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OLA VS ATHER: DIFFERENT STROKES

A NEW GOLD ORDER

GOLD AND SILVER HAVE SCALED RECORD HIGHS, WITH PLATINUM AND PALLADIUM JOINING THE BULL RUN. AFTER THE DEMAND-LED SURGE, WHAT IS THE OUTLOOK FOR PRECIOUS METAL PRICES IN 2026?

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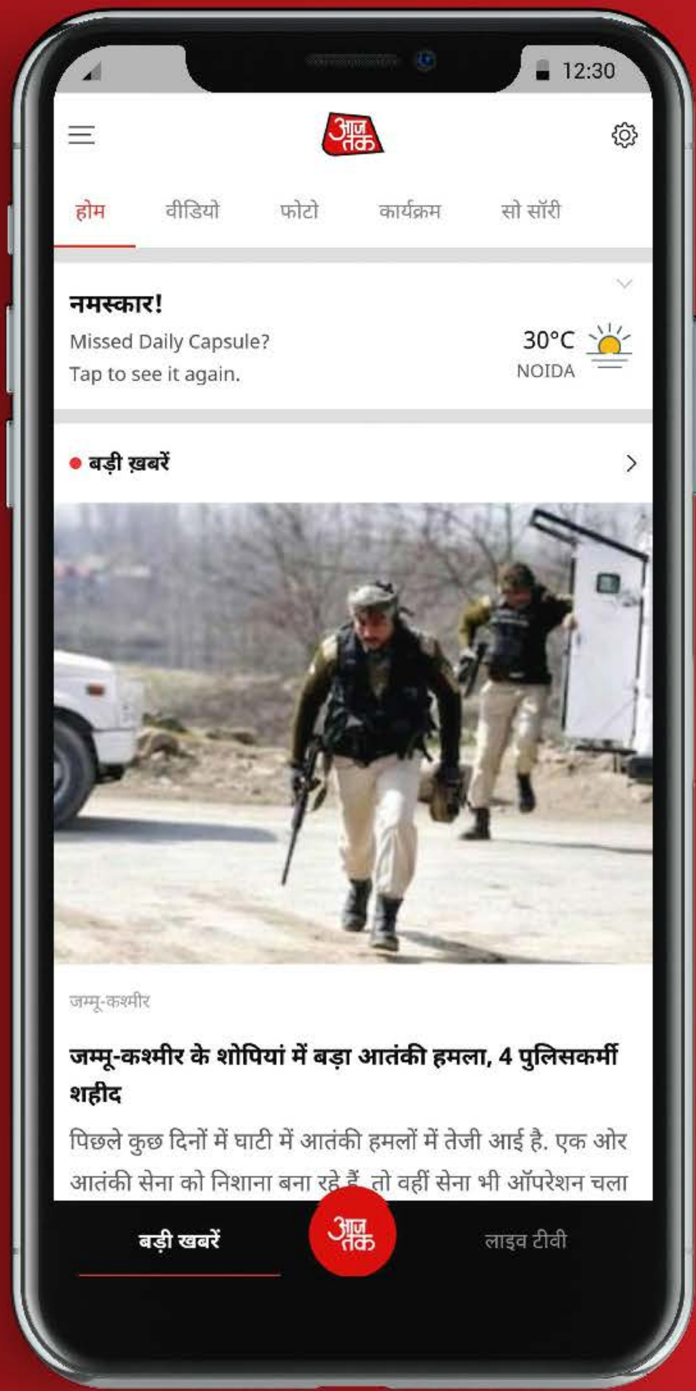

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Gold's New Stand, Silver's Bright Rise

Towards the end of *Mackenna's Gold* (1969), the canyon walls collapse, burying the treasure and ending the hunt. In real life too, gold has a way of escaping human grasp, its price rising during crisis, its utility argued over by every generation. In 1971, US President Richard Nixon severed the dollar's link to gold, ushering in the era of modern money.

By 1973, gold had pushed past the symbolic $100-an-ounce mark, climbing towards $200 amid stagflation, geopolitical tension, and the search for safety. By August 1976, gold was back around $110 per ounce.

That era also brought another shift: the US lifted restrictions on private gold ownership imposed in response to the Great Depression.

Indians need no lessons about *Hiranyam*, the ancient Vedic Sanskrit word for gold. In Bharat, gold and silver are not just "safe havens." They are family balance sheets: insurance that can be worn and wealth that does not depend on an interest rate set by the central bank or stock market gyrations.

Ahead of Diwali, investor Jim Rogers told *BT* he was not selling his gold and silver. His advice: everyone should own some gold and silver.

But the real surprise this past year has not been India's continuing appetite for gold. It is what has happened globally. Households, investors, and central banks have chased the yellow metal to record-breaking highs. Even seasoned traders have been startled by the rise this year, with gold prices up roughly 70% in 2025, and silver surging over 150%.

It is this spectacular precious-metals rally that *Rahul Oberoi* details in this issue's cover story. As he explains, while gold's run has been formidable, silver's sprint has been more startling: its industrial use—in electric vehicles, solar power, electronics, and data centres—combined with tight supply, has sent prices into the stratosphere. Platinum and palladium have rallied alongside.

For an import-dependent economy like ours, higher gold prices add costs—on households, inflation, and balance of trade. This begs a question: should India's policy focus on rare earths, the key to future technologies?

As 2025 ended, precious metal prices rose to heights that seem hard to justify. Will this rally last, or are investors being lulled into folly?

Heading into 2026, it may be worthwhile to recall the history of the 1970s, as volatility and economic uncertainty have once again been unleashed by a US President, with tariffs and economic sanctions, visa curbs and upended alliances.

Elsewhere in this issue, *Karan Dhar* tracks another cycle: how Ola Electric chased dominance, stretched itself thin, and is now course-correcting—while Ather Energy played it safer and built steadily. The contrast is a reminder that in business, speed does not guarantee a solid business outcome.

In markets, in precious metals, and in companies, the lesson repeats: what shines in a rush can fade in a fall.

Steady hands win, now and in the New Year.

Happy tidings for 2026! **BT**

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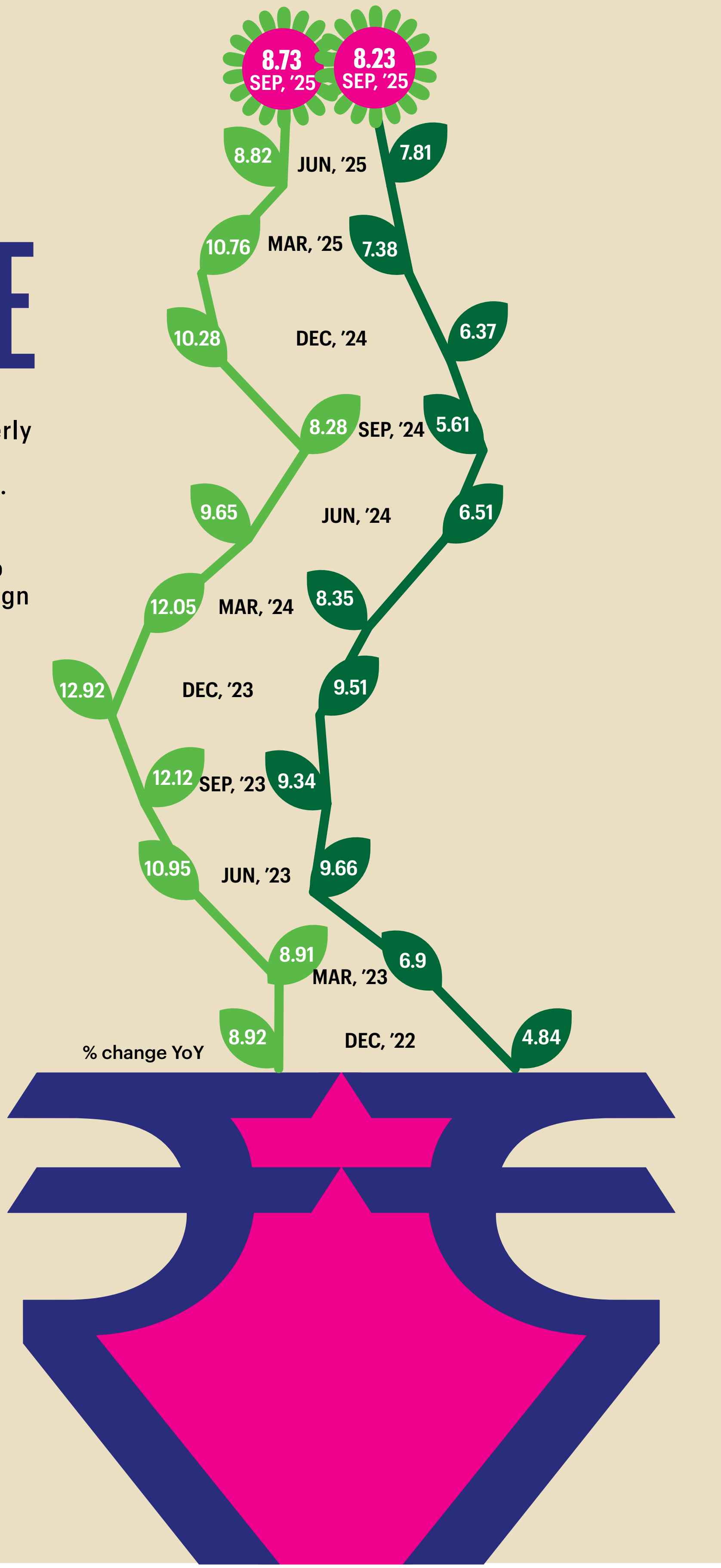
| **THE POINT** |

ECONOMIC RESILIENCE

India's latest macro data shows a mixed but improving economic picture. Quarterly GDP has risen steadily in recent years. Meanwhile, inflation fell sharply in 2025. Exports stayed stable despite the tariff turbulence, while imports rose sharply. GST collections were strong, pointing to strong domestic activity. However, foreign investment flows were uneven, showing sensitivity to global conditions. Here is what the data from 2025 shows

By **PRINCE TYAGI**

Graphics By **RAJ VERMA**



ROBUST GROWTH

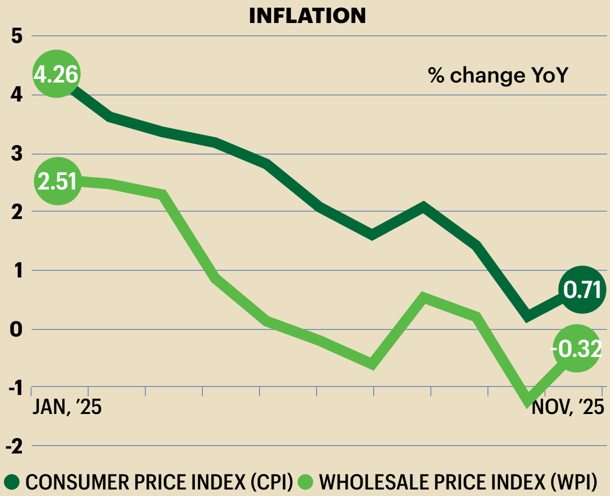
INDIA'S QUARTERLY GDP HAS RISEN STEADILY OVER THE LAST THREE YEARS WITH REAL GDP GROWTH BREACHING THE 8%-BARRIER FOR THE FIRST TIME SINCE MARCH 2024

● REAL GDP GROWTH ● NOMINAL GDP GROWTH

SOURCE CMIE ECONOMIC OUTLOOK

EASING PRESSURE

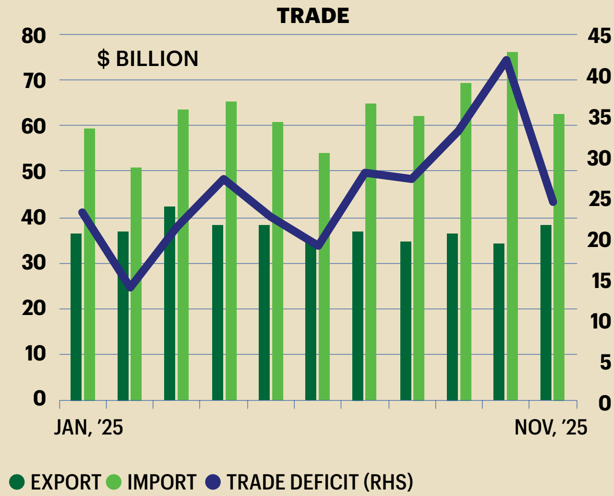
INFLATION EASED STEADILY THROUGH 2025, WITH CONSUMER PRICE INDEX (CPI)-BASED INFLATION FALLING FROM 4.26% IN JANUARY TO BELOW 1% BY NOVEMBER



SOURCE CMIE ECONOMIC OUTLOOK

IMPORTS FLUCTUATE

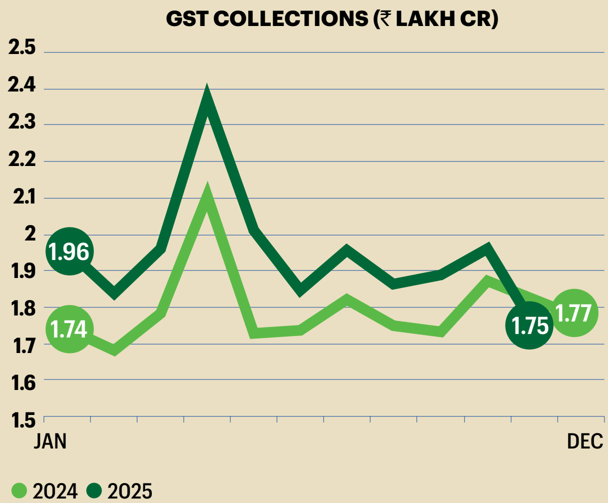
INDIA'S MONTHLY TRADE DATA IN 2025 SHOWS EXPORTS REMAINING BROADLY STABLE IN THE RANGE OF $35–42 BILLION, WHILE IMPORTS WERE HIGHER AND MORE VOLATILE



SOURCE CMIE ECONOMIC OUTLOOK

SURGING COLLECTIONS

INDIA'S GST COLLECTIONS TILL NOVEMBER 2025 WERE ₹21.4 LAKH CRORE. THERE HAS BEEN SOME DIP OF LATE DUE TO RATE CUTS



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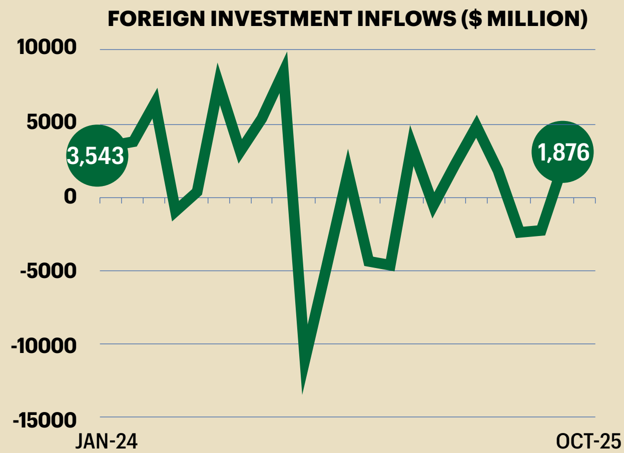
VOLATILE FOREIGN INVESTMENTS

FOREIGN INVESTMENT FLOWS INTO INDIA WERE HIGHLY VOLATILE IN 2025. INFLOWS IN MID-2024 WERE FOLLOWED BY SHARP OUTFLOWS IN THE MIDDLE OF 2025



SOURCE CMIE ECONOMIC OUTLOOK

6%

DEPRECIATION RECORDED IN THE RUPEE'S AVERAGE MONTHLY EXCHANGE RATE TO ₹90.21 PER DOLLAR IN 2025 TILL DECEMBER 19, FROM ₹84.99 IN DECEMBER 2024

₹44 LAKH CRORE

THE MARKET CAPITALISATION OF ALL LISTED COMPANIES IN INDIA TILL NOVEMBER IN 2025, A 12% RISE SINCE JANUARY

9%

GROWTH IN INDIA'S FOREIGN EXCHANGE RESERVES TO $686.2 BILLION IN NOVEMBER 2025 FROM $630.6 BILLION IN JANUARY

EXPORT STRATEGY

FOR INDIAN EXPORTERS, 2025 started with the looming threat of US tariffs, which materialised at a punitive 50% mid-year, but India closing the year on a high with three trade deals done. While the free trade agreement with EFTA came into effect from October 1, December recorded the signing of the India-Oman trade pact and the completion of talks for the India-New Zealand deal. It is expected that 2026 will also be big for India's trade diversification strategy with the India-EU FTA talks in the final stages and the India-UK agreement to come into effect.

₹2 LAKH CRORE

LIQUIDITY BOOST ANNOUNCED BY THE RBI AS IT PLANS TO BUY GOVERNMENT SECURITIES. THE RBI WILL ALSO CONDUCT A $10-BILLION DOLLAR–RUPEE SWAP AUCTION

THE WAIT CONTINUES...

THE NOIDA INTERNATIONAL Airport has missed several deadlines and the wait continues for operationalisation of Delhi-NCR's second airport in 2026. The closure for commercial flights may get further extended beyond the current deadline of January 31, 2026, with pending infrastructure work and security clearance for CEO Christoph Schnellmann—a Swiss national—as domestic law prohibits a foreign national as head of a greenfield airport. The matter is under the consideration of the union home ministry.

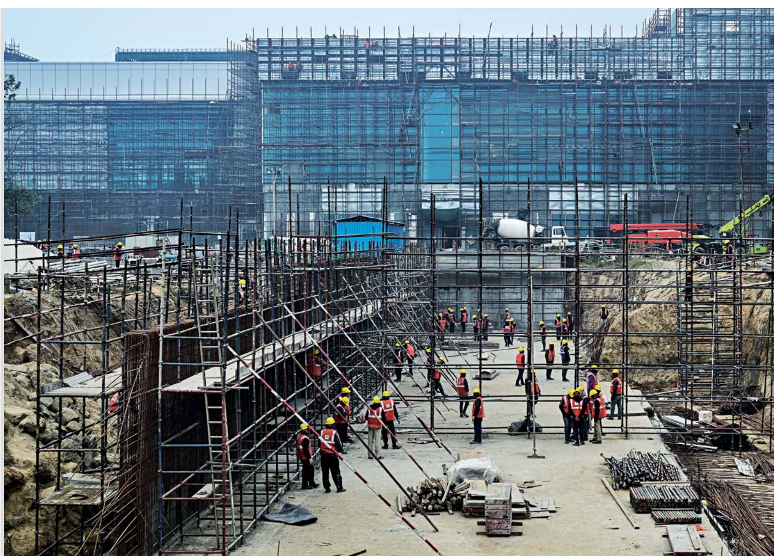


PHOTO BY **HARDIK CHHABRA**

BIG BUYOUTS

IN A YEAR that saw multiple outbound M&A transactions, the $2.35-billion buyout of US-based Encora by Coforge (earlier known as NIIT Technologies) was not the largest but the biggest ever for India's IT sector. The all-stock deal has not really excited Coforge's shareholders with Encora's modest growth being one of the reasons. At a time, when the overall IT sector in India is going through a challenging phase, how this deal plays out will be interesting.

BUSINESS OF BOLLYWOOD

FOR BOLLYWOOD, 2025 was a year of learning. A revenue model that has been under immense pressure on the back of disproportionately high star fee, saw many big-budget films tanking, and the ones with better content and tighter costs really making it big. Be it *Chhaava*, *Saiyaara*, *Sitaare Zameen Par* and of course, *Dhurandhar*, it is clear that a big name alone will not guarantee success.

MEGA DEAL

THE DECISION OF Bharti Enterprises and Warburg Pincus to pick up a 49% stake in Haier Appliances India—a player in the consumer durables space—was more about when, rather than anything else. For a while now, the domestic arm of China's Haier Group, has been on the block (revenue for FY24 stood at Rs 8,160 crore). How long Haier continues to hold on to its 49% will be watered out, for the other 2% is with the local management team.

364

IPOs IN 365 DAYS

RECORD CAPITAL RAISED THROUGH INDIA'S IPO MARKET IN 2025—RAISING ₹1.8 LAKH CRORE—MAKING IT THE STRONGEST YEAR EVER FOR PRIMARY EQUITY FUNDRAISING, ACCORDING TO MOTILAL OSWAL FINANCIAL SERVICES

COUNTERFEIT VACCINES?

AUSTRALIAN HEALTH AUTHORITIES on December 19 issued a traveller advisory about possible counterfeit rabies vaccines administered in India, naming Abhayrab, prompting manufacturer Indian Immunologicals Limited (IIL) to push back, saying the advisory overstates an isolated incident. The company said the issue involved a single case of counterfeit packaging detected and reported by it in January 2025, and was not a vaccine quality failure. Genuine Abhayrab supplies distributed through authorised channels remain safe, the company said.

"We come to India **looking for talent**"

Belen Garijo, Chair-Executive Board and CEO, Merck Group, on the tremendous opportunity in India and AI

BY **KRISHNA GOPALAN**

PHOTOS BY **SUDHAKAR DEVARAJ**

L

Looking comfortable in a *kurta*, Belen Garijo, Chair–Executive Board and Chief Executive Officer of the German science and technology giant Merck Group, smiles whenever India is mentioned. At the company's office in Bengaluru, the global chief of the €21-billion business that is present in life science, healthcare and electronics, thinks long term and speaks eloquently of Merck's history and its thirteenth generation in charge. Garijo has been at Merck for nearly 15 years now and moved into her current role in 2021.

Under her, the company is betting big on growth areas in the country, as seen by its recently signed memorandum of understanding with Tata Electronics to strengthen its semiconductor capabilities here. As part of the deal, Merck will offer products and services to Tata Electronics for its upcoming semiconductor fabrication unit in Dholera in Gujarat. Garijo says more such deals are in the pipeline. Edited excerpts from an interview with *BT*'s Krishna Gopalan:

Q: What makes India a strategic market for the Merck Group?
A: India is the third-largest by way of workforce for us, after the US and China. We have the talent and capabilities to manufacture for our operations globally and through our IT centre in India, which provides data and automation capabilities worldwide.

Life science and healthcare have been big in India. The agreement with the Tata Group is an indication of our interest in a big growth opportunity here.

Q: To your mind, what stands out about India and makes it unique?
A: First, the operational excellence that we gain when working here makes it extremely attractive for certain capabilities that we cannot have outside India. It is a big challenge to recruit talented individuals in other countries. Now, we come to India looking for talent, competence and super-specialisation.

India is a long-term democracy and very stable politically. Obviously, every country goes through bumpy times, but we see India as a predictable country, and we have very good relations with the government. We see the willingness of the government to attract international investment.

Last, but not least, our position in India will make us a preferred partner for major companies. Our agreement with the Tata Group is an example, but we have some more in the pipeline.

"We use AI to build our smart factories. We have automated these sites to make them much more efficient, bring products faster to market and increase both quality and reliability"

Q: You have taken a long-term view of India...
Long-term thinking is part of our culture. We entered China through our electronics business and, today, have a big footprint there. We entered healthcare from scratch and shifted the focus of that portfolio, which at the time was with essential medicines for China. We built a billion-dollar business in just five years.

Now, China has become a developed market driven by innovation. We anticipate something similar in India, and as we speak, we have a team working on a long-term strategy.

Q: Your letter to Merck's shareholders for 2024 spoke about artificial intelligence (AI) as a transformative force. Tell us a little more about that.

A: We have come a long way since we started our digital transformation. When GPT (generative pre-trained transformers, or a family of large language models) was commercialised, our team moved quickly. We created our own GPT, available to every employee, who can operate through a mobile app.

We use AI in multiple ways. We use it to build our smart factories. We have automated these sites to make them much more efficient, bring products faster to market and increase quality and reliability of manufacturing operations. AI comes into play in many of our HR processes to make the right decisions on people with the right level of information. Plus, it is also used to make our research and development (R&D) more productive based on data.

We have a framework for AI to create additional growth, generate innovation, and make us work more efficiently. We use it for customer insights, to get sharper with our marketing strategy, and understand customer expectations.

I look at AI as a revolution. I have spent a lot of time training myself in AI.

Q: Does that mean Merck is thinking like a technology company?

A: We are a global science and tech company. Both are interrelated and, at this point, technology is being powered by science. When I say we are using AI to improve drug discovery, that is about science and tech. That means both have converged quickly. We also use AI to predict the success of some clinical trials. I believe the revolution is already underway.

Equally, we need to be aware of the potential risks. Obviously, like other companies, there is cyber security risk. We must be mindful of how to use AI to benefit us as a company. Besides, there is a need to protect our systems to minimise liabilities towards employees, the company and our customers.

Q: Given your presence in electronics, does it help in understanding the AI story better?

"We have the talent and capabilities to manufacture for our operations globally and through our IT centre in India, which provides data and automation capabilities"

A: Absolutely. I take pride in the fact that Merck is tapping into major macro trends driving the world.

Take bio-electronics (merging biology and electronics), where we are extremely well-positioned to tap into the new frontier of innovation, once bio-convergence becomes a tangible reality. That can create future value for our companies.

Q: Future planning is more critical now than it ever was. How do you go about that?

A: As a family-owned company, we operate on a long-term basis. However, we also have public shareholders, who evaluate the company every quarter. We have the best of both worlds. One is the long-term thinking of our ownership structure, where the Merck family still owns 70% of the company; we are now in the 13th generation. Then, there are financial markets and investors, who expect us to generate value in the short term.

During Covid, we had to deal with the fire of the day, the crisis of the week, and make sure our supply chain stayed resilient. We did not lose sight of potential mergers and acquisitions (M&As) that would help us fill technology gaps or accelerate growth and innovation. The M&A environment has changed since. What we are looking at now is not only practical innovation but also acquiring innovation through M&As.

For example, Unity-SC, gets us into the metrology, which we believe is the next wave of growth or HUB Organoids, that allows us to reduce the use of animals for basic research, or Mirus Bio, for offerings in process solutions for cell and gene therapy.

I'm very proud of Springworks (a $3.4-billion acquisition that Merck completed in July 2025).

Q: How have you gotten better with M&As over time?

A: In the past 15 years, Merck has grown at a compound annual growth rate of 8%—5% of that is organic and the rest inorganic. The competitive landscape in the sectors where we operate is intense. In life science, we continue to be in a podium position—far away from the other two players, but well-placed to compete in today's environment.

Healthcare is a tremendous and unique business. Half its portfolio lies in general medicine, cardio-metabolic, and fertility franchises.

We built the business from scratch in China, and today, the Asia-Pacific is our main source of revenue. We are strong in the US in life science and electronics, which came largely from inorganic moves.

As a company, we are now at an inflection point, where scale is no longer a problem, but we need innovation. We need to rejuvenate our portfolio and participate in the next technology frontier. The company has gone through a period in which our organic growth was solid enough for us not to be in a hurry.

In life science, the multiples became absolutely outrageous during the pandemic. Now, the value has come down. If the business case does not work, we will be patient. If you look at the growth that we have generated, why should we be in a hurry? That's our philosophy. The next frontier is continue tapping into new technologies and build the business of the next decade.

We are also diversifying our sources of innovation. Traditionally, we have acquired innovation from North America and the US, which we will continue to do. But now we have executed several licences in China. India is now becoming an innovation-led country, and we are very closely looking at what is emerging here, to make sure we can position ourselves for the growth over the next few years.

"The M&A environment has changed since Covid. What we are looking at now is not only practical innovation, but also acquiring innovation through M&As"

Q: Is it important for a company like yours to be little conservative in today's volatile global environment?

A: I wouldn't call us conservative. I think we are disciplined and have taken risks over the years. Those are clearly paying off.

The family ownership has allowed us the space to be creative and bold. In the current environment, we are prudent and not at all risk-averse. As you have seen, we continue to not only have a very consistent delivery of organic, profitable growth, but we also tap into new technologies that will give growth. BT

@krishnagopalan

Renewable Security:
India’s Next Strategic Advantage

***By Amit Jain,** CEO & Country Manager India, MD Renewables & Batteries India & SEA, ENGIE*

Every once in a while, a country reaches a moment where technology, ambition, and necessity intersect so sharply that the future stops being a distant idea and becomes a blueprint waiting to be built. India is at that moment - on the cusp of a 500-gigawatt renewable ambition by 2030 - a target that is not simply about numbers, but about resilience, industrial competitiveness, and national security.

In that time, ENGIE has grown from its first solar project to a 2.68-gigawatt portfolio spread across 7 states and 24 projects. Our next horizon is clear: scaling to 7 gigawatts by 2030. This journey mirrors India’s own evolution — from early adoption to becoming one of the most decisive actors in the global energy transition.

Energy Security as Economic Strategy

India’s peak power demand has already crossed 250 GW and is set to nearly double by 2032. Behind this surge lies not just households and factories, but the demands of data centres, electric mobility, AI infrastructure, and green hydrogen. The real question is not whether India can meet this demand, but how: with a fragile fossil-heavy base, or with clean, reliable power that anchors growth.

Energy security is therefore no longer a side note in climate strategy. It is the central determinant of India’s economic resilience and its global influence. Every additional megawatt is not just electricity; it is a building block of industrial competitiveness, urban futures, and geopolitical weight. This is where hybrid systems and storage-backed architectures become non-negotiable. The future backbone of India’s grid will not be standalone solar or wind — it will be integrated renewable ecosystems.

From Capacity to Reliability: The Hybrid Imperative

India now ranks fourth globally in installed renewable capacity, with over 80 GW added in the past five years. Yet intermittency remains the Achilles’ heel. Reliability is the foundation of economic competitiveness — and this is where hybrid systems of solar, wind, and battery storage become indispensable. The Ministry of Power’s new mandate requiring co-located storage for future solar tenders reinforces this shift.

In Gujarat and Rajasthan, we already see investment moving decisively toward solar-wind-storage hybrids. Recently we won the first BESS stand alone project with 280 MW/ 2 hrs of storage capacity. This is our second largest battery project in the world in terms of installed capacity, contributing to our ambition to be a leading player in large-scale battery storage systems. As of June 30, 2025, the Group's portfolio of BESS projects in operation or under construction amounted to 5.6 GW worldwide.

A Business Model for Scale

India’s renewable expansion will stand or fall on the strength of its financing and offtake models. Utility-scale Power Purchase Agreements (PPAs) with SECI and NTPC remain foundational, but the fastest growth is coming from corporates. Data centres, cement, and steel producers are turning to Corporate PPAs and Virtual PPAs (VPPAs) to secure price certainty and sustainability credentials.

From 12 GW in 2023, the corporate procurement market is projected to reach 100 GW by 2030. ENGIE is leveraging 4.3 GW of global corporate PPA experience to deliver storage-backed, tailor-made solutions for Indian corporates. Through our Catalyst Connect industry dialogue series, we have also convened policymakers, regulators, and financiers to address bottlenecks in transmission, VPPA readiness, and payment security.

Execution & Technology as the New Differentiators

India's next leap in renewables will be defined less by how much infrastructure we build and more by how we build it. Execution quality and intelligent technology have become the two levers that separate frontrunners from the rest.

For ENGIE, this edge comes from a combination of operational discipline and a digital-first approach. At Bhadla — one of the world's largest solar parks — water-free robotic cleaning conserves billions of litres every year while improving uptime. In Gujarat's Raghnesda, our zero-infection project execution during the pandemic set an industry benchmark for resilience. Our Fleet Performance Diagnostic Centre applies predictive analytics across assets, lifting availability by up to 10%. And our Supply & Energy Management (S&EM) business strengthens this backbone through advanced forecasting, energy trading, and green-attribute monetisation, giving industrial offtakers access to 24/7 clean energy with predictable pricing.

This is the real hinge for India's 500-GW ambition: a digitalised, storage-enabled, dispatchable system that outperforms mere installed capacity.

The clean-energy race will not be won on hardware alone. It demands platforms that convert renewable assets into intelligent, self-optimising systems. ENGIE's digital architecture does exactly that — from AI-driven forecasting that cuts curtailment, to hybrid dispatch optimisation for round-the-clock delivery, predictive maintenance that reduces downtime, and real-time grid analytics. Through ENGIE Urja, our global startup collaboration platform now active in India, we also bring emerging clean-tech innovations directly into our operations and customer solutions.

The future of renewable energy is not just green; it is digital-defined.

Safety, Skills, and Communities at the Centre

Energy transitions only succeed when they are safe, inclusive, and anchored in the people they touch. ENGIE India has crossed more than 30 million safe man-hours and delivered more than 33,000 hours of training in 2025, making safety a non-negotiable part of our culture.

But our responsibility goes beyond site boundaries. Over 80% of our workforce is hired locally. With the National Skill Development Corporation, we have trained more than 600 young people as solar technicians across Rajasthan and Andhra Pradesh. In Gujarat, we strengthen government schools with classrooms and clean drinking water. In Tamil Nadu, our partnership with the World Bee Project enables women farmers to become beekeepers, creating new income streams while protecting biodiversity. We actively collaborate with leading universities to share sustainability best practices and provide hands-on learning opportunities for young students, driving real-world impact through our ESG initiatives.

In December 2024, ENGIE was awarded the Sustainability Energy Transition (SET) Label, a global validation that every project we deliver meets the highest standards of environmental, social, and governance stewardship. We are also awarded the best organisation for Women by times group.

India's Global Role, ENGIE's Local Commitment

India's energy choices will influence the world's decarbonisation trajectory. By 2050, its urban energy demand alone could surpass the consumption of entire small nations — making sustainable growth not just a domestic priority but a global imperative.

ENGIE's commitment is clear: bring global expertise, innovation, and capital to India, but ensure they are deployed through local execution, local talent, and long-term community partnerships. Under our Vision 2030, we aim to scale to 7 GW while building resilient ecosystems that make India's energy transition both competitive and inclusive.

The Road Ahead

India's energy transition has moved beyond ambition; it is now a design challenge. The next 250 GW will determine whether we add renewable megawatts or build a system that delivers resilience, affordability, and global leadership.

Hybrids and storage must become baseline infrastructure. Financing models must evolve to de-risk investment and attract deeper pools of private capital. Technology must shift from a support function to the primary differentiator. And communities must see tangible value embedded in every project.

If these pillars align, India will not only meet its 500-GW target — it will redefine what renewable leadership looks like for emerging economies: rapid growth that is sustainable, inclusive, and strategically secure. The ultimate test of success is simple: strengthening India's energy security and economic security in equal measure.

THE NEW GOLD RUSH

THE BULL RUN IN GOLD IS NOW **A FULL-FLEDGED RALLY IN ALL PRECIOUS METALS**—BE IT SILVER, PLATINUM, OR PALLADIUM. EXPECT A RE-RUN IN THE NEW YEAR

BY **RAHUL OBEROI**

ILLUSTRATION BY **NILANJAN DAS/AI**

YELLOW METAL THUNDER

1 FROM JEWELLERY TO CULTURAL USE, GOLD PLAYS A CENTRAL PART IN WEDDINGS, FESTIVALS, AND TRADITIONS ACROSS INDIA AND THE WORLD

2 IN THIS COUNTRY, IN PARTICULAR, GOLD HAS ALWAYS BEEN APPRECIATED AS A STORE OF VALUE

3 ADD TO THAT ITS INDUSTRIAL AND TECHNOLOGICAL APPLICATIONS—ITS CONDUCTIVITY AND RESISTANCE TO CORROSION—WHICH MAKE IT ESSENTIAL IN ELECTRONICS, AND RELATED FIELDS

4 A MAJOR REASON FOR THE RECENT RALLY IS THE INCREASE IN CENTRAL BANKS' GOLD RESERVES AS THEY LOOK TO NAVIGATE GLOBAL UNCERTAINTIES AND DEFEND THEIR CURRENCIES

5 BUT IF THE GEOPOLITICAL TURBULENCE ENDS, THE RALLY MAY FIZZLE OUT

WHEN THE CARPENTER JAMES MARSHAL CHANCED UPON SOME ROCKS THAT LOOKED LIKE GOLD IN THE AMERICAN RIVER IN CALIFORNIA IN 1848, HE SPARKED WHAT HISTORY REMEMBERS AS THE GOLD RUSH. PEOPLE FROM ACROSS THE WORLD HEADED TO THE STILL SPARSELY POPULATED WESTERN COAST OF THE US, WHERE WHITE SETTLERS HAD JUST RECENTLY USURPED LAND FROM MEXICANS AND NATIVE AMERICANS.

The world has transformed since then. The Bretton Woods system reintroduced the gold peg, anchoring the US dollar to the yellow metal. Richard Nixon brought that system down when he yanked the dollar off the gold peg on August 15, 1971, moving the world firmly into the era of fiat currency. Though some predicted a collapse of gold, the opposite happened, with the metal multiplying 10 times over the next decade amid geopolitical tensions and 1970s oil price shock, which sent inflation above 20% in a large number of oil-importing countries such as the US.

More than five decades later, the script is similar. US President Donald Trump's tariff war, geopolitical tensions, and a slowing global economy have sparked a new gold rush, though nobody is stepping into rivers with pans this time around. Households, investors and central banks are chasing the yellow metal after a record-breaking rally in 2025. On the international spot market, gold traded at $4,479 per ounce on December 24, 2025, up from $2,633 on December 26, 2024.

Back home, gold has clocked more than 50 record price highs in the past year, surging 73% year-to-date to around ₹1.31 lakh per 10 gms on December 19—its strongest rally in India since 1974.

Indian households, known for their love for gold, are estimated to own 34,600 tonnes of the metal. Their hunger for gold has withstood even governmental efforts to curb it, and seems unaffected by gold's record run, as is evident from even a cursory reading of the import data.

Gold's rally, though impressive, is nothing compared to the performance of other precious metals. Silver prices have jumped more than twice that of gold, thanks also to rising demand in new-age industries, from electric vehicles to solar energy equipment and hardware for data centres. Platinum and palladium have joined the party for similar reasons.

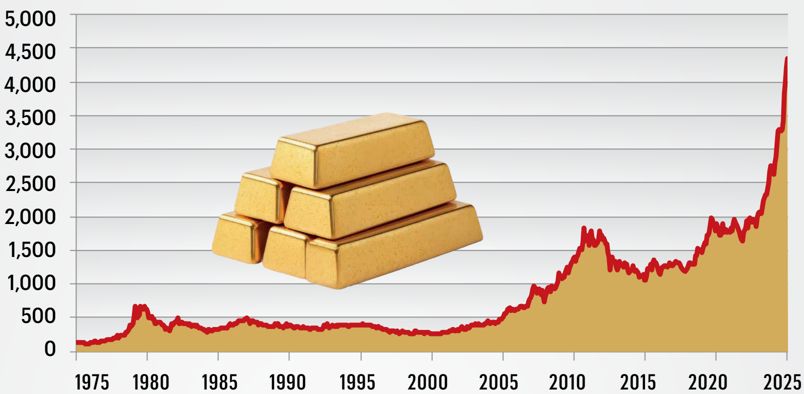
For an import-dependent country like India, this frenzy comes at a cost. As more forex gets drained out, imports aren't getting cheaper, with the rupee touching record lows of 91 to the dollar in December.

Consider this, India imported nearly $58 billion worth of gold in FY25, which was a 27% jump

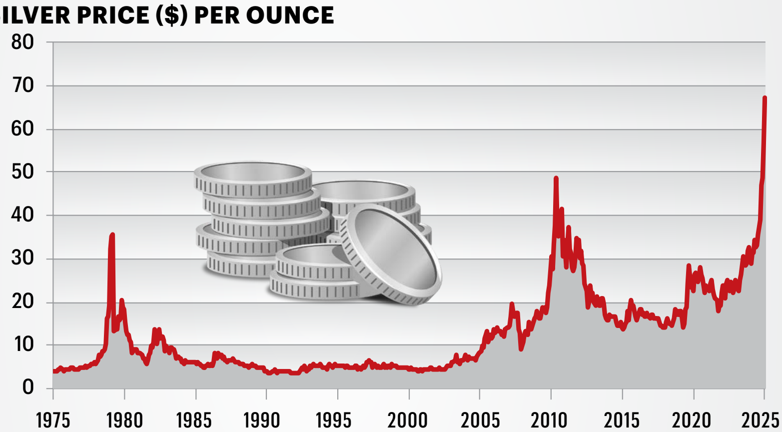
PRECIOUS MOVES

• Gold jumped more than 65% in international markets in 2025 on hopes of rate cuts amid geopolitical tensions • Meanwhile, silver hit the $67-mark for the first time amid demand-supply crunch

GOLD PRICE ($) PER OUNCE



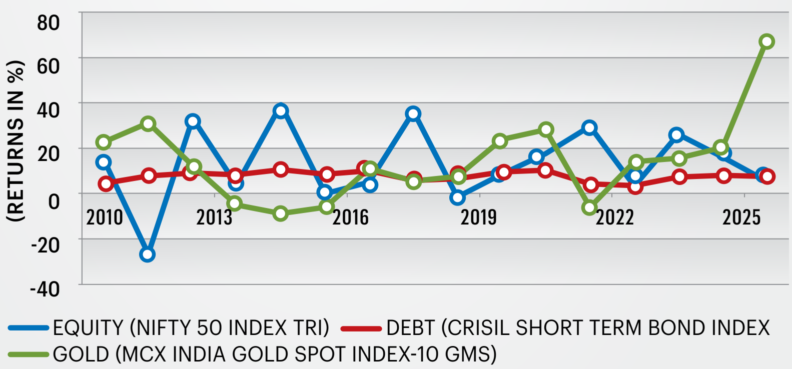
SILVER PRICE ($) PER OUNCE



NOTE DATA AS OF DECEMBER 1 **SOURCE** MACROTRENDS

SOLID SHOWING

• Gold has been the best performing asset class in nine of the 16 calendar years since 2010



NOTE DATA TILL DEC 9, 2025 **SOURCE** THE WEALTH COMPANY MUTUAL FUND

over FY24. The country also imported $4.84 billion worth of silver, a slight dip from the nearly $5 billion the previous year. Worryingly, in value terms, gold imports have grown further in FY26. Till October end, the value of gold imports jumped 21%, even though volumes dipped 8%, thanks to the depreciating rupee.

There was some respite in November, when gold imports dipped by more than half compared with the previous year. But silver imports remained high. From April to November 2025, silver imports jumped a whopping 136% to $7 billion, while gold imports rose 3% year-on-year to $45 billion.

Will the bull run continue in 2026? Most analysts believe it will.

WHAT'S AHEAD

The precious metals' prices have some steam left simply because the conditions that have boosted their prices will not vanish soon, say analysts.

Philippe Gijsels, Chief Strategy Officer at BNP Paribas Fortis, says the boom in gold, silver and platinum prices will continue in the New Year. "Gold could land somewhere between $5,000 and $6,000, while silver will print a price in triple digits. Platinum, which had until the most recent run-up been badly lagging, may have the largest potential," he says.

Billionaire investor Ray Dalio, the founder of Bridgewater Associates, too is bullish on gold. He suggests that investors allocate 5-15% of their portfolios to the metal. In a recent podcast with Nikhil Kamath, he said though gold offers low real returns of about 1.2% a year, it is ideal for diversification. "Because when the other parts of the portfolio do very badly—because of certain things like stagflation or debt issues—then gold does very well," he said.

There are several reasons Dalio is bullish on precious metals. Chief among these are rising debt levels across the world.

Amongst other reasons, Naveen Mathur, Director of Commodities and Currencies at Anand Rathi Share and Stock Brokers, believes some Asian countries purchased a lot of gold, propping up the yellow metal in 2025. Investors and central banks, too, piled on the yellow metal.

India's official gold reserves are currently at historic highs in terms of volume and value. The Reserve Bank of India's (RBI's) holdings rose to over 880 tonnes by October, the highest ever in terms of tonnage. They stood at 876 tonnes in December 2024 and 677 tonnes in end- 2020. Due to rise in prices, the value of gold reserves held by the RBI leapt past the $100-billion mark for the first time this October.

Though the US dollar dominates reserves globally, amid rising geopolitical tensions and debt, central banks have steadily increased their gold holdings as a hedge against currency debasement and sanctions risk, says Alok Agarwal, Head of Quant & Fund Manager at Alchemy Capital Management. "For the RBI, a higher share of gold reduces concentration risk in US treasuries and Euro assets, while benefiting from a structural bid under gold as other central banks also accumulate the metal."

One of the biggest tailwinds for gold, perhaps, is the move of the BRICS (Brazil, Russia, India, China, South Africa) bloc to reduce dependence on the US dollar in trade and reserves. Last year, they piloted a new BRICS+ currency and payment system known as the UNIT. This is backed by a fixed reserve basket that consists 40% of gold (by weight) and 60% of BRICS+ currencies. It will be delivered via a digital platform using transparent blockchain technology.

"The idea with the UNIT is to combine assets such as gold with a set of diversified currencies, reducing exposure to financial volatility and targeting of single currencies by speculators, while building trust between UNIT users," says Mathur.

The UNIT will not be controlled by any single country or central bank, nor would it function as an everyday currency. It could reduce the bloc's collective dependence on the US dollar and lower exchange rate costs by removing the need to convert local currencies to and

TOP 5 IMPORTS IN FY25

• With rise in gold and silver prices and depreciation of the rupee, more forex is being used up in their imports

	VALUE (IN $ BILLION)	% OF TOTAL IMPORTS
Petroleum crude & products	185.72	25.8
Engineering goods	141.14	19.6
Electronic goods	102.60	14.2
Gold & silver	62.77	8.7
Ores and minerals	42.05	5.8

SOURCE CMIE ECONOMIC OUTLOOK

"It [silver's rise] is unique because it is the only metal which has intrinsic value and functional demand. Prices will go up and down, but silver's extraordinary shine is here to stay"

ANIL AGGARWAL
CHAIRMAN, VEDANTA GROUP

14.7%

The CAGR delivered by gold in the last 25 years. The BSE Sensex rose 10.7% annually during the same period

₹1.5 LAKH CRORE

The Union government's outstanding debt on sovereign gold bonds till October 2025. The last tranche was issued in February 2024

"Gold is the only money you have and nobody has to give you anything [in exchange]... Most investors should have 5-15% of their portfolios in gold or alternative money"

RAY DALIO
FOUNDER, BRIDGEWATER ASSOCIATES

"Gold could well land somewhere between $5,000 and $6000, while silver will print a price in triple digits. Still, platinum may have the largest potential"

PHILIPPE GIJSELS
CHIEF STRATEGY OFFICER, BNP PARIBAS FORTIS

from the US dollar. (See Box: *How the BRICS "Unit" Benefits Gold*)

SILVER: THE NEW GOLD

Though there's no currency demand for silver, a host of other factors have made the wite metal rally twice as much as gold. In 2025, silver outperformed other major precious metals with a rally of 133% in the domestic markets. The price of the metal more than doubled to ₹2 lakh per kg on December 19, 2025, from ₹85,851 per kg on December 31, 2024. In international markets, silver prices surpassed $74 an ounce on December 24, up 150% YoY, and nearly 40% in just one month. Platinum and palladium have soared more than 115% and 90%, respectively, since January 2025.

Mathur of Anand Rathi says, "Investors have piled into alternative assets in a wider retreat from government bonds and currencies, supporting investment demand into silver. Optimism about the metal's fundamental supply and demand balance has also been priced, as the market is set to witness a fifth consecutive year of supply deficit."

In light of the rally, some are calling silver the new gold, says Kranthi Bathini, Equity Strategist at WealthMills Securities. Though he believes precious metals will consolidate this year, "demand for silver from the electric vehicle space may give it some support."

For those in the business, these are heady times indeed. Vedanta Group Chairman Anil Agarwal said in a post on X that silver has emerged from gold's shadow. "It is unique because it is the only metal which has intrinsic value and functional demand," he added, referring to its use in new technologies. "As the only producer of silver in India, we have seen this first-hand at HZL. Prices will go up and down, but silver's extraordinary shine is here to stay."

Of course, not everybody involved in the precious metals space is happy with the rally.

For jewellery retailers and makers, higher prices typically soften volume growth, particularly in the mass and discretionary segments. Sunny Agrawal, Deputy Vice President-Fundamental Research (Retail Research) at SBI Securities, says, "For B2C organised players, rising gold prices will lead to weaker demand, impacting volume growth for jewellery companies. However, higher realisation helps offset the reduction in volume and sales momentum usually tends to be better, as most Indian consumers prefer to have a fixed budget for big events like engagement/wedding."

In its recent earnings call, the country's largest organised jewellery player by revenue, Titan Company, acknowledged that the "meteoric" rise in gold prices initially led to customer hesitation, especially during the rapid run-up. However, once prices stayed elevated and did not correct meaningfully, big-ticket and affluent buyers returned during the festive season.

On the financing side, elevated gold prices have turned favourable for gold loan companies. For instance, the consolidated PAT of Muthoot Finance, India's largest gold loan company by loan book and branch network, soared 74.26% YoY to ₹4,385.90 crore in the first half of FY26. The company's consolidated loan assets under management grew 42% YoY to ₹1.48 lakh crore during the period.

THE IMPACT

The rally in precious metals is worrying for India, among the world's biggest importers. The Ministry of Commerce and Industry's trade data shows that the unit price of gold imports rose 31% from April to October 2025, which offset the dip in volumes. Unit prices of silver rose nearly 43%.

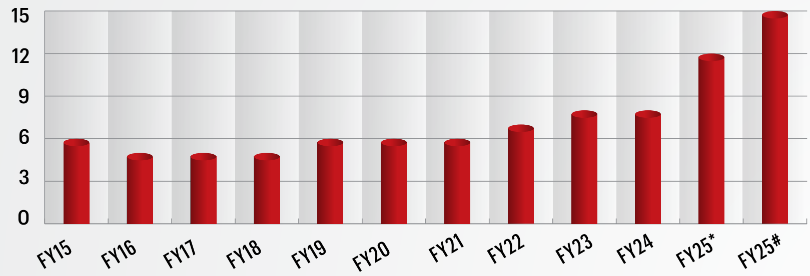
Even if the volume of imports has dipped in 2025, the sharp rise in bullion prices drives up the overall value of imports in India, as explained earlier. Remember that India is heavily dependent on imports for petroleum products that are essential for the economy. So, discretionary purchases of gold and silver eat up precious forex that could be used for other necessities.

Deveya Gaglani, Senior Research Analyst-Commodities, Axis Securities, says, "This higher import bill widens the current account deficit (CAD), increasing India's external financing needs. As more dollars are required to settle these costlier imports, demand for the US dollar rises, putting downward pressure on the Indian rupee."

This dynamic was evident last year, when the rally in gold prices indirectly contributed to the dollar appreciating by almost 5% against the rupee, which breached a record low of 91 per dollar in mid-December. "A weak rupee due to higher import costs makes other imported items costlier, especially

IN RESERVE

• **The share of gold in forex reserves more than doubled to 15% as of November 2025 from nearly 6% in FY15**



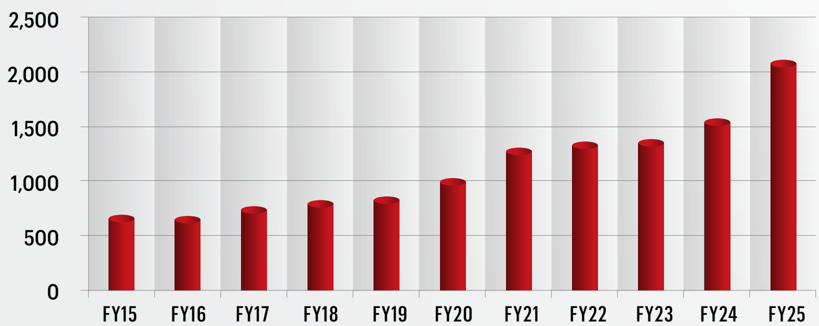
■ SHARE OF GOLD IN FOREX RESERVES (%)

NOTE *AS OF MARCH 2025; #AS OF SEPTEMBER 2025 **SOURCE** BT RESEARCH, CMIE ECONOMIC OUTLOOK

INSATIABLE DEMAND

• **The value of Indian households' gold holdings has more than tripled in the past 10 years**

IN $ BILLION



SOURCE KOTAK INSTITUTIONAL EQUITIES

HOW THE BRICS ‘UNIT’ BENEFITS GOLD

THE BRICS RECENTLY ANNOUNCED A PROTOTYPE CURRENCY, CALLED THE ‘UNIT’, WHICH IS BACKED 40% BY GOLD AND THE REST BY CURRENCIES OF THE MAIN NATIONS OF THE BLOC IN EQUAL MEASURE

- **STEADY GOLD DEMAND:** Backing the UNIT with 40% gold creates steady demand for physical gold, stabilising its price and making it a core reserve asset
- **DEDOLLARISATION:** By offering a gold-anchored alternative, it reduces reliance on the US dollar for trade, weakening the dollar’s dominance
- **STRATEGIC RESERVE BUILDING:** BRICS nations are incentivised to hold more gold to back the Unit, boosting central bank gold reserves
- **FINANCIAL RESILIENCE:** Gold acts as a hedge against currency volatility and external financial pressures, providing stability for the new system
- **EMPOWERING EMERGING ECONOMIES:** It provides a pathway for non-Western nations to build parallel financial systems, reducing dependence on traditional Western-dominated structures

ILLUSTRATION BY **RAJESH ANGIRA**

oil, increasing inflation. Furthermore, the trade balance rises as the trade deficit widens,” says Gaglani.

THE OUTLOOK

It may not be all smooth sailing for precious metals.

Gijsels of BNP Paribas Fortis says the largest commodities bull market in recent history comes with a catch. There may be violent corrections from time to time. “Currently, the precious metals complex is overbought. So, a 10%-plus correction may happen any time just because momentum temporarily collapses under its own weight.”

As for the reasons for such a correction, he says markets always find a suitable excuse. “It could be a ceasefire in Ukraine, higher interest rates, much stronger economic data...,” Gijsels adds. The real rationale would be that it is time for a pause because the market has run too far, too fast. Even then, come next Christmas, the precious metals complex will be much higher than today, he says.

Brokerage giant JP Morgan, too, is upbeat on gold. It expects the yellow metal to trade at $5,055 per troy ounce by December 2026 and $5,245 per troy ounce by 2027.

Sentiment is bullish in India as well. Hareesh V, Head of Commodity Research at Geojit Investments, says, “Gold is expected to remain well bid in 2026 as long as global growth risks escalate and growth slows sharply. Key drivers include further US Fed rate cuts, a softer US dollar, and sticky inflation supporting gold’s safe-haven appeal.”

What then of India’s import conundrum? It’s not clear what the government can do. It tried to curb imports by issuing sovereign gold bonds. That scheme, which gave investors paper in the place of physical gold with the added enticement of interest, was stopped last year as government liabilities skyrocketed to more than ₹1.2 lakh crore due to sharp rise in gold prices.

Madan Sabnavis, Chief Economist at the Bank of Baroda, offers a sober take. Demand increased mainly because of the volatility sparked by Trump’s tariffs, which weakened the US dollar and boosted gold demand. Silver’s rise, meanwhile, was a collateral effect heightened by supply shortages. “In my view prices will stabilise next year as clarity emerges on dollar tariffs and fed rates.” BT

@iamrahuloberoi

NEW YEAR, NEW HOPE

High valuations in secondary market and subdued earnings growth drove investors towards the primary market. How will 2026 pan out?

BY **AMIT MUDGILL**

"C**ALM SKIES ARE** not an excuse for careless sails." This adage sums up market watchers' sentiment as domestic benchmarks greet the New Year with near-record highs and stock investors grapple with bigger questions.

The resilience of headline indices Nifty and Sensex hid the bruising the broader market received in 2025, raising questions over whether the Indian market can position itself as Asia's 'anti-AI bet' in 2026, whether foreign flows will return on India-US trade deal, and whether domestic investors will keep calm and stay committed despite a painful year for the broader market.

As the father of value investing, Benjamin Graham, once put it, the market is a voting machine in the short term, but a weighing machine in the long term. Eventually, earnings have to catch up to valuations. And all this was elusive all through this year.

THE IPO SPREE

The year 2025 saw as many as 364 companies coming out with IPOs till December 19—a rate of one per day, raising about ₹1.9 lakh crore. This even as promoters, private equity, and venture capitalists offloaded over ₹2 lakh crore worth of shares via block deals. The much-cared-about foreign outflows stood at ₹1.5 lakh crore. Most of this supply was quietly absorbed by over ₹7 lakh crore put in by domestic institutional investors, preventing deeper damage to the frontline indices.

Stock portfolios still bled, as a total of 2,566 out of 3,900-odd actively traded listed stocks fell by more than 10%.

Fund managers and stock analysts, however, see a silver lining. The Street expects Nifty EPS in FY27 at approximately ₹1,280, implying a 20 times FY27 estimated earnings multiple, according to Dhiraj Relli, MD & CEO at HDFC Securities.

MARKETS IN ACTION

- **2025 saw as many as 364 IPOs, one per day**
- **A total of 2,566 out of 3,900-odd actively traded stocks fell by more than 10%**
- **Against a 8-9% rise for Nifty and Sensex, the market value of all listed stocks rose 6% since the last year**
- **Relative, absolute market valuations far more palatable than at the start of 2025**
- **Strong corporate earnings growth, credit growth, 80% H1 capex growth offer hope**

PHOTO BY **MANDAR DEODHAR**

"Indian markets, particularly amid improving corporate earnings growth, low interest rates, ample liquidity, and a macroeconomic recovery, have the potential to outperform other markets in 2026," he says.

REALITY CHECK

Against a 8-9% rise for Nifty and Sensex, the market value of all-listed stocks on Indian bourses stood at nearly ₹474 lakh crore on December 27, rising 6% since the last year. Smallcaps were the worst-hit.

Stock returns are typically driven by two engines: earnings growth and valuation re-rating. In a year when the AI theme drove a global rally, US slapped India with 50% tariffs; and its valuations were deemed expensive, as earnings growth was nothing to talk home about. The weakness of the rupee too weighed.

MSCI EM index, which represents 24 emerging markets, gained nearly 33% against MSCI India's modest 2.29% return. This was the worst relative performance for India in three decades. It reflected the reality of a cyclical deceleration in earnings growth and rupee depreciation against the dollar, says Jefferies.

In a sideways market, fundamentals regained their voice, says Umeshkumar Mehta, CIO at SAMCO Mutual Fund, who sees bottom-up stock investing opportunities ahead.

FRESH ISSUES

As many as 103 mainboard IPOs raised ₹1,75,451 crore, while 261 SME offerings mobilised another ₹11,100 crore in 2025 (till December 19). In addition, 31 offers for sale (through stock exchange mechanism route) garnered ₹18,291 crore. Promoters pared stakes worth ₹1,33,330 crore in 349 bulk and block deals, while private equity and venture capital investors exited equities worth ₹76,078 crore through 405 deals, reveals data from PRIME Database Group.

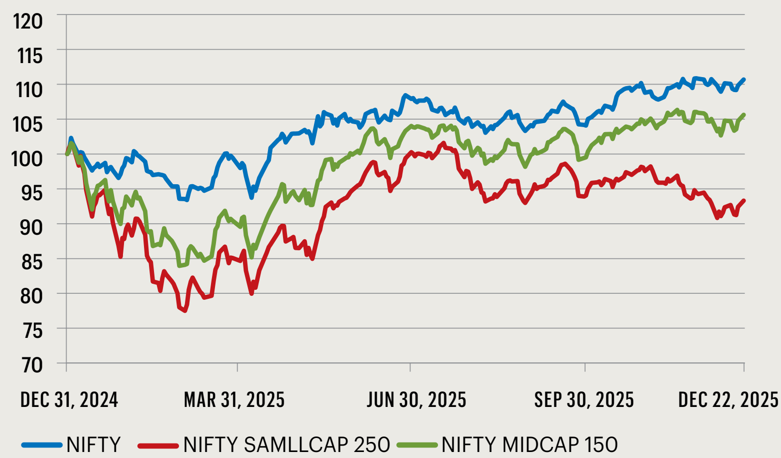
In 2026, several big-ticket IPOs, from Reliance Jio and NSE, to Flipkart, are expected. Pranav Haldea, MD at PRIME Database, says the IPO pipeline remains crowded, with about 200 companies either securing Sebi approval or awaiting a nod, a count that does not include the mega Jio Platforms' IPO, whose draft papers are yet to be filed.

Haldea expects the flow of equity supply through Offers For Sale (OFS) and block deals to remain unabated and adds that Q2 earnings recovery, coupled with a year-long time correction, has brought valuations to more reasonable levels compared to last year. Overlaying this is the prospect of an 'anti-AI trade' which, if it plays out, could revive foreign inflows and ease the pressure on domestic funds to support the market.

An "anti-AI bet" is an investment strategy or market theme focusing on sectors and companies

BRUISED MARKET

• The headline resilience in Nifty hid the bruising the broader market received in 2025



NOTE FIGURES REBASED TO 100; DATA AS ON DECEMBER 22, 2025
SOURCE ACE EQUITY

HITS AND MISSES

INDEX	LTP*	DEC 31, 2024	RETURN (IN %)
Nifty Metal	10,727	8,649	24
Nifty Auto	27,892	22,834	22.15
Nifty India Defence	7,764	6,493	19.56
Nifty Bank	59,299	50,860	16.59
Nifty Healthcare	14,788	14,951	-1
NIFTY Pharma	22,875	23,412	-2.29
Nifty FMCG	55,348	56.799	-2.55
Nifty IT	39,173	43,337	-9.61

NOTE *LAST TRADED PRICE IN ₹; DATA AS OF DECEMBER 23, 2025
SOURCE ACE EQUITY

expected to perform well if AI adoption slows, faces regulation, or if the hype fades.

HOPE ABOUNDS

Valuations now appear reasonable, suggesting market returns will largely mirror earnings growth rather than re-rating, believes Neelesh Surana, Chief Investment Officer, Mirae Asset Investment Managers (India).

Shridatta Bhandwaldar, CIO for Equities at Canara Robeco Asset Management Company, is also hopeful.

He sees resolution of Indo-US tariff challenges, improving exports and foreign flows outlook, and a corporate earnings revival cyclically driven by a few factors as driving factors.

Bhandwaldar, on the other hand, says government consumption push through GST and personal income tax cuts, improving credit growth, interest rate cuts and surplus liquidity in the system, improving rural real wage growth, healthy corporate and bank balance sheets and favourable earnings base effect for 2026 are all positives.

With improvement in credit growth, led by satisfactory rate transmission and stronger private capex cycle, the conversion to corporate earnings should be faster, say analysts who cited rate cuts and ₹1.45 lakh crore RBI liquidity support.

Utsav Verma of Choice Institutional Equities notes that credit growth has been improving and was up 11.5% YoY as of November 28. Corporate earnings showed early contours of an upswing with 12.8% growth in net income for Nifty 500 in Q2FY26.

While the bottom line improved, the top line still is a concern. Overall poor demand led to weak corporate revenue growth, with Nifty500 average revenue growth for Q2FY26 at 6.3%, 240 basis points slower than the nominal GDP growth of 8.7%.

High valuations in secondary market and subdued earnings growth drove investors toward the primary market, according to Vinod Nair, Head of Research at Geojit Investments.

He expects this momentum to continue in 2026, and maintains a constructive view on the secondary market, supported by expectations of easing geopolitical risks and narrowing tariff gaps.

"The IPO pipeline is crowded; flow of equity supply through OFSes, block deals unlikely to abate"

PRANAV HALDEA
MD, PRIME DATABASE

"Valuations now appear reasonable, suggesting returns will largely mirror earnings growth rather than re-rating"

NEELESH SURANA
CIO, MIRAE ASSET INVESTMENT MANAGERS

WHAT LIES AHEAD

Brokerages are optimistic. Levels of 29,500 for the Nifty and 98,500 for the Sensex—that's the target set by ICICI Direct. Nomura sees Nifty at 29,300, while Emkay Global expects the 50-stock index at 29,000, in 2026.

Nair says the market upside is expected to be earnings-led rather than valuation-driven, with large caps providing growth and midcaps bringing back stability. He has raised his Nifty50 base target for December 2026 to 29,150—a 12% YoY return. His 2026 strategy favours a multi-cap portfolio, with 60% to large caps, 15% to mid-caps, and 10% to small caps.

"We recommend reducing exposure to gold and silver to 5% and maintaining debt at 10%," Nair says.

Financial services firm Nomura recommends a selective bottom-up approach. "We suggest that investors avoid narrative-driven richly valued stocks, consider increasing exposure to underperforming exporters, and be selective on segments with government intervention."

Axis Securities likes financials, as they would be beneficiaries of credit expansion and the interest rate cycle. It advises investors playing a domestic growth story through companies benefiting from consumption.

While markets wrapped 2025 with a mix of highs and lows, investors will try to find the silver lining in 2026. For now, even as experts show signs of optimism, it is safe to err on the side of caution. BT

@amit_mudgill

FIXED INCOME'S QUIET REVIVAL

India's bond market is growing fast. Global uncertainty and a search for stable returns promise a bright year for fixed-income investors

BY **PRINCE TYAGI**

FOR INVESTORS WHO don't have the stomach for the gut-wrenching ups and downs of the equities market, fixed income investing is making a quiet comeback with the promise of a smoother ride.

For years, bonds and debt mutual funds were eclipsed by equities as they were seen as low-return investments. But that no longer holds true. Rising bond yields, improving credit quality and wider mutual fund choices have reshaped the risk–reward balance at a time equity valuations look stretched.

Nikhil Aggarwal, founder & Group CEO, Grip Invest, says debt mutual funds are now a serious alternative to fixed deposits (FDs). "Debt MFs, especially liquid schemes and AAA-rated corporate bond fund schemes, are highly liquid, with nil to low exit rates, and exposure predominantly to sovereign credit of the government of India or some of India's largest corporates," he says, adding that FD rates have fallen after recent repo rate cuts. "Several debt schemes and Indian bonds have delivered steady returns."

Over the last several years, bond returns have averaged 7–8% annually, with much lower volatility than equities, say experts. One reason for is the rapidly expanding bond market. Funds raised via debt securities through the primary market have risen steadily over the past decade, reflecting the government's growing reliance on market borrowings. After remaining below ₹5 lakh crore in FY15 and FY16, debt sales accelerated post-pandemic, crossing ₹9 lakh crore in FY21 and reaching a record ₹13.37 lakh crore in FY25, underscoring the increasing role of debt markets in financing fiscal needs.

The shift is visible not only in domestic portfolios. National Securities Depository Ltd data shows a clear trend: foreign portfolio investors (FPIs) have reduced exposure to equities in recent years but their interest in Indian debt has increased. After strong equity inflows in FY21, FPIs were net sellers of equities in FY22 and FY23. Equity flows remained volatile in FY25 too, but debt saw steady inflows, amid global uncertainty.

In FY24, FPIs invested ₹1.2 lakh crore in debt, followed by ₹1.36 lakh crore in FY25. In 2025, till November, equities saw net outflows, while debt continued to attract steady inflows. This gap reflects a broader global trend, where investors are looking for stability, predictable income, and better downside protection. The dominance of equities is being challenged.

ILLUSTRATION BY **SIDDHANT JUMDE**

RISING MOMENTUM

- Fixed income investing is coming back as equity markets remain volatile and valuations stretched. Bonds and debt funds are offering stable returns with much lower risk than equities

- Equity flows volatile. FPIs added over ₹2.5 lakh crore debt in FY24 and FY25

- Direct investment in government bonds is now easier for retail, with online platforms offering investments from as low as ₹100

- Debt funds are emerging as strong alternatives to bank FDs, especially after repo cuts reduced FD rates. Several debt fund categories now offer better yields, liquidity, and tax efficiency for long-term investors.

- Interest rate cuts favour debt funds, particularly longer-duration, gilt, and corporate bond funds, which can benefit from capital gains when yields fall, while short-duration funds provide stability.

"Prudently selected debt funds can be as safe as FDs and offer anytime liquidity. Gross yields of debt mutual fund are looking more attractive"

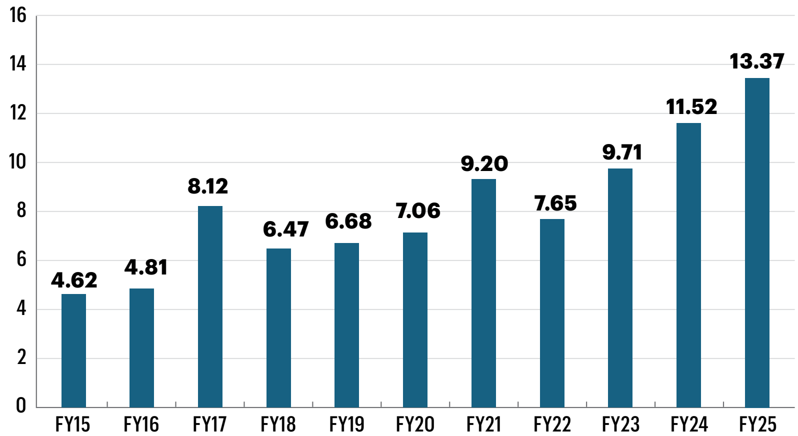
VIKAS GARG
HEAD, FIXED INCOME, INVESCO MUTUAL FUND

"Corporate bond fund and short-term debt mutual fund schemes' yields to maturity are closer to 7% levels, while Gilt funds are nearer to 7.25%"

MURTHY NAGARAJAN
HEAD-FIXED INCOME, TATA ASSET MANAGEMENT

FIXED INCOME MARKET EXPANSION

- **Funds raised from primary market through debt securities increased 190% from ₹4.6 lakh crore in FY15 to ₹13.3 lakh crore in FY25.**



SOURCE CMIE ECONOMIC OUTLOOK

DEBT FUNDS VS BANK FDs

With multiple repo rate cuts by the Reserve Bank of India (RBI), bank FD rates have come down. In contrast, several debt mutual fund categories are offering attractive yields, along with flexibility and tax efficiency.

Vikas Garg, Head of Fixed Income at Invesco Mutual Fund, says: "Prudently selected debt funds can be as safe as FDs and offer anytime liquidity. Gross yields of debt mutual fund are looking more attractive as FD yields have come down with the RBI's 125 basis points repo rate cut in CY2025".

"Debt mutual funds can offer capital gain opportunities as current market yields are elevated and expected to drop on the back of the RBI's policy rate cuts and open market G-Sec purchases," he adds.

Experts also stress caution. Murthy Nagarajan, Head of Fixed Income, Tata Asset Management, highlights the risk angle. "Debt mutual funds carry different levels of risk: liquidity risk, credit risk and interest rate risk, which may be higher than the risk carried by bank FDs." His advice is clear: "Investors need to consult their financial advisors about suitability of any product based on their risk appetite."

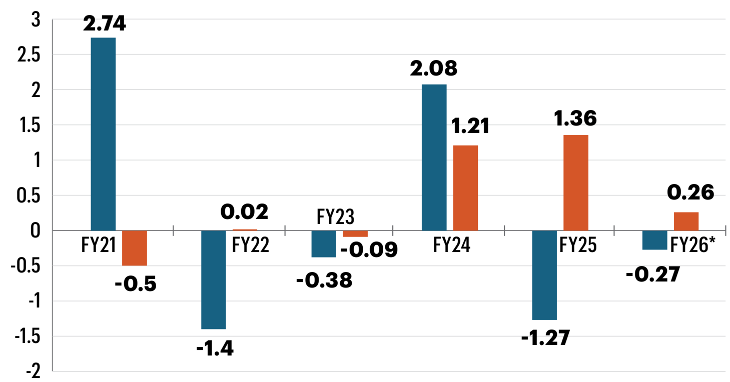
Still, the gap in returns is clear. "Corporate bond fund and short-term debt mutual fund schemes' yields to maturity are close to 7% levels, while Gilt funds are nearer 7.25%. Bank FDs are in the range of 6.5%," says Nagarajan.

FALLING RATES

Interest rate cycles play a crucial role in debt fund returns. When rates fall, bond prices rise, and

FOREIGN INVESTORS DUMP EQUITIES, PILE UP DEBT

- **FPIs have invested over ₹26,000 crore in debt in FY26. Equities saw ₹27,000 crore FPI outflows till November 2025**



INVESTMENTS BY FOREIGN INVESTORS IN EQUITY (₹LAKH CRORE)
INVESTMENTS BY FOREIGN INVESTORS IN DEBT (₹LAKH CRORE)

NOTE *TILL NOVEMBER END, 2025 **SOURCE** CMIE ECONOMIC OUTLOOK, NSDL

funds holding longer-maturity bonds benefit more.

"Long-duration debt funds deliver stronger returns when interest rates fall as their higher modified duration amplifies price gains on existing higher-yield bonds," says Aggarwal. At the same time, shorter-duration funds are less sensitive and provide better protection if rates move up again, he says.

Nagarajan supports this view. "Gilt funds and corporate bond funds seek to benefit from falling interest rates due to higher maturity of the fund."

Garg of Invesco explains the outlook by focusing on different parts of the yield curve. "In a conventional falling interest rate scenario, longer duration funds produce higher capital gains." At the current juncture, Garg see attractive risk-reward for 5-10 year G-Secs with favourable demand and one-five year corporate bonds with elevated spreads. He says "debt fund categories like low duration, short term and corporate bond provide measured participation in these opportunities."

WHAT WORKED

Performance trends over the last year underline the importance of fund selection. "Over the past year, credit risk and medium-duration funds have outperformed with average returns up to 10.5%, benefitting from credit spread tightening amid RBI rate cuts," says Aggarwal. He believes short- to medium-term funds continue to offer balanced risk-adjusted returns.

Nagarajan attributes recent outperformance mainly to accrual. "Corporate bond fund did well due to higher maturity and accrual of the portfolio."

Garg provides a market-structure explanation. He says short-term and corporate bond funds did well because they were less exposed when the yield curve steepened. "Short-term and corporate bond funds, being largely positioned in up to 10-year segment, were lesser impacted by the steepening yield curve."

Currency movements add another layer of complexity. A weakening rupee can influence bond markets through inflation, foreign flows, and RBI policy decisions. Garg says a weaker rupee "reduces flexibility of the RBI to act freely on its monetary policy," raises imported inflation, and can lead to selling of domestic securities by foreign investors, impacting the demand-supply dynamics.

DIRECT INVESTING

How can retail investors buy government bonds? What is the minimum investment amount, and how easy is it to buy and sell these bonds? These are the key questions that come to the minds of new investors when they consider bonds. One important recent development is that access to government bonds has become much easier for retail investors, as investment platforms and exchanges have significantly lowered entry barriers.

Aggarwal highlights this shift: "Retail investors can invest directly in government bonds through online bond platform providers." The minimum investment can be as low as "₹100, making them highly accessible." While secondary market liquidity is still a concern, he notes that platforms are improving flexibility with features like "sell anytime," even if subject to a short lock-in. BT

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TOUCHING THE SKIES On Gurgaon's Golf Course Road, where *The Camellias* and *The Dahlias* are located, per square feet prices are giving Mumbai's posh sea-facing locales a run for their money

DOUBLING DOWN ON LUXURY

BIG DEVELOPERS FOCUSED ONLY ON LUXURY HOMES IN 2025. WILL MID-SEGMENT HOMES COME BACK IN THE NEW YEAR?

BY **KARAN DHAR**

PHOTO BY **HARDIK CHHABRA**

THE YEAR 2025 was marked by homebuyers lapping up luxury houses and developers moving away from mid-segment homes, in pursuit of higher margins.

DLF, India's biggest real estate developer, made headlines by selling over half its super luxury project in Gurugram—*The Dahlias*—before the launch. "The main launch will happen in April 2026. We sold over 55% units in the pre-launch phase," Aakash Ohri, Joint Managing Director and Chief Business Officer at DLF Home Developers, tells *Business Today*.

Ohri expects buyers' changing aspirations to fuel demand for ultra-luxury and luxury housing in 2026. He believes the IPO rush, which has created many new millionaires, will fuel demand, illustrating how interconnected most markets are.

"Over the next five-ten years, we will see a reasonable amount of wealth creation. The two asset classes that will benefit will be gold and real estate," he says, adding buyers' aspirations have risen. "They are not waiting to buy the next iPhone 17 or the bigger car. They are doing it today. Similarly, people want better and bigger homes," he says.

While luxury homes have the full attention of big developers, the affordable and mid segment housing has been forsaken, reflecting in a decline in home sales this year.

Sales in the top seven cities witnessed a 14% year-on-year decline in 2025, with around 3,95,625 units sold in the year against 4,59,645 units in 2024, according to ANAROCK Research.

However, the sales value rose 6% from around ₹5.68 lakh crore in 2024 to over ₹6 lakh crore in 2025.

But some of these trends may change in 2026. Bengaluru-based builder Prestige Group expects mid-segment homes to make a comeback in 2026. "At Prestige, we will plan a lot more launches in the mid-segment (₹1.5-₹3 crore ticket size)," says Praveer Shrivastava, Sr. Executive VP, Residential, Prestige Group.

"We have seen that in the last couple of years, developers, buoyed by the momentum in housing sales, have veered towards the larger 2,000-6,000 sq. ft. format. The next year, a majority of our products will come with 1,500-2,000 sq. ft. dimensions," he says. "Most customers pefer ₹2-3 crore houses. Ticket size is a function of the area and pricing per sq. ft. While the pricing per sq. ft. has gone up by 60% over the last four years, the area of the houses has also increased. To stay in the ₹2-3 crore bracket, the area will have to be optimised; 1,500-2,000 sq. ft. is the optimum area that can be done in the ticket size of ₹1.5-3 crore. This is where most customers are. We have to design our products around that."

Unlike DLF's Ohri, Shrivastava is not convinced that the uptrend in the luxury segment will continue. "Luxury is always a niche market. Volumes will not come for any developer if we continue to supply only for the luxury market. Therefore, for volumes, and resultant sales value, people will have to move back to the mid-segment. It's a cycle," says Shrivastava.

He, however, agrees that affordability has taken a hit due to high construction cost and

REALITY CHECK

- While luxury homes have the full attention of big developers, the affordable and mid-segment housing has been forsaken
- Sales in the top seven cities saw a 14% YoY decline in 2025, with around 3,95,625 units sold, finds ANAROCK Research
- Bengaluru-based builder Prestige Group expects mid-segment homes to make a comeback in 2026
- Experts say affordability has taken a hit due to high construction cost and land prices
- Some experts believe India's GCC story will continue to fuel the commercial real estate market in 2026

land prices. "Offering an affordable product is very difficult. Expectations of landowners are high. That is driving up costs. Developers continue to work on modest margins. The challenge is to ensure that the pricing remains affordable."

Builders are focusing on luxury because land prices and construction costs have gone up, says Anshuman Magazine, Chairman & CEO—India, South-East Asia, Middle East & Africa at CBRE. "When you combine the increase in the cost of land and the cost of construction, it's not easy to do affordable housing. Land prices have gone up in top cities such as NCR, Mumbai, Bengaluru, Chennai, Hyderabad, and Pune."

Affordable homes sales have gone down due to supply-side problems, says Shishir Baijal, Chairman & Managing Director at Knight Frank India. "Most of the affordable homes are in the periphery of cities where there is not much infrastructure." Premium and luxury homes accounted for 20-25% of India's residential market before the pandemic while the affordable segment was over 50%. In 2025, premium and luxury homes have jumped to 55%, far exceeding the affordable and mid-housing segments, he says.

DLF's Ohri says the developer can't afford to have apartments in the mid-segment because of the "mammoth amount of resources and cost that we incur on everything."

"Whether we make something for ₹1 crore or ₹100 crore, our efforts, energy, and time are the same," he says. DLF will not touch a project unless it meets the company's margin parameters, he says.

At DLF's home turf in Gu-

FOCUS ON PREMIUM

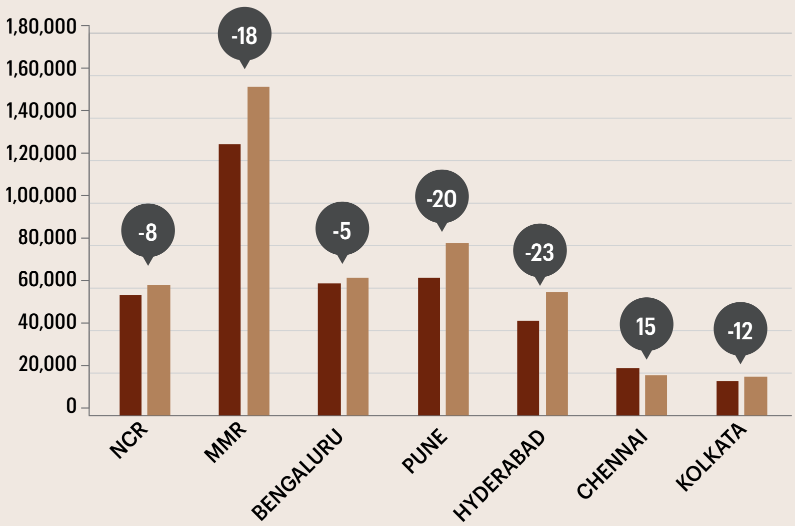
• **Premium housing sales rise by 4% in January-September 2025 amid shift to value-focused market**

Ticket Size Break-Up in Sales (in ₹)	Jan-Sep 2025 sales (No of units)	YoY Growth (Jan-Sep 2025 over Jan-Sep 2024)	% share in Jan-Sep 2025 sales	% share in Jan-Sep 2024 sales
<50 LAKH	19,772	-33%	10%	13%
50 LAKH–1 CRORE	57,275	-28%	28%	34%
1-1.5 CRORE	43,007	0%	21%	19%
1.5-3 CRORE	51,467	10%	25%	20%
3-5 CRORE	19,180	3%	9%	8%
ABOVE 5 CRORE	12,055	1%	6%	5%
Total	**2,02,756**	**-12%**	**100%**	**100%**

SOURCE REAL ESTATE INTELLIGENCE SERVICE, JLL RESEARCH

HOW SALES FARED

• **Home sales in the top seven cities saw a 14% YoY decline in 2025, with around 3,95,625 units sold against 4,59,645 units in 2024**



• 2025 SALES • 2024 SALES • CHANGE (%)
NOTE FIGURES SHOW SALES IN UNITS;
FIGURES IN BUBBLES REPRESENT CHANGE IN %
SOURCE ANAROCK RESEARCH & ADVISORY

rugram, property prices have skyrocketed. On Golf Course Road, where *The Camellias* and *The Dahlias* are located, per square feet prices are giving Mumbai's posh sea-facing locales a run for their money, where prices go as high as ₹1 lakh per sq. ft. Ohri says the buyers of these super luxury homes are business families, top executives, NRIs.

"The concept of a home has changed. Earlier, the glamour quotient was not that high. That has changed to a dramatic level. Home is something where they want more indulgence. Golf Course Road is the super luxury story," he says.

After entering the Mumbai market in 2025, DLF is looking to launch a Goa project in 2026. On the company's plans for Noida, which has also seen an uptick in luxury launches, Ohri says, "we will definitely do something."

There is another big trend—real estate has become geography-agnostic. "If I launch in Mumbai, buyers come from across states. Residents of Tier II and Tier III cities have also started investing in DLF properties," says Ohri. Strong participation of NRIs has also helped. "NRIs contribute 25-28% to DLF's total sales," says Ohri.

Baijal says NRIs account for about 15% of industry sales. He says the rupee's fall against the US dollar is making homes more affordable for NRIs. "Though NRIs are not always end-users, it will bring more homes in the rental market, which will ease the housing shortage".

CBRE's Magazine, however, has a different viewpoint. While the return on investment in real estate in India has been higher than in the other countries, the recent depreciation of the rupee vis-à-vis dollar is a deterrent for NRIs and foreign investors, he says.

"The concept of a home has drastically changed. Earlier, the glamour quotient was not that high. Now, that has changed to a dramatic level"

AAKASH OHRI
JOINT MANAGING DIRECTOR & CHIEF BUSINESS OFFICER, DLF HOMES

"When you combine increase in the cost of land and the cost of construction, it's not easy to do affordable housing"

ANSHUMAN MAGAZINE
CHAIRMAN & CEO—INDIA, SOUTH-EAST ASIA, MIDDLE EAST & AFRICA, CBRE

On the headwinds for the realty sector, Prestige's Shrivastava says, "On the supply side, approvals not come in time."

On the outlook for 2026, Shrivastava says as Global Capability Centres, or GCCs continue to set up shop in India, job creation will keep happening and, therefore, the influx of skilled workers or IT professionals into major markets will continue. "As long as that happens, home sales will also boom," he adds.

Falling interest rates will also keep the demand going, according to CBRE's Magazine. "This does not mean that the residential prices will keep going up. But demand on the residential side will keep the momentum going," he says.

The year 2025 has also been good for office leasing, says Magazine. "India's GCC story is very strong. That will continue to fuel the commercial real estate market in 2026," he says.

Real estate in India is increasingly owned by institutions and not individuals. With REITs, more institution and PE money is coming into real estate than in the past. "Majority of office buildings are owned by REITs. We are seeing the same thing in retail malls, logistics warehousing, and data centres," he says.

Baijal expects real estate prices to plateau next year, something that is much needed for first-time homebuyers after a multi-year bull run has made buying a home out of reach for the most. The next chapter of the story is yet to be written. BT

@karandhar11

DIFFERENT

OLA ELECTRIC CHASED COMPLETE MARKET DOMINANCE, S
TREADED WITH CAUTION AND IS A STRONG NUMBER THRE

Ather Energy
Co-founder & CEO
Tarun Mehta

STROKES

STRETCHED ITSELF THIN AND IS COURSE CORRECTING. ATHER E. BUT THE BATTLE IS FAR FROM OVER

Ola Electric
Founder & CMD
Bhavish Aggarwal

PHOTO MONTAGE BY **HARDIK CHHABRA**

T

TESLA IS FOR the West; Ola is for the rest," Bhavish Aggarwal, the Chairman and Managing Director of Ola Electric, told a gathering of over 5,000 people on August 15, 2024, while unveiling an electric motorcycle. Aggarwal, a serial entrepreneur, was leading India's biggest electric two-wheeler maker. But what the IIT-Bombay graduate didn't foresee was Ola Electric not only forgoing its pole position but also skidding out of India's e-two-wheeler race.

Ola Electric was fifth in sales in November and December 2025, behind TVS Motor Company, Bajaj Auto, Ather Energy and Hero MotoCorp. It sold 8,405 units in November and 7,340 in December till 29th of the month, according to data from the government's VAHAN portal. The average comes to two vehicles each from the vast network of 4,000 company-owned outlets, 3,200 of which opened on Christmas Day last year. Its market share in e-scooters—once as high as 50%—slipped to just 7.2%.

As Ola sputtered, Ather Energy, founded by IIT-Madras alumni Tarun Mehta and Swapnil Jain, witnessed a steady rise in sales. Its market share was 17.4% in November 2025, up from 10% in the corresponding month of the previous year.

This is a case study of IITian founders choosing different paths to build their companies. Aggarwal played big from day one and co-founded one of India's biggest ride-hailing services, Ola Cabs (now Ola Consumer), in 2010. Three years later, he was taking on US giant Uber. Around that time, Mehta and Jain quit their jobs and went back to their alma mater's incubation centre to build Ather Energy.

The slow-and-steady duo took five years to launch their first electric scooter in 2018. Aggarwal, after the success of his first venture, forayed into electric two-wheelers during the pandemic. At the launch of the company's first electric scooter in 2021, he called Ola Electric's 500-acre 'Futurefactory' in Tamil Nadu's Krishnagiri, a four-hour drive from Bengaluru, the "ground zero" of a revolution that will give the country "freedom" from petrol. "Scale is the only way we bring a revolution here fast."

Ola Electric did achieve scale, and was India's top EV maker from 2022 to 2024. But before long, it faced a barrage of customer complaints, forcing the Central Consumer Protection Authority to launch an investigation over alleged violations of consumer rights, misleading advertisement and unfair trade practices. "In the auto industry, once you reach a certain scale, you need to folcertain protocols. There will be quality issues. If you are not able to correct the process, it will be difficult for you to grow beyond a point," says Puneet Gupta, Director, India & ASEAN Automotive Market, S&P Global Mobility.

"The problem started with quality issues. Ola Electric should have acted quickly to resolve them," says Gupta. Instead, it went on a store expansion blitz, widening its distribution network from 750 to 4,000 by the end of last year. But this did not help. It continued losing market share to legacy rivals. Ola slashed its revenue guidance for FY26 from ₹4,200-4,700 crore forecast in July to ₹3,000-3,200 crore in November. It projected sales of 325,000-375,000 units in FY26 compared to 359,221 in FY25. However, as per VAHAN data, it managed to sell 109,000 units in the first half of the fiscal. For the second half, it has forecast deliveries of approximately 100,000 units, "reflecting a strategic focus on margin discipline in a hyper-competitive market." But even that looks ambitious; it sold less than 10,000 units each in November and December.

All this while, Ather went slow on retail expansion, focusing only on markets where it saw demand. The size of an automaker's product portfolio determines its distribution network, Mehta tells *BT*. "India is such a diverse market. Hero Splendor has been a ridiculously successful bike for decades. But it is successful only in some parts of the country. Same is the case with the Honda Activa and TVS Jupiter. Almost no product becomes very successful

OLA'S STRATEGY OF UNDERCUTTING RIVALS ALSO HIT THE INDUSTRY HARD. THE PRICE WAR FORCED LEGACY PLAYERS TO OFFER THEIR E-SCOOTERS AT COMPETITIVE PRICE POINTS

A TALE OF TWO START-UPs

ATHER
Asset Light

FIRST E-SCOOTER
LAUNCH: 2018

- Avoided discounting war and sub-₹1 lakh segment
- Expanded dealership network only after portfolio widened
- Used 'capex-light' model in manufacturing and operated from a leased facility. Believes in limited vertically integration
- Has no plans to make battery cells. Instead, has partnered with Amara Raja to source cells locally in the future

OLA ELECTRIC
The Big Bang

FIRST E-SCOOTER
LAUNCH: 2021

- Bet big on scooters priced under ₹1 lakh
- Created its own direct-to-consumer store network instead of relying on dealers
- Built a 500-acre 'Futurefactory' in Tamil Nadu's Krishnagiri, the largest electric two-wheeler plant in India
- Set up India's first cell manufacturing unit to improve vertical integration and localise battery cells

across the length and breadth of the country given its diversity," he says.

Mehta says they have been deliberately conservative about store expansion. "Too many outlets won't make a difference, and they will sell only so much. We will expand distribution as our portfolio expands," he says, adding, "if we had opened our distribution too early, it would have become an albatross around our neck, because they would have been non-profitable stores. We have been disciplined with our capital and the capital of our partners. If your partner runs an unviable store for too long, he loses interest. If you run it yourself, you will burn money like crazy. You will add a little bit of volume but have no real market connect."

Ather began expanding distribution last year after it launched its first family scooter, Rizta, which is relatively cheaper than its flagship Ather 450. "On the back of Rizta, over the last one year, we have more than doubled our distribution," says Mehta.

At the end of the first half of FY26, Ather had 524 dealerships—over half were opened in the past year after it entered the mass scooter segment with Rizta. "We have taken a focused approach. First, our focus was on the South. In this fiscal year, our focus has been on Middle India—Gujarat, Maharashtra, Chhattisgarh and Odisha. Starting this quarter, our focus will start shifting to north India. We expect market share gains after we enter these geographies," says Mehta.

Ather was cautious, says S&P's Gupta. "They were moving step by step. They were relatively slow. But Ola was much more aggressive. They had funds to do that. Ather was dependent on Hero MotoCorp to an extent. But things worked out in their favour. Though Ather started well, it could have scaled up much faster than Ola. Ola was much more aggressive, for which they have lately paid the price," he says. Among Ather's early backers, Hero MotoCorp, owns 30% in the company. Mehta and Jain hold 5.5% each.

Unlike the traditional dealership model followed by most OEMs, Ola owns its retail stores, akin to Tesla's direct-to-consumer model. Harshvardhan Sharma, Group Head, Automotive Tech & Innovation Group, Nomura Research Institute, says the direct-to-consumer model allows a faster rollout and better control over pricing, branding, and customer data. "Strategically, it made sense in its early phase. However, as the scale-up unfolds, the model becomes operationally demanding. Company-owned networks carry higher fixed costs and require consistent throughput. In contrast, dealer-led models shift some risk to local entrepreneurs, who also bring deep service and financing relationships," he says.

Ather's Mehta says dealerships are disciplined about cost. "They have a sharp understanding of customer management, which most companies struggle with."

PRICE WAR

Ola's strategy of undercutting rivals also hit the industry hard. The price war forced legacy players to offer competitive prices.

Ather, however, remained unfazed by the price war. It avoided the sub-₹1 lakh segment, dominated by Ola. "The share of scooters priced below ₹1 lakh in the petrol segment has been shrinking rapidly. Why do we, as a new industry offering a more upgraded experience with electric scooters, need to sell in a segment the petrol customer is running away from?" says Mehta.

Aggarwal, too, seems to have learnt this the hard way. "We have lost some market share. Some because we have chosen to consolidate instead of spending on marketing and discounting," Aggarwal said in an analyst call after the company announced its second quarter earnings. He said the electric two-wheeler market has not grown. EV penetration in two-wheelers has stagnated, especially after the GST reforms reduced prices of internal combustion engine vehicles.

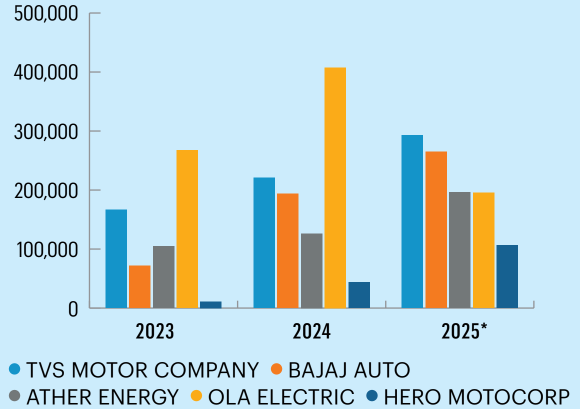
EV penetration was 4.6% in November 2025, the same as the corresponding month of the previous year. Sales of electric two-wheelers declined 2.5% YoY to 1.16 lakh units in November. "No matter what the others have also done, the market has not grown. So, buying market share at this point is not the right strategy. The segment which had to buy has bought and will come for repeat purchases in a few years. But the next set of customers wants an extra proposition, higher reliability. It is not like other products are meaningfully better than mine or their service network is meaningfully better," said Aggarwal.

Ather's Mehta says discounting has come down quite a lot. "It is healthy for the industry. I think the bulk of the discounting was focused on the sub-₹1 lakh segment. It has come down not because of one company's action or another company's response. Our assessment is that consumers never look at the lowest price. India will buy good products and not the cheapest bike or the cheapest car," he says. "The discounting last year was focused on driving customers towards lowest priced e-scooters, lower than petrol scooters. I don't feel the market rewarded that a lot," he says.

Almost all growth is coming from over ₹1 lakh seg-

FALLING BEHIND

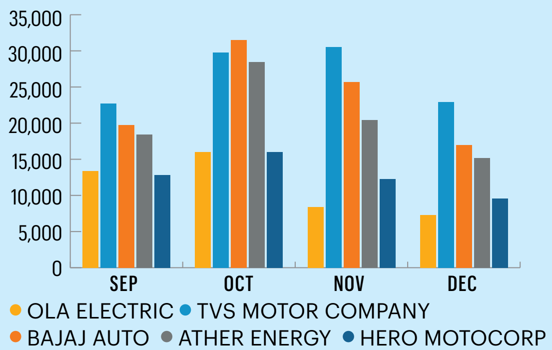
Ather has overtaken Ola Electric in 2025



NOTE ELECTRIC TWO-WHEELER RETAIL; *TILL DECEMBER 23, 2025 **SOURCE** VAHAN

THE YEAR-END DIP

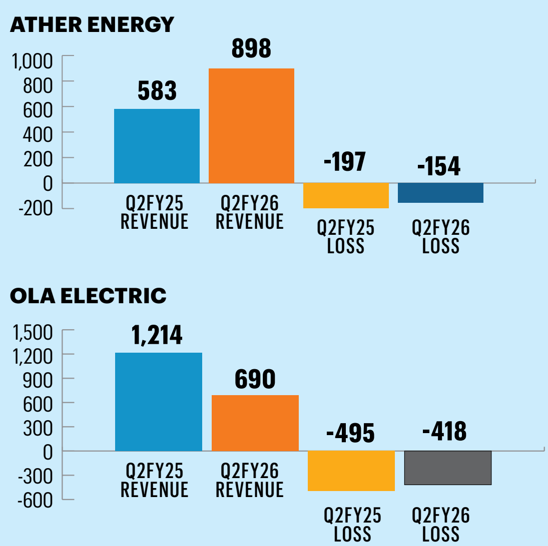
Ola fell to the fifth spot in November and December



SOURCE VAHAN

CUTTING LOSSES

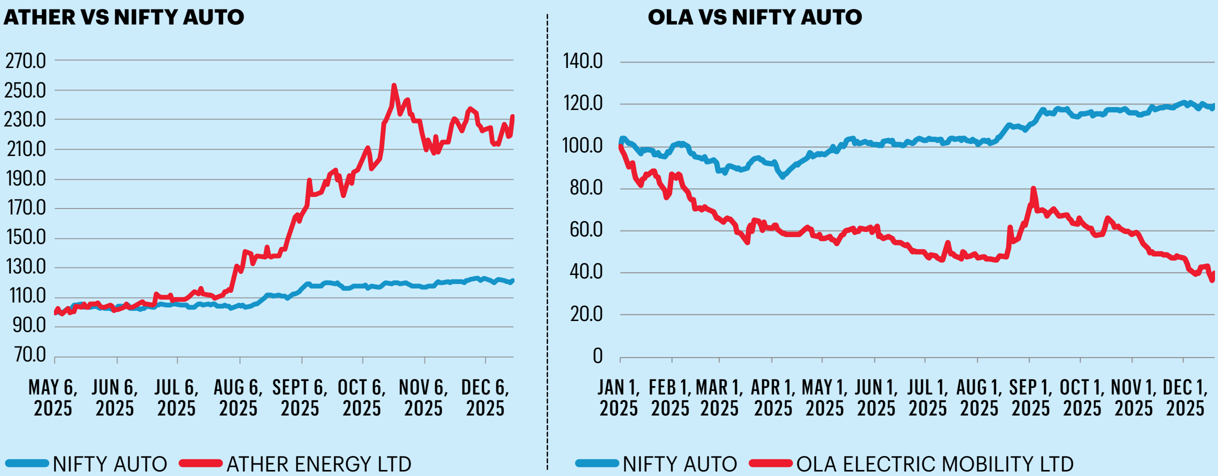
Ola and Ather focus on margins to reduce losses



NOTE FIGURES IN ₹ CRORE **SOURCE** COMPANIES

THE DIVERGENCE

▸ The different trajectories show up in the stock performance of Ola Electric and Ather



NOTE BASE INDEXED TO 100 **SOURCE** ACE EQUITY

ment, says the Ather CEO. "That has been growing well. Temporarily, because of the discounting last year, the sub-₹1 lakh segment grew a bit, but quite a lot of that growth was artificial. As those discounts were pulled out, that customer disappeared," he adds.

Nomura Research Institute's Sharma attributes the dip in Ola Electric's volumes in recent months to reduced discounting. "A short-term volume dip is not fatal if it coincides with cost reduction, service stabilisation, and margin improvement." Sharma, however, warns that the "bigger risk would be lower volumes driven by persistent service or quality perception issues as those can affect repeat purchase and brand trust over a longer horizon."

The Indian e-two-wheeler market has seen the rise and fall of several start-ups that emerged almost overnight after the government announced demand incentive schemes to promote green mobility. Over the years, these incentives were cut; they will cease by the end of the fiscal. "Early growth in e-two-wheelers was driven by subsidies, novelty, and aggressive pricing. That is ending. The next phase is about sustainable unit economics, lower bill of materials, tighter operating costs, and better lifecycle profitability," says Sharma. Prioritising profitability means reducing incentive-led volumes, manufacturing cost cuts, and being more selective about customer acquisition. "This is less about slowing ambition and more about proving the business can scale up without continuous capital support," he says.

Sharma says Ola's price strategy is a trade-off. Growth may moderate in the near term, but credibility with investors and long-term resilience improve if margins and cash discipline strengthen, he says. Ola Electric's latest annual report says it is well-positioned to achieve EBITDA break-even around 25,000 monthly deliveries. But a drop in sales could put a spanner in the works. "Our growth ambitions also brought to the fore some execution challenges. The rapid expansion of our direct-to-customer sales and service network tested operational bandwidth, contributing to short-term market share losses. These learnings have prompted a sharper focus on balancing growth with operational discipline and profitability," says the report.

VERTICAL INTEGRATION

Aggarwal has taken a big bet on vertical integration with cell manufacturing. To his credit, he has build India's first cell manufacturing plant, something that even conglomerates such as Reliance Industries have struggled to execute. Ola's strategy, according to the company's annual report 2024-25, is centred on "owning core technologies and maintaining end-to-end control of the value chain, a model that facilitates faster innovation cycles, improved

“The profit margins are slim. If you want to make money in the cell business, you have to look beyond two-wheelers to four-wheelers and energy storage”

SWAPNIL JAIN
CO-FOUNDER & CTO, ATHER ENERGY

“There will be quality issues. If you are not able to correct the process, it will be difficult for you to grow beyond a point”

PUNEET GUPTA
DIRECTOR, INDIA & ASEAN AUTOMOTIVE MARKET, S&P GLOBAL MOBILITY

unit economics, and potential for margin expansion as scale increases.” This approach, it says, is aligned with the playbooks of global EV leaders such as Tesla and BYD, which have demonstrated the long-term benefits of vertical integration in both profitability and customer experience. Ola’s proprietary 4680 Bharat Cell, produced at the company’s gigafactory in Tamil Nadu, is based on a format popularised by Elon Musk’s Tesla.

Ather, however, has no plan to manufacture battery cells, says Mehta. “The global industry is changing too fast. A change hits every 12-18 months. Investing thousands of crores in cell manufacturing can lock you down in a technology. It’s difficult to sweat your assets fast enough with just India demand. You need a multitude of customers across cars and two-wheelers to make that math work,” he says.

Swapnil Jain, the Ather CTO, says the company would rather work with cell manufacturers who make in India. “Even with all two-wheelers in the country going electric, one will still need only 60 GWh capacity. It is hard to make money on anything below 60 GWh. The profit margins are slim. If you want to make money in the cell business, you have to look beyond two-wheelers to four-wheelers and energy storage,” says Jain.

That’s what Ola’s Aggarwal plans to do next—using Bharat Cells to disrupt the inverter market. Aggarwal is hoping that customers will ditch their lead-acid power backup for lithium-ion batteries. His battery energy storage system (BESS), called Ola Shakti, is priced between ₹29,999 and ₹1,59,999. It will go on sale by mid-January. Aggarwal expects the BESS business to clock ₹1,000 crore revenues in FY27. “It will also complement the rooftop solar market because most of those installations will have some home battery storage,” the Ola Electric founder said in the post-earnings conference call.

Mehta says Ather doesn’t have to solve the cell manufacturing problem. “Treat capital as finite. Treat it with a lot of respect. Put cash in highest return activities. We know our strengths,” he says. “We can vertically integrate and make extra margins, but it is not a good return on our time and effort. We put capital in more products and R&D.”

Agrees CTO Jain. “We have limited vertical integration. If it can be done by a supplier and there is no IP (intellectual property), we would rather not do it ourselves.”

More than a decade after it was set up, Ather, which operates out of a leased facility in Tamil Nadu’s Hosur, has started work on a 100-acre plant in Maharashtra’s Chhatrapati Sambhaji Nagar (Aurangabad). The plant will take Ather’s annual capacity from 420,000 to 1.4 million units. Ola Electric has an installed capacity of 2 million units. Both are yet to reach healthy capacity utilisation levels.

Before its blockbuster IPO in 2024, Ola Electric had raised over $1 billion while Ather Energy had scooped up $502 million before its public market debut in May 2025. However, Ola’s market capitalisation shrunk from $7 billion at listing to $1.6 billion by the end of 2025. On the other hand, Ather Energy’s m-cap has more than doubled to $3 billion since listing. While both new-age companies remain loss-making, Ather overtook Ola in revenue, total income and sales for the first time in the September quarter.

While Aggarwal may have spread himself too thin by announcing ambitions to enter chipmaking, artificial intelligence, Cloud, cell manufacturing and battery energy storage systems, Mehta, a Marwari from Gujarat, has taken a more focused and frugal approach. Both seem determined to make their mark in the new age of e-mobility. BT

@karandhar11

Flexicap Funds: The 'Dhurandhar' Way to Ride Market Ups and Downs

Retail investors often feel pulled in two directions at once. One part of the market looks expensive yet steady. Another looks more opportunity-rich, but also more volatile. This is where flexi-cap investing looks relevant. It is built for investors who want equity participation, but do not want outcomes to hinge on staying loyal to one market-cap segment through every phase.

R Venkatesh
Founder
GuruRam Financial Services Pvt Ltd

Setting right expectations

A flexi-cap equity fund can invest across large, mid and small caps without a fixed allocation split. That freedom is not a cosmetic feature. It is the engine. It allows the portfolio to respond to changing conditions by adjusting where it takes risk, while staying anchored in equities and diversification.

For investors, the flexi-cap appeal is convenience with discipline. It is one diversified equity holding, managed across market caps, instead of frequent switching between multiple funds.

As per industry body AMFI November 2025 data, flexi-cap mutual funds are the largest equity scheme category with over Rs 5.45 lakh crore investor assets spread across 2.16 crore folios and over 40 offerings. This category alone has 15 per cent of industry's equity fund assets, indicating its popularity.

Popularity, however, is not the same as predictability, and that makes expectation setting the real starting point.

The right expectation helps. A flexi cap is not meant to behave like a small-cap fund in every bull run. It is also not meant to look like a pure large-cap fund in every correction. True to its label, it can dial exposure up or down based on where value and visibility exist, while keeping a core set of quality businesses. The point is not perfect forecasting. The point is disciplined allocation as evidence changes.

Flexi-cap funds, on an average, have delivered about 15.4 per cent CAGR and 16.5 per cent CAGR over the last three- and five-year periods respectively as on December 12, 2025, according to Value Research.

What to look for

How can a retail investor assess a flexi-cap approach without getting anchored to short-term returns? A good starting point is the portfolio record.

First, track the market-cap mix over time. Flexi-cap funds can stay focused on large companies for long periods, and this can be a conscious decision to manage risk. What matters most is consistency: the way the portfolio behaves should broadly match the strategy it claims to follow. Looking at allocations over time helps you see how actively the fund is using its flexibility.

Second, review portfolio concentration. Flexibility works best when it is backed by sensible diversification. If too much money is placed in just a few stocks, the fund can swing sharply during volatile markets. That's why many investors prefer portfolios that limit concentration and follow clear rules in how they are built.

Third, observe downside behaviour across phases. In periods dominated by negative triggers, large caps can add stability, while mid and small caps may see sharper swings. Investors can look for measured risk management, where exposure is adjusted with valuations and the environment, while the core portfolio quality remains intact.

Fourth, watch for decision consistency. Flexibility is valuable when guided by a repeatable framework. If allocations and style shift sharply without a visible logic, it becomes harder for investors to know what they own.

Finally, place flexi caps appropriately in the portfolio. For many retail investors, they can work well as a core equity holding alongside a disciplined SIP and a horizon that can absorb equity drawdowns.

The objective is not to eliminate volatility, but to participate in equity compounding without repeatedly switching between large, mid and small-cap funds as leadership rotates.

RUPEE WEAKENING NOT A STRUCTURAL CONCERN

S. Mahendra Dev, Chairman of EAC-PM, on economy, growth prospects, reforms and rupee fall

BY **SURABHI**

THE GOVERNMENT'S TAX REFORMS will increase the disposable income of consumers while measures such as the Labour Codes will improve efficiency, providing a further fillip to growth, says S. Mahendra Dev, Chairman of the Economic Advisory Council to the Prime Minister. In an interaction with *BT*, he talks about the economy and says the recent weakening of the rupee is better understood as a reflection of cyclical capital flow dynamics, rather than a structural concern in the Indian economy.

He also reposes faith in India's trade policies and says even if global trade does not rise much, India can increase its share by diversifying to other countries. Edited excerpts:

Will the Labour Codes improve the investment environment and ease of doing business in India?

The Labour Codes are a long-pending reform and address a key concern of regulatory uncertainty. They create a more unified, predictable, and transparent labour framework across states, reducing compliance costs and improving ease of doing business. This reform complements broader growth initiatives such as Production Linked Incentives (PLI) scheme, Make in India, PM Gati Shakti, the National Logistics Policy, and expanding trade agreements, together forming a coherent policy mix that supports labour-intensive manufacturing, export diversification, and long-term investment planning.

The Codes also strengthen worker welfare and productivity. Simplified procedures encourage firms to scale up and formalise, helping address the 'missing middle' in manufacturing. Provisions for women's employment on night shifts with safeguards, social security coverage for gig and platform workers, and portability of benefits for inter-state migrants align labour regulation with a more mobile and digital economy. By easing regulatory burdens while expanding social security and protections, the Codes strike a pro-growth, pro-labour balance that supports investment and employment generation.

One of the criticisms of the Codes is that they cover only formal sector workers and about 93% of India's workforce that is in the informal sector is not covered...

That criticism overlooks both India's historical experience and the intent of the reforms. India's legacy of restrictive labour laws created strong incentives for firms to remain small and informal, resulting in a labour market where nearly 93% of workers operate outside formal protections. The four Codes are designed precisely to reverse this equilibrium by reducing regulatory disincentives to growth, simplifying compliance, and encouraging enterprises to scale up and formalise. Rather than attempting to directly regulate informality—which previous

PHOTOS BY **CHANDRADEEP KUMAR**

laws failed to do—the Codes adopt a more effective strategy: expand the formal sector itself so that more workers are brought under legal protection over time.

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What are the next reforms that India needs to undertake?

The finance minister has already outlined a clear reform agenda on Customs. In parallel, high-level committees on non-financial regulatory reforms are examining ways to rationalise approvals, reduce overlapping compliances, and improve regulatory governance across sectors. Crucially, the success of these reforms will depend on effective implementation at the state level—through faster clearances, harmonised rules, and better enforcement—so that businesses experience a genuinely predictable and low-cost regulatory environment on the ground.

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Given the government's recent focus on reforms such as GST rationalisation and now Labour Codes, do you think these will help boost growth?

The reforms such as income tax reduction and GST rationalisation are expected to lead to higher disposable income with consumers. The real GDP growth of 8.2% in the second quarter of FY26 points to the fact that the reforms are resulting in high growth. In addition, policy measures such as Labour Codes will lead to improved efficiency, providing a further fillip to growth.

What is your expectation on GDP growth for this fiscal? Are you concerned about the expected shortfall in tax collections?

Growth momentum this fiscal remains strong, with the Reserve Bank of India (RBI) raising its FY26 growth forecast to 7.3% and the economy recording a robust 8.2% growth in Q2. This reflects underlying resilience in domestic demand, investment, and services activity. On the fiscal side, higher growth itself has a multiplier effect, supporting revenue buoyancy through increased economic activity and formalisation. This is already evident in GST collections, which have continued to rise despite rate cuts—0.7% growth in November and 4.6% growth in October, indicating improved compliance and a broadening tax base. In this context, concerns around a major shortfall in tax collections are limited, as sustained growth is likely to offset rate rationalisation and support fiscal consolidation.

Do you expect consumption demand to continue growing?

Real private final consumption expenditure, a key indicator of household demand, grew by 7.9% in the Q2 of FY26, a marked improvement over the 6.4% growth recorded in the corresponding quarter of the previous financial year. Measures like income tax cuts, which have boosted disposable incomes, and ongoing GST rationalisation, which has reduced the tax burden and improved price efficiency, are providing a further fillip to household spending.

Will there be a sustained recovery in private investment going forward?

Public capex is helping crowd in private investment. As per reports, corporate investment announcements between April and September have surged to a decade high of ₹15.1 lakh crore, driven primarily by strong commitments from manufacturing firms. This signals renewed business confidence, supported by improving demand conditions, policy stability, and a push towards capacity expansion.

Is the fall in the Indian currency a cause for concern?

The recent weakening of the rupee is better understood as a reflection of cyclical capital flow dynamics rather than a structural concern. External sector fundamentals remain broadly stable: India's current account deficit (CAD) narrowed to $15 billion or 0.8% of GDP in the first half of FY26 from 1.3% of GDP in the first half of FY25. While the CAD may have widened in Q2 of FY26, it remains well within manageable limits and does not point to an imbalance. A measured depreciation of the rupee also acts as a macroeconomic shock absorber, improving export competitiveness and contributing over time to narrowing of the CAD. At the same time, in November, merchandise exports increased 19.37% and merchandise trade deficit narrowed to $24.53 billion while the overall deficit narrowed to $6.64 billion.

On capital flows, foreign portfolio investment (FPI) is inherently volatile and closely linked to global risk sentiment and monetary conditions in advanced economies. Temporary outflows, therefore, should not be overinterpreted. Given India's strong growth outlook, improving inflation dynamics, and record of fiscal responsibility, FPI inflows can be expected to return as global conditions stabilise.

This assessment is reinforced by the government's commitment to fiscal consolidation and the move towards adopting central government debt as the fiscal anchor with a clear glide path, which enhances policy credibility.

What steps can be taken to boost FDI?

The recent Labour Codes, ongoing non-financial regulatory reforms, trade agreements, and capital outlays together strengthen India's ease of doing business. This must be complemented by faster clearances at the state level, deeper integration with global value chains through trade agreements and efficient logistics under PM Gati Shakti and the National Logistics Policy. Coupled with sustained macroeconomic stability, strong growth prospects, and a large, formalising workforce, these measures can reinforce investor confidence and position India as a preferred destination for long-term, productivity-enhancing FDI.

The global trade order has changed. How much will these tariffs impact India?

Economists generally like rule-based trade like under the WTO, which has benefitted most economies. India too has benefitted from globalisation over the last 30 years. But now most countries are turning protectionist. India is following flexible multilateralism—we are friendly with Russia, the US, China and others keeping our national interest in mind. The focus on Aatmanirbhar and Swadeshi domestic manufacturing, especially of components like semiconductors, chips and critical minerals, stems from this.

India's share in world trade in goods is 2%. Even if global trade does not increase much, India can increase its share by diversifying to other countries. The November trade data shows that despite tariffs our exports have risen. Our approach on tariffs is to try and help the affected industries, diversify to other markets, hasten FTA negotiations and continue dialogue with the US. BT

@surabhi_prasad

RATHER THAN ATTEMPTING TO DIRECTLY REGULATE INFORMALITY, THE FOUR LABOUR CODES EXPAND THE FORMAL SECTOR ITSELF

Shri Guru Gobind Singh Ji Airport in Nanded, Maharashtra

Aerial view of Agatti airport, Lakshadweep

AVIATION • **REGIONAL AIRLINES**

Flying Regional

Regional aviation is booming with the entry of new players in this hyper-competitive segment. What is making these smaller players reach for the sky even as national carriers struggle?

BY **RICHA SHARMA**

THE FINEPRINT

- ₹30,000 crore allocated for next phase of UDAN scheme
- Aim is connecting Tier II/III/IV cities
- Focus on tapping passengers undertaking over seven-hour train and bus journeys
- Under 70 aircraft in regional space, which can easily absorb up to 350
- Mixed fleet of ATRs, Embraer Jets, and Twin Otters

B

BEFORE STARTING FLY91 out of Goa, founder Manoj Chacko's team studied the cases of two dozen failed airlines from around the world to get a fix on what works and what doesn't in aviation, a dicey business at the best of times.

Chacko says he found the same depressing story repeat itself— a lack of sufficient emphasis on the fundamentals of aviation. "It was not a lack of enthusiasm or effort or hard work. They never got the fundamentals right. You need cost leadership, ability to set up a network and the right financial structure," he says.

Chacko is determined to avoid getting the fundamentals wrong. Fly91, which started operations in March 2024, aims to break even by FY26.

It isn't the only regional carrier to take to skies. Star Air, run by Maharashtra-based Godhawat group, posted a profit in FY25, even as major Indian carriers have been facing financial and operational challenges. Ahmedabad-based IndianOne Air, the first scheduled airline in India to operate a single-engine aircraft, recently signed a letter of intent with aircraft manufacturer De Havilland Canada to acquire up to 10 Twin Otter Series 300-G aircraft. That is not all. A few more entities eyeing last-mile air connectivity—Shankh Air, Alhind, FlyExpress and Air

Chhatrapati Rajaram Maharaj Airport in Kolhapur, Maharashtra

Kerala—are preparing for take off. The government recently awarded no-objection certificate to three of them.

This is in sharp contrast to the fate of the bigger airlines. IndiGo, with the largest market share, saw a meltdown in December 2025 due to rostering and pilot issues leading to mass flight cancellations. It reported a loss of ₹2,582 crore in the second quarter of FY26, 161% up from ₹986 crore in the same period last year. The Air India crash in Ahmedabad in June 2025 has slowed the carrier's revival plan. It is also facing a delay in aircraft delivery and supply chain issues. The second-biggest airline reported a loss of ₹3,976 crore in FY25. Even Akasa and Spicejet reported losses in FY24

India's tryst with regional airlines, small carriers that connect short-haul routes, began in 1981 with the launch of Vayudoot, a government of India company that connected over 100 regional destinations with Dornier aircraft. After being operational for over a decade, it shut owing to deteriorating finances.

After decades, regional operators are taking a leaf out of the operational book of Vayudoot to prioritise their regional strategy. But with a difference. They are giving top priority to financial prudence, something that the country's first regional airline lost midway, leading to its collapse.

Star Air, India's largest private regional aviation player, and the newbie, Fly91, have a clear model—build the right financial structure, choose the right sectors and look at aviation as a transportation business—to sustain themselves in a business that has been the nemesis of tens of biggies, right from Jet to GoAir and Kingfisher.

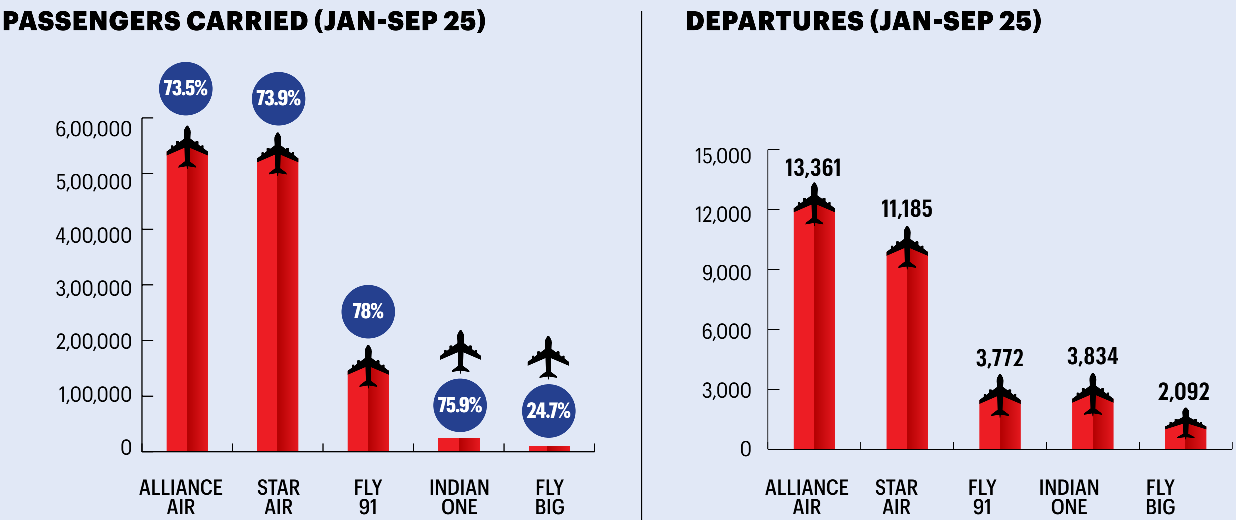
In FY25, only two Indian airlines made a profit. The first one was IndiGo and the second was Star Air, run by Kolhapur, Maharashtra-based Godhawat group. It has been operating since 2018 with connectivity to 31 cities and plans to scale up to 50 destinations by 2030.

Does regional air connectivity makes business sense? Experts reply in the affirmative. The US has over 6,000 airports for a population of 300 million, while India has less than 200 for 1.5 billion people, providing immense potential for expansion to smaller towns, where incomes are rising faster than ever.

All these airlines are banking on first-time flyers from non-

ALLIANCE, STAR TAKE POLE POSITION

- Star Air became profitable in FY25
- Fly91 aims to break even in FY27



NOTE FIGURES IN BUBBLE SHOW LOAD FACTORS IN %
SOURCE DGCA

SOURCE DGCA

metro cities where rail and bus journey to key destinations takes longer than seven hours.

One of the biggest pull factors is the government's UDAN (*Ude Desh Ka Aam Nagrik*) Scheme, launched in 2016, which offers financial support and subsidies to hedge operational losses from flying non-profitable routes in the initial years of operations.

The true challenge for regional players will be spreading their wings beyond UDAN routes and becoming self-sustainable in air transport, where past failures outweigh successes. Besides Jet Airways, Kingfisher and Air Deccan, several regional players, Truejet, Costa, Paramount and Pegasus, among others, have had to shut operations because of financial losses.

UDAN-RCS PERFORMANCE

AIRPORTS
93

ROUTES
651

OPERATORS
10

PASSENGERS
1,570 MILLION

VIABILITY GAP FUNDING
₹4,325 CRORE

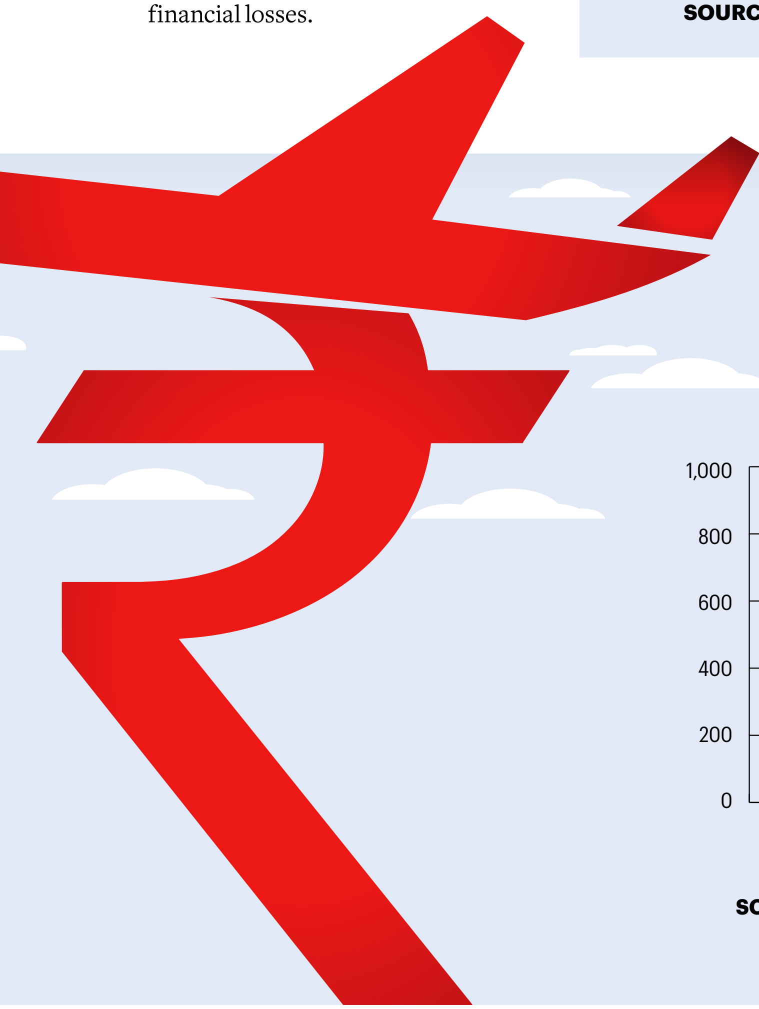
NOTE Data till October 15, 2025
SOURCE MoCA

GROWTH CENTRES

India's aviation sector is poised for significant growth with domestic air passenger traffic set to double by 2030, reaching 300 million annually. Indian airlines have an order book of 1,500 new aircraft.

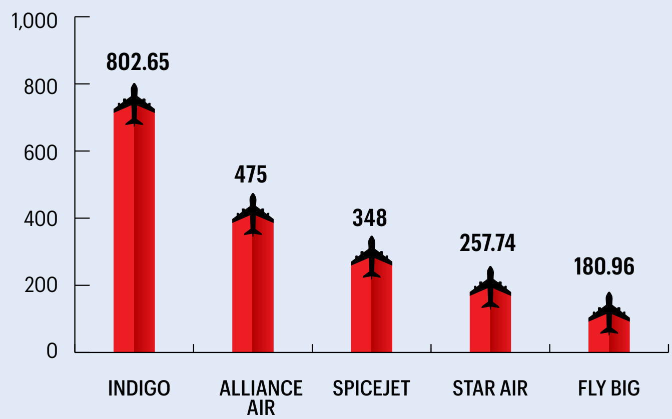
The massive aviation boom is expected to be fuelled by passengers from Tier II/III/IV cities, with people willing to fly from smaller cities to metros, state capitals and key business centres. The airports in some of these cities cannot accommodate bigger aircraft. This is where regional players, with 70-80 seat aircraft, are trying to make a mark.

Shrenik Ghodawat, managing director of the Ghodawat Group, says regional aviation is here to stay. He expects the emergence of two-three more regional airlines considering the size of the country.



THE UDAN FUNDING

- IndiGo has been the biggest beneficiary of the Viability Gap Funding among private operators



SOURCE IN ₹ CRORE; FROM FY24; **SOURCE** MOCA

"Air travel is a necessity now. Look at the new generation. Everybody values their time more than anything else and there is a change in consumer sentiment. So, even an interstate or intrastate airline can work if cost is optimised and it is planned and run well," Ghodawat tells *BT.*

Star Air has identified about 50 cities in India and more than 200 city pairs with a potential to fill 75-150 seats per flight in the next five years. It currently flies Embraer 145 (50 seaters) and E175 (88 seaters) to 31 destinations and plans to add another 40-45 aircraft (both jets and helicopters), including advanced E2 jets, by 2030-31 from the present 11 fixed-wing planes and four helicopters.

It has also applied for a national licence in order to operate jets with higher capacity. Star Air has also started operations from the recently opened Navi Mumbai International Airport.

"When we started Kolhapur-Bombay, we used to fly on a 50-seater aircraft. Today we have a 76-seater aircraft at a 95% load factor. Now, it has the potential to take an 88-seater or an 114-seater aircraft also. If we price it well, we will be able to fill these numbers of seats," he says.

About 60% of its routes are monopolies and 40% have one, or maybe two, competitors.

Fly91 founder Chacko says non-metros offer lucrative financial opportunities for regional aviation players. It currently flies four ATRs and plans to take the number to 30 by 2030.

"Almost 20% of 140 functional airports in the country cannot accommodate the narrow-body aircraft (flown by national carriers), either due to technical reasons or lower load factors from those markets. That is where the regional space starts coming in," Chacko, who earlier worked with Kingfisher Airlines and Emirates, tells *BT.*

Chacko says any city pair that is more than seven hours by road is a classic opportunity for regional aviation. The airline's ATR service from Jalgaon airport in Maharashtra has expanded to 21 weekly flights.

WHAT UDAN OFFERS

1. **Bolstering last-mile connectivity**
2. **Financial support to airlines to ensure affordable fares**
3. **Airfare cap for affordability**
4. **Airport operators waive landing and parking charges for UDAN flights**
5. **States have committed to reducing VAT on ATF to 1% or less for 10 years**

"It has high load factors and good yields. If you walk onto one of those aircraft, you'll be surprised; you will find better-dressed people than people from Mumbai and Delhi. You will possibly see more Louis Vuitton and Gucci bags on that flight. You will see more gold on that flight, and when they come to places like Goa, they're being picked up by the Taj Exoticas and the ITCs. These are cities where there is real wealth. There's a niche spot. We got to go after the niche," he says.

PROFITABILITY

The big question is: Will these airlines be able to scale up? Star Air started its operations in 2019 and aims to become a full-scale national airline focusing on regional connectivity. It acknowledges competition will increase, even in smaller markets, with bigger airlines such as IndiGo, Air India and Akasa also keeping Tier II/III cities on their radar.

"Our strategy is to keep identifying new city pairs and new avenues with 200 new airports coming up over the next 15 years," he says.

Keeping the cost of ownership low and fixed cost discipline are the key to survival for this regional player. The company made its first profit of ₹68 crore in FY25. Its net worth jumped over 4X to over ₹91 crore during the year. It expects 40-50% growth in revenue and Earnings Before Interest Tax, Depreciation And Amortisation (EBITDA), a measure of operating profitability, this financial year.

Star Air recently raised ₹150 crore in a Series B round. "The most important thing for us to remember is that we are in the business of transportation from point A to point B and we should not look at it like a seven-star or a five-star hotel. We've tried to keep our costs in control by trying to run a tight ship and bring a differentiated product," says Ghodawat.

On future growth, the company plans to narrow operations to just two types of fleet—a feeder network that flies smaller aircraft and larger aircraft focusing on point-to-point connectivity.

Chacko lists a few fundamental aviation survival principles—commit to one type of aircraft, don't mix your fleet, and keep operations simple.

"We call ourselves an air transportation company, with a plan to have five bases over the next five years. So, 30 aircraft, five years, build a pan-India network, a simple point-to-point service. Our plan is to connect district capitals to Tier II, Tier III cities, and state capitals. You take people from these cities into mainstream cities," he says.

Regional airlines have adopted innovative ways to lower administrative and allied costs. Fly91, for instance, doesn't have a call centre and has a fully automated bot that responds to customer queries. If they have more queries, customers can leave their phone number to get a return call from the airline. Star Air intentionally decided not to hire "very expensive" top management figures. It consciously looks for personnel who, it says, can promote team spirit.

"ALMOST 60% OF THE ROUTES EVEN POST-UDAN CONTINUE TO WORK WITHOUT ANY ASSISTANCE AND WE ARE PROFITABLE ON THOSE SEGMENTS AS WELL"

SHRENIK GHODAWAT
MANAGING DIRECTOR,
GHODAWAT GROUP

"ANY CITY PAIR THAT IS MORE THAN SEVEN HOURS BY ROAD IS A CLASSIC OPPORTUNITY FOR REGIONAL AVIATION"

MANOJ CHACKO
MANAGING DIRECTOR & CEO, FLY91

MAN AND THE MACHINE

One of the challenges facing aviation is the availability of trained pilots and supply chain shortage.

India would need 30,000 pilots in the next 15 years with 1,500 new aircraft on order. Currently, there are around 8,000 pilots for the commercial passenger fleet of over 800 aircraft, but 2,000-3,000 of them are not active aviators.

India's pilot training infrastructure is inadequate and a majority its pilots are trained abroad.

Khushbeg Jattana, General Manager of pilot training school Simaero India, says India needs to expand the number of flight schools from the current 37, which is just one-third of what the country requires.

"We will need flight schools with some 100 aircraft doing training. We do not have flight schools with more than 50 aircraft right now. So we need massive expansion on the aircraft side in the flight schools. Then comes the second part where you have to do the simulator training," he says.

French aviation training company Simareo has announced a $100 million investment in India for setting up world-class pilot training centres.

The first simulator is expected to be up and running by March next year. The company is in talks with regional players to set up simulators for training on smaller aircraft.

"We expect that another 40 simulators will be required in the next five years in India, at least to cater to the five-year expansion, and beyond that, I believe we'll need around 100 simulators in total in the next 10 years," it says.

Regional airlines have been slowly building their teams of captains and logistics support to end dependence on foreign pilots and overseas training.

"We started with a lot of foreign pilots coming in, but we are now seeing a lot of Indian pilots also getting trained. In order to support our 50-fleet dream, we will require anywhere more than 500 to 600 pilots in total, which will be almost five times our current strength at this point," says Ghodawat.

Growth of regional players will also depend on availability of aircraft given the sizeable order backlog from suppliers. Star Air agrees that maintaining its existing fleet and adding new aircraft portends to be a challenge.

Fly91 sees no challenge in accessing the number of ATR aircraft and is set to get two brand new aircraft from lessors. On the supply chain side, it is trying to cope.

"We started to build out our own pilot pool. Today. We have 51 pilots with Fly91, out of which 24 are captains. I only have three foreign pilots with me. We have three aircraft examiners, about five check pilots and three synthetic instructors. We have a better training infrastructure than a lot of mid-sized airlines," he adds.

THE SURVIVAL

Financing assets and acquisition of planes will also not be easy.

Chacko says the biggest challenge today is that the banking and financial system in India still does not appreciate that an aircraft in an asset and buying aircraft is not a smart option.

"The day we have banks in India supporting asset purchases, giving good loans to asset values, the game will change. The Irish leasing business will literally come to a grinding halt because 1,500 aircraft are on order in India. We got a brilliant Gift City put up and hope that the finance ministry solves this problem faster," he says.

ONE OF THE CHALLENGES IS AVAILABILITY OF TRAINED PILOTS AND SUPPLY CHAIN SHORTAGE. FINANCING ASSETS AND ACQUISITION OF PLANES WILL ALSO NOT BE EASY

Ireland is the global leader in aircraft leasing and financing, managing 60% of the d aircraft. To ensure that India has more India registered d aircraft, the government is planning to extend the tax holiday on profits earned by aircraft leasing firms in Gift City in Gujarat, its newest finance hub, to 15 years from the present 10 years.

Indian aviation is riddled with instances where airlines went out of business and lessors had to fight a long legal battle to regain control over their aircraft.

This has led to global lessors tightening leasing norms, making it difficult for new airlines to find aircraft. According to reports, the newly announced Alhind, Air Kerala and Shankh haven't been able to aircraft.

For regional airlines, UDAN has been a game-changer. It ensured operationalisation of smaller airports in cities by providing financial support to airlines.

Godhawat says a lot of airports are being built, but a shortage of critical manpower required to operate these aircraft is biting. Bringing aviation fuel under the Goods and Services Tax is a long-pending demand of aviation companies, which say it will reduce cost.

Post-UDAN survivability is another red flag. Airlines may be forced to shut operations if the routes on which they operate prove to be unviable without government subisidies. The government is working to extend the UDAN Scheme for another 10 years beyond 2026 to continue its push for regional connectivity.

"Almost 60% of the routes even post-UDAN continue to work today without any assistance and we are profitable on those segments as well," says Ghodawat.

Fly91 says its business plan was never purely on viability gap funding, although it is helpful because it supports the cost structure, but the airline's long-term aim is to be able to fly on its own.

"A lot of the successful regional sectors, such as Solapur, Kolhapur, Manali and Leh, were built when there was no UDAN. These flights made good money. We aim to build every sector that we start to be able to stand without UDAN," says Chacko. BT

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Business Cycle Investing: Turning Economic Phases into Opportunities

In the world of investing, progress is rarely linear. Just as individuals experience different phases in life, businesses and economies move through cycles. Periods of rapid growth are often followed by slowdowns, recoveries and fresh expansions. These recurring phases—collectively known as business cycles—form the backbone of economic activity. For investors who learn to read these shifts, business cycles can become powerful tools for long-term wealth creation rather than phases to fear.

Mohit Bansal & Amul Malhotra
Co Founder & Director
Profit Culture Investment Services Pvt Ltd

Understanding Business Cycle Investing

Business cycle investing is an approach that aligns investment decisions with the broader economic environment. Different sectors respond differently to economic changes. While some industries thrive during expansionary phases, others perform better when growth slows. For instance, consumer discretionary businesses may flourish when incomes rise, whereas defensive sectors tend to hold up better during downturns.

Since every sector and company does not move in sync, opportunities often emerge unevenly. Business cycle investing focuses on identifying which segments of the economy are entering a favourable phase and positioning investments accordingly. The aim is not to predict exact market tops or bottoms, but to stay aligned with prevailing and emerging economic trends.

Recognising the Phase of the Cycle

Identifying where the economy or a particular sector stands in the cycle requires close observation and analyses of economic signals. A slowdown phase is usually marked by declining consumer spending, cautious corporate investments, job losses or stagnant wages. Confidence levels tend to dip and businesses operate well below their full capacity.

On the other hand, recovery and expansion phases are characterised by rising demand, improving employment trends, higher capacity utilisation and growing optimism among consumers and businesses. These indicators, when studied together, offer valuable clues about the direction of economic momentum. Investors who recognise these signs early can adjust their portfolios to capture emerging opportunities.

How the Strategy Works in Practice

Business cycle investing generally follows a top-down investment approach. Fund managers and investors first analyse macroeconomic factors such as interest rates, inflation trends, government spending and global economic developments. Based on this assessment, they identify sectors that are likely to benefit from the ongoing or upcoming phase of the cycle.

Importantly, this strategy is not restricted to any particular market capitalisation. Depending on the theme playing out, opportunities may arise in large, mid or small-cap companies. The flexibility to move across sectors and market segments allows portfolios to remain dynamic and responsive to changing economic conditions.

Why Business Cycle Investing Matters at This Juncture

Business cycles remain an integral part of economies, but the macro environment today is far more dynamic than in the past. Earlier equity cycles benefited from disinflation, easy liquidity and relatively stable geopolitical conditions. However, the current landscape is marked by persistent inflation, elevated geopolitical tensions and tighter monetary policies.

High interest rates combined with rich valuations may lead to increased market volatility. Despite this, equities continue to remain a relevant long-term asset class. In such an environment, a nimble investment approach becomes critical. Strategies that can actively move across sectors in response to changing macro and business cycle trends may be better positioned to navigate volatility while capturing evolving growth opportunities.

Making Business Cycle Investing Accessible

For individual investors, tracking macroeconomic indicators and sectoral movements can be complex and time-consuming. This is where professionally managed solutions play an important role. Mutual funds that follow a business cycle–based approach are designed to identify and invest in sectors aligned with evolving economic trends.

Such funds offer investors a disciplined way to participate in business cycle opportunities without needing to make frequent tactical decisions themselves. Over time, this approach can help portfolios stay relevant, adaptive and aligned with broader economic realities.

THE BANDRA BAY TEMPLATE

Mumbai is working on a Marina that could be the envy of cities around the world. Its success will encourage similar waterfront developments around the country

BY **E. JAYASHREE KURUP**

IT IS NOT often that a city associated with unkempt beaches announces its intention to be counted among global coastal cities with enviable waterfronts. Visualise a clean marina with well laid-out streets, fancy retail outlets, premium food avenues and skyscrapers with sea views. While Juhu and Chowpatty have been popular public spaces, they are no match to the glitz of the Gardens by the Bay in Singapore or Jumeirah and Dubai Marina in the Gulf. So, what gave Mumbai the confidence to announce Bandra Bay?

It started with a vision of a global lifestyle in Bandra, the heart of India's commercial capital, the city's blueprint for the "future where global standards of living, working, and leisure converge to create a vibrant, inclusive and sustainable urban ecosystem," said Maharashtra Minister of Information Ashish Shelar at the launch on October 15, 2025. Many other coastal cities like Chennai and much of Tamil Nadu are also looking seaward.

The concept was the brainchild of Sumesh Mishra and Murtaza Vapiwala, co-founders of Luxury Lighthouse, a proptech venture. It seeks to "optimise value for every stakeholder—from investors and developers to end-users and the city itself."

"The planned Bandra Bay precinct spans approximately eight million square feet of development, integrating luxury residential, retail, and leisure zones across multiple contiguous parcels in Bandra Reclamation. These include a mix of Maharashtra State Road Transport Corp. Ltd (MSRTC), Maharashtra Housing and Area Development Authority (MHADA), and privately owned redevelopment lands, all being cohesively designed under a single urban identity," says Mishra of Luxury Lighthouse. "This integrated plan will transform an underutilised coastal stretch into Mumbai's most iconic address—an urban district that

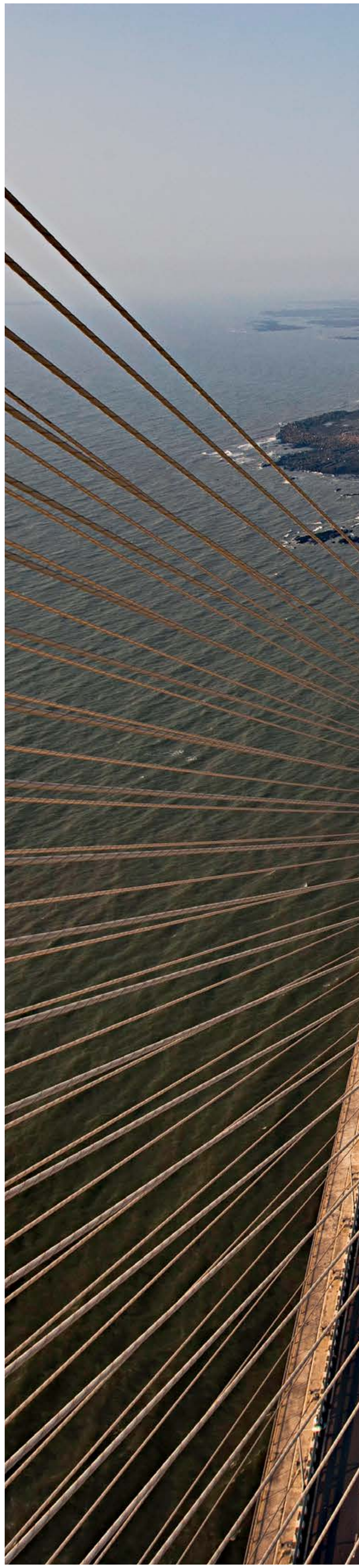


PHOTO BY **GETTY IMAGES**

WATER-FRONT HOUSING TRENDS

Sea-facing luxury homes in Bandra West have grown at 12% CAGR over the last six years, the largest increase in waterfront/sea-facing properties across all Mumbai localities

Sea-facing luxury homes in Mumbai command a 15-20% premium above other luxury homes. Waterfront Bandra Bay is expected to achieve more than 20% higher pricing

46% delta between waterfront apartments in Worli and Bandra West represents the potential increase in pricing for Bandra sea-facing developments

Six Star residences and 18 Tycoon residences are coming up in the area

THE INFRA ADVANTAGE

Project	Details	From Bandra Bay	Total Length (Km)
1. **Coastal Road**	Connects southern Mumbai to western suburbs, cutting travel time between areas like Princess Street and Bandra-Worli Sea Link	1.3 Kms—2 Min	29
2. **Mumbai Metro (Yellow Line)**	Integrated East-West link, connecting western suburbs to key areas like the Bandra-Kurla Complex (BKC) and eastern Mumbai	2 Kms—6 Min	18.6 (Ready) 23.7 (under construction)
3. **Mumbai Metro (Aqua Line)**	Connects the Colaba-BKC-SEEPZ corridor, providing faster access to south Mumbai, the airport, and western suburbs	5 Kms—10 Min	22 (Ready) 11.5 (under construction)
5. **Bullet Train**	Will boost connectivity between major cities like Mumbai, Thane, Surat, and Ahmedabad	5 Kms—11 Min	508
6. **Western Expressway**	Boosts North-South Mumbai connectivity, reduces traffic congestion significantly	0 Kms—0 Min	25
7. **Eastern Expressway**	Vital Mumbai-Thane route, easing daily commute and freight movement	7 Kms—25 Min	24
8. **Atal Setu Bridge**	Cuts Mumbai-Navi Mumbai travel to 20 minutes, boosts coastal economy	9.5 Kms—33 Min	22
9. **Delhi-Mumbai Expressway**	8–lane expressway with provision to expand up to 12 lanes with design speed of 120 kmph	29 Kms—48 Min	1,350

SOURCE CRE MATRIX BANDRA BAY REPORT

Cost (₹Crore)	Completion Status
15,000	Phase 1—Mar 2024 Phase II—Dec 2028
10,986	Phase I—Jan 2023 Phase II—Dec 2027
37,276	Phase I—May 2025 Phase II—Oct 2025
1,08,000	2029
1,500	2002
1,300	1992
17,843	2024
1,00,000	December 2030

harmonises real estate, lifestyle, and public spaces on a scale the city has not witnessed before," he says.

Marina views are premium, but In India, they house warehouses, are with port authorities or have been illegally occupied by the urban poor. Today, after four years of consistent sales of luxury properties, Mumbai aspires to redevelop not just plots but entire precincts.

GOVERNMENT'S ROLE

For developers like Niranjan Hiranandani, this project became possible because of the state government's role in enabling redevelopment-driven growth. Policy interventions include Development Plan 2034 that rationalised floor space index and incentivised redevelopment of old buildings, infrastructure-led push, a proposed increase in funds to ensure long-term building safety, and flexible norms for society redevelopment.

Stringent coastal regulations have been promised to ensure ecological integrity. "The government's focus is on sustainability and resilience, not just speed. The integration of digital monitoring dashboards, empaneled quality auditors and time-bound approvals are ensuring that public accountability is high," says Mishra.

None of them exceed 0.5 acres. DLH Signature, promoted by Vijay Thakkar, has a 0.5-acre plot on which 1,170 premium units will come up. Shyamal Mody of Elements Realty will deliver 183 units on 0.25 acres. Virendra Vora of Excel Projects will deliver 199 units in Bellisima on 0.36 acres.

Niranjan Hiranandani's Bay Heights promises 135 units on 0.4 acres. Ayush Madhusudan Agrawal's Inspira Realty is planning 170 units on 0.5 acres. Gurukripa Realcon has announced 168 units on 0.5 acres. Adani, Oberoi, Larsen & Toubro have also committed to building in the area.

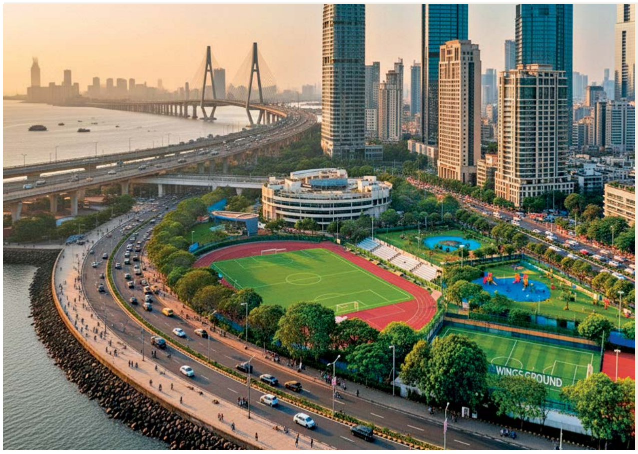
Positioned within a defined precinct, this is an audacious dream of eight million square feet of luxury housing and retail. What's also promised is a 30-minute ride to anywhere in the city and to its landmarks.

TRANSFORMATIVE WORK

This did not just happen overnight. Over the past few years, Mumbai has been completing infrastructure project after project, making large-scale development feasible. "Bandra Bay is not just an urban development; it is the culmination of two decades of transformative infrastructure

KEY PROJECT

HIRANANDANI BAY HEIGHTS



Project Type: Mhada-Society Redevelopment

Size: Spans across 500,000 sq. ft

Product: Luxury high-rise residences with expansive sea-facing decks

Typology: 2.5, 3, & 4 BHK

Target Buyers: High networth individuals, non-resident Indians, C-Suite professionals, celebrities, businessmen and entrepreneurs, start-up founders

Price Band: ₹12 -15 crore onwards

work in Mumbai," says Mishra.

The project stands at the convergence of some of India's most ambitious connectivity corridors. Mumbai Coastal Road, Bandra-Worli Sea Link, and the upcoming Versova-Virar Coastal Link have physically connected the bay to the city's commercial and residential districts, while Metro Line 2B (Andheri–Mankhurd) and Line 3 (Colaba–Bandra Kurla Complex–SEEPZ (Santacruz Electronics Export Processing Zone) are reshaping daily mobility patterns. When the canvas expands to this extent, vast development potential is unlocked.

In addition are the rail and road links to Ahmedabad and Delhi. "The Mumbai–Ahmedabad Bullet Train—with its Mumbai terminal at Bandra Kurla Complex—will further position this zone as the new urban epicentre of western India. Complemented by Atal Setu Trans Harbour Link, Delhi–Mumbai Expressway, and Airport–Metro connectivity, these projects together represent an investment exceeding ₹3.6 lakh crore and form the backbone for a world-class waterfront district," says Mishra.

The major driver for the project was the 2.3X growth in luxury housing in the catchment area of Bandra West, Juhu, Worli, Bandra East and Prabhadevi in the past four years. It accounted for 17% value of all the units sold in the city and 44% of the city's luxury housing units sold in 2025. Already, sea-facing homes in Mumbai command a 15-20% premium. Bandra Bay's positioning is expected to give its waterfront properties 20% more premium. Niranjan Hiranandani is optimistic about the project. "Bandra Bay appeals to buyers who value exclusivity, connectivity, and a lifestyle anchored around waterfront living. Pricing will be benchmarked to prevailing premium over Bandra Reclamation and sea-facing market values. Today, luxury redevelopment in Bandra Bay commands ₹55,000–85,000 per sq ft. Our focus is on value creation, not just pricing—through superior design, brand assurance, and long-term asset durability. Pricing will mirror ultra-luxury coastal benchmarks."

For Hiranandani, this is an opportunity to reimagine Mumbai's most precious resource—land. "Bandra Bay offers a rare combination of location, elite community, new waterfront micromarket, and long-term value creation, which aligns perfectly with our approach to contribute to urban renaissance. Our decision is driven by structural demand, rising capital values, and opportunity to deliver a landmark redevelopment," he says.

OTHER WATERFRONTS

Premium waterfront development is not the preserve of Mumbai alone. "Waterfront projects across India have consistently delivered strong demand, with cities like Mumbai and Chennai long experiencing steady interest. Waterfront properties are inherently scarce, and this scarcity, combined with their premium lifestyle appeal, stunning views, tranquility and fresh air continues to drive their desirability," says Aakash Ohri, Joint Managing Director & Chief Business Officer, DLF Homes. DLF has hitched its wagon to the scenic Kerala waterfront. DLF Riverside is a waterfront property in Vytilla, Kochi.

"Idyllically located along a 175-metre waterfront stretch of the serene Chilavannoor River at Vyttila,

OVER 146 RIVERINE CITIES ARE PART OF A MOVEMENT TO CLEAN WATERFRONTS AND UNLOCK POTENTIAL IN URBAN AREAS

DLF Riverside is a luxury residential condominium that appears to float on the backwaters," says Ohri. The major factor for its success was the convenient access to Infopark, Kinfra Park, the Cochin Export Zone, and the fast-developing Smart City at Kakkanad.

While coastal cities encash seafront views, over 146 riverine cities across India have been part of a movement to clean waterfronts and unlock potential in urban areas. Led by the National Institute of Urban Affairs, a think-tank of the Ministry f Housing and Urban Affairs, this movement is currently training stakeholders in river clean-up and eco-sensitive developments.

Solutions range from bio-remediation to unlocking value with green bonds, explains Victor Shinde, head of Climate Centre for Cities. All waterfront clean-up from Mumbai to Kolkata and Chennai, as well as several riverfronts, starts with seeking economic benefit. But, says Shinde, there are few working examples across the country. The Sabarmati waterfront development, for instance, was able to unlock economic value as prices escalated.

Many new waterfront projects tend to copy the solutions executed so far. What Ahmedabad and Varanasi achieved with concretised ghats is now the subject of an experiment with green *ghats* in places like Haridwar which allow more water to drain and seep into aquifers.

The River Cities Alliance, which started as a 30-city mission in 2021, now covers 146 cities and is drawing upon the success of such projects to create a Global River City Alliance. The Kham River restoration mission in Chatrapati Sambhajinagar (Aurangabad) has even won international laurels.

Even in water-starved Gurugram, green promoters such as Ashwani Khurana of Karma Lakelands are seeking used water to refresh Sewage Treatment Plant and use them to create lakes that enhance the value of the development environmentally and economically. He is even working with the National Highways Authority to channel millions of litres of water collected along the highway to recharge aquifers and feed the waterbodies.

In Tamil Nadu, Indian Administrative Service officer Supriya Sahu undertook creation of mangrove islands to protect the eroding coastal waterfronts. These islands in Chennai's Adyar Estuary, among others, have received accolades. But unlike Mumbai, where waterfront efforts by the public sector were used to draw in the private sector for real estate development, Chennai has not evolved a waterfront real estate development plan.

WEALTH FLOWS BACK

The Mumbai model works on economies of scale. The public sector keeps pushing expensive infrastructure projects to allow the private sector to harness that alpha from the market.

"Bandra Bay appeals to buyers who value exclusivity, connectivity, and a lifestyle anchored around waterfront living. Pricing will be benchmarked to premium over Bandra Reclamation"

NIRANJAN HIRANANDANI
CHAIRMAN,
HIRANANDANI GROUP

"This integrated plan will transform an underutilised coastal stretch into Mumbai's most iconic address—an urban district that harmonises real estate, lifestyle, and public spaces"

SUMESH MISHRA
CO-FOUNDER,
LIGHTHOUSE LUXURY

When they sell premium properties, the wealth comes back to city coffers in the form of land and property registration fees and higher property taxes in perpetuity. It is imperative for this model to succeed.

While participating in this joint development in the heart of the city, Hiranandani has also committed to another coastal project, Hiranandani Sands, Nagaon, Alibaug. It is a flagship coastal township development, positioned in the luxury home and tourism-hospitality ecosystem-led living. "Unlike the high-rise, high-density Bandra Bay project, it is designed as a future-ready coastal district, combining leisure, living, and long-term investment value," says Hiranandani. It is a 225-acre integrated coastal township with premium apartments, plotted development, branded serviced apartments, luxe villas, hospitality and recreation zones, and a private-access beach experience.

The risks are not a deterrent. In fact, both are large format projects that will cement Mumbai's place among the Marina cities of the world. Together, Bandra Bay redevelopment and coastal townships like Alibaug's Hiranandani Sands promise to redefine Mumbai's future. BT

| COLUMN |

Introducing AI in Schools

Beyond budgetary allocation, the AI curriculum needs real world intersections

BY **CHARU MALHOTRA** CO-FOUNDER & MD, PRIMUS PARTNERS

CAN ARTIFICIAL INTELLIGENCE (AI) *"think" like humans? Can AI predictions be trusted completely—Why or why not? What happens if Machine Learning models are trained with wrong data? Why should we not copy from AI? What should we do if AI gives the wrong answer? Can AI be fair and kind?*

These are not just musings but critical paths of inquiry reinforcing the need for AI education in schools. By introducing AI, data science, and ethical digital practices early in schools we prepare our future workforce to be curious thinkers, problem solvers, innovators, informed digital citizens, and ethical AI practitioners.

This begs the question how are we navigating the pathway to introducing AI education in schools? The Ministry of Education, Government of India, has constituted a committee to draft a curriculum to introduce AI and computational thinking in schools from Class III. While this is welcome, introducing AI incrementally may deprive a whole generation of critical employable skills. We hope that the next Union Budget will include a provision for AI education in schools on a mission mode for AI education right up to Class XII—with speed and scale—to enable schools to match strides with industry expectations.

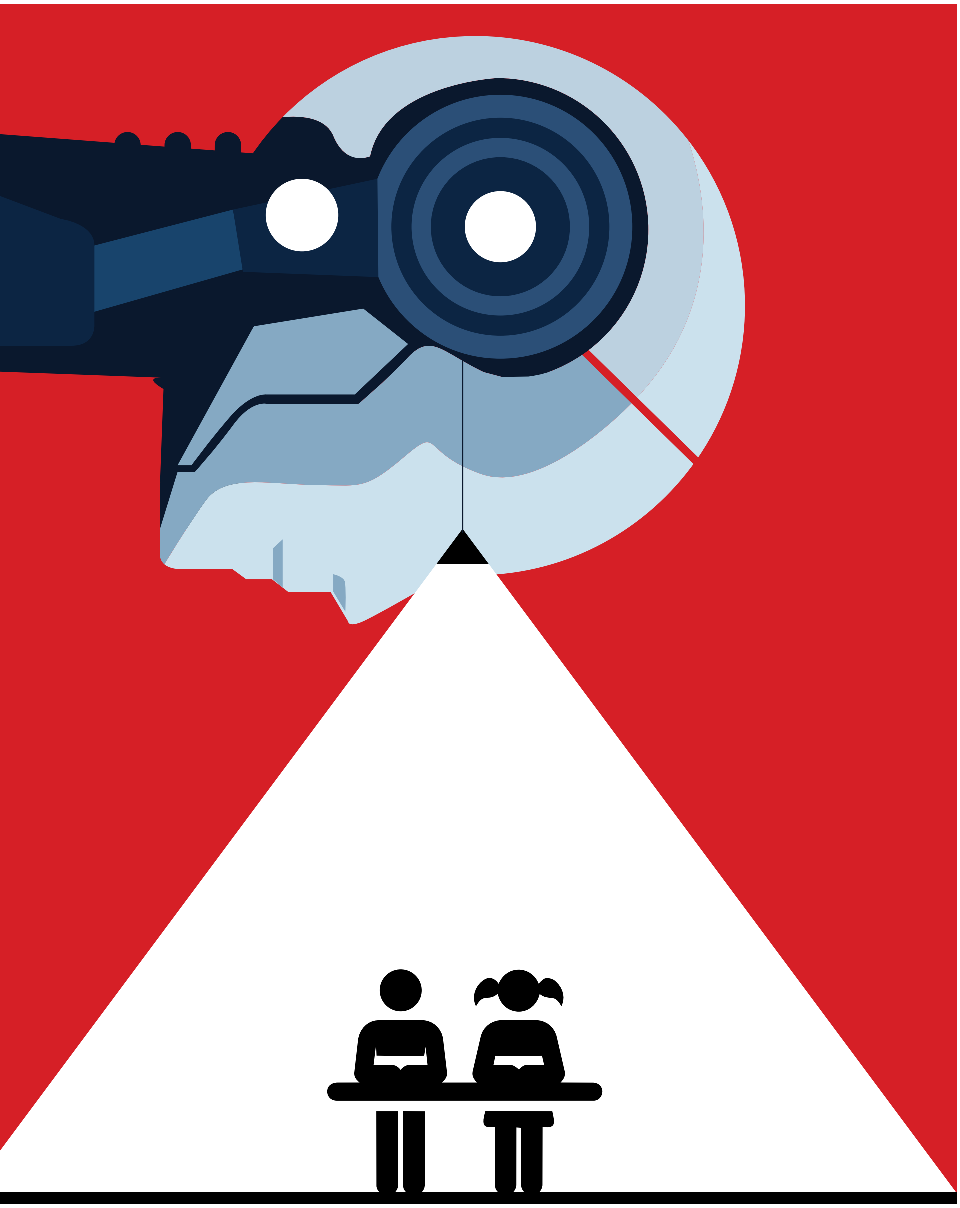
Building a digitally empowered India starts with empowering every child with future skills today. AI and disruptive technologies signal a 51% skill gap in India. The country needs more than one million AI-skilled engineers in two to three years, according to NASSCOM. The demand-supply mismatch will widen to 30% by 2028. Further, with the need for 'Talent Acceleration' in line with national priorities around IndiaAI Mission, India Semiconductor Mission, automation and precision technologies, the lack of a digitally-skilled workforce can become a bottleneck leading to significant opportunity cost. We are not discussing a subject. This is national strategy.

AI Education can be an important channel for educating our youth in real world scenarios—where students can learn that AI models learn from data and feedback to make predictions. **But true intelligence comes from understanding its decisions** and using them responsibly and fairly or from knowing that AI is not just about technology—it is about solving real problems responsibly, exploring new careers, and making a positive impact on society. It is understanding that ML is computers learning from data to help us solve problems. **The real intelligence comes from how we use it responsibly** or understanding that personalisation by generative AI can create "filter bubbles," along one's existing understanding or preferences—but collaborating with humans in a diverse dialogue will expand the boundaries of one's knowledge.

TRUE INTELLIGENCE COMES FROM UNDERSTANDING AI'S DECISIONS AND USING THEM RESPONSIBLY AND FAIRLY

In most learning situations, logic is not an active consideration during curriculum transaction—and yet an important curtain raiser on

ILLUSTRATION BY **RAJ VERMA**



AI in education is the query 'What makes logic important for AI'? Thus, sceptics who may be prone to trash the idea of integrating AI in school curriculum as a fancy notion, may be persuaded to expand their belief systems as AI literacy can accelerate the building blocks of cognitive skills for developing unique competencies like critical thinking, complex problem-solving, collaboration, communication, empathy, ethical reasoning, adaptability systems thinking. Provided the pedagogy can go beyond boring theoretical definitions to embrace experiential inquiry-based learning strategies such as discussion-led exploration of real uses, guided use of safe online tools, activity-based appreciation of industrial applications.

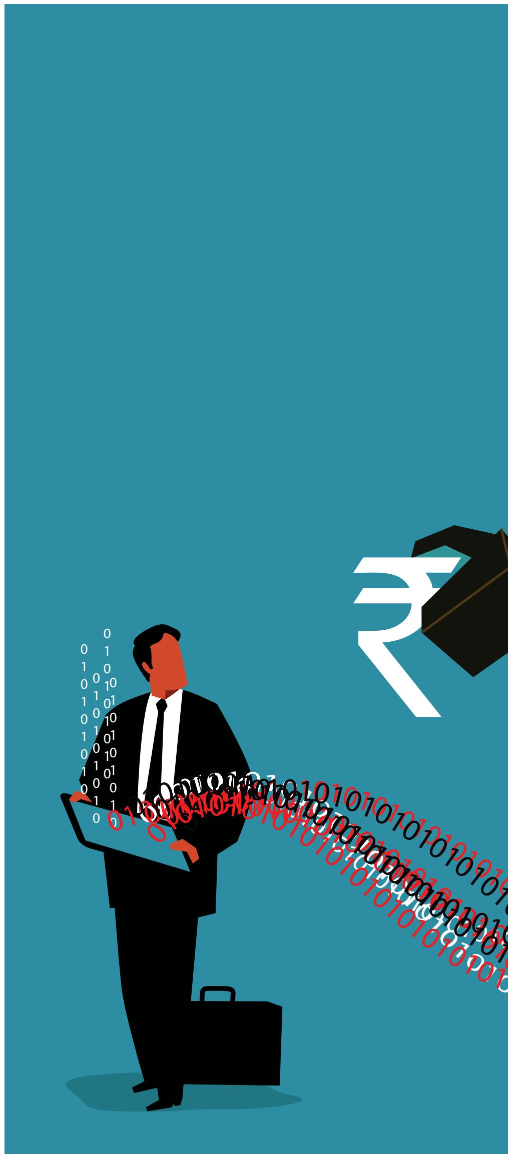
Drafting a policy on AI education for K-12 students would not only need to be supported by Budgetary outlay but budgeting the curriculum would need real world intersections requiring adequate educator training, infrastructure, tools and software. Contemporary curriculum coverage will need play-based, gamified tools, real-world projects, and exposure to global AI tools and trends. There must be careful selection of real-world connections with experiential learning activities to allow: Early applied AI thinking (understanding ChatGPT's responses); Debunking myths (What happens when AI makes a wrong/unfair decision?); Digital citizenship mindfulness (internet basics, cyber hygiene, responsible sharing, safe browsing); Ethical considerations (fairness, privacy, and empathy in machines, bias in facial recognition or hiring algorithms); Pre Coding exposure (Pattern recognition, algorithmic thinking without code); Data and coding fluency (Training a basic sentiment model); college and career readiness (AI and society – AI and careers; impact of automation in industry).

For educators, AI's use for predictive checkpoints of learning can extend their reach into the hidden learning blocks that impede classroom progress and learning outcomes.

Thus, engaging with questions such as what counts as valid and viable AI education, and who gets to decide would need a "Responsible AI in Education" framework, while non-binding guidelines not prescribing specific technologies or content would need to consider accountability, and pedagogical soundness. There must also be a "Quality AI Seal" for programmes that demonstrate pedagogical effectiveness, cultural sensitivity, industrial relevance and commitment to data protection and privacy. **BT**

Views are personal

ASSISTED INVESTING



New-age traders see AI as an indispensable tool, one that can process vast datasets on a scale no human can match. But some market veterans warn that it has the potential to amplify herd behaviour and trigger flash crashes

BY **PRASHUN TALUKDAR**

DEPENDING ON WHO you are listening to, artificial intelligence (AI) is either the holy grail of investing or a phenomenon that can undermine stock market probity and integrity. Both sides argue their case with reason, conviction and passion.

AI is transforming the way markets are analysed, trades executed and risks managed. Yet, the growing reliance on machine-driven market strategies carries risks.

AI may speed up data processing and enhance real-time analysis; but on the flip side, it has the potential to amplify herd behaviour and trigger flash crashes, say experts. AI's expanding footprint in the markets has become a hot issue as the technology that enables computer systems to mimic human cognitive abilities makes rapid inroads.

Market veteran Arun Kejriwal provides a cautionary counterbalance to the optimism surrounding algorithmic investing. Having observed the markets for decades, he argues that AI is in its infancy and still struggling to adapt to the complexities of a live trading environment.

Some traders see AI as an indispensable support system—one that can process vast datasets and accelerate decision-making on a scale "no human can match".

AI-DRIVEN ANALYSIS

Fintech platforms emphasise the significant advantages AI brings to modern investing, particularly in processing large and complex market datasets.

ILLUSTRATIONS BY **RAJ VERMA**

For Yashas Khoday, chief product officer and co-founder of trading platform FYERS, AI is a game-changing analytical engine.

"AI is fundamentally changing how investors make sense of complex market data. First, it can process huge volumes of information, from price charts and earnings to news and sentiment, all at once," he says.

This helps uncover patterns and signals that a human analyst might miss. Second, it removes bias. "While people often overvalue their opinions or recent trends, AI looks at the data objectively and consistently. This helps investors make smarter, more evidence-based decisions."

Siddharth Sureka, Chief AI Officer at brokerage Motilal Oswal Financial Services Ltd, explains how new models are unlocking insights from both structured and unstructured sources.

"AI/ML (machine learning) models unlock the ability to uncover signals from huge volumes of structured and unstructured data, such as historical prices, tick data, order books, corporate filings, news, economic indicators, etc., that otherwise could have been missed by traditional approaches," says Sureka.

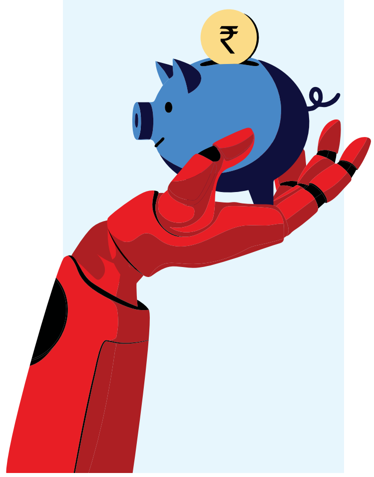
THE AI RUSH

+ **Like in most other fields, AI is making a big impact in investing too**

+ **A clutch of new-age brokers has doubled down on the AI play in the light of its fast data processing and decision-making**

+ **Concerns remain, especially since AI is still maturing and struggles with live markets**

+ **Some see potential for amplifying herd behaviour and introducing new, unfamiliar risks**



PROTECTIVE SHIELD?

Kejriwal argues that AI is helpful in scanning news and quickly identifying companies that may potentially feel the harmful impact of a market-related development but insists that decisions cannot be outsourced entirely to machines.

"While it gives you a list, you use your mind to confirm whether it is talking in the right direction or not. But can I follow that list blindly? The possibility that you may get cleaned out is more than your chances of making money."

The concerns extend to market manipulation. Kejriwal cites an example where technical triggers are deliberately exploited. If a stock at ₹120 needs to cross ₹128.50 to register a breakout, a manipulator could push it to that level to attract buyers.

"Now, tomorrow it will generate a buy signal. Tomorrow, there will be buyers galore in that stock. And I am the one who is supplying the stock tomorrow. So, I have rigged the system," he says, pointing out that systems are only as good as their creators and markets have people capable of exploiting both human and machine behaviour.

Kejriwal firmly rejects the notion that AI can act as a protective shield for retail investors. "How do you see AI as a protection for retailers? No, it can't be," he says. "If you want protection from all these sorts of activities, you will have to teach the machine what to do, what not to do, etc."

He draws an analogy with industrial robots, which work flawlessly only after extensive programming. "Once you programme the robot to do multiple activities, it will do so without complaining. But you have spent money, time, effort in programming, in teaching, in making the robot learn. Similarly, if you want a machine to help you make money in the stock market, you have to learn how to programme it," he says.

Kejriwal's position is clear: AI can replicate and duplicate patterns, but originality, interpretation and forward thinking are uniquely human strengths that cannot be recreated in a machine.

REAL-TIME EDGE

One of AI's biggest advantages is its ability to operate continuously and process market information as it unfolds. Khoday explains this contrast with manual analysis.

"Machine learning models can process millions of data points in real time, which is something no human can match. They can detect hidden trends and patterns which manual analysis often misses," he says.

ARUN KEJRIWAL
KEJRIWAL RESEARCH & INVESTMENT SERVICES PVT LTD

"AI is excellent for getting information instantly, for collating standard type of information. But using it to predict price movement is not so easy"

YASHAS KHODAY
CO-FOUNDER & CHIEF PRODUCT OFFICER, FYERS

"While people often overvalue their opinions or recent trends, AI looks at the data objectively and consistently. This helps investors make smarter, more evidence-based decisions"

He clarifies that humans remain essential evaluators. "The goal is not to follow machines blindly. It's about using machines to expand our field of view, not replace human thinking."

For Sureka, real-time processing has dramatically changed corporate analysis. He points to the leap from pre-GPT to post-GPT workflows.

"In the pre-GPT era, an analyst was required to hear the quarterly calls, make notes and extract key themes for analysis. It was a laborious and gruelling process. In the post-GPT era, AI-based tools have accelerated the process as they can transcribe, summarise and extract key pieces of information in minutes," he says.

How AI is transforming market analysis

AI processed massive volumes of structured/unstructured market data far faster than humans

It identifies patterns, signals and sentiment that traditional analysis may overlook

AI reduces human biases by relying on data-driven, consistent evaluation

It excels at information retrieval, comparison and routine analytical tasks across companies

Despite its strengths, experts stress that AI is not a foolproof tool for predicting price movements

MANAGING RISK

Khoday says AI-powered risk tools help on two fronts. “First, they use pattern recognition to detect anomalies and forecast volatility.” By scanning vast amounts of market data, they can spot early signals like sudden price shifts, news triggers, liquidity shortages or unusual trading activity. “Second, they are much better at handling preset risk rules. This makes risk execution more disciplined and consistent.”

Sureka notes that AI’s strength comes from understanding non-linear relationships across variables.

“These non-linear relationships help identify and flag unusual patterns or deviations from expected behaviour. These early warning tools and systems can help better manage risks; however, they cannot be completely eliminated, and black swan events will continue happening,” he says.

HERD BEHAVIOUR

Khoday warns against uncritical dependence on machine signals. “When too many systems react to the same signals, it can create chain reactions, especially in volatile markets. It’s like a car crash on a highway where one collision leads to many more,” he says.

Automated systems have already demonstrated their capacity to accelerate flash crashes. Human filters and contextual awareness are essential, he insists.

Sureka echoes this concern with an example. “Herd behaviour may arise if multiple investors leverage similar algorithmic systems and is highly automated. One example is the 2010 US flash crash, where the Dow dropped more than 1,000 points in 10 minutes. The index lost close to 9% of its value and over $1 trillion in equity; 70% was regained the same day,” he says.

Even the most advanced models are dependent on the quality of data they are trained on. Khoday points out that as datasets increasingly converge, human interpretation becomes the real differentiator. “The role of the trader is evolving. Just like it has through every market cycle, human judgment will always be the edge.”

Sureka highlights the probabilistic behaviour of AI systems. “If the data curated for training contains biases, the model will reflect that.”

So, how should one respond when AI models flag risks? Khoday describes a balanced response framework: Evaluate the signal. “If it holds weight, then gauge the impact. It could mean reducing position size, tightening stop-loss levels, or in some cases, exiting altogether,” he says. The key, he emphasises, is preparedness.

Veteran trader Kejriwal and a couple of AI leaders are united in their view that AI is neither a plug-and-play solution nor an instant path to profit. It is powerful, fast, and increasingly indispensable, but requires careful understanding, reliable data, strong governance and human interpretation.

New-age traders agree. Nevertheless, AI’s ability to transform workflows, process large datasets and generate real-time insights is reshaping how investors operate, they say. BT

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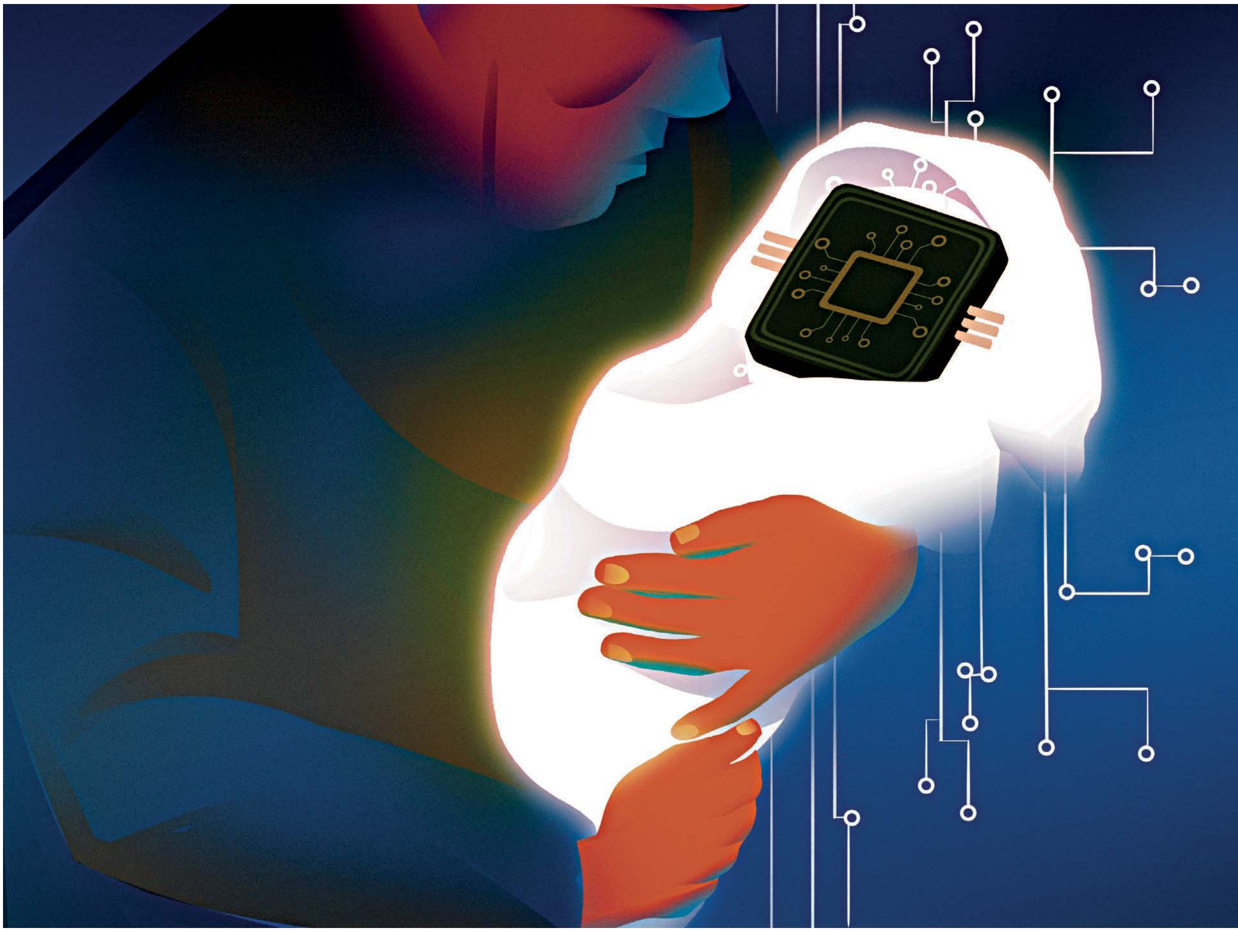
ILLUSTRATION BY **SIDDHANT JUMDE**



NANO GCCs GAIN GROUND

India has over 2,000 Global Capability Centres employing nearly two million people. This booming sector has a new kid in town—smaller units doing cutting-edge work

BY **SHELLEY SINGH**

DUBAI-BASED DAMAC Group, with businesses ranging from fashion and retail to logistics and real estate, opened an operational support centre in Noida, on the outskirts of New Delhi, in November 2025 with 250 employees.

DAMAC, which plans to open a second centre in Pune to reinforce its finance, marketing, sales and other functions, followed on the heels of US-based cybersecurity firm Sonatype and security platform Deepwatch.

American firms have opened 50-employee offices in Hyderabad and Bengaluru, the original outsourcing capital.

These are not the sprawling, multi-thousand-employee, captive global capability centres (GCCs) built by giants such as Microsoft, Google, Goldman Sachs and Amazon in the past two decades with tens of thousands of employees.

They are 'nano' or even 'micro' GCCs—with staff from a few dozen to a few hundred—set up by mid-market enterprises such as DAMAC that see great value in doing so in India: a cost-smart approach with rapid activation and tight control over core work.

GCC IN A BOX

"This marks a new phase in the evolution of GCC models. Enterprises are no longer starting with scale. They are starting with a strategy," says Monica Pirgal, CEO of Bhartiya Converge. "New approaches like GCC-in-a-Box or GCC-as-a-Service enable companies to establish focused, high-skill centres around artificial intelligence (AI), product engineering and cybersecurity."

Pirgal has held leadership roles at Lowe's India and Goldman Sachs India. In 2025, she joined Bhartiya Converge, a platform that helps companies set up GCCs.

Small GCCs are typically being set up by companies with global revenue of up to $2 billion, says a report by the National Association of Software and Service Companies (NASSCOM) and Zinnov.

For them, India offers a 30–50% cost advantage versus comparable talent in the US or Europe.

"About 60% of the demand last year was for mid-market GCCs. The GCC model is mature and here to stay. Besides, AI is creating a big push for GCC build-outs," says Vikram Ahuja, Co-founder and CEO of ANSR, a consultancy that has helped set up more than 200 GCCs.

BENEFITS OF NANO GCCs

- **Reasonable set-up and operating costs**
- **Shared services**
- **Cost-efficient automation and engineering development**
- **India delivers 30-50% costs savings**
- **Low talent acquisition and retention costs**
- **Easier to start in Tier II cities as headcount requirements are not huge**
- **Access to flexible workforce model, enabling scale-up or scale-down without heavy fixed costs**

The work these centres handle is very different from the back-office stereotype. Ahuja estimates that 60–70% of new GCC activity is in technology—AI, product engineering and software—while the remaining 30% spans marketing, design, customer success, IT and procurement.

That is why companies such as San Francisco-based Meltwater, a global media, social and consumer intelligence firm, are coming to India. In 2025, Meltwater started a 60-people GCC in Hyderabad to do research and development (R&D) work, with plans to grow to 150 engineers by the end of 2026.

The Hyderabad GCC is poised to become the company's emerging AI hub. Among the key innovations developed by the India team are MIRA (Meltwater's AI team-mate), which uses generative AI to deliver instant insights through a conversational interface, simplifying complex workflows such as brand monitoring and competitive intelligence to meet the demands of 27,000 customers worldwide.

The Hyderabad team has also built multilingual named-entity recognition (NER) models that recognise entities within text. The NER models analyse content in more than 200 languages and turn raw data into decision-ready intelligence. "It's not only about cost arbitrage. The vision is to have a full-scale R&D operation that does product development and product engineering," says Dhruv Gupta, senior director of engineering and General Manager at Meltwater India.

Pirgal of Bhartiya Converge says: "The real advantage for small GCCs comes from achieving the right balance between cost, quality and value. While Tier II cities offer cost advantages, Tier I hubs deliver stronger value realisation via access to talent."

Many of these GCCs are high-skill centres built around AI, product engineering or cybersecurity with modular infrastructure, pre-built processes and shared services. Headcount in India is no longer a symbolic "big bet" but a variable tightly tied to business priorities.

For DAMAC Group, India's appeal lies in marrying talent depth with global ambitions. In November 2025, the company launched DAMAC Shared Services India (DSSI), its GCC, with a multi-phased hiring strategy across Noida and Pune; it is expected to host more than 100 staff by 2026.

"Professionals in our India centres bring advanced skills in technology AI and business services. DSSI supports core business functions like finance, operations, sales, marketing, HR, commercial and digital. AI and technology adoption are our key focus areas," says Rajeev Chaturvedi, vice president—Capability Centre, HR & Operations International, DAMAC Group.

"The focus is not on cost arbitrage," says Chaturvedi. "The real value lies in the exceptional talent pool in India."

Consultants see this shift to small centres play out in mid-market firms across regions.

"A compact model provides the flexibility to build high-value, niche capabilities and scale up only when it matters. This avoids the overhead of a large infrastructure-heavy centre," says Arindam Sen, partner and GCC sector leader, technology, media and entertainment and telecommunications, EY India.

Sen describes the economics as "cost-smart, not just low-cost."

SMALL IS BIG

• **A slew of smaller capability centres have been set up in recent years**

Name	Year	Location	No. of People Employed
Flutter Entertainment	2023	Hyderabad	**260**
Arch Capital	2025	Hyderabad, Pune, Trivandrum	**250**
Rx Benefits	2024	Hyderabad	**80**
Meltwater	2025	Hyderabad	**60**
Sonatype	2025	Hyderabad	**50**
Deepwatch	2025	Bengaluru	**50**

NOTE HEADCOUNT AS OF DECEMBER 2025. THE LIST IS NOT EXHAUSTIVE BUT INDICATIVE **SOURCE** ANSR

Small GCCs save on real estate and operational costs—especially in Tier II cities—while also benefiting from lower Cloud and digital infrastructure costs.

"Leaner governance reduces compliance, HR and administrative overheads as well," adds Sen.

The mid-to-small global companies want to transform themselves with AI and, hence, focus on niche or nano centres. They are viewing India as a strategic extension of their innovation and engineering ecosystems.

WHY NOT OUTSOURCE?

The geographic mix is shifting, too. While US firms still dominate, Europe is surging. According to NASSCOM, more than 45% companies that set up new GCCs in 2024 were from Europe, with Germany accounting for about 28% of that cohort.

A Stuttgart-based manufacturing firm, for instance, opened a digital engineering centre in Bengaluru with a 75-member team just 18 months ago. What began as a cautious move has evolved into a long-term innovation partnership, with India driving simulation, automation and AI-enabled operations for plants across continents.

Several companies are following a similar script. Deutsche Börse Group, one of the world's leading stock exchange operators, opened a niche GCC in Hyderabad in August 2025. Independent, family owned German company Festo, specialising in automation technology and technical education, has launched an AI-managed product simulation unit in Bengaluru.

Healthcare IT company

“Enterprises are no longer starting with scale. They’re starting with strategy. New approaches like ‘GCC-in-a-Box’ enable firms to establish focussed, high-skill centres around AI and product engineering”

MONICA PIRGAL
CEO, BHARTIYA CONVERGE

“Smaller GCCs enable faster activation with lower strategic risk. The shift is also driven by the fact that this model is a better size fit for revenue and operating scale”

ARINDAM SEN
PARTNER, EY INDIA

Netsmart and Deepwatch have both set up centres in Bengaluru, with Deepwatch planning to grow its team to over 100 professionals in 18 months, focused on advanced AI development and platform engineering.

Given that these are small, sub-700 people centres, often less than 100 people, collaborating with IT services companies might offer better bang for the buck.

Gupta of Meltwater argues that a captive centre offers an edge that outsourcing cannot match. “Our office is a direct extension of our company’s culture and capabilities. We set the bar on the talent we hire. That control is a big advantage, especially when you want to work on cutting-edge technology,” he says.

Meltwater hires AI and software engineers from institutes like IIT Hyderabad, BITS, IIIT Hyderabad and IISc Bangalore, among others, and does not partner with IT services providers for its core work.

“GCC is like an office anywhere else,” says ANSR’s Ahuja. “If, for instance, an ecommerce company opens an office in London to hire AI engineers, they will do it themselves. They won’t go to an IT services firm and say, ‘please help me hire people in London.’ If you’re an engineer in that market, why work for a third-party when you can work for the product company itself?”

Beyond talent branding and training on proprietary technologies, Ahuja points to margins—third-party providers typically add 30–50% mark-up on talent costs—as well as control over proprietary data and IP.

NANO CHALLENGES

For all the promise of building niche capabilities, nano-GCCs face a few real constraints.

EY’s Sen says: “Their key challenges would be leadership depth, brand pull and career pathways. Smaller centres must work harder to attract senior talent, build robust governance and offer clearer growth trajectories.”

Chaturvedi of DAMAC adds: “The key challenge is building a cohesive team across multiple locations while maintaining seamless collaboration with our UAE (United Arab Emirates) and international operations.”

Despite the challenges, the trend is expected to rise. As AI reshapes industries and digital skills become scarcer in home markets, the ability to build capability with minimal inertia is becoming a competitive advantage.

For mid-market firms, a 60- or 250-person GCC in India can be the difference between keeping pace with technology shifts and falling behind larger peers.

If the first two decades of India’s GCC growth was written by global giants, the next chapter may well belong to these nano and micro centres. They won’t dominate skylines or campus maps. But in glass towers in Hyderabad, Bengaluru, Pune and Noida, small teams working on AI, product simulations or precision cybersecurity are quietly rewiring how mid-sized companies operate around the world.

In the coming years, ‘small’ is likely to be very big: compact, focused GCCs delivering high-value capabilities and cost advantages, not from the periphery, but from the core of global operations—anchored in India. BT

Exploring Spain's MEDITERRANEAN GETAWAY

Often overlooked in favour of Barcelona and Madrid, Valencia is the perfect weekend stopover on your next Spanish holiday

BY **PRIYANKA SANGANI**

PHOTO BY **GETTY IMAGES**

ASK AROUND AND there's a good chance that at least one of your acquaintances has recently been to Spain or is planning to visit. Over the last few years, the country has emerged as a popular destination for Indian tourists. The vast majority end up travelling to Madrid or Barcelona, or to islands like Ibiza and Majorca. Few, if any, make it to Valencia—Spain's third-largest city.

I recently found myself planning a Spanish holiday with an eight-year-old, which meant that outdoor activities and parks took precedence over museums, which the country is famous for. Valencia, located on the east coast of the Iberian Peninsula and an easy two-hour train ride from Madrid, proved to be the perfect weekend add-on to our trip to the Spanish capital.

Historically, the city was built along the banks of the Turia river, which was drained and rerouted after a devastating flood in 1957. The riverbed has since been turned into a central park—Jardine des Turia or Turia Gardens—which runs along the centre of the city, dotted with playgrounds and football fields. The most popular among these is Gulliver Park. The central attraction is a 60-metre reclining statue built in the likeness of Jonathan Swift's popular character.

The City of Arts and Sciences (*Ciudad de las Artes y las Ciencias*) is located at one end of the Turia Gardens and is the primary reason that makes Valencia a child-friendly destination. Often called one of the most important modern tourist destinations in the city, it was also the only site from Valencia to feature on a recent 12 Treasures of Spain listing.

MAJESTIC VALENCIA
A view of the Assut de l'Or Bridge, the City of Arts and Sciences

Once a Roman colony, traces of Roman architecture are spread across the city, especially around the central city area. This is interspersed with Islamic influences like the brilliant blue domes that are visible across the skyline, giving Valencia a distinct architectural style. The city is the capital of the Valencia autonomous community, with the port and manufacturing being the main drivers of the local economy. Tourism is important too, and Valencia is a popular destination for Spaniards and Europeans alike.

The Cathedral of Valencia, built in the 1200s, stands in the heart of the city and is an important destination on the global tourist circuit. It is home to the Holy Grail, the cup that Jesus Christ is believed to have used at the Last Supper. The chalice is housed in a separate chapel in the Cathedral and is accessible for a small fee as part of the cathedral tour. For the more adventurous ones, there's the option of climbing just over 200 steps to the top of the Miguelete belltower for a birds' eye view of the city.

If that sounds too daunting, make your way to the Torres de Serranos or Serrano Towers, which were once a part of the ancient city wall.

The historic city centre or Ciutat Vella is a charming cobble stoned area which encourages visitors to walk around. The Cathedral and Basilica are located at Plaza del Reina, which is also dotted with cafes and souvenir stores. A short stroll gets you to Plaza del Ayuntamiento, home to the Valencia Town Hall and other historic buildings which have now been converted into government offices.

CULINARY HAVEN

The Mercado Central, one of Europe's largest and oldest fresh food

PHOTO BY GETTY IMAGES

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1. **Aerial view of Valencia City with the Torres de Serranos and narrow winding streets**

2. **Turia Fountain behind the Cathedral**

3. **View of the entrance of Valencia's Central Market**

4. **View of the inside of Mercado Central**

Once a Roman colony, traces of Roman architecture are spread across the city, especially around the central city area

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markets, is a ten-minute walk from the Cathedral. Almost 100 years old, the market stalls sell a wide range of ingredients and local handicrafts—ranging from fresh meats and cheese to spice mixes. There are also stalls selling fruit cups and juices—the orange juice made from Valencia oranges is a must try. Further inside you'll find food stalls selling local delicacies which are great for a quick bite.

Food is an integral part of the city's history. Paella, one of Spain's most popular contributions to the culinary world, was created here and every restaurant has their own version of this classic dish of rice cooked with meat or seafood. The city also has its own signature cocktail—Agua de Valencia—made from, what else, but Valencian oranges.

NATURAL WONDERS

For a change in scene, take a 20-minute tram ride to Malvarrosa beach. You can lounge on the beach or by one of the many eateries dotting the promenade or take a quick dip in the calm Mediterranean waters. You could also drive a bit further out to Albufera national park—the largest freshwater lagoon and wetlands in Spain. The best way to explore the area is to take a boat ride around the lagoon. The sunset trips tend to be popular but go earlier if you want to go birdwatching—the area attracts up to 300 different species through the year, especially waterfowl and flamingos.

Wind down over tapas back in the city or at one of the other food markets; it's hard to go wrong with food here. Whether it's culture, cuisine or outdoor activities, Valencia ticks all the boxes! BT

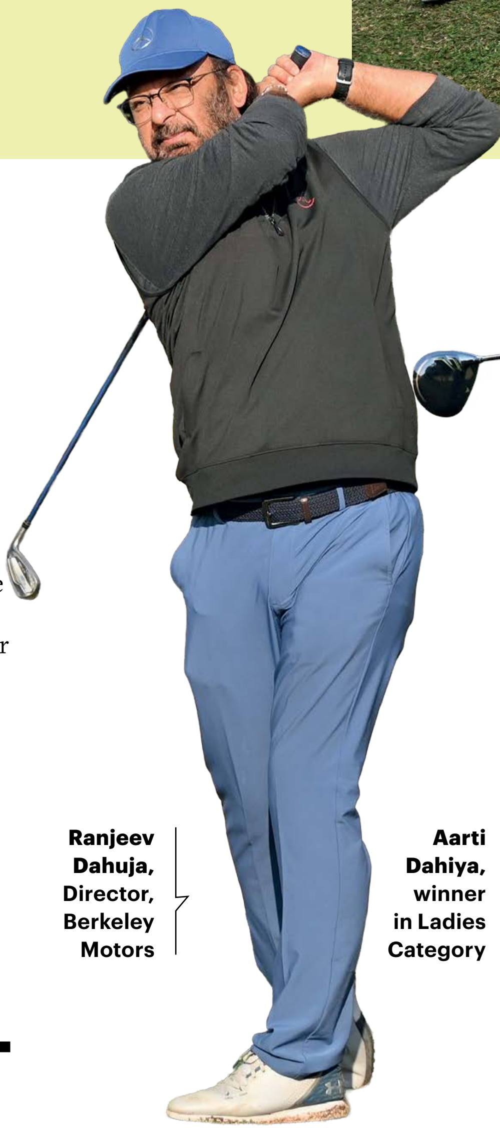
Tee Off In CHANDIGARH

_BT_ GOLF ARRIVED IN CHANDIGARH, WHERE THE SERENE PANCHKULA GOLF CLUB PLAYED HOST TO A DAY OF GOLFING AND ELITE NETWORKING

BY **AISHWARYA PATIL**

THE SPIRIT OF competition travelled north as the *Business Today* Golf tour, presented by AU Small Finance Bank, concluded its high-stakes Chandigarh leg. Following a high-octane season opener in Hyderabad, this event marked the second leg of a journey scheduled to touch down in Bengaluru, Kochi, Chennai, Gurugram, and Mumbai through March 2026. Set against the picturesque and challenging layout of the Panchkula Golf Club, the tournament brought together a powerhouse of Chandigarh's Who's Who, from corporate decision-makers to top government officials, for a day of strategic play and sporting excellence. The day commenced with a distinguished welcome from Alba Smeriglio, British Deputy High Commissioner, setting the tone for the game.

Playing under the Double Peoria format, which rewards both skill and consistency while keeping the final standings unpredictable, the tournament delivered a day of intense leaderboard watching. The technical depth of the field was on full display during the special-hole



Ranjeev Dahuja, Director, Berkeley Motors

Aarti Dahiya, winner in Ladies Category

PHOTOS BY **HARDIK CHHABRA**

Winners and participants of the 26th edition of *Business Today* Golf Tournament, Chandigarh leg, held at Panchkula Golf Club on December 14, 2025

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Developer **Subhash Goyal,** winner of Indian Oil Straightest Drive Hole #11

contests where precision was paramount.

After a long day of aiming for the holes, Aman Bhaika claimed the Qatar Airways Longest Drive on Hole #3 with a powerful 275-yard strike, while Balbir Singh Pannar demonstrated incredible accuracy to win the AU Small Finance Bank Closest to Pin on Hole #4, landing just four feet from the cup. On Hole #11, Subhash Goyal showcased perfect discipline to take the Indian Oil Straightest Drive by landing 'On The Line', and B.P.S. Brar secured the AU Small Finance Bank Longest Drive on Hole #15 with a massive 295-yard effort.


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1 Col T.Y.S. Bedi, winner of 0-14 Handicap Category

2 Aman S Bhaika, Director, East West Immigration Company, winner of Qatar Airways Longest Drive on Hole #3

3 Siddhant Jain, Founder, **Manish Jain** Law Associates, winner of Handicap Category (15-24)

4 Aarti Dahiya, winner of Ladies Category

5 Amarjit Ahluwalia, Head—Corporate Affairs, Arcelor Mittal

6 Dr Balbir Singh Panwar, Director, Panwar Dental Clinic, winner of 4 ft category

7 Vikas Sood, Managing Director, HP Milkfed

8 Ashish Bagrodia, Chairman & MD, Winsome Textile Industries Ltd


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7


8


Umesh Kapoor, Director, Grand Travel Planners

1 Golfer **Shalini Sheron**

2 **Vipul Sehgal,** Director, AVR Fastners Pvt Ltd

3 **Jaskaran Singh Panag,** CEO, Gurjas Solutions

4 **Saguna Jain,** Proprietor, Fundamentals Consultancy Group

Vikas Gupta, Managing Director, Zeiss Pharma Ltd

In the Ladies category, Aarti Dahiya emerged as the winner with a solid 30 points. The Men's Handicap 15–24 category was particularly close, with Siddharth Jain clinching the winner's trophy with 34 points on a better back-nine count, edging out runner-up Varun Roojam, who also finished with 34 points. In the Handicap 0–14 category, Col. T.Y.S. Bedi produced the standout performance of the day to win with 37 points, while Subhash Goyal added to his accolades by securing the runner-up spot with 35 points, again decided by a superior back-nine performance.

Beyond the competitive action, the event served as a vibrant networking hub where players enjoyed a Mini Golf experience hosted by AU Small Finance Bank and exclusive engagement sessions with Qatar Airways.

The prize distribution ceremony was the day's crowning moment, graced by Chief Guest **Ajit Balaji Joshi** (IAS), Secretary of Rural Development and Excise & Taxation, alongside **Subash Sharma**, State Vice President of Punjab BJP, and **Harpreet Babla**, Mayor of Chandigarh.

The success of the leg was elevated by a stellar line-up of partners, including AU Small Finance Bank, IOCL Servo, Qatar Airways, MG Select, ECCO, Da Milano, Bombay Shirt Company, and Allied Blenders & Distillers. As the tour moves toward sits next destination in Bengaluru, the Chandigarh leg stands as a testament to the enduring community and sporting brilliance that *Business Today* Golf continues to nurture. BT

@EyeshwaryaPatil

BEST

Management Advice

PURVI SHETH, MANAGING DIRECTOR, SHILPUTSI CONSULTANTS

"LEADERSHIP SHOULD BE ASSESSED AT THE INDIVIDUAL LEVEL"

Q Despite progress in diversity and female leadership in Indian companies, where do women leadership programmes fall short?

Most programmes remain event-driven rather than systemic. They tend to emphasise training and networking but often fail to address deeper structural barriers like bias in succession planning, absence of strong sponsorship, and rigid organisational cultures. Without embedding accountability into leadership pipelines and organisational strategy, these initiatives risk becoming symbolic gestures rather than catalysts for meaningful transformation.

Q Have you found any significant differences on this front between Indian family businesses, MNCs and start-ups?

Family businesses in India have, in some cases, made notable progress, with certain families actively encouraging participation of daughters—and even daughters-in-law—in business operations. Multinationals typically bring structured diversity frameworks driven by global mandates; however, execution in India sometimes fail to account for cultural nuances. Start-ups, often progressive in mindset, tend to underperform in practice.

Q In a number of studies in India and overseas, women managers have clearly outshone men in their leadership competencies. Could you elaborate?

Inequity is exacerbated by opaque compensation practices. Solutions include pay audits, linking leadership KPIs to diversity outcomes

I am not an advocate of gender-based stereotyping. I have seen male leaders excel in qualities often attributed to women—such as compassion, or collaboration—just as I have seen women demonstrate traits traditionally associated with men, including decisiveness and risk-taking. In today's world, leadership should be assessed at the individual level, with each person evaluated on their unique strengths and attributes, irrespective of gender.

Q Why does gender wealth/salary gaps exist in companies? What can be done to bring parity?

Inequity is exacerbated by opaque compensation practices. Solutions include rigorous pay audits, linking leadership KPIs (key performance indicators) to diversity outcomes, and creating intentional pathways for women into senior P&L responsibilities. Transparent communication around remuneration and promotion criteria is critical.

Q How significant is the issue of women harassment in India Inc?

Under reporting and uneven enforcement weaken effectiveness, while fear of retaliation and reputational damage deter reporting. **BT**

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