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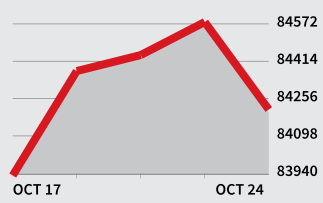

IN FOCUS

	Week's close	Week's change
Nifty 50	25795.15	+85.30
P/E Ratio (Sensex)	23.14	-0.08
US Dollar (in ₹)	87.84	-0.13
Gold Std 10 gm (in ₹)	121031.00	-8034
Silver 1 kg (in ₹)	147033.00	-22197

CORPORATE FILE. **Priyavrata Mafatlal** steers a reborn conglomerate as the Arvind Mafatlal group regains colour, post-restructuring **p7**

SPARK. **Medtech start-ups** pioneer miracle cures, from saving limbs to growing transplant-ready mini organs **p8**

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MONDAY SPECIALS.

CLEANTECH

Virtual PPAs, the next big thing in renewable energy

The Central Electricity Regulatory Commission has released draft guidelines on 'virtual power purchase agreements' for public comments. As many as 61 responses were received. India will soon have a regulatory framework for VPPAs — guaranteeing RE developers a minimum price. The new regime is expected to drive the creation of more capacity. **p6**

CURRENT ACCOUNT

Foreign suitors court Indian banks

RBL Bank MD and CEO R Subramaniakumar recently likened Emirates NBD Bank's proposal to acquire 60 per cent stake in RBL Bank to "bees getting attracted to flowers to collect nectar and pollen". The CEO's comment reflects on ongoing developments in the country's fast-growing banking sector. In the current financial year, there have been a host of deals in the BFSI space. **p9**

Municipal bonds now eligible for repo, reverse repo deals

NEW SECURITY. Move to boost municipal bond market liquidity, ease urban infra funding

Shishir Sinha
New Delhi

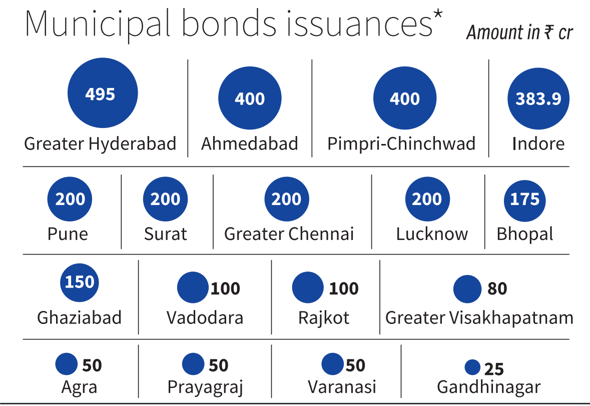
The Finance Ministry has allowed the use of municipal bonds as security for repo and reverse repo transactions, enabling municipal bodies to raise funds for infrastructure projects. By making these bonds acceptable collateral for short-term borrowing, the government has opened the door for banks, mutual funds, insurers, and companies to invest in them, creating a new asset class.

Experts say this move will broaden the investor base for such securities, boosting demand and liquidity. So far, municipal bonds have remained largely illiquid, held by a narrow pool of long-term investors such as pension or ESG funds. By allowing their use in repo markets, the government has allowed a wider spectrum of financial participants to invest in these securities.

"The Central Government hereby specifies the municipal debt securities, having the meaning assigned to it in the Securities and Exchange Board of India Act, 1992 or the rules or regulations made thereunder, to be as security under this section for the purposes of repo and reverse repo," the Finance Ministry notification said.

According to SEBI data, as of September 30, over ₹3,300 crore has been raised through municipal bonds.

Municipal bonds issuances* *Amount in ₹ cr*



Source: SEBI *As of September 30, 2025

NEW ASSET CLASS

"The inclusion of municipal debt securities for repo and reverse repo will assist in expanding the investor base for such securities and create more demand and liquidity for such securities," said Hemen Asher, Partner at Bhuta Shah & Co LLP.

From the perspective of market participants who engage in repo and reverse repo transactions, this move allows diversification of their investments into a new asset class, which could potentially offer better returns.

"Though municipal debt securities are generally secured or carry some form of State/Central Government guarantee/backing, one cannot completely ignore the possibility of a higher default risk attached to such securities." Asher cautioned.

An ICRA report on the Indian Municipal Bond Market estimated that more than 10 issuances in FY25/FY26 could raise funds in excess of ₹1,500 crore.

However, this remains negligible relative to the size of Central/state Government issuances. "In ICRA's view, challenges such as improvement in the urban local bodies' (ULB) own credit quality, lack of adequate disclosure and information systems would remain critical for a healthy municipal bond market in India," the report said.

Further, it highlighted that key enablers for the traction in the Indian municipal bond market can be attributed to measures taken by the government and regulators. In 2015, SEBI (Issue and Listing of Debt Securities by Municipalities) regulations were issued, which defined the status of bonds, thus garnering investor interest. Subsequently, in FY18, the GoI initiated an incentive scheme (about ₹13 crore for every ₹100-crore bond issuance), providing impetus to ULBs in using this mode of finance.

Relief for lenders as unsecured loan stress abates in Q2 FY26

Piyush Shukla
Mumbai

POSITIVE TREND

- Kotak Mahindra Bank's fresh slippages fell to ₹1,629 crore in Q2FY26 from ₹1,875 crore in Q2FY25
- HDFC Bank's fresh slippages reduced to ₹7,400 crore in Q2 from ₹9,000 crore in Q1
- Axis Bank's fresh slippages reduced to ₹5,696 crore in Q2 from ₹8,200 crore in Q1
- Better underwriting, borrower focus, reasons behind lower slippages

Banks have reported a marked improvement in their unsecured personal, micro and credit card loan segment asset quality in Q2 FY26, a pain point over the last fiscal, as focus was to underwrite better quality loans to disciplined borrowers. Lenders are now focusing on gradually building back their unsecured loan business as repayment trends improve, senior bankers say.

Ashok Vaswani, MD and CEO, Kotak Mahindra Bank, says the bank's gross and net non-performing asset ratio has stabilised, and credit cost has reduced from 93 basis points in Q1FY26 to 79 bps in Q2, in line with expectations.

CREDIT MODERATION

"As indicated last quarter, personal loan credit cost has normalised and we now expect a downward trajectory for both MFI and credit cards. We remain cautious on retail commercial vehicle stress. Overall, we expect the credit cost to gradually moderate in H2FY26. Our focus will now be to gradually build back our retail unsecured business," he said. Kotal Mahindra Bank's fresh slippages or NPAs fell to ₹1,629 crore in Q2FY26 from ₹1,875 crore in the same period last year and ₹1,812 crore in Q1FY26. HDFC Bank's fresh slippages reduced to ₹7,400 crore in Q2 from ₹9,000 crore in Q1, while Axis Bank's fresh slippages fell to ₹5,696 crore in Q2 from ₹8,200 crore in Q1. Similar trends were observed across mid-sized and public sector banks.

"On unsecured personal loans and credit cards, stress plateaued in Q4FY25, with Q1 seeing further flattening. Now, we are seeing improvement in bounce rates, recovery rates and resolutions across buckets. We are seeing a distinctive change in unsecured loans and better progress in credit cards than in personal loans, which are also in recovery mode. Special-mention accounts are also flat sequentially," says Prashant Kumar, MD, CEO, Yes Bank.

Subrat Mohanty, ED at Axis Bank, says the two areas of the bank were unsecured loans and credit cards. In the cards business, from Q4FY25, there has been a stabilising trend.

"On unsecured, we are seeing the stabilisation happen, which we had anticipated, and we had come back saying we will give you a constructive commentary as part of this quarter's comment. You would also have noticed that disbursement growth has started happening. The card numbers are up," Mohanty said. "On the unsecured side, there has also been disbursement growth. And you will see q-o-q how the numbers trend. The way we had anticipated, the book is behaving exactly that way," he added.

FIELDS OF FRAGRANCE

PURPLE HARVEST. Villagers gather saffron blossoms in the fields of Pampore, south of Srinagar. Known as the Saffron Town of Kashmir, Pampore is renowned for its premium-quality saffron, and farmers are hoping for a bumper harvest after a few lean years IMRAN NISSAR

Health cover: HC interim order on GST gives respite to bank retirees

Sindhu Hariharan
Chennai

A High Court decision granting interim relief on the applicability of GST for group insurance policies of bank retirees is likely to ease the burden on senior citizens.

While the GST Council has not exempted GST on group health insurance policies, a Kerala High Court has passed an interim stay order last week to exempt GST on group policies of retired bankers. The relief granted is not yet permanent and is subject to further court hearings. Experts note that if upheld permanently and replicated by courts nationwide, it will be a big relief to retired bankers who opt for such group policies.

The writ petition was filed by the All India Bank Pensioners & Retirees Confederation and other individuals in relation to the Indian Banks' Association (IBA) group health insurance policy, jointly managed by IBA and National Insurance Co.

WELCOME MOVE. Around 2 lakh retired bankers opted for the group health insurance policy as of last year

Around 2 lakh retired bankers opted for this group policy as of last year.

"...there shall be an interim order, directing the respondents to renew the policies of the petitioners for the current year without insisting on GST. However, it is clarified that this shall be subject to further orders to be passed by this court," Justice Ziyad Rahman said in an order on October 17, with the next hearing set on October 31.

The order directs a group of banks, including Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, Indian Bank and Indian Overseas Bank, to renew the retirees' health insurance without GST.

businessline has learnt that after the order, only the public sector bank, Indian Overseas Bank, has issued a circular to its branches to collect retirees' premium for 2025-26 without GST.

'NO ACTION'

Representatives of the All India Bank Pensioners & Retirees Confederation told *businessline* that there is no action from other banks as yet. They have also written to the IBA to issue an advisory on the compliance of the interim order to provide them relief. "The entire premium is paid by us senior citizens and not by banks and hence these should be given the same GST treatment as individual policies," they said.

Raghavan Ramabadran, Executive Partner, Lakshikumaran & Sridharan Attorneys, said that the direction by the HC marks "a significant and welcome relief" for the salaried class, especially senior citizens. "While the legal question surrounding the definition of 'group', which includes non-employer-employee groups engaged in common economic activities beyond insurance, remains open, the court's decision clearly aligns with the broader goal of ensuring affordable insurance coverage," he said.

Narendra Bharindwal, President, Insurance Brokers Association of India, said though the GST Council's decision is clear on group policies, from a social equity point of view, extending the waiver to group health renewals for such senior citizens would align with the spirit of the council's decision.

A managing director of a general insurance company said the court cannot take a call on a policy matter, as the decision rests with the Government, but the retired bank employees can request their respective banks to foot the GST component as a gesture of gratitude.

With inputs from Shishir Sinha in New Delhi and Naga Sridhar in Hyderabad

Sonu Nigam concert strikes a chord in the Valley

The event was Kashmir's first since Zubin Mehta's 2013 Shalimar performance

Gulzar Bhat
Srinagar

Against the serene backdrop of the Dal Lake, on Sunday evening, popular singer Sonu Nigam enthralled hundreds of music lovers at the Sher-i-Kashmir International Conference Centre, sounding a soothing note in a Valley troubled since the Pahalgam attack.

The open-air concert hosted by *NDTV Good Times* unfolded in a setting few could have imagined a decade ago — a peaceful Srinagar filled with music, applause and no signs of strikes or boycott calls that once overshadowed such events in the Valley.

The show, organised as a tribute to legendary playback singer Mohammed Rafi, also showcased local talents Qazi Touqeer, winner of the 2005 *Fame Gurukul*, and Rouhan Malik,

MELODY RETURNS. The show, organised as a tribute to legendary singer Mohammed Rafi, also featured local talents

who energised the audience before Nigam's electrifying performance.

Nigam's mellifluous voice and popular melodies filled the air with euphoria, captivating the audience and inspiring them to sway and sing along.

TUNING OUT DISCORD

"It has been a great experience to see my favourite singer performing live in our city. I'm thrilled to see him here," said Mohammad Amir, a 27-year-old fan from Srinagar.

In the days preceding the concert, a social media campaign circulated online, calling on people to boycott the event. Some cited Nigam's 2017 remarks calling for a ban on loudspeakers at religious places, including mosques, which had sparked controversy at the time. Despite the online debate, the concert proceeded as scheduled with a significant turnout at the venue.

The concert was the first of its kind in Kashmir since 2013, when renowned conductor Zubin Mehta performed in the Mughal-era Shalimar Garden.

That event, organised by the German Embassy, had triggered sharp opposition from separatist leaders. Hardline separatist Syed Ali Shah Geelani had then called for a Valley-wide shutdown, calling the concert an attempt to "legitimise Delhi's rule in Kashmir." On the same day, four people were killed in Shopian when security forces opened fire on them near a CRPF camp.

In contrast, Nigam's concert unfolded in an atmosphere of calm.

Lieutenant Governor Manoj Sinha said the concert would help promote tourism in J&K, noting that such events highlight the region's cultural vibrancy and hospitality.

Cryptocurrency is 'property' under law, rules Madras HC

Vallari Sanzgiri
Mumbai

In a significant ruling, the Madras High Court has recognised cryptocurrency as a 'property' under Indian law, that is capable of being possessed and held in trust, paving the way for courts to intervene in crypto disputes, according to experts.

"There can be no doubt that 'cryptocurrency' is a property. It is not a tangible property, nor is it a currency. However, it is a property which is capable of being enjoyed and possessed (in a beneficial form). It is capable of being held in trust," said Justice N Anand Venkatesh in a ruling.

The judgment came while the court was hearing a petition filed by a crypto investor whose XRP holdings on the crypto exchange WazirX were frozen after a 2024 cyberattack. She had contended that assets held by her were distinct from the Ethereum tokens that had been stolen in the hack, and sought an injunction to prevent WazirX from redistributing her portfolio.

Court order strengthens trust and ownership framework for crypto investors

RENEWED HOPE

The order created a buzz in the Indian crypto sector for three reasons: the recognition of crypto as owned and trusted 'property', clarity on Indian courts' ability to intervene in digital asset disputes, despite offshore arbitration and assertion of investor protection by stating that foreign insolvency or restructuring schemes cannot override a user's rights over self-owned digital assets.

Moreover, the judgment has renewed hopes for the investors to file similar claims in Indian courts, said Rashmi Deshpande, a technology lawyer helping investors in their claim against WazirX in Singapore and Indian courts. The Singapore High Court did not consider WazirX the custodian of the cryptocurrencies, which made it difficult for investors to challenge the restructuring scheme suggested by the exchange.

"By emphasising that tokens are 'capable of being enjoyed and possessed... held in trust' and tying the reasoning to the Income Tax Act's definition of virtual digital assets, the court has provided a much-needed foundation for investor rights, custodial accountability and regulatory certainty," said Aishwary Gupta, Global Head of Payments at Polygon Labs.

Crypto expert Sharat Chandra, in a LinkedIn post, called the court order "a defining moment" for crypto jurisprudence in India. He pointed out that the ruling has held that Indian courts retain jurisdiction under Section 9 of the Arbitration and Conciliation Act, even in foreign arbitration cases, if the assets and investor are located in India. The investment also originated from an Indian bank account, and the effects of the platform's freezing of assets were felt domestically.

"This sets a crucial jurisdictional precedent for Web3 platforms operating across borders but serving Indian users," said Chandra.

The order also rejected the "socialisation of losses" scheme under which the loss would be redistributed across all users through a Singapore court-approved restructuring.

"To use those assets not belonging to Zanmai, and that too by Zettai, to cover losses attributable to other users, is not something, even on the face of it, that lends itself to reasonable acceptance," said the court.

This means that user assets are held in trust and cannot be reallocated to cover another entity's operational losses.

QUICKLY.

CESL to open tender for 10,900 e-buses on Nov 6

New Delhi: State-owned Convergence Energy Services Ltd (CESL) will open a mega tender on November 6 to procure 10,900 electric buses for cities including Hyderabad, Surat, Ahmedabad, Delhi and Bengaluru. This tender marks a significant milestone in India's journey toward sustainable, zero-emission public transport systems under the National Electric Bus Programme (NEBP). PTI

Vedanta Resources raises $ 500 m via bonds in Oct

New Delhi: Vedanta Resources Ltd has raised $500 million through bonds in October and will use the proceeds to repay near-term obligations. As per the letter to the bondholders, the company stated that "the average maturity of its debt portfolio is now over four years, and it has reduced its weighted average interest cost to single digits, reflecting a stronger, more resilient capital structure." PTI

Consumer goods firms leverage e-comm to boost distribution

DIGITAL DRIVE. E-comm, q-comm channels clearly a game changer in India: L'Oreal

Meenakshi Verma Ambwani
New Delhi

Global consumer product companies are strongly leveraging the online channel, especially quick commerce platforms, to strengthen their presence in India. In recent quarters, leading FMCG companies have stated that the quick commerce channel has been witnessing rapid growth.

On the Q3 CY2025 earnings call, Nicolas Hieronimus, CEO, L'Oréal said online channel is a main growth driver, notably in markets like India and South-East Asia among others.

"Our e-commerce growth is at plus-12 per cent right now and that we are really doubling down on that because it allows us to reach new consumers, whether in India, Saudi, in the US or in China...," he said while adding that the e-commerce channel allows the company to penetrate must faster with new products.

DELIVERY BOOM. In recent quarters, leading FMCG companies have stated that the quick commerce channel has been witnessing rapid growth

GAME CHANGER

"Ten days ago, I was in India where it's clearly a game changer for us because whether it's quick commerce or the traditional platform ...allows us to reach consumers all over the country, which we couldn't do before," Hieronimus stated on the earnings call on October 21.

Talking about digital commerce growth trends in the Q3 earnings call, Fernando Fernandez, Chief Executive Officer, Unilever said, "Our quick commerce in business in India is more than doubling this year. We believe our portfolios are well suited, our capabilities are significant in that space."

He added that on Flipkart in India the company is witnessing 30 per cent growth

"E-commerce continued to maintain its growth momentum, supported by festive unlocks, thematic interventions, and new product launches This momentum was further strengthened by a sharpened focus on ensuring availability and strategic partnerships with key platforms," said Manish Tiwary, Chairman and Managing Director, Nestle India in a statement.

According to a Redseer report released in July, quick commerce has already rapidly scaled into an over $10 billion GMV market becoming the fastest growing retail format in the country.

Goyal in Brussels on Oct 27-28 to push trade talks

Press Trust of India
New Delhi

Commerce and Industry Minister Piyush Goyal will visit Brussels on October 27 for talks with his EU counterpart to give political impetus to the proposed trade pact, as the deadline to conclude negotiations nears.

During the two-day visit, Goyal will meet Executive Vice-President and European Commissioner for Trade of the European Union Maros Sefcovic, the commerce ministry said. "The visit comes at a crucial stage in the ongoing India-EU FTA negotiations, as both sides intensify efforts to conclude a comprehensive, balanced, and mutually beneficial trade agreement at the earliest," it said. The minister's visit aims to provide strategic direction and "political impetus" to the talks, it added. Discussions are expected to cover key areas of the proposed FTA, including market access, non-tariff measures, and regulatory cooperation.

'Central Bank of India to step up corporate lending'

K Ram Kumar
Mumbai

Central Bank of India is planning to rebalance its loan portfolio, which is currently skewed towards retail, agriculture and MSME (RAM) advances, by stepping up corporate lending.

RAM advances accounted for 71.5 per cent of the public sector bank's total advances of ₹2.93 lakh crore while corporate advances accounted for the balance (28.5 per cent) as at September-end 2025. Kalyan Kumar, MD & CEO, observed that the mix of RAM and corporate loans in the overall loans will move towards 65:35.

Kumar emphasised that the bank has a healthy capital adequacy ratio (of 17.34 per cent as at September-end 2025) and is planning to recruit about 1,000 credit officers to build up the corporate credit portfolio in FY26.

"RAM advances is our strength. We are going to build upon this...But on the corporate advances front, we have to actually work sincerely, build capability. We are having a very good team. But we have to actually give confidence to the customer regarding timely decisions.

"The message we want to give our corporate customers is that we are also a player and assure them that timely decisions will be taken," Kumar recently told analysts.

The Central Bank chief attributed the relatively lower composition of corporate loans in the bank's overall book to "obvious reasons." The bank was placed under prompt corrective action (PCA) framework for about five years beginning June 2017 due to high net non-performing assets and negative return on assets.

The RBI took this step to ensure that it was nursed back to health. The Central Bank came out of PCA in September 2022.

> The message we want to give our corporate customers is that we are also a player and assure them that timely decisions will be taken
>
> **KALYAN KUMAR**
> MD & CEO, Central Bank of India

BIGGER ROLE

Kumar underscored that his bank has to play a bigger role on the corporate credit side to ensure strong interest income flows. He noted that the loan composition is not in favour of the bank, with about 60 per cent of the loans being linked to the repo (external) benchmark.

While the benefit of the repo rate cuts has been immediately passed on to the customers whose loans are linked to this benchmark, the re-pricing of interest rates on deposits is happening with a lag. And this difference, according to Kumar, has hit the bank hard in terms of the net interest margin (NIM), which declined 52 basis points from 3.41 per cent in September 2024 to 2.89 per cent in September 2025.

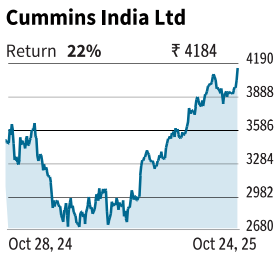
TODAY'S PICK.

Cummins India (₹4,184.35): BUY

Gurumurthy K
bl. research bureau

The outlook is bullish for Cummins India. The stock has surged over 5 per cent last week and has closed on a strong note. This rise has taken the share price well above a key intermediate resistance level of ₹4,050. A cluster of supports is in the ₹4,050-₹3,970 region, which can limit the downside. Any dips can find fresh buyers in the market around the psychological ₹4,000 mark. Cummins India's share price can rise to ₹4,450-4,500 in the coming weeks.

Traders can buy Cummins India shares now at ₹4,184. Accumulate on dips at ₹4,070.



Keep the stop-loss at ₹3,930. Trail the stop-loss up to ₹4,220 as soon as the stock goes up to ₹4,280. Revise the stop-loss up to ₹4,310 and ₹4,390 when the price touches ₹4,370 and ₹4,420, respectively. Exit the long positions at ₹4,470.

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

India committed to working with ASEAN on digital inclusion, food security: Modi

Our Bureau
New Delhi

India is committed to working with the ASEAN bloc in digital inclusion, food security and supply chain resilience amidst global uncertainties, Prime Minister Narendra Modi said.

"Even in these times of uncertainty, the India-ASEAN Comprehensive Strategic Partnership has made steady progress. Our strong partnership is emerging as a powerful foundation for global stability and growth," Modi said in a virtual address at the ASEAN-India Summit on Sunday. The ASEAN Summit's theme of 'inclusivity and sustainability' is closely followed by India and the bloc in their endeavours, the PM said.

> Prime Minister declared 2026 as the ASEAN-India year of maritime cooperation

"This theme is clearly reflected in our joint efforts, whether it is digital inclusion or ensuring food security and resilient supply chains amid current global challenges. India fully supports these priorities and is committed to advancing them together," he noted.

KEY PILLAR

Modi also said the grouping is a key pillar of New Delhi's Act East Policy. "India has always fully supported 'ASEAN centrality' and ASEAN's outlook on the Indo-Pacific," he said.

While Modi was unable to attend the ASEAN-India Summit in person, External Affairs Minister S Jaishankar will represent him at the 20th East Asia Summit in Kuala Lumpur on Monday.

The PM remarked that India had stood firmly with the ASEAN in every crisis and the two-way cooperation in the spheres of maritime security and the blue economy was growing rapidly.

"In light of this, we are declaring 2026 as the ASEAN-India year of maritime cooperation," he said.

The two are also vigorously advancing mutual cooperation in education, tourism, science and technology, health, green energy and cybersecurity, the Prime Minister added.

BJP-AIADMK cannot win polls through SIR: Stalin

Press Trust of India
Chennai

With the EC announcing to implement the Special Intensive Revision (SIR) of electoral rolls in poll-bound Tamil Nadu from next week, Chief Minister MK Stalin on Sunday charged the opposition BJP-AIADMK combine with trying to win election through SIR by "snatching away the voting rights" of people.

In a letter to party workers, the ruling DMK president pointed out that the Election Commission has announced that SIR will be implemented in Tamil Nadu from next week and the controversy surrounding the exercise in Bihar, where allegedly "65 lakh people lost their voting rights."

DMK'S WARNING

The opposition INDIA bloc and its key constituent DMK have been warning that SIR will be used in Tamil Nadu also for electoral gains, he said.


TN Chief Minister MK Stalin

"The BJP and its ally AIADMK are estimating that they can win (the 2026 Assembly polls) by removing the names of working class people, SCs, minorities and women through SIR. Those who don't have the strength to face people in the electoral field, think they can win by snatching away people's voting rights will only end up miscalculating as far as Tamil Nadu is concerned," he said.

'GST Bachat Utsav drives swadeshi goods purchase this festival season'

Our Bureau
New Delhi

Prime Minister Narendra Modi has said that this festival season witnessed an increase in purchases of 'swadeshi' goods with people demonstrating enthusiasm towards the GST Bachat Utsav — the 100-day campaign to ensure the benefits of the GST reforms benefit buyers directly. "There is also a lot of enthusiasm among people regarding the GST Bachat Utsav. This time, something equally pleasant was observed during the festivals. The purchase of swadeshi goods has increased tremendously," Modi said in the 127th episode of *Mann Ki Baat* on Sunday.

'CUT OIL CONSUMPTION'

Referring to his Diwali 2025 greetings to people, the PM said in his letter he had also urged for a 10 per cent reduction in the consumption of edible oil, and people had displayed a very positive response to that as well. Modi called on citizens to honour the national song, *Vande Mataram*, which completes 150 years, underlining that the "timeless anthem" continued to awaken patriotism and unity among Indians and was a powerful symbol of national pride." 'Vande Mataram', this one word contains so many emotions, so many energies. It makes us experience the maternal affection of *Ma Bharati*. It makes us aware of our responsibilities as children of *Ma Bharati*, he said. Marking the occasion of Chhath Puja, the PM said the festival was a reflection of the deep unity between culture, nature and society. "Wherever you are in the world, if you have a chance, try to participate in Chhath Puja. I bow down to *Chhathi Maiya*. I extend my greetings to the countrymen on the occasion of Chhath, especially to the people of Bihar, Jharkhand and Purvanchal," he said. Election in Bihar is scheduled to begin after the Chhath celebrations on November 6 and November 11 with counting of votes on November 14.


Prime Minister Narendra Modi

Modi mentioned several unique initiatives undertaken by citizens in different parts of the country, such as setting up of 'Garbage Cafes' in Chhattisgarh to tackle the city's plastic waste problem, efforts to revive mangroves in Gujarat,and attempts to revive lakes in Bengaluru.

SERVING AN ACE


POWER PARTNER. Sanjiv Bajaj, CMD, Bajaj Finserv and Vijay Amritraj, President, Tamil Nadu Tennis Association, at an event to announce the Bajaj Group as the Platinum Sponsor for the Chennai Open 2025 and unveil a partnership with the TNTA to champion its player development programme, 'The Next Level', dedicated to nurturing emerging tennis stars BIJOY GHOSH

Maritime sector eyes ₹3 lakh cr investments by 2035: Mumbai Port Authority chief

bl.interview

G Naga Sridhar
Hyderabad

The Ministry of Ports, Shipping and Waterways is organising India Maritime Week 2025 on October 27-31 in Mumbai to unveil new technologies and forge global partnerships. M Angamuthu, Chairperson of Mumbai Port Authority, Visakhapatnam Port Authority and Dredging Corporation of India, talks about the development and prospects in the maritime industry.

Edited excerpts:

In today's maritime world, where does India stand in terms of business potential harnessed so far?

India's maritime sector is a cornerstone of its trade and economic growth, strategically positioned at the heart of global sea routes.

Just to give a snapshot, India has a 7,500+ km coastline, with 12 major ports and 200+ non-major ports. Around 95 per cent of India's trade by volume and 70 per cent by value moves by sea. Its location between West Asia, Africa, and South East Asia makes it central to major international trade routes. India's Blue Economy contributes about 4 per cent to national GDP, which is expected to go up to 9 per cent by 2035.

What are the measures being taken up to enhance global connectivity?

India is investing in deep-water transshipment ports such as Vizhinjam (Kerala) and Colachel (Tamil Nadu), reducing dependence on foreign hubs like Colombo.

The on-going focus on expansion of inland waterways (Ganga and the Brahmaputra) and coastal shipping will cut logistics costs from 13-14 per cent of the GDP toward global benchmarks of about 8 per cent.

> Ports' capacity will almost double to 3,000 million tonnes per annum by 2035 from the current 1,600 mt
>
> **M ANGAMUTHU**
> Chairperson of Mumbai Port Authority

Ports are a major component under NIP and PM Gati Shakti, the national master plan for integrated multimodal logistics.

How do you see improvement in the port infrastructure?

The Sagarmala Programme will be acting as a fulcrum to further growth through port-led development by modernising existing ports, developing new ones and improving hinterland connectivity.

The focus areas include port-linked industrialisation and coastal community development. India's ports' capacity will almost double to 3,000 million tonnes per annum by 2035 from the current 1,600 mt.

What kind of investments are lined up over the next five years?

The Maritime India Vision (MIV) 2030 aims at creating a globally competitive maritime ecosystem and attracting investments worth ₹3 lakh crore to 3.5 lakh crore.

The main focus on upcoming investments will be in port capacity and productivity enhancement, modernisation of berths, mechanisation, and cargo-handling systems, coastal shipping, inland waterways, and shipbuilding growth.

The investment pipeline can be pegged at $200 billion by 2035.

How has been the interest of the private investors in port development?

India's ports have attracted strong private participation as the PPPs account for over 50 per cent of capacity at major ports, with the Adani Ports, DP World, JSW Infrastructure, and APM Terminals being the major players. The recent reforms include a new Model Concession Agreement (MCA) to make PPP terms more investor-friendly. The private sector is increasingly investing in ship maintenance, dredging, and coastal shipping operations.

What are the efforts towards a sustainable maritime ecosystem?

Already, we have been focusing on digitisation and green port initiatives in line with the Harit Sagar – Green Port Guidelines (2023) to promote sustainable port operations and reduce the carbon footprint of ports.

Key measures include use of renewable energy with a target of reaching 60 per cent of power needs by 2030, zero liquid discharge systems and waste recycling. Creation of green hydrogen and LNG bunkering facilities at major ports is also underway.

MMA to host management students' convention today

Our Bureau
Chennai

Madras Management Association (MMA) is organising the 24th MMA All India Management Students' Convention at the IIT Research Park in Chennai on Monday.

The convention aims to equip management students with practical exposure to artificial intelligence, digital thinking, career agility, and ethical leadership, and help them transition confidently from academia to industry.

AI'S INFLUENCE

The theme of this year's convention is "Future Ready – Leveraging AI, Agility & Human Skills to Thrive in a Changing World".

"The MMA All India Management Students' Convention will provide valuable insights through panel discussions and interactive sessions which will focus on technology advancements with impetus on essential human strengths," said R Vijayakumar, VSM (Retd) Executive Director, MMA.

This year's convention will see over 1,000 management students/academics participate in person and over 25,000 join online, Vijayakumar added.

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*As of June 30, 2025 **Based on the share of households consuming at least one of Orkla India's products at least once a year
$Including through deemed exports. #(for January 2024-December 2024), as per Kantar, Worldpanel Division, India (Household Purchase Panel)

ORKLA INDIA LIMITED (*Formerly known as MTR Foods Private Limited*) is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the red herring prospectus dated October 23, 2025 ("**RHP**"), with the Registrar of Companies, Karnataka at Bengaluru. The RHP shall be available on the website of SEBI at www.sebi.gov.in, as well as on the websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, on the website of the Company at www.orklaindia.com and on the websites of the BRLMs, i.e. ICICI Securities Limited, Citigroup Global Markets India Private Limited, J.P. Morgan India Private Limited and Kotak Mahindra Capital Company Limited at www.icicisecurities.com, https://www.citigroup.com/global/about-us/global-presence/india/disclaimer, www.jpmipl.com and https://investmentbank.kotak.com, respectively. Any potential investors should note that investment in Equity Shares involves a high degree of risk and for details relating to such risk, see the section titled "*Risk Factors*" on page 36 of the RHP. Potential Bidders should not rely on the draft red herring prospectus dated June 10, 2025 filed with SEBI and the Stock Exchanges for making any investment decision and should instead rely on the RHP, for making investment decision.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in the Red Herring Prospectus as "**U.S. QIBs**"), in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. There will be no public offering in the United States.

thehindubusinessline.
MONDAY - OCTOBER 27, 2025

Lawless roads

Regulatory lessons from Kurnool, Jaisalmer bus mishaps

There are too many gruesome accidents and hair-raising near misses on Indian roads for them to be regarded as safe. National highways alone account for over 35 per cent of the two lakh road fatalities annually; speeding vehicles are mangled and transformed into a ball of fire in very quick time when something goes wrong — whether it is their driving or the condition of the vehicles.

The recent accidents near Jaisalmer (October 14) and Kurnool (October 24) have put the spotlight on the road-worthiness of private buses, as well as of those behind the wheel. The Jaisalmer bus seems to have caught fire owing to a short circuit. In the Kurnool tragedy, it appears that the bike rider was dead drunk on the Hyderabad-Bangalore highway and died after losing balance, before the V Kaveri Travels bus hit his bike. While the bus operator still remains culpable for a number of reasons, it is important to recognise why drunken driving is a killer. Liquor outlets are open at night on trunk routes, as States promote them for the revenue and the 'connections' of those owning them.

But the key cause of such mishaps is that private bus operators are in perpetual violation of the Motor Vehicles Act and rules, with the authorities turning a blind eye. It is well known that these buses are registered in States that are miles away from their operating routes — such as in Daman and Diu, the State where the ill-fated Kurnool bus was registered. As a result, these buses are either not subject to regular inspections, or these are farcical. The operators get their licence from their respective regional transport authorities, where money or influence prevails. Since these bus services are often owned by politically connected persons, their permits are not scrapped even after criminal lapses. There seems to be no information in the public domain on operators who have been punished. And for aggrieved travellers, there is no independent grievance redressal system. In short, a transport mafia is at work.

This callous state of affairs cannot be allowed to continue. If the design and maintenance of private buses render them unsafe, their over-speeding turns them into veritable death traps for passengers, and monsters for those on the road. In this age of GPS, it should be easy to fix safe driving times between origins and destinations and monitor buses that overspeed. Above all, it is important to create a system of accountability that goes beyond government bodies, and includes bus aggregators. The Motor Vehicle Aggregator Guidelines, 2020, could apply to the latter, as they do to Uber, Ola and others. These norms spell out the role of aggregators in ensuring that drivers and buses are road-worthy. Bus aggregators should make sure that operators meet basic standards, before promoting them on their site. A system where RTOs and transport departments across States work in tandem and place information in the public domain is long overdue.

OTHER VOICES.

CHINA DAILY

Strengthen alignment for regional development
In an era marked by increasing global challenges and shifting geopolitical landscapes, the fruitful outcomes of Chinese Premier Li Qiang's visit to Singapore on the weekend signal the two countries' shared commitment to strengthen their cooperation and coordination, safeguard free trade and make unremitting efforts to support the Global Development Initiative to promote stability and prosperity in the region and beyond. China's cooperation with its Southeast Asian neighbour sets a good example for the region of synergizing development strategies, deepening cooperation in various fields, establishing close communication and coordination on international and regional affairs, and jointly upholding multilateralism and free trade, so as to make greater contributions to regional peace and prosperity. (BEIJING, OCTOBER 26)

The Island

Premadasa method still in practice?
Why should ceremonies ever be held with the participation of politicians and public officials to mark the opening of projects carried out with state funds? Why should precious state funds be wasted on such events? These are some of the questions the JVP/NPP rightly asked about wasteful practices that the members of the previous governments indulged in while it was in the Opposition. The JVP/NPP leaders vowed that if voted into power they would never hold such events and end the practice of plaques being put up with politicians' names thereon. But today the NPP government does exactly as its predecessors did; its members hold ceremonies even to mark the opening of public taps and bus halts. (COLOMBO, OCTOBER 24)

Why are 10-year bond yields sticky downwards?

MARKET MOVES. A complex set of expectations has kept interest rates up, despite monetary policy efforts to cool yields

MADAN SABNAVIS

The relative stickiness of the 10-year bond yield has been an enigma. When the monetary policy was announced in June it was largely expected that the 10-year bond yield, which was at around 6.20 per cent, would move closer to the 6 per cent mark. However, it climbed upwards towards the 6.50 per cent mark and remained in this region while briefly crossing the 6.60 per cent threshold. Just what is happening in this market?

The reasons for expecting the bond yield to come down are rather clear. First, the RBI has lowered the repo rate by 100 basis points (bps) this year which should ideally have brought this yield down proportionately. Second, banks have lowered their lending rates by a little over 50 bps, going by the weighted average lending rate. The deposit rates denoted by the weighted average term deposit rate are down by over 100 bps. Banks are also one of the largest sets of players in the G-Secs market. Yet, they do not seem to have impacted the bond market. The RBI has also lowered the CRR by 100 bps releasing around ₹2.5 lakh crore which is in the process of being implemented, with 50 bps' funds equivalent having been released.

The market, however, has a different view. It was not enthused by the June policy, which in turn indicated that there would be no further rate cuts given the limitation of rates in influencing growth. The stance was also changed to neutral. A neutral stance is taken to mean that a rate cut could not come without this being changed to 'accommodative'. It is another matter that a rate cut has been carried out in the past without a change in stance. Second, the announcement of GST cut was taken to be very good for the economy. However, any GST cut involving a dip in revenue for the government also implies that the fiscal deficit can rise, leading to higher borrowings. In fact, this apprehension probably explains why the yields crossed 6.60 per cent briefly.

Interestingly there have been two announcements in the last couple of months, which should have moved the needle. The first is the articulation in the October policy that there was scope for measures to support growth if needed. Second, the government borrowing calendar was announced which does not involve any excess borrowing — meaning that there will be no pressure on liquidity due to the GST cuts. Yet, the yields have remained inflexible.

PLAUSIBLE EXPLANATIONS

There are some plausible explanations here. The first is in the banking area where growth in credit has picked up, especially in the last fortnight ending October 3. This trend will persist since the boost provided to the consumer goods industry through the GST will revive the investment spirit. Therefore, growth in credit to the non-retail non-agriculture sector will witness acceleration. The swings in surplus liquidity witnessed in recent times bear testimony to this sentiment. Deposit growth will always be a challenge given that the stock market and mutual funds offer higher returns.

Another factor has been the forex market. The rupee has been volatile with the value going closer to the ₹89/$ mark before moderating to levels of under ₹88/$ presently. The conundrum in this market for the central bank is that when the rupee falls, the market expects some view from the RBI. The RBI maintains that it has no view but is against too much volatility. Hence if the rupee declines and there is no talk or action, a self-fulfilling cycle builds up. Exporters expect further depreciation and hold back earnings. Importers buy more dollars in the market to eschew paying higher price for the dollar in future. This exacerbates the demand-supply situation leading to further depreciation.

> **Managing bond yields and currency simultaneously can** mean moving around in circles, which is probably not desirable

There have also been some developments in the forex market. The foreign currency assets have declined almost $15 billion from $587 billion on September 12 to $572 billion on October 10. This could be on account of a combination of two factors. There would be direct sales of dollars in the market to support the rupee or control volatility. The other is the sorting out of the forward book.

There were short positions of $14.4 billion for September-November which would mean absorption of rupees if not rolled over, hence affecting liquidity. At a broad level this would negate the 50 bps cut in CRR witnessed in the last two months.

Therefore, there are various forces at work explaining the stickiness in bond yields.

EFFECT ON OTHER MARKETS

This affects other markets too. The 10-year yield is for all purposes the benchmark and gets linked to other securities dealt with in the market. This pushes up yields in the corporate bond market as well as those on SDLs (State development loans). The latter have been affected even more by virtue of the concerns on the collective deficits of States. The spread of SDL over G-Sec was 30-35 bps in June, which has risen to 70-75 bps. This will have a bearing on State finances as their interest costs increase, and when combined with potential lower collections on GST in the short run can indicate higher borrowings or trimming of discretionary expenditure like capex to balance budgets.

The corporate bond market has done better. The spread of 70-80 bps for AAA companies has been maintained though the absolute rate has gone up. This will slow down the pace of bond issuances depending on the relative levels of the MCLRs that they would contend with in the banking system. However, once the rating slips downwards to say AA, the spread is as high as 300 bps but has not quite changed since June.

Can anything be done to lower these yields? The answer is probably not much, and the market will decide. Announcing open-market operations and supplying a large quantum of funds can help.

But managing bond yields and currency simultaneously can mean moving around in circles, which is probably not desirable.

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

Much at stake during Trump's Asia visit

Meeting with Chinese, South Korean and Japanese leaders is particularly significant for resolving pending trade issues

Sridhar Krishnaswami

It is not just the US but three other capitals in Asia which are hoping that President Donald Trump's visit to the region proceeds smoothly so that each one of the major actors can claim that their objectives were met. The challenges are such that no one is willing to declare victory in advance. After much haggling Washington finally said that the President will be travelling to Malaysia, the sticking point being the peace deal between Thailand and Cambodia which Trump was supposed to preside over. Still there is no final word if Bangkok and Phnom Penh have arrived at a pact.

President Trump will only be the third American leader to visit Malaysia after Lyndon Johnson and Barack Obama, and it will be his second attendance at an ASEAN summit, an event that will see the presence of leaders from China, Japan, South Korea, Brazil, South Africa, Canada, Australia and New Zealand as well. It will be interesting to see how Trump interacts — if he chooses to at all — with the Prime Minister of Canada and the Brazilian President. He cancelled ongoing trade negotiations with Ottawa, citing false advertising, using former President Ronald Reagan's statement on tariffs and trade; and Luiz Inacio Lula da Silva wants Washington to scale down the high tariffs on Brazilian imports.

FOCUS ON APEC

But the Malaysia summit may not be top priority for the Trump administration, which is fervently working on the meeting between the US President and President Xi Jinping of China, scheduled on October 30 on the sidelines of the Leaders meet of the Asia Pacific Economic Cooperation forum in South Korea. In the aftermath of Beijing's squeeze on rare earths and Washington's response of additional 100 per cent tariffs on Chinese products, the two sides are looking at a full-fledged tariff war unless the Trump-Xi meeting substantially lowers the temperature. It is in this scenario that top US trade and treasury officials are set to meet Chinese Premier Li Qiang in Malaysia.

TRADE TALKS. Hard negotiations ahead REUTERS

"This is one of the riskiest trips any president of the United States has taken. The Chinese Communist Party has declared open economic warfare against America, so this is what they call a throw of the 'iron dice.' This is as high stakes as it gets", Steve Bannon, Trump's former White House chief strategist has been quoted in *Politico*. The argument has been that President Trump has to calm not only anxious farmers in Republican states who are seeing much of their soybeans still unsold, but also American consumers looking at a lighter wallet in the upcoming holiday season.

But China alone isn't the focus of attention at the APEC. South Korea and its newly elected President are also looking at a trade pact with the US, even as critics question Seoul's commitment to invest $350 billion in the US. They are also questioning why its auto industry gets slapped 25 per cent tariffs while its counterparts in Europe and Japan face lower rates.

In addition to Malaysia and South Korea, President Trump is due to visit Tokyo for talks with the newly elected Prime Minister of Japan, Sanae Takaichi. On the surface her hawkish stance may be appealing to President Trump. But even without the domestic baggage of ultra-conservatism Premier Takaichi has raised her eyebrows on the trade deal struck by her predecessor, especially the $550 billion Japanese investment in America. Advancing by five years the commitment to spend 2 per cent of GDP on defence may not be quite appealing to Washington, which still sees Tokyo in the "free riders" category. All this is not to rule out some unexpected excitement by way of a repeat of the 2019 event on the DMZ with the leader of North Korea, Kim Jong Un.

The writer is a senior journalist who has reported from Washington DC on North America and United Nations

BELOW THE LINE

Virtual solidarity
The ASEAN summit in Malaysia is a good opportunity for India to re-affirm its solidarity with its South-East Asian partners at a time of geopolitical upheaval and global economic instability.
It is learnt that the PMO and the MEA had been actively considering Prime Minister Narendra Modi's in-person visit to Kuala Lumpur to meet leaders from the bloc personally and address a live audience. For various reasons, which could include the upcoming Bihar elections and US President Donald Trump's intermittent, unpredictable claims about India and its plans on Russian oil purchases, it was finally decided that a virtual attendance by the PM would be the best option. It now rests on External Affairs Minister S Jaishankar, who is representing India at the 20th East Asia Summit in Kuala Lumpur, to reinforce India's important role in the Indo-Pacific and the will to work together with its developing country partners.

Praise for TN farmers
Union Minister for Agriculture & Farmers Welfare, and Rural Development, Shivraj Singh Chouhan, recently visited Tamil Nadu and interacted with farmers, women SHG members, and villagers in a 'chaupal' dialogue. During his interaction Chouhan sought feedback from farmers on schemes related to agriculture, animal husbandry, and fisheries, and guided them on best practices.
After hearing their grievances he assured them that concrete steps will be taken to address pest and disease issues affecting coconut crops.
He added that to mitigate the impact of price decline due to glut in mango production, efforts will be made to establish value-add and processing units. He also assured that all eligible farmers in Tamil Nadu will be linked to the Pradhan Mantri Kisan Samman Nidhi Yojana to ensure maximum outreach and benefit.
While all this was part of his job as the Minister, Chouhan is also known to be an expert in striking a right connect with masses.
Therefore, he did not forget to appreciate Tamil Nadu's farmers for their hard-work, their culture, and values.

Solid suggestion
At the 15th Biennial International Conference and Exposition of the Society of Petroleum Geophysicists (SPG-India) 2025, themed 'Rock to Cloud: Geo-Exploration Empowering Energy Evolution', Secretary at the Union Ministry of Petroleum & Natural Gas (MoPNG), Pankaj Jain, did some plain speaking.
He said:
"One day, not too far off, we will be looking at a situation where there will be alternative forms of energy, which will increasingly matter more to us in terms of the incremental demand satisfaction, than fossil fuels. Tthe fact is that we have to try to get those big discoveries." Jain called for time-bound exploration strategies aligned with the National Deepwater Mission.**Our Bureaus**

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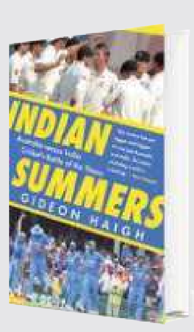
A CH-CHE

Of cricket's great rivalry

A neat compilation of Australia-India battles

N Sudarshan



Title: Indian Summers: Australia versus India, Cricket's Battle of the Titans
Author: Gideon Haigh
Publisher: Westland Sport
Price: ₹599

Ever since former Australia skipper Steve Waugh declared India as the 'Final Frontier' — and failed to conquer it — the rivalry between the two proud cricketing nations has grown into arguably the sport's pre-eminent face-off.

The frequency with which India and Australia now play each other, and the competitive quality of the on-field action, bear testament to this. Independent India took on Australia in 15 Test series until the turn of the millennium. Since then, there have been 14 tours in half the duration. In 55 Tests since January 2000, India has won 22 and Australia 20.

Such is the heft — both sporting and commercial — that the two countries have now resolved to compete only in five-Test series, with limited-overs cricket acting as monotony-breakers and additional coffer-fillers.

Ace journalist and cricket writer Gideon Haigh's *Indian Summers: Australia versus India – Cricket's Battle of the Titans* is a neat compilation charting this great rivalry arc. It mostly deals with the game played in pristine whites, with the exceptions being the 2023 ODI World Cup final and 2024 T20 World Cup Super 8 clash.

INTERESTING STORIES

A collection of his previously published reports and essays, there is a staccato feel to the book — there are as many as 74 chapters in just 341 pages. But Haigh's prose, characterised by brevity and glorious metaphors, makes it an engaging read.

The historical sweep is impressive. There are interesting stories highlighting the relationship between Vijay Hazare and spinner Clarrie Grimmett, the early tours to the sub-continent wherein Australian cricketers were condescending and insensitive towards most-things Indian — a tinge of which, unfortunately, reflects in Haigh's writing as well — and the Indian connection to the birth of Kerry Packer's World Series Cricket.

Short but elegant profiles of the likes of Bishen Singh Bedi and Sunil Gavaskar, first-rate accounts of the second-ever tied Test in Chennai in 1986 and the vivid description of the atmosphere at the Eden Gardens in 2001 when VVS Laxman made his legendary 281 — considered an inflection point in the rivalry — embellish the work.

Haigh's writings on two of the previous era's greatest batters, Ricky Ponting and Sachin Tendulkar, are educative.

Independence has marked Haigh as a journalist, and here, he is searing in his criticism of Australia's off-putting masculine cricket culture, the 2000s-era self-righteous behaviour and their shenanigans on the playing field.

No book on India-Australia rivalry will be complete without the inclusion of Virat Kohli, the enigmatic and in-your-face former India captain, whose singular cricketing obsession was to win an away series in Australia. Under his leadership India won 2-1 in 2018-19, a first-ever success Down Under, and it is no surprise that the biggest chapter, comprising 18 pages, is reserved for the batting legend from Delhi.

Similar treatment, though, is missing for the leg-spinning great Shane Warne and his iconic duels with various Indian batters. This may perhaps be because Haigh has dedicated an entire biography to the maverick cricketer, *On Warne*, after having initially engaged with him in *One Summer, Every Summer*, an Ashes journal published in 1995.

The final third of the volume is majorly about the 16 Tests the two countries clashed in a six-year span from 2017 to 2023. These matches were spread across four series and India won all four — two at home and two away — by the same scoreline 2-1, a victorious streak that Australia has never managed against India.

Australia's 3-1 victory earlier this year presented a reset, and perhaps an invitation to Haigh to extend the narrative arc with his delightful pen.

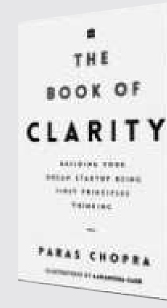
The reviewer is special correspondent, sports, The Hindu

Elusive search for first principles

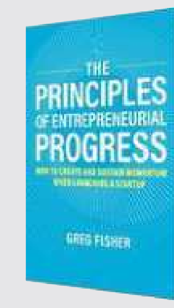
Two books on entrepreneurship — one philosophical and the other evidence-based — but neither offers a final map

BOOK REVIEW.

Raj Krishnan Shankar



Title: The Book of Clarity
Author: Paras Chopra
Publisher: HarperBusiness
Price: ₹499



Title: The Principles of Entrepreneurial Progress
Author: Greg Fisher
Publisher: Oxford University Press
Price: ₹2740

The search for first principles in entrepreneurship has long captivated both practitioners and academicians. Akin to scientists seeking immutable laws, entrepreneurs seek foundational truths that reliably guide decision-making under uncertainty. Yet the terrain is far messier: human psychology, shifting markets and serendipity, all obscure clarity.

Two recent books — *The Book of Clarity* by Paras Chopra and *The Principles of Entrepreneurial Progress* by Greg Fisher — take on this challenge from two distinct vantage points. Chopra brings a practitioner's lens, emphasising mindset, decision architecture, and inner clarity; Fisher brings an academic's lens, offering structured, evidence-based frameworks. Both pursue first principles — one from the trenches, the other by getting out of the ivory tower.

Chopra's book is a 236-page reflection on how mental models, perception, identity, and belief systems affect entrepreneurial decision-making. He draws on psychology and behavioural science to dissect cognitive biases like anchoring, confirmation bias, and mirror neurons. He devotes chapters to how founders frame their identity (founder vs. builder), how they reason under uncertainty (Bayesian reasoning, inversion), and how they manage beliefs (belief updating, commitment vs. flexibility).

Chopra also touches more concrete topics: team dynamics, feedback loops, market sensing, and product-market fit — but always filtered through the lens of inner clarity.

Fisher's book is more compact (200 pages) and organised around 12 principles. Fisher breaks entrepreneurship into 'Value Principles' (e.g. Problem Principle, Exploration, Simplicity, Prototype, Experimentation, Adaptation), 'Action Principles' (Hustle, Story), 'Resourcing Principles' (Control, Affordable Loss), and 'Big Picture Principles' (Trajectory, Integration. For each principle, Fisher offers real-world stories, research citations, and guidance on how to apply it in practice. He shows how to move from identifying a problem space to prototyping, iterating, telling a compelling narrative, and scaling with constrained resources. He also emphasises the interplay among principles — for example, how simplicity helps experimentation, or how a strong story aids resource mobilisation.

CONTRASTING BOOKS

When placed side by side, the two books present a compelling contrast in tone, structure, and epistemology. Chopra's is reflective, exploratory, and often non-linear. He invites readers to dip into essays, meditate on mental frameworks, and challenge their own perceptual filters. Clarity, for Chopra, is inward: one must understand the internal architecture of decision-making before applying external strategy.

Fisher's book, by contrast, is tightly structured, pedagogical, and outward-facing. His 12 principles form a progression — each building on the prior — turning entrepreneurship into a navigable sequence.

But these are not competing claims; they are complementary. Chopra gives us the internal compass; Fisher gives the external map. Chopra's emphasis on mental clarity, narrative identity, and internal coherence complements Fisher's structured tools for prototyping, resource allocation, and storytelling. Where Chopra warns of identity traps or cognitive distortions, Fisher gives countermeasures: prototype quickly, test hypotheses, iterate, and stay lean. When Chopra talks about belief updating and mental flexibility, Fisher's 'Adaptation Principle' offers a mechanism for pivoting in response to new evidence.

Chopra goes deeper into the psychological terrain — biases, mental models, self-perception, and integrity — while treating market, team, and product challenges in broad strokes. Fisher, on the other hand, delves into the operational mechanics of entrepreneurship — how to design experiments, how to tell a story that attracts resources, how to integrate growth over time. Chopra gives us why to think more clearly; Fisher shows us how to act more systematically.

Each has strengths and limitations. Chopra's abstraction can sometimes feel distant from execution. Entrepreneurs craving a playbook may find his book too philosophical or introspective. Fisher's text, though systematic, may at times feel dry or mechanical, lacking the emotional resonance or motivational spark that founders often need during uncertain journeys. Further, Fisher's principles, while grounded in research, may not always capture radical, unbounded leaps or black-swan events that defy framework.

MIND AND METHOD

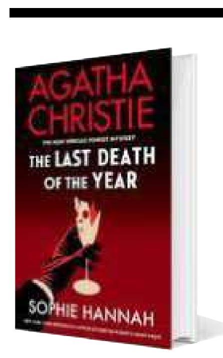
In their intersection lies the richest insight: clarity of mind and clarity of method reinforce each other. Chopra's warning that the mind is the ultimate filter reminds us that no strategic tool works if one's internal narratives are flawed. Fisher's processes offer scaffolding that discipline intuition and structure chaotic energy. Together, they underscore that the quest for first principles need not be polarised between mind and method — but must integrate both.

Yet the search remains elusive. Entrepreneurship is a domain of emergent complexity, human foibles, shifting contexts, and uncharted territory. No single principle can fully contain it. What these two books give us is illumination, not a final map.

In short, Chopra and Fisher provide complementary vantage points on the quest for first principles. Both sharpen our vision, sharpen our tools — and both leave us aware that the grand, definitive first principles of entrepreneurship remain partly hidden. And so the search goes on.

The reviewer is a Professor of Strategy & Entrepreneurship at Great Lakes Institute of Management Chennai

NEW READS.



Title: The Last Death of the Year
Author: Sophie Hannah
Publisher: William Morrow & Co

The brilliant Belgian detective rings in the New Year with a chilling murder investigation on a Greek island in this all-new holiday mystery

Title: The Niche Code: Building Big Businesses in Small Markets
Author: Rajeev Roy
Publisher: Macmillan Business

This groundbreaking book reveals that true business success lies not in mass appeal, but in deep specialisation

Title: CEO for All Seasons: Mastering the Cycles of Leadership
Author: Carolyn Dewar
Publisher: Simon and Schuster

Whether you're an aspiring leader or a new-to-the-job CEO, this is the compact, hands-on guide you've needed

thehindu businessline.

TWENTY YEARS AGO TODAY.

October 27, 2005

From Asean to the Gulf: India plans FTAs by 2006

By the close of 2006, India plans to have free trade agreements (FTAs) with all the neighbouring countries beginning with the Asean and extending to the Gulf countries. Instructions to this effect have been given by the Prime Minister, Dr Manmohan Singh, who has told his Trade and Economic Relations Committee (TERC) that "our neighbours should have a greater stake in our economic growth and should benefit from it."

Local manufacturers may be hit: India Inc

Industry has reacted with some concern to the Government's announcement to initiate free trade agreements with neighbouring economies, including Asean and the Gulf countries, by 2006. Industry feels that the external reform process of the country is progressing at a faster pace than the internal reform process, which could prove to be a disadvantage for local manufacturers.

Tata Steel offsets drop in prices thru higher volumes

Tata Steel Ltd has reported a 12.5 per cent increase in net profit at Rs 1,045.42 crore for the second quarter (Rs 929.58 crore). Higher other income at Rs 118.79 crore (Rs 57.04 crore) helped the company report growth in net profit.

Short take

Stubble burning problem flares up in MP

Kushankur Dey

Stubble burning remains a potential source of air pollution. More than 20 million tonnes of paddy straw as stubbles are burnt every year in north-western India that accounts for about 40 per cent of air pollution.

In 2017, NITI Aayog constituted a task force to address this issue and projected an ambitious package of ₹11,477 crore to mitigate this problem. To this end, the Central Government extended financial support, such as grants and subsidies, to purchase crop residue management (CRM) machinery and establish custom hiring centres (CHCs) for 'in-situ' CRM.

In-situ CRM includes availability and allocation of CRM machinery to farmers and their collectives, staggered harvesting schedules to optimise machine utilisation, super-straw management systems, and extensive use of bio-decomposers. Further, the government revised the scheme-related guidelines to promote the crop residue supply chain through financial assistance on the capital cost of machinery and equipment.

In November 2024, the Press Information Bureau disclosed that between 2018 and 2024-25 (until November 15, 2024), the Central Government released ₹3,623.45 crore to a few States and the Indian Council of Agricultural Research. Punjab received 46 per cent of funds, followed by Haryana (30 per cent) and Uttar Pradesh (21 per cent), and there is no mention of such financial support to Rajasthan and Madhya Pradesh. The financially supported States procured and distributed machines to farmers and set up CHCs., including balers and rakes, to collect and aggregate straw as bales for ex-situ utilisation.

A year-on-year comparison, from September 15, 2024, to October 15, 2025, shows that while stubble burning events have significantly dropped in Haryana, Punjab, Delhi, Uttar Pradesh, and Rajasthan, Madhya Pradesh is showing an upward move. The analysis suggests an immediate policy support for Madhya Pradesh.

A plausible cause for stubble burning is attributed to a dip in soybean acreage attributed to erratic monsoon, high seed prices, and post-harvest losses which pushed many farmers to grow paddy.

The burning of paddy straw has been a usual practice since 2021-22.

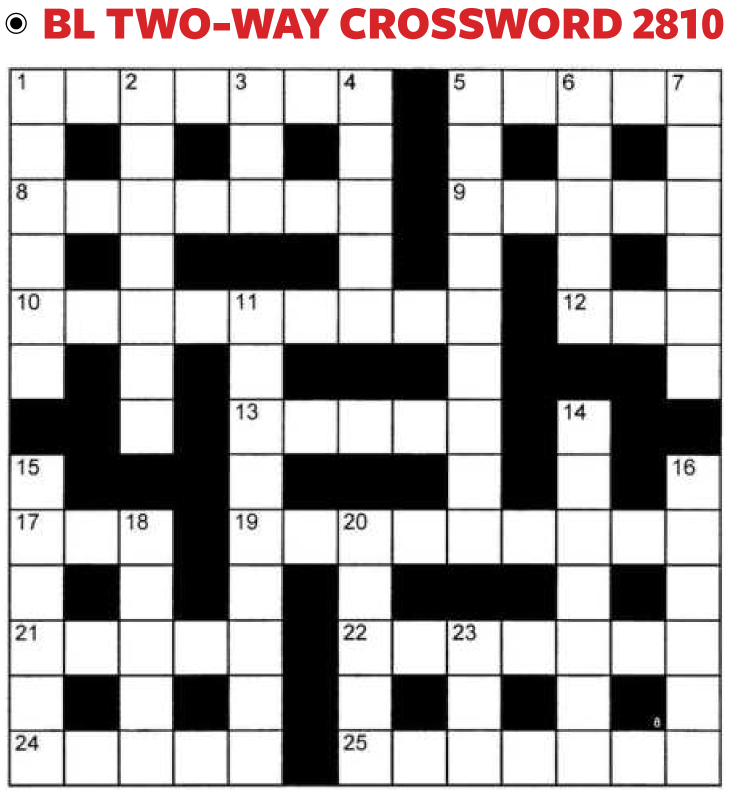
A State action plan similar to Graded Response Action Plan is needed, aligning the directives of the Commission for Air Quality Management, and the State action plan on climate change.

The State agricultural universities and research institutions can customise in-situ CRM practices for farmers by analysing time series data of stubble burning fire counts and fire radiative power reported by CREAMS dashboard.

To sum up, there's need to develop a circular supply chain that can promote paddy straw use as feedstock for livestock and raw material for power generation, ethanol or biochar production.

Dey is an Associate Professor of the Agribusiness Management area at IIM Lucknow. Views are personal

BL TWO-WAY CROSSWORD 2810



EASY

ACROSS
1. Official newspaper (7)
5. Human utterance (5)
8. Ensnared (7)
9. Covering for hand (5)
10. A running away to marriage (9)
12. Was seated (3)
13. Seek to get lift (5)
17. Free one of (3)
19. Plastering with a first coat (9)
21. Hooded garment (5)
22. Take as prize (7)
24. Carrying-chair (5)
25. Tsaritsa (7)

DOWN
1. Collect, bring in harvest (6)
2. Ardent, devoted (7)
3. Faucet (3)
4. Clothe, invest with (5)
5. Plant for eating (9)
6. Religious images (5)
7. Brings to bear (pressure) (6)
11. To be host (9)
14. One with fastidious tastes (7)
15. Hangs in folds (6)
16. A going out (6)
18. Challenge d (5)
20. Wall recess (5)
23. Fruit seed (3)

NOT SO EASY

ACROSS
1. Official paper will look fixedly at race at end of June (7)
5. Nothing in immorality that one can put into words (5)
8. Leave backwards, quietly enheartened, but then get caught (7)
9. A handy thing to start game with nothing on court (5)
10. With marriage in mind, top people twist with eel perhaps (9)
12. Was in session in South Africa at start of turmoil (3)
13. A handy thing for little Tom (5)
17. Clear one of appearing in the road, shortly (3)
19. Applying plaster when giving one's version of artistic work (9)
21. Father goes round the vessel in a shirt with a hood (5)
22. Seize head-covering true to form (7)
24. Sort of palanquin one might take from the Andes (5)
25. She sent me back to the papers, she was so powerful (7)

DOWN
1. Infer it is what a dressmaker might do (6)
2. Sue Zola for being so devoted (7)
3. Draw off what may provide one with water (3)
4. Then it's only half needed when expected to clothe one (5)
5. Beg leave to differ about beet finally being one such plant (9)
6. Orthodox images found in picnic on Sunday (5)
7. Terse arrangement about box finally brings it into operation (6)
11. Have guests to receive and take into consideration (9)
14. A long story, certain not to begin with a fussy eater (7)
15. Medical man copies the curtains (6)
16. Outgoing, for example, re-engaged on ship (6)
18. Issued challenge to the dead perhaps, right in the centre (5)
20. Pleasant to hold hydrogen where there's space in the wall (5)
23. Marking of one's card to beat one to the post (3)

SOLUTION: BL TWO-WAY CROSSWORD 2809

ACROSS 1. Bible 4. Impetus 8. Olive 9. Fly-half 10. Gag 11. Termagant 12. Task 13. Trim 18. Ostracise 20. Cat 21. Oration 22. Laugh 23. Kennels 24. Hates

DOWN 1. Brought to book 2. Bridges 3. Exerts 4. Inform 5. Pay-day 6. Tiara 7. Safety matches 14. Recount 15. Malice 16. Fiends 17. Health 19. Train

CHENNAI
businessline.
MONDAY - OCTOBER 27 - 2025

NEWS SNIPPETS.

Solar+battery vs new coal

Taking Delhi's BSES Rajdhani Power Ltd (BRPL) as a case study, The Energy Research Institute (TERI) think-tank has illustrated that solar-based electricity, in combination with battery storage, is cheaper than solar plus pumped storage, and "significantly" cheaper than new coal-fired power plants in meeting power demand for the whole day.

In a recent report, TERI projected the following range of costs per kWhr: Solar-plus-battery — ₹3.9-4.3; solar-plus-pumped storage ₹4.4-4.9; and new thermal ₹5.4-5.8.

These numbers assume that the cost of solar power generation is ₹2.5 a kWhr and the round-trip efficiencies of battery storage is at 85 per cent and pumped storage at 80 per cent.

Buyout price fixed at 105%

Designated consumers will soon have a third option to fulfil their 'renewable consumption obligation' (RCO). The first two options are: consuming self-generating or purchased renewable energy; and buying renewable energy certificates (REC) from the market. Now the government is working on a third option — 'buyout' — which simply entails paying a certain amount of money to the Bureau of Energy Efficiency. In September, the Ministry of Power had said that the Central Electricity Regulatory Commission would fix the buyout price.

The commission has now come up with a draft proposal for fixing the buyout price and put it up for public comments. It proposes that the buyout price could be 105 per cent of the weighted average price of RECs in the previous year. "By April 30 of every financial year up to 2029-30, the National Load Dispatch Centre (NLDC) shall publish the weighted average price of REC, the buyout price for the previous financial year," says the commission. For 2024-25, it has proposed ₹245 per MWhr as the buyout price.

North-East's pumped storage

The Brahmaputra river basin can support pumped hydro projects (which store energy by keeping water at a height) of 11,130 MW, of which 3,720 MW — from five projects — can come up by 2035, according to the Central Electricity Authority's 'Master plan for evacuation of power from hydroelectric plants in the Brahmaputra basin'. Four of the projects are in the Kalang-Kopili basin in Assam, and the fifth on the Barak river in Tripura.

As reported earlier, the master plan says that the Brahmaputra basin holds potential to build 208 hydropower plants with total capacity of 65 GW.

GUARANTEED PRICE

Virtual PPAs, the next big thing in RE

FINAL TOUCHES. India will soon have a regulatory framework for virtual power purchase agreements, boosting renewable capacity

M Ramesh

ISTOCK

Renewable energy (RE) adoption in India is poised for a major boost.

The Central Electricity Regulatory Commission (CERC) has released draft guidelines on 'virtual power purchase agreements' (VPPAs) for public comments. As many as 61 responses were received — including from global corporations such as Google and Accenture, Indian renewable developers like ACME and ReNew Power, energy exchanges, think tanks such as CEEW and Prayas Energy, and the government's auctioning agency SECI. A public hearing has also been held. In short, India will soon have a regulatory framework for VPPAs — guaranteeing RE developers a minimum price (*see box*). The new regime is expected to drive the creation of more renewable capacity.

MERCHANT RE PROJECTS

In India, merchant RE plants — projects not tied to long-term PPAs — have been slow to take off because banks hesitate to finance projects without an assured revenue. VPPAs resolve this issue by guaranteeing a minimum price.

Rohit Bajaj, Joint Managing Director, Indian Energy Exchange, believes VPPAs are "poised to enhance merchant power capacity in India". These financial contracts, he told *businessline*, "serve a dual purpose — ensuring stable revenue for RE merchant generators while enabling corporates to procure green attributes cost-effectively, to offset their carbon emissions".

While there is no authoritative data on India's existing merchant power capacity, estimates put it at 25 GW; VPPAs are expected to increase this significantly.

REC CARRY-FORWARD

CERC is now finalising the VPPA guidelines. In the meantime, it has introduced one key change — allowing the carry-forward of the renewable energy certificates (RECs) issued to a VPPA counterparty from one year to subsequent years. Beyond this, it is not clear what the final framework will look like, though the 61 comments received will undoubtedly shape the outcome.

Here's a look at some of the key stakeholder suggestions.

Several, including ReNew, have urged the CERC to elevate the draft from guidelines to regulations, to give it a stronger legal standing.

The draft currently states: "A consumer or a designated consumer may enter into a long-term bilateral virtual power purchase agreement (VPPA) with a renewable energy (RE) generator at a mutually agreed price (VPPA price)."

ReNew and the National Solar Energy Federation of India (NSEFI) have questioned the restriction to long-term agreements, suggesting that short-term VPPAs should also be allowed. "Given the presence of merchant renewable projects, there is already a viable opportunity for short- to medium-term VPPAs, including durations as short as six to seven months," ReNew has said.

EXPANDED SCOPE

The most common demand from stakeholders is to expand the benefits of VPPAs beyond RECs. The draft guidelines currently restrict VPPA participation to companies seeking RECs.

Accenture notes, "The current draft restricts VPPA buyers to consumers or designated consumers, with a focus on REC acquisition only. Expanding this to allow foreign corporations — especially those seeking energy attribute certificates (EACs) for ESG reporting — can unlock significant foreign capital and increase RE capacity deployment."

Google echoes this, saying, "Parties should be free to agree on the type of environmental attributes (EAs) transferred under the VPPA and not be restricted to only RECs."

It has suggested including "any other globally recognised EA registry, such as International-RECs.

Similarly, the US-India Strategic Partnership Forum argues that "limiting the use of VPPAs to compliance entities to meet renewable consumption obligations would be detrimental to the Indian renewable energy sector by constraining the availability of offtake agreements, thereby limiting financing and project development".

Under the current draft, RECs issued under a VPPA cannot be traded — they can only be used to meet compliance obligations.

NSEFI, however, wants trading freedom for VPPA counterparties.

SECI'S STAND

The Solar Energy Corporation of India (SECI), the government's nodal agency for renewable auctions, has suggested discouraging plain solar projects in VPPAs.

SECI warns that too many solar-only projects could flood the grid during solar hours, pushing down exchange prices and creating a large gap between the VPPA strike price and the market price — ultimately imposing a financial burden on VPPA consumers.

To illustrate, the corporation noted that the average day-ahead market price between 9 am and 6 pm dropped from ₹3.22 per kWh in May 2024 to ₹1.97 per kWh in May 2025.

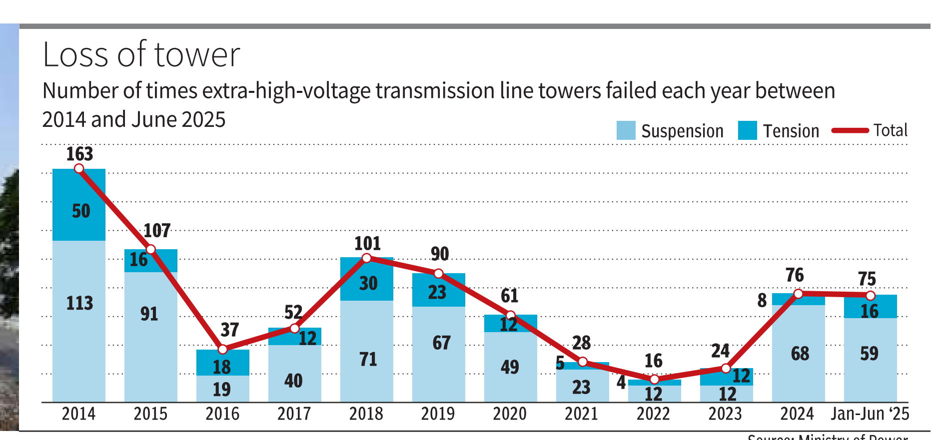
THE HOWS AND WHYS OF VIRTUAL POWER PURCHASE AGREEMENTS

- A VPPA is an agreement between a renewable energy company (such as ReNew) and a corporate consumer (like Google). Under this agreement, the developer does not supply energy directly to the consumer — hence the term virtual. The two parties agree on a 'strike price'.
- The developer sells power to third parties — either through long- or short-term PPAs or on energy exchanges. If the sale fetches a price lower than the strike price, the VPPA counterparty (say, Google) pays the developer the difference. If the market price is higher, the developer pays the difference to the VPPA counterparty (in a typical contract).
- In return, the corporate counterparty receives the green attributes of the energy — in India's case, these are renewable energy certificates (RECs), as specified in the draft guidelines. Purchasing these green attributes allows the company to meet its renewable purchase obligations or sustainability targets.
- VPPAs thus guarantee a minimum price to the RE developer, allowing them to sell electricity on the market — via energy exchanges — without locking into long-term PPAs.

CEA ASKS

Why are so many transmission towers collapsing?

M Ramesh



There has been a sharp rise in the number of power transmission towers collapsing. Within the first six months of the current calendar year, as many as 75 towers tumbled — compared with 76, 24, and 16, respectively, in the preceding three years (*see graphic*).

Against this backdrop, the Central Electricity Authority (CEA) has expressed concern that many utilities are not intimating the causes of failure within 48 hours, as required. Moreover, several utilities have not submitted the detailed failure reports within a month, as mandated.

The big question is 'Why are towers falling?' There have been 22 tower failure incidents involving 75 towers (since more than one tower may collapse during a single event). Of these, 16 incidents involved towers that were built less than 15 years ago — even though their design life is 35 years.

The highest number of tower collapses were in Madhya Pradesh (24), of which 12 were on the Bhopal–Bina line and six on the Bhopal–Itarsi segment. Uttar Pradesh was next with 16 failures, followed by Rajasthan (10). While these failures mostly involved towers owned by State government utilities, privately owned infrastructure was not immune either — Adani (five) and ReNew (seven) towers also suffered collapses.

A standing committee of experts deliberated on the issue in September. The CEA has since released the minutes of the meeting, which show that the authority was not convinced by the utilities' explanation that the failures were caused by high winds.

India is divided into five wind zones, with zone-5 experiencing the highest wind speeds. Yet, more failures occurred in wind zone-3 (22) than in zone-5 (four).

"The utilities failed to produce wind data in many cases of EHV transmission line tower failures which could substantiate their reasoning," the committee observed.

While acknowledging that climate change may have increased wind speeds, the committee stressed that improved maintenance could prevent such failures. "Various deficiencies such as missing members, missing bolts, bent members, incorrect attachment of cross-arms, chimneys covered with soil, rusted stubs/members, etc, have been observed during site visits to failure locations," it noted, calling for more frequent line patrolling.

Climate action: A case of 'a lot' done to little avail

World Resources Institute report lists major achievements and why they fall far short of the 2030 goals

Team BL

Between November 10 and 21, the 30th Conference of Parties (COP) will be held in Belem, Brazil. It will mark the 10th COP (climate talks) since the "historic" COP21, held in Paris in 2015.

What has really changed in this decade in terms of climate action? You'd typically get one of two answers: "a lot"; or "not enough". Both are factually correct.

The World Resources Institute has come out with a report titled 'The state of climate action, 2025', principally authored by Sophie Boehm and Clea Schumer.

Here is a look at the major achievements listed, and why they are still not enough.

RENEWABLE ENERGY

Since 2015, the share of electricity generated from solar and wind has more than tripled — from 4.5 per cent to 15 per cent. Solar power is the fastest growing source of electricity in history, repeatedly exceeding projections for increases in installed capacity and generation. Today, solar around the world generates roughly 2,100 terawatt-hours each year — eight times more than in 2015 and 66 times more than in 2010.

Not enough: While the relatively consistent growth is impressive, maintaining this trajectory won't be enough to get on track for 2030. Rather, solar and wind need to grow more than twice as fast, at 29 per cent per year — and delays only make the challenge steeper.

ELECTRIC VEHICLES

Electric passenger cars were fewer than one per cent of total car sales in 2015, and 4.4 per cent in 2020. Today it is 22 per cent.

Not enough: It is doubtful if the momentum will sustain. EV sales fell slightly in Europe following the rollback of subsidies in countries like Germany and France. In the US, growth in EV sales has decelerated due to factors such as slow rollout of public charging infrastructure.

The growth lags what's needed to help achieve the Paris Agreement's temperature goal.

TROUBLE IN THE AIR. Public finance for fossil fuels is worryingly on the rise ISTOCK

FINANCE

The ratio of clean energy finance to fossil fuel finance has more than doubled, with investments in clean energy supply surpassing that in fossil fuels for the second consecutive year in 2024. The ratio has moved from 1:2 in 2015 to 1.1:1 in 2024. Between 2022 and 2023, climate finance from the private sector rose from roughly $870 billion to a record high of $1.3 trillion.

Not enough: The 'record high' is still far from the $3.1 trillion needed by 2030. Simultaneously, the world has seen a troubling rise in public finance for fossil fuels. Since 2014, governmental finance support for fossil fuels — such as production and consumption subsidies, and funding from domestic and international development finance institutions — has increased on average by about $75 billion per year.

NEWER SOLUTIONS

Technological solutions such as green hydrogen and direct air capture for carbon dioxide removal, which were not thought of in 2015, are gaining ground now. Green hydrogen production quadrupled in 2024 over the previous year. The share of electric trucks (medium and heavy duty) increased 67 per cent in 2024 over the previous year.

There are over 30 direct air capture projects globally today, and 50 more are expected soon, including three that can capture more than 500,000 tonnes of carbon dioxide annually — nearly 14 times the capacity of the largest plant today.

Not enough: The 2030 target calls for scaling up 10 times faster — roughly adding nine of the largest direct air capture facilities each month.

CLIMATE ACTION LACKING

WRI estimates that between 2021 and 2024, forestland equivalent to 22 football fields were lost every minute.

Efforts to phase out coal are sluggish. Coal's share in global electricity generation fell slightly from 37 per cent in 2019 to 34 per cent in 2024 and remains "well off track", says WRI. The share must decline 10 times faster to reach 4 per cent by 2030. That means retiring nearly 360 average-sized coal-fired power plants each year, and no addition of coal capacity.

ARE COPS RELEVANT?

This question has been asked over and over again. The answer lies in two data points. The 2015 Emissions Gap Report of the United Nations Environment Programme had estimated that the world was headed to be warmer by 4 degrees C; last year's report puts it at 2.6–3.1 degrees C. The target is 1.5 degrees C. So, again, good progress, but not enough.

◉ WEAVING SUCCESS

A fifth-gen scion steers a born-again conglomerate

NEW THREADS. Once a fading textile giant, Arvind Mafatlal group regains colour post restructuring

RESILIENT LEGACY. Priyavrata Mafatlal, MD, Mafatlal Industries

Janaki Krishnan

Imagine arriving jet-lagged from an over 20-hour trip from the US, a bit 'woozy in the head', and being told that the next day you are to take over as the CEO of a century-old company!

That's what happened to Priyavrata Mafatlal (38), the fifth-generation scion of the Arvind Mafatlal group, which is celebrating its 120th year of existence.

"I'll be honest, I panicked... because I didn't have a team of one, let alone 1,000 or 5,000 employees. I actually thought, 'do they not care about the company'?" Mafatlal reminisces about the day that changed the course of his life and catapulted him into the hot seat of a group that was rejuvenating itself.

The person delivering the news was none other than his father, Hrishikesh A Mafatlal, the chairman of the group.

There is another anecdote related to his elevation that the junior Mafatlal is fond of sharing. "Around the time I took over, I realised something simple. We were at a temple. We had similar coloured shoes. I said I can't wear his shoes, but he can't wear mine either. We'll both fall. It was a monkey off my back. Since then, I've embraced the responsibility. I know I can't take this lightly, but that's exciting, not burdening."

Since his taking over as CEO and MD in 2019, and group vice-chairman since 2022, the fortunes of the group have been steadily improving, with a consolidated turnover of around $500 million.

Companies in the group include garments and apparel maker Mafatlal Industries, speciality chemicals company Nocil, edtech firm GetSetLearn, and IT services company Vrata Tech Solutions.

THE MAKING OF A GIANT

Mafatlal is synonymous with the textile industry in India; a giant at one time, before it fell victim to the vicissitudes of the Great Bombay Textile Strike, which put many mills out of business and crippled the industry.

In 1886, a small-time trader, Mafatlal Gagalbhai, the son of a weaver in Ahmedabad, started selling fabrics around the countryside and in fairs. Nearly two decades later he, along with two others, revived a defunct textile mill, The Shorrock Mill, and that was the start of the Mafatlal empire.

By the middle of the 20th century, the family was a leading textile house and Gagalbhai's grandson, Arvind, steered the expansion into chemicals, dyes, and petrochemicals; it was counted among the top industrial conglomerates in the country.

The 1970s saw the group splintered into three, among the grandsons of the founder, with Arvind getting Mafatlal Industries and Nocil among others.

Around then, widespread union activity roiled the textile sector and the flagship Mafatlal Industries was struggling under a mountain of debt, old machinery, outdated processes, and a bloated workforce. With economic liberalisation, India was also transforming into a services economy; in 2000 the company was declared sick and came under the Board for Financial and Industrial Reconstruction (BIFR). In 2002 the company came out of the BIFR fold with a restructuring that involved splinting up into units; selling off non-core assets, including mill lands, to pay debts; and launching a voluntary retirement scheme for workers.

THE TURNAROUND

"The only way we actually came out of BIFR was because we sat with the governments and we said, 'Can you allow us to sell portions of our land?' We sold that, settled our dues, and that's how they said, 'Okay, now you're not formally a sick company'," Mafatlal recounts.

After the company got back on its feet, his grandfather and father were determined to repay all dues. "Every single creditor, secured, unsecured, however small, or large, was settled. Whatever was left, we said we will reinvest in manufacturing. We were left with only about 20 per cent of what we could have potentially used for the restructuring of the business."

◉ **MILESTONES IN THE EVOLUTION OF THE ARVIND MAFATLAL GROUP**

1905
Founder Gagalbhai Mafatlal sets up a textile mill in Ahmedabad.

1912-31
Four more textile mills are established, across Gujarat and Mumbai.

1945-54
The group becomes the third largest mill owner in India through consistent investment in the modernisation of cotton textile mills.

1954
Arvind Mafatlal, grandson of Gagalbhai Mafatlal, takes over the reins of the group

1955-90
The group diversifies into multiple industries including chemicals, information technology, plastics, finance, and engineering, becoming one of India's most prominent conglomerates. The leadership of Arvind Mafatlal leads to joint ventures with global giants like Shell, Hoechst and Monsanto.

1990-2000
Arvind Mafatlal's son, Hrishikesh, takes over the reins and strengthens the group's position in the chemicals, gas distribution and textile sectors. The group moves into denim manufacturing through a venture with USA's Burlington Industries.

2000-2019
- The company begins manufacturing school uniform material and a home furnishing range. It launches a separate division to cater to the healthcare industry.
- Group Chairman Emeritus Arvind Mafatlal passes away in 2011.

2019-
- Priyavrata Mafatlal takes over as CEO and MD.
- The group undertakes supply of non-woven textile products such as disposable masks, gloves, and PPE kits during the Covid-19 pandemic.
- With the launch of GetSetLearn and Vrata Tech Solutions, the group ventures into the education technology and IT services space.

From ₹840 crore revenue in FY13 to ₹2,845 crore in FY25, Mafatlal's fortunes have made a strong recovery. It closed down its denim-making business and, pursuing an asset-light strategy, has only one manufacturing unit, in Nadiad.

'MUSEUM OF MACHINERY'

A challenge the company faced during its recovery phase involved the outdated machinery at its plants. "We were running a museum of sorts," he exclaims.

"It took us almost a decade to find our feet," he says, adding that they were building on a house of cards, where even one bad quarter and one adverse event could set them back to square one. Moreover, the world had moved on, and Mafatlal had to play catch-up with the rest of the textile sector.

INDIA GROWTH STORY

The diversification has, however, been synergistic. "About five or six years ago, we entered the hygiene space, manufacturing sanitary napkins and diapers — an extension of our technical textiles work. From wovens to non-wovens, hygiene became our gateway to health-related categories. So, all our expansions are within synergistic, manageable domains," he says.

School uniforms, too, are a natural extension of the business; the company is a big supplier to the government.

While rebuilding its presence in India, it is also looking at exports as a de-risking strategy. The flagship exports voile fabrics to West Asia. "Over the last six or seven years, we've been very conscious about rebuilding the company around the India growth story, without spreading ourselves too thin. Now that we're on stable ground domestically, we'll scale up exports gradually only when it strategically makes sense, not out of dependency."

FASHION APPAREL

Earlier this month the company announced its entry into global fashion with the launch of Mafatlal Apparel Exports. The initial focus will be on everyday fashion and casual wear designed to meet the aspirations of global markets and leading multinational brands, according to the company.

"For a company to last this long, the biggest word people often ask me about is 'resilience'. There's an unbelievable amount of resilience in this team. We may not have IIMs, ISBs, or Harvards in our system and we don't need that. That's not our culture," he insists.

"Our culture is that we stand together when things are difficult, we celebrate each other's wins, and we enjoy this journey. It's easier said than done, but I've inherited that culture and I want to hold on to it because it's ours," he says.

◉ TABLE TALK

The art of the audacious deal

The Rediffusion chairman says having a big game mentality is important

Chitra Narayanan
Meenakshi Verma Ambwani

FOR THE WIN. Sandeep Goyal, Chairman, Rediffusion ILLUSTRATION: VISVESWARAN V

As you walk into Rediffusion Chairman Sandeep Goyal's multi-level home in Gurgaon, you feel you have walked into an art gallery. Large paintings by well-known artists grace the walls, exquisite studio ceramic art line the shelves, and there are eye-catching installations everywhere. The living room has two standees for his books — *Point Blank* and *Honest to God*. A prolific and racy writer, Goyal has nine titles to his name so far, and 10 and 11 are on the way, he says.

We are meeting him for a *theth* Punjabi breakfast of parathas, achaar and *kheer*. The flamboyant adman with a distinctive mane and catlike green eyes is famous in Mumbai for his all-day paratha parties — over 400 were consumed at one of these, he tells us.

Goyal has been in the news for announcing his audacious intention to pitch for dentsu's international business, which media reports said were up for grabs. It may sound preposterous for someone running a ₹100-crore-turnover agency like Rediffusion to make a bid for a giant-sized business, but then, remember, this is the man who pipped notable names in the queue to ink a joint venture with the Japanese network back in 2003. He is also the man who had negotiated an outrageous salary, plus a black Mercedes, from Zee's Subhash Chandra, and was one of the highest paid CEOs in the country.

Also, the fact that advertising legend Arun Nanda entrusted Rediffusion to him speaks volumes. "The big game mentality is very important," says Goyal, who admits that sizeable money will be needed for the dentsu deal. Right now, though, he says it's not clear what dentsu wants to do.

FINDING HIS RHYTHM

Over a delicious assortment of *aloo*, *paneer* and *gobhi* parathas, served with egg *bhurji*, butter and curd, Goyal tells us he grew up in Chandigarh in an academically inclined family — his dad was in the first batch at BITS Pilani, while his mom was an IAS officer. Resisting their suggestion to become a doctor, Goyal describes how he got admitted to BITS Pilani. "But I ran away from there within three days, as I felt it was a dreary place. I came back to Chandigarh and, much against everyone's judgement, took up literature. I got into declamation and writing contests in college. I found my rhythm and, for me, the path was clear that I would sit for the IAS exams."

But fate had other plans. Goyal accompanied a friend who wanted to apply for an MBA course at the Faculty of Management Studies in Delhi. He also sat for the entrance exam and cleared it. "My dad said MBA was better than MA in English, so I joined the course," he says. From there to the corporate corridor was inevitable. His first job was with Goodlass Nerolac Paints (now Kansai Nerolac) and then came a few sales jobs in Jaipur and Mumbai. "But there was zero cerebral application in these," he says. He shifted to advertising in 1986, joining HTA and handling both the Horlicks and Nestle accounts — a rarity then.

Goyal's growth in the industry was rapid — from HTA to Trikaya, where he moved up from account supervisor to branch manager for Bombay in a span of 18 months. But then, since his wife did not get a transfer to Bombay, he moved to Delhi to join Interact Vision, a small sister agency of Mudra. "Interact turned out to be a great opportunity. We started with a brand called Symphony, which became an instant success. We also worked with Rasna and kept adding various small clients."

The way Goyal kept bagging clients for Interact — especially one of Rediffusion's — brought him to Nanda's notice. He made an offer. "I said I want to be in Delhi... so he created a position for me as Head of New Business," says Goyal, halting his narrative to ask for some masala chai for all of us.

PURPLE PATCH

Luck shone on him during his Rediff Delhi innings. Goyal recounts a hilarious anecdote of how, in the early '90s, the Mittal brothers walked into the Rediff office and said they had got a cellular licence. Those days they were also assembling and marketing Casio Pagers. "We were No. 1 in their evaluation in both the Casio and the cellular business pitches they had called for." But they said they couldn't give both accounts to one agency and wanted Rediff to choose one. Goyal says he almost chose Casio but some instinct prompted him to convince the Mittals to give him both. The rest is history, with Airtel becoming one of their biggest successes.

"Sometimes a purple patch can change your life," says Goyal, describing how Maruti, which had never advertised till then, suddenly started giving them a lot of business. In 1994, Young & Rubicam invested in Rediffusion. The same year, Rediffusion also formed a partnership with dentsu and got a slew of Japanese clients, ranging from Sony to Panasonic and Canon. "When Honda came, we acquired ad agency Everest for that," says Goyal, who became good friends with Fumio Oshima, who was No. 2 at dentsu then, and in charge of its global operations. In 1997-98, Goyal moved to Mumbai as Rediffusion president and the agency became the third largest in the country. It was a great innings.

The subsequent stint at Zee, says Goyal, was a mixed one. "When I left Zee I had no clear plan... Luckily I heard that dentsu wanted to enter India... I went to Japan... and told them to make me a partner... they had a topline of $28 billion and I had no company or an office... but with Mr Oshima's blessings, I managed a 26 per cent equity." In 2004-05, he got a 49 per cent stake in dentsu's Middle East business too.

SIGNATURE STYLE

The dentsu joint venture, says Goyal, was a fantastic success. "We had 18 Japanese clients. We got several Indian clients too." Goyal describes how he kept costs low, choosing off-beat offices — mainly quaint bungalows — which became a signature style for the dentsu workplace in India. "More importantly, I was paying a fraction of the rent," he says.

In 2011, Goyal sold back his stake to dentsu for ₹260 crore, and decided to focus on digital and mobile marketing through Mogae Media. The reason, he says, is that dentsu wanted to grow in all directions while he was reluctant about it. "So there was some friction."

Mogae Media's name, says Goyal, came from Moga, his family's hometown in Punjab. Mogae is now the holding company for Rediffusion, which he says he acquired because Nanda wanted him to. "He feared the agency brand, which is an iconic one, would not survive with a network."

Goyal says Rediffusion is now a small but profitable ship. "When I was younger, I always wanted to be No. 1. Now I want to be profitable and create impact," he says. Rather than maximal, optimal is best, he says. The adman who thinks that the best time to do new things is when the market is down, is betting heavily on AI.

"The ad agency as we know it will cease to exist in this shape and form in the next decade or so," he says. A few months ago he launched the Aesthetic Intelligence Lab (AIL), which produces creatives using Gen AI. Daughter Carol is involved in a big way and together they are scaling it up. "We are close to raising funds for our AI entity," he says.

The adman says he is having great fun now. "I will give dentsu a serious shot," says Goyal, who, despite his bulky frame, moves with great agility and confidence.

Exit dialogue: What would you consider a decent severance pay ?

PEOPLE@
WORK

KAMAL KARANTH

"Do you have a retrenchment policy?" I asked the CHRO, who was negotiating my salary offer for a CXO role. She rolled her eyes. Pay discussions are sensitive, but easier when you do it before joining, hence I ignored her non-friendly body language and pursued, "I mean, if you terminate me in the first year, will there be a special severance pay?" That conversation went on for another 45 minutes without leading to any conclusion, and she then had to pass it on to her CEO for a resolution.

Are you wondering why I was spoiling my chances of being employed as a CEO? I had my reasons — the risk factors were big. The enterprise in question had the dubious distinction of asking two people before me to leave in the first year of appointment; and, if anointed, I would have been their fifth leader in seven years.

THE FORMULA

I had asked for a year's compensation if my employment contract were to be ended by the organisation in the first year. They didn't have a formal retrenchment policy and were hence hesitant. Well, that was more than 15 years ago; today, most progressive organisations have a formal retrenchment policy, and the formulas are fixed. According to the International Labour Organisation (ILO), several countries offer some sort of a redundancy pay. The ILO's Employment Protection Legislation (EPLex) database covers 116 countries, and lists the severance pay in months, based on tenure. Guess where India features in this? You will be surprised to note that India, along with countries like Japan, is at the top of the list, recommending 20 months of severance pay for employees serving 20 years. However, countries like the US, which dish out attractive severances to their ousted CEOs, recommend nothing, as per the ILO database. In a way, for every year of service, one month of severance pay is considered acceptable.

Severance pay in major talent markets *(by tenure)*

Country	6 months	9 months	1 year	2 years	4 years	5 years	10 years	20 years
Australia	0.5	0.75	1	1.33	2	2.33	4	7.33
Austria	0	0	0	0	0	0	0	0
Canada (Federal only)	1	1	1	1	2	2.5	5	10
Denmark	0	0	0	0	1	2	3	5
Germany	0	0	0.2	0.4	0.8	1	2.25	5.16
India	0.25	0.5	1	2	4	5	10	20
Italy	0	0	0	0	0	0	0	0
Japan	0.5	0.75	1	2	4	5	10	20
Malaysia	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Saudi Arabia	0	0	0	0.4	0.8	1	2.25	5.5
Singapore	0	0	0	0.4	0.8	1	2	4
South Africa	0	0	0	0	0	0	0	0
Sri Lanka	0	0	0	0	2	3	4	9
United Kingdom	0	0	0.7	1.4	2.8	3.5	8.5	18.5
United States	0	0	0	0	0	0	0	0

Note: Figures denote months of severance pay   Source: International Labour Organization

THE LAYOFF TREND

According to the website TrueUp, which tracks tech layoffs, May and July saw the most number of layoffs — 24,000 and 46,000, respectively. It says the layoffs at tech companies have impacted 158,993 people so far in 2025. That's about 541 people per day. Sounds like a lot? But then, if you compare with 2024, it was about 653 per day.

All of us criticise enterprises that lay off people. But does it affect their brand worth? We know Wall Street rewards headcount reduction and even CEO firings. Remember, the stock price of Starbucks went up by 20 per cent when it replaced the last CEO.

Let's name the 10 brands that laid off employees in 2025 and ask ourselves whether we would be willing to recommend our near and dear ones to work there in the future? According to the platform Intellizence, leading companies that announced layoffs in 2025 include UPS (20,000), Dell (12,000), Nissan (12,000), Intel (10,000), HBC (8,300), Chevron (8,000), DHL (8,000), BP (7,700) and Audi (7,500). As per company filings cited by *Bloomberg*, Reliance Retail laid off 38,000 employees in 2024. Will anyone refuse to join these enterprises if they are recruiting again?

AFFORDABILITY

We know severance pay is a question of intent and affordability for an enterprise. When Meta laid off 11,000 employees in 2022, the company paid $975 million in severance, about $88,000 per person on average. In a subsequent regulatory filing, the Facebook parent said "the impact of these costs was not material" as it was offset by what it saved in payroll and other employee benefits. A *Bloomberg* review of Russell 3000 companies that made layoffs between 2022 and 2024 showed that, on average, each laid-off worker received a severance pay of $40,000. The report also highlighted an extreme example of a healthcare company with an average payout of almost $212,000 per laid-off worker.

Back home, when TCS recently announced its severance package for the 12,000-odd employees it intends to lay off, most of us termed the offer as generous. According to reports, affected employees will be offered a minimum of six months' pay while those who have served 20 years will be given two years' pay.

DOLLARS VS SCARS

Would you prefer a six-month or two-year salary paid upfront, rather than continuing with your job? It may depend on your personal and professional context. What if you don't get your next job within the next six months? After 20 years in a single company that laid you off for want of better skills, what are the chances of getting a suitable job in two years? One can call the severance pay attractive if the laid-off person is able to secure a job before the money runs out. A severance paycheque is a ticking time bomb till you get your next job offer. Picture this: one gets a job well in time, and there is a handsome additional amount in the bank after getting laid off, thanks to the severance pay.

Will you trade the money in the bank for feeling unwanted by your former employer? Are the uncertainties you had to go through, the anxieties, and the feeling of rejection caused during the redundancy period worth the money you received in the end?

Let's face it — in today's world, the scars of layoffs are inevitable. Let's believe that the scars show us where we have been and don't dictate where we are going!

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

CHENNAI
businessline.
MONDAY - OCTOBER 27 - 2025

FUND FACTS.

$450 million

Zepto Private Limited received funding from California Public Employees Retirement System, General Catalyst, Avenir Growth Capital, avra, Lightspeed India Partners, Glade Brook Capital Partners, Stepstone Group, and Nexus Venture Partners on October 16, taking the total funding to $3.216 billion.

$85 million

Mebigo Labs Private Limited received Series D funding from Vertex Ventures SE Asia & India, Krafton, International Finance Corporation, Paramark Ventures, BITKRAFT Ventures, Tribe Capital, and GGV Capital on October 16, taking the total funding to $156 million.

$57 million

Pinnacle Mobility Solutions Private Limited received funding from National Investment and Infrastructure Fund on October 17, taking the total funding to $187 million.

$50 million

Tech Uniapps (India) Services Private Limited received Series B funding from Westbridge Capital Partners and ICONIQ Capital on October 22, taking the total funding to $172 million.

$39 million

Dezerv Investments Private Limited received Series C funding from Premjiinvest, Accel India, Elevation Capital (SAIF Partners), and Z47 (Matrix Partners India) on October 13, taking the total funding to $99 million.

Source: PrivateCircle Research, a private market intelligence platform

REGROWTH STORY

Miracle cures devised by medtech firms

BIO-VENTURE. From saving limbs to building mini organs for those awaiting a transplant, tech wielding startups are on a medical mission

Sanjana B

When 58-year-old Rajesh Gowda (name changed on request) was told that the infection in his diabetic foot would soon require amputation, he felt he was out of options. However, an experimental cell-based therapy from a small Indian biotech company gave him a chance to heal without losing his limb.

From deploying silk-based biomaterials to developing immune cell therapies, a host of Indian startups are steadily shining on the global regenerative medicine stage.

"The Indian biotech and regenerative medicinal ecosystem is at a significant turning point. Regenerative medicine holds strong potential for improving healthcare access and outcomes in India," says Mihir Joshi, Managing Director of GVFL, a venture capital firm with investments in regenerative medtech startups.

One such startup, Serigen Mediproducts, focuses on manufacturing silk protein-based scaffolds to aid tissue repair. Serigen is a spin-off company from the Council of Scientific and Industrial Research National Chemical Laboratory (CSIR-NCL) and incubated at Venture Center.

"For quality tissue formation, the scaffolding material needs to have a lot of different properties — it has to be chemically compatible with the body, and have the right pore size and porosity, so the cells can infiltrate through this three-dimensional structure and attach onto the scaffold," explains Anuya Nisal, Co-founder and CEO of Serigen. The startup has developed products for bone regeneration, advanced wound care, and organ reconstruction.

"It's a powerful and versatile platform that can work for both hard tissues like bones and soft tissues like cartilage, as also devices implanted in a patient's body," Nisal adds.

The startup has filed for multiple patents in India, the US, Europe, and Japan, and its wound care product is already in use in Indian hospitals.

QRL Bioscience co-founders (from left) Sanjoy Bhagat, Dr Senthilkumar Natesan, and Dr Kranti Vora

LIVE SCAFFOLDING. Serigen Mediproducts co-founders (from left) Dr Anuya Nisal, Dr Swati Shukla, and Dr Premnath Venugopalan

MINI ORGANS

Cellsion Technologies is building a 3D bioprinting platform for miniaturised organs, including liver and kidney tissue, for use in research and, eventually, clinical support.

"We grow mini organs using the same histology as the human organs... It will be oriented in the same ratio. Everything is assembled using a 3D bioprinter, in which we use fluid mechanisms to provide nutrients to the cell," says A Abdullah Chand, co-founder of Cellsion.

The "ink" used to bioprint liver tissue consists of human-grade extracellular matrix (ECM) material. The bioprinted organ replicates the liver's natural structure, including vascular channels and multiple cell layers, and early lab tests indicate over 90 per cent alignment with native tissue across enzymatic, genomic, and proteomic markers.

Cellsion's extracorporeal liver support system (ECLD) is designed to sustain critically ill patients in the ICU for extended periods — potentially two to three months — while they await a donor organ.

The company's revenue comes from its 3D bioprinted skin models, which are used by pharma companies in drug discovery; it is developing bioengineered kidney constructs and neurology models for future clinical applications.

Beyond the domestic market, the company has received inquiries from Irish industries and an incubation centre in Europe, Chand says.

PRESERVING LIMBS

QRL Bioscience is working on immune cell-based therapies derived from peripheral blood, and this is designed to avoid invasive procedures like bone marrow aspiration or fat extraction, explains. Dr Kranti Vora, co-founder of the company.

Cellsion Technologies co-founder A Abdullah Chand

The startup aims to treat chronic conditions such as diabetic foot ulcers (DFU) and osteoarthritis. Underscoring the population-level impact, co-founder Dr Senthilkumar Natesan says, "Our goal is to save as many limbs as possible. Globally, around one million limbs are amputated each year; and in India alone, a five-year-old data shows around one lakh amputations annually." Post the amputation, the mortality rate shoots up within five years, since quality of life deteriorates, he adds.

In QRL's therapy, the use of peripheral blood simplifies the process, Natesan says. Nurses can collect the blood and administer the treatment, eliminating the need for highly specialised personnel or high-end operating theatres.

The company is also exploring developing cost-effective therapies for conditions such as osteoarthritis, myocardial damage, brain and spinal cord injuries, and corneal repair. These treatments are currently expensive as they are imported from the US and UK.

INVESTOR INTEREST

Given the early successes, the country's regenerative medtech sector is proving attractive to VCs — between 2018 and 2025, eight startups in the sector cumulatively raised $42.425 million, with investment peaking in 2023 at $12.86 million, according to data from market intelligence platform Traxcn.

On the other hand, since the sector remains high-risk — clinical trials take years, and regulatory approvals are slow — investors accustomed to quick returns can become impatient.

As Natesan elaborates, "We need patience with medical products... The clinical trial itself can take 1–1.5 years. Regulation is a major bottleneck. It is difficult to predict clear-cut timelines, which adds to the unreliability of the process. We can develop several things, but we are conscious about whether our patients can afford them." The company had, in August, raised ₹3 crore from GVFL to accelerate clinical trials for diabetic foot ulcer treatment and support preclinical development of osteoarthritis therapy. It had earlier raised seed funding from Tie India angel investors.

Serigen, too, has its share of regulatory hurdles. Its silk-based scaffolds are regulated as medical devices. Despite the challenges, the company has established an ISO-certified manufacturing facility and is preparing to launch bone repair scaffolds by early 2026.

In addition to private funding, government support has played a crucial role in nurturing these medtech startups. QRL Bioscience received an early-stage grant of ₹20 lakh to kickstart research, and continues to rely on government incentives for R&D.

Serigen Mediproducts had the backing of the Department of Biotechnology's BIRAC initiative, from the idea stage to clinical trials.

Cellsion has received grants from Karnataka's IT/BT ministry, CSIR funds, and assistance from IISc's innovation programmes.

The incentives and grants are invaluable in early-stage R&D, but regulatory clarity, faster approvals, and risk-tolerant private funding remain elusive in the next stage — the quest for first-in-the-world innovations.

STARTUPS: VAI-THEE-FUSS

How to achieve a product-market fit that doesn't fade

VAITHEESWARAN K

As a corollary to the Arattai discussion in the previous column, let's see how startups can achieve a product-market fit (PMF). Serial entrepreneur and investor Marc Andreessen first used the term PMF in his 2007 blog titled 'The only thing that matters'. PMF is the most overused and least understood phrase in the startup ecosystem. Founders talk about it, investors demand it, and pitch decks claim it... but few truly get it. Achieving PMF feels like magic, because what you've built perfectly satisfies a real market need — customers buy, stay, and tell others without persuasion.

Many Indian startups chase ideas that sound exciting or mirror what worked abroad. But India is price-sensitive, and incredibly diverse. What works in Bengaluru may fail miserably in Bhopal. Successful founders understand customer pain points and solve something real.

When Zerodha launched, it didn't chase "fintech disruption" but simply addressed retail traders' frustration with high brokerage fees. This honest problem-solving earned Zerodha a loyal following — a textbook case of PMF. Swiggy wasn't India's first food delivery app, but it was the first that worked. While others focused on discounts and rapid expansion, Swiggy focused on reliability through real-time tracking, dependable delivery, and responsive service. On the other hand, TinyOwl, an early food delivery player, raised millions but scaled up too fast without fixing reliability or experience, and failed.

The next step is to build a 'minimum viable product' (MVP). Ignore vanity metrics like app installs or social followers.

Real PMF is reflected in retention, repeat usage, referrals, and willingness to pay. If users vanish after one transaction or only show up for discounts, that's marketing spend and not PMF. Freshworks began as a simple help-desk for small businesses, not the full-fledged SaaS suite it is today. Its early traction came from listening carefully, iterating constantly, and allowing customer feedback to shape the product.

Finally, PMF isn't permanent. Markets evolve, consumer behaviour shifts, competition does something unexpected, and yesterday's fit can quickly fade.

Smart startups regularly review their PMF to stay in line with the market. Uber is a classic example. It solved a specific problem — namely cabs weren't easily available when you needed them; its deceptively simple solution — press a button on your phone and get a cab instantly — caught fire globally. However, its pay-by-credit-card approach restricted scale in India, and to counter local competition Ola, it adapted to offer cash payments to maintain its PMF.

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

RE POSTS

Your startup doesn't need to change the world. It just needs to make someone's life noticeably easier.
Andrew Gazdecki
@agazdecki

Building a super boring, revenue generating, steadily growing, cash-flow positive and more or less predictable business is a much better idea than building a hot fascinating startup.
Unfortunately, no one in startup world tells you this!
pj
@BeingPractical

Rocket dreams seeded by a farmer

How Agnihotri Aerospace embarked on finding ways to foolproof reusable spacecraft

Aishwarya Kumar

In 2022, Mahabaleshwar Bhat was still in the third year of his engineering degree course, at Sahyadri College of Engineering and Management in Mangaluru, when he co-founded the company Agnihotri Aerospace.

What began as a college project for the electronics and communication engineering student, to improve the reaction control systems in rockets — used to control the spacecraft's orientation in space, make minor velocity corrections, and so on — has since turned into a startup focused on building reusable rockets and propulsion systems.

Behind him stood an unlikely co-founder — his father, Raghupati Bhat, who is a farmer. Raghupati had always wanted to start a business, so he agreed readily to provide the seed money for his son's venture.

Reusable rockets are globally gaining prominence as the future of spaceflight.

Elon Musk's SpaceX has already validated the concept with its Falcon 9 launches, while NASA, Blue Origin, and ISRO back home are developing their reusable systems. Bhat wanted to nurture that ambition closer home.

PRECISE PROPULSION. A thruster fabricated by Agnihotri Aerospace

FINDING A GAP

Incubated at Deshpande Startups in Hubballi and backed by the National Initiative for Developing and Harnessing Innovations (NIDHI) programme, Agnihotri Aerospace has been developing solutions for one of rocketry's toughest challenges — precision control during re-entry. Its innovation, a fuel flow control unit, reduces engine weight while allowing for finer thrust variation.

"For reusable rockets, the ability to land safely depends on precise thrust adjustments. Even tiny variations can cause a disaster. That's the gap we set out to solve," Bhat says.

"All our systems are modular, designed for plug-and-play integration to ensure efficiency, simpler design, and easier control," he adds. "We are targeting about 30 per cent more controllability in the thruster, which can also be adapted for satellites to provide greater manoeuvrability and extend their lifespan. This, in turn, increases overall payload capacity."

The company has tested prototypes internally and is working toward an orbital rocket launch by 2030 and satellite deployment in lower atmospheric orbits.

But it isn't waiting until then to make money. "Our revenues will come from smaller aerospace components and subsystems," Bhat says. These include propulsion subsystems such as flow valves, injectors, thrusters, and CubeSats, as well as avionics and control systems like guidance units, electronic boards, and control panels.

Being modular, these technologies can find use in pseudo-satellites, sounding rockets, and even defence applications, he says.

FUTURE LAUNCHES

Bhat says he draws inspiration from the Indian agencies ISRO and DRDO, which proved that the country could achieve world-class space milestones, as also from SpaceX, which showed how small teams can disrupt global aerospace.

"That combination gave me the confidence that we could attempt something bold from India," he says.

By 2026–27, Agnihotri Aerospace plans to set up its first fabrication facility for tanks, thrusters, and avionics. By 2028, it plans a larger setup capable of assembling full rocket stages.

For now, the startup will rely on IN-SPACe and ISRO facilities for testing; by 2029, it plans to build its own launchpad for the 2030 orbital launch.

DATA BANK.

Vibrant growth in India's payments ecosystem

The payment landscape in India has witnessed remarkable growth over the past two decades, with significant advancements in the acceptance infrastructure, wider availability and, most importantly, a surge in the number of people using digital payments, according to the Reserve Bank of India's latest 'Payment Systems Report'.

The ecosystem encompasses a wide range of payment mechanisms, from large-value transactions to retail and real-time systems.

The key components of India's payment systems include: real-time gross settlement (RTGS), national electronic funds transfer (NEFT), National Automated Clearing House (NACH), immediate payment service (IMPS), unified payments interface (UPI), card payments (debit cards, credit cards, and prepaid payment instruments), Bharat Bill Payment System (BBPS), Trade Receivables Discounting System (TreDS), national electronic toll collection (NETC), and Aadhaar-enabled payment system (AePS).

Going by the distribution of payment transactions across systems during the first half (April-September) of financial year 2025-26, it is evident that UPI accounted for the largest share (85 per cent) in terms of volume, and a modest nine per cent in terms of value.

On the other hand, the RTGS system recorded the largest share (69 per cent) in terms of value, and the lowest (0.1 per cent) in terms of volume.

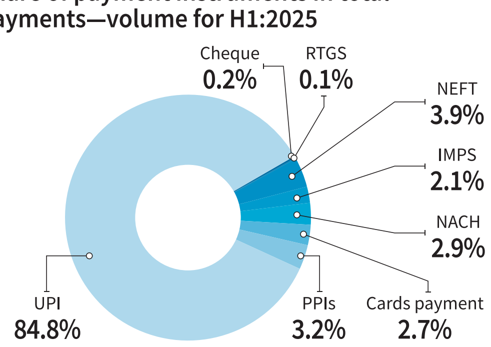
As a large-value payment system, also called wholesale payment system, RTGS, with a minimum transaction amount of ₹2 lakh, contributes more in transaction value but records fewer transactions compared to other payment systems.

UPI processes a large number of small-value transactions, but accrues a lower share in terms of value.

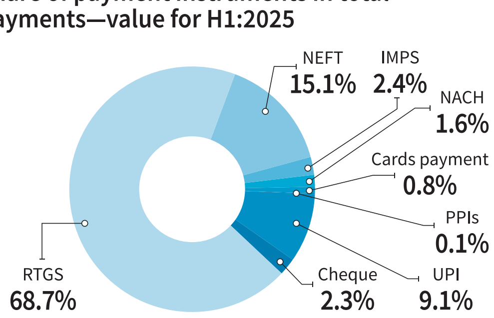
The report noted an increasing trend across all categories, except paper-based instruments, which include cheques.

When it comes to the payment system infrastructure, while debit cards, credit cards, point-of-sale (PoS) terminals and QR codes exhibit an upward trend, PPI wallets and micro ATMs registered a decline in end-June 2025, compared with end-December 2024.

Share of payment instruments in total payments—volume for H1:2025



Share of payment instruments in total payments—value for H1:2025



Trend in payment transaction volume over the last three half-years

Transaction volume (in crore)

	H1-2024	H2-2024	H1-2025	Daily average (during H1-2025)
Total payments	9,688	11,161	12,549	69
Paper-based instruments	32	30	29	0.2
Digital payments	9,656	11,131	12,520	69
RTGS	15	15	16	0.1
Retail payments	9,673	11,146	12,533	69
Retail digital payments	9,641	11,116	12,503	69

Trend in payment transaction value over the last three half-years

Transaction value (in ₹ lakh crore)

	H1-2024	H2-2024	H1-2025	Daily average (during H1-2025)
Total payments	1,364	1,466	1,572	9
Paper-based instruments	37	35	36	0.2
Digital payments	1,327	1,431	1,536	8
RTGS	931	1,007	1,079	6
Retail payments	434	459	492	3
Retail digital payments	396	424	456	3

Note: Total payments include digital payments and paper-based instruments; digital payments include retail digital payments and RTGS; retail digital payments include NEFT, IMPS, NACH (credit, debit and APBS), card payment transactions (excluding cash withdrawal), PPI payment transactions (excluding cash withdrawal), UPI (including BHIM & USSD), BHIM Aadhaar Pay, AePS fund transfer and NETC (linked to bank accounts); retail payments include retail digital payments and paper-based

Payment system infrastructure outstanding as on HY-end

(in lakh)

	H2-2024	H1-2025
Credit cards	1,080.56	1,111.97
Debit cards	9,909.48	10,051.80
PPI wallets	8,907.25 (2,126.44)*	8,681.92 (1,629.38)*
PPI cards	4,364.82 (8,96.75)*	4,838.73 (3,386.64)*
Bank-owned ATMs and CRMs	2.19	2.15
White label ATMs	0.36	0.36
Micro ATMs	14.76	14.59
PoS terminals	100.01	117.91
Bharat QR	63.83	67.21
UPI QR	6,335.30	6,782.51

Note: Figures in () denote 'active' PPIs (active PPI card/wallet by definition has at least one financial transaction during the past year)

Source: RBI

X-FACTOR

Foreign suitors court Indian banks

A SUITABLE FIRM. What explains the rise in matchmaking between overseas entities and Indian BFSI companies

Piyush Shukla


RIGHT PROFILE. Indian banking sector — stronger, cleaner, and better capitalised in recent times BLOOMBERG

RBL Bank MD and CEO R Subramaniakumar recently likened Emirates NBD Bank's (ENBD) proposal to acquire 60 per cent stake in RBL Bank, through a primary infusion of about $3 billion (₹26,850 crore) to "bees getting attracted to flowers to collect nectar and pollen".

The CEO's comment also reflects on ongoing developments in the country's fast growing banking sector.

In the current financial year, there have been a host of deals in the banking, financial services and insurance (BFSI) space, with foreign entities entering into agreements to buy significant or controlling stakes in the domestic entities.

Besides the RBL Bank-ENBD deal, the BFSI space saw Japanese bank SMBC investing around $1.6 billion to acquire over 20 per cent stake in YES Bank, and Abu Dhabi's IHC announcing its intention to pick up a controlling stake in non-bank lender Sammaan Capital (formerly Indiabulls Housing Finance) for $1 billion.

Last Friday, the board of directors of Federal Bank approved a preferential issue of about 27.29 crore warrants, aggregating to ₹6,196.51 crore, to Blackstone-backed Asia II Topco XIII Pte Ltd.

MACROS IN PLACE

According to Prashant Kumar, MD and CEO at YES Bank, to support its economic growth, the country needs to have large banks. Domestic banks also need the "right kind of capital", he says.

"The source of capital is very important. If it is coming from long-term strategic players, it is very important and required for building larger banking institutions. Today, our banking system is able to attract foreign capital... Earlier, maybe, regulators were not willing to give these approvals; but with a change in approach, the Indian financial market is able to get foreign capital," Kumar says, adding that, except India, he does not see any other country posting over 6 per cent GDP growth each fiscal.

With the demographic dividend of young people who are well qualified and skilled, and political stability in place, domestic banks are an ideal investment opportunity for strategic foreign investors, the Yes Bank chief says.

RBL Bank's Subramaniakumar concurs: "The biggest reason is India's growth story. We are talking about Viksit Bharat by 2047. I don't see this narrative coming out of any other country. Our population stands at 1.4 billion... our demographic dividend is such that we have a great set of skilled people available for converting investments into reality. Our domestic consumption will be able to take in all the investments being made."

He adds that the ENBD-RBL partnership will enable the latter to enhance its international trade finance and wealth management businesses, expand its market share and bolster corporate governance standards.

HEALTHY SECTOR

Pratik Shah, partner and national leader, financial services, at EY India, says India's banking sector has emerged stronger, cleaner, and better capitalised over the past few years. The system has seen a decisive improvement in asset quality, record-low in non-performing assets (NPAs), robust profitability, and healthy provisioning.

"Public sector banks (PSBs) turned profitable, with average ROA (return on assets) improving from -0.5 per cent in FY19 to 1 per cent in FY25, while private sector banks' average ROA rose from 0.2 per cent to 1.2 per cent. Similarly, the CET (common equity tier 1) ratio for PSBs and private sector banks strengthened to 13 per cent and 16 per cent, respectively, by FY25," he says.

Balance sheets now are far more resilient, liquidity is comfortable, and most banks are positioned for sustained double-digit credit growth, he adds.

"Foreign banks and investors view India as a unique convergence — a large, under-penetrated market, robust institutions, and a reform-oriented policy framework. Their interest is not confined to mid-sized or non-promoter-driven banks; rather, they are seeking strategic footholds in institutions where they can contribute capital, technology, treasury management, and sector-specific expertise," Shah says.

According to Ramkumar S, Partner, Grant Thornton Bharat, there are three reasons why foreign banks are investing in Indian lenders: India's growth story; the acquisition route is more convenient than the organic route; and the government's thrust on bringing in foreign capital for PSBs.

"Setting up a bank from scratch and expanding brick-by-brick will take time... new bank licences are few and far between. It is convenient to monetise an existing bank's network and expand growth," he says. "The government wants to unlock the value in PSBs... Capital infusion will help extend credit to critical infra projects," he adds.

Vikram Gupta, Partner at Hunt Partners, says global banks are looking at India not as a bailout story but a serious growth opportunity. With their home markets slowing, they're betting on India's strong credit cycle and expanding consumer and SME base.

"This influx of capital and partnerships is reshaping the talent landscape as well. Foreign ownership and strategic alliances raise the bar for leadership quality, governance, and succession planning. They also make mid-sized banks more attractive to seasoned professionals," he says. As these banks expand into digital lending, wealth, and payments, Gupta sees a surging demand for leaders with cross-border exposure, technology depth, and risk-management sophistication.

TAILPIECE

While the foreign bank bees are zooming in to guzzle nectar from a bouquet of Indian banks, the real test will be whether these cross-border acquisitions lead to genuine integration of systems, culture, and risk understanding rather than a temporary convergence of convenience, as noted by a former senior RBI official in a Basispoint Insight column.

Power of public-private co-lending

How a recent reform can transform competition into collaboration, scaling up financial inclusion

SHACHINDRA NATH


BORROWED STRENGTH. Co-lending by public and private NBFCs can aid last-mile credit delivery to small businesses ISTOCK

India's credit architecture is transforming significantly under the directions of the Reserve Bank of India's 2025 Co-Lending Arrangements (CLA). For the first time, co-lending has been permitted from one regulated entity (RE) to another, paving the way for government-owned non-banking financial companies (NBFCs) to collaborate directly with private lenders. This reform could revolutionise credit flow in sectors such as micro, small and medium enterprises (MSMEs), renewable energy, and rural infrastructure.

RULES OF ENGAGEMENT

The new co-lending guidelines introduce several structural reforms. RE-to-RE co-lending now extends beyond banks, allowing NBFC-to-NBFC and other regulated entity partnerships.

A 10 per cent minimum loan-by-loan retention ensures every lender retains "skin in the game", while a 5 per cent cap on the 'first loss default guarantee' (FLDG) limits credit risk exposure. Borrowers benefit from a blended rate structure, through reduced costs, when public sector NBFCs participate. Additionally, defaults will be recognised at the borrower level, ensuring transparency and aligned risk-sharing among lenders.

RETAIL REACH

Government-owned NBFCs such as Power Finance Corporation (PFC), REC, Indian Renewable Energy Development Agency Ltd (IREDA), Housing and Urban Development Corporation Ltd (HUDCO), India Infrastructure Finance Company Ltd (IIFC), Indian Railway Finance Corporation (IRFC), Exim Bank, NABARD, and Sagarmala Finance Corporation Ltd (SMFCL) have traditionally focused on wholesale lending.

Similarly, State-level institutions like Kerala Financial Corporation, Haryana Financial Corporation, Tamil Nadu Industrial Investment Corporation (TIIC), and Andhra Pradesh State Financial Corporation (APSFC) play a vital role in local development financing.

While these entities benefit from low-cost capital, due to their ownership structure, they lack the distribution reach of private NBFCs and fintechs. Co-lending partnerships between PSU and private NBFCs can bridge this divide, combining cheap funding with last-mile delivery, especially in rural and MSME segments.

CO-LENDING POTENTIAL

The co-lending framework can unlock massive value across multiple sectors. In industrial clusters, REC or TIIC could partner with MSME-focused NBFCs to provide low-cost loans, reducing rates from nearly 20 per cent to 14–15 per cent. IREDA and HUDCO can collaborate with fintechs to finance rooftop solar systems, making green energy more affordable. Similarly, HUDCO could co-lend with equipment finance NBFCs to support SMEs in acquiring energy-efficient machinery. NABARD and APSFC can expand rural credit through agri-NBFCs and microfinance institutions (MFIs), financing solar pumps and dairy units, while SMFCL and Exim Bank can boost maritime logistics and export MSME financing, respectively.

PROVEN MODEL

India's co-lending model has evolved rapidly in recent years. Private NBFCs and fintechs have co-originated more than ₹1.8 lakh crore of loans with banks, primarily targeting MSMEs and affordable housing. Data from the RBI and the Small Industries Development Bank of India (SIDBI) indicate that co-lending's share in incremental MSME credit has doubled since FY22, with improved credit performance and faster turnaround times. The 2025 CLA strengthens this ecosystem further.

SCALE OF OPPORTUNITY

Government NBFCs collectively manage ₹35–40 lakh crore in assets, with State-level NBFCs adding thousands of crores more. Diverting just 10 per cent of these balance sheets into co-lending could channel ₹3.5–4 lakh crore annually into MSMEs, renewable energy, and rural infrastructure — addressing up to 15 per cent of India's MSME credit gap. This has the potential to finance millions of small loans, create employment, and fuel grassroots growth across the nation.

WHY IT WORKS

The co-lending framework ensures that PSU and State NBFCs maintain their wholesale lending model while sharing minimal risk through capped FLDG and mandatory loan retention. Operational costs remain low, as private NBFCs handle origination, underwriting, and collections. Borrowers benefit from affordable blended rates, while policymakers can direct capital toward national priorities like MSME development, renewable energy, and rural upliftment. This model transforms competition into collaboration, scaling up financial inclusion faster than ever before.

To accelerate adoption, PSU and State NBFCs should publish co-lending policies within six months and set clear disbursal targets for key sectors like MSME, rooftop solar, and agriculture. Standardised FLDG templates and shared digitised monitoring would enhance governance and efficiency. Federal models — where national NBFCs provide capital and State or private NBFCs deliver last-mile reach should be encouraged to ensure scalability.

CREDIT NETWORK

India faces a paradox: while public sector NBFCs hold vast pools of low-cost capital, small borrowers continue to depend on high-cost private lenders. The RBI's RE-to-RE co-lending framework offers a pragmatic solution by linking public capital with private efficiency. With PSU NBFCs like PFC, REC, and NABARD joining forces with State and private NBFCs, India can establish a powerful public–private credit delivery network.

This is not merely a regulatory reform — it's a national opportunity to democratise credit and power inclusive, sustainable economic growth.

The writer is Founder and Managing Director, UGRO Capital

AI BUBBLE WORRY

BOE probes lending to data centres

Bloomberg

The Bank of England is reviewing lending to data centres that are a one-way bet on the future of artificial intelligence. The BOE has already called out the market risk from a surge in the valuations of firms in the industry, warning of the dangers of a sharp correction if "expectations around the impact of AI become less optimistic."

Now, the central bank's attention is moving to the links between AI companies and the financial sector, according to people with knowledge of the matter. Although lending is small at the moment, with much of the early construction works funded by equity, it's expected to grow significantly. About $5.2 trillion of spending is required globally through 2030 to keep up with the demand for computing power for AI, according to McKinsey & Co.

One person said the BOE was looking into the area after growing concerned as the nascent sector's spending migrated from hiring staff to spending billions of dollars on building and financing data centres with limited other uses.

"If the projected scale of debt-financed AI and associated energy infrastructure investment materialises over this decade, financial stability risks are likely to grow," Bank of England staff wrote in a recent blog post. "Banks would be exposed to this directly through their credit exposures to AI companies, as well as indirectly through their provision of loans and credit facilities to private credit funds and other financial institutions."

One area of indirect exposure is through securitised loans for data centres, a second person said. There's about $49 billion of data centre asset- and commercial mortgage-backed securities outstanding, Bank of America Corp estimated in August. The BOE is also keen to learn more about the interconnected nature of some of the companies at the heart of the AI boom, the person added.

The BOE declined to comment.

CHENNAI
businessline.
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QUICKLY.

US, China reach framework for Trump-Xi meeting

American and Chinese officials reached a "very successful" framework for the upcoming leaders' summit, Treasury Secretary Scott Bessent said after two days of talks in Malaysia. Bessent told reporters that the two sides discussed agricultural purchases, TikTok, fentanyl, trade, rare earths and the overall bilateral relationship. The Chinese delegation has yet to make any public remarks. BLOOMBERG

ISRO to launch CMS-03 on November 2

Bengaluru: The ISRO on Sunday said its LVM3 launch vehicle is scheduled to lift off with the CMS-03 communication satellite on November 2, from the Satish Dhawan Space Centre, Sriharikota. Weighing about 4,400 kg, it will be the heaviest communication satellite to be launched to a Geosynchronous Transfer Orbit (GTO) from Indian soil. PTI

'Labelling content will be part of new AI framework'

AWARENESS VITAL. New structure to ensure authenticity, support responsible AI use

S Ronendra Singh
New Delhi

CLEAR STRATEGY. The AI framework is more like an exercise in terms of the government's long-term thinking

With the Centre set to make labelling of artificial intelligence (AI) generated content mandatory, such standards would become part of the AI framework being formulated. The government does not want to come up with AI regulations yet, sources said.

The Ministry of Electronics and Information Technology (MeitY) will soon release the AI framework which would not only streamline the usage of AI content, but also draw a line wherever necessary.

INNOVATION FOCUS

"The AI framework reflects the government's thinking which, at the moment, is focussed on innovation and not regulation. But, we have always maintained that if and when there is a need to step in, this (AI amendments) will come in," a senior government official told *businessline*, indicating that regulations could come in later if needed.

The AI framework is more like an exercise in terms of the government's long-term thinking, the official added. "That doesn't mean that the government has to do anything on a day-to-day basis and re-work the framework... I think there is no dichotomy," he said.

Last week (October 22), the MeitY proposed mandatory disclosure and labelling of AI generated content on social media platforms and released a draft amendment to the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 that requires social media companies to allow users to self-declare if the content they upload is AI-generated.

In case users fail to make such declarations, the platforms must proactively detect and label AI-generated content, it said, adding that the declaration must cover 10 per cent of the content's area. It applies to all types of synthetic content, including text, video, and audio, and is not limited to photorealistic content.

On the issue of penalties where the social media platforms fail to make such declarations, the official said that sections mentioned in the IT Act 2000 would follow, some of which would also be part of the upcoming AI framework.

AUTHENTICITY VITAL

According to analysts, the proposed rules mark a clear step towards ensuring authenticity in digital content as labelling AI generated material and embedding non-removable identifiers will help users distinguish real content from synthetic.

"This will serve as the foundation for responsible AI adoption. These measures will give businesses the confidence to innovate and scale AI responsibly. The next step should be to establish clear implementation standards and collaborative frameworks between government and the industry, to ensure the rules are practical, scalable, and supportive of India's AI leadership ambitions," Mahesh Makhija, Partner and Technology Consulting Leader at EY India said.

MeitY has sought feedback/comments on the draft amendment to the IT Rules till November 6, 2025.

HUL aiming to modernise core brands with innovative strategies

Aroosa Ahmed
Mumbai

Priya Nair, HUL CEO and MD

To remain relevant amid changing consumer preferences, Hindustan Unilever is looking to modernise and rejuvenate its product portfolio, especially its core legacy brands.

"If you look at brands, it is not just good enough to have higher brand equity. You need to have brands that are truly desired and desirable by consumers. Today, we have almost 400 million Gen Z consumers in India, and these consumers are indeed driving change and transformation in India. So as we reimagine the brands, we need them to be more modern, more youthful," said HUL CEO and MD Priya Nair.

PREMIUM INNOVATION

"This means that we have to look across the brands, whether it is packaging, proposition, or products. It will be a renovation on the core but also very much premium innovation on our core brands, and a mix of this, but boldly transforming our brands is critical as India is transforming," she told analysts.

The legacy brands of the company include Ponds, Lux, Dove and Pears.

The company has identified four segments that will be used to continue volume-led profitable growth.

ELEVATING BRAND

The segments include consumer segmentation in response to the evolving consumer dynamics, creating modern, desirable brands and elevating brand visibility, driving social-first demand generation to enable brand discovery online among channels and reshaping the portfolio by accelerating high-growth demand spaces based on market readiness.

Nair also promised to invest disproportionately to take a few of the demand spaces to scale and develop the markets in India.

"When you think of the transformation of India, we often talk and think about the urban. I think what is exciting with what's happening in India is the rural transformation that is taking place — whether it's through more road infrastructure, better electrification, tap water in every home or indeed digital — which is truly transforming how consumers get brand aware of new propositions, new brands and new products. Therefore, for HUL, it is very critical that we span across this price product benefit pyramid transforming our core brands in line with these consumers. What one can expect is a bolder marketing transformation and channel transformation," she added.

SALES GROWTH

HUL reported a 2 per cent sales growth, with flat underlying volume growth, in the second quarter of FY26.

HUL reported a 3.6 per cent increase in net profit at ₹2,685 crore in the September quarter, aided by a one-time tax gain of ₹184 crore.

Profit before tax and exceptional items fell 5 per cent.

Brands may rethink use of artificial intelligence in advertising after backlash

Sanjana B
Bengaluru

Recently, there has been widespread uproar across the Internet, with users criticising companies for relying on AI to create marketing and advertising content.

Ayesha (name changed), a 26-year-old graphic artist, shared her perspective, stating that when companies utilise AI in advertising, it often signals a lack of adequate marketing budget to hire real artists, making the brand appear less trustworthy.

"It also reflects laziness and a lack of understanding about how AI impacts people, especially artists like me, who are losing work because of it," she said.

Following the backlash, companies including beauty giant Dove and Cadbury's 5 Star launched "anti-AI" campaigns — "The Code" and "Make AI Mediocre Again" respectively.

QUESTION OF TRUST

"The rejection of AI-generated content is a question of trust, not technology. Consumers can sense when communication lacks emotional depth or authenticity. While AI delivers efficiency and speed, it often falls short on empathy and nuance, both central to human connection. Initially, audiences were fascinated by what AI could produce, but that has faded," explained Suyash Lahoti, Partner at the Wit & Chai Group, a creative media agency. Performance-led sectors like e-commerce, fintech and early-stage startups continue to leverage AI for scale and iteration, where speed often outweighs craft.

However, sectors such as luxury, automotive, fashion and FMCG are consciously returning to human-made storytelling since they depend on cultural capital and emotional resonance, both difficult to automate.

A creative tool that overcommoditises expression triggers fatigue. Historically, stock photography made brand worlds look uniform, CGI made them too polished, and AI risks making them emotionally sterile. In every such cycle, originality regains its value, and craftsmanship becomes desirable once more.

Megha Agarwal, the CMO of Table Space, shared that audiences are increasingly gravitating toward authentic, human-led creativity — even as AI becomes foundational to content production and delivery.

BEYOND AESTHETICS

"This evolution goes far beyond aesthetics or ethics, it centres on the emotional resonance that only human insight and experience can bring. AI's efficiencies may be impressive in theory, but differentiation lies in how technology amplifies human creativity rather than replaces it. The opportunity lies in demonstrating how AI can enhance relevance and engagement while safeguarding the authenticity that forms lasting connections between the brand and its audience," she said.

HUMAN TOUCH. Sectors such as luxury, automotive, fashion and FMCG are consciously returning to human-made storytelling

According to Rohan Manthani, co-founder of Streamoid, the flood of low-effort, low-quality AI slop has made people wary of anything that feels synthetic or soulless.

"There's an uncanny valley effect when AI-generated content looks almost human but not quite, which is innately disconcerting for humans. We have seen this firsthand while developing Photogenix, our AI-driven imagery tool for e-commerce. In our testing groups, when our AI models had plasticky skin, the shoppers questioned whether the product itself was real. That's why we have invested heavily in minimising hallucinations and preserving authenticity," Manthani noted.

CREATIVITY BOOST

He added that when done well, AI allows for the democratisation of creativity, with smaller creators able to produce studio-quality content without the budgets of large teams. On the other hand, Lahoti shared that while AI can reduce immediate costs, the hidden expenses are significant, including rework, brand dilution, reputational risk, and potential backlash from tone-deaf communication.

BRAND EQUITY

"A single piece of poorly contextualised AI content can undo months of brand equity. The real financial gain comes not from eliminating human talent but from integrating AI intelligently to streamline workflows while preserving creative quality," he said.

Divye Agarwal, the co-founder at Bingelabs, clarified that the backlash is mostly against the misuse of automation. Once creators start adding narrative and intent behind AI-generated work, audiences will respond with curiosity and admiration.

"When brands openly say, 'this was created using AI', and still deliver something emotionally powerful, audiences appreciate the honesty and innovation. The discomfort comes when AI feels like a disguise for mediocrity. Public perception will improve when people start seeing AI as a creative collaborator, not a replacement. It's a camera, not the photographer," he said.

The change in perception will come when brands use AI wisely — to support people, not replace them. The future is hybrid, with AI taking over the backend—research, scripting drafts, visual experimentation and efficiency. However, humans will continue to own storytelling, judgement and culture.

SEBI studying uniform SOP on withholding payout of funds

Akshata Gorde
Mumbai

The Securities and Exchange Board of India (SEBI) is internally examining a standard operating procedure (SOP) to govern how stock exchanges should withhold securities or funds payouts when they receive directions from law enforcement or judicial authorities.

According to sources, the proposed framework will lay down uniform steps for exchanges to follow, including blocking the payout of funds, stopping the settlement of transactions, and withholding securities linked to the concerned accounts. At present, there is no uniform SEBI-mandated procedure for such cases.

All exchanges have an internal procedure but they largely act on a case-by-case basis whenever they receive directions from enforcement agencies, regulators, or courts.

ACROSS EXCHANGES

SEBI is now studying this model to create a broader market-wide framework that can be uniformly applied across exchanges, the source said.

The SOP, applicable to trades under T+1 and T+0 settlement cycles, will enlist the types of authorities whose directions can trigger action, along with the operational response depending on the direction.

"Once the directive is issued from authorities such as courts, police, or enforcement agencies, exchanges are to circulate the complaint. If there are more than 25 counterparties, exchanges are to issue a circular or press release," another source said.

Sources said the framework is still being internally vetted before finalising for all exchanges.

SEBI did not respond to an emailed request for comments.

'US insurers led recent Adani investments'

Press Trust of India
New Delhi

Life Insurance Corporation of India's investment in Adani Group companies may be under the spotlight, but recent data show that some of the largest investments in entities controlled by Gautam Adani have come not from the state insurer but from major US and global insurers.

In June 2025, a month after $570 million (₹5,000 crore) investment by Life Insurance Corporation (LIC) in Adani Ports & SEZ, US-based Athene Insurance led a ₹6,650 crore ($750 million) debt investment in Adani's Mumbai International Airport, joined by several leading international insurance firms. Apollo Global Management — Athene's parent company — in a statement on June 23 stated that its managed funds, affiliates, and other long-term investors had completed a ₹750 million "investment grade rated financing" for Mumbai International Airport Ltd (MAIL).

This was Apollo's second large financing for MIAL, following its previous financing that provided operational flexibility to deleverage.

Other fund raises included Adani Green Energy Ltd raising around ₹250 million from a group of global lenders, including DBS Bank, DZ Bank, Rabobank, and Bank SinoPac Co Ltd.

IN THE SPOTLIGHT

LIC's investments in the Adani group were under the spotlight after *The Washington Post* reported that government officials influenced LIC's investment decisions amid global investor hesitation.

On Saturday, LIC called the report "false, baseless and far from the truth" and said its investments in Adani group companies were made independently and in accordance with its board-approved policies, following detailed due diligence.

India's largest insurer has, over the years, made investment decisions across companies based on fundamentals and detailed due diligence. Its investment value in India's top 500 companies has grown 10-fold since 2014 — from ₹1.56 lakh crore to ₹15.6 lakh crore — reflecting strong fund management.

Its exposure to the Adani group is less than 2 per cent of the ₹2.6 lakh total debt of the conglomerate. Also, Adani is not LIC's largest holding – Reliance Industries Ltd, ITC, and Tata Group are.

PV exports rise 18% in April to September

Press Trust of India
New Delhi

Passenger vehicle exports from India rose by 18 per cent year-on-year (y-o-y) in the April-September period with Maruti Suzuki leading the segment with shipment of over 2 lakh units, according to the Society of Indian Automobile Manufacturers (SIAM) data.

Total passenger vehicle exports in the first half of the current fiscal year rose to 4,45,884 units as compared with 3,76,679 units in the year-ago period, an increase of 18.4 per cent.

SHIPMENTS SURGE

Passenger car shipments rose to 2,29,281 units in the period under review, an increase of 12 per cent as against 2,05,091 units in the April-September period of 2024-25.

Similarly, utility vehicle exports to overseas markets rose 26 per cent y-o-y to 2,11,373 units. Van shipments rose 36.5 per cent to 5,230 units in the first half of the current financial year.

SIAM has attributed the growth in passenger vehicle exports to stable demand across global markets.

Air India Express to enhance capacity through cabin retrofit programme

Rohit Vaid
New Delhi

Air India Express, promoted by the Tata Group, is set to enhance capacity and improve cost efficiency through a newly-launched cabin retrofit programme, sources told *businessline*.

The airline plans to add approximately 650 seats across its Boeing 737-8 fleet under the initiative, said sources.

"The added capacity is equivalent to introducing four new aircraft into the fleet, thereby significantly boosting overall capacity," one of the sources said.

The programme is part of a broader effort to standardise cabin configurations across the Boeing 737-8 fleet.

As per industry insiders, the airline aims to replace the current mix of business and economy seating with a uniform all-economy layout, ensuring operational consistency and improved efficiency. Air India Express operates 116 aircraft — 76 Boeing 737s and 40 Airbus A320s — many of which were sourced through re-marketing channels after being initially built for other carriers, including Chinese airlines.

SEATING LAYOUTS

These aircraft came with varied seating layouts, which, according to a source, created operational complexity for a carrier that relies on quick turnarounds and high utilisation. "This variation in configuration poses challenges for our quick-turnaround model," the source explained.

CAPACITY BOOST. The added capacity is equivalent to introducing four new aircraft

"Once the retrofit is complete, every aircraft will have a standard economy-class layout, allowing faster services and a consistent product experience."

Accordingly, seat densification is a key component of the retrofit, with Air India Express planning to standardise all Boeing 737-8s to 189 all-economy seats.

This step, sources said, will increase seating capacity equivalent to four additional aircraft without expanding the fleet, while reducing unit operating costs by nearly 15 per cent.

CABIN DESIGN

Besides, the unified cabin design is expected to yield multiple efficiencies — from shorter turnaround times and simplified maintenance to reduced spare-parts inventory and lower crew training costs.

The cost base will thus be distributed over a larger number of seats, enhancing cost competitiveness.

Furthermore, a uniform cabin layout will give the airline greater flexibility in deploying aircraft across domestic and international routes. Additionally, the retrofit will streamline crew operations, particularly important for an airline that currently operates over 500 daily flights across 41 domestic and 17 international airports.

"Consistency in cabin layout ensures that cabin crew and engineering teams can work across aircraft seamlessly, without extra training or last-minute adjustments," a source added.

In addition, industry executives noted that the strategy mirrors practice of successful low-cost carriers globally, where fleet standardisation is key to maintaining low costs and high aircraft utilisation.

While the transition involves temporary grounding and upfront expenses, insiders maintain that the long-term gains in efficiency and passenger experience will more than offset these short-term challenges.

CRUCIAL STEP

"Standardising our fleet layout is a crucial step towards strengthening cost and operational efficiency," said a senior Air India Express executive. "It enhances flexibility across our network, improves turnaround times, and elevates guest experience. These upgrades reflect our focus on building a structurally efficient, high-performance airline capable of sustaining growth and profitability."