CHENNAI - FRIDAY - MAY 2, 2025

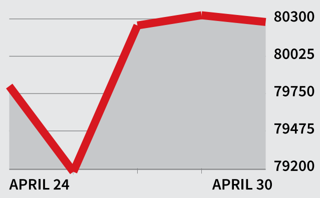
₹10 • Pages 10 • Volume 32 • Number 121

www.businessline.in

businessline   thehindubusinessline

the hindu businessline.

SENSEX 80242.24 (+125.75)



IN FOCUS

	Week's close	Week's change
Nifty 50	24334.20	+5.25
P/E Ratio (Sensex)	22.36	+0.03
US Dollar (in ₹)	84.48	-0.94
Gold Std 10 gm (in ₹)	93983.00	-1717
Silver 1 kg (in ₹)	94114.00	-2499

GROWTH VISION. **Axis Bank is** 'not interested' in being the third-largest private bank and wants to rank up further, says MD & CEO Amitabh Chaudhry **p6**

AUTO SALES. **Hyundai slips** to fourth spot in April; M&M, Tata Motors outperform amid weak market sentiment **p2**

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

Regd. TN/ARD/14/2012-2014, RNI No. 55320/94

Rajiv Anand frontrunner for IndusInd Bank CEO role

ACCOUNTING ROW. On April 29, Kathpalia resigned from the post of CEO, IndusInd Bank

Piyush Shukla
Mumbai

Private sector lender IndusInd Bank may tap Axis Bank Deputy MD Rajiv Anand for the role of MD and CEO after Sumant Kathpalia resigned from the post, taking moral responsibility for the discrepancies found in the lender's derivatives portfolio, according to sources.

"Obviously, Rajiv would be one of the candidates. Whether he wants (to be the CEO) is up to his discretion. The size of IndusInd Bank, its brand, is very different from Axis. He came from a mutual fund background, he is a CA, and handled retail, wholesale segments and understands treasury quite well," a source said.

Last month, Axis Bank informed exchanges that Anand will be retiring from his post, effective August 3 this year. Post his retirement, he will continue to be the Non-Executive Chairperson of Axis Max Life Insurance, the lender said. After the announcement of his retirement, Anand posted on X, "What an amazing run it's been! Am ever grateful for the opportunities I got over the years! Now let's see what the future holds!"

"In case of RBL Bank, Bandhan Bank and Yes Bank, the market was expecting a public sector banker to be appointed as chief. Things at IndusInd Bank are quite different. There is no fraud; it was an accounting issue," said another source.

SUCCESSION WATCH

- Rajiv Anand is serving as Axis Bank Deputy Managing Director and is set to retire in August
- Pralay Mondal, Anup Bagchi and Rahul Shukla are also likely to be approached for the IndusInd Bank top job
- Discrepancies found in IndusInd Bank's derivative portfolio could have an impact of around ₹2,000 crore on the bank's balance sheet

Rajiv Anand
Deputy MD, Axis Bank

RETAIL FOCUS

"This bank needs someone with retail experience due to higher exposure towards vehicle finance and micro loans. While there are media reports floating around, including CSB Bank chief Pralay Mondal, Shanti Ekambaram from Kotak Mahindra Bank and Anup Bagchi from ICICI Prudential Life Insurance, Rajiv appears to be the most suited candidate for this job," they said.

Emails to IndusInd Bank, Axis Bank, CSB Bank, Kotak Mahindra Bank and ICICI Prudential Life Insurance did not elicit any formal response till press time.

Another senior official at a private bank said there have been talks around Anand being the preferred candidate for IndusInd Bank top job for some period now.

On April 29, Kathpalia resigned from the position of IndusInd Bank CEO with immediate effect.

"I wish to submit my resignation from the services of the bank in relation to the ongoing derivatives discussion. I undertake moral responsibility, given the various acts of commission/omission that have been brought to my notice," he said in his letter to the board of directors.

His resignation came a day after the bank's deputy CEO and ED, Arun Khurana, resigned from the bank, as he had oversight on the bank's internal derivatives trade, where discrepancies were found.

Subsequently, the bank received the Reserve Bank of India's approval for appointing a committee of executives to dispense the bank CEO's duties till a new CEO is appointed.

Discrepancies found in IndusInd Bank's derivative portfolio could have an impact of around ₹2,000 crore on the bank's balance sheet.

Cognizant to hire 20,000 freshers this year

Our Bureau
Chennai

Cognizant Technology Solutions will recruit 20,000 freshers this year, as employee utilisation rose to 85 per cent in the March quarter, up from 83 per cent a year ago.

With the onboarding of freshers, the utilisation will reduce in the next couple of quarters, the company's Chief Financial Officer, Jatin Dalal, told India-based newspersons.

The company ended the March quarter with 336,300 employees, with over 85 per cent of them based in India.

Earlier, speaking to US-based analysts, Cognizant's CEO S Ravi Kumar said, employee utilisation increasing to 85 per cent was a huge lift.

"When you do good fulfilment, you also need to build capacity for the future. This year, we are going to hire a lot more freshers because we want to size a pyramid.

"When you get managed services work, the fixed price work over the last two years has gone up. So, we can actually start a pyramid. But it also comes equally with the overhead of carrying a higher bench at a lower cost and actually offshore," he said.

Read more on p3

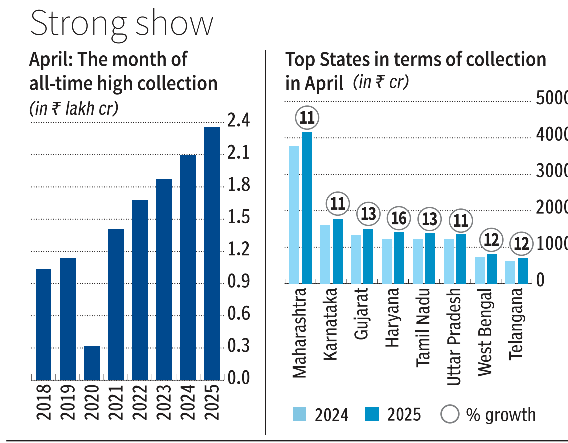
April GST mop-up surges to a record ₹2.36 lakh crore amid robust growth

Shishir Sinha
New Delhi

Boosted by year-end business, collections from Goods & Services Tax (GST) surged to an all-time high of over ₹2.36 lakh crore in April, the Finance Ministry reported on Thursday. The previous high was ₹2.10 lakh crore in April last year. The year-on-year growth stands at 12.6 per cent.

Significantly, the growth in collections from domestic sources stood at 10.7 per cent, while the growth from import-based sources was a robust 20.8 per cent.

Strong show



Source: GST Portal, PIB

REFUND DYNAMICS

Refunds of export GST surged by over 86 per cent, while the growth in domestic refunds exceeded 22 per cent. While the uptick in refunds impacted net collections, it was still over ₹2 lakh crore and close to gross collections in April last year.

According to MS Mani, Partner at Deloitte India, the upward trend in refunds during the past few months has continued this month, indicating that the online refund processes have now achieved a good degree of stability.

"It is interesting to note that there are now more than five States, including Uttar Pradesh, Gujarat, Maharashtra, Karnataka and Tamil Nadu, each with 10 lakh GST registrations, out of the overall 150 lakh registrations across India. These States also account for the bulk of GST collections, although the State with the largest number of registrations is Uttar Pradesh while the State with the highest revenues is Maharashtra," he said.

Vivek Jalan, Partner, Tax Collect, observed stark variation between the growth of GST revenues of the Central and the State jurisdictions.

In Tamil Nadu, the growth in GST revenue of the Central formulations is 9.3 per cent while that of State formulation is 17 per cent. "This aspect may be looked into by the State CGST and SGST authorities," he said.

Saurabh Agarwal, Tax Partner, EY India, said that though some moderation is expected in May, that would not impact the fundamentals of the economy.

"While a potential moderation in absolute GST collections is anticipated next month due to the current global economic climate, the overall outlook for the economy remains optimistic. This positive sentiment is likely to be fuelled by emerging manufacturing opportunities as businesses seek to establish alternative supply chains globally to mitigate future tariff-related disruptions," he said.

CHENNAI
businessline.
FRIDAY - MAY 2 - 2025

QUICKLY.

Nuvoco clocks 85% dip in profit for FY25

Ahmedabad: A dip in revenues from sale of cement and ready-mix concrete saw Nuvoco Vistas Corporation, the cement arm of Karsanbhai Patel-led Nirma, clock a 85 per cent decline in consolidated net profit for FY25. OUR BUREAU

Sanjay Khanna takes over as BPCL CMD

New Delhi: State-run Bharat Petroleum Corporation (BPCL) said on Thursday that its Director (Marketing) Sanjay Khanna has assumed the additional charge of Chairman and Managing Director. He has over three decades of experience in refinery operations and technical services. OUR BUREAU

Cognizant Q1 net rises 21% on all-round growth; revenue up 8%

PROFIT DRIVER. Realisation of $62 million from an office complex sale in India

Our Bureau
Chennai

Cognizant Technology Solutions, a US-based technology company with a large presence in India, reported a 21 per cent increase in net profit to $663 million for the first quarter ended March 31, 2025, compared to $546 million in the same period last year.

In the first quarter, the company realised a gain of $62 million on the sale of an office complex in India, helping in the higher profitability.

It reported revenues of $5.1 billion, an 8 per cent year-on-year increase. The improved performance was due to growth across key verticals, such as health sciences, financial services and products and services. However, the communications, media and technology verticals saw a decline.

"We started the year on a strong note, delivering revenue and adjusted operating margin ahead of our expectations, reflecting our steadfast focus on the execution of our strategy over the last several years," S Ravi Kumar, CEO, Cognizant, said in a release.

The company expects increased demand for artificial intelligence-powered information technology services. "We believe our differentiated AI and platform capabilities are helping clients navigate the near-term uncertainty while embarking on longer-term AI-led transformation," Kumar added.

Scorecard

	2024	2025	% change
	(March quarter)		
Revenue ($ million)	4,760	5,115	8
Net profit ($ million)	546	663	21
Voluntary attrition (%)*	13.1	15.8	2.7

*for the trailing 12-month period

BOOKINGS

On a trailing 12-month basis, bookings increased 3 per cent year on year to $26.7 billion, which represented a book-to-bill of approximately 1.3x.

Bookings in the first quarter declined 7 per cent. First quarter bookings included four large deals, which are deals with total contract value of $100 million or greater, the release said.

EMPLOYEE METRICS

Cognizant finished the March quarter with 336,300 employees compared to 344,400 employees at the end of the first quarter of 2024, down around 8,000 employees. Despite this, the company managed well with better utilisation, said Jatin Dalal, CFO, Cognizant.

GUIDANCE

The company said that the second quarter revenue is expected to be $5.14-$5.21 billion and full-year 2025 revenue is expected to be $20.5-$21.0 billion, the release said.

Also read p3

Caste count gets nod amid continuing challenges for backward sections

Radheshyam Jadhav
Pune

The government's decision to include a caste count in the upcoming Census has elicited mixed response. While some argue it will provide vital data to resolve long-standing issues like sub-categorisation and better targeting of welfare schemes, others fear it may deepen social divisions by reinforcing caste lines. But is there a strong case for including this data in the Census?

DATA FOCUS.

The data presented in the handbook of Social Welfare Statistics - 2024, published by the Ministry of Social Justice and Empowerment, show the backward sections including the Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Castes (OBCs) are still in need of some help from the government. The right use of the data in the caste count could help direct welfare schemes in the right direction.

POVERTY RATES

Between 2004-05 and 2011-12, poverty rates in India declined across all major caste groups. SCs, who began the period with the highest poverty levels, experienced the largest absolute reductions. Rural poverty among SCs fell from 53.5 per cent to 31.5 per cent, implying that many have moved away from extreme impoverishment since 2005. Urban SCs saw an 18.9 percentage point drop in poverty levels from 40.6 per cent to 21.7 per cent. Poverty among OBCs also halved to 22.6 per cent in rural areas and 15.4 per cent in urban areas.

But despite these improvements, poverty among SCs and OBCs was far higher compared to the more privileged 'Others' category. Percentage of people below the poverty level in 2011-12 in the 'Others' group in urban areas was just 8.2 per cent in urban areas and 15.5 per cent in rural areas. The continued concentration of poverty among SCs and dominant OBC groups highlights the continuing income disparity in the country.

GOVERNMENT JOBS

The data on representation of SCs, STs and OBCs in Central government services show that the total number of employees from these groups numbered 12.69 lakh in 2014-15. The number has gradually declined over the years and stood at 8.71 lakh in 2022-23, recording 31 per cent decline in eight years.

The decline appears to be in line with general shrinking of Central government workforce from 29.5 lakh in 2014-15 to 18.9 lakh in 2022-23. But their share in the Central government workforce has remained stable, with only marginal changes.

The SC representation has hovered around 17-18 per cent, the ST representation around 7.3-8.5 per cent, and the OBC representation has increased slightly from 17.7 per cent to around 22 per cent.

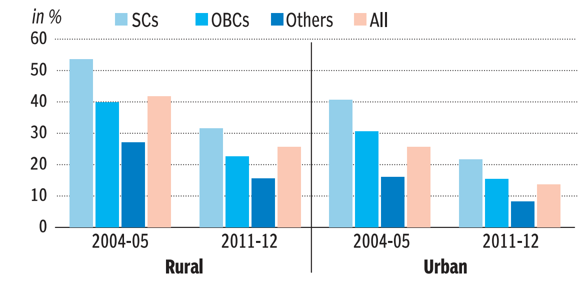
Despite affirmative action policies, the data suggest limited growth in proportional representation, especially for SCs and STs, raising concerns about the effectiveness of reservation implementation and the shrinking size of government employment itself.

The data also reveal a declining trend in both the total workforce and the absolute number of SC, ST and OBC employees in Central Public Sector Enterprises (CPSEs) from 2016-17 to 2022-23. While the percentage representation of SCs and STs remained relatively stable — SCs decreasing slightly from 18.59 per cent to 16.89 per cent and STs from 11.29 per cent to 13.41 per cent — the OBC share increased modestly from 31.50 per cent to 40.43 per cent.

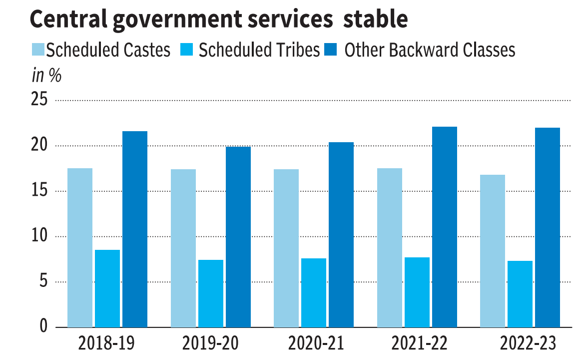
The total workforce shrank significantly from 71,572 to 49,949 employees. This suggests that although the proportional representation of OBCs improved, overall job opportunities in CPSEs have contracted sharply, limiting upward mobility for all reserved categories.

Slow progress

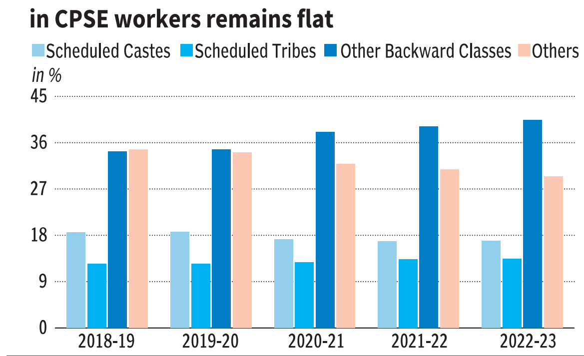
% of population below poverty line declines



Share of Backward sections in Central government services stable



Share of Backward sections in CPSE workers remains flat



Source: Handbook of Social Welfare Statistics

Hyundai down to fourth spot in April sales; M&M, Tata Motors move ahead in the list

S Ronendra Singh
New Delhi

For the first time since its inception in 1996, Hyundai Motor India (HMIL) has dropped to fourth place in monthly sales in April.

The winner was Mahindra & Mahindra (M&M), with new launches like the Thar Roxx and electric vehicles (EVs) BE 6 and XEV 9e. M&M was the second-highest selling car maker in India in April after Maruti Suzuki India Ltd (MSIL), followed by Tata Motors and HMIL.

HMIL has always been ranked number two in the Indian passenger vehicles (PVs) market, except on a few occasions last year when Tata Motors sold more numbers in a couple of months last year and M&M in February 2025.

Utility vehicles manufacturer M&M recorded a growth of 28 per cent year on year in its domestic wholesales (dispatches to dealers) to 52,330 units in April compared with 41,008 in April 2024.

However, HMIL reported domestic wholesales of 44,374 units (50,201 units), down 11.6 per cent.

Similarly, Tata Motors reported a decline of 6 per cent in its domestic sales to 45,199 units (47,883 units).

Poor sentiment in the market and lesser new launches led to a decline in sales for both these companies.

"While the domestic market continues to face headwinds on account of various macro-economic factors, we continue to champion 'Make in India, Made for the World' emphasising HMIL's strong focus on exports. This has resulted in a robust 21.5 per cent y-o-y growth in export volumes in April 2025," Tarun Garg, Whole-time Director and Chief Operating Officer, HMIL, said.

On a zig-zag lane

Company	April 2024	April 2025	y-o-y % change
Passenger Vehicles			
Maruti Suzuki India	1,37,952	1,38,704	0.54
Mahindra & Mahindra	41,008	52,330	28
Tata Motors	47,883	45,199	-6
Hyundai Motor India	50,201	44,374	-11.6
Toyota Kirloskar Motor	20,494	24,833	21
Kia India	19,968	23,623	18.3
Honda Cars India	4,351	3,360	-22.7
JSW MG Motor India	4,725	5,829	23
Skoda India	2,579	7,302	183
Volkswagen India	3,049	2,851	-6.5
Two-wheelers			
Hero MotoCorp			
TVS Motor	3,01,449	3,23,647	7
Royal Enfield	75,038	76,002	1
Suzuki Motorcycle India	88,067	95,214	8

Source: Companies/ Sources

SALES GROWTH

The country's largest PV maker Maruti Suzuki India (MSIL), meanwhile, managed to grow marginally by selling 1,38,704 units in the domestic market in April (1,37,952 units).

'Syros' maker, Kia India, also continued its upward sales trajectory in April with its new launches, dispatching 23,623 units in the domestic market last month (19,968 units), registering a growth of 18.3 per cent.

"This performance reaffirms the growing trust our customers place in Kia's product excellence and brand promise. As we look ahead, our unwavering focus remains on delivering progressive, customer-centric mobility solutions that resonate with evolving aspirations," Hardeep Singh Brar, Senior Vice-President and Head of Sales and Marketing, Kia India, said.

Kia India is all set to unveil its new offering, 'Clavis,' on May 8, he added.

Subsidiary of the world's largest car maker, Toyota Kirloskar Motor (TKM) also reported y-o-y growth of 21 per cent April to 24,833 units in its domestic sales (20,494 units).

JSW MG Motor India also reported y-o-y growth of 23 per cent in its monthly sales of 5,829 units (4,725 units).

Wilmar stake sale boosts profits of Adani Enterprises in FY25

Our Bureau
Ahmedabad

Riding on Adani Wilmar's stake sale, Adani Enterprises, the flagship entity of the Adani Group, on Thursday reported a consolidated Profit After Tax (PAT) of ₹7,112 crore for financial year 2024-25, a growth of almost 120 per cent over the previous year.

However, the consolidated PAT numbers include a post-tax exceptional gain of ₹3,286 crore from 13.5 per cent stake-sale of Adani Wilmar, the company said.

The board of directors recommended a dividend of ₹1.3 (130 per cent) per equity share of face value of ₹1 each fully paid up for FY25. The board also approved plans to raise ₹15,000 crore through various equity instruments.

Despite the profits, the consolidated total income

rose 2 per cent to ₹1,00,364 crore. This was largely due to a 37 per cent decline in the Integrated Resource Management (IRM) business vertical; FY25 saw IRM revenues fall to ₹39,263 crore.

GROUP BUSINESSES

The consistent growth of the company's key incubating businesses such as the new energy ecosystem, airports, roads and data centres boosted the company's overall consolidated results for FY25.

The New Energy Ecosystem under Adani New Industries Ltd (ANIL) saw revenues rise 63 per cent to ₹13,965 crore. Solar Module sales increased 59 per cent on a year-on-year basis to 4,263 MW with higher EBITDA margins on account of improved realisation and operational efficiency.

Having secured financial closure, the company also started construction for an additional 6-GW cell and module line capacity extension.

The company's airport operations saw a 27 per cent growth with revenues rising to ₹10,015 crore. A total of 12 new routes and eight new flights were added during the fourth quarter of FY25. Passenger and cargo movements during the year rose 7 per cent and 8 per cent respectively. Similarly, the road construction business saw a 35 per cent increase in revenues to ₹9,694 crore for FY 25.

Adani Ports records all-time-high PAT in FY25

Our Bureau
Ahmedabad

Having achieved record high cargo volume at 450 million tonnes (MT), Adani Ports and Special Economic Zone (APSEZ) posted an all-time-high profit after tax (PAT) of ₹11,061 crore, a 37 per cent year-on-year (y-o-y) growth in FY25.

The board of directors recommended a dividend of ₹7 (350 per cent) per equity share. The payout will translate to ₹1,500 crore.

Mundra became the first port in India to cross 200 mt in a single year. The company's total cargo volumes grew 7 per cent to 450 mt, and revenues of the company grew 16 per cent to ₹31,079 crore in FY25.

During the year, revenue from domestic ports and logistics grew 12 per cent and 39 per cent respectively. "During FY26, we expect significant growth across ports,

logistics and marine business. We have guided FY26 revenue at ₹36,000-38,000 crore. It will be driven by growth in port volumes. We will continue to invest across businesses, with FY26 capex guidance of ₹11,000-12,000 crore," said Ashwani Gupta, Whole-time Director & CEO, APSEZ.

EXPANDING FOOTPRINT

During the year, APSEZ commenced operations at the Colombo West International Terminal and the company's board approved the acquisition of North Queensland Export Terminal, Australia.

Zoho shelves chipmaking plans

Our Bureau
Chennai

Zoho co-founder Sridhar Vembu has dropped his ambitious semiconductor fab investment plan, stating it was too capital-intensive and that they did not have the confidence in the tech.

The company — Silectric Semiconductor Manufacturing — formed by Zoho's directors in March 2024, had plans to establish a silicone carbide manufacturing unit in Khurdha district in Odisha at ₹3,034 crore.

Vembu also had plans to set up a chip manufacturing plant in Karnataka at $400 million. On Tuesday, Vembu, in a social media post, said, "On our semiconductor fab investment plan, since this business is so capital intensive it requires government backing, we wanted to be absolutely sure of the technology path before we take taxpayer money. We did not have that confidence in the tech, so our board decided to shelve this idea for the time being, until we find a better tech approach."

Silectric has four directors/key management personnel — Navneethan Jai Anand, Radha Vembu, Dandapani Rajendran and Krishnan Ramabadran — also directors of Zoho.

ZOHO'S PROPOSAL

As per Zoho's proposal, Silectric had plans to establish a silicon carbide manufacturing value chain from silicone carbide ingots to wafers to mosfets to modules to modified assembly, marking and packaging facility.

Eternal's Q4 net down 78%, revenues up 64%

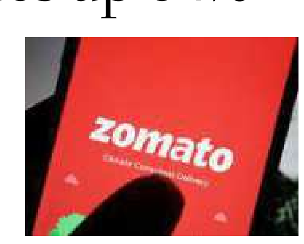
Meenakshi Verma Ambwani
New Delhi

Eternal Ltd (formerly known as Zomato Ltd) posted a consolidated net profit of ₹39 crore in the March quarter, down nearly 78 per cent over ₹175 crore in the corresponding period of the previous fiscal. Consolidated revenue from operations grew 64 per cent to ₹5,833 crore. Profitability was hit by higher expenses, lower-than-expected growth in food delivery business and accelerated investments in expanding the quick commerce store network.

The company said net order value of its B2C businesses grew 53 per cent year-on-year to ₹17,440 crore in Q4FY25. Food delivery business' net order value grew 14 per cent year-on-year to ₹8,210 crore, but declined 3 per cent quarter on quarter.

Deepinder Goyal, Founder and CEO, Eternal, said that growth remains below expectations for now in the food delivery business due to a sluggish demand environment and temporary shortage of delivery partners due to high demand for them in quick commerce, given the rapid expansion of the industry in the last few months. "Competition from quick delivery of packaged food from quick commerce is leading to drop in demand for food delivery from restaurants," he pointed out.

"We have a number of promising initiatives in the pipeline... hoping some of them will work and lead to higher growth, without compromising on profitability.



We don't see any long-term structural reason for this slowdown, as the fundamentals, which is low penetration of restaurant food and increasing urbanisation and per capita income in India, remain unchanged," he said.

BLINKIT BIZ

Quick commerce business' net order value (NOV) grew 121 per cent to ₹7,362 crore. Blinkit added (highest-ever) 294 net new stores, and is on track to get to 2,000 stores by December.

"We have a large market opportunity to cover and we remain confident of the profit potential in this business in steady state (5-6 per cent of NOV). In the near term, the losses will increase or decrease depending on how the pace of expansion and competitive intensity play out over the next few quarters," added Albinder Dhindsa, Founder & CEO, Blinkit.

Also read p3

Global consumer product companies remain bullish on India

Meenakshi Verma Ambwani
New Delhi

Amidst global macro-economic headwinds involving tariff uncertainties and concerns around consumption, global consumer product companies have expressed confidence in the India growth story, despite sluggishness in urban demand. Coca-Cola, Unilever, Reckitt, PepsiCo and Costa Coffee continue to have a bullish outlook for India.

Speaking on the Q1 earnings call, Srinivas Phatak, acting Chief Financial Officer, Unilever, said, "When we really look at the macro-economic environment, there are no new headwinds for us. I think that's an important element to call out. And there are potential tailwinds, there are benefits coming from the government incentives, tax relief, lower food and lower oil inflation and many factors which are playing not only to drive core but also to lead market development," he added.

GROWTH STORY INTACT

For beverage major Coca-Cola, India had a really good start of the year. "Our long-term thesis remains intact. Obviously, it's not necessarily always going to be a straight line," James Quincey, Chairman and CEO, The Coca-Cola Company, said.

THUMBS UP. Despite sluggishness in urban consumption, global consumer product companies are confident about the India growth story

British consumer products company, Reckitt, recently said that its Dettol portfolio is gaining share and is doing well in markets like India. Kris Licht, CEO, Reckitt, said that the company has seen "some really strong volume growth" in emerging markets led by China and India in the Germ Protection and Intimate Wellness spaces.

PepsiCo said India was among the markets that fuelled the growth for its international business in the March quarter and that the market is in "a good place".

On Wednesday, Philippe Schaillee, Global CEO, Costa Coffee, said the cafe-chain aims to make India among its top five markets in the next five years and remains bullish on its long-term outlook.

QUICKLY.

India, EU working towards meaningful trade pact

New Delhi: India and the European Union are working towards a commercially meaningful trade agreement that would open up markets for goods and services to each other's businesses. Commerce and Industry Minister Piyush Goyal is in Brussels to discuss progress of the proposed FTA. "In today's uncertain times, our businesses are looking for opportunity, predictability. And that's exactly what we're working to deliver: a commercially meaningful deal, opening up markets for goods and services," European Commissioner for Trade and Economic Security Maros Sefcovic (*in picture*) said. PTI

Britannia Industries gets over ₹25 cr tax demand

New Delhi: Britannia Industries said it has received an order from the GST authority demanding over ₹25 crore pertaining to classification of a product sold by it and input tax credit in respect of certain goods. PTI

Census exercise hinges upon support from SDG

FUNDING NEEDS. Budget for FY26 has provided just a little over ₹500 cr for the initiative

Shishir Sinha
New Delhi

As the Cabinet Committee on Political Affairs decided to include caste enumeration in the upcoming Census, the government is expected to provide money for it in the Supplementary Demands for Grants (SDG).

The Union Budget for Fiscal Year 2025-26 provided a little over ₹500 crore under the head 'Census Survey and Statistics.'

According to footnotes in the document, it includes provisions for the office of the Registrar General and the Census Commissioner of India and various schemes of the RGI, including the National Population Register (NPR) and expenditure on Census 2021.

COST OF CENSUS

A much bigger amount will be required to complete the Census exercise and updation of the NPR.

Six years ago, a Cabinet decision dated December 24, 2019, outlined the proposal for conducting Census of India 2021 at a cost of over ₹8,700 crore and updation of NPR at a cost of over ₹3,900 crore.

It was decided that house listing and housing census would take place during April to September 2020 and population enumeration between February 9 and 28 of 2021. The plan was to update the Census, along with house listing and housing census, except in Assam.

Around 30 lakh field functionaries were assigned the entire job. However, due to the pandemic, the entire exercise had to be put on hold.

Though the government has not given a timeline to conduct the Census, it is expected that it would kickstart before the Bihar Assembly elections due at the end of this year, and a bigger amount would be required in this fiscal.

In 2011 (excluding NPR updation), the cost was around ₹2,200 crore and for the 2001 Census, it was over ₹650 crore.

CENSUS SPENDING. In 2011 (excluding NPR updation) the cost was around ₹2,200 crore. For Census 2001, the cost came to around ₹650 crore

SDG PRESENTATION

In case the government wants to complete the Census exercise along with enumeration of caste census and the updation of NPR, it may bring forward presenting of the SDG in the monsoon session of Parliament.

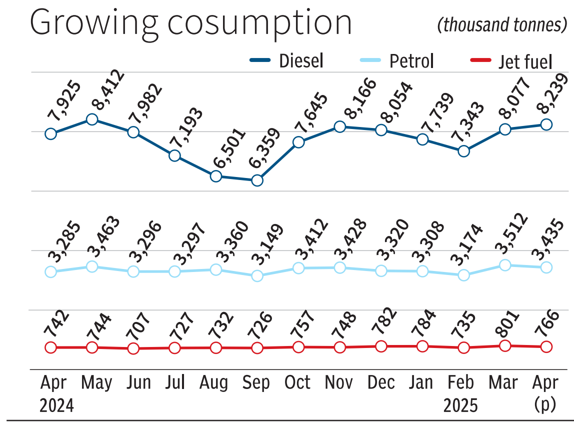
SDG is a mechanism through which the government seeks approval from the Lok Sabha for funds towards expenditure exceeding Budget estimates. Although the government can move three SDGs in a financial year (one in monsoon session, second in the winter session and finally in the Budget session of Parliament), for the last many years, there have been just two SDGs (one in the winter session and second in the budget session) as the cash flow and expenditure situation become clear by then.

However, considering the political urgency, one SDG could be brought in the monsoon session to fund the Census exercise.

Diesel consumption hits a record high of 8.24 mt in April

Rishi Ranjan Kala
New Delhi

Growing cosumption



Source: PPAC P: Provisional

Auto fuel consumption during April hit a high backed by increased farming, industrial, mining and commercial activity with diesel usage inching up to its second highest mark on record.

According to the latest numbers from the Petroleum Planning & Analysis Cell (PPAC), diesel consumption rose to 8.239 million tonnes (mt) in April, which is the second highest on record.

The consumption of the fuel was higher by 2 per cent m-o-m and almost 4 per cent y-o-y. Diesel also accounts for over 40 per cent of the country's usage of refined petroleum products.

Before this, diesel consumption rose to an all-time high record of 8.412 mt in May 2024 on account of higher demand due to the Lok Sabha elections.

Prior to this, India clocked a consumption of 8.217 mt in May 2023. The consumption of petrol, largely consumed in the personal vehicle segment, rose by around 5 per cent y-o-y to 3.435 mt in April. However, petroleum usage fell by more than 2 per cent on a monthly basis. Barring March, petrol usage during April this year is at a 11-month high.

Petrol usage of 3.512 mt during March is the highest on record, followed by May 2024 (3.463 mt).

GROWTH DRIVERS

Analysts attribute the higher diesel consumption to the higher industrial and commercial activity. Besides, mining activity is also on a high, particularly for coal due to its requirement at thermal power plants (TPPs) for the peak electricity demand season (April-June). Further, farm activity is also going on with harvesting of Rabi crops in several parts of the country. April is also the month when schools open up after the annual exams thereby leading to more demand for diesel and petrol.

ATF CONSUMPTION UP

The consumption of aviation turbine fuel (ATF) rose by more than 3 per cent to 766,000 tonnes last month. However, it fell by over 4 per cent on a monthly basis as usage during March 2025 is an all-time high.

A tad short of the 9 million tonnes mark, India's jet fuel consumption scaled multiple peaks during FY25, with airlines guzzling over 8 lakh tonnes in the last month of the fiscal year alone — also an all-time high.

US has 'potential deals' with South Korea, Japan and India, says Donald Trump

Amiti Sen
New Delhi

US President Donald Trump has said that he was looking at "potential deals" with India, Japan and South Korea but was not in a hurry as these countries needed the US, and not the other way round.

Anticipating tough negotiations on the proposed India-US bilateral trade agreement (BTA) that would soon begin, the Commerce Department is taking a hard look at the rationale of India's existing tariffs and trade restrictions, including ones on agricultural products and use of quality control orders, sources said.

"Well, we have potential deals with that," Trump clarified when asked at a town hall on Wednesday about reports of deals with South Korea, Japan and India.

"But I'll tell you this, I'm in less of a hurry than you are. We are sitting on the catbird seat. They want us. We don't need them," Trump said.

Trump's recent statement comes just a day after he talked enthusiastically about tariff negotiations with India "coming along great" and that he expected a deal.

Top US officials, including White House Trade Advisor Peter Navarro and Treasury Secretary Scott Bessent, had also stated earlier this week that the deal with India was "close" and negotiations were moving "as fast as possible" in "Trump time".

"Trump is a tough negotiator and he is obviously playing it tough. Indian negotiators will have to be very careful when negotiations begin and know exactly how much can be offered and what the red lines are," a source tracking the development told *businessline*.

> I'm in less of a hurry than you are. We are sitting on the catbird seat.
>
> **DONALD TRUMP**
> US President

The Commerce Department has send out communication seeking inputs from other Ministries and the industry on the purpose the existing tariffs and restrictions served. "It has also asked stakeholders to specify the impact of recent tariff cuts announced in the budget. The idea is to gauge to what extent can the industry do without tariff and non-tariff protection," the source said.

US' DEMAND

The US, which has dangled the reciprocal tariff threat on India and many other countries, has emphasised that it expected New Delhi to bring down its tariffs considerably on various items, including automobiles, motor cycles, whisky and agricultural products.

"For India, negotiating tariff cuts for agriculture and dairy items is tough because of domestic sensitivities and food security issues. India needs time to minutely understand the impact of tariff cuts on its people before taking on commitments," the source said. On April 2, Trump announced reciprocal tariffs on most countries that have trade surpluses with the US, including India which got slapped with 26 per cent levies. But he paused them for 90 days (except a baseline tariff of 10 per cent that continues to be levied) to give time for trade deals.

As part of ongoing discussions on the India-US BTA, officials from India and the US met in Washington DC from April 23-25.

MAKING WAVES

SHOWCASING CREATIVITY. Prime Minister Narendra Modi, Union Minister of Information and Broadcasting Ashwini Vaishnaw and Maharashtra CM Devendra Fadnavis at the Bharat Pavilion during the World Audio Visual and Entertainment Summit (WAVES) 2025 in Mumbai. **Reports on p10** PTI

Cognizant to hire 20,000 freshers this year as employee utilisation hits 85% in March quarter

Our Bureau
Chennai

Cognizant Technology Solutions will recruit 20,000 freshers this year as employee utilisation rose to 85 per cent in the March quarter, up from 83 per cent a year ago.

"With the onboarding of freshers, the utilisation will reduce in the next couple of quarters," the company's Chief Financial Officer, Jatin Dalal, told India-based newspersons.

The company ended the March quarter with 3,36,300 employees, with over 85 per cent based in India.

Earlier, speaking to US-based analysts, Cognizant's CEO S Ravi Kumar said employee utilisation increasing to 85 per cent was a huge lift.

S Ravi Kumar,
Chief Executive Officer

Jatin Dalal,
Chief Financial Officer

"When you do good fulfilment, you also need to build capacity for the future. This year, we are going to hire a lot more freshers because we want to size a pyramid."

"When you get managed services work, the fixed price work over the last two years has gone up. So, we can actually start a pyramid. But it also comes equally with the overhead of carrying a higher bench at a lower cost and actually offshore," he said.

NEXT BIG STEP

"I'm a big fan of intertwining AI productivity, utilisation and rightsizing the pyramid. That's the next big step we are going to take. There is a little bit of room. But once you feed freshers in, you need some room for utilisation to tick up. We are kind of playing on all three, and we are going to add freshers into the mix this year. That's how we are approaching our cost of human capital," said Kumar.

ASSET SALES

In the first quarter, the company realised a gain of $62 million on the sale of an office complex in India.

On asset sales, Kumar said, last month, the company announced plans to establish a 14-acre immersive learning centre in Chennai, aimed at training 1,00,000 individuals annually in advanced AI technologies.

In India, Cognizant continues to expand into smaller cities; it expects to inaugurate the latest one in GIFT City, Ahmedabad, shortly.

Kumar said that in the first quarter, Cognizant secured four large deals, including a mega deal valued at more than $500 million.

The total contract value from these large deals was up mid-single-digits year-on-year.

"On a trailing 12-month basis, bookings grew 3 per cent compared to the previous year, providing a healthy backlog to support our outlook for this year," he added.

Q1 RESULTS

The IT major reported a 21 per cent increase in net to $663 million for the first quarter ended March 31, 2025, compared to $546 million in the same period last year. It reported revenues of $5.1 billion, an 8 per cent year-on-year increase.

Eternal shuts down Zomato Quick, Everyday over tepid demand, profitability concerns

Meenakshi Verma Ambwani
New Delhi

Eternal Ltd (formerly known as Zomato Ltd) on Thursday said it is shutting down its Zomato Quick offering due to issues around viability and sluggish incremental demand. The company is also shutting down its Everyday initiative, which focused on delivering home-style meals.

The food delivery platform had launched Zomato Quick in January. The company is continuing to run Bistro by Blinkit, which competes with players such as Swiggy Snacc and Zepto Cafe.

INFRA GAP

In a letter to shareholders, Deepinder Goyal, Founder & CEO, Eternal, stated that the company is shutting down Zomato Quick and Everyday initiatives as it was not seeing the "path to profitability" without compromising on customer experience. "The current restaurant density and kitchen infrastructure is not set up for delivering orders in 10 minutes, which leads to inconsistent customer experience. As a result, we did not see any incrementality in demand while we ran Quick as an experiment for a few months," he added.

> **The food delivery platform had launched** Zomato Quick in January

On the earnings call, the company said Zomato Quick was an attempt to bring down the delivery time from the average 30 minutes for the platform to 10 minutes.

"What we have realised is that it is extremely hard incrementality that we did not see any incrementality in demand. But, of course, there is a wide range between 10-30 minutes. Our view is that we should try and bring it down to 20-25 minutes over time by making the overall logistics fleet delivery system more efficient. Those are the gains we will chase now rather than build an extremely quick service without end-to-end control on the supply chain," the company's management said.

Satish Meena, an adviser at Datum Intelligence, noted that the Zomato Quick offering had a low average order value, high operating costs and limited pockets of demand, which made it difficult to run operationally.

"Eternal may have realised this isn't where they should burn cash. The real growth is still in mainstream food delivery and eating out — areas where the business already has scale and loyalty," he noted.

However, other players like Zepto Cafe are continuing to expand in this space.

Meanwhile, commenting on shutting down Everyday, Goyal said the need for homely-meals is a limited use case largely for office locations in metros and the company did not see enough RoI by keeping it running on a small scale.

With inputs from Jyoti Banthia in Bengaluru

In beer capital Karnataka, the brew loses froth as the State piles on taxes

Growth in consumption slows down to 1 per cent from 46 per cent a few years ago

Sanjana B
Bengaluru

For 28-year-old Bengaluru techie Anirudh, who loves to unwind over the weekend at a pub with a chilled pint of lager, the beer is steadily losing its froth.

"This bottle used to be ₹160, and now it's touching ₹200. That's almost a 25 per cent jump in under two years," he grouses as he picks up a soda instead.

Across Karnataka, beer lovers are feeling the sting of repeated tax hikes. In July 2023, the additional excise duty on beer shot up from 175 to 185 per cent. In January 2025, the excise duty was again increased by ₹78 per case or ₹10 per bulk litre. And now the state government has proposed an imposition of 10 per cent AED on all beer sold in the State, making this the third hike in over two years.

AILING ALE

Currently, the excise duty on beer in the State is 195 per cent of the cost of production. It may soon go up to 205 per cent.

"The beer industry growth has collapsed in Karnataka," lamented Vinod Giri, Director General of the Brewers Association of India (BAI), a body representing large beer makers like AB InBev, Carlsberg and United Breweries (a Heineken company).

"In 2022-23, growth was 46 per cent, and then began the increase. In 2023-24, it became 14 per cent. It is now 1 per cent in FY25. The worst thing is, with every increase, this impact is increasing," he said.

Currently, the excise duty on beer in the State is 195% of the cost of production. It may soon go up to 205%

While presenting the State budget in March, Chief Minister Siddaramaiah said Karnataka expected ₹40,000 crore in excise revenue for FY26, up from ₹36,500 crore in FY25.

In FY24, the beverage accounted for only 8 per cent of all alcoholic beverages sold but contributed almost 16 per cent of the tax revenues.

According to Giri, Karnataka has 11 breweries, which is the highest for any state.

"If this situation continues, new investments will shift to industry-friendly states like Maharashtra," he warned. Uttar Pradesh, nowhere on the beer landscape, has now caught up with Karnataka. "It's growing because, in the last 5-7 years, there's been no change in taxes," he said.

With inputs from bl intern Nethra Sailesh

CHENNAI
businessline.
FRIDAY - MAY 2 - 2025

thehindubusinessline.
FRIDAY - MAY 2, 2025

Caste calculations

Caste census should guide policy to go beyond quotas

Pulling off a political surprise, the BJP-led NDA government has announced the inclusion of caste enumeration in the national census. The announcement knocks down the Opposition's carefully-constructed caste plank in poll-bound Bihar. In truth, the 'caste census' plank is a case of the BJP course-correcting from 2024 Parliamentary elections when the Congress and its ally, Samajwadi Party, got the better of it in Uttar Pradesh.

By juxtaposing caste census with Constitution, the Opposition alliance ended up blunting the BJP's Hindutva pitch and consolidated the OBC and Dalit population in their favour. The BJP would like to prevent a repeat in Bihar. While all of this smacks of political cynicism, the more important question is – what exactly does the government want to achieve by enumerating different castes? A caste census can provide crucial data to quantify socio-economic disparities, identify marginalised caste groups and frame welfarist policies. However, the reality is that these lofty goals are almost never the motivation for politicians spearheading any policy decision to enumerate caste. Such endeavours end up stirring different caste groups into demanding the expansion of reservation for the OBCs beyond the 50 per cent ceiling imposed by the Supreme Court in the Indra Sawhney case.

It is instructive to see how caste surveys in Karnataka, Telangana and Bihar have played out. The Socio-Economic and Educational Survey in Karnataka, submitted in February 2024, has created tensions with three dominant caste groups —Vokkaligas, Lingayats and Brahmins — asserting that they have been under-counted. The report is yet to be officially accepted as a result of dissensions within the State government. It is hard to say whether it will lead up to constructive policy. In Telangana, a similar survey has prompted the State to increase OBC quotas to 42 per cent (from 23 per cent) in education, employment and political bodies. Bihar has announced an increase in reservation quotas for SCs, STs, OBCs and EBCs, raising the total quotas from 50 per cent to 75 per cent.

A key question is whether the quotas alone can redress socio-economic disparities. Tamil Nadu, with 69 per cent reservation, has done well in its social development indices by focusing on universal welfare, besides pursuing affirmative action. However, Bihar is way below the national average on education and health indicators. This is because champions of social justice in Bihar and UP have merely focused on reservation for decades, inexplicably neglecting social development. Bihar Chief Minister Nitish Kumar had earlier refused to act on a comprehensive action report on a common school system, prepared by former foreign secretary Muchkund Dubey in 2007. Telangana, a backward region and new State, should not repeat these mistakes. Meanwhile, the Centre needs to ensure that social justice goes beyond affirmative action and results in policies that address social inequalities.

POCKET

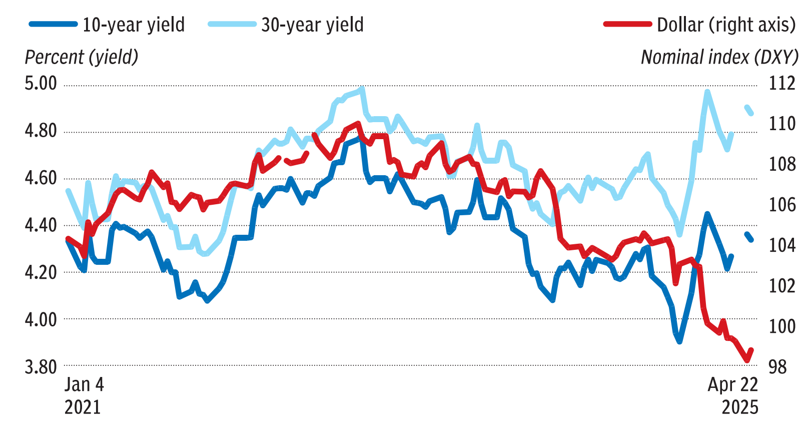
RAVIKANTH

King Dollar's shaky crown

TRUMP EFFECT. Trade war, withdrawing from global institutions, sacking government employees, have eroded trust in US

MAURICE OBSTFELD

US long-term treasury rates and the dollar's value against foreign currencies



Source: Bloomberg, accessed April 22, 2025

As US President Donald Trump proceeded to upend the world economy after his return to the White House in January, Nobel laureate economist Paul Krugman recalled Charles P. Kindleberger's adage: "Anyone who spends too much time thinking about international money goes mad."

Fortunately, amid the Trump-induced chaos in the currency, bond, and stock markets, Yale University Press has recently published two complementary guides to a key aspect of international finance: the primacy of the US dollar.

Paul Blustein's *King Dollar* and Kenneth Rogoff's *Our Dollar, Your Problem* lead readers through recent economic history to assess the dollar's current status and prospects. Both books were published after Trump's re-election and, in Blustein's case, before the opening salvos and subsequent escalation of his assault on the global economy.

The timing is an opportunity to reflect on the past five months, in which — to paraphrase Vladimir Lenin — decades seem to have happened. The US dollar's unique status today spans its roles as the leading reserve currency, investment and funding vehicle, and trade invoicing medium. As global financial markets expanded, so did the need for a reliable medium of exchange and a safe asset. The dollar was uniquely positioned to serve both roles.

HEGEMONY IN RETREAT?

As both Blustein and Rogoff observe, potential challengers to the dollar have consistently come up short. The renminbi is no exception, despite China's progress on its central bank digital currency (CBDC), the e-CNY. Rogoff highlights a crucial point: greater exchange-rate flexibility is a prerequisite for the renminbi to mount a serious challenge to the dollar. But such flexibility must be accompanied by broader reforms in China's financial markets and monetary policy framework. The dollar's international dominance is reinforced by powerful network effects. The growth in currency trading has been dramatic. According to the Bank for International Settlements' latest triennial survey, over-the-counter foreign-exchange turnover reached \$7.5 trillion per day in April 2022, with the US dollar on one side of 88 per cent of all trades.

By contrast, the BIS's April 1989 survey recorded a daily turnover of just \$500 billion (though fewer central banks were polled at the time). However, economic models suggest that a single dominant currency is not the only possible outcome; scenarios involving multiple leading currencies also remain plausible.

TRUMP'S ECONOMIC WAR

What, then, is the outlook for the dollar in 2025? In 1993, political scientist G John Ikenberry described the traditional American approach to postwar multilateralism: "American officials realized that building the international economic order on a coercive basis would be costly and ultimately counterproductive. This is not to say that the United States did not exercise hegemonic power; it is to say that there were real limits to the coercive pursuit of the American postwar agenda."

Such self-restraint is notably absent from Trump's grievance-laden worldview. It seems fair to say that the sweeping radicalism of his administration's policies has gone beyond even what Blustein and Rogoff could have foreseen in December 2024.

Trump's policies are steadily undermining the foundations of the dollar's global dominance. His withdrawal from international organisations and agreements, cuts to foreign aid, and transactional approach to US security commitments have unsettled allies and rivals alike. Domestically, his pressure on the Fed, weaponisation of the Justice Department, efforts to gut the federal workforce of key governmental functions, and incursions on the institutional fabric of American society — from universities to judges to the legal profession — have further eroded confidence. Then there's his trade war, unprecedented in its scale, capriciousness, and economic illiteracy.

> **We may be headed for a future of currency fragmentation and diminished global** prosperity, with no clear successor ready to take the dollar's place

At the same time, fiscal dysfunction has reached new heights. Congressional Republicans, encouraged by the White House, are preparing to increase the deficit by bypassing the traditional reconciliation process and relying on uncertain tariff revenues. This, too, signals deepening institutional decay — and markets are taking notice.

One area of concern is international collaboration on financial oversight. The Basel Committee on Banking Supervision and the Financial Stability Board are essential to cross-border regulatory cooperation, but global regulators now worry that the US will approach these forums through the same zero-sum lens it has applied elsewhere — or withdraw from them altogether. Others have raised concerns about the reliability of the Fed's dollar swap lines, a central pillar of dollar dominance that Rogoff explores in detail.

Eroding trust could accelerate the fragmentation of international capital markets, putting the dollar's global standing at even greater risk. International regulatory cooperation is also critical to realising the potential of decentralised finance to improve payment infrastructure — especially cross-border systems, which remain slow and costly. Without harmonised standards, diverging national approaches would severely limit interoperability and any resulting efficiency gains.

But the Trump administration's embrace of untethered cryptocurrencies, resistance to oversight of crypto-related payment platforms, and executive order banning "any action to establish, issue, or promote CBDCs within the jurisdiction of the United States or abroad" risk isolating the US from advances in global payment infrastructure.

This is a formula for undermining US integration with the global financial ecosystem — to the dollar's detriment. Perhaps, despite his protestations and threats, downgrading the dollar's status is the real goal.

Stephen Miran, chair of Trump's Council of Economic Advisers, has argued that the dollar's global role "has placed undue burdens on our firms and workers," making American goods and labour "uncompetitive on the global stage and forcing a decline of our manufacturing workforce by over a third since its peak."

As I have written elsewhere, this view far overstates the net "exorbitant cost" of providing the world's reserve currency, while ignoring the considerable benefits to America's global influence that Blustein documents at length.

Since the escalation of Trump's trade war with his April 2 "Liberation Day" tariffs, bond and foreign-exchange markets have been flashing warning signs. The greenback took a hit soon after Trump's "Liberation Day" tariffs. Treasury yields spiked and the currency fell, signalling a global selloff of US government bonds due to reduced investor confidence in the quality of dollar assets. Trump's reactive postponement of his so-called "reciprocal" tariffs briefly stopped the bleeding in equity markets, but markets and the dollar have fallen further in the face of Trump's fulminations against Fed chair Jerome Powell.

To be sure, the dollar's story is still unfolding. But the momentous events of this April may well signal a fundamental shift in the global trade order — and with it, the dollar's ultimate dethronement. If that is the case, we may be headed for a future of currency fragmentation and diminished global prosperity, with no clear successor ready to take the dollar's place.

The writer, a former chief economist of the IMF, is Senior Fellow at the Peterson Institute for International Economics and Professor of Economics Emeritus at the University of California, Berkeley. Copyright: Project Syndicate, 2025

All about opinion trading platforms

The players in this space say they comply with all regulations. But traders' body CAIT says their ads are against the law

bl. explainer

Ashley Coutinho

On Tuesday, the market regulator Securities and Exchange Board of India issued a public warning against "opinion trading platforms", which allow users to engage in transactions based on the outcome of specific events.

Let's deep dive into what these platforms are all about.

What are opinion trading platforms?

These platforms enable their users and participants to trade or enter into arrangements wherein the payout is dependent on the outcome of a yes/no proposition of happening or not happening of the underlying event.

In some cases, opinion trading platforms are designed in a manner so as to resemble an investment platform as they use terminologies such as profits, stop loss and trading, terms closely associated with the securities market.

How do they work?

These apps allow you to answer simple questions based on your opinions and earn cash prizes. You can choose from different sports and games like cricket, football, basketball and participate in various contests and leagues.

For example, in IPL 2025, an opinion trading app might ask: "Will Virat Kohli score a fifty in his next match?" You can choose Yes or No based on your prediction. Or you could be asked to predict the winner of a political contest.

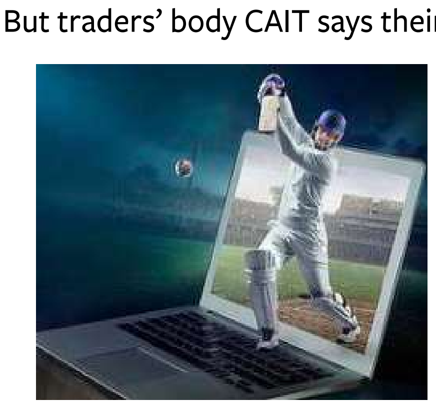
If your answer is correct, you win money. There could be various tournaments of different difficulty levels, allowing users to win different amounts. Some of the popular apps include Real11, MPL Opinio, Sportsbaazi and Probo.

What is the size of the market?

These platforms have grown exponentially in recent years, engaging over five crore Indian users and registering over ₹50,000 crore in transaction volumes annually, and revenues projected to be around ₹1,000 crore for 2024-25, according to Confederation of All India Traders (CAIT).

Are these platforms legal?

According to one of the platforms, the platform is safe and legit, offering earnings on expertise in a particular sport. It follows all legal and regulatory requirements, protecting personal and financial information. The platforms even offer instant withdrawal and deposit options such as UPI, Paytm and Amazon Pay. There are disclaimers put up such as: "This game may be habit forming or financially risky. Play responsibly." Only those above 18 years of age are allowed to participate.



OPINION TRADING. SEBI caution ISTOCK

However, some believe that these platforms allow users to speculate on outcomes of future events and are akin to gambling. Advertisements for such prediction-based platforms are deceptive and unlawful, heavily promoted by social media influencers, according to CAIT.

Opinion trading was misrepresented as a game of skill and portrayed as a legitimate and regulated endeavour despite its resemblance to 'gambling' and 'wagering on outcomes', it said. The apps directly contravened the Information Technology (Intermediary Guidelines and Digital Media Ethics Code), 2021 statute.

Does SEBI have the power to regulate such apps?

In general, opinion trading does not fall within regulatory purview of SEBI, as what is traded is not a security. The regulator has therefore cautioned investors that no investor protection mechanism under securities market purview will be available for such participation.

It has also clarified that since none of the platforms providing opinion trading can qualify to be recognised stock exchanges, and are neither registered nor regulated by SEBI, any trading of securities on them is illegal.

"Such platforms are liable to face action for violation in that case. Recognised stock exchanges are advised to initiate appropriate action for such violations. Even in this case none of the investor protection mechanisms will be available," the regulator said on Tuesday.

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.

Aiding informal workers

This is with reference to the data story 'Agri labour accounts for over half of informal workers on e portal' (May 1).

Despite contributing significantly to the economy, the unorganised sector remains neglected.

Unorganized sector workers cshould get disability cover, accident insurance, health and maternity benefits, pension, old age homes, education of their children/crèches etc.

Corporates could use their CSR funds to benefit unorganised sector workers.

Helping unorganised sector workers is the joint effort of the Central government, state governments, MNCs and citizens of the nation.

Veena Shenoy
Thane

Liberals' win in Canada

It refers to the Editorial 'Carney in Canada'. Conservative Party chief Pierre Poilievre was looking to win this elections few months ago but US President Trump's tariff and controversial comment that Canada is 51st State of US turned things around in Mark Carney's favour. As a former central banker Carney has experience in handling economic issues, making him the best bet to take on Trump.

Carney is taking charge at a very delicate and complex time and he will have to handle a long list of issues both domestically and internationally.

Hopefully he will reset ties with India and undo some damage done by his predecessor Justin Trudeau.

Bal Govind
Noida

Welcome move

With reference to the news report 'Modi Govt Green lights caste enumeration in next census' (May 1). Caste census which had been a key demand of several opposition parties in past elections will finally be a reality with the Centre announcing nationwide caste count along with the next population census. It is timely and a welcome decision.

The new census will help the Centre address reservation demands from various Caste groups.

The upcoming Caste census will reveal the full picture of all Castes. Till 2011 census, only SCs and STs were counted. But the Caste-based census will bring significant political changes in the days to come.

P Victor Selvaraj
Palayamkottai (TN)

Published by Nirmala Lakshman at Kasturi Buildings, 859-860, Anna Salai, Chennai-600002 on behalf of THG PUBLISHING PVT LTD., and Printed by Ra Babu Vijay at THG PUBLISHING PVT.LTD. Plot B-6 & B-7, CMDA Industrial Complex, Maraimalai Nagar, Chengalpattu Taluk, Chengalpattu Dist., Pin: 603209. Editor: Raghuvir Srinivasan (Editor responsible for selection of news under the PRP Act). ISSN 0971 - 7528

Workers in the age of AI

Ways to contain the displacement effect

Arya Roy Bardhan

AI. Labour impact ISTOCKPHOTO

Over 400,000 workers united at Haymarket Square in Chicago on May 4, 1886. What began as peaceful demonstrations on May 1, culminated in a tragedy with the detonation of a bomb and multiple casualties.

Eventually in 1892, the demand of the workers for an eight-hour workday was secured.

Almost a century and a half later, labour debates are more relevant than ever, especially with the AI wave, and there is a lot we can infer from history.

REVISITING THE PAST

Humankind, as a whole, has unequivocally emerged better off following technological innovations and productivity spurts.

The cynicism stems from the unequal outcomes of the progress — some are better off, some not so much.

The disparity in the spoils of disruption is the origin of the labour versus capital or more accurately, man versus machine-owning man class wars.

During the first two industrial revolutions, i.e., from water frame and steam engine to electrification and automobile proliferation, the initial demand for unskilled labour for shovelling coal and white-collar workers at the top, caused the wage gap to increase.

During the industrial revolution, GDP grew faster than wages which meant capital reserved a greater share of national income or profits were rising.

MAKING SENSE OF THE AI REVOLUTION

While the evidence shows that technological disruptions have had initial welfare-adverse effects, the long-run picture paints itself when we compare our lifestyle to that of our grandparents.

The question of the hour is how the AI disruption will affect workers around the world. History tells us that any technological reorganisation comes with a massive skilling cost.

Those with skills earn a premium while those lacking them suffer. It is logical to assume that the AI wave will cause similar tremors.

The only systemic difference today is the speed of change and cost of learning.

A higher speed of diffusion means learning costs are lower. However, it does not mean that things will change overnight. There will be a chaotic period with rising wage inequality, declining productivity, and increased resistance to innovation.

As time progresses, improved AI will have lower skill requirements and the demand for cheaper, low-skilled labour will resurface, eventually lowering the AI-skills premium.

In the short run, there will be losers this time too, most likely the unskilled, older population due to higher learning costs. As the tide of time passes, the world will emerge richer and prosperous.

AI, like any other technology, will create labour displacement and reinstatement effects. Labour-saving or -replacing technologies initially lower labour demand and productivity, due to the skill gap.

There is also a reinstatement effect which creates new tasks for labour, that gradually increase labour demand. The problem is that the world might still be in the displacement effect stage of the internet technology boom.

A second wave of displacement might be disastrous for workers by enforcing a second skill premium while the first has not yet been eliminated.

How this complex labour market shock will disrupt economies is a daunting question.

The simple solution is to lower the learning cost by expanding skillsets across workers. Unlike initial shocks, this time medium-skilled workers are at risk.

They perceive AI as a threat, since a lot of their tasks can be done by AI. Governments, multilaterals need to catalyse skilling initiatives that enhance human-AI interaction.

Workers have to play a more active role, embrace change and pursue skilling to reduce chances of job loss.

The writer is Research Economist at ORF

PVS SURYAKUMAR

PTI

Back to the drawing board on FPOs?

FARM SUCCESS. It is crucial to create exemplar FPOs for others to emulate. NGOs and philanthropies can pitch in

"We have been producing crops with multiple risks. We will be very happy when we get a fair price for our produce." This is the refrain of almost any farmer.

Indian agriculture is predominantly small farmer led. Eighty seven per cent operate less than 2 ha holdings (average 1 ha) and cultivate 47 per cent of our land. The late YK Alagh suggested amending the Companies Act of 1956 to enable formation of Farmer Producer Companies/Organisations (FPCs/FPOs), probably to address this intractable issue of agriculture marketing. Has the situation improved since FPOs came into existence around 2008?

It is important to keep two aspects in mind with respect to development of the FPO space. First, there should be clarity on basic goals.

The other crucial policy takeaway is the benefit of focusing on a few FPOs which have the necessary attributes to be successful, thereby setting an example for the rest — rather than spraying money across a number of them.

Every type of organisation — be it Civil Society Organisations (CSOs), governments, private sector companies, start-ups — either wants to promote or be involved with FPOs. The expectations are rather high. FPOs are expected to aggregate members' produce, pay them and secure better prices by becoming market-makers. But expecting them to adopt refined practices, such as fair trade, gender-sensitivity, climate smart agriculture, regenerative agriculture, even before stabilisation of this basic process, is being unrealistic.

Activities such as input supplies, licences for fertilizers/pesticides, PDS procurement, custom hiring centres, acquiring fixed assets for processing and convergence with government schemes, is another big ask. So, the basic foundation should first be in place.

STATUS OF FPOS

Per available estimates (Tata-Cornell Institute and others), about 45,000 FPOs are registered as companies; about 16,000 are compliant with all their filings and 4,000 have received working capital loans for procuring members' produce. Average membership of FPOs is 500 members. About 15-18 per cent have about ₹10 lakh equity.

Working capital limits are hovering around ₹18 lakh/year/FPO. Average net-profit is ₹3 lakh/FPO. Further, around 20,000 FPOs are registered under cooperative laws.

What is a good metric to assess our FPOs? Availability and quantum of working capital reflects FPOs well-being and could be a basic metric. Farmers' income enhancement could be another, but that is not feasible with just ₹3 lakh net-profit/FPO. Niche NBFCs provide most working capital loans. Some NBFCs go all the way from the advisory stage, doing entire value chain financing to markets. This is the best way forward.

The development of the FPO sector raises certain key issues:

(i) Can FPOs be a one-stop solution for agriculture?

(ii) GVA of agriculture and allied sectors is about ₹23 lakh crore at constant prices and over ₹50 lakh crore at current prices. e-NAM's traded value is just ₹3.19 lakh crore (with 1.8 crore farmers, 2.6 lakh traders, 3,500 FPOs and volume of 89.6 million tonnes). What can we infer from these numbers on the role and performance of FPOs?

(iii) Can we expect all FPOs to be sustainable when margins from input and output marketing are thin (about 3-6 per cent)? Is the FPO business model robust enough, generally speaking, or is it contextual?

> **FPOs are successful in pockets, where farmers are well organised with supportive systems and markets. That is an ecosystem success story.**

(iv) Farmers have been cultivating and marketing through middlemen through the ages. FPOs too are marketing through them. Farmer-middlemen relationships are intricate. Many villages still function based on trust based systems. Some exhibit feudal and paternalistic characteristics also. Expecting FPOs to replace nimble middlemen is overambitious.

(v) The government has committed ₹6,865 crore for creating 10,000 FPOs. If we consider 500-members/FPO, coverage would be 50 lakh farmers. Is it possible to bring our 11 crore farmers on an FPO platform? Or can fewer, exemplar FPOs create a catalytic effect?

(vi) Did the multitude of FPO stakeholders, contribute to increasing 3.25 crore farmer members' income (65000x500=3.25cr)?

(vii) Are we turning FPOs into mere outsourcing channels, for procuring, selling and custom hiring centres?

(viii) Social capital (existence of a social consensus, thanks to capacity building, to work for a common cause) is a must for FPOs to thrive and hence, there is a necessity for a gestation period to create such social capital. FPOs, or any organisation that runs on social networks, cannot take root overnight. This implies prudent use of existing resources, rather its distribution over a number of units.

WHAT NEXT?

Successful FPOs do exist, because of their capable and charismatic leaders, trusted members, catalytic CSOs and a good business model. FPOs are successful in pockets, where farmers are well organised with supportive systems and markets. That is an ecosystem success story.

The government can concentrate on creating iconic FPOs, working with CSOs and philanthropies. Further steps are needed, such as literature on: easy to understand and actionable know/do-how; learning management solutions and how to place unique FPO products on ONDC/digital marketing platforms, may be kept in public domain, in all languages.

The effort should be to create exemplar FPOs for others to emulate, which can emerge organically through genuine and felt need. A cadre of local, self-employed, young professionals can make that happen, by building village level institutions like FPOs, which will pay them. These selected wo/men, after their 12th standard, may be trained at select universities through specially designed courses.

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

The challenges of Vizhinjam as a transshipment port

Jose Paul

Commissioned in July 2024, with commercial operations starting from December 2024, Vizhinjam Port has already handled 246 ships and 5,01,847 TEUs (Twenty foot equivalent units) by the end of March 2025. At this impressive rate Vizhinjam should be able to exceed its installed capacity of one million TEUs by the end of FY26.

When Vizhinjam becomes fully operational it has to compete with well established transshipment ports like Dubai and Salalah in the West, Colombo, Singapore and the Port of Tanjung Pelepas in Malaysia in the East.

These are all well established ports having embraced sophisticated and highly efficient handling technology with high productivity and faster turn round of ships.

All these ports have deep draught berths and approach channels capable of accommodating mega containerships drawing draught up to 18-20 m.

TRANSSHIPMENT PORTS

A transshipment port is one where mother ships with larger volumes and deeper draught visit a small number of well developed, deeper draught and technologically efficient ports where they discharge their import containers or load export containers.

The daughter vessels bring export cargo from small ports to transhipment ports for onward carriage by mother vessels while import containers discharged by mother ships are carried by daughter vessels to various destinations.

A gateway port is one which draws its export cargo from the primary, secondary and tertiary hinterlands, distributes its import cargo to various destinations falling within its hinterland. In a competitive port services market gateway ports will be able to sustain themselves well as they rely on the cargo traffic originating from their hinterland. Transhipment ports on the other hand, have to rely largely on external sources of supply.

Vizhinjam Port. Ambitious plans PTI

Mother ships have always options to select hub ports of their choice. In a dynamic market environment they keep changing their port locations to suit their convenience and this practice makes future of transhipment ports vulnerable and risky.

Vizhinjam is reported to have taken up an ambitious expansion programme of completing their second, third and fourth stages at about ₹10,000 crore by 2028. During these four years the ports in the competitive field will also expand their facilities.

Success stories of transshipment ports like Tanjung Pelepas and Salalah could be an eye opener to Vizhinjam. To ensure that the patronising container line gets firmly anchored in their port environment Port of Tanjung Pelepas has entered into a joint venture partnership with APM terminals of the Maersk line with 30 per cent share holding.

Another strategy would be to create an ecosystem in the proximity of the port as in Dubai by establishing special economic zones, ship building yard, ship repair complexes and other associated infrastructure facilities to ring fence the port from adversities in the future.

The writer is a former Acting Chairman of JN Port, Mumbai, a former Chairman of Mormugao Port Trust and an Adjunct Professor of Indian Maritime University, Chennai

thehindu businessline.

TWENTY YEARS AGO TODAY.

May 2, 2005

Sugar futures come under FMC lens

Futures trading in sugar at the National Commodity & Derivatives Exchange Ltd (NCDEX) is coming under the scanner yet again. If in December and early January, it was the allegedly speculative rise in prices that forced the Forward Markets Commission's (FMC) intervention, this time around it is sustained selling pressure, which is said to have triggered off alarm bells in official quarters.

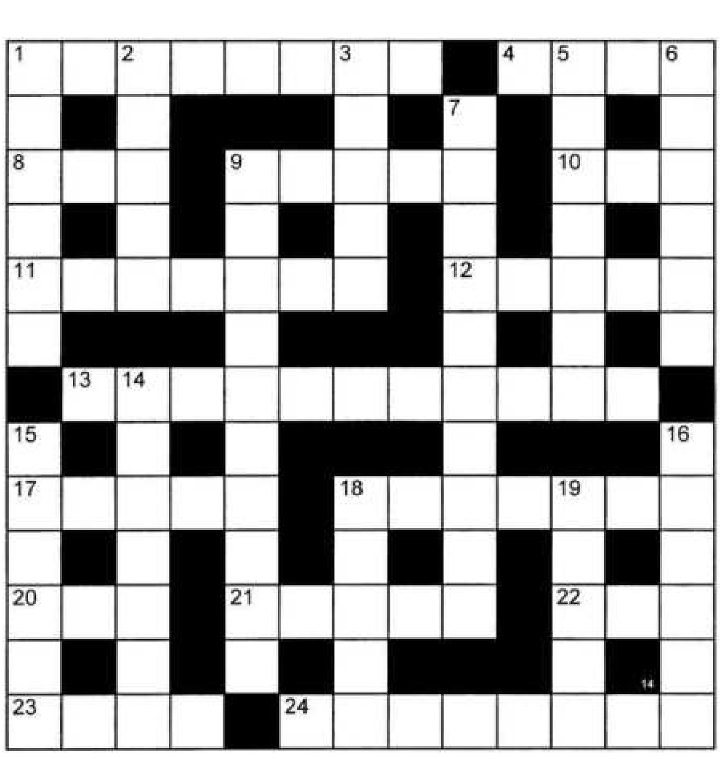
Chinese growth fuels earnings for Indian shipping cos

While the growing economic might of the Red Dragon may be spreading ripples of insecurity across certain corporate sectors in India, there is one sector that is actually making money out of this. And that sector is shipping.

NTPC scouts for partners to acquire coal mines abroad

National Thermal Power Corporation Ltd (NTPC) is scouting for partners to acquire coal mines abroad. The Rs 25,964-crore company, which account for 27 per cent of power generated in India last year, wants to integrate itself -- from owning sources of gas and coal supplies to distributing power.

BL TWO-WAY CROSSWORD 2687



EASY

ACROSS

01. Binding agreement (8)
04. Practise movements of boxing (4)
08. Aries (3)
09. Bend (5)
10. Beard of barley (3)
11. Sign the reverse (7)
12. Given a hitch mechanically (2,3)
13. One is, watchful for attack (2,4,5)
17. Heavenly body (5)
18. Pull faces (7)
20. Ventilate (3)
21. Vast water mass (5)
22. Not at home (3)
23. Flower (4)
24. Completeness (8)

DOWN

01. Haulier (6)
02. Called (5)
03. Imprecation (5)
05. Render wall (7)
06. Fame (6)
07. A complete turn (10)
09. A crowning (10)
14. Number (7)
15. Hasty, untidy writing (6)
16. Robing-room in church (6)
18. Go-light (5)
19. Without anybody else (5)

NOT SO EASY

ACROSS

01. It's an agreement one has to grow smaller (8)
04. Non-metallic mineral piece of wood on board (4)
08. Aries would spoil it being put back (3)
09. Around 3rd November make it better not to go straight (5)
10. At first light, topless, show a beard (3)
11. Sign over one's red discomfiture (7)
12. Is taken behind mechanically now, to put it differently (2,3)
13. Nose around the top of the garden, if one is so watchful (2,4,5)
17. Heavenly body company came across (5)
18. Forbidding a card to pull a face (7)
20. A melody one may make public (3)
21. A carafe-top one swirls with a lot of water (5)
22. It's published, but it's not fashionable now (3)
23. Water given to girl in Lotus (4)
24. Tie confused the entry, but it's all there (8)

DOWN

01. Transport operative for a former President (6)
02. Is cited as having a calling (5)
03. Bad language, use of which may be compounded with credit (5)
05. Spread it all over with mixture of pastel, right? (7)
06. Competition won, erroneously returning a bit of fame (6)
07. Complete turn-around the Americans had in 1776 (10)
09. Cairo not on 7 for this year of 1952 here (10)
14. Number, or half of it suffering real change (7)
15. Hasty note from last of swimmers on his stroke (6)
16. No Mayfair wives attempt to find room in church (6)
18. Olive doesn't have the experience (5)
19. One is after a novice behind the wheel who's unaccompanied (5)

SOLUTION: BL TWO-WAY CROSSWORD 2686

ACROSS 1. Peters out 5. Off 7. Used 8. Admitted 10. Pedestal 11. Bass 13. Dodder 15. Hunted 18. Cube 19. Eyeglass 22. Palliate 23. Ogle 24. Add 25. Merriment

DOWN 1. Plumped 2. Tweed 3. Ordeal 4. Trip 5. Outcast 6. Fades 9. Aster 12. Bulge 14. Dabbled 16. Dessert 17. Oyster 18. Copra 20. Argue 21. Firm

CHENNAI
businessline.
FRIDAY - MAY 2 - 2025

QUICKLY.

Jubilant Beverages gets nod for Coca-Cola stake

New Delhi: Fair trade regulator CCI on Thursday cleared Jubilant Beverages' proposal to acquire a 40 per cent stake in Hindustan Coca-Cola Holdings Pvt Ltd (HCCH). "The proposed combination relates to inter alia, JBL proposed acquisition of 40 per cent of the shareholding of HCCH from Hindustan Coca-Cola Overseas Holdings Pte Ltd, and Bharat CocaCola Overseas Holdings Pte Ltd," the Competition Commission of India (CCI) said in a release. Hindustan Coca-Cola Beverages (HCCB) is a subsidiary of the HCCH. PTI

Justo Realfintech files DRHP to launch IPO

New Delhi: Justo Realfintech, a real estate solutions provider, has filed its preliminary papers with BSE SME to raise funds through an initial public offering (IPO). The IPO is a fresh issue of up to 49.61 lakh equity shares with a face value of ₹10 each, and the shares of the company are proposed to be listed on the BSE's SME platform, according to the draft red herring prospectus (DRHP) filed on Wednesday. PTI

'Not interested in being 3rd largest bank, want to move up'

SCALING UP. Axis Bank eyes adding 400-500 branches every year and upgrading the franchise to move up the banking ladder

bl.interview

Piyush Shukla
K Ram Kumar
Mumbai

Axis Bank is "not interested" in being the third-largest private bank and wants to rank up further, said MD & CEO Amitabh Chaudhry. The lender is aiming to add 400-500 branches each year, grow presence in under-penetrated areas, and is striving to improve the quality of the bank's franchise. In a candid interaction, Chaudhry shared business guidance for FY26 and areas of focus as bank chief.

Edited excerpts:

How do you plan to increase your market share?

We maintain our stance of growing 300-400 (basis points) bps faster than the industry in medium-long term. There are years when growth may be similar or lesser (than expected), but we are confident of delivering this growth in the long term.

We have been adding 400-500 branches each year and intend to keep doing that. We intend to increase our presence in cities where we are under-represented.

I only have 5 per cent share in deposits and around 6 per cent in advances, so we have huge opportunity to grow.

India is growing, we are expanding our branch network and we are trying very hard to grow the quality of our franchise. If we can deliver on some of these aspirations, our balance sheet will surely grow.

The Kotak Bank MD said they want to become the 3rd largest private bank by 2030. Will you hold on to your position?

When I joined six years back, I said we want to move upwards from the 3rd position. While that hasn't happened yet, we have moved our rank for several of our priority businesses.

It is only fair that he has made that statement. I am sure they have ambitions too. In my case, I am not interested in being at number 3. We also want to move up. We cannot base our strategy on inorganic growth.

> Despite volatility at the global level, if India delivers 6.5-7 per cent growth, to support this we will need to have decent credit growth
>
> AMITABH CHAUDHRY
> MD & CEO, Axis Bank

Why was Q4FY25 PAT flat?

If you look at the last two fiscals, net interest margins (NIM) have remained in the same zone for us and the banking system. There was an 8-10 bps differential on account of higher cost of funds and lower yields. In terms of fees, we are one of the highest 'fees to assets' banks. Banks have broadly kept growth in expenses under control.

For example, recent reports suggest how banks have not increased their staff strength last fiscal. With retail cycle underway, the credit costs have risen on retail loans and remained benign on corporate.

Retail credit cost picked up on account of unsecured loans and micro loans.

And because there are inter-linkages, if you default on one loan then the other loans, including secured, are also put under the NPA category.

In spite of these factors our profits have grown, but not to the extent we would have liked it to, with retail credit costs higher than what we had expected.

Secondly, when you compare year-on-year performance, the big difference for us was in Q4FY24 we had huge trading gains, which aren't there in Q4FY25.

Your earnings guidance for FY26?

There are clear signs of 2-3 more repo rate cuts over the next 9 months or so.

And we have to pass on the reduction in interest rates to the end customer, and that can only be compensated by lowering cost of funds, else NIMs will get impacted.

The RBI has also issued amendments in the LCR framework but it's effective April 2026. The story on NIM will play out over a period of time.

On the fees side, we have a greater opportunity, but in terms of fees to assets we are already one of the best banks.

On the cost side, we will continue to explore ways to become more efficient. Credit cost is stabilising, but not fully there yet.

We have taken a conservative stance in a couple of areas, and you might see higher credit cost in Q1FY26, which will eventually start moderating. Growth in profitability has to come from higher growth. If we grow at 15 per cent instead of 10, our profit numbers will rise.

So how much growth can be delivered, which is linked to the deposit, has to be explored. Other variables at play include credit demand and deposit growth rate.

What is the target on loan, deposit growth for FY26?

We don't give guidance on credit and deposit growth but I can speak generally. The new RBI Governor has made statements that the RBI will ensure durable liquidity in the system.

Since the new governor has come, liquidity has improved and interest rates are coming down. Market has started to believe that liquidity is here to stay. As liquidity surplus remains, deposit growth which was predicted to be 10-11 per cent, could grow at a slightly higher pace. My view is credit growth should follow suit. Has the private capex picked up? Not to that extent.

On the retail side, one has to be cautious of excess leveraging and you have seen retail credit losses rise. Despite volatility at the global level, if India delivers 6.5-7 per cent growth, to support this we will need to have decent credit growth. Whether the credit growth is at 11 per cent or 12-13 per cent will be seen over this year.

What are some areas of worry for you?

We need to continue to enhance our deposit franchise, so that it can deliver a certain amount of growth year-on-year. A lot of work needs to be done to upgrade the franchise. We need to ask ourselves some critical questions — Do we have the right corporate salary franchise, premium customers and wallet share of those customers? Are we the primary or secondary bank? Is our deposit gathering platform at a bank level superior and operating in a way and at a cost which is best in class?

Second, we want our credit cycle to stabilise and move in the right direction. Third, operating risk due to higher inter-linkages is rising.

Efforts on fraud prevention, cybersecurity, technology infrastructure and upgradation, if not done properly, could increase operating risk.

Fourth, we have to always ensure best in class compliance and governance standards. Even the regulators should be able to see the intent and movement of Axis bank in this regard.

Jinkushal Industries files for IPO

Press Trust of India
New Delhi

Jinkushal Industries Ltd (JKIPL) has filed preliminary papers with SEBI to float an initial public offer (IPO).

The IPO is a combination of a fresh issue of 86.5 lakh shares and an offer for sale (OFS) of 10 lakh shares by promoters, per the draft red herring prospectus (DRHP) filed on Wednesday.

JKIPL proposes to utilise the proceeds towards funding the working capital requirements and for general corporate purposes.

The Chhattisgarh-based company is engaged in export trading of new/customised and used/refurbished construction machines in global markets.

It specialises in export trading of construction machines like hydraulic excavators, motor graders, bulldozers, soil compactors, among others.

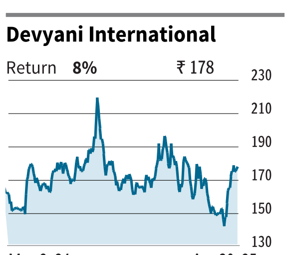
TODAY'S PICK.

Devyani International (₹178.55): BUY

Gurumurthy K
bl. research bureau

The short-term outlook is bullish for Devyani International. The stock has been consolidating for a week now within the recent upmove. The 200-Day Moving Average (DMA), currently near ₹173 has been giving very good support. The 21-DMA is on the verge of crossing over the 55-DMA. This is a bullish signal. Immediate resistance is at ₹181.

We expect the stock to break this resistance in the coming days. Such a break can take Devyani International share price up to ₹193 in the coming weeks. Traders can buy Devyani International shares now at ₹178.



Accumulate on dips at ₹174. Keep the stop-loss at ₹167 initially. Trail the stop-loss up to ₹180 as soon as the stock goes up to ₹184. Revise the stop-loss further up to ₹185 when the price touches ₹188. Exit the long positions at ₹193.

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

Day trading guide

24381 » **Nifty 50 Futures**

S1	S2	R1	R2	COMMENT
24300	24180	24500	24650	Go long on a break above 24500. Keep the stop-loss at 24370

₹1924 » **HDFC Bank**

S1	S2	R1	R2	COMMENT
1900	1880	1945	2000	Go long only above 1945. Keep the stop-loss at 1935

₹1499 » **Infosys**

S1	S2	R1	R2	COMMENT
1475	1445	1510	1540	Take fresh longs above 1510. Keep the stop-loss at 1495

₹425 » **ITC**

S1	S2	R1	R2	COMMENT
421	419	427	431	Go short now and at 426. Stop-loss can be placed at 428

₹244 » **ONGC**

S1	S2	R1	R2	COMMENT
242	239	245	248	Go short only below 242. Stop-loss can be kept at 243

₹1408 » **Reliance Ind.**

S1	S2	R1	R2	COMMENT
1390	1370	1420	1450	Go long only above 1420. Keep the stop-loss at 1410

₹788 » **SBI**

S1	S2	R1	R2	COMMENT
784	776	794	800	Go short only below 784. Stop-loss can be placed at 786

₹3430 » **TCS**

S1	S2	R1	R2	COMMENT
3420	3365	3460	3485	Go short on a break below 3420. Keep the stop-loss at 3430

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

RBI's bond forward directions to take effect from today

Our Bureau
Mumbai

The introduction of bond forwards in government securities (G-Secs) with effect from Friday is expected to help long-term investors, such as insurers, manage their cash flows and interest rate risk. Further, it will attract foreign investors due to expected improvement in liquidity in these bonds.

Insurers, especially in the life segment — one of the biggest investors in the G-Sec market — are seen benefiting a great deal as they have loan term liabilities (in the form of insurance policies) and the bond forwards will help them manage payouts to the insured, which are spread over a long period (including whole life policies).

Bond forward means a rupee interest rate derivative contract in which one counterparty (buyer) agrees to buy a specific G-Sec from another counterparty (seller) on a future date and at a price determined at the time of the contract. As at December-end 2024, insurance companies held 26.14 per cent of the total outstanding G-Secs, aggregating ₹114.23 lakh crore.

Commercial Banks were the biggest holders of G-Secs, accounting for 37.98 per cent of the outstanding. RBI and pension funds & provident funds account for 10.55 per cent and 9.30 per cent, respectively, of the outstanding. Foreign portfolio investors account for 2.81 per cent of the outstanding.

STRUCTURED TOOL

"The RBI's introduction of bond forwards is aimed at deepening the Indian debt market and providing institutional investors — particularly insurance companies — with a structured tool to manage interest rate and duration risk," said Venkatakrishnan Srinivasan, Founder and Managing Partner, Rockfort Fincap LLP.

He noted that standalone primary dealers and scheduled commercial banks are expected to actively participate as market makers, while other eligible entities like insurers, mutual funds, and large corporates can benefit as participants.

"The provision for physical settlement through a central counterparty like CCIL (Clearing Corporation of India Ltd) adds credibility and reduces settlement risk. While this could enhance demand across maturities, including 10–15-year State development loans (SDLs), actual traction in SDLs will depend on secondary market liquidity, which remains limited.

"Overall, it's a welcome development, though its success will depend on adoption and trading appetite in the medium term," said Venkatakrishnan.

SEBI's new rules on related party deals stir compliance jitters

Akshata Gorde
Mumbai

India Inc is bracing for fresh compliance challenges and legal ambiguities as SEBI's new rules on related party transactions (RPTs) come into effect in July. While the regulations aim to boost transparency and protect investor interests, experts say the framework is riddled with ambiguities and imposes a heavy compliance burden — risking delays even in bona fide deals.

At the heart of concerns is the rise in disclosure requirements, documentation and the expanded role of audit committees and independent directors. The result: slower decision-making and mounting costs, particularly for promoter-driven and mid-sized companies with limited in-house capacity.

Companies must now present detailed justifications for RPTs, including independent valuation reports, fairness opinions, arm's-length assessments, and financial performance metrics of the related party before even seeking audit committee or shareholder approval. But determining what qualifies as "fair" is often subjective, especially when no market comparables exist, and transactions involve unique assets or bespoke terms, said Rashi Dhir, senior partner at DMD Advocates. "This can lead to disagreements between management, audit committees, and even regulators over whether a deal passes the test," Dhir said.

Vijay Iyer, partner and transfer pricing leader at EY India, said, "There should be a higher threshold for applying such onerous compliance requirements to make it practical and efficient."

COMPLIANCE BURDEN

The increased burden could also introduce friction in executing strategic transactions, joint ventures, or restructuring exercises, Lokesh Dhyani, partner at Aekom Legal said. "The rules may curb questionable practices, but they discourage flexibility and speed in legitimate deal-making," he added. Large conglomerates may be forced to restructure existing setups, reducing operational synergies.

SEBI has also expanded the scope to include entities related in the past financial year — adding to challenges in tracking relationships and maintaining compliance records.

RULE AMBIGUITIES

The new norms raise several unanswered questions. For example, there is a lack of clarity on how CEOs, CFOs, and promoter directors are expected to certify the fairness of RPTs, with no defined benchmarks, experts said.

Audit committee members now face heightened liability, pushing them to adopt risk-averse, delay-prone approaches. Even former SEBI chairman M Damodaran flagged the inconsistencies, saying such disclosure mandates could amount to regulatory overreach.

SEBI chief rules out aptitude test for retailers in F&O trade

Press Trust of India
Mumbai

SEBI chief Tuhin Kanta Pandey has ruled out the possibility of an aptitude test for retail traders wanting to participate in the futures & options (F&O) segment, saying it is impractical and prone to regulatory overreach.

The Securities and Exchange Board of India (SEBI) had introduced measures in November last to curb excess speculation in derivatives. These regulatory steps came in the wake of a SEBI study that revealed a staggering 9 out of 10 retail investors lose money while trading in F&O instruments.

When asked about the industry's suggestion of introducing tests for retail investors before permitting them to trade in risky derivative products, Pandey clarified the regulator's stance. "Right now, we aren't really considering any of those things. Number one, we have to also see, will it be a regulatory overreach? Will you be able to effectively do it?" he told *PTI*.

SEBI, he clarified, already has certification mechanisms for specific market participants.

He added, "Like NISM certification. Like you are a registered advisor or an IA or RA. But applying this to millions of retail traders would be a different challenge altogether."

ABOUT PRAGMATISM

"... Tomorrow, someone will say, if you want to do it for a mutual fund, then you will have to do an aptitude test. So, who will take it? How will it be taken? How will it be passed? So, we have to see the pragmatism of it also. I don't think that, you know, anything of that kind is on our horizon at the moment," he said.

He stressed the importance of individual choice when it comes to managing personal finances.

He, however, acknowledged that if trading becomes an addiction, it moves into the realm of a "de-addiction" issue, which needs to be seen from a different lens.

On the broader regulatory view, he reiterated that SEBI discourages leveraged trading.

"Trying to borrow money and interest in that type of way...in fact in Indian jurisdiction, really leverage buyouts are not allowed. You don't have leverages for this. So, there is normally a situation in that you can do as much. But you can't really control people's lives and resources," he added.

'Manufacturing to lead India's $5 trillion growth'

Our Bureau
Bengaluru

India's manufacturing gross value added (GVA) is projected to grow from $459 billion in FY24 to $1.6 trillion by FY2034, according to a report by 3one4 Capital's 'Future of Production Report 2025'. This manufacturing renaissance is driven by significant capital expenditure, strategic government policies such as the Production Linked Incentive (PLI) scheme, and even global supply chain shifts.

The industrial sector currently contributes 27.6 per cent to the GDP, with manufacturing alone accounting for 14.2 per cent. Employing 67.7 million people, manufacturing also delivers a GVA per worker of ₹5.22 lakh — three times more productive than agriculture. In FY24, India exported over $435 billion in goods, led by sectors like electronics, chemicals and machinery.

AT THE HELM. In FY24, India exported $435 billion in goods, led by sectors such as electronics, chemicals and machinery

ELECTRONICS, AUTO

According to the report, electronics production reached $115 billion in FY24. Mobile phone exports exceeded $15 billion as giants like Apple scaled their operations across the country.

This boost in domestic production is driven by the PLI scheme, which has seen a $30 billion investment across 14 key sectors. "Electronics manufacturing and IT hardware have shown tremendous response to the scheme and so have semiconductors and displays," said Anurag Ramdasan, Partner at 3one4 Capital.

In the automotive sector, India has become the third-largest market. Exports of auto components surged to $20 billion in FY24 making the country a key supplier to global Original Equipment Manufacturers (OEMs). This growth is also attributed to rising demand in smart mobility, EV supply chains, rapid charging, and component digitisation.

AEROSPACE SECTOR

The report found that the chemicals sector, currently contributing to 6 per cent of the market share is expected to double to 12 per cent by 2029. This growth is driven by exports of biosimilars (complex generics) and CRAMS (Contract Research and Manufacturing Services) coupled with PLI schemes and PCPIR (Petroleum, Chemicals, and Petrochemicals Investment Regions) clusters that support investments in these segments.

India is also gaining momentum in aerospace manufacturing with start-ups like ideaForge and Aereo building India's leadership in drones, aerial intelligence, and autonomous systems. The textile sector is benefiting from diversification away from traditional supply bases like China, Vietnam and Bangladesh.

As exports remain central to this growth, "India is actively working on expanding free trade agreement and is expected to lower tariffs and continue to remain competitive.

India today is a preferred alternative globally and we expect that to continue," said Ramdasan.

STATE BACKING

Additionally, State incentives power regional growth. "States like Gujarat, Uttar Pradesh, Odisha, and Assam offer substantial capital subsidies alongside benefits such as land rebates, interest subsidies, and tax exemptions. States like Maharashtra, Tamil Nadu, and Karnataka, which have established industrial ecosystems, are now pivotal in manufacturing advanced electronic components, pharmaceuticals, and automotive products. Meanwhile, emerging regions like Uttar Pradesh and Gujarat are making strides in white goods and specialty steel, demonstrating the extensive scope of India's manufacturing transformation," Ramdasan added.

According to the report, VCs are also eyeing India's emerging manufacturing sectors, drawn by their scale-up potential. Over $10 billion has been committed to semiconductors and advanced materials, while India's GreenTech firms like Waaree Energy are gaining global traction. Biomanufacturing has also shown growth potential, backed by over 200,000 biosciences professionals and PLI schemes, alongside momentum in full-stack platforms and robotics.

(*With inputs from BL intern Nethra Sailesh*)

QUICKLY.

Jaipraakash Power Q4 net dives 73% to ₹156 crore

New Delhi: Jaiprakash Power Ventures Ltd (JPVL) on Thursday reported an over 73 per cent decline in net profit to ₹155.67 crore for the March 2025 quarter due to lower income. The company's total income shrunk to ₹1,366.67 crore from ₹1,863.63 crore in the year-ago quarter. PTI

OYO to enter F&B with in-house kitchens

New Delhi: Global travel tech firm OYO on Thursday said it plans to enter the food and beverage business with in-house kitchens and quick service restaurant (QSR) carts at its company-serviced hotels. The QSR initiative, under brand name 'Townhouse Cafe', will focus on the 'Townhouse by OYO' branded hotels. PTI

EV sales moderate in April, TVS Motor tops e-2W segment

GATHERING PACE. Total registrations of battery-powered EVs hit 1.67 lakh units in April

G Balachandar
Chennai

The electric vehicle segment in the country has begun the fiscal year FY26 on a moderate note, following record-high volumes reported in March 2025 and for the full year FY25.

However, on a year-on-year basis, last month's volumes showed a notable increase.

The total registrations of battery-powered EVs across all categories reached 1.67 lakh units in April 2025, down from 2.05 lakh units in March 2025 but up significantly from 1.16 lakh units in April 2024, according to data on the Vahan portal.

Within this, the electric two-wheeler (E2W) segment recorded 91,791 registrations in April 2025, compared to 65,555 units in the same month last year.

In March 2025, E2W sales stood notably higher at 1.31 lakh units.

Electric vehicle (battery-powered) registrations

Segment	March 2025	April 2024	April 2025
Total volumes	2,04,780	1,15,909	1,67,465
E2Ws	1,31,192	65,555	91,791
E3Ws	59,554	42,039	62,531
PVs (cars & UVs)	12,959	7,720	12,204

Source: Vahan (as of 7 pm on May 1)

This year saw April's electric two-wheeler numbers surpass previous years' performance, even after a strong showing in March.

It is also understood that the festive occasion of Akshaya Tritiya contributed to increased retail activity for OEMs.

TVS Motor emerged as the top-selling brand in the electric two-wheeler category in April. Ola Electric and Bajaj Auto secured the second and third positions respectively, with only a marginal difference in volumes separating the three.

TVS Motor reported sales of 19,736 units in April 2025, a sharp rise from 7,762 units in April 2024, although down from 30,683 units in March 2025.

KN Radhakrishnan, Director & CEO of TVS Motor said, during the company's recent earnings call, that the iQube remains a strong leader in the EV segment, supported by a range of battery options (2.2 kWh, 3.4 kWh, and 5.1 kWh), and mentioned plans to increase the number of retail outlets that sell iQube from 900 outlets to more in the coming months.

Ola Electric sold 19,709 units in April 2025, lower than the 34,163 units it sold in April 2024 and also down from 23,557 units in March 2025.

Bajaj Auto followed closely with 19,001 E2W registrations in April, a significant rise from 7,561 units in the same month last year. Ather Energy reported sales of 13,167 units last month, compared to 4,144 in April 2024, while Hero MotoCorp saw its electric two-wheeler sales rise to 6,123 units from 956 units a year ago. Greaves Mobility, including its Ampere brand, registered 4,018 units in April (2,676 units in April 2024).

The electric three-wheeler segment also witnessed strong growth, with 62,531 registrations in April 2025, up from 42,039 units in April 2024 and higher than 59,554 units recorded in March 2025.

PV CATEGORY

Meanwhile, the electric passenger vehicle (PV) category, which includes electric cars and SUVs, recorded 12,204 registrations in April 2025 — an increase from 7,720 units in April 2024 but slightly below the 12,959 units seen in March 2025.

FMCG firms: Sales via e-comm, q-comm remain strong in Q4

Aroosa Ahmed
Mumbai

With changing consumption patterns among consumers, digital sales through e-commerce and quick commerce have registered strong growth among fast-moving consumer goods (FMCG) players.

Companies have registered close to 8.5 per cent of their domestic sales from quick commerce and a growth of 66 per cent in e-commerce.

MORE INVESTMENT

During the quarter, Tata Consumer Products registered growth of 66 per cent in e-commerce, with strong growth in quick commerce, while a 26 per cent growth was registered by modern trade.

"E-commerce, including quick commerce, is about 14 to 15 per cent of my business. We have invested in a number of capabilities, technology, talent and infrastructure at the back end to ensure that right from commodity to finished goods, inventories are in line. A significant portion of the business is general trade, which has almost zero credit," said Sunil D'Souza, Managing Director and CEO, Tata Consumer Products, in an earnings call.

FMCG makers have introduced varied and new assortments in e-commerce and quick commerce

UPTICK IN SALES

FMCG companies also reported an uptick in domestic digital sales.

"One such channel is e-commerce, which continued in its growth trajectory, propelled by the rapid expansion of quick commerce, contributing to 8.5 per cent of domestic sales. In this financial year ended 31st March 2025," said Suresh Narayanan, Chairman and Managing Director of Nestlé India, commenting on the company's results.

The revenue of quick commerce in India is expected to show an annual growth rate of 15.54 per cent, resulting in a projected market volume of $11.08 billion by 2030, according to a report by Statista. The quick commerce market is expected to amount to 65 million users by 2030.

VARIED ASSORTMENT

Noticing the consumption patterns, FMCG makers have introduced varied and new assortments in e-commerce and quick commerce.

Players are also offering premium, customised product offerings through their digital channels.

"Recognising the increasing consumer preference for quick commerce, we have also almost doubled our assortment to meet their diverse needs fully," said Rohit Jawa, Chief Executive Officer and Managing Director of Hindustan Unilever Limited during an earnings call.

CESL invites bids for deployment of 1,000 e-cars under 'EV as a Service' phase-II plan

G Balachandar
Chennai

Convergence Energy Services Ltd (CESL), a subsidiary of Energy Efficiency Services Ltd (EESL), has invited bids for the deployment of 1,000 electric cars across the country under phase-II of its ambitious "EV as a Service" initiative.

This move follows the successful implementation of the first phase and aims to accelerate electric vehicle (EV) adoption among government and public sector institutions.

Under the "EV as a Service" model, CESL provides a comprehensive offering that includes electric four-wheelers (4W EVs) along with managed fleet services such as insurance, repair and maintenance (R&M), roadside assistance, and optionally, drivers — ensuring an end-to-end experience for government clients.

The government is prioritising emission reductions in its owned and operated fleets by procuring EVs through service providers or leasing options. This strategy is intended to improve fuel efficiency, lower maintenance costs, and help achieve sustainability targets.

CESL's Phase-II tender represents a pan-India effort and reflects its continued commitment to scaling clean mobility solutions.

As part of this effort, CESL will aggregate demand for electric cars from Central and State governments, Central Public Sector Undertakings (CPSUs), and other public entities. The goal is to streamline procurement, simplify deployment, and contribute to India's broader sustainability ambitions.

So far, CESL/EESL has deployed around 2,200 EVs in various ministries and departments, including the Prime Minister's Office, Ministry of Finance, NITI Aayog, Ministry of Defence, and others.

Under the EV as a Service initiative, CESL aims to increase the adoption of electric vehicles among States by supporting State governments in meeting their EV adoption targets, in alignment with their respective e-mobility policies. Additionally, CESL seeks to leverage the opportunities available within the country's evolving EV ecosystem to strengthen its role in the sector.

A growing number of Central and State government policies are driving the shift to electric mobility. The Government of India, through the Department of Expenditure and Department of Public Enterprises, has mandated EV integration in Central government offices and CPSEs. Similar guidance has been issued by the Ministry of Environment, Forest and Climate Change.

GenAI to impact mid-level jobs, improve margins in IT sector: Amrop

Vallari Sanzgiri
Mumbai

Generative AI will reduce mid-level jobs and improve margins despite flat revenue growth in the IT sector, said Amrop India, in a study looking at the real-world impact of GenAI on the tech services industry.

In terms of senior and leadership-level hiring, GenAI will have a mildly positive impact as more products, platforms and offerings are built, which require senior-level hiring.

The mid-level (over 15 years experience) jobs will continue to decline in numbers as tech services pyramids shrink and upskill. The study associated shrinking or flat headcount in tech services and business process outsourcing (BPOs) to AI and GenAI. Noting that the weighted average growth projection for tech services at the beginning of Q2 CY25 is below 3 per cent, it estimated significant downsizing in the industry if this trend extends to the full year.

HIGH CAPABILITY

"Entry-level hiring will continue but will be focused on high capability graduates who can work in growth areas of cloud, data, AI, cybersecurity, etc. and can use the GenAI-infused toolsets. There will be no hiring of armies of engineers for lower-skilled roles such as QA/testing. BPO hiring will also be significantly reduced," it said. GenAI in software development and lifecycle management tools has reduced manual effort by 20 to 50 per cent, a number that is expected to increase.

RISE IN DEMAND

"The net impact of a reduction in effort with GenAI-infused tools and the increase in demand from new GenAI use cases will likely be a moderate net reduction in employment in tech services. However, the profitability of tech services firms and compensation levels will improve," it said.

Excelfore in talks with Tata Motors to roll out software-defined vehicle platform

Aishwarya Kumar
Bengaluru

California-based Excelfore, a provider of in-vehicle and cloud-to-vehicle connectivity solutions is strengthening its presence in India with production deployment of its software-defined vehicle (SDV) platform.

The company has already gone live with Hero MotoCorp and is in advanced discussions with Tata Motors to integrate the technology across electric fleets and commercial vehicles.

"Hero's deployment went live on April 30," confirmed Shrinath Acharya, Co-founder and CEO of Excelfore. "These are full production deployments, not just proofs of concept. Both Hero and Tata have signed production agreements with us to integrate our SDV stack into their upcoming platforms."

INDIA FOOTPRINT

While Excelfore's footprint in India has been minimal so far, the company expects the country to contribute nearly 30 per cent of its global revenue over the next 3–5 years, driven largely by volume.

To support this growth, it has established a large engineering team in Bengaluru, which will continue to expand.

"Our Bangalore hub plays a key role in developing and refining solutions aimed at transforming vehicle connectivity and functionality," Acharya said.

"The software we build here connects the cloud to 60–80 electronic control units (ECUs) in a vehicle—covering everything from braking, chassis and powertrain to air conditioning, infotainment and lighting."

Additionally, Excelfore is also in talks with charging infrastructure companies, earthmoving equipment manufacturers and non-automotive players in India to expand its SDV solutions beyond passenger vehicles.

Globally, Excelfore's solutions are already deployed by major OEMs such as Audi, BMW, Volkswagen, Honda, FAW and VinFast.

Elaborating on the Indian market, Acharya noted that Indian automakers are rapidly improving their experience levels and embracing digital transformation with urgency.

"We're seeing the same sense of urgency in India that we saw during our deployment in China six years ago," he added.

India defies global venture capital slump with 14% rise in deals in Q1

Our Bureau
Bengaluru

India's venture capital (VC) ecosystem clocked a 14 per cent year-on-year (y-o-y) rise in deal volume and a 12 per cent uptick in deal value in the first quarter of this year, according to GlobalData.

The country accounted for 9 per cent of global VC deals by volume and 4 per cent by value during the quarter, standing out against a backdrop of global volatility where markets like China, the US and the UK saw mixed or negative trends.

Aurojyoti Bose, Lead Analyst at GlobalData, commented: "This increase is particularly noteworthy given the backdrop of a global VC market that has seen varying trends with several key markets experiencing setbacks either in terms of deal volume or value. While the global VC landscape has shown signs of volatility, particularly in markets like China, which has experienced a significant decline in both deal volume and value, India's upward trajectory is a stark contrast. Moreover, other key markets such as the US and the UK also experienced decline in VC deal volume but growth in terms of value."

TECH ADOPTION

The report suggests that India's VC market remains resilient, fuelled by strong tech adoption, a young digital-first population, and a growing middle class.

Government initiatives like Startup India have further bolstered the start-up ecosystem, making the country a hotspot for venture capital.

Consequently, global and domestic VC firms are launching funds with early-stage VC Accel raising $650m for its eighth India-focused fund. Silicon Valley-based Bessemer Venture Partners launched a $350m second fund.

SMALLER FUNDS

Domestic firms Cornerstone Ventures and Prime Venture Partners raised $200m and $100m respectively, with smaller funds of $30–50m closed by Eximius Ventures and SamVed VC. India's VC funding landscape rebounded to $13.7 billion, 1.4 times the previous year, with 1,270 deals, according to data from Bain & Company.

(With inputs from *businessline* intern Rohan Das)

'India poised to become largest public sector market in APAC region'

bl.interview

Sanjana B
Bengaluru

Ashwani Narang, Vice-President & Business Head, Intelligent Spend and Business Network, SAP Indian Subcontinent, spoke about the evolving significance of India's public sector for the company, citing its innovation and modernisation efforts in sectors like energy, defence, and infrastructure. With plans for a sovereign data cloud, SAP is looking to deepen its India commitment.

Edited excerpts:

Could you walk us through recent developments at SAP?

SAP's finance and spend management portfolio used to be called the Intelligent Spend and Business Network. This year, the portfolio has increased to include finance, spend management, and the growth pillar — the public cloud offering.

SAP is looking at going after personas. SAP Business Network has grown exponentially. For context, it is approximately, equal to India and Australia's GDP combined.

The Indian supplier base is growing on the SAP business network; they are also supplying to companies outside India. If you look at it from a CIO standpoint, they are very interested in making sense out of data. We've been continuously saying that data is gold but we need to make sense of data, especially in an enterprise.

To make sense of this data, we need an enterprise system to consolidate data from an SAP or non-SAP system or even homegrown systems like Tally.

We recently introduced SAP Business Data Cloud (BDC), a partnership with Databricks, a cloud-based data and analytics platform that integrates SAP data with third-party data to provide a single source of truth for businesses. It leverages AI and ML to deliver insights and facilitate better decision-making.

A Chief Digital Officer would want automation included and that's where SAP's AI co-pilot, Joule comes in. We have an agentic AI layer on top. For example, a CIO asks Joule about the usage of an Ariba portfolio or a SuccessFactors portfolio on the number of users. Joule will get into the system, get this data out and present it to you.

From a CFO standpoint, the CEO might ask to free some cash flow. SAP's product Taulia is a recent acquisition in supply chain finance. That's where a combination of CFO and CPO will come in. So in essence, we are doing a load of innovation for every persona in an organisation.

What business segments does SAP address? Do you also look at MSMEs and the public sector?

We have a variety of customers, including unicorns and soonicorns. We also announced the data centre in India for procurement last year, which is live now. This will boost the public sector as well.

> We've been continuously saying that data is gold but we need to make sense of data, especially in an enterprise
>
> **ASHWANI NARANG**
> Vice-President & Business Head, Intelligent Spend and Business Network, SAP Indian Subcontinent

The public sector will be one of the largest in terms of revenue generation for SAP because we are doing a lot of localisation. We are coming up with our second campus now, from where this effort will be led.

How does India's public sector business differ from other countries?

The pace can be slow at times because of stringent processes but, they are doing far more innovative work than anybody else. In Asia, for example, Japan is still a little old school. They still do the Ringi process on an A3 sheet. The US has always been mature; even the White House uses SAP.

From a growth perspective, India is far ahead. Look at the railways' modernisation and the infrastructure being built. Every other customer in the public sector is talking about modernisation.

For instance, one customer in the petroleum and energy sector is looking at procurement transformation in a big way. They are saying they want to adhere to how the public sector is looking at being reliant, compliant and audited because it is answerable to the country's public. They are asking for technology to help bridge the gap.

We are also talking about getting a sovereign data cloud in the country. India is on the path to becoming the biggest market from a public sector standpoint in the APAC region.

Can you specify some use cases?

A majority of the work is happening across IT. CIOs are keeping busy and are looking to modernise their complete IT setup.

A lot of work will happen across procurement because that is a space under auditor scrutiny. In most of these cases, a customer would request a tender before purchasing anything above a particular value. They would return to say, they want to modernise IT but it will be via a tender process.

They are also looking at employee experience.

On the other hand, the hire-to-retire exercise is happening via SAP SuccessFactors. That is another space where they're looking at employee well-being — from a person getting into the system and somebody leaving the company — about their experience working there. That area is picking up a lot of steam.

We are also looking at the supply chain, which is a vibrant topic in 2025. People talked about offshoring 20 years ago and nearshoring after Covid-19 to have their suppliers close to them.

Now, we are talking about re-shoring because we need to see how the world order changes in terms of how the US, China or India look at things, how the supply chain is based, and how much tax or tariff will be on top.

Coromandel Intl's Q4 PAT rises to ₹578 crore

KV Kurmanath
Hyderabad

Higher sales volumes and improved operational efficiency have driven the consolidated net profit of Coromandel International for the quarter ended March 31, 2025.

The company reported a consolidated net profit of ₹578 crore in the quarter as against ₹164 crore in the same quarter last year, showing an increase of over two-and-half times.

Coromandel's total income for the quarter ended March 2025 stood at ₹5,114 crore as against ₹3,996 crore in the corresponding quarter previous year, showing a growth of 28 per cent.

For the full year, the company reported an increase of 25 per cent at ₹2,055 crore as against ₹1,641 crore. During the period, it reported a total income of ₹24,444 crore (₹22,290 crore), showing a growth of 9.6 per cent.

QUICKLY.

Gold slips on easing trade tensions, stronger dollar

Gold fell more than 2 per cent to a two-week low on Thursday as signs of easing trade tensions enhanced risk appetite and reduced bullion's safe-haven appeal, while a stronger US dollar also weighed on prices. Spot gold fell 2.1 per cent to $3,219.57 an ounce as of 0957 GMT. US gold futures lost 2.8 per cent to $3,227.20. REUTERS

Hopes of progress in US trade talks lift copper

London: Copper prices rose in London as hopes for progress in US tariff talks with top consumer China and other trading partners provided support to metals. Benchmark three-month copper on the LME was up 0.8 per cent at $9,199 a tonne. Aluminium rose 0.8 per cent to $2,417.50, and zinc added 0.6 per cent to $2,608.5. REUTERS

Crude oil drops on likely rise in OPEC+ supply

London: Crude oil prices fell extending a steep decline the previous session due to signs that Saudi Arabia, the world's largest crude exporter, could raise production and data showing a contraction in the US economy. Brent crude futures fell $1.1 to $59.96 a barrel as at 1207 GMT. US WTI crude futures fell $1.14 to $57.07. REUTERS

Larger *khandsari* units to come under govt control now

BALANCE SHEET. Exports of sugar likely to touch 0.8 million tonnes, ending stocks could be higher than initial estimates

Prabhudatta Mishra
New Delhi

Eight months after releasing the draft Sugar (Control) Order to seek feedback for some amendments it planned, the Centre on Thursday approved the revised order. It will be implemented after the gazette notification, which is likely by Friday.

Inclusion of *khandsari* or *bura* type under the definition of sugar in the order may help mills plan their production in line with the demand in both domestic and export markets.

However, the government has clarified that it is yet to decide whether *khandsari* units will also be issued permits whenever export is allowed as currently it is only for sugar mills.

Addressing the media, Food Secretary Sanjeev Chopra said the export may reach around 0.8 million tonnes (mt) out of 1 mt permitted in January for the 2024-25 season ending in September.

Officials said some mills have not shown interest in export since they are realising better rates in the domestic market.

Sugar export was not allowed in the 2023-24 season due to lower production.

HIGHER ENDING STOCK

Industry experts said lower export than permitted may help the government to raise the estimated closing stock on September 30, which was earlier estimated about 5 mt, based on 1 mt of export.

The Food Ministry earlier estimated a total sugar output of 27 mt in the ongoing 2024-25 season, whereas some industry bodies pegged it at less than 26 mt. India's domestic consumption of sugar is pegged at 28.5-29 mt per year.

So far, the country has shipped 0.3 mt of sugar while 60,000 tonnes are in transit or at ports for shipment, officials said.

In a presentation on the amended Sugar (Control) Order, Ashwani Srivastava, a Joint Secretary in the Food Ministry, said there are 373 *khandsari* units with a total capacity of about 95,000 tonnes crushed per day (TCD) in the country.

Of these, 66 units have a capacity of more than 500 TCD each, and only those units will be now brought under the order.

"They will now be regulated under the order. But those factories will be allowed some time to register on the digital platform and comply with various rules, which are so far limited to sugar mills," he said.

TO SHARE SALES DATA

The *khandsari* units with 500 TCD or more capacity have to register on the National Single Window System. A new clause has been inserted, requiring the mills to share sugar production and sales data digitally with government organisations.

Apart from reporting their sugar balance sheet, these units will also have to buy sugarcane at the government set price.

The order also included raw variety under the definition of sugar to prevent it from being marketed under misleading names like *khandsari* or organic sugar.

The requirement to amend the order was felt due to technological advancements in the production process, as well as multiple changes in the sugar sector in the past few years.

SELECTIVE COVERAGE. Of the 373 khandsari units in the country, with a combined capacity of 95,000 TCD, only 66 units — each over 500 TCD — will be brought under the order

DEALER DEFINITION

Sugar has been defined as "any form of sugar containing more than 90 per cent of sucrose (polarisation), including raw, plantation white, refined sugar including sugar candy or *khandsari* sugar or *bura* sugar or crushed sugar or any sugar in crystalline or powdered or liquid form" in the order.

The government has also defined who is a sugar dealer and who is a bulk consumer by prescribing minimum quantitative limits, sources said.

'Bulk consumer' has been defined as any of these — halwai, soft drink manufacturer, food processing industry or any other institutional buyer, sweetmeat seller or a confectioner — who consumes not less than 30 tonnes of sugar in a month.

The order also as defined "byproducts" as "any form of product which has been produced during production of sugar, namely ethanol (produced from B-heavy/C-heavy molasses, sugarcane juice, sugar syrup, sugar), bagasse, potash based fertilizers, compressed bio gas (CBG), C-heavy molasses, bio-electricity produced from bagasse, press cake or any other alternative product affecting sugar production from sugarcane."

It further said: "The Central government or the State government with approval of the Central government, direct that no sugar and its by-products shall be manufactured from sugarcane except under and in accordance with the conditions specified in a licence issued in this behalf, whether on payment of a fee or otherwise."

Co-op sugar mills body sees output 18% lower at 26 mt in 2024-25

Our Bureau
New Delhi

With 18 sugar factories closed in the past fortnight, the crushing operation may soon end this year with the production estimated to be around 26 million tonnes (mt) by September 30.

According to data compiled by the National Federation of Cooperative Sugar Factories (NFCSF), sugar output between October 1, 2024, and April 30, 2025, dropped 18.34 per cent to 25.7 million tonnes (mt) from 31.47 mt in the year-ago period.

Releasing the update, the cooperative sugar body said the current production number reflects a significant decline of 5.77 mt.

Taking into account the output from all the States and factoring in regional recoveries, the total sugar production of the country is estimated to be 26.1 mt by the season's end. NFCSF also said that with around 3.2 mt of sugar expected to be diverted for ethanol production, the closing stock of sugar is expected to be 4.8-5 mt.

ETHANOL DIVERSION

For Ethanol Supply Year (ESY) 2024-25, which runs from November to October, the sugar industry proposed to divert 5 mt of sugar equivalent towards ethanol production.

Against this, oil marketing companies (OMCs) had allocated 4 mt.

However, the actual diversion is now expected to fall slightly short of the earlier 3.5 mt estimate, as the lack of a price revision for ethanol from sugarcane juice and B-heavy molasses has made sugar production more financially attractive.

This shift has resulted in an additional 0.3 mt of sugar being produced instead of being diverted for ethanol.

After Amul and Mother Dairy, Parag Milk Foods hikes fresh milk price by ₹2/litre

Our Bureau
Bengaluru

Joining its larger peers such as Amul and Mother Dairy, Parag Milk Foods Ltd has announced a ₹2 per litre price increase on its Gowardhan fresh milk range, effective immediately across all markets.

The revision is driven by rising costs of milk procurement, the company said in a statement.

Ajay Singh Barodia, President-Sales, said, "This adjustment helps us support our dairy farmers facing increased input costs, while continuing to deliver pure, fresh milk to our consumers."

Liquid milk sold under the Gowardhan brand accounts for about a tenth of Parag's revenues, while value-added products account for the rest.

Parag Milk Foods reported a profit after tax of ₹36 crore on revenues of ₹885 crore for the third quarter ended December 2024.

OTHER PLAYERS

Recently, dairy firms Amul and Mother Dairy had announced a ₹2 per litre hike in milk prices.

The Gujarat Cooperative Milk Marketing Federation (GCMMF) on Wednesday announced a ₹2 per litre hike in prices of Amul fresh pouch milk across the country, citing the rising input costs as a reason behind the increase.

The price hike, effective from May 1 for all markets, comes just three months after GCMMF reduced prices by ₹1 for its 1-litre milk packets.

Mother Dairy, too, raised milk prices by up to ₹2 a litre from April 30 on the back of higher procurement costs. It added that the company was only partially passing on the impact of higher procurement costs. The surge in procurement prices is primarily driven by the early onset of summer and heatwave conditions, it said.

The rates will be revised in the Delhi-NCR, Uttar Pradesh, Haryana and Uttarakhand markets with effect from April 30, it said.

Govt to restore wheat entitlement for ration shops only after procurement

Our Bureau
New Delhi

Dismissing any possibility of the resumption of wheat exports amid higher procurement, the government on Thursday said it is "premature" to talk about it when current purchases have not even crossed last year's total. However, the government hinted that once procurement ends, it could restore the original entitlements under the public distribution system (PDS).

Addressing the media, Food Secretary Sanjeev Chopra said the government had procured 25.63 million tonnes (mt) of wheat so far this year, up by about 25 per cent from 20.54 mt in the corresponding period last year.

When asked about lifting the export ban on wheat, Chopra responded: "It is premature to talk about allowing wheat exports when we have not even crossed last year's total." The government had procured 26.61 mt of wheat in 2024-25 against the target of 37.3 mt.

Chopra said the Centre will review the restoration of wheat entitlements under PDS after the ongoing procurement drive concludes.

The Agriculture Ministry has projected a record wheat production of 115.43 mt for the 2024-25 crop year (July-June).

SMOOTH PURCHASES

When asked if the government would fully restore wheat supply under the PDS in view of the bumper harvest, Chopra said: "We will have to wait until the procurement is over. We will get a clear picture after the operation is over."

He said procurement had been smooth and good so far and the government is hopeful of achieving close to the estimate of 31.27 mt (initial estimate). The government has further raised the target in Madhya Pradesh to 8 mt from 7 mt fixed two days ago, taking the all-India target to 33.27 mt.

Global players keep a watch on India's fertilizer policy

Our Bureau
New Delhi

Highlighting that India has consistently been a major buyer in the (global) fertilizer market, a research report by Rabobank said that as seasonal demand in India has decreased, coupled with the depletion of stocks, the market activity has diminished as participants adopt a wait-and-watch approach before taking any action.

According to the report "Semiannual fertilizer outlook", authored by Bruno Fonseca for RaboResearch Food & Agribusiness, the unfavourable scenario for the fertilizer market will persist throughout the year.

The report also said that fertilizer prices are showing an upward trend for 2025.

"On the demand side, despite all this geopolitical uncertainty, fertilizer needs remain stable in regions such as Africa, Australia, South America, Europe and the US. India has consistently been a major buyer in the fertilizer market, standing out as a very important player in this market and ensuring necessary liquidity at times."

BLEAK SCENE. The unfavourable scenario for the fertilizer market is set to persist throughout the year, says Rabobank

"However, seasonal demand in India has decreased, coupled with the depletion of stocks. Consequently, market activity has diminished as participants adopt a wait-and-see approach before taking any new actions," it said.

IMPORTS DROP

According to official data, total sales of urea, diammonium phosphate (DAP), muriate of potash (MOP) and complex (combination of all nutrients) recorded an all-time high of 65.59 million tonnes (mt) in FY25 against 60.08 mt in FY24, up by 9.2 per cent. The previous high was 62.19 mt in 2020-21 during the Covid pandemic.

On the other hand, import of these four fertilisers dropped 9.7 per cent to 15.22 mt in FY25 from 16.85 mt in FY24, resulting in the opening stock (as on April 1) dropping more than 25 per cent to 10.8 mt from 14.41 mt year-ago.

The current year opening stock is also the lowest in three years; the previous low was 7.11 mt on April 1, 2022.

Industry observers said that if global fertilizer prices move up, it will further constrain Indian companies to get into import contracts unless the government assures additional subsidy.

The report said it does not expect further urea price increases on top of the 13 per cent price rise seen in Q1 2025 (January-March) due to an expected resumption of supply from China, which remained absent in the international market in 2024.

The RaboResearch report said that China is likely to resume exports in the second half of 2025.

Icrisat's sorghum variety makes waves in Saudi Arabia

Farmers in the desert nation report higher productivity from ICSR 14001 variety

KV Kurmanath
Hyderabad

'Mojan' (or wave in Arabic), an improved sorghum variety (ICSR 14001) developed by Icrisat, is literally making waves in Saudi Arabia.

The collaborative effort between the International Crops Research Institute for Semi Arid Tropics (Icrisat), the Food and Agriculture Organization (FAO) and Saudi Arabia is bringing in a transformative change in rain-fed cereal farming with the adoption of ICSR 14001 sorghum.

Icrisat's mandate is to develop seed varieties for dryland areas across the world. Interestingly, it recently tied up with the Sher-e-Kashmir University of Agricultural Sciences and Technology to develop cold-tolerant sorghum varieties suited for the high-altitude regions of Jammu and Kashmir. Scheduled for release in 2025, these varieties aim to support smallholder farmers and enhance livestock production.

GRAIN OF CHANGE. The success of Mojan is a blueprint for transforming dryland agriculture, especially for countries in the Gulf and North Africa

NINE VARIETIES

For Saudi Arabia, the collaborative initiative identified nine improved forage and dual-purpose sorghum and pearl millet varieties, enhancing productivity and resilience in dryland agriculture, an Icrisat official said.

Building on this momentum and deepening the impact of such innovations, a two-week study tour was organised in the third week of April to boost the production of rain-fed cereals.

A delegation of researchers, extension agents and farmers from Saudi Arabia visited Icrisat's campus in Hyderabad to strengthen knowledge exchange, explore cutting-edge agricultural technologies and build capacity for dryland cereal cultivation, particularly sorghum, pearl millet and sesame.

BETTER YIELD

The Saudi Arabian delegation reported that Mojan (ICSR 14001) had shown exceptional performance in field trials conducted in the Jazan area.

"The variety consistently outshone local cultivars, delivering higher grain yields, superior grain quality and enhanced biomass. With its impressive nutritional profile and proven ability to thrive in challenging climates across the Gulf and North Africa, ICSR 14001 is gaining recognition as a game changer for the region's dryland agriculture," an Icrisat statement said.

Stanford Blade, Deputy Director-General (Research and Innovation of Icrisat), said the crop had a dual-purpose value. "Beyond grain, its fodder value supports livelihoods in remote communities. The success of Mojan is a blueprint for transforming dryland agriculture, especially for countries in the Gulf and North Africa," Blade said.

He noted that over 90 farmers had already received training in essential areas, such as crop production and protection, soil health, irrigation management and seed systems, to facilitate further scaling.

Over 80 per cent of major reservoirs are half empty

Our Bureau
Chennai

The water level in over 80 per cent of India's 161 major reservoirs dropped below 50 per cent this week, while the overall storage in the dams was below 35 per cent, data from the Central Water Commission (CWC) showed.

According to CWC's weekly bulletin on the status of the 161 reservoirs, the level dropped to 33.36 per cent or 60.685 billion cubic metres (BCM) of the total capacity of 182.444 BCM.

Interestingly, Tamil Nadu's reservoirs boasted the best storage of 64.36 per cent.

Of the 161 reservoirs, the storage in 105 dropped below 40 per cent and in another 26, it was below 40 per cent.

The overall level is, however, higher than last year and the normal level (last 10 years).

MONSOON HOLDS KEY

With the India Meteorological Department (IMD) forecasting an above normal temperature in May, the level will likely decline further — an usual phenomenon.

However, if the Southwest monsoon sets in on time, then the levels will begin improving from June onwards.

The Central and Western regions had better storage compared to the other three this week. Among the three, the level in the Northern and Eastern regions were below 30 per cent while in the southern region, it was 30.36 per cent. However, the storage was improved a tad in the Northern region this week.

The level in the 11 reservoirs of the Northern region was at 4.727 BCM against 4.707 BCM last week. The capacity in the region is 19.836 BCM, and the dams were filled to 23.83 per cent.

Of the 27 reservoirs in the Eastern region, the storage was 29.33 per cent of the 21.724 BCM at 6.371 BCM.

The 28 dams in the Central region were filled to 39.11 per cent or 19.004 BCM of the 48.588 BCM capacity.

In the 50 reservoirs of the Western region, the level was 37.21 per cent of the 37.357 BCM capacity at 13.901 BCM.

SOUTH WELL-OFF

The 45 reservoirs of the Southern region were filled to 30 per cent of the 54.939 BCM capacity at 16.682 BCM. The storage in Kerala's dam was 59 per cent but in the rest of the States in the region, it was below 50 per cent.

The storage will likely continue to drop under the monsoon sets in. The normal date for the onset of the monsoon is June 1.

QUICKLY.

PM Modi to commission Vizhinjam seaport today

Thiruvananthapuram: Prime Minister Narendra Modi will officially commission the Vizhinjam International Seaport on Friday, placing Kerala firmly on the global maritime map. The port is expected to transform India's role in international trade and shipping. The deep-water port has been developed by Adani Ports and Special Economic Zone Ltd, India's largest port developer and part of the Adani Group, under a public-private partnership. PTI

ICB power plants to run at optimum capacity till June

New Delhi: The Power Ministry has directed imported coal-based (ICB) power plants to run at optimum capacity till June 30 in anticipation of rising power consumption, which hits a high during the summer months. Earlier, the Ministry had directed ICB plants to run at full capacity till April 30, which has now been extended till June 30. OUR BUREAU

US urges India, Pak to de-escalate tensions; New Delhi demands justice

PUSH FOR PEACE. US Secretary of State speaks with Jaishankar, Pakistan PM Sharif on maintaining peace

Amiti Sen
New Delhi

The US has asked India and Pakistan to work with each other to de-escalate tensions and maintain peace and security in South Asia following the tension triggered by the terror attack in Jammu & Kashmir's Pahalgam on April 22.

However, India maintained that the perpetrators, backers and planners of the terror attack, which left 26 civilians dead, "must be brought to justice".

US Secretary of State Marco Rubio spoke with External Affairs Minister S Jaishankar on Wednesday to discuss the attack.

"The Secretary expressed his sorrow for the lives lost in the horrific terrorist attack in Pahalgam, and reaffirmed the United States' commitment to cooperation with India against terrorism. He also encouraged India to work with Pakistan to de-escalate tensions and maintain peace and security in South Asia," according to US Department of State spokesperson Tammy Bruce.

Jaishankar maintained that those involved in the attack must be brought to justice.

"Discussed the Pahalgam terrorist attack with US Secretary of State Marco Rubio yesterday. Its perpetrators, backers and planners must be brought to justice," Jaishankar posted on social media platform 'X' on Thursday.

SPOKE WITH PAK PM

Rubio also spoke with Prime Minister of Pakistan Muhammad Shehbaz Sharif separately and sought co-operation in investigating this "unconscionable" attack. "The Secretary spoke of the need to condemn the terror attack on April 22 in Pahalgam. Both leaders reaffirmed their continued commitment to holding terrorists accountable for their heinous acts of violence," according to Bruce's statement on Rubio's call with Sharif.

SEEKING RESTRAINT. US Secretary of State Marco Rubio and External Affairs Minister S Jaishankar (file photo)

The Secretary urged Pakistani officials' cooperation in investigating "this unconscionable attack", the statement noted.

"He also encouraged Pakistan to work with India to de-escalate tensions, re-establish direct communications and maintain peace and security in South Asia," it said.

MILITARY ACTION?

On Wednesday, Pakistan Federal Minister for Information Attaullah Tarar alleged that India was planning to initiate military action against his country within 24-36 hours, and he had "credible intelligence" on the matter.

Qatar, Saudi Arabia and Kuwait also expressed their concerns over the escalation between India and Pakistan and urged both countries to exercise restraint and resolve the crisis through diplomatic channels.

Prime Minister Narendra Modi, on Wednesday, chaired a meeting of the Cabinet Committee on Security to discuss the security situation in Jammu and Kashmir.

SC refuses plea for judicial probe into Pahalgam attack

SECURITY CONCERNS. The plea sought an action plan for the safety of the people in tourist areas of J&K by the CRPF, NIA and the Union Territory administration

Press Trust of India
New Delhi

The Supreme Court on Thursday pulled up the petitioners and refused to hear their PIL seeking a judicial probe into the April 22 Pahalgam terror attack in Jammu and Kashmir, in which 26 people were killed.

A Bench of Justices Surya Kant and N Kotiswar Singh castigated the petitioners for seeking a retired judge to monitor the probe into the Pahalgam attack, and said retired judges were not experts.

"In this crucial time, each and every citizen of the country has joined hands to fight terror. Do you want to demoralise the security forces by filing this kind of PIL? Don't bring this kind of issue to the judicial domain," the Bench said.Petitioners Fathesh Kumar Saahu and others were consequently asked to withdraw the PIL.

SENSITIVITY OF ISSUE

The court asked the petitioners to realise the sensitivity of the issue and not make any prayer in the court which demoralised the forces.

"You are asking a retired Supreme Court judge to investigate. Since when the retired judges of the High Courts and Supreme Court became experts in investigation? They can only adjudicate and decide an issue. Don't ask us to pass an order. Go wherever you want to go. Better you withdraw," the Bench told one of the petitioners.

Justice Kant asked the petitioners to exercise caution while filing a PIL and expressed displeasure over the nature of prayers in the petition.

The PIL was filed by advocates Fatesh Kumar Sahu and Vicky Kumar, aside from Kashmir resident Junaid Mohd.They sought a direction to the Centre and the J&K Union Territory administration (UT) to ensure the safety of tourists.

SECURITY STANDARDS

The plea sought minimum security standards for tourist sites in areas prone to conflicts, such as Jammu and Kashmir.

The plea also sought an action plan for the safety of the people in tourist areas of J&K by the CRPF, NIA and the UT administration. The court was urged to pass directions to the Press Council of India for ensuring only "fair and true" reporting in connection with the attack to ensure peace and harmony in society.

Residents of border areas in J&K scramble to get bunkers ready

Gulzar Bhat
Srinagar

Amidst escalating tensions between India and Pakistan over the Pahalgam terror attack, residents of border villages of Jammu and Kashmir are scrambling to prepare bomb shelters.

However, the inadequate number of such shelters has become a cause of worry for thousands of border dwellers.

The Pahalgam attack, which left 26 people dead in the serene Baisaran meadows on April 22, has strained relations between India and Pakistan, with investigations suggesting the involvement of Pakistan in the attack. Additionally, the suspension of the Shimla agreement by Pakistan has heightened fears of skirmishes along the Line of Control (LoC).

PREPARING SHELTERS

In the Valley's Haji Pir, Machil and Keran sectors, people have readied underground community bunkers to protect themselves in case of cross-border shelling.

Reports pouring in from Jammu's Arnia sector suggest similar preparedness among residents living near the zero line.

Lal Din, a local resident of Churanda, a village near LoC in Uri area of north Kashmir's Baramulla district said that people living close to the

FEAR FACTOR. People at an underground bunker near the LoC in the Uri sector in Baramulla district of J&K PTI

community bunkers have started readying them following the recent flare up between the two countries.

He, however, said the shelters built by the government a few years ago lacked electricity and water connections.

The village, home to about 330 households, has only 8 to 10 community bunkers. "At most, a bunker can accommodate 10 to 15 people," Lal Din added. Zaffar Iqbal , a resident of Uri and a local journalist, told *businessline* that there was a shortage of bunkers in border villages. He said in Haji Pir sector of Uri district, the government built nearly 40 community bunkers. "The sector is comprised of 15 to 18 villages and the bunkers were constructed only in Haji Pir sector of the border district," Iqbal said.

BUNKERS DAMAGED

In the early 1990s, the government had constructed individual bunkers for households in the area, but they were damaged in the 2005 earthquake that killed 150 people in the district.

"We have been living in constant fear since the LoC flare up," said a resident from Jammu division's Akhnoor area.

On Thursday, the Pakistan Army resorted to unprovoked firing in Akhnoor, Sundarbeni and Nowshehra sectors, violating the ceasefire agreement.

However, political analysts in Kashmir believe that the suspension of the Shimla agreement could make the LoC hotter.

"The treaty serves as a sort of guideline for both countries. Now, in its absence, tensions along the LoC could intensify," said Shahnawaz Hussain, a political analyst.

Air India sees Pakistan airspace ban costing it $600 million over 12 months, seeks aid

Reuters
New Delhi

Air India expects to face around $600 million in additional costs if a ban from Pakistan's airspace lasts for a year, and has asked the Central government to compensate it for the hit, a company letter seen by *Reuters* shows.

Indian airlines are bracing for higher fuel costs and longer journey times after Pakistan shut its airspace to the country's carriers in a tit-for-tat retaliation following an attack on tourists in Jammu & Kashmir last week.

SOUGHT SUBSIDY

Air India on April 27 asked the Centre for a "subsidy model" proportionate to the economic hit, estimating a loss of more than ₹5,000 crore ($591 million) for each year the ban lasts, according to a letter seen by *Reuters*.

> **Air India asked the government to liaise with Chinese authorities for certain overflight clearances**

"Subsidy for affected international flights is a good, verifiable and fair option... the subsidy can be removed when the situation improves," the letter said.

"The impact on Air India is maximum due to airspace closure, due to additional fuel burn ... additional crew."

Air India declined to comment. India's Civil Aviation Ministry did not immediately respond to a request for comment. Air India's letter was sent after the government asked its executives to assess the impact of the airspace ban on Indian carriers, said a source with direct knowledge of the matter.

The Tata Group-owned airline is in the midst of a multi-billion dollar turnaround after a period of government ownership, and growth is already constrained by jet delivery delays from Boeing and Airbus. It reported a net loss of $520 million in fiscal 2023-2024 on sales of $4.6 billion.

Air India, which has a 26.5 per cent market share in India, flies to Europe, the US and Canada, often crossing Pakistan's airspace. It operates many more long-haul routes than bigger domestic rival IndiGo.

Data from Cirium Ascend shows IndiGo, Air India and its budget unit Air India Express had roughly 1,200 flights combined from New Delhi scheduled for Europe, the Middle East and North America in April.

DAMAGE CONTROL

The Indian government is considering options to reduce the hit to the airline industry from the closure of Pakistan's airspace, people familiar with the matter said.

One of the sources said Indian carriers met with the Civil Aviation Ministry to work on possible solutions, including flying over difficult terrain closer to China, and some tax exemptions.

In its letter, Air India asked the government to liaise with Chinese authorities for certain overflight clearances, without elaborating.

It also asked the government to approve the carrying of extra pilots on flights on the US and Canada to account for longer travel times.

Despite flight cuts, travel demand for Central Asian destinations remains strong

Aneesh Phadnis
Mumbai

Demand for Central Asian destinations remains intact despite a reduction in capacity, driven by easy visa norms and budget-friendly tour options, say travel companies.

Overall capacity between India and Central Asia fell by around 2 per cent in April on a month-on-month basis with IndiGo temporarily suspending flights from Delhi to Almaty (Kazakhstan) and Tashkent (Uzbekistan) until May 7. The Pakistan airspace closure has increased the duration of IndiGo's Baku (Azerbaijan) and Tbilisi flights by around 45 minutes.

"Our demand pipeline for Central Asian destinations like Almaty, Tashkent and Baku continues to be robust, and this extends to summer

and beyond. With high interest during the peak summer season, while demand-supply understandably sees some pressure, customers are happy to opt for alternate flights and date changes, rather than shift destination," said Indiver Rastogi, President & Group Head (Global Business Travel), Thomas Cook (India) and SOTC Travel.

NO MAJOR DIP

Cleartrip, too, sees growing demand for these destinations with no major dip in fresh bookings following the airspace closure. "Travellers are looking for new culturally rich experiences beyond the usual hotspots. Better flight connections, affordability and a sense of adventure is driving this trend," said Manjari Singhal, Chief Growth and Business Officer, Cleartrip.

On a year-on-year (y-o-y) basis, India-Central Asia capacity has grown 26 per cent measured by the number of flights, show data from analytics firm Cirium.

Indian and Central Asian airlines operate 18 services a day (two way), with Delhi handling nearly 90 per cent of the flights.

In fact, IndiGo planned to add new destinations in Central Asia and expand frequency on its existing routes but will now have to go slow because of the airspace closure.

Meanwhile, Central Asian airlines are ramping up capacity. Kazakhstan's Air Astana launched three weekly flight from Almaty to Mumbai from April 20.

Azerbaijan Airlines is also starting a service between Baku and Ahmedabad from July, adding to its existing flights in Delhi and Mumbai.

Per the consultancy CAPA India's mid-year outlook for 2025, Azerbaijan and Kazakhstan were among the fastest growing outbound travel markets from India, witnessing over 100 per cent growth in the first six to nine months of 2024 on a y-o-y basis.

"We foresee strong and sustained growth in the Indian market. India's steadily expanding economy, the rapid rise of the middle class and its large population present significant opportunities," said Alan Atamukov, Country Manager, Air Astana.

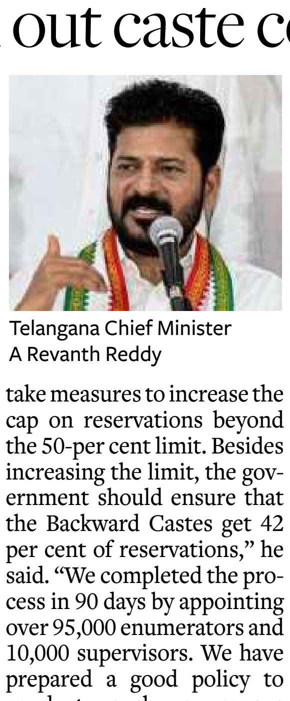
'Form Group of Ministers, expert panel to roll out caste census'

KV Kurmanath
Hyderabad

Telangana, which recently completed a comprehensive caste census, has asked the Centre to set up a Group of Ministers (GoM) and an expert panel to study experiments in different States and prepare modalities for the nationwide caste census.

Welcoming the Centre's decision to conduct a caste census, Telangana Chief Minister A Revanth Reddy offered to share the State's experiences. He urged the Centre to complete the census within a fixed time frame and chalk out measures to prepare policies based on its outcomes. He said the census could be completed in a year. "We are ready to share our experience with the Union government to make it a comprehensive one," he said.

"The government should take measures to increase the cap on reservations beyond the 50-per cent limit. Besides increasing the limit, the government should ensure that the Backward Castes get 42 per cent of reservations," he said. "We completed the process in 90 days by appointing over 95,000 enumerators and 10,000 supervisors. We have prepared a good policy to conduct such a census without any political interference," he said.



Telangana Chief Minister A Revanth Reddy

'CONSULT THE STATES'

Addressing a press conference on Thursday, he said the Centre should hold extensive consultations with different States, civil society stakeholders and political parties. "We prepared about 57 questions to collect socio-economic profiles of citizens. We have completed the process without any hiccups. We should also keep the data secure to ensure there is no breach of privacy," he said.

He wanted the Central government to depute officers to different States to understand the past experiences before finalising the modalities.

He also urged the Centre to factor in variations in the status of different castes in different States.

Citing a few examples, he noted that the Boya community, which is considered as a tribal caste in Telangana, are considered to be under OBCs in Karnataka, and Lambadas, who are tribals in Telangana, are OBCs in Maharashtra.

Federal Bank Q4 net up 14% on growth in net interest, other income

Our Bureau
Mumbai

Federal Bank reported a 14 per cent year-on-year (y-o-y) increase in fourth quarter standalone net profit at ₹1,030 crore, supported by a moderate growth in net interest income and robust growth in other income.

The private sector bank logged a net profit of ₹906 crore in the year-ago period.

The Bank's Board recommended a final dividend of ₹1.20 per equity share of the face value of ₹2 each (60 per cent) for FY25.

PROFIT DRIVERS

Net interest income (difference between interest earned and interest expended) was up about 8 per cent y-o-y at ₹2,377 crore (₹2,195 crore in the year-ago quarter).

Other income, including fee-based income, treasury income and recovery in written-off accounts, rose 33 per cent y-o-y to ₹1,006 crore (₹754 crore).

Net interest margin (net interest income/total assets) declined to 2.87 per cent (3.2 per cent).

However, it saw an uptick of 19 basis points from 2.68 per cent in Q3FY25 despite the cut in repo rate.

Q4 scorecard (in ₹ cr)

	Q4FY24	Q4FY25	% change
Net profit	906	1,030	13.7
Net interest income	2,195	2,377	8.3
Other income	754	1,006	33.4
Operating profit	1,110	1,465	32.0
NPA provisions	7	148	2,014.3
Tax expenses	299	297	-0.7
GNPA %	2.13	1.84	
NNPA %	0.6	0.44	
Deposits	2,52,534	2,83,647	12.3
Net advances	2,09,403	2,34,836	12.1

NIM MANAGEMENT

KVS Manian, Managing Director & CEO, said, "Despite the prevailing rate cut environment, we have effectively navigated NIM pressures through strategic asset pricing, robust CASA growth, and the best asset quality seen in over a decade.

"Crossing the twin milestones of ₹5 lakh crore in total business and ₹4,000 crore in annual net profit marks a defining moment in our journey."

Loan loss provisions jumped to ₹148 crore from ₹7 crore in the year ago quarter.

Gross non-performing assets (GNPAs) position improved to 1.84 per cent of gross advances as of March-end 2025 against 2.13 per cent as at March-end 2024. Net NPAs position too improved to 0.44 per cent of net advances from 0.60 per cent.

Gross advances increased by about 12 per cent y-o-y to ₹2,34,836 crore as of March-end 2025, with commercial vehicle/construction equipment advances reporting the highest growth of 34.93 per cent, followed by commercial banking (26.76 per cent), gold loans (20.93 per cent), retail advances (14.50 per cent), Business banking (11.44 per cent) and corporate advances (8.39 per cent).

DEPOSIT GROWTH

Total deposits rose about 12 per cent y-o-y to stand at ₹2,83,647 crore as at March-end 2025.

The share of current account, savings account (CASA) deposits improved to 30.23 per cent in total deposits from 29.38 per cent.

CHENNAI
businessline.
FRIDAY - MAY 2 - 2025

PM hails rise of 'Orange Economy' at the inauguration of WAVES

CREATIVE PITCH. Modi invites all global investors, creators to make India their content playground

Our Bureau
Mumbai

Prime Minister Narendra Modi said the Orange Economy is rising in India with content, creativity and culture as its three pillars.

On Thursday, inaugurating the World Audio Visual and Entertainment Summit (WAVES) in Mumbai, he lauded the Bazaar initiative for encouraging new creators to connect with new buyers in the world.

RIGHT TIME

Stating that the 'Create in India, for the world' initiative is taking place at the right time, he stressed the importance of 'creative responsibility,' wherein the young generation stays away from anti-humanity ideas.

> Modi stressed the importance of global coordination when technology has become crucial for creativity

"Indian films are now reaching every corner of the world. Today, Indian films are released in over 100 countries."

"Foreign audiences no longer just watch Indian films superficially, but try to understand them. Today, a large number of foreign viewers are watching Indian content with subtitles."

"The OTT industry in India has shown 10 times growth in the last few years. The screen size may be getting smaller, but the scope is infinite. The screen is becoming micro but the message is becoming mega."

RIDING THE CONTENT WAVE. Prime Minister Narendra Modi addressing the World Audio Visual Entertainment Summit (WAVES) 2025 in Mumbai on Thursday

'TECH IS CRUCIAL'

"Indian food is becoming the world's choice. I am confident that in the coming days, India's songs will also become a global identity," said Modi.

The PM stressed the importance of global coordination as technology has become crucial for the creative world.

He expressed confidence in the WAVES platform to connect creators with global storytellers, animators with global visionaries and turn gamers into global champions.

"I invite all global investors, global creators to make India your content playground. To the creators of the world - Dream Big, And Tell Your Story. To Investors - Invest Not Just In Platforms, But In People. To Indian Youth - Tell Your One Billion Untold Stories To The World!" he said.

India can bring about a global revolution in entertainment: Mukesh Ambani

Vallari Sanzgiri
Mumbai

India can bring about a global revolution in the entertainment sector, said Mukesh Ambani, Chairman & Managing Director, Reliance Industries Ltd (RIL), at the World Audio Visual & Entertainment Summit (WAVES).

"India's media and entertainment industry is today valued at $28 billion. It can grow to over $100 billion in the next decade," said Ambani, stating that this growth will drive entrepreneurship and generate millions of jobs.

To achieve this, he called for investment in content clusters and training in animation, VFX and other technologies, incentivisation in IP creation, AI-powered innovation and gamification. In line with this, he talked about the need to fuse digital technologies like AI and storytelling.

He described India's 5G-led digital infrastructure as the country's secret weapon, which will soon be elevated to 6G. The 1.2 billion mobile homes in India are potentially 1.2 billion screens on which users can access entertainment and even share user-generated content.

Mukesh Ambani, Chairman, Reliance Industries

'REAL POWER'

"The tools of AI and immersive technologies can make our stories more captivating than ever before and take them instantly to audiences. India's entertainment and cultural industry is not just soft power, it is real power," said Ambani.

Noting global trends, Ambani said India can use the "highly polarised world full of turbulence and uncertainty" as a strategic opportunity to satiate people's hunger for entertainment that is healthy, wholesome, hopeful.

"The economic power of the global south, which accounts for about 85 per cent of the world's population, is rising rapidly. This means most of the creation and consumption of media and entertainment products will now start taking place in Asia, Africa and South America," he said.

In terms of demographics, Ambani stressed India's advantage as its large population will potentially make the country the world's largest media and entertainment market.

"Just look at the numbers; 1.4 billion creators and consumers with an average age of 29. This is not just a statistic. It is a profile of a demographic; economic, and creative superpower," he said.

'India's next unicorns will be creators'

Vallari Sanzgiri
Mumbai

India's next unicorns will not be applications but creators and artists, said Shantanu Narayan, Chairman and Global CEO, Adobe, during the World Audio Visual & Entertainment Summit, pointing out that India's freelance creator community has grown 10 per cent over the last decade.

According to Narayan, the creator industry is growing better than the small design studios community, with over 100 million content creators now in India.

"Generative AI is enabling Indian creators to transcend traditional mediums, opening up opportunities across imaging, video and design," he said. Regarding AI, Narayan said technology is accelerating and expanding the creative aperture beyond ideation, creation and production.

Shantanu Narayan, Chairman and Global CEO, Adobe

Noting that 500 million Indians consume OTT content on their mobile phones, Narayan said the company has seen accelerated localisation and personalisation in content. Half of such content is now in regional languages.

"Demand for short form and video content is surpassing supply and driven by the race of gaming in India, among other countries," he said.

Narayan said that given the size and breadth of the creative opportunity that AI offers, India's next growth may not be as a software tool economy but only in terms of creativity.

LOCAL LLMS

"...local LLMs offer the opportunities to combine domain and AI ML expertise to build India specific models," Narayan said.

TRAI Chairman seeks level-playing field for linear and digital media

Vallari Sanzgiri
Mumbai

Anil Kumar Lahoti, Chairman of the Telecom Regulatory Authority of India (TRAI), on Thursday said there is a need for a common regulation for linear and digital content to allow for fairness. During the World Audio Visual & Entertainment Summit (WAVES) in Mumbai, Lahoti raised concerns about the different modes by which traditional media and cable are regulated in comparison to digital media.

Accordingly, he spoke about the need to further regulate the latter.

Anil Kumar Lahoti, Chairman, TRAI

CLEAR DIFFERENCE

"There is a clear difference between how the linear content and digital content are regulated. While self-regulation applies to digital content, the linear content is regulated by the Cable Television Regulation Act. There is no reason why one media should be regulated with one set of rules, while others should have self-regulation. There is a need to align content regulation. It should be media agnostic," said Lahoti.

Lahoti said the regulatory body does not want to create an environment where regulation discriminates between two mediums.

This was in context of a recent Supreme Court notice sent to the government regarding the regulation of digital content on OTT and social media.

'YouTube paid over ₹21,000 crore to Indian creators in last 3 years'

Vallari Sanzgiri
Mumbai

YouTube CEO Neal Mohan said the platform paid over ₹21,000 crore to Indian creators in the last three years, and called India the "Creator Nation."

Speaking at the World Audio Visual & Entertainment Summit (WAVES), he announced a substantial investment of over ₹850 crore in the next two years to further accelerate the growth of India's burgeoning creator economy.

Last year, content produced in India racked up 45 billion hours of watch-time from viewers outside the country.

CULTURAL EXPORT

Mohan said, "YouTube's ability to connect a creator anywhere with audiences everywhere has made it a powerful engine of cultural export, and few nations have leveraged this as effectively as India."

Further, he said over 100 million channels in India uploaded content in the past year, with more than 15,000 surpassing one million subscribers.

India's smartphone shipments fall 7% y-o-y in Q1 due to high inventory: Counterpoint

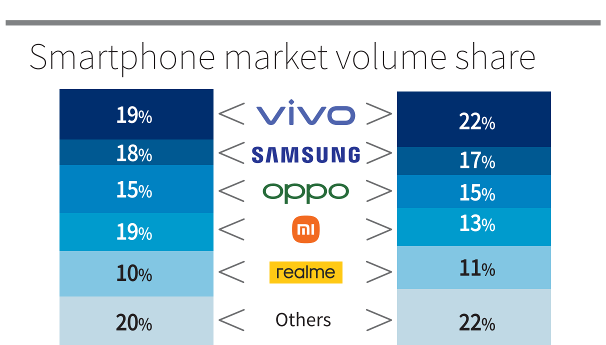
S Ronendra Singh
New Delhi

India's smartphone shipments in the first quarter (Q1) of 2025 declined 7 per cent year-on-year (y-o-y), according to the latest research from Counterpoint's Monthly India Smartphone Tracker.

The market entered 2025 with high inventory levels, which impacted shipments during the first quarter. Besides, there was a 26 per cent y-o-y drop in the number of new launches, it said.

Apple continued its strong upward trajectory, recording 29 per cent y-o-y growth and its highest-ever Q1 volumes in India, further cementing its dominance in the premium segment. This performance underscores the growing appeal of high-end devices across the country, with Apple also leading the market in terms of value, the report said.

"In Q1 2025, Vivo further strengthened its leadership (22 per cent market share) in India's smartphone market, recording 9 per cent y-o-y growth and marking its third consecutive quarter at the top. This performance was largely driven by strong traction for its sub-₹15,000 offerings, particularly the Y29 5G and T4x models. Samsung clinched the second spot (17 per cent) this quarter, supported by multiple launches across price segments that helped drive momentum," Shubham Singh, Research Analyst at Counterpoint, said.



Source: Counterpoint Research

OPPO secured the third position (15 per cent) supported by the strong performance of its A3 and K series, which were effectively marketed around durability, an increasingly important consumer consideration, he said.

Xiaomi, on the other hand, saw a decline in shipments during the quarter, primarily due to higher inventory levels. Despite launching the Redmi Note 14 series, Redmi 14C 5G and A4 5G, these models witnessed lower-than-expected consumer traction, he added.

EXCESS STOCK

"In Q1 2025, India's smartphone market shifted focus towards preparing for more sustainable and structured growth. Key brands, dealing with high inventory levels, prioritised clearing excess stock to stabilise operations and set a stronger foundation for the year. Despite this inventory adjustment, consumer demand for ultra-premium products remained strong," Prachir Singh, Senior Research AnalysQ1at Counterpoint, said.

As a result, the ultra-premium segment (priced above ₹45,000) saw 15 per cent y-o-y growth, while the average selling price increased at an 11 per cent CAGR post-Covid, highlighting a shift toward premium devices. This continued premiumisation trend was further supported by growing affordability and expanding financing options, which made high-end devices accessible to a broader consumer base, Singh added.

India's smartphone market is expected to grow at a low single-digit rate this year, driven by a favourable economic outlook and increasing global interest in Indian manufacturing. Lower tariffs compared to China and Vietnam are positioning 'Made in India' devices as a more cost-effective option for US importers, while the potential for enhanced bilateral trade between the US and India could further strengthen the country's appeal as a smartphone manufacturing hub, the report added.

Mumbai airport rejects IATA's claims, says no pressure on airlines to shift ops to Navi Mumbai

Our Bureau
Mumbai

Mumbai International Airport Limited (MIAL) is not pressurising airlines to shift operations to Navi Mumbai airport, it said on Thursday.

MIAL issued a statement on Thursday rejecting the International Air Transport Association's (IATA) claims of zero consultation and pressure tactics on airlines to push traffic to Navi Mumbai.

Last week, MIAL informed airlines about the suspension of freighter operations from August 15. Airlines from West Asia were also told about a cut in slots in winter, citing infrastructure works such as taxiway construction and redevelopment of Terminal 1.

"We reject in the strongest terms IATA's insinuation that MIAL or Adani Airports is using these operational adjustments to pressure airlines to shift to Navi Mumbai International Airport (NMIA). Navi Mumbai International Airport (NMIA) is a nationally significant infrastructure project, envisioned in 1997 and under development since 2018. User consultations for NMIA's master planning have been held since March 2018, with participation from airlines and IATA. Airlines have full autonomy over network planning, and there has been no attempt — either direct or indirect — to steer traffic from Mumbai to Navi Mumbai airports," MIAL stated.

INFRA UPGRADE

The airport operator said, contrary to IATA's claims, it has followed a transparent, consultative and regulator-driven process; "the operational changes are part of a broader infrastructure upgrade initiative governed by the Airports Economic Regulatory Authority of India. MIAL has actively engaged with stakeholders at every stage of the process."