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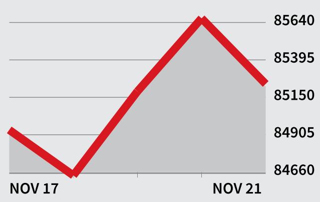

IN FOCUS

	Week's close	Week's change
Nifty 50	26068.15	+158.10
P/E Ratio (Sensex)	23.25	+0.25
US Dollar (in ₹)	89.48	+0.74
Gold Std 10 gm (in ₹)	122653.00	-1641
Silver 1 kg (in ₹)	151129.00	-8238

FLIGHT PLAN. **IndiGo is advancing** both its domestic and international expansion plans for 2026, says IndiGo's CEO Pieter Elbers **p10**

WTO CHALLENGE. **US and Canada** question India's rice policies, subsidy limits and global market distortions **p3**

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MFI disbursements rebound sharply in Q2 after five quarters of slump

GROWTH DRIVERS. Recovery gains momentum as lenders tighten assessment norms, monitoring practices

Piyush Shukla
Mumbai

The worst may be over for microfinance institutions (MFIs) as disbursements showed meaningful year-on-year (y-o-y) growth in Q2FY26, after a hiatus of five quarters when disbursements were tepid or saw de-growth.

CREDIT GUARDRAILS

- MFI sector's SRO introduced fresh guardrails — including not extending loans to clients with over ₹2 lakh indebtedness; not granting loans to borrowers who have over 3 outstanding loans, and not lending to a delinquent client — which hit lenders' disbursements
- With the implementation of new guidelines, MFIs are likely to see disbursements grow at a slower pace

LENDING MOMENTUM

CreditAccess Grameen (CA Grameen), the largest MFI, reported a 33 per cent year-on-year jump in disbursements to ₹5,322 crore in Q2FY26, higher than the 22 per cent growth in Q1.

The MFI's disbursements de-grew on a y-o-y basis in every quarter in FY25.

Satin Creditcare's disbursements were up 6 per cent y-o-y and rose 17 per cent quarter-on-quarter (q-o-q) to ₹2,421 crore in Q2.

Muthoot Microfin's disbursements stood at ₹2,274 crore in Q2, higher than the ₹1,775 crore-₹2,035 crore range of disbursements made during Q3FY25 to Q1FY26.

Spandana Sphoorty's disbursements climbed to ₹427 crore in September 2025 from ₹33 crore in April 2025.

According to Satin Creditcare CMD HP Singh, MFIs are unlikely to post 25-40 per cent loan growth like they did in FY24. "It will be a cautious growth, in the range of 10 per cent or so, which is the best for the industry as a whole. For ourselves, we have limited our growth to less than 10 per cent," he said, adding that the sector is seeing positive trends in collections, processes, attrition numbers and disbursements.

SECTOR HEADWINDS

MFIs were forced to apply brakes on disbursements in FY25 after seeing a spike in non-performing assets (NPAs) due to overleveraging of borrowers, political developments in a few States, and MFIs themselves growing at a breakneck speed earlier.

Jiji Mammen, CEO at Sa-Dhan, a Reserve Bank of India recognised Self-Regulatory Organisation (SRO) for the MFI sector, says Q3FY25 was the worst in terms of loan de-growth and asset quality. Since then, the data show there is a gradual improvement in the PAR (portfolio at risk) level across buckets.

MFIs must continue to be careful with borrowers' repayment, existing debt and income levels. The joint liability group mechanism will continue, but Mammen says more individual-centric assessment must be done. "The worst is over for the MFI sector," he says.

Fractional shares, producer LLPs to figure in corporate law amendment Bill

Shishir Sinha
New Delhi

Fractional shares for select categories of companies and Producer Limited Liability Partnerships (LLPs) may soon become a reality, with the government proposing amendments to corporate laws in the upcoming Winter Session of Parliament.

According to the Lok Sabha Bulletin, the government has listed the Corporate Laws (Amendment) Bill, 2025 for introduction, consideration and passage during the session scheduled to begin on December 1. The Bill aims to amend the Companies Act, 2013 and the LLP Act, 2008, to facilitate ease of doing business and address gaps identified by the Company Law Committee in its 2022 report.

The Committee recommended 26 changes to the Companies Act and one to the LLP Act. A major proposal is the legal recognition of the issuance and holding of fractional shares, portions of a share that are less than one full unit, often arising from corporate actions such as mergers, bonus issuances or rights issues. Current law does not allow investors to hold fractional shares.

At present, fractional share trading is permitted only within the International Financial Services Centres Authority's regulatory sandbox.

"Fractional shares open the opportunity for small investors and general public to invest even a small amount in the shares of good or great companies to the extent of even less than one share in terms of percentage, but have shares of such good and great companies in their portfolio for their future growth," said Zameer Nathani, Global General Counsel – Group, DNEG and AMP, Harvard Business School.

STRUCTURE PROPOSED

The amendment linked to the LLP Act proposes a new chapter that brings in the concept of Producer LLPs. The committee noted that producer organisations support collective decision-making, reduce transaction costs and improve the viability of small agricultural operations. While the Companies Act already provides for producer companies, the committee believes that Producer LLPs would offer a more suitable structure for small producers due to simpler compliance requirements.

Also read p10

CHENNAI
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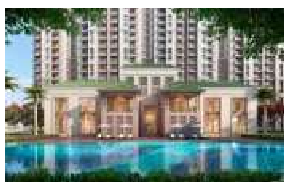
QUICKLY.

ATS HomeKraft fully repays ₹1,250 cr to HDFC



Bengaluru: Delhi-NCR-based mid-income housing developer ATS HomeKraft has fully repaid ₹1,250 crore to HDFC Capital Affordable Real Estate Fund–2 (HCARE-2). The repayment was completed using internal cash flows from the HCARE-2 portfolio projects, without resorting to third-party refinancing. OUR BUREAU

Gadkari bats for 'farmer producer companies'

Nagpur: Union minister Nitin Gadkari emphasised the need for "farmer producer companies" for the progress of cultivators. Addressing a workshop on farmer producer organisation, he said all problems of cultivators must be solved at commissionerate level in districts through the farmer producer company. PTI

Fertilizer, not just gold, played a major role in widening India's trade deficit

IMPORT SURGE. In July-October, fertilizer imports were at $8.09 billion, up 143.67%, according to trade data

Prabhudatta Mishra
New Delhi

Besides gold, fertilizer imports have also contributed significantly to India's ballooning trade imbalance. A deep dive into the recently-released trade data showed that India's fertilizer import bill has zoomed over the year-ago period.

The merchandise trade deficit hit a record $41.68 billion in October, as non-oil items like fertilizers and gold pushed up the import bill and heightened external sector risks.

The latest trade data show that the cumulative import of fertilizers this fiscal until October is 82 per cent higher.

In just four months in July-October, fertilizer imports were $8.09 billlion, up by a whopping 143.67 per cent, mainly due to record imports of urea in a short span. According to official data, urea imports rose by 228.43 per cent in July-October to 49.79 lakh tonnes from 15.16 lt in the year-ago period.

MARKET STRAIN. India is contributing to a spike in global prices entering the market with a demand of 60 lakh tonnes

GLOBAL PRICES

An equally concerning fact is low level of domestic stock amid rising demand for the crop nutrients in the ongoing rabi sowing season which leaves the government with little option but to import.

Consequently, India is contributing to a spike in global prices by rushing to the market in a short span with a massive demand.

As reports of fertilizer shortage, particularly of urea, started pouring in from across the country from July, with more acreage under paddy and maize in the backdrop of a good monsoon, the government rushed with import of 60 lt of urea from the global market within 2-3 months in three tranches. Against this, the entire import of urea in 2024-25 was only 56.47 lt.

Imported urea now costs $400-410 per tonne (CFR) as against average $362/tonne (FOB) in November 2024 and imported DAP $680-700/tonne (CFR) now against $634/tonne year-ago.

Imported urea reached a high of $530 per tonne (FOB) in August, but softened after China decided to ease export restrictions for some countries in September. Global rate of DAP had crossed $800/tonne in August.

IMPORT PERIOD

"The main import period of fertilizers was from July when global prices reached their peak. The government needs to re-strategise its import policy so that it does not affect the trade gap," said an industry official.

The Fertilizer Ministry has discontinued the monthly updates on imports, sales, production, and subsidy starting in July, citing this as a factor contributing to the shortage.

Beefing up fertilizer import simultaneously has a positive aspect as the opening stock as on November 1 improved in many nutrients from the levels of September, though lower from year-ago level in some item.

Urea stock as on November 1 was 50.54 lt against 68.16 lt year-ago, DAP 19.05 lt against 11.52 lt, Muriate of Potash (MOP) 7.33 lt against 7.41 lt, complex (combination of all nutrients) 36.21 lt against 31.13 lt.

The Centre, during the last kharif season, introduced a ceiling of 20 bags of subsidised fertilizers per buyer per month and it is said to be continuing now. District magistrates have been regularly updated about the local top 20 buyers to check the genuineness of the buyers.

Rolls-Royce awaits MoD nod to build engines in India

Dalip Singh
New Delhi

In a major push towards localising core defence propulsion systems, Rolls-Royce has partnered with two defence PSUs and is awaiting Ministry of Defence (MoD) clearances to begin manufacturing engines for the Arjun Main Battle Tank (MBDT), the light tank, future infantry combat vehicle (FICV), future ready combat vehicle (FRCV) and heavy motor vehicles (HMVs).Simultaneously, the company is advancing plans to localise its high-end Series 4000 naval engines, for which it has identified a domestic partner for Indian Navy's projects.

SIGNIFICANT SHIFT

These developments were disclosed during *businessline*'s exclusive interaction with Giovanni Spadaro, President, Global Markets, Rolls-Royce Power Systems and Managing Director, Rolls-Royce Solutions Asia, along with G S Selwyn, Executive Vice President, Rolls-Royce India and Managing Director, MTU India.

The initiatives mark a significant shift in Rolls-Royce's defence business strategy—from a source-and-sell approach to a deep localisation model. This reorientation is designed to capitalise on India's rapidly expanding defence market and to align with the government's *aatmanirbharta* (self-reliance) agenda by producing key propulsion systems for land and naval platforms within the country.

"There are two different defence PSU partners—one for the Arjun tank engines and the other for the Series 199 family of engines," Spadaro said, joining the conversation virtually from Singapore. "For Arjun, it's the MB838, while the Series 199 (S199) is meant for a range of platforms, starting with the light tank, FICV, FRCV and HMV, with multiple cylinder variants from 450 horsepower to 1,500 horsepower."According to the company, they are in talks with private players like L&T, which has already got first orders for manufacturing of light tank Zorawar, Tata and Mahindra, offering them their S199 family of engines.

Tata MF enters SIF under Titanium brand with hybrid product

Our Bureau
Mumbai

Tata Asset Management, one of the leading and oldest mutual fund houses, has entered in Specialised Investment Fund under the Titanium brand.

The fund house will launch its first SIF of hybrid long-short investment strategy that aims to dynamically combine equity, debt, and derivative exposures to help investors navigate multiple market phases with better risk-adjusted outcomes. It also has provision to invest in fixed income and REITs. The new fund offer will open for subscription on Monday.

> **The fund house will announce NAV on a daily basis** but redemption will be allowed only on the first of a month

The fund is designed for investors with a higher risk, having a minimum ticket size of at least ₹10 lakh across SIFs at the PAN level in an AMC.

The fund will invest minium 25 per cent in equities and debt and maximum 25 per cent in unhedged exposure to short instruments.

UNIQUE MIX

The unique mix allows the fund to participate in market upswings through long positions in equity and derivative instruments, cushion the downside risks via short strategies and arbitrage and potentially generate returns through debt.

The strategy can also invest in Real Estate Investment Trusts and Infrastructure Investment trusts.

EQUITY DERIVATIVES

The strategy leverages equity derivatives to tactically express market views, capture opportunities on both rising and falling stocks and manage risk during volatile phases.

Anand Vardarajan, Chief Business Officer, Tata Asset Management, said it is largely observed that nearly 65 per cent of the time markets are on upward trend while 35 per cent of the times swings downwards or remain flat.

While portfolio generates better returns during the bull phase, the introduction of SIF allows the investor to potentially benefit from drops also through derivatives and Titanium SIF aims to deliver on these expectations, he said.

Suraj Nanda, Fund Manager, Titanium SIF, added by tactically using long and short positions, the fund seeks to generate risk-adjusted returns while moderating volatility. Once committed ₹10 lakh, investors can also start SIP of ₹1,000 with at least 6 instalments and minium top-up of ₹500 and in multiples of ₹500.

FUND HOUSE

The fund house will announce NAV on a daily basis but redemption will be allowed only on the first of a month.

Fresh investments can be made on any working day.

Superior service should command better pricing of policies: HDFC ERGO CEO

bl.interview

G Naga Sridhar
Hyderabad

The general insurance industry is facing many winds of change with changes in tax regime and increasing cost pressures.

The pricing pressure is redefining competition and customers are increasingly looking at service as a differentiator. The government is also planning to introduce Insurance Laws (Amendment Bill 2025) to raise insurance FDI to 100 per cent and amend LIC and IRDAI Laws.

businessline spoke to Anuj Tyagi, MD & CEO, HDFC ERGO General Insurance on the trends and challenges for the general insurance industry.

Edited excerpts:

> Post-GST exemption, health premiums have taken off - retail health in October is likely to grow 32–33 per cent industry-wide.
>
> ANUJ TYAGI
> MD & CEO,
> HDFC ERGO General Insurance

How is the general insurance industry performing, especially after the waiver of GST on individual health premium?

The industry grew 7.3 per cent year-to-date (YTD) in September 2025.

This looks muted versus prior years mainly because the regulator has moved long-term policies to 1/N premium recognition.

Earlier, a 10-year policy with ₹100 premium was fully booked upfront but now it's ₹10 per year, which mechanically lowers reported growth. YTD October, growth dipped to about 6 per cent largely due to lower crop insurance premiums. Health has a sizable share of long-term policies, so that also affects booking. On a gross written (pre-1/N) basis, underlying industry growth is around 11–12 per cent.

Post-GST exemption, health premiums have taken off - retail health in October is likely to grow 32–33 per cent industry-wide.

Motor premiums are up as vehicle sales rise.

There is a need to see how much is the GST effect versus festival season tailwinds.And, early November also looks encouraging.

In general insurance, which segments are now leading? How is the business mix for HDFC ERGO?

In non-life insurance, health is now the largest, accounting for about 39 per cent of the total of premiums.

It has been growing, and health has overtaken other lines.

Then come the commercial, crop and motor cover, YTD October, motor is growing roughly at around 8–9 per cent.

For HDFC ERGO, our largest segment is health. About 46–47 per cent of business is accident and health. We focus on retail/individual health and we do very little in group/government health. We have around 1.2–1.3 lakh agents sourcing health, operating from about 900 locations (roughly 300 full offices and over 600 digital single-staff offices).

We're expanding physical reach, digital presence, products and hospital tie-ups going forward.

Our health claim rejection ratio is among the lowest in the industry at less than 3 per cent (as per IRDAI data) while cashless claim approval turnaround is under 30 minutes, typically 24–25 minutes.

We also have initiatives like immediate discharge tie-ups and pre-approvals for chronic conditions.

After GST waiver on insurance premiums, how are you managing cost pressures? Did you reduce distributor commissions?

The right thing to do was to pass the entire GST benefit to customers, which as an industry we did.

That created an input tax credit mismatch, increasing insurer costs.

In the spirit of partnership and to sustain customer benefit, a portion of that load has been passed on to distributors across both life and non-life. We continue to engage the government for input credit solutions.

Do you expect more insurers will go public going forward? What about HDFC ERGO?

There are two considerations in this regard. First, Ind AS 117 and Risk-Based Capital (RBC) will significantly change reported metrics, including profits, combined ratio and capitalisation.

The industry is targeting April 2027 for Ind AS 117, with RBC alongside. Until these stabilise, it's hard for investors to underwrite value.

Second, the industry's profitability remains weak—combined ratio around 112 - 115 per cent, i.e., technical loss of ₹12–15 per ₹100 premium. In my view, listings should wait until profitability is healthier and Ind AS /RBC settles.

For us, we have no listing plans at this time.

However, ultimately it's a shareholder's decision.

If the general insurance profitability is weak now, what measures are needed for the industry to be back in the black?

There are four levers for this. There is no meaningful hike in motor Third-Party (TP) pricing in six years, while court-awarded claim inflation runs 10–12 per cent.

We urgently need TP price increases.

Pricing discipline is also needed. Competition is overly price-led rather than service-led.

Superior service (low health rejection ratios, faster cashless) should command better pricing.

Industry expense ratios are high at about 29–30 per cent.

We must reduce distribution and operating costs.

Finally, there is also need for deeper and wider reach of insurance in more geographies to bring more lives and risks into the insurance net.

7 limestone blocks to be up for auction in J&K

Press Trust of India
New Delhi

For the first time, a total of seven limestone blocks will be put up for auction in the Union Territory of Jammu & Kashmir on Monday.

"It is also the first mining block auction taking place in the Union Territory since reforms, signalling a shift toward transparency, competitiveness, and sustainable development in the mineral sector," the mines ministry said in a statement.

The blocks, covering approximately 314 hectares, have been identified across Anantnag, Rajouri, and Poonch districts.

Categorised under G3 and G4 exploration stages, these deposits hold considerable potential for high-quality limestone critical to cement manufacturing, construction and other industrial applications.

GIVA to set up 1,000 stores pan-India by 2028

Aishwarya Kumar
Bengaluru

D2C fine jewellery brand GIVA plans to expand its retail footprint to 340 stores by March 2026, and is targeting a chain of 800–1,000 stores across India over the next three years, founder Ishendra Agarwal told *businessline*. Agarwal said around 45 per cent of the new stores will be coming this fiscal year.

The company currently operates 280 stores, largely across the top eight cities, with a strong presence in Tier-2 markets as well. "In some Tier-2 cities, we have gone very deep. For instance, Indore has five stores, Lucknow four, and Jaipur five," Agarwal said.

In Tier-1 markets, Bengaluru has 47 stores, with plans to add 10–15 more. Delhi-NCR currently has 72 stores, with similar expansion plans for the next one year. Overall, GIVA is present in 48 cities.

OUTLET DENSITY

Agarwal said the company's strategy is to have a store every 2–3 km, compared to the earlier 5-km radius model. GIVA aims to end FY26 with over 340 stores, adding around 150 outlets this year.

The company recently raised ₹530 crore in its Series C round led by growth-stage investor Creaegis, with participation from Premji Invest, Epiq Capital and Edelweiss Discovery Fund.

The capital will be used for retail expansion, building manufacturing footprint and supporting working capital requirements, he said.

J&K's Shopian swaps gunfire for guitar strings as youth flock to music contest

Gulzar Bhat
Srinagar

A few years ago, not many could have imagined a music competition drawing dozens of aspiring young singers — boys and girls — to register enthusiastically in Shopian, a district once associated more with conflict than cultural expression.

Situated 52 km south of Srinagar, the first-rate apple producing district was frequently described by headline writers as a "powder keg," having witnessed some of the worst militant incidents, recurring encounters and stone-pelting in the Valley. Once, the administration even had to use a helicopter to ferry poll material to a village 10 to 14 km from the district headquarters. Around

54 militants, mostly local boys, were active in the town.

But things have changed now.

CULTURAL SHIFT

Against this backdrop, the return of Shopian Idol, now entering its second edition, reflects a quiet but meaningful cultural shift. Organised by the District Administration with the support of local cultural groups, the competition aims to provide a stage for young singers to showcase their talent and steer community energy toward creative pursuits.

"Platforms like Shopian Idol help channel the energy of young people into constructive activities," said Shishir Gupta, District Magistrate Shopian.

He said the administration was committed to expanding such constructive avenues to keep young people focused, motivated and oriented toward meaningful goals.

The first edition held last year was widely appreciated, and even produced success stories. A group of contestants came together to form Shukroo Band, which now performs at weddings and cultural functions across the Valley, earning a steady livelihood.

AUDITIONS

Encouraged by such outcomes, organisers say this year's event will be bigger. Several rounds of auditions will be held across the district to ensure broader participation.

The competition will feature Kashmiri folk, Sufi, Bollywood and contemporary music categories, with experienced local musicians serving as judges and mentors.

The finale of Shopian Idol Season 2 is expected next month, and with rising registrations, organisers say the message is clear: Shopian's youth are ready to take the stage.

Wealthy.in secures ₹130 cr to expand AI-powered platform for wealth advisors

Our Bureau
Bengaluru

Wealth-tech platform Wealthy.in has raised ₹130 crore in a Series B round led by Bertelsmann India Investments. The Bengaluru-based company manages assets worth ₹5,000 crore and processes over ₹300 crore in monthly transactions. Founded by IIT–IIM alumni Aditya Agarwal and Prashant Gupta, Wealthy.in works with a network of more than 6,000 mutual fund distributors (MFDs) who serve over 100,000 clients across 1,000 towns. The fresh capital will be used to equip growing MFDs with advanced AI-powered tools and digital infrastructure. "India has a fundamental advice gap that technology alone cannot solve. This gap exists because we have too few advisors, and the ones we have lack the tools to scale," said Aditya Agarwal, Co-founder, Wealthy.in. The round also saw participation from existing investor Alphawave Global, new investor Shepherd's Hill, and a group of prominent tech entrepreneurs.

WTO face-off: US, Canada question India's MSP for rice and export push

LOCKING HORNS. Agri committee to meet on Nov 24-26 to discuss questions posed by members to each other

Amiti Sen
New Delhi

The US and Canada have registered concerns at the World Trade Organization (WTO) regarding the potential global market-distorting effects of recent policy announcements by Consumer Affairs Minister Pralhad Joshi on modernising the public distribution system, doubling agriculture exports and opening new global markets for Indian rice.

Referring to Joshi's comments made last month, the US asked India to explain how policies aimed at doubling exports for a commodity (rice), for which India already accounts for 40 per cent of global exports, would not influence the commercial interests of other countries.

Canada said India must elaborate on how the use of Public Stock Holding (PSH) and minimum price support (MSP) for rice, as well as the "global market distortions and negative impacts" that they cause, would be justified when aiming to increase surplus rice production and exports.

These are part of questions posed by members to each other that will be discussed at the WTO Committee on Agriculture meeting in Geneva on November 24-26.

The spotlight is on India's rice policies as the country has invoked the 2013 'peace clause' at the WTO several times seeking exemption from any challenge by other members for breaching the 10 per cent subsidy limit on rice. Countries like the US and Canada are scrutinising whether India meets the conditions attached for getting relief under the peace clause—countries must avoid distorting trade, not negatively affect the food security of other members, and provide information to demonstrate these conditions are being met.

RECORD FIGURES. The US pointed out that since September 2025, India's rice export figures have been revised upwards to 24 mt, which is equivalent to 40% of global rice trade

INDIA'S STANCE

India has always maintained that its MSP scheme was to support small and marginal farmers and provide food to the poor. It also kept global prices in check which ensured food security for LDCs and vulnerable countries. It also argued that its MSP stocks are not used for commercial exports.

"We understand that India is intending to incentivise production to increase its surplus rice stocks available for export, including through its PSH programme and market price support measures for rice, which have been noted to cause significant market distortions," Canada submitted.

It asked India if it could confirm that it will maintain its PSH and MSP for rice while it seeks to increase its rice exports.

In its submission, the US pointed out that since September 2025, India's rice export figures have been further revised upwards to 24 million tonnes, which is equivalent to 40 per cent of global rice trade.

These record export figures are fuelled by a record harvest of rice in crop year 2024-25, which well exceeds India's domestic demand. Further, the Food Corporation of India was reported to be making a record quantity of procurement, equivalent to one-half of India's rice crop, the US said.

Chandigarh Bill not to be tabled in Winter Session, clarifies MHA

Our Bureau
New Delhi

The Union Home Ministry on Sunday clarified that it has no intention of introducing the proposed Bill on Chandigarh in the upcoming Winter Session of Parliament, stressing that the draft does not seek to alter the established administrative arrangements between the Union Territory and the States of Punjab and Haryana.

The clarification came a day after the Lok Sabha and Rajya Sabha bulletins listed the Constitution (131st Amendment) Bill, 2025 among 10 proposed legislations for the session beginning December 1. The listing prompted strong reactions from opposition parties, particularly in Punjab, where leaders objected to the proposal to bring Chandigarh under the ambit of Article 240 of the Constitution—thereby empowering the President to frame regulations for the UT.

Union Minister Amit Shah

In a statement, the Home Ministry said: "A suitable decision will be taken only after adequate consultations with all stakeholders, keeping in mind the interests of Chandigarh. There is no need for any concern. The Central government has no intention of introducing any Bill to this effect in the upcoming Winter Session of Parliament."

A Ministry spokesperson reiterated that the proposal is still under consideration. "The proposal only aims to simplify the Central government's law-making process for the Union Territory of Chandigarh. No final decision has been taken," the spokesperson said, seeking to allay apprehensions.

The Ministry underscored that the proposal does not seek to modify Chandigarh's governance structure or disturb the "traditional arrangements between Chandigarh and the States of Punjab or Haryana." Chandigarh currently serves as the joint capital of both States.

CONG SLAMS GOVT

The draft amendment seeks to place Chandigarh under Article 240, similar to Union Territories without legislatures. Article 240 allows the President to issue regulations having the same force as parliamentary laws and to repeal or amend existing legislation applicable to the UT.

Meanwhile, the Congress attacked the government over the confusion surrounding the Bill. Party general secretary (Communications) Jairam Ramesh said the episode was "yet another example" of the Modi government's "first announce, second think" approach.

Green shoots of India-UK FTA already visible, says UK Minister

Sindhu Hariharan
Chennai

The India-UK Free Trade Agreement (FTA), signed in July, has generated rising business interest with UK officials reporting more enquiries from companies seeking new opportunities, and increased visits and delegations between the two nations.

"There are increasing conversations of businesses and an increase in number of companies approaching us, and our offices in India such as our high commissions," Seema Malhotra, UK Minister for Indo-Pacific, told *businessline* in an exclusive chat. "The enquiries coming in are about how we can unlock the opportunity, and it is leading to increased delegations for businesses. I know of about three [delegations] being planned from the UK to India," she added.

The Minister stressed that the FTA signifies a long-term partnership between Britain and India.

The UK government, under Prime Minister Keir Starmer, views the deal as "a reset of international relationships and economic ties" worldwide, she said.

Beyond economic opportunities for both countries, she also highlighted the deeper relationship brought about by at least 1.9 million Indian origin people living in the UK. Malhotra, who is currently the Parliamentary Under-Secretary of State in the UK government, was on a visit to Bengaluru and Chennai last week, aiming to take forward the FTA, which is expected to reduce the barriers to trade to the tune of 99 per cent for the UK and 90 per cent for India.

> There are increasing conversations of businesses and an increase in numbers of companies approaching us
>
> **SEEMA MALHOTRA**
> UK Minister for Indo-Pacific

TAKE ON SOUTH INDIA

Drawing from her experiences in India last week, Malhotra said South India, especially, has aligned areas of interest with UK such as advanced manufacturing, renewable energy, AI and data-driven businesses among others.

For instance, "TVS is looking at investments of hundreds of millions of pounds" into the UK, and this goes beyond Norton Motorcycles business to an advanced mobility research hub with Warwick University, she added.

In Bengaluru, the Minister launched Tesco's new capability centre and in Chennai, she was part of the launch of a GCC of research firm Lloyd's List Intelligence.

The comprehensive deal is expected to increase UK GDP by £4.8 billion and UK wages by £2.2 billion each and every year in the long run.

Bilateral trade is also expected to increase by £25.5 billion per year, the UK government estimates show.

TODAY'S PICK.

Max Healthcare Institute (₹1,180.75): BUY

Gurumurthy K
bl. research bureau

The short-term outlook is bullish for Max Healthcare Institute. The stock is rising back sharply after getting strong support around ₹1,070.

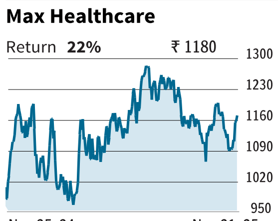
A possible double bottom on the chart strengthens the bullish case.

Immediate support is in the ₹1,150-1,140 region. The presence of moving averages in this region makes it a strong support zone.

As such, a fall below ₹1,140 is less likely. Max Healthcare Institute's share price can rise to ₹1,260 in the coming weeks.

Traders can buy Max Healthcare Institute shares now at ₹1,181. Accumulate on dips at ₹1,155. Keep the stop-loss at ₹1,130 initially.

Trail the stop-loss up to ₹1,190 as soon as the stock goes up to ₹1,205. Revise the stop-loss up to ₹1,210 and ₹1,235 when the price touches ₹1,225 and ₹1,250, respectively. Exit the long positions at ₹1,260.



Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

BoT meeting tomorrow to discuss export strategy

Press Trust of India
New Delhi

The Board of Trade (BoT) is scheduled to meet on Tuesday, chaired by Commerce and Industry Minister Piyush Goyal, to discuss strategies to boost India's exports amid the steep tariffs imposed by the US, an official has said.

Headed by the minister, the board includes participants from various States, Union territories, and senior officials from the public and private sectors.

In the meeting, representatives of export promotion councils, along with other participants, will present their views on the export sector.

"The BoT is meeting on November 25," the official said.

VITAL MEETING

The meeting is important as the country's exports fell by a steep 11.8 per cent to \$34.38 billion in October on account of the impact of high tariffs by the US, while the trade deficit widened to a record high of \$41.68 billion, mainly due to a jump in gold imports.

India and the US are negotiating a bilateral trade agreement. The first phase of the pact is expected to be announced soon, which would address the tariff issue.

ITC to strengthen portfolio, expand exports to boost '24 Mantra Organic'

Mithun Dasgupta
Kolkata

Diversified conglomerate ITC Ltd is strengthening its organic food products portfolio and widening its distribution network across the country for the '24 Mantra Organic' brand to grab a bigger slice of India's ₹10,000-crore organic food products market.

The Sanjiv Puri-led conglomerate is looking beyond the US to augment export of the organic products under this brand to Europe and other important overseas markets, as it acquired organic packaged food maker Sresta Natural Bioproducts earlier this year to expand its future ready portfolio for its non-cigarette FMCG business.

DOMESTIC MARKET

The domestic organic food products market, of which the packaged food market is estimated at around ₹3,000 crore, has been growing between 15 per cent and 20 per cent annually. But, penetration in the country stands at 0.3 per cent against the global average of 3.5-4 per cent.

"So the headroom for growth is immense which made this space interesting for us. One of the reasons for pursuing acquisitions is that it allows us to acquire a lot of capabilities which are currently not there or will take time to develop on our own," Anuj Kumar Rustagi, Chief Executive, Staples, Foods Division, ITC Ltd, told *businessline*.

"We strongly believe that ITC's enterprise strengths in agri sourcing, R&D, agile product development, integrated manufacturing, digital infrastructure and omni-channel distribution network will help in taking the brand to millions of more homes," said Rajashekar Reddy Seelam, Founder & MD, Sresta Natural Bioproducts.

Currently, 24 Mantra Organic has over 100 products spanning branded grocery staples, spices and condiments, edible oils, and beverages. Around 50 per cent of its revenue comes from international business, primarily the US.

"Our first priority is to focus on the existing categories and grow them because even within those segments, there is a huge opportunity to expand. If we can grow the market by increasing penetration, then the addressable market alone will be significantly higher. So, the thrust is to accelerate growth, given the consumer preference for organic food, which is today a lifestyle segment," Rustagi said.

The other area which the brand is working on is going up the processed food value chain. A large part of the portfolio is in the staples segment. ITC is also looking to grow exports in existing overseas markets and enter new ones like Europe and Canada with the organic product portfolio.

"Our focus is now to grow in the US this year with the current range of organic frozen products. About 25-30 per cent of the global organic market is in Europe. But the brand is yet to foray into those markets. Canada, South-East Asia and the Middle East are also quite big opportunities, reflecting a big scope to expand to international markets," Rustagi said. In the domestic market, the brand has presence in all the major cities of all the States. But its endeavour is to build depth and width within cities.

thehindubusinessline.
MONDAY - NOVEMBER 24, 2025

Reforms code

Implementation of labour codes, a watershed

On Friday, the Centre issued four gazette notifications for the four respective labour code laws passed in 2019 and 2020, these being: Code on Wages, Industrial Relations Code, Code on Social Security and Code on Occupational Safety and Health. These laws will finally come into effect after all these years. But rules regarding administrative and procedural issues remain to be finalised for these codes to be implemented in right earnest; it is hoped that these are readied sooner than later.

The Centre can justifiably claim the unification of 29 labour laws to be a landmark ease of doing business move. Over 1,400 rules have been scrunched into 365, with the compliance formalities in terms of registration, and filling up forms and registers too coming down sharply. Significantly, the codes make an attempt to expand the social security net — bridging the gap between a 'labour aristocracy' and the rest. To this end, this government can rightly claim credit for the net increase in numbers under the Employees' Provident Fund Scheme. A notable reform move is the creation of a category of 'fixed term employees', apart from regular and contract workers. The FTEs will receive benefits equal to permanent workers after a year of being in the job, except for retrenchment compensation — bridging the gap between permanent workers and the rest.

All forms of work will be covered under minimum wage laws, and all workers shall receive mandatory employment letters. Women can work at night with the requisite safety measures in place, and without wage discrimination. Significantly, the estimated 10 million gig and platform workers will get social security coverage, from contributions by aggregators. The coverage of Employees' State Insurance Corporation has been expanded to cover all establishments with over 10 employees and not just some notified areas and hazardous industries. So, the codes do not view 'labour reforms' as a race to the bottom. Employers have much to cheer, as self-certification for compliance becomes the norm, and the labour inspector cum facilitator', as the term suggests, exercises powers with due restraint.

But the codes have erred as well. As the Parliamentary Standing Committee on the IR code (April 2020) has observed, the code uses 'workers' and 'employees' interchangeably, creating confusion when they mean the same. This could impact rights' enforcement. Despite efforts at extending social security cover, units employing less than 10 workers on paper will be exempt. The status quo of fragmented production may continue undisturbed, as a maze of contractors evade accountability. Finally, labour flexibility cannot be pushed in the absence of a social safety net in the form of medical cover and provident fund benefits. The codes have sought to strike a balance. But as the House Panel has said, the governance machinery should step up its act. It is for the rules, if not enabling legal provisions, to improve implementation.

OTHER VOICES.

The Guardian

Covid-19 inquiry: the UK did too little, too late

All four of the UK's governments are criticised in the latest report from the public inquiry into the coronavirus pandemic of 2020-22. The Northern Ireland Executive's response is judged to have been marred by political divisions. In Scotland, Nicola Sturgeon did not involve cabinet colleagues enough in decision-making. In Wales, Mark Drakeford's government mirrored some of the errors made in London, particularly when it delayed the introduction of new restrictions in the autumn of 2020. But rightly, given its responsibilities, size and resources, as well as its record, the UK administration led by Boris Johnson comes in for the biggest share of blame. Some of Heather Hallett's findings regarding the political governance of the crisis are already familiar. (LONDON, NOVEMBER 21)

The Moscow Times

Trump's peace plan favours Russia

The Ukraine war peace plan proposed by the Trump administration has, unsurprisingly, triggered a storm of reactions across the press, social media and among experts. It clearly contains a major tilt in Russia's favour. However, it would be inaccurate to say that it merely fulfils Russia's maximalist demands. The 28-point draft imposes numerous restrictions on Ukraine and places a heavy burden of obligations on it, effectively punishing the victim for resisting the aggressor. Although the first point states that Ukraine's sovereignty must be preserved and confirmed, the subsequent provisions significantly undermine that sovereignty. Ukraine is prohibited from maintaining an army larger than 600,000 troops Ukraine is also barred from joining NATO, and NATO is barred from accepting it as a member. (MOSCOW, NOVEMBER 21)

LINE & LENGTH.

TCA SRINIVASA RAGHAVAN

Why is India so far behind China?

Unlike India, China prioritised capital over labour. It got the required capital from the West and its market there, too. India forswore both

Two weeks back Donald Trump, the mercurial President of the United States of America, declared that there was now only G2 — America and China. Since then there has been a lot of quiet heartburn in India.

But how did we get left so far behind, is a question no one any longer asks. China's dominant position in the world economy is attributed to its large scale industrial manufacturing policy. India's pygmy stature in manufacturing is attributed the opposite, that is, to the absence of scale and, indeed, its active policy of discouraging it.

This diagnosis is now regarded as an unalterable truth. But truth has many dimensions and it is useful to consider them as well.

That requires an understanding of the political aspects of what happens in an economy. Very broadly it's what you choose as your first priority: labour or capital. China chose capital. We have chosen labour. That's all there is to it. I'm grating on about scale or its absence without reference to other factors is, well, idiotic.

This is not to say that scale should be disregarded. Of course not. But it's not the only game in town.

Two things are required for achieving scale. A vast amount of capital and a vast market. After 1996 China got the required capital from the West and its market there, too.

India forswore both. The consequences for manufacturing are there for all to see.

A FALSE COMPARISON

But does that mean China got it right and India didn't? This is where we need to be careful about what we say about the comparison.

That involves recognising that constraints are crucial in economics and mustn't be ignored. Any answer which does that runs the risks of mono-causation or, in plain language, being nonsense.

Can a country pursue gigantic scale manufacturing if it also simultaneously upholds labour rights in the way India does? Will a company employ 5,000 people in a single facility knowing that disruptions can be engineered by any two-bit labour leader?

Can an Indian company send away hundreds of workers each month merely because they have crossed a certain age, usually around 30-35? Are spectacles reason enough to sack a worker?

This is the main difference between India and China. We have the Trade Unions Act and the Industrial Disputes Act. China doesn't.

The concept of fairness, which forms the basis of these Acts, is completely alien to China in the context of the individual. There, group rights take precedence except when it comes to labour.

Chinese governments also don't have to worry about political competition via elections. We do. China isn't distracted by distributional politics. We are always distracted.

> **We have the Trade Unions Act and the Industrial Disputes Act.** China doesn't. The concept of fairness, which forms the basis of these Acts, is completely alien to China in the context of the individual

Chinese governments don't have to worry about rationing capital. We do. China can focus solely on growth and technology development. We can't. And so on. You get the point.

All this makes China an extremely attractive destination for capital, especially foreign. This in turn means China can pursue scale without hindrance. That is, China can aim for unconstrained optima. We can't.

But scale needs markets and, given how small the Chinese domestic markets are in relation to scale, exports are the only way out. And because in order to achieve market dominance China can keep its costs down by one means or another, it has got to where it has.

China also targets foreign markets at the expense of domestic ones. We do the opposite. It is competitive politics and the emphasis on rights — absence and presence, respectively — that leads to these opposite approaches.

THE INDIAN APPROACH

But here's a question that must be asked: Is India really a manufacturing pygmy? It may not have scale and it may not have an overwhelming presence in the international product markets or sophisticated technology or quality but does that mean it doesn't add a huge amount of value?

The answer perhaps lies in the tradeables and non-tradeables difference. It would be useful if some institution like the NITI Aayog studied the proportion of the two in India. I think we make a lot of non-tradeables for the domestic market which generate a lot of employment in the informal sector about which, by definition, we know next to nothing. They also keep inflation in wage goods down.

Until we get a fix on the tradeables and non-tradeables aspect of Indian manufacturing we will be chasing the wrong targets. It is true India needs scale and production of tradeables. But as the latest Labour Codes published by the Central government once again show, the interests of labour will always come before that of capital.

COP30, and the climate finance letdown

The Global South is disillusioned, with most urgent finance decisions deferred to the next negotiating cycle

Aditya Sinha

The UNFCCC COP30 summit in Belém, Brazil ended with a deep sense of disillusionment across the Global South. The Mutirão political decision, framed as the heart of COP30's "implementation agenda," ultimately delivered a familiar pattern of diluted ambition: lofty rhetoric from developed countries but limited binding commitments, vague pathways without timelines, and symbolic frameworks without adequate financial substance. Even UN Secretary-General António Guterres conceded that COP30 "has not delivered everything that is needed," stressing that the gap between decisions and scientific urgency remains "dangerously wide."

The crisis of trust underpinning this disappointment is rooted in a decade of unmet promises. Developed countries' flagship pledge (mobilising $100 billion in climate finance annually by 2020) was delivered only in 2022, two years late, undermining confidence in subsequent commitments. Against this backdrop, the new finance goal established at COP29 in Baku, i.e., the New Collective Quantified Goal (NCQG) of $300 billion per year by 2035, was already seen as modest, especially when developing countries had formally called for at least $1.3 trillion annually in the 2030s. This figure aligns with broader assessments. Global climate investment needs are estimated at $7.4 trillion per year by 2030, with $2-3 trillion annually required in developing countries alone for mitigation, adaptation, and associated financing costs.

Yet COP30 offered only a voluntary "Baku-to-Belém Roadmap" that envisages exploring mobilisation of $1.3 trillion by 2035, with no interim milestones or mandatory pathways. This means, first, that climate finance flows are likely to remain close to the historical average, roughly $100-115 billion, through most of this decade. Second, that the NCQG remains vastly disconnected from scientific benchmarks. Further, Article 9.1 of the Paris Agreement, which explicitly obligates developed countries to provide financial resources, is increasingly treated as aspirational rather than binding.

ADAPTATION FINANCE

Disconnect between urgency and outcome is even more evident in adaptation finance. Developing nations approached COP30 united behind the demand for a substantial increase in adaptation funding by 2025 or 2030, citing mounting evidence of a widening adaptation gap. UNEP estimates that adaptation costs for developing countries could reach $215-387 billion annually by 2030, rising to $315-565 billion by 2050, with a mid-point estimate of $350 billion by 2035. Yet adaptation finance today stands at roughly $40 billion, representing less than one-fifth of even the lower-bound requirement.

In this context, COP30's political decision to "triple adaptation finance by 2035" fell flat. The pledge provides no baseline year, no agreed definition of what constitutes "adaptation finance," no enforcement mechanism, and no interim benchmarks, making monitoring effectively impossible. This means, first, that the promise is structurally unverifiable; and second, that developed countries have avoided accountability for the Glasgow COP26 mandate to double adaptation finance by 2025, which has already been missed.

QUALITY OF FINANCE. Another problem area REUTERS

The quality of finance compounds the problem. While adaptation requires grant-based support for resilience, over 60 per cent of climate finance to developing countries currently takes the form of loans, increasing debt burdens. One could argue that asking heavily indebted countries (several of which now spend more on debt servicing than on health or education) to "climate-proof" their economies through loans is fundamentally unjust. It shifts responsibility downward precisely when historical emitters should be stepping up.

LOSS AND DAMAGE FINANCE

The picture is equally troubling for loss and damage finance. COP30 was the first full COP after operationalising the Loss and Damage Fund (LDF). On the institutional side, there was some progress. The Belém decision operationalised the Fund in "start-up mode" with a $250 million Barbados-IMF-World Bank (BIM) modality, and strengthened governance through a review of the Warsaw International Mechanism and enhanced coordination via the Santiago Network. But the key issue, actual money, remains unresolved. As of COP30's close, total pledges to the LDF amount to $788.8 million, of which only $583 million has been legally deposited. The Fund currently holds approximately $407 million.

More concerning is that COP30 secured no new large-scale pledges from developed countries, no replenishment cycle, no interim targets, and no obligation to scale the Fund towards scientific need. This means, first, that the LDF could effectively run dry by 2027 once early projects draw down the modest start-up capital. Second, that the Fund risks becoming another "architecture without resources."

The Belém package revealed two uncomfortable truths. First, that the most urgent finance decisions were deferred to the next negotiating cycle. Second, that climate impacts will continue accelerating regardless of diplomatic timelines. Rebuilding trust now requires action in 2025. Developed countries must, first, meet existing pledges immediately, including Glasgow's adaptation target and LDF contributions. They should also commit to dramatically scaling up predictable, grant-based finance for adaptation, loss and damage, and clean development. Otherwise, COPs will continue as high-profile negotiations with low-impact outcomes.

Sinha writes on macroeconomic and geopolitical issues

BELOW THE LINE

Clear message

The five-day visit of the Afghan Commerce Minister Alhaj Nooruddin Azizi to India has generated a lot of interest as it indicates New Delhi's readiness to do more business with the Taliban regime. Not surprisingly there was a full house at an interaction organised by an Indian chamber with Azizi and his business delegation.

The Afghan Minister gave an impressive speech, talking in his local language, promptly translated into perfect English by his senior adviser. He talked about the scope and opportunities in his country for Indian businesses with the audience listening attentively to both him and the translator.

And then it was question-answer time. When a journalist asked the Minister about the country's economic prospects, the Minister suddenly switched languages and started raging about the US blocking $9 billion of Afghanistan's funds and Pakistan blocking its routes. The audience's jaw dropped as the Minister was speaking in Hindustani! Although Azizi was clearly putting in effort to speak in the Indian language he obviously thought it was worth it. The Minister did not want his important views on the US and Pakistan to be lost in translation!

Battlelines drawn

While all eyes are on whether DK Shivakumar will succeed in toppling Siddaramiah for the top chair in Karnataka, two other developments have gone under the radar. JDS, the regional party which is celebrating 25 years of its existence, is struggling to find a State president outside of its first family of Deve Gowda and his progeny.

BJP is locked in an internecine battle for the State leadership as Vijayendra Yeddyurappa's term has come to an end. In spite of governance paralysis and internal feuds, if Congress is sitting pretty it is not just because of its brute majority in the Assembly but the opposition's own plight.

Basmati irony

Recently, Kenya's court of appeal struck down an appeal by India seeking protection for its basmati rice. A little bird says the court's ruling could have been influenced by the long-grained rice being grown in that country. A family that moved to Kenya from Pakistan took the basmati paddy with it and began cultivation in Kenya. Basmati cultivation is on the rise in Kenya and, ironically, it is now trying to tackle "fake basmati".

Our Bureaus

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Rediscovering a genius

Celebrating Ghatak — the man, the film-maker

BOOK REVIEW.

Naveen Chandra

Ritwik Ghatak died a broken, ravaged man. Almost every film he made failed at the box office, and his life and family were in a shambles. He even spent time in an asylum. The same can be said of Guru Dutt, who was born a few months before Ghatak.

In an irony of sorts, a 100 years after their births, both filmmakers are being rediscovered, feted and celebrated as giants of Indian cinema while having been rejected for their crafts when they were alive.

Ghatak's grandnephew, Shamya Dasgupta's new book *Unmechanical: Ritwik Ghatak in 50 Fragments* attempts to decipher the myth of the man. It is a wonderful anthology of essays, collected over time, that reflect on his films, his life and his legacy in Indian and world cinema.

The book starts off with chapters by close family members, a much accomplished lot of creative people – actors, writers, cinematographers, who unravel Ghatak's childhood. There is general agreement that he was an unusually creative and sensitive young person who was greatly disturbed by the momentous events he was witnessing — the World War, the struggle for Independence, the Great Bengal famine, the communal riots, the partition of Bengal and the refugee crisis. All of this left quite an impression on the child Ghatak and formed his world view. In a brilliant opening chapter, Ghatak's grand nephew, actor Parambrata Chatterjee, says that even today Ghatak's appeal is limited largely to film lovers and enthusiasts.

Ghatak's twin sister, Pratiti, writes about the fascination he had with the miserly lives of labourers and the marginalised, which caused him to be disillusioned with the world. He explored all mediums to try and question society's moral compass, through poetry, short stories, theatre, documentaries and films.

PARTITION TRILOGY

Ghatak had said in one of his interviews that cinema was a means of expressing his anger at the sorrows and sufferings of his people, and you can feel it in his partition trilogy: *Meghe Dhaka Tara* (The Cloud-Capped Star), *Komal Gandhar* (E-flat) and *Subarnarekha* (The Golden Line)

His only successful film, considered by many as Ghatak's tour-de-force, *Meghe Dhaka Tara*'s central character is a warm, vivacious woman, the only earning member who is exploited by her refugee family till her last breath. Audiences liked Ghatak's powerful depiction of the three women of the household evoking the sensuous, the nurturing, and the destructive aspects of feminism.

Actor Anil Chatterjee says Ghatak believed in the sanctity of his art and of his theories. He recalls Ghatak telling him about a distributor suggesting a different, happier ending to *Meghe Dhaka Tara* where the sister survives. Ghatak famously shot that ending, but didn't use it, using the alternate ending with the film ending in tragedy instead.

He was unwilling to compromise on his ideologies, his stories and his way of storytelling. The steady deterioration of his health and his relationships culminated in an autobiography of sorts, *Jukti, Tokkoaar Goppo* (*Reason, Debate and a Story*), his final film, that leaves us with his thoughts; raw and abrasive, just as he was.

Fifty perspectives on one person from fifty people can have the distinct possibility of repetitiveness, but editor Shamya does a terrific job at chiselling out similar stuff. The brevity in the narrative makes for constant freshness through the book.

If there's one fault in this eclectic read about a maverick filmmaker, it would be the title of the book. If this was an attempt to make Ghatak familiar to the uninitiated, 'Unmechanical', (*Ajantrik*) is perhaps just not the title that'll do it.

Title: Unmechanical: Ritwik Ghatak in 50 Fragments
Author: Shamya Dasgupta
Publisher: Westland Non-Fiction
Price: ₹899

The reviewer runs 91 Film Studios, which produces and distributes regional language feature films

The compassion of Ratan Tata

Former Tata Steel MD & CEO B Muthuraman describes Ratan Tata's respect and care for colleagues

BOOK EXTRACT.

Extracts from 'Doing the right thing: Learnings from Ratan Tata' by Harish Bhat and published by Penguin Business.

B Muthuraman was managing director and CEO of Tata Steel between 2001 and 2009, and thereafter vice chairman until 2014. During this time, he reported directly to Ratan Tata, who was chairman of the company.

Once, in 2007, Muthuraman and his leadership team were in the midst of discussing a complex commercial deal with another company. Discussions had been continuing for around a month. Ratan Tata and Muthuraman held different views on the proposed deal, hence further consultations were required.

Eventually, the deadline for taking a decision on the deal came close. Muthuraman had to convey a final decision to the other company, indicating to them whether Tata Steel would go ahead with the deal or not. Muthuraman had committed to that company that he would revert to them latest by 10 p.m. on a particular day.

On the morning of that day, Muthuraman proceeded to his office. He knew that he would need the concurrence of his chairman, Ratan Tata, before he conveyed Tata Steel's decision to the other party.

Ratan Tata was away in Delhi, so an in-person meeting was not possible. However, Ratan spoke to Muthuraman and told him, 'Muthu, don't worry. I am coming back to Mumbai this evening. I will be landing in Mumbai at 7 p.m., and should be in my car at 7.30 p.m. I will call you from my mobile phone around that time.'

Muthuraman waited in his office that evening, accompanied by his CFO, Kaushik Chatterjee. It was a tense wait. Promptly at 7.30 p.m., Ratan Tata called.

He said, 'Muthu, what have you thought about this, what would you like to do?'

Muthuraman put forward his point of view. Ratan listened, and then put forward his own point of view, which continued to be at variance to what Muthu felt. There appeared to be no meeting ground.

CHAIRMAN CALLS

Muthuraman felt that he should explain once more how moving ahead with his view on the deal would benefit the company. Therefore, he responded to Ratan Tata on the telephone and spoke again about the benefits of what he was suggesting. It was not easy to be persistent in that moment, when the person at the other end was the chairman of the Tata group. However, Muthu felt that this was the right thing to do in his role as CEO, because he had high levels of conviction in his point of view.

Finally, Ratan Tata spoke. He said, 'Muthu, if you want to pursue this line of action, please go ahead and decide, but please leave me out of the decision-making process.'

Ratan's voice came through clearly over the telephone, and Muthuraman could sense his irritation. He was perhaps irritated that his CEO was insisting on a certain path ahead, and was unwilling to change his point of view.

At that exact moment, just after Ratan Tata had concluded his statement, the phone went dead. As Muthuraman listened, there was silence on the other side.

The first thought that occurred to Muthuraman was that Ratan Tata had got so irritated with his (Muthu's) unchanging stance, that 'he had banged the phone down on me'. For people in positions of power, this is not an uncommon thing to do, to display displeasure.

Muthuraman felt very bad. Had he hurt Ratan Tata with his persistence? Had he done the right thing in continuing to argue in favour of his point of view? It was not a good feeling to think that one had displeased the chairman so much that he had so brusquely disconnected the call.

Even as Muthuraman was wrestling with these emotions, Kaushik Chatterjee asked him, 'Sir, what do we do now?'

Frankly, Muthuraman did not know what to do. The deadline was only a couple of hours away. The chairman had asked him to decide but had also told him in an irritated tone to leave him out of the decision-making process.

Even as Muthuraman was struggling with all these thoughts, he heard his phone ring. It was Ratan Tata on the line once again. Muthu wondered what Ratan would say now.

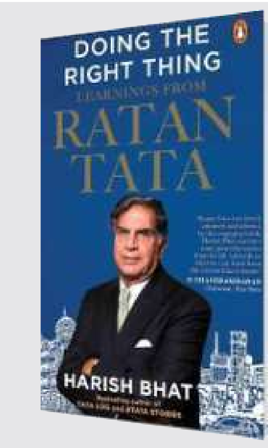
JUST A CALL DROP

'Muthu,' Ratan began, 'I rang you up not for any discussion on the deal. You can decide on that. But you should not think that I banged the phone down on you. I did not bang the phone down. My car went over a big road bump, and there was a sudden call drop (on my mobile phone).'

Muthuraman recalls that he was not just amazed, he was moved as he heard Ratan speak. Here was the chairman of the Tata group, calling him back just to clarify that the call had dropped and was not deliberately disconnected.

Muthuraman says, 'He did not have to call me back to say this, but he did. He intuitively sensed what I was going through, the discomfort I was feeling. And he wanted to tell me not to get perturbed, not to misinterpret why the call had closed down. This was a call driven by his respect and care for his colleague.'

Muthuraman goes on to say — 'With that call, Ratan Tata was putting his arms around me, all the way from his car.'



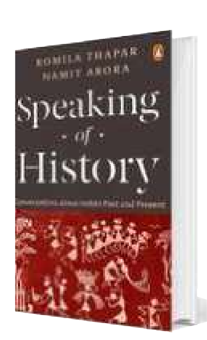
Title: Doing the Right Thing: Learnings from Ratan Tata
Author: Harish Bhat
Publisher: Penguin Business
Price: ₹799

ABOUT THE AUTHOR

Harish Bhat has worked with the Tata group for 38 years, holding many senior roles, including as brand custodian, Tata Sons; managing director and CEO, Tata Global Beverages; and COO of jewellery and watches business of Titan Company. He currently serves as a director on the boards of some Tata companies

Extracts published with permission from Penguin Random House

NEW READS.

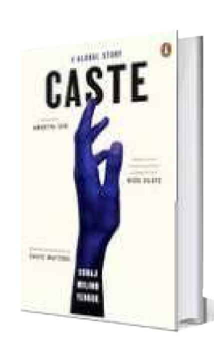


Title: Speaking of History: Conversations about India's Past and Present

Authors: Romila Thapar, Namit Arora

Publisher: Penguin Allen Lane

In these wide-ranging conversations, the authors explore how history is written, remembered and fought over.

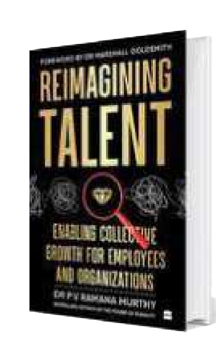


Title: Caste: A Global Story

Author: Suraj Milind Yengde

Publisher: Penguin Allen Lane

Combining history, ethnography and archival research, the author offers a compelling, comparative approach to caste and race from ancient times to today.



Title: Reimagining Talent

Author: PV Ramana Murthy

Publisher: HarperBusiness

Grounded in real-life examples and credible research, this book demonstrates how organisations and employees can unlock their full potential, and help both individuals and businesses grow collectively.

Short take

Back to extolling China's 'hard work' culture

KR Shyam Sundar

Infosys Co-founder NR Narayana Murthy persisted with his advice on the need for the youth to work longer hours so that economic progress could be achieved at a faster pace. Recently, his advocacy of China's unofficial 9-9-6 (9 am to 9 pm for six days) work model — or 72-hours a week — has reignited the controversy on hours of work. Rupifi CEO, Anubhav Jain, has supported Murthy. Longer hours of work are fine, but at what wage/profits? Governments have been considering exceeding the eight-hour-a-day benchmark. However, the writing on the wall is clear: work more hours than before, with or without due compensation.

The longer hours of work advice is based on six assumptions. One, there are enough work-hours in the economy for many to take a larger pie and yet not cause unemployment. Two, workers with higher social aspirations put factory first and family last. Three, short-run progress is preferred to long-run stability and young workers' health can be capitalised to achieve the former. Four, there is enough liquidity to pay adequate compensation lest the system breaks down. Six, lower minimum or actual wages push people to work for more hours. Seven, society and the polity eulogizes hard-working people. Interestingly, China is rebelling against such legitimisation of 'hard work'.

But China is deeply embedded in the Indian psyche. In 2019 and 2020, the Central government enacted the four labour codes to provide labour flexibility, a flexible contract labour system, flexible work-hours. Working hours can be altered by rule-making processes. States like Karnataka have pushed for 12 hour working day.

Some States have amended the Shops and Establishments Act to allow 24x7x365 working hours.

There are millions of shops with little chance of being monitored. So millions of workers in them may already be working longer hours. The IT and IT-enabled industries, knowledge industry, etc., regularly seek and get exemptions from many labour laws; the firms in Special Economic Zones have their own regulations.

Indeed, aspiring, ambitious, resourceful persons self-exploit themselves to achieve quick and faster economic progress/prosperity, both corporate and personal. On the other hand, numerous reports on working conditions clearly show that workers in the unorganised sector and gig economy often work 12-14 hours a day. There is no such thing as "working hours" in both organised and unorganised sectors.

Educational institutions like B-Schools, IITs, and engineering colleges pride themselves on a punishing on-campus experience as "training" for similar work-schedules in jobs. They not only make an MBA "talent-ready" but also "culturally-ready". Longer hours of work is a "modern norm" and we know that such norms, sadly, are often more influential than laws.

The writer is Professor of Practice, MDI Gurgaon

thehindu businessline.

TWENTY YEARS AGO TODAY.

November 24, 2005

India keeps lead in offshore location race; China is second

India continued to top the list of 'Global IT and BPO services locations' in 2005, though issues such as wage inflation and rising competition from other low-cost contenders marginally narrowed its overall lead. Arch industry rival China, came a distant second with Malaysia close at its heels.

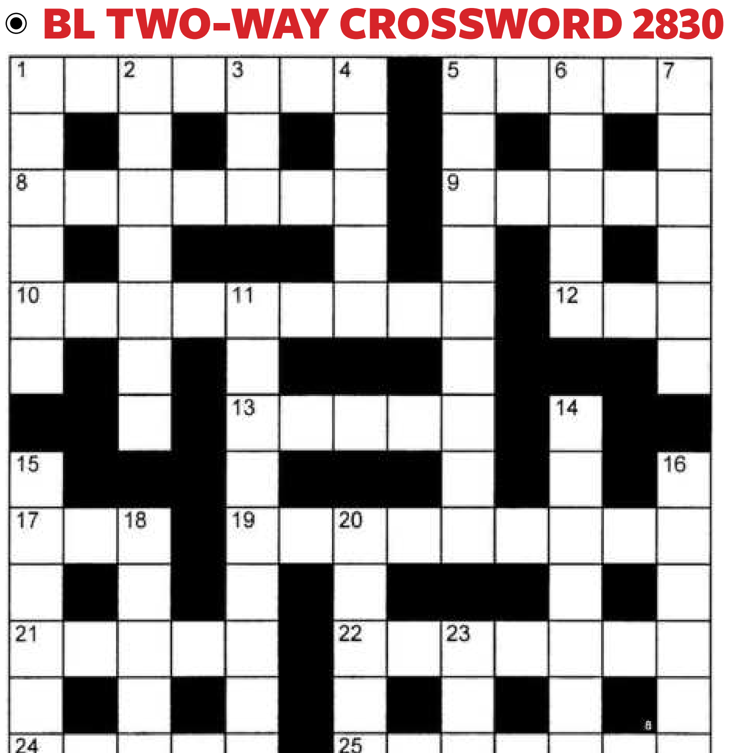
Move to provide high-speed Net over power lines

You may not have a phone or a telephone line for accessing the Internet and still get high speed Internet using the power line reaching your home. The Government is formulating a policy to promote Broadband over Power Line as part of the New Telecom Policy 2005. To make use of this, subscribers only need to install a modem that plugs into an ordinary wall outlet and pay a subscription fee similar to those paid for other types of Internet service.

Ruia group may buy Jumbo's stake in Dunlop, Falcon

The Kolkata-based Ruia group is believed to have worked out a block deal to acquire the Dubai-based Jumbo Group's controlling interest in the three tyre companies, namely, Dunlop India, Falcon Tyre and the latter's trading arm — India Tyres Ltd (ITL).

BL TWO-WAY CROSSWORD 2830



EASY

ACROSS
1. Sort of consonant (phonetics) (7)
5. Might (5)
8. Big-scale farmer in America (7)
9. Hot spiced sherry, port, and water (5)
10. Romantic feeling (9)
12. Dip the head (3)
13. Light carriage in India (5)
17. Twitch of facial muscles (3)
19. Something giving back light (9)
21. Farewell (5)
22. A bat (7)
24. Item of bedlinen (5)
25. Epistles (7)

DOWN
1. Emphasise (6)
2. Team's, batsman's, time at the wicket (7)
3. Volcanic dust (3)
4. A trio (5)
5. Force way through (9)
6. Lancashire 'Pier' town (5)
7. To dwell (6)
11. Break in when someone's speaking (9)
14. Go where one's not wanted (7)
15. Gives off vapour (6)
16. Commands (6)
18. Felony (5)
20. Last (round) (5)
23. Feline (3)

NOT SO EASY

ACROSS
1. Sort of phonetic sound that is in parts confusing (7)
5. Electricity for one of the major countries of the world (5)
8. Large-scale farmer organised by the dear French (7)
9. Spicy drink to use with the gin one had left (5)
10. Feeling ten times more awkward around the North (9)
12. Show one agrees to land in the OT (3)
13. Carriage used in a Pacific island (5)
17. Involuntary twitch one gets no end of credit for (3)
19. A mirror-surface showing right force let go wild (9)
21. '__________! my native shore' (Byron) (5)
22. British bat might count with the French (7)
24. A piece of paper to be as white as (5)
25. They may indicate a degree of correspondence (7)

DOWN
1. Accent may be put on the strain one is under (6)
2. The team's knock the Tavern will sing about (7)
3. Result of burning wood such as this (3)
4. A fateful number of sisters (5)
5. Get through to writer at tree being planted out (9)
6. Lancashire town where an ending is made to transformation (5)
7. One may live with the reeds one puts out (6)
11. Return tip, break it up and break in ... (9)
14. ... or turn and die and be where one's not wanted (7)
15. Kettle does that boils at mess made of it (6)
16. Commands that are full for the priesthood (6)
18. It may not pay, but could make me endlessly rich (5)
20. The last round relief in alabaster shows it (5)
23. Creature to call to sound one's disapproval (3)

SOLUTION: BL TWO-WAY CROSSWORD 2829

ACROSS 1. Mamba 4. Wolf cub 8. Liner 9. Nomadic 10. Coo 11. Pertinent 12. Owns 13. Feat 18. Obstinate 20. Foe 21. Acrobat 22. Aorta 23. Elderly 24. Spell

DOWN 1. Milk chocolate 2. Monsoon 3. Abrupt 4. Wintry 5. Limpid 6. Cadge 7. Back to the wall 14. Enforce 15. Timber 16. Pastry 17. Delays 19. Sired

CHENNAI
businessline.
MONDAY - NOVEMBER 24 - 2025

COP30 showed that climate cooperation is alive and kicking, keeping humanity in the fight for a livable planet, with a firm resolve to keep 1.5C within reach.
I'm not saying we're winning the climate fight. But we are undeniably still in it, and we are fighting back.

SIMON STIELL
UN Climate Change Executive Secretary

NEWS SNIPPETS.

Rooftop solar installations gather speed; touch 22.5 GW

Hyderabad-based rooftop solar installer Freyr Energy has been in business for a little over a decade. Its Managing Director and CEO, Saurabh Marda, in a recent chat with *businessline*, mentioned a telling data point. In the first 10 years, Freyr Energy installed about 12,000 rooftop plants; in 2025-26 alone it will do more than 15,000, and Marda expects the number to touch 30,000 in 2026-27. Last year, Freyr earned revenues of ₹165 crore; Marda says it is on track to reach ₹300 crore this year. The PM Surya Ghar: Muft Bijli Yojana scheme is a big driver. Incidentally, the company does only rooftops for residential and 'micro' enterprises.

Freyr's numbers illustrate the momentum built in the rooftop solar segment, which was dormant for a long time. As at the end of October, India's total rooftop solar capacity reached 22.5 GW, accounting for 17 per cent of the total solar installed capacity of 130 GW.

Warming India drives up record demand for electricity

Over the last decade, India's average temperature rose by 0.65 degree C above the 1991-2020 baseline, marking 2024 as one of the hottest years on record. This persistent warming has directly translated into record-breaking electricity demand, reaching around 250 GW during the summer of 2024, largely due to surging cooling needs across residential, commercial, and industrial sectors.

"Heatwaves drove 9 per cent of India's power demand in summer of 2024, resulting in the emission of 327 MtCO2 (million tonnes of carbon dioxide)," says a report titled 'Breaking the Cycle: Can India escape the heat-power demand trap?' by Climate Trends and Climate Compatible Futures.

India's annual maximum temperatures increased steadily across most states, from 0.1 degree C to 0.5 degree C during the last decade, with 2024 emerging as the hottest year on record, averaging 0.65 degree C above the 1991-2020 baseline and surpassing the 2016 record.

The Indo-Gangetic region witnessed persistent temperature rises, with summer peaks frequently exceeding 45 degree C and an unprecedented 52.3 degree C recorded in Mungeshpur (Delhi) in 2024, marking intensified and prolonged heatwaves.

States such as Madhya Pradesh, Jharkhand, and Chhattisgarh faced more than 500 heatwave days during the decade, driving sustained high electricity generation and extended grid stress, the report says.

COP OUT AGAIN

Belem meet: All green talk, no greenback

PUSH AND PULL. At fortnight-long summit, nations fail to agree on ways to reduce greenhouse gas emissions causing climate change

Joydeep Gupta

The 2025 UN climate summit ended with a whimper at the edge of the Amazon, as nearly 200 governments compromised on actions that fail to effectively combat the galloping impacts of climate change.

In a year marked by the second withdrawal of the US from the Paris Agreement, India faced at least a heatwave, storm, flood, landslide or drought worsened by climate change on 245 out of the first 273 days (nine months), according to a report by the New Delhi-based Centre for Science and Environment; 4,064 lives were lost and 47 million hectares of cropped area were affected.

Similar disasters hit many other parts of the world.

But at the fortnight-long summit held near the mouth of the Amazon in Belem, governments could not agree on a strong measure to reduce emissions of greenhouse gases (GHG) causing climate change.

Despite exhortations by conference president André Correa do Lago, of host country Brazil, to "accelerate the implementation of the 2015 Paris Agreement", progress was stymied, largely by the refusal of rich nations to provide public finance to developing countries to help combat climate change and its impacts.

And this despite UN Framework Convention on Climate Change (UNFCCC) Executive Secretary Simon Stiell telling the assembled ministers from around the world, "Climate finance is not charity — it's smart economics. Because climate action, underpinned by climate finance, is the growth story of the 21st century... when finance flows, ambition grows. And when ambition grows, implementation flows — creating jobs, easing the cost of living, improving health, protecting communities, and securing a prosperous, more resilient planet for all."

UN Secretary General Antonio Guterres made a public appeal "to all delegations to show willingness and flexibility to deliver results that protect people". He wanted "a fair outcome — concrete on funding adaptation, credible on emission cuts, bankable on finance".

Guterres pointed out, "Ten years after the Paris Agreement, we have moved — but nowhere near enough. The UNEP Emissions Gap report shows that today's Nationally Determined Contributions — even if fully implemented — would put us on a path well above 2 degrees of global warming [since pre-industrial times]. That is a death sentence for many." He also said the "renewables revolution" made emission cuts possible.

All governments agreed, but developing nations pointed out they could do little without a lot more money, and the summit floundered on this essential issue. Right now, rich nations have an ongoing agreement to mobilise $300 billion per year through public and private means after 2035, while developing nations had estimated their requirement at $1.3 trillion a year.

HIGHLIGHTS OF COP30 CLIMATE TALKS

A 'Global Implementation Accelerator' was launched, which is a two-year programme jointly led by COP30 and COP31 presidencies to mitigate the gap between the Nationally Determined Contributions (NDCs) of countries and the threshold point needed to cap global warming at 1.5 degree C. (So far, 118 countries have submitted NDCs. India is expected to submit its NDC next month. The 'accelerator' also includes agreements to transition away from fossil fuels — a key outcome of COP28.)

The Tropical Forest Forever Facility — a fund started to avoid deforestation and invest in reforestation — attracted pledges totalling $6.5 billion. The call for halting or slowing down deforestation has been supported by about 90 countries.

Developed countries agreed to the tripling of adaptation finance by 2035. As part of the $300-billion New Collective Quantified Goal (NCQG) adopted at COP29, around $120 billion would be earmarked for adaptation work in developing countries.

Despite the opposition from the developed world to a delivery mechanism for finance, parties agreed to a two-year work programme for climate finance delivery, including the $300-billion NCQG.

The parties pledged $300 million for the Belém Health Action Plan to help the health sector acclimatise better to the vagaries of climate change.

COP30 adopted a Just Transition Mechanism (Belem Action Mechanism), which means securing finance for workers engaged in dirty fuel industries like coal is now officially on the table.

On the energy front, around $1 trillion was committed by 2030 to expand power grids, energy storage, and investments in energy transition; another $590 million was mobilised for methane reduction.

An Intergovernmental Land Tenure Commitment was launched by 15 governments, securing and strengthening the land rights of indigenous peoples across 160 million hectares — roughly as big as Iran.

PREDICTABLE ROADMAP

Bhupender Yadav, India's minister for environment, forest and climate change, spoke repeatedly of the need for a predictable roadmap for the delivery of the promised finance. Li Gao, China's vice minister for ecology and environment, called on developed countries to "present an implementation roadmap for the delivery of the $300 billion... including short-term and medium-term actions for providing the necessary guarantee." But there was no sign of that by the end.

The conference did start two important initiatives: to find money to safeguard tropical forests; and to deal with the health impacts of climate change. Forests are the major GHG sinks on land; the Tropical Forests Forever Facility (TFFF), started by Brazil, aims to raise low-interest loans totalling $125 billion on the strength of grants pledged by various governments. Currently the pledges total $6.5 billion. Brazil hopes the corpus will yield an annual interest of $4 billion, to be used to safeguard tropical forests.

The second initiative, the Belem Health Action Plan (BHAP), is meant to help the health sector adapt to climate change impacts. Its concept note says, "Adaptation measures must address health inequities and inequalities, which are exacerbated by climate change." Responding partially to repeated demands by indigenous groups in the Amazon basin for more decision-making powers in climate negotiations, BHAP "advocates for full, equitable, and bottom-up approaches that ensure the active participation of civil society, particularly representatives of the most affected peoples and communities, in all stages of policy formulation."

The Brazilian government aims to bring BHAP under the aegis of the UNFCCC by 2028, but it has been criticised by activists for not doing so from the start. The activists point out that more and more climate actions — most importantly, raising money through carbon markets or from private investors — are taking place outside the control of UNFCCC. Investors remain reluctant to finance projects in developing countries with relatively small economies and projects for adaptation to climate change impacts, because they do not find these projects bankable; that is why many countries want public finances and UNFCCC control over the money.

But many climate actions are no longer under UNFCCC control. On the day the summit was scheduled to close, the organisers listed a number of initiatives, many of which are controlled by private organisations or individual governments, though there were repeated attempts by the UN body to claim credit for these activities.

ADAPTATION FINANCE

With so many countries hit by climate-induced disasters, developing countries had demanded a tripling of adaptation finance at this year's summit. But there was little sign of that as the conference meandered to an end. The proposed resolution called only for "efforts" to triple adaptation finance by 2030, relative to 2025, without providing any mandate. The UN Environment Programme has projected the adaptation finance gap will reach $310-365 billion by 2035.

There was agreement on ways to deal with loss and damage suffered due to climate change. Governments agreed to streamline the role of various groups working on this issue. While welcoming this, Harjeet Singh, Member of the UN Technical Expert Group on Comprehensive Risk Management (TEG-CRM), pointed out that the agreement "glaringly fails to mandate a specific focus on the finance and capacity gap. The institutional machinery is now being made 'fit for purpose', but machinery cannot rebuild homes without money".

The writer is India Manager, Earth Journalism Network

WATERBORNE INNOVATION

How floating solar can buoy up India's green transition

K Bharat Kumar

Terrestrial solar energy parks have been the norm. But since land is scarce and costly in urban areas, floating solar photovoltaic (FPV) technology offers a viable alternative.

India has set itself a target of establishing 500 gigawatts (GW) of non-fossil fuel energy capacity by 2030, including about 280 GW of solar energy. For context, only recently did the country cross the 250-GW mark in non-fossil fuel energy capacity.

In a paper published in the journal *Energy for Sustainable Development*, authors Pradhuman Shaktawat, Abhinav Jindal and S Abhilash Kumar say that just 10 per cent of India's available water sources could help generate about 227 GW of FPV power.

Other than avoiding land use, FPVs offer several advantages: the PV modules benefit from the natural cooling of water, leading to higher efficiency and energy output — typically 5–10 per cent more than ground-mounted systems. Moreover, since FPVs cover the water surface, they help prevent some evaporation. This is particularly useful at dams used for irrigation and hydropower generation.

However, there are challenges associated with large-scale installation of FPVs, which tend to have higher initial costs compared with ground-based solar PV.

IDEAL LOCATIONS

The authors analysed 130 hydropower reservoirs in the country that satisfied conditions they defined as both necessary and 'conducive'. They identified 17 reservoirs as technically suitable for FPV deployment, in terms of minimising the challenges related to anchoring, mooring, and power evacuation.

The study found that Maharashtra had the highest number of suitable reservoirs, followed by Odisha. Almatti reservoir in Karnataka was found the 'most suitable', with high 'global horizontal irradiance' (amount of solar radiation received by the water surface) and moderate variations in water level over time.

COOL FACT. Floating solar panels help cut evaporation at dams used for irrigation and hydropower generation KR DEEPAK

The authors also used the 'level-ised cost of energy' (LCOE) — average cost of generating 1 kWh of electricity over a project's lifetime — in analysing the financial viability of FPVs. In select reservoirs, the LCOE for FPVs ranges from ₹3.16 to ₹3.80 per kWh, which is significantly lower than the national average electricity tariff of ₹6.29 per kWh.

The LCOE for the Tungabhadra reservoir came in at ₹3.16 per kWh, which the authors attribute to its high energy yield.

Despite the overall competitiveness, FPV systems are costlier to install than land-based ones. The LCOE for Almatti reservoir, for example, is about 12.5 per cent higher compared with land-based PVs, largely due to the 15.5 per cent higher capital expenditure (capex) on components such as floating structures and anchoring systems.

The authors recommend targeted policy interventions to address this gap and encourage large-scale adoption. Their study concluded that an interest rate subsidy of 1.75 per cent or a 12 per cent capex subsidy could effectively equalise the cost of FPVs and LPVs. Alternatively, the government could consider an incentive of 12.5 per cent of the FPV LCOE, based on power generated.

SUSTAINABILITY

FPVs also face non-financial barriers such as lack of standard components, inadequate local manufacturing capacity, and the need for approvals from multiple government agencies.

It is also not clearly evident whether FPV deployment would pay off on the sustainability front. While FPVs offer net annual carbon dioxide savings of 970-1,167 tonnes per megawatt (MW) capacity, their deployment on waterbodies could have potential impact on local biodiversity and aquatic ecosystems.

To minimise the risks to livelihoods such as fishing and tourism from FPV projects, the authors recommend a structured assessment of the social impact through consultations with stakeholders. Dr Shaktawat tells *businessline* that compensation or benefit-sharing, like those used in hydropower resettlement planning, may help FPVs take off.

He also points out that the lack of reliable data on water depths across reservoirs has led to the exclusion of this crucial factor in the final ranking of the study. This data could alter the LCOE estimates through the use of 'exact anchoring costs', he acknowledges.

Mining silver and more from retired solar panels

Startup Beyond Renewables & Recycling is setting up a large-scale solar waste recycling ecosystem in Rajasthan

Richa Mishra

With global solar energy installation continuing to move north, the number of solar panels reaching their retirement will also increase, resulting in waste. To lower the environmental burden, the concept of solar panel recycling is gaining ground.

Beyond Renewables & Recycling, a startup launched in 2024 by Manhar Dixit and Vedant Taneja, is building a large-scale solar waste recycling ecosystem in Rajasthan.

"A friend who runs a solar EPC (engineering, procurement, and construction) company was mentioning that he has around 200 solar modules that had been damaged during transportation and installation at one of his sites. That's when we got the idea of doing something around solar waste," Dixit says.

Diving deeper into the issue, they realised that solar recycling was already happening in developed nations like the US, Germany, Italy, China, Singapore, and Australia.

HOW DOES IT WORK?

The startup has developed a proprietary process to recover over 95 per cent of materials — including silver, silicon, and glass — from end-of-life solar panels, turning hazardous waste into a high-value, circular resource.

Dixit cites data on India's rapid solar adoption, which is expected to generate nearly 1.2 million tonnes of solar PV waste by 2040. This wastage could climb to 4.8 million tonnes in an early-loss scenario — the failure of numerous solar panels before their expected lifespan.

RECOVERY MODE. Manhar Dixit and (right) Vedant Taneja, Co-founders, Beyond Renewables & Recycling

"Much of this e-waste is currently handled by the informal sector, which often lacks the infrastructure to safely process hazardous materials, leading to low recovery rates and environmental damage," Taneja says.

The duo first set out to understand how the informal sector handled the recycling process.

"Once we understood what exists out there in terms of technology, we started developing our own blueprint for recycling panels to allow for not just high recovery of raw materials, but also eco-effectiveness. We wanted to ensure that the recycling process we design and follow does good for the environment," Dixit says.

LOGISTICS AND LAND

The founders say their facility will follow the norms set by the Central Pollution Control Board in the storage and handling of solar waste modules. It will be equipped to recycle 10-15 tonnes of waste modules daily.

"Transportation (of procured waste panels) needs to be arranged by us," Taneja says, adding, "In some cases, the seller arranges transportation, but we do pay a premium on the price of the waste materials for that."

INCENTIVES

Dixit points to the policy push on solar waste recognition. In the e-waste management rules of 2022, the government included solar waste in the e-waste category. Today, any producer of waste — whether a solar panel manufacturer, an asset developer, or an EPC company — is required by the pollution board to hand over waste solar panels only to registered recyclers, he explains.

REVENUE

The company targets becoming fully operational on February 1, 2026. "The materials that we extract after recycling are metals mostly. So, they're usually sold openly in the metal scrap markets or, say, jewellers for silver," Taneja says.

FUNDING

The start-up recently raised ₹5 crore in a pre-seed funding round led by Momentum Capital, with participation from Venture Catalysts, IIMA Ventures, Oorjan Cleantech, and Gautam Das. "Funding has not been an issue," Taneja says, adding "We have been fairly blessed to have found the right set of investors for our kind of project; but it has been a long road, and we did not start looking for funds immediately."

"We did a lot of research and developed our capabilities and understanding of this market to make sure that it is a calculated risk we are taking, and ensuring we are able to deliver the return on investment that we're promising to our investors," he says.

OFFICE BUZZ.

Rise in fair pay perception

The percentage of employees who believe they are unfairly paid has decreased from 31 per cent to 27 per cent year-on-year, according to ADP's 'People at Work 2025: A Global Workforce View' survey. But, no surprises, globally more women reported unfair pay, compared to men.

India leads in pay fairness sentiment among the 34 markets surveyed — only 11 per cent, the lowest share worldwide, of Indian employees said their pay is unfair.

South Korea and Sweden lead in pay unfairness sentiment at 45 per cent and 39 per cent, respectively. In 15 of the 34 markets surveyed, over 30 per cent of women reported unfair pay, compared to only five markets for men. India is among the few markets where a larger proportion of men (12 per cent) than women (9 per cent) perceive their pay as unfair.

Pay fairness dissatisfaction in India also decreases with age — from 13 per cent among workers aged 18-26 to just 5 per cent among those aged 55 and above.

DAMAC opens GCC in India

UAE-based DAMAC Group has announced the launch of its new global services arm, DAMAC Shared Services India (DSSI). It said that strategic capability centres in Noida and Pune will enhance the group's global operations through world-class talent and integrated support services.

The centres will play a critical role in core business functions, including finance, operations, sales, marketing, HR, projects, commercial, digital and others. The offices will serve as innovation-driven hubs designed to accelerate efficiency, digital adoption, and customer-centricity within DAMAC's international operations landscape.

A multi-phased hiring strategy is underway for the two offices, with a projected 250 employees at Noida and 100-plus at Pune by 2026.

India's rapid rise as a global hub for technology and artificial intelligence strengthens the rationale for DSSI to set up the capability centres. According to a Deloitte Nasscom report, India's AI talent base is expected to grow from 600,000 to more than 1.25 million by 2027.

RADIAL SHIFT

BKT wheels into consumer segment

NEW ROLLOUT. The tyre maker, which is big in the off-highway segment, is all set to drive into the on-road space

Chitra Narayanan

There are plenty of "non-sexy" businesses in the world that investors like Warren Buffet are famously said to love. One of them involves manufacturing off-highway tyres (OHT). Certainly, tyre maker Balkrishna Industries (BKT) has made its fortune in the space, exporting to 160 countries. It closed last financial year with revenues of roughly ₹10,615 crore, of which 70 per cent came from exports.

BKT now plans to wheel into the highly competitive consumer segment, besides strengthening its presence in India. Says Rajiv Poddar, joint managing director, BKT, "Our vision was to be a one-stop solution provider for everything off-road for our partners. Now, we are expanding that vision to include the on-road space as well."

Poddar says commercial production for on-road tyres will begin in 2026. He says the company has earmarked an investment of ₹3,500 crore over the next three years. "Our investments are going into all our three verticals — off-road, on-road, and carbon black." According to analysts, carbon black accounts for a good chunk of tyre manufacturing cost, so the backward linkage gives BKT good leverage.

THE ROAD AHEAD

The brand's consumer tyres will be manufactured at its flagship factory in Bhuj, says Poddar. "It will be a brownfield in Bhuj. The work has started, and progressing as per our schedule." The company has four manufacturing plants in India — two near Gurgaon, one in Aurangabad, and one in Bhuj, close to the seaport.

Given its export focus, how come BKT has no plants abroad, close to its markets? Responds Poddar, "I think we have been able to get the distribution right and make stock in adequate quantity to hit the end-user just in time."

ADDING MILEAGE. BKT's flagship factory in Bhuj, Gujarat, is being equipped to manufacture consumer tyres

Poddar is the third-generation promoter in the tyre company, which was started by his grandfather Mahabirprasad, who incidentally hails from the Siyaram Silk Mills Poddar family (there was an amicable restructuring in 2013, disentangling cross-holdings). Poddar did his A levels in the UK, graduated in business administration and management, and returned in 2005 to enter the family business, where his dad, Arvind Poddar, was already in the thick of things. "I spent about 18 months in the factory, learning everything, and then moved to the head office in mid-2006. I slowly looked after various aspects of the business and made my way up. The chair was not there for me on day one," he emphasises.

Why the focus on exports, and the shift in gaze to India now?

The company had actually started off as an auxiliary unit for Bajaj Auto in Aurangabad, says Poddar. "At that stage, the BKT brand was still emerging... and we were looking for other opportunities within the tyre space," he adds. He says his

Rajiv Poddar, Joint Managing Director, BKT

uncle spotted the export opportunity when he noticed that Europe had just mechanised its farming. So BKT decided to enter the agri-business segment, making tyres for tractors and other farm equipment.

As the company grew in the agri space, it began looking for gaps in other OHT spaces, leading to it making tyres for construction, mining, and other industrial equipment. "While we were established in 1987, our major growth phase was in 1998," says Poddar.

BKT's business then got organised into verticals catering to the different requirements within the off-highway space. "We slowly started completing all the baskets. Today, we can proudly say we have over 3,600 SKUs, and we can become a one-stop supplier for everything in OHT," says Poddar. Agriculture accounts for the largest chunk of sales, at about 60 per cent.

As to why India now, and why consumer tyres, Poddar says, "As the country continues to grow, there is immense potential for us to contribute to the broader economy. We have already seen strong success in the agri-business here — we've secured nearly 28 per cent market share and have developed a strong understanding of the consumer landscape."

Continues Poddar, "We are the only manufacturer of radial tyres for the mining sector in India... all-steel radials, and considered to be the highest level of innovation. We are actively engaging with mines across India." He says the company's strong performance in the agri-business segment in India gave it the confidence to steer into the B2C segment.

BUILDING THE BRAND

Poddar says BKT has set an ambitious revenue target of ₹23,000 crore by 2030, including about ₹5,000 crore from the on-road segment, and is channelling fresh investment into manufacturing. "We are installing additional machinery and advanced systems to boost our capacity," he says. For the consumer segment, he points to the significant investments being made to build the brand value of BKT, through sports sponsorships.

"At the moment, we have used sports as a strategic platform to strengthen BKT's brand value. We have collaborated with select regional sports across countries and regions. In Europe, football is big, and we are sponsoring three of the leagues. In the US, we are doing Monster Jam; and in Canada we are doing Curling. Down south, in Australia, we are doing Big Bash; and in the recently concluded India tour of Australia, we were the naming rights partner for Cricket Australia. And in India, we are spending a lot of our budget on the Indian T20 league," he says.

Poddar also says a professional team is in place for the new vertical. "We have a CEO in place, in Satish Sharma. He is building the team slowly and steadily, bringing all the experts, whether it is field engineering, testing, tyre development, or sales and field staff."

According to a *bl* research bureau analyst, "Achieving revenue of ₹23,000 crore by FY30 implies a CAGR of 17 per cent. Excluding the low-base effect in FY20, the company's revenue clocked CAGR of 12 per cent in the past six years (FY19-25). With entrenched players in the on-road tyres space, and given the industry's cyclical nature, it appears to be an uphill road to the FY30 targets. The company's execution would be an interesting case to track."

Ageing as a corporate barrier

PEOPLE@ WORK

KAMAL KARANTH

What if you are being interviewed for a leadership role and the discussion is over in 10 minutes? My CHRO friend, who had already completed a round of assessment with one of the directors of the company, was given the nod for the next round. Five minutes into the second interview, he was asked to share his age. As soon as my friend said he was 52, the interviewer lost interest and wrapped up the meeting, which forced my friend to ask if age was a concern. The interviewer said, "After 50, we have observed people become fixated on how they work, and hence we prefer someone younger." My friend, who has an MBA from a pedigree B-school and has been in the profession for 25 years, told me this was not an isolated instance, and that he has been experiencing this age bias in the hiring process everywhere.

I consoled my friend, saying it could be an issue of many frictions coming into play, starting with the oversupply of HR professionals in India. There are over 2.9 lakh HR professionals with an MBA and 10-25 years' experience. Each year the top 10 B-schools churn out 1,000-plus postgraduates with HR specialisation. When it comes to HR heads, many MNCs prefer to hire women for the role, so qualified, experienced men may sometimes lose out. To top it all, among the 100 CHROs hired in the last 12 months, only 11 per cent were above 50 years. So the numbers are completely stacked against my 'aged' HR friend.

If you think this is discrimination, please hold your thought. In India, we can ascribe any reason for rejecting a job aspirant, including gender, statehood, qualification, institute, marital status, employer, height and a few others that I can't even state here. So, age as a rejection parameter is considered acceptable by most recruiters here.

THE 'FIRE' BRIGADE

"I don't want to work like Kamal *mama* does at his age," my nephew said to my sister. Though my nephew is only 21, he thinks he will be done working by 35 and enjoy life. The concept of 'financially independent early retirement' (FIRE) is trending these days among the next gen. If they don't want to work beyond a certain age and want a plethora of breaks for their mental health, should we not appreciate the eagerness of the older set who are keen to continue working? It seems like corporates are caught in this crossfire of experience vs youth. It's common to hear statements such as "the average employee age in our organisation is 28; let's get a leader under 40, who can relate to them." When I chose my successor at my last employment, one of my direct reportees told me, almost accusingly, "We always had a country head who was below 40 and you are leaving us with a 45-year-old." Age is a discussion that refuses to go away in our influential private spaces.

REWIRING VS RETIRING

"I haven't retired, I am rewired," quipped one of my CEO friends who recently hung up his boots, but continues to be busy with multiple gigs at 62. One of my cousins who worked with an MNC was forced to retire at 55 with the next three years' salary cheque banked in advance. He wasn't happy as he felt he had some more gas left in him. However, he reconciled himself to the reality as he was financially secured by his employer's golden sunset scheme and his promotions had been stalled by his supervisor in favour of his younger colleagues. My neighbour, who retired at 58, seems to be happy with a new farmhouse he has built on the outskirts of Bengaluru. If your only goal is to lead a relaxed life, it's difficult to hide that from your employer. Don't you think they see it before it hurts them?

CXO movements: Slowed in the 50s

Age profile of CXO appointments in calendar year 2025 (to date)

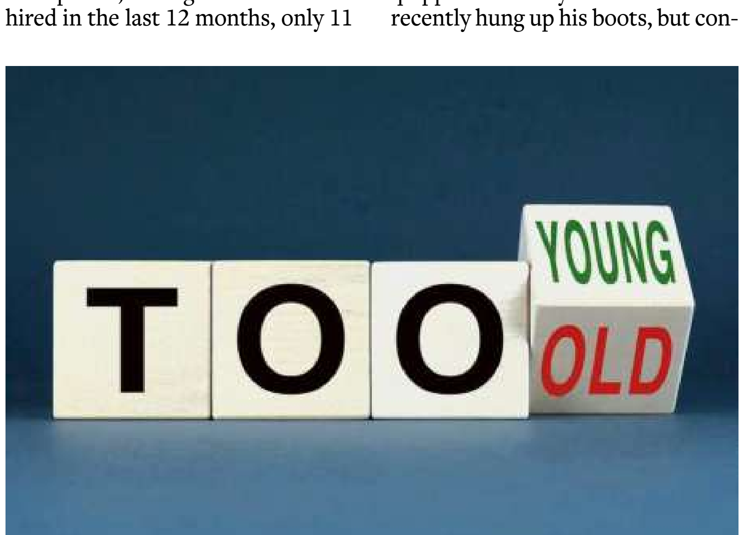
Age group	Count	% of total
Less than 30	5	0.6%
31-40	170	19.5%
41-50	530	60.9%
50+	165	19%
Total	**870**	

Source: Xpheno

YOUNG VS OLD

I analysed 870 CXO movements in India in 2025, and 60 per cent involved those aged 40-50. Interestingly, 36 per cent were in the 40-45 age group. Moreover, 20 per cent were below 40 years, indicating the preference of large enterprises. Only 20 per cent of the corporations hired leaders above 50. The 100-plus startup unicorns in India have only 25 per cent of their CXOs above 48 years, matching the age demographics of their younger founders. But all is not gloom yet for CXOs above 50. The average age of incoming S&P 500 CEOs reached its highest recorded level in 2023, at 56.4, and the average age of C-suite leaders has levelled out at around 57, as it was in the 1950s. In India, amongst the NSE-500 companies, the average age is about 57, similar to the global Fortune 500 firms' C-level executives.

I think the enterprises that are hiring 50-plus executives must be inspired by the quote, "Youth is the gift of nature, but age is a work of art."



ISTOCK

Kamal Karanth is co-founder of Xpheno, a specialist staffing firm

BIG FRY

How Balaji Wafers feeds Gujarat's growth into a snack powerhouse

Avinash Nair
Janaki Krishnan

Last week, when snacks maker Balaji Wafers announced selling a 7 per cent stake to private equity firm General Atlantic — valuing the company at around $4 billion — people did a double take.

Wasn't this the company PepsiCo sued for similarities in its chips packaging and design infringement? In fact, in 2020, the Bombay High Court had directed the Gujarat-based *namkeen* company to stop selling its 'Rumbles' chips, which allegedly looked a lot like the US cola giant's Lay's chips.

For Chandubhai Virani — the former canteen worker who built a snacks empire — this was just another minor speed breaker in his entrepreneurial journey, and he smartly revamped the design and forged ahead with his business.

While GA is in the final stages of clinching the deal, Balaji's snacks had several suitors including, ironically, PepsiCo, ITC, General Mills and other PE firms.

This is the second major deal in the Indian snacks segment this year, after Temasek acquired a 10 per cent stake in Haldiram's at a valuation of $10 billion.

THE BALAJI ADVANTAGE

The decentralised production model and tightly-knit farm linkages of Balaji Wafers Pvt Ltd — celebrated for its founder's rags-to-riches story — have helped trigger a 'Gujarat snacks cluster effect', drawing dozens of small and mid-sized processors into the ecosystem over the past two decades. "One of the better things about Balaji is its dominance in the tier 2 markets and its pretty good distribution," says Pradyumna Nag, Founder, Prequate Advisory.

While national-level snack companies scale up through large factories and high-decibel branding, Balaji stayed close to the customer and even closer to the farm. Its plants in Rajkot, Valsad and Vadodara operate within a few hours of major consumption pockets and potato-growing belts, helping the company ensure freshness, reduce breakage and optimise transport costs. This model, replicated by multiple regional players, has reinforced Gujarat's reputation for low-wastage, high-efficiency food processing.

"Across our plants in Rajkot, Valsad, Indore and Lucknow, we process 1,000 tonnes of potatoes a day," Virani tells *businessline*. "Besides contract farming with around 100 growers, we work closely with local farmer groups at each location. Nearly 80 per cent of our raw materials — from bananas and pulses to spices and edible oil — are sourced locally," says Virani, who started as a snack seller at a movie theatre in Rajkot four decades ago, together with his brothers Bikhabhai and Kanubhai, before going on to building a snacks empire with a topline of over ₹6,500 crore.

The decentralised approach has created a ripple effect around Balaji's units, drawing in packaging suppliers, seasoning manufacturers, cold-storage operators and transporters. The resulting cluster has supported the expansion of regional brands such as Gopal Namkeen, Euro India, Frylo and Raj Wafers, all of which emerged in the slipstream of Gujarat's potato-processing boom.

Balaji's operating discipline has translated into strong financial performance. According to Tracxn Technologies, the company's revenue climbed from ₹2,336 crore in FY20 to ₹5,553 crore in FY24, while profit after tax rose fourfold from ₹132 crore to ₹579 crore. Virani said revenue for FY25 crossed ₹6,500 crore.

IS THE VALUATION FAIR?

"If you look at the topline, they are getting very much within the market estimates. It's not an aberration," says Prequate's Nag, pointing out that the valuation would help if a public listing is planned in the near future. The entry of GA would also help attract foreign investors.

Virani feels his company is today worth ₹40,000 crore and that the PE firm has presented a "discounted valuation".

The company's market position is far higher than its low advertising visibility suggests. A November 2023 Frost & Sullivan study places Balaji among the top two players in India's organised ethnic savouries market, with a 36 per cent share, almost level with Haldiram's Delhi and Nagpur units combined. In the ₹25,900-crore organised Western snacks segment, Balaji sits just behind PepsiCo and ITC's Bingo, despite its largely regional footprint.

The broader ecosystem surrounding the company has benefited from Gujarat's agricultural evolution. The State has emerged as India's largest producer of processed potatoes, with output rising from under one lakh tonnes in 2004–05 to 11.5 lakh tonnes today. Districts such as Banaskantha, Sabarkantha and Aravalli now form the core of the State's chip-grade potato belt. High dry-matter varieties like Lady Rosetta, Santana and Kufri Chipsona — ideal for chips and French fries — have attracted global processors such as Hy-Fun Foods and McCain Foods to the region, Gujarat government sources point out.

Gujarat produced 48.59 lakh tonnes of potatoes in 2024–25, with over 25 per cent earmarked for processing, creating a stable raw material base for snack manufacturers. With India's organised savoury snacks market projected by Frost & Sullivan to clock 11.7 per cent CAGR through FY27, driven by rising packaged food adoption in semi-urban and rural markets, Balaji is positioned to gain from both category expansion and Gujarat's maturing cluster ecosystem.

As the company prepares for its next phase — which may include a larger national play and external investment — its underlying advantage continues to rest on hyper-local manufacturing backed by a farm-first supply chain, a strategy few have been able to replicate.

CRUNCHING NUMBERS. Balaji Wafers is valued at $4 billion

Sliced and diced: Balaji's revenues and profits on the rise

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenues	2,336	2,961	4,034	5,009	5,553
PAT	132	25	7	409	579

Figures in ₹crore

Source: Tracxn Technologies

FUND FACTS.

$112.8 million

Waaree Energy Storage Solutions Private Limited received funding from Niveshaay, undisclosed investors, Vivek Jain, and Saket Agarwal on November 12, taking the total funding to $180 million.

$56.39 million

Finnable Credit Private Limited received funding from Z47 (Matrix Partners India), TVS Capital, and MEMG Family Office on November 11, taking the total funding to $136 million.

$30 million

Ulink Agritech Private Limited received funding from Just Climate, undisclosed investors, Aavishkaar Capital, Bertelsmann India Investments, Evolvence India, Chiratae Ventures (IDG), and Hero Enterprise Partner Ventures on November 20, taking the total funding to $213 million.

$30 million

Varaha Climateag Private Limited received funding from Mirova Natural Capital (Althelia Ecosphere) on November 13, taking the total funding to $42 million.

$17 million

Farmjunction Marketing Private Limited received Series A funding from Astanor, Info Edge Ventures, and Omnivore Partners on November 19, taking the total funding to $23 million.

Source: PrivateCircle Research, a private market intelligence platform

RE POSTS.

the real startup killer isn't a lack of resources
it's saying "yes" to every shiny thing (or technology)
FOCUS→say no→small win→repeat

Paul Mit
@pmitu

It's ok to not have all the information.
It's ok to do things you've never done before.
That's literally what building a startup is. Figuring it out as you go.

Andrew Gazdecki
@agazdecki

i think the best city to build a startup from is usually the city you as the founder are the happiest and can lock in the hardest
shopify started in ottawa. supercell from helsinki. spotify from stockholm etc
your output is tied to your environment, your focus, your happiness

GREG ISENBERG
@gregisenberg

AUTOMATING COUNSEL

Legal eagles soar with digital wings

E-BRIEF. Startups are building tools that promise to simplify and lower the cost of legal services, especially for small businesses

Jyoti Banthia

India's legal-tech ecosystem is being driven to an inflection point by surging contract volumes, regulatory complexity, and the arrival of the first real wave of AI-led automation in legal workflows. The sector is still nascent, but the foundations laid today by startups building contract tools, legal ERP (enterprise resource planning) and dispute-resolution infrastructure could define how India's legal machinery functions over the next decade.

Neha Singh, Co-founder of Tracxn, describes the unfolding developments: "The legal-tech market in India is still in its early stages, and this presents a significant opportunity for innovation and meaningful problem-solving. Agentic AI and Generative AI have begun to make inroads, but adoption remains formative."

Funding cycles reflect this nascency. After raising $120 million in 2019, the sector saw its highest inflow in 2022 at $190 million. This year, legal-tech has so far attracted $119 million — a jump of 700 per cent and 200 per cent, respectively, over the same period in 2024 and 2023.

Much of this capital is concentrated in contract management — more than 85 per cent of the $710 million raised to date went to contract lifecycle management (CLM) companies such as SpotDraft Legal and the unicorn Icertis. But the newer cohort of AI-first legal ERPs, online dispute resolution (ODR) platforms, and contract execution tools for small and medium businesses (SMBs) are widening the market.

SMART CONTRACT. Akshat Singhal, Founder and CEO, Legistify

Aditya Pandranki, Founder and CEO, Doqfy

AI WORKBENCH

For many years, digitisation of the legal sector in India was hampered by a cultural bias towards manual processes. As Akshat Singhal, Founder and CEO of Legistify, notes: "Legal has always been a trust-driven kind of work. It needed that human element, which is why technology adoption was slow. But with AI, the macros are changing rapidly."

Legistify positions itself as an AI-first legal ERP for in-house counsels across enterprises. Its services span litigation, contracts, IP, notices, and compliance — available in a single workflow layer. "We become a one-stop legal shop for any enterprise," Singhal says.

Legistify's contract module blends workflow tools with AI: so you have automated draft creation, instant review, negotiation assistance, and obligation tracking. Backing this is one of India's deepest legal datasets. "We've built one of the largest proprietary legal datasets — over 10 million cases — cleaned, tagged and structured. Our models are fine-tuned on this, so they don't lose the legal context lawyers care about," Singhal adds.

Mumbai-based Presolv360, on the other hand, is building digital rails for dispute resolution — an institutional layer that activates once disputes emerge.

"ODR is no longer a pilot experiment," says Aman Sanghavi, co-founder of Presolv360. "Enterprises are starting to see it as infrastructure — a neutral, institutionally governed layer that reduces friction and builds trust into dispute resolution."

Presolv360 combines arbitration, mediation and negotiation workflows in a tech-enabled, neutral framework. Its AI stack focuses on extraction, guidance, multilingual explanations and structured workflows — but not on automating outcomes. "Our goal is assistance, not unilateral decision-making," Sanghavi says.

He lists the startup's record to date: more than one million disputes resolved, involving 2.5 million participants across 12,000 pin codes.

BUSINESS MODEL

Despite the positive outlook of the Indian legal-tech sector, its commercial reality remains complex. Enterprise sales cycles are long, the ecosystem is fragmented, and poor awareness remains a barrier.

Presolv360 sees challenges not in pricing, but behaviour. "The biggest barrier isn't pricing or integrations — it's the mindset," Sanghavi says. "ODR requires institutions to rethink adversarial, paper-heavy processes. That shift takes time."

Once there is adoption, scale follows. Presolv360 has doubled revenues every year since FY22, expanding across sectors and geographies. "Our version of NRR (net revenue retention) is institution-wide adoption," Sanghavi explains. "Enterprises move from pilots to multi-State rollouts as ODR becomes part of their operating playbook."

For Legistify, the momentum has been accelerated by remote-work digitisation and AI automation. "We've been growing more than 70 per cent year-on-year, especially after the AI wave," Singhal says. The company reports zero churn over the past three to four years — rare in enterprise SaaS.

Legistify aims to reach an annual recurring revenue (ARR) of $100 million within seven to eight years. However, Singhal acknowledges that competition is intensifying globally: "Being an Indian founder in this space for a decade gives us insights global players lack. But in AI, if you don't move fast, even a local competitor can beat you."

SMB OPPORTUNITY

While enterprise-focused tools command more funding, there's a large white space in the form of India's 60 million SMBs, which contribute 30 per cent of GDP but have virtually no access to structured contract tools.

Bengaluru-based Doqfy saw the opportunity. Founder Aditya Pandranki describes contract execution in India as a maze of paperwork: "Contract management here is totally manual."

Global CLM platforms charge $70,000–80,000 a year, way beyond the reach of smaller businesses. Doqfy built an end-to-end CLM platform tailored to suit SMB pricing and regulatory needs — including India's complex State-wise stamp duty rules.

"Users simply upload a PDF contract, and the system automatically determines the applicable stamp duty for any Indian State, processes it digitally, and sends it for e-signature," Pandranki explains. Aadhaar e-sign, digital signature certificate, extraction through 'natural language processing', and AI-powered validation and risk assessment round out the services.

Doqfy serves 1,000-plus customers across the banking, financial services, insurance, manufacturing, edtech, healthcare and logistics sectors. Its clients include HDFC Bank, DBS Bank and Axis Bank. Its blended model — SMBs pay ₹2–5 lakh annually; enterprises pay ₹5–15 lakh — is reinforced by low per-transaction pricing. The result: 60–70 per cent savings in operational costs for clients.

Doqfy is now exploring markets in West Asia and Southeast Asia, and plans to raise fresh capital in 2025.

While India's market remains nascent, its potential stands out. "The combination of our vast population and predominance of manual processes creates extraordinary opportunities for automation," observes Singh of Traxcn.

Sanghavi articulates the vision for his venture: "Digital payments and electronic KYC (know your customer) verification evolved into foundational infrastructure. Online dispute resolution will follow the same trajectory — and we're positioning ourselves as the institutional backbone of that transformation."

While there is no Indian legal-tech company with global dominance yet, the home-grown enterprises are sharpening their expertise, including building AI systems trained on Indian jurisprudence, operating platforms purpose-built for legal professionals, and infrastructure enabling digital resolution of disputes.

STARTUPS: VAI-THEE-FUSS

Better late than battling 'first-mover disadvantage'

VAITHEESWARAN K

Recently, when talking with the PGDBM (postgraduate diploma in business management) class at the Chennai campus of IIM-Trichy, someone asked whether being first in a market guarantees success? Honestly, 'first-mover advantage' is an overestimated concept and markets are rarely won by the earliest entrants. Being early may give a startup visibility, but it also forces a founder to educate customers, fix unknown problems, develop the ecosystem and spend money shaping a category, whereas late entrants avoid these costs and often emerge the winner. It's like someone entering a dense jungle on foot and cutting trees to create a pathway, making it easier for others to enter the jungle and drive fast along the freshly laid path or even overtake the pioneer on foot. In my book *Failing to Succeed*, I have discussed this concept as the 'first-mover disadvantage'.

Google wasn't the first search engine; it simply built a better product than pioneers like AltaVista and Lycos. Facebook entered the social networking game long after MySpace and Friendster, but executed fast on simplicity. Apple launched the iPod years after MP3 players, yet it won through superior design. Video-sharing sites like Vimeo and Metacafe came much earlier, but YouTube, though late, eventually won due to ease-of-use. Nokia held all the aces in the global cell phone market with a great product and brand, but the iPhone came later and blew Nokia away. There are, of course, exceptions like Uber, which pioneered cab hailing apps worldwide and won big time.

ISTOCK

Ola wasn't India's first taxi startup. Meru and others came much earlier, but Ola's asset-light model and push for driver onboarding helped it scale up faster. Flipkart came years after Indiaplaza created an ecommerce ecosystem, but timed it perfectly as payment systems and logistics were maturing and online security concerns were diminishing. Swiggy entered food delivery years after players like Foodpanda and JustEat, but focused on reliability and delivery control rather than simply aggregating restaurants. PhonePe was not the first to launch UPI payments, but its intuitive onboarding helped scale up at a pace earlier entrants couldn't match. Zepto entered quick commerce long after Grofers and Dunzo had defined the category, but disciplined execution put it ahead in customer stickiness.

The pattern is clear: early entrants spend energy evangelising the market, while late entrants build on validated demand, learn from earlier missteps, and deploy capital more efficiently. In fast-changing markets, winners are rarely those who show up first, but those who show up prepared.

The writer is a serial entrepreneur and best-selling author of the book 'Failing to Succeed'; posts on X @vaitheek

Bioengineering a reversal of corneal blindness

Pandorum's regenerative 'liquid cornea' promises to end the wait for donor eye transplants

Sanjana B

Corneal opacity remains one of the leading causes of blindness globally, leaving more than 10 million people dependent on donor tissue in the hope of seeing again. Yet, fewer than 2 per cent of them can receive this vision-restoring transplant, owing to the severe shortage of human donor corneas.

Pandorum Technologies, a Bengaluru-based tissue regeneration company, aims to find a solution for this scarcity. The startup says it has demonstrated through multiple animal studies that its lab-made 'liquid cornea' — KuragenX — can induce and support the transparent regeneration of a cornea to restore vision.

"Cornea is the transparent skin of the eye. Learning from nature, we have developed a bioengineered cornea that helps regenerate one's own cornea and restore vision," Arun Chandru, Co-founder, Pandorum Technologies, explains.

EYES RIGHT. Arun Chandru, Co-founder, Pandorum Technologies

The USFDA has granted an 'Orphan' designation (accorded to treatments for rare diseases) to KuragenX for neurotrophic keratitis II/III — currently an untreatable type of corneal blindness. Chandru says the company will apply for first-in-human clinical studies in India, the US, and Japan in 2026.

RESEARCH-FOCUSED

"We are a specialised R&D company. As our assets mature into clinical studies, we'll be out-licensing to larger (bio) pharma companies to take them to patients. Some of the notable ones are already in conversation (with Pandorum)," Chandru says.

Pandorum has also developed a proprietary full-stack technology platform to manufacture human mesenchymal stem cell (MSC) exosomes — nanoscale vesicles released by MSCs that contain bioactive molecules like proteins, lipids, and nucleic acids for cell-to-cell communication — to promote functional regeneration of human tissues like cornea, skin, and cartilage. The platform is compliant with the FDA's current good manufacturing practices (cGMP) regulations.

The company has R&D labs in Bengaluru and San Carlos, California. It also has a collaboration with the Feinberg School of Medicine, Northwestern University, Chicago, and Kyoto University, Japan.

The company has about 20 families of patents, some granted in the US, India, and other countries, and some under review.

GOVERNMENT SUPPORT

Pandorum Technologies is supported by the Indian government and marquee investors.

"We registered the company with our prize money from BEST-2010, organised by the Association of Biotechnology Led Enterprises and the government's Department of Biotechnology. Subsequently, we received competitive grants like BIG (Biotechnology Ignition Grant) and SBIRI (Small Business Innovation Research Initiative) from BIRAC (Biotechnology Industry Research Assistance Council). We've been a recipient of the government's fund-of-funds. Karnataka Biotech Venture Fund is an equity investor in Pandorum. We are based out of incubation centres in Bangalore, primarily created and funded by both the central and State governments," Chandru says.

Pandorum has raised about $22 million as of FY24-25. In 2024, it completed a pre-Series B funding round, raising $11 million from a mix of new and existing investors.

Amping up specialist tech services

bl.interview

Sanjana B

Recognize is a New York-based private equity firm focused on the technology services industry. The firm is led by industry veterans Frank D'Souza, Raj Mehta, Charles Phillips, and David Wasserman, along with partners Mike Grady, Josh Miller, Deborah Munfa, and Shawn Pride.

Muthu Kumaran, Operating Partner and Head of India Operations, says Recognize provides operational expertise, industry insights and strategic capital to innovative companies in the tech services sector. Here he discusses the firm's investment philosophy and portfolio strategy.

Edited excerpts:

> We look for founder-run firms that have good potential and build great capability, but may have reached a saturation point
>
> **MUTHU KUMARAN**
> Operating Partner and Head of India Operations, Recognize

What is your investment thesis?

If you're a startup or a medium-sized company, you should not be average and do everything, but instead do one thing extremely well. That is our investment thesis — take a company with deep specialisation and unlock its potential. The companies in our portfolio demonstrate that this focused approach is working.

How many funds have you raised to date?

Fund I closed at $1.3 billion, and is almost deployed. We have some parts for administration and tuck-in for our existing portfolio companies. We invested in about 13 portfolio companies, and have had two exits. We started our investment cycle for Fund II at the beginning of 2025 and closed it in June at $1.7 billion. We are currently deploying from Fund II.

What is your average cheque size?

Our cheque sizes are typically between $50 million and $500 million. When the cheque sizes get too big, we are open to partnering with other private equity companies.

What kind of exit do you prefer? What is the time horizon for your investment?

Torc, an outlier, is a talent cloud connecting companies to global digital engineers through an AI-enabled automated platform. It brought in gig workers globally and connected them with Fortune 500 enterprise clients. It had a commercial model with contracts between the big workers and the enterprise. This was exciting for Randstad Digital, which bought the platform from us. That was our first exit, at the beginning of 2024.

Our second exit was AST, a company with strong expertise in Oracle Cloud. As IBM sharpened its focus on Oracle Cloud, AST's reputation within the Oracle ecosystem made it a natural fit, and IBM acquired the company from us. Both exits came to us proactively. We don't operate with rigid timelines for exits, and there's no rush.

At which stage do you typically come in? Early or growth?

We avoid startups because we prefer to invest in companies that are performing well. Our focus is on medium-scale companies with revenue scale of $30 million or more. Typically, they are founder-run, have good potential, and build great capability, but may have reached a saturation point. That's where we come in.

What is the size of your portfolio?

As we are operators ourselves, it wouldn't be practical to invest in more than 10-15 companies.

DATA BANK.

Bank asset quality stays benign in Q2FY26

The gross non-performing asset (GNPA) ratio of scheduled commercial banks (SCBs) improved to 2.1 per cent, as of the second quarter (July to September) of FY26, from 2.6 per cent a year ago, with GNPA declining 11.1 per cent year-on-year (y-o-y) to ₹4.05 lakh crore, according to CareEdge Ratings.

In comparison, the net non-performing asset (NNPA) ratio remained steady at 0.5 per cent for the third consecutive quarter (against 0.6 per cent in Q2FY25), with NNPA falling 9.9 per cent y-o-y to ₹0.88 lakh crore.

"Both metrics improved due to strong recoveries and upgrades, lower incremental slippages, and portfolio clean-up through write-offs and sales to ARCs (asset reconstruction companies)," according to a report, authored by Sanjay Agarwal (Senior Director), Saurabh Bhalerao (Associate Director) and Ankush Pathrabe (Analyst), CareEdge Ratings.

GNPAs of public sector banks (PSBs) declined by 16.3 per cent y-o-y to ₹2.74 lakh crore in Q2FY26; GNPAs of private sector banks (PVBs) inched up by 2.6 per cent y-o-y to ₹1.26 lakh crore as of Q2FY26.

Stress in unsecured personal loans

The rating agency officials assessed that, within the retail segment, NPAs were primarily driven by stress in unsecured personal loans, education loans, and credit card receivables.

The banking system's growing tilt towards retail lending has been fuelled by greater access to personal credit and a moderation in corporate borrowing, as large corporates de-leverage and tap alternative financing avenues. In contrast, agricultural NPAs remained elevated due to structural and politically sensitive recovery challenges, which continue to constrain asset quality in the segment.

Slippage

Fresh slippage for PSBs eased, falling 22.5 per cent y-o-y to ₹0.19 lakh crore, indicating improving portfolio quality. Fresh slippage for PVBs rose marginally to ₹0.3 lakh crore from ₹0.28 lakh crore in Q2FY25.

The slippage ratio of PSBs remained lower than that of PVBs, supported by a combination of structural and cyclical factors. Lending growth has been concentrated in lower-risk retail segments, particularly mortgages, while the expansion in unsecured retail credit has been cautious, according to the CareEdge report.

Further, the clean-up of legacy stressed assets has advanced, thereby reducing the pool of vulnerable exposures and strengthening overall portfolio quality.

Credit costs

PVBs experienced a 27.5 per cent y-o-y increase in credit costs during Q2FY26, mainly due to the extra contingency and floating provisions made by two major private banks, as well as a one-time provisioning related to discontinued crop loan variants. In comparison, PSBs reported a 17.7 per cent y-o-y decline in credit costs.

Although a shift to a provisioning framework based on expected credit loss (ECL) is imminent, and the guidelines are yet to be finalised, some banks have started making modest ECL-related provisions.

Outlook

As of Q2FY26, credit offtake grew 11.7 per cent y-o-y, outpacing deposit growth at 9.7 per cent. However, some pickup is anticipated in the second half (H2) of FY26, compared to the first half (H1); overall, credit growth is expected to remain moderate, the rating agency officials said.

Asset quality stays resilient, supported by healthy recoveries and contained slippages, with the SCB GNPA ratio projected to stay in the 2.3–2.4 per cent range by end-FY26. Stress in unsecured personal loans and microfinance institutions (MFIs) is offset by corporate de-leveraging and a steady decline in GNPA. The multi-year clean-up of stressed assets, backed by strengthening creditor rights due to regulatory reforms, has reinforced the banking system's stability.

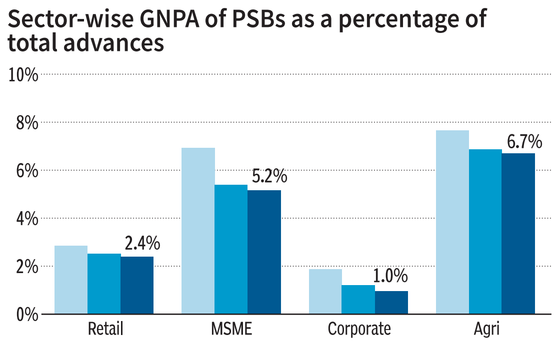
Credit costs appear to have peaked, remaining stable to lower for PSBs due to improved asset quality, while PVBs saw higher provisions but benefited from lower slippages and steady recoveries. However, risks remain.

CareEdge cautioned that continued weakness in low-ticket unsecured loans, potential spillovers from US tariff actions, global growth softness, and evolving regulatory interventions could weigh on both credit growth and asset quality in the coming quarters.

SCBs – Gross NPAs and net NPAs ratio trend (%)

	FY25				FY26		(basis points)	
Asset quality	Q1	Q2	Q3	Q4	Q1	Q2	y- o-y	q-o-q
Gross NPAs								
Large PSBs	3.1	2.8	2.7	2.4	2.4	2.2	-65	-19
Other PSBs	3.9	3.9	3.5	3.1	3.0	2.7	-118	-24
Large PVBs	1.7	1.6	1.6	1.5	1.6	1.4	-18	-15
Other PVBs	2.2	2.2	2.2	2.3	2.4	2.3	3	-12
Net NPAs								
Large PSBs	0.7	0.6	0.5	0.5	0.5	0.4	-14	-5
Other PSBs	0.8	0.8	0.7	0.6	0.6	0.5	-29	-6
Large PVBs	0.4	0.4	0.4	0.4	0.5	0.4	1	-4
Other PVBs	0.7	0.7	0.7	0.6	0.7	0.6	-6	-3

Sector-wise GNPA of PSBs as a percentage of total advances



Credit costs (profit and loss) (₹lakh crore)

Credit cost	Q2FY25	Q1FY26	Q2FY26	y-o-y (%)	q-o-q (%)
Large PSBs	0.10	0.10	0.10	-1.1%	2.7%
Other PSBs	0.07	0.06	0.04	-44.3%	-35.5%
Large PVBs	0.06	0.10	0.08	29.7%	-16.2%
Other PVBs	0.06	0.08	0.08	25.4%	5.1%

Source: Ace Equity, CareEdge Calculations

GROWTH PANGS

Nudging non-banks to start banking

SIZING UP. How open are NBFCs to applying for a bank licence, and how willing is the RBI to grant it to corporate owners?

Piyush S Shukla

The Department of Financial Services (DFS) Secretary M Nagaraju recently said India needs new, and larger banks to achieve the goal of 'Viksit Bharat' by 2047.

In this regard, he suggested extending banking licence to non-banking financial companies (NBFCs) and/or upgrading small finance banks (SFBs) into universal banks.

"Now, how do we get these new banks. We have two-three means of having them. One is, of course, NBFCs. A large number of NBFCs are currently available; some of them could always be thought of (converting into banks). The other is SFBs, which can also transition to universal banks..." he had said at an event.

But are shadow banks willing to convert into banks?

Not unless forced to, three senior executives at large NBFCs told *businessline*, requesting anonymity.

Indian NBFCs have different regulatory standards compared to banks, and several leading or large NBFCs are run by big corporates. For instance, Bajaj Finance, Tata Capital, L&T Finance, Aditya Birla Finance, and Piramal Finance are promoted by corporate giants.

Traditionally, the Reserve Bank of India (RBI) refrains from granting bank licence to corporate groups.

NO TAKERS

"The RBI's regulatory and supervisory approach towards NBFCs has changed quite sharply over the last few years. It has come almost on par with banks. What they would be aiming for is to convert upper layer NBFCs into banks. Of course, we need a glide path to lower promoter stake and meet other regulatory requirements of a bank," a top executive of a large NBFC said.

"However, most of the upper layer NBFCs are run by corporate houses, to whom the regulator does not even allow a majority of NBFCs to accept deposits. If there is a fresh thinking on granting corporate houses bank licences, then Reliance and Tatas would be the first to apply," he said.

Other than the top tier NBFCs, there are not many entities that would want to convert into a bank, due to their small business operation or capital issues.

Among the large NBFCs, Sundaram Finance may be a candidate, but most NBFCs are content with being non-banks.

However, if the regulator forces large NBFCs to convert into banks, then there would be no option, the official said.

SHAREHOLDING NORMS

Another large NBFC executive said that while his company has built tech and security infrastructure on par with a bank, it would not want to convert due to the RBI guideline mandating promoters to hold a minimum of 40 per cent of the bank's paid-up voting equity capital, which shall be locked-in for five years from the date of commencement of the bank's business, to ensure skin in the game.

The promoter group shareholding shall be lowered to 15 per cent within 15 years from the date of commencement of business.

"Why would we want to reduce our stake by converting into a bank? As an NBFC, we are profitable, have a large scale and come with a clean slate," the executive said.

To be sure, Kotak Finance was the only pure-play NBFC that successfully converted into a bank (Kotak Mahindra Bank). In the process, the bank's promoter Uday Kotak had his fair share of differences with the regulator on voting rights. The RBI also recently rejected Annapurna Finance's application to convert into a bank, indicating its unease over granting fresh licences.

All SFBs, except AU SFB and Capital SFB, had a microfinance institution (MFI) background.

GLIDE PATH

Even if NBFCs were to convert into banks, they will need a glide path to build a liability base, as most do not accept deposits currently.

"Building liabilities is not an easy task as, historically, NBFCs have not done it. Just because you become a bank, you won't be able to attract it. And, importantly, what needs to be determined is which NBFCs are present in the retail segment. Retail segment NBFCs will be able to build a liability franchise better. The size of captive customers in the retail segment will determine the success of your liability base, as corporate MSME (micro, small and medium enterprises) deposits are mostly current account," said Vivek Iyer, partner at Grant Thornton.

Further, the quality of customer service required on the retail liability front is far higher than what is provided on the retail credit side.

"On the retail credit side, it's about underwriting and collections, and the customer behaviour is different as a borrower. But on the deposit side, it is a loan that a customer provides you and hence their behaviour differs. So the mindset shift would be important," Iyer said.

On the ownership structure, there needs to be a glide path, Iyer said, or they could consider allowing non-operating holding company structure, which was initially envisaged for MFIs that became SFBs. "That is a template that can be leaned on, should the regulator want NBFCs to transition to a bank," he said.

Prakash Agarwal, partner at Gefion Capital, said: "With the system becoming stronger, and with stronger supervisory framework and governance standards improving, you might see even the corporate, at some point, (getting bank licence)... the regulator's rethinking that as well."

While the RBI's aversion to granting corporate groups a banking licence endures, if the entity ensures that its promoter plays a strategic investor role with limited voting rights and a tight leash on related-party transactions, then policymakers may have a rethink.

Analysts say that if an NBFC grows beyond a size, it cannot sustain itself. NBFCs do earn higher margins, but cost of funds remains high and they have to generate business growth, provisions, tech, and hiring from the profits. As scale builds, banks are more profitable on account of lower cost of funds.

So, with the NBFC Kotak Finance (which was granted a bank licence in 2003) successfully converting into a bank (Kotak Mahindra Bank), and a host of NBFC-MFIs transitioning into SFBs and giving a good account of themselves over the last 10 years (with one among them — AU SFB — granted 'in-principle' approval in August to transition to a universal bank), the NBFC space is ripe with possibilities. A bank licence is a natural progression for some NBFCs.

Building big

NBFCs, NBFC-MFIs that converted into banks/small finance banks

Original entity	Converted bank, SFB	Year of approval
Kotak Mahindra Finance	Kotak Mahindra Bank	2003
Bandhan Financial Services	Bandhan Bank	2014
AU Financiers	AU SFB	2015
Capital Local Area Bank	Capital SFB	2015
Disha Microfin (Fincare)	Now merged with AU SFB	2015
Equitas Holdings	Equitas SFB	2015
ESAF Microfinance and Investments	ESAF SFB	2015
Janalakshmi Financial Services	Jana SFB	2015
RGVN (North East) Microfinance	North East SFB	2015
Suryoday Micro Finance	Suryoday SFB	2015
Ujjivan Financial Services	Ujjivan SFB	2015
Utkarsh Micro Finance	Utkarsh SFB	2015

Source: RBI

Why have forecasts gone awry?

The swings in numbers raise questions on their reliability for policymaking

MADAN SABNAVIS

Financial year 2025-26 has been one of extreme volatility, caused by rather erratic policies on tariffs. This has continuously changed perceptions on economic performance, making forecasting a challenge. Does this mean we need to look at forecasts with an element of circumspection?

The accompanying table shows the forecasts for both GDP and inflation for FY26 by the RBI's survey of professional forecasters. The movements are interesting.

The survey for the April forecasts would have been carried out a month earlier, which means it was before the tariff news from the US. The background would have been more to do with the budget's impact on spending and tax reliefs as well as the rate cuts invoked by the Reserve Bank of India. Subsequently the GDP forecast fell to 6.3 per cent and remained virtually flat in August (before the additional tariff was imposed), then increased to 6.7 per cent (even though there was no deal in sight with the US). The forecast for December is likely to be near 7 per cent or even higher. As all these numbers are median forecasts, intuitively there are several numbers which are both higher and lower than this mark.

The inflation trajectory has been quite unambiguous, declining over time from 4.2 per cent to 2.6 per cent. The December number may likely be even lower, with some forecasts staying below 2 per cent.

Does this mean that forecasting is quite meaningless if there are such swings in the numbers? This is important because such forecasts form the basis of business strategy for any company. All demand forecasting is based on the GDP growth number, while pricing and cost formulation rely on the inflation forecasts. Monetary policy is discussed based on this number, which can lead to changing rationales for action. Here the RBI has been prudent by looking through the current inflation numbers and keeping an eye on future numbers, as policy needs to be forward-looking. But what if those forecasts, too, are going to change?

Why have inflation forecasts gone terribly wrong? All models would have assumed a normal monsoon for the year and a good crop. Also, forecasters are aware that the price indices in 2024 (the base) were high and would lead to low inflation in 2025. The only intervention came in the form of GST rationalisation, which would affect manufactured products more than food. Moreover, the impact would be felt from October-November. But, surprisingly, the forecasts for core inflation, which exclude food, beverages, and fuel, have been more steadfast at around 4 per cent.

The problem is that all models use past data as the foundation for assumptions on how the variable factors move. Hence the most volatile element has been food prices, where the past relationship between output and price movements has not held, leading to overestimation of inflation. The problem gets exacerbated by base effects, making some of the inflation numbers less credible. For example, tomatoes have always been a problem component with a weight of 0.57 in the CPI. In October 2023, it averaged ₹30 a kilo and went up to ₹64 in October 2024, leading to a very high inflation number. In October 2025, it was ₹38 a kilo, which is still over 20 per cent higher than in 2023. Thus, models would tend to go awry.

A similar picture emerges for the WPI components on the food side. As these indices have gravitated towards zero or turned negative, they tend to also affect GDP growth numbers. GDP components are reckoned at current prices and then deflated with inflation numbers to arrive at real GDP, which is to reflect how broadly the overall production of goods and services has grown after removing price effects. With inflation deflators being low, it is logical that the real and nominal GDP growth numbers have started moving asymptotically closer to one another. This has led to an elevation in GDP growth forecasts. Therefore, lower inflation forecasts are going hand in hand with higher real GDP growth forecasts.

As a layperson, one can ask why the forecaster could not foresee this anomaly. The answer is that it would not have been possible to estimate such low inflation figures, leading to constant changes based on adaptive expectations. The nominal-real GDP nexus has rarely been discussed as there has been a constant difference of 3-4 per cent.

This base effect syndrome would also play a dominant role in FY27, when the tables are turned. The low inflation number of, say, 0.3 per cent witnessed in October 2025 will lead to statistically a much higher number in the 3-4 per cent bracket, even if there are no food price shocks. By the same logic, the GDP growth numbers would tend to be tempered down as the wedge between nominal and real GDP numbers widens with the price deflators being more realistic. A reversal of fortunes?

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

RED ZONE. The tomato price factor in inflation watch DEEPAK KR

Forecasts from macroeconomic surveys released during 2025

Month	GDP growth	Inflation
April	6.5	4.2
June	6.3	3.8
August	6.4	3.1
October	6.7	2.6

Source: RBI survey of professional forecasters

WAR ON PAYMENTS

How Russians move money overseas without SWIFT

ROUTING ROUBLES. Bank of Russia's 'Faster Payments System' allows cross-border transfers

Bloomberg

To transfer money out of Russia, Natalia, a consultant with a business in Germany, takes a roundabout route.

She first sends roubles from the sanctioned T-Bank in Russia to Armenia, for which she only needs a phone number on the receiving side. The transaction only takes minutes, and then she is able to wire the funds in euros to a European bank account. "The double conversion typically erodes about 10 per cent of the transfer's value," she said, speaking by phone and declining to give her last name for security reasons.

Natalia's transactions are an example of how Russians have adapted to life without the SWIFT international financial messaging system and other traditional payment tools almost four years after the Kremlin's war on Ukraine began and the West imposed sweeping sanctions. Consumers, tourists, and small- to mid-sized businesses now use an array of methods — including intermediaries, multiple technology-based tools, QR codes and crypto — to move money.

"If there was shock at first, when the sanctions were introduced, now the payment chains are well established," Oleg Vyugin, an economist and former top central bank official, said by phone. "People use different schemes, including crypto. There are also many payment agents actively advertising that they can handle any volume of transactions."

The latest hurdle arose last month when Russians — including those living or working in Europe — found their accounts with online bank Revolut frozen after the most recent European Union sanctions package. The newest measures banned electronic payment and money services for Russians who don't hold permanent residency or citizenship in the bloc or Switzerland, and also hit some crypto platforms.

Major banks in Russia, a country of more than 140 million people, were cut off from SWIFT as part of sweeping sanctions that followed the 2022 full-scale invasion of Ukraine, and Visa Inc and Mastercard Inc suspended operations in the country. Today, the local Mir system dominates the domestic market.

The SBP, or the Faster Payments System controlled by the Bank of Russia, allows cross-border transfers to several countries, mostly former Soviet republics, a review of domestic banking applications showed. Without SBP, Russians also can send money from a raft of local bank apps — including the country's largest lender Sberbank PJSC — using a phone number, card or account number to dozens of countries, including China, India, Serbia, South Africa and Turkey.

QUICKLY.

EY launches AI-backed solutions for GCCs

Hyderabad: Consulting firm EY launched its AI-supported intelligent GCC solution suite, which helps in building AI-ready GCCs. The solution brings four integrated capabilities under one roof – helping companies design AI-native GCCs, overhaul value chains through autonomous intelligence, build an AI-ready workforce through role-specific learning and embed governance with responsible AI. OUR BUREAU

Adani buys Trade Castle Tech Park for ₹231 cr

New Delhi: An Adani group joint venture company has acquired infrastructure developer Trade Castle Tech Park, which owns sizeable land parcels, for ₹231.34 crore. AdaniConneX has executed a share purchase agreement on November 21 with Trade Castle Tech Park (TCTPPL) and Shree Naman Developers and Jayesh Shah (existing shareholders of TCTPPL) to acquire 100 per cent stake in TCTPPL, said a stock exchange filing. PTI

IndiGo to push domestic, global expansion in 2026, says CEO

SPREADING WINGS. The airline gears up to launch operations from Navi Mumbai and Jewar airports

Rohit Vaid
New Delhi

BUCKING TREND. Despite global headwinds, India's domestic market has maintained steady growth in 2025, says IndiGo CEO Pieter Elbers

Advancing its domestic and international expansion plans for 2026, IndiGo is poised to become the first airline to launch commercial operations at two of India's upcoming airports.

The carrier is set to serve as the launch airline at both the Navi Mumbai International Airport (NMIA) and the Noida International Airport in Jewar (NIA). Speaking to *businessline*, Pieter Elbers, IndiGo's CEO, said the airline is advancing both its domestic and international expansion plans for 2026.

VAST ROUTE NETWORK

"Our vast route network of over 90 domestic and more than 45 international destinations, along with new long-haul services to European gateways including Amsterdam, Manchester, Copenhagen and London Heathrow — with Athens commencing in January 2026 — reflect our commitment to meeting growing travel demand," he said. Besides, IndiGo is reinforcing its presence in Asia by establishing links to cities such as Guangzhou, Siem Reap, Hanoi and Denpasar.

Apart from its international expansion, IndiGo has recently added new domestic airports, including Adampur, Hindon and Purnea, supporting regional connectivity. According to Elbers, the airline remains on track to induct one aircraft per week from its order book of over 900 aircraft and has undertaken additional damp lease arrangements to ensure operational readiness during peak months. To support long-haul operations, IndiGo has a strategic damp lease arrangements with Norse Atlantic Airways, which currently operates four Boeing 787-9 aircraft on European routes, with two more expected soon.

GLOBAL HEADWINDS

"These steps will allow us to serve 50 international destinations by the end of FY26," he added. Furthermore, he cited that despite global headwinds and challenges within the Indian aviation sector, India's domestic market has maintained steady growth in 2025. Elbers attributed this to economic growth, increased travel from tier-2 and tier-3 cities, a growing middle class, and a sustained preference for air travel as an efficient mode of transport.

Looking ahead, he reiterated IndiGo's goal of becoming a global airline by 2030 which is guided by the strategic plan, 'Towards New Heights and Across New Frontiers'.

"The induction of the Airbus A321XLR in the coming months, and the A350-900 from 2028, are key milestones that will enable non-stop long-haul routes to Europe and other markets," he explained.

Additionally, IndiGo aims to increase international capacity to 40 per cent of total capacity by FY30.

Notably, the airline is also investing in employee training and skill development to support long-haul operations.

Moreover, digitisation and artificial intelligence are being deployed to enhance operational efficiency, optimise fuel consumption, and automate data-driven decision-making. Elbers emphasised that IndiGo's "India-first" identity will remain central to its global expansion.

"Our roots are unmistakably Indian, while we operate globally. The network is already strengthening India's position as a hub for trade and tourism," he said.

GROWTH STRATEGY

As per the airline, new international corridors are expected to open corridors for Indian exporters, MSMEs, and cultural exchange, with destinations such as Athens and Siem Reap forming part of this growth strategy.

In addition, the airline has strengthened global partnerships and codeshare agreements with 12 carriers.

Recently, IndiGo, Delta Air Lines, Air France-KLM, and Virgin Atlantic signed a memorandum of understanding to establish a global partnership, and agreements with KLM, Aegean Airlines and China Southern Airlines have been expanded to enhance connectivity across Europe, North America, Australia and Asia.

US court upholds $194 m in damages against TCS in trade secrets case

Vallari Sanzgiri
Mumbai

The cost of violating IP boundaries now far outweighs any perceived short-term benefit

The US Court of Appeals has upheld an earlier court's decision to fine Tata Consultancy Services (TCS) with $194 million in damages for using DXC Technology Company's trade secrets.

Last year, DXC, then known as Computer Sciences Corporation, had accused TCS of misappropriating its trade secrets.

It claimed TCS used the trade secrets to win a $2.6 billion contract with Transamerica and develop its own software platform BaNCS.

The district court had ruled in favour of DXC, asking TCS to pay $56,151,583 in compensatory damages, $112,303,166 in exemplary damages and $25,773,576.60 in pre-judgment interest.

At the time, TCS had claimed "strong arguments against the judgement" and initiated an appeal in the US court. On Friday, the Appeals Court gave its ruling on the matter and upheld the district court decision on damages while vacating the previously granted injunction.

This means that the Appeals Court removed the bar on TCS' future use of BaNCS material.

According to Greyhound Research, this matters enormously for insurers who depend on the system for daily operations.

"LEGALLY EXCESSIVE"

Regarding the penalties involved, TCS had called the exemplary damages as "legally excessive" and asked that the same be reduced or vacated. The court rejected this argument and upheld the damages awarded.

Even so, the tech giant said in an exchange filing, "The company is evaluating various options, including review and appeal before the appropriate courts, and intends to vigorously defend its position. Necessary provisions related to this matter will be duly made in the books of accounts and financial statements in accordance with applicable accounting standards."

The verdict comes at a time when TCS' long-standing valuation premium over Infosys and HCLTech has narrowed, margins have tightened and investors have become more selective.

CORE PLATFORMS

Competitors will position themselves as the safer pair of hands in terms of core platforms and insurer grade systems and will underline integrity and control frameworks, said Sanchit Vir Gogia, Chief Analyst and Founder at Greyhound.

"Strategically, the message for the entire sector is straightforward. The cost of violating IP boundaries now far outweighs any perceived short-term benefit. Between the Epic case and this ruling, TCS alone has burned through almost half a billion dollars. This is capital that could have fuelled acquisitions, research programmes, or product expansion," he said, referring to the intellectual property infringement case filed against TCS by EPIC Systems healthcare firm.

Cognizant moves US court asking to dismiss Infosys' antitrust case

T E Raja Simhan
Chennai

Cognizant Technology Solutions has urged a US court to dismiss Infosys' antitrust counterclaims and pause all related discovery until the court rules on the sufficiency of the amended counterclaims in a filing on November 20.

This is the latest escalation in the legal battle between the two IT services companies, which began in August 2024 when Cognizant's subsidiary, TriZetto, sued Infosys for allegedly misusing trade secrets to build a competing healthcare platform (Helix). Infosys then responded with counterclaims, accusing Cognizant of anticompetitive practices like poaching staff.

EMPLOYEE POACHING

In the new filing, Cognizant argues that the court should dismiss Infosys' antitrust counterclaims and stay any related discovery. Specifically, Cognizant says that Infosys has failed to "adequately define" the relevant antitrust markets and prove the anticompetitive conduct it alleges such as any contractual restrictions, denial of training or employee poaching.

"Infosys' Amended Counterclaims continue to put forward gerrymandered market definitions that rely on contradictory and vague allegations. Beyond that, Infosys continues to complain of lawful, competition-enhancing conduct, including that Cognizant limits," the filing, seen by *businessline*, said.

Cognizant says that its actions are lawful attempts to protect its own intellectual property from misappropriation.

Further, Cognizant says that while Infosys "contends that Cognizant's contracts constitute anticompetitive conduct" in both software and IT markets, Infosys has made no attempt to explain how these contracts could "impede Infosys' ability to make its own health plan software".

PREDATORY HIRING

Similarly, while Infosys alleges that Cognizant engaged in "predatory hiring" when it hired three Infosys executives (out of the more than 3,00,000 employees), "the mere hiring away of employees from a rival is *per se* legal under the antitrust laws," Cognizant argues. "To succeed on the first theory, Infosys must plausibly allege Cognizant induced disloyal behaviour while recruiting away Infosys employees," it adds.

"In sum, Infosys has not alleged any conduct in the law recognises as anticompetitive, dooming both its federal and state law claims," Cognizant said.

Given the substantial costs of antitrust discovery, Cognizant also requests that the court stay discovery pending the resolution of this motion to dismiss.

REVISED CLAIMS

With both sides continuing to trade accusations, the dispute now hinges on whether the court determines Infosys' revised claims meet the threshold required for an antitrust case to proceed. In the past, courts have encouraged the two companies to resolve their differences amicably.

Fractional shares could draw retail investors to high-priced stocks

Shishir Sinha
New Delhi

Fractional shares for certain categories of companies and producer limited liability partnerships (LLPs) may soon become a reality, with the government proposing amendments to corporate laws in the upcoming Winter Session of Parliament.

The Bill aims to amend the Companies Act, 2013 and the LLP Act, 2008 to facilitate ease of doing business and address gaps identified by the Company Law Committee in its 2022 report.

LEGAL RECOGNITION

The panel observed that high share prices deter retail investors with limited purchasing power, and enabling fractional shareholding would allow them to invest precise, budgeted amounts in otherwise expensive stocks.

At present, fractional share trading is permitted only within the International Financial Services Centres Authority's regulatory sandbox. Countries such as the US, Canada and Japan already allow holding and trading of fractional shares.

Zameer Nathani, Global General Counsel – Group, DNEG and AMP, Harvard Business School, says, "I am myself an investor in US markets for a very long time and fractional shares investments have really made a difference to my investment strategy. For example, the price of one share of Berkshire Hathaway — Warren Buffet — is $7,55,320 but you can buy a fraction share of even $100 or $1,000 or $1,00,000 etc, and you can still become a fractional shareholder of the company."

Similarly in India, there are companies like MRF Ltd and the price of one share is ₹1,52,210. Now if the law permits fractional shares in India, then one can buy a small fraction or portion of MRF Ltd by investing ₹100 or ₹1,000 or ₹10,000 or ₹1,00,000 etc, according to his or her investing appetite or capacity for that particular shares.

One important recommendation is about holding general meeting by the company.

Owing to the multifarious benefits of relaxing the requirement for physical meetings, the committee recommended amending suitable provisions in the law to enable the Central Government to prescribe the manner in which companies can hold AGMs and EGMs physically, virtually and in hybrid mode.

ELECTRONIC MODE

It was also stated that where the meeting is for an EGM to be conducted entirely in electronic mode, the notice period for such meetings could be reduced to such period as may be prescribed by Central Government.

Another key recommendation is about self-declaration. Here the panel recommended that the requirement of furnishing an affidavit should be replaced with filing a declaration under the provisions of CA-13 and Rules made thereunder, except in those provisions that involve filing an affidavit in a judicial or quasi-judicial proceeding before the NCLT or the NCLAT.

UNSC reforms no longer an option, but a necessity: Modi at IBSA meet

Our Bureau
New Delhi

Prime Minister Narendra Modi on Sunday said the reform of the UN Security Council (UNSC) was no longer an option, but a necessity, and asserted that the India-Brazil-South Africa troika should send a clear message for changes to institutions of global governance.

Addressing the India-Brazil-South Africa (IBSA) Leaders' Summit on the sidelines of G20 Summit in Johannesburg, Modi said that at a time when the world appears fragmented and divided, IBSA can offer a message of unity, co-operation and humanity. He also proposed institutionalising an IBSA National Security Adviser-level mechanism to deepen security collaboration among the three nations.

STRUCTURAL CHANGES

Reiterating the need for structural changes in global institutions, Modi said: "We all agree that global institutions do not reflect the realities of the 21st century. None of the IBSA is a permanent member of the UN Security Council. This clearly demonstrates that these institutions no longer represent today's world. Therefore, IBSA must send a unified message: institutional reform is not an option but a prerogative."

The meeting was attended by South African President Cyril Ramaphosa and Brazilian President Luiz Inacio Lula da Silva.

UNITED FRONT. Prime Minister Narendra Modi with South Africa President Cyril Ramaphosa (left) and Brazil President Luiz Inacio Lula da Silva during the IBSA leaders' meeting in Johannesburg on Sunday ANI

At a time when the world appears fragmented and divided, IBSA can offer a message of unity

Emphasising the role of technology in driving human-centric development, Modi proposed the creation of an IBSA Digital Innovation Alliance to enable the sharing of digital public infrastructure such as UPI, health platforms like CoWIN, cybersecurity frameworks and women-led tech initiatives across the three countries.

Appreciating the work of the IBSA Fund, which has supported projects across 40 nations in sectors including education, health, women's empowerment and solar energy, the Prime Minister suggested establishing an IBSA Fund for Climate-Resilient Agriculture to strengthen South-South co-operation.

Modi noted that the IBSA meeting was particularly timely, coinciding with the first G20 Summit held on African soil and marking the culmination of four consecutive G20 presidencies led by Global South countries — three of them by IBSA members.

This sequence, he said, had resulted in major initiatives centred on human-centric development, multilateral reform and sustainable growth.

THE POWER OF THREE

He emphasised that IBSA was not merely a grouping of three countries, but a platform connecting three continents, three major democracies and three significant economies.

Modi invited the IBSA leaders to the AI Impact Summit to be held in India next year, underscoring the grouping's potential to help shape global norms for safe, reliable and human-centric artificial intelligence.

150-year-old historic Sassoon Dock fishes in troubled waters

Fishing community to go on hunger strike from December as Mumbai Port Trust continues eviction drive

Aroosa Ahmed
Mumbai

LIVELIHOODS AT RISK. Sassoon Dock is one of the oldest fishing docks in western India and supports a population of 1 million people and is a hub for seafood trade

A piece of Mumbai's culture and heritage, the historic Sassoon Dock, is in the thick of controversy, as authorities go forward with redevelopment plans of the old fishing harbour.

Seafood traders at the 150-year-old Sassoon Dock are preparing to go on a hunger strike from December as the Mumbai Port Trust (MPT) continues with eviction proceedings.

Built in 1875, Sassoon Dock is one of the oldest fishing docks in western India and supports a population of 1 million people and is a hub for seafood trade.

Managed by the MPT, the dock is particularly crucial for the city's first fishermen — the Koli community. The dock houses 80 godowns that are used to store, clean and pack fish and prawns.

NEW OCCUPANTS

Over the last six months, the MPT has evicted tenants and is planning to lease the godowns to new occupants at revised rates.

"The tussle between the State and the Central governments has impacted the livelihood of 10 lakh people. It is not just the fishermen who will be impacted; the entire supply chain will be disrupted. We were given written assurances by the government earlier; however, MPT personnel still sealed godown number 1773, which houses offices, warehouses and is used for domestic and export supply. We have no other option than to protest and go on a hunger strike," said Krishna Pawle, President of Sassoon Dock Fish Traders Association. He said they will go on strike in December.

The State government is looking to modernise the fishing harbour and implement its long-term project of a Marine Plaza.

According to the traders' association, the MPT has managed to get 70 per cent of the godowns vacated, and an eviction drive is on in the remaining ones. One such drive was conducted on November 13, with MPT authorities sealing godown number 1773.

EVICTION NOTICE

"I operate a seafood cleaning, processing and exporting unit inside the 1773 godown. My shop was sealed last Thursday without any eviction notice. We have proof that we continued to pay the rent to Maharashtra Fisheries Development Corporation, as the MPT had given them the authority to rent the space. However, all we received were assurances from political leadership, but with no resolution. Two of my fresh seafood orders were cancelled this week as the unit is sealed. We are losing business every single day," said Irfan Khan, whose family has been doing business from the Sassoon Docks since 1990.

The Sassoon Dock Fish Traders Association on Friday wrote to the Minister of Ports Development of Maharashtra, Nitish Rane, to address their grievances. It is asking the government to provide alternate land for the traders who were evicted from the dock.

"When hawkers are rehabilitated by the municipal bodies, why is this a similar plan not implemented for us? We are forced to do business on the road as the shops are sealed," says Pawle.