Inland Waterways: Making A Splash

Coal: Boom Time

Co-Lending Norms: Creditable Move

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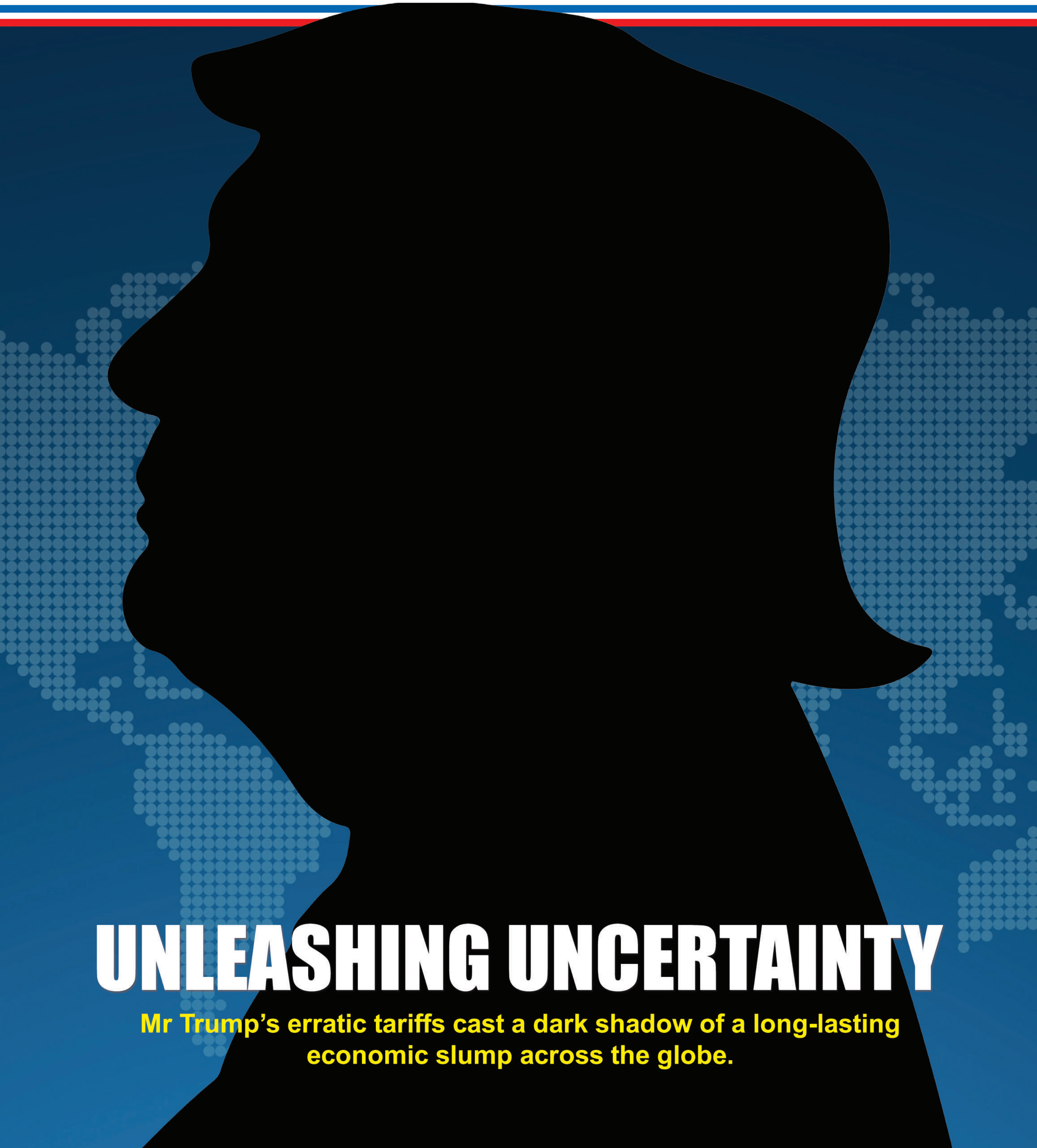

UNLEASHING UNCERTAINTY

Mr Trump's erratic tariffs cast a dark shadow of a long-lasting economic slump across the globe.

India Business Journal
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The Narendra Modi government has invested additional energies in rebooting BIMSTEC.

Looking East Via BIMSTEC

The BIMSTEC summit in the Thai capital of Bangkok unfolded in the backdrop of a huge upheaval early last month. Barely a week before the summit, host Thailand and its neighbour Myanmar had suffered a devastating earthquake, with Myanmar bearing the brunt of the natural disaster. Yet Thailand stood resolute and hosted the high-profile meet amid huge economic losses in both the countries.

The summit in Bangkok – Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, better known as BIMSTEC – took place amid a greater upheaval – a manmade disruption, orchestrated by US President Donald Trump's tariff policy. The sixth BIMSTEC meet brought the leaders of seven member countries –Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar and Thailand – to Bangkok at a time of global turbulence.

Launched in 1997, the forum has languished without major advances in regionalism. The Narendra Modi government has invested additional energies in rebooting BIMSTEC after SAARC summits in the past to boost regional cooperation were derailed by Pakistan. India's efforts to build regional ties by excluding Pakistan have paved the way for greater institutionalisation of BIMSTEC in the form of a charter and more specific cooperation in a broad range of areas.

The Bangkok summit proved to be a success, given the areas of cooperation deliberated upon and the number of agreements inked. A BIMSTEC chamber of commerce was mooted to focus on enhancing business-to-business engagement within the grouping. India also proposed to integrate its famed UPI with digital payment systems of the member countries to strengthen economic ties further.

The BIMSTEC leaders concluded the Agreement on Maritime Transport Cooperation to boost cargo and passenger transport across the Bay of Bengal and enhance trade and travel. The agreement strengthens regional maritime ties by offering national treatment to vessels of the bloc. It ensures mutual assistance for crew and cargo of the BIMSTEC member countries and introduces a dispute resolution mechanism. The agreement, in effect, further advances economic integration and connectivity within the regional grouping.

In fact, BIMSTEC has already signed two MoUs with the Indian Ocean Rim Association and the United Nations Office on Drugs and Crime, signalling the beginning of the economic bloc forging partnerships with international and regional organisations. BIMSTEC is also in conversation with the Association of South-East Asian Nations (ASEAN), as there is significant potential for collaborative work, especially towards strengthening ties between South Asia and South-East Asia.

It is true that multilateralism as such cannot replace the criticality of bilateral partnerships. Yet BIMSTEC offers New Delhi the unique scope of leveraging shared challenges and opportunities to retain its influence and shape the Bay of Bengal's regional architecture. The Bay of Bengal is, after all, India's primary area of interest. So, India needs to foster greater regional cooperation by building upon the gains of BIMSTEC.

The Bangkok meet resulted in the adoption of a vision document for the forum – Vision 2030. The vision document outlines a free trade agreement (FTA) and Customs agreements within the economic grouping. Meanwhile, work on the India-Myanmar-Thailand Trilateral Highway, connecting India's North-East region –billed as a BIMSTEC hub – all the way to the Pacific Ocean is progressing at a feverish pace. New Delhi is also spearheading the organisation's initiative of interconnecting its electricity grids to enhance energy security and green transition in the member States.

With India sharing a 6,500-km-long shoreline with BIMSTEC countries, it goes without saying for the country to build formidable relations with member countries of the economic bloc. ■

Bridge To Future

The New Pamban Bridge is more than an engineering marvel that connects people, culture and dreams in a fascinating manner.

IBJ BUREAU

Imagine sitting in the all-new Rameswaram-Tambaram train service by the window. The salty breeze brushes your face, and all you see is the endless stretch of the sea. Just as the waves begin to lull you into a trance, a stunning steel structure appears, the kind one watches in the movies. It is the new Pamban Bridge, which was inaugurated by Prime Minister Narendra Modi last month, and it is unlike anything India has ever built before.

The Pamban Strait, which separates the Indian mainland from Rameswaram island in Tamil Nadu, is now home to an impressive engineering marvel, as India's first vertical-lift railway sea bridge. Replacing the iconic but aging 110-year-old Pamban bridge, this new structure is more than just metal and bolts, but a symbol of how history and progress can flow together.

Pamban Bridge's 72.5-metre-long, vertical-lift span, a first for Indian Railways, makes it special.

Imagine a bridge that trains use to go across the sea. Sometimes, big ships need to pass through the same area where the bridge is. A vertical-lift railway sea bridge is a special kind of bridge that can lift up in the middle, just like an elevator going up, so the ships can safely go underneath it.

Once the ship passes, the bridge comes back down so that the train can continue its journey. It is a moving bridge that helps both trains and ships go their way without getting in each other's path.

Legacy to modernity

The original Pamban Bridge was a feat of its time. Inaugurated in 1914, it stood as a proud lifeline connecting pilgrims and traders to the sacred island of Rameswaram. But over the years, time and tides wore it down. Harsh marine conditions, heavy winds and salt-laden air pushed it to its limits.

That is when the idea of a new, stronger and smarter bridge took root. About 27 metres north of the old bridge now stands its younger, mightier counterpart, stretching 2.07 km across the sea. What makes this bridge truly special is its 72.5-metre-long, vertical-lift span, a first for Indian Railways. This means when a ship wants to pass, the central section of the bridge can rise up by 17 metres, letting vessels glide through with ease. It is like watching a piece of the bridge float into the sky.

Engineers had to deal with choppy waters, tricky winds and a seabed that tested every calculation. Materials were shipped, welded and lifted with extreme care. The new bridge is not just smart but is also built to last. Its foundation is laid deep with over 330 massive piles, frame made with stainless steel reinforcements and it is painted with special marine-resistant coatings to survive the salty air. The bridge is also built with the future in mind. While it currently supports one railway track, the foundation is strong enough for two, ready for whatever tomorrow brings.

More than metal

This bridge is not just about engineering. The bridge carries a deep cultural significance. According to the *Ramayana*, the construction of Ram Setu (a bridge built by Rama with the help of an army of monkeys – *vanara sena* – headed by Hanuman to reach Lanka and rescue Sita from the captivity of Ravana) was initiated from Dhanushkodi near Rameswaram. For pilgrims, the bridge offers faster and safer travel to Rameswaram. For locals, it promises better connectivity and economic opportunity. And for the rest of India, it is a proud reminder of what we can achieve.

Behind the grandeur of the new Pamban Bridge, lies smart technology working silently. A three-cup anemometer constantly monitors wind speed. If the wind crosses 58 km per hour, it triggers an automatic red signal, halting trains to ensure safety. Meanwhile, in the control room at sea, an atmospheric water generator converts air humidity into clean drinking water for on-site staff. Together, these innovations quietly safeguard lives and support the people who keep the bridge running.

This bridge is more than an engineering marvel – it connects people, culture and dreams.

MISCELLANEOUS

Total exports hit a record $820.93 bn in FY25 Defying global headwinds and World Trade Organization's bleak projections, India's total exports, including those of goods and services, surged to a record $820.93 billion in FY25. This marks a 5.5 per cent increase over the previous year's $778.13 billion, the Ministry of Commerce has announced. Merchandise exports edged up marginally to $437.42 billion in FY25 from $437.07 billion in FY24. Non-petroleum exports stood out, rising by 6 per cent to reach an all-time high of $374.08 billion. Final figures of services exports are awaited, and they could boost the country's total exports further up. Merchandise imports rose by 6 per cent to $720 billion during the year.

India adds record 29.52 gw of green energy India has added a record 29.52 gw of renewable energy as of March 31, taking the total installed renewable energy capacity to 220.10 gw in FY25. In FY24, the country's installed renewable energy capacity was 198.75 gw. Solar power sector led the renewable energy growth, with capacity addition soaring from 15.03 gw in FY24 to 23.83 gw in FY25, a remarkable 38 per cent increase. The country achieved the significant milestone of surpassing 100 gw of installed solar capacity at 105.65 gw this year. India also added 4.15 gw of wind capacity compared with 3.25 gw in FY24, taking the total installed wind capacity to 50.04 gw.

Challenging times ahead for Indian IT sector Rise in tariffs by the US government could add to challenges of the IT services industry, according to a report by Kotak Institutional Equities. The report highlights that these tariffs could lead to higher inflation and slower economic growth globally with an increased risk of recession in the US and other developed economies. "Uncertainty at the beginning of the financial year would lead to deferred decisions and impact growth in the June quarter. This means that FY26 could now end up being worse than FY25 for many of the companies," the report has said.

Indian toymakers eye export surge to US India can position itself as a major export hub for toys, especially to the US amid its intensified tariff war with China. The US recently imposed a steep 145 per cent tariff on toy imports from China, a move that could reshape the global toy trade. China, which previously accounted for nearly 77 per cent of US toy imports, is expected to see a significant drop in exports due to the high tariff, opening up space for alternative suppliers, Toy Association of India President Akshay Binjrajka has added. India's toy exports have witnessed a steady rise from $40 million in 2014-15 to an estimated $152 million in 2023-24.

PM's principal secretary calls for 1 crore jobs Prime Minister Narendra Modi's Principal Secretary P K Mishra has highlighted the need to create 80 lakh to 1 crore jobs annually in India. He has urged students to equip themselves with both technical knowledge and practical skills. Speaking at the ninth convocation ceremony of IIM Sambalpur, Mr Mishra has said: "There is a need to create 8 to 10 million jobs annually. The Central government has therefore launched initiatives like Digital India and Skill India to meet this goal. You need technical knowledge along with skills."

GCCs to add 4 lakh jobs for freshers by 2030 India's global capability centre (GCC) workforce, which will reach 30 lakh by 2030, is likely to create 4 lakh jobs for freshers by 2030. This is expected to witness a 3 to 5 per cent improvement in gender diversity, human resource investment platform FirstMeridian has said. The GCC ecosystem in the country is growing rapidly, driven by a diverse talent pool, high digital literacy, cost advantages and involvement of many industries, including IT, AI/ML and data engineering, FirstMeridian Business Services CEO (IT Staffing) Sunil Nehra has said. He adds that as India becomes the preferred destination for GCCs, the market is expected to be worth $110 billion by 2030.

Net direct tax mop-up target for FY25 met Provisional net direct tax collection for the 2024-25 financial year has met the set target, growing by 13.57 per cent to over Rs 22.26 lakh crore. Besides, the Income Tax department has issued the highest-ever amount of refunds ever delivered. The government had set a target of Rs 22,07,000 crore for the direct tax administration, according to the Budget receipt of July 2024 and had revised it to Rs 22,37,000 crore during the Budget presented this February. Provisional gross (before adjusting for refunds) direct tax collection for 2024-25 stood at Rs 27.02 lakh crore, registering growth of 15.59 per cent compared to that of Rs 23.37 lakh crore in 2023-24.

India lifts 17.1 cr people out of extreme poverty India has lifted 171 million (17.1 crore) people from extreme poverty in the decade between 2011-12 and 2022-23, the World Bank has said. "Over the past decade, India has significantly reduced poverty. Extreme poverty (living on less than $2.15 per day) fell from 16.2 per cent in 2011-12 to 2.3 per cent in 2022-23, lifting 171 million people above this line, the World Bank has said. It has added that rural extreme poverty dropped from 18.4 to 2.8 per cent and urban from 10.7 to 1.1 per cent.

APPOINTMENTS

S C Ralhan has assumed the role of the president of trade body Federation of Indian Export Organisations (FIEO), while **Ravikant Kapur** has taken charge as the vice-president of the FIEO.

Panel sets up to draft new manufacturing mission The government has set up an inter-ministerial committee to frame the broad contours of the proposed National Manufacturing Mission, announced in the Budget in February. The committee, established under the chairmanship of NITI Aayog CEO B V R Subrahmanyam, is holding a series of stakeholders' consultations. On February 1, the government had announced setting up of the mission to further promote the Make In India initiative. The mission's mandate will include five focus areas: ease and cost of doing business; future-ready workforce for in-demand jobs; a vibrant and dynamic MSME sector; availability of technology; and quality products. It will also cover MSME's.

RBI launches 3 surveys for monetary policy inputs The RBI has launched three key surveys – one each on inflation expectations, urban consumer confidence and rural consumer confidence – to gather useful inputs for monetary policy decisions. The RBI normally holds six bi-monthly monetary policy reviews in a financial year. The last meeting was held earlier in April, and the next meeting is scheduled from June 4 to 6. The May round of the Inflation Expectations Survey of Households aims at capturing subjective assessments on inflation based on their individual consumption baskets across 19 cities. ■

Verbatim...

"You may teach a child to ride a bicycle, but eventually, he will learn to balance by falling. New investors are like that."
Tuhin Kanta Pandey
CHAIRMAN, SEBI

"I am Sanjay, but not Sanjay (the character in the epic who was blessed with divine vision and could foresee the future) of *Mahabharat*, who can predict future rate actions and at what level rate moderation will stop amid the ongoing global uncertainties."
Sanjay Malhotra
GOVERNOR, RBI

"How can you get high growth of car sales if 88 per cent of the country's population is below the levels of income where they cannot afford these cars costing Rs 10 lakh and above? Smaller cars have also become unaffordable to these people because of the high cost of implementing regulatory measures."
R C Bhargava
CHAIRMAN, MARUTI SUZUKI

"Rise of digital labour, powered by autonomous AI agents is not just reimagining the customers' experience; it is transforming business."
Marc Benioff
CHAIRMAN, SALESFORCE

FINANCE

Digital overhaul in EPFO soon: Mandaviya The Employees' Provident Fund Organisation (EPFO) is set to undergo a major digital overhaul to enhance services for over 9 crore beneficiaries, with Version 3.0 set for launch soon, Union Labour and Employment Minister Mansukh Mandaviya has said. In coming days, EPFO beneficiaries would be able to withdraw funds from ATMs due to faster processing of claims on the newer Version 3.0, Mr Mandaviya has added. "EPFO will soon implement Version 3.0 with the help of a robust IT platform to provide seamless and simplified services, including auto-claim settlements, digital corrections and ATM-based fund withdrawals. The overhaul is aimed at making EPFO accessible and efficient," he has said.

Indian Bank eyes Rs 20,000-cr disbursement Indian Bank has set a target to disburse Rs 20,000 crore to self-help groups (SHGs) nationwide in the current financial year. The Chennai-headquartered bank conducted a mega SHG credit outreach programme in Bhubaneswar recently as a part of this target. Department of Financial Services Secretary M Nagaraju, Indian Bank MD and CEO Binod Kumar and Executive Director Mahesh Kumar Bajaj were present on the occasion. As a part of a pan-India initiative by the Department of Financial Services, the programme in Odisha marks Indian Bank's contribution to the national mission of empowering 1 crore SHG women with credit access, a release from the bank has said.

Microfinance loans plunge in Dec 2024 quarter Number of microfinance loans disbursed by lenders declined by 41.7 per cent to 1.19 crore in the December 2024 quarter, according to a report by credit information company Crif High Mark. The amount disbursed to borrowers, who come from the poor and marginalised communities, declined by 34.9 per cent during the period under review to Rs 63,440 crore as against Rs 97,400 crore in the year-ago period. Loans unpaid for 31 to 180 days jumped to 6.4 per cent of the portfolio at the end of December 2024 from the 2 per cent level in the year-ago period, the Crif report has added.

UBS to sell India wealth business to 360 ONE UBS is selling its Indian wealth business to 360 ONE WAM and take a stake of nearly 5 per cent worth some $220 million in the Mumbai-based asset manager. UBS has added that it may consider boosting its ownership in 360 ONE later. The transaction underscores the Swiss bank's efforts to consolidate global business platforms and sharpen its focus in key markets amid regulatory concerns about its size since it took over Credit Suisse in 2023. Bain-backed 360 ONE has said in a statement it would buy most of UBS' wealth and asset management business in India – which had largely been operated by Credit Suisse – for Rs 307 crore.

APPOINTMENTS

Poonam Gupta, the director general of the National Council of Applied Economic Research, has been appointed as the deputy governor of the Reserve Bank of India.

Sivasubramanian Ramann, the deputy comptroller and auditor general, has been named the chairman of the Pension Fund Regulatory and Development Authority.

Fintech SRO IFF to bridge regulatory gaps The second day of Startup Mahakumbh last month witnessed the launch of India Fintech Foundation (IFF), the proposed self-regulatory organisation (SRO) for the fintech industry. It is also known as the SRO-Fintech Development Foundation (SROFT-DF). Present at the launch event were Amitabh Kant, India's G20 Sherpa; N S Viswanathan, the former deputy governor of the Reserve Bank of India and non-executive chairman of Axis Bank; and Sanjiv Singh, the joint secretary of DPIIT. Mr Kant formally unveiled the IFF logo, marking the official inauguration of the foundation. The proposed SRO aims to bridge the regulatory gap by enabling innovation, while ensuring responsible conduct and consumer protection.

RBI slashes Repo Rate by 25 basis points The RBI last month reduced the key lending rate, or the Repo Rate, by 25 basis points, bringing it down to 6 per cent. The decision was announced after the central bank's Monetary Policy Committee (MPC), led by Governor Sanjay Malhotra, concluded its three-day meeting that had begun on April 7. "After a detailed assessment of the evolving macroeconomic and financial conditions and outlook, the MPC voted unanimously to reduce the policy Repo Rate by 25 basis points to 6 per cent with immediate effect," said Mr Malhotra. This is the second rate cut in a row, following a 25-basis point reduction in February.

No GST on UPI transactions above Rs 2,000 The Finance Ministry has made it clear that the government is not considering any proposal to levy the Goods and Services Tax (GST) on UPI transactions over Rs 2,000.

RBI cuts buffer rate for digitally-linked deposits The RBI has directed lenders to assign a lower-than-proposed buffer rate of 2.5 per cent on digitally-linked deposits, marking the latest in its ongoing regulatory easing. The net impact of these measures will improve banks' liquidity coverage ratio as of December-end by around 6 percentage points, the RBI has said in a release. All banks would also continue to meet the minimum regulatory LCR requirements "comfortably", the central bank has added. The RBI in July had proposed that banks set aside an additional 5 per cent 'run-off factor' on digitally-accessible retail deposits to better manage risks in case of quick and heavy withdrawals via internet or mobile banking. ■

NTPC explores building small nuclear reactors
NTPC is exploring the possibility of building small modular reactors to replace its older thermal power plants, according to a tender document. This is the first such proposal since the country moved to open its much-guarded nuclear sector. The State-run company has called for consultants to run feasibility tests for small modular reactors, which have simpler designs than large nuclear plants and can be scaled up to meet demand. NTPC mainly runs coal-fired plants and wants to identify the ones that can be retired in the next five years, preferably replaced by small reactors. India is looking to take its nuclear capacity to 100 gw by 2047 from about 8 gw currently.

SECL, TMC Mineral ink Rs 7,040-cr pact South Eastern Coalfields (SECL), a subsidiary of Coal India, has said that it has entered into a Rs 7,040-crore pact with TMC Mineral Resources for undertaking large-scale coal production using paste-filling technology. Paste filling is a modern underground mining method that eliminates the need to acquire surface land. After coal extraction, the mined-out voids are filled with a specially-prepared paste made from fly ash, crushed overburden from opencast mines, cement, water and binding chemicals. This process prevents land subsidence and ensures the structural stability of the mine.

Coal India, DVC to set up Rs 1,600-mw plant
Coal India has entered into an agreement with Damodar Valley Corporation (DVC) for setting up a 1,600-mw, ultra-supercritical, power plant in Jharkhand with a total investment of Rs 16,500 crore. Ultra-supercritical power plants operate at higher steam temperatures and pressures than super-critical plants, leading to improved efficiency and reduced emissions. Coal India has joined hands with DVC to set up a coal fired 2x800-mw ultra-supercritical power plant in Jharkhand. The brownfield project will be an expansion of existing Chandrapura Thermal Power Station which at present operates with a capacity of 2x250 mw.

IOCL to invest Rs 61,077 cr in Odisha plant Indian Oil Corporation (IOCL) is set to invest more than Rs 61,000 crore in setting up a mega petrochemical complex in Odisha. The country's largest oil company has signed an MoU with the Odisha government at the State's investors' meet and committed to an investment of Rs 61,077 crore in the complex. The investment is aimed to meet the ever-increasing demand for petrochemicals in the country. Besides, Petronet LNG, the country's biggest importer of LNG or liquified natural gas, has also signed an agreement to invest Rs 6,500 crore for establishing an LNG import terminal at Gopalpur port in the State.

NPCIL awards Rs 12,800-cr order to Megha
Nuclear Power Corporation of India (NPCIL) has selected Megha Engineering & Infrastructure to supply two nuclear reactors of 700 mw each worth Rs 12,800 crore. The order marks Megha Engineering's first step into the nuclear energy sector, the Hyderabad-based company has said in a statement. According to the order, Megha Engineering will be required to construct two 700-mw nuclear reactors – Kaiga Units 5 and 6 – in Karnataka. The order has been secured through the Quality-cum-Cost-Based Selection process route conducted by NPCIL. "Competing with industry giants like BHEL and L&T, Megha Engineering was chosen for its strong technical approach and competitive pricing," the company has said.

CONCOR teams up with GAIL for use of LNG
GAIL India and Container Corporation Of India (CONCOR) have signed an MoU to explore adoption of liquefied natural gas (LNG) as an alternative fuel for the logistics sector. The MoU aims to assess the feasibility of using LNG as fuel for CONCOR's logistics fleet. This collaboration seeks to harness LNG's advantages as a cleaner and more cost-effective alternative to diesel, which could result in reduced emissions and lower operational costs. The agreement underscores India's growing commitment to sustainable practices and energy efficiency in the logistics sector through adoption of alternative fuels. As a first step, an LNG station is planned at CONCOR's terminal in Khodiyar, Ahmedabad.

Tata Power, NTPC to set up 200-mw project
Tata Power Renewable Energy (TPREL) has signed a power purchase agreement (PPA) with NTPC to develop a 200-mw clean power project. "With this project, its total renewable utility capacity has reached 10.9 gw," TPREL, a Tata Power subsidiary, has said in a statement. The Firm and Dispatchable Renewable Energy (FDRE) project, spread across multiple locations in India, is set to be completed within 24 months and is expected to generate approximately 1,300 million units of electricity annually. The project will mitigate over 1 million tonnes of carbon dioxide emissions per year. The project was won by TPREL based on competitive bidding and would consist of solar, wind and BESS (battery energy storage system) technologies.

MTNL defaults on Rs 8,346.24-crore loans
State-run telecom company MTNL has defaulted on bank loans worth Rs 8,346.24 crore from seven public sector banks, the company has said in a regulatory filing. The loss-making public sector telecom company's total debt obligations reached Rs 33,568 crore as on March 31, 2025, according to the company's stock exchange filing.

CORPORATE

Amul's total revenue to hit Rs 1 l cr in FY26
Amul's revenue is expected to rise more than 10 per cent to about Rs 1 lakh crore in this financial year due to rising consumer demand for milk and its products. Gujarat Cooperative Milk Marketing Federation (GCMMF) sells dairy products under the Amul brand. GCMMF Managing Director Jayen Mehta has said that the total revenue of Amul is likely to touch Rs 1 lakh crore in 2025-26 compared with around Rs 90,000 crore in the previous year. GCMMF is the world's largest farmer-owned dairy cooperative, having 36 lakh farmers across 18,600 villages of Gujarat, and its 18 member unions procure 350 lakh litres of milk per day.

Adani Port buys Aussie terminal for $2.54 bn
Adani Ports and Special Economic Zone will be buying an Australian deep-water coal export facility for about $2.54 billion, as it aims to grow its global presence. As a part of the deal, Adani Port will issue 143.8 million shares to Carmichael Rail and Port Singapore Holdings – which is owned by the Adani family – to buy Abbot Point Port Holdings, which owns and operates the North Queensland Export Terminal (NQXT). NQXT, which is a deep-water coal export terminal with a capacity of 50 mtpa, was purchased by Adani Ports in 2011 before it was sold to the Adani family in 2013 in a $2-billion deal.

Tata Motors files record patents in FY25 Tata Motors has filed 250 patents and 148 design applications in FY25, its highest-ever in a single year. The filings encompass a broad spectrum of product and process innovations, aligning with key automotive megatrends such as connectivity, electrification, sustainability and safety as well as emerging technologies like hydrogen-based vehicles and fuel cells, the Mumbai-based auto company has said in a statement. Additionally, they cover various vehicle systems, including battery, powertrain, body and trim, suspension, brakes, HVAC and emission control, it has added. The company has said that it has also filed 81 copyright applications and secured 68 patent grants during the year, bringing its total granted patents to 918.

Delhivery, Ecom Express in Rs 1,407-cr deal Logistics services provider Delhivery has announced acquisition of Ecom Express for about Rs 1,400 crore to scale up its business. In a regulatory filing, the company has said that its board has approved the acquisition of shares equivalent to at least 99.4 per cent of the issued and paid-up share capital of Ecom Express on a fully-diluted basis for Rs 1,407 crore. "The Indian economy requires continuous improvements in cost efficiency, speed and reach of logistics. We believe this acquisition will enable us to service customers of both the companies better through continued bold investments in infrastructure, technology, network and people," Delhivery MD and CEO Sahil Barua has said.

Samsung, LG sue govt over e-waste policy South Korea's LG and Samsung have sued the Union government to quash a policy which increases payouts to electronic-waste recyclers, court filings show. They have joined other major companies in contesting the country's environmental rules, citing business impact. Samsung and LG are against a decision to fix a floor price payable to recyclers, which the government says is needed to get more formal players into the recycling sector and boost investment in e-waste recycling. The Korean and other foreign companies note that the objectives of e-waste recycling cannot be achieved by merely fleecing companies and taxing them in the name of the polluter-pays principle.

Toshiba to invest Rs 562 cr in Telangana Toshiba Energy Systems has said that its arm, Toshiba Transmission, has inked an initial pact to invest about Rs 562 crore to expand manufacturing capacity in Telangana. The MoU-signing ceremony was held in Tokyo in the presence of Telangana Chief Minister Anumula Revanth Reddy and Hiroshi Furuta, the chairman and managing director of Toshiba Transmission. The MoU aims to advance Toshiba Transmission's previously-announced investment of Rs 562 crore for expanding its manufacturing capabilities in Telangana, according to a statement. The proposed investment is expected to generate over 250 direct jobs over the three years from FY2024, further contributing to the socio-economic development of the region.

Adani sells entire 5G spectrum to Airtel Bharti Airtel will acquire the unused 5G spectrum from the Adani Group, which the conglomerate had purchased during the 2022 auctions but never deployed. Sunil Mittal's Bharti Airtel and its subsidiary Bharti Hexacom have entered into definitive agreements with Adani Data Networks (ADNL), a unit of Adani Enterprises, to acquire the rights to use 400 mhz of spectrum in the 26 ghz band, according to a regulatory filing. This includes 100 mhz of 5G spectrum each in Gujarat and Mumbai and 50 mhz each in Andhra Pradesh, Rajasthan, Karnataka and Tamil Nadu. The value of the transaction has not yet been disclosed.

Devyani to buy 80% in Sky Gate for Rs 419 cr
Quick service restaurant chain operator Devyani International will acquire up to 80.72 per cent stake in Sky Gate Hospitality for Rs 419.6 crore. The acquisition includes three brands of Sky Gate –Biryani By Kilo, Goila Butter Chicken and The Bhojan. In its recent meeting, Devyani's board has approved acquisition of up to 80.72 per cent equity stake for Rs 419.6 crore on fully-diluted basis in Sky Gate Hospitality, along with its subsidiaries, the company has said in a regulatory filing. Devyani International

operates quick service restaurant chains such as KFC, Pizza Hut and Costa Coffee through franchise agreements. After the transaction, Sky Gate will become a subsidiary of Devyani.

M&M acquires 59% of SML Isuzu for Rs 554 cr Mahindra & Mahindra (M&M) has entered into an agreement with the SML Isuzu and its promoters to acquire 58.96 per cent stake in SML Isuzu for Rs 554.65 crore. In line with the SEBI Takeover Regulations, M&M has launched an obligatory open offer to acquire up to 26 per cent of SML Isuzu from eligible public shareholders. M&M has stated that the proposed acquisition is a step towards establishing strong presence in the over 3.5-tonne commercial vehicle (CV) segment, where M&M has a 3 per cent market share as compared to a 52 per cent market share in the sub-3.5-tonne CV segment.

REC to fund Rs 1 l cr of MMRDA's projects
REC, a Maharatna CPSU under the Ministry of Power and prominent NBFC, has entered into an MoU with the Mumbai Metropolitan Region Development Authority (MMRDA) to provide financial support of Rs 1 lakh crore for infrastructure development in the Mumbai Metropolitan Region (MMR). The MoU outlines REC's commitment to financing a wide array of infrastructure projects in the MMR, focusing on urban mobility and housing and essential infrastructure. The funding will be disbursed over the next five years, ensuring steady progress in modernising and enhancing the region's infrastructure. This collaboration underscores REC's vital role in financing and driving infrastructure development across India, REC has said in a statement.

Govt picks Sarvam to build India's first AI model
Bengaluru-based AI startup Sarvam has been selected to build India's first sovereign large language model (LLM). Sarvam is the first start-up to get approved for sops under India's ambitious Rs 10,370 crore IndiaAI Mission to build the model. Sarvam has said that its model will be capable of reasoning, designed for voice and fluent in Indian languages, and it will be ready for population-scale deployment. The government's support for the company will be done by facilitating it to access 4,000 graphics processing units (GPUs) for six months to build and train its model. The GPUs will be provided to Sarvam by companies separately selected by the government.

JSW lines up Rs 50,000 cr for green steel unit

JSW Steel will be investing over Rs 50,000 crore to create 10 mtpa of green steel capacity at a plant near Mumbai, the company has said. This will be a brownfield investment at JSW's plant in Raigad district's Salav, and the investment will happen over the next three to four years. In March, the company had announced plans to increase the green steel capacity in Salav to 4 mtpa in phases. The investment is necessitated because of a European mandate on green steel, and the 10-mtpa capacity will emit a fifth of the carbon as used by conventional plants currently, JSW Steel has added.

APPOINTMENTS

YouTube has appointed **Gunjan Soni** – the former top executive of Zalora, Star India and Myntra – as the country managing director for India.

Airtel seeks conversion of govt dues into equity
Bharti Airtel has formally approached the Department of Telecommunications (DoT), seeking conversion of its deferred government dues into equity. This request is made under the provisions of the 2021 telecom reforms package, which was introduced to ease the financial strain on telecom companies. The move comes amid intensifying competition, the pressure of 5G rollout investments and in the backdrop of the government increasing its stake in Vodafone Idea to over 49 per cent following a similar equity conversion. The 2021 package allows telecom companies to defer spectrum and adjusted gross revenue (AGR) dues and opt for equity conversion of interest on these dues.

CPRL to double McDonald's outlets to 600
Connaught Plaza Restaurants (CPRL), the master franchiser for McDonald's restaurants in India for north and east regions, has plans to invest up to Rs 1,280.7 crore in the next four years for expansion of its quick service restaurant (QSR) outlets. CPRL has plans to take the store count to 300 by the end of this year from its existing 245 and then double it in the next three to four years from there as a part of its aggressive expansion plans, MMG Group and CPRL Vice-Chairman Anant Agarwal has said. Besides, CPRL is also expanding McCafe from its 125 outlets to 200 by the end of this year.

FDI norms relaxed for prohibited sectors The government has allowed Indian companies that are operating in areas where FDI is prohibited to issue bonus shares to its existing foreign shareholders with the condition that it does not lead to an increase in their stake in the company. ITC will get a leeway with the clarification. British American Tobacco (BAT), which holds 25.5 per cent stake in ITC, could now be issued bonus shares, subject to the equity cap. The basis of the clarification seems to be that a bonus issue does not entail any inflows of funds. This clarification will allow such Indian companies to capitalise their existing reserves effectively and provide another avenue for cash distribution to their existing foreign and Indian shareholders. ■

Dizzy Heights

Gold breaches record highs and looks to soar higher as central banks and investors flock to the yellow metal amid rising global uncertainty.

SHRIVATSA S JOSHI

Gold is back in the spotlight this year. Last month, the yellow metal surged to a record high of over $3,500 per ounce (1 ounce = 28.35 gm) in the international market. It has since settled around that rate and is looking to scale new highs.

A combination of factors – including geopolitical tension, intensifying trade war between the US and China and depressed stock markets, among others – is driving gold up. The US Dollar Index is trading at three-year lows against major global currencies, such as the Swiss franc, yen and euro. The weaker dollar in these markets has been spurring investors to buy relatively-cheaper gold and consequently boosting its prices northwards.

Incidentally, it is the reverse trend that is buoying the yellow metal to soar sky high in India. The rupee has plunged lower against the dollar, making gold – over 85 per cent of which is imported into the country – costlier every passing day. On April 22, domestic gold hit a historic high by touching a little over Rs 1,00,000 per 10 grams. Gold is currently trading above Rs 95,000, gaining around 40 per cent during the last one year.

India is no ordinary country as far as gold is concerned. It is the world's second-largest consumer of the precious metal after China. Besides, Indian households' gold reserves are around 25,000 tonnes, making them much larger than the holdings of the world's leading central banks.

Indian households' gold reserves are around 25,000 tonnes, making them larger than the world's leading central banks' reserves.

Behind the rise

Interestingly, gold has been on the rise over the past five years, with its price moving up by around 30 per cent between 2020 and 2025. Several factors have come together to push the gold price upwards.

A primary driver of the gold rally is aggressive buying by central banks. Demand for the yellow metal is particularly high from emerging markets like China, India and Turkey, whose central banks have purchased more than 1,000 tonnes annually for the past three years. Central banks, like individuals, buy gold as a hedge against uncertain times, and the current times, uncertain as they are, have compelled the central banks to turn to gold to build up their foreign exchange (forex) reserves. According to analysts, central banks are projected to buy an average of 100 tonnes per month in 2025, reinforcing strong institutional support for the yellow metal rally.

Last year, the Reserve Bank of India (RBI) added 72.60 tonnes to its stock of gold. The RBI has been increasing its gold reserves as a part of managing its forex reserves at a time when yields on foreign government securities that it holds are falling. Moreover, interest rates in advanced countries are on a declining trend, prompting the RBI to scale up its gold stocks and strengthen the value of its forex reserves.

A main reason for driving gold prices up has been the challenging global macroeconomic backdrop. The situation is worsened with the Trump administration in the US deploying high tariffs as a tool to rebalance its trade deficit and triggering a trade war with China. Besides, geopolitical tension sparked by Russia-Ukraine and Israel-Hamas wars; rising fears of stagflation and recession in the US and other developed countries; a weakening dollar; and subdued stock market returns have led investors to flock to gold as a safe-haven investment asset.

Elevated prices have taken the shine off jewellery purchases. However, the yellow metal continues to sparkle with investors today more enamoured by the returns of gold exchange-traded funds (ETFs). Chinese gold ETFs saw record inflows of $1 billion in 2024, with aggressive buying continuing in 2025.

India has been no exception to the allure of gold ETFs either. Inflows into gold ETFs in India surged by 98.54 per cent to Rs 1,979.84 crore in February 2025 as against Rs 997.21 crore in February 2024. According to ICRA Analytics, net assets under management of gold ETFs have nearly doubled in the last one year from Rs 28,529.88 crore in February 2024 to Rs 55,677.24 crore in February 2025.

Curbs on gold loans

As gold hits record highs, jewellers in India are a worried lot. Their sales are subdued, even during the ongoing marriage season. Hammered by costly gold, customers are resorting to jewellery recycling (converting old gold jewellery into new one), and that seems to be a respite for jewellers.

But banks and non-banking financial companies (NBFCs) are making merry as the yellow metal soars high. People are queuing up for gold loans by pledging their gold and jewellery with lenders. Gold loans are a win-win situation for both lenders and borrowers. Borrowers find gold loans convenient because there is

A weak rupee against the dollar helped gold kiss the Rs 1,00,000 mark last month.

Adding Sheen To Yellow Metal

- Aggressive buying by central banks, especially by those of emerging markets purchasing more than 1,000 tonnes annually for the past three years
- Central banks projected to buy an average 100 tonnes per month in 2025
- Global macroeconomic uncertainty amid Trump administration's higher so-called reciprocal tariffs and fears of US-China trade war intensifying
- Geopolitical tension sparked by Russia-Ukraine and Israel-Hamas wars
- Possibility of stagflation and recession in the US and other developed countries
- Huge inflows into gold ETFs – seen as a perfect safe-haven investment asset providing big returns – amid weakening dollar and subdued stock market

little paperwork and loans are sanctioned quickly. With gold as collateral, lenders too prefer these loans as they can always sell off the collateral gold in case of a default and recover their loans. No wonder, the gold loan segment is bullish with a sharp 77 per cent surge in its outstanding to Rs 1.78 lakh crore as of January 2025.

But the RBI is wary of a huge build-up of gold loans and their misuse. The central bank recently tightened the norms in a bid to temper the explosive growth in gold loans over the last 12 months. The new guidelines bar lenders from granting advance against primary gold or silver in the form of bullion or gold bars or financial assets backed by primary gold or silver like units of ETFs or units of mutual funds.

For loans against gold ornaments and coins, the total weight of pledged gold should not exceed 1 kg per borrower. The weight of coins pledged must not exceed 50 grams of gold or silver. Only specially-minted gold coins of 22 carats or higher sold by banks will be eligible as collateral, the RBI has mandated.

The new norms also expressly prohibit the use of eligible gold collateral for extending loans for income-generating purposes and for consumption loans. The RBI has also added that lenders should not extend loans where ownership of the collateral is doubtful. Lenders have been asked to keep a record of verification

The RBI has recently tightened the norms in a bid to temper explosive growth in gold loans.

of ownership of the collateral.

The RBI has tightened the maximum loan-to-value (LTV) ratio to curb misuse of gold loans. Banks have been told to ensure that the LTV ratio does not exceed 75 per cent of the value of gold for consumption gold loans. Moreover, the ceiling of 75 per cent will be applicable to all gold loans sanctioned by NBFCs.

Eyeing new records

Meanwhile, gold is on an unprecedented bull run in 2025. The milestones crossed by the precious metal are quite interesting in terms of the timing and the duration. The gold has hit record highs and crossed each milestone during a crisis. After the first milestone, which took a long time, each of the following milestones has been achieved in a shorter period.

Gold breached the $100-per-ounce mark for the first time in January 1974. It took around 34 years to hit the next milestone of $1,000 in March 2008 during the global financial crisis. The yellow metal climbed the next milestone of $2,000 in August 2020, this time coinciding with the COVID-19 pandemic. The journey from $1,000 to $2,000 was covered in about 12 years. The new milestone of $3,000 was crossed in March 2025 amid global uncertainties. And the eventful journey was completed in a matter of five years.

Going ahead, price of the yellow metal is all set to heat up further, with all the factors behind its bull run remaining unchanged. Various global research groups and financial institutions estimate gold to surge higher, ranging from $3,700 to $4,500 by the end of 2025.

In a significant revision, Goldman Sachs has raised its gold price forecast to $3,700 by the end of 2025, citing robust investors' demand and sustained purchases by central banks. The investment bank has also flagged a potential high-risk scenario, where gold could touch $4,500 per ounce, should global macroeconomic conditions deteriorate sharply. Deutsche Bank too pegs the yellow metal to soar to $3,700 by the year-end, while deVere Group forecasts gold to climb to $4,500 by 2025.

Meanwhile, the world is stumbling from one uncertainty to another. The coming days appear to be bleaker, with the US-China trade war likely to intensify further. US President Donald Trump's 90-day reprieve on the so-called higher reciprocal tariffs on most countries is no reprieve in reality. The three-month period actually further heightens the uncertainty and keeps the world guessing about the future. The current condition is tailor-made for the yellow metal to extend its bullish streak manifold. It would not be surprising if gold surmounts the next milestone of $4,000 in a few months instead of years. ■

Future Of Employment

The government will have to exercise a range of policy options to smoothen the transition to AI-driven jobs.

DHANANJAY A SAMANT

With strong impact of artificial intelligence (AI) in India in the coming years, the country's fastest-growing jobs are all expected to come in technology-related roles. It could be potentially disruptive, if these roles are not managed well. A surge in upskilling and reskilling is the answer to that issue, and the development of productive public-private partnerships could play a key role in it.

All the stakeholders need to adopt a more proactive stance in meeting their social obligations, and economic (particularly fiscal) incentives may also be needed to transform the labour landscape. Given our demographic dividend, nothing must be left to chance. Investing heavily in educating and developing the skills of our marginalised youth should be a policy priority.

According to a report on the future of jobs, around 63 in every 100 Indian workers will require training by 2030, although 12 in every 100 are not likely to be able to upskill. This translates into over 7 crore workers who may not get the training they need over the next five years.

This does not bode well for national economic productivity. To address it, the government may need to form partnerships with global tech giants to launch training programmes in emerging areas such as AI skills. Our entire youth population should be imparted these skills at the earliest – not just in the workplace but also in our educational institutions via updated curriculum.

A level playing field

The biggest transformations of this decade are probably the shift to a carbon-neutral economy and the rollout of AI. Both will disrupt the employment landscape and change it beyond recognition. Millions of new jobs and opportunities will surely be created, but if simply left to market forces, the ultimate effect of this scenario could be socially destabilising. Government involvement and international cooperation will be needed to ensure that these transitions are minimally disruptive and bring maximum benefit to society and workers. Climate action and AI both need political engagement and expert guidance backed by a solid regulatory base.

The world over, it is economic insecurity that is providing the fodder for support to right-wing nationalism. The antidote to that is an unwavering focus on socio-economic equality. In this world of awesome transition, having the right policies and processes in place can help to manage change successfully and ensure that a win-win situation results for all the stakeholders through the creation of more and better employment opportunities. Leaving no one behind in this inevitable transition is the key to ensuring its long-term success.

A socially-just transition to a climate-friendly and AI-driven future will succeed only when the stakeholders are convinced that genuine opportunities are being created for more and better prospects for them and their future generations. This message should especially reach our youth, who now form the bulk of our workforce.

Youth should be imparted AI skills at the earliest both in the workplace and in educational institutions.

Smoother transition

The future of employment could be potentially disruptive, but it need not be so. There are a range of policy options available to the government to smoothen the transition and channelise it in the direction of the national socio-economic interest.

We are living in a fragmented global economy, intertwined with geopolitical tension. AI is redefining productivity the world over, and astute policymakers should be able to discern the future accurately and act in the best interest of all the stakeholders, particularly the working class. That will surely and positively impact our future economic competitiveness.

(The author is Chief Economic Adviser of Maharashtra Economic Development Council.)

Battle Of Beauties

A legal dispute between HUL and Honasa over their skincare brands highlights the urgent need for efficacy-driven regulations.

SHIVANAND PANDIT

Fast moving consumer goods (FMCG) giant Hindustan Unilever (HUL) and Honasa Consumer, the parent company of Mamaearth, are embroiled in a legal dispute over comparative advertising related to their skincare products.

The controversy arose from a recent advertisement by HUL promoting its Lakme sunscreen, which highlights its SPF 50 protection. The ad contrasts this with a generic-looking yellow sunscreen bottle, labelled "online bestseller", claiming that it provides only SPF 20 despite advertising about SPF 50. Honasa alleges that this bottle bears a strong resemblance to its product, The Derma Co sunscreen, which frequently ranks among Amazon's top-selling sunscreens.

The dispute escalated to the Bombay High Court after HUL filed a trademark infringement lawsuit, accusing Honasa Consumer and its co-founder, Ghazal Alagh, of posting "disparaging" content about its products. HUL requested an interim injunction to restrain Honasa from making or circulating any further such statements. In a petition filed with the Delhi High Court, Honasa contended that the advertisement misleads consumers and damages the reputation of its brand. The company also took issue with HUL's labelling of the campaign as an "SPF Lie Detector Test", suggesting that competing products are dishonest about their sun protection claims.

World of cosmetics

The episode shines a spotlight on a larger shift in the beauty and personal care (BPC) landscape – direct-to-consumer (D2C) brands are emerging as formidable challengers to legacy players. In recent years, more than 35 D2C brands have entered the online BPC space. However, only a few have managed to scale significantly, with just a select group – such as Mamaearth, The Derma Co and SUGAR Cosmetics – crossing the Rs 500-crore revenue milestone. Yet, the rise of e-commerce and social media has allowed these nimble players to achieve outsized visibility and reach. The lowered entry barriers, democratised distribution and scalable digital messaging have enabled even smaller brands to compete with industry giants.

Despite their momentum, D2C brands face significant challenges. Relying heavily on direct customer acquisition through their websites is proving expensive and unsustainable. Moreover, their business models are easily replicable. Once investor-backed discounts dry up, the competitive edge of many D2C brands may diminish, providing an opportunity for legacy companies to reassert their dominance. The stakes are high. India's BPC market, valued at $21 billion in 2023, is projected to reach $34 billion by 2028, growing at a compound annual growth rate (CAGR) of 10 to 11 per cent. Currently, over half the market remains unorganised and offline. Organised offline retail accounts for 28 per cent of the market, while online accounts for 18 per cent. By 2028, both are expected to hold an equal share, underscoring the importance of online penetration for future growth.

Legacy giants like HUL, L'Oreal and Procter & Gamble are not sitting idle. P&G is piloting its e-commerce platform, PG Shop, which offers brands like Olay and Gillette directly to consumers. L'Oreal is gearing up to introduce more global products in India. Meanwhile, HUL is expanding its premium beauty division with digital-first labels like Simple, Love Beauty, Planet and UV Squad. Recognising the rise of agile D2C competitors, traditional brands are responding with more focused strategies. Many are launching India-specific products and targeting niche consumer segments to stay relevant. With India now being the world's fastest-growing BPC market, surpassing China, the US and Japan, legacy brands still hold strong positions, particularly in categories like haircare and skincare.

It is not to discount the advantages of D2C brands. They benefit from close consumer engagement, a faster innovation cycle, digital-first marketing tailored to younger audiences and savvy online marketplace management. Combined with India's predominantly young population, these factors create a powerful formula for success. Brands like Plum exemplify this model, generating nearly two-thirds of their revenue online and reaching Rs 350 crore in FY24. However, achieving offline success still requires considerable investment, time and operational muscle, areas where legacy firms excel.

This evolving landscape has also opened up acquisition opportunities. Major FMCG players are increasingly acquiring high-performing D2C brands to expand their portfolios without undercutting their existing offerings. HUL acquired Minimalist this year, Emami took over The Man Company last year, and Marico has added Just Herbs and Beardo to its roster. As digital-native brands continue to thrive and legacy players adapt, the Indian BPC market is poised for dynamic growth and transformation in the years ahead. More acquisitions and strategic collaborations are expected, marking a new phase of evolution in this rapidly-expanding sector.

Effective regulations

As the sun continues to scorch and global warming adds to our woes, our skin remains especially vulnerable to harmful ultraviolet (UV) rays. These rays come in two forms: UVA, which penetrates deep into the skin and accelerates ageing; and UVB, which affects the surface, causing redness and tans that many try to avoid. Both can contribute to skin cancer. While Indian skin typically has more melanin, offering a natural layer of protection, certain medications can strip this defence, making sunscreen an essential safeguard.

Regardless of brand rivalries, what truly matters to consumers is whether their sunscreen provides the protection it promises. For this, we need more than just advertising claims; we need strong regulation. Unfortunately, cosmetics regulation in India remains weak and outdated. Though the Drugs and Cosmetics Act of 1940 governs the sector and was updated in 2020, its focus is primarily on preventing harmful substances and ensuring ethical testing practices and not on verifying product effectiveness.

The online D2C cosmetics segment with over 35 brands is challenging legacy players like HUL, L'Oreal and P&G.

Regulatory Shortfalls

- Cosmetics regulation in India weak and outdated
- Current focus primarily on preventing harmful substances and ensuring ethical testing practices
- No norms regarding verifying product effectiveness
- Regulatory structure fragmented between DSCO and BIS

To make matters more confusing, the regulatory structure is fragmented. While the Drugs Standard Control Organisation (DSCO) oversees cosmetics at both Central and State levels, it is the Bureau of Indian Standards (BIS) that sets product norms. This disjointed system is a far cry from the US model, where the Food and Drug Administration (FDA) regulates both drugs and cosmetics under a unified framework.

In India, sunscreens fall into a regulatory grey area. There is no mandated performance benchmark – no rule specifying how much UV radiation a product must block or for how long. While BIS recommends 'in vivo' testing (on live subjects) over 'in vitro' lab tests, this still does not address the real-world performance of sunscreens, which can degrade in sunlight or lose effectiveness when exposed to moisture.

If India had enforceable standards for efficacy of sunscreen, brand disputes could be grounded in measurable outcomes rather than marketing spin. A Union minister recently criticised startups for not focusing enough on hard technology. Yet, the rise of Indian startups in the cosmetics and wellness space is an encouraging sign, not just for job creation, but for their potential to go global, initially through the Indian diaspora and eventually through broader international expansion.

The government must overhaul its approach to regulation of cosmetics to fully realise this potential and protect Indian consumers. Clear, enforceable standards and rigorous oversight would not only shield consumers from misleading claims but also elevate the global credibility of Indian beauty brands. Stronger regulation is not just about safety. It is about paving the way for global success. ■

(The author is a tax specialist based in Goa.)

Coal Boom

As production of coal surpasses 1 bt in FY25, the vital mineral continues to be the cornerstone of India's path to development.

IBJ BUREAU

India achieved a historic milestone by surpassing one billion tonnes (bt) of coal production in FY25. The landmark was achieved on March 20, 2025, 11 days ahead of the last year's production of 997.83 million tonnes (mt). With the fifth-largest coal reserves and as the second-largest consumer, coal remains crucial for India, contributing 55 per cent to the national energy mix and fuelling over 74 per cent of total power generation.

The coal sector's success is attributed to the tireless efforts of Coal public sector undertakings (PSUs), private players and the dedicated workforce of around 5 lakh mine workers across more than 350 coal mines. These coal miners, who have defied numerous challenges with unmatched dedication, have played a pivotal role in achieving this historic milestone.

Promising production

As per provisional figures India's coal production reached 1,047.57 mt in FY25 compared to 997.83 mt in FY24, marking a 4.99 per cent growth. Production from commercial and captive and other entities also saw a remarkable surge, reaching 197.50 mt, a 28.11 per cent increase from 154.16 mt recorded in the previous year.

Coal despatch too crossed the 1-bt milestone, with total despatch reaching 1,024.99 mt in FY25, up 5.34 per cent from 973.01 mt in FY24. Despatch from commercial, captive and other entities witnessed an even more significant rise, reaching 196.83 mt, recording a 31.39 per cent increase compared to 149.81 mt in the previous year.

Coal imports fell by 8.4 per cent to 183.42 mt in April-December 2024 from 200.19 mt in the same period of FY24, saving $5.43 billion (Rs 42,315.7 crore) in foreign exchange. The non-regulated sector saw a sharper decline of 12.01 per cent, while imports for blending by thermal power plants dropped by 29.8 per cent, despite a 3.53 per cent rise in coal-based power generation. Government initiatives like commercial coal mining and Mission Coking Coal boosted domestic output by 6.11 per cent during this period, reducing import dependence.

Safety measures

Coal mining is a very messy business with serious repercussions on environment, miners as well as people living in the vicinity of mines. The government has taken several eco-friendly measures improve the quality of life of all the stakeholders concerned, while also mitigating the ill effects on the ecology.

According to the Ministry of Coal's Safety Health Management System Audit guidelines, safety audits are conducted annually. The National Coal Mine Safety Report Portal was launched on December 17, 2024, incorporating a safety audit module for audit report submissions. Besides, the Directorate General of Mines Safety has revamped the Coal

Remarkable achievements in coal gasification initiatives highlight the coal's evolving role in spurring clean and green fuel.

Mines Regulations 1957 into The Coal Mines Regulations 2017, addressing modernisation, mechanisation, emergency response and evacuation planning.

Advanced technologies have been incorporated in mining to maximise productivity and enhance efficiency of mining. Introduction of blast-free mining technologies – such as continuous miner, powered support longwall (PSLW) in underground mines, surface miner, eccentric or vertical ripper in opencast mines, and hybrid high wall mining to extract coal seams that are not techno-economically viable through traditional opencast mining method – have been launched.

Real-time monitoring of the surroundings of underground mine by Environmental Telemonitoring System (ETMS) and gas chromatographs are used for quick and accurate mine air sampling. Mechanised roof bolting arrangement, including universal drilling machine, QUAD and twin bolter systems, along with resin capsules and advanced instrumentation for strata monitoring, have been incorporated.

Simulator-based training for heavy earth-moving machinery operators and virtual reality training programmes have been introduced. Environmental impact assessment studies are conducted before project approval, and the ongoing environmental monitoring is ensured.

Mines Rules, 1955, under the Mines Act, 1952, ensures health checks, first aid, shelters, canteens and welfare officers for mine workers and other related personnel. Additional initiatives include housing, clean drinking water, scholarships, financial assistance, healthcare and compassionate employment, among others. Skill development is taken very seriously. Structured vocational training, simulator-based training, specialised job training in drilling, blasting, fire safety and safety workshops for workmen inspectors and safety committees have all been mandated to impart skill training and development for miners.

Big Gains

- Decrease in the country's coal imports by 8.4%, leading to substantial foreign exchange savings and a reduction in dependency of imports
- A crucial contributor to India's energy mix, powering over 74% of the country's electricity and sustaining key industries like steel and cement
- A focus on coal gasification positioning India to leverage syngas for producing methanol, fertilisers and synthetic natural gas, promoting environmental sustainability

Vital lifeline

Coal remains crucial for power, steel and cement industries, but shortages in coking and high-grade thermal coal make imports necessary. The Ministry of Coal is strengthening domestic production to enhance energy security and advance the Viksit Bharat targets, ensuring a self-reliant, sustainable energy framework for long-term growth.

Coal is vital to India's energy needs, supplying over half of the country's power. Despite growth of renewable energy, coal-based thermal power will remain essential, with its share projected at 55 per cent by 2030 and 27 per cent by 2047.

Coal stands as the single-largest contributor to railway freight, with an average share of nearly 49 per cent of total freight income. The sector contributes over Rs 70,000 crore annually to Central and State governments through royalties, GST and other levies. These funds play a crucial role in fostering socio-economic development and enhancement of infrastructure in coal-producing regions. The sector provides jobs to over 2,39,000 workers in Coal India alone – the country's largest coal miner – and thousands more in contractual and transport roles.

The coal sector's continued growth and resilience are vital to India's energy strategy, economic development and long-term sustainability. The remarkable achievements in production, despatch and coal gasification initiatives highlight the sector's evolving role in meeting the nation's energy demands.

The coal industry is setting a strong foundation for future progress through constant advancements in safety, environmental protection and workforce welfare. The government's initiatives, alongside the dedication of the workforce, ensure that the coal sector will remain a cornerstone of India's path towards becoming a self-reliant and developed nation by 2047. ■

Creditable Move

The RBI's new co-lending norms facilitate in making credit accessible to unserved and underserved segments of the economy.

SHIVANAND PANDIT

The Reserve Bank of India (RBI) has released a landmark draft framework, titled Reserve Bank of India (Co-Lending Arrangements) Directions, 2025, aiming to institutionalise and broaden the scope of co-lending arrangements (CLAs) across all categories of lenders and types of loans.

In a significant move to boost co-lending activities, RBI Governor Sanjay Malhotra has announced that the new framework will no longer be confined to partnerships between banks and non-banking financial companies (NBFCs) for priority sector lending. Instead, it will encompass all forms of lending partnerships among regulated entities (REs) and cover a wide range of categories of loans. The main objective of the CLA is to enhance the availability of credit to the unserved and underserved segments of the economy. By combining the lower cost of funds from banks with the wider outreach of NBFCs, the scheme aims to deliver affordable financing to the end beneficiaries.

Mr Malhotra points out that the current co-lending guidelines are limited to arrangements between banks and NBFCs for priority sector loans, including sectors such as agriculture, MSMEs, education and housing. However, with co-lending practices evolving and showing immense potential in addressing broader credit needs sustainably, the RBI has opted to widen the ambit of co-lending. The proposed framework seeks to establish a comprehensive and uniform regulatory structure for all types of CLAs among regulated lenders. Previously, only banks and NBFCs were permitted to enter into CLAs. Now, the framework allows even two banks to collaborate and enter into such arrangements.

Key provisions

The most significant development is that co-lending has now been extended to include all REs, moving beyond the earlier restriction that allowed only banks and NBFCs to co-lend together. Co-lending involves joint funding of a loan portfolio in a predetermined ratio with shared revenue and risk and may include sourcing and loan management arrangements. This expansion allows for the first time two banks or two NBFCs to co-lend a loan.

Given the large number of NBFCs in India, this capital-light model is especially advantageous for small-, mid-sized and digital NBFCs. These entities can now collaborate with larger or more established NBFCs, rather than waiting to partner with banks. Additionally, lenders will be permitted to offer a default-loss guarantee of up to 5 per cent of the outstanding loan amount under a co-lending or loan-sourcing arrangement.

The RBI has clarified that the proposed co-lending guidelines are intended to supplement existing regulations, addressing gaps in current frameworks that do not cover all loan categories. Importantly, the existing digital lending guidelines and norms governing peer-to-peer lending platforms will remain in force.

The new framework will also extend to lending arrangements where one RE sources loans from other REs or even non-REs through outsourcing agreements, provided there are no fund-based or non-fund-based commitments involved. However, loans sanctioned above Rs 100 crore under multiple banking arrangements, consortium lending or loan syndication will be exempt from the new co-lending norms. For all other applicable loans, asset classification will be done at the borrower level – meaning that the loan exposure must be uniformly classified as standard SMA (special mention account) or an NPA (non-performing asset) by both lending entities at any given point in time.

Massive opportunity

Expanding co-lending regulations to include all REs and all types of loans could be a transformative development for the domestic financial sector over time. It presents a significant opportunity for NBFCs to leverage their niche strengths and partnerships to broaden credit distribution. When co-lending guidelines were introduced in 2020, they were limited to priority sector lending (PSL) loans. However, on a case-by-case basis, the RBI has allowed banks to co-lend in non-PSL segments as well. Recent studies indicate that about 75 per cent of co-lending volumes handled by banks are in non-PSL loans, though these were based on approvals granted by the RBI to specific banks.

The proposed norms aim to "broaden the scope of co-lending significantly", potentially driving banks to scale up volumes well beyond current levels. While forming partnerships and executing co-lending agreements can be a lengthy and resource-intensive process, this model is expected to gain traction shortly. This expansion could unlock new lending opportunities for various borrower segments, such as retail, MSMEs and consumption credit, especially since banks tend to be more conservative with small-value loans.

Borrowers are also set to benefit from stricter agreements and clearer operational guidelines for lenders. Under the proposed norms, co-lending agreements must include detailed terms and conditions, borrower selection criteria, specific product lines and operational areas, fees for lending services, responsibility segregation, customer protection issues and a grievance redress mechanism.

Additionally, lenders will be required to disclose the annual percentage rate (APR), including the blended interest rate and any extra fees in the key fact statement (KFS). All disbursements and repayments must be routed through an escrow bank account, and complaints must be addressed within 30 days. Lenders will also need to ensure KYC compliance and implement a business continuity plan to maintain service to borrowers if the CLA is dissolved.

The RBI's proposal to broaden the scope of co-lending is set to provide a significant boost to domestic consumption. The primary aim of the new co-lending guidelines seems to be making credit more accessible to retail borrowers and small businesses, especially those relying on smaller NBFCs and digital lending channels.

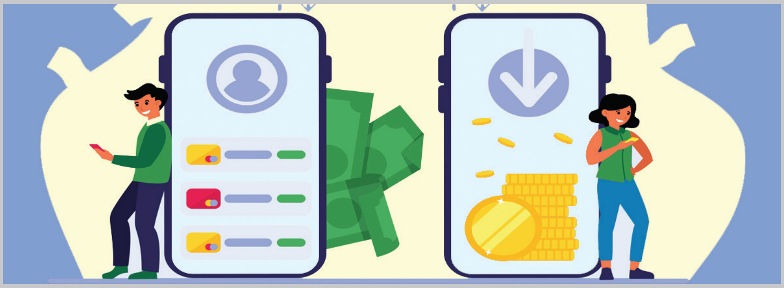
There had been concerns that the RBI's regulatory tightening was hindering domestic consumption, as the central bank's measures responded to the post-pandemic surge in unsecured loans and increased consumption driven by credit. Lenders' aggressive tactics to fuel growth raised alarms about potential systemic risks, prompting the RBI to raise risk weights on bank lending to NBFCs. This move contributed to a slowdown in NBFC credit growth, which fell to 16 per cent in September 2024, down from 22.1 per cent in September 2023. Additionally, tighter liquidity conditions impacted NBFCs, leading to higher borrowing costs and squeezing margins.

A wider co-lending framework will help address these funding challenges by easing NBFCs' access to capital and reducing borrowing costs. It will also enable banks to tap into the rapidly-growing retail credit market. However, the RBI is keen on ensuring that consumers' protection and the stability of lending institutions remain intact. To this end, it has proposed that all transactions – including disbursements and repayments – be routed through an escrow account maintained by a bank as a part of the CLA.

Even when loans are sourced through third parties, such as digital lending platforms, all transactions must go through a bank account. The use of pool or pass-through accounts with third parties will be prohibited. Furthermore, upfront disclosure of the roles and responsibilities of all partners involved in the co-lending arrangement to the borrower will foster greater transparency.

(The author is a tax specialist based in Goa.)

New Co-Lending Norms



- Co-lending extended to all REs instead of earlier restricted to only banks and NBFCs
- Two banks or two NBFCs also permitted to co-lend
- Lenders allowed to offer default-loss guarantee of up to 5% of outstanding loan amount
- Existing guidelines for digital lending and peer-to-peer lending platforms to remain in force

Under the proposed norms, co-lending agreements must include detailed terms and conditions.

UNLEASHING UNCERTAINTY

Mr Trump's erratic tariffs and constant flip-flops cast a dark shadow of a long-lasting economic slump across the globe.

SHRIVATSA S JOSHI

The long and dark shadow of uncertainty only got longer and darker. US President Donald Trump suddenly halted reciprocal tariffs for 90 days just hours after they came into effect on April 9. Days before the tariffs would kick in, markets across the world had bled and prices of metals and crude oil had tumbled over fears of a global slowdown. Gold had surged to new highs, buoyed by safe-haven buying. There were huge protests across major US cities against the Trump administration's tariff, cost-cutting and job downsizing policies.

However, Mr Trump had remained resolute with his tariff plan. A massive selloff in the bond market, meanwhile, had pushed yields to record high. Alarmed by rising bond yields, the Treasury Department had alerted the US president about the high yields likely triggering a crisis across the financial market. The bloodbath in the bond market had got Mr Trump to announce a three-month stay on the reciprocal tariff plan. The US president also claimed that over 75 countries had approached him to negotiate over tariffs and hence the pause.

Mr Trump's turnabout did bring some relief – although short-lived – across the world. But the respite soon made way to heightened anxiety, with the tariff plan turning into a virulent US-China trade war. In tit-for-tat measures, the US and China slapped huge tariffs against each other, finally resulting in US' 145 per cent tax on Chinese exports (different products are taxed at different rates, ranging from 20 to 145 per cent, and syringes and electrical vehicles attract an unprecedented 245 per cent tariff) and China's 125 per cent tariff on US' exports.

US Federal Reserve is wary of high inflation and stagflation returning to the economy.

The steep, record-high tariffs of both the countries threaten to plunge global trade in deep turmoil. "The world's two largest economies are no longer shadowboxing. They are now locked in a full-scale trade war," notes Nigel Green, the CEO of global financial advisory deVere Group.

China apart, most of the world has been spared from the higher reciprocal tariffs for the next three months. Yet many different tariffs slapped by the US president in the past two months will continue to apply on some countries and a few sectors. On April 2, Mr Trump had unveiled a baseline tariff rate of 10 per cent on imports into the US from all countries. This tariff, which became operational on April 5, will remain in place, even as the higher reciprocal tariffs stay suspended for 90 days.

The baseline tariff and reciprocal tariffs were both unveiled by the US president at the White House Rose Garden on April 2. Terming that day as the Liberation Day (Mr Trump considers that these tariffs will free the US economy from dependence on foreign goods.), he had said: "Our country and its taxpayers have been ripped off for more than 50 years, but it is not going to happen anymore. April 2, 2025, will forever be remembered as the day American industry was reborn, the day America's destiny was reclaimed, and the day we began to make America wealthy again."

Then there are a host of other imposts that will continue to be levied

Nothing Reciprocal About It...

How US' reciprocal tariffs on its trading partners defy economic sense and logic too.

Country	Reciprocal Tax (%)	US' Trade Deficit*($bn)
China	245	-295
Lesotho	50	-0.234
Cambodia	49	-12
Vietnam	46	-123
Sri Lanka	44	-2
Bangladesh	37	-6
Taiwan	32	-74
Switzerland	31	-38
India	26	-46
European Union	20	-236

*Figures as of 2024

Donald Trump holding a big tariff card and announcing reciprocal tariffs at the White House Rose Garden

- Reciprocal tariffs ranging from 10% to 245% imposed on 57 countries countries (US' peak tariff of 245% imposed only on syringes and electric vehicles, with the other products attracting 145% tax)
- China apart, most of the world spared from higher reciprocal tariffs for next three months
- Baseline tariff of 10% on imports into US from all countries to remain in place
- Highest tariff rate on China of 245% eventually materialised after a tariff war between US and China
- Mexico and Canada exempted from reciprocal tax as 25% tariff clamped on them earlier
- Product-specific 25% tariff on steel, aluminium, automobile and auto components imposed earlier
- Reciprocal tariff calculated by dividing a country's trade surplus with US by its exports to the US and multiplying the number got by 100 to get the percentage of value of that country's exports to the US
- Value of exports of a country termed by Mr Trump wrongly as "tariff charged to the USA" as actual tariffs charged to the US by countries entirely different
- Value of exports of each country halved or divided by 2 and charged as current reciprocal tariff, with the US president adding that the US is kind not to charge the entire tax on its trading partners
- Countries with trade deficit with the US taxed differently at a flat rate of 10%
- Lesotho a country with a trade surplus of a mere $234 million compared with China's whopping trade surplus of $295 billion unfairly facing a steep 50% tariff, thanks to the flawed manner of calculating reciprocal tariffs
- Many countries similarly unfairly slapped with high tariffs like in the case of Lesotho
- US' reciprocal tax aimed at balancing out trade surpluses of its trading partners with it to zero, yet another flawed idea lacking any logic or economic rationale
- According to economists, trade deficit or surplus neither unfair nor necessarily undesirable
- Export and import finally based on demand and supply and cannot be entirely controlled by tariffs

on imports into the US. A 25 per cent tariff on steel, aluminium and automobile and a 25 per cent fentanyl-related tariff on goods shipped from Canada and Mexico are being collected. Besides, a 25 per cent tariff on auto components will become operational from May 3. Moreover, there is a possibility of the US administration announcing tariffs on shipments of copper, semiconductors, lumber and pharmaceutical products into the US in the near future. And the biggest worry for the world is the very unpredictable nature of Mr Trump and his policies that are keeping everyone anxious and very concerned.

Despite the 90-day pause on reciprocal tariffs, economists, analysts and policymakers around the globe are counting the costs of the US action on America and the rest of the world. The other taxes that are already in operation on imports into

Tariffs have terrified markets, as bears maul bourses, gold surges on safe-haven buying and crude oil slips amid slowdown fears.

the US are still the highest, given that America has always been a low-tariff nation. These levies will jack up the prices of everything from shoes to cars to other industrial products and pinch the pockets of US shoppers.

No wonder, the US Federal Reserve is wary of high inflation returning to the economy. Besides, costly imports will keep American buyers away, lower demand for almost all products and services in the world's largest market and lead to a global slowdown. Moreover, persistent rise in inflation and stagnating demand may result in stagflation in the US. "The US tariffs clearly represent a significant risk to the global outlook at a time of sluggish growth," warns International Monetary Fund (IMF) Managing Director Kristalina Georgieva.

Pros and cons

India, like most of the countries, will face the baseline 10 per cent tariff and 25 per cent tariff on steel, aluminium, automobile and auto component imports into the US. These tariffs – still at higher rates compared to low tariffs of the past many decades – are likely to impact Indian exports to America.

In a recent report, Global Trade Research Initiative (GTRI) – a research group focused on climate change, technology and trade – notes

"American friendships have ended up destroying countries. The US wants to use India to beat up China. Do not play the American game is my advice. Being the most populous country, India needs to take care of its relations."

JEFFREY SACHS
Professor, Columbia University

that almost 75 per cent of the $89.81 billion of goods shipped to the US in 2024 worth about $67.20 billion will now be subjected to the 26 per cent duty. Accordingly, the research group estimates that India's merchandise exports to the US may decline by 6.41 per cent or $5.76 billion in 2025.

GTRI's report was out before the 90-day pause was announced. Hence, the actual fall in exports will vary, depending on the new tariffs that may be worked out by India and the US in the proposed bilateral trade agreement (BTA). Besides, with Mr Trump at the helm and his highly-unpredictable manner of functioning, it becomes next to impossible to have any really meaningful forecast of the future.

Indian exporters would, of course, make the best use of the 90-day pause to ship their products to the US. But beyond that period, there are fears that the 26 per cent reciprocal tariff that India is subjected to may force many businesses to delay their investment in the face of possible contraction in demand in the US. There are also concerns that cheap imports may flood into India from other countries looking to diversify their markets from the US.

The 26 per cent reciprocal tariffs are set to be a mixed bag for Indian exporters. Industry leaders and trade analysts see textile, farm products, electronics and smartphones, automobile and medical devices sectors faring well. But there are concerns about gems and jewellery, engineering goods and IT services facing the tariff headwinds.

India's textile industry may sail through and actually fare better, thanks to tariff advantage that the country will enjoy over its competitors in the sector. China's peak tariff of 145 per cent, Cambodia's 49 per cent, Vietnam's 46 per cent, Sri Lanka's 44 per cent and Bangladesh's 37 per cent are likely to price their products out of the US market and provide Indian products, tariffed at 26 per cent, an edge. However, tough competition may emerge from Turkey and Brazil with 10 per cent tariff each and the European Union's (EU) 20 per cent tariff.

"Higher tariffs on competitors present an opportunity for India to strengthen its position in global trade and manufacturing. However, India needs deep reforms for enabling scale of production, domestic value addition and improving competitiveness to benefit," writes Ajay Srivastava, the founder of GTRI, in a note analysing the reciprocal tariffs.

The same advantage of India's

lower tariff comes to the aid of the country's farm product shipments too. Analysts opine that India can maintain or even expand its agricultural exports to the US on the back of lower tariffs. India has a competitive tariff edge over Vietnam and Thailand in rice exports. But India may lose some seafood export market to Ecuador, which is closer to the US and faces a lower tariff rate of 10 per cent.

Besides, US' tariff war with China could open new markets for Indian agricultural product exports. China accounts for half of the US' soybean exports. But with the Asian giant slapping a retaliatory 125 per cent tariff on US exports, China will look towards India and other markets for cheaper soybean and soymeal.

Meanwhile, the US president's yet another flip-flop has brought cheer to smartphone-, computer- and other electronic gadget-makers across the world, including India and China too. Besides, Americans are also a relieved lot that these imports will not become exorbitant, thanks to their exclusion from most of the tariffs. Mr Trump has exempted smartphones, computers and some other electronic products imported largely from China and some other countries from the 145 per cent reciprocal tariff imposed on China as well as the 10 per cent baseline tariffs levied on most of the countries. The measure provides a big break to tech companies like Apple, Samsung, Dell and many others which manufacture these products mostly in China, Taiwan, India and some other countries.

For the Chinese imports, the exclusion only applies to Mr Trump's reciprocal tariff of 145 per cent. The earlier-imposed, fentanyl-related 20 per cent tariff is applicable to these electronic products imported from China. Moreover, the US is launching a new national security trade investigation into semiconductors soon that could lead to other new tariffs. Besides, Mr Trump has indicated that

Mr Trump is unilaterally dismantling the tariff structure that was devised after tough negotiations between nations, which led to setting up of WTO.

the reprieve to China on electronic gadgets is "short-lived", and that there could be new tariffs in the offing. The frequent U-turns of the Trump administration make matters worse for investors and industries alike.

The country's automobile and auto component companies are keeping their finger crossed as the 90-day reprieve takes effect. They are

"The US tariffs clearly represent a significant risk to the global outlook at a time of sluggish growth."

KRISTALINA GEORGIEVA
Managing Director, IMF

"The world's two largest economies are no longer shadowboxing. They are now locked in a full-scale trade war."

NIGEL GREEN
CEO, deVere Group

hoping that the upcoming BTA will materialise before the three-month deadline ends and will provide them a good deal. Tension over a favourable BTA is more palpable among auto component-makers as the US makes up a little over 10 per cent of their total exports. On the contrary, India's passenger car exports to the US account for a negligible 0.13 per cent of its total global car exports.

"We believe that the strong trade relationship between India and the US, especially in the auto components sector, will encourage continued dialogue to mitigate the impacts of the tariffs. We hope that the ongoing bilateral negotiations between India and the US would lead to a balanced resolution benefiting both the economies," stresses Shradha Suri Marwah, the president of the Automotive Component Manufacturers' Association of India (ACMA) and chairperson and managing director of Subros.

The Trump administration has exempted essential and strategic items such as pharmaceuticals, semiconductors, copper and energy products like oil, gas, coal and LNG from the 26 per cent reciprocal tariff. Domestic pharmaceutical companies that count the US as their biggest export market are looking to expand their businesses in the world's largest market.

Tariffs & Major Sectors

Textile: A Mixed Bag

Country	Exports To US* ($bn)	Share Of US Export Market (%)
China	36	30
Vietnam	15.5	13
India	9.7	8
Bangladesh	7.49	6

**Figures for 2024*

- Good prospects likely with India taxed at lower rate than that of its competitors like Vietnam, Bangladesh and China
- Tough competition from Turkey, Brazil and EU with lower tariff rates
- Inflation-driven sentiment in US a major dampener

Agriculture: Rich Harvest

- Lower tariff edge compared to that of its competitors a big plus point for Indian farm sector
- Advantage India over Vietnam and Thailand in rice exports
- Ecuador, with lower tariff of 10% and proximity to the US to pose a challenge to Indian seafood exports
- China's retaliatory tariff on US to make American soybean exports to China costly, opening new opportunities for Indian soybean shipments to China
- Scope for India to slash high Import Duty on rice, seafood, poultry meat, skimmed milk powder without impacting domestic farm sector
- US finding faults with MSP on farm products, subsidies and considering them as non-tariff barriers
- According to India, farm product tariffs within overall limit of WTO regulations; India willing to negotiate with US bilaterally

Indian pharmaceutical industry, especially its generic medicines segment, is a significant player across the world. "India plays a critical role in the overall healthcare cost in the US. For instance, India accounts for just 6 per cent of the total pharmaceutical imports in the US but caters to nearly 47 per cent of its generics market," points out Viranchi Shah, the national spokesperson for Indian Drug Manufacturers' Association (IDMA).

The optimism of the pharmaceutical industry is not shared by the Indian gem and jewellery, which is relieved for now following the three-month halt on reciprocal tariffs. The gem industry is worried about the disruption that the tariff may cause in the US market – one of its major exporting destinations – accounting for nearly 33 per cent of its total gem and jewellery exports.

"Tariffs are more than economic measures. They redefine the dynamics of trade partnerships. It is not just about navigating the cost but understanding how these shifts recalibrate the competitive landscape globally," notes Rajesh Rokde, the chairman of Gem and Jewellery Council of India.

A sense of deep ambiguity has seized the domestic engineering goods sector, which counts the US as one of its top export destinations. The US accounts for about 16 per cent of India's total global engineering goods exports, and the industry is wary of how things will take shape after the 90-day tariff relief.

"Our preliminary estimate is that engineering goods exports may drop by around $5 billion in the first year. Going forward, Indian exporters should diversify to new markets to minimise the impact of the US tariff," suggests Engineering Export Promotion Council (EEPC) Executive Director Adhip Mitra.

The domestic information technology (IT) services sector is staring at an uncertain future as the Trump tariffs wreak havoc. The $283-billion sector is expected to feel the heat, although President Trump has not imposed direct tariffs on IT services.

Gem & Jewellery: Losing Sheen

- Reciprocal tariff a bane for gem and jewellery sector, with US accounting for a third of India's $32-billion exports
- 26% tariff on cut and polished diamonds compared to zero duty earlier to disrupt shipments
- Including 5-7% earlier tax, gold and platinum jewellery to face 32-34% duty, silver jewellery to be taxed at 40.5% and lab-grown diamonds and imitation jewellery to attract 38% tariff
- Small exporters to lose US market to countries facing lower tax rates

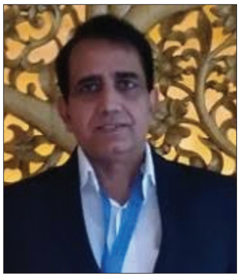
Tariffs on other product imports are set to stoke inflation across most sectors in the US and force clients of the IT sector to cut spending and delay new projects. The US accounts for more than half of India's $190-billion software exports, making the sector sensitive to shifts in spending confidence among businesses in the world's largest economy.

Betting on BTA

India sees the 90-day tariff pause as a window of opportunity to conclude an interim trade agreement with the US. India is one of the many countries that have desisted from imposing retaliatory tariffs on the US. Instead, it has been in the forefront of negotiating a BTA with America. In mid-February, Mr Modi had met Mr Trump in Washington, and the two leaders had agreed to boost the bilateral trade by almost four times from $129 billion in 2024 to $500 billion by 2030. According to official sources, the two countries have finalised the terms of reference for the talks and target to conclude the BTA by the end of 2025.

Trade experts have urged the government to focus more on tariffed sectors and those of interest to India in the BTA rather than having a full-fledged free trade agreement (FTA). The FTA may force India to agree to terms not in its interests, they suggest. As India prepares to negotiate the BTA with the US, there are concerns that the US may arm-twist India into a deal that caters more to its own interests. As the weaker transactional player in the partnership, India could be forced to buy more from the US – even some goods that it may not need at all.

For instance, Mr Trump's insistence on selling more US oil and gas to India may create problems for both its balance of payments and green-energy ambitions. India meets half of its growing demand for liquefied natural gas (LNG) from imports, largely from suppliers in the Persian Gulf, especially Qatar, at comparatively-lower prices. But higher quantities of US oil and gas imports would jack up India's import bill, thanks to high-priced US energy products as well as additional transportation costs from far-away America. Besides, India's compulsion to buy more fossil fuels from the US may run contrary to its own goals of lowering oil and gas imports and promoting solar- and wind-powered green energy.



"Higher tariffs on competitors present an opportunity for India to strengthen its position in global trade. However, India needs deep reforms for enabling scale of production and improving competitiveness to benefit."

AJAY SRIVASTAVA
Founder, GTRI

Jeffrey Sachs, an American economist and professor of Columbia University, has advised India to re-

Messrs Modi and Trump in Washington in mid-February

The two countries have finalised the terms of reference for the talks and target to conclude the BTA by the end of 2025.

main cautious about its strategic alignment with the US. "American friendships have ended up destroying countries. The US wants to use India to beat up China. Do not play the American game is my advice. Being the most populous country, India needs to take care of its relations," cautions Mr Sachs.

All said and done, India is still an insignificant player in global trade when compared to China. India's goods exports make up a mere 1.8 per cent of total global exports, ranking it the 17th-largest merchandise exporter in the world. In fact, its services exports are much larger, accounting for 4.3 per cent of the total global services exports and ranking it the world's 7th-largest services exporter. However, India fares better in terms of its trade with the US, with India's share of total US goods imports at around 6 per cent in 2024. Yet it is still quite lower compared with China's imports to the US at around 14 per cent.

India can do well by diversifying its export markets vigorously and de-risking its trade. The new US tariff regime has, in fact, prompted India to expedite its ongoing FTAs with the United Kingdom (UK) and the European Union (EU). It will also have to strengthen its existing regional pacts and promote its Look East Policy.

Finally, advantages often accompany adversities, and so is the case with US tariffs. The current crisis provides a major fillip to reform India's Customs Duty regime and lower its own Import Duties on many products. India has reduced its tariffs significantly in the past few years, and will continue to do so. This will help domestic industries to access cheaper raw materials and become more competitive in pricing their products in the global market.

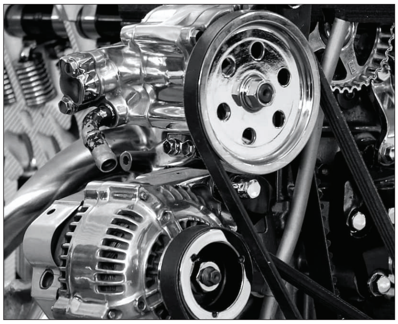
"We hope that the ongoing bilateral negotiations between India and the US would lead to a balanced resolution benefiting both the economies."

SHRADHA SURI MARWAH
President, ACMA

"India accounts for just 6 per cent of the total pharmaceutical imports in the US but caters to nearly 47 per cent of its generics market."

VIRANCHI SHAH
National Spokesperson, IDMA

Research group GTRI estimates that India's merchandise exports to the US may decline by 6.41% or $5.76 billion in 2025.



There are fears of auto component exports – making up 10.38% of the total US export market – facing heavy tariff headwinds.

Chaotic times

Getting back to the US, the country runs a total trade deficit of around $1.2 trillion. The jaw-dropping numbers are seriously unsustainable, and Mr Trump is definitely right in taking a hard look at the problem. But the solution that he and his administration have advanced in the form of high tariffs is simply disastrous.

Mr Trump's tit-for-tat tariff policy has pushed the world into turmoil and will intensify confusion and chaos. His erratic and unilateral ways of fixing tariffs are dismantling the thoughtfully-crafted tariff structure that was devised after almost a decade of negotiations between nations. The Uruguay Round of Talks – as the painstaking negotiations are called – involved 123 countries, driving hard bargains over tariffs between 1986 and 1994.

The trade negotiations saw spirited discussions between the developed, the developing and the least developed nations. The developing and the least developed nations extracted higher tariffs from the developed nations to protect their industries – which were still in nascent stages – from the onslaught of exports from the developed nations. The Uruguay Round of Talks concluded with establishment of the World Trade Organization (WTO) in 1995. Since then, the Geneva, Switzerland-headquartered trade body has been regulating global trade and settling trade disputes.

The WTO endorsed the tariffs that emerged at the end of the Uruguay Round of Talks. As a part of the deal, the WTO norms mandated that the countries could set their own tariffs on different products within the upper limits approved by it. Moreover, the Most Favoured Nation (MFN) clause of the WTO norms stated that member nations of the WTO should not normally discriminate between their trading partners in terms of tariffs, market access and so on. For instance, a lower tariff on a product or market access for a product granted to one or a few member nations would be extended to all other member nations.

There are certain exceptions to the MFN norms, like in the case of FTAs or special concessions accorded to developing countries or trade barriers and higher protective tariffs imposed on a few products of some countries that are found violating the WTO norms. But these exceptions are based on clear-cut conditions stipulated by the multilateral trade body.

So, the high tariffs of many countries that Mr Trump complains about are not aimed at the US alone. They apply to every other member nation of the WTO. The US president is tearing apart that carefully-built edifice of global tariffs, which have been guiding the global trade for the past three decades.

The US has always maintained low tariffs in the past, and they have served Americans well by providing them access to cheap goods, while industries too have thrived, thanks to low-cost, imported raw materials. But Mr Trump finds America's lower tariffs and most of its trading partners' higher tariffs as the reason for US' high trade deficit, stagnant manufacturing sector and a lack of factory jobs, among other ills.

Actually tariffs are not the cause for any of these problems. The high trade deficit is because of overspending of Americans and a lack of savings. Besides, like its citizens, successive US governments have been spending beyond their means. The excessive government expenditure is financed by purchases of government bonds by global investors, global central banks and various governments of the world. And the lack of adequate factory or blue-collar jobs is mainly because of high cost of operation in the US. American industries find it profitable to outsource most of their manufacturing processes to China and other low-cost hubs.

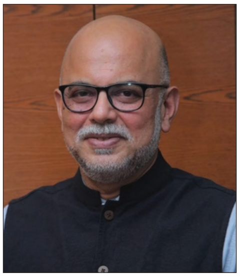
Tariffs are set to stoke inflation across the US, forcing clients of the IT sector to cut spending and delay new projects.

Tax reprieve on smartphones seems to be short-lived, with Mr Trump hinting at tariffs on the gadgets moving to a new bucket.

But unfortunately, tariffs become the scapegoat, and Mr Trump does not think twice before slaughtering them. His erratic policies and actions and constant flip-flops are pushing the world into an abyss of uncertainty – something that shatters the confidence of investors and industries, spreads chaos and confusion and discourages them to invest.

"Tariffs redefine the dynamics of trade partnerships. It is not just about navigating the cost but understanding how these shifts recalibrate the competitive landscape globally."

RAJESH ROKDE
Chairman, Gem and Jewellery Council of India



"Our preliminary estimate is that engineering goods exports may drop by around $5 billion in the first year. Indian exporters should diversify to new markets to minimise the impact of the US tariff."

ADHIP MITRA
Executive Director, EEPC

Besides, his tirade against China and tit-for-tat tariff hikes between the US and China bode ill for global trade and global economy. The trade war between the two largest economies of the world – accounting for about 43 per cent of the global economy – will slow down global growth. Besides, it is likely to push the US into stagflation and recession. A glimpse of the impact of tariffs is already visible in the US' Q1 GDP numbers, which shrank by 0.3 per cent.

If the US-China trade war intensifies, and if Mr Trump continues to dictate terms on tariffs, a part of the world may gang up against the US and trade among its members by bypassing the US. With its huge market and resources, China could be the leader of this anti-US alliance. Mr Trump's aim of isolating China may actually end up isolating the US from the world. Many such scenarios are being drawn up by analysts across the world. But nobody knows for sure how things would shape up.

But one thing is certain. Mr Trump views tariffs as a major weapon to Make America Great Again (MAGA). But that weapon actually casts a dark shadow of a long-lasting economic slump across the globe. ■

Making A Splash

The government's sustained investments and policy initiatives have resulted in manifold development of the country's inland waterways.

IBJ BUREAU

In a significant achievement for India's inland water transport sector, the Inland Waterways Authority of India (IWAI) has reported a record-breaking cargo movement of 145.5 mt in 2024-25. This milestone underscores the effectiveness of sustained investments and policy initiatives, aimed at enhancing the country's inland waterways infrastructure.

Traffic movement on national waterways registered growth of 9.34 per cent year-on-year from FY24. Five commodities, namely coal, iron ore, iron ore fines sand and fly ash, constituted over 68 per cent of total cargo moved on national waterways during the previous financial year. Passenger movement also reached 1.61 crore in FY25. Cargo traffic on national waterways increased from 18.10 mt to 145.5 mt between FY14 and FY25, recording a CAGR of 20.86 per cent.

The IWAI, under the Ministry of Ports, Shipping and Waterways, has expanded the number of national waterways from 5 to 111 under the National Waterways Act, 2016. Since 2014, the government has invested around Rs 6,434 crore to develop waterway infrastructure.

The operational length of national waterways increased from 2,716 km in FY15 to 4,894 km in FY25. Major works conducted on national waterways include fairway maintenance, community jetties, floating terminals, multi-modal terminals, inter-modal terminals and navigational locks.

The IWAI has launched digital tools like Least Available Depth Information System (LADIS), River Information System (RIS), Car-D, Portal for Navigational Information (PANI), and Management Information and Reporting Solution (MIRS). Green initiatives such as hybrid electric catamarans and hydrogen vessels are being introduced to reduce pollution and promote river tourism. All these initiatives have led to boosting ease of doing business.

Inland Waterways Authority of India has reported a record-breaking cargo movement of 145.5 mt in FY25.

Policy initiatives

The inland water transport sector in India is still developing and needs support to shift cargo from road and rail to waterways. Although waterway transport is cheaper, overall logistics costs can be higher due to multimodal handling. To address this and promote inland water transport, the Jalvahak Scheme was launched on December 15, 2024, with a budget of Rs 95.42 crores.

The Jalvahak Scheme has two key components. The first one relates to financial incentive. Accordingly, cargo owners get a 35 per cent reimbursement on actual operating costs for shifting cargo from road or rail to inland water transport, encouraging use of waterways. The second component includes scheduled services, where regular cargo services have been introduced to boost reliability and predictability.

The recent Union Budget of 2025-26 has extended the tonnage tax regime to inland vessels registered under the Indian Vessels Act, 2021. The tax provides a stable and predictable tax regime based on vessel tonnage rather than profits, thereby lowering the tax burden and encouraging broader adoption of inland shipping.

The National Waterways (Construction of Jetties/Terminals) Regulations, 2025, have been notified, enabling private investment in infrastructure of inland waterways by establishing a clear legal and operational framework for construction and management of jetties and terminals.

Multi-modal terminals in Varanasi, Sahibganj and Haldia as well as the Inter-modal terminal in Kalughat are being transferred to Shyama Prasad Mookerjee Port, Kolkata, for operation and management. This integration is expected to streamline cargo movement between ports and inland waterways.

A centralised portal is being developed for registration of inland vessels and crew, similar to the Vahan and Sarathi systems used for road transport. This initiative will simplify registration processes; provide real-time data on vessel and crew availability; and enhance transparency and planning in the sector.

Cargo aggregation hubs are under development to resolve issues related to sparse industrial presence along waterways. These hubs include a freight village in Varanasi and an integrated cluster-cum-logistics park in Sahibganj. National Highways Logistics Management and Indian Port and Rail Company have been engaged to develop and provide rail connectivity to these logistics hubs.

Route numbers 5 and 6 between Maia and Sultanganj have been successfully trialled under the Indo-Bangladesh Protocol. Regular operations are expected to commence following consent from the Bangladesh government.

More than 140 pubic sector undertakings have been engaged to explore shifting a portion of their cargo to inland waterway transport. Ministries of Petroleum, Fertiliser, Coal, Steel and Heavy Industries have been requested to align their cargo movement plans with the modal shift targets of the Maritime India Vision.

Inland Wateways: Fact File

- Record 145.5 mt of cargo movement on inland waterways in FY25, up from 18.1 mt in FY14, registering a CAGR of 20.86%
- Number of national waterways up from 5 to 111, with the operational length growing from 2,716 km in FY15 to 4,894 km in FY25
- Major infrastructure development including multi-modal terminals, inter-modal terminals, community jetties, floating terminals and green tech like hybrid electric and hydrogen vessels
- Launch of Jalvahak Scheme with Rs 95.42 crore budget, offering 35 per cent operating cost incentive for cargo owners and scheduled services on key routes of NW-1, NW-2 and NW-16
- Modal share of India's inland waterway transport targeted to increase from 2% to 5%
- Multi-modal transport set to increase to over 200 mt by 2030 and more than 500 by 2047 under the Maritime Amrit Kaal Vision

Sustainable future

The Union government has set ambitious targets for cargo movement via inland waterways. The IWAI aims to increase the modal share of freight movement through inland waterway transport from 2 to 5 per cent and traffic volume to more than 200 mt in line with the Maritime India Vision 2030 and more than 500 mt by 2047, according to the Maritime Amrit Kaal Vision 2047.

India's concerted efforts in developing its inland waterways have yielded significant results, with record cargo movements and expanded infrastructure. A combination of strategic investments, policy initiatives and digital innovations positions the country to further enhance its inland water transport sector, contributing to sustainable transportation and economic development. Continued focus on these areas will be crucial in achieving the ambitious targets set for the coming decades. ■

"I believe in being human first, and I never compromise on integrity – a value I strive to instil in the company's culture. As a leader, I am deeply passionate about innovation, and I like challenges that push boundaries and drive growth."

"Purpose Over Profit"

Abhishek Somany is a transformative leader who has propelled Somany Ceramics to global prominence, positioning it among the top-13 ceramic companies worldwide. Since joining as a management trainee in 1995, his hands-on approach spanning shop floor operations to strategic leadership has shaped Somany Ceramics into a household name in India. Today, the brand boasts a vast distribution network with more than 1,200 retail touchpoints and over 500 exclusive showrooms, while its international footprint extends across over 80 countries in six continents.

Beyond business, Mr Somany has been instrumental in shaping the industry's future. As the former chairman of the Indian Council of Ceramic Tiles and Sanitary Ware, he has played a pivotal role in key policy discussions impacting the ceramic ecosystem. His ability to blend business acumen with a deep passion for design seamlessly has earned him widespread respect within the industry.

An entrepreneur at heart and an adventurer by spirit, Mr Somany's interests extend far beyond the boardroom. He is an avid art and scale model car collector, Formula Ford racer, golfer, photographer and go-karter. His passion for extreme sports is equally remarkable. He is a wing walker, advanced scuba diver and skilled skydiver.

With a sharp eye for design and an unyielding drive for excellence, Mr Somany continues to redefine the boundaries of creativity, business and innovation in the ceramic industry.

In an interesting chat with ***Sharmila Chand***, Mr Somany sheds light on his management principles and practices.

Your management *mantra*

My management philosophy is anchored in innovation, collaboration and a forward-looking vision. By continuously pushing the boundaries of innovation, we aim to lead rather than follow. I strongly believe that a cohesive and empowered organisational culture not only drives performance but also nurtures lasting teamwork. At the core of our strategy is a deep understanding of customers' needs, enabling us to deliver high-quality, value-driven solutions. Above all, I believe that business should serve a greater purpose of achieving sustainable and ethical growth that secures long-term success, while contributing positively to the industry, the society and the environment.

A game that helps your career

I have a deep passion for both golf and Formula 1 racing – two very different sports that have profoundly shaped my mindset. Golf, which I play regularly, teaches patience, precision and strategic decision-making. It demands focus, adaptability and a willingness to take calculated risks, the qualities that are essential in business leadership. On the other hand, Formula 1 racing fuels my love for high-adrenaline sports. It is all about speed, strategy and rapid reaction –mirroring the fast-paced, high-stakes nature of today's business environment, where split-second decisions and continuous performance improvements are critical.

Turning point in your career

The period between 2001 and 2007 was a very difficult one for our company. We were hit by various external issues which took the company into loss. Navigating the company from the driving seat through this difficult time taught us the value of being focused towards the end goal and never-say-no attitude.

Secret of your success

As a leader, I believe that success is deeply contextual. It is not a fixed destination but an ongoing journey of learning, growth and adaptation. In a world that is constantly evolving, the ability to learn and improve continuously is what sets enduring success apart from short-term wins. I am guided by three core principles: perseverance, which means staying the course even when faced with adversity; involvement, by being hands on and deeply engaged in every facet of the business; and constant learning, because staying ahead in a dynamic market demands an openness to new ideas, technologies and perspectives. These values have shaped how I lead teams, make decisions and drive sustainable success.

Your philosophy of work

Work should create lasting impact, a belief inspired by the Late Shri H L Somany*ji*. My philosophy centres on integrity and vision, leading with purpose beyond profit; innovation and growth, embracing change to drive progress; and customer-centricity, solving real problems and setting new standards. These principles guide every decision I make as a leader.

A person you admire

I deeply admire the Late Shri H L Somany*ji*. His foresight, ethical leadership and ability to shape industry trends continue to inspire me. His long-term vision laid the foundation for Somany Ceramics' enduring success. I am equally inspired by entrepreneurs who built businesses from the ground up, creating lasting legacies through grit, innovation and purpose.

The best advice you received

One advice is never to stop learning. The world changes constantly, and staying ahead means embracing new knowledge, adapting and innovating. The second one is accept your weakness, understand, learn from it and work towards overcoming it.

Your favourite books

While I do not read many books, I stay current through focused, relevant sources like the *Harvard Business Review,* the *Sloan Management Review* and industry-specific journals in real estate, retail and ceramics. My core interest lies in strategic leadership, and I make it a point to stay updated on market trends, business events and emerging shifts that shape the competitive landscape.

Your fitness regime

I lead an active lifestyle through a balanced mix of short walks, squash and golf. For me, staying fit is not just about physical well-being. It is about sharpening mental clarity and building endurance.

Maintaining peace in stressful times

Golf is my go-to de-stresser. It helps me disconnect and refocus. Beyond that, it is the presence of my family, the joy of being with my kids and indulging in my hobbies like collecting scaled model cars, photography and travel that truly helps me stay healthy and de-stressed.

ABHISHEK SOMANY

MD & CEO, Somany Ceramics

Your *mantras* for success in business

I strongly believe that high governance standards are non-negotiable. They build trust, accountability and long-term value. Staying ahead of trends and thinking beyond the present are the key to staying relevant in a dynamic market. At the core of my approach is a customer-first mindset, ensuring that every strategy adds real value to those we serve. I also embrace resilience in the face of uncertainty and am not afraid to take calculated risks, both of which are essential to driving innovation and long-term business success.

Your message on management to youngsters

I believe in the principle: "Think big, start small, and act fast". Vision is important, but without execution, even the best ideas fall short. I have learnt never to overpromise and underdeliver – credibility is built on consistency. Success comes from persistence, a commitment to continuous learning and the ability to build strong, trust-based relationships that drive lasting impact.

The author is a columnist and freelance writer.
She can be contacted at Chand.sharmila@gmail.com

"Never stop learning. The world changes constantly, and staying ahead means embracing new knowledge, adapting and innovating. Accept your weakness, understand, learn from it and work towards overcoming it."

Tata Steel to cut 20% of Dutch workers

Tata Steel has said that it will cut around 1,600 jobs in the Netherlands in a drive to increase profitability amid fierce competition from China and rising US import tariffs. The move will cut Tata's Dutch workforce by roughly 20 per cent, mainly at the large steel plant in IJmuiden, on the coast west of Amsterdam. Tata has added that the reorganisation will mainly hit management and support staff in IJmuiden with the aim of centralising its organisation and making it more efficient. The Dutch division has reported a loss of $613.05 million in the year through March 31, 2024, as it was hit by high energy prices and Chinese competition.

Volvo set to slash 800 US jobs

The Volvo Group plans to lay off as many as 800 workers at three US facilities over the next three months due to market uncertainty and demand concerns in the face of President Donald Trump's tariffs, a spokesperson has said. Volvo Group North America has said in a statement that it has told employees that it plans to lay off around 800 people at its Mack Trucks site in Macungie, Pennsylvania, and two Volvo Group facilities in Dublin, Virginia and Hagerstown, Maryland. The company, a part of Sweden's AB Volvo, employs nearly 20,000 people in North America. Mr Trump has upended the global trading system with his erratic tariff policy.

Roche to invest $50 bn to avoid tariffs

Roche has said that it will invest $50 billion in the US over the next five years, creating more than 12,000 new jobs. The announcement comes as drugmakers unveil investments to deal with tariffs from the Trump administration, which is seeking to boost domestic manufacturing. Fellow Swiss drugmaker Novartis had earlier said that it would spend $23 billion in the US, while Eli Lilly and Johnson & Johnson also announced sizeable investments recently. Roche's and Novartis' announcements have given a boost to Swiss President Karin Keller Sutter, who recently met senior US officials in Washington to try to reduce a threatened 31 per cent US tariff on Swiss exports.

Meta releases Llama 4 AI models

Meta Platforms has released the latest version of its large language model (LLM) Llama, called the Llama 4 Scout and Llama 4 Maverick. Meta has said that Llama is a multimodal AI system. Multimodal systems are capable of processing and integrating various types of data, including text, video, images and audio, and can convert content across these formats. Meta has added that Llama 4 Scout and Llama 4 Maverick are its "most advanced models yet". Meta has added that Llama 4 Maverick and Llama 4 Scout will be open-source software. Big technology companies have been investing aggressively in artificial intelligence (AI) infrastructure following the success of OpenAI's ChatGPT.

Intel to sell stake in Altera for $4.46 bn

Intel has agreed to sell a 51 per cent stake in its Altera programmable chip business to buyout firm Silver Lake for $4.46 billion. This is the first major move by Intel's new CEO Lip-Bu Tan to revive the struggling American chipmaker. The deal values Altera at just $8.75 billion compared to the nearly $17 billion Intel had paid in 2015. But the sale will provide the company much-needed cash after hefty its earlier bets on contract manufacturing strained its finances. Shedding assets is at the centre of Mr Tan's strategy to streamline the chipmaker after Intel had failed to diversify beyond its mainstay PC and server chip business for years.

EU hits Meta, Apple with $877-mn fines

European Union (EU) regulators have imposed fines on Apple and Meta, totalling $877 million for violating new antitrust rules. These are the first sanctions by the EU under landmark legislation aimed at curbing Big Tech's power. In an emailed statement Apple has said: "Today's announcements are yet another example of the European Commission unfairly targeting Apple in a series of decisions that are bad for the privacy and security of our users and bad for products." Meta too has reacted to the fine thus: "The European Commission is attempting to handicap successful American businesses, while allowing Chinese and European companies to operate under different standards."

Huge imports pull down US Q1 GDP

The US economy contracted in the first quarter of 2025, marking its first decline in over two years. The fall was driven by a sharp increase in imports ahead of new tariffs and a slowdown in consumer spending. Inflation-adjusted GDP fell at an annualised rate of 0.3 per cent, according to the US Bureau of Economic Analysis' preliminary figures released late last month. This follows average annual growth of around 3 per cent over the previous two years. Net exports reduced GDP by nearly 5 per cent, the largest drag on record. Consumer spending, which accounts for roughly two-thirds of GDP, rose by 1.8 per cent, the lowest since mid-2023.

Small US clothing retailers delay orders

Clothing and accessories retailers across the US are delaying orders and freezing hiring ahead of tariff hikes on products imported from Vietnam and China. These businesses face an impossible choice: offset the cost of tariffs by raising prices and cratering sales, or absorb the cost increase and further strain already-thin profit margins.

Unlike their bigger rivals, however, the smaller clothing and shoemakers lack vast supply chains, making them highly dependent on Vietnam and China. Footwear Distributors and Retailers of America has calculated that a $155 running shoe made in Vietnam will have to be marked up to $220 in US stores to offset the 46 per cent tariff.

Prada buys Versace from Capri for $1.3 bn

Prada has struck a deal to buy smaller rival Versace from Capri Holdings in a move to unite two of the biggest names in Italian fashion. The deal has an enterprise value of $1.375 billion. Prada is seeking to expand, having defied a slowdown in luxury demand, while Versace has been operating at a loss. The merger strengthens Italy's hand in a luxury industry led by French conglomerates. "We aim to continue Versace's legacy, celebrating and re-interpreting its bold and timeless aesthetic," said Prada Chairman Patrizio Bertelli. The price Prada has agreed to pay for Versace is a big discount to the roughly $2.15 billion that Capri had paid for Versace in 2018.

Google found to dominate two ad markets

Alphabet's Google illegally dominated two markets for online advertising technology, a judge has ruled, dealing another blow to the tech giant. The verdict paves the way for US antitrust prosecutors to seek a breakup of Google's advertising products. US District Judge Leonie Brinkema in Alexandria, Virginia, found Google liable for "wilfully acquiring and maintaining monopoly power" in markets for publisher ad servers and the market for ad exchanges which sit between buyers and sellers. Publisher ad servers are platforms used by websites to store and manage their ad inventory. Lee-Anne Mulholland, the vice-president of regulatory affairs at Google, said that Google will appeal against the ruling.

Russia eats into OPEC's Indian oil imports

Share of Organization of Petroleum Exporting Countries' (OPEC) oil in India's imports fell to a record low in 2024-25 as refiners continued to gorge on cheaper oil from Russia. Russia has become the top oil supplier to New Delhi for the third straight year, data obtained from trade and industry sources show. India, the world's third-biggest oil importer and consumer, has been tapping Russian oil sold at a discount after Western nations imposed sanctions on Moscow over the Ukraine war. The South Asian nation imported an average of 4.88 million bpd of oil in FY25, registering growth of 5 per cent over the oil imports in the previous year.

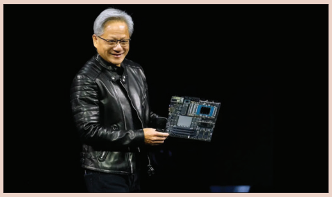
Tesla denies report over replacing Musk

Tesla Chairperson Robyn Denholm has denied a Wall Street Journal report that had said that board members about a month ago had reached out to several executive search firms to find a replacement for CEO Elon Musk. Ms Denholm called the report "absolutely false" and said on the X that the EV-maker's board was "highly confident" in Mr Musk's ability to "continue executing on the exciting growth plan ahead". The Wall Street Journal has said in a statement that it stands by its reporting that the board was seeking a new CEO due to Mr Musk's heavy involvement with President Donald Trump's administration, citing people familiar with the discussions. ■

China sells more hybrid vehicles in EU

Chinese carmakers, including BYD and Chery, are selling more plug-in-hybrids in the EU to avoid import tariffs on Chinese-made electric cars. The two brands sold 3,269 and 757 plug-in-hybrid vehicles respectively in the bloc in March, up from near zero sales in July 2024 when provisional tariffs were first introduced. EU tariffs of up to 45.3 per cent on Chinese-built, battery-electric vehicles (BEVs) came into full effect in November 2024 to prevent a flood of cheap cars. Facing disruption from US tariffs, the EU and China are negotiating a relaxation of the European levies. BYD and Leapmotor have also adjusted their European strategy to adapt to EU tariffs and BEVs in Europe.

China's big rush for Nvidia's H20 chips



Chinese companies, including ByteDance, Alibaba Group and Tencent Holdings, have placed at least $16 billion in orders for Nvidia's H20 server chips in the first three months of the year, the Information has reported, citing two people with direct knowledge of the transactions. In February, the Reuters had first reported a surge in orders for the H20 – the most advanced AI processor legally available in China under US export controls – driven by booming demand for Chinese startup DeepSeek's low-cost AI models. The H20 is the primary chip Nvidia is legally permitted to sell in China and was launched after the latest round of US export restrictions took effect in October 2023.

BoJ's rate hike plan faces hurdles

The Bank of Japan's (BoJ) rate-hike cycle is facing its biggest test since Governor Kazuo Ueda took the helm two years ago. The US President Donald Trump's tariffs have rapidly narrowed the window for further increases in still-low borrowing costs in Japan. After the BoJ's decision to keep interest rates steady at 0.5 per cent recently, Mr Ueda said that the timing for underlying inflation to converge towards the central bank's 2 per cent target has been "pushed back somewhat" – essentially signalling a pause in rate hikes for more clarity on the fallout from the higher tariffs. But persistent food inflation may force the BoJ to hike rates again.

Entrepreneurs' Handbook

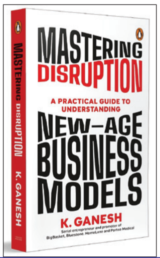
The book decodes different strategies that businesses can adopt to tackle disruption and change in a rapidly-evolving world.

The need for this book is driven by the rapid pace of change and innovation in the business world. Traditional business models and strategies that may have worked in the past are no longer that effective, and new technologies and emerging trends are constantly disrupting the industry.

To stay ahead of the curve and remain competitive in the modern business world, it is critical to gain a deep understanding of new business models and strategies that can help businesses succeed. Not only businesses but also working professionals need to stay up to date with the latest trends and best practices in management and business, and to adapt to the rapidly-changing landscape of the industry.

"Disruption rarely happens overnight. In most cases, there are leading indicators – small shifts in customers' preferences, technological advancements or new competitors emerging from unexpected places. Companies that keep their antennas up, pay attention to these signals and listen to customers and the broader market can often spot disruptions early enough to act," notes author Ganesh Krishnan, a successful entrepreneur himself.

MASTERING DISRUPTION



Author: Ganesh Krishnan

Publisher: Penguin Random House India

Pages: 224

Price: Rs 399

Mr Ganesh decodes different approaches and strategies that businesses can adopt to tackle disruption and change and thrive in a rapidly-evolving economic landscape. He also delves into the various aspects of new-age business models, changing consumer behaviour, building strong customer relationships and how digital public infrastructure have significantly lowered the barriers for entrepreneurs.

This book urges new-age companies to track actionable metrics, including customer acquisition cost, lifetime value and contribution margins, and not be swayed by vanity metrics such as app downloads, page views and social media followers. The inspiration for this book comes from Mr Ganesh's experiences while launching, scaling and successfully exiting ventures such as BigBasket, Bluestone and HomeLane, as well as from his years of teaching emerging business models at IIM Bangalore.

One of the book's strengths lies in its structured approach to understanding disruption. He walks the reader through a large variety of business models that the current information age has made possible, while breaking down complex concepts, making it easier for readers to grasp the underlying principles. He describes the working principles of platforms and marketplaces, for example, and gives current Indian examples, delineating the key metrics for each model. He emphasises the importance of agility, adaptability and foresight in responding to disruptive forces. The book encourages readers to think critically about their business models and to embrace change as an opportunity rather than a threat.

One of the most valuable aspects of the book is the section on how legacy businesses using traditional business models can transform themselves by leveraging new business models where Mr Ganesh shares his insights on scaling businesses in the face of disruptive forces. Drawing from his experiences as an entrepreneur and investor, he explains how such transformations can achieve scale. The anecdotes and lessons from his entrepreneurial journey add a personal touch.

This book helps entrepreneurs and readers to position themselves for success in a rapidly-changing world and stay ahead of the curve.

About the author

Ganesh Krishnan *is a seasoned entrepreneur with a proven track record of launching and exiting successful ventures. He is founder and partner at GrowthStory.in, a leading venture builder platform that incubates and promotes new ventures and entrepreneurs. Currently, the companies under GrowthStory employ over 25,000 personnel and are valued at over $4.5 billion. Mr Ganesh is promoter and founder director of BigBasket, Portea Medical, Bluestone, HomeLane and other new-age tech companies. He has been actively involved in guiding these companies in areas of strategy, fundraising, technology, scaling and governance.*

Compiled Conversations

The book celebrates a decade of the Raisina Dialogue. It brings together voices from across the world – of leaders and thinkers reflecting on the Raisina Dialogue's impact on how we may navigate global challenges and create solutions that work. Putting India at the forefront of leading the change, the effect of these dialogues is felt across policies and projections that the global family is working towards.

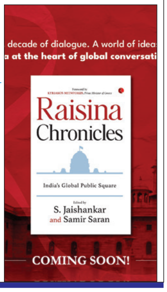
Subrahmanyam Jaishankar and Samir Saran, the editors, who are also the curators of the Raisina Dialogue, emphasise that diversity, dissent, discord and divergence of opinion make for the necessary ingredients for a sustainable future, shaped and owned by all. Ten years since its inception, the Raisina Dialogue – organised by the Observer Research Foundation (ORF) in collaboration with the Union External Affairs Ministry – has become the paramount platform for bringing together cultures, peoples and opinions. It is now India's flagship geopolitical and geo-economic conference, and has truly become a global public square – located in New Delhi, incubated by the world.

In tandem with the curated discussions, this book reflects on the Raisina Dialogue's journey and brings to its readers a single volume containing thorough insights and unbridled optimism for finding common solutions to global challenges.

As the world stands on the cusp of structural and historical change, the hope that is central to this work is for the voices of the people to be at the forefront of global politics and policymaking, resonating through power corridors and finding their way to the masses. For leaders to implement change, society must come together to take that one step forward in the right direction.

RAISINA CHRONICLES

Editors: Subrahmanyam Jaishankar & Samir Saran
Publisher: Rupa Publications India
Pages: 232
Price: Rs 595




S Jaishankar


S Saran

About the editors

Subrahmanyam Jaishankar *has been India's external affairs minister since May 2019 and is currently a member of the Rajya Sabha, representing Gujarat. He was India's foreign secretary from 2015 to 2018. He is also the author of several best-selling books.* **Samir Saran** *is president of the ORF, India's premier policy think-tank. Mr Saran is curator of the Raisina Dialogue, and co-chair of the World Economic Forum's Global Future Council on Geopolitics. He has authored five books and written many academic papers.*

Managing Effectively

Former Microsoft executive and Fortune 500 CEO coach Sabina Nawaz delivers a practical guide for managers at a time when managing is harder than ever.

This book explains why top performers inevitably turn into terrible managers when their behaviour, compounded by the power and pressure that come from climbing the corporate ladder, engenders toxic work cultures and saps everyone else's enthusiasm around them. The very traits that they believe have gotten them to the top – whether it is loose personal boundaries, perfectionism or a bullish communication style – may self-sabotage their efforts and those of their team.

Ms Nawaz – the top executive coach and former adviser to Microsoft's Bill Gates and Steve Ballmer – does not advocate for a leadership personality transplant or a lengthy journey in self-development. Instead, she introduces simple strategies that you can implement today that rail-guard against the common pitfalls of management.

By managing pressure and collapsing distance, Ms Nawaz ensures that top performers effectively manage others, navigate relationships and communicate effectively in every context.

YOU'RE THE BOSS

Author: Sabina Nawaz
Publisher: Ebury Edge
Pages: 272
Price: Rs 999

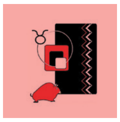
About the author

Sabina Nawaz *is an executive coach for C-Suite talent and teams at Fortune 500 corporations, government agencies, non-profit organisations and academic institutions around the world. A former executive at Microsoft, where she worked with Bill Gates and Steve Ballmer directly, she understands the pressures and challenges leaders face. Her work has appeared in publications such as the* Harvard Business Review, The Wall Street Journal, *the* Forbes *and the* Fast Company.

Aries
Mar 21-Apr 20

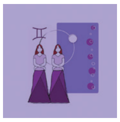
The beginning of this month may bring some financial difficulties, for which you would be needed to put in much hard work. Your efforts may not give worthy results which may frustrate you. It will also produce some negative vibes in your life. You would find some obstacles, besides which there would be some enemies around you creating impediments. So, you may require to act with caution.

Taurus
Apr 21-May 20



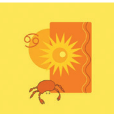
The month may begin on a tricky note. So, mark out your priorities, and prepare a budget. Execute due discrimination while spending money. With adequate discipline and due restraint, you will be able to secure monetary gains. As the month advances, you are likely to manage your finances efficiently, but some commitment pressure may keep bothering you. A new opportunity seems to be in the offing around the mid-month. You are likely to make good financial deals during the latter half of the month.

Gemini
May 22-Jun 21



You may find good opportunities for financial gains. But you need to keep enough provision for unplanned expenses. It would also be ideal for you to go slow with your investment plans. In your hurry to succeed, however, you may miss out on some vital points. There may be some confusion around the middle of this month. So, watch your word, and do not make any hasty financial commitments. There may be some good earning opportunities during the latter half of the month.

Cancer
Jun 22-Jul 21



Impact of supportive planetary influences will keep you in high spirits regarding your finances. There may be some commitment pressure, but you will have enough resources available to manage the issues. In the middle of this month though, you will be trying hard to meet your goals, and things will not move smoothly. It would be better to avoid making any major move. Gradually, there may be a possibility of a new opportunity to work upon to enhance your financial prospects.

Leo
Jul 23-Aug 23

The month may begin on a positive note, and you may find some good earning opportunities. But be careful, as on certain occasions, you are likely to take rash decisions which may land you in troubles. You need to be patient. It is time to contemplate and review matters. Favourable planetary support will keep you in high spirits regarding your finances. There may be some commitment pressure, but you will have enough resources available to manage the issues. The middle of the month will steadily lead you towards financial growth. You may also get your pending dues.

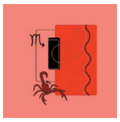
Virgo
Aug 24-Sep 23

During this month, strengthen your financial status with a strong support system, but remain cautious of complex issues in the beginning. Prioritise spending, and maintain a balance for success as the month advances. Mid-month, planetary influences will bring favourable results, smart investment opportunities and resolution of long-standing financial issues, leading to relief and clarity. In the latter half, improved positioning and increased earnings may be offset by unexpected expenses.

Libra
Sep 24-Oct 23

This month's financial journey is marked by complexity, unexpected issues and a need for caution, but also gradual improvements, new earning opportunities and promising wealth gains. The first week requires prudence and patience, while the mid-month brings gradual financial improvements and gains from old investments. The latter half of the month sparks ambitions, but demands discipline and accurate financial records, with clarity emerging later in this phase. The month ends with financial optimism and a need for focused effort and disciplined planning.

Scorpio
Oct 24-Nov 23



At the beginning of the month, favourable planetary influences drive motivation and enhance financial prospects, ideal for developing new strategies to increase earnings and introduce solid planning. In the mid-month, opportunities arise to enhance financial stability, but caution and prudence are advised in financial dealings and investments, balancing intuition with solid reasoning and expert advice. Planetary influences encourage indulging in life's pleasures. But initially, focus on addressing family needs and exploring ways to boost income, redirecting energy towards positive pursuits.

TCS Hampered By Confusion & Uncertainty

Tata Consultancy Services (TCS) is an Indian multinational information technology (IT) service and consulting company, headquartered in Mumbai, Maharashtra. It is a part of the Tata Group and operates in 46 countries.

Important Timeframes

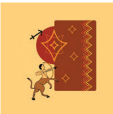
- TCS' astrological chart for this year shows extreme confusion, uncertainty, doubt and puzzlement, as four major planets in its natal chart are disturbed, which will have a negative impact.
- On the other hand, two planets are improving. So, following the Nifty's pattern and maintaining patience seem to be the only option.

Four major planets disturbed in its natal chart will have a negative impact on the TCS stock.

- From 29-04-2025 to 29-05-2025, hiring freezes and a slowdown in IT outsourcing growth may put slight pressure on TCS.
- From 30-05-2025 to 13-06-2025, AI, automation and FII buying may indicate signs of recovery.
- From 14-06-2025 to 27-06-2025, macroeconomic uncertainties and potential operational margin declines may keep volatility high in the stock.
- From 28-06-2025 to 11-07-2025, TCS may see an uptrend due to new global deals and rising investments in cloud computing.

Sagittarius

Nov 24-Dec 21



In the beginning of the month, old money matters and unresolved commitments will be a significant concern, causing worry and confusion. It is essential to seek guidance from trusted individuals to gain clarity and avoid further confusion. As the month advances, planetary influence may spark greed, leading to impulsive decisions, aimed at rapidly improving financial status. But beware of unnecessary problems arising from speculation. Instead, invest in productive ventures with careful consideration. During the latter half of the month, financial challenges will arise, including unexpected expenses, some of which may be sudden and unplanned. Having a back-up plan in place will be crucial to navigate these conditions.

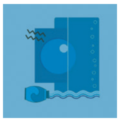
Capricorn

Dec 22-Jan 20

This month begins with financial disruptions, prompting a prudent increase in emergency funds for unforeseen expenses. As priorities are re-evaluated, resource management improves, enabling wise decision-making. Opportunities for extra income or business partnerships emerge, bringing a sense of abundance. Mid-month is ideal for real estate transactions, investing in fixed assets or major household purchases. The latter half is a period of reflection, planning and strategic build-up, preparing for future financial growth. However, avoid risky projects around the month's end, and instead focus on consolidating your position.

Aquarius

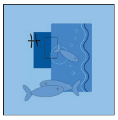
Jan 21-Feb 18



The month begins with a good income flow, making it essential to save and avoid unnecessary financial debt. Continue being responsible with your finances, and correct any wrong directions immediately. Calculative investments in the share market can be beneficial, but decisions must be made cautiously. Property-related issues will be resolved around the mid-month. Later, you will focus on planning your financials and seeking professional help, if required. Make major decisions after due deliberation to avoid commitment pressure. With patience and understanding, your financial prospects will flourish. Focus on building a stable financial foundation, and with dedication, your financial growth will accelerate. By mid-month.

Pisces

Feb 19-Mar 20



This month, your income is likely to increase due to your sustained efforts, bringing moments of amusement and bliss. Planetary support provides opportunities to resolve pending matters, but unexpected financial issues may arise around mid-month, requiring proper financial planning and control over obligations, purchases and expenses. However, the latter half of the month brings favourable planetary aspects, ensuring unhindered and plentiful money flow, covering expenses with ease. Be cautious of overspending tendencies, and utilise good financial intelligence to manage your finances effectively around the month's end.

In mid-March, Vikas Kaushal assumed charge as chairman and managing director of Hindustan Petroleum Corporation (HPCL). Interestingly, Mr Kaushal's appointment is a rather rare break from convention. This is for the first time that a private-sector executive – Mr Kaushal was until recently associated with global management consultancy Kearney – has been chosen to lead a public sector undertaking (PSU) in India's oil and gas industry.

Mr Kaushal heading State-owned HPCL may be something quite new. Yet, Mr Kaushal himself is not new to the Mumbai-headquartered oil refining and marketing company. The new HPCL chairman has closely worked as a top-notch consultant with many of Indian public and private energy companies, including HPCL, for the past many decades.

A chemical engineering graduate from Panjab University with an MBA from IIM Ahmedabad, Mr Kaushal began his career at ICICI, where he worked in the project finance and advisory services division. Since 2000, he had been associated with Kearney, where he served as a partner for over 17 years. Mr Kaushal has held key leadership positions throughout his career. He was twice elected to Kearney's global board of directors and had also served as managing director and country head for Kearney India for five years.

AT THE HELM

VIKAS KAUSHAL

A veteran in the energy sector, Mr Kaushal has had an extensive global exposure in oil, gas, power and renewable energy for over three decades. He has played a crucial role in shaping the Indian oil and gas sector as an adviser to leading State-run oil companies, including Indian Oil Corporation (IOCL), HPCL, Bharat Petroleum (BPCL) and GAIL.

At IOCL, Mr Kaushal had led a five-year digital transformation programme, making the company a consistent award winner for the best digital oil company. He had spearheaded multiple strategic projects in petrochemicals, gas and related domains. He had also led a refinery maintenance transformation programme and spearheaded IOCL's Dhruva retail transformation and cost transformation of its lubes business.

HPCL had in the past benefited from Mr Kaushal's expertise as

FACTS FOR YOU

RESERVE BANK OF INDIA

The Reserve Bank of India (RBI) celebrated its 90th anniversary on April 1.The central bank was established on April 1, 1935, on the basis of the Reserve Bank of India Act of 1934. Osborne Smith was appointed the first governor of the RBI. In August 1943, C D Deshmukh took over as the first Indian governor of the RBI.

Post-Independence, when India adopted economic planning, the RBI pioneered the concept and practice of using finance to catalyse development. The central bank also helped set up institutions like the Deposit Insurance and Credit Guarantee Corporation of India, the Unit Trust of India, the Industrial Development Bank of India and the National Bank of Agriculture and Rural Development (NABARD), among others, to build the country's financial infrastructure. With liberalisation, the RBI's focus shifted back to core central banking functions like monetary policy, bank supervision and regulation, and overseeing the payments system and developing the financial markets.

Post-liberalisation, RBI's focus has returned to core central banking functions like monetary policy and developing financial markets.

The RBI has four zonal offices, one each in Chennai, New Delhi, Kolkata and Mumbai. It has offices at 33 locations across the country. The general superintendence and direction of the RBI is entrusted with the 21-member central board of directors. The board is made up of the governor, four deputy governors, two Finance Ministry representatives, 10 government-nominated directors to represent important elements of India's economy and four directors to represent local boards headquartered a top energy consultant. He had established the centralised procurement office, implemented energy-saving measures and had led many diversification strategies in the petrochemical sector. BPCL's net-zero emission planning and a strategy to develop petrochemicals were also largely executed by Mr Kaushal's expertise. In the power sector, he had played a vital role in designing and implementing NTPC's corporate plan and had introduced reliability-centred maintenance for Tata Power.

It is over a month since Mr Kaushal took charge of HPCL. In this period, he may perhaps have realised that unlike a private entity, managing a public sector company is a different ball game. Besides, the current period also coincides with volatility in the global energy environment amid growing uncertainty. But these issues would hardly deter a veteran like Mr Kaushal, who may already be executing a grand plan for HPCL's big-bang growth. ■

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in Mumbai, Kolkata, Chennai and New Delhi.

The RBI conducts manifold functions. It formulates, implements and monitors the monetary policy to maintain price stability. The central bank manages the country's foreign exchange and issues currency and coins. It performs merchant banking function for the Central and the State governments and also acts as their banker.

The RBI has managed the country's monetary system quite efficiently since the economic liberalisation of 1991. Since then, the interest rate regime has been deregulated, allowing lenders to set their respective interest rates. The banking sector has been privatised with issue of licences to both private and foreign banks to operate in the country. ■

SPIRITUAL CORNER

The Nature Of Ego

Questioner: *Which one goes through birth and death (the coming and going;* avagaman*), the Soul or the body?*

Dadashri: *Neither the body nor the Soul undergoes birth and death (avagaman). Only the ego does. This body comes with all its necessities, but it is mainly the ego that comes and goes. The cycles of birth and death come to an end, for the one whose ego has ended.*

Questioner: *What is a true definition of ego?*

Dadashri: *The world has not understood the real meaning of the ego. It is not how they understand it. Each understands it according to his own language (*bhasha*; interpretation). Isn't everyone's 'language' different? But it will not do, as far as the language of God goes. You will be put to the test, because 'there' (in matters of liberation), it will not work. Ego means that although one does not do anything, one asserts, 'I am the doer' (*ahamkar*). That is the false assertion (*aropit bhaav*; false imposition). It is called ego. The primary thing is the ego, and from it arises all kinds of words like:* maan *(pride),* abhimaan *(excessive pride due to material possessions),* garva *(ego of doership),* ghemaraji *(pompous display without any substance), etc. What kind of a thing is abhimaan? In it the* aropit bhaav *(false assertion) which is the ego, is there, but when someone shows off by saying: "I have four bungalows, and I have two cars," it is called* abhimaan*. To claim to do something, when one is not the doer is called egoism (*ahamkar*).*

Questioner: *The Gita (The Bhagavad Gita, the sacred text of knowledge given by Lord Krishna to Arjun in the Mahabharata war) mentions that the ego is the principle thing; therefore, it must have existed before the origin of everything, right?*

Dadashri: *It is a thing before the* utpatti *(origin, beginning). What the Gita says is right. The ego does not come after* utpatti*. Primarily, it is the ego that comes first, and then comes the origination. You will realise the fruit of whatever* karma *you have done with the ego in this life in the next life. In truth, it is someone else that is the 'doer', but it is through your illusion (*bhranti*) that you believe you have 'done' it. If you yourself were the doer, then you would not allow yourself to die (*nanami*). No one has the independent power and energy (*shakti*) to evacuate his bowels. Nevertheless, he does have other powers, but they have not yet manifested. And he who says, 'I am doing', is outside of his 'own' (the Self's) power (*shakti*). Don't people say: "I ate, I drank, or I am hungry"? If you are hungry, then why don't you put out that hunger? And he would say: 'No, I cannot satisfy my hunger without putting some food in my stomach.'*

*The ego arises first, and then the body is formed; thereafter, all the other external results (*parinam*) eventuate.* Karma *is created by the ego, and this is the consequence of that. This mind, body and speech are the fruits (consequences). The ego is the 'cause' and the mind, body and speech are the 'effect'. 'Cause and effect', 'effect and cause': this is how everything continues. The* Gnani Purush *can stop the causes, so only the effect is left. And so, there will never again be another effective body.*

To be Continued…

For more information on Dadashri's spiritual science, visit dadabhagwan.org

Nurturing People

Radhika Nair is known for shaping positive workplace culture and fostering development of talent through effective business partnerships. Ms Nair – currently the head of people and culture for Volvo Group India since July 2024 – has been excelling at these tasks over the past few years. Prior to the current post, Ms Nair was vice-president of human resources, and before that, she was the human resources director of the Volvo Group. Ms Nair – who has extensive experience across banking, retail, telecom, ITeS and product organisations – shares some details about her personal and professional lives with **Sharmila Chand** *in an engrossing conversation.*

RADHIKA NAIR
Head (People & Culture),
Volvo Group India

What is your work philosophy?
My philosophy is about staying true to my values, being transparent and making decisions that benefit not only the business but also the people we serve.

What is your passion in life?
My passion in life is simple: Learning, growing and helping others do the same. I am always chasing that 'aha' moment, whether it is in a book, a conversation or a new challenge.

What is the secret of your success?
Stay curious, stay grounded, work hard, and maintain a positive attitude. Curiosity keeps me learning and open to new ideas, while staying grounded ensures that I stay focused on my values. Hard work is the foundation of any achievement, and a positive attitude allows me to navigate challenges with resilience and optimism.

Business leaders you admire the most...
Ratan Tata stands out for me. His integrity, humility and visionary leadership have shaped not just the Tata Group but also the business landscape in India. I am also inspired by Kiran Mazumdar-Shaw. Her resilience, passion and commitment to making healthcare more accessible in India inspire me to push boundaries and never stop learning.

How do you de-stress?
Gardening is a great way for me to relax and reconnect with nature. I also enjoy spending time with family and friends, whether it is having a good conversation or sharing a laugh. A bit of music or a quiet walk outdoors also helps clear my mind and brings me back to a place of calm.

Where do we see you ten years from now?
Ten years from now, I hope to be someone who has evolved in ways I cannot yet imagine – much more well-read, wiser and continually learning.

Lastly, how would you like to define yourself?
I would define myself as someone who is constantly learning, adapting and striving to make a positive impact.

Write to us at chand.sharmila@gmail.com

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