

Wars, trade frictions test biz confidence

BS REPORTERS

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Nearly 75 per cent of Indian CEOs say that the global uncertainty — driven by escalating tensions between Israel and Iran and the uncertain trade tariff environment — is “somewhat impacting” their businesses. However, the remaining respondents do not foresee any significant disruptions, according to a nationwide dipstick survey of the CEOs conducted last week.

Despite the geopolitical tensions, 83.33 per cent of the 12 CEOs surveyed by *Business Standard* affirmed that they are not altering their greenfield investment plans, even after US strikes on Iranian nuclear sites early Sunday raised the stakes in the region. Turn to Page 4 ►

Business plan

Based on a survey of 12 CEOs

(Figures in %)

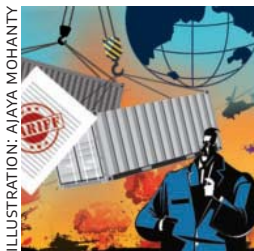
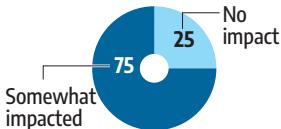


ILLUSTRATION: AJAYA MOHANTY

How are global uncertainties, especially the Iran-Israel conflict and tariff tensions, impacting domestic and export demand for your products /services?



■ Yes ■ No ■ Don't know

Are you making changes to business plans or supply chains in response to recent events in the June quarter?



With geopolitical risks rising, are customers delaying discretionary or capital purchases in your sector?



Given the volatility in global supply chains and commodity prices, have you revisited your capex plans for FY26?



Source: BS CEO poll

Compiled by BS Research Bureau

BS CEO poll: US-Iran tensions put oil route and CEOs on edge

The overall sentiment within leadership teams remains steady, with three-fourths of respondents describing the mood as “cautiously optimistic”.

Following the Reserve Bank of India’s recent liquidity easing, 58.33 per cent of CEOs indicated that they have no intention of revising their business strategies or supply chains, signalling confidence in domestic macroeconomic conditions.

“Everyone is in wait-and-watch mode to assess the fallout of the US strikes on Iran. A shutdown of the Strait of Hormuz would severely impact crude oil flows,” said one CEO.

This potential disruption

ON THE HIRING FRONT, 58.33% OF CEOs SAID THERE WOULD BE NO CHANGE IN RECRUITMENT FOR 2025–26 COMPARED TO 2024–25, WHILE THE REMAINING RESPONDENTS PLAN TO INCREASE HIRING

comes as Indian corporations are embarking on an ambitious \$850 billion capital expenditure plan over the next five years, led by sectors such as power, transmission, aviation, and green hydrogen, according to S&P Global Ratings.

Regarding consumer demand in the current June quarter, CEOs are evenly split: half expect an

improvement year-on-year, while the other half foresee no major change. However, 50 per cent acknowledged delays in discretionary or capital spending by customers, pointing to caution in end markets.

On the hiring front, 58.33 per cent of CEOs said there would be no change in recruitment for 2025–26 compared to 2024–25, while the remaining respondents plan to increase hiring.

Importantly, the resilience of India’s domestic economy is acting as a buffer against global headwinds — 91.67 per cent of CEOs believe that India’s macroeconomic stability is helping their businesses navigate global volatility.

The expectations

Based on a survey of 12 CEOs (in %)



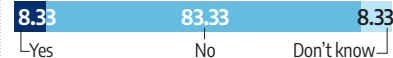
ILLUSTRATION: AJAYA MOHANTY

Have you seen any shift in consumer or industrial demand in the ongoing June quarter in India? Do you expect that trend to sustain or reverse in the coming quarters?



Compiled by BS Research Bureau

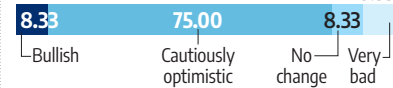
Are you delaying greenfield or overseas projects due to global uncertainties, or doubling down on domestic investments?



Is India’s macro stability helping you offset global headwinds in your planning and risk assessments?



What’s the mood within your leadership team? Are you in ‘wait-and-watch’ mode or “cautiously optimistic” for the rest of FY26?



What’s your hiring outlook for remainder of FY26?



Source: BS CEO poll