strong runway of growth considering a global focus on energy transition and energy security for which Anup's products are indispensable. The company's expansion plan has been done strategically to facilitate the manufacturing and delivery of larger-diameter products and cater to a larger pool of clients. Additionally, the company has a huge scope for further improving its TAM as and when it gets into new technological tie-ups, like its existing tech tie-up with Lummus Technology for Helical Heat Exchanger. Growing focus on hydrogen production globally and accelerating end-user capex in the Oil & Gas sector bodes well for Anup's secular growth reducing risks of cyclicality and improving demand prospects. The company's capacity expansion plans, tech tie-ups, good order backlog, timely execution capabilities, and long-standing customer base are strong pillars for consistent high growth going forward. Our Buy rating reflects Anup's superior profitability, sensible capital allocation, strong sector tailwinds, and potential for strong sales growth over the next few years. Positive sector tailwinds also justify its premium valuation versus other peers. Key downside risks: global economic slowdown, new O&G capex delays, capacity expansion delays, and higher competition.

InCred Equities

TCS (ADD) Target: ₹3,925 CMP: ₹3,496.55 We had highlighted in our earlier report that the news flow on tariffs is not constructive for earnings upgrade and decision-making, and that the first-order impact could be trimming of P/E multiples followed by a second-order impact of potential earnings downgrade. The Nifty IT Index has underperformed Nifty Index by about 7 per cent YTD and around 1 per cent since February 2. In this backdrop, we review and trim our earnings estimates of Tata Consultancy Services (TCS) to account for a potential slower global growth, change in the clients' IT spending pattern due to the impact of tariffs, and pass-back of productivity gains led by infusion of artificial intelligence (AI). We adjust our estimates modestly and now expect FY25F-27F US\$ revenue CAGR of 4.5 per cent (vs. 7.5 per cent earlier) and PAT (₹) CAGR of 9.2 per cent (vs.11 per cent). We retain our target PE/G multiple of 2.6x to arrive at our target P/E of 24x (28x) FY27F EPS to arrive at a lower target price of ₹3,925 (₹4,915 earlier). Operating cash flow and dividend payout ratio certainty, and healthy return ratios help retain the target PE/G multiple. Slower recovery in the North America (NA) geography and the FSI vertical, weak bookings in THCY25F and higher project cancellations are key downside risks to our growth assumption and target price.

businessline is not responsible for the recommendations sourced from third party brokerages. Reports may be sent to: blmarketwatch@gmail.com

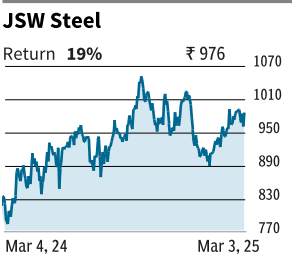
TODAY'S PICK.

JSW Steel (₹976.30): BUY

Gurumurthy K

bl. research bureau

The short-term outlook for JSW Steel is bullish. The stock had begun the week on a positive note. The share price has risen by 2.5 per cent on Monday when the broader markets continued to struggle. The stock has been moving up very well since mid-January. Support is in the ₹950-940 region. The 200-Day Moving Average is also poised in this region which makes it a strong support zone. So, a fall below ₹940 is less likely. JSW Steel share price can rise to ₹1,020 in the coming weeks. Go long now at ₹976. Accumulate on dips at ₹956.



Keep the stop-loss at ₹938. Trail the stop-loss up to ₹985 as soon as the stock goes up to ₹995. Move the stop-loss further up to ₹1,000 when the price touches ₹1,010. Exit the stocks at ₹1,020. Note: The recommendations are based on technical analysis. There is risk of loss in trading

Day trading guide

22267

» Nifty 50 Futures

S1	S2	R1	R2	COMMENT
22200	22100	22320	22450	Can go either way from here. Stay out of the market for now.

₹1701

» HDFC Bank

S1	S2	R1	R2	COMMENT
1680	1660	1715	1745	Go short only below 1680. Keep the stop-loss at 1690

₹1708

» Infosys

S1	S2	R1	R2	COMMENT
1700	1670	1730	1780	Go short only below 1700. Keep the stop-loss at 1710

₹397

» ITC

S1	S2	R1	R2	COMMENT
395	391	399	403	Go short below 395. Stop-loss can be kept at 397

₹225

» ONGC

S1	S2	R1	R2	COMMENT
223	218	227	230	Take fresh shorts below 223. Keep the stop-loss at 225

₹1171

» Reliance Ind.

S1	S2	R1	R2	COMMENT
1165	1150	1185	1200	Go long now and at 1165. Keep the stop-loss at 1155

₹695

» SBI

S1	S2	R1	R2	COMMENT
693	688	698	702	Go long only above 698. Stop-loss can be placed at 696

₹3496

» TCS

S1	S2	R1	R2	COMMENT
3450	3400	3525	3600	Go long on a break above 3525. Keep the stop-loss at 3505

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

Nifty 50 Movers

	Close(%)	Pts	PE	WN(%)
Infosys	1708.60	16.80	25.62	6.21
Bharti Airtel	1595.80	15.32	33.57	4.32
Bharat Elec	257.39	8.89	37.69	0.93
L&T	3197.30	8.79	26.60	3.80
Bajaj Finance	8627.85	6.09	33.26	2.44
Grasim Ind	2377.45	5.87	19.73	0.89
State Bank	695.30	5.58	7.54	2.70
JSW Steel	976.05	4.34	72.07	0.94
UltraTech Cement	10340.80	5.40	47.75	1.19
M&M	2611.90	5.29	23.78	2.33
ITC	397.45	5.08	24.58	2.73
Trent Ltd.	4946.90	4.72	90.89	1.11
Eicher Motors	4906.60	4.08	30.28	0.68
Kotak Bank	1914.60	3.82	16.90	2.84
Wipro	283.55	3.73	23.77	0.81
ICI Bank	1206.20	3.31	16.24	8.58
NTPC	314.40	3.12	13.52	1.50
Apollo Hosp	6170.60	2.67	65.77	0.63
Tata Steel	138.57	2.53	68.44	1.16
HDFC Life	618.00	2.27	76.15	0.67
TCS	3493.05	2.23	25.79	3.60
BPCL	242.41	2.21	7.66	0.47
PowerGrid Corp	252.47	1.67	15.36	1.70
Shriram Finance Ltd.	621.30	1.25	12.54	0.88
Adani Enter	2117.10	1.17	56.12	0.53
Tech Mahindra	1493.05	0.74	38.71	0.96
Hindalco	636.55	0.71	10.30	0.93
Titan	3082.00	0.44	84.53	1.29
Dr Reddys Lab	1119.60	0.42	17.15	0.69
Tata Motors	621.15	0.33	7.84	1.31
Britannia Ind	4596.60	0.03	51.37	0.55
Cipla	1407.55	0.01	22.79	0.78
ONGC	225.13	-0.10	6.84	0.88
NestleIndia	2185.55	-0.33	67.71	0.79
HCL Tech	1572.40	-0.63	24.97	1.68
IndusInd Bank	984.85	-0.80	10.57	0.86
Asian Paints	2166.40	-1.35	48.50	0.99
TataConsumerProduct	953.90	-1.42	82.03	0.63
Hero MotoCorp	3630.75	-1.46	17.50	0.47
Sun Pharma	1585.10	-1.96	33.16	1.73
SBI Life	1408.50	-2.20	58.55	0.64
Hind Unilever	2176.85	-2.65	47.55	1.95
Adani Ports	1053.35	-2.69	22.63	0.70
Bajaj Finserv	1838.55	-4.12	17.38	1.01
Coal India	360.35	-4.55	6.47	0.82
Bajaj Auto	7714.80	-6.66	28.59	0.86
Maruti Suzuki	11775.60	-5.00	25.46	1.56
Ais Bank	1007.25	-5.28	11.01	2.90
Reliance Ind	1171.25	-43.69	19.82	8.02
HDFC Bank	1701.55	-52.34	18.03	13.05

Pts: Impact on index movement

Nifty Next 50 Movers

	Close(%)	Pts	PE	WN(%)
Varun Beverages .	456.95	78.08	58.66	2.96
Vedanta	409.15	68.08	8.96	3.36
Tvs Motor Cmp .	2523.85	64.33	52.73	2.64
Power Finance	379.70	62.45	4.22	2.67
Rural Elec	377.80	60.88	6.36	2.28
Siemens	4836.70	52.50	66.65	2.07
Hindustanaeronautics	3187.05	52.36	24.51	2.93
Ltimindtree .	4834.20	43.40	31.31	2.16
AdaniGreenenergy	804.10	25.35	66.06	1.19
Bhel	185.47	22.55	124.42	1.15
Abb India	5088.30	22.33	264.36	1.29
Cholamandalamin&Fin	1419.75	22.14	29.34	2.87
Divis Lab	5540.25	21.25	71.15	3.40
Dif	647.30	21.00	40.01	2.01
Avenuesuper	3453.20	20.32	82.62	2.47
United Spirits	1306.15	17.85	67.76	1.86
Tata Power	342.85	17.18	24.26	2.80
Shree Cement	2767.90	14.81	81.55	1.80
Jsw Energy .	473.85	14.51	43.28	1.22
Ambuja Cements	471.80	12.82	21.49	1.53
Indian Oilcorp	114.56	11.18	14.83	2.08
Pidlittind	2681.30	10.03	69.13	1.99
Adani Power	483.15	9.21	14.46	1.84
Samvardhansinternatl	119.41	6.74	18.78	1.70
Havells	1429.30	5.29	64.01	1.75
Canara Bank	81.42	4.88	4.46	1.33
Irctc .	676.60	4.75	43.62	0.99
Nhpc	73.37	4.14	23.63	1.12
Bosch	26691.55	3.56	38.86	1.12
Adani Energy Solutions .	654.05	3.18	133.32	1.14
Torrent Pharma	2959.25	2.92	53.79	1.34
I-Prulife	554.25	2.88	82.25	1.05
Zomato .	222.14	0.77	323.34	7.45
Punjab Natl Bank	87.29	-0.96	5.93	1.45
Jindal Steel	854.35	-1.90	21.35	1.57
Dabur India	491.75	-2.55	49.27	1.40
Adani Total Gas .	551.80	-4.13	90.88	0.74
Zyduslsciences	870.45	-4.29	18.75	1.05
Bank Of Baroda	195.91	-6.03	4.92	1.77
Indian Railway Finance Corp.	1111.3	-6.42	22.22	0.96
Edgell	6962.20	-6.64	125.31	2.63
Globalvibe	4964.70	-6.89	28.35	4.74
	729.20	-6.99	10.71	0.78
Indira Consumer	998.35	-7.14	11.40	1.82
ICRotech Developers .	1120.85	-7.80	44.50	1.51
Ion Bank	154.05	-14.99	8.15	2.01
Ion Tech	109.07	-16.30	5.09	1.02
Ujjain Lombard City	1663.50	-18.29	32.71	1.92
Hdfc Holdings	11346.75	-27.45	16.64	2.37
Financial Svc	200.92	-61.22	79.43	3.19

QUICKLY.

ICICI Pru Life launches income guarantee product

Mumbai: ICICI Prudential Life Insurance has introduced ‘ICICI Pru GIFT Select’, a long-term savings product which offers customers a guaranteed immediate income providing them with liquidity. One of the unique features of the plan is the increasing income option wherein the quantum of the income increases at a compounding rate of 5 per cent per annum, thereby making it an effective inflation hedge. **OUR BUREAU**

Poonawalla unveils digital personal loan product

Mumbai: Poonawalla Fincorp Ltd has launched a new fully digital personal loan product called “PL Prime Digital 24x7” targeting salaried professionals, the company announced on Monday. It provides instant loan approvals of up to ₹15 lakh within 15 minutes through a paperless process. The service is available around the clock and accessible through the mobile app, website, and authorised partners. **OUR BUREAU**

VCI Global, Kinesis to build semiconductor wire plant in Chennai

Our Bureau
Chennai

Malaysia-headquartered VCI Global has announced that it is establishing India’s first semiconductor wire manufacturing plant in partnership with Kinesis Manufacturing Solutions. The VCI Global-Kinesis plant will focus on producing semiconductor bonding wires, a crucial component in chip manufacturing. The 25,000 sq ft facility will be located in Chennai with an

‘Be empathetic towards MSMEs facing financial distress’

FOLLOWS REVIEW. Remarks come after banks’ credit to MSMEs slows to 12% y-o-y

Our Bureau
Mumbai

RBI Deputy Governor Swaminathan J on Monday emphasised the importance of fair lending practices, ensuring transparency and an empathetic approach towards MSMEs (micro, small & medium enterprises) facing financial distress. This observation comes in the backdrop of banks’ credit to MSMEs slowing to about 12 per cent year-on-year (to ₹11,24,377 crore) as on January 24, 2025 as compared with 14 per cent y-o-y growth (to ₹10,02,794 crore) as on January 26, 2024. About five years ago, the Expert Committee on MSME (constituted by the RBI) estimated the gap between the credit needs of MSMEs and the available supply (also known as credit gap) to be between ₹20 and ₹25 lakh crore. Acknowledging key chal-

MSMEs can increase transparency over their level of business activity and financials which, in turn, will enhance their credibility

SWAMINATHAN J
RBI Deputy Governor



lenges such as financial literacy gaps, information asymmetry and delayed payments, the Deputy Governor stressed the need for digital solutions, alternative credit assessment models, and greater participation in platforms like the trade receivables discounting system (TReDS). Swaminathan made the aforementioned observations in his keynote address at the 29th meeting of the Standing Advisory

Committee (SAC) to review the flow of credit to MSMEs in Ahmedabad.

CREDIT SUPPORT He reaffirmed the RBI’s commitment to strengthening institutional credit support through initiatives like the unified lending interface (ULI), the account aggregator framework, and the regulatory sandbox even as he underscored the pivotal role of the MSME sector in In-

dia’s economic development. In a speech last December, Swaminathan noted that to address the issue of delayed payment to MSMEs, the RBI had introduced several innovations. “The TReDS facilitates MSMEs’ trade receivable financing through electronic platforms. “The account aggregator framework and inclusion of GSTN (Goods and Services Tax Network) in the AA ecosystem streamline financial data access for MSME lending. More recently, the unified lending interface, launched as a pilot program in August 2023, allows MSMEs to access tailored, frictionless credit using digital data,” he then said. Swaminathan noted that MSMEs could increase the transparency over their level of business activity and financials which, in turn, will enhance their credibility.

Tata Motors, RIL to test run hydrogen-powered buses, trucks

Our Bureau
New Delhi

The Ministry of New & Renewable Energy (MNRE) on Monday sanctioned five pilot projects for running hydrogen powered buses and trucks with participation from Tata Motors, Reliance Industries (RIL) and Ashok Leyland, among others. The pilot projects are part of the National Green Hydrogen Mission. Earlier, the Ministry had issued guidelines for implementing such pilot projects in the transport sector under the mission. Accordingly, the Ministry invited proposals for different types of hydrogen-based vehicles, routes and hydrogen refuelling stations. “After detailed scrutiny, the MNRE has sanctioned five pilot projects consisting of 37 vehicles (buses and trucks), and nine hydrogen refuelling stations. “The vehicles that will be deployed for the trial include 15 hydrogen fuel cell-based vehicles and 22 hydrogen internal combustion engine-



These pilot projects are part of the National Green Hydrogen Mission **RITIK JAIN**

based vehicles,” MNRE said. The vehicles will run on 10 routes across India. State-run entities such as NTPC, Agency for New and Renewable Energy Research and Technology (ANERT), Hindustan Petroleum Corporation (HPCL), Bharat Petroleum Corporation (BPCL) and Indian Petroleum Corporation (IoCL) are also part of the projects. **TO SCALE UP** The total financial support for selected projects will be around ₹208 crore from the

Centre. These pilot projects are likely to be commissioned in the next 18-24 months, paving the way for the scale-up of such technologies in India. The thrust area for providing support under the scheme is the development of commercially viable technologies for the utilisation of hydrogen in the transport sector as fuel in buses and trucks and supporting infrastructure like hydrogen refuelling stations. One of the objectives of the Mission is to support the deployment of green hydrogen as fuel in buses and trucks, in a phased manner on a pilot basis. These pilot projects can demonstrate safe and secure operations, assess effectiveness of hydrogen-based vehicles and refuelling stations. It will also aid in validating technical feasibility and performance, as well as evaluate their economic viability, leading to hydrogen-based vehicles and hydrogen refuelling stations under real-world operational conditions.

Paytm partners with RBL Bank for digital payment solutions

Anupama Ghosh
Mumbai

Paytm, India’s leading payments and financial services company, announced on Monday a strategic partnership with RBL Bank to provide its Soundbox and card machines to the bank’s merchant partners. Under this agreement, RBL Bank merchants will gain access to Paytm’s technology infrastructure, including real-time transac-

tion monitoring and instant settlement through the Paytm for Business dashboard. The solutions will support multiple methods including UPI, RuPay credit card on UPI, UPI Lite, debit and credit cards and EMI options. **AUDIO ALERTS** Paytm’s Soundbox devices provide instant audio confirmations for digital payments, with the NFC Card Soundbox enabling “Tap and

Pay” functionality for both domestic and international card transactions. The devices feature multilingual audio alerts in 11 languages. “Our goal is to simplify payments for merchants by providing cutting-edge solutions that enhance efficiency and trust,” said Ripunjai Gaur, CBO of Offline Payments at Paytm. Paytm continues to expand its payment ecosystem in several countries, including UAE, Singapore, France and Nepal.

Jupiter Electric Mobility unveils JEM Tez, its first small truck, priced ₹10.35 lakh

G Balachandrar
Indore

Marking its entry into the electric commercial vehicle segment, Jupiter Electric Mobility (JEM), the EV arm of the Jupiter Group, introduced its first electric small commercial vehicle (e-SCV), JEM Tez, at a starting ex-showroom price of ₹10.35 lakh. The launch coincided with the inauguration of its EV manufacturing facility in Pithampur, Indore, Madhya Pradesh. JEM Tez has been designed to serve last-mile logistics and urban freight transport. It features a true range of over 190 km, an 80 kW peak motor power and a certified payload capacity of 1.05 tonnes. Its fast-charging capability enables it to gain 100 km of range in just one hour using any CCS2 charger, offering an efficient and cost-effective solution for commercial fleet operators. For the Jupiter Group, venturing into electric com-



EV PUSH. Vivek Lohia, Managing Director, Jupiter Group, at the launch of the electric small truck JEM Tez in Indore

mercial vehicles marks a strategic expansion. “Launching a commercial vehicle is no small feat. While Jupiter already had a strong foundation in the sector — collaborating with leading OEMs — we sought to build a vehicle that complemented our existing infrastructure and created new synergies,” said Vivek Lohia, Managing Director, Jupiter Group, at the launch of the electric small truck in Indore. **PHASED PLANS** In the first phase, JEM plans to introduce the e-truck Tez in major cities, including

Bengaluru, Delhi, Hyderabad, Ahmedabad, Mumbai, Kolkata and Chennai. To ensure a robust EV ecosystem, the company is forging strategic partnerships with Porter, Pulse Energy, Battwheel, Tapfin and other industry players. These collaborations aim to strengthen charging infrastructure, provide financing solutions, and enhance after-sales support, ensuring a seamless experience for fleet operators and logistics companies. “We are aiming to achieve revenue of ₹100 crore in our first year of operations, with a projected year-on-year

growth of at least 2X,” said Lohia, highlighting the company’s ambitious growth targets. He further added, “This growth strategy includes expanding our product portfolio with new variants to meet evolving market demands. We have built an integrated ecosystem that ensures reliability, efficiency and sustainability for commercial fleet operators.” To support its expansion plans, Jupiter Electric Mobility has set up a dedicated EV manufacturing facility on a 2.5-acre site within its Pithampur (Indore) manufacturing complex. The plant, inaugurated on Monday, is equipped with an in-house skateboard platform to vehicle assembly unit, underscoring JEM’s commitment to indigenous EV manufacturing. The facility has an initial production capacity of 8,000-10,000 e-LCVs per year, with plans for phased expansion based on market demand. This correspondent is in Indore at the invitation of the company

India to become 2nd largest market for Zoho’s ManageEngine, with 30% growth in cloud solutions

Vallari Sanzgiri
Mumbai

India will become the second largest market for ManageEngine, a division of Zoho Corp, by the end of 2025, said Arun Kumar, Regional Director. During a media roundtable on Monday, he said that while the US was the primary market for the IT management solutions company, India would become the second-most important market, growing beyond the UK. “India was not even in the top 10 countries earlier but today we are number three in terms of primary market. By the end of this year or next

year, we’ll move to number two. We cut across close to 7,500 enterprises in India, across different industry verticals, BFSI, public sector, healthcare, education, IT and ITES, with major market revenue coming in from Mumbai, NCR, Bengaluru, Hyderabad and Tamil Nadu,” said Kumar. ManageEngine revenue contributes close to 10 per cent from the India market, said Kumar. The company noted a 30 per cent year-on-year growth in India with particular traction in terms of cloud solutions. The company estimated an over 60 per cent growth rate in the cloud vertical itself. Speaking to *businessline*,

Rajesh Ganesan, CEO of ManageEngine, Zoho Corp, said India could even become a number one market for the company in the B2B sector. He spoke about how many technological decisions and operations are run from India due to the talent available in the country. **TAILOR MANAGING** “ManageEngine solves problems for overall technology infrastructure management. One aspect of that is tailor-managing it for the Indian market and Indian public. We hope India will soon overtake the UK and become number 2. Overtaking the US market is still a while but we believe in coming few years, India

will become our number one market,” said Ganesan. Speaking about the India-specific plans, the company talked about launching its own homegrown LLM in India and plans of Indic-language LLMs, based on data collected by the company and in collaboration with the Indian Institute of Technology – Madras, Karya, among others. While the homegrown LLM is expected to be ready in 2025, the company could not provide a timeline for the Indic-language LLM. When asked, Ganesan estimated that they will focus on Hindi, Tamil and Telugu, based on the company’s primary market in the country.



QUICKLY.

Gold gains on weak US dollar, tariff concerns



Bengaluru: Gold prices firmed on Monday after hitting a more than three-week low in the previous session, supported by a weaker dollar and safe-haven buying triggered by concern over US President Donald Trump's tariff policies. Spot gold gained 0.3 per cent to \$2,868.54 an ounce by 0939 GMT. US gold futures rose 1 per cent to \$2,878.9. REUTERS

Copper pressured by threat of tariffs by US

London: Copper prices came under pressure on Monday from the threat of tariffs on US imports, but stronger industrial activity in China raised hopes of stronger demand. Benchmark copper on the London Metal Exchange (LME) was up 0.1 per cent at \$9,368 a metric ton by 1025 GMT. US is planning to add another 10 per cent tariff on Chinese goods on Tuesday. REUTERS

Cocoa tumbles after ICCO forecasts a surplus



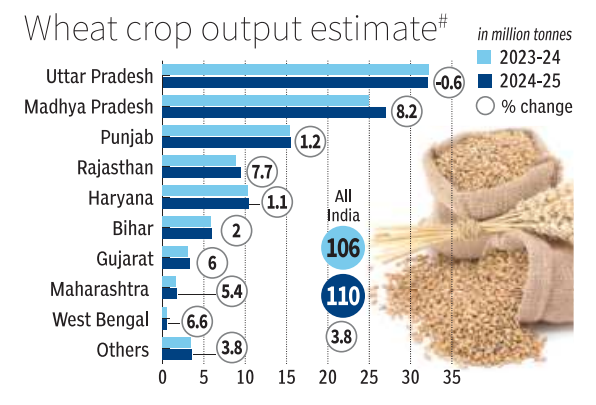
London: Cocoa futures traded on the ICE exchange tumbled on Monday after the International Cocoa Organisation (ICCO) forecast a surplus in the current 2024/25 season, while coffee futures headed back up. New York cocoa fell 6.1 per cent to \$8,569 a metric ton by 1443 GMT. Arabica coffee rose 1.6 per cent to \$3,7905 per lb, having lost 4.1 per cent last week. REUTERS

First survey pegs wheat crop at 110 mt

KEY DRIVERS. Record acreage, more climate-resilient varieties to push up foodgrain's output

Gayathri G
Panjim

Wheat production during the 2024-25 crop year (July-June) is expected to be 8.2 per cent higher, mainly on higher acreage and farmers opting to sow climate-resilient varieties, according to a survey presented at the Roller Flour Millers Federation of India (RFMFI) conclave in Goa today. Releasing the first estimate of the much-awaited wheat crop, Nalin Rawal of AgriWatch said his organisation was “cautiously optimistic” that production this year will likely be 109.85 million tonnes (mt) compared with its estimate of 105.79 mt last year.



The production estimate is significant as the trade has been speculating on the production, particularly with weather being warmer in February. In 2024, the Ministry of Agriculture pegged the wheat crop size at 113.29 mt. These projections, as of the third week of February, are in line with the RFMFI forecast of a 110 mt crop. RFMFI President Navneet

Chitlangia told a press conference at the two-day International Wheat Milling Conclave, ‘The Future of Milling — Vision 2030 and Beyond,’ being held here from Monday, that key wheat-growing areas have got rainfall under the influence of the Western disturbance.

NOT MUCH IMPACT Chitlangia said there was not much of an impact on the yield of wheat as farmers have cultivated “lots of climate-resilient varieties”. “Last year’s acreage was 312 lakh hectares (lh), this year, it is almost (record) 328 lh,” he said. According to AgriWatch, wheat yield is also higher by 2 per cent this year. However, it does not rule out problems

due to the hailstorm reported in Punjab, Haryana, Rajasthan and Uttar Pradesh last week. **PRODUCTION DECLINE** The survey said that with the area in Uttar Pradesh dropping by 0.4 per cent, its production is likely to decline by 0.6 per cent. However, at 32.05 mt, it is the top producer in the country. A 4.2 per cent rise in acreage in Madhya Pradesh has resulted in its production increasing by over 8 per cent, while Rajasthan, Gujarat and West Bengal will see significant rise in production.

The writer is at the conclave at the invitation of The Roller Flour Millers’ Federation of India

Roller flour mills body seeks wheat board



FOR THE FUTURE. International Wheat Milling Conclave, ‘The Future of Milling — Vision 2030 and Beyond’ is being held in Goa from Monday BLOOMBERG

Gayathri G
Panjim

The Roller Flour Millers’ Federation of India (RFMFI) has urged the Centre to set up a Wheat Board on the lines of the Spices Board and the Tea Board of India, to unlock the true potential of the industry.

Navneet Chitlangia, President, RFMFI, said in his inaugural address at The International Wheat Milling Conclave that a ‘Wheat Board’ should be set up for research, policy guidelines and market expansion. He also urged the government to come up with a stable wheat policy, opening up exports of wheat products and promotion of silo storage and modern supply chain infrastructure.

Seeking a reduction in GST on milling machinery to the earlier 5 per cent from the current rate of 18 per cent, Chitlangia said a cut in customs duty and GST on agri storage equipment infrastructure would boost the industry. “The current customs duty and 18 per cent GST on silo increases our project cost significantly,” he said. “A more open export policy would boost industry capacity and market reach. Bran remains under restricted exports. With no shortage of cattle feed, low bran realisation — constituting 25-30 per cent of total milling output — is a key

factor firing up the flour prices,” he said. On the demand for setting up a wheat board, he said it was to get a synchronised functioning and understanding of scientists, industry demand and growers. The federation Vice-President Rohit Khaitan sought export permission of wheat products without any advance authorisation.

KEY HURDLES Sachindra Kumar Patnaik, ED (North Zone), Food Corporation of India (FCI), said with changing dietary preferences, consumption of the rabi-grown cereal crop is growing at a faster clip and the industry should gear up to meet the demand by making use of modern technologies. Praveen Khandelwal, MP and Founder of Confederation of All India Traders, said rising input costs, outdated technology, policy fluctuations and inefficient supply chains are plaguing the industry. Urging the industry to adopt modernisation and upskilling workforce, he asked the industry to come out with a blueprint for setting up a Wheat Board and assured of support as “food security is the topmost priority under Viksit Bharat 2047”. The two-day conclave has delegates from Nepal, the US and Canada, and focuses on policy advocacy to embrace cutting-edge innovations and technologies to overcome the challenges faced by the industry

Rice procurement up 5% in Oct-Feb 2024-25

Our Bureau
New Delhi

Rice procurement across the country reached 45.84 million tonnes (mt) as of February 28, after the 2024-25 marketing season began on October 1. This is 5 per cent higher from 43.84 mt a year ago. However, considering that the kharif season’s rice production has been estimated at a record 119.93 mt this year, the current procurement has already crossed 38 per cent of output and more purchases may not be desirable for the government, experts said. According to the latest official data, rice procurement in Bihar, which ended on February 15, reached 2.63 mt against 2.06 mt a year ago. Other States where procurement ended in February included Uttar Pradesh at 3.86 mt, up 8 per cent from 3.58 mt a year ago and in Madhya

Pradesh it ended at 2.92 mt, higher from 2.82 mt a year ago. Rice procurement is scheduled to end this month in Tamil Nadu, Andhra Pradesh, Kerala, Maharashtra and Odisha.

OOZING CONFIDENCE In Chhattisgarh, where procurement ended on January 31, the Centre bought 7 mt against 7.4 mt a year ago. However, the Centre and State later on resolved the higher procurement issue and the final accepted quantity of purchases was reported at 8.3 mt last year. As the Food Corporation of India (FCI) needs about 41 mt rice annually to run all the government’s welfare schemes, the Centre was very confident of buying good amount of rice due to record output and had even fixed a target to buy 49.56 mt from kharif crop. Last week, the Centre also said the rice



RICE STORY. The government purchased a total of 52.54 mt of rice in 2023-24 from all kharif, rabi and zaid seasons

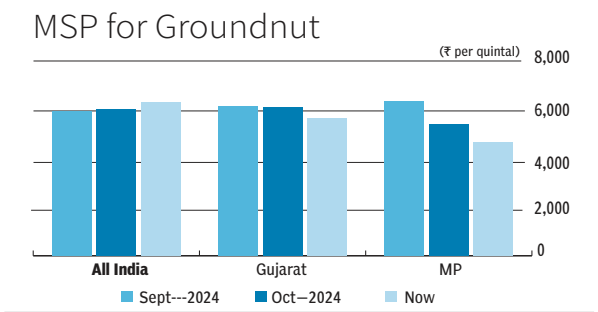
procurement target from Rabi crop has been estimated at 7 mt. The government had purchased a total of 52.54 mt of rice in 2023-24 from all kharif, rabi and zaid seasons. The Agriculture Ministry is yet to release the revised crop production estimates for the 2024-25 crop year (July-June) where rice production from both kharif and rabi seasons combined is an-

nounced. In 2023-24, rice production from Rabi season was 14.6 mt and from zaid season, it was 9.97 mt. **KEY TO FOOD SECURITY** Rice procurement is key to the government food security programme as it had substituted wheat in the public distribution programme in many states in 2024-25 when there was a drop in the procurement of wheat from tar-

Import duty hike in edible oils fails to spur domestic oilseeds prices

Our Bureau
New Delhi

The government will have to be cautious in further raising the import duty on edible oils after it was hiked in September last year as domestic prices of soyabean and groundnut have fallen from levels when duty-free import was allowed, experts said. The government on September 13, 2024, increased the import duty on cooking oils on the assumption that the step would help farmers get better prices for kharif oilseeds after the rates dropped below their minimum support prices. But, an analysis of average prices in agriculture market yards (*mandis*) show that soyabean prices have fallen



to ₹3,962/quintal now from ₹4,184/quintal in October 2024 in Madhya Pradesh and to ₹3,944/quintal now from ₹4,145/quintal in October 2024 in Maharashtra. The MSP of soyabean is ₹4,892/quintal. Average prices of groundnut have fallen to ₹5,186/quintal now from ₹5,601/quintal in October 2024 in Gujarat and to ₹4,275/quintal now from ₹4,964/quintal in October 2024 in Madhya Pradesh. The MSP of groundnut is fixed at ₹6,783/quintal.

THE PROCUREMENT The farmers’ resentment on below MSPs for their crops has also led to aggressive procurement by the Centre under MSP operation. Centre’s nodal agency co-

operative major Nafed has purchased 14.72 lakh tonnes (lt) of soyabean in the first five months of Kharif marketing season since it began from October 1. It included 8.37 lt from Maharashtra, 3.89 lt from Madhya Pradesh and nearly 99,000 tonnes from Rajasthan. The all India groundnut procurement stood at 13.77 lt, out of which 9.23 lt from Gujarat and 3.78 lt from Rajasthan have been bought at its MSP by Nafed. Though the edible oil industry has suggested to increase import duty on crude edible oils and refined oils with a duty difference of minimum 15 per cent between crude and refined variety, some experts questioned any rational to raise import duty further when in the first round of revision there is little impact.

Roots Foundation launches ‘Project Parali’ to tackle stubble burning

Subramani Ra Mancombu
Chennai

Roots Foundation, one of India’s leading non-governmental organisations, has launched “Project *Parali*” to tackle stubble burning, particularly in Haryana and has stopped the environmentally harmful practice on over 3 lakh hectares of land in the past 3 years. Ritwik Bahuguna, Co-founder, Roots Foundation, told *businessline* in an e-mail interaction that their objective is to counter stubble burning with women empowerment and employment, along with recycling of stubble to reduce the use of plastic. “In the next year, we aim to repurpose over 40,000



Ritwik Bahuguna, Co-founder, Roots Foundation

tonnes of *parali* (stubble), with 80 per cent of the generated income reinvested into local communities. What makes this initiative even more powerful is its leadership driven entirely by women,” he said. Stating that, perhaps, the foundation is the only organ-

isation tackling this problem holistically, he said it sensitises farmers on why they should not burn stubble. It demonstrates on timely evacuation of stubble from the fields, making equipment available to do this and helping them transport and sell their stubble to end-user industries. Roots has started training women from Haryana’s local communities in making household products through the stubble, which will eventually be sold in these communities as well as to governments. “Project Parali” is a movement and not another initiative, said Bahuguna. “We are not just building a business — we are shaping a future where both people and the planet thrive,” he said.

Established in 2012 with a vision to understand and fulfil the aspirations of the less privileged by conceptualising and implementing bottom-up interventions, Roots Foundation’s objective is to foster livelihoods and build a foundation for a more equitable and prosperous future for the country. **LARGEST VERTICAL** For the foundation, agriculture is the largest vertical and within it focuses on the natural resource conservation programme (NRCP) to promote sustainable agriculture practices, Bahuguna said. Since 2018, the organisation has helped improve the livelihoods of over 10 lakh farmers either through cost reduction or higher income.

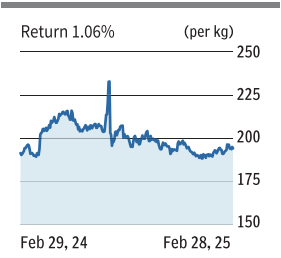
Lead futures: Buy at ₹180, book profits at ₹194

Akhil Nallamuthu
bl Research Bureau

Lead futures (continuous contract) fell to mark a low of ₹173.80 in early February. Nevertheless, the price action since early 2025 shows that the price has been going up gradually.

COMMODITY CALL.

Supporting the positive bias, the contract has seen a moving average cross-over i.e., the 20-day moving average has moved above the 50-day moving average, after lying below the former between June and December last year. Also, the long-term chart shows strong support at ₹175, which has been holding well since June 2021. Therefore, there is a good



chance that lead futures will rally from the current level. Since June 2021, the contract has remained within ₹175 and ₹196. So, a potential upside from the current level can lift lead futures to the upper boundary of ₹196. **TRADE STRATEGY** Traders can buy lead futures (March) at the current level of ₹180 and place a stop-loss at ₹172. When the contract rallies to ₹184, trail the stop-loss to ₹180. Book profits at ₹194.

CCI procures 94 l bales of cotton, prices below MSP

Vishwanath Kulkarni
Bengaluru

The procurement of cotton by the government agency has touched 94 lakh bales till now, even as prices continue to rule below the Minimum Support Price (MSP) levels due to weak demand. Lalit Kumar Gupta, managing director, Cotton Corporation of India (CCI) said the procurement at MSP has touched 94 lakh bales. “Procurement is still going on across all States. CCI field officials will be present in all the market yards till last arrivals,” Gupta said. Further, Gupta said CCI has not yet decided on when to sell the 2024-25 season crop. As per the data collated by trade body Cotton Association of India (CAI), the cumulative market arrivals for the 2024-25 crop season stood at over 216 lakh bales

of 170 kg each till March 1. CAI has recently lowered its crop estimate to 301.75 lakh bales of 170 kg each while first advance estimates has pegged the crop size at 299 lakh bales.

NO MOOD TO SELL “Market arrivals of raw cotton have reduced as farmers, who are left with 10-15 per cent crop, are in no mood to sell and holding back their produce. Raw cotton prices are ruling between ₹6,500 and ₹7,000 per quintal, below the MSP level of ₹7,121 (medium staple). The market for raw cotton and pressed bales is not good due to the weak demand. However, the cottonseed market is better as there is some improvement of ₹200-300 prices per quintal to ₹3,300-3,400 levels,” said Pradeep Jain, President, Khandesh Ginners Association. Atul Ganatra, President,



Cotton Association of India (CAI), said daily arrivals have dropped below 90,000 bales, of which 40,000-50,000 bales is being purchased by CCI. “Ginners are hardly getting 40,000-45,000 bales, but mills need 1 lakh bales a day. So mills have started increasing their purchases slightly and want to build up inventory at these rates. However, mills are not buying at higher price and sticking to their own price” Ganatra said. Further, Ganatra said the mills don’t want to go long

on inventories for more than a month. “Every mill wants to buy for one month and run the mill. They are having the confidence as CCI is having over 90 lakh bales” he said.

PRESSED PRICES While the perception is that the prices will stabilise once the arrivals slow down, but until and unless the ICE futures go up, Indian cotton prices will not go up, Ganatra said. The pressed cotton prices are hovering between ₹53,000-54,500 per candy depending on the quality, he said. Ramanuj Das Boob, a sourcing agent in Raichur said the current cotton scenario presents a unique set of challenges and opportunities. With good crop yields despite a 7 per cent less area, the market with stagnant prices between ₹52,500-54,000 remains uncertain, Boob said.

Orthodox tea sales up at Kochi on export demand

V Sajeew Kumar
Kochi

Active support from exporters led to increased sales for orthodox teas in the Kochi auction, witnessing strong demand. The sales percentage in Sale No. 9 was 95 of the offered quantity of 1,74,251 kg, with active support from Middle East buyers and CIS countries, the auctioneers Forbes, Ewart & Figgis said. The prices for whole leaf were steady to firm and sometimes dearer following quality, while higher-end broken were irregular and lower-end ones appreciated in value. Traders attributed the higher sales percentage in Kochi to winter holidays in North India, which facilitated buyers to purchase tea from South India. The

offered quantity in Kochi was also lower due to climatic conditions in the production centres, they said.

CTC DUSTS DOWN The demand for CTC leaf was only fair, with a sales percentage of 74 of the offered quantity of 35,500 kg. Kerala and upcountry buyers lent fair support, while demand from blenders was subdued. Despite strong demand, CTC dust prices were down, with the market for good liquoring teas tending lower by ₹1 to ₹2 and sometimes more. The decline was less for medium and plainer teas. The offered quantity was 6,68,124 kg, and all blenders together absorbed 64 per cent of the total CTC quantity sold. Fair enquiry was noticed from Kerala loose tea traders and upcountry buyers.

QUICKLY.

India, Belgium eye Indo-Pacific defence ties

New Delhi: India and Belgium on Monday discussed the possibility of bilateral maritime security co-operation in the Indo-Pacific and ways to enhance defence industrial ties. Ways to bolster India-Belgium defence engagement figured prominently at a meeting between Belgium's Princess Astrid and Defence Minister Rajnath Singh. Both countries also agreed to explore the setting up of an institutionalised defence cooperation mechanism. PTI

CUB-CSK co-branded credit card launched

Chennai: City Union Bank Ltd has partnered with Chennai Super Kings (CSK) to launch a co-branded credit card. The CUB-CSK credit card will be available in three variants — MasterCard, Platinum, and Signature. Powered by MasterCard and RuPay, the card promises global acceptance, top-notch security, and contactless payment options. OUR BUREAU

More women in non-metros tracking credit scores than in metros: NITI Aayog

GROWING AWARENESS. Over 27 million women are monitoring their credit scores, a 42% y-o-y growth

Our Bureau
New Delhi

A NITI Aayog report released on Monday highlighted that more women in India are seeking credit and actively monitoring their credit scores. The report stated that 27 million women were “monitoring” their credit, marking a 42 per cent year-over-year surge in women borrowers, which indicated a rise in financial awareness.

Published by TransUnion CIBIL, the Women Entrepreneurship Platform (WEP) of NITI Aayog and MicroSave Consulting (MSC), the report revealed that more women from non-metro regions are actively self-monitoring their credit compared to those in metro areas. In non-metro regions, the growth is 48 per cent, while it is 30 per cent in metro areas. Accordingly,



EMPOWERED. Since 2019, women's share in business loan origination has risen by 14% and share in gold loans by 6%

women's share of the total self-monitoring base rose to 19.43 per cent in December 2024, up from 17.89 per cent in 2023, the report stated.

WOMEN BORROWERS Since 2019, women's share in business loan origination has risen by 14 per cent and their share in gold loans has grown by 6 per cent, with women accounting for 35 per cent of

business borrowers by December 2024, the NITI Aayog's report stated.

Challenges such as credit aversion, poor banking experiences, barriers to credit readiness and issues with collateral and guarantors persist.

BVR Subrahmanyam, CEO of NITI Aayog, who unveiled the report, underlined the critical role of access to

finance in empowering women entrepreneurs. “The government recognises that access to finance is a fundamental enabler for women's entrepreneurship. The Women Entrepreneurship Platform (WEP) continues to work towards building an inclusive ecosystem that fosters financial literacy, access to credit, mentorship, and market linkages,” he stated.

EQUITABLE ACCESS Subrahmanyam, however, advocated that ensuring equitable financial access requires a collective effort.

The role of financial institutions in designing inclusive products tailored to women's needs, along with policy initiatives that address structural barriers, will be instrumental in accelerating this momentum, Subrahmanyam flagged.

To achieve this goal under the aegis of WEP, Financing

Women Collaborative (FWC) has been constituted. We seek more financial sector stakeholders to join FWC and contribute to this mission,” he remarked.

Anna Roy, Principal Economic Advisor, NITI Aayog and Mission Director WEP, said: “Promoting women's entrepreneurship could create employment opportunities for 150 to 170 million people while driving greater participation from women in the labour force.”

In 2024, Maharashtra, Tamil Nadu, Karnataka, Uttar Pradesh and Telangana accounted for 49 per cent of all self-monitoring women, with the southern region leading at 10.2 million. Northern and central States, including Rajasthan, Uttar Pradesh, and Madhya Pradesh, saw the highest compounded annual growth rates (CAGR) in active women borrowers over the past five years.

Congruent Solutions targets 45% revenue growth this fiscal

TE Raja Simhan
Chennai

After selling its technology services business to a Singapore firm in 2018, the Chennai-based Congruent Solutions Pvt Ltd has established itself as a niche Software-as-a-Service (SaaS) provider and an outsourced plan administration services provider for the US retirement industry.

With around 650 employees, mostly in Chennai, it is looking at 40-45 per cent revenue growth to around ₹145 crore this fiscal, said the company's Co-founder & CEO Balaraman Jayaraman.

After the rejig, the company signed its first contract in 2018. Subsequently, when

Covid struck, the company's revenue was around ₹40 crore, and it had 174 employees. However, growth has been good in the last couple of years at over 35 per cent.

There are 50 clients, he told *businessline*, without giving names of the clients due to non-disclosure agreements with them. Across the 50 clients, the average deal size could be \$350,000 to \$400,000 in terms of Annual Recurring Revenue, he said.

NICHE PLAYER

Congruent provides end-to-end retirement lifecycle solutions to large and mid-sized US plan providers, record keepers, and third-party administrators using its Cloud-native enterprise

Inorganic growth is part of the company's strategy and will be done using its own funds. We are profitable. We have our own cash reserves

BALARAMAN JAYARAMAN
Co-founder & CEO
Congruent Solutions



record-keeping suite of products called CORE. It also provides business process solutions focused on players that are transitioning to a business-process-as-a-

service model, he said. Demand for compliance testing in the US has been on the rise in the last three years, he added. Clients are looking for niche players like Congruent

to do the complex work. “We touch millions of participants (employees) through our platform. We serve our customers' customers' customers. In other words, we operate in the B2B2C space,” he said.

On inorganic growth, Jayaraman said it is part of the company's strategy and will be done using its own funds. “We are profitable. We have our own cash reserves. We can do small transactions using that,” he said.

SCALING UP

In May 2023, Sanaka Capital, a leading mid-market focused private equity fund, invested in Congruent Solutions. In October the same year, the Chennai-based

Catalinics Partners, a growth advisory firm, was roped in to accelerate growth and enhance value to its stakeholders. Congruent has a centre in Chennai.

Rajesh Ramaswamy, Partner at Catalinics, told *businessline*, “Unlike other horizontal SaaS providers in India such as Zoho and Freshworks, Congruent has built an industry-specific platform that lends itself to a business-process-as-a-service (BPaaS) or service-as-software model.

“With this robust foundation, we believe Congruent is well positioned to carve out an enviable brand in the industry-focused platform space, and scale with grace,” he said.

Defence Secretary submits report, lists measures to enhance IAF capability

Dalip Singh
New Delhi



Defence Secretary Rajesh Kumar Singh PTI

The Empowered Committee for Capability Enhancement of the Indian Air Force (IAF), headed by Defence Secretary Rajesh Kumar Singh, in its report presented to Defence Minister Rajnath Singh on Monday has suggested short, medium and long-term measures to achieve the desired capability enhancement goals of IAF in an optimal manner.

Rajnath Singh constituted the empowered committee following concerns being raised on acquisition timelines, including by Air Chief Marshal AP Singh, who has on multiple occasions openly voiced his concerns on severe capacity deficiency at a time when the country faces two hostile neighbours.

On February 27, the Chief

of the Air Staff stated that the force needs 35-40 jets each year to overcome the shortage in fighter aircraft fleet strength, which will continue with the phasing out of ageing Mirages, MiG-29s and Jaguars.

Earlier, he had criticised the Hindustan Aeronautics Limited (HAL) for delays in the supply of Light Combat

Aircraft Tejas Mk-1A to the IAF and said that he had no confidence in the Maharatna state-owned company.

AEROSPACE PUSH

The Ministry of Defence said the report also underscores the need for impetus to enhance ‘Aatmanirbharta’ in the aerospace domain with the

private sector complementing the effort of DPSUs and DRDO, hinting that private players may be roped to help HAL in the production of LCA Tejas Mk-1A and subsequent fighters in the assembly line.

The Defence Minister said the MoD, in its media statement, appreciated the work of the Committee and directed that the recommendations have to be followed up in a time-bound manner.

The Committee was directed to holistically examine all issues and prepare a clear plan of action.

It was chaired by the Defence Secretary with the Vice Chief of Air Staff, Secretary (Defence Production), Secretary, Department of Defence R&D and Chairman DRDO, DG Acquisition as members and Deputy Chief of the Air Staff as Member Secretary.

J&K Budget session starts, first in 7 years; L-G Sinha highlights economic growth

Gulzar Bhat
Srinagar



Lieutenant Governor Manoj Sinha addressing J&K Legislative Assembly in Jammu on Monday SPECIAL ARRANGEMENT

The Budget session of the Jammu and Kashmir Assembly commenced on Monday, with Lieutenant Governor Manoj Sinha addressing the House.

It marks the first Budget session in seven years as the region had been without an elected government since 2018.

A day earlier, there was a flurry of meetings with both the ruling and opposition parties gearing to navigate crucial legislative discussions and assert their position.

The session is expected to witness heated debates as some vital Bills, such as the Jammu and Kashmir Prohibition of Alcohol, Regularization & Recognition of Property Rights of Residents in Public Land Bill are set to be

tabled. LG Sinha, in his address, said that the economy of Jammu and Kashmir had witnessed a significant growth in recent years. “Key indicators like rising GSPD, infrastructural advancements and improved social economic indices reflected this growth,” Sinha said.

He, however, said that challenges like rising unemployment, regional disparities and sustainable development needed to be addressed. Sinha said that

IIM Calcutta achieves 100% placement for MBAs

Our Bureau
Kolkata

IIM Calcutta on Monday said its flagship MBA programme has recorded 100 per cent placements despite tough market conditions, with 456 students participating in the process securing 538 offers.

Concluded on February 21, the final placements for the 60th batch of the MBA programme witnessed 196 companies rolling out 538 offers for the students.

CONSULTING DOMINATES The consulting sector was at the top with 201 offers (37.3 per cent) being made, IIMC said in a statement.

Boston Consulting Group (BCG) emerged as the top recruiter in the management consulting cohort while Accenture Strategy emerged as the top recruiter in the strategy consulting cohort.

Other consulting firms that participated were McKinsey, Kearney, Alvarez & Marsal, Arthur D Little, Auctus Advisors, EY-Parthenon, Monitor Deloitte, TCS, KPMG, PwC, and Vector Consulting, amongst others. American Express emerged as the top recruiter in the payments and card cohort, followed by Mastercard.

IIMC continued to attract marquee finance firms justifying its domain leadership.

FINANCIAL SERVICES

As many as 114 offers were made in the areas of private equity, venture capital, investment banking, markets, asset and wealth management which saw participation from firms like Goldman Sachs, Bank of America, Citi, Barclays, UBS, HSBC, BNP Paribas, Aventus, Moelis, Elevation Capital, DE Shaw, Claypond Capital, Standard Chartered, Arga Investment Management, Neo Asset & Wealth Management, Kotak Mahindra

The consulting sector was at the top with 201 offers (37.3%). Boston Consulting Group was the top recruiter in the management consulting cohort

Capital, Kotak Alternate Asset, Ambit, Prime Ventures, Edelweiss, Ebullient Securities, EY IB, and DC Advisory, amongst others.

Both new and legacy firms participated in the process.

TECH, MARKETING

The technology sector witnessed participation from firms like Google, Microsoft, Navi, Infosys Global, HiLabs, ThoughtSpot, Ola, Browserstack, UKG, Optum, ITC Infotech, EXL, and HCL. These firms extended 78 offers (14.5 per cent).

As many as 145 offers (27 per cent) were made primarily in marketing and general management domain by firms like Tata Administrative Services, Aditya Birla Group, GMR, RPSG, Zomato, Vedanta, RPG, Adani, Puma, Coca-Cola, Dabur, Airtel and Mankind Pharma, among others.

NEW RECRUITERS

“The placement season also saw participation from many new recruiters like DBS Bank, Welspun, Nykaa, Clear, Lava International, Juspay, Modelama Exports, Waaree Group, Fashion Accessories, Policybazaar, to name a few,” the business school said in the statement.

“This year saw many new trends and a greater interest in the pre-placement offers. Several global firms participated as first time recruiters reinforcing the trust in the talent pool at the MBA programme,” it added.

Delta Electronics India confident of 30% growth in EV business with new launches

Aishwarya Kumar
Bengaluru



Niranjan Nayak, MD, Delta Electronics India

The Indian-arm of Taiwanese Delta Electronics is confident its EV business will match or surpass its current revenue share by 2030. Though EV currently contributes only a small portion of the company's revenue, it is projected to grow at 30 per cent year-on-year (y-o-y), driven by new product launches like the 240kW DC Fast EV Charger, says Niranjan Nayak, Managing Director of Delta Electronics India.

In the near term, the company anticipates higher revenue contributions from data centres and industrial automation, but EV is set to be a major growth driver. “Our initial focus is on two-,

three-, and four-wheelers, covering both onboard and offboard solutions. Gradually, we plan to expand into e-buses and e-bikes,” Nayak says.

Currently, Delta Electronics India contributes around 5 per cent to the company's overall global revenue, a figure Nayak projects will grow

to 10 per cent in the next five years.

LOCALISATION

On the localisation front, Delta Electronics has localised 60-65 per cent. “More than 60-65 per cent of what we sell in India is manufactured locally,” Nayak notes. The company has a significant production facility in Krishnagiri, which was established two-three years ago, along with additional factories in Rudrapur (for telecom and UPS) and Delhi (for display solutions).

“We have been able to localise several components, except for semiconductors and a few critical parts. India currently lacks the infrastructure for these, but we are working with partners to bridge this gap,” Nayak says. Delta Electronics collabor-

ates with local vendors and also brings in overseas suppliers, encouraging them to invest in India.

The company has invested \$500 million in its operations, with a significant portion allocated to infrastructure, including land, test equipment, and factory expansion. “Building a fully equipped factory requires heavy investments, including SMT lines, which are quite expensive,” Nayak explains.

R&D FOCUS

Beyond infrastructure, Delta Electronics is also heavily investing in research and development (R&D). “The second-largest investment is in building labs, followed by hiring skilled manpower for R&D and other functions,” Nayak adds.

Union Bank of India holds outreach for MSMEs

Our Bureau
Bengaluru

Union Bank of India held an outreach Camp for Micro, Small, and Medium Enterprises in Hoskote on Monday.

The Mega MSME Outreach campaign was aimed to promote entrepreneurship, spread awareness of government schemes, provide support to Micro, Small and Medium Enterprises fostering economic growth in the region.

During the Camp, the Bank sanctioned collateral free loans, MSME loans to women entrepreneurs/beneficiaries (Union Nari Shakti), SHGs along with other government-sponsored schemes such as PMMY, PM Vishwakarma, PMJDY and Jeevan Jyoti Bima Yojana and opened retail CASA deposits.

Som Distilleries and Breweries to invest ₹600 crore in UP greenfield project

Our Bureau
Bengaluru

Som Distilleries and Breweries Ltd has announced its subsidiary, Woodpecker Greenagri Nutrients Pvt Ltd, is setting up a greenfield project in Khimsepur, Uttar Pradesh. The ₹600-crore project will include a brewery, distillery, and other manufacturing facilities.

The Uttar Pradesh State Industrial Development Authority has allotted 40 acres for the project. The company will commence construction soon after receiving regulatory approval from the State government.

STRATEGIC GROWTH

Commenting on this milestone, JK Arora, Chairman of Som Group, said: “This greenfield project marks a significant

The Uttar Pradesh State Industrial Development Authority has allotted 40 acres for the project

ant step in our expansion strategy. The State's favourable business environment and immense market potential makes it an ideal location for our new facility. We are committed to delivering high-quality products while contributing to local economic growth and employment generation. This investment reflects our confidence in the future of the Indian beverage industry and reinforces our commitment to being a key player in this dynamic sector.” Som Distilleries and Brewer-

ies Ltd is a leading manufacturer of alcoholic beverages in India. The company has a strong presence across multiple States and continues to expand its footprint with cutting-edge production facilities and high-quality offerings. The company currently operates three breweries across Karnataka, Madhya Pradesh, and Odisha.

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thehindubusinessline.

QUICKLY.

Glenmark Pharma buys Acetylcysteine injection



Mumbai: Glenmark Pharmaceuticals Inc, USA, announced the acquisition and launch of Acetylcysteine Injection, 6 gm/30 mL (200 mg/mL) single-dose vials in the US market. The company acquired the Abbreviated New Drug Application (ANDA) for the product from Aspen Pharma USA Inc. **OUR BUREAU**

Alexis Ohanian to advise McCourt on bid for TikTok

Frank McCourt announced on Monday that Alexis Ohanian, the co-founder of Reddit and a venture capitalist, has joined his bid to acquire TikTok's US operations as a strategic adviser specialising in social media. Ohanian was an internet pioneer who founded Reddit with his room mate from the University of Virginia. **REUTERS**

Tech Mahindra wins licensing agreement



Mumbai: Tech Mahindra has secured the first licensing agreement for a leading prepaid wireless provider Cricket Wireless's Point of Sale (POS) system "Aktivate." The company is wholly-owned by AT&T and offers affordable, no-annual-contract mobile services in the US on the 5G network. **OUR BUREAU**

As losses mount, Ola Electric lays off over 1,200 employees

LETTING GO. This is the second round of job cuts after 500 were laid off last November

Aishwarya Kumar
Bengaluru

Amid mounting losses, EV player Ola Electric has trimmed its workforce by 1,200-1,300 in a second round of layoffs. The company let go of 500 employees in November 2024.

Explaining the layoffs, a company source who wished to remain anonymous said, "The layoffs are more of an optimisation. In December, we opened 3,200 new stores, which meant adding a lot more people. At the same time, we optimised where necessary, if an asset or workforce was no longer needed, we had to let them go. It's an ongoing, cyclical process where we hire more people while also letting go of some."

In Q3 FY25, Ola reported a 50 per cent increase in losses, reaching ₹564 crore.



WORK IN PROGRESS. Layoffs are an ongoing, cyclical process where we hire more people while also letting go of some, a company official said

This follows an improvement in Q2FY25, when the company reduced its losses by 5 per cent year-on-year (y-o-y) to ₹495 crore.

As of March 2024, the company had around 4,000 employees, including con-

tract workers. According to Bloomberg, the layoffs will impact both employees and contract workers.

Earlier, in November, *businessline* had reported that Ola Electric was undergoing a restructuring exercise that

led to 500 job cuts as part of an effort to reduce redundancy, improve margins and drive long-term profitability. The restructuring affected employees across various departments.

NOT THE FIRST TIME

The EV player had conducted similar exercises previously in July 2022 and later in September 2022.

In July 2022, the company laid off approximately 1,000 employees and shut down three business verticals — used cars, cloud kitchens and grocery delivery.

The organisation attributed the restructuring to its commitment to focus on the EV segment.

In September 2022, the company conducted a second round of layoffs. Shares of the company closed at ₹55.18 on the BSE, down 2.94 per cent, hitting a 52-week low.

Adani Green refinances \$1.06-b construction unit

Our Bureau
Mumbai

Adani Green Energy Ltd (AGEL) announced that it has refinanced its \$1.06 billion maiden construction facility with long-term financing.

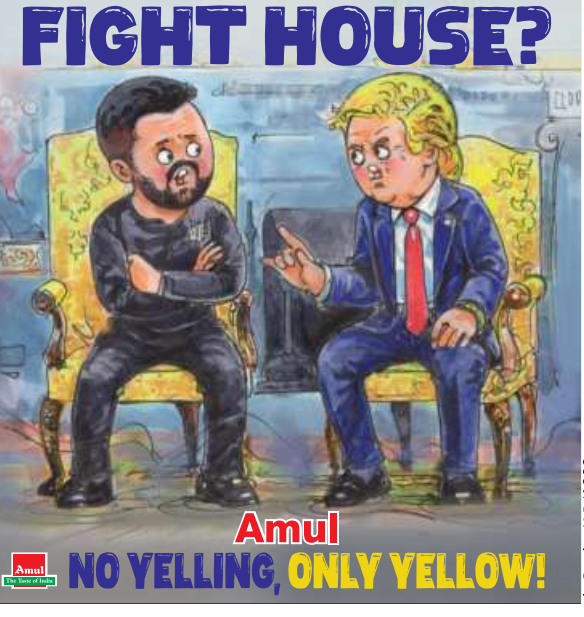
The facility, originally secured in 2021, was used to develop India's largest solar-wind hybrid renewable cluster in Rajasthan.

DEBT STRUCTURE

The refinancing arrangement features a 19-year door-to-door tenor with a fully amortised debt structure designed to match the underlying asset life cycle.

Three domestic rating agencies — ICRA, India Ratings and CareEdge Ratings — have assigned an AA+/Stable rating to the facility.

This refinancing completes AGEL's capital management programme for the underlying asset portfolio, which aims to secure long-term facilities aligned with the portfolio's cash flow lifecycle.



NITES seeks Centre's intervention in Infosys firing apprentices, flouting norms

Our Bureau
Bengaluru

IT labour union NITES has sought the intervention of Education Minister Dharmendra Pradhan and Minister of Skill Development and Entrepreneurship Jayant Chaudhary in the sacking of freshers by Infosys.

Harpreet Singh Saluja, President of NITES, alleged that Infosys had engaged the fresh graduates under the National Apprenticeship Training Scheme (NATS) in October 2024, entering into legally binding contracts.

LEGAL PROCEDURES

However, in violation of The Apprentices Act, 1961, and The Apprenticeship Rules, 1992, Infosys "forcibly terminated" these apprentices without following the required legal procedures.

As per the Apprenticeship Rules, 1992, an employer terminating an apprenticeship contract prematurely must

pay the apprentice three-months' stipend, a legal obligation, he said, which Infosys had failed to fulfill.

NOD FOR TERMINATION

The law also requires that any termination be approved by the Apprenticeship Adviser, with an opportunity given to the apprentice to present their case.

He observed that the first six months of apprenticeship constitute a probationary period, during which either party must formally apply for early termination with due notice.

GOVT INQUIRY

He said that NITES had sought an urgent government inquiry into Infosys' alleged unlawful terminations, an immediate reinstatement of all affected apprentices with payment of pending stipend, strict legal action and penalties against Infosys for violating the Apprentices Act, 1961, and the Apprenticeship Rules, 1992.

Visa applications grow 11% in 2024, surpassing pre-Covid level: VFS Global

Our Bureau
Mumbai

Visa services provider VFS Global saw a 11 per cent year-on-year growth in applications in 2024, with the numbers exceeding the pre-pandemic level by 4 per cent.

In 2023, visa applications had recovered to 90 per cent of the pre-pandemic level.

"India continues to show a strong demand for international travel and it is clear that this robust momentum will persist in 2025," said Yummi Talwar, Chief Operating Officer, South Asia, VFS Global. VFS manages the application process for 52 countries in India and these cover business, leisure, student and work visa categories.



MAKING IT EASY. To ease the process for applicants, governments are expanding visa collection centres and using new technologies to streamline the same

Popular destinations for Indian travellers in 2024 included Canada, China, France, Germany, Italy, Japan, the Netherlands, Switzerland, Saudi Arabia, US and the UK, VFS said.

India was the top recipient of UK visas for visit, study and work for the year ending June 2024. The US issued a

million non-immigrant visas in India for the second year in a row in 2024. To ease the process for applicants, governments are expanding visa collection centres and using new technologies to streamline the process. This includes a new generative AI chatbot developed by VFS Global to enhance customer

support for travellers to the UK. "We are developing a range of AI and digital technology-driven products to drive the next transformation in visa and consular services for our client governments and customers," said Zubin Karkaria, Founder and CEO, VFS Global.

PREMIUM SERVICE

VFS Global said it is also witnessing an increase in optional value-added services, such as visa at the doorstep.

This premium service allows applicants to complete their visa process, including biometric enrolment, from their preferred location. In 2024, visa at your doorstep bookings in India saw a more than six-fold increase compared to 2019 and a 21 per cent growth over 2023.

Oberoi, Ladhani groups in pact to develop 2 resorts in Rishikesh

Our Bureau
Mumbai

The Oberoi Group announced plans to develop two resorts in Rishikesh in partnership with The Ladhani Group on Monday. The expansion includes an 80-key luxury Oberoi-branded resort with the "vilas" designation and a 120-key five-star Trident-branded hotel.

Both properties will be situated on a 60-acre site bordered by the Ganges on three sides. The Ladhani Group's entities — Devprayag Ganges Resorts Pvt Ltd and Jamuna Hotel Enterprises Pvt Ltd — will own and develop the properties, with renowned architect Bill Bensley handling the design.

DGCA to inspect Noida airport for readiness to start commercial operations

Rohit Vaid
New Delhi

India's civil aviation regulator will inspect the Noida International Airport (NIA) to ascertain its readiness for the grant of clearance to commence commercial flight operations, sources told *businessline*.

The inspection will include reviewing the airport's infrastructure and established procedures.

The airport is expected to handle 5-6 million passengers in its first year of commercial operations from April.

"Generally, it takes 90 days for the Directorate General of Civil Aviation (DGCA) to process the aerodrome application for licensing and the process is going

on," sources told *businessline*.

"However, the final date will depend on factors, including DGCA and BCAS (Bureau of Civil Aviation Security) approvals," they said.

Apart from approvals, the airport needs to publish the Aeronautical Information Publication (AIP).

MANUAL FOR CREW

In technical parlance, AIP is a manual for pilots and aircrew detailing regulations, procedures and information regarding navigation and airspace that are required for operating from a given airport.

Besides, a period of 70 days is given for its dissemination, only after which airlines are able to book slots at the airport and announce their flight schedules, lead-

ing to ticket bookings.

Further, a BCAS inspection is required for anti-sabotage checks and inspection of the required apparatus for anti-hijacking and bomb squad operations.

"No clear timelines can be given before the inspections and checks are conducted; however, we believe that operations might commence anytime between April and May," sources said.

The airport has once before missed its completion deadline scheduled at the end of 2024 due to sourcing constraints of materials like structural steel.

Airline major IndiGo is expected to be the first passenger carrier to start services from the airport.

The airline had entered into an agreement with the NIA.

From conversation to action, AI agents go beyond chatbots: IBM

bl.interview

Sanjana B
Bengaluru

In the rapidly evolving AI landscape, organisations are exploring the next frontier — Agentic AI. Ritika Gunnar, General Manager of Data & AI at IBM, discusses how IBM is leveraging AI agents internally, how Agentic AI differs from Generative AI, and the impact of the autonomy AI agents bring.

Edited excerpts:

How is IBM leveraging agentic AI? How is this different from Generative AI?

I'd like to start with what we're seeing in the market from an AI perspective and then transition into why agents will be fundamental to the future. At the core, Large Language Models (LLMs) today serve as the foundation for agents. In the market, almost all organisations have GenAI projects of some sort, but only a few are scaling them. Three issues

act as barriers in the journey from proof of concept (POC) to production. Number one is cost because using models, especially LLM, has an associated cost. And what you do in a POC doesn't necessarily translate into the same cost structure when operating in production.

The second area is complexity, which comes from multiple areas — customising data and taking an LLM that may know public data but not your data to drive the right outcomes, and responsible AI components of trust, transparency and robustness. There's complexity because the AI system is not deterministic, so understanding how that AI works is required as it goes into essential systems.

The third is expertise, which comes from building these AI systems and application to a particular problem. Domain expertise becomes a big part of it because AI will not do the transformation by itself, but act as an ingredient.

Everybody is building agents and with different

frameworks. You should be able to incorporate and build these agents to do autonomous work.

We are using our agent technologies at the intersection of AI agents and traditional automation, combining agentic AI and automation to drive process efficiencies and boost productivity in organisations. And so, we've introduced some areas where we're driving a lot of efficiency.

Some are automation and collaboration, including multi-agent collaboration. Agents are being used to enable conversational AI that goes beyond assistants that can do autonomous work at the backend.

For agents to work, the foundation is a good model that knows how to reason and that you can iterate on with your data to have the right outcomes.

We fundamentally believe much value will be captured in driving domain-specific agents, those pre-built for specific tasks. Within our portfolio, we have an agent in the HR space, which can be



GenAI uses an LLM trained on public data that may be customised. The foundation of what you're using in an LLM or an SLM is the building block for agents

RITIKA GUNNAR
General Manager of Data & AI at IBM

used to accelerate employee onboarding, candidate screening and employee engagement.

We are also driving these domain-specific work in procurement and sales. Another thing is multi-agent orchestration to have one interaction paradigm across a number of agents.

What is the difference between the power GenAI brought and what AI agents might bring?



GenAI uses an LLM trained on public data that may be customised. The foundation of what you're using in an LLM or an SLM is the building block for agents.

You can use an agent to plan a series of steps. For example, to build a piece of code, I may plan the steps to design it.

Then, I may reflect. The reflection may use that same model to critique my code. With the LLM, you're doing a zero-shot, which is just writing the code. Now

with the agent, you're taking an iterative approach to planning how to write the code, execute and potentially use that same model to critique that code, debug it and rewrite it. This iterative nature gets you better accuracy than in zero-shot learning.

The difference is you're autonomously acting with agents. I'm not telling the agent every time to execute something. The agent is doing that iteration. So, the outcomes can be more accurate.

Is agentic AI more independent of human intervention as opposed to GenAI?

By definition, AI agents can do autonomous actions. However, in many use cases where you may have had assistance before, you still can have an engaging experience.

In a conversational agent experience, you are still augmenting the human but using agentic technology. For employee engagement, you can still have, instead of an

assistant, agentic technologies underneath that enable a conversational agent-style experience. You can also have these agents operate autonomously.

The biggest fear of AI is job displacement. If AI agents are so autonomous, where would human intervention be required?

When we look at how Gen AI or agentic technologies are being used, it does mean teams need to understand how to utilise AI.

It is about enabling and skilling our engineering teams to use the technology right. Internally in IBM, all our engineers, and even employees in different functions, use and are skilled in GenAI.

For example, sales agents. A seller's role involves understanding and researching their organisation's sales plays, then using research tools — potentially including web-based tools — to collect insights on target accounts. From there, they identify key

contacts within those accounts and use that information for prospecting. Finally, they apply these insights to manage opportunities and advance deals through the sales pipeline.

When you're using agentic technologies, it's also a case of a conversational interface where we're assisting the user, and it's a much more engaging and productive experience for the seller where they're probably going from opportunity identification to management in much less time with a lot more depth than earlier.

In what sectors do you think AI agents would be useful?

Every sector. There is not one industry agents will not apply to.

Agentic technologies are being used in customer care and customer experience that are forward-facing but also in back-office-facing ones.

This includes sales, procurement and HR. You can think about supply chain, manufacturing and finance.

