

# Business News Update

4 June 2025

**“Every day is a new chance to do something good.”**

## **Higher risk buffers by RBI strengthen its balance sheet, support India's macroeconomic outlook: ICICI Bank Report**

The Reserve Bank of India's (RBI) decision to maintain higher risk buffers is expected to strengthen its balance sheet and support India's macroeconomic fundamentals, especially at a time when global oil prices are expected to remain benign, according to a recent report by ICICI Bank. The report noted that the RBI's strong risk buffer not only adds to its financial resilience but also provides a tailwind for the broader Indian economy. It said "we believe higher risk buffer by RBI strengthens its balance sheet and provides a tailwind for India's macroeconomic fundamentals when oil prices too are expected to be benign". Since FY2022, the balance sheet has expanded by 23 per cent, which is lower than the nominal GDP growth of 40 per cent during the same period. In contrast, during the pandemic years from 2019 to 2022, RBI's balance sheet grew by 50 per cent, while nominal GDP rose by only 25 per cent.

Source: [Economic Times, June 3, 2025](#)

## **India's May palm oil imports jump 87% to six-month high, dealers say**

India's palm oil imports in May surged to a six-month high, as lower inventories and the tropical oil's discount to rival soy oil and sunflower oil prompted refiners to increase purchases, according to five dealers. Higher palm oil and soy oil imports by India, the world's biggest buyer of vegetable oils, could support Malaysian palm oil prices and U.S. soy oil futures. Palm oil imports in May surged 87% month-on-month to 600,000 metric tons, the highest since November 2024, according to estimates from dealers. India imported an average of more than 750,000 tons of palm oil each month during the marketing year that ended in October 2024, said the Solvent Extractors' Association of India, which is set to publish its May import data by mid-June.

Source: [Economic Times, June 3, 2025](#)

## **MRF snatches India's highest-priced stock crown back from Elcid Investments**

MRF shares: Elcid gained widespread attention in October 2024 after its stock price skyrocketed during a special call auction held by the Bombay Stock Exchange (BSE). On October 29, the share price surged from ₹3.53 to ₹2,36,250 in a single day—a phenomenal rise of 66,92,535%. Tyre major MRF has reclaimed its title as India's highest-priced stock, overtaking Elcid Investments after a steady rally over the past few months. As of June 3, 2025, MRF shares were trading at Rs 1,38,539—a sharp recovery from its 52-week low of Rs 1,02,124 recorded in March.

Source: [Economic Times, June 3, 2025](#)

## **India-US trade deal in not-too-distant future: US Commerce Secretary Howard Lutnick**

US Commerce Secretary Howard Lutnick expressed optimism about an impending trade agreement between the United States and India, aiming to avert potential tariffs threatened by President Trump. Lutnick highlighted concerns regarding India's tariff practices and its military procurement from Russia, but noted that the Indian government is actively addressing these issues, fostering hope for a mutually beneficial trade partnership. “So the idea is when they put the right person and India put the right person on the other side of the table, and we've managed, I think, to be in a very, very good place,” Lutnick said in his keynote address at the eighth edition of the US-India Strategic Partnership Forum (USISPF) Leadership Summit here Monday. "And you should expect a deal between the United States and India in the not-too-distant future because I think we found a place that really works for both countries,”

Source: [Economic Times, June 3, 2025](#)

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## Toyota to take private key unit in \$26 billion deal

Toyota Motor is set to privatize a major supplier in a significant \$26 billion deal. Toyota Fudosan will launch a tender offer for Toyota Industries shares. This move comes amid growing scrutiny of cross-shareholdings in Japan. Toyota aims to improve corporate governance through this buyout. Toyota Industries, originally a loom maker, now manufactures vehicles and auto parts. Japanese companies have come under growing scrutiny from the market regulator and investors in recent years about their cross-shareholdings in affiliates and business partners, sparking a rise in both management buyouts and acquisitions. Many of the deals have been driven by expectations that a corporate governance overhaul will bring better shareholder returns. Toyota owned about 24% of Toyota Industries as of September last year, while Toyota Industries held around 9% of the world's biggest automaker and more than 5% of Denso, another major Toyota supplier and Toyota group company.

Source: [Economic Times, June 3, 2025](#)

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## Bristol Myers agrees up to \$11.1 billion deal with BioNTech to shake up cancer immunotherapy

Bristol Myers Squibb has agreed to pay up to \$11.1 billion to partner with Germany's BioNTech and develop the latter's next-generation cancer immunotherapy, which could take on rival Merck & Co's best-selling drug Keytruda. The deal, which includes \$3.5 billion in unconditional payments, underpins BioNTech's ambition to continue a costly long-term focus on experimental cancer treatments and show that its success as Pfizer's COVID-19 vaccine partner was not a one-off achievement. It also underscores a push across the pharma sector to master a new dual mechanism of action in oncology that activates the immune system - similar to an established drug class including Merck & Co's Keytruda - but which also cuts a tumour's blood supply. BioNTech's CEO and co-founder Ugur Sahin said the collaboration will serve "to accelerate and broadly expand BNT327's development to fully realize its potential."

Source: [Economic Times, June 3, 2025](#)

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## OECD cuts global 2025 growth forecast to 2.9% over Trump tariffs

The OECD slashed its annual global growth forecast on Tuesday, warning that US President Donald Trump's tariffs blitz will stifle the world economy - hitting the United States especially hard. After 3.3 percent growth last year, the world economy is now expected to expand by a "modest" 2.9 percent in 2025 and 2026, the Paris-based Organisation for Economic Co-operation and Development. "The global outlook is becoming increasingly challenging," said the OECD, an economic policy group of 38 mostly wealthy countries. It said "substantial increases" in trade barriers, tighter financial conditions, weaker business and consumer confidence, and heightened policy uncertainty will all have "marked adverse effects on growth" if they persist. The OECD holds a ministerial meeting in Paris on Tuesday and Wednesday, with US and EU trade negotiators expected to hold talks on the sidelines of the gathering after Trump threatened to hit the European Union with 50-percent tariffs.

Source: [Economic Times, June 3, 2025](#)

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## Zoho CEO Sridhar Vembu warns: AI could disrupt the future of SaaS

Zoho's Chief Scientist, Sridhar Vembu, has voiced his concerns about the potential impact of artificial intelligence (AI) on the Software as a Service (SaaS) industry. The SaaS ecosystem has been significantly affected by an earlier influx of venture capital, which fueled rapid growth without a strong focus on profitability. However, with that funding now largely redirected toward AI ventures, the flow of capital into SaaS has slowed considerably. As a result, many SaaS companies—previously operating at a loss—are now under pressure to shift their focus toward sustainable, profit-driven models. "The SaaS ecosystem has suffered from an excess amount of venture capital that came in. That venture capital has dried up now. Most of it is going towards AI, and that has impacted the SaaS ecosystem. So SaaS companies now have to make a profit- they were running at a loss, and that has caused layoffs and all of that.

Source: [Financial Express, June 2, 2025](#)

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