HT NEW DELHI, MUMBAI, BENGALURU, KOLKATA, CHENNAI, AHMEDABAD, HYDERABAD, PUNE*

Tuesday, November 18, 2025

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NBFCs go easy on MSMEs as bad loans begin to bite ▶P1

Blockbuster year in sight for IPOs as issuers queue up ▶P1

Get More with Shorts

72% Indians discover new brands on YouTube Shorts, 2x of other platforms

6% lift in ROAS

#nanobanana

#GRWM

AJIO

1.5x ROAS

WILD STONE

4.17% lift in consideration

#YTshopping

Naturali

4.58% lift in consideration

#makeuphacks

#Thrifting

Brands, scan to know more

70% lower CPV

#desibaddie

Results using YouTube Partnership Ads

Source: Google/Material, Power of YouTube Shorts, November 2023 (Base: India short-form video watchers, including YouTube Shorts and at least one other SFV platform, n=1,790), Field Dates: 11/7/23 - 11/22/23

YouTube Shorts

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Tuesday, November 18, 2025

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Think Ahead. Think Growth.

mint primer

Earth is running out of time. Can COP30 deliver?

BY SAYANTAN BERA

The first week of the annual climate conference in Brazil saw the launch of two funds to combat climate change. In the coming days, nations will discuss more contentious issues such as finance flows to poor countries. *Mint* explains what's going on, and where India stands.

AFP

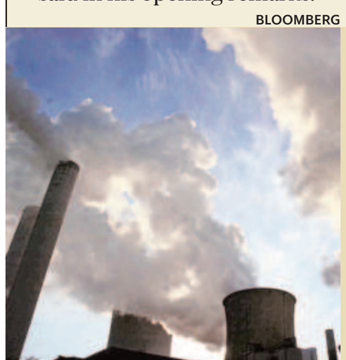
1 What's on the agenda?

The UN's annual climate change forum, the Conference of Parties or COP30, is being held during 10-21 November this year in the heart of the Amazon rainforest in Brazil. The agenda includes ensuring countries commit to lower emissions to limit the rise in global temperatures. It also aims to get historic polluters – today's rich nations – to provide low-income countries with financial and technological support to reduce their emissions and counter the effects of climate change. "Climate finance is the lifeblood of climate action," UN climate change executive secretary Simon Stiell said in his opening remarks.

2 What has been agreed upon so far at COP30?

Among the key outcomes is the Tropical Forest Forever Facility, a Brazil-led proposal that seeks to compensate countries for preserving tropical forests, with a fifth of the funds reserved for indigenous people. The plan has secured funding of $5.5 billion and the backing of 53 nations. It is expected that investor nations will bring in $25 billion of funding, with more capital coming from the private sector. Also, over 35 global philanthropies committed to investing $300 million to counter the growing public health crisis driven by climate change. Policies to counter extreme heat, and air pollution would be framed.

BLOOMBERG



3 What has India's stand been in the negotiations?

India maintained that rich nations must fulfil their financial obligations before asking low-income countries to raise their emission-reduction targets. India said finance for climate adaptation needs to be over 15x the current flows. It also sought cheap, equitable access to clean tech and cautioned against climate-related trade measures becoming protectionism tools.

4 Why is climate finance a hot topic?

Finance is at the core of the talks as it is essential for transition to clean energy, adaptation, loss and damage arising out of climate impacts. At COP29, a measly $300 billion was agreed upon, versus the aim of at least $1.3 trillion a year by 2035. Under the 2015 Paris Agreement, developed nations had to provide funds to developing countries for both climate-change mitigation and adaptation. But this is yet to happen at the scale required. That's why India said at COP30 that "climate finance is the key barrier to raised ambition".

5 Will COP30 also discuss fossil fuels?

Brazil's environment minister Marina Silva has urged countries to discuss a road map for phasing out fossil fuels. A group of countries led by Brazil, Columbia, Kenya, Germany and the UK are pushing for such a road map, following up on a pact signed at COP28 in Dubai, in which nations agreed to transition away from fossil fuels such as coal, oil and gas by 2050. However, this is not on the formal agenda this year. Meanwhile, more than 1,600 fossil fuel lobbyists have been granted access to COP30.

QUICK EDIT

Gas for goodwill

Even as India's exports to the US fell in October, as revealed by trade data issued by the government on Monday, Union petroleum and natural gas minister Hardeep Singh Puri announced the signing of a one-year agreement for the import of 2.2 million tonnes of liquefied petroleum gas (LPG) from America. This opens up one of the world's largest LPG markets to the US, Puri said. The contract's size may not be big, but it's still significant in diversifying India's imports and helping correct the trade surplus that India has with the US. Washington would want such purchases to rise, as also of other goods. To be sure, LPG imports from the US may not necessarily be the most cost efficient, given the high logistical burden associated with shipping stuff across such large distances. But if it helps pacify Washington's trade complaints, New Delhi should do so. It would not just brighten the prospects of a broad trade deal with the US, but also lower our reliance on West Asia for gas supplies. Meanwhile, India's exports to the US dipped to $6.3 billion in October from a year earlier but were up 14.5% from September. For bilateral relations to flourish, our trade must expand, not diminish.

QUOTE OF THE DAY

India's equity markets have grown impressively, but IPOs have increasingly become exit vehicles for early investors, rather than mechanisms for raising long-term capital. This undermines the spirit of public markets.

V ANANTHA NAGESWARAN
CHIEF ECONOMIC ADVISOR

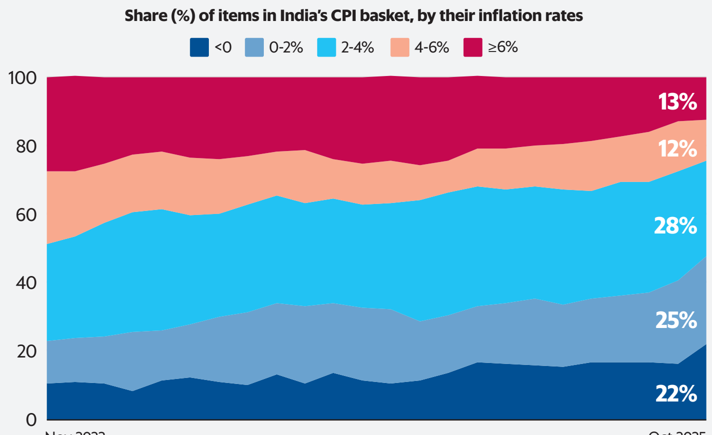
INSIDE

mint Data Bites

INDIA'S RECORD LOW INFLATION: HOW BROAD-BASED IS IT?

Retail inflation slid to 0.25% in October, a record low. Just one of every eight items whose prices are used to compute overall inflation crossed the 6% mark, and inflation was less than 2% for nearly half of the items. Here's a look at how item-level trends have shaped up in the last two years.

Share (%) of items in India's CPI basket, by their inflation rates



The consumer price index basket has 299 items.
Data: Tanay Sukumar, design: Satish Kumar

Source: CMIE, Mint calculations

COLUMNS

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PLAIN FACTS

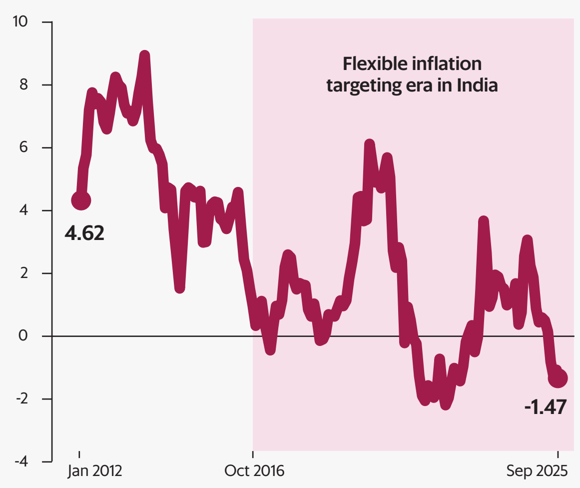
HOW LOW INFLATION CAN RESHAPE INDIA

BY DEEPA VASUDEVAN

India's inflation may be undergoing a structural shift, supported by the RBI's flexible inflation-targeting policy. This lower, more stable inflation could have larger macroeconomic implications, but can it sustain?

India-US inflation gap has shrunk since RBI adopted the targeting framework

Difference in year-on-year retail inflation between India and the US (in percentage points)



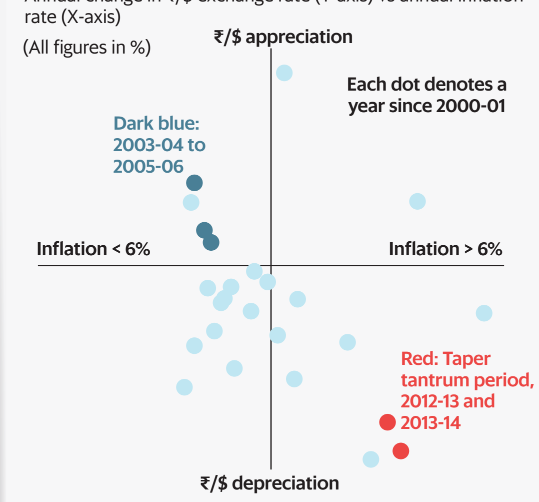
A positive figure denotes higher inflation in India

Source: Reserve Bank of India, US Bureau of Labor Statistics

The low inflation stretch of the early 2000s coincided with gains for the rupee

Annual change in ₹/$ exchange rate (Y-axis) vs annual inflation rate (X-axis)

(All figures in %)



Combined CPI inflation from 2012-13, CPI for industrial workers (base 2001) from 2005-06 to 2011-12, CPI for industrial workers (base 1982) for earlier.

Source: Reserve Bank of India, author's analysis

Infrastructure ramp-up of the past decade is easing supply-side constraints

How India's infrastructure has grown in the past decade: key metrics

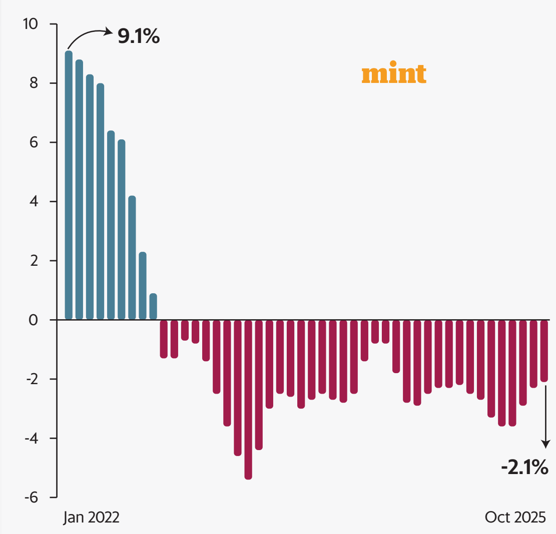
Infrastructure indicators	FY14	FY24
Length of national highways (km)	91,287	146,204
Length of 4-lane (or more) highways (km)	18,278	45,947
Power generation (all sources, billion units)*	1,020	1,739
Annual cargo handling capacity at ports (million tonnes)	801	1,630
Number of airports	74	157
Average daily metro rail ridership (million)	2.8	11.2
Average turnaround time of major ports (days)	94	48
Pace of NH construction (km/day)	12	34
Cities with operational metro rail	5	23
Capex allocation for railways (₹ trillion)#	3.6	17

*Refers to 2013-14 and 2023-24. #Comparison between 2004-14 and 2014-24.

Source: Economic Survey, power ministry and Press Information Bureau

By flooding non-US markets, China is effectively exporting deflation

Year-on-year change (in %) in China's producer price index



Source: Investing.com

GOPAKUMAR WARRIER/MINT

Nearly a decade ago, India's central bank adopted a framework of "flexible inflation targeting", or FIT. It is widely accepted that inflation has been managed well under this mechanism.

Chief economic adviser V. Anantha Nageswaran recently pointed to the remarkable decline in inflation in recent months and suggested that India may even be witnessing a structural transformation in inflation.

Certainly, inflation data for this year support this idea. The retail inflation rate has dropped from 4.3% in January to 0.25% in October; wholesale inflation is down from 2.3% to (-)1.21%.

For an inflation-prone country like India, low inflation for a sustained period is an achievement in itself, and the Reserve Bank of India (RBI) has rightly been lauded for its deft management of the situation.

But if, indeed, the Indian economy is moving towards structurally lower inflation, there are some other macroeconomic variables that could face a significant impact as a result.

AT A GLANCE

- India's shift to flexible inflation targeting (FIT) framework nearly a decade ago has been credited for the deft inflation management by the Reserve Bank of India in this period.
- If inflation stays low, it could significantly impact the rupee's exchange rate, likely leading to less annual falls against the dollar and potential appreciation over the long term.
- Sustained decline in inflation can also lead to lower price volatility, allowing the RBI to hike interest rates less frequently and focus on promoting stable economic growth.
- Lower inflation and stable growth can also create policy space for both fiscal and monetary easing. It is hoped that these factors can protect India from external uncertainties.

INFLATION-RUPEE LINK

The key impact, as Nageswaran noted in his speech, will be on the rupee's exchange rate. On a day-to-day basis, the rupee-dollar exchange rate fluctuates in response to actual and expected dollar flows. But in the long run, exchange rate depreciation tends to be related to inflation differences between economies, as per the theory of purchasing power parity.

The inflation differential between the US and India has fallen significantly since the RBI adopted inflation targeting in June 2016. The average gap in the FIT era is about 1.6%, a big drop from the 6%-plus gaps in the years preceding it.

If India's inflation remains low and stable, the gap is likely to remain narrow, so the rupee may fall by less than the usual 1-3% annual depreciation rate.

In fact, barring short-term market disruptions, the rupee may even see some appreciation. That's not just wishful thinking: between 2003 and 2006, a period of relatively benign inflation and strong growth resulted in the longest period of gains for the rupee in India's post-1991 history.

VOLATILITY CHECK

Low inflation may be the end goal, but for policymakers, controlling volatility in prices is equally critical. When inflation is predictable (and, preferably, low), it is easier for households and businesses to plan current and future spending.

A review of the FIT framework in an August 2025 RBI discussion paper shows that not only has the level of headline inflation declined since 2016, but has also become less volatile.

Going forward, if this volatility stays low, policymaking could be transformed in several ways:

First, interest rates would need to be hiked less frequently to manage inflation. Each instance of policy tightening dampens growth, so fewer such episodes would result in more stable growth.

Second, RBI would be able to look through occasional inflation spikes, with the confidence that temporary price bursts will neither persist, nor be transmitted to core inflation. A central bank that is not constantly fighting inflation can shift focus, when necessary, to other priorities such as growth or financial market stability.

Third, the ability to stay on or below the inflation target makes it possible to run the economy on low interest rates. Lower rates stimulate consumption and investment. The resulting pick-up in demand could boost corporate earnings, while lower discount rates would improve share valuations.

All this also makes fiscal expansion possible on two fronts: stable growth ensures steadier tax collections, which, in turn, improves government finances. And lower interest rates keep the cost of servicing government debt down.

Already, declining inflation and consistent fiscal discipline have opened up policy space for fiscal and monetary easing. Since the start of 2025, the government has cut income tax and rationalized indirect tax rates, and the RBI has eased interest rates and reduced the cash reserve ratio.

DOMESTIC AND CHINA FACTORS

The hope is that the stimulus will offset growth headwinds from external uncertainties. But the question is—can this growth push be sustained, or will another wave of rising inflation push the economy back into a tightening cycle? The answer lies in how domestic and external factors play out.

On the domestic front, GST rate rationalization is likely to hold down prices of daily items. Crude oil prices are expected to decline due to rising global inventories, as per the US Energy Information Administration.

In its October monetary policy, the RBI predicted benign food prices on the back of a reasonably good kharif harvest and ample food grain buffers.

India has invested heavily in physical infrastructure over the last decade. Improvements in roads, railways, airports, shipping, power, water, and rural development are expected to ease transportation bottlenecks. The reduction in supply chain frictions and logistics costs is also likely to put downward pressure on prices.

On the external front, China is facing deflation, mainly due to huge overcapacities and low domestic demand. As the US put up tariff barriers, Chinese exports flooded other markets at cheap prices, thus effectively exporting deflation to other economies. This situation may continue until US-China trade is restored or Chinese domestic consumption picks up.

Two decades after the 2003-2007 boom, India could once again be on the cusp of a growth cycle, driven by a structural downward shift in inflation. The previous boom was halted by the global financial crisis and a series of policy mis-steps. Hopefully, no opportunity to grow will be squandered this time.

The author is an independent writer in economics and finance.

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Inside AP's new mantra: 'Speed of doing business' ▶P12

FMCG sales volumes slip on GST transition ▶P5

SENSEX 84,950.94 ↑ 388.16 NIFTY 26,013.45 ↑ 103.4 DOLLAR ₹88.64 ↑ ₹0.10 EURO ₹102.84 ↑ ₹0.30 OIL $64.23 ↓ $0.03 POUND ₹116.69 ↑ ₹0.05

NBFCs go easy on MSMEs as bad loans begin to bite

Top NBFCs turn cautious as weakness in MSME sector reflects in repayments

Subhana Shaikh
subhana.shaikh@livemint.com
MUMBAI

Non-bank lenders are turning cautious on lending to small enterprises, as defaults rise following a lending spree to borrowers with weak credit profiles.

Bajaj Finance, IIFL Finance, Shriram Finance and Ugro Capital are among lenders that have slowed the growth of collateral-free lending to micro, small and medium enterprises (MSME) in the September quarter. A clear shift is emerging: more secured loans, closer scrutiny of borrowers, and more cash to cover potential loan losses.

Bajaj Finance has scaled back the MSME business after gross bad loan ratio in the segment hit 2.47% in the September quarter, against 1.83% the preceding quarter and 1.65% a year earlier. India's largest non-bank finance company (NBFC) now expects its MSME book to grow only 11-12% in fiscal year 2026 (FY26), sharply down from its earlier projection of nearly 20%.

"We've seen incipient stress across the board; it's not regional in nature," managing director Rajeev Jain told analysts on 10 November. "We've cut business by 25% and expect the worst to be behind us by March and June, after which we can be back in growth mode."

As the MSME portfolio slows, Bajaj Finance expects its overall loan growth for the financial year at 22-23%, down from its earlier expectation of 24-25%.

"MSMEs, particularly the smaller ones, have clearly come under pressure in recent quarters. The stress is not so much linked to the tariff hike; exporters were most affected by that, and NBFC exposure there is limited. The bigger issue is over-leveraging," Siddharth Goel, director at Fitch Ratings, said.

Many small MSMEs borrowed from multiple NBFCs during a phase when non-bank lenders were aggressively expanding credit. But when pockets of demand slowdown emerged, these NBFCs' limited liquidity and weak capital buffers made them vulnerable, Goel said.

Unlike banks, NBFCs have heavy exposure to small enterprises with weak credit profiles; Data till the end of March shows that over 26% of NBFC loans went to small businesses with the highest credit risk. For private banks, the figure stood at 18%. This means that NBFCs are among the first to suffer when these businesses go through a rough patch.

At IIFL Finance, gross bad loans at MSMEs rose to 5.93% in the September quarter, from 5.42% a quarter ago and 3.10% a year ago. Its MSME loan book at the end of the quarter stood at ₹13,474 crore, nearly unchanged from a year earlier, but down 3% from the preceding quarter. The company attributed this to "strategic recalibration towards low-risk secured lending and pullback from unsecured lending."

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MINT

PAIN POINT

LENDING RECALIBRATION

BAJAJ, IIFL, Shriram Finance, Ugro have slowed such lending

STRESS came more from over-leveraging than from tariffs

MSMES represent 30% of GDP, second-largest employer

Govt targets timely payments to MSMEs >P2

Blockbuster year in sight for IPO street as issuers queue up

Priyamvada C & Mansi Verma
MUMBAI

A decade-high number of filings for initial public offers, or IPOs, in 2025 has brought India within sighting distance of the highest ever amount of money raised in such share sales in a single year, data analysed by *Mint* showed.

Sustained domestic institutional flows have encouraged well-positioned issuers across sizes and sectors to tap public markets for growth capital and investor exits.

About 242 companies have filed draft red herring prospectuses with markets regulator Securities and Exchange Board of India (Sebi) in calendar year 2025 so far aiming to raise nearly ₹3.47 trillion, according to new issue tracker Prime Database. This compares with 157 filings seeking ₹2.79 trillion in calendar 2024.

The 91 IPOs so far in 2025 have cumulatively raised ₹1.52 trillion up to 17 November, marginally behind the ₹1.59 trillion vacuumed up by issuers in all of 2024. Issuers such as Wakefit, Fractal Analytics and Meesho are expected to join the list of IPOs before the year-end—likely turning 2025 into an all-time high year for such capital raising.

To be sure, any change in the market valuations or appetite for new stocks could see IPO issuers pull back their plans for the next six weeks and result in the monies raised through such share sales in calendar 2025 fall short of that ponied up in the previous calendar year.

"With over ₹1.5 lakh crore raised through main board IPOs so far, the surge in fundraising this year, has been driven by a combination of factors, including larger issue sizes that the market has successfully absorbed, a broader and more diversified mix of sectors coming to market, and importantly, a significant rise in domestic investor participation," said Gaurav Sood, managing director and head, equity

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About 242 companies filed DRHPs in CY2025. ISTOCKPHOTO

DON'T MISS

BLOOMBERG

Welspun taps EY to sell majority stake in clean energy platform

Billionaire B.K.Goenka's Welspun World has hired EY to sell a majority stake in Welspun New Energy, its clean energy platform, for an equity value of around $100 million, according to two people aware of the development. >P6

MHI targets reduction in PLI auto sops for FY26 to ₹2,000 cr

The ministry of heavy industries plans to reduce the budgetary allocation for the ₹25,938-crore PLI-Auto scheme for FY26 to ₹2,000 crore, as it has received claims for roughly that amount this year, according to two people aware of the development. >P2

'Apple developing proprietary materials, bettering repairability'

Apple Inc. has increased its global R&D spending to focus on developing proprietary materials for the design and customer experience of its iPhone, the company's top iPhone design executive Richard Dinh told *Mint* in an exclusive interview. >P3

Murugappa group patriarch Arunachalam Vellayan dies

Arunachalam Vellayan, former chairman of the Murugappa Group, died on Monday after a prolonged illness. For decades, he provided strategic direction across diversified businesses of the group, helping expand and enhance its reputation. See obituary >P6

Shailendra Singh, managing director, Peak XV says India offers outsized results if one stays patient long enough

'Many blitzscaler startups do not turn to discipline'

Sneha Shah, Satish John & Priyamvada C.
MUMBAI

INTERVIEW

Riding on its outsized success of being one of the earliest backers of recently listed firms such as Groww and Pinelabs, India-focused venture capital firm Peak XV is building its strategy for the next decade. Estimates suggest the firm has taken home over $3.5 billion in exits over the past 24-30 months, clocking more than 10x returns. Marking two decades of its existence in India, Peak XV plans to continue backing category-defining companies and corner large stakes by doubling down. In an interview, Shailendra Singh, managing director and one of the founding members of the firm, talks about sunrise sectors the firm is betting big on and what keeps him awake. *Edited excerpts:*

Peak has seen phenomenal success in the past half a decade. How do you see this journey?

We will celebrate 20 years in India next year. The early years were not easy. India was still a small market with a very young tech ecosystem. At the same time, it was a privilege to be so early, because it allowed us to partner with companies that went on to become foundational. Many of them were doing well on the ground, but it was still difficult as an investor. Liquidity was limited, capital markets were underdeveloped, and the scale of venture-backed outcomes people talk about today was not yet visible.

What has changed in the ecosystem to ensure the large-scale outcomes that we are seeing today?

As of December 2015, we had only two private portfolio companies that had crossed $100 million in annual revenue. Over the past decade, that number has expanded to several dozen, with many now consistently crossing $100 million. For us, that is a very important marker. Around that scale, you start to see operating leverage. Revenue grows, profitability begins to improve, and paths to meaningful exits, whether through IPOs or private equity, open up. We see that as the first signal that an ecosystem has entered a more mature phase. Several of the subcategories we have backed

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Advent, Warburg join Encube race; promoters may sell stake

Sneha Shah & Priyamvada C
MUMBAI

Global private equity firms Advent International and Warburg Pincus have joined the race for a stake purchase in contract drug maker Encube Ethicals Pvt. Ltd, three people aware of the development said.

Apart from Quadria Capital, which has hired bankers to sell its minority stake, Encube's promoters are also likely to sell some of their stake, the people said on condition of anonymity. Quadria Capital, which invests in healthcare businesses in Asia, is seeking a valuation of $2.2-2.3 billion for the 27-year-old company.

"It is most likely a controlling stake sale with the promoters also looking to sell some stake alongside Quadria Capital," one of the persons cited above said.

On 20 August, *Bloomberg* reported that Quadria Capital is looking to sell its stake in the contract development and manufacturing organization (CDMO), which serves multinational firms including Reckitt, Sanofi, Teva, GSK and Bayer. An *Economic Times* report on 25 September said JP Morgan was advising Quadria, and private equity firms Blackstone, KKR and EQT were interested in the deal. It also said Quadria was open to an initial public offering (IPO) of Encube.

Spokespersons for Blackstone, Warburg Pincus, KKR, Advent International and JP Morgan declined to comment. Queries sent to EQT, Quadria Capital and Encube Ethicals remained unanswered.

Quadria Capital bought around 15% in Encube for $100-120 million in June 2021, valuing it close to $1 billion. After investing in follow-on rounds, and co-investing with limited partner Gulf Islamic Investments, it now reportedly holds around 25% in the drugmaker, according to news reports.

When Quadria first invested in Encube in 2021, the idea was to help the drug maker "execute a robust expansion and growth strategy to establish itself as an integrated global leader in topical drugs globally". Multiples PE exited Encube through this deal,

TURN TO PAGE 4

Quadria is seeking $2.2-2.3 bn valuation for Encube. BLOOMBERG

Gold spike, Trump tariffs lift trade deficit to record

Dhirendra Kumar & Rhik Kundu
NEW DELHI

India's goods trade deficit ballooned to an all-time high in October, driven by a surge in gold imports and the growing impact of punitive US tariffs.

The trade gap widened sharply to $41.68 billion last month, jumping from $32.15 billion in September and $26.2 billion a year earlier, provisional data released by the commerce ministry showed. The reading significantly exceeded expectations, coming in far wider than the $28.8 billion deficit projected by a *Reuters* poll.

Gold was the villain of the piece: Imports tripled to $14.7 billion in October from $4.9 billion a year earlier. Gold has gained 64% in just a year, driven by global economic uncertainty, geopolitical tensions, and central bank buying.

"The increase in gold imports has been phenomenal despite very high global prices," commerce secretary Rajesh Agarwal told reporters, noting this was one of two primary drivers behind the widening deficit.

The other culprit was stiff US tariffs of 50% on a range of Indian goods, which hit demand in the country's biggest export market. Exports to the US stood at $6.3 billion, up from the previous month's $5.8 billion, but lower than the previous year's $6.9 billion. Commerce secretary Agarwal termed the month-on-month increase in exports to US a "silver lining."

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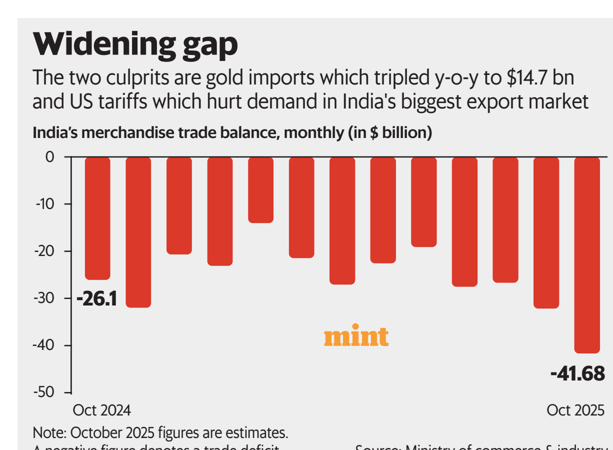


GOPAKUMAR WARRIER/MINT

Beware the scorching gold rally

The Economist

THE JARGON of gold trading echoes that of poker. "Strong hands" are investors loyal to the metal no matter the price. "Weak hands" are flaky punters who fold at the first sign of trouble. Bullish investors win when they convince others of their story for why the price is rising, which boils down to why, this time, strong hands outnumber weak ones. Their bluff is called when the market softens. If the price does not rebound, their story collapses. If it does, it gains credence.

This year the bulls are winning so comfortably that the argument would seem to be over. After the gold price hit $4,380 an ounce, a record, on October 20th, it fell by more than 10%—only to recover some of its losses. It is now 55% higher than in January and 47% past its previous inflation-adjusted peak, reached in 1980. Many analysts predict it will break $5,000 by the end of 2026. Then again, early this year, none had anticipated it would cross $4,000 in 2025. Do theories explaining its soaring price make sense?

Each rests on a different buyer: institutional investors, central banks and speculators. Begin with the institutions. Gold's main attraction is as a store of value, especially in times of crises. It is tangible, easy to transport and comes in standard-sized bars tradable on a global market, which reassures investors with big portfolios. Gold's previous bull runs occurred after the dotcom crash and the global financial crisis of 2007-09, and during the covid-19 pandemic. This time, however, a different dynamic is at play. The gold price has roughly doubled since March 2024, despite the lack of a recession. America's S&P 500 index has risen by more than 30% over the period; real interest rates remain high.

Perhaps institutional investors are seeking refuge in gold since they fear a crisis is near. This year President Donald Trump's tariffs and his stand-off with China have threatened trade chaos. Wars in Europe and the Middle East might have spiralled out of control. America has experienced its longest-ever government shutdown. Fears are mounting that an AI-stock crash could bring down the real economy. But it is tricky to reconcile these on-again, off-again shocks with the almost linear climb of the gold price. The metal was already hot early this year, when warnings of an AI bubble were less audible. Mr Trump's trade deals, his truce with China, peace in the Middle East—none has had much impact on its price. After America's shutdown came to an end on November 12th, stockmarkets rose then slumped, but that was because the odds of an interest-rate cut by the Federal Reserve fell as well. Gold's rebound accelerated.

A second explanation contends that the gold rush is being driven by central banks—seeking protection not against short-term meltdowns but longer-run changes. According to this "debasement" theory, America's political dysfunction and ballooning public debt, as well as threats to the independence of the Fed, are feeding fears of

TURN TO PAGE 6

After the gold price hit $4,380 an ounce, a record, on October 20th, it fell by more than 10%—only to recover some of its losses. AP

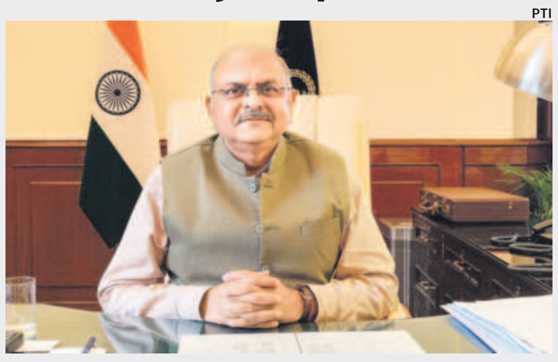
MINT SHORTS

Jobless rate steady in October as rural gains offset urban strain

New Delhi: India's unemployment rate for people aged 15 and above held steady at 5.2% in October, unchanged from September, showed the periodic labour force survey (PLFS) data released by the ministry of statistics & programme implementation on Monday. The easing in rural joblessness from 4.6% to 4.4%, was offset by an urban unemployment uptick from 6.8% to 7%, leaving the overall unemployment rate stable. **RHIK KUNDU**

'I-T dept encouraging taxpayers for voluntary compliance'

PTI



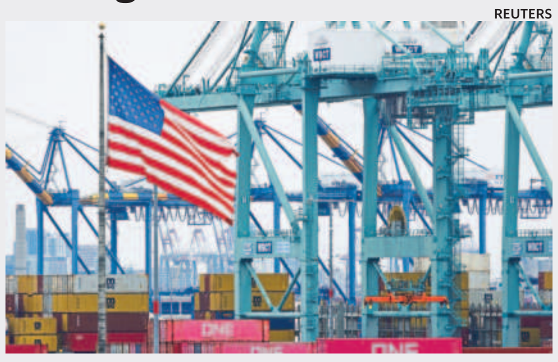
New Delhi: The income tax department is engaging with taxpayers to encourage voluntary compliance wherever gaps are detected in tax returns and is hopeful of meeting the annual direct tax revenue collection target by the end of the current financial year, Central Board of Direct Taxes chairman Ravi Agrawal said on Monday. The department is holding outreach programmes to encourage voluntary compliance, Agrawal said. **GIREESH CHANDRA PRASAD**

16th Finance Commission submits report to President Murmu

New Delhi: The 16th Finance Commission, chaired by Dr Arvind Panagariya, on Monday submitted its report for 2026-31 to President Droupadi Murmu, per a finance ministry statement. The report will be tabled in Parliament before its official release. It lays out recommendations that will guide the distribution of central funds to states over the next five fiscal years. **RHIK KUNDU**

Phase-1 of India-US trade deal nearing closure: official

REUTERS



New Delhi: The first phase of the proposed India-US bilateral trade agreement (BTA) is "nearing closure" and would address the hefty 50% tariffs imposed by the Trump administration on Indian goods, in addition to resolving America's market access issues, a government official said on Monday. "We are engaged with the US on the BTA. It has two parts. One part of negotiations will take time. The other part is a package which can address reciprocal tariffs. We are working on both aspects. The package that can address reciprocal tariffs is more or less near closure and we should get it soon," the official said. **PTI**

Provisional anti-dumping duty sought on low-ash met coke

New Delhi: The Directorate General of Trade Remedies (DGTR) has recommended a provisional anti-dumping duty on low-ash metallurgical coke, a steelmaking fuel, according to an official notification dated 14 November. The development was first reported by *Reuters* on Friday. **REUTERS**

India's sugar output rises 48% on year as more mills begin crushing

Mumbai: India's sugar production has gathered pace, with mills producing 1.05 million metric tonnes of sugar since the 2025/26 season began on 1 October, marking a 48% year-on-year increase, the National Federation of Cooperative Sugar Factories said on Monday. The country's net sugar production in the new season is expected to rise to 31.5 million tonnes. **REUTERS**

Centre mulls cut in PLI auto sops to ₹2,000 cr for FY26

Scheme has faced challenges including localization requirements and delays in disbursal

Manas Pimpalkhare
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NEW DELHI

The ministry of heavy industries (MHI) plans to revise the budgetary allocation for the ₹25,938-crore PLI-Auto scheme for FY26 to ₹2,000 crore, as it has received claims for manufacturers for roughly that amount this year, according to two people aware of the development.

The initial allocation for the scheme was a little over ₹2,800 crore for FY26. MHI is in the process of budgetary consultations with the finance ministry.

The scheme was launched in 2021 to provide manufacturing incentives for companies making zero-emission vehicles or their components, marking one of the biggest policy drivers for India's emerging electric vehicle (EV) ecosystem. This includes zero-emission models of all vehicle segments.

"The budgetary allocation was about ₹2,800 crore for this fiscal year. In discussions with the finance ministry, MHI has requested that the allocation be lowered to about ₹2,000 crore, maybe about ₹2,030-2,050 crore. Now that claims have come in from manufacturers, the picture is clearer," said the first person cited above, on the condition of anonymity.

Homegrown electric vehicle makers Tata Motors Ltd (both passenger vehicle and commercial vehicle verticals) has claimed about ₹400 crore, and Mahindra & Mahindra Ltd has sought about ₹280 crore in FY26, for sales it made in the previous fiscal, the first person added.

₹400 cr The amount Tata Motors has claimed under PLI

In June, Union heavy industries and steel minister H.D. Kumaraswamy told *Mint* in an email interview that the government expected to disburse about ₹2,000 crore in sops to nine companies under the PLI-Auto scheme in FY26.

Email queries to the heavy industries ministry, the finance ministry, Tata Motors, and Mahindra & Mahindra on 14 November remained unanswered.

The initial allocation for the scheme, launched in 2021 to incentivize companies making zero-emission vehicles or their components, was about ₹2,800 crore. REUTERS

This will be the government's second year of disbursing production linked incentive (PLIs) under this scheme. Last year, the government disbursed ₹322 crore under the PLI-Auto scheme to four companies—Tata Motors, Mahindra & Mahindra, Ola Electric, and Toyota Kirloskar Auto Parts.

₹280 cr The amount that M&M has claimed under PLI-Auto

The scheme will run for five years, till FY29. Under the scheme, automakers and spare parts makers which have been declared eligible under the scheme as 'Champion OEMs' and 'Component Champions' can claim incentives for sales of approved models. They receive approximately 13-18% of the value of their incremental sales as incentives.

Out of the 82 companies—including both vehicle makers and component makers—shortlisted for PLIs under this scheme, only 18 have received approval for these incentives.

The government provides incentives in a fiscal year for sales in the previous year, as per the scheme's guidelines.

The base year for the scheme is FY20. That means if a company sells products worth ₹100 in FY20 and worth ₹200 in FY24, the first year for which sales were counted, then it can receive 13-18% of the incremental revenue, or ₹100, which the company generated. Each beneficiary company can claim a maximum of approximately ₹6,400 crore as incentives, which is 25% of the scheme's total outlay.

The primary challenge for companies to be eligible for incentives under this scheme is the high threshold of localisation. The scheme warrants that 50% of the domestic value addition (DVA) of the product must be indigenous.

Additionally, the rare earth magnet shortfall this fiscal year, due to China's export control, forced Indian automakers to seek exemptions to localisation clauses under the country's schemes to promote electric mobility, including the PLI-Auto scheme.

For an extended version of the story, go to livemint.com

India curbs import of platinum jewellery

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MUMBAI

The Union government on Monday restricted import of unstudded articles of platinum jewellery until 30 April 2026, following the misuse of the zero per cent import duty clause.

Until now, such articles, with 90% gold content, could be freely imported and some traders were importing these at zero duty from Indonesia under the India-Asean free trade agreement and converting them into gold bars, evading the 6% duty on gold imports, according to Surendra Mehta, national secretary, India Bullion and Jewellers Association (IBJA), the nodal bullion trade body. This was causing a massive loss to the exchequer, Mehta added.

"The Import Policy... is revised from 'free' to 'restricted', with immediate effect till 30.04.2026," the directorate general of foreign trade (DGFT), part of the commerce ministry, notification of 17 November said.

Mint on 5 November reported that a few bullion dealers and jewellers are exploiting a loophole in the import rule to avoid duty on platinum. Reserve Bank of India uses IBJA's gold rates to redeem sovereign gold bonds.

For an extended version of this story, go to livemint.com.

Meity clears projects worth ₹7,172-crore

Sejal Sharma
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NEW DELHI

The ministry of electronics and information technology (MeitY) on Monday cleared 17 projects, with a cumulative investment of ₹7,172 crore, in the second tranche of approvals under a scheme that aims to boost the production of electronic goods within the country.

The 17 projects approved under the Electronics Component Manufacturing Scheme (ECMS) will set up manufacturing units across nine states and Union territories—five in Karnataka, three each in Tamil Nadu and Maharashtra, and one each in Jammu, Uttar Pradesh, Madhya Pradesh, Gujarat, Andhra Pradesh and Goa.

Hindustan Times

An IT ministry official had told *HT* that the government plans to announce new projects under ECMS every fortnight. The first tranche with seven projects was announced on 27 October, with an investment of ₹5,532 crore. With this second set of announcements, the government has cleared projects worth ₹12,704 crore out of a total ₹1.15 trillion of total expected investments under the scheme, with 24 out of 249 projects cleared so far.

At the event organised by India Cellular & Electronics Association (ICEA) in New Delhi, IT minister Ashwini Vaishnaw said that scepticism about India's electronics ambitions had been dispelled. "You have shown the way this country will become a major electronics manufacturing hub," he said, addressing the industry.

Vaishnaw noted that the government first pushed for large-scale assembly of finished products to build domestic volumes, which, in turn, created demand for components. He added that the next step was to "focus on a set of components which are very critical for a long-term growth of the electronics manufacturing ecosystem." This led to the conception of ECMS.

Govt keen on timely payments to MSMEs

Rituraj Baruah & Subhash Narayan
NEW DELHI

The Union government is considering a new set of measures—including charging interest and imposing a substantial levy on defaulters—to address the long-standing issue of delayed payments to micro, small, and medium enterprises (MSMEs), said two people close to the matter.

The MSME and finance ministries are discussing amendments to the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, to enforce automatic interest accrual after payments remain overdue beyond the 45-day period, as verified through the UDYAM portal, unless the contract specifies a longer period, one of the two people said.

"Another proposal is to penalize non-compliance with a levy amounting to 2% of large buyers' turnovers," the person added.

Currently, the penalty and interest accrual only come into effect after an MSME files a complaint about the payment delay.

As a regulatory measure, the Centre is considering introducing mandatory ageing analysis reporting in corporate filings. HT

Delayed payments to MSMEs—which account for around 30% of India's gross domestic product (GDP) and 45% of total exports—amount to about ₹9 trillion annually, according to government data. There are around 71.4 million registered MSMEs in the country.

MSMED Act may be amended to add automatic interest accrual after payments remain overdue beyond 45 days

To be sure, an MSME payment pending for more than 45 days since delivery and invoicing is considered delayed in the country. Under the MSMED Act, buyers are required to clear invoices within 45 days or face compound interest charges at three times the Reserve Bank of India (RBI) rate.

The Finance Act 2023 has also introduced a new tax rule: Starting 1 April 2024, expenses for payments delayed beyond 45 days to MSME suppliers will be disallowed under Section 43B(h) in that particular fiscal year, thereby increasing the taxable income for the businesses.

In terms of regulatory measures, the government is considering introducing mandatory ageing analysis reporting in corporate filings, disclosing payment days and interest paid to MSMEs quarterly, and imposing compensation per invoice, in line with global standards, in cases where the seller is a micro or a small business, said the second person.

Ageing analysis is an accounting method that categorizes outstanding invoices by the length of time they have been unpaid.

Both the ministries are expected to meet and discuss the issue and the proposals in the ongoing week, the second person added.

Queries emailed to the Union ministries of MSME and finance remained unanswered until press time.

Several global regulations and standards, including those in the Netherlands, the European Union, and the UK, are being studied to streamline the Indian MSME payments.

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For an extended version of this story, go to livemint.com.

India to import a tenth of its LPG needs from the US under a term deal

Rituraj Baruah & Riya R. Alex
NEW DELHI

In a fillip to American exports to India, public sector oil companies Indian Oil Corp. Ltd (IOC), Bharat Petroleum Corp. Ltd (BPCL) and Hindustan Petroleum Corp. Ltd (HPCL) have signed a one-year term deal to import 2.2 million tonnes of liquified petroleum gas from the US Gulf Coast in 2026.

This is the first term contract for LPG supplies from US. Earlier, imports of LPG, primarily used for cooking in Indian homes, from US were via deals done on the spot market. Details of the deal were not immediately available but petroleum minister Hardeep Singh Puri said on social media it would account for about 10% of India's LPG imports. Imports of the cooking gas have so far been dominated by supplies from Qatar, UAE, and Saudi Arabia through long-term contracts.

India's LPG imports in FY25 stood at $12.47 billion, 10% of which would be about $1.25 billion. Based on this calculation, this deal will increase the US's annual exports to India by about 3%.

Earlier on Monday, in a post on social media platform X, minister Puri wrote: "A historic first! One of the largest and the world's fastest-growing LPG market opens up to the US. In our endeavour to provide secure, affordable supplies of LPG to the people of India, we have been diversifying our LPG sourcing."

Imports of LPG have so far been predominantly from Qatar, UAE, and Saudi Arabia through long-term contracts. BLOOMBERG

Pointing to India's position as one of the largest and fastest-growing LPG markets in the world, Puri clarified that the purchase price has been compared to Mount Belvieu, a reference for global LPG pricing. Teams from IOC, BPCL, and HPCL had recently travelled to US for discussions with leading American producers, he added in the tweet.

The minister said that the new deal marks a significant milestone in India's efforts to diversify its LPG sources.

Monday's deal comes at a time when a India-US bilateral trade deal is expected to be finalized soon. The LPG contract supports the target set by both countries earlier this year to increase energy trade to $20 billion. Besides LPG imports, India plans to increase crude oil and liquefied natural gas (LNG) imports. LNG is used as a source of energy for commercial purposes.

LPG used in India comprises 60% butane and 40% propane. West Asian exports are better suited as they are primarily butane-dominated, since their LPG production is a byproduct of oil processing. On the other hand, US supplies are primarily propane-dominated, as LPG production in US is a byproduct of natural gas processing.

For India, importing LPG from US may add to the import bill due to the higher cost of freight but an expert suggested that low global prices may have found favour in the deal. "Also, amidst the ongoing trade talks and commitment to increase energy ties, these contracts have been on expected lines," said Prashant Vasisht, senior VP and co-group head, corporate ratings, Icra Ltd.

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For an extended version of this story, go to livemint.com.

CORRECTIONS AND CLARIFICATIONS

A 17 November, Page 7 story, 'Engineering colleges begin to stare at uncertain hiring', should have attributed the quote on hiring by global capability centres to Balasubramanian Gurumurthy, chief placement officer of Birla Institute of Technology and Sciences, for India and Dubai. The error is regretted.

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First published in February 2007 to serve as an unbiased and clear-minded chronicler of the Indian Dream.

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MINT SHORTS

Tribe Stays raises $2.8mn in seed round co-led by Artha, Riverwalk

Tribe Stays, a premium managed-hospitality company, has raised $2.8 million in a seed round, co-led by Artha Venture Fund and Riverwalk Holdings. The round also saw participation from Kunal Khanna, founder of Vivaldis, Krishna Jain, and other prominent HNIs/family offices. The company plans to use the capital to scale Tribe's footprint and launch 1,000 additional beds this financial year, with a road map to expand to 25,000 beds across tier-I and tier-II cities, including Hyderabad, Bengaluru, Mumbai, Gurugram, and Pune.

Amber Group to buy majority stake in Shogini Technoarts

Amber Group, a manufacturer of air conditioners, electronics, and mobility solutions, has agreed to buy a majority stake in 43-year old company Shogini Technoarts Pvt. Ltd. through its subsidiary IL JIN Electronics India Pvt Ltd. Pune-based Shogini manufactures printed circuit boards ranging from single-sided, double-sided, multi-layered, metal clad and flex PCBs for diverse applications such as automotive, defense, medical electronics, industrial electronics, power electronics, process control, telecommunication, computer peripheral, LED lighting etc. "Shogini further strengthens the bare PCB vertical and Amber Group's progression into a leading full-stack, backward-integrated EMS company," said Jasbir Singh, executive chairman and CEO of Amber Group.

PypeAI raises $1.2 mn in pre-seed funding led by Kalaari Capital

Pype AI, a company that automates patient communication for hospitals and clinics, has raised $1.2 million in pre-seed funding led by early-stage, technology-focused venture capital firm Kalaari Capital. The round also saw participation from Wyser Capital and Tenity. It will use the capital to accelerate the development of its healthcare communication platform and support its expansion into the US market. The company builds specialty-trained voice AI agents for healthcare that automate key patient interactions such as appointment scheduling, follow-ups, treatment preparation, and 24x7 support, helping hospitals go live in days instead of months.

COMPILED BY MALVIKA MALOO

Apple boosts R&D on iPhone materials, says design chief

Creating proprietary materials took precedence over supply chain costs, says Richard Dinh

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NEW DELHI

Apple Inc., the world's second-most valuable company, increased its global R&D spending to focus on developing proprietary materials for the design and customer experience of its money-spinner iPhone, the company's top iPhone design executive Richard Dinh told *Mint* in an exclusive interview.

Apple's engineering of this year's iPhone 17 in many way goes back to the basics in a way that founder Steve Jobs used to — a culture that continues.

Specifically, engineering proprietary materials to build iPhones took precedence at Apple over reducing supply chain costs, Dinh, vice-president and head of iPhone design, told *Mint*. At the same time, the company also ramped up its goal of increasing sustainability of energy and raw material sourcing across its global supply chain, of which India makes for a key part.

"With material selection, more than the supply chain, it always starts with what the right material is to enable a specific iPhone design and the customer experience we're looking to deliver. We develop the product around the idea that we have, the best material library that we have, and the best materials that we can custom-design," Dinh said.

"The aluminium on this year's iPhone, for instance, comes from the library of materials that we've been using. We combined this with specific manufacturing styles, such as forging a unibody design for performance."

iPhone sales generated about half, or $209.6 billion, of Apple's $416 billion annual revenue, and 68% of its products revenue. Apple's R&D spending grew at over 10% year-on-year to $34.6 billion – over 8% of the company's top line outpacing revenue expansion of 6.4%.

Dinh emphasized how his employer prioritizes customer experience in the design of future makes of iPhones with an intent of protecting its global market leader status.

"The amount of time we at Apple spend on the R&D for a particular product isn't bound by a set period and varies across products. It comes down to what we're trying to enable as feature goals and the most important part of it is that the process always starts with what we're pursuing as customer experience goals — and we take it from there with R&D into technology, materials and manufacturing," he said.

Such emphasis on material sourcing "is typical of the kind of focus that Apple has always had on product engineering," said Tarun Pathak, partner and research director at Counterpoint Research. "If you go all the way back to the Steve Jobs era, Apple has always been known for precision engineering and the perceived halo that has helped Apple find India as a major market is also driven by the reputation that it can create products that are far above the level of engineering that other companies do," he said.

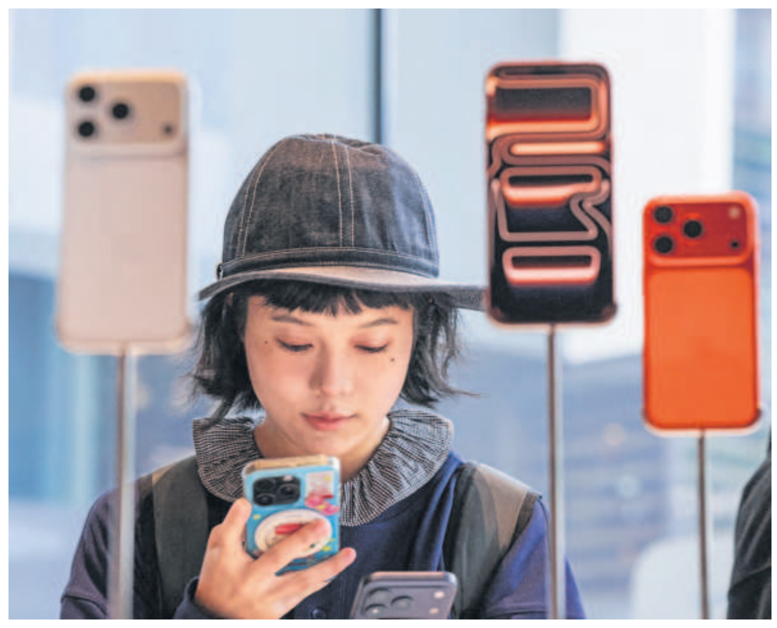
Speaking about the company's 2025 series of iPhones, Dinh said that Apple invested in "creating single-degree control of manufacturing conditions such as temperature to get a desired microstructure" to integrate a new heat control technology. Dinh said that this is key to its latest iPhone being capable of carrying out artificial intelligence applications and on-device large language models processing.

"We made a custom-designed vapour chamber out of 100% recycled components. We also engineered a new Apple-designed silicon oxynitrite ceramic coating on top of our improved ceramic shield glass, which bonds down into the material at an atomic level. This coating added hardness to make our proprietary glass three times more scratch resistant than before," Dinh said.

Heavy R&D spending is crucial for Apple, given its heavy reliance on the iPhone. In India, it is eyeing a seventh straight year of double-digit growth in sales, with 15 million iPhones estimated to be sold in India this year.

To sustain this growth, Dinh said that the company is doubling down on repairability as well. "We've used R&D to really improve ease of repair, with innovations such as the ability to remove the iPhone battery simply by static-charged adhesive (which reduces chances of damage). Our thermal architecture inside is removable just with screws. This improves repairability further without going through a complicated procedure."

For an extended version of this story, go to livemint.com.



Apple's engineering of this year's iPhone 17 harks back to a culture that founder Steve Jobs inculcated. REUTERS

TECHNOLOGY PUSH

APPLE has ramped up its goal to raise the sustainability of energy and raw material sourcing	**IPHONE** sales generated about half, or $209.6 bn, of Apple's $416 bn annual revenue	**APPLE'S** R&D spending grew at over 10% on-year to $34.6 billion, over 8% of its top line	**IN** India, Apple is eyeing a seventh consecutive year of double-digit growth in sales

Thiel's fund sold entire Nvidia stake last quarter

Bloomberg
feedback@livemint.com

Peter Thiel's hedge fund Thiel Macro LLC sold off its holdings in Nvidia Corp. during the third quarter, marking another retreat from the leading provider of artificial-intelligence chips.

The fund offloaded its entire position of 537,742 shares in the world's premier AI chipmaker, which would have been worth about $100 million based on the closing price from September 30. The Thiel Macro fund now counts Apple Inc., Microsoft Corp. and a reduced stake in Tesla Inc. as its main bets, according to a 13F filing.

Thiel's move comes at a time of rising concerns about an AI investment bubble, which turned Nvidia into the world's most valuable company. Hedge fund manager Michael Burry has been perhaps the highest profile critic, disclosing bearish wagers against Nvidia and Palantir Technologies Inc.

Japan's SoftBank Group Corp. also announced it sold off its shares in Nvidia in October for $5.83 billion. Thiel has been less bullish on AI development than SoftBank founder Masayoshi Son, but both men opted to exit their holdings around the time that Nvidia became the first company to breach a $5 trillion valuation. Its shares, which are up just roughly 2% since the end of September, slid about 1% in pre-market US trading. An analysis of 13F filings from 909 hedge funds found an even split of investor sentiment on the chipmaker: 161 increased their investment positions in Nvidia, while 160 decreased them in the September quarter.

India-made 40nm chip to power smart meters by June

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NEW DELHI

Cyient Ltd will start supplying a locally patented 40-nanometre (nm) chip to clients building smart electricity meters by June, according to the two top executives.

The system-on-chip (SoC), built over two years with an investment of ₹150 crore by Hyderabad-headquartered, Cyient-backed semiconductor design startup Azimuth AI, is touted as one of the first privately designed and commercialized SoCs that will commercially power industrial applications and devices. An SoC contains all the necessary components of an electronic processing system on one chip.

"While it is hard to quantify the exact value addition, we're looking at a local value addition of 20–30% from the chipset for our clients that we are selling to," Sridevi Badiga, co-founder and chief growth officer of Azimuth, told *Mint*.

While the SoC is production-ready, Azimuth and Cyient are conducting final technical evaluation steps to integrate its chips into smart meters. Deployment will begin as early as June 2026, Badiga said.

Cyient, in a post on 24 March, said the company is targeting the global smart meter market worth $29 billion.

Cyient joins Mindgrove Technologies, an IIT Madras-incubated startup, to develop India-patented industrial SoCs for industrial applications. Their efforts align with the India's push to locally develop chips and a related ecosystem to counter global supply-chain shocks and become self-sufficient in technology.

"There will be more such opportunities. The goal is that when a chipset is patented, about 70% of this design and patent is reusable in a modified SoC that will cater to another sector," said Krishna Bodanapu, executive vice-chairman and managing director of Cyient. "While we're setting off with a chipset for smart meters, we'll venture into other industries such as power, space and battery management services, which ensure that these critical operations have no backdoors that could pose security challenges."

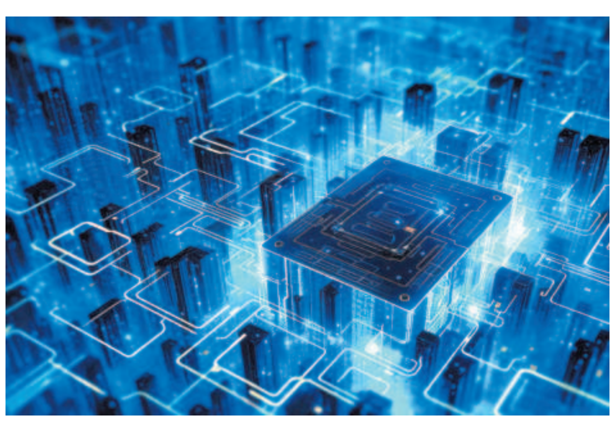
Cyient acquired a 27.3% stake in Azimuth AI for $7.5 million (₹66 crore) in October last year. On 8 April, it announced the formation of a wholly owned subsidiary, Cyient Semiconductor.

At the time, the company said it was targeting the global semiconductor market, which is projected to generate $2 trillion in annual revenue by 2032.

"We currently have 600 dedicated semiconductor engineers and designers, with 200 of them based in overseas locations. Our goal is to create a portfolio of indigenously designed and owned chips that can then be sold in various markets," Bodanapu told *Mint*. "While this chip with Azimuth is a specific one, our intent is really to build a broad portfolio of chips, which can then be put together for various applications."

Union IT minister Ashwini Vaishnaw said at a press conference earlier on Monday that 30 more chips such as Azimuth's will come out of Indian enterprises.

However, Bodanapu clarified that the smart meter chip was developed without government design or production incentives. "We are in talks with the Centre to understand what support we can get from them, but for now, there were no government scheme subsidies for it."



The system-on-chip has been built over two years by Cyient-backed semiconductor design startup Azimuth AI.

Azimuth and Cyient are taking final technical evaluation steps to integrate the chips into smart meters

Crypto's riskiest tokens slide to pandemic-era levels

Bloomberg
feedback@livemint.com

The crypto market selloff shows no signs of abating, and some of the riskiest tokens are bearing the brunt of it.

The MarketVector Digital Assets 100 Small-Cap Index, which tracks the 50 smallest digital assets in a basket of 100, fell to its lowest level since November 2020 on Sunday before paring some losses.

The low point came as Bitcoin, the largest cryptocurrency, erased its roughly 30% advance for 2025 through early October, when it hit a record. So-called altcoins, a barometer of risk appetite in the most speculative corners of crypto, have trailed their larger counterparts by a wide margin since early 2024.

During past bull markets, the small-cap index often outpaced its large-cap counterpart, benefiting from traders' hunger for high-risk, high-reward bets. But that trend reversed last year after the US approved Bitcoin and Ether exchange-traded products, which became a focal point for institutional flows.

Retail traders are learning lessons from previous cycles, said Pratik Kala, portfolio manager at Australia-based hedge fund Apollo Crypto. "A rising tide doesn't lift all boats — it only lifts the quality ones," he said.

The altcoin malaise risks derailing issuers' plans to list a host of exchange-traded funds tied to such tokens. As of mid-October, roughly 130 ETF applications linked to smaller cryptocurrencies were pending with the US Securities and Exchange Commission, according to data compiled by Bloomberg Intelligence.

One product linked to Dogecoin, created as a joke in 2013, began trading in September under the ticker DOJE. That ETF hasn't seen a single day of inflows since 15 October, data compiled by *Bloomberg* show. Dogecoin has fallen 13% in the past month.

Over the past five years, the small-cap index is down nearly 8%, while its large-cap counterpart has surged about 380%, highlighting how far the segment has fallen out of favour.

Altcoins have trailed larger counterparts by a wide margin since early 2024. ISTOCKPHOTO

SIDBI VC marks first close of spacetech fund

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BENGALURU

SIDBI Venture Capital (SVCL), the Small Industries Development Bank of India's venture capital subsidiary, has made the first close of ₹1,005 crore for its spacetech-focused Antariksh Venture Capital Fund (AVCF). The Indian National Space Promotion and Authorisation Centre (IN-SPACe) is the anchor of the fund, putting in ₹1,000 crore as part of the first close.

AVCF is envisioned as a ₹1,600 crore fund and will invest in both early-stage and growth-stage spacetech companies. These investments will be for launch systems, satellites and payloads, as well as earth observation, communications and downstream applications. This is SVCL's 12th fund and is registered as a category II alternative investment fund with a 10-year tenure.

"The Antariksh Venture Capital Fund, India's largest spacetech-focused fund and among the largest globally, will play an instrumental role in advancing national space technology and competitiveness," Arup Kumar, managing director and chief executive at SVCL said in a prepared statement.

SVCL will begin deploying from this fund, while also seeking additional funding from both domestic and international investors, as well as institutional and sovereign investors, under the green-shoe option.

India has seen a host of spacetech and aerospace companies crop up over the past few years, and the government aims for India's space industry to generate $44 billion of annual revenue by 2033. Notable examples include hyperspectral satellite imaging company Pixxel, aerospace manufacturer and commercial launch service provider AgniKul Cosmos, small satellite manufacturer Bellatrix Aerospace, and imaging satellite company GalaxEye.

India's deeptech ecosystem, which has traditionally only seen funding from specialised venture capital funds, is seeing a shift, with generalist funds entering the mix. Their increased involvement comes at a time when the US and China are in a tussle for tech dominance, with India trying to position itself as a meaningful player. Funds such as Accel, Lightspeed, Elevation Capital and Peak XV Partners have sought to back such companies. As a result, larger pools of capital are becoming available to deeptech startups.

Peak XV has already made some investments in the sector this year, which have not been publicly disclosed. Accel has signed four deals so far, ranging from aerospace to advanced manufacturing across seed, Series A and Series B rounds.

AVCF is envisioned as a ₹1,600 crore fund and will invest in both early-stage and growth-stage spacetech companies.

Bezos takes on first ops role since Amazon

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Jeff Bezos will serve as co-chief executive officer of a new artificial intelligence (AI) startup that focuses on AI for engineering and manufacturing of computers, automobiles and spacecraft, *The New York Times* reported on Monday.

The company, called Project Prometheus, has garnered $6.2 billion in funding, partly from the Amazon founder, making it one of the most well-financed early-stage startups in the world, the report said, citing three people familiar with the company.

This is the first time Bezos has taken a formal operational role in a company since he stepped down as the CEO of Amazon in July 2021.

Index	Close	Percent change	Previous close	Open	High	Low
BSE Sensex	84,950.95	0.46	84,562.78	84,700.50	84,562.78	84,581.08
Nifty 50	26,013.45	0.40	25,910.05	25,948.20	26,024.20	25,906.35
Nifty 500	23,954.55	0.50	23,836.35	23,889.55	23,964.75	23,863.55
Nifty Next 50	70,154.10	0.53	69,786.85	70,014.75	70,262.30	69,947.35
Nifty 100	26,639.40	0.42	26,528.00	26,574.90	26,652.55	26,538.10
BSE Mid-cap	47,500.13	0.66	47,187.18	47,295.73	47,520.65	47,275.17
BSE Small Cap	53,443.23	0.59	53,130.68	53,255.59	53,492.53	53,251.54

Hero Moto is back in the race

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It is pouring earnings upgrades for Hero MotoCorp Ltd, following its decent September quarter (Q2FY26) earnings performance.

Operational challenges had disrupted the auto maker's business in the first quarter. But, now investors took comfort from better-than-expected revenue growth of around 16% to ₹12,126 crore, driven by sustained recovery in rural demand amid new product launches. The stock rose 4% to a new 52-week high of ₹5,810 on Monday.

Hero delivered a second straight quarter of market-share gains in its core 100–125cc motorcycle segment. After years of underperformance in a premium-tilted market, a sustained rural revival this fiscal has played to Hero's strengths.

Its entry-level workhorses, Splendor and Passion, helped deliver 11% year-on-year volume growth and a 4% rise in realisations. Even as the industry share of entry-level motorcycles rose from 7.9% in Q4FY25 to 9.2% in Q2FY26, Hero extended its lead with new launches and strong momentum in exports and electric vehicles (EVs). Festive-season market share rose 40 basis points year-on-year.

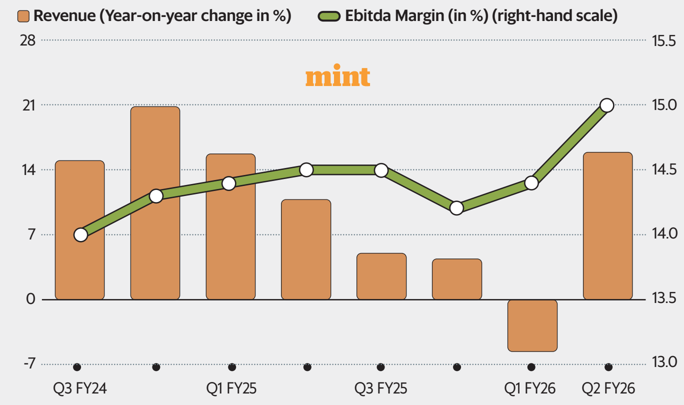
While Splendor continues to anchor demand, newer launches such as HF Deluxe Pro and Glamour X have bolstered the portfolio. Premium model XPulse recorded a 31% rise in volumes.

Exports surged 77% year-on-year—three times industry growth. Scooters, which form around 7% of Hero's volumes, grew 39%, lifting its entry-level scooter share to 10%.

EV momentum remains robust: the VIDA Vooter VX2 has helped Hero gain 6.8% of EV market share in a year. Hero now commands 11.7% of the overall EV market and over 20% in top-tier cities.

Stepping up

After a tepid Q1, Hero MotoCorp saw revenue growth and operating margin rebound in Q2FY26.



Note: Ebitda is earnings before interest, tax, depreciation and amortization

Source: Company, Emkay Global Financial Services

GOPAKUMAR WARRIER/MINT

Higher revenue and operational efficiencies pushed Ebitda margin up 50 bps to 15%; gross-margin remained flat on mixed raw-material trends. The full impact of GST 2.0-propelled festive demand was witnessed in October when Hero logged 1 million in retail sales, and expanded its market-share to 31.6%. Taking cues from excise-cuts of the past, the management expects GST-benefits to boost demand for the next 2-3 years.

The industry is expected to clock 8-10% growth in H2FY26. Subject to sustained rural recovery, Hero's fortunes should be supported by new launches and a growing pool of first-time buyers. While exports had contributed 5% to volumes in FY25, higher traction can be expected from steady demand in markets like Bangladesh, Nepal, and Sri Lanka, as well as fresh strides in the European and UK markets with a new Euro5+ compliant portfolio.

IN A SWEET SPOT

HERO extended its lead with new launches and strong momentum in exports and EVs

THE auto maker now commands 11.7% of the overall EV market and over 20% in top-tier cities

The stock has jumped nearly 30% since July versus the Nifty Auto Index's 15%. Still, Hero had fallen out of favour in the post-pandemic premium boom, resulting in a five-year CAGR of just 13%, half the auto index.

Valuation at 19.6x P/E based on Motilal Oswal's FY27 estimates, does not look demanding.

However, competition in the EV space and developments under the new CEO in 2026, will need to be watched.

"Post GST cut, we had revised up FY26 two-wheeler growth forecast to 10% (from 5%). However, the demand pull is lower so far based on our channel checks," said a Nomura Global Markets Research report. It has reduced Hero's volume growth estimates to 6%/5.6%/5% for FY26/27/28F. "We see a risk that anti-lock braking system implementation could impact the 100cc segment more (~87% of sales for Hero)."

Marico's margin on slippery slope despite healthy demand

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The Marico Ltd stock hit a new 52-week high of ₹764.65 on the NSE on Monday after its consolidated revenue surged 31% year-on-year to ₹3,482 crore in the September quarter (Q2FY26), led by broad-based growth across product categories.

"Domestic revenue growth of 35% (underlying value growth of 7%) was best in class among the staples peers," said JM Financial Institutional Securities.

Domestic volumes grew 7%, driven by new franchises in the food and premium personal care portfolios and value-added hair oils. Volumes of its flagship product, Parachute Coconut Oil, fell 3%, while those of Saffola edible oils stayed flattish, reflecting the impact of higher pricing and package volume changes.

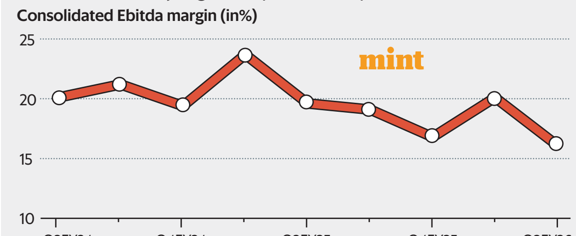
Parachute has absorbed cumulative hikes of over 60% without much hit to underlying demand–volumes should stabilise as input costs ease.

The management reiterated its 25% revenue growth target for FY26. Brokers have upgraded FY26/FY27 earnings estimates. But elevated input costs could overshadow positives such as market share gains across key portfolios.

Sharp squeeze

Marico's Ebitda margin fell to a multi-quarter low of 16.1% in Q2FY26, hurt by higher copra and oil prices.

Consolidated Ebitda margin (in%)



Note: Ebitda is earnings before interest, tax, depreciation and amortization

Source: Company, JM Financial Institutional Securities Limited

GOPAKUMAR WARRIER/MINT

Prices of copra–source of coconut oil–surged 113% from a year ago and vegetable oils remained firm, narrowing gross margin by 810 basis points (bps). Even after price hikes in Q2, the Ebitda margin contracted 352 bps to 16.1%. Marico has tried to move away from commodity dependence, but the numbers look anchored to old cost cycles.

Marico expects double-digit Ebitda growth in H2FY26 and margins to expand by 200 bps by FY27. Copra prices have fallen about 15% from the July peak, and more moderation is likely as new crop arrives in March.

"We expect margins to remain under pressure until Q4 even as improving profits in foods and B2C will provide some respite," said a PL Capital report. Margins are likely to improve after H2FY26 on premiumization, with strong sales momentum in B2C and foods and a growth revival in value-added hair oils, it added.

The food segment grew 12% and crossed ₹1,100 crore in annualised revenue. Foods and the premium personal care together accounted for 22% of its India revenue in H1 and should move towards 25% by FY27. Beardo is nearing double-digit Ebitda margin.

The stock, up around 29% over the past year, trades at about 45x FY27 earnings, according to *Bloomberg* data. With rich valuations, the margin trajectory becomes the key variable.

Mark to Market writers do not hold positions in the companies discussed here unless otherwise informed

Sebi has started review of listing, disclosure norms

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The Securities and Exchange Board of India (Sebi) has begun work on a review of the Listing Obligations and Disclosure Requirements (LODR), its chairperson Tuhin Kanta Pandey said, setting the stage for what could be one of the regulator's most significant clean-ups of corporate disclosure rules in recent years.

Sebi chairperson Tuhin Kanta Pandey. MINT

Speaking at the Confederation of Indian Industries (CII) Financing Summit 2025, Pandey said that the revamp is at a preparatory stage and that a consultation paper can be expected "soon". He did not provide a timeline to release the paper.

"That's a big regulation and the process has begun. We will have lots of consultation and put out a consultation paper," he said, adding that the scale of the exercise means "it will take some time".

The Sebi LODR Regulations, 2015, mandate listed companies to meet specific corporate governance standards and make timely, transparent disclosures to the public and shareholders.

The market watchdog is also preparing to introduce a closing-auction mechanism in the equity markets

"Sebi might not completely change the LODR regulations as it has already been changed many times since 2015. If they are going back to the drawing board, they need not be reactive in changing regulations," said Abhiraj Arora, partner at Saraf and Partners, a Noida-based law firm.

"They may need to reach out to companies and have a consultation process and state out the mischief they have observed, which needs amendments and whether it can be implemented without any major amendment or by way of a circular," said Arora.

"Sebi might be revisiting LODR as high volumes of initial public offerings (IPOs) can lead to quality of disclosures deteriorating," said a senior executive from a leading consulting firm.

The Indian stock market has seen a surge in listings with companies raising over ₹2 trillion in equity capital this fiscal, the Sebi chief said.

Sebi's move signals a broader push by the market regulator to simplify and streamline its regulatory architecture. Pandey said that Sebi's aim is not to expand the rulebook but to modernize it.

"Our agenda is not about adding more rules. It is about shaping a smarter rulebook. One that is simpler to understand, proportionate to the risks it seeks to address, and supportive of innovation," said Pandey at the event.

Sebi is also looking to review the settlement regulation and expects to release a consultation paper soon, according to the Sebi chief.

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China, India throw oil a lifeline as global glut looms

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Washington has been tightening the noose on flows of Russian crude to pressure Moscow against the war in Ukraine. BLOOMBERG

Global oil markets may be dominated by concerns about a glut, but producers have found some support in buying from China and India, spurred by a wave of US sanctions on Russian energy.

Crude cargoes—especially in the Middle East, which was briefly in oversupply—have found buyers, according to traders who asked not to be identified as they aren't authorized to speak to the media. An overhang of unsold shipments from nations such as the United Arab Emirates is no longer seen, they added.

Global benchmark Brent has sunk 15% this year, making it one of the worst performing major commodities. The slump has come as Opec+ ramps up quotas, and drillers outside the alliance also add supply. The International Energy Agency has forecast a record overhang, and in one sign of fragility, US futures' nearest two contracts dipped into contango, a bearish pattern.

Global benchmark Brent has sunk 15% this year, making it one of the worst performing major commodities

At the same time, Washington has been tightening the noose on flows of Russian crude—as well as its principal buyers—in a bid to raise the pressure against Moscow over the war in Ukraine. The most significant step has been sanctions against major suppliers Rosneft PJSC and Lukoil PJSC. In addition, US President Donald Trump said on Sunday that proposed Senate legislation to blacklist countries conducting business with Russia would be "okay with me".

In the Middle East, unsold cargoes at the start of November from the prior month's trading cycle found buyers in Asia eventually, the traders said. These included a large number of shipments of the UAE's Upper Zakum variety, as well as extra volumes from Kuwait after an outage at the Al-Zour refinery.

A number of these cargoes were purchased by refiners in China, although Indian processors also bought marginally more supply in a series of tenders, the traders said. Bharat Petroleum Corp. bought a range of grades from the Middle East, West Africa and US, while HPCL-Mittal Energy Ltd. took some Qatari Al-Shaheen.

"There is a lot of supply in the market," said Manoj Heda, executive director of international trade at state-owned Bharat Petroleum. But "demand centers are only limited to China and India", he said at an industry conference.

The activity has helped the Middle Eastern market retain strength relative to other regions, as the two Asian importers draw on their mainstay shippers from the Persian Gulf. Reflecting that, measures including the so-called Brent-Dubai swap spread and the Brent-Dubai EFS were negative last week, pushing global Brent benchmark to a rare discount to Dubai.

To be sure, there's still not much cause for cheer either, as shipments from the Middle East have changed hands at increasingly lower prices.

Encube race heats up; promoters may sell too

FROM PAGE 1

clocking in a more than 3x return on its $40 million investment made in 2016.

"The firm has grown well in the last five years and is one of the leading companies in the CDMO space. We have seen a lot of investor interest in this space as we see good growth coming from this segment over the next decade or so," the second person said.

Founded in 1998 by Mehul Shah, Encube has a strong focus on research and development, and has developed and launched multiple products in regulated markets. Tracxn data shows it had a revenue of ₹1,000 crore in FY24.

Over the years, the CDMO space has seen rising investor interest. Quadria Capital invested $100 million in Hyderabad-based Aragen Life Sciences Ltd earlier this year, while Maiva Pharma raised ₹1,000 crore from Morgan Stanley Private Equity Asia and India Life Sciences Fund last year.

With global customers diversifying supply chains from China and seeking value-driven outsourcing, geopolitics and geoeconomics provide strong tailwinds for India's Contract Research, Development, and Manufacturing Organization, Boston Consulting Group said in a February report.

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Blockbuster year in sight for IPO street

FROM PAGE 1

capital markets, Avendus Capital, a Mumbai-based investment bank.

On India's standout performance as the market with the most number of IPOs in the first three quarters of calendar year 2025, consultancy and audit firm noted in an October report: "India's leadership in IPO volume, supported by strong valuation multiples, underscores the vibrancy of its domestic market. The rise in average deal size reflects growing investor optimism in sectors such as fintech, manufacturing and renewables."

Large IPOs over the last 18–24 months demonstrate the depth of domestic liquidity and have encouraged more issuers to tap public markets, Sood added.

The pipeline of issuers has been diverse and broad as Indian public markets are now more accepting of differentiated, innovation-led business models. Automaker Hyundai India, food delivery and quick commerce platform Swiggy, consumer goods brand LG Electronics India, and non-banking lenders Tata Capital and Bajaj Housing Finance have been among the top IPO companies in India in 2024 and so far in 2025.

Several prominent firms—Meesho, InCred Holdings, Gaja Capital, Boat, Sedemac Mechatronics, Orkla India, Urban Company, WeWork India, Lenskart, Groww, PhysicsWallah, Pine Labs, Fractal Analytics, and Captain Fresh—filed draft papers through 2025, with many already public or in advanced stages of listing.

Pipeline of issuers is diverse as Indian public markets are now more accepting of differentiated business models. ISTOCKPHOTO

Valuations in the public market are attractive, pointed out another expert. "This is resulting in more MNCs listing their Indian subsidiaries as also more private equity-owned firms looking at a listing. Even traditional Indian family-owned, closely-held businesses are now actively considering listing as a result of what I call net worth creation effect," said Pranav Haldea, managing director at Prime Database.

IPOs in the past 18–24 months show domestic liquidity depth, encouraged more to tap public markets

After a slowish start at the beginning of the year, he added that a multitude of factors such as cuts in the goods and services tax (GST), hopes of progress in India-US trade talks, and positive macro data have further driven enthusiasm in the secondary market which always has a rub-on effect on the primary market.

Besides GST cuts, investor sentiment is looking up supported by pro-growth policy decisions such as reduced interest rates, "alongside better-than-expected corporate earnings in Q2 thus far," said Apoorve Goyal, managing director of India investments at Prosus Group, a Dutch investment firm.

Goyal added that high-quality issuances such as LG Electronics, Tata Capital, and HDB Financial Services have paved the way for new-economy firms including Urban Company, Lenskart, Groww and Pine Labs to tap the markets.

Prosus itself has seen listings among its portfolio companies this year, including Bluestone and Urban Company, with Meesho expected to list soon, reinforcing momentum in consumer internet offerings.

Issuers are more IPO-ready than in previous boom cycles and this is seen across metrics like profitability, governance, and disclosure quality, according to Sood—a shift that has "materially increased the number of DRHPs being filed".

Goyal said much of this year's demand was led by domestic investors, while foreign investors focused on developed markets—the US, China and Japan—where secondary valuations looked more attractive and AI-led themes dominated allocations. "We expect a portion of that capital to come to India next year, provided the macro backdrop remains supportive and pricing continues to look attractive," he said.

Whether this momentum sustains will be clearer as several large and mid-sized issuers gear up for 2026 listings.

Investors believe that much will depend on the performance of companies listed this year. "The sustainability of this buoyancy will depend on broader macro stability, global capital flow trends, and the ability of newly listed companies to deliver on their growth and profitability promises," said Goyal.

At least 30 companies—including Milky Mist Dairy Food, Curefoods India, Shiprocket, Shadowfax Technologies and Gaja Capital—have secured regulatory approval in the past six months, setting the stage for a robust listing calendar next year.

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Automakers seek leeway on EVs as watchdogs push back

India debates how much leeway automakers should get under the Cafe-III emission norms

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India wants clean cars, but how much leeway they should get in upcoming emission norms is now the subject of a sharp split.

While global clean-transport bodies—Geneva-based International Road Federation (IRF) and the US-based International Council on Clean Transportation (ICCT)—have warned that generous "super credits" weaken India's emissions framework, the Indian auto industry lobby has urged the government to increase them.

Super credits—which allow one electric vehicle (EV) to be counted as three vehicles and one strong hybrid as two in calculating a company's corporate average fuel efficiency (Cafe-III) emissions—were introduced to help carmakers meet targets by gradually adding cleaner vehicles.

In its final submission to the government earlier this month, the Society for Indian Automobile Manufacturers or Siam—which counts all major carmakers as its members—has asked the government to increase the super-credit value for EVs to four vehicles from three in the final rules, and stay with two vehicles for hybrids, according to two executives familiar with the discussions.

But IRF and ICCT have argued that super credits can artificially lower a carmaker's average emissions, allowing companies to sell more high-emitting petrol and diesel models while meeting targets through multipliers. They also say the system places India out of step with global norms.

"I am surprised and concerned to learn that automakers are now unitedly lobbying to increase this volume derogation factor from 3 to 4," IRF president (emeritus) K.K. Kapila wrote in the letter dated 3 November. "Furthermore, they are demanding that EVs be treated as consuming "zero energy", which is impractical and against the basic laws of physics."

"This proposal moves India in the opposite direction of global tightening. Major markets like the US, EU and Japan have recognized that high volume derogations distort the true emissions picture and are insisting on actual CO reduction," Kapila added. *Mint* has seen a copy of the letter.

In an earlier recommendation on 10 October, ICCT had said that the regulator should start thinking about phasing out super credits for hybrid vehicles and phasing them down for EVs.

It said the recommendation "significantly reduces compliance burden for automakers, making it easier to sell high-emitting ICE vehicles". *Mint* has seen a copy of the recommendation.

ICCT said cutting back super credits would push carmakers to improve the fuel efficiency of their ICE (internal combustion engine) fleet, and speed up genuine EV adoption by making zero-emission vehicles the main way for companies to meet targets.

Concerns around super credits were first raised by former Niti Aayog chief Amitabh Kant in a September 2024 letter to Tarun Kapoor, advisor to the Prime Minister Office—draft Cafe-III norms were first released by the Bureau of Energy Efficiency (BEE) in June 2024. *Mint* has reviewed a copy of the letter.

"BEE must initiate action to remove super credits for various technologies from the proposed Cafe norms, as these currently allow automobile manufacturers to meet efficiency targets without producing adequate clean vehicles," Kant said in the letter.

Queries sent to Siam, Amitabh Kant, Tarun Kapoor, and carmakers like Tata Motors, Mahindra & Mahindra and Maruti Suzuki remained unanswered till press time. IRF did not respond to requests for additional comment, and ICCT declined to comment on an internal document.

In his letter, IRF's Kapila noted that the super credit multiple of three already allows 15–18 gm of benefit in the final calculation for one EV.

If the super credit multiple is increased to four, then the benefit increases to 30-40 gm.

As part of Cafe-III norms, whose latest draft was released in September 2025, companies have to adhere to a maximum emission cap of 88.4 CO_2g/km in 2027 for their portfolio, which will be scaled down to 71.5 CO_2/g by 2032.

To simplify meeting the norms, the energy efficiency bureau included super credits, allowing some leniency for carmakers in meeting the norms.

Super credits allow one EV to be counted as three vehicles, one strong hybrid as two in calculating Cafe-III emissions HT

EV EMISSIONS ROW

AUTO lobby SIAM requested increasing EV super credits from 3 to 4, while keeping hybrids at 2

GLOBAL bodies IRF and ICCT warn that generous super credits weaken India emission framework

IRF said treating EVs as consuming "zero energy" is both against physics and unrealistic

CRITICS say high credit multiples allow automakers to sell more high-emitting ICE vehicles

SC to rule as govt divided on spectrum sale in bankruptcy

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The government told the Supreme Court that telecom spectrum belongs to citizens and cannot be traded in insolvency cases. MINT

The Centre argued in the Supreme Court that telecom spectrum belongs to the citizens and can't be traded in insolvency cases. But the two ministries involved differed on whether such a key national resource can be transferred in such situations.

The SC last week reserved its verdict on the treatment of spectrum in bankruptcy cases. But the department of telecommunications (DoT) and ministry of corporate affairs (MCA) were at odds over how spectrum is to be treated in insolvency cases of Aircel and Reliance Communications, said two people in the know, seeking anonymity.

The DoT held that the spectrum is a natural resource and can't be sold during liquidation, while corporate affairs ministry was of the view that airwaves must be tradable so that creditors like banks can recover their dues, one of the two people said. RCom, Aircel and Videocon went bankrupt over 2018 and 2019, leaving unpaid dues of over ₹40,000 crore.

The Attorney General of India held meetings with the ministries to understand the friction before presenting the final arguments in the court. The government's stance was that the spectrum belongs to the state, held in trust for the public, and is not subject to the Insolvency and Bankruptcy Code (IBC).

Telecom spectrum is a natural resource, recognised as belonging to Indian citizens, with the government acting as its trustee. The SC's ruling will decide whether airwaves can be liquidated under the IBC for lenders to recover dues.

Banks lent against spectrum as a collateral, but legal disputes have made the lenders more cautious now

Queries to DoT, MCA, and Attorney General did not elicit any response till press time.

Banks used to lend to telecom operators against assets, including spectrum, as collateral. However, given the legal disputes over the treatment of airwaves in the event of insolvency, investors and lenders now consider a company's financial health before advancing funds, an industry executive said.

"The Centre is clear on its stance. Multiple meetings happened between DoT and MCA on the issue of spectrum under insolvency," the second person said, adding that one of the reasons why MCA wanted to bring spectrum under insolvency was out of concern that the sector does not lose its attractiveness.

Currently, the right to use spectrum is classified and accounted for as intangible assets on the balance sheets of telecom operators. But under insolvency proceedings, there is a long-pending legal battle over whether this "right to use" can be sold by a bankrupt firm to recover dues for lenders. The Centre maintains that spectrum belongs to the state and all prior dues must be cleared first, leaving a large volume of it unused for years. In a 2021 order, the National Company Law Appellate Tribunal held that the spectrum can be included in Corporate Insolvency Resolution Process and transferred to a successful bidder under IBC. But it also ruled that this transfer could occur if all dues owed to the DoT, which it classified as an operational creditor, were cleared in full.

"NCLAT in its order said the government is a trustee and spectrum should serve public interest. DoT is not a secured lender. There is a large spectrum unused for years and this violated the logic of the government acting as a trustee as public resources is wasted instead of utilized," Parag Kar, an independent telecom analyst. According to Kar, 21% of gross revenue of operators from FY10 to FY24 went into spectrum auctions due to high reserve prices and pushed certain operators to bankruptcy.

For an extended version of this story, go to livemint.com.

'GST reforms to boost urban demand'

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Whatever policies the government has taken have ensured that rural demand has been steady, says Marico CEO Saugata Gupta.

Homegrown fast-moving consumer goods (FMCG) major Marico Ltd expects India's urban demand, especially in categories such as packaged foods, to perk up in the coming quarters aided by tailwinds from the recently-cut goods and services tax rates. This sets up a more stable outlook for the company after a quarter marked by input cost rise and tax-related disruption.

"I expect the demand situation to be stable, going forward. Whatever policies the government has taken have ensured that rural demand has been steady and consistent," Saugata Gupta, managing director and chief executive officer (CEO) said in an interview on Monday. "Some of the GST benefits, especially in food, will benefit urban areas. So overall, I expect the demand situation to be stable."

On Friday, the company posted a consolidated net profit of ₹420 crore, down marginally from ₹423 crore a year earlier. Its Ebitda rose 7% year-on-year to ₹560 crore, though the margin contracted by 350 basis points, reflecting higher input costs. Consolidated revenue from operations grew 31% y-o-y to ₹3,482 crore. Revenues from the India business were at ₹2,667 crore, up 35%, aided by price hikes in core portfolios.

Marico's consolidated revenue from operations had risen over 12% to ₹10,831 crore last fiscal year. Food products had brought in revenue of over ₹900 crore in FY25.

FMCG saw a 5.4% year-on-year rise in volumes for the September quarter, according to NielsenIQ

NielsenIQ, market research firm, said FMCG volumes rose 5.4% year-on-year in the September quarter, moderating sequentially due to disruptions from the GST transition, while sales value jumped 12.9%. Rural markets grew faster than urban for the seventh consecutive quarter, with urban volumes slowing sequentially.

"We aren't seeing so much difference between urban and rural. Yes, rural is slightly ahead of urban, but the stress in urban general trade continues and that probably reflects in the numbers," Gupta said. He said 30% of Marico's India portfolio saw a cut in prices after the GST rationalizaton.

"The sector had disruption from around 4 September to the first 10 days of October. Now, it's back to square one. We are seeing far more stable volumes," the CEO said. "Some portfolios had price-point packs, where we increased grammage; in the rest we took price drops. We have passed on the GST benefits."

GST tailwinds will specifically help demand for the company's packaged foods market. "The fact that all food is now at 5% means there is a significant opportunity for unbranded to branded conversion," he added.

Among the key inputs that saw elevated price pressures during the September quarter was copra, a key raw material for the Parachute coconut oil portfolio. Prices of copra are up 113% y-o-y. As a result, Marico undertook a 60% price hike in Parachute products over the past year. Parachute coconut oil brings in 36% of the company's India revenue.

For an extended version of the story, go to livemint.com.

Rural demand drives FMCG growth in September quarter

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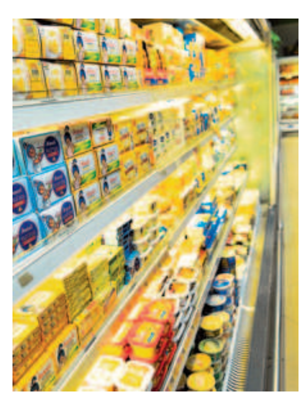
India's fast-moving consumer goods (FMCG) sector reported a 5.4% rise in September-quarter volumes, which moderated sequentially on account of disruptions related to the transition to the new goods and services tax rates, while the value of sales jumped 12.9%, according to data released by consumer intelligence platform NielsenIQ.

The rural markets, which account for 38% of FMCG volumes, grew faster than the urban areas for the seventh consecutive quarter. Urban volumes reported a sequential slowdown.

The FMCG sector recorded a 7.1% increase in pricing-led growth, with unit growth outpacing overall volume growth—indicating a consumer preference for smaller packs. FMCG volumes had grown 6% in the June quarter.

"The Indian FMCG sector continues to demonstrate resilience, with rural markets leading the charge for seven consecutive quarters," said Sharang Pant, head, customer success, FMCG, at NielsenIQ in India. "While urban recovery is gaining traction, particularly in smaller towns, rural demand remains cornerstone of volume expansion. E-commerce continues to be key growth engine, especially in top eight metros." With inflation easing, outlook for consumption is optimistic and impact of GST changes on consumption may play out in next two quarters, he added.



FMCG sector saw a 5.4% rise in Sept quarter volumes. MINT

The September quarter was marked by the transition to revised GST rates, which led to temporary de-stocking in trade, as companies moved to pass on the benefits of lower prices to consumers. Anticipating low price led to delayed purchases by the consumers.

Most companies reported GST-linked disruptions in the quarter. Mumbai-based Hindustan Unilever posted flattish volume growth. Dabur India's quarterly volumes rose 2%, with consolidated revenue up 5% year-on-year.

There was 7.7% y-o-y rise in volumes in the rural markets compared with a 3.7% growth in the urban areas, NielsenIQ said. The urban markets had reported volume growth of 4.1% in the June quarter. Rural growth moderated from 8.4% in the previous quarter.

"This recuperation is primarily driven by smaller urban towns. Metropolitan areas continue to experience a decline in offline sales owing to a shift towards e-commerce. However, modern trade is on a revival trajectory as well," NielsenIQ said in its report.

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Govt seeks time in SC on Sahara, Adani land sale petition

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The Union government has sought more time to file its response to a plea by financially-stressed Sahara India Commercial Corporation Ltd (SICCL), which is seeking the Supreme Court's nod to sell 88 properties, including Aamby Valley in Maharashtra and Sahara Shaher in Lucknow, to Adani Properties Pvt. Ltd in a ₹12,000-crore deal, and pay off its debts.

Solicitor general Tushar Mehta, appearing for the Centre, made the request on Monday before a bench of Chief Justice of India B.R. Gavai and justices Surya Kant and M.M. Sundresh. The court granted the request and adjourned the matter for six weeks. Mehta also asked that the ministry of finance and ministry of cooperation be added as parties to the proceedings, pointing to the involvement of several cooperative societies that had invested in, or were financially liked to Sahara group entities.

The SC bench also postponed the hearing of applications filed by Sahara employees seeking release of their pending salaries. Senior advocate Shekhar Naphade, the amicus curiae, informed the court that he continues to receive claims over properties that Sahara has not disclosed. He suggested that the company be directed to publish a comprehensive list of its assets on its website. SC did not pass any order on this. On 14 October, it had asked the government and Sebi to file responses to Sahara's applications, and directed all claimants to make their claims before the amicus.

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OTTs chase regional content with higher spends but viewership trails

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Regional languages are increasingly claiming a growing share of OTT investments. Major platforms are allocating nearly 30% of their budgets to non-Hindi content as regional audiences surge and demand for premium storytelling grows.

Experts say while budgets for regional content are substantial, they are investments to build the category and tap into the growing demand.

However, viewership trends remain chequered, and return on investments for these productions can be uncertain.

Platforms need to carefully consider their content strategies to ensure they are meeting the needs of their target audience. According to Ormax the mid-year list of top 50 originals includes Tamil fiction series *Suzhal – The Vortex Season 2* (8.3 million), *Heart Beat* (7 million), Malayalam fiction series *Kerala Crime Files Season 2* (6.9 million), Tamil film Test (6.5 million), and Telugu fiction series *Devika & Danny* (5.2 million).

But they pale in comparison to viewership figures of the top Hindi originals *Criminal Justice: A Family Matter* (27.7 million) and *Ek Badnaam Aashram Season 3* (27.1 million).

Per-season cost for regional web originals have risen from ₹1-2 crore to ₹5-10 crore on larger platforms. Hindi shows, however, are far costlier at ₹30 crore, led by broader national marketing and talent costs.

OTT platforms are now allocating about 30% of their budgets to non-Hindi content as regional audiences grow. MINT

However, the gap is narrowing, as regional markets have expanded and appetite for premium storytelling has surged across the board, Siju Prabhakaran, chief business officer, ZEE5, said. "What we are witnessing, especially in the southern states, is creators pushing the envelope with rooted yet cinematic storytelling, often requiring the same production values as mainstream Hindi shows. The cost dynamics may vary by region, but the creative investment and quality benchmark remain uniform," Prabhakaran added.

ROOTING FOR ROOTS

VIEWERSHIP remains uneven, with top regional originals far behind leading Hindi shows

REGIONAL web original budgets rise to ₹5–10 crore per season, Hindi shows cost over ₹30 crore

Over 65% of ZEE5's viewership comes from non-Hindi languages. The company budget allocation for a regional show is in the range of ₹8-10 crore, said industry experts.

It is likely that regional language content budgets are lower due to the niche audience and limited geographical reach, said Rajat Agrawal, chief operating officer and director of Ultra Media and Entertainment.

"The return on investment for the productions can be uncertain, and platforms need to carefully consider content strategies to ensure they are meeting the needs of their target audience," Agrawal added.

The challenges for regional content are twofold—accessibility and relevance. Viewers expect flexible and affordable plans, offering user experience in their language. The second is cultural relevance—each region has its own storytelling grammar, cultural nuances, and star ecosystems.

Charu Malhotra, co-founder and managing director, Primus Partners, a management consultancy firm said a section of regional viewers still watch OTT content through shared family accounts or bundled telco offers.

For an extended version of this story, go to livemint.com.

A. Vellayan, known for visionary bets, passes away at 72

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Arunachalam Vellayan, former Murugappa group chairman.

OBITUARY

His friends and peers called Arunachalam Vellayan (72), former chairman of Murugappa group who passed away in Chennai on Monday, a man with a high level of business acumen and an ability to see the future.

They are not exaggerating. In 2008, as chairman of Coromandel International, one of India's largest fertiliser companies, he took a bold decision to go retail. He started company-owned shops under the name 'My Growmor' despite many warning him against it. It is a recipe for disaster and no one has done it before, they said. He saw the future and was convinced that a direct connection with the farmers is needed to build trust in the long term. He also rightly surmised that it will help the company understand the farmer's needs and design products better for them.

Recently Coromandel International opened its 1,000th Growmor shop serving over 3 million farmers. This retail network has also helped the company launch services such as drone spraying of fertilizers and pesticides, soil testing, and advisory services. Today, retail is at the heart of Coromandel's business and its clear differentiator in the industry.

As a chairman, he expanded the Murugappa group through organic and inorganic routes. The group grew fast. Its revenues increased from ₹15,907 crore in FY09 to ₹30,023 crore in FY17. Markets applauded his actions. The group's market capitalisation rose from ₹11,600 crore to over ₹70,000 crore by end of January 2018.

"He was an outstanding leader who had a firm grip of both macro and micro aspects of the business. He understood the ground reality well and took bold moves," said R Seshasayee, chairman, Asian Paints.

Venu Srinivasan, chairman emeritus, TVS Motor Company and vice-chairman, Tata trusts called vellayan a tall leader of his generation. "I have known Vellayan for over six decades. He was a great institution builder," he said. "I would personally miss him greatly."

A distinguished leader and a valued member of the Murugappa family, Vellayan dedicated several decades to the Group, providing strategic direction across its diversified businesses. His vision, integrity and long-term approach to value creation helped strengthen and expand the Group, a Murugappa group press release said.

He was an alumnus of the Doon School, Shriram College of Commerce and University of Warwick Business School. He is survived by his wife, two sons - Arun Vellayan and Narayanan Vellayan and grandchildren.

Welspun to sell majority in clean energy firm, hires EY

Company targets equity value of $100 million for stake in Welspun New Energy

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Close to a decade after selling its renewables portfolio to Tata Power, billionaire B.K.Goenka's Welspun World has charted out its next big deal. This time, it has hired EY to sell a majority stake in Welspun New Energy, its clean-energy platform, for an equity value of around $100 million, according to two people aware of the development.

"The sale process has been launched," one of the two people cited above said, requesting anonymity. "The next step involves signing of non-disclosure agreements, post which the financial model and the information memorandum will be shared. After meeting the management for discussions, prospective investors will give their indicative proposals."

Welspun New Energy has 1.2GW of capacity. Of this, 866 mega watt (MW) is contracted with state-run NTPC Ltd, Solar Energy Corporation of India (Seci) and Gujarat Urja Vikas Nigam Ltd. The company also has 3.1GW of projects under development that have transmission connectivity.

Welspun World is an infrastructure development company with a focus on transportation, water and wastewater, oil and gas exploration, and tunnelling segments. In 2016, it had sold its entire 1.1 gigawatt (GW) renewable energy portfolio of Welspun Energy Ltd to Tata Power for $1.4 billion.

An EY spokesperson declined to comment. Queries emailed to Welspun World's spokesperson on late Sunday night were unanswered till press time.

The proposed sale of Welspun New Energy comes in the backdrop of a major cleanup of India's green energy contracts. As reported by *Mint* earlier, the Union power ministry has directed state-run procurers—Seci, NTPC, NHPC, and SJVN—to cancel contracts by the end of this month where it is not feasible to sign power purchase agreements and power supply agreements.


Welspun New Energy has 1.2 GW of contracted capacity. BLOOMBERG

Meanwhile, foreign direct investment (FDI) in India's electricity sector has been on an upward trajectory. According to the International Energy Agency's (IEA's) World Energy Investment 2025 report, about 83% of power sector investment in the country went to clean energy in 2024.

India was the world's largest recipient of DFI (development finance institution) funding in 2024, receiving around $2.4 billion in project-type interventions in clean energy generation, according to the IEA report. It noted further that FDI in India's electricity sector has doubled since pre-pandemic levels to reach $5 billion, and there is scope to accelerate further.

CLEAN SWEEP

THE firm has 1.2GW capacity; 866MW contracted with NTPC, Seci, Gujarat Urja Vikas Nigam

IT also has 3.1GW of projects under development that have transmission connectivity

WELSPUN World is focused on water, wastewater, tunnels, transport, oil and gas exploration

INDIA has 197GW of renewable energy capacity, to add 50GW every year to hit 500GW by 2030

India has about 197GW of installed renewable energy capacity, and wants to add 50GW every year to reach 500GW by 2030. Looking further ahead, India plans to build 1,800GW of renewable capacity by 2047 and 5,000GW by 2070 to stay on track for its green transition and net-zero goals.

As per IEA's estimates, India will need to invest $1.3 trillion in non-fossil power generation capacity by 2035.

This in turn has attracted both domestic and global investors. Some of the transactions as reported by *Mint* include World Bank's International Finance Corp (IFC), Munich-headquartered Siemens AG and Singapore's Fullerton Fund Management's plans to acquire 49% stake in Gurugram-based green hydrogen manufacturer Hygenco Green Energies Pvt. Ltd.

The primary equity raise process is being run by Avendus Capital for the deal having an equity and enterprise value of $125 million and $250 million, respectively. Also, the country's largest oil refiner and marketing company Indian Oil Corp.'s (IOC) renewable energy subsidiary Terra Clean Ltd plans to acquire a 50% stake in renewable energy firm Fourth Partner Energy Pvt. Ltd (FPEL) in a deal having an equity value of around $400 million.

In addition, Morgan Stanley and Mitsubishi UFJ Financial Group, Inc. (MUFG) in October launched the sale process of Global Infrastructure Partners (GIP)-owned Vena Global Group Pte Ltd's complete sale of its green energy platform Vena Energy India, at an enterprise value of around $1 billion.

Also, Sembcorp Industries Ltd, Torrent Power Ltd, INOXGFL Group's Inox Green Energy Services Ltd, and General Atlantic owned Actis Llp are among half a dozen shortlisted bidders to conduct due diligence to acquire Macquarie Asset Management's Green Investment Group (GIG) platform Vibrant Energy in a transaction code named Project Notos having an enterprise value of around $600 million.


emerging-market central banks are keen on gold. ISTOCKPHOTO

Beware the scorching gold rally

FROM PAGE 1

rampant inflation and killing faith in the greenback, causing central banks worldwide to swap long-duration, dollar assets for safe-as-houses gold. The problem with this story is that it lacks evidence. Were American securities being dumped en masse, the dollar would be falling and long-term yields would be rising. In reality, the dollar has been pretty stable after slumping earlier this year; yields on 30-year Treasuries have been mostly flat.

Proponents of debasement point out that emerging-market central banks are keen on the metal. If gold's share in central-bank reserves is up, however, that is largely because its price is rising while the dollar is not. In volume terms, emerging-market purchases of gold, which started from a tiny base, remain small. A confidant of central-bank officials detects no urge to bet the farm on gold, especially if doing so would mean chasing a bubble: "Most are going to hold the position for many years. They would fear having to book losses for ever." IMF data suggest that their reported buying has slowed, not accelerated, since last year, and purchases are driven by just a handful of banks.

Which leaves speculators as the most likely drivers of recent price movements. On September 23rd—the last time America's Commodity Futures Trading Commission released data, owing to the shutdown—"long" positions held by hedge funds on gold futures were at a record 200,000 contracts, equivalent to 619 tonnes of metal. Net purchasing by exchange-traded funds was also strong. Last month ETF flows, together with just 100 tonnes' worth of net sales by hedge funds, would explain much of the price dip observed late that month, estimates Michael Haigh of Société Générale, a bank. ETF flows have since rebounded (hedge-fund data remain unavailable). It would, therefore, appear that the gold price closely tracks these flighty funds' appetite.

What may have started, months ago, as a limited push for more gold in central banks' reserves thus seems to have snowballed into a self-propelled mass of hot money chasing prices higher. That is a bad omen for "strong hands". At some point, this classic "momentum trade"—of investors following trends—will stop. The longer it lasts, the more chips the brashest players stand to lose at the end.

NBFCs go easy on MSMEs as NPAs bite

FROM PAGE 1

IIFL Finance maintains a "very cautious status" on MSMEs and the microfinance business, chief financial officer Kapish Jain told analysts on 31 October, adding the focus is largely on "recovery and collection."

Credit rating agency Crisil has been sounding the alarm. In an October report, Crisil warned that bad loans in the MSME segment "may witness a cyclical inch-up, particularly in export-oriented sub-segments hit by the US tariff."

The US has imposed a hefty 50% tariff on Indian goods, hurting production and cash flows at many export-oriented MSMEs in leather, textiles, chemicals, and gems and jewellery sectors, and impacting their ability to pay back loans.

The MSME sector accounts for more than 30% of India's gross domestic product, and is the second-largest employer after agriculture.

At Ugro Capital, which primarily lends to MSMEs, assets under management increased by 29% annually to ₹12,226 crore. However, this was accompanied by tighter underwriting and moderated disbursals, founder and managing director Shachindra Nath told analysts on 10 November. Nath called it a "prudent approach" that aligns with the prevailing macro headwinds in the small-ticket MSME segment.

US tariffs hurt MSMEs' ability to repay loans. ISTOCKPHOTO

As of September-end, Ugro Capital's gross NPA was at 2.4%, higher than 2.1% in the same period a year ago.

Ugro also said its credit cost was 2.5% of average AUM in Q2, reflecting higher provisioning to cover potential losses, even as it raises secured lending. Credit cost is the ratio of provisions and write-offs to total assets of a lender.

While MSME debt rose, revenues haven't kept pace especially in sectors like textiles, leading to indebtedness

While MSME debt has risen, revenues haven't kept pace especially in sectors such as textiles, leading to higher indebtedness.

Shriram Finance acknowledged increased caution in its MSME exposure, given the external risks, even as its AUM rose 16% year-on-year to ₹2.81 trillion. Its gross NPA fell to 4.57% at the end of September, from 5.32% a year ago.

"We have been cautious with the MSME segment, especially post-US tariffs, because some of the segments are dependent on the US market and some of the segments have as high as 60% of their output going into the US market, especially manufacturers and some of the service providers to them," vice-chairman Umesh Revankar told analysts on 31 October.

To be sure, not all NBFCs feel the pinch equally. Ugro Capital said that fewer than 5% of its borrowers are export-oriented. Yet, the broader industry does see tariff-linked stress, especially as cross-border demand cools.

Across the board, NBFCs are shifting to a "risk-first" stance to protect asset quality. Ugro, for instance, will ease off on disbursements, even as it prepares to absorb ₹3,000 crore of assets through its proposed Profectus Capital acquisition.

Shriram Finance, on its part, is closely monitoring demand. Revankar said that any diplomatic truce could reduce tariff risk, but emphasized that the company is not banking on that. Bajaj Finance remains confident of returning to higher growth in the segment by the first half of FY27.

'Many blitzscaling startups don't transition to discipline'

FROM PAGE 1

over the last decade have scaled much more than anyone anticipated. This is the great India story. Things often take longer than expected, but if you remain patient, the eventual outcomes can be surprisingly large.

And only disruptive startups can achieve this scale?

We believe a startup needs a disruptive mindset at the beginning and a disciplined mindset once it scales into a real business. Once a company has thousands of employees, it needs a dual mindset of discipline and disruption to build something enduring. This is also one of the biggest mistakes startups make—many remain in the blitzscaling, growth-at-all-costs phase and fail to make the transition.

We have seen VCs steering companies to profitability after the funding winter.

Founders are deeply independent people. They have a very specific view of the world they want to create. They seek counsel, but as investors, we have to respect and protect that independence. That is one of


Peak XV marks two decades of existence in India. ISTOCKPHOTO

the key differences between private equity and venture capital. Private equity is oriented towards ownership and control, and firms often work very closely with the CEO inside the business. In venture capital, our role is to support a founder in a measured way and help them scale to greater heights. Founders typically remain in the driver's seat.

Some of the sectors, quick commerce in particular, are seeing a race to finish where a lot of capital is being raised and burned to stay ahead.

On quick commerce, the key question is what the industry structure will look like five to ten years from now. Is this a market that can support multiple profitable players, or will it consolidate around one or two? Price wars are always transient and rarely healthy for an industry. Right now, behaviour is being influenced by the availability of risk capital. When the dust settles, it is likely that one company will hold a very large share of the market, with perhaps one or two smaller but meaningful competitors.

What keeps an investor like you awake at night?

What keeps me awake at night are the forces we cannot control. The last five years have been shaped by significant geopolitical shifts. The pandemic, trade tensions, and other disruptions pushed the world in unexpected directions. Our constant question is how we can remain institutionally strong and show up for founders in a consistent way.

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For an extended version of this interview, go to livemint.com

Gold spike, Trump tariffs lift goods trade deficit to all-time high

FROM PAGE 1

Overall merchandise exports slipped to $34.38 billion from $36.38 billion in September and $38.98 billion a year earlier. Agarwal said India maintained steady export growth in the first seven months of FY25, even as global demand softened.

Meanwhile, imports rose to $76.06 billion, up from $68.53 billion in September and $65.21 billion a year earlier. The result: A hefty trade deficit, which threatens to erode forex reserves, weaken the rupee, and raise inflationary pressure.

Gold, silver

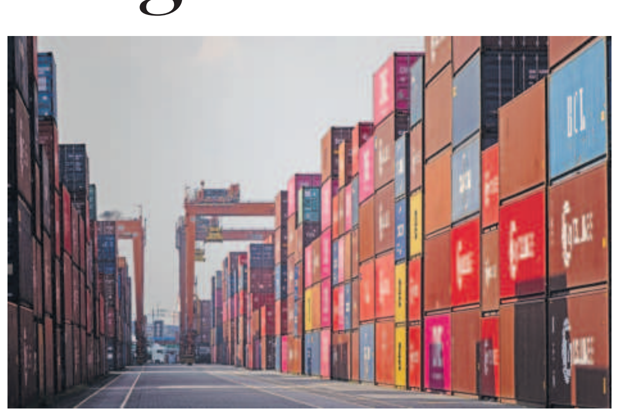
Jewellers reported strong festive buying and aggressive restocking ahead of Dhanteras and Diwali. Cumulative gold imports during April-October 2025 rose 21.4% in value terms from the same period last year, even as volumes remained below 2024 levels.

"The exponential rise in gold imports despite a fall in consumer demand suggests that buyers have been stocking the precious metal in anticipation of further price increases, hoping to secure significant gains late," said Surendra Mehta, national secretary at India Bullion and Jewellers Association Ltd.

Silver too joined the price race in precious metals. Imports rose 138% annually to $5.9 billion during April-October. In the April-September period, silver imports rose to $3.22 billion, up from $2.06 billion in the year-ago period.

Unlike gold, silver import volumes have jumped, driven by its growing use in solar panels, electronics manufacturing, electric vehicles and pharmaceuticals. Silver imports rose from 2,290.26 tonnes in April-September 2024 to 2,820.73 tonnes in the same period this year, reflecting a combination of higher prices and stronger industrial offtake.

"An uninterrupted rise in gold prices ahead of the festive season may have led to speculative demand, which may not sustain going ahead, possibly leading to some cooling in the import numbers in the ensuing months," said Aditi Nayar, chief economist, Icra Ltd. "Nevertheless, the non-oil non-gold imports rose by a substantial 12.4% YoY, led by fertilizers, machinery, electronic goods, non-ferrous metals, and silver," she added.


Goods imports rose to $76.06 billion, up from $68.53 billion in September and $65.21 billion a year earlier. REUTERS

US tariffs

In August, US President Donald Trump announced an additional 25% tariff on Indian goods, reportedly linked to New Delhi's oil purchases from Russia, bringing total levies on Indian exports to 50%. The measure took effect on 27 August. The tariffs are expected to adversely impact India's exports to the US, particularly from labour-intensive sectors such as garments, leather, gems, and jewellery. Shipments to the US account for roughly 2% of India's GDP.

TRADE TROUBLE

TRADE deficit threatens to erode forex reserves, weaken rupee, raise inflationary pressure

EXPORTS slipped to $34.38 billion from $36.38 billion in Sep and $38.98 billion a year earlier

The tariffs have dealt a clear blow to India's export performance, underscoring the urgency of speeding up trade negotiations with Washington, still the world's most influential market, said Rahul Ahluwalia, founder-director of the Foundation for Economic Development. "Strengthening our trade relationship with the US will not only help offset the current losses but also create a more resilient export ecosystem capable of weathering global economic shifts," he said. "Our analysis further indicates that the European Union stands as the only other major market with comparable potential for strategic engagement," he added.

Meanwhile, services exports continued to strengthen, rising to $38.52 billion from $34.41 billion a year ago, and $30.82 billion in September.

Services imports also increased, climbing to $18.64 billion from $15.29 billion in September and $17.23 billion a year ago.

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South India emerges as key value fashion battleground

Rising income, supportive consumption patterns, favourable store economics spur growth

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South is fast becoming the next battleground for India's value fashion retailers, as they aim to focus on a largely untapped market with high demand for affordable and organized apparel in states with rising income, consumption patterns that support the format, and favourable store economics.

Take, for instance, India's fastest-growing value retailer, Trent's Zudio. The brand has 833 stores nationwide. While Maharashtra hosts the highest number, with about 118 outlets, it has around 282 stores across Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, and Telangana—making up roughly 34% of its network.

Rival, Reliance Retail's Yousta that was launched in August 2023, has 120 stores overall, with 49 in the south, or 41% of its network. The first store was launched in Hyderabad in 2023.

In the September quarter, Aditya Birla Fashion and Retail Ltd formally entered the mass-youth value segment by converting its Style Up stores into OWND!, positioning it as a Gen-Z-focused fashion brand. "OWND! continued to gain strong traction, with revenue up 43% year-on-year. The brand expanded its footprint by adding 10 new stores in Q2 and now has 59 stores, and is on track to add 30-plus stores in the second half of the year," said Jagdish Bajaj, CFO of ABFRL, at the post-earnings call.

OWND! has 25 stores in south Indian cities like Vizag, Chennai, Bengaluru, Hyderabad, Mysuru and Guntur, underscoring its focus on the southern market. "South for value fashion is a very under-penetrated market. If you see the west and north, expansion naturally comes to the south, and then to eastern India," said Pratik Prajapati, equity research analyst at Ambit Capital. He added that rising incomes and the still largely unorganised market make it a lucrative opportunity.


Trent's Zudio has 833 stores nationwide, with 282 outlets, or 34%, across Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Telangana. REUTERS

Smaller value retailers are also eyeing growth in the South. Vishal Megamart, one of the country's largest brick-and-mortar retail chains, ventured into Kerala during the first half of this year and Karnataka over the past 2-3 years. While the company does not disclose state-wise store counts, the southern region has the second-highest density of its outlets, with around 193 of its 742 stores located there.

V-Mart Retail Ltd, traditionally one of the strongest players in Uttar Pradesh and Bihar, is also accelerating its southern expansion. According to its latest filings, V-Mart runs 533 stores nationwide, comprising 438 V-Mart outlets and 95 Unlimited stores. It is adding stores across Tamil Nadu, Karnataka, Andhra Pradesh, and Telangana as it seeks new growth corridors.

"We will continue and focus a little more on the Southern India part as we see more opportunities...Tamil Nadu and Kerala are looking good," said Lalit Agarwal, MD of V-Mart, during the September earnings call. He also drew a distinction between V-Mart's positioning and that of newer urban-focused players: "Style Union, Yousta and all of those are definitely a little more urban-ish retailers. We are a mass retailer, and our price point of similar items should be at least 15-20% lower. That's our goal."

Agarwal said competition remains relatively limited in the southern value fashion segment compared to the crowded northern markets, improving the company's ability to scale.

Much of this accelerated interest stems from the sharp rise in purchasing power across southern states. According to a July 2025 submission to the Lok Sabha by the finance ministry, southern markets have seen some of the fastest per capita income growth over the past decade. Karnataka's per-capita Net State Domestic Product rose from ₹1.01 lakh in 2013-14 to ₹2.04 lakh in 2024-25, an 88.5% jump. In the same period, Tamil Nadu's increase was 83% to ₹1.96 lakh, while Telangana surged 85% to ₹1.87 lakh. Andhra Pradesh, too, recorded a strong 81% increase to ₹1.41 lakh. This sustained income growth over the past decade has strengthened discretionary spending, enabling middle-income households to trade up from unorganised apparel shops to branded yet affordable fashion.

With disposable incomes rising and a predominantly unorganised apparel market, the South presents significant growth opportunities for retailers. For many value chains, unorganised-to-organised migration, visible in Karnataka, Tamil Nadu and Telangana—makes south the new frontier.

For an extended version of this story, go to livemint.com.

VALUE FASHION SURGE

RELIANCE Retail's Yousta, launched in August 2023, has 120 outlets, with 49, or 41% in the South

ADITYA Birla brand OWND!, targeting Gen-Z, has 59 stores, including 25 in south; Q2 revenue up 43%

SMALLER value retailers like Vishal Megamart, V-Mart growing aggressively in southern markets

SOUTHERN states' rising incomes boost discretionary spend, demand for branded affordable fashion

India's music stardom has moved from film sets to feeds

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A few verses, a guitar, and an Instagram Reel were enough to catapult Anumita Nadesan into the national spotlight. Her candid song video, posted about a week ago, has already crossed 20,000 views. Singer-songwriter Anuv Jain—whose virtual lockdown concerts forged an emotional connection with listeners—now has over 3 million YouTube subscribers.

With Indian audiences stepping out after months of lockdown, Nadesan lent her voice to *Jigra*'s (2024) track *Tenu Sang Rakhna* alongside playback singer and musician Arijit Singh. Though Jain was not a part of any film soundtrack, she went on to perform sold-out shows across India.

Tenu Sang Rakhna has been streamed 78 million times on Spotify and had 8.2 million views on YouTube—numbers that would make Nadesan one of Bollywood's top female playback artists a decade ago. when a single film track could propel singers like Arijit Singh, Shreya Ghoshal, Sonu Nigam and Sunidhi Chauhan into overnight stardom.

But curly-haired Nadesan was already a viral name long before *Jigra*. Her 2020 acoustic cover of *Jashn-e-Bahara* from *Jodhaa Akbar* (2008)—posted during the lockdown—has 6.2 million views and went on to soundtrack countless dance Reels and digital ads.

Former duo Mitraz and singer Faheem Abdullah have had similar arcs, with their voices featuring in *Teri Baaton Mein Aisa Uljha Jiya* (2024) and the surprise 2025 success *Saiyaara*, respectively.


Today's 'democratized' music scene requires artists like Anuv Jain to build a fan base, grow and monetize their audience. MINT

A decade ago the milestones would have pushed Nadesan, Mitraz, Jain and Abdullah into the mainstream. Arijit Singh and Shreya Ghoshal, for example, rose to superstardom through reality TV appearances followed by cult-defining film tracks such as *Aashiqui 2* (2013) and *Devdas* (2002).

But in today's streaming-led music economy, a hit film song is not a guaranteed launchpad. The ecosystem has "democratized," pushing musicians to build and engage their own communities—audiences they can later monetise. Yet, a hit Bollywood track remains a crucial accelerant for artists looking to expand their listener base.

The lockdown let indie artists build followings on YouTube, Instagram and Spotify amid slow Bollywood music releases

Bollywood was once operated on a "full-stack" model—coordinated soundtrack releases, big music videos, high-voltage promotions, and film tie-ins. That ecosystem collapsed during the lockdown, says Sidhantha Jain, co-founder, M3, a music marketing firm. "While that's not the case anymore, pre-covid, the full-stack approach was almost essential for a film song to break out," he added.

"When the machinery came to a halt, there was real dearth of new music, and that's when listeners started exploring beyond the mainstream and discovered a wave of independent artists."

This gap in supply pushed audiences toward indie tracks trending on Spotify, Instagram and YouTube, where Nadesan, Mitraz, Abdullah and Jain built their early followings. "Anumita, for example, came into limelight from her first Reel. Her voice featuring on *Tenu Sang Rakhna* was a big win for independent music," said Aniket Rajgarhia, independent music consultant and former senior executive at Outdustry, acquired by Virgin Music.

Even today, film music supply remains thin. Producers are remixing older Hindi hits to cash in on nostalgia. That scarcity helps raise demand for indie tracks—but also reduces opportunities for indie artists to break into Bollywood.

"Featuring in Bollywood is a good payday for any musician and it helps grow their listener base. But 'listeners' and 'fans' are completely different metrics," Akhila Shankar, music distributor and co-host of The Indian Music Charts Podcast, said. "Fans are listeners but all listeners are not your fans."

For an extended version of this story, go to livemint.com.

Traders in SGX's perpetual futures won't automatically get liquidated if a sudden market shift upsets their positions. REUTERS

SGX to list Bitcoin, Ether perpetual futures on 24 Nov

Bloomberg
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Singapore Exchange Ltd (SGX) will soon launch Bitcoin and Ether perpetual futures, with plans to shake up the market for one of the most popular and controversial products in crypto.

Perps, as they're known in industry parlance, are derivative contracts with no expiry date. They have become hugely popular for placing speculative crypto bets, and played an outsized role in an October digital-assets crash that wiped out at least $19 billion worth of futures, thanks in part to exchanges' auto-deleveraging systems.

Traders in SGX's perpetual futures—which are slated to go live on 24 November—won't automatically get liquidated if a sudden market shift upsets their positions. Instead, the tried-and-tested system of margin calls and top-up collateral payments used by traditional exchanges will be deployed.

"The challenge that repeatedly faces a lot of the guys who are trading on the unregulated exchanges is that clearing doesn't work the way they expect it to," Michael Syn, SGX's president, said in an interview.

Syn likened offshore crypto exchanges to "bucket shops", a type of bookmaker banned in the US in the 1920s that would take bets on share price moves. Crypto exchanges' methods don't "meet the needs of an institution", he said, citing a lack of transparency over the price at which trades are liquidated and the presence, in some cases, of in-house market makers.

"You don't know if the exchange involved liquidated against a fair third-party, or against the in-house market maker."

To mitigate those concerns, SGX handles margin through clearing members, similar to what are known as Futures Commission Merchants (FCMs) in the US.

These intermediaries are on the hook if a clearing house demands more margin. If a client can't pay, that's the broker's problem, but they need to make the clearing house whole whatever happens.

In traditional futures markets, positions are typically reconciled at the end of each day. SGX's perps trade 22-and-a-half hours a day, five days a week, while crypto platforms tend to run around the clock.

Perps, popular for speculative crypto bets, played an outsized role in a digital-assets crash in October

"What your basis trader, or even absolute position trader wants, is position certainty," said Syn. "What they don't want to have is a variable position that gets auto-liquidated at a price that they can't manage."

US exchanges including CME Group Inc. and Cboe Global Markets Inc. are also planning to launch their own versions of perpetual futures for crypto.

Cboe's plans to launch the contracts this month have been delayed by the US government shutdown, according to the Chicago bourse's global head of derivatives, Rob Hocking.

Bitcoin and other cryptocurrencies are yet to recover from the October selloff, with the original digital-asset falling further on Sunday to erase the more than 30% gain it had registered since the start of the year.

New nuclear arms race pits U.S. against both Russia and China

After a decadeslong hiatus, nuclear weapons surge back to the forefront of global politics

Yaroslav Trofimov
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The new nuclear race has begun. But unlike during the Cold War, the U.S. must prepare for two peer rivals rather than one—at a time when it has lost its clear industrial and economic edge.

China, which long possessed just a small nuclear force, is catching up fast, while Russia is developing a variety of new-generation systems aimed at American cities.

Russian President Vladimir Putin has already used nuclear saber-rattling to throttle American support for Ukraine. He has deployed nuclear weapons to Belarus and, in recent weeks, tested a nuclear-powered missile and a nuclear-powered submarine drone that he claims are impervious to American defenses.

While Russia and the U.S. are still abiding by some arms-controls limits, such as the New Start treaty that expires in February, China, unconstrained by any commitments, is quietly but rapidly leaping ahead. According to American estimates, Beijing will reach rough parity with the U.S. in deployed nuclear warheads by the mid-2030s.

Chinese leader Xi Jinping for the first time showcased China's nuclear triad—its land, sea and air-launched ballistic nuclear missiles—at a Beijing parade honoring the 80th anniversary of victory over Japan in September. Putin, sitting to his right atop the Gate of Heavenly Peace, took note. So did North Korea's Kim Jong Un, sitting to his left.

The growing bond between Moscow and Beijing—onetime rivals that neared the brink of a nuclear exchange during a border conflict in 1969—has already created an unprecedented level of strategic uncertainty for the U.S. and its European and Asian allies. That wariness is compounded by doubts among Washington's allies about President Trump 's commitment to honor mutual-defense obligations.

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"The movement now is toward building up nuclear arsenals, not reducing them," said Matthew Kroenig, director of the Atlantic Council's Scowcroft Center and a former Pentagon official. "We're entering the third nuclear age that is going to look a lot more like Cold War than the 1990s and the 2000s."

A bipartisan congressional commission on the U.S.'s strategic posture, on which Kroenig served, recommended in 2023 that the U.S. should consider expanding its nuclear arsenal for the first time in decades because of China's buildup. Trump has said he seeks to cut back nuclear weapons but that he can't do so if America's rivals don't disarm, too. Last month, he also called for the resumption of nuclear testing.

Russia is developing a variety of new-generation systems aimed at American cities. AP

The U.S., which hasn't conducted an explosive nuclear test since 1992, currently owns 5,117 nuclear warheads, including 3,700 retired in stockpiles, compared with Russia's 5,459 and China's 600, according to the Federation of American Scientists. North Korea, a new entrant to the nuclear club that last year sealed a formal military alliance with Russia, possesses an estimated 50 warheads and is heavily investing in intercontinental missile and submarine capabilities that can strike the American mainland.

The U.S. has been slow to react to these new threats. "Our entire nuclear modernization program was sized around the belief that we're going to continue to have further cuts with Russia, and that China and North Korea wouldn't pose challenges for the U.S. posture. All those assumptions have turned out to be wrong," said Vipin Narang, director of the Center for Nuclear Security Policy at the Massachusetts Institute of Technology, who oversaw U.S. strategic capabilities at the Pentagon during the Biden administration.

"If there is a regional conflict in Europe and China decides to take Taiwan, or vice versa, we will be stretched really thin," he added. "These are the kinds of scenarios we are really unprepared for."

Xi has ordered the Chinese military to be ready for a military takeover of Taiwan, if necessary, by 2027, according to U.S. intelligence, though it doesn't mean that he will pursue this soon. American and NATO military commanders say that the most probable scenario in case war over Taiwan erupts is the so-called simultaneity problem: Chinese operations would trigger Russian military action against one or more North Atlantic Treaty Organization members, and possibly a North Korean invasion of South Korea.

Currently, China isn't interested in any arms-control negotiations because it wants to catch up with the U.S. and Russia, and says that the two biggest nuclear powers should cut down their own arsenals first. While Russia has used nuclear blackmail to compensate for the weakness of its conventional forces, as demonstrated through the nearly four years of war against a resilient Ukraine, Chinese strategists say that an inverse calculus is in play in Asia.

"For China, the point is that because the U.S. is afraid that they might lose in a conventional war, some people are suggesting using a nuclear weapon against China in the Taiwan Strait," said retired Senior Col. Zhou Bo, a former director at the Center for Security Cooperation in China's Ministry of Defense who is now a senior fellow at Beijing's Tsinghua University. "China should increase its arsenal—not to reach parity, but to the extent that the U.S. will never even dare to think about using nuclear weapons against China. And then, in a conventional war, China can win."

This year's brief war between Pakistan, which used Chinese weapons, and India, which lost at least one French-made Rafale jet, reinforced this sense of confidence about Beijing's rising military might. "The U.S. doesn't really have the capacity to engage in a big-scale war in Asia," said Tang Xiaoyang, the chair of international relations at Tsinghua University. "The U.S. realizes that if there is a war, China is currently quite confident of defeating the U.S. due to its strong industrial capacity."

The U.S., which hasn't conducted an explosive nuclear test since 1992, currently owns 5,117 nuclear warheads

While the U.S., Russia and China have all invested in more-sophisticated missiles and other nuclear delivery systems in recent years, American and Russian nuclear warheads date back several decades. The U.S. has been modernizing its warheads with subcritical testing that produces zero nuclear yield.

Trump raised the prospect of renewed testing of warheads after intelligence reports that Russia, at its Novaya Zemlya archipelago, and China, at its Lop Nur site, have been conducting supercritical tests that create a self-sustained chain reaction in an underground containment vessel but stop well short of a full yield.

Trump first spoke on the matter—just before an October summit with Xi—after the much-publicized Russian testing of the Burevestnik missile, which because of a nuclear reactor aboard could stay airborne for months, and of the Poseidon nuclear-powered underwater drone that is designed to sneak up to the coast and wipe out entire cities. Since then, Trump also shelved the idea of providing Ukraine with Tomahawk missiles that could strike strategic sites deep inside Russia.

"Putin's pronouncements have to be answered. When the war in Ukraine started in 2022, there was a huge disbalance of fear, with Putin using those nuclear threats, veiled and not so veiled, and the West was pretty much paralyzed," said Serhii Plokhy, a professor at Harvard University and author of "The Nuclear Age." "There has to be a response. If there is no response, Putin is winning."

Putin this month instructed his own Defense Ministry to study the possibility of resuming nuclear testing, though he stopped short of publicly ordering concrete preparations. "It's evident that the Russians always pull the nuclear card when things are not good for them. It's strategic communication," said a senior Western official.

Russia hasn't tested nuclear warheads with a full-yield explosion since the Soviet Union's collapse, and it wasn't clear to what kind of future testing Putin—or Trump—were referring. The Nevada National Security Site where most of the previous 1,054 explosive U.S. nuclear tests occurred would need between two and three years of technical preparations for the resumption of full-yield testing.

Despite all the hype, Russia's Burevestnik and Poseidon wonder-weapons aren't fully operational, and have more psychological rather than military utility, said Fabian Hoffmann, an expert on nuclear weapons and missile technology at the University of Oslo.

"For the Russians, a lot of the motivation is just the fear factor, getting us to talk about this scary missile," Hoffmann said. "It is eating up their research-and-development budget. It's a Russian waste of money, in essence. The Chinese have a much smarter approach: They're just building warheads and intercontinental ballistic missiles, and aren't trying to build anything weird and exotic."

Hamas's popularity rises in Gaza, complicating Trump plan to disarm militants

Sudarsan Raghavan & Suha Ma'ayeh

Hamas's popularity has edged up among Palestinians in Gaza since the cease-fire, ending a slide during the war and posing a challenge to President Trump's plan to bring peace to the enclave by disarming the militant group.

A major reason is security. Last month, as a cease-fire took root and Israeli forces pulled back, Hamas fighters re-emerged on the streets as police and internal-security forces, patrolling and targeting criminals along with rivals and critics.

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While many Gazans have a dim view of the U.S.-designated terrorist group and don't like seeing the group reassert itself, Palestinians have welcomed a reduction in crime and looting.

"Even those who oppose Hamas, the idea of security is something people want," said Hazem Srour, 22, a businessman in Gaza City. "It's because we had a security breakdown with thefts, thuggery and lawlessness."

"No one could stop it except Hamas, and that's why people support them," he said.

Before the truce, more than 80% of humanitarian aid from the U.N. and its partner agencies was intercepted by desperate Gazans or seized by armed gangs, according to the United Nations Office for the Coordination of Humanitarian Affairs.

In the past month, thefts are down to around 5% of deliveries, according to the agency. That is because more aid is flowing and Hamas's "blue police" are preventing criminality, a UNOCHA spokesperson said.

The reduction in crime and lingering support for armed resistance to Israel has allowed Hamas to rebuild its image and exert tighter control over the enclave, as many Palestinians now perceive the militant group in more pragmatic terms, according to pollsters, analysts and Palestinians across Gaza.

In a poll published last month by the Palestinian Center for Policy and Survey Research, based in the West Bank, 51% of Gazans surveyed expressed positive views of Hamas's performance during the war, up from 43% in May and 39% just over a year ago. The poll had a margin of error of 3.5 percentage points. On a separate question about support for political parties in theoretical elections, 41% of Gazans said they aligned with Hamas, up 4 percentage points from five months prior and the highest level of support since December 2023.

Polling is difficult in Gaza's wrecked cities. Surveyors interviewed people face to face on the Hamas side of the cease-fire dividing line as the militant group was engaging in battles with armed clans and carrying out public executions.

Khalil Shikaki, the director of the center that produced the poll, said that his pollsters interviewed Gazans in their tents using tablets and phones, and that results were directly sent to his servers. Many Gazans who were surveyed criticized Hamas, he said.

Still, the pollsters were surprised by the results. The trend over the past 12 months in previous polls has been declines or weakness in Hamas's popularity, particularly in Gaza.

"To some extent, this war has proven to Gazans and others that Israel has failed to defeat it," Shikaki said of the militant group. "Hamas isn't going to disappear tomorrow. We have to live with that."

Earlier this year, hundreds of Gazans tired of being homeless and hungry protested against Hamas, which launched the Oct. 7, 2023, attack on Israel that left around 1,200 dead and 251 taken hostage and sparked the war. Many Gazans criticized Hamas for waiting too long to end the subsequent two years of fighting. The enclave was left in ruins, and more than 69,000 people died, according to Palestinian health authorities, who don't say how many were combatants.

Many Palestinians in Gaza want the militant group to leave power, but still welcome its crackdown on crime. REUTERS

Many people in Gaza remain frustrated with Hamas and appalled by its violent crackdown.

"Hamas are the ones creating this chaos," said Mohammad Burno, 33, an anti-Hamas activist who supports the rival Fatah party underpinning the Palestinian Authority, which governs much of the West Bank. "From their perspective, they call it maintaining security, but true security cannot be achieved through brutality."

Early this month, the U.S. Central Command, which is helping monitor the cease-fire, released what it said was drone footage of suspected Hamas operatives stealing a truckload of aid after attacking its driver. Hamas denied any involvement in the incident.

Hamas today controls roughly 47% of Gaza, the area west of the so-called yellow line that marks the withdrawal limit for Israeli troops under the first phase of Trump's plan. The other side of the yellow line, roughly 53% of the enclave, is controlled by Israel's military.

The rise in Palestinian support for Hamas could complicate efforts to move the Trump plan into the second phase, which calls for Hamas to disarm and give up any role in a future Gaza government in exchange for a withdrawal by Israeli troops and their replacement by an international security force.

The Trump plan halted most fighting in Gaza, but also opened doors for Hamas to consolidate its control

Palestinians surveyed in Gaza were split on the Trump plan's call for disarming Hamas, with a slight majority of 55% opposed and 44% in support, according to the poll.

A slim majority of 52% of Gazans opposed the entry of an international force tasked with disarming Hamas, according to the poll.

"This majority means that a lot of people want Hamas to continue to have arms despite the fact that they don't support Hamas," Shikaki said. "There is fear of the ultimate Israeli objective in this war and, in the short term, fear of anarchy."

Gazans have regularly complained about looting and violence as armed groups operated across the enclave during the war. Almeqdad Meqdad, a 31-year-old researcher who works with local aid organizations and lives in Gaza City, said the risk without a controlling authority is that Gaza would be divided up by 10 or 20 different militias.

As the cease-fire removes the fear of being killed in bombardments, Meqdad has returned to his home and said he feels safer now that order has been restored in the streets.

"When weapons spread unchecked and there was no system or authority to enforce control, these groups began operating freely," Meqdad said.

"People don't necessarily want Hamas to remain in power forever. They simply want stability until a new government is formed."

Ebrahim Mqead, 47, who lives in central Gaza's Deir al Balah, said people no longer feel adrift with Hamas running things. He wants the militant group to keep its weapons so that it remains capable of standing up to Israel "until rights are restored to their owners and Palestine is recognised as a land."

The Trump plan has successfully halted most of the fighting in Gaza, but it has also opened the door for Hamas to consolidate its control. On the militant group's side of the yellow line, there is currently no viable alternative.

Israel's government came under heavy criticism during the war, including from its own security services, for failing to empower an alternative to Hamas. Kobi Michael , a senior researcher at the Institute for National Security Studies, in Tel Aviv, and the Misgav Institute, an Israeli think tank, said Palestinians will continue to support Hamas—or at least not oppose it—until an alternative emerges.

Many Gazans agreed, saying they don't want Hamas to play a role in a future government—if there is a credible alternative to maintain order.

"If there were a government or system capable of keeping order in the country, like Hamas did before, people would support it," said Srour, the Gaza City businessman. "What people want at this stage is simply order, safety and a normal life—nothing more than that."

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Statement of Unaudited Consolidated Financial Results for the half year ended 30 September 2025

Sr. No.	Particulars	For Quarter ended 30 September 25 (Unaudited)	For Quarter ended 30 June 25 (Unaudited)	For Half year ended 30 September 25 (Unaudited)	For the Year ended 31 March 2025 (Audited)
1	**Income**				
	a) Revenue from operations	11,077.41	10,291.90	21,369.31	21,911.53
	b) Other income	260.75	225.67	486.42	359.66
	Total Income	**11,338.16**	**10,517.57**	**21,855.73**	**22,271.19**
2	**Expenses**				
	a) Cost of material consumed	6,823.76	7,066.89	13,890.65	14,388.09
	b) Changes in inventories of Stock-in-trade & Spares	344.79	(26.26)	318.53	(373.75)
	c) Employee benefits expense	773.82	743.75	1,517.57	1,494.44
	d) Finance costs	1,498.70	1,430.25	2,928.95	1,990.28
	e) Depreciation and amortisation expense	371.35	364.73	736.08	734.05
	f) Other expenses	1,423.73	1,602.01	3,025.74	3,249.47
	Total Expenses	**11,236.15**	**11,181.37**	**22,417.52**	**21,482.58**
3	**Profit before exceptional items and tax (1) - (2)**	**102.01**	**(663.80)**	**(561.79)**	**788.61**
4	**Exceptional Items (Refer Note 5)#**	-	-	-	1,271.47
5	**Profit before tax(3) + (4)**	**102.01**	**(663.80)**	**(561.79)**	**2,060.08**
6	**Tax expenses**				
	Current tax	-	-	-	-
	Deferred tax charge/(credit)#	(77.92)	(355.58)	(433.50)	977.49
	Total tax expenses	**(77.92)**	**(355.58)**	**(433.50)**	**977.49**
7	**Profit/(loss) for the period/year (5) – (6)**	**179.93**	**(308.22)**	**(128.29)**	**1,082.59**
8	**OtFer comprehensive income**				
	Items that will not be reclassified subsequently to profit and loss#	-	-	-	(14.33)
	Income tax effect on above#	-	-	-	3.00
	Total other comprehensive income	**-**	**-**	**-**	**(11.33)**
9	**Total comprehensive income (7) + (8)**	**179.93**	**(308.22)**	**(128.29)**	**1,071.26**
10	Paid-up equity share capital (face value - Rs. 100 per share)	662.23	662.23	662.23	662.23
11	Other equity			2,598.06	2,726.35
12	Total Debt				
	Non convertible debentures	35,237.58	34,808.98	35,237.58	34,287.08
	Other debt			2,750.82	2,569.47
13	Earnings per share (Face value of Rs.100 each) basic - (Rs.)*	27.17	(46.54)	(19.37)	161.77
	Earnings per share (Face value of Rs.100 each) diluted - (Rs.)*	27.17	(46.54)	(19.37)	161.77

(*not annualised for the quarters and half year)

Consolidated Balance Sheet as at 30 September 2025

(Rs. in Lakhs, unless otherwise stated)

Particulars	30 September 2025 (Unaudited)	31 March 2025 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	14,536.50	14,680.05
Right to use assets	2,525.36	2,509.85
Capital work-in-progress	302.77	316.66
Goodwill	11,260.33	8,541.32
Other intangible assets	58.44	57.72
Financial assets		
Other financial assets	1,229.70	1,206.23
Deferred tax asset (net)	1,151.14	717.63
Income tax assests (net)	114.83	98.09
Other non-current assets	3,314.97	3,127.15
Total non-current assets	**34,494.05**	**31,254.71**
Current assets		
Inventories	6,159.89	4,187.68
Financial assets	-	
Trade receivables	7,468.74	6,521.45
Cash and cash equivalents	1,914.91	1,240.55
Bank balances other than cash and cash equivalent	-	2,600.00
Other financial assets	439.11	464.20
Other current assets	1,473.97	1,333.08
Total current assets	**17,456.67**	**16,346.96**
TOTAL ASSETS	**51,950.82**	**47,601.66**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	662.23	662.23
Other equity	2,598.06	2,726.35
Total equity	**3,260.29**	**3,388.57**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	33,075.58	33,393.64
Provisions	200.46	207.79
Total non-current liabilities	**33,276.04**	**33,601.43**
Current liabilities		
Financial liabilities		
Borrowings	4,912.82	3,462.90
Trade payables	-	
Total outstanding dues of micro enterprises and small enterprises	216.39	155.27
Total outstanding dues of creditors other than micro enterprise and small enterprise	9,108.13	4,557.90
Other financial liabilities	820.53	923.13
Other current liabilities	221.68	1,405.30
Provisions	134.94	107.14
Total current liabilities	**15,414.50**	**10,611.65**
TOTAL LIABILITIES	**48,690.54**	**44,213.08**
TOTAL EQUITY AND LIABILITIES	**51,950.82**	**47,601.66**

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Statement of Unaudited Standalone Financial Results for the half year ended 30 September 2025

Sr. No.	Particulars	For the quarter ended 30 September 25 (Unaudited)	For the quarter ended 30 June 25 (Unaudited)	Half year ended 30 September 25 (Unaudited)	For the year ended 31 March 25 (Audited)	For the year ended 31 March 2024 (Audited) (Restated)
1	**Income**					
	a) Revenue from operations	6,272.37	5,410.62	11,682.99	18,859.04	16,702.56
	b) Other income	167.30	154.07	321.38	288.98	46.19
	Total Income	**6,439.67**	**5,564.69**	**12,004.36**	**19,148.02**	**16,748.75**
2	**Expenses**					
	a) Cost of material consumed	3,951.36	3,728.95	7,680.31	12,477.41	10,577.15
	b) Changes in inventories of Stock-in-trade & Spares	(5.69)	17.93	12.23	(95.94)	27.39
	c) Employee benefits expense	402.52	387.28	789.80	1,320.88	1,145.56
	d) Finance costs	1,464.29	1,430.25	2,894.54	1,990.28	639.17
	e) Depreciation and amortisation expense	189.43	181.34	370.77	624.19	1,024.37
	f) Other expenses	771.53	718.53	1,490.06	2,849.07	2,561.81
	Total Expenses	**6,773.44**	**6,464.28**	**13,237.71**	**19,165.89**	**15,975.45**
3	**Profit/(loss) before exceptional items and tax (1) - (2)**	**(333.77)**	**(899.59)**	**(1,233.35)**	**(17.87)**	**773.30**
4	**Exceptional Items**	**-**	-		**1,271.47**	**-**
5	**Profit/(loss) before tax (3) + (4)**	**(333.77)**	**(899.59)**	**(1,233.35)**	**1,253.60**	**773.30**
6	**Tax expenses**					
	Current tax	-	-		-	-
	Deferred tax charge/(credit)	(77.92)	(355.58)	(433.50)	476.05	(923.17)
	Total tax expenses	**(77.92)**	**(355.58)**	**(433.50)**	**476.05**	**(923.17)**
7	**Profit/(loss) for the period/year (5) –(6)**	**(255.85)**	**(544.01)**	**(799.84)**	**777.55**	**1,696.47**
8	**Other comprehensive income/(loss)**					
	Items that will not be reclassified subsequently to profit and loss	-	-	-	(11.53)	(2.87)
	Income tax effect on above	-	-	-	3.00	0.75
	Total other comprehensive income/(loss)	**-**	**-**	**-**	**(8.53)**	**(2.12)**
9	**Total comprehensive income/(loss) (7) + (8)**	**(255.85)**	**(544.01)**	**(799.84)**	**769.02**	**1,694.34**
10	Paid-up equity share capital (face value - Rs. 100 per share)	662.23	662.23	662.23	662.23	662.23
11	Other equity			1,624.27	2,424.10	1,655.09
12	Total Debt					
	Non-convertible debentures	35,237.58	34,808.98	35,237.58	34,287.07	8,912.45
	Other debt	2,572.78	2,538.62	2,572.78	2,569.47	-
13	Earnings per share (Face value of Rs.100 each) basic- (Rs.)*	(38.64)	(82.15)	(120.78)	116.13	255.86
	Earnings per share (Face value of Rs.100 each) diluted - (Rs.)*	(38.64)	(82.15)	(120.78)	116.13	255.86

(*not annualised for the quarters and half year)

Standalone Balance Sheet as at 30 September 2025

(Rs. in Lakhs, unless otherwise stated)

Particulars	As at 30 September 2025 (Unaudited)	As at 31 March 2025 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	6,544.95	6,473.64
Right to use assets	1,714.11	1,725.80
Capital work-in-progress	212.02	200.66
Other intangible assets	49.07	47.17
Financial assets		
Investments in subsidiaries	28,892.51	26,173.50
Other financial assets	1,123.91	1,106.84
Deferred tax asset (net)	1,151.14	717.63
Income tax assests (net)	85.96	65.41
Other non-current assets	3,151.98	3,127.15
Total non-current assets	**42,925.65**	**39,637.80**
Current assets		
Inventories	1,807.74	1,800.17
Financial assets		
Trade receivables	4,486.67	3,327.88
Cash and cash equivalents	1,867.53	688.98
Bank balances other than cash and cash equivalent	-	-
Other financial assets	389.96	354.34
Other current assets	590.74	606.51
Assets classified as held for sale		
Total current assets	**9,142.64**	**6,777.88**
TOTAL ASSETS	**52,068.28**	**46,415.68**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	662.23	662.23
Other equity	1,624.27	2,424.11
Total equity	**2,286.49**	**3,086.33**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	33,075.58	33,393.64
Provisions	126.17	115.67
Other non-current liabilities	6,016.07	1,501.56
Total non-current liabilities	**39,217.82**	**35,010.87**
Current liabilities		
Financial liabilities		
Borrowings	4,734.78	3,462.90
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	175.55	117.29
Total outstanding dues of creditors other than micro enterprise and small enterprise	4,644.49	2,420.61
Other financial liabilities	744.10	889.84
Other current liabilities	196.74	1,375.29
Provisions	68.31	52.55
Total current liabilities	**10,563.97**	**8,318.48**
TOTAL LIABILITIES	**49,781.79**	**43,329.35**
TOTAL EQUITY AND LIABILITIES	**52,068.29**	**46,415.68**

Wall Street blows past bubble worries to supercharge AI spending frenzy

Firms such as Blue Owl Capital have raised trillions in investing firepower. The AI build-out is a perfect match, though warning signs are flashing.

Matt Wirz & Peter Rudegeair

A view of the Stargate artificial intelligence data center complex in Abilene, Texas. Investor appetite for data-center debt is so strong that some money managers have booked billion-dollar gains in a matter of days, even before construction of the facilities they are financing is complete AP

Not long ago, Blue Owl Capital was an upstart investment firm that lent money to midsize U.S. companies such as Sara Lee Frozen Bakery.

These days, the firm is financing massive data centers costing tens of billions of dollars for the likes of Meta and Oracle—a sign of just how quickly Wall Street has become the enabler of America's artificial-intelligence boom.

Fund managers such as Blue Owl amassed trillions of dollars of investing firepower and have been hunting for big deals where they can put that money to work. They found slim pickings for years until a perfect match appeared in AI, which has provided a bigger target than anything in history due to the vast sums tech companies need to ramp up computing power.

"We're talking about numbers that are so large, even in the low cases," said Blue Owl co-founder Marc Lipschultz. "Does it even matter if you keep counting after you get to $1 trillion of capital expenditure in the next couple of years?"

Last week's selloff in tech-related stocks and bonds marked some of the most serious warning signs that the frenzy could be overdone. But any worries on Wall Street about a possible investment bubble have largely been trumped by the fear of being left behind. Lipschultz and co-founder Doug Ostrover jumped into the fray at a posh retreat in California's Ojai Valley for dozens of tech VIPs and celebrities in the spring of 2024. Meta CEO Mark Zuckerberg and Microsoft CEO Satya Nadella were there, along with Pharrell Williams and Serena Williams.

The Blue Owl duo, Wall Street superstars who built the firm into a $295 billion fund manager in 10 years by perfectly timing a surge in private lending, looked like just two money men in office sneakers and fleece vests. But the billionaires—co-owners of a professional hockey team who have talked of "skating where the puck is going"—seized the opportunity to get in on the AI boom.

While David Guetta DJ'd, the Blue Owl executives cut a deal to acquire IPI Partners, an investment firm that owned and operated big data-centers for Amazon and Microsoft.

Blue Owl already had close ties with the organizer of the retreat, Iconiq Capital, which manages the personal fortunes of Silicon Valley elite—including Zuckerberg—and was a part-owner of IPI.

The purchase gave Blue Owl a seat at the table to bid on mega AI financings. Not long after, it got picked to arrange a $14 billion package for an Oracle and OpenAI data center in Abilene, Texas.

Then, last month, Blue Owl raised about $30 billion to build an AI data center for Meta in Louisiana, putting in $3 billion of its clients' money and borrowing the rest. The deal included a provision, considered extraordinary on Wall Street, giving Blue Owl's equity investment a debt-like guarantee in case the partnership falls apart—showing the new financial wizardry bankers are conjuring to meet AI's ravenous financial demand.

Silicon Valley's biggest players are flush with cash and were able to fund much of the initial AI build-out from their own coffers. As the dollar figures climb ever higher, they are turning to debt and private equity—spreading the risks and potential rewards more broadly across the economy.

Some of the financing is coming from plain-vanilla corporate bond sales, but financiers are making far bigger fees off giant private deals. Virtually every Wall Street player is angling to get a piece of the action, from banks such as JPMorgan Chase and Morgan Stanley to traditional asset managers such as BlackRock.

THE WALL STREET JOURNAL.

Investor appetite for data-center debt is so strong that some money managers have booked billion-dollar gains in a matter of days, even before construction of the facilities they are financing is complete.

Still, the longer-term performance is hardly assured. Big tech companies are expected to spend nearly $3 trillion on AI through 2028 but only generate enough cash to cover half that tab, according to analysts at Morgan Stanley.

Big names in the financial world, such as Goldman Sachs CEO David Solomon, are warning about AI-fueled froth in the markets and in capital spending.

At the same time, the fear of missing out is real. Days after Solomon voiced his concerns to analysts, Goldman formed a new team in its banking and markets group focused on AI infrastructure financing.

"What we do know for certain is that the [big tech companies] that want the world to spend trillions have huge financial incentives to be believers. In case you haven't noticed, Wall Street is also being paid a lot to promote the story," Greenlight Capital, the hedge-fund firm run by David Einhorn, wrote in an October letter to investors.

There have been some wobbles of late. Stock prices normally go up when a company reports record revenue but after Meta did just that on Oct. 29, its shares plummeted 11% instead. The reason: Zuckerberg disclosed he will "aggressively" increase capital spending on AI, drawing questions from analysts about how the company plans to actually make money off the new technology.

If the AI market blows up, the blast radius would be wide, hitting not only Wall Street firms, but also pensions, mutual and exchange-traded funds and individual investors, because of how debt is often sliced and resold across the financial landscape.

The bonds financing Meta's Hyperion data center in Louisiana can be found in Main Street funds offered by BlackRock, Invesco, Janus Henderson and Pimco. Investors in Blue Owl's latest $7 billion digital infrastructure fund include the state pension plans of Pennsylvania and New York.

Funds that invest in AI deals say they carry little risk, because tech companies with deep pockets have ironclad leases that will generate the money to pay investors back. Microsoft has a higher credit rating than the U.S. government, and it told investors on Oct. 29 that it would double its total data-center footprint in the next two years.

Tech executives see more risk in underbuilding than overbuilding. "I thought we were going to catch up. We are not. Demand is increasing," Microsoft finance chief Amy Hood said.

But some tech companies are weaker financially than others. Oracle, which is angling to be the go-to computing provider for labs like OpenAI, is by far the most indebted tech giant in the mix. It needs to borrow billions more for its spending spree, prompting Moody's Ratings and S&P Global Ratings to edge closer to reclassifying Oracle's bonds as junk debt. In recent weeks, the company's stock price has fallen 32% and its bonds have lost about 7%.

There's also the risk that the chips tech firms are borrowing to buy could be obsolete in a few years. Apart from its data-center investments, Blue Owl is lending money to an effort to buy Nvidia chips that will be leased by Elon Musk's xAI.

The last time Wall Street went all-in on an industry was the fracking boom—then bust—over a decade ago. This time, financiers are marshaling even larger sums.

The combined borrowing of every oil-and-gas company in the world from 2012 to 2015 was about $1 trillion, according to data from Dealogic. A handful of AI tech giants will borrow roughly $1.2 trillion from 2025 to 2028, according to the Morgan Stanley estimates.

As it happens, Blue Owl's data-center project in Abilene is on the edge of the West Texas oil patch that was the epicenter of the fracking boom.

In late September, the firm invited executives from about 40 pensions, endowments and other institutions that invest in its funds to see the data center that will eventually rise from the Texas prairie. The investors donned hard hats and piled into five-person buggies to get a tour of the Abilene campus, which has a 5,000-car parking lot built just for its construction workers.

The crews in Abilene are assembling eight different data-center buildings spanning around 4 million square feet. The campus will ultimately draw up to 1.2 gigawatts of power, or enough juice for about a million homes. Lining the insides will be around 500,000 Nvidia chips stuffed into dense racks requiring constant cooling.

Financially, the venture depends heavily on Oracle, which has leased it for 15 years. Oracle, in turn, will rely on a single customer, Sam Altman's OpenAI, for some $300 billion in long-term revenue. Meanwhile, Oracle is buying chips from Nvidia, which has committed $100 billion to OpenAI—the sort of "circularity" that raises questions about whether AI revenue is being recycled.

The roughly $10 billion in loans taken out to build the Abilene project come due in five years and will be difficult to refinance if the Oracle-OpenAI partnership underperforms. Blue Owl offsets the higher risk of contracting with Oracle by charging higher rent than companies like Meta pay, a person familiar with the matter said.

Many AI deals resemble the big buyouts private-equity firms have done for years, in which they raise a mound of debt to juice returns on their investment. In Meta's Hyperion project, Blue Owl put in $3 billion from its private-equity funds and $27 billion borrowed from bond investors at a 6.58% interest rate.

The firm expects to make returns of about 13% annually off Meta lease payments, people familiar with the matter said. The new business could boost Blue Owl's stock, which has declined 35% this year as concerns about private-credit defaults mounted.

"There will be speculative AI investments. That's not what we're doing," said Alexey Teplukhin, the Blue Owl managing director who ran the Hyperion investment.

Banks are getting in on the action too. About a year and a half ago, bankers at JPMorgan got a call from a longtime client with what sounded like a crazy hypothetical: How would you finance a project to build a campus of AI data centers that would draw one gigawatt of power?

The bankers told their client, a developer and landlord called Vantage Data Centers, that it would never need that much capacity. But they walked through how they would theoretically raise the money.

Earlier this year, Vantage called JPMorgan to say it wanted to pull the trigger, with one tweak. Instead of building a single 1-gigawatt data center, it wanted to build two of them. Not long after, JPMorgan and a group of other banks agreed to lend $38 billion for a data center in Texas' Shackelford County and another one outside Milwaukee, Wis.

The five-year debt package, named Jacquard, was so jumbo-size that more than 30 other banks, from global giants such as JPMorgan to regional players such as U.S. Bancorp, were tapped to sell portions to investors. They are pitching insurers, corporate debt funds and almost every type of bond buyer.

Morgan Stanley has decadeslong ties to top-tech companies, and the firm's bankers began pitching them financing options for big data centers two years ago. The effort delivered in October, when the bank arranged deals worth about $75 billion in one week, including the debt for Meta's Hyperion, the $20 billion sale of Aligned Data Centers and a $3.2 billion junk bond.

"I've been doing this for 25 years and I've never seen a week like that," said Anish Shah, Morgan Stanley's global head of debt capital markets.

AI infrastructure dealmaking can be extremely lucrative for money managers, if everything goes according to plan.

In the case of Jacquard, the debt pays interest of about 6.4%, almost 2 percentage points higher than the yield on a comparable corporate bond from Oracle. Other deals have delivered far bigger gains.

When Blue Owl went looking to borrow the money it needed for the Meta project, the firm and Morgan Stanley settled on Pimco, an asset manager known for its expertise in fixed income. Pimco committed to buying $18 billion of the bonds, ensuring the deal's success, but demanded a high interest rate and guarantees in exchange.

Talk of the deal circulated over the summer, and other funds asked to participate but were shut out. That created pent-up demand, and when the bonds began trading in October, prices jumped by about 10% in a matter of days, giving Pimco $2 billion of paper profits. Prices have slipped slightly since then, trimming the gains to a mere $1.1 billion.

Bond funds are clamoring for the deal because it delivers high returns, or yields, typical of junk bonds but with protections associated with investment-grade credit ratings. Ratings firms scored the bonds so highly because Meta pledged that bondholders and Blue Owl will get all their money back, even if it stops leasing the data center.

"Even if the loot ends up not being as glorious as everyone thinks it may be with AI, we still think these are the best companies in the world," said Blue Owl's Teplukhin.

feedback@livemint.com

EQT billionaire takes on Wall Street titans in big Asia push

Bloomberg
feedback@livemint.com

Billionaire investor Jean Eric Salata's first foray into Asia was painful: Five write-offs in India and mounting losses worth hundreds of millions of dollars. Times were so tough, he changed his computer password to "perseverance" as a daily reminder to keep going.

Fast forward two decades, Asia is now a key growth driver for Salata's current firm, EQT AB, which is taking the private equity world by storm with sizable cash outs and top level returns. It's aiming to triple Asia investments to as much as $110 billion in five years, outpacing deployment in its home turf of Europe. Executives project another $10 billion in exits from the region over the next year, people familiar with the matter said.

Salata, 59, who was nominated global chairman of the Swedish buyout firm last month, said EQT is capitalizing on global investors' quiet shift from US political turbulence toward Europe and Asia. From its base in Stockholm, EQT is wagering it can break the decades-long grip of the world's biggest alternative asset managers.

"Being European, being Nordic in its roots and heritage, we have a good position globally in this new world order where we can be a little bit more neutral in the way we view things," said Salata, EQT's second-largest shareholder after the billionaire Wallenberg family.

EQT may not be a household name but it's grown to become the largest non-US private equity firm in the world, with $310 billion in assets. Operating under the shadows of rivals like KKR & Co. and Blackstone Inc., its total fundraising over the past five years is just shy of KKR's, according to Private Equity International.

The new Asia fund, BPEA IX, secured $600 million in fresh commitments from two major US pension funds over the last six months, a person familiar said. That's in addition to $200 million from the New Jersey Pension Fund early this year. Repeat investors include the Teacher Retirement System of Texas and the Employees' Retirement System of Rhode Island, the person said.

Under Salata and new Chief Executive Officer Per Franzen, EQT is now embarking on its next chapter, aiming to raise €100 billion ($116 billion) in the current fundraising cycle, while investing $650 billion globally in the next half decade. The firm has returned €25 billion to investors in the past 12 months, of which Asia has accounted for a sizable percentage.

The buyout fund is riding a shift toward non-dollar assets, even while it targets infrastructure and real estate in the US, including data centers, student housing and medical offices, Franzen said.

EQT's pace of cash distributions has stood out amid a broader slowdown, as many private equity firms contend with weak payouts and prolonged fundraising challenges. It offloaded $9.3 billion of Galderma Group AG shares with other investors this year, the biggest single-year cash out by a private equity firm, eclipsing the London Stock Exchange Group Plc's $8.2 billion sale in 2023, according to people involved in the sale.

In Asia, the asset manager generated $10.1 billion for investors from selling Nord Anglia Education Inc., among Asia's top exits, bringing total distributions from the Asia fund and its co-investors to $16 billion in the past 12 months from more than 20 exits, Salata said. EQT's Asia fundraising is expected to hit a $14.5 billion hard cap early next year.

Jean Eric Salata. Asia is now a key growth driver for Salata's current firm EQT. BLOOMBERG

Asia will take centre stage in EQT's growth plans. Its merger with Baring Asia, founded by Salata in 1997, has opened a major gateway to the world's fastest-growing markets. Regional deal flow has more than doubled, fueled by Japan, Korea and Australia, while India has remained consistently active, Salata said. EQT's pipeline of deals is about $15 billion to $20 billion of "live opportunities," he said.

BPEA's two most recent funds—the 2018 and 2022 vintages—have delivered strong results, posting net internal rates of returns of around 20%, and achieved gross multiples on invested capital of 2.7 times and 1.3 times, respectively, according to US pension filings and company data. The newest Asia fund targets 25% gross returns and a 2.5 times multiple, according to the New Jersey pension plan.

Breaking the grip of US giants in Asia won't be easy. While it has completed $3.3 billion of exits in Japan this year, that trails KKR at $5.1 billion, including real estate divestment. In India, Blackstone has a two-decade head start and can write big checks quickly. EQT plans to increase its deal capacity in Japan severalfold to $5 billion, Salata said.

Despite the solid returns and robust fundraising, investors haven't rewarded EQT in public markets as much as rivals. Its shares in Stockholm have gained about 11% annually over the past five years in US dollars, less than half the returns posted by KKR and Blackstone.

"We're in this business for generations," Franzen said, citing the Wallenberg family's roughly 17% stake. "The mindset is not to maximize the share price in the next five to 10 years. It's to win in the very long term."

His first push into India was a debacle: $360 million invested, five write-offs, with just one deal breaking even

The promotion of Salata, a Chilean who will succeed co-founder Conni Jonsson, was part of the most significant leadership transition in years. Franzen, previously head of private capital for Europe and North America, replaced Christian Sinding in May.

Salata's success in Asia didn't come easily, forged on scars from hype-driven bets and fizzled internet deals at Baring. His first push into India was a debacle: $360 million invested, five write-offs, with just one deal breaking even. The fallout was brutal. Baring partner Kosmo Kalliarekos was interrogated on the eve of his wedding in Greece, smeared in the press, and barred from returning to India for more than a year, according to his account on the firm's website.

By 2002, recognizing the need for a reset, the entire team flew to Omaha, Nebraska to hear Warren Buffett and Charlie Munger reflect on discipline and value investing. They then holed up in a windowless Marriott hotel basement with only white boards. A dozen colleagues debated into the night, coining a mantra of "buying growth at a discount." It marked a turning point away from spreading capital thinly across small, minority stakes.

Salata and his team ripped up the playbook by focusing on larger, profitable companies and full-control deals. The firm's fortunes turned with its $490 million third fund in 2005. BPEA made a $50 million investment in Chinese miner Hidili Industry International Development Ltd., and parlayed that into $604 million when it went public. By negotiating an early release in October 2007, just before the financial crisis, the firm locked in profits and shielded investors from the collapse that followed.

More recently, EQT's winning Asia bets have been in healthcare, technology and education, sectors largely insulated from tariffs. Its domestically focused portfolio, from hospitals in India to schools in Hong Kong and Vietnam, further limits exposure to trade tensions.

By selling to EQT for $6.7 billion in cash plus shares, BPEA gained instant institutional heft and worldwide dealmaking access. The deal may also have been among Salata's best: He emerged with a 10% stake worth about $4.3 billion.

Salata counts himself lucky to have found the Nordic firm, which shares his belief that every market is unique, especially in Asia. A one-size-fits-all approach rarely succeeds.

"The cultural fit is a key reason why this deal has worked," he said. "I've had discussions in the past with Americans firms, and it just wasn't gelling for me."

NEWS IN NUMBERS

1.8%
THE RATE at which Japan's economy contracted in July-September, on an annualised basis, driven by a steep decline in exports amid US tariffs.

5.4%
THE VOLUME growth recorded by India's FMCG sector in the September quarter, led by 7.7% rural growth. Value grew 12.9% on pricing and e-commerce demand.

₹100 cr
THE VALUE of new defence contracts secured by IdeaForge Technology from the Indian Army for its Zolt and SWITCH 2 drones.

$5 mn
THE ESTIMATED auction value per coin for the final US pennies minted before production ended this month, with proceeds going to US Mint and Treasury.

$22.5 bn
THE NET worth of Chen Tianshi, founder of chipmaker Cambricon Technologies, making him one of the world's richest amid China's AI boom and US sanctions.

HOWINDIALIVES.COM

Medina bus crash kills 45 pilgrims

A fatal accident involving a bus filled with Indian pilgrims killed at least 45 people near Saudi Arabia's holy city of Medina, Indian police said on Monday, one of the deadliest crashes in the Gulf kingdom in years.

"The tragic bus accident involving Indian pilgrims in Saudi Arabia is deeply distressing," V.C. Sajjanar, police commissioner for the city of Hyderabad, where many of the Indian citizens were reported to have come from, said.

"According to preliminary information, 46 people were travelling in the bus at the time of the incident, and heartbreakingly, only one person survived," he said.

Saudi officials have not provided a toll for the crash.

Earlier on Monday, Prime Minister Narendra Modi offered his condolences in a post on social media, saying the Indian embassy was working with Saudi officials on the ground. AFP

Sebi barred Jane Street in July for allegedly 'manipulating' a key banking index. REUTERS

Sebi to decline Jane Street data request

India's markets regulator will tell a court this week that it sees no reason to release additional data and documents to Jane Street, two people with direct knowledge of the matter said, after the US firm appealed a securities trading ban.

The Securities and Exchange Board of India (Sebi) temporarily barred Jane Street in July, alleging the firm used its trading strategies to "manipulate" a key benchmark index of banking stocks, leading to losses for retail investors.

Jane Street denied the allegations and regained access to the Indian market by depositing a penalty. It also filed an appeal in India's Securities Appellate Tribunal (SAT) in September in which it sought additional data and documents. Sebi's response, which has yet to be made public, will say that Jane Street's appeal represents a delaying tactic by the US trading giant, one of the people said. REUTERS

Navi Mumbai to see flights from 25 Dec

Navi Mumbai International Airport (NMIA) will start commercial flight operations from 25 December and initially, there will be 23 scheduled daily departures.

In the first month, the airport will operate for 12 hours between 8 am and 8 pm, handling 23 scheduled daily departures. During this period, the airport will manage up to 10 flight movements per hour, a release said on Monday.

The airport has been developed by Navi Mumbai International Airport Pvt Ltd, a special purpose vehicle jointly owned by Adani Group and the City and Industrial Development Corporation of Maharashtra Ltd (CIDCO).

NMIA, the second main airport in the Mumbai Metropolitan Region, was inaugurated by Prime Minister Narendra Modi on 8 October. In the initial phase, the airport will handle around 120 air traffic movements daily. PTI

PIL seeks probe into RCom fraud

A public interest litigation (PIL) has sought a court-monitored investigation into what it alleges to be a large-scale banking fraud involving Reliance Communications Ltd (RCom), its group companies, and former promoter Anil Ambani.

The writ petition, filed by former Union secretary Emani Anantha Satyanarayana Sarma (E.A.S. Sarma) in the Supreme Court on Monday, was mentioned before a bench led by Chief Justice B.R. Gavai by senior advocate Prashant Bhushan. The court listed the matter for hearing.

The plea, as seen by *Mint*, alleges RCom, Reliance Infratel and Reliance Telecom diverted ₹31,580 crore in loans disbursed by SBI-led banks' consortium between 2013 and 2017. It argues that the Central Bureau of Investigation's FIR of August 2025 and related Directorate of Enforcement proceedings "cover only a fraction" of the alleged wrongdoing. KRISHNA YADAV

Air India to resume flights to China in February

Air India said on Monday it will resume New Delhi-China flights starting February 2026, nearly six years after suspension, as recent diplomatic steps are seen as cautiously reopening bilateral links.

The carrier was also planning to launch a Mumbai–Shanghai route later next year, subject to regulatory approvals, it said.

"The reinstatement of Air India's services to Shanghai follows recent India-China diplomatic agreements that restored the air links paused in early 2020," Air India said in a statement.

China's Guangzhou Baiyun International Airport last month announced flights between the two nations were set to resume. REUTERS

Inox Green loses grid access for 300 MW wind project

Clean energy developer Inox Green Energy Services has lost grid connectivity for its 300 megawatt (MW) wind project in Gujarat after failing to complete it on time, a filing with the power regulator showed.

In an order dated Monday, the Central Electricity Regulatory Commission (CERC) upheld the disconnection by the country's grid connectivity authority, saying that the company failed to achieve financial closure or make significant progress despite repeated extensions. The connectivity at Bhuj-II pooling station was revoked by the state-run Central Transmission Utility of India Ltd (CTUIL) on 10 March after Inox Green missed commissioning deadlines. CTUIL also encashed bank guarantees worth ₹3.5 crore. The disconnection underscores the challenges faced by Indian clean energy developers, especially in acquiring land for the projects, while the country's transmission system is also lagging project additions. REUTERS

Bangladesh court sentences former PM Hasina to death

Dhaka asks New Delhi to hand over former premier under bilateral extradition pact

Rezaul H Laskar
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NEW DELHI

AFP


A tribunal in Bangladesh on Monday delivered a death sentence to former premier Sheikh Hasina after convicting her of crimes against humanity in her government's crackdown against student-led protests last year, prompting the foreign ministry in Dhaka to demand that New Delhi hand her over under a bilateral extradition treaty.

The International Crimes Tribunal (ICT), a domestic war crimes court set up by the current regime, also gave her a separate sentence of imprisonment until death after convicting her of inciting, facilitating, being complicit in, and failing to prevent crimes against civilians by law enforcement and armed cadres of her Awami League party.

Hasina reacted to the sentence by saying it was announced by a "rigged tribunal established and presided over by an unelected government" that aimed to nullify the Awami League as a political force. Bangladesh chief adviser Muhammad Yunus in a statement said the conviction underscored that "no one, regardless of power, is above the law".

The chairman of the ICT, Justice Mohammad Golam Mortuza Mozumder, read out the verdicts against 78-year-old Hasina, who has lived in self-exile in India since she fled Dhaka in August last year, after proceedings that lasted over two hours.

Hindustan Times

Hours after the verdict, Bangladesh's foreign ministry demanded Hasina and former home minister Asaduzzaman Khan Kamal, who too was given death sentence, should be immediately handed over.

"It would be an extremely unfriendly act and a contempt for justice if any other country were to grant asylum to these individuals convicted of crimes against humanity," Bangladesh's foreign ministry said in a statement in Bengali. India, in its first formal response, was non-committal and said it will engage with stakeholders in Dhaka for peace, democracy and stability.

The verdict comes ahead of the general election slated for February. The Awami League's activities have been banned under an anti-terror law and its registration cancelled.

Infosys rolls out AI-first GCC model

IT major Infosys on Monday introduced an AI-first model aimed at speeding up the establishment and transformation of global capability centres into AI-driven hubs that promote innovation and growth.

The solution allows enterprises to redefine their Global Capability Centres (GCCs) as strategic assets that drive innovation, enhance agility, and create competitive advantages in an AI-driven world, the company said in a regulatory filing. "The AI-first GCC Model provides an end-to-end path from comprehensive setup support to scalable talent strategies and operational readiness, while enabling AI-led transformation with production-grade agents and a unified platform fabric," the company said. Infosys leverages its experience from over 100 engagements with local GCCs for enterprises to tackle key challenges businesses face in expanding or transforming their GCCs, it added. PTI


The move will help the growing beauty business of country's leading retailer. ISTOCKPHOTO

Reliance to bring 'essence' to India

Reliance Retail on Monday announced to bring 'essence', Europe's leading cosmetics brand by units sold, to the Indian market, a move which will help the growing beauty business of country's leading retailer.

It has entered into an exclusive distribution partnership with cosnova Beauty, the Germany-based global cosmetics company, said a statement from Reliance Retail.

"The collaboration strengthens RRL's growing beauty portfolio and will introduce essence's vibrant range of high-quality, affordable, and cruelty-free makeup products to consumers across India," it said.

It will available on the Reliance Retail's integrated omnichannel ecosystem, making the essence range of products accessible across online platforms, beauty stores, and partner retail formats. "As the official distributor, RRL will expand the brand's reach across premier beauty destinations throughout India," it said.

Founded in Germany in 2002, essence is sold in around 90 countries. Its over 80% products are manufactured in Europe. PTI

India ships jet fuel to US West Coast

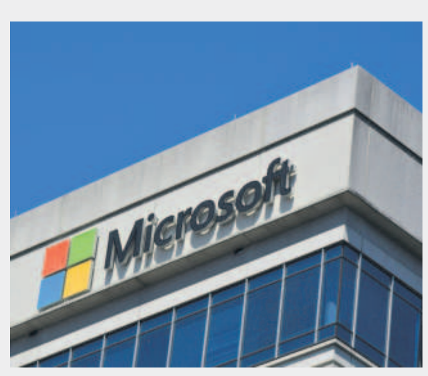
India has exported its first-ever jet fuel cargo to the US West Coast for energy major Chevron, according to traders and shipping data, seizing upon a rare arbitrage opportunity to fill supply shortfalls in Los Angeles.

US West Coast jet fuel production has been curtailed since October, after a fire at Chevron's 285,000 barrel-per-day El Segundo refinery in southern California forced the company to take multiple units offline.

About 60,000 metric tons (472,800 barrels) of the aviation fuel was loaded on Panamax tanker Hafnia Kallang between 28 and 29 October from the Jamnagar port, where Reliance Industries run a refinery, according to data from Kpler, LSEG and four traders familiar with the matter.

Castleton Commodities chartered the ship, which is expected to arrive in Los Angeles in the first half of December, multiple shipbrokers said. All the people spoke on condition of anonymity. Reliance and Castleton did not respond to requests for comment. REUTERS

Microsoft India FY25 profit up 39%



The company's revenue from operations increased by 27.44% during FY25. AFP

IT giant Microsoft India has reported a near 39% rise in its profit to ₹1,245.18 crore for the financial year ended 31 March 2025, according to its regulatory filing shared by market intelligence firm Tofler on Monday.

The company had posted a profit of ₹898 crore in the financial year (FY) 2024.

Its revenue from operations increased by 27.44% to ₹28,754.77 crore during FY25 from ₹22,561.91 crore a year ago.

An email query sent to Microsoft India on its financial performance elicited no reply.

The total revenue surged 28% to ₹29,303 crore. "Microsoft Corporation (India) Private Limited...reported its revenues for the financial year 2024-25 as ₹29,303 crore, a 28% jump since the last financial year. The company's total expenses for the fiscal year were reported as ₹27,624 crore," Tofler said.

The major expense component of the company is cost royalty, which increased by about 29% on a year-over-year basis to ₹20,294.13 crore in FY25 from ₹15,738.1 crore in the preceding fiscal.

According to Tofler's analysis, Microsoft India's employee cost increased by 14.5% to ₹1567.9 crore during the period under review from ₹1,368.6 crore in FY24. PTI


Trump International Hotel Maldives will feature 80 luxury villas, built with Dar Global. ISTOCKPHOTO

Trump's tokenized Maldives project

The Trump Organization is planning a luxury resort in the Maldives with its Saudi Arabian partner and plans to tokenize the hotel development project.

Trump International Hotel Maldives will include 80 ultra-luxury beach and overwater villas and will be built with Dar Global Plc, the two companies said in a joint statement on Monday.

The deal will also mark "the launch of the world's first tokenized hotel development tied to the project," the companies said. Tokenization typically involves issuing and transferring traditional assets—such as ownership of a property — using blockchain technology. That potentially allows an asset to be divided into digital shares that can be purchased by investors in the form of tokens.

The move comes after US President Donald Trump and his family have expanded their network of businesses across the world of crypto. Trump has also put out executive orders supporting the industry and the US recently passed legislation on stablecoins.

Dar Global is the London-listed unit of a Saudi Arabian developer. BLOOMBERG

Interim personality rights protection to influencer Shamani

The Delhi high court on Monday granted interim protection for the personality rights of podcaster and influencer Raj Shamani, who claimed his name, image, voice, and online presence are being widely misused on the internet. Shamani, who has 13.2 million subscribers on YouTube and hosts the *Figuring Out With Raj Shamani* podcast, moved the court, claiming videos on social media wrongly show him endorsing betting platforms and questionable cryptocurrency schemes.

His petition, as seen by *Mint*, also highlighted fake endorsements by financial services providers such as TaxBuddy, Telegram accounts soliciting money from people, YouTube channels re-uploading his podcast clips without permission, and websites such as ZoomMantra, BookMyArtistIndia, and PartyMap, offering him for corporate events without his consent.

The plea said hashtags such as #rajshamani and #figuringout are being used to drive traffic to unrelated content, creating a false impression of association. PRATISHTHA BAGAI & KRISHNA YADAV


Podcaster and influencer Raj Shamani.

INSIDE AP'S NEW MANTRA: 'SPEED OF DOING BUSINESS'

Nara Lokesh is facing off against rival states and historical financial strain. Can he repeat his father's legacy?

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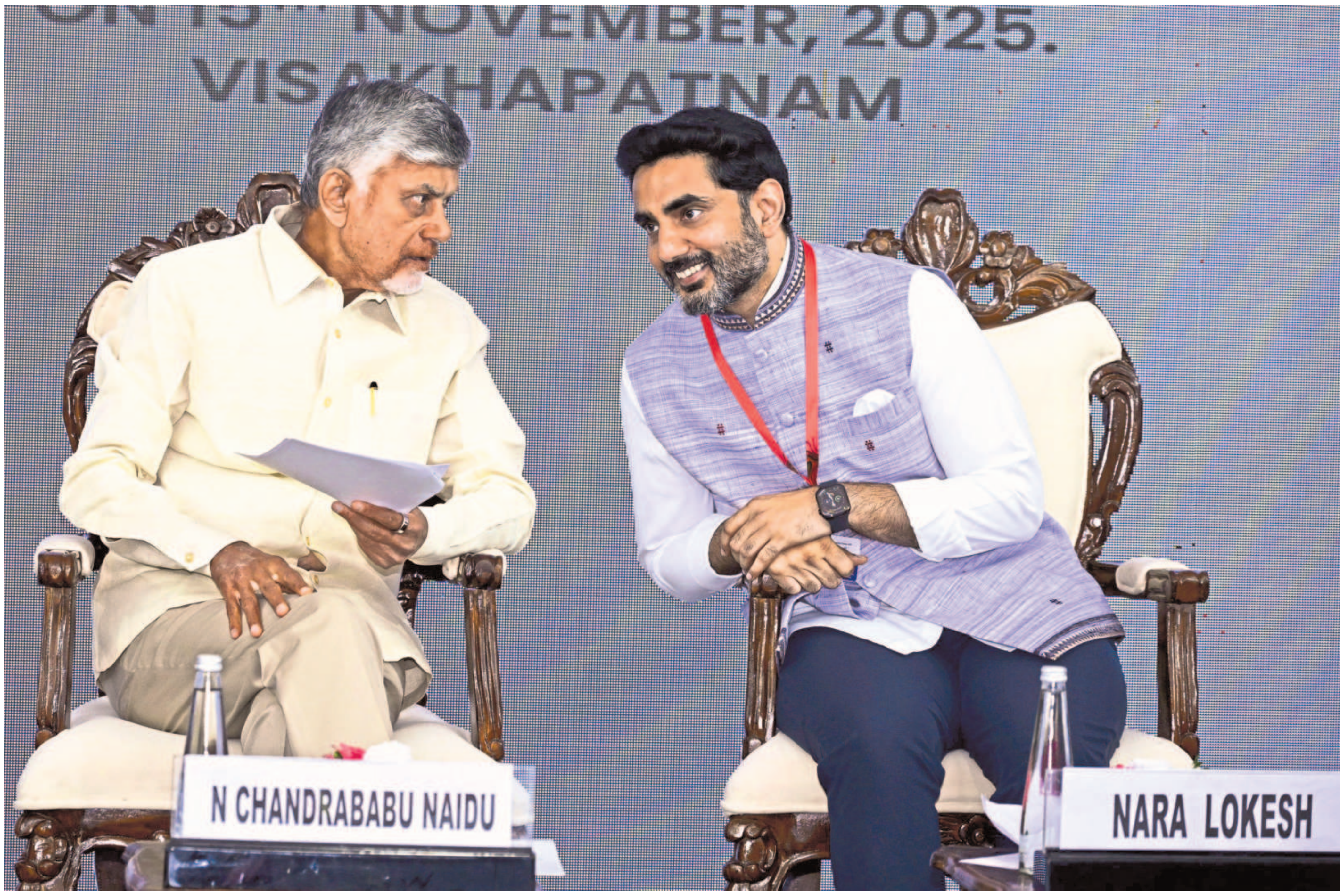
VIJAYAWADA/CHENNAI



Nara Lokesh (right), Andhra Pradesh's minister for HRD, IT and electronics, with his father N. Chandrababu Naidu, the state's chief minister, at the 30th CII Partnership Summit 2025 in Visakhapatnam last week.

Sometime in August 2024, Nara Lokesh, Andhra Pradesh's minister for human resources development (HRD), information technology (IT) and electronics, offered to drive Tata group chairman N. Chandrasekaran to the airport. The latter was in Amaravati, Andhra Pradesh's capital, to co-chair the task force for economic development of the state.

"What should a young politician who wants to do good for society do?" Lokesh asked Chandrasekaran during the 40-minute drive. "You should promise and deliver on the speed of doing business," he responded.

Ticket sizes of investments, the Tata chairman explained, were increasing and even a few months delay can cause the business case of the project to go for a toss.

That advice couldn't have come at a better time for the 42-year-old son of the state's chief minister and Telugu Desam Party (TDP) leader N. Chandrababu Naidu. Lokesh had just been crowned the chairman of the group of ministers tasked with job creation; he was looking at ways to regain investor trust and attract large-scale investments.

Since then, he appears to be on steroids. The state cabinet, in the following months, approved investments to the tune of ₹12.71 trillion with a potential to create 913,000 jobs. This includes Google's $15 billion artificial intelligence (AI) data centre at Visakapatnam, ArcelorMittal Nippon Steel's $1.8 billion plant in Anakapalli district, and LG Electronics' $600 million investment in a new production facility at Sri City in Tirupati district.

At the Partnership Summit held last week in Visakhapatnam, memorandums of understanding (MoUs) worth ₹13.26 trillion were signed. They could potentially generate 1.6 million jobs, the state government stated. Some of the major investors included Renew Power, Reliance, the Adani group and Brookfield Asset Management.

Chandrababu Naidu, after returning to power last year, set a high target for his team. "I want Andhra Pradesh to be the No.1 state across all sectors, in per capita income and in terms of the Human Development Index (HDI)," he told *Mint*.

Andhra Pradesh's per capita income, at ₹2.60 lakh, while higher than the national average, is lower than states like Maharashtra (₹3.09 lakh). In terms of HDI, Andhra Pradesh ranks 26th among Indian states as per United Nations Development Programme data for 2023, a list led by Goa and Kerala.

Lokesh, therefore, has set himself an ambitious target and wants to attract investments worth $1 trillion. These investments are a panacea for not just jobs but also other ills plaguing the state, including its perennial fiscal crisis and structural imbalance resulting from bifurcation in 2014.

His father, in the mid-1990s, faced a similar situation with undivided Andhra Pradesh. The state's financial situation then was dire and the government struggled to pay salaries each month. He went on to put Hyderabad on the global map, making the city a top draw for investments.

Can Lokesh now repeat his father's success?

> The Andhra Pradesh cabinet, in recent months, has approved investments to the tune of ₹12.71 trillion with a potential to create 913,000 jobs.

EASE TO SPEED

Andhra Pradesh's approach to investment changed after Chandrasekaran's advice to Lokesh. Till then, the focus mostly was on ease of doing business.

Ease of doing business focused more on eliminating regulatory bottlenecks, said Lokesh. "Speed of doing business helped us to understand investor needs, handhold them through the entire life cycle of the project to ensure early commissioning."

Today, right from the chief minister to a collector, everyone talks the same language—the speed of doing business. It has become part of the state's culture, Lokesh claimed. "Investors have come to understand that once they come to Andhra Pradesh, the project is not theirs but ours," he said.

ArcelorMittal Nippon Steel's 14.2 million-tonnes-per-annum facility at Anakapalli district is a case in point. "We are all very impressed by the speed with which the government allotted land to us, handed it over and is supporting us in terms of obtaining the resource links and the permits required to set up this world class project," Aditya Mittal, chairman, ArcelorMittal Nippon Steel, told *Mint* in an email response.

The Google investment, a complex project involving support at state and central levels, including regulatory changes, was inked in 13 months. Tata Consultancy Services' (TCS) project to set up a development centre in Visakhapatnam employing over 20,000 people was clinched in 90 minutes.

"We needed speed, so we chose Andhra Pradesh," said J.S. Gujral, the managing director of Syrma SGS, an electronics manufacturer. His company is setting up a ₹1,595 crore printed circuit board manufacturing unit at Tirupati.

How does the state manage to achieve speed?

"We have put in place systems for faster decision making," said C.M. Saikanth Varma, chief executive officer (CEO) of the Andhra Pradesh Economic Development Board (APEDB), the single-point contact organization for investors.

His team size, just eight a year ago, is today 40 people strong. They were trained to scout for potential investors, work with them to solve problems and close the deal. Multiple sector specific policies were framed. Access to leadership was the biggest advantage. Both Naidu and Lokesh were available to meet investors.

"In fact, most of the large projects that we have closed, including Google, ArcelorMittal, LG and others, were due to the personal involvement of minister Lokesh," Varma added.

The speed has made up for the state's other shortcomings—hard infrastructure and lack of business ecosystems already vibrant in other south Indian and west Indian states.

99 PAISA LAND

Take the case of information technology. "Why will any IT company come to Andhra Pradesh when they can expand in Bengaluru, Hyderabad or Chennai?" Lokesh asked.

To overcome this problem, he began offering land on rent at 99 paise per acre per month.

"I learnt this from Modiji (Prime Minister Narendra Modi). He, as chief minister of Gujarat, offered Tata Motors land at ₹1 at Sanand. That is how he was able to create an automotive ecosystem there," Lokesh said.

When he brought the 99 paise proposal to the Andhra Pradesh cabinet, there was a lot of opposition. Even Naidu, his father, was initially opposed to the idea. It took a lot of effort to convince everyone, Lokesh said.

Today, TCS and Cognizant, both top IT services exporters, are setting up their development centres in the state. It is not just IT companies. South Korean non-leather footwear maker Hwaseung, a key supplier to Adidas that had originally signed an MoU with Tamil Nadu, has shifted to base to Kuppan in Andhra Pradesh, thanks primarily to land being offered at 99 paise. It has been allotted 100 acres of land.

THE 2 MILLION PROMISE

For Lokesh, jobs are critical. "One of the first promises we made to the people during the election was to create 2 million jobs," he said.

He has been pushing his team for skills assessment across the state, to map the demand and supply of jobs. Efforts are then made to plug the gaps through skills development.

But like we mentioned earlier, he is seeking investments not just to create jobs, but to solve many of the chronic problems the state faces—an ongoing financial crisis is one of them.

In the fiscal health index published by Niti Aayog earlier this year, Andhra Pradesh ranks 17th among 18 states indicating high fiscal strain. It ran a high revenue deficit of 3% in 2024-25 indicating that it borrows heavily to meet its routine expenses. Its fiscal deficit, at 4.6%, is way above the 3% level recommended by the central government. Almost 90% of the state's own revenue goes in meeting committed expenditure such as salaries, pensions and interest. The state therefore struggles to pay salaries each month. Its accumulated debt at 35% of gross state domestic product (GSDP) is one of the highest among various states. Freebies and other welfare payments, in recent times, have only complicated matters.

"The state's fiscal position is not on a strong footing. As a result, capex has faced the axe over the years. It grew by just 2% between 2019 and 2024," said Paras Jasrai, associate director, India Ratings and Research. This problem still persists.

Peeyush Kumar, the state's principal secretary of finance, blames some of the financial problems on the bifurcation. Andhra Pradesh, he held, received 40% of the resources and 60% of the liabilities. Kumar does not expect the financial position to improve for at least the next two to three years unless there is a sharp increase in revenue. Niti Aayog has recommended that the state enhance the efficiency of the capex, optimize committed spending and diversify revenue sources for greater resilience.

For Lokesh, investments are the means to raise more revenue.

Investments will also address another issue—the structural imbalance that the bifurcation created. With the loss of Hyderabad to Telangana, Andhra Pradesh became an agriculture-dominant economy. "We are a poor government rich in agriculture which accounts for almost 35% of the gross state domestic product. But agriculture does not generate much revenue," explained Kumar. The investments coming into the state will ensure that the share of manufacturing and services rise.

Lokesh, it appears, is also learning from his father's mistakes. Unlike Naidu, who had a laser-eye focus on developing just Hyderabad and consequently paid the price electorally for ignoring rural Andhra Pradesh, Lokesh is keen on driving decentralized development.

For instance, now, the Rayalseema region, located in the south-western part of the state, is fast becoming a renewable energy hub. Kurnool and Anantapur is the high-tech corridor witnessing aerospace and drone investments. Chittor, in southern Andhra Pradesh, is attracting electronics and footwear investors, while the Visakhapatnam region in the north is seeing data centres, steel and pharma investments, said APEDB's Varma.

> mint SHORT STORY
>
> **WHAT**
>
> Under Nara Lokesh, Andhra Pradesh's minister for HRD, IT and electronics, the state has managed to attract large investments in the past 17 months.
>
> **AND**
>
> Lokesh aims to attract investments worth ₹1 trillion to create jobs and solve the state's chronic problems—its deep fiscal crisis and structural economic problems.
>
> **BUT**
>
> It will not be easy considering the strong competition from other states and legacy limitations such as the lack of a proper ecosystem and Andhra Pradesh's poor financial position.

'DESPERATE SCAVENGING'

Andhra Pradesh faces strong competition while attracting investments. States such as Tamil Nadu, Maharashtra, Gujarat, Telangana and Karnataka have developed strong expertise, both in terms of human talent and sector-specific policies, for seeking investments. Tamil Nadu has even set up investor desks in foreign countries such as Taiwan, Japan and Vietnam.

"When states compete, India wins," Lokesh said. Each state, he added, has their own competitive advantage. Some offer more incentives while others have a strong ecosystem.

But underneath this statesman-like statement, is a war of words.

When industrialists in Karnataka began complaining about poor infrastructure in Bengaluru, Lokesh posted a series of tweets on X in September, offering them land in Andhra Pradesh to set up their business.

This infuriated Priyank Kharge, Karnataka's minister for rural development. He responded saying "it is natural for weaker ecosystems to feed off stronger ones...but when it turns into desperate scavenging, it shows more weakness than strength."

Lokesh snapped back asking Karnataka to fix its problems.

When Andhra Pradesh bagged the Google investment, Kharge attributed it to unsustainable subsidies offered to the US tech giant (media reports peg it at ₹22,000 crore).

Lokesh responded: "They say Andhra food is spicy. (It) seems some of our investments are too. Some neighbours are already feeling the burn."

Lokesh did not reveal the extent of subsidy offered to Google but told *Mint* that the subsidies offered to the firm were as per policy and denied they were unsustainable.

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TRICKY CHANGES

Meanwhile, Andhra Pradesh's financial problems are bothering investors. They worry whether the state would be able to honour the commitments being made when it comes to incentives. Often, investors prefer to front-load incentives such as subsidized land to avoid future payments. Experts don't see an easy way out for the state. "After bifurcation. AP kept seeking a special package from the central government to develop a new capital and also improve its finances. But that package never came. The state has now realised that attracting investments in the only way out of the logjam," said Sunil Kumar Sinha, an economist and an expert on public finances. "But this is a tricky situation. To attract investment, considering the tough competition among states, AP has to offer big incentives. That will worsen its brittle finances even further in the near term. Their hope will be for a quick multiplier effect these investments will hopefully deliver in the medium term."

There are trust issues as well. The previous government, led by the YSR Congress, took its eye off investments and focused more on welfare spending. It also reversed many decisions taken by the earlier Telugu Desam Party (TDP) government forcing investors such as the LuLu Group and many others to exit the state. At one point during the election campaign, the YSR Congress led by Y.S. Jagan Mohan Reddy portrayed those who were industry friendly as anti-poor. This scared existing as well as future investors.

"Brand Andhra Pradesh got completely destroyed," said Kommareddy Pattabhi Ram, national spokesperson, TDP, and chairman, Swachh Andhra Corporation.

What if the government changes again? Lokesh has a standard response to such investor concerns: "People of the state have spoken in the last assembly election. Those who opposed investments lost badly. The message that the private sector is needed for creating jobs is clear. Political parties have no choice but to listen."

This response, he held, has convinced investors. Also, he wants to build such a large investment ecosystem that no future government would be able to dislodge it.

The Stanford-educated Lokesh, an avid reader, is seeking inspiration from former Singapore prime minister Lee Kuan Yew and former Indian prime minister Atal Bihari Vajpayee. They are his role models. "Lee Kuan Yew transformed a fishing harbour into today's Singapore and he did so by bringing about a culture shift among the people. Vajapayeeji is a great consensus builder," he said. These two qualities could help him succeed, he believes.

How freelancers can avoid losing 7% of income from global clients

Freelancers can lose 2.5-4% per payment through bank transfers, and up to 5-7% when using PayPal or Stripe

Shipra Singh
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NEW DELHI

How to receive payments from global clients without losing a significant portion to conversion and transfer charges remains a constant dilemma for freelance tech writer Tushar Mehta.

Mehta prefers online money platforms like PayPal, Wise and Payoneer for their convenience and better conversion rates. "But it's hard to get all clients to use them. Some larger organizations have internal policies or banking tie-ups, so they insist on direct bank-to-bank transfers."

In such cases, he ends up losing roughly 2% on the actual exchange rate. Add a 0.18% goods and services tax (GST) on the foreign currency conversion, and even modest payments can lose meaningful value before they reach his account.

The freelancer economy exploded in recent years, with professionals servicing clients overseas. But while remote working removes the need to cross borders, payments are still subject to country-specific policies.

For every dollar a client sends, multiple entities—banks, intermediaries and payment processors—claim their cuts for facilitating the transfer. The difference between the mid-market rate—the real exchange rate between two currencies—and what a freelancer receives is where most of this leakage hides.

Freelancers can receive money in three ways: direct bank transfers via SWIFT (Society for Worldwide Interbank Financial Telecommunication) online platforms such as Wise, Skydo, Payoneer, Salt, Winvesta or PayPal, and export earners' foreign currency (EEFC) accounts. Each option has its own costs, speed and convenience.

Bank transfers

The direct bank-to-bank SWIFT transfer remains the most common way freelancers receive foreign payments, but it is also usually the most expensive. To begin with, some banks such as Axis Bank, HSBC Bank, and Indian Overseas Bank, among others, charge a ₹250-300 remittance fee for inward SWIFT transfers, plus 18% GST. Others, including ICICI and HDFC, have removed these charges.

The bigger hit, however, comes from the foreign-exchange markup. Most banks offer an exchange rate that is 2%-3% lower than the mid-market rate, which significantly reduces the final amount credited.

GST on foreign currency conversion adds to the cost. The slabs are: 18% on 1% of the amount of currency exchanged (ACE) up to ₹1 lakh; ₹180 plus 0.09% of ACE between ₹1 lakh and ₹10 lakh, capped at ₹990; and ₹990 plus 0.018% of ACE above ₹10 lakh, capped at ₹10,800. Many banks also charge ₹100-200 to issue a FIRC (Foreign Inward Remittance Certificate) or FIRA (Foreign Inward Remittance Advice), which serve as proof of foreign inward remittances.

Together, the components can cost freelancers 2.5-4% per payment. The percentage may look small, but frequent payments make the losses add up quickly. Software architect Akash, who goes by his first name, used bank transfers throughout his 15 years of working with global clients, but with one underrated tactic to reduce costs: negotiating the conversion rate.

"I have been getting my payments at a 40 paise per USD negotiated exchange rate with HSBC. Recently, I checked with my relationship manager at IndusInd Bank to see if they could do better, and they offered 30 paise per USD. I will be using that going forward," he said.

What also helps Akash is that he is HSBC's premier banking programme member, which not only gets him a lower rate but also a waiver on remittance and FIRA fee. For every $1,000 remitted, he pays only about 0.65% in conversion and GST–quite similar to what online payment platforms charge.

> Online platforms are usually more cost-effective, converting funds overseas at near mid-market rates, and avoiding GST

While negotiating with banks can help, it works best when payment volumes are high and the relationship with the bank is strong. Ankur, founder of Card Insider, said freelancers who get $2,000-3,000 a month can expect ₹0.30 -0.50 per USD rate.

"Freelancers should speak to multiple banks and pick one that charges the least and issues digital FIRCs. If a bank is taking 2-3%, it's better to use fintech platforms," he said.

Cross-border platforms

Online cross-border payments are fast becoming the preferred options for freelancers seeking better exchange rates, faster settlement, and clearer pricing. Platforms that promise conversion on mid-market rates typically track very close to the actual market rate, often within 0.2-0.3%.

In contrast, the more popular platforms, such as PayPal and Stripe, are relatively expensive for freelancers. PayPal charges a 4.4% forex markup on the base rate plus a commission of $0.20-0.50. Stripe takes about a 4.3% processing fee and may charge an additional up to 2% for currency conversion. In both these cases, freelancers can lose 5-7% of their earnings, and hence, most experienced freelancers avoid PayPal and Stripe for receiving international payments unless mandated by the client.

Money sent via platforms is deposited directly in INR into a freelancer's Indian bank account. Since Reserve Bank of India (RBI) regulations prohibit individuals from holding foreign currency in online wallets, they route payments via virtual multi-currency bank accounts in the remitter's country. Movin Jain, co-founder of Skydo, explains the flow: "We create a local receiving account in the sender's country. The client pays into this virtual account, which works only as a pass-through. The amount is collected, converted into INR at real-time exchange rates and then credited straight to the freelancer's Indian bank account."

Since the conversion happens before the money reaches India, the Indian bank does not perform any foreign-exchange processing, which saves GST on currency conversion.

Importantly, these virtual accounts are not owned by the freelancer. The payments platform acts as the custodian, removing liability or compliance obligations for the user. "The underlying accounts are held with regulated banking partners in each market, with the platform being the legal account owner of the virtual account. If the freelancer closes their account with the payments platform, the associated receiving account details are automatically deactivated," explained Taneia Bhardwaj, South Asia Expansion Lead at Wise.

For the same reason, these accounts do not qualify as foreign assets for tax purposes either.

This structure keeps compliance simple while allowing payments to be collected abroad, converted instantly and credited in INR to the freelancer's bank account. Clients usually don't need an account on the same platform you prefer for receiving payments. "The sender doesn't have to adopt a new workflow; they simply pay a local account number, exactly as they would pay any vendor in their own country," Jain added.

However, they may have their own banking arrangements or platform preferences. The key is to persuade recurring clients to use your preferred platform so you can manage and minimize the fees on your end.

EEFC accounts

The third option for freelancers receiving foreign payments is the EEFC account. This is an RBI-approved facility that allows exporters and service providers to open an account in a particular currency and retain the earnings in foreign currency with an Indian bank.

"The account holder can track the rate and convert to INR whenever they think rates have swung in their favour," said Mittal. "The biggest advantage of these accounts is for those who do a lot of outward remittance, as they don't have to pay two-fold conversion charges."

While this suits exporters and large services firms, it can also benefit freelancers with recurring international costs, like recurring subscriptions to design and cloud tools.

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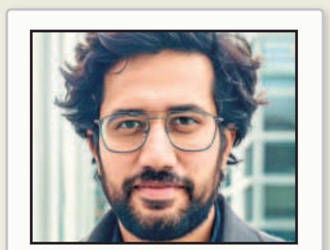
How freelancers save on foreign payments

Freelancers working for global clients can reduce the leakage in their payments by using cost-efficient platforms and negotiating better exchange rates.



TUSHAR MEHTA,
Tech writer

AKASH,
Software architect

Payment option used

Both bank transfer and online platforms	Direct bank transfers

How much does it cost?

Online platforms: about **0.5%** Bank transfer: **2.6%**	**0.65%**, including GST

How do you minimize losses?

Use different platforms, opt for the cheapest one Persuade recurring clients to pay via my chosen platform, wherever possible	Negotiated ₹0.4/$ exchange rate with bank Premium banking membership gives better negotiation power and waives other fees

"Online payment platforms have transparent pricing and offer mid-market rate. Payments credit within one day, which is a major advantage."

"Standard bank charges are over 2% plus GST, the key is to negotiate with your RM. For large amounts, it's possible to even get a ₹0.5-20 spread."

What direct bank-to-bank transfers cost

Bank-to-bank transfers

Inward remittance fee*
₹200-300 (+18% GST); Some banks like ICICI, HDFC don't charge this

Forex mark-up
2-3%

FIRA fee*
₹100-150

GST on conversion
0.18% on up to **₹1 lakh**, capped at **₹180**; **₹180+0.09%** on amount b/w **₹1 lakh** and **₹10 lakh**, capped at **₹990**; **₹990+0.018%** on above **₹10 lakh**, capped at **₹10,800**.

*18% GST extra

Online cross-border payments platforms

	Processing fee	Forex mark-up	FIRA fee	GST on conversion
PayPal	$0.2-0.5	4.4%	-	Not applicable as currency converted outside India
Stripe	4.3%	upto 2%	-	
Wise	upto 1.7%	0	$2	
Skydo	$19 upto $2,000; $29 upto $10,000; 0.3% thereafter	0	-	
Salt	1.75%	0	-	

FIRA: Foreign Inward Remittance Advice

GOPAKUMAR WARRIER/MINT

POWER POINT
SANJIV BAJAJ

We welcome your views and comments at
mintmoney@livemint.com

TOXIC AIR ISN'T JUST A HEALTH CRISIS, IT HITS YOUR WALLET

Last Tuesday morning, my friend called from Gurugram. "I'm taking my daughter to the hospital again," he said, voice heavy with worry. "Third time this month." His seven-year-old had been coughing through the night—another respiratory infection triggered by Delhi-NCR's toxic air.

As I checked my phone, the Air Quality Index flashed 503, a number that now feels like an annual headline rather than an emergency. That call stayed with me, not just as a father, but as someone who works in financial services. Because when we talk about air pollution, we often focus on health. But there's another crisis unfolding quietly—one that's eroding Indian households' financial resilience.

The hidden cost: In September 2025 alone, about 9% of all hospitalisation claims in India were linked to air-pollution-related ailments. Children under ten accounted for 43% of these claims—five times the share of the next largest age group.

Treatment costs for respiratory illnesses rose 11% year-on-year, while cardiac-related hospitalisations increased by 6%. The average claim size stood at around ₹55,000, a substantial burden for many middle-income families in Delhi, where per-capita incomes hover around ₹4.5 lakh a year. This is the hidden cost of breathing in a city that's turning toxic. Families aren't just battling illness; they're also battling rising healthcare inflation.

A financial lens: This is where the financial lens becomes crucial. As respiratory illnesses rise, insurers are quietly recalibrating risk pools and expanding coverage options that emphasise preventive and long-term health management. The growing demand is for policies that go beyond hospitalisation—covering OPD visits, regular check-ups and wellness support.

In other words, protection is evolving from reactive to proactive. For urban families, especially in Delhi-NCR, a good health plan has quietly become as essential as an air purifier. It's no longer just about hospital cover; it's about having a financial shield in a world where even breathing clean air feels like a privilege.

> In Sept, 9% of hospitalizations were related to air pollution, and children suffered most

Beyond medical bills: The ripple effects of bad air go far beyond hospital bills. After Diwali, for instance, health claims typically rise by about 14%. Families spend more on purifiers, N95 masks and recurring doctor visits—expenses that weren't part of household budgets a decade ago.

These aren't luxury choices; they're survival expenses. And beneath it all lies a deeper truth: financial planning today can't stop at SIPs and savings. It must also protect our ability to live well—to breathe safely, stay healthy and plan without fear. This is where collaboration matters most.

Financial advisors and insurers together can help families not just respond to crises, but build a framework of preparedness—one that protects both health and wealth against the uncertainties of the air we breathe.

A smoggy shift: Crises often bring clarity. And clarity, in turn, inspires change. We're now seeing a welcome shift: clients, insurers and investors are beginning to think more holistically about the link between environment and finance. Investors are factoring air quality into their sustainability choices, while insurers are experimenting with wellness-linked rewards for families who prioritise preventive care or maintain healthier living spaces.

The next phase of financial wellness will be climate-conscious—where protection, investment and purpose come together. Because securing the future today means not just building wealth, but safeguarding the world we'll live that wealth in.

Act before it costs more

Pollution-linked claims have climbed from 6.4% in 2022 to 9% in 2025. The trend is undeniable. If we don't act now, we risk normalising an economy where every breath carries a cost. But there is hope. Financial institutions can direct capital toward clean energy, urban greening and sustainable housing. Insurance can evolve into a tool for prevention, not just cure. And as individuals, we can make air quality a factor in how we live, invest and insure.

When my friend said, "I'm seriously thinking of moving out of the city," he echoed what many families feel. But relocation shouldn't be the only answer. We need collective change—and the financial sector can help lead it. Because when the AQI crosses 400, it's not just lungs that suffer; it's household balance sheets too. And unlike smog, financial damage doesn't clear on its own. It needs awareness, action and innovation.

Sanjiv Bajaj is joint chairman and MD at BajajCapital Ltd.

Check how your NPS investments are faring

There are very few retirement products that help you accumulate a retirement nest egg and one such product is the National Pension System (NPS). It is a market-linked, defined-contribution product that needs you to invest regularly in the funds of your choice. The returns are based on the performance of the fund that you choose. There are eleven pension fund managers to choose from and one of the ways to do that is by tracking the returns. Here is a breakdown of the performance of different funds—equity fund, government bond fund and corporate bond fund—of the private sector NPS. This NPS table show returns for pension fund managers who have completed at least 1 year

Returns (in %)

Fund Manager	Equity fund 1 year	Equity fund 3 years	Equity fund 5 years	Government bond fund 1 year	Government bond fund 3 years	Government bond fund 5 years	Corporate debt fund 1 year	Corporate debt fund 3 years	Corporate debt fund 5 years
Aditya Birla Sun Life Pension	4.71	14.39	17.23	5.78	8.66	6.22	8.56	8.71	6.79
Axis Pension Fund	2.86	13.85	NA	4.88	7.92	NA	8.59	8.37	NA
HDFC Pension Fund	5.99	15.01	18.36	4.45	8.13	5.75	9.01	8.86	7.12
ICICI Pru. Pension	6.07	16.20	19.12	5.17	8.31	5.88	8.82	8.73	6.84
Kotak Mahindra Pension	7.57	16.15	19.17	4.23	8.01	5.79	8.80	8.63	6.70
LIC Pension Fund	5.15	14.31	18.58	5.69	8.59	6.10	8.63	8.49	6.60
SBI Pension Funds	2.23	12.53	16.31	5.66	8.63	6.02	8.84	8.70	6.83
Tata Pension Fund	6.13	16.07	NA	4.83	8.06	NA	8.74	8.16	NA
UTI Pension Fund	3.40	15.91	18.81	5.55	8.69	6.01	8.75	8.73	6.60
DSP Pension Fund	6.60	NA	NA	4.83	NA	NA	8.77	NA	NA
Benchmark index	Nifty 200 Total Return: 4.96	14.82	18.66	CCIL All Sovereign Bond-TRI: 6.32	8.99	5.91	CCIL Bond Broad-TRI: 8.20	8.30	6.75

Tier-1 account

mint
Returns as on 7 November 2025;
1-year returns are absolute returns

GOPAKUMAR WARRIER/MINT

Source: Npstrust.org.in

Do pre-IPO gains get long-term tax status?

Harshal Bhuta

ISTOCKPHOTO

I live in Australia and I own shares in a Indian company which got recently listed. I invested about 1.5 years back when it was not listed. When I sell the shares now, will it be considered as short- or long-term gains?

—Name withheld on request

Capital gains are triggered by the 'transfer of a capital asset'. In other words, it is the capital asset transferred that results in such gains.

Since the shares held by you are listed at the time of sale, the relevant holding period will be that which is applicable to listed shares, rather than that applicable to unlisted shares from the date of purchase of the shares.

For listed shares, a holding period of more than 12 months qualifies the transaction to be long-term in nature and thus, capital gains arising from transfer of your shares would be long-term capital gains.

ASK MINT
NRI TAXATION

I've lived in the UAE for 20 years. I have invested in an unlisted Indian firm during covid, and its planning to list. The IPO is delayed but I've found a buyer, who wants a no-dues certificate from my assessing officer. Do I need to obtain it?

—Name withheld on request

Indian Income Tax law includes a provision aimed at safeguarding the revenue's interests. It prevents taxpayers from transferring assets in a manner that could affect the recovery of existing or potential tax dues arising from ongoing proceedings. Under this provision, any transfer of assets—including shares of an Indian company—made while tax proceedings are pending or tax arrears exist can be treated as void unless either:

(a) the transfer is carried out with prior permission of the Assessing Officer (AO), or

(b) it is made for fair value and without knowledge of any pending proceedings or outstanding tax demands.

In your case, the buyer's request for an assessing officer certificate is intended to ensure that the transaction will not later be treated as void under this provision.

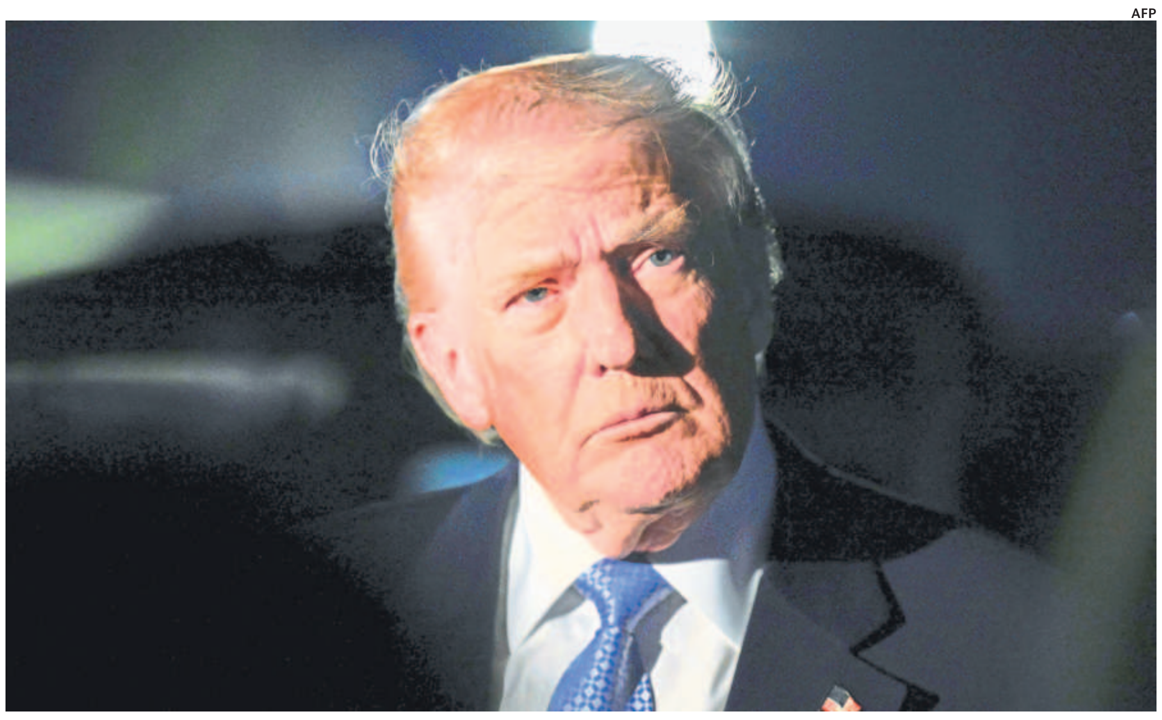
However, if there are no pending tax proceedings or outstanding tax demands against you, and the sale is conducted at fair market value, obtaining such a certificate is not mandatory. Instead, buyers commonly accept a Chartered Accountant's certificate confirming the absence of pending proceedings or tax dues, supported by screenshots from the Income Tax and TDS portals.

Harshal Bhuta is partner at P. R. Bhuta & Co. CAs

Do you have a personal finance query? Send in your queries at **mintmoney@livemint.com** and get them answered by industry experts.

OUR VIEW

AFP



India-US talks: Showing sensitivity is half the art

Last week's tariff cuts by the US reveal Trump's inflation concerns in an American political context, one that we could explore further for a pact on social security payments by Indians

In dealing with US President Donald Trump on the commercial front, many countries would attest that one axiom holds good: that his political interests matter. China, for example, exploited the finer details of America's electoral map in framing its retaliation to US tariffs. Last week, Trump lifted 'reciprocal' import duties on a selection of grocery items—from coffee and spices to fruits and their juices. Since these are not easy for the US to substitute with home-grown produce, levies on their import had pushed up their retail prices and made people grumble. Tariff relief in the case of these items was clearly driven by White House sensitivity to the cost of living. Retail inflation in the US has hovered around the 3% level lately. This is a percentage point above its central bank target, but well below the 8% range hit in 2022 under the Joe Biden presidency, a spike that played a role in Trump's 2024 victory. While Trump is not eligible for another term in office, he might have taken note of the damage that tariff-inflated prices could inflict on his popularity, trade agenda and advocacy of cheaper credit.

India is only a minor beneficiary of America's latest tariff cuts. Exporters of tea and spices have reason to cheer, but most others reeling under Trump's 50% India-specific tariff have their hopes pinned on a bilateral trade deal to ease their path. Now that inflation has evidently joined the US policy calculus, we may be tempted to use price stability in trade talks as part of our pitch for across-the-broad tariff relief. The size and composition of our basket of exports to America, however, does not have much scope to affect general price levels there. But then, New Delhi has other asks that may find political resonance in Washington. For example, India is reportedly looking for the same sort of pact with the US that it signed with the UK on social security payments. On the face of it, the US has no pressing reason to alter the rules of this safety-net scheme. Willy-nilly, Indian citizens who work in the US must contribute to it, but if they leave before making a decade's worth of contributions without a break, they are ineligible for this system's healthcare and old-age payout benefits. Employees on H-1B visas and the like, however, typically have shorter job stints in the US, which effectively turns the money they pay into a tax. Ideally, they should get some of that sum back if they return home. Or be spared having to pay up in the first place. Under our UK agreement, Indian employees in London, or Britons working in Delhi for that matter, can make payments solely to the safety-net system of their home country for the first three years of employment. Levelling the turf for Indians employed in the US would make sense too. This is a just cause. But the proposal may work better if it's packaged for political appeal.

A surge in anti-immigration sentiment in the US appears to have left a vocal chunk of Trump's MAGA vote base keen to see H-1B visa holders depart. If the US eases the social-security burden borne by Indians on short stints, or starts compensating leavers, it would end their disincentive to leave US shores before putting in at least 10 years of work. Strictly speaking, US social security is not a *quid pro quo* deal; what one pays is not owed back. It is more like mandatory group insurance. Yet, nobody likes to be overtaxed, as Indians in the US often feel they are, and social-security relief for them could be an easy sell in today's context.

MY VIEW | ECO SQUARE

Institutions ought to minimize anxiety instead of worsening it

Let's not underestimate their role in the well-being of people at large in a complex country like ours

LEENA SRIVASTAVA
is an independent expert on climate change and clean energy.

According to the World Health Organization (WHO), one in every six or seven individuals in the world is living with a mental disorder. In this, "depressive and anxiety disorders are major contributors to [years lived with disability or YLDs] in all age groups (except 0–5-year-olds)... They are also the second leading cause of YLDs..." The WHO places productivity losses from mental health disorders at over $1 trillion per year.

While the awareness of and access to mental health professionals are both abysmally low, especially among lower-income populations, round-the-clock access to social media in a digital world exacerbates any underlying biological mental health vulnerabilities. Counselling around social-media use and consequent feelings of inadequacy can help individuals, but so can the creation of a broader environment of trust. Globally, political and environmental uncertainties—with implications for employment, mobility and a secure future—have been identified as among the many inter-connected causes of a growing mental health crisis in Gen Z.

In this complex interplay of causal factors for anxiety and depression is an unacceptably high level of mistrust in the institutions meant to provide order and stability in any society—governments, the judiciary, news media and the workplace, in particular. The *2025 Trust Barometer* report from Edelman reveals a global decline in trust in employers to do the 'right' thing. Even more worrisome is the perceived fear that leaders are purposely misleading people by saying things they know are false or gross exaggerations. This category includes not just government and business leaders, but also journalists.

Recent examples illustrate how uncertainties are compounded by wishful thinking, knee-jerk reactions and immediacy compulsions. That these examples relate to issues that deeply touch people's lives also serves to illustrate the compounding of anxiety and depression among people at large.

First, the issue of crackers. At a time when air quality was already deadly in the national capital, the government of Delhi, the judiciary and experts permitted the use of poorly-defined 'green crackers' even though it was not feasible to check their 'greenness'. This was done on the promise of using cloud seeding to create artificial rain that would wash down the pollution, conveniently overlooking the fact that you need clouds to be able to seed them. When this attempt was made, it failed, leaving citizens to fend for themselves. So, for the enjoyment of a few who light crackers, the health of many more residents of Delhi was compromised. The media did little to consistently educate people on the dire consequences of bursting a large volume of crackers. As for social media, it is overloaded on most issues with posts by elements that hold extreme views.

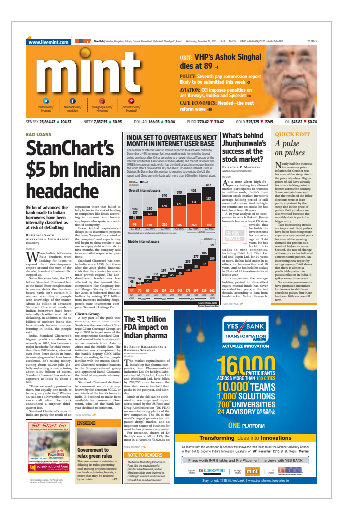
Second, take the government's and court's handling of the stray dogs issue. After an order that was impractical and a second interim one that offered hope, followed by a recognition of the apathy of governments in implementing humane and implementable solutions, the Supreme Court again demanded the removal of stray dogs from defined public spaces, but without assigning any accountability or imposing penalties on the public bodies that allowed such a 'dangerous' situation to arise through their incompetence and inefficiency. There is no reliable data on the true number of dog bites. A judge raised the question, "What about cruelty to humans?" To be cruel, by definition, is to be extremely unkind in causing intentional pain to people or animals. One rarely, if ever, speaks of animals being cruel to humans—their reactions are either instinctive or learnt behaviours important for survival. In urban spaces dominated by humans, dogs are likely responding with aggression to the traumas they suffer but remain unaddressed. The media coverage of this issue too was polarizing and perhaps agenda-driven, creating a wedge in society and adding to fear on all sides, albeit for different reasons.

In my last Eco Square column, titled 'Himalayan blunders: People must demand accountability for ecological havoc' (*shorturl.at/VGH88*), I had discussed vulnerabilities caused by unmindful and unregulated development in the fragile mountain systems of the Himalayas. While the details need not be repeated, this is another prime example of how the vulnerabilities of millions of humans and animals are worsened by negligence on the part of governments over time.

The point of this article is to contrast the enthusiasm with which our courts have sought to address the relatively minor issue of dog bites (which is not to take away from the horrors suffered by individuals and their families) with the overlooking of much more serious and deadly issues that are perennial problems in the country.

In general, we should question the consistency with which we apply the test of fairness and justice for all to orders, policies and narratives, and also the attention we pay to their impact on larger populations. Maybe there is a need to transparently revisit the rules and protocols followed by all institutions that have the power to amplify societal anxiety through their actions.

10 YEARS AGO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> No foreign policy—no matter how ingenious—has any chance of success if it is born in the minds of a few and carried in the hearts of none.
>
> HENRY A. KISSINGER

THEIR VIEW

Trump's bets on China and Argentina are souring fast

BARRY EICHENGREEN

is professor of economics and political science at the University of California, Berkeley, and the author, most recently, of 'In Defense of Public Debt'

When it comes to US foreign economic policy, President Donald Trump's administration has two problems on its hands. Following what has become something of a pattern for this administration, both problems are of its own making.

In South America, Trump & Company are heavily exposed to a dubious effort to stabilize the Argentine peso, a task to which they have committed more than $20 billion. In Asia, they are engaged in an on-again-off-again trade war with China, in which Chinese President Xi Jinping has the upper hand.

Argentina's President Javier Milei [who assumed office on 10 December 2023] has made good on his promise to take a chainsaw to his country's budget deficit. But to reinforce the fall in inflation, he has propped up the peso's dollar exchange rate, which has hurt exports and slowed economic growth, leading to uncomfortably high unemployment.

The question is whether a restive public will continue to support Milei's policies indefinitely. History suggests that it will not, notwithstanding last month's legislative elections, which provided a temporary respite.

Temporary is the operative word: public opinion could turn again. To paraphrase my Berkeley colleague Maurice Obstfeld, Argentina is a graveyard of unsuccessful exchange-rate-based stabilizations. More than once, variants of this policy have collapsed in a heap of political dysfunction.

Given this, Milei's strategy also creates doubts about whether Argentina can repay the US Treasury.

Senior creditors like the International Monetary Fund (IMF), which went into Argentina earlier, stand to be paid first out of the country's limited foreign exchange. The money the US Treasury pumps into Argentina is likely to justleak back out in repayments to hedge funds that scooped up Argentina's bonds on the cheap. Even if Argentina somehow repays the US Treasury but the government falters in the 2027 election, US treasury secretary Scott Bessent, who made supporting Milei official American policy, will probably be left with egg on his face.

In the case of China, Trump thought he had a leg up in any trade dispute because the US buys more from China than China buys from the US. And because the US is the more advanced designer of cutting-edge semiconductors, Trump thought he had more leverage from export embargoes than anything China could threaten.

The reality, of course, is the opposite. China can simply divert its exports of merchandise and commodities from the US to other parts of the world, as it had begun doing even before Trump's return to the White House. It can import advanced semiconductors from third parties or soup up last year's models. And when provoked by the addition of more Chinese companies to the US Entity List, the blacklist of companies barred from access to advanced technology, China can embargo exports of the rare earths that are essential inputs for consumer electronics, motor vehicles and, not least, US military hardware.

> **Washington's efforts to reset trade with one and support the other's economic plan look set to fail**

Seen in this light, Trump's climbdown following his recent meeting with Xi [at the APEC summit at Busan in South Korea] is no surprise. Xi made an empty commitment to buy more American soybeans, just as he has in the past. He suspended his rare-earth embargo, but left that sword of Damocles hanging. Trump, for his part, agreed to scale back his punitive tariffs, suspend port fees on Chinese ships and delay the planned expansion of the Entity List that had provoked China into threatening rare-earth controls in the first place.

Importantly, this negotiation sets a pattern for the future. The next time Trump threatens China with tariffs, port charges or export controls, Xi will threaten rare-earth export controls and Trump will chicken out.

China's rare-earth monopoly won't last forever, but it will outlast the Trump administration.

In the case of Argentina, where it was a mistake to make an unconditional commitment in the first place, the Trump administration should require the Milei government, as a condition of continued US support, to allow the peso to depreciate, eliminating its overvaluation, after which the currency should be allowed to float more freely. Argentine producers will then be able to export more, which would help stabilize growth and employment while ensuring that the government can repay what it borrowed.

Admittedly, inflation in Argentina will come down somewhat more slowly than previously programmed, because import prices will rise more rapidly. But disinflation will be more politically sustainable, because it will cause less unemployment and social dislocation. There will be less likelihood of the public repudiating the policy—and Milei—in 2027.

Milei has shown no sign of seeing the light, instead doubling down on his risky monetary strategy. And while Bessent, who knows his way around currency crises, could force Milei's hand, he is showing no willingness to do so.

Best of all would be for US authorities not to create this kind of international economic and financial mess in the first place. Don't hold your breath.

THEIR VIEW

Roll back quality control orders on inputs to spur manufacturing

Such QCOs hold back the competitiveness of manufacturers and ending them could catapult our factory sector to a new orbit

AMITABH KANT & DIEWAKARR ANUPAM MITTAL
are, respectively, chairperson and director, Fairfax Centre for Free Enterprise.

MINT

It has finally begun and it deserves recognition. A long-awaited overhaul of India's quality-control regime is taking shape. In just the past week, key ministries have moved decisively to withdraw or amend quality control orders (QCOs) on up to 76 products.

On 12 November 2025, the ministry of chemicals and fertilisers abolished QCOs for several input materials, including terephthalic acid, ethylene glycol, polyester spun yarn, polyester yarn, EVA copolymers, polycarbonates and others. This step eases compliance pressures across textiles, chemicals, plastics and downstream manufacturing. On 13 November, the ministry of mines issued a notification withdrawing QCOs on base metals and alloys such as aluminum and aluminum alloys, nickel, refined nickel, tin ingots, refined zinc, copper and primary lead. The ministry of heavy industries has notified its Machinery and Electrical Equipment Safety (Omnibus Technical Regulation) Second Amendment Order, 2025, effectively pushing QCO implementation forth. Additionally, the ministry of steel has decided to suspend QCOs on 55 steel products, most of which are inputs.

The government's move to strike down QCOs dating back to September 2021 marks India's willingness to support businesses and strengthen our competitiveness by embracing a more open, rules-based economic order. For industries long weighed down by the friction of compliance, this is like the first gust of wind before a much-needed monsoon. It is more than administrative housekeeping; it is a signal that India is continuously recalibrating regulations to promote economic vitality, rather than stifle it.

Recently, a high-level Niti Aayog committee recommended a decisive push to abolish QCOs for specific input materials. Abolishing QCOs on these will deliver broad benefits to our manufacturing sector, especially micro, small and medium enterprises (MSMEs). Nearly half of all QCOs introduced over the past eight years target intermediate goods, the very backbone of production. Mandatory certifications for such inputs raise landed costs, create testing delays of 4 to 12 weeks and force MSMEs to rely on a narrow set of certified foreign suppliers. Dropping these QCOs can cut input costs by 8-12%, freeing capital, easing operational pressures and boosting competitiveness.

A telling example of how QCOs can inadvertently raise input costs is the Copper Products (Quality Control) Order, 2023, which was withdrawn this week. After it went into force, it immediately disrupted supply, particularly from Japan, from where we sourced 80% of our refined copper. Japanese smelters had to apply for fresh licences, which took time. The impact was visible. Copper imports dropped. However, manufacturers substituted copper imports with imports of downstream products such as wires, tubes, pipes and sheets. These were goods already being made in India. Still, their imports spiked by 17-49% as the supply of raw materials was disrupted. Cable makers, OEMs, electrical manufacturers and construction suppliers scrambled to secure material in more processed (and more expensive) forms. Trade bodies had forewarned of the supply chain risks. Excessive QCOs distort markets by artificially limiting suppliers. Eliminating such input-level QCOs strengthens MSME supply chains by restoring flexibility and bargaining power, allowing firms to switch suppliers more easily, reduce risk and diversify their sourcing.

Firms must be allowed to choose inputs based on commercial logic rather than regulatory requirements. This will enable better decisions on what to indigenize and what to source globally. We must remember that 'global value chains' are called so for a reason. Also, markets self-regulate, inefficient players exit naturally and high-quality suppliers rise on merit rather than certification gatekeeping. As Jagdish Bhagwati asserts, "Competition is the most reliable auditor of quality."

India's QCO rationalization agenda should continue to address the raw-material QCOs concentrated across key ministries. According to CSEP, the ministry of steel oversees 310 QCOs, of which nearly 68% apply to input materials. With the withdrawal of QCOs on 55 steel-based input materials and a one-year waiver on speciality steels, the government has made a strong start. But much more remains to be done, particularly in suspending QCOs on other input materials. Further, it is estimated that 161 QCOs are in place for machinery and electricals, with 44% covering core industrial intermediaries.

In electronics, India achieved a record $2.4 billion in smartphone exports in October 2025, and overall electronic exports grew by over 47% in the first quarter of 2025-26. India's metals, machinery, textiles and electronics sectors offer some of the strongest levers for accelerating manufacturing-led growth. QCOs on input components that India cannot yet manufacture at scale hinder competitiveness, elongate lead times and discourage global firms from shifting deeper parts of their supply chain to India. We must ensure policy recalibration happens before the damage becomes irreversible. We must abolish these QCOs at the earliest.

To prevent QCOs from becoming unintended trade barriers, India must institutionalize a permanent, data-driven QCO Review Framework. Every QCO should carry a mandatory 24-month sunset clause, requiring renewal only after a detailed analysis of domestic capacity, import dependency, HS-code trends, supplier concentration, price movements and export competitiveness. Structured MSME consultations and annual QCO impact statements must be institutionalized.

The Bureau of Indian Standards should simultaneously shift toward risk-based, globally aligned standard-setting, focusing its regulatory scrutiny on safety-critical final products rather than raw materials.

The recent notifications are not just a bureaucratic update; they are a policy signal, a philosophical shift and a firm step towards a more competitive, export-ready India. QCO reform must move beyond the initiative of a few ministries to become a whole-of-government mission. Now is the moment for other ministries to follow suit.

QCOs on all raw materials and intermediates must be abolished. We cannot achieve our aspirations to become a world-leading economy by 2047 with regulatory sandbags tied to the ankles of our MSMEs. Reducing compliance costs, saving time and easing the regulatory burden are not administrative niceties; they are the levers that will catapult India into the next orbit of industrial expansion.

These are the authors' personal views.

MINT CURATOR

Should we give up on climate action? The answer is still 'no'

The progress made so far shows that it's anything but a lost cause

DAVID FICKLING
is a Bloomberg Opinion columnist covering climate change and energy.

Bad-faith nihilism encourages us to lower our climate ambitions. ISTOCKPHOTO

Perhaps it's time to give up on climate? That's what all the serious people are saying. The targets we set to limit our carbon pollution are unachievable and universally fail. So let's just stop pretending and "drill, baby, drill."

A "pragmatic way forward" for the energy transition is to conclude, in essence, that it's not happening, according to an April essay by energy historian Daniel Yergin and others. Current ambitions are "unrealistic and therefore unworkable," a think-tank set up by former British Prime Minister Tony Blair argued. In the more pungent words of President Donald Trump, climate action is a "con job," and should be abandoned.

This contrarian chorus is so noisy and persistent that it's easy to miss how dramatically wrong it is—especially when some ambitions, like the promise to keep warming below 1.5° Celsius, are being missed. In truth, however, evidence of nearly three decades of climate diplomacy shows that when we set ourselves an objective, more often than not we will hit it. That should stiffen the spines of the politicians gathered at the CoP-30 climate meeting in the Brazilian city of Belém.

Take the Kyoto Protocol, the 1997 agreement between industrialized nations, promising to cut their emissions by 5% below their levels in 1990. Now remembered as an ignominious failure, it was actually a resounding success, delivering a far deeper 22.6% cut. The problem wasn't that the goal was missed. Emissions did indeed increase over the 2000s, but that was due to countries that weren't party to the protocol, not the ones that were.

Or consider the EU's first pledge under the 2015 Paris Agreement to cut emissions in 2030 to 40% below levels in 1990. Plenty scoffed at the time. The promises "will fail to accomplish anything substantial to rein in climate change," Bjorn Lomborg, a long-time opponent of action, wrote in the *Wall Street Journal*. Even more credible sources had their doubts. The European Environment Agency in 2017 projected the bloc would miss the goal and that the pace of emission reductions would soon slow.

In fact, greenhouse pollution last year was already 37% below 1990, and on current trends the EU may achieve a 54% cut, almost sufficient to hit a stricter target passed in 2020. These self-styled pragmatists now mocking Brussels' most recent ambition to deepen reductions to 90% by 2040 should face up to a long history of promises that have been kept, not broken.

It's the same with China's promise in 2020 to install 1,200 gigawatts of wind and solar power by 2030. By September-end, it had already surpassed that figure, with more than 1,700 gigawatts connected. This year, few have even bothered to question the 3,600 gigawatts by 2035 goal President Xi Jinping announced in September.

In instance after instance, sober realists have been proven wrong, while the wildest hopes of campaigners have been exceeded. That even applies to the detailed pictures of the future laid out by the International Energy Agency (IEA). The amount of renewable electricity the world will generate this year will be about 9% more than what the IEA in 2018 reckoned we'd need to keep global warming below 2° Celsius.

If you had followed the IEA's Current Policies scenario (a fossil fuel-favouring model reintroduced this year after lobbying by the Trump administration) you'd have overestimated 2025's level of oil demand by about 4.2 million barrels a day—equivalent to the output of Iraq, the OPEC cartel's second-biggest producer. The same scenario underestimated this year's renewable production by 2,600 terawatt-hours, similar to all the electricity generated in the EU.

The problem isn't that we fail to hit the objectives we set for ourselves. It's that the drumbeat of bad-faith nihilism encourages us to forget the progress we have already made and lower our ambitions for the future. Emissions keep inching up not because of nations that fail to uphold their promises on climate action, but because of nations that aren't making adequate promises at all—Xi's failure to set a number on reducing China's coal consumption, for instance, or Trump's recent wrecking of US climate measures.

Five years ago, the most ambitious emission-reduction plans laid out by governments would have resulted in about 3° Celsius of global warming by the end of the century. We're now staring 2.3° Celsius of warming—still-disastrous, but moving closer to well below 2° where we need to be. The 2015 Paris Agreement, dismissed at the time as a 'fraud' and 'dangerous incrementalism,' is actually working.

As solar panels, wind turbines, electric vehicles and rechargeable batteries remake power systems, our energy transition is on the brink of victory. Ignore doomsayers who can't see it.

MY VIEW | A VISIBLE HAND

Should society curb excessive executive compensation?

NARAYAN RAMACHANDRAN

is chairman, InKlude Labs. Read Narayan's Mint columns at www.livemint.com/avisiblehand

Elon Musk is 55 years old. He is already the world's richest man, with an estimated current net worth of about $480 billion. Contingent on meeting certain performance criteria at Tesla Inc, he could well become the world's first trillionaire.

Depending on your point of view, Musk is enigmatic, mercurial, brash, unfiltered, hyperactive, intensely competitive and vile—or visionary, charismatic, innovative, strategic and boldly disruptive. As the name Tesla implies, the company co-founded by Musk was a pioneer in creating high-quality electric vehicles (EVs) based on electric motors and power systems invented by the Serbian-American inventor Nikola Tesla. Unlike Musk, the original Tesla, his hero, had sunk all his money on experimentation and died a pauper. Nearly a quarter century ago, Musk also founded SpaceX, the most successful private space company in the world. SpaceX is now the world's dominant space launch provider, thanks to its reusable Falcon rockets. The company's Falcon 9 rockets have exited and re-entered earth's orbit nearly 500 times, averaging 1-3 launches a week. Their feature of reusability has let Musk dominate civilian satellite-based internet services through Starlink, a wholly owned subsidiary of SpaceX. With over 7,000 satellites in its constellation and a subscriber base of 8 million, Starlink makes up about 80% of SpaceX's annual revenue.

After a brief and ill-advised sojourn at the US government in the early months of the current Donald Trump administration, Musk returned to Tesla and SpaceX. To incentivize his focus on the company, Tesla's board proposed a $1 trillion performance-based equity compensation package. That package was approved by shareholders this month with an overwhelming majority of 75%. An earlier procedurally botched attempt to pay Musk $56 billion from 2018 onwards was struck down by a Delaware court. The latest trillion-dollar package is made up of 424 million restricted stock units (RSUs) in Tesla that will accrue to him in 12 separate tranches, each to be unlocked if and when specific targets are met. Each tranche is tied to Tesla's market capitalization, with the first available at $2 trillion and the final one at $8.5 trillion. To attain his pay package, Musk must deliver on all these operational goals: *One*, deliver a cumulative 20 million vehicles over 10 years; *two*, deploy 1 million robotaxies; *three*, produce 1 million humanoid robots; *four*, reach 10 million active, full and self-driving subscriptions; and *five*, achieve $400 billion in trailing earnings before interest, taxes, depreciation and amortization (Ebitda).

The ratio of the annual compensation of the median Fortune 500 CEO to the median worker in the US has held steady for two decades at about 200:1, though both have risen in nominal terms. At one end are companies like McDonald's, where this ratio is nearly 2,000:1. While not included in public company figures, hedge fund managers like Ken Griffin of Citadel and Ray Dalio of Bridgewater are routinely paid over $1 billion a year. For the UK, the pay ratio for FTSE 100 company CEOs to the median worker is 75:1.

We need equal opportunity for all as a base condition while aiming to lift the real wages of workers too

In India, the median compensation of Nifty 50 CEOs is ₹22.6 crore ($2.6 million) and the ratio to the median worker is 700:1. This is for the formal workforce; the ratio to the median pay for informal or subsistence work would be much higher. The highest paid Indian CEOs earn about $15-20 million a year (₹100-150 crore). Like in the US, a significant portion (often over two-thirds) of this is equity-linked compensation.

Should society moderate these differences? On one hand, if shareholders as owners of a company opt to authorize a huge pay package (in equity), do others have a right to complain? As in Musk's case, if shareholders incentivize disruptive moonshots, is it not their own business? On the other hand, are companies endowing individuals with superhuman powers and expectations and distorting reality to such an extent that society can no longer see straight? What does that imply for these ratios? Should they be reduced? If so, how can or should society go about doing that?

In the US, widespread awareness and transparency have kept relative compensation in a particular band over a long period of time. In India, the market does offer transparency on CEO compensation, but society inherently appears to have accepted a huge class divide. I come from the persuasion that for long-run harmony, society must be egalitarian: not equal, but fair and meritocratic, with broad-based prosperity. Taking a leaf from political philosopher John Rawls' book, inequality is fine only if the structure maximally benefits the least advantaged and if everyone has an equal opportunity to rise. That still begs the question of how society can go about achieving this.

US regulations require that each company reports the ratio of its CEO compensation to the median worker's pay. India should require the same. For India, the answer to the challenge of reducing this ratio partly lies in lifting what the median worker earns. This will require greater skilling and productivity contributions from workers at large, so that the median worker's rate of real wage growth can improve.

P.S: "The natural distribution is neither just nor unjust; nor is it unjust that persons are born into society at some particular position. These are simply natural facts. What is just and unjust is the way that institutions deal with these facts," said John Rawls in his classic 'Theory of Justice.'

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