Gujarat rains batter businesses

NANDINI OZA
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RELENTLESS RAINFALL ACROSS Gujarat over the past two days has disrupted normal life, brought industrial activity to a standstill in several pockets, and raised concern over crop damage.

The textile industry in Surat, the country's largest man-made fabric manufacturing hub, has been among the worst hit. Waterlogging in industrial estates forced several processing, weaving, and trading units to suspend operations or function with skeletal staff, disrupting production and movement of goods. Wholesale markets also remained shut on Thursday as water entered the basements of the complexes.

While South Gujarat and Ahmedabad continued to receive heavy to very heavy rains on Friday, the weather system also moved to North Gujarat. The India Meteorological Department has forecast very heavy rainfall in parts of the Saurashtra region.

Paramilitary personnel and fire brigade teams carried out rescue operations in flooded areas. According to official data, at least 38,000 people have been evacuated to safer places over the past two days.

Social media was flooded with videos showing flood-inundated roads and vehicles floating in floodwater. Ahmedabad was one of the worst-affected cities, with water entering housing societies, including those in posh areas. In several areas, floodwaters had not receded till late Friday evening despite a brief let-up in rainfall in the morning.

Surat received a second round of heavy to very heavy rains even as the textile industry sector was yet to recover from the heavy losses it suffered during floods earlier this month.

Mahendra Kajiwala, a textile merchant, told *FE* that over 25,000 powerloom, dyeing, and printing sections, were working at about 50% capacity as the machines had yet to be repaired. Heavy rains disrupted production and business for a day, he added.

Jitubhai Vakharia, president of the South Gujarat Textile Processors Association, had earlier estimated the loss to the industry at around ₹600 crore due to floods earlier this month.

Gujarat CM Bhupendra Patel inspects waterlogged areas following heavy rainfall, in Ahmedabad on Friday PTI

Karnataka Cabinet expansion soon: Venugopal

AICC GENERAL SECRETARY KC Venugopal on Friday said the expansion of Chief Minister DK Shivakumar-led cabinet in Karnataka is on the cards and it will happen any time.

Shivakumar, former CM Siddaramaiah and Karnataka Pradesh Congress Committee (KPCC) president BK Hariprasad were in New Delhi on Tuesday to discuss the expansion.

However, the discussion could not take place because Leader of Opposition in the Lok Sabha Rahul Gandhi, AICC President Mallikarjun Kharge and several party leaders and MPs participated in a dharna outside Prime Minister Narendra Modi's residence over the police action against students protesting the NEET paper leak.

"Cabinet expansion in Karnataka is on the cards; it will happen any time," Venugopal told reporters in response to a question.

Ministerial aspirants are lobbying intensely for induction into the cabinet.

Shivakumar, Siddaramaiah and Hariprasad visited Delhi last week too, and held the first round of discussions with the party's top leadership, including Rahul Gandhi, Venugopal, and Randeep Singh Surjewala, the General Secretary in charge of Karnataka. PTI

New India Assurance posts ₹257 cr loss in Q1

FE BUREAU
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THE NEW INDIA Assurance, the only profit-making public sector general insurer, reported a net loss of ₹257 crore for the first quarter of FY27, as a slump in property insurance premiums — driven by aggressive underpricing of fire insurance by general insurers to gain market share —weighed on earnings. The insurer had reported a net profit of ₹391 crore in the corresponding quarter of the previous year.

Gross written premium (GWP) of the insurer remained largely flat at ₹13,720 crore during the April–June quarter, compared with ₹13,334 crore a year earlier, resulting in muted growth.

Girija Subramanian, chairman and managing director of The New India Assurance, said Q1FY27 was a challenging quarter for the Indian general insurance industry.

"The industry's property insurance premium declined 27.8% during the quarter, and as Q1 is a property-heavy quarter for New India Assurance, our overall GWP growth was muted at 2.9%," she said.

Fire insurance premium fell 27% year-on-year to ₹1,971.34 crore.