CHENNAI - FRIDAY - DECEMBER 26, 2025

₹10 • Pages 10 • Volume 32 • Number 356

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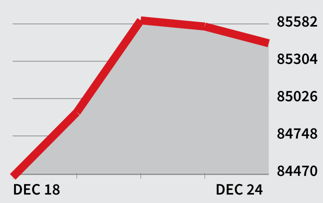

IN FOCUS

	Week's close	Week's change
Nifty 50	26142.10	+323.55
P/E Ratio (Sensex)	23.57	+0.50
US Dollar (in ₹)	89.78	-0.60
Gold Std 10 gm (in ₹)	136080.00	+4293
Silver 1 kg (in ₹)	218983.00	+19342

GROWTH BLUEPRINT. **Berger Paints** will focus on southern markets, dealers and applicator partnerships to drive growth, says CEO Abhijit Roy **p2**

YEAR IN REVIEW. **The year 2025** saw advertising sector reshaped by campaigns, regulation shocks, AI & mergers **p6**

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QUICKLY.

GRADUATE GLUT.

States weighing cap on software engineering seats

Chennai/Hyderabad/Bengaluru: Even as engineering graduates grapple with fewer job opportunities and the number of computer science engineering seats continue to rank high, the States are mulling intervention. As authorities in Karnataka mooted the need to cap the number of seats in the computer science stream, officials in Tamil Nadu and Telangana also acknowledged the need to have a serious dialogue with colleges. **p10**

DIEBACK DISEASE

Infected neem trees fighting for survival

Hyderabad: Neem trees, long valued for their antiseptic properties, are in trouble. Over 60 per cent of neem trees in Telangana are infected with the destructive fungus *Phomopsis azadirachtae*. Commonly known as 'Dieback Disease', the infection begins at terminal twigs and progresses downward toward the trunk, draining chlorophyll from the leaves. **p8**

Govt speeds up action to lease out 11 more airports

POLICY TAKE-OFF. Plan sent to PPP appraisal panel, with possible Budget announcement

Rohit Vaid
New Delhi

The proposal to lease 11 airports, including those at Amritsar, Varanasi, Bhubaneswar, Raipur and Tiruchirapalli, has gathered significant momentum.

The plan was recently reviewed and approved by the Ministry of Civil Aviation, and the final parameters of the scheme may be announced in the coming Union Budget, sources said.

PPP REVIEW

"The Ministry conducted internal assessments on the operational, financial and structural aspects of placing these airports under a public–private partnership (PPP) framework," a source tracking the matter told *businessline*.

The proposal has now been forwarded to the Public Private Partnership Appraisal Committee (PPPAC) for scrutiny, the source added.

"A formula is now being worked out, under which a major airport is paired with a minor one, after which the combined entity is offered to prospective lessees through a bidding process," the source said.

LEASE DRIVE. Under NMP-II, 25 Airports Authority of India-operated facilities, including the Tiruchirapalli airport, are to be leased under the PPP model MOORTHY M

CLUBBING PLAN

In a written reply to the Rajya Sabha on March 17, Minister of State for Civil Aviation Murlidhar Mohol had stated that the five large airports — Amritsar, Varanasi, Bhubaneswar, Raipur and Tiruchirapalli — had been clubbed with six smaller airports for leasing under the PPP model. He also confirmed that this identification was done as part of the National Monetisation Pipeline (NMP).

Some of the smaller paired airports include Kushinagar, Gaya, Hubballi, Chhatrapati Sambhajinagar (Aurangabad), Jabalpur and Tirupati, the source said, although the official list of all six has not been disclosed.

Under NMP-II, 25 Airports Authority of India (AAI)-operated airports are proposed to be leased under the PPP model.

In her Union Budget speech for 2025–26, Finance Minister Nirmala Sitharaman had outlined the contours of NMP-II, stating that the second phase aims to mobilise additional resources through structured asset-leasing mechanisms across key infrastructure sectors. She had noted that regulatory and fiscal measures would be refined to support its implementation in the coming years.

Going forward, the PPP Appraisal Committee is expected to evaluate the Aviation Ministry's leasing proposal on financial, legal and technical parameters before the grant of final approvals.

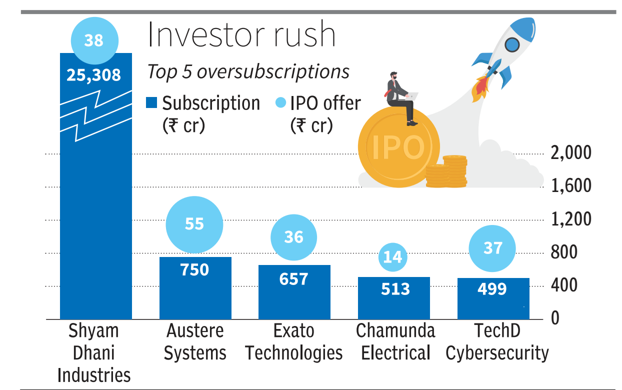
Currently, 14 airports in India operate under the PPP mode, with eight leased through long-term concessions. These include Delhi, Mumbai, Ahmedabad, Guwahati, Jaipur, Lucknow, Mangaluru and Thiruvananthapuram. Six of these — Lucknow, Ahmedabad, Mangaluru, Jaipur, Guwahati and Thiruvananthapuram — were awarded to Adani Enterprises through competitive bidding based on the highest "per passenger fee".

The PPP model for airport management dates back to 2006 with the Delhi and Mumbai airports. Since then, it has been gradually extended to other AAI airports.

In 2020–21, the Cabinet approved the leasing of the Jaipur, Guwahati and Thiruvananthapuram airports to Adani Enterprises, formalising arrangements where operators pay a per-passenger fee while managing airport operations.

SME IPO frenzy defies tighter norms on robust investor demand

Suresh P Iyengar
Mumbai



Despite SEBI and frontline regulators, including stock exchanges, tightening regulations, investor appetite for the initial public offers (IPO) of small and medium companies has not waned.

The over-subscription juggernaut in SME IPOs rolled on even after the minimum retail investment was doubled to ₹2 lakh per application.

SPICY DEBUT

The recent SME IPO of Shyam Dhani Industries on NSE Emerge attracted the highest-ever subscription of ₹25,308 crore against the company's share offer of ₹38 crore.

The IPO of the company, which produces premium spices and spice powders, was subscribed 918 times on Wednesday.

Sold in the price band of ₹65-70 a share, the minimum investment by a retail investor in the company was pegged at ₹2.8 lakh.

The retail portion received subscriptions worth ₹14,560 crore for 208 crore shares against an offer of 18.28 lakh shares, while institutional investor bids totalled ₹8,872 crore for 126 crore shares against 7.86 lakh shares on offer.

Earlier this month, Exato Technologies debuted on BSE Emerge at a 90 per cent premium over the issue price after its IPO received bids worth ₹657 crore against plans to raise ₹36 crore.

The company provides technology-driven customer engagement and operational solutions.

Its clients include MakeMyTrip, RBL Bank, IGT Solutions, IKS and WNS, among others.

Exato Technologies traded at ₹391 on Wednesday against the issue price of ₹140 apiece.

TechD Cybersecurity made a stellar debut on NSE Emerge in September at ₹367 apiece against the issue price of ₹193 a share.

The issue was subscribed 718 times, receiving bids worth ₹499 crore against plans to raise ₹37 crore.

INVESTOR SHIFT

Ashok Holani, Director, Holani Consultants, said investors' perception of SMEs has been changing, given the conducive business environment and the country's economic growth potential.

"While I'm not here to say that all SME IPOs are good, investors should be more selective based on the merchant banker background and do their due diligence before placing their bet," he added.

Ashok Singh, a regular investor in SME IPOs, said that though there are pitfalls, investing in SME IPOs gives the feeling of owning the company as the equity capital is small.

Mumbai Metro Region's 2nd airport at Navi Mumbai operational

Aneesh Phadnis
Mumbai

Christmas Day heralded a new chapter in the Mumbai Metropolitan Region's airport infrastructure development, with the formal opening of the Navi Mumbai airport.

An IndiGo Airbus A320 aircraft from Bengaluru. which carried 160 passengers, was the first to touch down at 7.32 am.

The first departure was of an IndiGo flight carrying 185 passengers to Hyderabad an hour later.

Built at a cost of over ₹19,650 crore, the airport addresses the connectivity needs of Navi Mumbai, Thane, Pune and other regions.

"It is a relief for us and makes commuting home easier. The airport will also take pressure off the Mumbai airport," said Hyderabad resident Ashwini Betala.

"I bought a ticket for Goa just a day before only because it was cheaper from here than Mumbai," said Yukta Pai.

The day began with Adani Group Chairman Gautam Adani greeting airport staff and passengers. He called the airport's opening a proud day for Mumbai and India.

Read more on **p10**

Budget 2026-27: CII suggests 4-point fiscal plan

Our Bureau
New Delhi

The Confederation of Indian Industry (CII) on Thursday proposed a four-pronged fiscal strategy for the Union Budget 2026-27.

"India has achieved a rare convergence of high growth, low inflation and improving fiscal indicators. The next Union Budget must continue this momentum through disciplined fiscal management and deeper institutional reforms," CII Director-General Chandrajit Banerjee said in a statement.

Keeping this in mind, the industry body came out with a four-point strategy focussing on debt stability, fiscal transparency, revenue mobilisation and expenditure efficiency.

DEBT STABILITY

On debt management, the industry body suggested maintaining the Centre's debt at 54.5 ± 0.2 per cent of GDP, and the fiscal deficit at 4.2 ± 0.1 per cent of the GDP in FY27 to preserve macro credibility while supporting growth. This is in line with the Centre's glide path for lowering the debt-GDP ratio to 50 per cent (1 per cent more or less).

"Strengthening public finances, however, must extend beyond the Centre to the States and Urban Local Bodies, whose fiscal positions increasingly shape overall debt dynamics and the durability of macroeconomic stability," the CII said.

Also read **p3**

CHENNAI
businessline.
FRIDAY - DECEMBER 26 - 2025

QUICKLY.

Vedanta Sesa Goa boosts energy efficiency

New Delhi: Vedanta's iron ore mining arm Sesa Goa on Thursday said it has saved nearly 8 million units of energy in FY25 and the current fiscal till date through technology upgrades, smarter systems and in-house innovations. The savings could power over 6,000 average Indian households for a year. The company's 65 MW waste heat recovery power plant reduces grid dependence and bolsters circular economy practices and its solar adoption is ramping up, a company statement said. PTI

Delivery workers call for strike on Dec 31

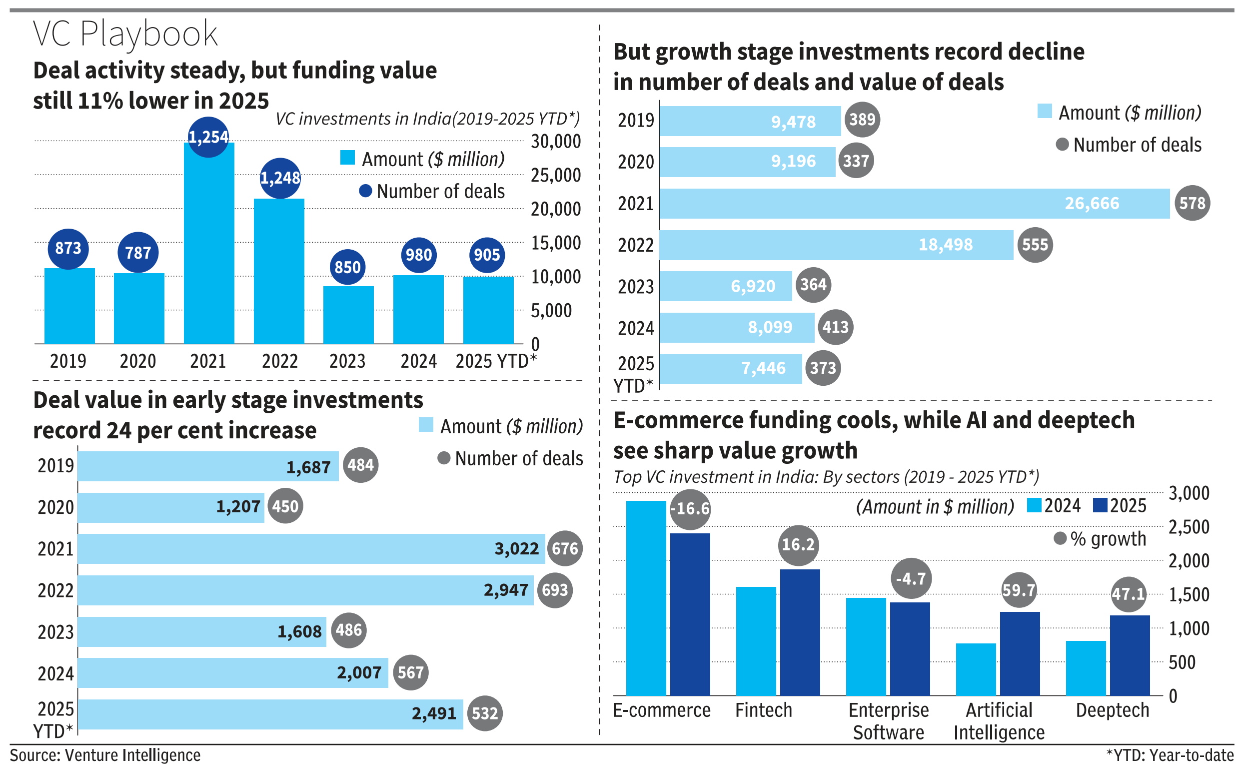
Bengaluru: Delivery workers of Zomato, Swiggy, Zepto, Blinkit, Amazon and Flipkart are planning a nationwide strike on December 31, a day that typically sees peak demand. The strike has been called by the Indian Federation of App-Based Transport Workers and the Telangana Gig and Platform Workers Union, citing deteriorating working conditions, declining payouts and the absence of social security protections for gig workers. OUR BUREAU

VC funding slips 11% in 2025 despite steady deal activity

INVESTMENT LANDSCAPE. Deal volumes indicate that entrepreneurial activity remains intact, but investors are deploying capital more cautiously

Yashaswani Chauhan
Chennai

India's venture capital (VC) funding value declined 11 per cent year-to-date (YTD) in 2025 to $9.9 billion, even as deal activity remained relatively stable, underscoring a shift towards more selective investing and fewer large late-stage bets.



Source: Venture Intelligence *YTD: Year-to-date

DATA FOCUS.

Data from Venture Intelligence show that Indian start-ups raised $9.94 billion across 905 VC deals in 2025 YTD, compared with $10.1 billion from 980 deals in 2024.

While the number of transactions rose 3.7 per cent year-on-year, the value of funding remains well below the 2021-peak of nearly $30 billion, when abundant global liquidity fuelled aggressive risk-taking.

The pull back is increasingly being viewed as a reset rather than a prolonged slowdown. "The funding peaks of 2021 and 2022 were a ZIRP (zero interest rate policy)-driven aberration," said Arun Natarajan, Founder, Venture Intelligence. "The 2025 numbers suggest we are comfortably out of the 2023 'funding winter' and have reached a more sustainable base of about $10 billion."

CAUTIOUS CAPITAL

Deal volumes indicate that entrepreneurial activity remains intact, but investors are deploying capital more cautiously.

Smaller cheque sizes and tighter milestone-linked funding have become the norm, particularly beyond the early stage.

Early-stage investments recorded a 24 per cent rise in deal value in 2025 YTD to $2.49 billion, despite a marginal 6 per cent fall in the number of deals to 532.

In contrast, growth-stage funding continued to weaken. Deal value at this stage declined 8 per cent year on year to $7.45 billion, while the number of growth-stage deals fell nearly 10 per cent to 373.

IPO SHIFT

Growth-stage funding, which had surged to $26.7 billion in 2021, has since seen a sustained contraction.

STRUCTURED FUNDING

According to Padmaja Ruparel, Co-Founder, IAN Group, the decline reflects mature start-ups opting for IPOs, pre-IPO routes and structured financing as opposed to than large-state VC rounds, rather than a shortage of capital.

"Several mature start-ups that would earlier have raised large private rounds are now exploring IPOs or pre-IPO routes," she said. Debt and structured financing are also increasingly being used to fund expansion while limiting dilution, she added.

Experts highlighted that the reopening of India's IPO markets has reinforced this shift.

A growing list of growth-stage start-ups, including Urban Company, Lenskart, Groww and Meesho, are tapping or preparing to tap public markets, reducing dependence on late-stage VC capital and allowing investors to focus on exits.

The slowdown in funding value has not dented investor confidence in the broader ecosystem. "What we're seeing is market rationalisation and recalibration, not a collapse," said Ranjeet Shetye, Venture Partner, YourNest, and MD, Everstream Analytics, pointing to signs of improving deal momentum in parts of 2025.

SECTOR TRENDS

Sectorally, e-commerce, fintech and enterprise software continued to attract the largest share of VC funding in 2025.

E-commerce led with $2.4 billion, though funding declined 17 per cent from 2024 levels. Fintech funding rose 16 per cent to $1.87 billion, while enterprise software saw a marginal decline.

Artificial Intelligence (AI) and deeptech stood out, with AI funding jumping nearly 60 per cent to $1.24 billion and deeptech rising 47 per cent to $1.19 billion, albeit from a smaller base.

Overall, India's VC market in 2025 is marked by stable deal activity, lower funding values, fewer late-stage rounds and a growing reliance on IPO exits, signalling a more disciplined and maturing investment landscape.

Quick commerce tests offline play as Swiggy Instamart opens retail outlet in NCR

Jyoti Banthia
Bengaluru

Quick commerce (q-comm) platforms are once again testing the boundaries of their core promise — speed and convenience — by stepping into physical retail, even as analysts remain divided on whether such experiments can scale.

Swiggy Instamart's recent opening of a retail outlet in the Delhi-NCR region has triggered fresh debate on whether q-comm firms are exploring an omni-channel future or merely running limited pilots to finetune unit economics.

Unlike dark stores that typically stock 10,000-15,000 SKUs, these outlets carry a sharply curated assortment of about 2,000 products, aimed at giving consumers a touch-and-feel experience alongside app-based ordering.

KEY ADVANTAGE. With granular insights into neighbourhood-level demand, q-comm firms can tailor assortments far more precisely than traditional retailers REUTERS

According to Satish Meena, analyst at Datum Intelligence, the move should be seen less as a strategic pivot and more as experimentation.

"It's not very clear what the end-objective is at this point. This doesn't look like a new channel that Instamart has opened, but more like a test to understand what works and what doesn't," he said.

He added that the experiment appears to run counter to the core logic of q-comm, which thrives on customers not having to step out at all. "The q-comm customer is already willing to pay for convenience and 10-minute delivery. That customer is unlikely to walk into a store to buy groceries," he added.

Industry executives point out that the real advantage these firms bring to physical retail is data.

With granular insights into neighbourhood-level demand, platforms can tailor assortments far more precisely than traditional retailers. This allows smaller-format stores to be optimised for local consumption patterns rather than broad, one-size-fits-all inventories.

BIGGER DRIVER

Beyond customer acquisition, branding and monetisation could be a bigger driver.

As growth in order volumes begins to moderate across the sector, branding is emerging as a meaningful revenue lever, particularly for platforms like Swiggy Instamart. Brands are increasingly willing to pay for visibility closer to the point of purchase, through preferred placement, in-store signage, co-marketing campaigns or even exclusive product launches.

Physical outlets offer another surface for such high-margin advertising-led revenue streams.

Meena believes the experiment may also be testing a franchise-led model, similar to how dark stores evolved. "It could be a way to see if franchise partners can run these stores economically, with Instamart monetising through licensing, branding and brand partnerships," he said.

However, scalability remains a key concern. Footfalls for grocery retail have been declining across malls and high-rent locations, even as online penetration rises.

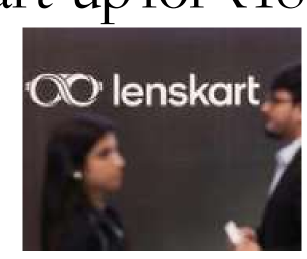
Competitors such as Blinkit and Zepto are unlikely to rush into similar formats, analysts say, given capital constraints and the lack of clear evidence that offline demand has revived.

For now, Swiggy Instamart's retail outlet appears to be less about bringing customers back to stores and more about exploring new levers to improve margins in an increasingly competitive quick commerce market.

Lenskart Singapore to acquire 29.24% in Korean start-up for ₹18.6 crore

Our Bureau
Mumbai

The Board of Directors of Lenskart Solutions Pte Ltd, Singapore, a wholly-owned subsidiary of Lenskart Solutions, has approved an investment of Korean Won (KRW) 3 billion (about ₹18.6 crore) for the acquisition of 29.24 per cent of the share capital of the South Korea-based iiNeer Corp.



This investment supports the company's efforts to build proprietary capabilities in core equipment

Lenskart Singapore will be investing in the start-up iiNeer, which was incorporated in 2020 and is focused on developing technology-enabled eye-testing and lens-cutting equipment, Lenskart Solutions said in an exchange filing. "This investment supports the company's efforts to build proprietary capabilities in core equipment and is expected to improve operating efficiencies and reduce equipment capital expenditure over time," it added.

IN-HOUSE CAPABILITY

The objective of acquiring shareholding in iiNeer is to enable Lenskart to have in-house optical hardware capabilities — manufacturing of lens edging system comprising of edgers, tracers and blockers.

The Korean start-up had a turnover of KRW 177.7 million in calendar year 2024.

The acquisition of 1,23,945 preference shares in iiNeer is expected to be completed by January 31, 2026.

Berger Paints eyes rapid scale-up in south

bl.interview

Aishwarya Kumar
Bengaluru

Berger Paints is ramping up its south India push as it targets stronger dealer networks in Karnataka, Tamil Nadu and Telangana, where its presence lags Kerala and Andhra Pradesh — markets where distribution has historically been weak. Abhijit Roy, Managing Director & CEO, Berger Paints, said that they currently have about 1,200 active dealers in Karnataka and aim to rapidly scale coverage, supported by focused applicator engagement and efficient supply from nearby plants.

Edited excerpts:

> Urban penetration is progressing well and upcountry expansion is underway too
>
> **ABHIJIT ROY**
> MD & CEO, Berger Paints

Berger has a strong foothold in Kerala and Andhra Pradesh, but a weak presence in Karnataka, Tamil Nadu and Telangana. What led to this gap?

Our south presence has been led by Kerala and Andhra Pradesh, with Kerala almost matching the leader in coverage. But our presence in Karnataka, Tamil Nadu and Telangana has been comparatively weak for years. We are now aggressively addressing this issue, especially in Bengaluru, Chennai and Hyderabad, where urban influence is most significant.

This time, we are taking a different approach by partnering with dealers who genuinely want to scale up business with Berger.

What is the expansion strategy for these markets?

We are strengthening from the ground-up. Paint in India is not a do-it-yourself (DIY) segment; consumers rely on applicators. So the first step was expanding the dealer network. The next step is building trust and scale with applicators, because they influence the final brand choice.

We are seeing encouraging results already, but confidence takes time to build. Urban penetration is progressing well and upcountry expansion is underway too.

What does your current dealer strength look like, and what is the ideal coverage you are targeting?

Across India, we have over 50,000 dealers. In Kerala alone, we have more than 2,000. Karnataka should ideally have over 4,000 dealers considering its size, while today we have about 1,200 doing regular business with us. That shows how much headroom exists.

Tamil Nadu and Telangana are also underrepresented and will see rapid scale-up going ahead.

Waterproofing and construction chemicals seem to be gaining traction. What role does this play in your portfolio?

Waterproofing and construction chemicals together now contribute almost 12 per cent of our total revenue. It remains a significantly underserved market in India and a major growth opportunity. Since waterproofing is the first step before painting, we train our applicators extensively in this category, which helps increase adoption and ensures quality execution.

How large is the premium paints segment in your business today?

Roughly 30-35 per cent of our revenue comes from the premium and luxury category, while the rest is from the economy and regular segments.

We expect premiumisation to continue rising as consumption patterns shift.

With a ₹20,000 crore revenue target by 2030, what will drive growth for Berger Paints?

First, closing distribution gaps in decorative paints, particularly in the south, will unlock meaningful growth.

Second, we are the market leader in protective coatings for industrial applications, where infrastructure spending is strong.

Airports like Bengaluru, nuclear and thermal power plants, bridges and flyovers all rely heavily on this category.

Third, waterproofing and construction chemicals, which we entered only about five years ago, continue to grow at a very fast pace and will be a major lever for us.

Vodafone Idea hit with multiple tax penalties during festival season

Vallari Sanzgiri
Mumbai

Vodafone Idea (Vi) on Thursday disclosed that GST demands worth ₹79 crore and ₹3.5 crore were issued by the Maharashtra State tax department and the Bengaluru Office of the Principal Commissioner of CGST, respectively.

On Christmas eve, Deputy Commissioner of State Tax of Mumbai as well as the Principal Commissioner of Central Goods and Services tax Commissionerate of Bengaluru issued penalties to the company under Section 74 of Central Goods and Services Tax Act, 2017.

The Maharashtra State tax department issued a penalty order of ₹79.56 crore, which the company termed as an alleged demand on additional licence fee and spectrum usage charges for FY19.

ANOTHER PENALTY. The company was fined ₹4.15 cr by the West Bengal tax department recently REUTERS

The Bengaluru Office of the Principal Commissioner of CGST issued a penalty order of ₹3.58 crore for short payment of tax and excess claim of input tax credit (ITC) during FY19-23.

VODA RESPONSE

Responding to both these fines, Vi said, "The company does not agree with the orders and will take appropriate action(s) for rectification/ reversal of the same."

The news comes on the heels of another penalty of ₹4.15 crore levied by the West Bengal tax department on Monday. This order, too, claims excess claim of ITC and payment of tax under wrong head. Vi had responded to the same by stating that the company will take appropriate action(s) to address the order.

Deepak Fertiliser arm to acquire explosives maker

Our Bureau
Mumbai

Deepak Fertilisers and Petrochemicals Corporation, through its subsidiary Deepak Mining Solutions (DMSL), has entered into an agreement to acquire 100 per cent equity shares of an explosives manufacturer from its existing shareholders.

The consideration, agreed to between the parties, has not been made public.

The acquisition will help in export of differentiated products to DMSL's mining services subsidiary in Australia

CONDITIONS APPLY

The deal is subject to certain conditions to be completed by the parties before the specified date.

Both details will be shared after the closure of the deal, Deepak Fertilisers said.

HELP EXPORTS

The acquisition will help in export of value-added products and services, drawing support from the upcoming Technical Ammonium Nitrate (TAN) capacities at DMSL's Gopalpur TAN plant. It will also help in export of differentiated products to DMSL's 100 per cent-owned mining services subsidiary in Australia.

Zepto to file confidential DRHP with SEBI today

Press Trust of India
New Delhi

Quick commerce unicorn Zepto is set to pre-file its draft red herring prospectus (DRHP) with SEBI on Friday through the confidential route as it targets a stock market listing sometime next year, according to sources.

The move positions Zepto to become one of the youngest start-ups to list on Indian stock exchanges.

"Zepto is set to pre-file its DRHP on December 26," people familiar with the development said.

CONFIDENTIAL ROUTE

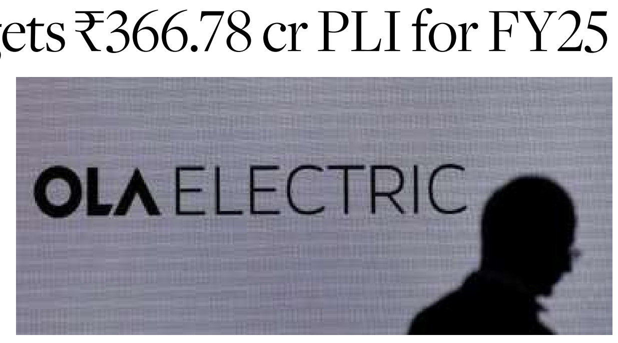
The confidential pre-filing allows Zepto to engage with SEBI for initial feedback on its draft document without it being publicly disclosed. This route has been increasingly favoured by companies seeking more flexibility in their IPO preparations.

Queries sent to Zepto elicited no response.

Ola Electric gets ₹366.78 cr PLI for FY25

Our Bureau
Bengaluru

Electric vehicle player Ola Electric has received ₹366.78 crore under the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components for FY25, it said. In its notification to the exchanges, Ola said it received a sanction order from the Ministry of Heavy Industries for the release of incentives amounting to ₹366.78 crore under the PLI scheme for claims pertaining to FY25.



GREEN INCENTIVE. Ola said it received a sanction order from the Ministry of Heavy Industries REUTERS

Earlier in March this year, the company had received an incentive payment of ₹73.74 crore under the PLI scheme for FY24.The current sanction pertains to the demand incentive for the determined sales value for FY25 and authorises payment to be released through IFCI.

QUICKLY.

'India will soon start exporting semiconductors'

Gwalior: Union Home Minister Amit Shah on Thursday said India's entry into the semiconductor industry was "strong" though a bit late, but the country would soon be self-reliant in the sector and even start exporting. Speaking at the Abhyudaya Madhya Pradesh Growth Summit here, he praised the BJP government in the State for the registration of 4.57 lakh MSMEs. Thanks to Madhya Pradesh's geographical location and its fertile land, one can earn crores of rupees by investing even a small amount, he said. "We have made a strong entry into the semiconductor industry, although a bit late. Very soon we will not only become self-reliant in the semiconductor sector, but also start exporting," he said. Chief Minister Mohan Yadav, Union Minister Jyotiraditya Scindia and Assembly Speaker Narendra Singh Tomar were among those present at the event. PTI

CPSEs see decline in regular staff, surge in contract hires in last 5 years

SHRINKING NUMBERS. Public Enterprises Survey shows a reduction in women's share of overall jobs

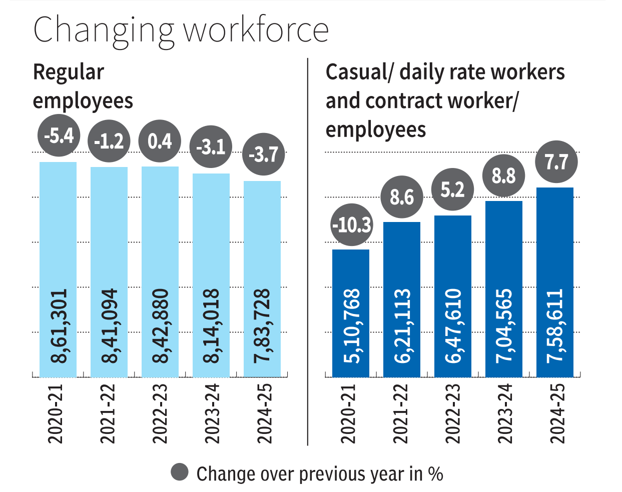
Shishir Sinha
New Delhi

The number of regular employees in Central Public Sector Enterprises (CPSEs) has been on the decline over the last five years, except for one year, according to data from the latest Public Enterprises Survey, compiled by the Public Enterprises Department of the Finance Ministry.

However, during the same period, the number of casual or daily-rated workers and contract employees has been on the rise, except during the Covid year.

As of March 31, 2025, out of 475 CPSEs, 291 are operating. According to the latest edition of the Public Enterprises Survey for FY25, released recently, CPSEs across sectors employed over 15.42 lakh persons as of FY25 against around 15.18 lakh in FY24, showing a growth of just 1.61 per cent.

Even this growth was mainly due to an increase of over 54,000 casual/daily rate workers and contract workers/employees. However, the number of regular employees fell by around 30,000.



Source: Public Enterprises Survey

The trend has been similar over the last 5 years, but one (FY23) was for the regular employees. Even in FY23, the growth was near flat (0.35 per cent).

CONTRACT WORKERS

At the same time, more and more casual/daily rate workers and contract workers/employees are being employed, except in FY21, due to the Covid pandemic. Although the report has not given any reason for greater reliance on non-regular workers, it appears that the focus is on non-regular employees to rationalise the wage bill.

Also, such a trend helps lower statutory payments, such as contributions to the Employees Provident Fund (EPF), gratuity and others.

CPSE officials were unwilling to speak on this issue.

During FY25, the petroleum (refinery & marketing) cognate group had the highest percentage of casual/daily-rated workers and contract workers/employees at 82 per cent. It was followed by transport & logistics services (63 per cent), power generation (62 per cent), steel (60 per cent), textiles (58 per cent), heavy & medium engineering (54 per cent) and fertilizers (54 per cent).

At the same time, the power transmission cognate group has the maximum number of regular employees with 91 per cent, followed by telecommunication and information technology (89 per cent), crude oil (89 per cent), agro-based industries (86 per cent), trading & marketing (85 per cent) and financial services (17 per cent).

The report also highlighted that the majority of CPSE employees are skilled. The share of skilled employees as a percentage of total regular employees stood at around 83 per cent (around 6.48 persons) in FY 2024-25.

The power transmission, telecommunication and information technology and heavy & medium engineering cognate groups had the highest share of skilled regular employees, while those in industrial and consumer goods, trading & marketing and coal had the lowest.

SHARE OF WOMEN

Meanwhile, the share of women in total employment has come down. According to the report, in FY25, women constituted nearly 10 per cent of total employees.

The numbers decreased to 76,685 in FY25 from 77,625 in FY24. Around 1/3rd of women in CPSEs are at the managerial/executive level, while around 9 per cent are at the supervisory level, and the rest at the worker level.

The coal, telecom & information technology, and Defence production cognate groups employed the highest percentage of women among their total employees.

Engineering exports cross $11 b in November

Our Bureau
New Delhi

Engineering exports from India crossed the $11 billion mark in November for the first time this fiscal, posting an increase of 23.76 per cent (year-on-year) despite the US tariffs.

The rebound in engineering exports, after a sharp decline in October, was due to growth in exports to markets such as the EU and the US, as well as a low-base effect, per an analysis by exporters' body Engineering Export Promotion Council of India.

Exporters, however, need to remain cautious given the rising volatility in global trade, the report cautioned.

POSITIVE TREND

"Engineering exports crossed the $11-billion mark in November 2025... This is a testament to the relentless effort of the exporting community, which quickly recovered from the 17 per cent year-on-year decline in engineering exports in October 2025," said Pankaj Chadha, Chairman, EEPC India.

Exports to India's top two major destinations, the US and the EU, jumped significantly in November 2025. Shipments to the US increased 11.4 per cent during the month (year-on-year) after witnessing a decline of 9.4 per cent and 14.5 per cent (year-on-year) in September and October 2025, respectively. Exports to the EU also witnessed a 39 per cent increase in November after declining in the previous two months, the study highlighted.

"We sincerely hope that the upcoming FTAs with the EU and the BTA with the US will also be instrumental for us. Overall, both global and domestic trade indicate positive trends, which is good for the exporters; however, they should remain cautious given the rising volatility in global trade," Chadha said.

Country-wise, the US remained the top destination, followed by the UAE and Germany, but exports to the UAE declined year-on-year in November 2025, the analysis noted. Exports to Saudi Arabia also declined.

In April-November 2025, engineering exports were 4.25 per cent higher at $79.74 billion. Share of engineering in total merchandise exports rose to 28.9 per cent in November, while in the April-November, it was 27.3 per cent.

India to chair Kimberly Process for 'conflict-free' diamond trade from Jan

Our Bureau
New Delhi

India will chair the Kimberley Process — a global initiative to prevent trade in 'conflict diamonds' — from January 1, 2026, per the government.

Conflict diamonds are rough diamonds used by rebel groups or their allies to finance conflicts that undermine legitimate governments, as defined in the United Nations Security Council resolutions.

The Kimberley Process, which currently has 60 members accounting for over 99 per cent of global rough diamond trade, is a tripartite initiative involving governments, the international diamond industry and civil society to ensure diamond shipments are conflict-free.

"As a leading global hub for diamond manufacturing and trade, India's leadership comes at a time of shifting geopolitics and growing emphasis on sustainable and responsible sourcing. During its tenure, India will focus on strengthening governance and compliance, advancing digital certification and traceability, enhancing transparency through data-driven monitoring and building consumer trust in conflict-free diamonds," per a statement issued by the Commerce Department on Thursday.

India will take over as Kimberley Process Vice Chair from December 25, before assuming the chairpersonship in the new year. "This will be the third time India has been entrusted with the chair of the Kimberley Process," per a statement issued by the Commerce Department. Commerce Minister Piyush Goyal said India's selection reflects global trust in the Modi government's commitment to promoting integrity and transparency in international trade.

The Kimberley Process Certification Scheme (KPCS), established pursuant to a UN resolution, came into effect on January 1, 2003 and has since evolved into an effective mechanism for curbing the trade in conflict diamonds, the statement noted.

"As Vice Chair in 2025 and Chair in 2026, India will work closely with all participants and observers to reinforce confidence in the Kimberley Process, ensure rule-based compliance and enhance its credibility, in line with its core objectives and evolving global expectations, while working towards making the KP a more inclusive and effective multilateral framework," the statement added.

Budget 2026-27: CII proposes 4-point fiscal plan to strengthen India's macroeconomic stability

Our Bureau
New Delhi

The industry chamber Confederation of Indian Industry (CII) on Thursday proposed a four-pronged fiscal strategy for the Union Budget 2026-27.

"India has achieved a rare convergence of high growth, low inflation and improving fiscal indicators. The next Union Budget must continue this momentum through disciplined fiscal management and deeper institutional reforms," Chandrajit Banerjee, Director General of CII, said in a statement. Keeping this in mind, the industry body has come out with a four-point strategy focussing on debt stability, fiscal transparency, revenue mobilisation and expenditure efficiency.

DEBT STABILITY

On debt management, the industry body suggested maintaining central debt at roughly 54.5℗0.2 per cent of GDP and the fiscal deficit at 4.2℗0.1 per cent of GDP in FY27 will preserve macro credibility while supporting growth. This is in line with the Centre's glide path for lowering debt-GDP ratio to 50 per cent (1 per cent more or less).

"Strengthening public finances, however, must extend beyond the Centre to States and Urban Local Bodies (ULBs), whose fiscal positions increasingly shape overall debt dynamics and the durability of macroeconomic stability," CII said.

FISCAL TRANSPARENCY

On the second issue of fiscal transparency, it recommended reviving the Medium-Term Fiscal Framework with a rolling 3–5-year roadmap for revenue, expenditure, and debt.


Chandrajit Banerjee, Director General of CII

"A Fiscal Performance Index should be institutionalised to assess the quality of public finances across the Centre and States and link performance to fiscal transfers, encouraging prudent and reform-oriented States," it said while adding that this should be complemented by a Fiscal Stability Report that evaluates risks from commodity prices, financial volatility, climate shocks, or other macro disruptions.

REVENUE MOBILISATION

On the issue of revenue mobilisation, CII recommended greater use of digital and AI-based tools to expand the tax base through seamless data exchange between GST, income tax, and digital payment systems. "Linking tax returns with high-value transactions and deploying advanced analytics can enable real-time detection of evasion while lowering compliance costs," it said.

Further to unlock value from public assets, government should announce a three-year privatisation pipeline of public sector enterprises (PSEs) in the non-strategic sectors as announced in the 'Strategic Disinvestment Policy'. As an interim measure, CII recommends undertaking calibrated disinvestment, gradually reducing government stake in PSEs to 51 per cent, retaining majority ownership, and eventually to 26–33 per cent over time.

Under the fourth pillar of expenditure efficiency, CII reminded that Public Distribution System (PDS), covering 813 million people or 57 per cent of the population, faces challenges of outdated data and leakages.

COST EFFICIENCY

"Updating beneficiary lists using the latest Household Consumption Expenditure Survey (2023–24), narrowing coverage to the bottom 15 per cent, and shifting towards cash or voucher-based transfers can enhance efficiency while also promoting dietary diversification," it said.

Similarly, fertilizer subsidies, which accounts for 39 per cent of total Central subsidies, should transition to a Direct Benefit Transfer (DBT) model to curb misuse and promote balanced fertilizer use. Issuing the DBT amount or fertilizer coupons before sowing can address farmers' concerns about upfront expenses, CII said.

Entities can use CoalSETU supplies for own consumption and exports

Rishi Ranjan Kala
New Delhi

NEW REGULATIONS

- The government has created a new coal linkage auction window CoalSETU for the non-regulated sector
- It offers long-term coal linkages of up to 15 years without any end use restrictions
- Linkages secured through CoalSETU cannot be resold within the country
- The base or floor price of the coal at any source for the auction in the CoalSETU window will be fixed at reserve price not below the notified price

Coal supplies procured through the CoalSETU window can be utilised by an entity for its own consumption (industrial use), exports and washing. However, the commodity cannot be resold within the country.

In a significant development on December 12, the Cabinet Committee on Economic Affairs (CCEA) approved the Policy for Auction of Coal Linkage for Seamless, Efficient & Transparent Utilisation (CoalSETU) by creating a window — CoalSETU.

This assumes significance as non-regulated sector (NRS) such as cement, steel, sponge iron and captive power units are a critical component of the infrastructure sector. Long-term coal linkages without end use restrictions were a long-standing demand.

The Ministry, last week, finalised the modalities and regulations related to the CoalSETU window.

AMENDED POLICY

This is part of the amended NRS coal linkage policy of 2016 and 2020, which now aims to utilise the dry fuel for any industrial use and exports. Now, any domestic buyer can participate in the auction and buy coal for up to 15 years without any end use requirement. However, traders cannot participate in this newly-created coal linkage auction window.

The new norms specify allocation of coal linkages on auction basis for sectors without the requirement of any specific end use through a separate window in the NRS Linkage Auction Policy of 2016 — wherein any domestic buyer requiring coal can participate in the linkage auction.

The present auction for the specified end-user sub-sectors, as per the NRS Linkage Auction Policy, 2016, shall continue, it added.

"Coal linkage obtained under CoalSETU window shall be for own consumption, export of coal, or any other purpose (including coal washing) except resale in the country," it added.

THE MODALITIES

Specifying the modalities, the Ministry said that auction under the CoalSETU window to be held after conducting auctions of end-use specific sub-sectors (as per the NRS Linkage Auction Policy of 2016) in a specific tranche of the NRS linkage auction.

"The base or floor price of the coal at any source for the auction in the CoalSETU window (is) to be fixed at reserve price not below the notified price, as may be decided by the coal company," it added.

The reserve price for the NRS linkage auctions shall be suitably indexed by Coal India (CIL) or Singareni Collieries Company (SCCL) for subsequent years.

However, the bid premium shall remain constant over the contract period, it clarified.

The tenure of the fuel supply agreements (FSAs) may be for a maximum period of 15 years.

Auctions will be conducted by CIL or SCCL and the procedure including a transparent auction methodology, shall be devised by CIL or SCCL in a manner that induces adequate competition and prevents cartelisation.

"Coal linkage holders may be eligible to export coal up to 50 per cent of their coal linkage quantity. Coal linkage holders may flexibly utilise the coal obtained under this window as per their requirement amongst its Group companies," the modalities said.

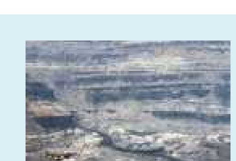
Coal offered through the CoalSETU auction window will be subject to CIL and SCCL meeting the linkage requirements of their existing agreements for the specified end users — power and NRS. It also includes future linkages to these specified end use sectors.

Govt proposes double sided closed auction as bidding mechanism for coal exchange

Rishi Ranjan Kala
New Delhi

MINING REFORM

- The proposal forms part of the revised draft Coal Exchange Rules, 2025
- The first draft rules were issued in September this year
- The Ministry has urged stakeholders to share their responses on the revised draft rules by January 13, 2026



The government has proposed that the National Coal Exchange will adopt a double sided closed auction bidding mechanism for price discovery on the platform with the aim to maximise economic surplus.

The proposal forms part of the revised draft Coal Exchange Rules, 2025. The first draft rules were issued in September this year. The Ministry has urged stakeholders to share their responses on the revised draft rules by January 13, 2026.

BIDDING MECHANISM

"The bidding mechanism shall be a double sided closed bid auction. The bidding mechanism and price discovery mechanism shall be done in accordance with the mechanism approved by the Authority (Regulator) from time to time, based on the proposal of the coal exchange," the Coal Ministry has proposed.

In a double sided closed bid auction, the buyers and sellers submit their price expectations to the exchange confidentially.

After the auction is over, the exchange operator aggregates the bids and matches the bids through a specialised engine to determine a single market clearing price and market clearing volume.

The price discovery mechanism shall adopt the principle of maximisation of economic surplus (sum of buyer surplus and seller surplus), taking into account all bid types, it added.

Coal exchange is a mineral exchange where buyers and sellers of the dry fuel transact, trade and enter into contract on an online platform, which will be regulated by the Coal Controller Organisation (COO).

The regulator will also register coal exchanges, including conducting market oversight and surveillance of their activities. It will prepare detailed regulations for market oversight and surveillance over the activities of the exchanges to ensure compliance and to check market integrity — prevention of cartelisation, insider trading, circular trading and market manipulation.

MARKET OVERSIGHT

The regulator (CCO) will work on detecting and preventing market manipulation, insider trading, cartelisation and abuse of dominant position by any market participant.

The regulator will ensure that market participants have confidence in the integrity and fairness of the exchange and will also ensure that prices are discovered in a transparent and competitive manner, the revised draft norms said.

REGISTRATION NORM

The market oversight includes procedure for registration of market participants, mechanism for collecting data from these participants, details of participants or any other entities who shall furnish information, and measures to prevent any misuse of or unauthorised access to the information furnished by these participants.

It will also conduct analytics and market surveillance based on the data furnished by the market participants.

The creation of an alternative market, away from the dominance of the State-controlled mining PSUs, is critical for a mature coal trading platform that is open, transparent and real time.

The government aims to overhaul the decades-old production and supply structure with greater access to commercial mines through coal exchanges that will eventually offer the dry fuel on an on-demand basis to consuming industries, particularly MSMEs.

The exchange can transform India's old coal sales model from a 'One-to-Many' to 'Many-to-Many' model.

COAL AVAILABILITY

"With increased availability of domestic coal in the country, it is envisaged that there would be a paradigm shift towards a surplus coal scenario and resultantly the coal sales scenario is expected to undergo a major change from the existing mechanisms of coal sales channels, necessitating a major market reform backed by a regulatory mechanism," the Ministry emphasised while releasing the draft norms.

Therefore, in the scenario of increased availability of domestic coal in the country, further reforms are being carried out in the coal sector with a focus on promoting competitive markets for the sale of coal, and thus, the Ministry proposes to establish coal exchange(s).

thehindubusinessline.
FRIDAY - DECEMBER 26, 2025

Open sesame

Relaxation in NPS exit rules much-needed

Despite its good returns, a key reason why the National Pension System (NPS) has not soared in popularity is its rigid withdrawal rules. Under these rules, NPS allowed subscribers to fully close out their accounts only at age 60. On closure, they were required to compulsorily use 40 per cent of their proceeds to buy an annuity. Withdrawals before age 60 were capped at three times and could be attempted only after a 5-year lock-in. The maximum age limit to stay in the scheme was 70.

This battery of rules effectively made the scheme unattractive for subscribers. Therefore, it is good that the Pension Fund Regulatory and Development Authority (PFRDA) has heeded market feedback to substantially relax these rules. PFRDA has made four subscriber-friendly tweaks to NPS exit rules last week. One, subscribers can now fully close their NPS accounts, provided they have completed 15 years with the scheme. This is sensible, given that many employees today aspire for early retirement and would not like to be locked out of their retirement savings until 60. The 15-year vesting period allows enough time for equity investments to deliver. Two, subscribers can now withdraw 80 per cent of their corpus as lumpsum, with only 20 per cent subject to compulsory annuitisation. This can instantly improve the scheme's popularity with private sector employees. Compulsory annuitisation assumes that the NPS is the only source of retirement savings for employees which is far from the truth. Moreover, annuity plans are poor choices for retirees because they don't offer inflation-adjusted income, deliver sub-par returns and carry unfriendly surrender terms. In fact, the PFRDA can consider doing away with the 20 per cent annuitisation requirement and allow investors to freely deploy their maturity proceeds, as is the case with Employees Provident Fund and Public Provident Fund. Full withdrawal without annuity has been allowed for NPS balances up to ₹8 lakh. But for balances between ₹8 lakh and ₹12 lakh, only ₹6 lakh can be withdrawn as lumpsum.

Three, subscribers can apply for partial withdrawals at any time without a 5-year lock-in and can make four partial withdrawals instead of three. This is welcome, as NPS balances are after all the subscribers' own savings and emergencies can crop up at any time. As partial withdrawals are anyway capped at 25 per cent, the cap on number of withdrawals could have been removed. Finally, retirees can stay invested in NPS until age 85 instead of 70, with the option to exit anytime in-between. This will help retirees avoid unnecessary portfolio churn, while allowing compounding of their returns to continue post-retirement.

However, while ushering in much-needed relaxations for private sector employees, government employees have been given the short shrift. The latter, for some reason, are still obligated to tie up 40 per cent of their final proceeds in annuities. Given that government employees have access to the Unified Pension Scheme, this seems superfluous.

OTHER VOICES.

The Guardian

A suffering world needs messages of peace and hope

In one of his last sermons, the great Christian theologian and philosopher Paul Tillich asked: "Do we have a right to hope?" As an army chaplain to German forces during the first world war and a refugee from Nazi Germany, Tillich had witnessed first-hand some of the horrors of the 20th century. But his answer to the question he posed in 1965 was yes. Nobody could live without hope, Tillich told his Harvard audience, even if it led "through the narrows of a painful and courageous 'in-spite-of'". Sixty years on, a similar spirit of defiant optimism is needed to navigate our own era of conflict and anxiety. The fourth anniversary of Vladimir Putin's invasion of Ukraine is approaching, and dark political forces menace the social fabric of western liberal democracies. LONDON, DECEMBER 23

讀賣新聞
THE YOMIURI SHIMBUN

Japan's lacked readiness for contingency

The Japanese government showed an insufficient sense of urgency regarding North Korea's nuclear development, and the United States had a growing distrust toward Japan. It is vital to learn from the lessons of the Japanese government's delayed response at that time. Japanese diplomatic documents from 1994 have been released. Among them, documents concerning the Japan-U.S. summit held in February during then Prime Minister Morihiro Hosokawa's visit to the United States detail discussions on the North Korean nuclear issue. Then U.S. Secretary of State Warren Christopher, who attended the summit, mentioned the possibility of a contingency on the Korean Peninsula, telling Hosokawa that there was a need to think about it. TOKYO, DECEMBER 25

NILANJAN BANIK

Funds alone don't ensure job scheme success

The demand for MGNREGA work depends on level of industrialisation, local corruption, besides a State's income level

One of the contentious issues in the Viksit Bharat Guarantee for Rojgar and Ajeevika Mission (VB-G Ram G) Bill, which was eventually passed in Parliament, concerns allowing States to pause MGNREGA-related work for 60 days of their choice during peak sowing and harvesting seasons.

Critics argue that the new 60:40 funding pattern, where States must bear 40 per cent of the financial cost, will make it harder for financially weaker States to implement the programme, thereby undermining the fundamental purpose of providing employment opportunities to people below the poverty line.

But our research, published in *Regional Statistics*, suggests the effectiveness of MGNREGA or for that matter VB-G Ram G in providing employment benefits to the needy and poor depends on a host of factors beyond the States' financial ability to implement such programmes. A pan-India uniform way of implementing it is not going to be effective.

Our research working with Workers Level Schedule (WLS) sourced from the All India Coordinated Report, by the NITI Aayog, reveals interesting results. The States considered are Andhra Pradesh, Assam, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Kerala, Odisha, Punjab, Rajasthan, Tamil Nadu, West Bengal, Meghalaya, Tripura, and Uttarakhand.

In total, 6,580 raw data points were collected from 40 districts, covering a range of 162 Gram Panchayats. These districts and villages are chosen on the basis of a stratified, multistage random sampling method.

The States which did well in terms of implementing MGNREGA programmes are Chhattisgarh, Telangana, Mizoram, Sikkim, and Tripura. Although it is natural to assume that the poorer States will introduce more MGNREGA programmes, however, data reveals no such strong or direct correlation.

For example, although incidence of poverty in Bihar, Uttar Pradesh and Madhya Pradesh is high, there seems to be lack of usage of MGNREGA funds. Likewise, among the North-Eastern States, Arunachal Pradesh and Manipur did not do well in terms of providing MGNREGA work. Some poorer States, like Chhattisgarh and Tripura did well in term of providing MGNREGA work.

For the relatively rich States such as Punjab and Haryana, where the demand for MGNREGA work was low, there is apparently not much interest in implementing the scheme.

WAGE IMPACT

Workers from the States of Himachal Pradesh, Jammu and Kashmir, Odisha, and West Bengal believed that MGNREGA intervention has led to increase in market wage rates. MGNREGA work has created demand for unskilled workers and this had some spillover effect in raising market wage rates for non-MGNREGA related unskilled work, for instance manual farm labour, porters, etc.

The States of Jammu and Kashmir, Odisha, and West Bengal are industrially backward, and MGNREGA work has been helpful in increasing average market wage rates for unskilled workers.

For the industrially advanced States like Andhra Pradesh, Telangana, Tamil Nadu, and Karnataka, the workers felt no drastic improvement in market wage rates on account of MGNREGA related activities. For instance, although the southern States of Andhra Pradesh, Karnataka, and Tamil Nadu have fared well in terms of implementing MGNREG schemes, most of these funds have been used for buying heavy machinery for the construction of MGNREGA assets. As there is a presence of an alternative industrial base (with a demand for manual labour), these States were not that successful in terms of providing wage employment related to MGNREGA work. Karnataka, for example, boasts a thriving agricultural sector and is a pioneer in the electronic national agriculture market (e-NAM), with less demand for work under MGNREGA We find that level of industrial development is more important in complementing the minimum wage rates in any States.

Due to corruption, workers sometimes do not demand work, knowing they will be denied employment. Poor implementation impacts overall wage levels in a State

CORRUPTION FACTOR

Also, some of the poorer States show an element of corruption, with relevant workers not getting MGNREGA works and someone not getting payment even after working.

There is evidence of money being stolen through multiple channels: false documentation, fabricated workers' lists, and significant asset misappropriation.

In many cases, jobs were allocated on a 'verbal basis' with no documentation maintained by village bodies. Due to corruption, workers sometimes do not demand work, knowing they will either be denied employment or not receive payment even if they do work. Poor implementation impacts overall wage levels in a State. The pattern of missing records reinforces concerns about disparities and irregularities stemming from self-selection bias, which is largely driven by unlawful political interference.

For instance, in Kerala and West Bengal, MGNREGA work faces labour shortages, yet panchayat pradhans have been instructed to submit wage bills listing local party workers as beneficiaries rather than genuine workers. If the variations due to the diversity of the different States are not incorporated in the Act, implementation cannot be perfect. Both the model and the method of implementation of VB-G Ram G must be customised according to the needs of every region, with minimum leakage of funds due to corruption in various layers.

Fortunately for India, the NSSO has divided the country into 88 independent agro-climatic regions depending on soil, rainfall, and agricultural productivities.

For the programmes to be effective, it is advisable that the VB-G Ram G is implemented as per geographical characteristics, taking into consideration the occupational patterns of the local people. And this choice should be devoid of politics as some Opposition parties are claiming.

The writer is Professor, Mahindra University, Hyderabad

Wage rates: A comparison (in ₹)

Economically Progressive States	State-wise daily wage rates for unskilled workers (2024-25)	State-wise average daily wage rates for male agricultural workers (2024-25)	Minimum Wage rates
Haryana	374	499.2	340
Maharashtra	297	343.2	202
Karnataka	349	454.3	411
Telangana	300	302	327
Tamil Nadu	319	573	132

Economically Laggard States	State-wise daily wage rates for unskilled workers (2024-25)	State-wise average daily wage rates for male agricultural workers (2024-25)	Minimum Wage Rates
Madhya Pradesh	243	256.4	235
Bihar	245	362.8	235
West Bengal	250	347.2	166
Odisha	254	368.7	280
Uttar Pradesh	237	354.8	295

Source: MGNREGA Schedule 2025, Ministry of Rural Development, India

Why India needs a new economic model

The two major problems are the lack of well paying jobs and rural stagnation. Both these issues need urgent attention

Subodh Mathur

India needs a new economic model. The current model, launched as part of the 1991 reforms, has delivered high GDP growth, hitting 8.2 per cent over July-September 2025. But high GDP growth does not mean that all is well. For example, in the 1980s growth accelerated to over 5 per cent. Yet India suffered a major macroeconomic crash in 1991, which forced it to abandon the model it adopted in the 1950s.

India is not headed to a similar crash today, and the current model has reduced poverty and increased consumption. Nevertheless, India is facing a severe multidimensional socio-economic crisis, with its problems stemming from its economic model.

The greatest failure is the shortage of reasonably paying jobs. Thousands of over-qualified people apply for a single low-paying job. Many people work long hours but do not make a decent living. Growth has not reached them.

Most unexpectedly, over 800 million Indians, a majority, get food subsidies. Despite good growth, the share of the population getting food subsidies has increased significantly. The government spending on these subsidies reduce the money available for other critical areas, such as health and education.

More than 60 per cent of Indians live in villages, primarily employed in agriculture. But agriculture produces only about 15-20 per cent of the GDP, necessitating the various subsidy schemes. Overwhelming debt leads thousands of farmers and others to commit suicide every year. In Punjab, Haryana, and Gujarat, young people sell their assets, and pay thousands of dollars to be smuggled into the US and Canada.

'GHOST' VILLAGES

The ones who migrate to cities end up living in slums and send money to their families in villages, resulting in a remittance economy.

Some States already have "ghost villages," where only a few elderly people live. The current model is creating a significant future problem.

At the same time, life in large cities is becoming harsher. There's extensive air and water pollution. In winter, the air is hazardous to people's health in New Delhi and many other cities across India. Further, the authorities cannot keep up with the increasing demand for municipal services.

Today, production is concentrated in large cities. The top 10 urban agglomerations, which account for about 10 per cent of the population, produce about 25 per cent of the output. Continued increases in GDP will come from higher production in such cities. It will lead to more people, more pollution, more congestion, more water problems, and more strewn garbage, making life harsher.

On a positive note, India has had considerable success in knowledge-based sectors such as software and pharmaceuticals. But, even here, India is not a world leader. During the pandemic, India's Serum Institute produced vaccines for many countries, but its technology was imported. India has not yet created a single world-class AI/ML app. Further, India does not play a leading role in other emerging world-dominant technologies, such as batteries and storage, electric vehicles, new pharmaceuticals, and gene editing, even though it could.

QUALITY JOBS. Need of the hour
REUTERS

India is rightly proud of being the world's fourth-largest economy and wants to be a significant player on the international stage. Yet, the rupee is not on its way to becoming an international currency. In 2006, the Tarapore Committee proposed a 5-year plan for this but it was never implemented. Today, there's little discussion of this goal, primarily because it's too difficult to achieve under the current economic model. It is clear that, after about 35 years of the current model, India needs to do something different. Piecemeal fixing of the individual issues will not be enough. Instead, India needs a new economic model that delivers high growth and addresses at least the problems discussed above.

The time has come for educational institutions, think tanks, and concerned citizens to urgently focus on the features of a new economic model for India. It's only 22 years to 2047.

The writer is an economist with extensive practical public policy experience

LETTERS TO EDITOR

Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Cutting the clutter

Apropos "Regulating academia" (December 25). The proposed Viksit Bharat Shiksha Adhishthan Bill reflects a welcome intent to simplify India's cluttered higher education regulation. A unified framework replacing overlapping bodies could reduce red tape, improve transparency and bring coherence to a compliance heavy system. A single regulator with clear verticals for standards, accreditation and funding promises efficiency and accountability.

However, extending this umbrella to Institutes of National Importance raises legitimate concerns. The success of IITs, IIMs and IISc rests largely on their statutory autonomy and freedom to set benchmarks. Even light supervision risks gradual regulatory creep.

The Bill's referral to a Joint Parliamentary Committee is timely. Safeguarding institutional excellence while reforming governance demands careful calibration, not uniform control.

K Chidanand Kumar
Bengaluru

Driving EVs

This refers to 'AQI can be cut without hurting growth' (December 25). As one of the measures in reducing AQI, the writer has batted for embracing to EVs in the Capital city and adjoining areas and also highlighted that certain quantum of capacity utilisation becoming redundant under ICE models of vehicles, which is quite unavoidable in the current changing scenarios.

Delhi and bordering areas must be made EV friendly zones and the buyers of the properties also must be mandated with owning of EVs. Liberal concessions towards income tax relief must be introduced on such property buyers and property taxes waived for initial period of five years so as to attract more towards this regime.

State and Centre must think out-of-the-box in containing the surge in AQI. It is time India sought financial assistance from Loss and Damage Fund instituted under COP27 series for such climate mitigation activities.

RV Baskaran
Pune

Revive agri-futures

Apropos 'Why the agri-derivatives market has lost its sheen' (December 25). Indeed the suspension of seven agri-futures since December 2021 led to the decline in commodity futures turnover including the notional turnover.

Frequent trading bans, stringent regulatory provisions and decreased involvement of the chain partners, hedgers and clients cause the decline.

Agri derivatives by managing price risks, help farmers and traders. SEBI must take steps to recover a vibrant agri-derivative market, the saviour of farmers from loss caused by high volatility in agri goods prices.

NR Nagarajan
Sivakasi

Published by Nirmala Lakshman at Kasturi Buildings, 859-860, Anna Salai, Chennai-600002 on behalf of THG PUBLISHING PVT LTD., and Printed by Ra Babu Vijay at THG PUBLISHING PVT.LTD. Plot B-6 & B-7, CMDA Industrial Complex, Maraimalai Nagar, Chengalpattu Taluk, Chengalpattu Dist., Pin: 603209. Editor: Raghuvir Srinivasan (Editor responsible for selection of news under the PRP Act). ISSN 0971 - 7528

Laboured laws

Contract workers need better protection

KR Shyam Sundar

The practice of employing contract labour dates back to colonial times. However, the government enacted the Contract Labour (Regulation and Abolition) Act in 1970 (CLRAA).

As is well known CLRAA provided for the abolition of contract work under certain conditions [s.10(1)] and regulation of conditions of work. The EPF Act and the ESI Act cover contract labour and place primary responsibility on the principal employers for various labour rights.

In the era of globalisation, employers argued that they should have the freedom to deploy flexi-labour like contract labour even in perennial/core activities and pleaded for the removal of abolition clauses from CLRAA.

In 2003, Chandrababu Naidu, Chief Minister of the then Andhra Pradesh, amended the CLRAA to distinguish between "core" and "non-core" industries and allowed liberal employment of contract labour in the latter. It is the first State to do so.

The Occupational Safety and Health and Working Conditions Code (OSHWCC), 2020 liberalises the laws relating to contract labour. It increased the threshold for applicability of the Code from 20 to 50, as was done in many States. Economic Survey (2024-25) reported that 12 States have increased the applicability of CLRAA from 20 to 50, two others to 30 or 40.

Trade unions argue that the contract labour system is exploitative. Petty contractors are more prone to deny or run away with their social security money (Second National Commission on Labour (SNCL 2002). Contractors should be given a license not on the size of the workforce (20/40/50) and instead, like China, should use registered capital as a criterion. Cheating is less likely to take place thanks to contractors' financial capacity.

OSH lists the conditions, such as hours of work, fixation of wages and other essential amenities in respect of contract labour that should be complied with by the contractor seeking license [s.47(3)(a)]. On the other hand, it allows contractors who do not fulfil the set criteria, a "work specific licence", electronically renewable by the Central Government [s.47(2)]! The license's tenure is raised to five years.

While it prohibits employment of contract workers in "core"

WORKERS. Contract worries

activities, it allows the principal employer to employ them provided the activity is ordinarily done by contract workers or the activities are such that they not require full-time workers for short-hours or any sudden increase in the demand to be completed by a tight schedule [s.57(1)(a)(b)(c)]. These effectively allow for easy employment of contract labour in "core" activities. We see that the OSHWCC is both ultra-flexible and has removed normally untrustworthy contractors from legal regulation.

In the meantime, the contract labour system was subject to judicial scrutiny. The Air India judgment allowed absorption of contract labour by principal employers upon abolition of the contract labour system (*Air India Statutory Corporation v. United Labour Union and others, 1996*). Later, the SAIL judgment (*Steel Authority Of India Ltd. & Ors. ... vs National Union Water Front Workers & Ors, 2001*) reversed the Air-India judgment. This was a major blow to the employment security of contract workers.

In the Uma Devi case, the Supreme Court ruled that daily/temporary labourers even if working for long, will not be regularised if their appointments did not follow the constitutional process.

A few judgments have condemned undesirable employment practices in the name of globalisation. In *Shripal & Anr. v. Nagar Nigam, Ghaziabad, 2025*, the Supreme Court criticised the practice by public institutions of hiring workers on daily wages (temporary contracts). It affirmed that long-serving temporary workers appointed against sanctioned vacancies cannot be denied regular appointment because of their initial appointment being temporary. The fundamental question is whether poor contract workers can afford long years of litigation to secure their rights.

The writer is Professor of Practice, MDI, Gurgaon

MADAN SABNAVIS

Fiscal boost: What works, spending or tax cuts?

BOOSTER SHOT. On balance, expenditure works better as a fiscal stimulus, as beneficiaries of tax cuts are likely to spend less and save more

GETTY IMAGES/ISTOCKPHOTO

Whether apocryphal or true, it is said economist Arthur Laffer, while dining with some government dignitaries in a café, used a paper napkin to draw a curve which mapped lower taxes to higher growth. This became the famous Laffer Curve in supply side economics; it was believed that lower taxes make people work more which generates higher income and hence growth. Simultaneously, the tax revenue also grows. This approach was part of what became Reaganomics.

While this theory is neat, the willingness to work does not translate into more work being generated as companies do not operate this way. But if one were to look at this theory in a broader sense, lower taxes should help in augmenting spending and hence increase growth as well as taxes. This is the spirit in which the two rather important measures taken by the government on income tax and GST 2.0 can be viewed.

The income tax benefit was to release ₹1 lakh crore of income that is expected to be spent on goods and services. The ₹48,000 crore of revenue foregone by the government on GST on account of rate rationalisation is also expected to create demand as well as raise disposable income during the festival season. Thus, both these measures are growth-enhancing.

A point of debate is whether income measures work better or expenditure? It has been seen that the government's free food policy to 800 million people has helped them to move up the ladder of consumption as basic necessities have been provided free of cost.

DISCRETIONARY SPEND

Hence when data on household consumption surveys show that people are spending less on food and more on discretionary items it is due to release of money that would otherwise have been spent on food. The view on balance is that while both the approaches are useful from the point of view of optics, expenditure is a more effective way of bringing about development as it is direct. On the other hand, an income tax cut helps only those who pay taxes. While the exemption limits have been enhanced for those lower down the income stream, the revenue that would have been generated would have been lower than what is mopped up at higher levels.

If income tax cuts are to benefit those earning higher income, the outcome on spending may be limited as this group may not really have been constrained by the existing tax rates.

A similar picture can be seen when it comes to GST reduction. Demand for products like automobiles or durable goods would not have been constrained on the price front for those in the higher income groups. But for the middle-class and lower income groups, this will make a difference, leading to an increase in demand. This view is also echoed by companies in the consumer goods space.

However, these are products which people normally purchase occasionally. Hence, a bunching of demand and consumption will be seen for one or two quarters. But it would be back to normal subsequently. This is because the spending cycle can be maintained only if there are new consumers entering the market which is linked with job creation.

Overall, fiscal policy has provided both the props for consumption. First

> **In 2019 when the government reduced the corporate tax rate the expectation was that** companies would use this prop to invest more. But that did not happen

the prices of goods have come down and second, disposable income has gone up. But for this to work, households need to spend. There would be a normal tendency for 30 per cent to be saved, which is the savings rate. This would be much higher for the higher income groups which invest in stocks; hence expenditure on consumption may take a back seat.

EXPENDITURE IMPACT

This can be contrasted with the expenditure programmes of the government at both the Central and State levels. As mentioned earlier, the free food scheme is a continuous booster for spending as it targets only those lower down the income ladder.

Second, the same holds for the PM Kisan Scheme where individual farmers receive ₹6,000 per month.

Third, the various States' schemes for women, which range from ₹1,000-1,500 per month, is a direct booster for spending.

Fourth, physical goods given in the form of sewing machines, bicycles and laptops provide a direct boost to the industries which adds to the GDP.

Fifth, the MGNREGA programme is another cash transfer scheme which adds directly to spending of poorer households. Last, the large outlays of the government on infrastructure are probably the most effective way of forging strong backward linkages with industries while bringing about growth with development.

Therefore, on balance it does appear that expenditure plans, whether capex on revenue expenditure tend to be more effective in terms of having a direct impact on the economy. Any benefit on the taxation front assumes that the beneficiaries will all spend the gains on both the taxation and price fronts in a certain manner irrespective of their income level.

Also, the same may not necessarily be replicated in future. It can be pointed out here that in 2019 when the government reduced the corporate tax rate the expectation was that companies would use this prop to invest more. But that did not happen as all investment decisions are based on capacity utilisation, which in turn is dependent on demand.

From the government's point of view it makes sense to work on both fronts. Expenditure is certainly more direct, the benefits are known as they are targeted to specific sections of society to deliver superior outcomes.

The writer is Chief Economist, Bank of Baroda. Views are personal

Direct income support can strengthen the PDS system

Amit Kapoor
Pradeep Puri

India proudly delivers free rice and wheat to more than 800 million people, but the price tag of this generosity is astonishing. Every kilogram that reaches a ration shop costs the exchequer ₹28-₹40, inclusive of procurement, storage, transport, interest and incidental costs. In FY2024–25, the Food Corporation of India (FCI) estimated an economic cost of ₹39.75 per kg for rice and ₹27.74 for wheat, and the food subsidy bill was around ₹2.05 lakh crore. This is the fiscal reality behind "free" foodgrains.

Studies suggest that about 28 per cent of subsidised grain never reaches intended households. Roughly 20 million tonnes are diverted or lost, imposing an annual cost of ₹69,108 crore when valued at the government's economic cost.

India's overall logistics bill is measured at 7.97 per cent of GDP, and the PDS bears a heavy share of multi-modal movement and warehousing within that envelope. Even when the route is well-managed, foodgrains stored under tarpaulins or in traditional godowns face quality risks. Between 2011 and 2017, about 62,000 tonnes rotted in FCI warehouses.

This invites a simple, urgent question: If the government already bears the full cost, why not transfer the same amount directly to vulnerable households as cash, let them buy food locally, and strip away the leakage-prone logistics chain? This is where technology and policy innovation can offer a way forward.

Specifically in this context, direct income support can be transformational. If the Centre spends ₹28-₹40 per kg to deliver cereals, it can execute a Direct Benefit Transfer (DBT) of equivalent value indexed to inflation and calibrated to NFSA entitlements, into Aadhaar-linked beneficiary accounts every month. DBT can convert an opaque supply-chain subsidy into a transparent consumer subsidy, reduce leakages, and empower vulnerable families to make consumption choices. India's DBT infrastructure is robust, already handling LPG subsidies, PM-KISAN, and pensions at scale. Furthermore, evidence from Karnataka's Anna Bhagya cash-transfer initiative shows that beneficiaries used the funds to buy better-quality grains and diversify diets, while also opening new bank accounts, furthering financial inclusion.

PDS. Income supplement

Such a reform can be scaled up to India's PDS, but the transition should follow a phased, opt-in approach, allowing beneficiaries to choose between grain and cash for 12-18 months. This would protect vulnerable regions while strengthening local markets. Indexing benefits to cereal inflation will protect purchasing power during price spikes. Moreover, food coupons can bridge the gap while retail infrastructure deepens.

Replacing PDS with direct income support, pegged to the true economic cost of entitlements and phased with beneficiary choice, is the fiscally prudent, socially progressive path that India should take. It will keep food security intact, strengthen dignity and agency at the last mile, and free resources to invest in nutrition diversification, retail infrastructure and agro-logistics, the very things that make the promise of "free food" sustainable in the long run.

Kapoor is chair and Puri is Fellow Institute for Competitiveness. With inputs from Ananya Khurana

thehindu businessline.

TWENTY YEARS AGO TODAY.

December 26, 2005

Ministry opposes captive iron ore mining by steel firms

The Ministry of Mines has represented to the Government that it is opposed to, as a matter of principle, the proposals of captive iron ore mining by steel manufacturers. It has contended that this leads to an element of subsidy through transfer pricing, and that the mining sector as such is deprived of its share of profits in the value chain.

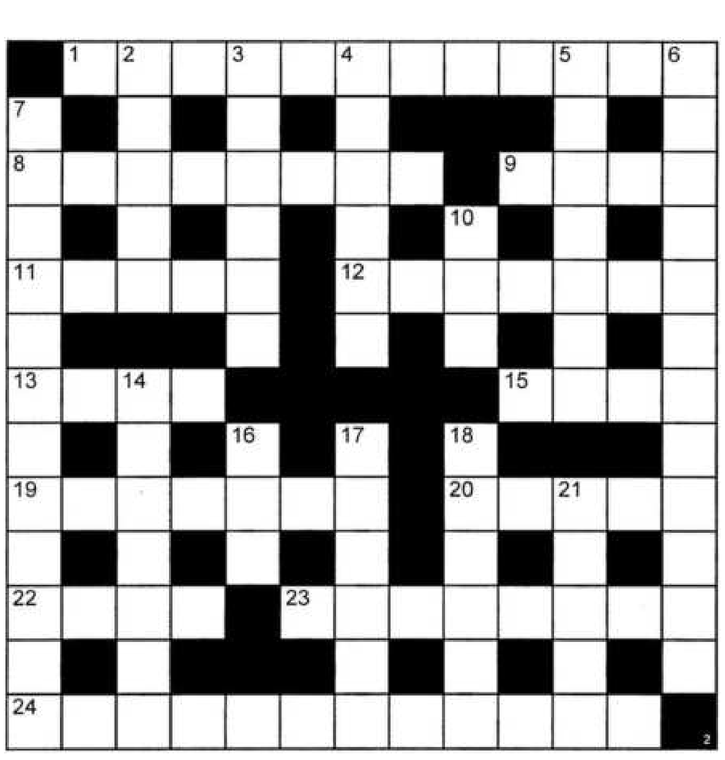
Drug cos may not have to swallow a bitter tax pill

Drug makers putting their money on research may soon have reasons to celebrate. The apex ministry for pharmaceuticals has recommended that tax sops given to drug companies be broadbased to include, among other things, expenses incurred on filing patents or during clinical trials.

VSNL residual stake sale hits snag

The Government's plan to disinvest the residual 26 per cent stake in VSNL Ltd has run into a major hitch. If it sells the residual stake, it stands to lose control over 773 acres of prime land valued around Rs 1,000 crore spread over various cities, which is VSNL's surplus land. To avoid such a situation, VSNL disinvestment may be postponed for the time being, sources told Business Line.

BL TWO-WAY CROSSWORD 2584



EASY

ACROSS
01. Regarding with disfavour (12)
08. For the motion (2,6)
09. Shivering fever (4)
11. Short cassock; kitchen wear (5)
12. Having submitted (5,2)
13. Sound like clockwork (4)
15. Rip (4)
19. Apostatise from; fail to follow suit (7)
20. Short sword (5)
22. Marked in black and white (4)
23. One worshipping images (8)
24. Where cows are brought to be sold (6,6)

DOWN
02. Arrive at as conclusion (5)
03. Days leading up to Christmas (6)
04. Pitch suddenly forward (6)
05. Naive young woman on stage (7)
06. Purveyors of fruit and vegetables (12)
07. Distrusting fellow-men (12)
10. Hedera (3)
14. Satisfied (7)
16. Past, since (3)
17. Infrequently (6)
18. Antenna (6)
21. Church rent-charge (5)

NOT SO EASY

ACROSS
01. Said to be wrong, very quietly wandering when rejecting it (12)
08. For the motion to be currently popular (2,6)
09. Illness may be difficult to pin down after five (4)
11. Wear for a bishop in front of the proscenium arch (5)
12. Having surrendered to gin when about to uproot vine (5,2)
13. Credit given for the mark is right (4)
15. It looks like a drop in the rent (4)
19. Apostatise from what Irene guesses may be included (7)
20. Short sword is French, and the company returns it (5)
22. A foot across the Channel it's marked in black and white (4)
23. Great admirer for one to cheat on a subsequent occasion (8)
24. How to let team track herd to be sold here (6,6)

DOWN
02. Gather at home but fear making a loss (5)
03. Non-u, the way it is vaunted when Christmas is coming (6)
04. Go in off the side and take it to commit oneself (6)
05. Having seen blue halves, she takes part on stage (7)
06. Sellers of vegetables corner eggs and rearrange them (12)
07. Point is, charm can be misapplied if so distrustful of men (12)
10. In tod and in vixen, yelping starts (3)
14. Study the marquee and what's inside it (7)
16. A turn will indicate that the time is past (3)
17. May have sold me out on rare occasions (6)
18. Remark cautiously dropped might free the French of it (6)
21. A tenth of it is given over to article (5)

SOLUTION: BL TWO-WAY CROSSWORD 2583

ACROSS 1. Counterpane 8. Undertow 9. Pore 10. Deter 13. East 16. Ever 17. Once 18. Doom 20. Clear 24. Yawn 25. Bathroom 26. Reading-desk

DOWN 2. Odds 3. Nurse 4. Evoke 5. Ample 6. Quarter-days 7. Kettledrums 11. Tonic 12. Rouse 14. Aunt 15. Hero 19. Manna 21. Learn 22. Ached 23. Boss

YEAR IN REVIEW: ADVERTISING & MARKETING.

KEY EVENTS 2025.

- Global advertising revenue grew by 8.8 per cent (excluding US political advertising) in 2025, and will reach $1.14 trillion, according to WPP's late 2025 forecast
- India's advertising revenue in 2025 estimated at $20.7 billion, according to WPP
- Omnicom's $13.5 billion acquisition of Interpublic Group got completed, shaking up the advertising world as it killed storied agencies like DDB, FCB and Mullen Lowe, and led to job losses
- IPL 2025 saw media consolidation (JioStar), regulatory impact (gaming ban) and an advertising reset as a major category of sponsors vanished
- AI became mainstream in advertising, enabling efficient targeting and cross-channel optimisation

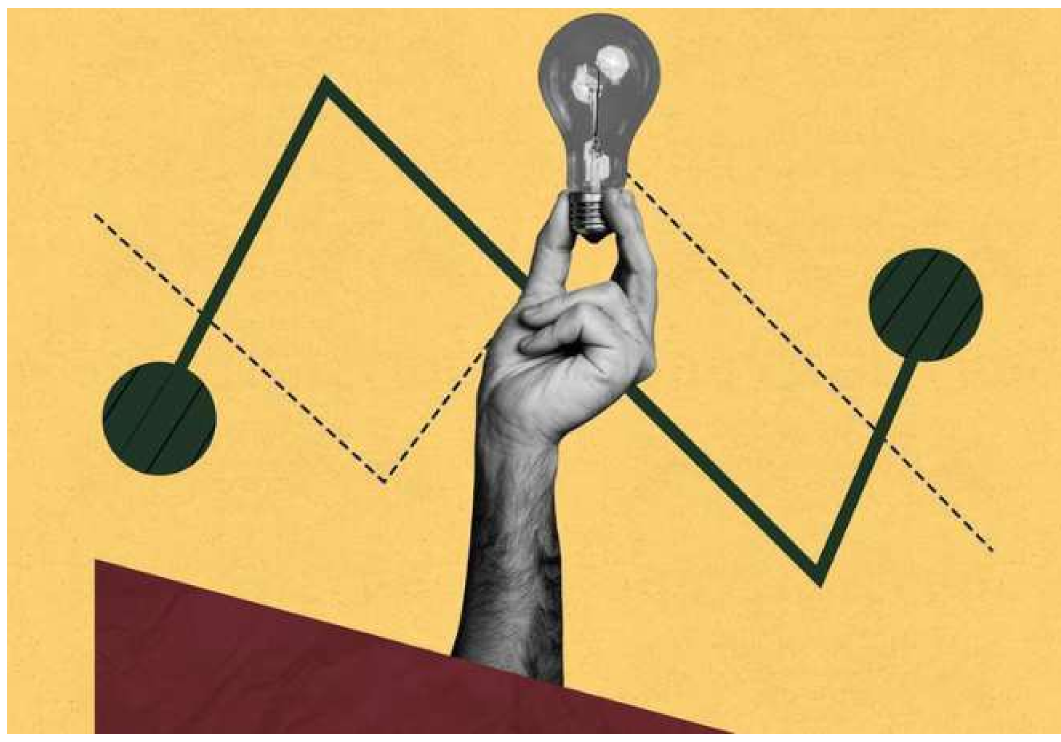
THINGS TO WATCH OUT FOR 2026.

- The ad industry is forecast to grow globally at an anticipated rate of 7.1 per cent in 2026, says WPP
- In India, advertising revenues are projected to touch $22.74 billion in 2026, with growth expected to rise to 9.7 per cent next year, says WPP
- Rise of Gen Z and new behavioural shifts led by this cohort such as digital detox, less consumerism could force ad industry to revisit rules of engagement
- Rise of sporting leagues and events industry cause for optimism for the ad industry

A big bang merger, end of real money gaming and march of AI

BACK IN TIME? 2026 could see the return of stress on emotional connection, feel advertising folks

Chitra Narayanan
New Delhi



PERSONAL IS PROFESSIONAL. The loss of creative genius Piyush Pandey was another poignant moment. But new creative prodigies rose — PG Aditya from Talented and Adarsh Atal from Tilt Brand Solutions GETTY IMAGES

As you look back on the best ads from 2025, the one campaign that absolutely stood out was the rollickingly funny star-studded 'Champions ka Game' made by Tilt Brand Solutions for Dream11 — and ironically, Dream11's dream run ended this year. The ban on real money gaming (RMG) will impact the advertising industry, especially sports sponsorship and notably the IPL, by as much as ₹5,000 crore, according to some estimates, as this was a category that spent big on campaigns.

"2025 was the year in flux. We saw the most-liked Dream11 campaign for IPL and then saw the whole category disappear. We heard the whole debate on performance marketing over preference marketing," notes Naresh Gupta, Co-Founder and Managing Partner of Bang in the Middle ad agency.

Ad agencies shouted from the rooftops that brand building should be the preferred route over performance marketing, but the clients still chose to put more than half their money on the bottom of the funnel. This shift had a bearing on the structure of advertising networks. Digital and other services grew; AI became mainstream, and the big networks went into restructuring to meet the new demands of brands.

The year closed with the completion of the big bang merger between Omnicom and Interpublic Group (IPG), creating the largest ad network, while WPP saw a surprising new leader in Cindy Rose, who arrived from Microsoft. The Omnicom-IPG merger also brought in its wake job losses and the elimination of marquee brands like FCB, DDB and Mullen-Lowe.

"This year, the platforms became the biggest flex; so big that the large networks responded by retiring marquee brand names and that cut across both media agencies and creative agencies," says Gupta.

PASSING THE BATON

For the Indian ad fraternity, the loss of creative genius Piyush Pandey was another poignant moment. While the man who put Bharat in the limelight is no more, new creative prodigies rose — PG Aditya from Talented and Adarsh Atal from Tilt Brand Solutions — to name just two.

The updated year-end forecast from WPP projects that global advertising revenue will grow 8.8 per cent (excluding US political advertising) in 2025, reaching $1.14 trillion. WPP forecasts that this momentum will continue in 2026 with an anticipated 7.1 per cent growth (excluding US political advertising). "Over a five-year period, a CAGR of 6.3 per cent is expected, reflecting sustained expansion," says the report released this December.

LESSONS AND MORE

As for India, according to WPP Media late 2025 forecast, advertising revenues are projected to touch $22.74 billion (around ₹2 lakh crore) in 2026, with growth expected to rise to 9.7 per cent next year, driven by digital, social, and commerce advertising. Rise of new sporting leagues, even as IPL goes strong, is another cause for optimism. What else does 2026 hold? Big consumer shifts led by Gen Z behaviour, for one. "We've realised that this is a generation which is hugely connected, at the same time, hugely lonely," says Dheeraj Sinha, Group CEO, FCB India (now McCann).

"By the end of the year, AI-generated ads saw backlash and brands had to recalibrate. The brands and CMOs will have to rediscover the rules of engagement as consumers are tired of commercial messages. Perhaps 2026 will see the return of emotional connection and gentler persuasion as themes," sums up Gupta.

Q & A.

'We are going through a phase of storming, norming and forming'

Chitra Narayanan
New Delhi

One of the mega shifts in 2025 is the defragmentation of media, and, therefore, the loss of attention

DHEERAJ SINHA
Group CEO, FCB India

Consolidation of networks, defragmentation of media and rise and rise of influencer marketing were the big trends of 2025, which was a year of dramatic change, says Dheeraj Sinha, Group CEO of FCB India (now McCann), an agency that itself is in the throes of change as Interpublic group (IPG), which owns it, merged with Omnicom.

Edited excerpts:

What are the big shifts in advertising in 2025?

One of the mega shifts is the defragmentation of media, and, therefore, the loss of attention. And it is playing havoc with how we are marketing to audiences. Whenever we run campaigns for large brands with budgets of say ₹10 to ₹15 crore, where we are putting some money on traditional media, some on digital advertising, some on influencer marketing, etc. — it is not leading to the kind of discovery and needle shift on business that it used to. The second is a related trend — the huge proliferation of influencer marketing and digital content. Again, there we are realising you may get likes, and you may get forwarded, but that's not moving the needle on brand purchase.

And, therefore, the need to differentiate the idea of an influencer, who is being followed for a certain type of content, and the idea of brands.

What about the trend of consolidation among the big ad networks?

This is a time of storming, norming and forming. We are in the storming phase, where what we do not need will get broken down, and what we need will get added. We will enter a phase of forming where we bring back things which really are required for the future. There'll be a normalisation process about three years from now, where a new form of advertising and marketing services would have emerged.

Could you sum up 2025 in one line?

A year of dramatic change.

And what will the year 2026 be?

I think, change for the better.

bl.podcast

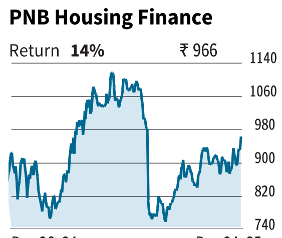
Scan the QR to listen to the full interview

https://tinyurl.com/2jssmpew

TODAY'S PICK.

PNB Housing Finance (₹966.55): BUY

Gurumurthy K
bl. research bureau



The short-term outlook is bullish for PNB Housing Finance. The 3.6 per cent rise on Wednesday has taken the share price above the 200-Day Moving Average (DMA) at ₹936. A rounding pattern on the chart also strengthens the bullish case. Support is in the ₹950-930 region. PNB Housing Finance share price can rise to ₹1,020-₹1,050 in the coming weeks. Traders can buy now at ₹967. Accumulate on dips at ₹952. Keep the stop-loss at ₹915. Trail the stop-loss to ₹975 as soon as the stock goes up to ₹990. Revise the stop-loss higher to ₹995 and ₹1,010 when the stock price goes up to ₹1,010 and ₹1,025, respectively. Exit the long positions at ₹1,040.

Note: Recommendations are based on technical analysis. There is risk of loss in trading

Day trading guide

26164 » **Nifty 50 Futures**

S1	S2	R1	R2	COMMENT
26100	26060	26250	26330	Wait for dips. Go long at 26120. Keep the stop-loss at 26080

₹996 » **HDFC Bank**

S1	S2	R1	R2	COMMENT
992	987	1000	1010	Go long only above 1000. Keep the stop-loss at 998

₹1667 » **Infosys**

S1	S2	R1	R2	COMMENT
1650	1635	1675	1695	Take fresh shorts below 1650 with a stop-loss at 1655

₹407 » **ITC**

S1	S2	R1	R2	COMMENT
405	403	410	412	Wait for dips. Go long at 406. Keep the stop-loss at 404

₹234 » **ONGC**

S1	S2	R1	R2	COMMENT
233	231	235	237	Immediate outlook is unclear. Avoid trading this stock

₹1560 » **Reliance Ind.**

S1	S2	R1	R2	COMMENT
1545	1535	1565	1580	Go short only below 1545. Keep the stop-loss at 1548

₹968 » **SBI**

S1	S2	R1	R2	COMMENT
967	964	971	974	Take fresh shorts below 967. Keep the stop-loss at 968

₹3313 » **TCS**

S1	S2	R1	R2	COMMENT
3290	3270	3330	3385	Go long on a break above 3330. Stop-loss can be kept at 3320

S1, S2: Support 1 & 2; R1, R2: Resistance 1 & 2.

VoxelGrids builds first indigenous MRI scanner

Rohan Das
Chennai

Arjun Arunachalam, Founder, VoxelGrids, and (right) the MRI scanner

In a major milestone for Made-in-India medtech VoxelGrids, a Zoho-backed start-up, has developed the country's first indigenous MRI scanner.

The scanner, which has been deployed at the Chandrapur Cancer Care Foundation near Nagpur, is the culmination of a 12-year mission by Founder Arjun Arunachalam and his team to domestically design and build an MRI system, a critical diagnostic tool for hospitals that currently rely mostly on imports.

The machine, with a magnetic field strength of 1.5 tesla, is not just a locally-made version of MRIs from global giants like Siemens or GE HealthCare, but comes with its own technological advancements, he told *businessline*.

VoxelGrids' MRI scanners, due to the absence of liquid helium, are around 40 per cent cheaper to build, he added. "Additionally, we have been able to make the electronics around the magnet extremely well-packaged, while maintaining the same bore-size, making it far more power efficient and reducing operating costs exponentially," he said.

Arunachalam added that the company also offers pay-per-use models, allowing hospitals to pay for MRI machines dynamically over time. This is particularly important for smaller hospitals that may not be able to afford the high one-time cost, thereby significantly helping expand the MRI footprint in India, he said.

MARKET DENSITY

The improved footprint would be crucial as recent industry analyses indicate only around 5,000 MRI machines in India, an estimated density of 3.5 machines per million. According to a market study by the Competition Commission of India, the top 5 OEMs (Siemens, GE, Philips, United Imaging and Hitachi) have over 91 per cent market share in terms of revenue.

Arunachalam added that the company already has the capacity to make 20-25 such scanners per year at its Bengaluru unit. "We have had a lot of interest from hospitals and are expecting a commercial launch by the fiscal-end," he said.

The company secured $5 million in funding from Zoho and will eye a larger round as it approaches volume production, he added.

The VoxelGrids' team is also working on a containerised mobile version.

Arunachalam did not rule out an export market in the long term.

Exports may grow by 3% to $850 b this fiscal: GTRI

Press Trust of India
New Delhi

India's goods and services exports are likely to grow by 3 per cent to $850 billion in 2025-26, think tank GTRI said on Thursday.

In 2024-25, the overall exports touched $825 billion ($438 billion in merchandise and $387 billion in services).

Global Trade Research Initiative (GTRI) said the country's exports in 2026 will face a far tougher global trade environment than it has seen in years.

WEAK DEMAND

Rising protectionism in advanced economies, weakening global demand and new climate-linked trade barriers are colliding just as India is trying to scale up exports, it said.

The result is an outlook marked less by expansion and more by the challenge of holding ground, GTRI Founder Ajay Srivastava said.

"In FY26, goods exports are likely to stay broadly flat, squeezed by weak global demand and renewed US tariff pressure, while services exports may inch past $400 billion. That would lift total exports to roughly $850 billion," he said.

'Risk of AI-led disruptions to white-collar jobs lesser in India'

Press Trust of India
New Delhi

S Krishnan, Secretary, MeitY

India faces a lower risk of AI-driven disruption to cognitive jobs compared to Western economies, IT Secretary S Krishnan has said, citing the country's relatively lower proportion of white-collar roles in the overall workforce, and highlighted that the dominance of STEM-based employment can yield newer opportunities.

Krishnan said AI's (Artificial Intelligence) real impact will come from building and deploying sector and use-specific applications, a process that will require large numbers of trained professionals.

He added that this is where India's strength lies and where new AI-driven job opportunities will emerge.

"For India, where the number of white-collar jobs relative to other jobs is much lower than in the West, the risk to cognitive jobs, I don't think, is as serious as it is in other places. Also, the fact that most of our white-collar jobs are in the STEM space and that we have an opportunity," Krishnan told *PTI*.

ADD TO PRODUCTIVITY

Krishnan pointed out that AI is the first technology to pose a risk for knowledge workers and cognitive labour, as opposed to industrial and other revolutions in the past that replaced manual labour with machines. Krishnan said while some may believe AI will eliminate the need for workers entirely, he disagrees.

"I personally don't think we'll reach that stage so soon. What it (AI) would do is, of course, enhance human capability (such) that you can be much more productive in your cognitive tasks and have access to the resources," he said.

AI HALLUCINATION

At the same time, issues such as AI hallucination mean that humans will still be needed to oversee and verify its outputs for a longer time.

The real impact of AI comes from developing and deploying sector-specific, use-case applications, which will require many trained human workers. He believes this is where India can contribute most.

'Domain-led strategy for growth as AI blurs line between engineering, IT'

Press Trust of India
New Delhi

Sriram Lakshminarayanan, CTO, Tata Technologies

In a changing industrial environment where artificial intelligence (AI) is blurring the lines between engineering and information technology, Tata Technologies is adopting a "domain-led" strategy to drive growth, according to its CTO Sriram Lakshminarayanan.

In view of the changes, the global product engineering and digital services firm is prioritising its service portfolio while maintaining its core strengths in engineering research and digital enterprise solutions, he told *PTI*.

AI BARRICADE

Lakshminarayanan noted that major technological shifts keep happening over time, such as the cloud and blockchain, which had an impact on industries.

"Now, there is a new wave that is coming, AI, (which is now) at the heart and front and centre of anything that we do. Specific to an automotive or industrial setting, we always looked at it in terms of a siloed approach of engineering, which looked different. IT is looked at differently," he said.

He further said, "What we are seeing now is that the lines are getting blurred."

As a result, he said, the offerings and propositions to the customers are becoming a challenge.

DEALING STRATEGY

When asked how the company is responding to the challenge, Lakshminarayanan said the company is emphasising its differentiation from competitors on the basis of its "domain knowledge, which becomes the heart of it".

With the changes that are happening, he said the company has also adopted a different approach towards addressing its customers' requirements by taking a "more of an account view, a customer view".

While the base focus of engineering services and digital enterprise solutions for which Tata Technologies is known does not change, he said the company has taken a view on responding to customers' demand of solving their "business problem" in a holistic manner.

QUICKLY.

Magicpin forays into metro ticket booking

New Delhi: Hyperlocal e-commerce firm magicpin on Thursday said it has rolled out metro ticket booking service in Delhi and Mumbai, offering users extremely discounted rates on its platform through the government-backed Open Network for Digital Commerce. The service is already available with its peers Paytm, Amazon, PhonePe, Rapido and others. magicpin CEO and Co-founder Anshoo Sharma said the company is working to expand the service in other cities as well. PTI

Mits Healthcare sets sights on IPO

Chandigarh: Mits Healthcare, the flagship entity of the Mits Group, has initiated a strategic roadmap for a potential initial public offering (IPO), aligning its expansion with enhanced compliance systems, global manufacturing standards and a high-performance work culture, a top company official said on Thursday. PTI

Crypto reset in 2025 shapes 2026 market outlook

LOOKING AHEAD: Volatility is unlikely to disappear next year; however, price discovery may become steadier with increased institutional participation

Sanjana B
Bengaluru

Crypto markets in 2025 marked a clear inflection point, with institutional participation, regulatory progress and macro-linked trading redefining price discovery and market behaviour, while expectations for 2026 point to steadier volatility, deeper financial integration, and broader institutional and government engagement across digital assets.

Giottus CEO Vikram Subburaj highlighted that 2025 marked a transition from price-led narratives to structure-led growth.

Regulated access widened, with spot Bitcoin ETFs emerging as a key price-discovery venue. Bloomberg data show cumulative net inflows of about $25-$30 billion by mid-2025.

Crypto M&A activity crossed $8 billion globally, with a tilt towards regulated platforms and payments-linked firms. Another important development was the global progress on regulation, according to Edul Patel, CEO of Mudrex.

The US adopting a more crypto-friendly stance through initiatives like the GENIUS Act, the EU rolling out MiCA and supportive frameworks in regions like Hong Kong, Singapore and Brazil improved the legitimacy of crypto as an asset class.

TREASURY ASSET

A noteworthy shift was also the growing role of institutions. Crypto is increasingly being viewed as a treasury asset, with public companies now controlling around 5 per cent of the supply of Bitcoin and Ethereum.

Building on this momentum, even governments are exploring the idea of strategic crypto reserves.

Patel added that the fear-greed index fell to a low of 10 this year, indicating extreme fear among investors. Bitcoin fell to a low of about $75,000 in April 2025 before climbing to a record high above $124,000 in October.

Long-term conviction among investors remained intact, with exchange reserves of Bitcoin and Ethereum near all-time lows.

MACRO SIGNALS

"Volatility in 2025 was sharp but more intelligible than in earlier cycles. Unlike the retail-driven surges of 2017 or the liquidity-fuelled boom of 2021, price swings this year were linked to macro signals. Crypto reacted to US interest-rate expectations, dollar strength, and risk sentiment. Several assets printed new all-time highs, and drawdowns were quicker and more contained. This suggested deeper liquidity and stronger two-way participation," Subburaj said.

Alongside, institutional participation in 2025 shifted crypto's centre of gravity.

Asset managers, trading desks, and custodians brought not just capital but structural discipline, pushing activity toward regulated venues, ETFs, derivatives, and prime brokerage channels.

This steadied markets, narrowing spreads, moderating volatility, and sustaining liquidity during stress.

STRATEGIC SHIFT. The digital asset industry is also transitioning from experimentation to deeper financial integration and maturity

CUSTODY STANDARDS

Higher institutional standards around custody, auditability, and governance rippled across the ecosystem, turning compliance and risk management into competitive advantages.

Crypto prices increasingly reflected allocation, hedging, and macro positioning, signalling the asset class's transition from the fringe to institutional finance.

Looking ahead to 2026, volatility is unlikely to disappear. However, there will be compression. Price discovery may become steadier with increased institutional participation. The digital asset industry is also transitioning from experimentation to deeper financial integration and maturity.

Growing institutional ownership, including holdings by over 200 public companies and ETFs collectively exceeding 2.5 million BTC, is grounding digital asset valuations in transparency, utility, and compliance.

This shift signals reduced volatility and a more stable, mature asset class, SB Seker, Head of APAC, Binance, shared.

TRADING VOLUME

Binance saw a 14 per cent increase in institutional users and a 13 per cent rise in institutional trading volume year-over-year.

In 2026, institutional diversification beyond Bitcoin and Ethereum into selected altcoins, combined with greater government and public sector engagement, is expected to accelerate.

In 2025, India also reinforced its position as a global crypto adoption leader, topping the Chainalysis Index for the third year running.

Rapid uptake across tier-1, -2 and -3 cities reflected awareness and is backed by a skilled talent pool; 20-30 per cent of global Web3 developers are Indian, with over 1,200 Web3 start-ups. Regulatory uncertainty, however, prompted many builders to move offshore.

Clear frameworks defining roles for exchanges, brokers, and dealers are crucial to anchor talent domestically, enhance consumer protection, and enable structured market growth.

Mudrex CEO Patel noted that major central banks are moving toward quantitative easing, with nearly $150 billion injected into the global economy in December alone. This improved liquidity environment is expected to push fresh capital into risk assets, pushing prices higher.

Spacetech start-ups emerge as proof point for deeptech investing

Jyoti Banthia
Bengaluru

For years, deeptech investing in India struggled to escape a credibility gap. Founders came armed with impressive science, but little clarity on commercial outcomes. Long gestation cycles clashed with venture fund timelines, and many investors quietly wrote off the sector as 'lab projects'.

In 2024-25, that perception has begun to change, driven largely by India's spacetech start-ups.

Spacetech has emerged as a rare proof point that deeptech in India can move beyond slideware to flight-tested hardware, defensible intellectual property and global markets. Multiple start-ups have crossed key technical milestones, executed ISRO-backed demonstration missions and laid out commercial launch roadmaps extending into 2026, giving investors greater confidence in execution and monetisation.

NO MORE SCEPTICAL

"For a long time, I was sceptical about Indian deeptech," said Anirudh A Damani, Managing Partner at Artha Venture Fund. "Most opportunities were closer to lab projects than businesses. That changed with spacetech." Damani points to Agnikul and the ecosystem built around IIT Madras and Sriharikota as an inflection point. "These were no longer projects. These were companies with real customers, real economics and credible timelines," he said

A key factor has been the role played by ISRO and the Indian National Space Promotion and Authorisation Centre (IN-SPACe), which helped de-risk early experimentation by opening access to testing infrastructure, launch facilities and regulatory pathways.

This reduced capital burn in the riskiest phases, allowing start-ups to focus on engineering execution.

At Chennai-based launch vehicle start-up Agnikul, investor confidence shifted after the company demonstrated India's first private large-format 3D-printing facility for metre-scale rocket engines, enabling single-piece Inconel engines to be produced in days instead of months. "The conversation moved from 'will it work?' to 'how fast can we scale?'," said Srinath Ravichandran, Co-founder and Chief Executive Officer of Agnikul.

Agnikul's controlled vertical launch of Agnibaan SOrTeD from Sriharikota further reinforced that shift, marking the first time an Indian private company demonstrated fully autonomous vertical lift-off without traditional rail launchers. While early validation relied on ISRO infrastructure, the company is now moving towards greater independence with its own additive manufacturing facility and a new space campus in Tamil Nadu, Ravichandran said.

Funds that once avoided deeptech are now backing semiconductors, electro-optics, robotics and AI-led hardware. "Spacetech wasn't an outlier," Damani said. "It was the proof point. It showed deeptech in India had crossed from being technology-led to business-led."

COMPLEX SCIENCE

Whether other deeptech sectors can replicate spacetech's trajectory remains an open question. But for now, India's spacetech start-ups have delivered something rare in venture investing: Evidence that complex science, patient capital and commercial discipline can coexist — and scale — from India.

'Export of Russian spirits to India quadruples'

Press Trust of India
Moscow

The exports of Russian spirits to India have nearly quadrupled in the first 10 months of the year compared to the same period last year, making India an attractive emerging market for Russian exporters.

Citing data from the Federal Centre for Agricultural Export Development of the Russian Ministry of Agriculture (Agroexport), leading financial and trade daily *Vedomosti* said India is emerging as an attractive market for Russian exporters of Vodka and other hard alcoholic beverages.

"In the first 10 months of 2025, Russian spirits producers shipped approximately 520 tonnes of spirits worth $900,000 to India, this is three times higher in weight and four times higher in monetary terms than the same period last year," it said.

MAIN DRIVER

Agroexport claimed that vodka was the main driver of exports.

In monetary terms, its shipments over the 10 months amounted to approximately $760,000.

'Our approach is closely aligned with India's priorities around digital sovereignty'

bl.interview

S Ronendra Singh
New Delhi

Idemia Secure Transactions (IST), a long established company for securing payments, SIM cards, cars, and Internet of Things (IoT) devices, is stepping up to redefine the future of cybersecurity. The company is moving from payments and connectivity leader to being a major cybersecurity player with its customers like Bharti Airtel and Reliance Jio. The company said India is entering a phase where IoT adoption will scale at an unprecedented pace across utilities, mobility, payments, logistics, manufacturing and smart-city programmes, and this surge brings a critical need for trusted device identity and hardware-rooted security. Philippe Oliva, Chief Executive Officer, IST, shares more.

Edited excerpts:

> What makes India unique is the combination of regulatory clarity and one of the world's most advanced digital ecosystems.
>
> PHILIPPE OLIVA
> Chief Executive officer, Idemia Secure Transactions

What opportunities do you see in India's rapidly growing IoT and connected-device landscape?

India is entering a phase where IoT adoption will scale at an unprecedented pace across utilities, mobility, payments, logistics, manufacturing and smart-city programmes. As smart meters, electric vehicle chargers, POS terminals, telematics units and industrial sensors rapidly multiply, every device must be proven and trusted before it connects.

This surge brings a critical need for trusted device identity and hardware-rooted security. These are exactly the strengths that IST has built globally while securing billions of devices. India is building one of the world's largest connected-device ecosystems and the next wave of growth will depend on security that is reliable, scalable and rooted in hardware trust. With its global experience and India-ready technologies, IST is positioned to help the country unlock the full potential of IoT.

What prompted you to shift towards becoming a visible cybersecurity leader?

For decades, IST has been known for securing billions of credentials, devices, and transactions around the world. What is changing today is not our expertise, but the scale and urgency of global cybersecurity needs. With the explosion of connected devices, the rise of digital payments, and increasingly sophisticated cyber-attacks, organisations in every sector now need stronger, more resilient cryptographic foundations.

Our evolution towards a more visible cybersecurity leadership position is therefore a natural step. We have built deep capabilities over many years, thanks to 750 R&D experts worldwide.

We have accumulated hundreds of security certifications while issuing 1.4 billion credentials every year.

This long-standing experience has shaped our understanding of how to secure sensitive data and transactions at massive scale. What motivates us today is simple: the security challenges facing organisations in all sectors are unprecedented, and we have the expertise to step forward.

How is the global hardware security module (HSM) market evolving as digital payments, cloud adoption, and IoT accelerate worldwide?

We are entering a period where the demand for cryptographic operations is growing exponentially. The rapid rise of eSIM adoption, the expansion of connected cars, and the expansion of tokenised payments expected by 2029 all point in the same direction — organisations need more secure, scalable, and energy-efficient ways to manage and protect data. The industry also needs to prepare now for the emergence of quantum-enabled threats, which will fundamentally challenge today's cryptographic standards. Organisations will increasingly rely on HSMs that can evolve towards post-quantum algorithms and support the higher computational loads that this new era will require. HSMs are no longer *niche* infrastructure, they are becoming the root of trust for modern digital ecosystems. Today, the global HSM market is valued at around $1.2 billion and is experiencing strong, sustained growth. But more importantly, its strategic relevance is increasing.

What is IST's go-to-market strategy for India? Will you partner with cloud providers, system integrators or governments?

Our strategy relies on partnering with long-term institutional clients, supporting India's cloud and telecom modernisation, and contributing to the country's ambition to build sovereign, future-proof cybersecurity capabilities. Our approach is closely aligned with the country's priorities around digital sovereignty, secure cloud adoption, and the modernisation of financial and telecom infrastructures. We already have long-standing relationships with Indian banks and telcos, and these partners will be central to our go-to-market strategy. Telcos in particular are investing heavily in sovereign cloud platforms and 'Made-in-India' software stacks. We also see strong opportunities within India's manufacturing ecosystem.

How do emerging Indian regulations around digital payments, cloud, and data sovereignty shape your approach?

India's regulatory landscape for digital payments, cloud and data sovereignty is not only evolving but is maturing at a pace matched by few markets globally. For Idemia Secure Transactions, this environment is a catalyst for innovation, not a constraint. What makes India unique is the combination of regulatory clarity and one of the world's most advanced digital ecosystems. We work closely with this ecosystem including regulators, banks, fintechs, payment networks, telecom providers, cloud partners and data centres, which allows us to co-create security solutions that are both compliant and future ready.

Our approach in India is deliberately "local-by-design", ensuring that critical data and cryptographic keys stay within the country in alignment with RBI and Ministry of Electronics and IT norms. At every step, we collaborate closely with industry stakeholders to ensure compliance supports innovation.

QUICKLY.

Coffee supplies build up in Vietnam

Hanoi: New coffee beans from the current harvest have started to build up in Vietnam, while the market in Indonesia was muted this week ahead of the holidays, traders said. In the Central Highlands, farmers sold beans at 95,200-97,000 dong ($3.62-3.69) a kg, up from 88,700-90,000 dong a week earlier. Robusta coffee for March delivery gained $189 from the beginning of this week to $3,858 a tonne by Wednesday's close. "Vietnam will remain the sole supplier of robusta until Indonesia's mini-harvest begins in April next year. Prices are expected to rise once farmers stop releasing beans in bulk," a trader said. Traders offered 5 per cent black and broken-grade 2 robusta at a discount of $60 a tonne to the March LIFFE contract. REUTERS

Wheat extends gains on short covering, war risk

Chicago Board of Trade (CBOT) wheat futures rose for a fifth session as worries about the escalation of hostilities in the Black Sea export zone and severe cold in the Russian wheat belts encouraged short-covering. Corn futures edged up on robust demand and on strength in the wheat market, while soy also ticked higher. The most-active wheat contract on the CBOT settled 4-3/4 cents higher at $5.21-3/4 a bushel. REUTERS

Global iron ore prices poised to drop a tad in 2026

FUNDAMENTALS UNFAVOURABLE. Weak demand due to world steel production declining and ore production accelerating is likely to turn market bearish

Subramani Ra Mancombu
Chennai

Global iron ore prices will likely decline modestly in 2026 on weak demand and higher production, analysts said.

"Looking forward, prices are expected to fall modestly through to end-2027, because of both weak steel demand and higher iron ore supply. From $93 (free-on-board) a tonne in 2024, the iron ore price is forecast to average $85 a tonne in 2026, and then $82 a tonne in 2027," said Australia's Office of the Chief Economist (AOCE).

"Fundamentally, the supply-demand structure for iron ore remains better than that of finished steel, continuing to show relative resilience within the industry chain. Overall, iron ore prices are expected to continue a sideways movement in the near term," said *Shanghai Metal Market* (SMM) News.

"Over the medium-to-long term, we expect that lower prices will push iron ore production into stagnation and subsequent decline in 2032-34," said BMI's CreditSights, a FitchSolutions Company.

CURRENT PRICE

Iron ore futures on the Dalian Commodity Exchange expiring in May, the most popular contract, ended at 778.5 Chinese yuan ($110.76) a tonne. Iron has been almost stable this year, with prices dropping by 0.6 per cent. Global iron ore production growth will accelerate, averaging 2.7 per cent growth over 2025-29 compared with 1.2 per cent over the previous five years. This is expected to lift annual production by 275.7 million tonnes (mt) by 2029 compared with 2025 levels.

CreditSights said it expected iron ore production in Australia to grow by 2.5 per cent in 2025, driven by expansions and the commencement of production at smaller projects, including the ramp-up of Mineral Resources' Onslow Iron and Fortescue's Iron Bridge.

"We believe that Australia's placement at the lowest end of the global iron ore cost curve will provide a healthy buffer against falling prices over our forecast period," it said.

SEABORNE TRADE

The AOCE said the global seaborne iron ore trade is expected to grow by 1.5 per cent annually through 2027, with new supply from Simandou (Guinea), Brazil, and expanded Australian mines. The Simandou mine commenced operations in November 2025 and will have a maximum capacity of 120 mt a year.

SMM said steel mills bought hand-to-mouth, and market trading activity was moderate. "Data showed a slight decrease in the production of the five major steel products, with total inventory continuing to decline. Current end-use demand is in the off-season, and consumption is expected to decline further, with overall market sentiment turning weak," it said.

Global steel production in the first 11 months of this year was 1.69 billion tonnes, down 1.4 per cent from a year ago, data from the World Steel Association showed. Production in China (-2.7 per cent), Russia (-7 per cent), Japan (-3.6 per cent) and the US (-2.2 per cent) fell. The output increased in India (8.9 per cent), Turkiye (11.2 per cent) and Brazil (5.6 per cent).

OUTPUT DIP

CreditSights said major players will continue to decrease costs and increase production, as remaining cost-competitive will be a focus for iron ore miners in a long-term weak price environment, with top firms investing in technology to maintain an edge.

The research agency said Brazil's iron ore production growth will rebound in the coming years following a contraction over 2019-20.

China's iron ore production is expected to increase by one per cent in 2025, as the country aims to accelerate the construction of iron ore exploration projects and improve its capability to ensure iron ore supplies.

In India, iron ore production is forecast to reach 290 mt this year, a 2 per cent growth on-year. "Beyond 2025, we expect a steady acceleration in growth, with iron ore production increasing to 375 mt by 2034," said CreditSights.

World iron ore trade outlook*

	2024	2025	2026	2027
World trade	1,713	1,735	1,765	1,792
Imports				
China	1,238	1,245	1,194	1,188
Japan	96	94	90	88
European Union	102	102	103	106
South Korea	69	62	60	59
Rest of Asia#	69	82	87	102
Exports				
Australia	902	915	923	934
Brazil	389	398	414	427
South Africa	61	60	56	55
India	36	33	29	27

Source: Office of the Chief Economist, Australia *In million tonnes #including india

Tea production, exports this year likely to surpass 2024 figures

Mithun Dasgupta
Kolkata

The Indian tea industry expects both production and exports to be higher for this year compared with last year. While the output of the brew is likely to grow marginally, export is expected to grow significantly buoyed by higher shipments to Iran, Iraq and China.

The country produced 1,284.78 million kg (mkg) of tea in 2024.

Production of the brew till October 2025 reached 1,133.41 mkg, registering an increase of 1 per cent compared to the corresponding period of 2024.

"I think tea production for this year will be marginally higher compared to last year. Last year, we closed plucking of tea leaves in the gardens from December 1. This year, we are operating in the whole of December. So, we can expect that this year's production would be around 20-25 mkg higher than last year," Indian Tea Association Chairman Hemant Bangur told *businessline*.

Notably, last year, the Tea Board notified that the last plucking date for gardens situated in all elevations in Darjeeling hills, Sikkim, Himachal Pradesh and Uttarakhand, and in the Dooars and Terai regions of West Bengal would be November 30, 2024.

GAINFUL DECEMBER

"Based on current trends,

total tea production in 2025 is projected to reach around 1,342 mkg, which would be approximately 3 per cent higher than the previous year," said PK Bhattacharjee, Secretary-General, Tea Association of India.

"The increase in crop is attributed to December production this year, as the cropping season was closed early during the last year as mandated by the Tea Board," he said.

"The export situation is good. We should end this year by 15-20 mkg more than last year. It is mainly due to higher shipments to Iran, Iraq and China," Indian Tea Exporters Association Chairman Anshuman Kanoria told *businessline*.

India exported 256.17 mkg of the brew last year. Exports till October 2025 stood at 228.52 mkg compared to 214.64 mkg in the same period of 2024.

"Until October, export was quite good. Beyond October also, the trend has not been bad. So, I think we should have higher export numbers compared to 2024," Bangur said.

LT Foods to set up facility in Karnataka for regional rice varieties

Meenakshi Verma Ambwani
New Delhi

LT Foods Ltd is setting up a manufacturing facility in Raichur, Karnataka, for regional rice varieties, including Sona Masoori and Kolam. The company will invest ₹6 crore, which will be funded with internal accruals.

The move will enable the company to strengthen its value chain for South India's preferred rice varieties and tap into the rapidly formalising regional rice market.

The facility will have an initial estimated production capacity of 30,000 tonnes per annum.

The company said that commercial production is expected to commence around February, subject to the receipt of necessary statutory and regulatory approvals.

The unit will have an initial production capacity of 30,000 tonnes per annum

STRATEGIC STEP

Ritesh Arora, CEO–India Business & Far East, LT Foods Ltd, said, "Regional varieties such as Sona Masoori and Kolam have deep-rooted consumer relevance and consistent demand, and this investment allows us to further strengthen the value chain — from sourcing to processing and delivering a consistent experience to our consumers."

Karnataka represents one of India's most vibrant and attractive markets for regional rice, both from a production and consumption standpoint, he added.

The State is a significant producer of premium non-basmati rice and is supported by a large, discerning consumer base with a strong affinity for regional specialties.

Varieties such as Sona Masoori and Kolam are staples across south Indian households, with the former enjoying widespread acceptance beyond Karnataka in Andhra Pradesh, Telangana and among the global Indian diaspora.

Agtech start-up Bharat Intelligence aims to become 'Urban Company' in horticulture

Subramani Ra Mancombu
Chennai

Mumbai-based agtech start-up Bharat Intelligence aims to emerge as the "Urban Company" in horticulture by connecting farmers with agricultural workers, its founders, Azhaan Merchant and Gourav Sanghai, have said.

As part of this, the company began offering skilled farm workers to grape farmers in the Nashik region two months ago. It plans to do come up with a similar offering for banana farmers from January in Maharashtra's Solapur region, they said in an online interaction with *businessline*.

"What we are trying to do is create an end-to-end solution. Think of it like a marketplace, like what Urban Company has done. We are trying to do something similar for the agrarian economy," said Merchant.

Gourav Sanghai (left) and Azhaan Merchant

Bharat Intelligence has come up with an artificial intelligence-powered platform connecting farmers and agriculture workers through a simple WhatsApp interface, said Sanghai. "The platform aims to make labour availability predictable, fair and efficient, addressing both sides of the crisis. It gives farmers timely access to skilled workers when they need them most. Farm labourers, on the other hand, get higher income, have increased mobility, with their job profiles matched by data," he said.

The workers are now earning on average ₹800 a day compared with around ₹600 earlier. The payment is made the same day.

NO SKILLED HANDS

Merchant and Sanghai benefited a lot from watching India's largest farmer-producer company (FPC), Sahaydri Farms, which recently invested ₹7 crore in the start-up.

One of the problems that farmers cultivating grapes in the Nashik region faced was the lack of skilled farmhands. There are at least 7 lakh tribal migrant workers, who come from the interior parts of the region.

With Sahaydri Farms increasing the area under grapes to 1.5 lakh acres, the need for agricultural workers increased rapidly.

"Labour wages have been increasing 10-15 per cent annually. No one is skilling these labourers. There is no formal player that is, frankly, organising this workforce. So farmers are complaining," said Merchant.

Bharat Intelligence has enrolled about 1,000 labourers to work on the grape farms. "We are planning to build that now to about 10,000 in the next 12 months," he said.

BEAN IN THE SUN

PRICES PERK UP. Workers dry coffee beans at a plantation in Chikkamagaluru, Karnataka. India's coffee exports are expected to top $2 billion in 2025 amid a global supply shortage. Arabica parchment prices have risen to ₹25,500-26,000 per 50 kg bag, while arabica cherry, robusta parchment and robusta cherry remain lower. Many growers are holding back stocks in anticipation of better prices PTI

Neem trees now fighting for survival

'Dieback disease', which drains chlorophyll from the leaves, has affected 60% of trees in Telangana

KV Kurmanath
Hyderabad

Neem trees, long valued for their antiseptic qualities, are in big trouble. Over 60 per cent of trees in Telangana are infected with the destructive fungus *Phomopsis azadirachtae*, commonly known as "Dieback disease".

The disease is named so because it begins at the terminal twigs and progresses downward toward the trunk, draining chlorophyll from the leaves.

Though trees are planted at considerable distances, the disease is spreading rapidly as birds carry the spores. The fungus does not harm humans or other plants, but neem plants are likely to succumb.

HEAVY RAIN

Scientists attribute the virulent attack to persistent heavy rainfall during the monsoon season. Most infected trees can withstand the attack and recover after a few months.

B Sadasivaiah, a botany lecturer at the Government Degree College in Jadcherla, said while neem trees are known for their medicinal properties and are generally resistant to many pathogens, they are susceptible to 20- 30 types of bacteria, viruses and fungi.

"The current surge in the fungal attack is directly linked to heavy and prolonged heavy rain between June and October. Copious moisture levels are an ideal condition for the growth of

the fungus," he told *businessline*.

Sadasivaiah and his team studied 3,000 neem trees before and after the fungal attack in the Mahabubnagar and Jadcherla regions when it first surfaced four years ago.

"We have noticed that 99 per cent of the mature trees recovered within a few months. However, young trees aged 1-2 years remain highly vulnerable," he said.

NATURAL REMEDIES

For management, Sadasivaiah advises against using chemical sprays such as Endosulfan or Monocrotophos, as they are ineffective.Instead, he recommends pruning infected branches, specifically those about the thickness of a human forearm.

Research has found that applying a henna paste to the pruned areas or watering the roots with a henna extract solution could help combat the pathogen.

Sadasivaiah expects the current outbreak in Telangana, Karnataka and Maharashtra to persist for nearly a decade until the trees' genetic structures adapt to the fungus.

Cardamom auction platform's dealer licence revoked for violating rules

Our Bureau
Kochi

The Spices Board has cancelled the cardamom dealer's Licence of Cardamomauction.com (trade code DL-253) for violating provisions of the Cardamom (Licensing and Marketing) Rules, 1987.

Under the CLM Rules, only registered dealers may purchase cardamom from registered growers and estate owners or participate in the auction system. With the licence revoked, Cardamomauction.com is no longer authorised to take part in auctions or buy cardamom from growers.

The Board advised all auctioneers and growers to refrain from transactions with the entity, the release said.

Maharashtra's grape hub Sangli to get Raisin Research Centre

Our Bureau
Pune

Sangli, Maharashtra's grape and raisin hub, will soon get a dedicated Raisin Research Centre aimed at strengthening research, quality improvement, processing and value addition in raisin production.

The proposal was approved recently at a meeting of the Senate of Shivaji University, Kolhapur, following a demand raised by Sangli MLA Sudhir Gadgil.

The Senate accepted the proposal in principle, paving the way for the establishment of the centre under the university's jurisdiction.

Gadgil said Sangli is among the leading producers of grapes and raisins in the country, yet Maharashtra

does not have a specialised raisin research centre.

R&D TRAINING

He stressed that such a centre was necessary to support farmers and processors through scientific research and skill development.

Gadgil proposed that Shivaji University establish a raisin research and skills training centre in the district. He said raisins produced in Sangli and nearby areas are of high quality and enjoy strong demand, but producers lack access to dedicated research and development support.

Raisin growers have been demanding such a centre in view of increasing competition in export markets and the influx of imports, particularly from China.

A research facility, they said, would help improve productivity, quality standards and global competitiveness.

The university has decided to start the centre at a temporary location in the initial phase and later shift it to a permanent site. Appointments of required staff to run the centre will also be taken up in due course.

QUICKLY.

Delhi: Air quality improves as AQI drops to 234

New Delhi: The capital breathed slightly easier for the second consecutive day, with the air quality improving to the 'poor' category with the Air Quality Index at 234 on Thursday. Transport emissions and pollution from neighbouring cities continued to contribute to the capital's air pollution load, according to official data. Delhi's 24-hour average AQI stood at 234 at 4 pm, remaining in the 'poor' category. But, this marked a significant improvement from the 'severe' AQI of 412 recorded at 4 pm on Tuesday. PTI

Logistics space demand hits a high in 24 cities

New Delhi: Demand for industrial and logistics spaces hit an all-time high this year, with leasing volumes rising nearly 19 per cent to 76.5 million sq ft across 24 major cities in India, according to Savills. Real estate consultant Savills India data showed that the manufacturing sector took on lease 29 per cent of spaces, followed by third-party logistics firms (28 per cent) and e-commerce players (12 per cent). PTI

Army is now 91% self-sufficient in ammunition production

SUPPLY CHAIN. With 159 of 175 variants indigenised, it can sustain extended conflicts

Dalip Singh
New Delhi

The Army has indigenised 159 of the 175 ammunition variants in its inventory, achieving 91 per cent self-sufficiency and significantly reducing dependence on imports at a time when global insecurity has disrupted supply chains.

The move ensures sustained firepower for a prolonged conflict, if required.

To accelerate *aatmanirbharta* in the production of military-grade ammunition, the Ministry of Defence (MoD) has roped in defence public sector undertakings such as Munitions India Ltd (MIL) and private players, including Solar Industries India Ltd.

The push comes as the three services continue to be at a high level of operational readiness following Operation Sindoor.

BUSINESS PROPOSITION. To ensure viability, India has stepped up exports of military-grade ammunition and explosives to several countries, including the US and Europe

SMART AMMUNITION

Of the remaining 16 ammunition variants, the MoD has initiated in-house production of four to seven types of bullets, rockets and missiles to further enhance the Army's fighting capability through smart munitions, sources familiar with the developments said.

These include the Russian-origin armour-piercing fin-stabilised discarding sabot (APFSDS) anti-tank ammunition and Swedish-designed 84 mm ammunition. The projects are expected to be completed shortly, the sources added.

The MoD had sought transfer of technology (ToT) for the Russian APFSDS as early as 2015–16. Production facilities for the ammunition are now at an advanced stage of establishment at MIL's headquarters in Pune, Maharashtra.

At the same time, the Army, in consultation with the MoD, has decided to club five ammunition variants under "economic order quantities." As the overall requirement for these variants is limited and existing reserves are adequate, domestic production is not being pursued for them, sources explained.

FUTURE WARFARE

"Future wars would be intense and complex. We won't have an edge unless we have smart ammunition that enable precise, deep strikes with reduced collateral damage to take out vital targets," sources stated.

Besides artillery, the Army is also seeking smart ammunition for combat UAVs.

During the current year, the Army procured ammunition worth about ₹6,000 crore under Emergency Procurement-6 to ensure that its operational preparedness and firepower remain intact.

EXPORT PUSH

While indigenisation remains a strategic priority, the MoD is also examining ways to keep production lines viable during peacetime, sources said.

As part of this effort, India has stepped up exports of military-grade ammunition and explosives to several countries, including the US, and to Europe.

China accuses US of 'sowing discord' between it and India

Dalip Singh
New Delhi

China on Thursday accused the US of attempting to undermine Beijing's relations with New Delhi, calling a recent Department of War report "irresponsible" and misleading.

Responding to the report at a regular press briefing in Beijing, Chinese Foreign Ministry spokesman Lin Jian said it "distorts China's defence policy, sows discord between China and other countries, and seeks to provide a pretext for the US to perpetuate its own military hegemony," as per a Bloomberg dispatch.

The remarks came after the US Department of War report to the Congress suggested that China could use reduced tensions along the Line of Actual Control (LAC) to stabilise bilateral ties with India while limiting the deepening of India-US relations. Lin rejected the claim, saying China was committed to developing relations with India "along the track of sound and steady development," and added that the situation along the border was "generally stable".

Chinese Foreign Ministry spokesman Lin Jian

China and India have taken steps over the past year to ease strained ties following the prolonged border standoff.

FRICTION POINTS

In October 2024, the two sides announced an agreement to disengage from remaining friction points along the LAC, days before President Xi Jinping and Prime Minister Narendra Modi met on the sidelines of the BRICS Summit. Direct flights between the countries resumed in October after a gap of more than five years, and Prime Minister Modi visited China in August for the first time in seven years.

The Pentagon's annual report to the US Congress, titled *Military and Security Developments Involving the People's Republic of China 2025*, said Beijing was "probably seeking to capitalise on decreased tension along the LAC" to stabilise ties with India and curb closer strategic cooperation between New Delhi and Washington, *businessline* reported on Thursday. However, it noted that India was likely to remain cautious, adding that "continued mutual distrust and other irritants almost certainly limit the bilateral relationship".

> **Chinese Foreign Ministry's** Lin Jian said the US seeks to provide a pretext to perpetuate its own military hegemony

The report also reiterated concerns over what it described as a "historic military build-up" by China, warning that it has made the US homeland "increasingly vulnerable". Beijing has previously rejected such characterisations.

Gujarat rolls out 3 clean energy policies, eyes over ₹5.75 lakh crore in investments

Avinash Nair
Ahmedabad

Unveiling three major clean energy policies — the Integrated Renewable Energy Policy, Pumped Storage Project Policy and Green Hydrogen Policy, the Gujarat government on Thursday announced policy support for an integrated renewable energy ecosystem.

The green hydrogen roadmap alone is set to unlock over ₹5 lakh crore in investments and generate six lakh jobs by 2030, while pumped storage projects are expected to attract ₹75,000 crore in investments.

A key feature of the Integrated Renewable Energy Policy 2025, unveiled by Gujarat Chief Minister Bhupendra Patel, is the inclusion of rooftop wind projects, wherein mini and micro-scale wind turbines with capacities below 50 kW can be installed by consumers on rooftops or within their premises.

Small-scale wind projects will also be eligible to participate in Virtual Net Metering (VNM) and Group Net Metering (GNM) schemes, once notified by the Gujarat Electricity Regulatory Commission, enabling collective access and benefit-sharing, particularly for consumers without suitable rooftop space.

Beyond rooftop wind, the Integrated Renewable Energy Policy covers ground-mounted solar, rooftop solar, floating solar, wind, rooftop wind-solar hybrid and wind-solar hybrid projects, with or without Battery Energy Storage Systems (BESS).

CAPACITY TARGETS

The policy sets a target of 100 GW of renewable energy capacity by 2030, integrating solar, wind, hybrid and storage projects under a unified framework.

It also encourages geothermal, tidal and wave energy, as well as concentrated solar thermal power projects.

PUMPED STORAGE PLAN

Complementing renewable generation, the Gujarat Pumped Storage Project Policy, 2025, aims to strengthen the State's energy storage infrastructure.

Under this policy, the government plans to set up 75 GWh of pumped storage capacity and attract an investment of ₹75,000 crore by 2035.

With the Green Hydrogen Policy, the government aims to attract investments worth over ₹5 lakh crore and create nearly six lakh direct and indirect jobs in green hydrogen and renewable energy through the policy.

The State plans to establish 3 million tonnes per annum (mtpa) of green hydrogen production capacity, supported by 30 GW of electrolyser capacity and 75 GW of renewable energy capacity.

Currently, Gujarat's demand for green hydrogen stands at 1.3 mtpa, driven mainly by refineries, steel and fertilizer industries.

The demand is expected to increase to 2 mtpa by 2030, further strengthening the State's role in India's clean energy and industrial decarbonisation efforts.

Private capital has reshaped Chennai's public bus services in 3 years: World Bank

T E Raja Simhan
Chennai

Chennai's public transport bus service has undergone a sea change in the last three years — from waning ridership, a shrinking fleet and eroding public trust to winning the "City with the Best Public Transport System" of the Central government's Ministry of Housing and Urban Affairs.

According to a World Bank blog, thanks to a three-stage blueprint — plan, contract, leverage private sector partners — embedded in the Chennai City Partnership Programme and launched in 2022 supported by the World Bank Group and the Asian Infrastructure Investment Bank, a bankable market for electric buses was created through structured contracts.

Importantly, the city attracted private investment, helping to transform the Metropolitan Transport Corporation (MTC) from a State-owned operator waiting for bailouts into a performance-driven service provider. MTC now carries 35 lakh passengers daily, tracks customer satisfaction and is in the process of deploying more than 1,000 privately financed electric buses, said the blog.

An MTC e-bus plying on Chennai roads BIJOY GHOSH

CHARTED PLAN

In 2021, the State government came up with a 10-year business plan. It was launched in July 2023 with plans to double the fleet from 3,450 to 7,500 buses by 2032 (two-thirds electric), lift daily boardings to 53 lakh from 28 lakh and track customer satisfaction through annual surveys and open data. This was embedded in Chennai's revised multimodal Comprehensive Mobility Plan (November 2025), the blog said.

Chennai tackled its biggest challenge of increasing the number of buses in an affordable manner with gross cost contracts (GCC) that shifted capital responsibility to private operators while retaining public control over service design and fares. Under the GCC, private operators finance, procure, operate and maintain buses, earning fixed per-km payments, while the MTC retains fare policy and revenue collection, protecting affordability and social programmes such as free travel for women.

As a result, $150 million in private capital was mobilised under the contracts — one of South Asia's largest urban e-bus procurements; 18–20 per cent lower costs than in-house operations, locking in $620 million savings over 12 years, which can be reinvested in service expansion and passenger amenities. The government procured 1,025 electric buses and associated services awarded through competitive bidding.

6 dead, including a 5-year-old, in bus-truck collision in Karnataka's Chitradurga

Our Bureau
Bengaluru

Six people, including a five-year-old girl, were killed and seven are missing after a container truck collided with a luxury sleeper bus on National Highway 48 near Javanagondanahalli in Chitradurga.

The bus's exit door jammed, hampering evacuation efforts.

The accident adds to a series of recent road tragedies across India, including a December 16 vehicle pileup on the Yamuna Expressway that left 13 dead and an October 24 sleeper bus fire in Andhra Pradesh that claimed 20 lives.

The bus, carrying 33 passengers en route to Gokarna, caught fire on impact. According to reports, the truck driver allegedly jumped a road divider and crashed into the oncoming bus.

Karnataka Chief Minister Siddaramaiah announced ₹5 lakh compensation each for the families of the deceased and ₹50,000 for the injured.

Prime Minister Modi also announced ex gratia of ₹2 lakh from the Prime Minister's National Relief Fund for the families of the deceased and ₹50,000 for the injured.

DEMAND FOR PROBE

BJP leader and MLA Basanagouda Patil Yatnal called for government action in Vijayapura.

He urged the Karnataka government to order a through inquiry into bus safety standards and take strict action against companies operating vehicles without adequate safety measures.

TN to host 4th annual technology conference, Umagine, on January 8-9

Our Bureau
Chennai

The Tamil Nadu government will organise the 4th edition of Umagine, the State's flagship technology conference, in Chennai on January 8 and 9.

Announcing the conference on X, Palanivel Thiaga Rajan, Minister for Information Technology and Digital Services of Tamil Nadu, said the event will bring world-class innovators together with young professionals and students. "The intent of the technology conference has always been to bring worldclass thinkers to share their ideas, impact and innovation with the youth of Tamil Nadu," he stated in a video shared on X.

"In an era where trade barriers are being erected and the old world order is being shifted, resilience in human capital and exposure to new ideas will be the catalysts for growth and we hope that all such innovators can come together at the conference to solve both international and local problems," he added.

Umagine was launched as an annual tech conference in 2023 to bring together key players of the technology ecosystem and provide a platform for the community of tech-driven companies to flourish both in and outside the State.

It aims to build an ecosystem that will make Tamil Nadu a destination of choice for both global and young tech companies and to build technologies of the future.

150 applications for TN's Startup Data Voucher Scheme

T E Raja Simhan
Chennai

The Tamil Nadu Startup Data Voucher Scheme, which was announced in the State Budget, has received around 150 applications. The scheme will support start-ups by reducing cloud infrastructure costs and enabling them to scale faster and innovate with ease, sources said.

FIRST TRANCHE

The State government is likely to release data credit reimbursement for the first tranche of start-ups during Umagine TN 2026, to be held in Chennai in January.

Under the scheme, the start-up will get reimbursement of ₹5 lakh towards cloud cost per annum for three years (up to ₹15 lakh per start-up) and a 5-40 per cent discount on cloud service costs from top global providers (AWS, Google Cloud, Microsoft Azure, Oracle, RailTel and Sify).

The total outlay for the scheme is ₹10 crore. The start-ups must be recommended by StartUpTN, iTNT Hub and ELCOT–STPI FinBlue to be eligible for the support.

Snowfall revives tourism in Gulmarg after Pahalgam slump

Gulzar Bhat
Srinagar

Following the recent spell of snowfall, Gulmarg, the popular ski resort in north Kashmir, has witnessed a notable revival in tourist footfalls in winter. The uptick comes after tourism in the Valley suffered a major setback following the April 22 attack in Pahalgam.

Hotels in the area are reporting a steady rise in occupancy after weeks of sluggish business.

"Around 50 per cent of hotels are booked at present," said Mohammad Sharif, manager at Hotel Grand Mumtaz, Gulmarg.

He said the snowfall had renewed interest among tourists who were earlier reluctant to travel. "This season was going slow, but snowfall has brought tourists back. Enquiries and bookings have increased significantly after the fresh spell," he said.

CHILLING OUT. With fresh snowfall, winter sports and recreation activities are picking up in Gulmarg ANI

RENEWED RUSH

Tourists visiting Gulmarg echoed similar views. Rahul Sharma, a tourist from Delhi, said he had postponed his trip earlier due to the prevailing situation but decided to visit after tracking weather updates. "We were unsure earlier, but the snowfall and improved arrangements encouraged us to come," he said, adding that skiing and snow activities were the main attractions.

Rush was also visible at the Gulmarg Gondola, where increased tourist activity was noticeable throughout the day.

Tourism officials said efforts were being intensified to sustain the momentum.

Deputy Director, Tourism Kashmir, Waseem Raja said the department, in collaboration with other stakeholders, is organising a series of events to attract more visitors. He noted that there had been a gradual improvement in tourist inflow following the fresh snowfall, and expressed the hope that arrivals would pick up further in the coming days.

With peak winter still ahead, stakeholders hope that snowfall-driven tourism will help offset losses suffered earlier in the season.

Official data for 2025 reflects the impact of the April incident on tourist movement.

TOURIST INFLOW

The Valley recorded a footfall of 10.47 lakh tourists, including 21,361 international travellers.

Tourist arrivals remained strong during the first four months of the year. For instance, April saw 1.75 lakh domestic tourist arrivals and 4,145 international visitors.

Following the attack, in May, domestic tourist numbers dropped sharply to 18,246, and international arrivals to 607. Although some recovery was seen in the subsequent months, numbers remained largely below average.

In August, domestic tourist arrivals stood at 62,430, while foreign tourist numbers rose to 1,399.

Seven national waterways totalling 668 km cleared for development in Maharashtra

Our Bureau
Pune

The Centre has identified 14 national waterways in Maharashtra, of which seven, with a navigable length of 662.97 km, have been found feasible for development by the Union Ministry of Ports, Shipping, and Waterways.

They include Godavari river, Arunavati–Aran, Dabhol Creek–Vashishti river, Kalyan–Thane–Mumbai Waterway, Vasai Creek and Ulhas river, Revadanda Creek–Kundalika river, River Tapi and Wainganga–Pranahita.

NW-10 (Amba river), NW-53, NW-83 (Rajpuri Creek), NW-85, NW-89 (Savitri river–Bankot Creek), and NW-91 (Shastri river–Jaigad Creek) handled 45.35 per cent of the country's total inland water transport cargo in 2024-25.

LOGISTICS POLICY

The Inland Waterways Authority of India provides assistance to operators to promote cargo and passenger movement. It is responsible for the development and regulation of inland waterways for shipping and navigation, while economic activity and industrialisation along river banks fall under the jurisdiction of the State governments.

The Maharashtra Logistics Policy-2024 envisages several initiatives to strengthen coastal logistics and promote port-led industrialisation, particularly in Raigad, Ratnagiri and Sindhudurg districts. The policy proposes the development of integrated logistics hubs, improved coastal connectivity and enhanced port infrastructure to ensure efficient cargo movement and support economic growth.

QUICKLY.

Sun Pharma arm recalls anti-fungal shampoo in US

New Delhi: Taro Pharmaceutical Industries, a unit of Sun Pharma, is recalling over 17,000 units of an anti-fungal medication in the US due to manufacturing issues, according to the US Food and Drug Administration (USFDA). The US health regulator stated that Hawthorne-based Taro is recalling 17,664 units of the Ciclopirox Shampoo that treats seborrheic dermatitis. PTI

Nvidia to licence Groq tech, hire executives

Nvidia will licence chip technology from start-up Groq and hire its CEO, a veteran of Alphabet's Google. Groq specialises in inference, where AI models have already been trained to respond to requests from users. While Nvidia dominates the market for training AI models, it faces much competition in inference, where traditional rivals such as Advanced Micro Devices have aimed to challenge it as well as start-ups, such as Groq and Cerebras Systems. REUTERS

States weighing cap on software engineering seats

TOO MANY HANDS. Tech hiring slowdown raises concerns over employability and oversupply of computer science graduates amid high intake in colleges

Sindhu Hariharan
KV Kurmanath
Aishwarya Kumar
Chennai/Hyderabad/Bengaluru

Even as engineering graduates grapple with lower job opportunities, the demand and, consequently, the number of computer science engineering seats, continue to rank high, raising questions around the employability of this pool and leading States to mull intervention.

As the authorities in Karnataka recently mooted the need to cap the number of seats in the computer science stream, officials in Tamil Nadu and Telangana also acknowledged the need to have a serious dialogue with colleges and sensitise students on looking beyond computer science courses.

Experts, however, noted that the States may not be able to mandate this as it is governed by the All India Council for Technical Education (AICTE), and market forces will sooner or later correct this.

SOUGHT-AFTER

In the case of Karnataka, while a formal cap on computer science seats has not yet been implemented, the proposal is under consideration.

A senior Education Department official, who spoke on the condition of anonymity, told *businessline* that CS seat capacity had nearly doubled in four years — from 20,812 in 2020 to 38,178 last year, with 7,785 new seats added in 2024 alone.

"The slowdown in tech hiring has reduced demand, which is why a cap on CS seats, or even a partial rollback, is being considered to prevent oversupply," the official said. "Even with the hiring slowdown, CS, ECE and information science continue to be the most sought-after streams and record the lowest vacancy levels compared to others," the official added.

Karnataka has 245 engineering colleges with a combined intake of about 1.51 lakh seats, including 38,178 in computer science, 20,208 in electronics and communication engineering, 9,108 in information science, and 8,960 in mechanical engineering. Of these, 71,303 seats fall under the government quota, and the remaining are filled through Comed-K, the consortium of private engineering colleges.

A State official in Tamil Nadu said ideally the number of seats should be decided by market forces but given the "herd mentality" of flocking to computer science engineering, sometimes the realisation hits too late. "At best we can convene a meeting and advise colleges to distribute seats across streams and not go on increasing computer science seats," the official added.

GROUND REALITY. Seat capacity has nearly doubled in four years from 20,812 in 2020 to 38,178 last year with 7,785 new seats added in 2024 alone

FEW JOBS

- Demand for seats still high amid job woes
- Karnataka considering cap/ partial seat rollback
- TN & Telangana say interventions needed
- States may have limited authority to cap seats
- Colleges cite students' herd mentality
- Experts warn AI advancements, tech layoffs are risky

AI ADVANCEMENTS

Experts estimate Tamil Nadu has over 3 lakh engineering seats with almost 18-20 per cent of this in computer science streams. The top deemed universities alone hold about 10,000-15,000 computer science seats themselves.

The rapid advancements in AI, coupled with recent layoffs should act as a warning call for current and future entry-level jobs in tech, they added. Telangana is planning to discourage students from joining CSC and allied streams, given the slack in demand from companies.

"We held a meeting with over 800 parents. I told them there is a huge oversupply of CSC candidates and there are no takers in the industry. I told them it is time they join their wards in other engineering disciplines," Prof (Dr) V Balakista Reddy, Chairman of the Telangana Higher Education Council (TGCHE), said. He hinted that the government might even scrap scholarships for those joining CSC and allied branches. Telangana reimburses the fees collected from SC/ST (full reimbursement) and BC, economically backward, and differently abled students.

Telangana has about 170 engineering colleges including 148 in the private sector, with an aggregate seats of over 1.10 lakh. More than half are in Computer Science and allied (AI, ML, Cybersecurity, and so on). Of this, only about 15-20 top colleges attract companies during placement seasons leaving the majority unemployed.

K Ramachandran, education expert, noted that practically, it is difficult for the States to take a stance, because if the approval is granted by AICTE based on existing norms, colleges could challenge proceedings.

"The problem is seats setting is based on infrastructure such as number of faculty, computers, and other parameters rather than the job market. The best forum available to the State is to discuss this with college heads in the academic senate of Anna University, and with the Association of Private self financing engineering colleges in Tamil Nadu," he said.

NO COORDINATION

Career consultant Jayaprakash Gandhi believes there is a lack of coordination among AICTE, universities, and corporations. "State governments and relevant universities should implement appropriate measures to curb the substantial growth in specific fields of study. We previously encountered a similar situation years ago when numerous engineering institutions disproportionately expanded their mechanical engineering programmes," he said.

For the past two years, the influx of computer science engineering graduates has been higher, and approximately 70 per cent of future graduates will be from computer science and related disciplines, while the number of available positions in core engineering fields is significantly lower, Gandhi noted.

An official at a large private deemed university based in Tamil Nadu noted while there is some strain in placements in the last couple of years, the demand side has seen no slowing down with students continuing to mention computer science as first preference.

"Computer science seats, including in AI/ML/data science streams, continue to be in high demand even though the placements are not happening big time. On the other hand, the core groups (civil and mechanical) are registering sizeable placements. A good number of our core groups (in a total of 120) placements," a promoter of an engineering college in Hyderabad told *businessline*.

Prof Jawahar Doreswamy, University Chancellor of PES University, said the intake at its RR Campus is 1,740 seats and 1,260 seats at its EC Campus, with 2,996 seats filled.

"There are only four vacancies, largely due to delayed medical admissions. Demand continues to be strong, especially for Bengaluru-based institutions with consistent placement outcomes," he said.

Mumbai Metropolitan Region's second airport starts operations

Aneesh Phadnis
Mumbai

Christmas day heralded a new chapter in the Mumbai Metropolitan Region's airport infrastructure development, with the formal opening of the Navi Mumbai airport bringing cheer to air travellers to and from the *Urbs Prima in Indis*.

An IndiGo Airbus A320 aircraft from Bengaluru with 160 passengers was the first to touch down at 7.32 am. The first departure was of IndiGo as well, and it carried 185 passengers to Hyderabad an hour later.

Built at a cost of over ₹19,650 crore, the airport addresses the connectivity needs of Navi Mumbai, Thane, Pune and other regions, and on day one, travellers took full advantage of it.

"It is a big relief for us and makes commute to home easier. The airport will also take the pressure off the existing Mumbai airport," said Hyderabad resident Ashwini Betala. "We have been waiting for this day for 20 years," said Kunwar Khanna, who flew in from Delhi.

While most chose to fly for connectivity, some chose for cost. "I bought the ticket for Goa a day before only because it was cheaper from here than Mumbai," said Yukta Pai.

NEAR-TERM OUTLOOK. The Navi Mumbai airport is expected to handle a couple of million domestic passengers in FY26. International flights are expected to start from next March PTI

CELEBRATORY NOTE

The day began on a celebratory note with Adani Group chairman Gautam Adani greeting airport staff and passengers. He called the airport opening a proud day for Mumbai and India.

Also present on the occasion were Param Vir Chakra awardees and sports personalities Suryakumar Yadav, Sunil Chhetri and Mithali Raj. Villagers, whose land was acquired for the airport, were felicitated and given a 40-minute joyride in an Air India Express aircraft.

On day one, the Navi Mumbai airport handled 48 flights, serving around 4,000 passengers. The airport is expected to handle a couple of million domestic passengers in FY26. International flights are expected to start from next March.

Jeet Adani, Director, Adani Airports Holding Ltd, said the Navi Mumbai airport establishes a resilient multi-airport system for the Mumbai Metropolitan Region, boosting capacity, enhancing passenger experience and future proofing the region's aviation growth.

TEETHING PROBLEMS

While finishing and flooring works are still on, day one operations were largely smooth. There were some teething problems like delays in baggage delivery in arrivals.

One passenger from Kochi named Fatima said her baggage lock was tampered with. Customers complained of patchy mobile networks, which made it difficult for them to book cabs. On its part, an executive from Uber said free rides were given to 150 passengers.

Another sore sight on day one was water leakage near the toilets in the arrival area.

"There is need for more signage on the highway. Google maps, too, need an update," Uber driver Yogesh Sawatekar complained.

Bangladesh PM frontrunner returns from exile ahead of polls

Reuters
Dhaka

Bangladesh Nationalist Party acting Chairman Tarique Rahman returned from nearly 17 years in exile on Thursday, a homecoming the party hopes will energise supporters with Rahman poised to be the top contender for prime minister in February.

Hundreds of thousands of supporters lined the route from Dhaka's airport to a reception venue, waving party flags and carrying placards, banners and flowers, as senior BNP leaders received Rahman at the airport under tight security. Rahman, 60, the son of ailing former Prime Minister Khaleda Zia, has lived in London since 2008 and led the BNP as acting Chairman since 2018.

His return comes as Bangladesh enters a sensitive election period under an interim government led by Nobel laureate Muhammad Yunus. The vote is seen as crucial to restoring political stability after nearly two years of turmoil. While authorities have pledged a free and peaceful election, recent attacks on media outlets and sporadic violence have raised concern.

Infosys offers up to ₹21 lakh pay packages for specialised fresher roles

Sanjana B
Bengaluru

Infosys is preparing to offer fresher compensation of up to ₹21 lakh per annum for specialised technology roles as part of its campus recruitment drive for the class of 2026, sources said.

In a recruitment banner circulated to engineering colleges, which *businessline* reviewed, Infosys detailed an upgraded campus hiring strategy for the class of 2026, underscoring a stronger push for premium technical talent even as the wider IT services sector remains guarded on fresher hiring.

TIERED HIRING MODEL

The revised compensation framework introduces a tiered pay structure linked to skill depth and role complexity. Specialist Programmer (L1 to L3) trainees are offered packages ranging from ₹10 lakh to ₹21 lakh per annum respectively, while Digital Specialist Engineer trainees will earn ₹6.25 lakh per annum along with a joining bonus.

The recruitment programme is anchored around specialised trainee roles — Specialist Programmer and Digital Specialist Engineer — reflecting Infosys' push towards an AI-first services model.

By differentiating compensation across multiple skill tiers, the IT major appears to be formalising a shift away from uniform fresher salaries to a more capability-driven hiring approach.

Infosys had earlier announced its plans to hire 20,000 freshers in FY26.

The recruitment banner also highlighted that the hiring process for 2026 would be conducted entirely through on-campus, in-person evaluations.

Infosys said the evaluation will focus on both technical acumen and behavioural competencies.

Infosys did not respond to a detailed questionnaire sent by *businessline* till the time of going to press.

IndiGo cancels 67 flights from various airports

Press Trust of India
Mumbai

Domestic carrier IndiGo on Thursday cancelled 67 flights from multiple airports due to "forecasted" bad weather and operational reasons, according to the airline's website.

Of the 67 cancelled flights, only four were for operational reasons, and the rest were due to "forecasted" bad weather at various airports, including Agartala, Chandigarh, Dehradun, Varanasi and Bengaluru, among others, as per the website.

Aviation regulator DGCA has announced the period between December 10 and February 10 next year as the official fog window this winter. As part of the DGCA fog operations (CAT-IIIB) norms, airlines have to mandatorily roster pilots who are trained to operate in low-visibility conditions, as well as deploy a CAT-IIIB-compliant aircraft fleet for such operations.

Category-III is advanced navigation that empowers an aircraft to land under foggy conditions. Category-III-A is a precision instrument approach and landing that enables a plane to land with a runway visual range (RVR) of 200 m.

Weight-loss drug approval all set to speed up food industry product overhaul in US

Reuters
New York

Packaged food makers and fast-food restaurants may be forced to overhaul more of their products next year as newly approved, appetite-suppressing GLP-1 pills become available in January, analysts say.

More Americans are expected to try the drugs as a pill rather than as a shot because the medication will be cheaper and many patients are hesitant to inject themselves.

The US Food and Drug Administration approved Novo Nordisk's Wegovy GLP-1 pill on Monday, sending shares of food companies down on Tuesday.

Eli Lilly's rival medication is expected to gain approval from regulators next year.

Food companies, including Conagra Brands and Nestle, are already dealing with shifts in consumer tastes toward higher protein and smaller portions due to the popularity of weight-loss injections, and analysts believe widespread GLP-1adoption could mean long-term changes in demand.

MORE PROTEIN

To cope, businesses are promoting products with more protein, tweaking labelling to say they are GLP-1 friendly and working with large retailers to better market products.

"We are seeing people cut (back) specifically on salty snacks, liquor, soda, drinks, and bakery snacks, and more focussed on protein and fibre, so we expect food companies and also restaurants to cater to this audience that is growing," said JP Frossard, Consumer Foods Analyst at Rabobank.

"We'll see more access to those drugs and a higher addressable market for products that have in mind the needs of the GLP-1user," he said.

Andrew Rocco, stock strategist at Zacks Investment Research, called Novo's approval "groundbreaking" because the pill would be cheaper than the injectable version of Wegovy and deliver the same weight-loss metrics.

"High protein, smaller portions, and functional food innovation will be necessary," he said.

Some 40 per cent of American adults are obese, US government data show, and around 12 per cent of adults say they currently take GLP-1 drugs, according to a poll published last month by health policy research organization KFF.

Households using GLP-1 medications cut spending at grocery stores by 5.3 per cent and fast-food restaurants by about 8 per cent on average, according to a Cornell Research study published last week that used purchase data collected by Numerator from about 1,50,000 households.

Those reductions largely faded when households stopped using the medication. "The decreases we saw will likely show up in a much broader slice of the population" because of weight-loss pills, said Sylvia Hristakeva, one of the study's co-authors.

LONGER USE

She said the cheaper price and ease of use of pills will also make it likely that people use the medication for longer.

Herbal or plant-based infusions cannot be labelled as tea: FSSAI

Meenakshi Verma Ambwani
New Delhi

The Food Safety and Standards Authority of India (FSSAI) on Thursday said the term "tea" cannot be used on the labels of herbal or plant-based infusions as it will amount to misbranding.

It pointed out that only beverages derived from *Camellia sinensis*, including Kangra tea, green tea and instant tea, can be labelled as tea.

It directed food companies, including e-commerce platforms, to comply with the requisite standards and refrain from misbranding. It also asked the States and the UTs to ensure adherence to standards and take action.

"It has come to the notice of FSSAI that some food business operators are marketing products that are not obtained from the plant *Camellia sinensis* under the name 'tea', such as 'Rooibos tea', 'herbal tea', 'flower tea', among others," the Authority stated in an advisory.

CHAI PE CHARCHA. Only beverages derived from *Camellia sinensis* including Kangra tea, green tea and instant tea can be labelled as tea

TRUE NATURE

It clarified that as per standards specified in the Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011, the term "tea", including Kangra tea, green tea and instant tea in solid form, shall be exclusively from the plant *Camellia sinensis*.

Stating that every food package must carry the "true nature" of the food contained in the package on the front of pack, it added that the use of the word "tea" directly or indirectly for any other plant-based or herbal infusions or blends not derived from *Camellia sinensis* is misleading and amounts to misbranding.

"As per the aforementioned regulation, such plant-based or herbal infusions or blends, which are not derived from *Camellia sinensis*, do not qualify to be named as tea," it added.

All food business operators, including e-commerce engaged in manufacturing, packing, marketing, import or sale of such products, are directed to comply with the provisions of the Food Safety and Standards Regulation and refrain from using the term "tea" for any products not derived from *Camellia sinensis*, it added.

The Authority directed Food Safety Commissioners of the States and UTs and Regional Directors to monitor and ensure strict adherence to these provisions by the food business operators, including e-commerce.

"In case of non-compliance, necessary action shall be initiated as per the provisions of the Food Safety and Standards Act, 2006," it added.