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SPOTLIGHT

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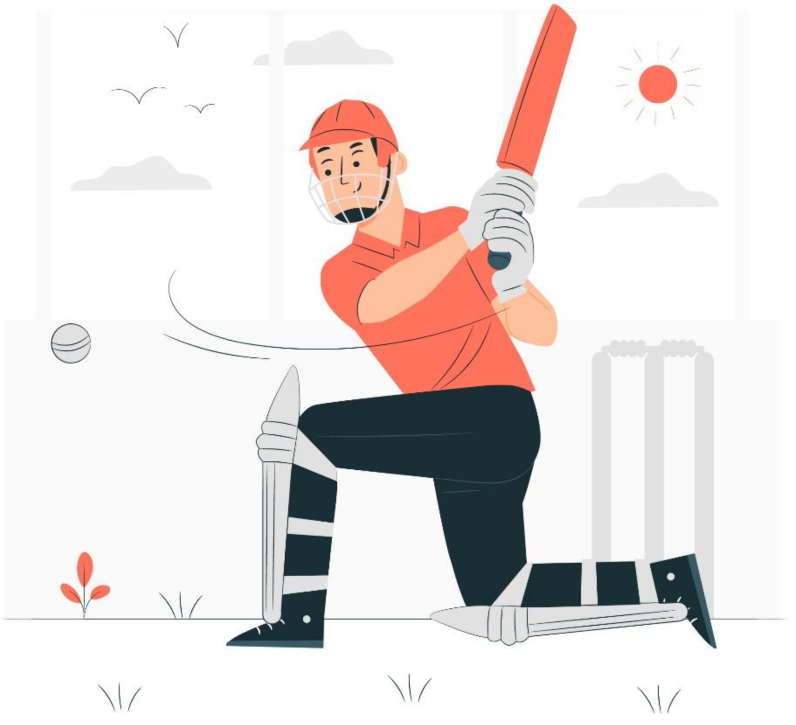
Indian Premiere League – IPL turns 18. Is the showbiz finally old enough to vote, or it is still busy partying?



Introduction

The Indian Premier League (IPL) is no ordinary cricket tournament; it's an institution, a phenomenon, and a rollercoaster of glitz, glamour, and game-changing moments that have redefined the sport over the last 18 years. Launched in 2008 by Lalit Modi with the audacious idea of blending cricket and entertainment, the IPL quickly evolved from a flashy experiment into a global sports spectacle. From the iconic debut of the Rajasthan Royals, clinching the first title against all odds, to the rise of powerhouses like Mumbai Indians and Chennai Super Kings, IPL has delivered drama, rivalries, and unforgettable matches. The league has seen its fair share of controversies—remember the spot-fixing scandal in 2013 or the tension-filled auctions?—yet, it has managed to rise from every setback, consistently growing in both stature and revenue. The introduction of the "Moneyball" era saw the emergence of young, lesser-known players, turning them into international stars—think of the meteoric rise of emerging talents like Jasprit Bumrah, Shubman Gill, and Hardik Pandya. IPL wasn't just about cricket; it embraced the Bollywood connection, with celebrities and big brands associating themselves with teams, turning it into a massive marketing juggernaut. The league also revolutionized the T20 format, with its high-octane games, last-minute thrillers, and massive TV viewership numbers that pushed it beyond the realm of cricket. As it celebrates its 18th year, the IPL stands as a testament to how the right blend of sport, entertainment, and business acumen can create something that has captured the hearts of millions. From the first ball bowled to the final six-hit, the IPL has never been short on spectacle, and as it enters its adult years, it's still on the edge of something big, continuing to capture imaginations worldwide. What started as a bold, glitzy experiment to revolutionize cricket has now grown into one of the most popular and lucrative sports leagues in the world. But, has IPL truly matured? Or is it still the same teenager, throwing parties and breaking records like it did in its younger years?

The Billion-Dollar Business

When IPL first took the field, it was a spectacle of glamour, with movie stars, cheerleaders, and an excess of commercialism, all under the guise of modernizing cricket. The early years were like an epic coming-of-age story, with controversies over player auctions, mysterious betting scandals, and fans divided between traditionalists and the new-

But through it all, the IPL survived. It thrived. Fast forward to today, and IPL has morphed into a well-oiled billion-dollar machine. Franchise values are at an all-time high, viewership is through the roof, and the likes of Virat Kohli, MS Dhoni, and Rohit Sharma have turned into global superstars. For a league that was once considered a short-lived trend, it has held on remarkably well, proving its staying power.

Operating Model

The IPL operates through a franchise-based model, where teams (franchises) are privately owned by corporations, celebrities, or businessmen. Each franchise is allowed to recruit players through an auction process, which is a significant revenue generator for the IPL. Franchises bid on players, and this auction determines the salaries of players for the season. Teams pay a substantial fee to the Board of Control for Cricket in India (BCCI) to acquire a license to operate as a part of the IPL. These franchise fees are a key source of revenue for the IPL. Players are paid through the auction system, where they bid for their services, and the highest bidder wins. Players are also allowed to sign endorsement deals separately, which adds to their income. Recently, the IPL has expanded by adding more teams (e.g., Lucknow Super Giants and Gujarat Titans in 2022), which has increased the league's overall revenue generation capacity. This also allows for broader fan engagement, bringing in new markets and new sponsorship opportunities. The BCCI is likely to continue expanding the league, either by adding more teams or by introducing new formats (such as a Women's IPL), further increasing its potential to dominate the global sports business.

Revenue Streams

One of the most significant sources of revenue for the IPL comes from the sale of its broadcasting and streaming rights. The IPL sells these rights to television networks and digital platforms (like Star India, which previously held rights, and Viacom18 for the 2023-2027 cycle). The value of these rights continues to escalate, with the 2023-2027 deal reportedly worth over INR 48,000 crore, making it one of the most expensive sports broadcasting deals in the world. A large portion of this revenue is distributed among the teams and the BCCI. Sponsorships and Partnerships: Companies pay large sums to associate their brands with the IPL. The league secures deals with title sponsors, official partners, and associate sponsors. For instance, Vivo, Dream11, and Tata Group have all had high-profile sponsorship deals with the IPL, providing massive financial backing. Franchises earn revenue from the sale of match tickets. In stadiums across the country, packed houses provide an additional layer of income. The IPL has successfully attracted a fanbase that fills stadiums for almost every match. Each franchise sells team merchandise like jerseys, hats, and other memorabilia. This contributes to both team revenue and overall IPL profits. With the rise of digital consumption, IPL has expanded its revenue generation through streaming platforms (such as Disney+Hotstar, and in the future, Viacom18's digital platforms). These partnerships also generate massive income for the league.

Distribution

The IPL operates on a revenue-sharing model that benefits both the franchises and the Board of Control for Cricket in India (BCCI). The IPL's revenue, especially from broadcasting rights, sponsorship deals, and advertising, is pooled centrally by the BCCI. A large portion of the money generated from central deals is shared among the franchises, but the split is not equal. Typically, the revenue-sharing agreement allocates around 50% of the central revenue to the franchises. This includes the distribution of money from broadcasting and sponsorships. The remaining revenue for a franchise comes from sources like ticket sales, local sponsorships, and merchandise. These sources of income are entirely retained by the franchises, making it a good business opportunity for the franchise owners. IPL also offers prize money, which incentivizes the teams and players. The winner of the tournament gets a significant cash reward, while the runner-up and other top-performing teams receive portions of the prize pool. Players are paid by the franchises based on their auction prices and contracts. This amount is fixed, and they receive payments from their respective teams. Some high-profile players earn lucrative sums that make the IPL an extremely attractive option for cricketers worldwide. Players can also earn bonuses based on their performance throughout the season, including specific incentives for scoring runs, taking wickets, or fielding well. Players can sign their endorsement deals with brands, adding another significant source of income. For example, top players like Virat Kohli and MS Dhoni often sign individual endorsement deals that bring in significant income outside of the IPL.

Why IPL became a huge success?

When the IPL was launched in 2008, India was hungry for fast-paced entertainment. ODI cricket was starting to feel slow, Test cricket was elite but niche, and the T20 World Cup win in 2007 had ignited a national obsession with the shorter format. The IPL filled that vacuum with a bang—it gave Indians what they didn't know they needed: high-stakes, high-glamour, fast-cricket in prime time. The timing was everything, and IPL nailed it. The franchise model brought in deep-pocketed owners—corporate houses like Reliance and media-savvy investors like Shah Rukh Khan—who had the capital, the media muscle, and the brand-building instincts to turn teams into commercial properties. The player auction, meanwhile, added drama, and transparency, and created a new narrative every season. Importantly, this allowed decentralization of risk and reward: the BCCI didn't have to fund every team or carry the burden of each match's profitability. The franchises did.

The IPL was tailor-made for TV and later, streaming. Matches are short (3 hours), high-energy, and typically scheduled in prime time. This was crucial for monetization. Broadcasters were able to sell ad slots at a premium because of the consistent viewership. Over time, the IPL became less of a sports broadcast and more of a TV event—a content product. The genius? Treat cricket not as sport alone, but as mass media entertainment. That's a 500-million-viewer play, not just a stadium sport. IPL didn't just generate revenue—it created layers of revenue: Media rights (explosive growth year on year), Team sponsorships (jersey space became prime advertising real estate), In-stadia ads and ticketing, Digital streaming with dynamic ad insertions, Merchandising and licensing, Fantasy sports and betting (in global markets), Player endorsements, with IPL performances directly driving brand deals. This isn't just a league; it's a marketplace. Every stakeholder makes money—BCCI, franchises, players, broadcasters, advertisers, ticket vendors.

IPL mixed international flair with local loyalty. A fan in Chennai gets to see MS Dhoni play alongside international stars like Ben Stokes, creating a compelling mix of regional identity and global talent. It brings tribalism with a twist. This global-local mix: Keeps the cricketing standard high, Increases IPL's international viewership, Enhances talent development for Indian players, And most importantly—keeps fans emotionally invested. There's a reason why the IPL is compared more to Netflix than to The Ashes. It's episodic drama—a new match every day, new twists, rising stars, last-over finishes, mid-table chaos. And it comes every year, with a fresh script. Each team has a fanbase, a hero, a villain, and a comeback story. Over time, IPL has become not just about cricket, but about stories. And stories drive retention. From the beginning, IPL embraced Bollywood and pop culture. Whether it was Shah Rukh Khan's KKR, Preity Zinta's Kings XI, or cheerleaders and theme songs—IPL understood India's obsession with celebrity culture. It made cricketers into celebs and celebs into team owners. That dual fandom extended its appeal to both sports fans and casual entertainment consumers.

IPL has never stood still. It expanded teams, adjusted formats, introduced strategic timeouts (ads in disguise), created new broadcasting technologies (spider cams, ultra-edge), and even adapted to bio-bubbles during COVID-19. It reinvents itself just enough each season to keep the audience guessing, but not so much that it alienates loyal fans. Let's be blunt: IPL made Indian cricket deeper and more dangerous. Players like Bumrah, Pandya, SKY, Gill, and Ruturaj may not have gotten the national exposure they did without the IPL. The league became a scouting machine, churning out match-ready players who had already faced global pressure in front of millions. Most sports leagues struggle because one part of the ecosystem bleeds money (like teams in F1 or MLS). IPL flipped the model—its structure ensures profitability. The BCCI earns handsomely. Franchises are mostly cash-positive after initial losses. Broadcasters make billions. Players get rich. Even state associations get a cut from hosting matches. That kind of alignment—where everyone makes money—is rare.

The Party Doesn't Stop

Perhaps the true marker of maturity for the IPL lies in its relationship with its fans. Once primarily a spectacle for urban youth, the IPL now has a wider fan base across the country and beyond. However, with growing competition from other forms of entertainment, such as digital streaming, other leagues, and various sports, the IPL faces the task of keeping its loyal audience while attracting new, younger viewers who might be less enamoured by the spectacle and more focused on pure cricket. Are fans maturing with the IPL? Or are they becoming disillusioned with the razzmatazz and longing for a simpler, purer version of the game? In some ways, the IPL may be like that 18-year-old who, despite their age, still clings to their old habits of partying till dawn and living for the now.

Despite its growth, has IPL matured? Or has it simply found new ways to keep the party going? The IPL still loves its fireworks, flashy opening ceremonies, and celebrity cameos. The IPL brand is not just about cricket; it's about entertainment, glam, and pizza. Even the cricketing legends sometimes seem like secondary characters in the glitzy drama that unfolds on the pitch. The big question: Can you imagine an IPL without the opening ceremonies featuring Bollywood stars or the flashy ads plastered across every surface? Would the IPL even feel the same? Sure, it might be more serious in terms of competition, but that youthful exuberance, the over-the-top energy, and the chaos of it all might just be what fans love most. The IPL's cricketing quality has undoubtedly improved over the years. The younger crop of players like Shubman Gill, Abhishek Sharma, and Rajat Patidar are making waves, while seasoned pros have evolved their game to stay at the top. Teams are now strategizing more carefully, with data analytics playing a bigger role than ever before. That said, the IPL is still filled with the occasional surprising twist – whether it's an unexpected victory or a player's dramatic last-minute six to seal the game. The unpredictable nature of the tournament is arguably one of its biggest charms. Yet, there's always a lingering thought: as it gets bigger and more sophisticated, does it lose some of that thrilling unpredictability? Or is it just part of the IPL's charm that keeps us coming back for more? It might be 18, but in true IPL fashion, it's still having a blast — and that's exactly what we love about it.

(References – The Business Rule, Excellent Publicity, IPL Today)

EXPERT OPINION

Greenvissage

Piyush Goyal vs Indian Startups – A nation of ideas, choked by bureaucracy. Indian Startups deserve more respect.

By Amit Chandak, Managing Partner, Greenvissage

Background

India's startup ecosystem is often hailed as one of the fastest-growing in the world. And rightfully so. In just under a decade, India has transformed from a country of "jugaad" innovations to a powerhouse of scalable, tech-driven startups. We've seen the emergence of unicorns solving real-life problems—from payment bottlenecks to hyperlocal delivery—creating millions of jobs and reshaping consumer behaviour. The numbers speak for themselves: in 2016, India had fewer than 10 unicorns. By 2023, that number had surged past 110, making it the third-largest startup ecosystem globally, after the US and China. This growth hasn't been random—it's been catalyzed by a convergence of factors. Over 800 million internet users, widespread smartphone adoption, and the success of the India Stack (notably UPI, which clocked over 12 billion transactions in December 2023 alone) have created fertile ground for digital-first businesses. Add to that over USD 130 billion in venture capital funding funnelled into Indian startups between 2014 and 2023, and you get an ecosystem that's moving from imitation to innovation. India's fintech market is expected to reach USD 1.3 trillion by 2025.

Companies like Razorpay, PhonePe, and Cred have built sleek solutions on top of complex payment rails, making finance accessible even in tier-3 towns. With lower customer acquisition costs and deep engineering talent, Indian SaaS startups like Freshworks, Zoho, and Postman are now competing globally—Freshworks even listed on the Nasdaq in 2021. Though edtech faced a correction post-pandemic, it still raised over USD 2.5 billion in 2022, and health tech players like Pharmeasy and Practo are addressing access gaps in rural healthcare. But now, at the peak of this progress, a narrative is gaining steam, pushed by none other than Commerce and Industry Minister Piyush Goyal: that Indian startups are too focused on convenience and not enough on core innovation. We are stuck building food delivery apps while China races ahead in semiconductors and AI. These remarks by Commerce and Industry Minister Piyush Goyal have reignited a debate that has been brewing under the surface: Is India focusing too heavily on convenience-based startups at the cost of deep-tech innovation? Is the nation settling for comfort rather than pioneering core technologies that can drive strategic long-term growth?

Piyush Goyal's Swipe at Indian Startups

At the Startup Mahakumbh 2025 in New Delhi, Commerce and Industry Minister Piyush Goyal delivered a candid critique of India's startup ecosystem. He expressed concern that Indian startups are predominantly focusing on consumer convenience sectors like food delivery and quick commerce, rather than investing in deep-tech areas such as electric vehicles, semiconductors, artificial intelligence, and robotics. Goyal highlighted this disparity by presenting a slide titled India vs. China: The Startup Reality Check, contrasting India's consumer-focused startups with China's advancements in high-end technologies. He sparked a storm with a provocative question "Should we aspire to be delivery boys and girls?" The statement, aimed at pushing India's startup ecosystem beyond food delivery and lifestyle apps, has triggered a fierce debate between ambition and reality. He questioned whether India's destiny is to be content with creating delivery services and luxury consumables, urging startups to aspire for more substantial technological contributions. He accused the ecosystem of prioritizing consumer convenience over critical technology, comparing India's food and beauty startups with China's breakthroughs in EVs, AI, and semiconductors. It implied that building a platform to ensure your biryani arrives hot is somehow less noble than designing a chipset. It was a rebuke masquerading as advice, and the startup community took notice.

Startup leaders were quick to respond. Zepto co-founder Aadit Palicha and Aarin Capital chairman Mohandas Pai criticized Goyal's comments, suggesting that the government should focus on creating an environment conducive to deep-tech innovation rather than critiquing existing startup models. Aadit Palicha, among others, defended the economic and societal impact of these so-called convenience startups. He also highlighted the employment and tax contributions of quick commerce, calling it a miracle of Indian innovation. Mohandas Pai called out the government's hypocrisy: How can you criticize the lack of deep tech while failing to provide the support structure such ventures need? He pointed to a massive investment gap: China invested USD 845 billion in startups from 2014–2024; India, only USD 160 billion. Ashneer Grover bluntly argued that policymakers, not founders, need a reality check.

China Comparison: Apples and Missiles

Comparing India to China is a lazy, outdated tactic. China's innovation is state-directed, subsidy-fueled, and often shielded from global competition. India is a democracy with a market-led startup model. And let's not forget: many Chinese innovations are blatant copies, enabled by walled-off markets. We need to stop playing catch-up with China and instead build our trajectory. India has its innovation DNA—frugal, inclusive, and improvisational. Let's embrace that rather than mimic a system we neither want nor can replicate. Instead of moralizing about startup priorities, the government should act. Here are a few places to start: Fund deep tech as a sovereign priority. Just as we created ISRO and BARC, create a national startup mission focused on next-gen tech. Enable public-private R&D. Offer tax breaks to companies investing in labs. Let IITs and IISc spin out commercial ventures as Stanford does. Stop punishing success. The moment a startup scales, it is burdened with compliance, tax scrutiny, and labour law headaches. Let them breathe. Create tiered startup incentives. Offer differentiated support for consumer tech vs deep tech. Both are essential. Treat them differently.

Indian Startup's Bottleneck

Indian startups often face an uphill battle in conducting business smoothly due to a mix of structural inefficiencies, regulatory uncertainty, and a lack of enabling infrastructure. Despite the enthusiasm of a growing entrepreneurial culture and increasing digital adoption, the ease of doing business remains questionable. Regulatory processes are notoriously cumbersome—startups must navigate GST complexities, ambiguous TDS rules on foreign payments, and recurring changes in FDI norms, particularly in sensitive sectors like e-commerce and fintech. For instance, Paytm and PhonePe have both faced frequent compliance heat due to shifting policies on digital payments and data storage requirements. Moreover, capital access remains uneven; while metro-based startups attract venture capital, those in smaller cities struggle due to investor risk aversion and lack of incubators. Deep-tech or hardware startups, like those attempting to build drone tech or EV infrastructure, often can't raise enough funds because India's VC landscape is still heavily skewed towards fast-scaling B2C platforms. Startups also frequently report long delays in payments from both government and enterprise clients—issues that even mature firms like B2B logistics platform Delhivery and SaaS giant Zoho have publicly flagged. Adding to that are bureaucratic barriers: acquiring land, dealing with outdated labour laws, and resolving tax disputes can drag on for months. Innovation suffers as India still ranks low in enforcement of IP rights, making it risky for startups in sectors like biotech, AI, and semiconductors to commercialize proprietary tech. Despite schemes like Startup India and Atal Innovation Mission, implementation on the ground is patchy. The result is a frustrating paradox—India has one of the world's largest startup ecosystems by count, but a far smaller number of globally competitive, enduring companies. Without targeted reforms, startups will continue to be celebrated in pitch decks but throttled in execution.

Building for Bharat

Let's not kid ourselves—deep tech is important, but let's also recognize what real innovation looks like in India. Creating a mobile payment system that works on a feature phone? That's innovation. Designing a supply chain that handles both digital payments and cash-on-delivery in rural Bihar? That's not trivial—that's genius. Look at Kuku FM, which is making vernacular audio content mainstream. Or DeHaat, which connects farmers with agronomists and buyers. These startups aren't just adding convenience; they are reshaping access, education, and livelihood. You don't need a microchip lab to be a national asset. This isn't an argument against deep-tech. Of course, India should build chipsets, AI platforms, EVs, and quantum computing. But deep-tech takes a decade to incubate. It needs patient capital, robust IP laws, high-end labs, and strategic state involvement. That ecosystem simply doesn't exist at scale yet. If anything, the government should be held accountable for this gap. Where are the sovereign tech funds? Where are the tax holidays for deep-tech R&D? Where is the regulatory clarity on data localization, AI ethics, or export norms? Don't berate entrepreneurs for building what the system allows them to. They are optimizing within the constraints handed to them. If you want moonshots, build a launchpad first.

Power of the Ecosystem

India's startup ecosystem is not a monolith. It is a living organism with interdependencies. Today's grocery delivery founder could be tomorrow's AI hardware entrepreneur. Just look at how Flipkart alumni have seeded dozens of ventures. Or how Byju's scale attracted edtech capital that now fuels newer players. Building a strong base of successful, revenue-generating startups creates talent, builds investor confidence, and pays taxes that the state can then reallocate. You don't build rocket ships without first building roads. Piyush Goyal is right about one thing: India must dream bigger. But he is wrong to look down on those already delivering impact at scale. The young founders who dared to dream of on-demand groceries, real-time payments, or hyperlocal logistics didn't just make life easier—they made India work better. If this government wants deep-tech heroes, it should first start by being a reliable partner to its current champions. Stop the patronizing lectures and start building the bridges that take us to the next level. Convenience startups are not the enemy of innovation. They are its first wave. Ignore them at your peril. Because the future will not be won by those who sneer at success, but by those who scale it.

(References – The Indian Express, The Economic Times, Inc42, Reuters)

GREENVISSAGE EXPLAINS

Greenvissage

What does the Global Tariff War mean for India?

Global trade is once again on edge. This time, it's not because of a pandemic, a war, or a supply chain failure. It's because of tariffs. Or more precisely—reciprocal tariffs. With Donald Trump back in power, the US administration has revived a key theme from his earlier term - using tariffs as a tool to force trade fairness. In his words, if a country places high tariffs on American goods, the US will do the same in return. And now, that principle may be formalised into action. April 2, dubbed Liberation Day by Donald Trump, marks the day these new reciprocal tariffs were supposed to take effect. And India? It's very much in the firing line. India has some of the highest average tariff rates in the world—especially on agricultural products. These rates are a legacy of our protectionist past, but they've long been a point of friction with global trade partners, particularly the United States. At the same time, the US remains India's most important export market, accounting for over one-sixth of our goods exports, valued at roughly USD 78.5 billion annually. If the US decides to go tit-for-tat, the implications for Indian exporters could be significant—particularly for sectors like textiles, pharmaceuticals, automobiles, and electronics. But the uncertainty doesn't end with direct exports. Tariffs can ripple through supply chains, investor sentiment, and even currency movements.

India hasn't been passive. Over the last few months, the government has made a concerted push to ease tensions. Prime Minister Narendra Modi's visit to Washington earlier this year was part of a broader diplomatic effort to pre-empt a tariff fallout. During the visit and in the weeks that followed, India made several key concessions - Tariff cuts on high-profile American exports such as heavy motorcycles, luxury goods, and even bourbon whiskey. Elimination of a controversial 6% digital ad tax on foreign digital platforms. Market access offers on products like almonds and cranberries, two items that frequently feature in US trade complaints. These measures were meant to demonstrate goodwill—and a willingness to compromise. India also signalled its intent to work toward a new bilateral trade agreement, with early drafts expected later this year. However, despite the gestures, Washington has shown little indication that India will be spared. A recent report from the US Trade Representative criticised India's trade policies once again, particularly around agricultural protectionism. Even the White House Press Secretary pointed to India's unfair trade practices.

Nothing is certain. But here are three potential scenarios analysts are contemplating. The most straightforward outcome is that reciprocal tariffs are implemented and Indian exports are hit. The extent and coverage remain unclear—whether the US will impose blanket tariffs or target specific sectors—but the immediate impact could be disruption, rising costs, and loss of competitiveness for Indian exporters. A more constructive outcome would see tariffs imposed temporarily but then rolled back after both countries fast-track a broader trade deal. This scenario hinges on whether negotiators can channel the pressure into concrete progress on structural trade issues. In this scenario, the tariffs amount to little more than posturing. Trump has reversed or softened tariff policies before. There's a slim chance that India gets excluded from the harshest measures or that the new rules prove symbolic more than substantive. But let's be honest—this isn't the likeliest bet.

While the spotlight is on India, the broader implications of US tariff escalation are global. If America pursues wide-scale reciprocal tariffs, other countries may retaliate. China, Canada, the EU—all have done so in the past. That could trigger a new wave of trade disruptions, currency movements, and inflationary pressure. Even the US itself isn't immune. American manufacturers that rely on imported components may face cost pressures. Consumers could see prices rise. And if inflation picks up again, the US Federal Reserve might be forced to keep interest rates higher for longer—potentially tipping the economy into recession. Goldman Sachs recently pegged the likelihood of a US recession this year at 35%.

(References – National Law Review, Economic Times, NDTV, New Indian Express, Financial Express)

Why is the retail giant Trent's stock stumbling?

Over the past six months, Trent's stock has shed nearly 40% of its value, wiping out approximately INR 47,000 crore in market capitalization. This dramatic correction begs the question: What's going wrong? Trent's appeal has always been its consistency in delivering aggressive revenue growth, quarter after quarter. For context, in FY24, the company reported a staggering 54% YoY revenue growth, building on an already strong base. EBITDA margins were also expanding rapidly, compounding at 162% over five years, which gave investors the confidence that Trent was not just growing—it was growing efficiently. But in FY25, the picture began to change. Revenue growth for FY25 came in at 39% YoY—still impressive by industry standards but falling short of investor expectations set by previous years. Quarterly revenue growth slowed to 28% in Q4FY25, compared to 53% growth in the same quarter last year. This deceleration has triggered alarm bells.

Much of Trent's growth in recent years was powered by Zudio, its value fashion brand. With affordable pricing (most products under INR 500), Zudio rapidly gained traction across Tier 2 and Tier 3 cities. Over 5 years, it achieved a 57% CAGR in-store additions, opening over 765 outlets nationwide. But growth has a cost—and limits. Analysts from Kotak Institutional Equities recently flagged a worrying trend: store cannibalisation. Multiple Zudio stores have opened within the same pin codes, leading to an overlap in customer base and stagnation in per-store revenue. The pace of new store openings has started to decline, with just 18 net new stores added in Q3FY25—and some closures noted.

Interestingly, there has also been a shift in revenue composition. While Zudio contributed 57% to Trent's revenue in FY24, its share dipped to 49% in FY25, with Westside climbing to 50%. Now, this might seem like good news—Westside has higher margins. But Zudio was the volume driver, and its fast fashion model enabled faster inventory churn and higher store productivity. Its slowdown impacts not just growth, but operating leverage too. Meanwhile, the aggressive expansion of both brands has led to a rise in fixed costs—rent, salaries, supply chain logistics—squeezing EBITDA margins, which came in lower than expected.

The retail landscape isn't what it was five years ago. It's far more crowded and aggressive now: Shein, the global fast-fashion juggernaut, re-entered India in partnership with Reliance Retail after a five-year hiatus. It's brand recognition and digital-native DNA present a credible threat to Zudio's dominance. Yousta, Reliance's in-house affordable fashion brand, is also gunning for Zudio's turf with plans to open 1,000+ stores. While it had just 55 outlets in late 2024, the ambition is clear—and backed by deep pockets. The quick-commerce boom is also encroaching on Star Bazaar, Trent's grocery business. Players like Blinkit, Zepto, and Swiggy Instamart are rapidly changing how consumers shop for daily essentials, forcing Star Bazaar to rethink its value proposition.

At its peak, Trent was trading at over 130x its estimated FY25 earnings. That's nosebleed territory, even for high-growth consumer stocks. Such lofty valuations are only justified if the company continues to beat expectations. But when growth moderates—as it has—valuations can compress very quickly. Several brokerages, including Kotak, have downgraded Trent to a 'Sell' and slashed target prices. Earnings estimates have been revised down, and the stock has seen institutional selling pressure in recent weeks. The global market environment hasn't helped either. Uncertainties around the US elections, Trump-era tariff rollbacks, and volatility in global commodity prices have made investors cautious about equities in general—especially high-P/E growth stocks like Trent. Add to that the weak sentiment in domestic midcaps and consumer discretionary segments, and Trent's fall becomes part of a broader narrative of profit-booking and sector rotation.

(References –Economic Times, Times Now, Share Khan, CNBC TV18)

Why Siemens India is Demerging its Energy Business?

On the surface, Siemens India's decision to spin off its energy business into a separate entity—Siemens Energy India—may seem like a straightforward corporate rejig. A 1:1 share allotment to existing shareholders, a spike in the stock price, and the promise of two leaner, more focused companies operating independently. But scratch beneath the surface, and this move reveals much more than a simple structural reshuffle. It's a strategic play grounded in both opportunity and caution, heavily inspired by lessons from its parent company in Germany and tailored to India's evolving industrial landscape. The timing of this demerger is no coincidence. With the Indian government's push for electrification, smart cities, and infrastructure expansion, Siemens sees a once-in-a-generation opportunity. Demerging the business allows each entity to align itself more closely with specific demand drivers. Siemens India can focus on automation, industrial digitisation, and railways—industries poised to benefit from the Make in India and PLI schemes. Siemens Energy India can go after energy transition opportunities, especially around renewables, grid modernisation, and electrification. It's a forward-looking, ambitious plan—but one that requires discipline and sharp execution.

Siemens India is not new to transformation. Since setting up shop in 1922, the company has evolved from manufacturing switchboards in Mumbai to operating across smart infrastructure, mobility, digital industries, and energy. Today, it generates over INR 20,500 crore in revenue, contributing around 4% to Siemens AG's global topline. But as the company gears up for its next leap—aiming to become the third or fourth-largest revenue contributor to Siemens AG—the energy segment presents a double-edged sword. Energy businesses, especially those tied to large infrastructure projects like transmission, electrification, and renewables, tend to have different risk profiles and capital cycles compared to other segments like software or automation. Large upfront costs, long payback periods, and working capital intensity can weigh down margins and distort performance metrics when bundled under a single financial umbrella. As standalone entities, both Siemens India and Siemens Energy India may achieve better market valuations reflective of their respective business models and growth potential. Siemens AG did the same globally in 2020. While the parent firm posted €7 billion in losses between 2020 and 2023, Siemens Energy (global) turned things around, recently posting a €480 million profit in Q1FY25. Siemens India is hoping history repeats.

The energy segment is no underperformer. In FY24, it accounted for 30% of Siemens India's total revenue, clocking INR 6,280 crore with a 5% YoY growth. But even more compelling is its order book. New orders surged 30% YoY to INR 8,800 crore. Order backlog also grew 30%, reaching INR 10,050 crore. These are strong indicators of demand and momentum. But with growth comes operational complexity—greater raw material needs, logistics planning, and capital strain. And that's where Siemens India seems to be hedging its bets. Post-demerger, Siemens Energy India can focus solely on scaling this vertical without impacting the core business or requiring internal cross-subsidization. Meanwhile, Siemens India can double down on its higher-margin, faster-turnaround segments like Digital Industries, Smart Infrastructure, and Mobility.

Meanwhile, S&P Global has sounded a note of caution based on Siemens Energy's global performance. While the spin-off helped unlock profits, it came at a cost—significant working capital strain. Contract liabilities (advance payments for yet-to-be-delivered work) at Siemens Energy ballooned from €10 billion in 2020 to €19 billion by 2024. A growing backlog is good, but only if the company can execute efficiently without stretching its balance sheet. There's a similar risk here. Siemens Energy India's ballooning backlog could turn from a strength to a stressor if not managed prudently. Cash flow mismatches, execution delays, or commodity cost spikes could expose the company to vulnerabilities that Siemens India is now shielding itself from.

(References – Business Today, Business Standard, The Indian Express, Wikipedia)

Why Natural Gas just got pricier?

Every morning, before your first coffee, natural gas is already hard at work — heating your shower, powering your kitchen stove, and even helping grow the food on your plate. And as invisible as it seems, this everyday fuel is now at the centre of a quiet but crucial shift in India's energy policy. From April 2025, the Indian government has increased the cap on domestic natural gas prices for the first time in two years — from USD 6.50 to USD 6.75 per MMBTU (Million British Thermal Units). A modest 4% hike, sure. But dig deeper, and it signals a much bigger transformation in how India manages its energy future. To understand this, we need to rewind. For years, India's domestic gas prices weren't market-driven. Instead, they were determined by a complex formula averaging prices in gas-surplus nations like the US, Canada, Russia, and the UK. While this shielded Indian consumers from high prices in the short term, it also forced domestic producers like ONGC to sell gas below cost. In 2020, ONGC was selling gas at USD 2.39 per MMBTU while spending USD 3.70 to extract it — a losing game. When global prices spiked in the wake of Russia's invasion of Ukraine in 2022, this pricing model created chaos. Consumers felt the heat of imported gas volatility, while producers struggled to invest and expand. In response, the government accepted a new pricing mechanism proposed by the Kirit Parikh committee in 2023: link domestic gas to crude oil instead of global gas markets. This formula came with a floor of USD 4 and a cap of USD 6.50, later designed to rise 4% annually from April 2025 until full deregulation in 2027. And now, that first annual cap revision is here.

Let's be clear — this isn't just a technical tweak. It has real ripple effects. Upstream producers like ONGC and Oil India will finally breathe easier, earning more per unit and stabilizing their books — a necessary step to unlock new domestic investments. City gas distributors like GAIL, MGL, and IGL may face higher input costs, which could be passed on to consumers using piped or compressed gas. Industrial users, particularly in ceramics, glass, and fertilizers, will face cost pressure. Fertiliser manufacturers are already lobbying for increased subsidies to offset the rise. And of course, the government will have to balance these growing demands within an already stretched fiscal budget. This domestic price hike comes at a time when global gas prices are climbing again. Why? A mix of weather shocks, geopolitics, and currency pressure. Extreme weather across China, Europe, and the US disrupts renewable energy supplies, forcing countries to fall back on gas. Heatwaves spike air-conditioning demand; droughts weaken hydroelectric output. Gas fills the gap. The world's major exporters — the US, Qatar, and Australia — are increasing LNG exports. That sounds good in theory, but it also tightens the spot market where India buys a portion of its gas. More demand, thinner supply, more volatility. With the dollar at around INR 85, even stable dollar-denominated prices translate into higher landed costs. Energy imports become costlier just because the rupee weakens.

India wants to increase natural gas's share in its energy mix from the current 6% to 15% by 2030. That's ambitious — and expensive. To reduce its exposure to spot markets, India is actively hedging. GAIL has floated tenders to acquire up to a 26% stake in a US LNG project, coupled with a 15-year import deal. The government is reportedly also considering scrapping import taxes on US LNG to bring down costs. At home, plans are afoot to convert one-third of India's heavy-duty trucks to LNG in five to seven years, slashing diesel consumption. More pipelines, more LNG terminals, and a more expansive city gas network are all underway. But this infrastructure rollout is capital-intensive, and long gestation periods make it vulnerable to price shocks and policy uncertainty. Countries like Japan are pioneering flexible supply pooling and cargo swaps, enabling smoother pricing and greater energy security. Brazil is scaling ethanol-powered vehicles. Europe is doubling down on renewables and diversifying LNG sources. The US leads in shale exploration and is now the world's top gas producer. India doesn't have to replicate every model — but it must move faster on the basics: more domestic output, smarter pricing, and better logistics.

(References – Forbes, The Indian Express, Economic Times, IEA)

COMPLIANCE UPDATES

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Goods and services tax

OOO **Supreme Court Allows GST Error Corrections** The Supreme Court has ruled that businesses can correct clerical or arithmetical errors in GST filings without facing penalties or denial of input tax credit, provided no revenue loss occurs. The Court emphasized that such rights stem from the constitutional right to conduct business. It dismissed the CBIC's plea, stating that software limitations cannot justify denying rectification. The ruling is a relief, especially for SMEs, which often lack advanced accounting tools and are more prone to filing mistakes. Experts say this judgment promotes a compliance-friendly regime, though execution guidelines remain pending. (Business Standard)

OOO **GST Likely to Be Slashed to 5% on Insurance Premiums** The GST Council is considering reducing the tax on life and health insurance premiums from 18% to 5%, with an input tax credit (ITC) retained. A full exemption was rejected due to the risk of cost escalation from blocked ITC. The change, proposed by a GoM and backed by the IRDAI's report, will be discussed in the Council's upcoming meeting. Exempting term life and senior citizen health insurance could cost the exchequer INR 3,200 crore annually. The insurance industry had pitched for a 12% rate to balance ITC recovery. The final structure aims to ease premium costs while limiting revenue loss. (Financial Express)

OOO **GST Collections Surge to 1.96 Lakh Crore in March** Gross GST collections for March 2025 reached INR 1.96 lakh crore, up 9.9% year-on-year, making it the second-highest ever after April 2024. Domestic transactions contributed INR 1.49 lakh crore, while imports brought in INR 46,919 crore. Refunds jumped 41% to INR 19,615 crore, moderating net revenue growth to 7.3%. Annual gross collections rose 9.4% to INR 22.09 lakh crore in FY25. Analysts note the high refund levels are business-friendly, though slower growth may prompt stricter audits. State-wise performance varied, with some manufacturing hubs showing flat or negative growth. (Financial Express)

OOO **Case Insensitivity for IRN Generation** From June 1, 2025, the Invoice Reporting Portal (IRP) will treat invoice/document numbers as case-insensitive during IRN generation. This means that any format of the invoice number—whether "abc", "ABC", or "Abc"—will be automatically converted to uppercase, ensuring consistency and preventing duplication. This change mirrors the current treatment of invoice numbers in GSTR-1. For further clarification, taxpayers are advised to contact the GST helpdesk. (Goods and Services Tax Network)

OOO **Non-Editable Auto-Populated Values in Table 3.2 of GSTR-3B** Starting from the April 2025 tax period, inter-state supplies to unregistered persons, composition taxpayers, and UIN holders, reported in Table 3.2 of GSTR-3B, will be auto-populated and non-editable. Any necessary modifications must be made by amending corresponding values in GSTR-1A or subsequent GSTR-1/IFF filings. Taxpayers must ensure accurate reporting in GSTR-1, GSTR-1A, or IFF to avoid discrepancies in Table 3.2. This change aims to streamline the filing process and ensure compliance with GST regulations. (Goods and Services Tax Network)

(For queries or more information about goods and services tax, contact our colleague Ashish at ashish.gandhi@greenvissage.com)

Income tax

OOO **New ITR Form Streamlines Disclosure of Undisclosed Income** Post Tax Action The Finance Ministry has introduced Form ITR-B, a new mechanism for taxpayers to declare previously undisclosed income identified during income tax search or requisition operations conducted on or after September 1, 2024. This form is specifically tied to the block assessment process, a special procedure used by tax authorities to assess concealed income found during such operations. Unlike regular ITR forms requiring extensive details, Form ITR-B focuses on data pertinent to the block assessment period, aiming to reduce the compliance burden while ensuring accurate reporting. A key provision of Form ITR-B allows taxpayers to claim credit for Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) against the undisclosed income. However, these claims are subject to scrutiny and approval by the tax officer, which could present challenges if documentation is incomplete. Tax experts have also highlighted a potential procedural issue: while the form mandates electronic filing, its verification section still requires details like the stamp receipt number and manual signatures, creating a possible conflict with the goal of seamless digital compliance. (Business Standard)

OOO **UK Ends Non-Dom Tax Rule, Shifts to Residence-Based System** The UK is overhauling its tax rules, and abolishing the remittance basis of taxation for non-domiciled individuals. This long-standing system allowed UK residents with their permanent home outside the UK to avoid UK tax on foreign income unless it was brought into the country. The concept of domicile is being replaced by a residence-based regime. From the specified date, newly arising foreign income and gains (FIG) will be taxed at the same rate as other UK residents. A significant change includes a four-year Foreign Income and Gains (FIG) regime offering 100% relief on eligible FIG for new arrivals who haven't been UK tax residents in the preceding ten years. However, those not eligible for this relief will face standard UK tax rates on new FIG. Existing FIG earned will still be taxed upon remittance to the UK. The new rules also impact settlor-interested trust structures, removing previous tax protection on foreign income and gains for non-domiciled and deemed-domiciled individuals not qualifying for the four-year FIG regime. Transitional measures include rebasing foreign assets held on April 5, 2017, for Capital Gains Tax purposes. A temporary repatriation facility will be available for three years, allowing individuals who previously claimed the remittance basis to remit pre-April 6, 2025 FIG at reduced tax rates (12% for the first two years, 15% in the final year). Inheritance Tax will also shift to a residence-based system, impacting non-UK property. Long-term residents (in the UK for at least 10 of the last 20 tax years) will be subject to Inheritance Tax on their non-UK assets, with a continued scope for 3 to 10 years after leaving the UK. Overseas Workday Relief is being aligned with the four-year FIG regime. (Reuters)

OOO **CBDT Mandates PAN-Aadhaar Linking for Specific Holders** The Central Board of Direct Taxes (CBDT) has issued a directive requiring certain Permanent Account Number (PAN) holders to link their PAN with their Aadhaar number by December 31, 2025. This mandatory linking applies specifically to individuals who obtained their PAN using an Aadhaar enrolment ID before October 1, 2024, rather than their actual 12-digit Aadhaar. The directive, issued on April 3, 2025, under Section 139AA(2A) of the Income-tax Act, 1961, aims to enhance the accuracy of financial records and prevent fraud. While the exact procedure for this specific linking is yet to be detailed, experts anticipate it will likely involve updating Aadhaar details on the Income Tax Department's e-filing portal, similar to the standard PAN-Aadhaar linking process. Failure to comply with this directive by the deadline could render the PAN inoperative from January 1, 2026. The government had previously allowed PAN acquisition via Aadhaar enrolment ID, a provision discontinued on October 1, 2024, as announced in the Union Budget 2025. This new linking requirement seeks to rectify past discrepancies and ensure data integrity. (Business Standard)

OOO **Taxpayers Challenge Income Tax Notices on Rebate Claims** Chartered accountants and taxpayers are raising concerns after the Income Tax Department issued demand notices, primarily to individuals with incomes below INR 7 lakh, who revised their tax returns in January 2025 to claim a rebate under Section 87A. This follows a Bombay High Court directive allowing a revision window for taxpayers who were initially denied the rebate on short-term capital gains (STCG) taxed at special rates for FY24. Despite the court's order, the tax department has seemingly continued to deny the rebate on such STCG income, leading to these demand notices. Tax experts note that taxpayers who revised their returns before January 15, 2025, and those who filed earlier and received the rebate under the new regime (including on special rate income), are now receiving these notices. The core issue stems from the interpretation of Section 87A rebate eligibility for income including STCG. While the Union Budget 2025 clarified that from FY26 onwards, special rate incomes would not be eligible for the rebate, the current dispute pertains to FY24. Possible recourse for affected taxpayers includes filing a rectification request under Section 154, lodging a formal grievance with the tax department referencing the Bombay High Court ruling, or challenging the demand notice before tax appellate authorities using the court's decision as legal backing. Settling the demand is also an option for those wishing to avoid prolonged disputes over smaller amounts. (Economic Times)

OOO **CBDT Achieves Record APA Signings in FY 2025** The Central Board of Direct Taxes (CBDT) has set a new record by entering into 174 advance pricing agreements (APAs) with Indian taxpayers in the fiscal year 2025. This figure represents the highest number of APAs signed in a single financial year since the program's inception and includes unilateral, bilateral, and multilateral agreements. With these additions, the total number of APAs signed since the program began has reached 815. Notably, FY 2025 also saw the highest number of bilateral APAs (BAPAs) finalized in a year, with 65 such agreements signed, facilitated by Mutual Agreements with India's treaty partners like Australia, Canada, Denmark, Japan, Singapore, the UK, and the US. The APA scheme aims to provide taxpayers with certainty in transfer pricing by pre-determining pricing methods for international transactions for up to five future years, with an option for a four-year rollback. Bilateral APAs further offer protection against double taxation, contributing to the ease of doing business, particularly for multinational enterprises. This achievement surpasses the previous record of 125 APAs signed in FY 2024. (Financial Express)

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Customs and foreign trade

OOO **US Tariffs Could Cost India USD 3.1 Billion in Exports** A recent CareEdge Ratings report estimates that India's exports to the United States could face a net negative impact of USD 3.1 billion due to reciprocal tariffs, following the implementation of new tariffs by US President Donald Trump starting April 2, 2025. 1 While the direct impact is projected to be around 0.1 percent of India's GDP, the report highlights potential risks to broader economic sentiment. An 8 percent differential tariff on Indian exports, coupled with an assumed 4 percent depreciation of the rupee against the dollar, could increase the net export impact to USD 4 billion when accounting for currency fluctuations. However, considering price elasticity and uniform additional tariffs across all export categories, the direct export loss is estimated at USD 3.1 billion. (Moneycontrol)

OOO **CBIC Establishes Interim Boards for Customs and Excise Dispute Resolution** Following the abolition of the Customs Central Excise Settlement Commission (CECSC) on April 1, 2025, the Central Board of Indirect Taxes and Customs (CBIC) has set up four interim boards in Delhi, Chennai, Mumbai, and Kolkata to handle pending customs and excise disputes. These boards are temporary solutions, designed to manage disputes until a permanent dispute resolution framework is developed, as outlined in the latest budget. The move aims to ensure continuity in settling disputes while providing taxpayers with an avenue to resolve matters without prolonged litigation. The CECSC was previously used to allow taxpayers to settle their dues outside of lengthy court proceedings, but its redundancy has been highlighted due to existing provisions under customs law for compounding offences and graded penalties. (Financial Express)

OOO **Rule of Origin changes may raise compliance costs for importers** The Ministry of Finance issued a notification, introducing amendments to the Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 (CAROTAR). The amendment replaces the term, Certificate of Origin (CoO), with a broader term, Proof of Origin, across various rules and forms under the CAROTAR framework. This change comes in conflict with the several existing FTAs with ASEAN etc. where the certificate of origin issued by the exporting country is the accepted document. Importers would have to ensure access to comprehensive supporting documents that establish the origin of the goods, which is not always feasible, especially when exporters are reluctant to share sensitive trade data like raw material invoices or production costs. The amendments in the customs rules to tighten checks on goods imported under free trade agreements (FTAs) could make it harder for businesses to do imports at concessional duties and may increase compliance costs. However, it said the move would curb the misuse of FTAs as India has seen repeated instances where goods originating from non-FTA countries, such as China, were rerouted through FTA member countries like Vietnam or Singapore to exploit preferential duty benefits. (Economic Times)

OOO **Electronic Processing for Personal Carriage of Imports/Exports** The Central Board of Indirect Taxes and Customs (CBIC) will introduce electronic processing of Bills of Entry and Shipping Bills for gems and jewellery, samples, and prototypes carried by air passengers from May 1, 2025, at specified airports. This new system will streamline import and export procedures for these goods carried personally, subject to the Foreign Trade Policy (FTP) 2023 and Handbook of Procedures (HBP), 2023. The personal carriage facility for gem and jewellery exports will be available at nine airports: Delhi, Mumbai, Kolkata, Chennai, Kochi, Coimbatore, Bangalore, Hyderabad, and Jaipur. For imports of gems and jewellery, the facility will be available at Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad, and Jaipur airports. Initially, the electronic processing for samples and prototypes of machinery will be implemented at Bengaluru, Chennai, Delhi, and Mumbai airports. (Press Information Bureau)

OOO **CBDT Sets Final Due Date for Tax Dispute Resolution Scheme** The Central Board of Direct Taxes (CBDT) has announced April 30, 2024, as the final date for filing declarations under the second edition of the Direct Tax Vivad se Vishwas Scheme (DTVSV). This scheme aims to resolve pending income-tax disputes before various appellate bodies, with the disputes being those pending as of July 22, 2024. Taxpayers must submit their declarations electronically using Form 1 on the income tax department's e-filing portal, with a separate form required for each dispute. While this is the second iteration of the scheme, the initial version addressed appeals pending as of January 31, 2020, and saw a significantly higher participation rate compared to the current edition's lukewarm response, with only 40,597 assessees opting in as of mid-February, compared to 139,384 in the first round. (Economic Times)

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Corporate and allied laws

OOO **Government Enhances IBC with Multiple Amendments** The Insolvency and Bankruptcy Code (IBC) has become the primary route for banks to recover dues, accounting for 48% of all recoveries in FY24. This surpasses the SARFAESI Act (32%), Debt Recovery Tribunals (17%), and Lok Adalats (3%). As of December 31, 2024, 8,175 Corporate Insolvency Resolution Processes (CIRPs) had been initiated under the IBC. Out of these, 3,485 Corporate Debtors (CDs) have been rescued, with 1,119 through resolution plans, 1,236 via appeal, review, or settlement, and 1,130 through withdrawals under Section 12A. To expedite the resolution process and ensure effective implementation of the IBC, the government has introduced six amendments to the Code and 122 regulatory changes since its inception. (Press Information Bureau)

OOO **Corporate Affairs Ministry Plans to Expand Scope of Fast-Track Mergers** As part of a broader initiative to improve the ease of doing business, the Union corporate affairs ministry has proposed amendments to the rules governing fast-track mergers. Section 233 of the Companies Act, 2013, currently allows for mergers or amalgamations of specific companies to be expedited through central government approval, a power that has been delegated to regional directors. The ministry has now invited public comments on the proposed rule changes until May 5th, to widen the applicability of the fast-track merger provisions under the Act. This move aligns with Finance Minister Nirmala Sitharaman's announcement in the Union Budget speech on February 1st, where she stated the government's intention to streamline the requirements and procedures for faster approval of company mergers and to broaden the scope of fast-track mergers. (Business Standard)

(For queries or more information about corporate and allied laws, contact our colleague Adnan at adnan.ginwala@greenvissage.com)

Finance and banking

OOO **RBI Retains FPI Investment Limits in Indian Bonds for FY26** The Reserve Bank of India (RBI) announced on Thursday that it will maintain the current investment limits for Foreign Portfolio Investors (FPIs) in both government and corporate bonds for the fiscal year 2025-26. The central bank will retain the existing caps of 6 per cent for government securities, 2 per cent for state government securities, and 15 per cent for corporate bonds for the fiscal year commencing on April 1, 2025. Consequently, the general limit for foreign investment in government bonds will remain at INR 2.79 trillion (USD 32.71 billion) from April to September 2025, and INR 2.89 trillion from October 2025 to March 2026. Similarly, foreign investments in corporate bonds will continue to be permitted up to INR 8.22 trillion for the first half of FY26 and INR 8.80 trillion for the second half. (Press Trust of India)

OOO **New Regulations for Export and Import Transactions Under FEMA** The Reserve Bank of India (RBI) has released revised draft regulations governing export and import transactions under the Foreign Exchange Management Act (FEMA), to enhance the ease of doing business. A key proposal in the draft suggests that if an exporter's proceeds remain unrealized for more than two years from the due date and the total unrealized amount surpasses INR 25 crore, any further exports by that entity would only be allowed against full advance payment or an irrevocable letter of credit. Regarding the import of gold and silver, the RBI has proposed a restriction on advance remittances by authorized dealers, as outlined in the draft Regulations and Directions concerning the Regulation of Foreign Trade under FEMA, 1999. (Economic Times)

OOO **Amalgamation of 26 Regional Rural Banks** The Department of Financial Services has notified the amalgamation of 26 Regional Rural Banks (RRBs) based on the principle of One State One RRB. This marks the fourth phase of RRB amalgamation. Following successful amalgamations in the past that improved efficiency, the Ministry of Finance initiated a consultation plan in November 2024. After engaging with stakeholders, 26 RRBs across 10 states and 1 Union Territory have been merged. Currently, 43 RRBs operate in 26 states and 2 UTs. Post this fourth phase, there will be 28 RRBs serving these regions with over 22,000 branches covering 700 districts, predominantly in rural and semi-urban areas (approximately 92% of branches). Previous amalgamation phases reduced the number of RRBs from 196 to 82 (FY 2006-10), then to 56 (FY 2013-15), and further to 43 (FY 2019-21). (Press Information Bureau)

Accounting and management

In Focus: Reverse Triangular Merger

A reverse triangular merger is a specific type of acquisition strategy where the buying company establishes a new, often temporary, subsidiary. This newly formed subsidiary then merges directly into the company being acquired. As a result of this merger, the target company continues its existence but becomes a subsidiary of the original acquiring company, while the temporary subsidiary, having fulfilled its purpose, is dissolved. The shareholders of the acquired company typically receive stock in the acquiring company or a combination of stock and cash in exchange for their shares.

A reverse triangular merger is particularly useful when the acquirer wants to retain the target's operations and legal identity but gain control. It's also beneficial in cases where the target has specific contractual obligations or licenses that would be difficult to transfer if the company were dissolved in a traditional merger.

It allows the acquired company to maintain its existing identity, contracts, licenses, and relationships, which can be vital for ensuring a smooth transition and ongoing business operations. It can help limit the acquiring company's exposure to the target's pre-existing liabilities, as the target operates as a separate subsidiary. Depending on legal and corporate structures, the acquiring company might not need to seek approval from its shareholders for the transaction, potentially simplifying the merger process. A reverse triangular merger can sometimes be structured to qualify as a tax-free reorganization, offering potential tax advantages to both parties.

One example of a reverse triangular merger occurred in 2009 when ExxonMobil acquired XTO Energy. ExxonMobil used a subsidiary to merge with XTO, and XTO Energy continued to operate under its name, while ExxonMobil's subsidiary was dissolved. This structure allowed ExxonMobil to preserve some of XTO's tax advantages, such as its large number of tax credits.

Another example is Facebook's acquisition of WhatsApp in 2014. Facebook established a subsidiary that merged with WhatsApp, but WhatsApp continued to operate under its original brand and corporate structure. This allowed Facebook to maintain control over WhatsApp while avoiding significant disruption to its business.

(For queries or more information about accounting, contact our colleague Rahul at rahul.mundada@greenvissage.com)

Payroll and personal finance

OOO **No Fee for PPF Nomination Updates** Finance Minister Nirmala Sitharaman announced that there will be no charges levied for updating or adding nominees to Public Provident Fund (PPF) accounts. This clarification comes after reports of financial institutions charging a fee for such modifications. The Finance Minister stated in a social media post that the government has already implemented the necessary changes through a gazette notification. This notification has eliminated the previous fee of INR 50 that was applicable for the cancellation or change of nomination across all small savings schemes operated by the government. (Economic Times)

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ECONOMIC INDICATORS

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Key Economic Indicators

Indicator	As on	Current	Prior
GDP Growth (%)	Dec-24	6.20	5.60
Unemployment (%)	Jan-25	8.20	8.30
Inflation (%)	Feb-25	3.61	4.31
Balance of Trade ($bn)	Feb-25	(14.05)	(22.99)
Business confidence	Mar-25	120.00	120.00
Manufacturing PMI	Mar-25	58.10	56.30
Services PMI	Mar-25	58.50	59.00

(Trading Economics)

Global Indices

Index	Country	Change %
NIFTY 50	India	1.93%
BSE SENSEX	India	1.80%
NIFTY BANK	India	6.12%
INDIA VIX	India	51.41%
DOW JONES	USA	-1.47%
S&P 500	USA	-2.86%
NASDAQ	USA	-3.34%
S&P/TSX	Canada	-2.54%
BOVESPA	Brazil	1.63%
DAX	Germany	-9.72%
FTSE 100	UK	-6.77%
CAC 40	France	-10.50%
FTSE MIB	Italy	-10.45%
MOEX	Russia	-9.34%
NIKKEI 225	Japan	-8.71%
S&P/ASX 200	Australia	-1.32%
SHANGHAI	China	-3.59%
HANG SENG	Hong Kong	-10.86%
KOSPI	South Korea	-5.48%

(Investing.com)

Commodities Futures

Commodity	Expiry	Price	Change %
Gold	Jun-25	93,887.00	9.39
Silver	May-25	94,300.00	(3.40)
Crude Oil	Apr-25	5,310.00	(9.88)
Natural Gas	Apr-25	304.30	(24.10)
Aluminum	Apr-25	235.60	(11.28)
Copper	Apr-25	839.45	(4.49)
Cotton	May-25	54,500.00	2.95

(MCX India)

Currency Exchange Rates

Pair	Current	Prior	Change %
USD/INR	86.14	87.24	1.26
GBP/INR	112.01	112.67	0.59
EUR/INR	97.11	94.55	(2.70)
YEN/INR	59.82	59.06	(1.29)

(FBIL India)

Cryptocurrencies

Pair	Crypto	Price	Change %
BTC/USD	Bitcoin	83,758.14	(0.07)
ETH/USD	Ethereum	1,581.78	(25.70)
BNB/USD	Binance	589.23	3.38
SOL/USD	Solona	123.62	(5.47)

(Crypto.com)

Bank Policy Rates

Type	Current	Prior	Change %
Repo rate	6.00	6.25	(0.25)
Standing deposit	5.75	6.00	(0.25)
Marginal facility	6.25	6.50	(0.25)
Bank rate	6.25	6.50	(0.25)
Reverse Repo	3.35	3.35	-

(RBI India)

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