**CHENNAI** - THURSDAY - FEBRUARY 27, 2025

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Ingredients: Milk Solids & Vinegar
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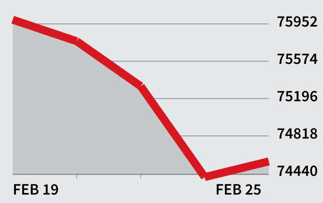


**IN FOCUS**

| | Week's close | Week's change |
|---|---|---|
| Nifty 50 | 22547.55 | -397.75 |
| P/E Ratio (Sensex) | 20.77 | -0.38 |
| US Dollar (in ₹) | 87.21 | +0.26 |
| Gold Std 10 gm (in ₹) | 86300.00 | +953 |
| Silver 1 kg (in ₹) | 95769.00 | -254 |

**IMPROVING MARKET ACCESS.** **A Maximum Residue Level framework** for spices is on the cards. The FSSAI has readied a draft, revising the levels **p8**

**TECHNOPHILE.** **Vivo V50** excels in design, display and battery, but occasional lags persist **p4**

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## QUICKLY.

**DISH ALLIANCE**

**Airtel in talks to merge DTH biz with Tata Play**

**New Delhi:** Bharti Airtel on Wednesday said it is in talks with the Tata Group for a potential merger of their DTH operations. The players have been in discussion for the merger of Bharti Telemedia and Tata Play for some time. This comes at a time when the DTH industry is battling dwindling subscriber base, amidst heightened competition from OTT players. **p2**

**STREAMING LAWS**

**Govt looks at global best practices to regulate OTTs**

**New Delhi:** The government is looking at global best practices in regulating over-the-top (OTT) players. The move comes in the backdrop of the Telecom Regulatory Authority of India reportedly sending suggestions regarding the regulations to the Ministry of Information and Broadcasting and DoT. One of the sources said India may look at South Korea, which regulated OTTs last year. **p10**

# Banks turn to infra bonds for funds as deposit growth lags

**UPTICK.** This route as competitive as term deposit; PSBs lead; FY25 mop-up may top ₹1 lakh cr

**K Ram Kumar**
Mumbai

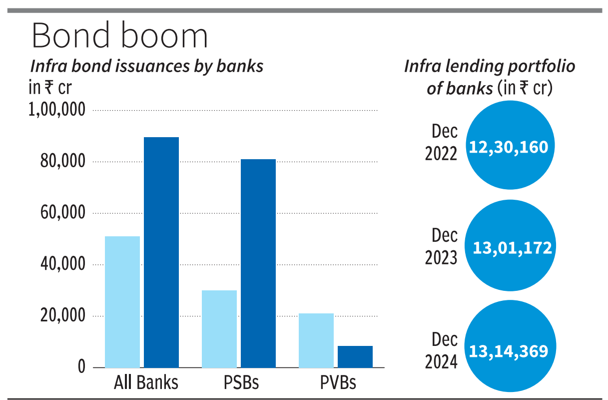
Banks mopped up 75 per cent more resources by issuing infrastructure bonds so far this financial year, amidst deposit growth lagging credit expansion and the cost of funding via this route (infra bonds) being as competitive as term deposits.

Banks collectively raised ₹89,588 crore via infrastructure bond issuances in the first 11 months of FY25 against ₹51,081 crore in the year ago period.

Public sector banks (PSBs) accounted for 90 per cent of the total infra bond issuances in the period against 51 per cent year ago. Private sector banks accounted for the rest.

**SHIFT FROM AT-1 BONDS**

While infra bond issuances saw a sharp uptick, tier-2 and Additional Tier, or AT-1, bond issuances by banks declined. Tier-2 bond issuances were lower at ₹33,100 crore (₹34,329 crore). AT-1 bond issuances more than halved to ₹8,000 crore (₹17,516 crore).



Source: EBP of BSE/NSE, RBI   PSBs: Public Sector Banks   PVBs: Private Sector Bank

Venkatakrishnan Srinivasan, Founder and Managing Partner, Rockfort Fincap, observed that the sharp rise in bank infrastructure bond issuances this financial year, significantly outpacing tier 2 and AT-1 bonds, reflects a clear shift in investor preference.

Public sector banks have taken the lead, and going by the current trajectory, total issuances could well exceed ₹1 lakh crore by the fiscal year-end.

"Institutional investors are gravitating towards infrastructure bonds due to their senior unsecured status, making them a safer bet compared to subordinated Tier-2 and AT-1 bonds," he said.

The regulatory write-off of YES Bank's AT-1 bonds and Lakshmi Vilas Bank's tier-2 bonds have reinforced investor caution, leading to a preference for top-rated, low-risk bank instruments.

"AT-1 bonds, once a sought-after high-yield investment option, are out of favour this year due to risk concerns and changes in tax treatment for debt mutual funds, leading to subdued issuances as investors demand higher spreads to compensate for the added risk premium," said Srinivasan.

Conversely, infrastructure bonds have found strong demand from long-term investors, such as pension funds, insurance companies and provident funds, that are willing to pay tighter spreads for stable, long-duration assets.

**OPTIMISED PRICING**

"The frequent over-subscription of these issuances allows banks to optimise pricing while ensuring consistent demand. The added regulatory advantage — exemption from CRR (cash reserve ratio) and SLR (statutory liquidity ratio) requirements — further increases their appeal as a capital-efficient funding tool," he said.

Suresh Darak, Founder, Bondbazaar Securities Pvt Ltd, emphasised that there is a lot of scope for banks to raise funds via infra bonds as out of their total infra credit portfolio of about ₹13 lakh crore, they had garnered only about ₹2.5-3 lakh crore via these bonds so far.

# EU ready to address 'specific concerns' of India on carbon tax levy on imports

**Amiti Sen**
New Delhi

**TARIFF SHOCK.** India's metal sector will be affected by the tax in the first phase of CBAM application and exports of over $8 billion are at stake REUTERS

The European Union has acknowledged India's "specific concerns" about implementing the Carbon Border Adjustment Mechanism (CBAM) — the bloc's tool to levy taxes on imports of certain carbon-intensive goods from early next year — and is ready to address them.

While some of the concerns may be "illegitimate", as the CBAM is a WTO-compatible measure, the EU is committed to addressing all worries and sharing its experience to help in the implementation, an EU official said. "I think we know that the Indian side has had specific concerns on CBAM and on the effect that it may have. We are, of course, committed to addressing those concerns with parties around the world that may be affected by CBAM," the official said.

The EU is unlikely to include CBAM on the agenda for the talks between Prime Minister Narendra Modi and EU President Ursula von der Leyen on Friday in New Delhi, though India wants to bring it up, another source said.

The CBAM is a regulation introduced by the EU to put a "fair price" on carbon-intensive goods imported from non-EU countries. It is meant to create a level-playing field with EU companies that account for their carbon emission through the Emission Trading System (ETS).

**EXPORT IMPACT**

The carbon tax, to be imposed in the first phase on six items including steel, aluminium, cement, fertilizer, hydrogen and electricity from January 1, 2026, could deal a blow to India's exports to the bloc.

"The CBAM tax is estimated at 20-35 per cent tariff equivalent. This is far higher than the EU's average import tariff of 2.2 per cent for manufactured products," per a report by research body GTRI. It added that India's metal sector would be particularly affected by the tax in the first phase of CBAM application and that exports of over $8 billion would be at stake. India has been asking the EU for some flexibility on CBAM and the EU Deforestation Regulation, which is the second environment related regulation putting onerous obligations on some of India's exports to the bloc, in the bilateral Free Trade Agreement (FTA) being negotiated.

The EU official noted that the CBAM was a fair measure and there may be some illegitimate concerns around it too, which the bloc will address. "The CBAM is a WTO compatible measure that we have introduced to ensure that there's no carbon leakage. We are keen to share our experience and our operation of CBAM with the Indian side."

# US plan to fine Chinese ships could hit India

**TE Raja Simhan**
Chennai

India's trade could be badly affected if the US proposal to levy huge port fees on Chinese shipping companies and vessels built in Chinese shipyards comes into force.

The United States Trade Representative (USTR) on Monday said the US administration would charge Chinese-owned cargo ships as well as third-country flagged vessels built in China $1 million or more per port-of-call in the US.

Over half of all ships delivered globally in 2024 were built in China.

The sweeping proposal was in response to the USTR investigation into Chinese shipbuilding and maritime practices initiated in March 2024 at the behest of US labour unions, said the UK-based Lloyds List Intelligence.

This comes at a time when the international maritime trade is yet to recover from the year-old Suez Canal crisis.

If implemented, the move could impact Indian shipments that depend on foreign ships to reach foreign shores, including to the US.

Read more on p3

# Trump's pricey Gold Card visa may deter Indians

**Aneesh Phadnis**
Mumbai

The US government will sell Gold Cards to wealthy individuals for $5 million with the promise of permanent residency and a shot at citizenship.

While the scheme could be a faster route to permanent residency, it may not be as attractive to Indians compared to the soon-to-be phased out EB-5 visa programme because of the high cost, said immigrant experts and lawyers.

On Tuesday, US President Donald Trump announced that the Gold Card scheme will be rolled out in the next two weeks, replacing the EB-5 visa programme.

Under the EB-5 scheme, which has been in place since 1990, investors could apply for permanent residency by making an investment of $800,000 to $1.05 million in a commercial enterprise. Spouses and unmarried children under the age of 21 years too were eligible for a green card under the scheme.

As per norms, the US government can issue only 10,000 EB-5 visas a year. Further, there is a country cap of 7 per cent, which means only around 700 EB-5 visas are available each year to investors born in India.

While there is a 2-5-year backlog for EB-5 visa holders to get the green card, the wait time is still shorter compared to other categories.

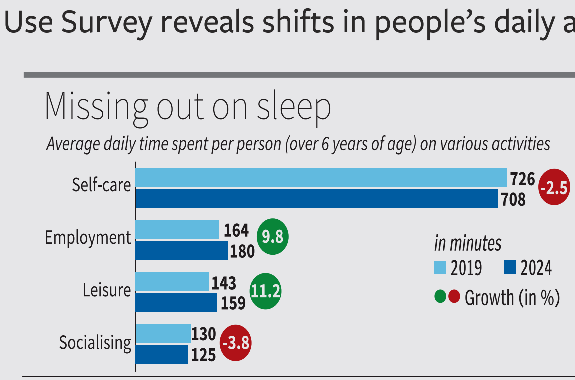
Also read p3



# Sleep and self-care take a hit as Indians spend more time on work-related activities

NSO's Time Use Survey reveals shifts in people's daily activity patterns

**Jayant Pankaj**
**Sindhu Hariharan**
Chennai



Source: Time Use Survey 2024, 2019

Even as India Inc continues to tie itself up in knots over the 70-hour work week debate, here comes some official data that show that the average daily time Indians spent on self-care and sleep is dropping while that spent on work-related activities is rising.

According to the Time Use Survey (TUS) 2024, conducted by the National Statistics Office (NSO) and released on Tuesday, the average daily time spent on self-care and maintenance dropped 2.5 per cent from 726 minutes to 708 minutes. On the other hand, the daily time spent on employment and related activities increased 9.8 per cent from 164 minutes to 180 minutes, and that spent on culture, leisure, mass media and sports practices increased 12 per cent from 143 minutes to 159 minutes per day.

**RURAL-URBAN DIVIDE**

Significantly, people in rural areas spent more time on self-care in 2024 at 711 minutes per day compared to 701 minutes for the same activity in urban areas.

In both rural and urban areas, though, it has declined from 2019. The time spent on work-related activities increased marginally in both the rural and urban population.

Looking at it from the gender lens, the time spent on self-care by both men (a 2.6 per cent dip) and women (2.4 per cent). Women are also spending much higher (an average of 289 minutes per day) on unpaid domestic services, whereas men spend only 88 minutes on this.

The survey also indicates that women continue to bear the load of unpaid care-giving for household members. "Female participants in care-giving activities spent about 140 minutes in a day, compared to 74 minutes spent by male participants aged 15-59 years," the survey noted.

"The paradox of digital invasion is such that it has not only lengthened our working hours but also made us less productive," Kamal Karanth, Co-Founder of staffing firm Xpheno, said. Besides work, digital recreation like OTT use, too, has reduced sleeping hours, he added.

"We are neither productive to our employers nor to ourselves in spite of giving ourselves more time for vacations," he noted.

## QUICKLY.

**Freshworks announces partnership with Unisys**

**Chennai:** Freshworks on Wednesday announced a partnership with US-based Unisys, to resell Freshworks' IT Service Management solutions. This includes Freshservice and Device42. Unisys secured a win with a US midsized industrial company, which selected Freshservice over its previous ITSM provider and successfully went live in 12 weeks. OUR BUREAU

**Corrigendum**

- Saugata Gupta is the Managing Director and Chief Executive Officer of Marico Ltd, and not as reported in these columns on February 25.
- The news item 'IT return filers earning more than ₹1 crore surge 43% in FY25', published on February 26, incorrectly mentions the number of filers. The sentence should read — "The data showed that the number of individuals filing income tax returns with an income of more than ₹1 crore rose to over 3.21 lakh in FY25, up from 2.24 lakh in FY21" — and not as published. The error is regretted.

# Bharti Airtel in talks to merge DTH business with Tata Play

**JOINT EFFORT.** Tata Play has 19 million subscribers; Airtel Digital TV has 15.8 million

**Meenakshi Verma Ambwani**
New Delhi

Bharti Airtel on Wednesday said it is in talks with Tata Group for a potential merger of DTH operations.

The players have been in discussion for the merger of Bharti Telemedia and Tata Play for some time now.

This comes at a time when the DTH industry is battling a dwindling subscriber base, amid heightened competition from OTT players.

"Bharti Airtel Ltd and Tata Group are in bilateral discussions to explore a potential transaction to achieve a combination of Tata Group's Direct To Home business, housed under Tata Play Ltd, with Bharti Telemedia Ltd, a subsidiary of Airtel, in a structure acceptable to all parties," Airtel said.

Tata Play is the leading DTH player in the country with 19 million subscribers. Airtel Digital TV has a base of 15.8 million. As of September 2024, India's pay DTH subscriber base stood at 59.91 million, down from 62.17 million in June 2024, as per data released by the Telecom Regulatory Authority of India.

Currently there are four pay DTH players in the country, including Dish TV and Sun Direct. On the one hand, urban consumers are increasingly moving to OTT subscriptions, on the other, Prasar Bharati's free DTH service DD Free Dish is garnering consumers in smaller towns and remote areas.

For Airtel, the proposed merger will strengthen its broadband and entertainment services at a time when Jio is looking to integrate telecom, broadband, and content into a bundled package.

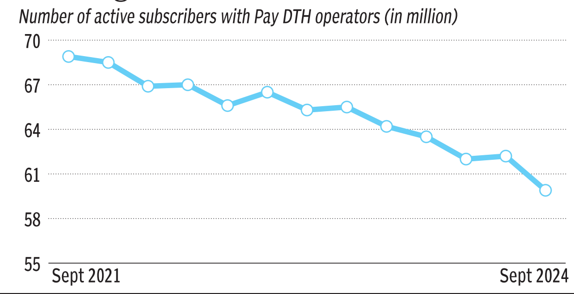
### NON-MOBILE REVENUE

The deal is expected to boost Airtel's non-mobile revenue while reinforcing its 'triple play' strategy. For Tata, the merger will help to be part of the larger network as standalone DTH players are facing headwinds, analysts said. If this transaction goes through, this will be the second major deal between Bharti Airtel and Tata Group after the latter sold its mobile services, Tata Indicom in 2019.

The talks also come at a time when DTH players seek reduction in licencing fee. In fact, TRAI has recommended that licencing fee for DTH should be slashed to 3 per cent of adjusted gross revenues from the current 8 per cent and should be brought down to zero by FY27-end. The industry is facing a double whammy of sorts.

"Both DTH and digital cable are witnessing challenges due to competition from OTT players... If this transaction goes through, consolidation will unlock synergies for two players," said Karan Taurani, Senior Vice-President, Elara Capital.

Cutting the cord
Number of active subscribers with Pay DTH operators (in million)




Source: TRAI

# Retailers record 5% growth in January led by food, groceries

**Meenakshi Verma Ambwani**
New Delhi

**GEOGRAPHICAL SPREAD.** Western India witnessed sales growth of 7 per cent while North and South recorded a 5 per cent increase. East posted growth of 4 per cent REUTERS

Retailers in the country reported 5 per cent growth in the sector in January compared to the same month last year, according to the latest survey of the Retailers Association India (RAI).

The growth was led by the food and grocery segment while QSR and consumer durables also witnessed an uptick.

"RAI's survey shows 5 per cent retail growth in January, led by food and grocery at 13 per cent. QSR and CDIT grew by 6 per cent, indicating a rise in consumer spending in these categories."

### BUDGET BOOST

"The Budget's income tax exemption limit of ₹12 lakh provides relief to retailers after last year's slowdown," said RAI CEO Kumar Rajagopalan.

"Consumer choices, however, vary widely."

"Retailers must adapt to these shifts, understand evolving preferences, and build the right operating model to stay competitive," he added. While retailers in western India witnessed sales growth of 7 per cent, North and South India recorded a 5 per cent increase.

East India showed a growth of only 4 per cent.

### SECTORAL BREAKUP

In terms of categories, apparel and clothing segment witnessed a 4 per cent growth in January 2025 compared to same month previous year. Footwear segment sales growth was also estimated at 4 per cent.

Jewellery segment sales were up 3 per cent. Sports goods and beauty & wellness categories witnessed sales growth of 2 per cent each.

Meanwhile, furniture and furnishing segment witnessed a growth of mere 1 per cent.

# Hindustan National Glass promoters make ₹1,950 cr offer to avoid insolvency

**Suresh P Iyengar**
Mumbai

In a last ditch effort, the promoters of Hindustan National Glass submitted an application to the Committee of Creditors to pay ₹1,950 crore, alongside equity of 5 per cent, as a one-time settlement so as to relieve the company from insolvency.

The proposal comes as the National Company Law Tribunal (NCLT) is set to hear the case on Thursday.

In January, the Supreme Court rejected AGI Greenpac's resolution plan citing regulatory non-compliance.

The Apex court had instructed the CoC to reconsider the only other bidder, Uganda-based Madhvani Group's Independent Sugar Corporation's resolution plan of ₹2,200 crore, and any other bids that had requisite approvals.

The company was dragged to insolvency after it defaulted on its outstanding dues of ₹3,013 crore in 2021.

### PAYABLE IN 45 DAYS

In its letter to CoC, the promoters reiterated that they are offering up to ₹1,950 crore.

The amount is payable within 45 days from NCLT approval date with 90 per cent voting share of approval by the CoC members along with a potential 5 per cent equity stake, as part of a possible settlement of dues.

"As a commitment for the settlement, we are willing to issue a bank guarantee of ₹200 crore immediately within 15 days subject to provisional confirmation of our overall settlement proposal," the letter further said.

### 'DELAYING TACTIC'

Advocate Yadunath Bhargavan told *businessline* that the application filed by HNG promoters is just a delaying tactic as the promoter is allowed to file application only under Section 12-A which clearly states that the defaulted promoter has to settle the entire dues, and no concession can be given, and besides why should CoC consider 5 per cent equity offer as part of the settlement.

Moreover, he said the Supreme Court in its judgement has directed that only fully compliant resolution plans submitted before October 28, 2022 should be considered by CoC.

Furthermore, such a proposal from the promoters have been rejected by the CoC in its past, exercising commercial wisdom, he added.

# Orb Energy eyes raising ₹435 cr to expand solar power capacity

**Rishi Ranjan Kala**
New Delhi

> We want to raise around $50 million. Of this, $20 million will be through equity and another $30 million through debt
>
> **DAMIAN MILLER**
> Co-founder, CEO, Orb Energy

Orb Energy, which provides clean energy solutions including financing for small and medium enterprises (SMEs), plans to raise around $50 million, or roughly ₹435 crore at Wednesday's exchange rate, to expand its installed solar power capacity.

The Bengaluru-based company has so far installed more than 300 megawatts (MW) of solar power capacity, and has sold around 1.7 lakh systems to residential, commercial and industrial customers. It is among the top domestic firms in the rooftop solar segment.

Damian Miller, Co-founder and CEO of Orb Energy, told *businessline*, "We want to raise around $50 million. Of this, $20 million will be through equity and another $30 million through debt."

So far, Orb Energy has raised around $40 million with the share divided almost equally between debt and equity.

### EXPANSION PLANS

"Hopefully this will be our final fundraiser, Series D. We hope to close it somewhere around April-May. That will put in new money specifically for more solar parks," Miller said.

Orb Energy's first 35 MW solar park for SMEs in Arsikere, Karnataka, is sold out and will be fully commissioned in the current calendar year. It is investing in a second 50 MW solar park in Karnataka .

"The next park is in Gulbarga. We have begun procurement of land. Common infra will be in place by around July-August 2025," Miller said.

The company wants to replicate the success of its first solar park for SMEs. It plans to add another 300 MW of capacity going ahead, besides the 100 MW already in pipeline. For this, Orb Energy is looking at Maharashtra, Andhra Pradesh, Tamil Nadu and Karnataka.

"We want to immediately move into Maharashtra, Tamil Nadu and Andhra Pradesh, where we have good rooftop customers already, and we are also raising money for our in-house finance," he explained.

### SME FOCUS

Set up in 2007, Orb Energy is among the first few entrants that were convinced about the growth prospects of solar power.

About the focus on SMEs, Miller said "We saw that the SME market was not being touched by power purchase agreements (PPAs) because SMEs are largely unrated. If you're not triple B plus rated and above, you don't gain access to a PPA. The big open space was SMEs."

"Since we had served off grid market already for about 6-7 years, we had a big network of sales people and technicians through whom we had better reach to the SMEs than most companies. That's why we identified them as a segment. For more than 10 years now, we've targeted the SME and 90 per cent of our revenue now comes from there."

Miller emphasised that back in the day raising finances for rooftop solar projects was virtually impossible. This led Orb Energy to devise a go-to-market strategy offering consumers a full stack of services.

"If we get it right, that's a really seamless proposition to offer. I can bring you the system, design it, install it, service it, and I'll also get you the finance...," he noted.

# CaRPM, MyTVS in pact for vehicle diagnostics

**G Balachandar**
Chennai

Gurgaon-based CaRPM, a firm specialising in vehicle diagnostic tools for garages, has entered into a strategic partnership with myTVS, a leading digital platform in the automotive aftermarket sector and part of Ki Mobility Solutions Pvt Ltd.

Technology drives MyTVS's success, enabling a scalable model that benefits consumers and franchise partners. By integrating garages, parts suppliers and customers, it creates an efficient ecosystem.

A strong backend ensures timely, cost-effective parts supply, while MyTVS expands its garage network and strengthens frontend operations.

Building on its strong business model, MyTVS has attracted multiple stakeholders, including Kitara Capital, its financial investor, which has partnered with the company to drive network expansion.

"For a start-up like ours, MyTVS has been incredibly supportive, accelerating our product development and opening doors to new markets."

"Their technological expertise has provided invaluable insights, helping us refine our solutions," said Abhishek Maitreyi, CEO of CaRPM, told *businessline*.

CaRPM focuses on developing diagnostic tools for garages and currently has around 30,000 garages in its network, with 8,000 fully integrated. "Over the next 12 months, 1,000 of these will transition into myTVS franchise locations," Maitreyi said.

### PRIMARY FOCUS

"Our primary focus is on diagnostics, which remains at the core of our collaboration. Additionally, we're working on optimising the spare parts supply chain, particularly in cataloging and distribution. We're also exploring new solutions under Hypermart and other initiatives, but diagnostics remains our priority," he added.

CaRPM and myTVS are also co-developing several solutions that will be introduced to the market through myTVS. Maitreyi stated that this partnership is a major growth opportunity for CaRPM.

"If we approach customers as CaRPM, we might gain some traction, but going to market alongside myTVS significantly amplifies our impact."

One of the key solutions in development involves realtime vehicle diagnostics.

"We are working on a system where detected fault codes in a car will be mapped to specific part codes and service codes, providing actionable insights to both garages and customers," said Maitreyi.

"These partnerships further validate the strength of MyTVS model and its ability to provide credibility and growth opportunities...," said G Srinivasa Raghavan, Managing Director of Ki Mobility.

# Religare inducts four board members

**Our Bureau**
Mumbai

Religare Enterprises has appointed Abhay Kumar Agarwal, Arjun Lamba, Gurumurthy Ramanathan and Suresh Mahalingam as additional directors. They will be designated as Non-Executive and Non-Independent directors after approval of the Reserve Bank of India and shareholders of the company.

The board also approved the proposal to shut down the operations of MIC Insurance Web Aggregator, a subsidiary of the company, due to its sub-optimal business operations and continued decline in net worth.

MIC, an IRDAI-registered insurance web aggregator, became a wholly owned subsidiary of Religare Enterprises on December, 2023. Previously, MIC was an insurance web aggregator of iGear Holdings which was a part of The Indian Express Group.

MIC was not able to scale up and achieve optimum revenue and profitability due to lack of additional capital support. With limited scope of growth in a competitive landscape, MIC's financial position continued to be untenable, said Religare.

In the light of these considerations, the board of directors of REL approved to suspend the operations of MIC till the re-evaluation of feasibility of the business model, and accordingly REL shall impair the investment in MIC in its books.

# Wipro commits $200 million to ventures arm to fund start-ups

**Our Bureau**
Bengaluru

Srini Pallia, Chief Executive Officer & Managing Director, Wipro Ltd

Wipro has announced a commitment of $200 million to its venture arm, Wipro Ventures, in the latest round of funding. This is the fourth round raised by Wipro Ventures since its inception 10 years ago and is aimed at accelerating the company's investments in early to midstage start-ups.

"Wipro Ventures is strategically positioned to participate in and contribute to technological innovation across start-up hubs globally," said Srini Pallia, Chief Executive Officer & Managing Director, Wipro Ltd.

### EMERGING TECH

"This latest investment reaffirms our commitment to helping start-ups grow faster, innovate and collaborate with the IT services industry to support large enterprises."

"We envision a collaborative ecosystem where these emerging technologies can be deployed globally, drive progress and create sustainable value for all stakeholders involved," he said.

Wipro Ventures was founded in 2015 to identify and invest in high-potential early-stage start-ups at the forefront of technological innovation that allows Wipro to deliver differentiated value to clients.

### GLOBAL ECOSYSTEM

The Wipro Ventures team said it connects Wipro and its clients to a global ecosystem of start-ups working on disruptive technologies, enabling clients to access the latest innovations while providing start-ups access to a global network of enterprise customers.

Jay Leek, Co-Founder & General Partner, of SYN Ventures, said, "We are delighted to have worked with Wipro Ventures as co-investors over the years. They are well-positioned to capitalise on emerging trends..."



# RRP Electronics, US firm tie up for chip packaging

**Our Bureau**
Mumbai

The Sachin Tendulkar-backed RRP Electronics has forged a strategic alliance with US-based Deca Technologies Inc to enhance its wafer-level packaging capabilities.

RRP Electronics will integrate Deca's Wafer-Level Chip Scale Packaging and M-Series Fan-Out Wafer-Level Packaging technologies into its processes, elevating its ability to deliver high-performance semiconductor solutions.

RRP has expertise in assembling and testing semiconductor components. Deca is a leader in advanced semiconductor packaging with the backing of industry giants such as Qualcomm, Infineon and ASE Group.

### INDIA'S TECH BOOM

The alliance may turnout to be a gateway to India's booming electronics and semiconductor ecosystem. Rajendra K Chodankar, Chairman & CEO, RRP Electronics said the company is investing in a large-scale Technology Transfer Licence Agreement with Deca, potentially on exclusive terms, to create a fully automated modern infrastructure to take semiconductor packaging in India to new heights.

"We aim to complete our qualification tests by August and foresee revenue exceeding $30 million (about ₹260 crore) in the second year of operations," he said.

### AMBITIOUS PLANS

Tim Olson, Founder & CEO, Deca Technologies said the collaboration will accelerate RRP's ambitious plans and strengthen India's position in the global semiconductor value chain.

Maharashtra recently approved the company's plan to invest ₹24,000 crore in two phases to establish a cutting-edge semiconductor manufacturing and assembly facility in the State.

# NCLT sets March 12 deadline for Reliance Capital resolution

**Piyush Shukla**
Mumbai

The Mumbai Bench of the National Company Law Tribunal (NCLT) has asked all parties, including the committee of creditors (CoC), administrator and the Hinduja Group backed-IndusInd International Holdings Ltd (IIHL), to complete the resolution plan for Reliance Capital (RCAP) by March 12, sources told *businessline*.

"All parties including CoC, administrator and IIHL have agreed in today's NCLT hearing to complete the transaction by March 12," a source said. Earlier, reports said IIHL would acquire Reliance Capital by February 26.

### RCAP RESOLUTION

IIHL had won the auction to acquire the debt-ridden RCAP in April 2023 for ₹9,861 crore. Till date, it has deposited ₹5,750 crore, or around 60 per cent of the total amount in escrow accounts, including the equity portion. According to sources, IIHL's lenders have agreed to provide the remaining 40 per cent funds required to complete the payment of total ₹9,861 crore.

Further, on Wednesday IIHL stated before the NCLT Bench that the company is voluntarily offering to release the equity capital of ₹2,750 crore into the escrow account of RCAP, a statement said.

"Today at the NCLT hearing, to demonstrate its seriousness to complete the transaction, it was IIHL that voluntarily offered to release the equity capital of ₹2,500 crore + ₹250 crore into the account of RCAP," an IIHL spokesperson said.

"The Court accepted IIHL's offer to effect this transfer. The next date of hearing is the March 12, to enable Monitoring Committee, CoC and IIHL to complete all procedural aspects," the spokesperson said.

Since the last hearing of RCAP resolution on February 10, seven meetings of the monitoring committee have been held on various steps of implementation of the approved resolution plan.

The global escrow agreement is almost finalised between the CoC, Administrator and IIHL, and should be closed shortly, sources said.

Accordingly, the parties mutually requested for a period of another 10-12 days to complete the implementation of the steps and report back to tribunal.

## QUICKLY.

**Disbursement of micro-credit down 35.8 per cent in Q3**

**Kolkata:** Disbursement of microfinance loans has declined 35.8 per cent to ₹22,091 crore during the third quarter ending December 2024 as compared to the similar previous corresponding period, the Microfinance Institution Network said in its report. Assets under management of MFIs at the end of December 2024 stood at ₹1,42,695 crore, a decrease of 0.1 per cent against the same period ending December 2023. PTI

**DPIIT inks pact with Paytm to foster start-ups**

**New Delhi:** The government has inked an agreement with Paytm (One97 Communications Ltd), under which the company would provide mentorship, market access and funding opportunities to start-ups, an official statement said on Wednesday. A memorandum of understanding was signed by DPIIT with Paytm. PTI

# Trump's $5-m Gold Card visa scheme 'may deter Indians'

**FINANCIAL BARRIER.** The scheme is five times pricier than the EB-5 programme

**Aneesh Phadnis**
Mumbai

The US government will sell 'Gold Cards' to wealthy individuals for $5 million, promising permanent residency and a shot at citizenship. While the scheme could be a faster route to permanent residency, it may not be as attractive to Indians compared to the soon-to-be phased out EB-5 visa programme because of the high cost, said immigrant experts and lawyers.

On Tuesday, US President Donald Trump announced that the Gold Card scheme will be rolled out in two weeks, replacing the EB-5 visa programme.

**FOR THE WELL-HEELED.** The 'Gold Card' scheme is meant to attract big tax payers and job producers. GETTY IMAGES/ISTOCKPHOTO

**EXISTING SCHEME**

Under the EB-5 scheme, which has been in place since 1990, investors could apply for permanent residency (green card) by making an investment of $8,00,000-$1.05 million in a commercial enterprise. Spouses and unmarried children below 21 year were also eligible for a green card under the scheme.

As per existing norms, the US government can issue only 10,000 EB-5 visas a year. Further, there is a country cap of 7 per cent, which means only around 700 EB-5 visas are available each year for investors born in India. While there is a 2-5 year backlog for EB-5 visa holders to get the green card, the wait time is still shorter compared to other categories.

"Since (Trump's) announcement included the word "sold", we don't know whether this will be an investment with a potential return of capital and a potential to earn a profit or whether this is a one-time fee to the US. The fact that it is an enhanced amount, and if it is a non-returnable "investment" the Gold Card may not be as attractive to the large numbers that are attracted by the EB-5 Green Card option," said Poorvi Chothani, Managing Partner of LawQuest, an immigration law firm with offices in India and the US.

"Indians may find the new Gold Card visa unattractive because it significantly raises the financial barrier to US residency, making it accessible only to ultra-high-net-worth individuals. The EB-5 programme, despite its delays, was a structured investment route that allowed Indian entrepreneurs and professionals to invest less amounts, create jobs and gain a Green Card through economic contribution," said Sonam Chandwani, Managing Partner, KS Legal & Associates. "Also if the EB-5 programme is scrapped abruptly, hundreds of investors may be left in a limbo," she added.

**WOOING BIG TAXPAYERS**

Trump said the 'Gold Card' scheme would attract big tax payers and job producers. "I think we will be able to sell a million cards, may be more. A million cards will be worth $5 trillion," Trump said. Companies will also use this scheme to buy the card for their top executives, he said.

While calling the EB-5 scheme "full of nonsense and fraud", Commerce Secretary Howard Lutnick said the Gold Card scheme would help the government eliminate the budget deficit.

# US plan to penalise Chinese ships could hit Indian trade

**TE Raja Simhan**
Chennai

**MAJOR HURDLE.** If implemented, it could impact Indian shipments as the trade is heavily dependent on foreign ships to carry Indian cargo on international routes and to the US. REUTERS

Indian trade could be badly affected if the proposal for huge port fees targeting Chinese shipping companies and vessels built in Chinese shipyards comes into force. The United States Trade Representative (USTR) on Monday said the US administration would charge Chinese-owned cargo ships as well as third-country flagged vessels built in China $1 million or more per port-of-call in the US.

Over half of all ships delivered globally in 2024 were built in China.

The sweeping proposal was in response to the USTR investigation into Chinese shipbuilding and maritime practices initiated in March 2024 at the behest of US labour unions, said the UK-based Lloyds List Intelligence, which provides maritime data and analytics. This comes at a time when the international maritime trade is yet to recover from the year-old Suez Canal crisis.

If implemented, it could impact Indian shipments as the trade is heavily dependent on foreign ships to carry Indian cargo on international routes and to the US.

Lars Jensen, an expert in the container shipping industry based in Denmark, told *businessline* that cargo exported from India to the US as well as from the US to India must be expected to a significant degree to be on-board vessels, which will potentially be penalised. Shipping lines operating these services are likely to pass on the cost increase to shippers.

J Krishnan of S Natesa Iyer Logistics LLP, a Chennai-based freight forwarder, said there are no modern transhipment hubs near the US for ships to discharge US-bound cargo carried on Chinese vessels and feeders to US points with other flag vessels. Land infrastructure (road/rail) at present cannot offer any viable alternate option for decreased ports of call in the US. The additional fee on the ships will have to be passed on to the shippers, he said.

Capt KG Ramakrishnan, a former master mariner, said, "It sounds impossible unless US freights go up by another $1,000 per TEU at least. The general intent to focus on China as a threat is correct but this measure is not going to make it. At one level, it seems to be a deeply thought-out strategy but being executed haphazardly."

**CHINA'S DOMINANCE**

US-based freight forwarding and logistics company Flexport estimates that of the top 20 ocean carrier companies, around 30 per cent of their fleet is made up of Chinese vessels. Container ships typically make 2-3 port calls per loop.

This means fees could add more than $3 million per trip. For context, this is significant relative to the typical revenue of $10-15 million per journey, it said.

If the proposal takes effect, Flexport anticipates that ocean carriers will try to divert some shipments through Canada and Mexico ports, then import via rail and trucking. However, these ports have limited capacity and would not be able to support all of the capacity currently flowing through US ports. It also expects that ocean carriers will look to optimise their fleet — using Korean and Japanese vessels on US trade lanes. Carriers with larger fleets and only a few Chinese-built vessels may unload these ships altogether to avoid being penalised.

**TARGETING SECTORS**

China's targeting of sectors, including shipbuilding, for dominance has undercut competition and taken market share with dramatic effect: raising China's shipbuilding market share from less than 5 per cent of global tonnage in 1999 to over 50 per cent in 2023; increasing China's ownership of the commercial world fleet to over 19 per cent as of January 2024; and controlling production of 95 per cent of shipping containers and 86 per cent of the world's supply of intermodal chassis, among other components and products, the USTR said.

To create leverage to obtain the elimination of China's targeting of these sectors for dominance, the USTR proposes to take action against certain services of China, it said.

# 8th Pay Commission may disrupt debt-GDP ratio: EY report

**Shishir Sinha**
New Delhi

Implementation of the Pay Commission may lead to additional borrowing and disrupt the plan of lowering debt to GDP (Gross Domestic Products) ratio, EY cautioned in its monthly report.

In its special edition on economy watch, it said that maintaining tax buoyancy in the 1.2-1.5 range could help the government achieve a growth rate of 6.5- 7 per cent.

"The GoI is still far away from the FRBMA (Fiscal Responsibility and Budget Management Act) 2018 debt-GDP target of 40 per cent which itself needs to be corrected."

"Any intermediate economic event such as the implementation of the Eighth Central Pay Commission may lead to the need for additional borrowing in FY27, which may upset the downward path of the debt-GDP ratio and further delay in achievement of sustainable levels of debt and fiscal deficit," a special article on fiscal match published in the February edition of Economy Watch said. The article has been authored by former RBI Governor C Rangarajan and the Chief Policy Advisor of EY, DK Srivastava.

Last month, the government announced setting up of 8th Pay Commission. Though the government has neither appointed the Chairman and Members nor finalised terms of reference, it has stated that the recommendations will be implemented with effect from January 1, 2026.

According to sources, around 50 lakh Central government employees, including defence personnel and approximately 65 lakh pensioners, will also see an uptick in their pensions. The 7th Pay Commission saw an expenditure increase of ₹1 lakh crore for FY 2016-17.

**TAX BUOYANCY**

Taking note of restructuring in income tax rates and slab and resultant revenue foregone of ₹1 lakh crore, the monthly report highlighted personal income tax buoyancy coming down to 1.42 in FY26 from 2.09 in FY25 Over the past three years, the gross tax revenue buoyancy has gently moderated — from 1.4 in FY24 to 1.15 in FY25 (RE) and projected to be 1.07 in FY26 (BE). tax buoyancy is a ratio of change in tax revenue in relation to change in GDP.

"The FY26 Budget strategically balances fiscal consolidation with growth imperatives. However, for India to achieve a medium-term growth trajectory of 6.5-7 per cent and realise its Viksit Bharat vision, it must ensure tax buoyancy remains in the 1.2-1.5 range," Srivastava said.

## WHAT'S HOT: GADGETS.

### Ride to victory

The **MSI Titan 18 HX Dragon Edition Norse Myth** is a special edition laptop that features a hand-painted dragon design. The 18-inch 4K mini-LED display features 120 Hx refresh rates and ultra-high-res visuals whether you are indoors, outdoors or under direct sunlight.

The flagship gaming laptop is powered by the latest Nvidia GeForce RTX 50 series graphics, an Intel Core Ultra 200HX processor with built-in NPU and ships with a 400W power adapter. The Titan packs in four SSD slots and supports SuperRAID 5, delivering blazing-fast read speeds. A unique Cherry MX Ultra-Low Profile mechanical keyboard tailored for ultra-slim laptops offers a two-piece keycap structure and a gold cross-point contact system that create a satisfying tactile feel, along with precise key switch actuation. The ultra-premium gaming laptop is priced ₹7,43,990.

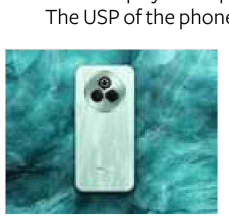
### Surround sound

The **Panasonic SC-HTS600GWK** sound system features a 5.1 setup and an impressive 600 W power output, promising a truly cinematic surround sound experience. Equipped with Dolby Digital Plus, it offers rich, immersive audio. The soundbar includes Bluetooth 5.3, HDMI-in, USB and optical connectivity, ensuring seamless integration with a wide range of devices.

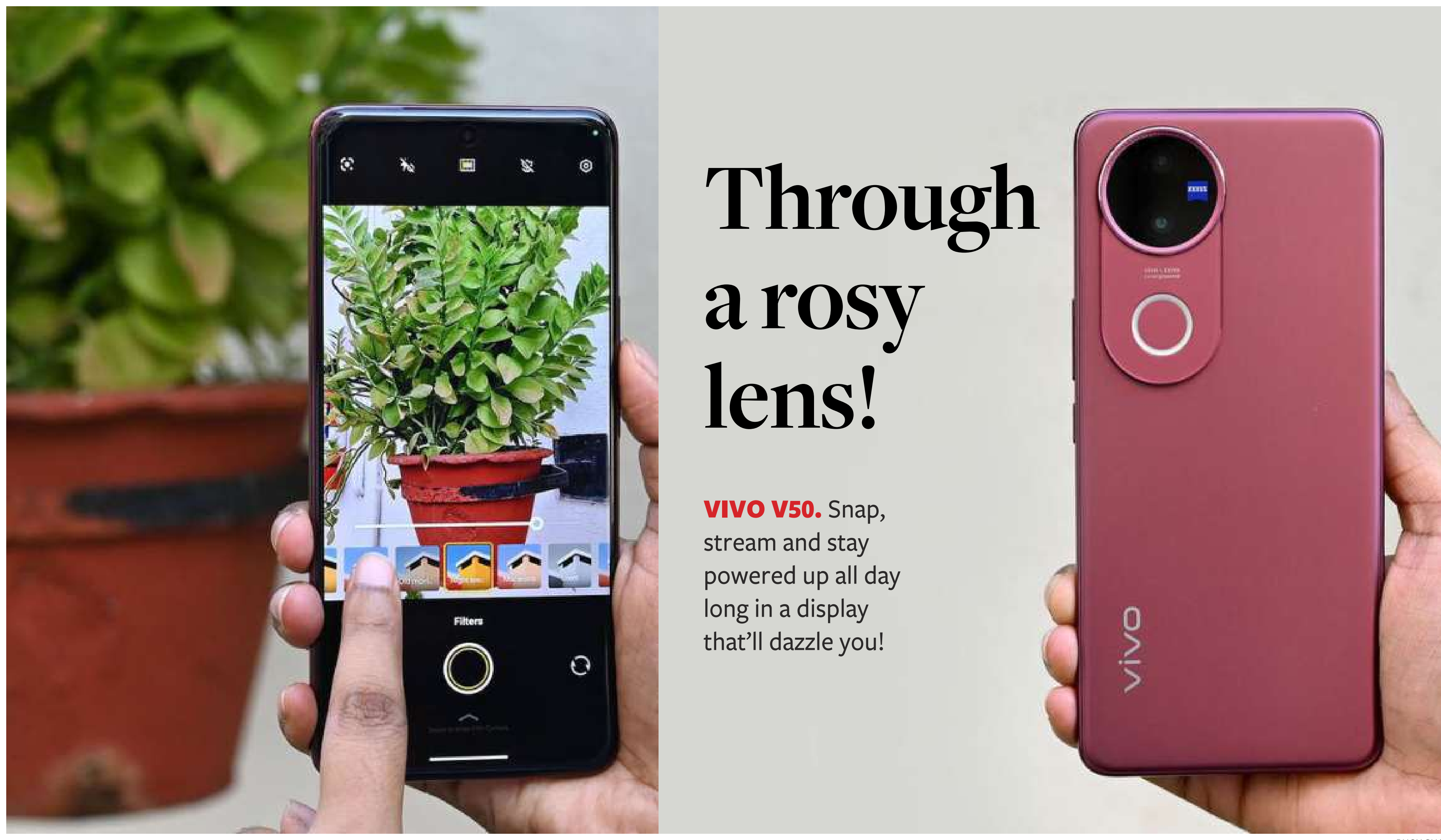
The intuitive touch controls, along with a 17-key remote, make navigation effortless. There are a bunch of EQ modes — Music, Movie, News and Night/3D to suit different types of content. Boasting a frequency response range of 20 Hz–20 KHz, this soundbar delivers crystal-clear highs, detailed mids and rich, resonant bass, providing a balanced and immersive soundscape. The soundbar is priced ₹34,990.

### Karma chameleon!

The **realme P3 Pro 5G** sports a 6.8 inch OLED display with up to 120 Hz refresh rates. The USP of the phone is the luminous colour-changing fibre back panel, which glows in the dark and adapts to ambient light. The primary camera is a 50 MP Sony IMX896 OIS lens, supported by a 2 MP lens for portraits.



The camera is supported by editing features such as AI Motion Deblur, AI Best Face and AI Erase 2.0. Powered by Snapdragon 7s Gen 3 chipset, the smartphone supports smooth gameplay. An advanced AeroSpace VC cooling system ensures better heat management so you can game for longer! A 6,000mAh Titan Battery with 80W fast charging delivers 17 per cent charge in just 5 minutes. Available in Nebula Glow, Galaxy Purple and Saturn Brown, the realme P3 Pro is priced ₹23,999 (8GB + 128GB), ₹24,999 (8GB + 256GB) and ₹26,999 (12GB + 256GB).



BIJOY GHOSH

# Through a rosy lens!

**VIVO V50.** Snap, stream and stay powered up all day long in a display that'll dazzle you!

Mahananda Bohidar

Finding a mid-range smartphone that punches above its weight can be a difficult task. Despite the limitations that a certain budget dictates, of late, brands have been able to appease consumers when it comes to premium-adjacent options. Promising to up the satisfaction a notch is the new Vivo V50. With ZEISS-collaboration on its optics, a super-bright display and seemingly endless battery life, is there anything that holds it back?

**DESIGN**

Aesthetics haven't been sidelined on the new Vivo V50. I've got the unique Rose Red colourway, which is more maroon than red, but still very pleasing to the eye. There's a stunning blue Starry Night version and the more plain-looking Titanium Grey too. The Rose Red variant sports a glass back and weighs about 199 grams but feels light on the hand while in use. The camera module sits on one corner in the shape of a vertical capsule.

The Vivo V50 sports a sizeable 6.77-inch AMOLED display. It offers up to 120 Hz refresh rates with an impressive 4,500 nits of peak brightness. The display is said to be protected by Vivo's own Diamond Shield Glass, making it scratch-resistant.

A verdant coconut tree at 2.5x zoom

**MULTIMEDIA**

I rewatched *BTS: Burn The Stage*, a documentary based on the iconic South Korean band's world tour in 2018, on the smartphone. While the visuals looked great, the audio definitely is a notch below the super-premium smartphones. Music and singing can sound a bit tinny even at 50 per cent volume. Dialogues sound clear and less distorted overall, but I'd stick to earphones with this one. The smartphone has HDR10+ support, which means compatible content on Netflix or other platforms can look really vivid on the device.

**CAMERA**

The primary camera setup on the Vivo V50 includes a 50 MP primary with optical image stabilisation and a 50 MP ultrawide with 119-degree field of view. The USP of the camera setup though is the unique Aura Light flash system, which lets me change the colour temperature as well as the intensity of the flash. This was great for capturing some stylised portraits. The manual slider offers a fair bit of creative control as well. The best shots I got were with the 23 mm and 35 mm focal lengths. With the 50 mm focal length option, the photos sometimes missed some textural details of the subject. There's also the ZEISS collaboration, which brings in the special ZEISS bokeh effects for portraits.

Portrait mode with a soft bokeh effect on the background

Where I find the Vivo V50 lacking is with zoomed-in shots. Anything beyond 2x struggles to retain details and results in some fairly grainy shots. The Vivo V50 sports a 50 MP front camera for selfies, which captures skin tones and texture fairly accurately.

Colours are well-saturated and true to life in most daylight photos

**TECH SPECS**

The Vivo V50 is powered by the Snapdragon 7 Gen 3 processor and the unit I reviewed has 8 GB RAM and 256 GB storage. Most applications run smoothly on the phone. There were a couple of instances where YouTube closed on its own while I was watching the documentary, but this didn't recur after an eventual software update. I did experience occasional stutters while switching apps, closing apps or capturing screenshots. The phone features Funtouch OS 15 (based on Android 15) and the brand has promised three years of OS updates and four years of security patches.

**BATTERY**

One of the best parts about reviewing the Vivo V50 was never having to worry about the battery and being able to enjoy multimedia content and gaming for extended periods of time. With a 6,000mAh battery, the Vivo V50 comfortably lasts more than a day even with heavy usage. The 90 W fast charging powers up the phone fully in just under an hour.

**VERDICT**

What I like about the Vivo V50 is its unique aesthetics, excellent battery life, super-bright display and ample options to experiment when it comes to smartphone photography. The occasional lags can be a bit of a bummer. However, if you're looking for a dependable battery, a fun camera and something you can watch a lot of media on, then the Vivo V50 is definitely worth considering.

**SNAPSHOT**

**Price:** ₹34,999 (8GB+128GB)
**Pros:** Stunning AMOLED display, decent camera setup, customisable Aura Light system, excellent battery life
**Cons:** Not great with heavy media processing

# Small on size, big on potential?

**SAMSUNG GALAXY S25.** A compact flagship that nails the essentials but plays it safe on upgrades

Mahananda Bohidar

Compact flagships have a loyal consumer base. Despite bigger screens being the norm, many consumers still prefer something lightweight and compact as their daily driver. The Samsung Galaxy S25 is one of the top contenders are far as compact Android flagships go. I've been using it for a couple of weeks now and here's whether this flagship is worth the investment.

**DESIGN**

Design-wise not much has changed since last year's Galaxy S24. The Galaxy S25 remains compact at 6.2 inches with the three-lens camera module at the rear. This year, there are a bunch of interesting colours though — Coralred, Pinkgold and Mint.

As is usually the case, the AMOLED display is bright and vibrant. Visuals really pop on-screen. The turquoise sea, colourful rooftops and bright, floral costumes from *Hometown Cha Cha Cha* were a pleasure to watch on this. The adaptive 120 Hz refresh rate makes browsing and watching videos look seamless and snappy. The smartphone remains reasonably bright under direct sunlight too, with its peak brightness being rated at 2,600 nits. It also has HDR support for content on YouTube, Netflix and similar platforms.

**CAMERA**

The camera hardware doesn't seem to have any upgrades this year. The primary setup includes a 50 MP main sensor, a 12 MP ultrawide sensor and a 10 MP telephoto lens. Daylight snaps are vibrant, well-saturated and a bit favourable to warm tones in general that amplify the effect of a photo without overdoing it.

The front camera has a 12 MP sensor, which delivers some pleasing selfies with fairly accurate skin tones and texture. In-camera adjustments have been tweaked. Now, there's a slider to zoom in and out while composing a frame or shooting a video.

**NEW FEATURES**

These include a new 'Now' briefing bar that shows my events, weather, battery levels, music streaming and more. There is also AI Summary, the ability to transcribe recorded calls, look through your gallery for specific photos based on a search command and improved 'Circle to Search' features. I've mentioned the AI features in my review of the Samsung Galaxy S25 Ultra, in more detail. The notification system has also been revamped to mimic the iOS-style split view. I can pull and swipe down from the top left half of the display to check notifications and from the top right half to access quick settings. You can also check my detailed review of the Samsung Galaxy S25+ and the Samsung Galaxy S25 Ultra for more features that have been upgraded or added.

**TECH SPECS**

The Samsung Galaxy S25 runs on a top-end Snapdragon 8 Elite chipset, customised for this series. Multitasking, gaming and any other function on this smartphone felt snappy and seamless. The unit I reviewed has 12 GB RAM and 256 GB storage. There's a 512 GB option too.

It runs on the new One UI 7, and Android 15. The Samsung Galaxy S25 also retains the same 4,000mAh battery with 25W wired charging support as its predecessor. This is also a bit of a letdown especially if you use your smartphone for a lot of media consumption, gaming and editing short-form media on the go. If your usage is moderate as far as media or graphics-intensive tasks are concerned, you'll still get a working day's worth of juice from the battery.

The brand has also promised an impressive seven years of software and security upgrades in the future.

**VERDICT**

The Samsung Galaxy S25 sticks to its strengths, maybe a little too much! Yes, it has a compact form factor, a sharp display and a reliable camera setup, and introduces some useful AI-driven enhancements. Performance is still flagship-grade and the promise of seven years of updates adds long-term value. However, the lack of any significant camera upgrades, battery improvements or even new design touches might leave some wanting for more. Having said that, if you're scouring the market for a stylish, pocketable flagship with premium features, the Galaxy S25 still makes a solid case for itself.

**SNAPSHOT**

**Price:** ₹80,999 (256 GB)
₹92,999 (512 GB)
**Pros:** Compact and lightweight, reliable camera, new AI features and powerful performance
**Cons:** Average battery life, no camera or battery upgrades

## TECH DIGEST.

Team Technophile

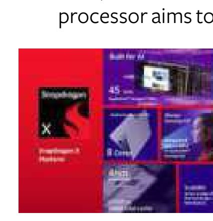
### Photoshop goes mobile!

Adobe is bringing Photoshop to mobile and expanding the web experience, with Photoshop now available on iPhone; for Android, it is expected later this year. Photoshop's image editing tools, such as layering, masking and the popular Firefly-powered Generative Fill, are now more accessible to artists and designers who work on the go.

Adobe's new Photoshop Mobile and Web plan delivers even more advanced image editing and design capabilities to mobile and web creators, including tools for precise selections, targeted adjustments, advanced colour corrections and editing any Photoshop document and more. With seamless integration between the mobile and web experiences, the new offering empowers creators to work on the same project across devices. Other updates include direct integration with the vast Adobe Stock library of free assets and expanded availability across browsers including Safari, Chrome, Firefox and Edge.

### Make it snappy!

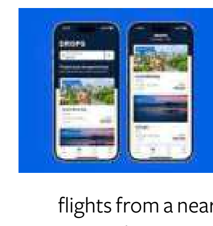
Qualcomm Technologies has introduced the Snapdragon X platform in India, a new tier that makes AI PCs more accessible. The Snapdragon X processor aims to balance performance and built-in intelligence with a 45 TOPS NPU, enabling users to work more efficiently. With an integrated power-efficient GPU, Snapdragon X supports dynamic graphics ideal for creating presentations, web browsing or streaming content. It supports 5G and Wi-Fi 7 so users can stay connected everywhere.



The Snapdragon Sound Technology Suite also offers immersive, high-fidelity audio for wireless listening. First to launch, the Asus Vivobook 16 and Zenbook A14 will be India's inaugural Snapdragon X devices. Starting at ₹65,990, these devices are now available for pre-order.

### Skyscanner app brings 'DROPS' for price alerts

The popular Skyscanner travel app has announced the launch of a new app-exclusive feature, DROPS, accessible to users in Hindi and English. Travellers can now discover flights that have seen price drops of over 20 per cent compared to their lowest point in the last 7 days. According to Skyscanner's Travel Trends 2025 Report, cost remains a key factor for value-conscious Indians, with 62 per cent stating that flight prices play a crucial role in their decision-making process.



By logging in to the Skyscanner app, travellers will automatically have access to new DROPS every day — a collection of flights from a nearby airport that have dropped in price by at least 20 per cent or more.

## QUICKLY.

### Muthoot gets RBI nod to open 115 branches


**Bengaluru:** Finance and insurance corporation Muthoot Finance has received Reserve Bank of India's approval to open 115 branches, a stock exchange filing revealed. Granting permission, the RBI asked Muthoot to provide details of the new branches. OUR BUREAU

### InCred Fin to acquire TruCap Fin's gold loans biz

**Mumbai:** InCred Finance on Wednesday said it will foray into gold loans through the proposed acquisition, via slump sale, of the gold loan business of TruCap Finance. "This proposed acquisition will bring with it a nationwide network of 115 branches, a customer base exceeding 40,000, a team of over 550 employees and an AUM of over ₹650 crore," InCred Finance said. OUR BUREAU

### EIB hoping to double India cumulative commitment

**Guwahati:** The European Investment Bank (EIB) is hoping to nearly double its cumulative commitment to the Indian market to €10 billion in the next six-seven years as it looks for untapped areas to venture, a top official said. EIB Country Manager Michael Steidl said it had started looking at projects in the tea, oil and infrastructure sectors of Assam to expand its portfolio. PTI

# Taxman can issue GAAR notices beyond current time limits under new I-T Bill

**OLD FILES.** Officials can now go back many years to assess transactions deemed to be executed for tax avoidance

**Ashley Coutinho**
Mumbai

Income tax authorities may now be able to issue reassessment notices under the General Anti Avoidance Rules (GAAR) for tax years that fall outside the time limits prescribed for issuing such notices, if the new proposal under the Income Tax Bill 2025 is greenlighted.

Under current rules, reassessment notices where the under-reported income is ₹50 lakh or more, have to be issued within five years and three months from the end of the assessment year. The new proposal would mean that tax authorities can go back several years to assess all transactions or arrangements that are deemed to be executed solely for tax avoidance purposes and to which GAAR provisions can be applied.


**BIG CHANGE.** Under GAAR, an IAA that spans multiple years can be challenged at one go. GETTY IMAGES

**WIDE POWERS**

GAAR provisions give wide powers to tax authorities to treat any arrangement or a transaction as an 'impermissible avoidance arrangement' (IAA) and re-compute income and consequent tax implications. Among the safeguards incorporated to ensure that GAAR provisions are not misused is the requirement that GAAR will be invoked only after obtaining permission from an Approving Panel, headed by a serving or retired judge of a High Court.

Under GAAR, an IAA spanning multiple years can be challenged at one go. But there may be instances where, by the time the GAAR Panel determines an arrangement to be an IAA and specifies the relevant years, some of the tax years involved may have become time-barred for issuing the reassessment notice, said Ashish Karundia, Founder, Ashish Karundia & Co.

**EXEMPTIONS TO RULE**

To prevent any challenges to reassessment, the GAAR Panel's directions are now explicitly recognised as information indicating that income has escaped assessment. GAAR cases are also now exempt from the mandatory requirement to provide the opportunity of being heard before a reassessment notice is issued, said Karundia.

Harshal Bhuta, Partner, PR Bhuta & Co, said the amendment will enable reassessment for years prior or subsequent to the assessment year depending upon the time consumed in approving a particular arrangement as IAA, which can be time-consuming, given the procedures involved such as collecting information from foreign jurisdictions.

Let's assume a matter is referred to the GAAR Panel on May 31, 2023, for AY18-19. Subsequently, directions approving GAAR invocation are issued for AY18-19 and AY17-18 on November 30. The outer time limit for issuing notices for AY18-19 is June 30, 2024. If the income for AY17-18 has escaped as well, the assessing officers (AOs) will not be able to issue a notice as the outer time limit for AY17-18 (June 30, 2023) would have lapsed. Under the proposed tax laws, the AOs will be able to issue a notice as the matter has been referred to the GAAR Panel by June 30, 2023.

# SpiceJet's Q3 net at ₹26 cr, becomes net-worth positive

**Rohit Vaid**
New Delhi

Fleet expansion as well as accelerated operational-growth led budget carrier SpiceJet to report a net profit of ₹26 crore during the third quarter of 2024-25.

The airline released its financial numbers for Q3FY25 on Tuesday.

It had reported a net loss of ₹300 crore for the corresponding period of the last fiscal, and its total revenue surged 35 per cent to ₹1,651 crore on a year-on-year basis.

SpiceJet credited the growth to strong passenger demand, improved yields and enhanced operational efficiency. As per the airline, the Passenger Load Factor (PLF) stood at 87 per cent.

**₹3,000-CRORE QIP**

Besides, SpiceJet said the ₹3,000-crore Qualified Institutional Placement (QIP), which saw participation from leading global investors, has "significantly strengthened its financial position".

The QIP, the airline said, has enabled the resolution of major legacy liabilities, fleet expansion and accelerated operational growth. "For the first time in a decade, the company has turned net-worth positive – an important milestone that underscores the success of our turnaround strategy," said Ajay Singh, Chairman and Managing Director, SpiceJet. "The overwhelming response to our QIP and the trust of global investors, combined with operational resilience and financial discipline, has set the stage for sustained growth."

According to Singh, the airline has significantly strengthened its balance sheet, resolved key disputes and is continuously expanding our fleet.

"We are in discussions with OEMs for advanced deliveries of aircraft and are actively exploring both organic and inorganic growth opportunities."

# Experts seek clarity on SEBI's 'exigency' exemption to consultations

**Akshata Gorde**
Mumbai

SEBI's recent notification allowing its Chairperson to bypass the usual consultation process for regulatory changes has raised concerns over transparency and potential for overreach, with experts seeking clarity about the "exigencies".

Traditionally, the market regulator has sought feedback through discussion papers from industry participants, legal experts and the public before making regulatory amendments.

Though public consultation was encouraged, it was never a statutory requirement — allowing the watchdog to pass certain rules without any feedback.

SEBI recently mandated a 21-day public consultation period before implementing regulatory changes, except in exigent situations, where the Chairperson can shorten or waive this requirement.

**TOO ARBITRARY?**

While this exception aims to preserve SEBI's ability to act swiftly, legal and market experts argue that without clear guidelines, it could lead to arbitrary decision-making. "While this discretionary power ensures regulatory agility and the ability to respond swiftly to crises, it simultaneously raises pertinent concerns regarding transparency, predictability and the potential for regulatory overreach," said Tushar Kumar, an advocate at the Supreme Court of India.

Frequent use of this waiver, market participants warn, could erode industry confidence, raising fears of preferential treatment, inadequate safeguards and credibility risks for the regulator.

> **Traditionally, SEBI has sought feedback** through discussion papers from industry participants, legal experts and the public before making regulatory amendments

**NEED FOR CLARITY**

Although the board must ratify the Chairperson's decision, market experts are calling for clear, publicly available criteria for what qualifies as an "exigency" and requiring detailed justifications for each waiver.


"The subjective nature of the term 'expedient' creates a risk of arbitrary application; the impact on the market and industry hinges on the judicious exercise of this power," said Kunal Sharma, Partner at Singhania & Co.

"The absence of robust, clearly-defined criteria may lead to regulatory uncertainty and potential legal challenges, as stakeholders may question the legitimacy of regulations passed without consultation," Sharma said.

Kumar echoed this concern, calling for the scope and rationale for invoking such powers to be clearly articulated to ensure that "exceptions do not become the norm, and principles of natural justice and participatory governance remain intact."

Experts also suggest periodic reviews of waived regulations to assess their justification and effectiveness of such regulations.

**LIKELY EXIGENCIES**

While the regulator has not specified what constitutes an exigency, experts suggest the waiver could be used in cases of systemic risks threatening market disruptions, cybersecurity breaches in market intermediaries' infrastructure, widespread market manipulations and global economic shocks.

Situations, where delays in regulatory action could lead to irreparable harm to market integrity or investor confidence, such as the imminent collapse of a systemically important financial institution; and unforeseen technological advancements could also necessitate immediate regulatory adjustments.

Additionally, judicial directives mandating expeditious regulatory action or alignment with global standards could also justify the invocation of this waiver, experts said.

# Star Health expands home healthcare service

**Press Trust of India**
Chennai

Standalone health insurer Star Health and Allied Insurance Company has expanded its home healthcare initiatives to 100 locations across the country, the company said on Wednesday.

The initiative covers 85 per cent of the insurer's customer base, offering cashless doorstep medical care service. Cities such as Mumbai, Delhi and Pune have been proactive in the adoption of these services, with primary focus on treating conditions such as viral fever and dengue. Over 15,000 patients have benefited from the home healthcare programme.

## TODAY'S PICK.

### Zensar Technologies (₹805.90): BUY

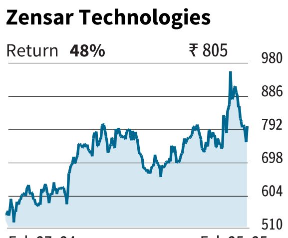
**Gurumurthy K**
bl. research bureau

Zensar Technologies share price could be gearing up for a fresh rally. The stock had surged over 6 per cent on Tuesday. This indicates that the downtrend that was in place since the beginning of this month could have ended.

Importantly, the bounce is happening from the 200-Day Moving Average (DMA), currently at ₹746. This 200-DMA has been giving strong support by arresting the earlier falls. That leaves the outlook bullish. The ₹745-720 region is a strong support.

Zensar Technologies share price can rise to ₹950-1,000 in a month or two. Traders can go long now at ₹810. Accumulate on dips at ₹760. Keep the stop-loss at ₹690. Trail the stop-loss up to ₹840 as soon as the price goes up to ₹890. Move the stop-loss further up to ₹920 when the price touches ₹950. Exit the long positions at ₹980.

**Zensar Technologies**




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

## Day trading guide

22566 » **Nifty 50 Futures**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 22550 | 22350 | 22680 | 22770 | Take fresh shorts below 22550. Keep the stop-loss at 22590 |

₹1684 » **HDFC Bank**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 1660 | 1620 | 1700 | 1750 | Go short now and at 1690. Keep the stop-loss at 1705 |

₹1768 » **Infosys**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 1750 | 1710 | 1785 | 1810 | Go short now and at 1780. Keep the stop-loss at 1795 |

₹405 » **ITC**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 401 | 398 | 407 | 410 | Go long on dips at 402. Stop-loss can be kept at 400 |

₹233 » **ONGC**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 231 | 228 | 235 | 238 | Go short only below 231. Stop-loss can be placed at |

₹1204 » **Reliance Ind.**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 1170 | 1140 | 1215 | 1235 | Go short now and at 1210. Keep the stop-loss at 1225 |

₹711 » **SBI**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 708 | 700 | 712 | 720 | Go long only above 712. Stop-loss can be kept at 710 |

₹3631 » **TCS**

| S1 | S2 | R1 | R2 | COMMENT |
|---|---|---|---|---|
| 3590 | 3540 | 3650 | 3670 | Go short now and on a rise at 3640 with a stop-loss at 3660 |

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

# EPIC World unveils Entrepreneurial Households India Index

**Our Bureau**
Bengaluru

EPIC World unveiled the Entrepreneurial Households India Index (EHI Index).

The EHI Index, developed by EPIC World with Morningstar Indexes, providing calculation services, tracks the performance of 34 publicly-listed Indian companies with a $115 billion market-cap, which offer products and services designed for entrepreneurial households. The EHI Index features companies such as Bandhan Bank, Bajaj Finance, AU Small Finance Bank and Muthoot Finance.

"The index challenges the popular notion that only India's top 10 per cent drive spending power and highlights entrepreneurial households as key economic contributors. We believe this segment will lead India's economic transformation, going forward," said Jyotsna Krishnan, Co-founder, EPIC World, and Managing Partner, Elevar Equity.

thehindu businessline.
THURSDAY - FEBRUARY 27, 2025

# Welcome change

*New MPC finally gives growth due importance*

**In many respects, India's Monetary Policy Committee (MPC) meeting on February 7 stood out from earlier ones. It was the first meeting after Governor Sanjay Malhotra assumed charge at Reserve Bank of India (RBI). Four of MPC's five other members were also replaced between October 2024 and February 2025 as their terms ended. In the meeting, the MPC voted unanimously to reduce policy rates by 25 basis points after being on hold for two years.**

The minutes of this meeting, released this week, were therefore eagerly awaited by economy watchers to gauge the views of the reconstituted MPC and likely direction of rates. They suggest a significant shift in the MPC's stance. The three non-RBI members dwelt at length on the economy, noting that the CSO's GDP growth estimate of 6.4 per cent for FY25 was significantly lower than the MPC's October projection of 7.2 per cent. They attributed the slowdown to low growth in real wages affecting consumption, moderating urban demand impacting manufacturing activity and sluggish private capex. Two MPC members, in fact, said that restrictive monetary policy was keeping real rates too high, impeding credit demand and private capex. The MPC also agreed that without rate cuts, rising global protectionism could lead to an extended global slump, putting India's manufacturing growth at further risk. Such a debate is to be welcomed, given that the Committee in its earlier meetings had barely taken note of its GDP projections going awry, and chose to take a sanguine view on growth.

On inflation, the MPC has turned distinctly dovish. Noting that the December CPI had cooled off to 5.2 per cent with core inflation at 3.7 per cent, most members argued for the need to 'look through' volatile food prices. One even went so far as to say that repo rate actions had had no impact on food prices in the last decade. The MPC took note of recent Household Consumption Expenditure Surveys (HCES), to surmise that the household spending on food was likely much lower than assumed in CPI. This underlines the need for the Centre to revise the CPI base year, which is 2011-12. But the Committee seemed to carry its optimism about inflation a little too far, in predicting that core inflation would remain subdued despite Trump tariffs and geopolitical risks.

One of the oft-cited challenges to India cutting rates at this point, is the risk of capital flight. MPC members had interesting counter arguments to offer. One, they said, capital flows into India are driven more by its 'distinctive growth' story than by rate differentials, which makes growth a priority. Two, India attracted copious capital inflows between 2020 and 2024 despite shrinking India-US rate differentials. Three, the Rupee depreciation that follows rate cuts can stimulate exports and aid economic growth. This multi-faceted debate suggests that though it is tasked with inflation-targeting, the MPC cannot discharge its mandate effectively without balancing inflation, growth and exchange rate considerations.

## POCKET

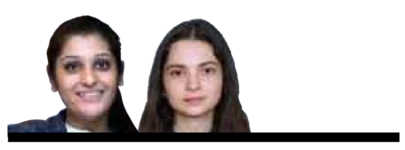
RAVIKANTH

"Slow growth, yes. But we have retained our competitive edge by being slower than others!"

# How to develop trustworthy AI in digital lending

**INFUSING TRUST.** Establishing principle-level guidance on operationalising Responsible AI would induce clarity and confidence

GETTY IMAGES



BENI CHUGH
MANVI KHANNA

The recently concluded Artificial Intelligence (AI) Summit in Paris reiterated the need for creating safe and trustworthy AI systems. The theme of trustworthy AI is indeed the most pressing policy concern across sectors, including the financial sector.

Recently, the Reserve Bank of India (RBI) commissioned a group of experts to steer the adoption of responsible AI with the aim of ensuring that the AI systems driving the financial sector are safe and trustworthy. The committee is tasked with developing a Framework for Responsible and Ethical Enablement of Artificial Intelligence (FREE AI Committee).

The RBI is motivated to advance the gains that accrue from AI deployment such as automation, efficiency and cost-savings while addressing the attendant risks. This piece discusses three policy considerations that may help in shaping a confident and trustworthy AI ecosystem in the financial sector.

**AI AS A WHOLE**

First, there is merit in looking at 'AI as a whole' when devising a regulatory and supervisory approach.

A 'whole of AI' approach to regulation would mean that the RBI has a full view of all the actors — many unregulated — and their roles in an AI system's lifecycle. Banks and NBFCs interact with unregulated actors such as data vendors for sourcing external data and third-party model developers for building proprietary algorithms or for customizing AI models. The unregulated actors tend to provide technological expertise that does not qualify as a financial function yet has grave implications for core financial-decision making.

For instance, a credit scoring algorithm could consistently treat individuals with similar credit risks differently. To manage this risk and apportion liability, it is imperative to identify the actor responsible for the error in the model's outcome.

For instance, it could either be the case that the foundational model had inbuilt bias or that the model picked up bias when it was being retrained. In the former case, the third-party vendor that designed the model would be liable while in the latter, the financial institution that deployed and retrained it would be responsible.

Understanding the constituents of the AI value chain can help regulators devise proportionate and effective mitigants.

In the example above, regulators could share model contracts containing the safeguards that regulated entities must emphasise in their contracts with third-parties. These model contracts also benefit third-parties who clearly understand their roles and responsibilities, ultimately fostering innovation in the industry.

Moreover, such clarity upfront, bolstered by contractual safeguards, also reduces the probability of occurrence of customer harms and legal violations.

> **Requiring a public registry of AI vendors can guard against concentration risks that arises from too many** financial institutions relying on the same vendor for their underlying models

Second, it is imperative to address concerns arising from financial institutions' growing dependence on non-financial entities like AI vendors.

The rise of digital financial services has raised the question of management of non-financial entities. The Digital Lending Guidelines of the RBI have allayed this concern to a great extent. It appears that the current definition of Lending Service Providers (LSPs) can accommodate third-party AI providers. Further, the tools contemplated for LSPs also appear amenable to these providers.

For instance, requiring a public registry of AI vendors can guard against concentration risks that arises from too many financial institutions relying on the same vendor for their underlying models.

Next, maintaining a blacklist of AI vendors that is updated regularly based on feedback from the industry can serve as an accreditation tool. We understand that even bigger financial institutions face challenges in identifying credible AI vendors to partner with.

Finally, AI vendors could also be encouraged to join the lending SRO. This move would help alleviate anxieties about the credibility and quality of AI vendors. Further, the SRO could become the go-between the regulator and the vendors, encouraging delegated regulation.

Lastly, it is an opportune time to operationalise 'Responsible and Trustworthy AI' for all actors in the digital lending value chain.

While significant work has been done to conceptualise "Responsible and Trustworthy AI", much of the discourse has leaned towards broad, sector-agnostic, regulatory principles without unpacking what it would mean in the unique context of digital lenders in India.

The RBI routinely reminds digital lenders to consider fairness, prevent biases, safeguard privacy and ensure data robustness in algorithm-based decision-making.

**GUIDANCE NEEDED**

Yet, there remains a vacuum when it comes to guidance on the actions that could help lenders move in that direction.

With the FREE-AI Committee's work serving as a starting point for AI regulation in digital lending, establishing principle-level guidance on operationalising Responsible AI would induce clarity and confidence in an upcoming and yet-to-mature industry. This would provide lenders and AI vendors with greater clarity on the considerations to account for when designing, developing and deploying AI.

Going a step further, these entities would want to take stock of their current practices and assess how far they are from widely accepted Responsible AI standards. For those just starting their AI journey, many would be waiting on the fence for best practices to guide them in integrating Responsible AI into their operations. Thus, translating the principle-level guidance into assessment tools and practices that the industry can adopt to evaluate its AI-based solutions would be a timely contribution from the Committee. The journey of Responsible AI in finance has only just started. Equipping the industry with easy to use tools such as checklists that first allow them to take stock of their maturity. Further, complementing it with operational guidance to bolster their AI systems would provide much needed clarity and conviction to the industry and customers alike.

*Chugh is an independent consultant with Dvara Research working on themes of digital financial inclusion and digital social protection. Khanna is a Research Associate with Dvara Research. This article benefitted from the joint work of Dvara Research and PWC*

# Punjab agriculture needs a cooperative thrust

State's draft farm policy advocates setting up of micro dairies and shift from paddy to less water consuming crops

Sukhpal Singh

Punjab's agriculture sector, once hailed as the engine of the State's economy, has been on a steady decline for the past few decades. To realise sustainable development while alleviating the distress of farming community, an 11-member expert committee consisting of economists, policymakers, technocrats and farmers, set up by the Punjab government, has drafted "Punjab State Agricultural Policy 2023".

The draft policy has been developed through an inclusive approach based on 1,02,800 suggestions, which includes field visits, discussions with agriculture and allied departments and feedback from the farming community.

Unlike the previous drafts of farm policies (2013 and 2018) of the State, the new policy draft has recommended a cooperative-centric approach for the development of the agriculture sector. It is well known that cooperatives played a major role in the success of the Green Revolution with the provisions of subsidised farm inputs, latest machinery and access of affordable credit, especially to small farmers.

Although the recent performance of some entities of the cooperatives has been sub-optimal due to financial constraints and administrative hurdles, getting this sector back on track would help revitalise Punjab's agriculture. The policy has suggested upgrading the existing Primary Agricultural Cooperative Credit Societies (PACS) into Multi-Purpose Cooperative Societies (MPCS). These societies would facilitate timely agriculture input supply, custom hiring of modern farm machinery, marketing, and storage.

Similarly, establishment of small-scale processing units and micro dairies through these societies have the potential to generate employment and additional farm income. It is believed that MPCS will help small farmers overcome challenges related to fragmented landholdings, high farm costs, market volatility and would be an important institution to promote diversification.

In addition, the policy emphasises on empowering cooperatives by reducing bureaucratic hurdles, improving skillset of cooperative employees and advocates for domain experts to lead cooperative institutions along with ensuring professional and profit-sharing approaches beneficial to farmers. The focus on ensuring credit and skill development training through cooperatives to deprived sections of rural society, especially women, is also an important aspect of the policy.

**PUNJAB FARMERS.** Towards sustainability PTI

The policy committee understood the urgent need of diversification in the light of rapidly depleting groundwater resources, as 15 out of 150 blocks of the State are extracting 300 per cent more water than annual ground water recharge.

**SHIFTING FROM PADDY**

To address the over-reliance on paddy, which is driven by assured high income due to Minimum Support Price and guaranteed procurement, it proposed a phased approach starting with shifting paddy cultivation away from dark zones — the area with critically depleted groundwater levels.

The policy explores the option of completely banning paddy in one or two blocks by putting these areas under alternate less water consuming crops.

However, the policy recommends that farmers in these blocks should be compensated in such a way that they may get higher returns from alternative crops. In addition, the draft has recommended many efficient irrigation techniques such as micro-irrigation systems, canal water optimisation, ground water recharge initiatives, stricter regulations on tube well installations, promoting grid connected solar-powered pumps for efficient energy and water usage and effective implementation of *Pani Bachao, Paisa Kamao* (Save Water, Earn Money) schemes.

The new farm policy has made bold recommendations for enhancing income and alleviating distress among the rural community. This includes health insurance coverage, healthcare support, education, and skill development. As agriculture is a risky endeavour, recommendation for developing Punjab's own crop insurance scheme has been made.

The farmers, farm unions, particularly Samyukt Kisan Morcha (SKM) and other relevant groups have strongly urged prompt implementation of the policy.

*The writer is Chairman, Punjab State Farmers' and Farm Workers' Commissions*

## 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.

### Market freefall

That Indian stock markets have been on a downward spiral with the BSE Midcap index down almost 15 per cent since the beginning of this year, while the BSE Smallcap index has fallen around 19 per cent, is a cause for concern.

A state of uncertainty that is now gripping global markets following the return of Donald Trump and his announcements on tariffs, taxes, and immigration, coupled with the slowdown of the Indian economy, rupee depreciation, and subdued corporate profitability, explains the current freefall in the stock markets. The forthcoming second advance growth estimates of NSO (National Statistics Office), which is expected to provide clarity on the economic momentum of the country, will shape investor sentiments in the future.

**M Jeyaram**
Sholavandan (TN)

### Steering Air India

This refers to a news report 'Air India mulls installing modified seats to offer better experience'. Recently Union Agriculture Minister Shivraj Singh Chouhan had a bad experience with now Tata owned Air India airlines and another BJP leader Jaiveer Shergill gave it the worst airlines tag.

Now Air India have had issues when it was run by the government. The Tatas were expected to bring in professionalism and change, but the airline still has a long way to go. So the Tatas need to take a holistic view of Air India's operations to give passengers a better flying experience.

**Bal Govind**
Noida

### Germany fractured

Apropos the Editorial 'Germany's transition', (February 26), German voters have delivered a fragmented verdict, reflecting deep political shifts and divisions within the country.

The far-right Alternative for Germany (AfD) secured a historic second-place finish with 20.8 per cent, a sign of Germany's political polarisation.

But, the results raise critical questions about the future of governance, coalition-building, and the broader implications for Europe.

The AfD's strong performance, particularly in eastern Germany where they secured 34 per cent of the vote, signals growing disenchantment with mainstream politics.

Their appeal among younger voters, bolstered by effective social media campaigns, suggests that Germany's political landscape is undergoing a generational shift.

While the AfD remains politically isolated at the national level, its rising influence cannot be ignored.

**N Sadhasiva Reddy**
Bengaluru

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# Tech-fest at Mahakumbh

Digital tech ensuring safety, immersive experience

Uttam Chakraborty
Santosh Kumar Biswal

**CONFLUENCE.** Of spirituality and modern technology PTI

The 45-day Mahakumbh celebrations in India after 144 years, apart from being a spiritual and religious spectacle, highlighted how digital technologies can be put to optimum use.

Modern technologies are transforming the management of such mega events, seamlessly integrating artificial intelligence, the Internet of Things, and digital platforms to augment the experience for the pilgrims. The arrangement of AI-powered CCTV cameras and facial recognition systems boosted the surveillance efforts, facilitating the government machinery to monitor crowd concentration and detect irregularities in real-time.

**AUGMENTED SECURITY**

Drones to avoid potential security threats, augmented security measures through aerial perspectives. With technological innovations, monitoring crowd flow and congestion levels have become feasible for instant interventions.

Predictive analytics have been employed to forecast crowd flows, allowing authorities to execute proactive strategies. The application of RFID wristbands streamlined tracking of devotees, ensuring that movement within the site was observed efficiently. For vehicle supervision, e-passes were issued to control traffic congestion. These technological interventions cohesively have attempted to deliver a safer experience to the pilgrims.

Health services remain one of the major issues in religious places. To address this, telemedicine and mobile clinic services were available at the Mahakumbh .

Wearable health monitoring devices further enhance medical readiness by tracking the vital signs of the elderly and high-risk individuals. IoT-enabled dustbins and AI-driven waste segregation systems enable efficient and sustainable waste management. Interestingly, these smart dustbins will alert the government machinery when full, confirming timely disposal and keeping hygiene. Eco-friendly initiatives have significantly lessened plastic waste. In addition, smart water management systems are preventing wastages and, at the same time, supplying clean water to the devotees.

The Mahakumbh spiritual gathering turned into a hub for economic activity as well, promoting local craftspeople and businesses.

The integration with UPI-based payments ensured the financial exchanges were cashless, seamless and secure. Also, digital marketplaces were set up to showcase traditional handicrafts to global audiences.

The e-commerce within the *mela* venue helped pilgrims have easily access to essential services including accommodation bookings. These digital establishments are paving the way for financial inclusion and empowerment of small business units during spiritual gatherings.

For the large of number of devotees who were unable to attend the *mela* in person, the authorities arranged 360-degree virtual tours. They could witness the grandeur of the event from the luxury of their drawing rooms. And to make it more interesting and engaging, augmented reality-based cultural storytelling was also in progress in full swing. This e-storytelling provided the pilgrims an immersive experience of historical and mythological events of significance.

In the age of digital media, the importance of social media in amplifying the celebrations cannot be underestimated. Live streaming of the event on YouTube and Facebook did wonders in terms of allowing millions to participate in the spiritual experience virtually.

As technology continues to progress, events such as the Mahakumbh are increasingly becoming immersive and inclusive.

The combination of AI, IoT, VR, and digital platforms is not merely enhancing logistics but also preserving tradition while embracing modernity.

Chakraborty is an Associate Professor at School of Management, Presidency University, Bengaluru; Biswal is an Associate Professor at Department of Journalism and Mass Communication, Rama Devi Women's University, Bhubaneswar

# The effects of tepid FDI flows

**WIDE IMPACT.** Slower growth, fewer job opportunities, and limited knowledge spillovers are among likely effects

KRITIMA BHAPTA
ANKITA GARG

India's declining foreign direct investment (FDI) has become a pressing concern, amid a global slowdown in investment flows driven by economic instability, geopolitical conflicts, and increasing borrowing costs, as highlighted in the Economic Survey 2024-25.

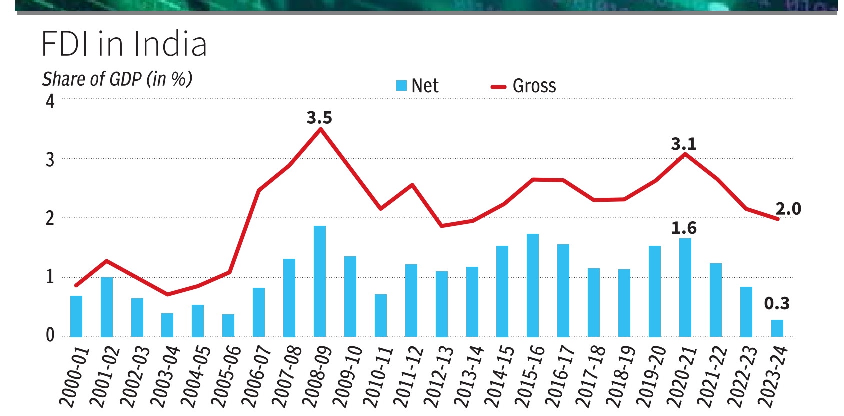
Against this backdrop, a detailed examination of India's FDI trends, both in gross and net terms, remains essential. While the former measures the total inflow of direct capital, net FDI adjusts for outflows like repatriation/disinvestment and tells how much of that investment is retained. From the standpoint of external financing, it is net FDI inflow that matters.

The chart shows that from FY21, both gross and net FDI, as a share of GDP, not only slipped below their historical levels but continued to weaken. For example, gross FDI fell 1.1 percentage points after the pandemic and now remains around 2 per cent; net FDI fell more than five times to 0.3 per cent last year, the lowest in two-and-a-half decades. While the latest Economic Survey indicates a recovery in gross FDI, growing at 17.9 per cent during April-November FY25, the net FDI declined.

This recent improvement in gross FDI offers some optimism. However, the decrease in net FDI signals an uptick in foreign capital exiting India. Repatriation of foreign investment — when foreign investors sell their stakes and transfer profits back home — has been increasing over the years and grew roughly by 52 per cent in FY24. During April-November FY25, repatriation and disinvestment grew by 33 per cent over the same period last year.

The Economic Survey attributed this to the strength of India's capital markets, which offered attractive exit options for investors.

While some repatriation is normal — especially as an economy matures — very high volumes may signal heightened vulnerabilities, especially when much of the capital originates from private equity with shorter investment horizons than traditional, longer-term FDI typically seen in sectors like infrastructure. Private equity and venture capital (VC) exits from Indian stock markets amounted to $19.5 billion between January and September 2024, exceeding the $18.3 billion recorded during the same period in the previous year.




The timing of such exits can inopportunely coincide with portfolio capital outflows and an enlarged trade deficit to pressurise the currency and external stability. Besides obvious implications for external balances, these may also send a negative signal if investors see India as a market for short-term profit-making rather than long-term growth, undermining India's ability to attract the stable, growth-oriented foreign capital it needs.

> **Most FDI revenue generation is in domestic currency,** while dividends, royalties, and profit repatriations are in foreign currency, pointing to enlarging outflows.

**IMPACT ON REAL ECONOMY**

Falling FDI inflow also has implications for the real economy: slower growth, fewer employment opportunities, reduced technological gains and operational efficiencies, and limited knowledge spillovers.

That the declining trend is concurrent with some targeted initiatives to attract foreign direct investments into manufacturing is more worrisome — for example, the production-linked incentive (PLI) scheme, and corporate tax cuts for both domestic and foreign companies, amongst notable ones.

This conjunction points to the fact that these measures have yet to yield a significant boost in FDI inflows.

Then there is the issue of where FDI flows are headed in India. Post-pandemic, the domination of the services sector has risen to 70 per cent of total FDI flows — up from 60 per cent a decade before (2014). This shift highlights India's increasing role as a global hub for services and exports, which have been growth drivers.

Between 2020 and 2024, the FDI share of services like construction, electricity, mining, real estate, and financial services has risen rapidly, collectively more than doubling from 12 to 28 per cent. However, these are mostly non-tradable services, primarily geared towards local demand or the domestic market. Electricity and transportation (non-tradeables) have emerged as dominant FDI recipients, overall.

Most revenue generation is in domestic currency, while dividends, royalties, and profit repatriations are in foreign currency, pointing to enlarging outflows while goods' exports fail to rise. Export-oriented services like communications and business services saw their share of FDI rise from 8 to 15 per cent between FY21 and FY22 but have stagnated at that level since then.

**MAY MISS CRUCIAL GAINS**

Although both domestically focused and export-led services bring value, the current tilt suggests India may be missing out on crucial gains in foreign currency inflows and global market share. The decline in the share of FDI in manufacturing to total FDI over a decade (from 31 per cent to 25 per cent), should worry India, which relies on such investments to generate jobs and enhance its competitiveness.

Amid these challenges, the global manufacturing landscape is undergoing a shift. As rising labour costs erode China's competitive edge, many multinational corporations are adopting a 'China+1' strategy, diversifying supply chains by establishing operations in countries like Vietnam, India, and Bangladesh. Vietnam, in particular, has succeeded in attracting such FDI inflows in recent years, while India has been unable to capitalise on the shifting dynamics.

India needs to address critical gaps to enhance its appeal for export-oriented FDI into large-scale manufacturing. How do we entice such capital to stay invested and expand rather than exit once returns materialise? Policymakers must think even more long-term than they have until now.

Bhapta and Garg are with Centre for Social and Economic Progress. Views expressed are personal

thehindu**businessline.**

## TWENTY YEARS AGO TODAY.

February 27, 2005

**Lalu remains soft on rail users**

In keeping with his populist image, the Railway Minister, Mr Lalu Prasad, has yet again refrained from raising passenger fares, while marginally tinkering with the freight rate structure in his Railway Budget for 2005-06. Thus, for the third consecutive year commuters across all segments have been spared from paying more for their travel.

**Tariff on iron ore for export doubled**

The Railway Minister, Mr Lalu Prasad, has indirectly responded to the long-standing demand of the domestic steel industry to curb iron ore exports by announcing a dual freight policy for this mineral. Under the new policy, the freight rate payable for iron ore being transported to the ports for exports would be almost double compared to the freight payable for ore being taken to the steel plant.

**Forex reserves spurt $2.97 b**

Propelled by a steady spate of dollar inflows, the country's forex reserves shot up to $132.959 billion as against $129.980 billion in the previous week. Analysts ascribe the rise to the flood of external investments in Indian equities.

# Trump pressures Apple to end DEI

Hadriana Lowenkron

President Donald Trump said Apple Inc. should end its diversity, equity and inclusion (DEI) efforts, ramping up his pressure campaign to erase the policies from US workplaces. "Apple should get rid of DEI rules, not just make adjustments to them," the president wrote Wednesday on his social media site.

The comments come a day after Apple investors rejected an outside shareholder proposal to end its DEI initiatives. Chief Executive Officer Tim Cook said the company never had hiring quotas or targets, but still may make some adjustments to the programme. The company conducted the vote as part of its annual meeting.

Apple did not immediately respond to a request for comment.

Trump has slammed DEI policies as discriminatory, arguing they de-emphasise merit-based hiring.

**STRIKING.** Trump has slammed Apple's DEI policies as discriminatory

The president had used the push to justify his wide-ranging effort to slash the federal workforce and gut agency DEI programs. Critics say getting rid of DEI policies will stymie gains for women and minorities in the workplace.

Amid the president's offensive against DEI, US companies have begun pulling back from their own efforts. Citigroup Inc. Chief Executive Officer Jane Fraser recently scrapped the company's DEI goals, citing a Trump executive order banning "illegal DEI" policies by federal contractors, like her bank.

Other large companies like Meta Platforms Inc. and Alphabet Inc.'s Google ended policies like interview requirements with diverse candidates and hiring targets from historically under-represented communities.

Trump's criticism of Apple comes just a day after he praised the company's commitment to invest $500 billion in the US over the next four years. The company said the money will go towards a new server manufacturing facility in Houston, a supplier academy in Michigan and additional spending with its existing suppliers in the country.

The company has also pledged to add 20,000 new jobs, marking Apple's biggest US commitment to date, as the iPhone maker and others contend with Trump's tariff threats against a wide array of US imports. BLOOMBERG

On **businessline.in**

**What is wrong with procurement of renewable energy**

Regulators questioning the reasonableness of discovered tariffs will adversely impact the investment climate in the renewable energy sector. Only evaluation panels can look into this, says **Alok Kumar**

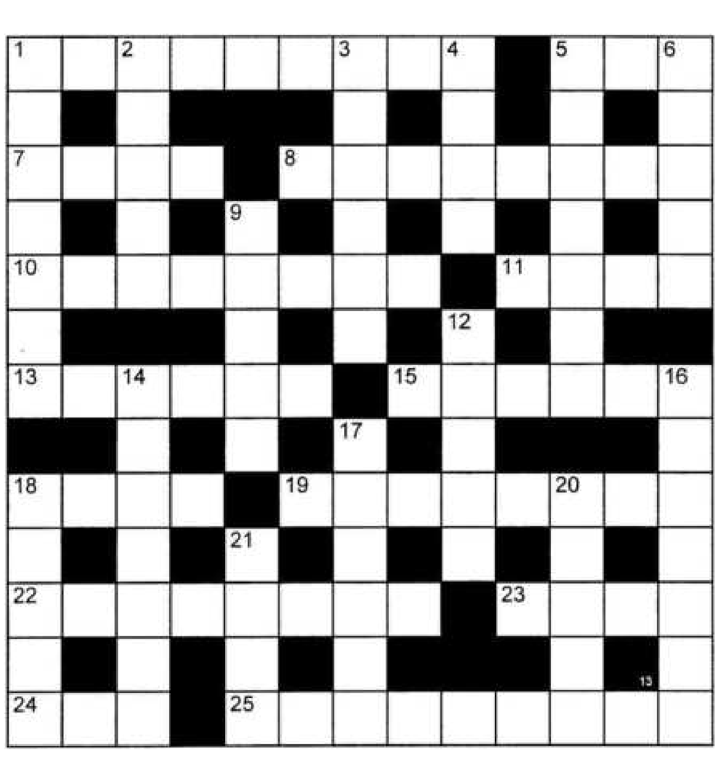
https://tinyurl.com/2s3uxarf

**Gas benchmark: Pathway for growth, transparent market**

The creation of a robust gas trading hub would increase transparency, improve price discovery, and reduce reliance on foreign price benchmarks, avers **AK Balyan**

https://tinyurl.com/5799y7xu

## BL TWO-WAY CROSSWORD 2641



### EASY

**ACROSS**
1. Body of instrumentalists (9)
5. Uncooked (3)
7. Wicked (4)
8. Threatened, overhung (8)
10. Deer-hunting dog (8)
11. Plug of tobacco (4)
13. Whirl of snowflakes (6)
15. Attractive (6)
18. Eyelid hair (4)
19. Ringing instrument (8)
22. Perpendicular (8)
23. Banking circulatory system (4)
24. Propel boat (3)
25. Without a country (9)

**DOWN**
1. One, emphatically, reflexively (7)
2. Gleam of light from narrow opening (5)
3. Domesticating (6)
4. Top of triangle (4)
5. Fieldwork enclosed on all sides (7)
6. Walked deep in water (5)
9. Regretful (5)
12. Step; categorise (5)
14. Loosen metal top (7)
16. Loses whiteness with age (7)
17. Fruit growing in hand (6)
18. Swain (5)
20. One banished abroad (5)
21. Fail to contact (4)

### NOT SO EASY

**ACROSS**
1. Carrots he mashes under guidance from the podium (9)
5. Inexperienced, fighting back (3)
7. Bad spelling due to such a wicked eye? (4)
8. Was threatening to have the little devil terminated (8)
10. Hen OK? Lud! It's all right for the dog! (8)
11. A pound the Romans gave pro quo in retaliation (4)
13. Soft and cuddly when about fifty, he gets one in a whirl (6)
15. Such a penny is a tidy sum – fair? (6)
18. Frans the artist was upset by the whip (4)
19. One isn't allowed rope to ring it (8)
22. Vicar let run riot, straight up! (8)
23. The banking system makes US soldier return the gold (4)
24. A line to get boat moving? (3)
25. Assert there's not so much to being without a native land (9)

**DOWN**
1. One is emphatically: one is natural to be so (7)
2. Space for light to shine through when coins knock together (5)
3. Giant upset about the large number one is domesticating (6)
4. Copy unknown quantity when at the peak (4)
5. Have fresh suspicions as to the fieldwork (7)
6. Paddled deeper? (5)
9. Such a state puts one in a plight and makes one regret it (5)
12. A step in quality Edgar could have made (5)
14. Us Germans get men in boat to turn, usually anticlockwise (7)
16. Paper ages like chrome and saffron (7)
17. Republican fruit, appearing handy when growing? (6)
18. 'And then the ______, sighing like a furnace' (As You Like It) (5)
20. One away because he was made to be so (5)
21. Fail to meet girl before she gets to the altar (4)

### SOLUTION: BL TWO-WAY CROSSWORD 2640

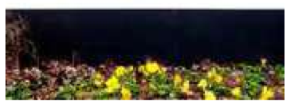
**ACROSS** 1. Hurtle 4. Farmer 9. Vulture. 10. Cynic 11. Hoax 12. Fear 13. Mar 15. Troy 16. Stir 19. All 21. Jilt 22. Asia 24. Inter 25. Picture 26. Desire 27. Ceases

**DOWN** 1. Have half a mind 2. Reliant 3. Lour 5. Accurate 6. Minim 7. Record-players 8. Level 14. Conjuror 17. Rescue 18. Slips 20. Lotus 23. Ache

CHENNAI
businessline.
THURSDAY - FEBRUARY 27 - 2025

## QUICKLY.

**Syngenta acquires genetic repository from Novartis**



**Frankfurt:** Switzerland-based pesticides maker Syngenta said on Wednesday that it has acquired a repository of natural compounds and genetic strains from drugmaker Novartis to further boost the development of biologic crop protection. Under the deal, Syngenta will lease a fermentation pilot plant and science laboratories in Basel as well as hire a team of biomolecular chemistry researchers at Novartis. REUTERS

**Crude oil near 2-month low on supply concerns**

**London:** Crude oil prices held around two-month lows as a potential peace deal between Russia and Ukraine continued to weigh on prices, while lower US crude stockpiles provided some support. Brent crude rose 16 cents to $73.18 a barrel by 0926 GMT. US WTI futures were up 20 cents at $69.13. REUTERS

**Gold holds steady; traders eye US tariff plans**

Gold prices held steady following a 2 per cent decline in the previous session while attention was on US President Donald Trump's tariff plans, which have raised concerns about a trade war. Spot gold was little changed at $2,916.63 an ounce by 0910 GMT. US gold futures rose 0.5 per cent to $2,932.50. REUTERS

# New MRL framework for spices in the offing

**IMPROVING MARKET ACCESS.** FSSAI readies draft framework revising the maximum residue levels to 98 from current 11

**Vishwanath Kulkarni**
Bengaluru

A revised maximum residue level (MRL) framework for spices and culinary herbs, which can help improve market access for Indian exporters, is in the offing.

The Food Safety and Standards Authority of India (FSSAI) has readied a new draft framework on the MRL, which is likely to be finalised soon.

Providing an update on the revised MRL framework, Paresh Shah, Chairman, subcommittee, Scientific Panel on Pesticide Residues, FSSAI, confirmed on Wednesday that a significant revision, increasing the number of approved MRLs from 11 to 98, was nearing finalisation.

He was speaking at a panel discussion on contaminants and regulations at the ongoing International Spice Conference, 2025, in Bengaluru, organised by the All India Spices Exporters Forum (AISEF). "For decades, India's MRLs were inherited from outdated global frameworks. The upcoming revision, backed by extensive monitoring data, will align our standards with international benchmarks.

"This is a crucial step towards improving the market access for Indian spices," Shah said.

**EASY FOR PROCESSORS**

Ramkumar Menon, Chairman, World Spice Organisation and Managing Committee Member, AISEF, said the number of MRLs in the draft framework had seen an increase, thanks to the quicker process which the government is following now.

"It (increase in MRLs) will help a great deal because one of the problems we were facing was the lack of enough MRLs for spices. So if there's any dispute, we have not been able to go and present our case to the authorities abroad. Now with this, we'll be able to do it. It strengthens our case and we'll be able to go and tell the regulatory authorities that yes, we also have these MRLs, which makes it easier for us in cases of dispute," Menon said.

Indian spices exports

| Financial Year | Quantity (lakh tonnes) | Value ($ million) |
|---|---|---|
| 2023-24 | 15.39 | 4,464.17 |
| 2022-23 | 14.04 | 3,952.68 |
| 2021-22 | 15.3 | 4,068.47 |
| 2020-21 | 17.58 | 4,178.80 |
| 2019-20 | 12.08 | 3,110.63 |

Source: Spices Board

Further, he said having more MRLs will help improve the market access for the Indian exporters.

"Also, the risk of rejections would come down because even exporters will get an idea about what is the exact requirement. With more MRLs getting established, it becomes easier for processors to confirm to the requirements," Menon added.

**GROWING SHIPMENTS**

Indian spice exports, which touched a record $4.46 billion during financial year 2023-24, continue to be on an upward trend, clocking a growth of 7.91 per cent year-on-year in the April-January period this fiscal.

Per the latest Commerce Ministry data, value of spices exports during April-January 2024-25 stood at $3501.11 million over the same period last year's $3244.47 million. India accounts for a quarter of the global spice trade and has been a leading producer and exporter of spices such as chilli, turmeric and cumin, among others.

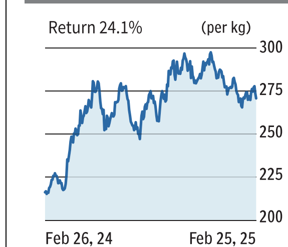
India exports over 225 unique products to over 180 countries. The State-run Spices Board is targeting to more than double exports to around $10 billion by 2030 from the $4.4 billion in the year-ended March 2024.

The Board has implemented stringent quality control measures, including mandatory ethylene oxide testing for exports destined to the European Union and also to countries, such as Hong Kong and Singapore, to enhance food safety and compliance.

## COMMODITY CALL.

### Short zinc futures at ₹268

**Akhil Nallamuthu**
bl. research bureau




Zinc futures have been on a decline since mid-December after finding resistance at ₹293. Since then, they've been steadily forming lower lows and lower highs.

Over the past month, the contract has been moving up gradually after finding support at ₹258 in early February.

However, after reaching the resistance band of ₹272-₹275, fresh sellers arrived.

Consequently, zinc futures have been witnessing a sharp fall in price.

On Tuesday, the March expiry futures closed at ₹267.35. Since the February contract expires on February 28, we are considering the March series for analysis and trade recommendation.

**BEARISH BIAS**

We expect the price to further drop to ₹258 quickly. A breach of the support at ₹258 can lead to a fall to ₹252.

On the other hand, if the contract recovers and surpasses the barrier at ₹275, the outlook can turn positive, wherein it can appreciate to ₹285 and then to ₹293.

Nevertheless, as it stands, the trend is bearish, and the price is likely to fall further.

**TRADE STRATEGY**

Short zinc futures (March) at ₹268 and on a rise to ₹272. Target and stop-loss can be at ₹258 and ₹277 respectively.

# All eyes on today's wheat auction as govt hikes supply to 5 lt

**Our Bureau**
New Delhi

The government's wheat auction on Thursday will be closely watched by stakeholders and officials after the offered quantity was raised to 5 lakh tonnes (lt) from the previous 4 lt due to a sudden spurt in prices.

Of the 1 lt raised quantity, 63 per cent has been offered to the five key producing States of Uttar Pradesh, Madhya Pradesh, Punjab, Haryana and Rajasthan.

The top 10 States, including Bihar, Assam, Karnataka, Delhi and Maharashtra, accounted for 80.6 per cent of the total quantity raised last Friday, according to an official source.

"With the new crop arriving in Madhya Pradesh and Gujarat and set to reach other States in 30 days, millers wouldn't have paid over ₹3,000/quintal if there were ample supplies, especially when the government will procure the next crop at an MSP of ₹2,425," said an industry official.

**DIFFERING ESTIMATES**

The government needs to do production estimate seriously or has to re-assess the domestic consumption estimate as both record production and 11-12 million tonnes (mt) surplus cannot be correct, said a former head of the Food Corporation of India.

**MULTIPLE FACTORS.** The government raised the offered quantity by 1 lakh tonnes due to a sudden escalation of prices. Also, fears over crop health have come into play

He was referring to the Agriculture Ministry's production estimate of 113.29 mt and domestic consumption of about 101-102 mt. During last week's e-auction, the highest bid price in Uttar Pradesh was ₹3,159/quintal and the lowest was ₹2,958. As many as 168 buyers bid above ₹3,000 per quintal, while only 30 processors bid below ₹3,000/quintal.

In comparison, the highest bid price in the State was ₹3,010 and the lowest was ₹2,520 at the February 12 auction, when only one buyer out of 332 successful bidders paid above ₹3,000 to buy 25 tonnes.

Last week, the highest bid price in Karnataka was ₹3,424, in Haryana and Maharashtra it was ₹3,200, in Delhi ₹3,131, in Madhya Pradesh ₹3,120/quintal, in Gujarat ₹3,087, in Rajasthan ₹3,098, in West Bengal ₹3,091, in Bihar ₹3,104, and in Punjab ₹3,100.

**YIELD LOSS FEARED**

"Already speculation has started in the market about the next crop due to the rising temperature in Madhya Pradesh and elsewhere. As the wheat crop has been getting affected continuously for the last three years, even if the scale of yield loss is debatable, coordinated efforts by the Agriculture and Food Ministries with ICAR and the private sector may be able to find a long-term solution," said the industry official.

# Citing sugar industry issues, Centre moves court for exemption from 20% jute packaging

**Our Bureau**
Kolkata

The Department of Food and Public Distribution, under the Ministry of Consumer Affairs, Food and Public Distribution, has informed the Calcutta High Court that sugar mills and sugar industry associations are facing different challenges with jute packaging of sugar, and sought exemptions from compulsory jute packaging for 20 per cent of the total sugar production.

The Indian Jute Mills Association (IJMA), which is in favour of continued implementation of the Jute Packaging Materials Act (JPM), is expected to analyse the submission of the Department of Food and Public Distribution, and respond to the same in the next hearing scheduled for March 4.

> **About 70% of sugar production** is consumed by bulk buyers, who avoid jute packaging due to quality concerns

IJMA filed a writ petition in the High Court last year against the Union of India and its agencies, seeking strict enforcement of the JPM Act, 1987.

**NON-COMPLIANCE**

The petition alleged massive non-compliance by sugar mills and private foodgrain procurers, causing severe losses to the jute industry.

It also alleged negligence of government agencies, including the Jute Commissioner's Office (JCO) and the Ministry of Consumer Affairs, Food and Public Distribution (DFPD) in taking legal action against the violators.

**MOISTURE LEVELS**

In their latest submissions before the High Court this week, DFPD and the Directorate of Sugar said that industry associations and sugar mills, in their various representations, had highlighted different challenges of jute packaging.

"Sugar has inherent properties that make it susceptible to moisture absorption. Jute bags have a higher tendency to attract and retain moisture, which poses a significant risk to the quality and integrity of sugar stored within these bags," the sugar mills said. Moisture could lead to the clamping and caking of sugar, rendering it unfit for human consumption, the mills said.

**BULK CONSUMERS**

They added that there were cases of non-acceptance of sugar packaged in jute bags by bulk consumers like Pepsi and Coke due to the mixing of the jute fibres in the sweetener. It was submitted that as on December 31, 2023, only three licensed suppliers of BIS-standard jute bags were available, making it difficult for the jute industry to meet the sugar industry's high demand. It was also submitted that about 70 per cent of the total production in a sugar season was consumed by bulk buyers/processors, who had shown their reluctance in procuring sugar packaged in jute bags due to quality deterioration of the product.

# Heavy rain, snow for hills in North as western disturbance packs a punch

**Vinson Kurian**
Thiruvananthapuram

A western disturbance is moving through Iran towards Afghanistan and Pakistan before reaching West or North-West India.

On Wednesday morning, its southern edge extended as far as Ras al-Khaimah and Abu Dhabi in the UAE, indicating its size and intensity.

It will likely throw up a rare low-pressure area over west Rajasthan and the adjoining areas of Pakistan by Thursday, the India Meteorological Department (IMD) said on Wednesday.


**INTENSIFYING WEATHER.** An incoming western disturbance has begun covering Jammu & Kashmir and Ladakh with cloud, moisture, rainfall and snowfall WWW.METEOLOGIX.COM/IN

**FOLLOW-UP SYSTEM**

Meanwhile, a fresh western disturbance may affect North-West India from Sunday (March 2).

Scattered to fairly widespread light/moderate rainfall/snowfall is likely over Jammu-Kashmir-Ladakh and Himachal Pradesh on Sunday and Monday, while Uttarakhand will experience isolated light/moderate rainfall/snowfall.

Towards the South, a counterpart easterly wave approaching Sri Lanka and the south Tamil Nadu coasts will trigger fairly widespread to widespread light/moderate rainfall, thunderstorms and lightning, making its first impact over the Andaman and Nicobar islands.

Scattered to fairly widespread light/moderate rainfall, thunderstorms and lightning are expected over Tamil Nadu, Puducherry, Karaikal, Kerala and Mahe for three days starting tomorrow (Thursday).

**HEAVY RAIN FOR TN**

Isolated heavy rainfall is likely for Tamil Nadu, Puducherry and Karaikal for three days, and over Kerala and Mahe on Friday and Saturday.

Isolated to scattered light to moderate rainfall is expected over Punjab, Haryana, Chandigarh and west Rajasthan for four days.

Hailstorms are likely in Punjab and Haryana on Thursday.

# Indian, American spice trade bodies ink pact to enhance collaboration

**Our Bureau**
Bengaluru

The All India Spices Exporters Forum (AISEF) and the American Spice Trade Association (ASTA) have signed a memorandum of understanding (MoU) at the International Spice Conference (ISC) 2025 to enhance collaboration in the global spice trade.

The MoU, signed by Emmanuel Nambusseril, Chairman, AISEF, and Peter Sayia, President, ASTA, aims to improve food safety, regulatory compliance and industry best practices.

Key areas of collaboration include information sharing, technical collaboration and industry promotion. ASTA and AISEF will exchange insights on government regulations, market requirements, food safety and trade policies. Regular meetings will be held, and AISEF will gain access to ASTA's market updates, while ASTA will receive production-related developments from AISEF.

**SPICING IT UP.** (from left) Emmanuel Nambuserril, Chairman, AISEF, and Peter Sayia, President, ASTA, at the MoU signing ceremony at the International Spice Conference 2025

**TECH SYNERGY**

On technical collaboration, the partnership focuses on enhancing microbiological safety, chemical contaminant control, traceability and ethical sourcing. Joint research, advocacy efforts and educational programmes will help improve compliance with international standards.

Both organisations will support each other's events and will also collaborate on promotional activities and speaker exchanges.

## Mane Kancor expands output capacity in India

**Our Bureau**
Kochi

Mane Kancor, a global leader in the spice extract market, is focused on expanding its production capacity, particularly in traditional spice manufacturing and advanced ingredients like antioxidants, natural colours and personal care ingredients.

Jean M Mane, Chairman of Mane Kancor, stressed the need to adopt new technologies in the manufacturing process.

Mane, who was in Kochi for the inauguration of an office building at its Angamaly factory premises, also announced the company's plans for further investments in the State.

Geemon Korah, Director and CEO, said the company had already invested ₹400 crore in India to enhance production capacities and expand operations.

# Agri-processing B2B platform Agrizy looking to expand its global business

**Subramani Ra Mancombu**
Chennai

Agrizy, a business-to-business platform in the agri-processing sector, is looking to expand 'aggressively', particularly its international business, its Co-founder and CEO Vicky Dodani said.

It is for this reason that the start-up, founded in September 2021, set up a modern research and development laboratory in Bengaluru recently, he told *businessline* in an online interaction.

Agrizy, which connects micro, small and medium enterprises (MSMEs) that are into agri-food processing with large brands through its electronic platform, ensures supplies to at least 14 countries, besides India.

Vicky Dodani, Co-founder and CEO of Agrizy

"We have just started scratching the surface. So the beginning has already happened. We are expecting this to grow multifold over the next 3-4 years," said the company's Co-founder and CEO.

**WORKING IN 4 SECTORS**

Agrizy works in processed fruits and vegetables, spices, edible nuts and extracts. In the fruits and vegetables sector, hardly 2.5 per cent gets processed and this results in wastage of 20 per cent of the production. "We do mango pulp, tomato pulp, frozen peas, sweet corn, etc. We also do dehydrated products such as onions to increase their shelf life," said Dodani.

In the spices category, Agrizy handles products such as chilli, turmeric, cumin and cardamom, among others.

**ENSURING QUALITY**

In edible nuts, Agrizy procures products such as makhana, cashews and almonds and gets them processed by MSMEs on "job contracts" for large brands and retail chains. It also converts spices, such as turmeric into curcumin extracts.

These suites of products increase the capacity utilisation of MSME food processors. "Overall, we are today working with about 500 suppliers. We work with more than 200 brands, both in the domestic and international markets," he said.

On how the company ensures quality of produce and conforms to European quality, Dodani said it uses three "levers" to ensure this. First, the firm is running a farm-level engagement programme. Agrizy uses multiple IoT devices to ensure that the end product will meet European standards. It also helps processors get plant certification, such as GMP or BRC for quality and food safety. The third level is technology, particularly traceability.

Agrizy handles 8,000 tonnes of fruits and vegetables annually. To maintain supply, it harvests tomatoes in season, stores the paste in aseptic bags, preserving nutrients and keeping it intact at room temperature for 18-24 months.

## QUICKLY.

**Varanasi-Aurangabad Tollway raises $316.3 m**

**New Delhi:** Varanasi-Aurangabad NH-2 Tollway Pvt Ltd (VAH) on Wednesday said it had raised $316.3 million (₹2,750 crore) by issuing dollar-denominated bonds. VAH, a Roadis entity, is responsible for the operations and maintenance of the 192 km Varanasi-Aurangabad highway and its expansion to six lanes. According to the company statement, the bonds carry a coupon rate of 5.90 per cent and will mature in about nine years. The funds raised will be used for refinancing and capital expenditure, it added. PTI

**MOC Cancer Care raises $18 million**

**Bengaluru:** MOC Cancer Care & Research Centre has raised $18 million in funding, led by Elevation Capital. The company had raised $10 million from Tata Capital Healthcare Fund in 2023 to expand operations and technological capabilities. MOC will soon expand its operations in the Delhi-National Capital Region and other parts of India, develop a molecular oncology lab and provide preventive oncology services. OUR BUREAU

# Dairy players expand into new markets, eye products beyond milk

**VALUE DOWNSTREAM.** Industry players, analysts see a shift as value-added products will drive profitability

**Aishwarya Kumar**
**KV Kurmanath**
Bengaluru/Hyderabad

The organised dairy sector in India has been witnessing significant activity recently, with players exploring new markets and diversifying product categories to strengthen their presence. Industry players and analysts see a shift as value-added products will drive profitability.

Industry experts emphasise that while milk ensures market penetration, higher margins come from value-added products.

Shilpa Maheshwari, Managing Director, Strategy and Finance, Aavishkaar Group said, "Milk is just a 'leg in the door.' Volumes and topline revenue come from milk, but margins are thin. Real profitability lies in value-added products like curd and other milk-based products. The key to growth is how quickly companies innovate and expand their product portfolios to attract a broader consumer base."

Echoing this, Shashi Kumar, CEO and Co-founder of Akshayakalpa Organic, said that fixed consumption patterns push companies to innovate. "Real growth will come from expanding product portfolios beyond basic dairy."

**HEALTH PLATFORM**

This trend is evident in the rise of health-focused dairy offerings. Rajat Diwaker, CEO (India) of iD Fresh Foods, pointed to the increasing demand for protein-rich dairy products.

Similarly, Hyderabad-based Heritage Foods has launched probiotic buttermilk, and probiotic curd, according to Srideep Nair Kesavan, CEO, Heritage Foods.

Harish Bijoor, a business and brand strategy expert, predicts an intensifying battle in this space. "The players who dominate the protein battle will win the war. Geography is history for dairy brands, as we will see more players entering newer markets," he said.

**THE FLIPSIDE.** While demand is growing, dairy production is facing a slowdown from 6 per cent to 3.5 per cent. VIJAY SONEJI

Companies have also expanded their presence in newer markets and categories.

Amul has entered the US, and Europe market; Nandini has expanded into Delhi; and Hatsun Agro Product Ltd (HAP) has acquired Odisha-based dairy start-up Milk Mantra for ₹233 crore ($27.5 million). Maheshwari also noted the vast potential for organised players to gain market share, as a significant portion of the population is still served by the unorganised sector. However, achieving this is no easy feat, said Ambi Parameswaran, a branding veteran. "Amul has been diligently building its brand for four decades, yet in smaller towns, the local *doodhwala* (milkman) continues to dominate," he added. Maheshwari expects continued consolidation in the sector.

While demand is growing, dairy production in India has been facing a slowdown. the Akshayakalpa CEO highlighted a concerning trend: "We used to see dairy production grow at around 6 percent, but recent projections estimate it at just 3- 3.5 per cent. This decline is creating pressure across the industry, including for giants like Amul."

Amul has had to expand its procurement networks due to slowing production in its traditional strongholds. Kumar noted that this shift in strategy is a key indicator of evolving market dynamics.

In addition, he observed that going forward, upstream integration will become critical. "In 10- 15 years, factors such as how much milk is produced, at what cost, who produces it, and the overall volume will be tightly controlled. This will define the competitive advantage of dairy players."

# Vande Bharat sleeper trains: Railways explains JV sought too many changes in SPV

**Abhishek Law**
New Delhi

There were repeated changes in the SPV structure for the manufacture of Vande Bharat sleeper trains by the Russian joint venture partners, thereby leading to a revised proposal being submitted in July 2024, senior Railway officials told *businessline*.

The first prototype train by Kinet (Russian JV with RVNL) is likely to be manufactured by June 2026.

"Thus, there has been substantial delay in the finalisation of the structure of SPV by Kinet because of the discussions within the joint venture partners," they said.

While denying that there was any loss to the CPSE RVNL because of the delay in project execution, officials said the technology partners were reluctant to opt for changes in the contract. Hence, the Railways decided to stick to the originally decided upon 120 train sets with 16 coach configuration each.

"It is incorrect to say that RNVL suffered a loss of ₹76 crore; firstly, as RVNL has themselves said that it is notional as manufacturing is still to start; and secondly, the share holding pattern is on account of the SPV," the official explained.

**REPEATED CHANGES**

Officials said the bank guarantee was submitted by the firm (Kinet Railway Solutions) on August 28, 2023, because of the delay in SPV formation and shareholding of the respective firms. The consortium was accordingly asked to deposit liquidated damages also for the delay.

The contract was finally signed in September 2023.

In October 2023 and January 2024, the firm requested for a change in the shareholding patterns of the SPV. And it took final shape in July 2024.

Incidentally, the initial letter of acceptance "for manufacture and maintenance of 120 train-sets of Vande Bharat Express" was issued to consortium of JSC Metrowagonmash, LES and India's RVNL in March 2023.

"The firm was asked to submit the performance bank guarantee for ₹200 crore ... (and) submitted by the firm on 28.08.2023 because of the delay in formation of SPV," Railway officials clarified to *businessline*.

Senior officials also said tender documents "had very clearly specified that train configuration (16, 20 or 24 coaches) would be decided based on the operational requirement of Indian Railways.

The Railways clarified that "in view of the success of Vande Bharat chair car version, and subsequent traffic projections" the national transporter revised its requirements "to 24 car train sets from existing 16 car train-sets" and both technology partners were asked to submit their detailed proposal in May 2024.

**TWEAKING DESIGN**

The 24-car configuration also necessitated changes in coach composition, luggage van, pantry and number of toilets in view of operational necessities.

"Technology partners were granted extension of 9 months to deliver the first prototype as per provisions of the contract," the official said.

# Telangana CM urges Modi to clear infrastructure projects

**Our Bureau**
Hyderabad

Chief Minister of Telangana Revanth Reddy has urged Prime Minister Narendra Modi to clear the second phase of Hyderabad Metro Rail. Reddy also briefed him on the ongoing rescue operation in the Srisailam Left Bank Canal (SLBC) tunnel in Nagarkurnool district.

Reddy met the Prime Minister on Wednesday in New Delhi, and explained that five corridors, totalling 76.4 km, had been proposed under phase-II of the metro rail project in Hyderabad at an estimated cost of ₹24,269 crore. He requested that permission be given to this project immediately, according to an official release.

**SEEKING ASSISTANCE.** Telangana Chief Minister Revanth Reddy with Prime Minister Narendra Modi in New Delhi ANI

This was among a clutch of infrastructure projects that the Chief Minister highlighted for early clearance, including a ring rail project paralleling the Regional Ring Road, a dry port and setting up of a semiconductor mission.

According to the statement, Reddy also requested the Prime Minister to immediately sanction the southern part of the Regional Ring Road as 90 per cent of land acquisition had been completed in the northern part of the road.

**RING RAIL**

Reddy informed the PM that the Telangana government was ready to bear 50 per cent of the cost of land acquisition in the southern part.

He explained to the PM that there was a proposal for a regional ring rail project parallel to the Regional Ring Road. If the regional ring train is completed, connectivity between the railway lines of Telangana and other States will become easier, he said, seeking permission from the Centre for the project.

"There is a need for a dry port near the Regional Ring Road to facilitate the export and import of goods in landlocked Telangana," he said.

Reddy asked the PM to grant the greenfield road, along with a road and train route, to connect the dry port to sea ports in Andhra Pradesh.

**MOOSI PROJECT**

Reddy also appealed to the PM for ₹20,000 crore assistance for Moosi river's revival. He also appealed to facilitate transfer of 222.7 acres of protected land for the Gandhi Sarovar project.

He requested the PM to approve the setting up of the India Semiconductor Mission project in Telangana as there were suitable conditions for setting up such an industry in the State.

## SIGNIFICANT STEP


**BEST FOOT FORWARD.** Evervan Kothari Footwear, a subsidiary of Phoenix Kothari Group, plans to set up a ₹5,000 crore non-leather footwear manufacturing projects in Karur and Perambalur districts. The investment will generate over 50,000 jobs. Company representatives signed an MoU with Tamil Nadu's industry promotion organisation, Guidance, in the presence of Chief Minister MK Stalin; Industries Minister TRB Rajaa and other officials

# L&T bags ₹80-cr deal to supply chemical detection kits to Army

**Our Bureau**
New Delhi

Preparing against the threat of chemical warfare, the Army has signed a contract for the procurement of 223 automatic chemical agent detection and alarm (ACADA) systems from L&T Ltd at a cost of ₹80.43 crore.

Designed and developed by the DRDO's Gwalior-based lab, the ACADA system is used to detect chemical warfare agents and programmed toxic industrial chemicals by sampling the ambient air.

The system will be procured under the 'Buy Indian' category to give a significant boost to the government's 'atmanirbharta' drive since more than 80 per cent of the components and sub-systems of the equipment will be sourced locally, the Ministry of Defence said on Wednesday.

# SLBC tunnel mishap: Rescue teams trying to clear last hurdle to save workers

**G Naga Sridhar**
Hyderabad

Rescue operations at the Srisailam Left Bank Canal (SLBC) at Domalapenta are now concentrated on removing the crashed tunnel boring machine and pumping out water to reach the trapped workers, according to Telangana Irrigation Minister N Uttam Kumar Reddy.

"There is water and mud on a stretch of 200 m in the tunnel and efforts are on to pump them out. Gas-cutters are being used to remove the boring machine in parts," the Minister said on Wednesday.

**EFFORTS CONTINUE**

"All efforts are being made to save the eight workers trapped in the tunnel and the operation is likely to completed in the next two days," he added.

The teams stepped up efforts on Wednesday, the fifth day of operations, to clear mud and water along a 15-metre stretch, which prevented them from reaching the accident spot at the 14-km point in the 44-km-long tunnel, according to officials.

Gas cutters have been deployed to remove the crashed bore drilling machine in the tunnel, and efforts are on to restore the conveyor belt to take machinery, including big motors, to pump out the water.

Eleven rescue teams, including those from the Army, Navy, the National Disaster Response Force, the State Disaster Response Force (SDRF), Singareni Collieries, police and fire services have been working round the clock for the last five days to rescue the trapped workers.



# IGIA's proposed tariff hike to minimally impact airfares, says DIAL CEO

**Rohit Vaid**
New Delhi

The new tariff plan at the Indira Gandhi International Airport, New Delhi, will have minimal impact on airfares while enabling infrastructure addition to support international traffic growth, a senior airport official said on Wednesday.

Chief Executive Officer of Delhi International Airport Ltd (DIAL) Videh Kumar Jaipuriar said the proposed tariff changes will barely impact economy class domestic airfares.

Currently, the Airports Economic Regulatory Authority of India (AERA) is considering the proposal meant for the fourth control period. The tariff cycle is five years, starting from April 1, 2024, to March 31, 2029.

As per the proposal, the average aeronautical charges, along with the user development fee (UDF) per domestic economy class passenger, at the airport will rise to ₹370 from the current landing, parking, and UDF charges of about ₹145.

**CLASS COMPARISON**

"We expect the new tariff card to have a 1 to 1.5 per cent impact on domestic economy class airfares. The economy class international airfares will be impacted even less, by 0.5 per cent," he said. "The proposed tariff card based on a variable tariff structure is in line with international practices," he said.

For domestic flights, different rates will apply depending on whether passengers travel during peak hours (5 am to 8.55 am) or non-peak hours (5 pm - 8.55 pm).

The proposed UDF rates for domestic passengers during peak hours will range from ₹315 to ₹610 for embarking passengers and ₹115 to ₹210 for disembarking passengers.

International economy class travellers will be charged between ₹430 and ₹810, while business class passengers will face fees ranging from ₹860 to ₹1,620.

Videh Kumar Jaipuriar, CEO, Delhi International Airport Ltd

Besides, the disembarking international passengers will be charged a UDF of ₹280 (economy) and ₹570 (business class).

"We have been charging the same UDF since 2006. The proposed rise is still among the lowest in India and internationally in terms of UDF charges," Jaipuriar said.

At present, industry estimates show that the Mumbai airport charges ₹375 per passenger and the Bengaluru airport ₹478 while Chennai charges ₹535 and Kolkata ₹637.

Under the proposed tariff plan, the airport operator plans to front-load funds for infrastructure development by charging higher UDF rates during 2025-26 and 2026-27, followed by lower rates in the subsequent years. In addition to the UDF changes, the airport operator has also proposed increases to landing and parking charges for aircraft.

The operator has also highlighted its financial struggles. Estimated losses for the current financial year are expected to exceed ₹1,500 crore. The company has invested heavily in the phase 3A expansion project, with capital expenditure totalling over ₹12,500 crore, largely financed through borrowings.

As of December 2024, DIAL's outstanding debt stands at over ₹15,000 crore, with a significant bond repayment of $522 million due in October 2026. The domestic industry has opposed the proposed tariff hike, citing the move as a "demand depressor". AERA's final order for tariff determination is expected in March 2025.

## QUICKLY.

**DeepSeek cuts off-peak pricing for developers**

**Beijing:** DeepSeek on Wednesday introduced discounted off-peak pricing for developers looking to use its AI models to build their own products, its website showed, a move that could put pressure on rivals to cut prices. It said between 1630 GMT and 0030 GMT, the cost of using its API, a platform that allows developers of other apps and web products to integrate its AI models, would be up to 75 per cent cheaper. REUTERS

**Sandoz gets $2.9b from sale of part of Novartis stake**

**Zurich:** The investment vehicle of the Sandoz family will get 2.6 billion Swiss francs ($2.90 billion) from selling a chunk of Swiss pharma giant Novartis, the bookrunner on the deal said on Wednesday. Emasan AG sold 26.5 million shares at a price of 98.25 Swiss francs in an accelerated bookbuilt offering, Goldman Sachs said. REUTERS

# Govt looks at global practices to regulate OTT players

**SETS THE BALL ROLLING.** TRAI sends suggestions to I&B Ministry, Telecom department

**S Ronendra Singh**
New Delhi

The government is looking at global best practices in regulating over-the-top (OTT) players. The move comes in the backdrop of the Telecom Regulatory Authority of India (TRAI) reportedly sending its suggestions regarding the regulations to the Ministry of Information and Broadcasting, and Department of Telecommunications. The two are reviewing the suggestions in the light of regulations adopted worldwide. One of the sources said India may look at South Korea, which regularised OTTs last year.

For unsolicited commercial communication (UCC), TRAI said the regulatory framework around OTTs comes under the Ministry of Electronics and Information Technology (MeitY).

According to telecom service providers (TSPs), the regulatory disparities prevailing in the sector are impacting them adversely, leading to concerns over market fairness, national security and user privacy. "Things are very dynamic today and our understanding is that OTT is a service which rides on application layer. TRAI can only regulate on carriageways, not content," said a source.


**WHAT THEY WANT.** Indian telecom service providers are asking for revenue sharing model when it comes to OTT players because OTT services ride on the telecom infrastructure

### UNEVEN PLAYING FIELD

The official also mentioned that Indian TSPs are asking for a revenue sharing model when it comes to OTT players because OTT services ride on the telecom infrastructure.

But there is no revenue sharing model worldwide as such right now.

According to the Cellular Operators Association of India (COAI), which represents major TSPs like Bharti Airtel, Reliance Jio and Vodafone-Idea, the absence of OTT regulations under the new Access Service authorisation perpetuates an uneven playing field.

"The government should enforce traceability and user privacy rules on all calling and messaging apps, as those platforms provide similar services using the Internet," it said.

Recently, COAI also slammed TRAI for not bringing OTT players under the ambit of the TRAI's amendment of the Telecom Commercial Communications Customer Preference Regulations (TCCCPR), 2018, to strengthen consumer protection against UCC.

The telecom industry representative said while TSPs now face penalties for misreporting spam communications, there is no such regulations for the OTT players like WhatsApp or Telegram, who ride on their networks and broadcast spam messages or calls in a similar fashion.

As per the new amendment, TRAI has fixed fines starting at ₹2 lakh for the first violation, going up to ₹5 lakh for the second and ₹10 lakh for further offences. Repeated violations can also lead to suspension of telecom services.

"In the current digital landscape, both OTT communication providers and telemarketers have become major stakeholders in messaging, and thus, it would be critical to establish a regulatory framework to ensure accountability from all stakeholders in the ecosystem, including OTT platforms and telemarketers/principal entities," said SP Kochhar, Director General,COAI.

# 'Meta must face lawsuit claiming it prefers cheaper foreign workers'

**Reuters**
New York


**15 per cent of Meta's US workforce** holds H-1B visas, compared with 0.5 per cent of the overall workforce

A federal judge on Tuesday said Meta Platforms must face a lawsuit claiming that the Facebook and Instagram parent prefers to hire foreign workers because it can pay them less than American workers.

US magistrate Laurel Beeler in San Francisco said three US citizens who accused Meta of refusing to hire them though they were qualified may pursue a proposed class action.

The plaintiffs, information technology worker Purushothaman Rajaram and software engineer Ekta Bhatia, both naturalised US citizens, and data scientist Qun Wang, said they each applied for several Meta jobs between 2020 and 2024 but were turned down because of Meta's "systematic preference" for visa holders.

Meta, in a statement, said the allegations were baseless and it would continue to vigorously defend itself against them.

In seeking a dismissal, the Menlo Park, California-based company said there was no proof it intended to discriminate or would have hired the plaintiffs if they were not US citizens.

### H-1B VISAS

But the judge cited statistics that 15 per cent of Meta's US workforce holds H-1B visas, which typically go to foreign professionals, compared with 0.5 per cent of the overall workforce.

She also cited Meta's October 2021 agreement to pay up to $14.25 million, including a civil fine, to settle federal government claims it routinely refused to consider American workers for jobs it reserved for temporary visa holders.

"These allegations support the plaintiffs' overall complaint that they were not hired because Meta favours H-1B visa holders," Beeler wrote.

The government had sued Meta in December 2020, seven weeks before President Donald Trump ended his first White House term.

"We are hopeful that the lawsuit will help remedy the favouritism towards visa workers that is common in the tech industry," Daniel Low, a lawyer for the three plaintiffs, said in an email. "Fully addressing the issue will require additional enforcement or legislative reform." Beeler had dismissed an earlier version of the lawsuit, which named only Rajaram as a plaintiff, in November 2022.

A divided federal appeals court revived the case last June, saying a Civil War-era law barring discrimination in contracts based on "alienage" protected US citizens from bias. Many conservative groups have cited that law, Section 1981 of the Civil Rights Act of 1866, in challenging diversity initiatives in the workplace, which Trump also opposes.

# Pharmacy to doorstep: Start-ups revolutionising medicine delivery

**Jyoti Banthia**
Bengaluru

At 11 pm, when Anshula's father developed a sudden fever, she was worried as the nearest pharmacy was closed, and the idea of waiting hours for an online order felt impossible. But within 30 minutes, a courier arrived at her doorstep with the prescribed medicine — no frantic midnight searches, no long waits.

Start-ups such as Farmako, Medstown, Plazza and others have started 30-minute services, raising funds to expand and take on the giants.

### HUGE DEMAND

Gurugram-based quick medicine delivery start-up Farmako, which initially partnered with local pharmacy stores and Swiggy Genie for 30-minute medicine delivery, observed huge demand and decided to pivot to quick medicine delivery.

"We live in a world where groceries are delivered in 10-15 minutes. We wanted to push the limits to test whether we can do a 15-, 20-minute delivery," said Aman Bhandula, Founder and CEO of Farmako.

The company currently has operations in the Delhi-NCR region with three pharmacies (Delhi, Gurgaon and Moradabad) and is planning to expand presence to 10 more cities and 50 additional stores by 2025, he added.

Explaining the process, Bhandula said, "Users can order via our mobile app and

WhatsApp. They get connected to our pharmacist on a real-time chat, who helps them place the order. Our riders pick up medicines from our store and deliver them in 30 minutes."

Hyderabad-based Medstown, founded by Syed Hussaini, has tied up with local pharmacies and uses its fleet to deliver medicines. The company currently has a partnership with 1,000 pharmacies in Hyderabad.

"A physical pharmacy would store around 4,000 to 5,000 SKUs, at maximum. We have a database of 1.3 lakh to 1.4 lakh medicines," he said.

Explaining the process, he said the company had developed an internal AI process — an embeds-on-prescription AI — which automates the process. It converts handwritten prescriptions into text within one and a half seconds and validates them. It goes to the pharmacy which checks it, and then the order is accepted.

"If a pharmacy does not have a medicine, the remaining order is mapped to the next pharmacy, ensuring fulfilment," he added.

### COMPETITION GROWS

The quick delivery of medicines is becoming a competitive battleground, with major companies like Swiggy, Zepto, Flipkart, Tata 1mg, and Apollo entering the space.

Unlike traditional e-pharmacies that rely on warehouses, start-ups are partnering with local pharmacies to fulfil orders in record time. Quick medicine delivery start-ups are leveraging technology to streamline prescription verification, automate fulfilment and optimise logistics.

"Your product will be much different than the grocery one. And of course, you need a set of internal tools, a customer support team, and pharmacists who approve prescriptions in real-time," said Bhandula.

Start-ups are also looking to raise funds as they expand. "We've raised $1.5 million from Y Combinator. We are in talks to raise Series A," added Bhandula. Hussaini of Medstown said, "We have already closed our pre-seed and will most probably close our seed round at a valuation of $5 million."

The battle for dominance in quick medicine delivery is only just beginning. With consumer expectations shaped by instant grocery and food deliveries, start-ups and established players alike are racing to provide faster, more efficient, and tech-driven solutions for urgent medical needs.

# China to inject at least $55 b of fresh capital into big banks

**Bloomberg News**

China plans to start re-capitalising three of its biggest banks in the coming months, according to people familiar with the matter, following through on a broad stimulus package unveiled last year to shore up the struggling economy.

Authorities are looking to inject at least 400 billion yuan ($55 billion) of fresh capital into the first batch of Agricultural Bank of China Ltd, Bank of Communications Co and Postal Savings Bank of China Co, said the people.

### SUBJECT TO CHANGE

The plan, which could be completed as early as the end of June, is subject to change and the amount for each bank is still being finalised , they said.

China's banking regulator first flagged its plan to replenish core tier-1 capital at the six top state lenders in September, without elaborating. The Ministry of Finance later said that it will issue special sovereign bonds to fund the injections, which will strengthen the capability of banks to fend off risks and spur lending.

### ¥1 TRILLION

In total, China could inject as much as ¥1 trillion of capital into its largest banks, with funding mainly from the issuance of new special sovereign debt, *Bloomberg News* reported last year.

## GRAND CULMINATION

**DIVINE MOMENT.** Lakhs of devotees gathered to take a holy dip at Triveni Sangam on the occasion of Maha Shivratri, which marks the end of Mahakumbh, at Prayagraj on Wednesday. According to the Uttar Pradesh government, over 66.21 crore people have visited Prayagraj since the Kumbh began on January 13 R V MOORTHY

# HC tells Customs to show cause why its $1.4 b tax demand on VW is not time barred

**Press Trust of India**
Mumbai

The Bombay High Court on Wednesday directed the Customs Department to file an affidavit explaining how its September 2024 show-cause notice of $1.4 billion tax demand from Skoda Auto Volkswagen India was not barred by limitation.

The affidavit has to be filed by March 10. A division bench of Justices BP Colabawalla and Firdosh Pooniwalla has been extensively hearing the plea filed by the automobile company challenging the notice on the grounds that it was "arbitrary and illegal."

### MISCLASSIFIED IMPORT

The auto major has called the demand for $1.4 billion, over ₹12,000 crore, "exorbitant". In its notice, Customs said the company provided misleading information, concerning its imports.

The Customs has claimed that the company misclassified its imports of Audi, Skoda and Volkswagen cars as "individual parts" (which attract 5-15 per cent duty) instead of "Completely Knocked Down" (30-35 per cent duty) units, thereby paying significantly lower customs duties.

The main contention of the company was that the department cannot raise the tax demand after all these years. It has contended that it has been paying tax for over a decade under the individual parts category.

To now suddenly say that tax ought to be paid as per the CKD unit category is not fair, company's counsel Arvind Datar had argued.

Additional Solicitor General N Venkataraman, appearing for the Customs, said the department concluded after a thorough investigation that the company has to pay tax as per the CKD category.

The bench clarified that it would only decide the issue on the point of limitation as that goes to the "root of the case."

# Corporate employees to pad up for new cricket league – ICB T20

Herschelle Gibbs is brand ambassador of league; it will feature players from IBM, Airtel & Ola among others

**Chitra Narayanan**
New Delhi

As soon as IPL 2025 gets over, get set for another T20 cricket league — this time featuring corporate employees. On Wednesday, the India Corporate T20 Bash (ICBT20) was officially launched in Delhi at a function featuring South African cricketer Herschelle Gibbs, who is a brand ambassador of the league, and actor Sonu Sood and Vinod Kumar Tiwari, Director General, Olympic Council of Asia. The league kicks off on May 27 and will feature six teams in a round-robin format.

The six franchises are Bengaluru Avengers, Delhi Kings, Gurugram Spartans, Gujarat Diamonds, Hyderabad Royals, and Mumbai Champions who will play 18

**GAME ON.** Actor Sonu Sood with former cricketers Herschelle Gibbs and Wasim Jaffer and others during the launch of jerseys of the 'India Corporate T20 Bash' PTI

matches over eight days. Each team will be mentored by former cricketers like Sri Lankan batsman Tillakratne Dilshan, Dhammika Prasad, Jerome Chinia and Keith Ingram among others.

Players for these teams are being handpicked through app CricHeroes and the criteria is they must be working in a company, preferably a listed firm and also get permission from their organisation to take time off to play the league.

Already 50 players have been selected from those who registered, said Rajeev Kumar, Director & CEO, Eminence Netrasup India, a sports management company that has conceived the league. He said the players are from companies like IBM, Accenture, Bharti Airtel, Zomato and Ola among others.

### FIRST EDITION

The first edition of the tournament will be held entirely in Delhi at the Yamuna Sports Complex but from next year on the idea is to get other cities to host some of the action too, said Kumar.

Would the tournament really elicit viewer interest? Is it viable? The organisers appeared confident.

Kumar said that they are in talks with digital platforms to beam it, and are in talks with sponsors for franchises.

Gibbs, speaking to *businessline*, said, "We are dealing with everyday people. It makes it much more tangible and special."

Sukhvinder Singh, former Ranji Trophy Player, who runs Ace Cricket Coaching Academy and is part of the steering committee of the ICB T20 league, said that they will be verifying that the selected players are indeed corporate employees.

"Another criteria for selection is the player should not have played first class cricket," he said.

The tournament is offering good prize money, according to Kumar.

The champions will take home ₹25 lakh, the runners-up ₹15 lakh, each 'Man of the Match' will be awarded ₹25,000, the 'Man of the Series' will get ₹2 lakh, and the best player in each category will receive ₹1 lakh.

# USFDA actions on India's drugmakers halved in 10 years despite more inspections

**Our Bureau**
Mumbai

In the last 10 years, Indian drugmakers have seen more regulatory inspections from the United States Food and Drug Administration (USFDA), but a halving of OAI (official action indicated) classifications, according to a Mckinsey representative.

OAIs involve regulatory and/or administrative actions recommended by the regulator. And the last decade has seen OAIs fall 50 per cent from 23 per cent in 2014 to 11 per cent in 2024, said Sathya Prathipati, senior partner McKinsey & Company. There were 109 USFDA inspections in 2014, and 25 OAIs, while 2024 saw 166 inspections and 19 OAIs, said Prathipati, ahead of the Global Pharmaceutical Quality Summit that Mckinsey partners, now in its 10th year. The summit is hosted by the Indian Pharmaceutical Alliance, a platform for large domestic drugmakers.

### SHIFT IN NATURE

Inspections of global pharma decreased from 1,849 to 940, in the same period, and OAIs increased from 6 per cent to 14 per cent, he pointed out.

Further, he pointed out that the nature of observations have also evolved from typical data integrity or lab handling issues to observations on aseptic practices or contamination of written procedures; gaps in maintenance of facility to ensure sanitary conditions and failure to review unexplained discrepancies, for example.

The summit that usually sees a representation from several global drug regulators, including the USFDA, will this time not have regulatory representatives from the US regulator, organisers said, due to the transition the agency was witnessing under the new administration under President Trump.

The industry-meet also comes at a time when reports of opioid abuse allegedly fuelled by an Indian company, get reported from West African countries.