

**STOCKS IN THE NEWS**

- Aarti Industries** (455.4 to 421.1) Strengthens partnership with global chemical firm via long-term supply deal. **₹421.1 CLOSE** (2.5% UP\*)
- Hindustan Zinc** (618.7 to 595.8) Signs MoU with Virginia Tech for advanced research on silver recovery. **₹595.8 CLOSE** (0.8% UP\*)
- Steel Exchange India** (7.9 to 8.5) To raise ₹350 crore via Preferential Issue. **₹8.5 CLOSE** (6.2% UP\*)
- Persistent Systems** (4,731.0 to 4,641.7) Opens Melbourne Innovation center to support enterprise modernisation, AI adoption. **₹4,641.7 CLOSE** (1.4% DOWN\*)
- Granules India** (599.9 to 573.8) Subsidiary receives an EIR with a No Action Indicated status from the USFDA. **₹573.8 CLOSE** (3.7% UP\*)

\* OVER PREVIOUS CLOSE

**IN BRIEF**

**Rozana raises ₹290 cr in Series B to scale rural retail across Bharat**

Rozana, a rural-focused omnichannel retail platform co-founded by Ankur Dahiya, Adwait Vikram Singh and Mukesh Christopher, has raised ₹290 crore in a Series B funding round. The round was led by Bertelsmann India Investments (BII), with participation from Fireside Ventures, US-based Spark Growth Ventures, Bikaji Family Office, FE Securities and other select prominent family offices. The company said the fundraise comes at an inflection point for the company. Rozana has expanded its hybrid commerce infrastructure across 21,000 villages in the Gangetic plains—a region home to over 50 per cent of India's rural population. It has grown revenue 4x since its last funding round. The company currently operates in Uttar Pradesh and Haryana, serving over 1 million active households. In its next phase of growth, Rozana plans to expand to over 200 stores and enter 2–3 additional northern states across the Gangetic belt, with a long-term target of reaching 130,000 villages.

BS REPORTER

**Urban-rural FMCG gap narrows in Dec qtr: NIQ**

**AKSHARA SRIVASTAVA**  
New Delhi, 5 March

The gap between Indian urban and rural fast-moving consumer goods (FMCG) market narrowed in the October-December quarter, market researcher NIQ said in its latest report.

While "rural markets continued to outpace urban consumption for the eighth consecutive quarter, the growth gap narrowed in OND (Oct-Nov-Dec) 2025," the researcher stated.

Rural regions recorded 2.9 per cent volume growth, moderating against a higher base, while urban markets grew 2.3 per cent, "supported by recovery in metro consumption and normalisation in e-commerce demand", it added.

The overall market growth, however, moderated to 7.8 per cent on account of a higher festival season base and transition due to the change in goods and services tax (GST) rate cuts.

"Both price and volume growth softened sequentially, particularly within traditional trade, which experienced temporary supply and pricing recalibrations during the initial phase of implementation," the report stated.

The FMCG market reported a 13 per cent growth in the preceding September quarter.

"The industry witnessed heightened activity following GST 2.0 implementation, with expectations of demand stimulus across categories," said Sharang Pant, head of customer success –



FMCG and tech & durables at NielsenIQ in India.

Nearly 60 per cent of the FMCG portfolio was impacted by the rate revisions, requiring coordinated

**Tracking numbers**



pricing adjustments across manufacturers, distributors, and retailers. While these changes temporarily impacted traditional trade performance, organised

channels adapted more quickly.

Across baskets, both Food and Home & Personal Care (HPC) saw moderation in volume growth during OND 2025. Food consumption benefited from GST-driven price corrections and stabilisation in edible oil prices, helping it outperform consumption growth of the HPC segment. While the Food category saw 2.8 per cent volume growth during the quarter, HPC recorded 1.9 per cent volume growth, "reflecting sharper moderation due to higher exposure to GST revisions", the report stated.

Meanwhile, over-the-counter (OTC) categories posted relatively stronger consumption growth at 3.2 per cent, outperforming both Food and HPC, it added.

ing adjustments led to moderated consumption in the OND quarter, organised channels responded faster to structural changes. We expect the positive impact of GST 2.0 on consumption to become more visible from the March quarter onwards," Pant added.

The e-commerce channel continued to gain strength in the December quarter, and now accounts for 6 per cent of urban FMCG sales. In metro cities, e-commerce accounts for 14 per cent of all FMCG sales while in the top eight metros, it accounts for 18 per cent of all FMCG sales.

Meanwhile, "quick commerce — contributing over three-fourths of e-commerce FMCG sales — remained the key growth engine", the report pointed out.

**Embassy Reit raises ₹14K cr through issuance of 10-year NCD**

Bengaluru-based real-estate investment trust Embassy Reit on Thursday said that it has raised ₹1,400 cr through non-convertible debentures (NCDs) issuance in a bid to strengthen its long-term capital as institutional investors continue to show a strong appetite for high quality office assets. "Priced at a fixed coupon of 7.49 per cent for a 10-year tenor, the issuance was fully subscribed by one of India's largest life insurance companies in India," people in the know told *Business Standard*. While the trust did not name the insurance major, it said that the NCDs were issued as series XVI debentures and carried top-tier credit ratings of AAA/Stable from CRISIL and CARE Ratings.

BS REPORTER

**Auto retail sales record best Feb ever**

**SHINE JACOB**  
Chennai, 5 March

India's auto retail sector posted its best-ever February sales, as the momentum after the GST 2.0 announcement continued. Total vehicle sales touched 2.41 million units, marking 26 per cent growth year-on-year (Y-o-Y), according to Federation of Automobile Dealers Associations (Fada) data released on Thursday.

This beats the previous February sales record of 2.04 million units in 2024. Despite being a shorter month, February saw five out of six categories — two-wheelers, three-wheelers, passenger vehicles (PV), commercial vehicles (CV) and tractors — registering their highest-ever February retail volumes.

Reflecting healthy demand across both personal mobility as well as economic activity-driven segments, two-wheelers grew by 25 per cent, three-wheelers by 24 per cent, PV by 26 per cent, and CV by 29 per cent. The only segment which did not set a fresh February record was construction equipment, which saw a marginal decline of 1.22 per cent Y-o-Y.

"Overall, the strong performance during the month indicates that the policy-led confidence in the market, particularly following GST 2.0, is now translating into sustained demand across multiple vehicle segments,"



**Reving up** All India vehicle retail data for Feb'26

Category	Feb '26	Jan '26	Feb '25	M-o-M (%)	Y-o-Y (%)
Two wheelers	1,700,505	1,852,870	1,360,155	-8.22	25.02
Three wheelers	117,130	127,134	94,162	-7.87	24.39
Passenger vehicles	394,768	513,475	313,015	-23.12	26.12
Tractors	89,418	114,759	65,579	-22.08	36.35
Construction equipments	6,721	6,834	6,804	-1.65	-1.22
Commercial vehicles	100,820	107,486	78,219	-6.20	28.89
<b>Total</b>	<b>2,409,362</b>	<b>2,722,558</b>	<b>1,917,934</b>	<b>-11.50</b>	<b>25.62</b>

Source: Fada Research

said C S Vigneshwar, president, Fada. Passenger vehicle retails in February stood at 394,768 units. The momentum remained broad-based, with urban markets growing 21 per cent Y-o-Y, while rural markets surged 34 per cent, indicating strong continued demand beyond metros.

While market leader Maruti Suzuki saw a 28 per cent rise in sales during the month to 154,095 units, Tata Motors followed, logging 43 per cent Y-o-Y sales growth at 56,447 units.

Mahindra & Mahindra posted a 25 per cent rise in sales to 53,281 units, and Hyundai Motor was seen in the fourth spot, reporting sales of 45,615 units, up 16 per cent from the same period last year.

"The sharper rural growth is particularly encouraging as it is supporting the sale of small cars, even as SUVs and utility vehicles continue to

drive overall volumes. Improved affordability following GST rationalisation, the marriage season and healthy booking pipelines supported by new model introductions also aided demand during the month. Encouragingly, PV inventory levels have further reduced by about five days and now stand at 27–29 days, which is an extremely healthy sign," Vigneshwar added. Fada has recommended that OEMs bring the inventory level down to 21 days.

Two-wheeler retails continued their strong momentum in February, reaching 1.7 million units. Growth remained broad-based, with urban markets rising 29 per cent Y-o-Y and rural markets growing 22 per cent, reflecting steady demand across commuters as well as rural segments.

Dealers attributed this performance to improved rural liquidity following good crop outcomes,

attractive marketing schemes and better affordability post GST revisions, while the marriage season and new product introductions also supported enquiries.

However, in some regions, supply constraints in select models and board examinations slightly tempered the otherwise strong momentum.

Commercial vehicle retails stood at 100,820 units during the month. Dealers across regions reported improved freight availability, steady e-commerce activity and infra-linked demand supporting fleet additions. "The positive sentiment following GST 2.0 also helped improve secondary demand and bulk purchases. However, some pockets saw supply constraints for certain models, though the overall pipeline of bookings and market movement remained encouraging," he said.

**PV sales growth may dip up to 5% in FY27: India Ratings**

**DEEPAK PATEL**  
New Delhi, 5 March

Passenger vehicle (PV) sales growth in India is expected to moderate to 3–5 per cent year-on-year (Y-o-Y) in financial year 2027 (FY27) due to a high base and preponed replacement demand, according to a report released by India Ratings and Research on Thursday. This comes despite a domestic upcycle in the overall automotive industry.

The growth rate of PV sales in the first 11 months of FY26 stood at 11.82 per cent, according to data released by Federation of Automobile Dealers Associations (Fada) on Thursday. About 4.25 million PVs were sold in the April-February period of the current financial year, compared to 3.8 million sold in the corresponding period last financial year, it added.

Growth in the PV segment is likely to stabilise after a period of strong expansion, with utility ve-

hicles continuing to outperform small cars and vans, the report said. Demand in recent years has been driven by replacement purchases and rising consumer preference for sport utility vehicles, resulting in a higher base for the industry.

The report stated that the two-wheeler (2W) segment is expected to reach a key milestone, with domestic sales projected to surpass pre-pandemic highs in FY26. The sector is emerging as a key driver of the industry's volume recovery, after several years of pandemic-related disruptions and weak rural demand, the ratings agency said.

The pre-pandemic peak for two-wheeler sales in India was in FY19, when domestic sales reached about 21.18 million units. In the first 11 months of the current financial year, two-wheeler makers sold about 19.46 million units, recording a 12 per cent Y-o-Y growth. This means sales in the segment

will cross the pre-pandemic peak in FY26 itself.

Following the strong recovery in FY26, two-wheeler growth is expected to moderate to 6–8 per cent in FY27, due to the higher base effect, it said. The recovery is increasingly being driven by premiumisation, with scooters and premium motorcycles above 200cc outperforming entry-level motorcycles. Improving demand across both rural and urban markets is also supporting the rebound in two-wheeler sales, although revenue growth has been outpacing volume growth because of better price realisations.

The commercial vehicle (CV) segment, meanwhile, is expected to recover in FY26 and FY27 after witnessing a decline in FY25. Medium and heavy commercial vehicles segment is projected to grow by 5–7 per cent, while light commercial vehicles may expand by 6–8 per cent in FY27.

**Healthcare's pricing opacity demands regulation: Star Health CEO**

Chennai-based Star Health Insurance has seen a 50 per cent growth in customer demand since the government removed the goods and services tax (GST) on health insurance in September last year. The company's Managing Director and Chief Executive Officer **Anand Roy** discusses its growth road map, the need for a healthcare regulator, and concerns about claims ratios in a video interaction with Shine Jacob. Edited excerpts:

In 2023–24, you set an ambitious growth target of achieving a gross written premium of about ₹30,000 crore by 2027–28 (FY28). Where do you stand now, and what is your guidance for 2026–27 (FY27)?

■ In 2025–26, we expect to close the year with almost ₹20,000 crore in top-line revenue. We believe our bottom line will also improve over last year. We had set an aspirational target of doubling our top line to ₹30,000 crore and trebling our profits to ₹2,500 crore under International Financial Reporting Standards (IFRS) measures. The Insurance Regulatory and Development Authority of India has recently issued a draft circular on IFRS implementation from April 1, which we welcome. It's a step in the right direction. We are on track to reach our goals.

We believe insurance penetration should increase, and the regulator has set a target of insurance for all by 2047. In FY27, we will continue focusing on retail-side penetration while keeping FY28 targets in sight. Currently, we have more than 850,000 agents and aim to reach 1 million agents within the next two years.

In September, the government exempted GST on all individual health insurance policies, providing a boost for the industry. How did this impact Star Health?

■ The GST exemption was a significant boost for both the industry and Star Health. We've been promoting individual health insurance for 20 years, and now the government has recognised its importance.

Since the announcement, we've seen at least a 50 per cent increase in new customer demand. Existing customers are also showing higher engagement: retention rates have increased by 2 per cent, and renewals with upgrades have risen by nearly 25 per cent. These are encouraging signs of enhanced consumer protection.

Your recent report highlights that your retail health portfolio includes around 10 million women customers. Can you share the key findings?

■ Women now account for 21 per cent of all new retail health policies as primary policyholders. Preventive health checkups among women have grown 127 per cent year-on-year, with uptake among women aged 40 and above increasing 143 per cent. These trends indicate growing awareness of early detection and routine health monitoring.

Our Star Women Care Insurance Policy is now the company's third-largest-selling product. It offers tailor-made coverage for women across all age groups. Nearly one-

third of policyholders are women under 30. At the industry level, around 70 per cent of policies are sold through agents, but in our data, 83 per cent of women and 80 per cent of total policies are sold through agents.

Claims ratios remain a concern for the industry. Do you think further regulation is needed?

■ India's health inflation is 14–15 per cent, among the highest globally, making health insurance essential as out-of-pocket expenses become harder to bear. The GST waiver is encouraging more people to buy coverage. While health insurance is tightly regulated, healthcare itself is not. This creates challenges: the sector ranges from small nursing homes to high-end tertiary hospitals, and insurance companies face difficulty dealing with such diversity.

«THE GST EXEMPTION WAS A SIGNIFICANT BOOST FOR BOTH THE INDUSTRY AND STAR HEALTH. WE'VE BEEN PROMOTING INDIVIDUAL HEALTH INSURANCE FOR 20 YEARS, AND NOW THE GOVERNMENT HAS RECOGNISED ITS IMPORTANCE.»

There are no laid-down treatment protocols or transparent pricing. Ideally, a healthcare regulator should exist, though we'll have to see if the government acts. Meanwhile, the industry is engaging with healthcare associations to address these challenges for consumers.

How are you improving data security?

■ We are investing heavily in data security, privacy, and information technology (IT) platforms, including multi-factor authentication and encryption. Star Health is likely the largest investor in IT and data security in the industry, spending over ₹200 crore annually — one of the highest investments across the sector.

