NEW DELHI, MUMBAI, BENGALURU, KOLKATA, CHENNAI, AHMEDABAD, HYDERABAD, CHANDIGARH*, PUNE*, LUCKNOW* VOL. 18 NO. 147



mint primer

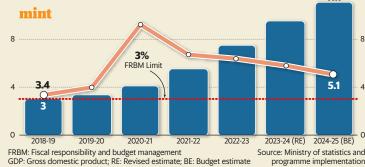
Is India Inc's call for more public capex justified?

BY N. MADHAVAN

Confederation of Indian Industry (CII) president Sanjiv Puri wants a substantial hike in the already-high government capital expenditure. However, experts suggest it's time India Inc did some heavy lifting and invested to support economic growth. Mint explains the issue:

Costly capex

High government capex coincided with a period of high fiscal deficit Fiscal deficit (% of GDP) (right-hand scale) Capex (₹ trillion) 11.1



What is industry's demand?

Speaking to the media last week, CII president Sanjiv Puri sought a 25% increase in government capital expenditure from the ₹11.11 trillion allocated in the 2024-25 interim budget. This, he said, was needed to make the rural sector, which is yet to recover fully from the pandemic as evident from the poor and uneven demand, more resilient. The additional funds, he said, can be deployed for housing, agriculture, warehousing and irrigation. The increase CII has sought will cost the government ₹2.78 trillion more, taking capex as a share of gross domestic product (GDP) from the existing record 3.4% to 4.25%.



Three of the four engines of economic growth-government spending, private consumption and exports-have contributed significantly recently. The fourth, private investment, has remained sluggish for years despite the government's attempt to pumpprime it by way of high government capex. Between FY19 and FY25, government capex has risen from ₹3 trillion (1.6% of GDP) to ₹11.11 trillion (3.4%). The government, in September 2019, reduced the corporate tax rate sharply hoping to catalyze private investment. Despite these efforts, the private sector's reticence to invest heavily continues.

How is this impacting fiscal consolidation

OUICK EDIT Direct tax bounce

Direct tax collections in the first two and a half months-odd of 2024-25 offer an upbeat picture. Net of refunds. the Centre's direct tax collections from 1 April to 17 June climbed a hearty 21% over the comparable period a year earlier to ₹4.63 trillion. Of this, ₹1.81 trillion came by way of corporation tax and ₹2.81 trillion through personal income tax, including revenue from securities transaction tax. The rise in tax inflows overall is encouraging. Sure, some of it might have the first instalment of advance taxes that was due by 15 June to thank. Still, these are healthy figures and suggest that companies and individuals in India are faring well in terms of earnings. However, the bulk of direct taxes are still paid by a small proportion of our population, resulting in a heavy burden that could do with easing. News reports have indicated that finance minister Nirmala Sitharaman's budget for 2024-25, likely next month, could announce some relief for income taxpayers. While this may help, what India needs is a widened tax net. It also needs to ensure that progressive direct taxes don't fall behind regressive indirect levies. This may require the Centre to overhaul both forms of taxation.

MINT METRIC by Bibek Debroy

Chinese employees with a new stress buster, Gather green bananas, cluster by cluster Nurture them until yellow and ripe, Reduces tension, if you are the type. Productivity boosted, with sheen and lustre.



High capex spending moved with fiscal deficit. In FY19, capex stood at ₹3 trillion and the fiscal deficit at 3.4% of GDP. Postcovid, the Centre increased capex and the fiscal deficit stayed much higher than the 3% limit set by the Fiscal Responsibility and Budget Management Act (see chart). Further reduction in the fiscal deficit is not possible if this capex spending continues.

Should the private sector do more?

One of the main reasons for private investment not taking off was surplus capacity. Thanks to revival in demand, both domestic (especially urban) and exports, average capacity utilization has crossed 75%. In select sectors it has exceeded 85%, levels at which capacity expansions are typically greenlit. Corporate balance sheets are much healthier now as debt piled up for expansion has been repaid. Banks too have cleaned their books and are primed to lend. Experts say the time is right to start investing again.

Will the government heed India Inc's call?

Unlikely. Allocating funds for capex is one thing-the ability to utilize it is another. In FY24, ₹10 trillion was allocated but only ₹9.49 trillion was spent. In the interim budget ₹11.11 has been allocated, an 11% increase. It remains to be seen if it will be fully utilized. Also, the government is keen on fiscal consolidation and wants a fiscal deficit of 4.5% by FY26. The central government may maintain its capex at the current level of 3.4% of GDP but will incentivize states and public sector enterprises to spend more.

QUOTE OF THE DAY

If the downward move on inflation were to be fastened. we will have to take into account the sacrifices on the growth front.

SHAKTIKANTA DAS GOVERNOR, RESERVE **BANK OF INDIA**

NEWSLETTERS



TOP OF THE MORNING A daily guide to Mint's best offerings, 'Top of the Morning' is a power



markets, investing and finance. A weekday newsletter produced for the curious business leader in you.



TWICH+ BY VARUN SOOD

A newsletter on India's top five IT services compa-

nies-TCS, Wipro, Infosys, Cognizant and HCL Technologies-and more. 'TWICH+' is your

weekly guide to understanding the industry that put India on the global technology map.



SATURDAY FEELING

BY SHALINI UMACHANDRAN Work and life need balance. 'Saturday Feeling' helps the



scious business leader unwind over the weekend. Compiled by Shalini Umachandran, the

editor of Mint Lounge, this newsletter is your weekly guide to an intelligent lifestyle.

mint

PLAIN FACTS



Why the summers are piling misery on India

BY MANJUL PAUL

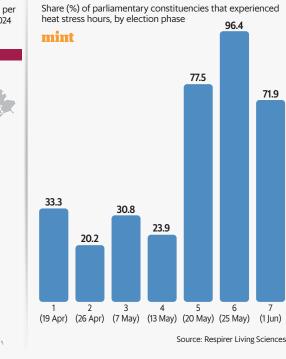
limate change is making heatwaves hotter and more intense all over the world. Over the past few decades, unprecedented temperatures have become more common in India, with 2024 breaking records already. While parts of the country have already received south-west monsoon rains, residents of northern states are eagerly awaiting the rains for respite from the heat. The recent Lok Sabha election also drew much attention due to heatwave conditions. Voters in constituencies spread across 19 of the 36 states and Union territories cast their votes amid dangerously high "heat stress", according to an analysis by Respirer Living Sciences, a climate tech startup. In each of the last three phases (20 May, 25 May, and l June), more than 70% of the constituencies faced heat stress at some point during the voting hours.

"Heat stress" refers to the situation when the heat index—a measure of the apparent temperature that takes into account both temperature and humidity-exceeds 41°C. Delhi, Haryana and Odisha faced the worst, with an average constituency in these states facing 5-8 hours of heat stress in the roughly 12-hour voting window. Uttar Pradesh, Bihar, West Bengal, Gujarat, Andhra Pradesh, and Jharkhand also experienced heat stress for 3-4 hours per constituency.

The heat index is similar to the one India Meteorological Department (IMD) launched last year as an experiment. It relies on a location's air temperature and relative humidity readings from Open-Meteo.com's open-source weather data, which is used to calculate the hourly heat index using the US National Oceanic and Atmospheric Administration's methodology.

Constituencies in Delhi, Haryana, and Odisha were the hardest hit by heat stress

Seats that went to polls during the last three phases were the worst-hit



Heatwave Havoc

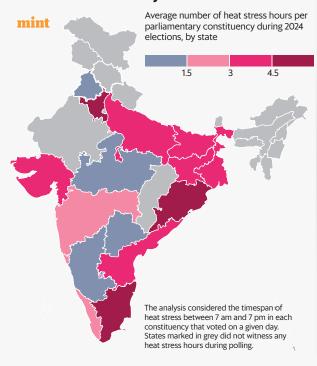
IMD DATA shows that India is indeed in the midst of its longest heatwave periods. Fourteen of the country's 36 weather subdivisions recorded more than 15 heatwave days between 1 March and 9 June, and the spell continues. Barring the North East, coastal Karnataka and Marathwada, the rest of India has been affected by heatwaves at some point this summer. The northern and central belts were the worst hit.

A heatwave is officially declared if the maximum temperature, or the departure from the normal, exceeds a limit

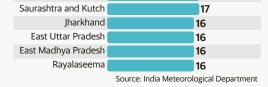
Odisha, west Rajasthan among regions with worst heatwave situation in 2024 Meteorological subdivisions that experienced over 15 days

of heatwave between 1 March and 9 June 2024 mint Odisha

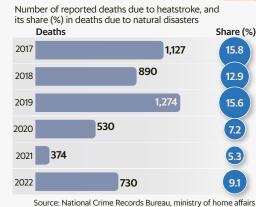
<u> </u>	oaisiia
n 23	West Rajasthan
al 21	Gangetic West Bengal
h 20	West Uttar Pradesh
a 20	Haryana
h 19	West Madhya Pradesh
n 17	East Rajasthan



in at least two weather stations in a meteorological subdivision for at least two days in a row. The highest number of heatwave days seen this summer until 9 June was recorded in Odisha (27), followed by West Rajasthan (23), Haryana (20), and West Uttar Pradesh (20). Even high-altitude areas were not spared, with Jammu and Kashmir recording six heatwave days, Himachal Pradesh, 12, and Uttarakhand, two.



Hundreds of Indians die every year from heatstroke mint



Deadly Summers

MANY LAWMAKERS have, during the recent parliamentary sessions, brought up grave concerns around climate changerelated extreme events. The ministry of earth sciences reported heatwaves in Uttar Pradesh, Odisha, Jharkhand, Maharashtra and Andhra Pradesh as a "major natural disaster" in 2023-the first such instance since 1990. Exposure to heatwaves manifests into heat-related illnesses, commonly known as heatstroke. Data reported by the National Crime Records Bureau puts the number of heatstroke deaths per year at several hundreds. Data from the National Centre for Disease Control shows that heatstroke claimed at least 56 lives between March and May-46 of them in May alone and with data for some states missing. Many more are suspected to have died of heat-related effects. Meanwhile, public information portal Factly recently observed several discrepancies in data on heatwave-related deaths in India reported by different wings of the government.

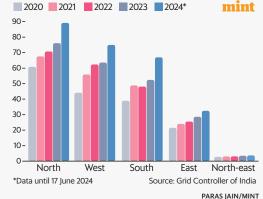
Beat the Heat

ACCORDING TO IMD, 2023 was India's second-warmest year on record, closely trailing temperatures recorded in 2016. The relentless heat also drives up electricity demand as people turn on cooling appliances. During summers, June typically sees peak power demand. This year, peak power demand had hit at least a five-year high by early June.

While the pace of increase in power demand is expected for a developing nation such as India, the escalating deadly heatwaves also threaten to impact labour productivity, especially for those in the informal and non-skilled workforce engaged in outdoor work. Despite climate change gradually finding a place in parliamentary questions, substantial action to mitigate its effect has been lacking. As the 18th Lok Sabha convenes next week, Indians will hope for some discussions addressing the rising heat.

Peak power demand in 2024 has already reached a record summer high

Peak demand met during April-June, by region (in gigawatt)



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PEANUTS by Charles M. Schulz





Firms go extra mile to skip bond listing

Cos raise debt via unlisted arms to avoid compliance burden

Neha Joshi & Nehal Chaliawala

MUMBAI



 $Companies with {\it publicly} {\it traded}$ bonds planning to sell fresh nonconvertible debt papers have to mandatorily list them on stock exchanges, under a new rule that took effect earlier this year. However, the rule has prompted companies to raise debt through their unlisted subsidiaries instead, the people said. The capital raised can then be transferred to the parent through inter-company loans or other mechanisms.

Corporate lawyers said on condition of anonymity that several companies are in touch with them for private placements of unlisted debt through unlisted subsidiaries to avoid the compliance burden that comes with listed papers. Some companies, especially in power and infrastructure, are planning unlisted subsidiaries to house projects requiring high capital investment for this purpose, they added. Private placement is essentially selling bonds to pre-selected investors rather than offering them in the market.

The number of non-convertible debenture (NCD) issuances through unlisted subsidiaries is expected to increase as companies aim to avoid the regulatory compliance associated with listed NCDs, said Venkat-

PRIVATE PREFERENCE

The number of NCD issuances via unlisted subsidiaries is expected to increase as companies try to avoid the compliance burden.

- FIRMS keen on pvt placement of bonds via unlisted units to avoid mandatory listing of these instruments
- LISTED cos having outstanding NCDs to list all new bond issues as per Sebi's recent LODR rule changes
- **PRIVATE** placement of bonds is a bilateral agreement; companies not keen to list these instruments
- **STRUCTURING** transactions this way compliant with the law, say experts
- LISTING entails getting bonds rated, stating details in public, making periodic disclosures

be prominent among companies struggling to secure debt in the domestic market, who will instead turn to private credit funds and other high-risk investors for borrowing.

Last month, resources major Vedanta Ltd's subsidiary Vedanta Semiconductors raised just over ₹18,000 crore through this route from a clutch of private credit funds. The capital was then transferred to Vedanta Ltd via an intercompany loan. A leading Gujaratbased conglomerate is also consid-

ering a similar issue, the lawyers cited above said. Vedanta did not respond to a

request for comment. "Companies typically take into

costs involved in a listed issue before opting for a listed versus an unlisted debt issue," said Manisha Shroff, partner at law firm Khaitan & Co. "Since the amendments to the regulations last year which made the disclosures more exhaustive and stringent, the trend for many

companies has been to opt for unlisted issuances or issuance through their unlisted subsidiaries," Shroff said. Amendments to the Securities

and Exchange Board of India's (Sebi) Listing Obligations and Disclosure Requirements effective 1 January mandate companies with outstanding listed non-convertible debt securities (NCDS) to sell only listed NCDS going forward. However, a

Interest-free state loans may get a 30% increase in budget

Fund allocations

₹75,000 crore to outcomes

The centre has linked

Rhik Kundu

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he Centre is considering allocating a higher amount for 50-year, interest-free loans to states in the upcoming annual budget. Two people aware of the matter said that a chunk of these loans will continue to be linked to reforms by the states, though the list of reforms will be "Allocations to the scheme

could see an increase by 20-30% in the upcoming budget," said the first person mentioned above. The increase is being consid-

ered on the back of the record | FY21, began to be linked to ₹2.11 trillion dividend that the INDIA RISING Centre received

BUDGET 2024 from the Reserve Bank of India mentioned above said on con-

under the special assistance scheme for states for 2024-25 Centre's special assistance to states for capital investment (in ₹ trillion) Budget allocation Actual spending 0.81



*Revised estimate used for 2023-24 Source: Budget documents

PARAS JAIN/MIN A big part of these loans, which were first introduced in reforms that the

Centre wanted states to carry out since FY23.

In its latest edi-(RBI) last month, the people tion, several reforms currently linked to the scheme are likely to be scrapped, and new ones added to the list. These "will help the Centre better implement its policies at the state level", the second person mentioned above said.

"The reforms that need to be scrapped or updated are still being discussed. However, with regards to obtaining a large chunk of the funds under the scheme, states must ensure that they don't use these funds as a substitute for their capex,' the second person added. A finance ministry spokes-

person didn't respond to emailed queries.

In the interim budget for 2024-25 announced on 1 February, the Centre had earmarked ₹1.3 trillion for 'special assistance to states for capital investment', similar to FY24. Of this amount, a chunk of ₹75,000 crore, or 58%, that is

linked to outcomes and reforms by states is likely to be increased significantly in the

TURN TO PAGE 6

Sebi, RBI keeping close watch on surge in derivatives volume

gopika.g@htlive.com MUMBAI

dition of anonymity.

ndia's banking and stock market regulators are monitoring the high volume of trading in the futures and options segment, Reserve Bank of India governor Shaktikanta Das said, but ruled out any sign of overheating in the country s

The Securities and Exchange

take action if necessary, Das said, adding the two regulators have discussed the issue under the aegis of the Financial Stability and Development Council (FSDC).

"Options and futures volumes are larger than nominal GDP of the country. We have discussed this matter with Sebi and they will deal with it," Das

the moment". Das added. Trading in equity derivatives has soared in recent years fuelled mainly by retail investors, sparking concerns among market participants and gov

ernment officials. Derivatives' turnover grew 23-fold over the last five years to reach ₹79,927 trillion at the end of March, NSE data



Auto firms make a case to keep circuit board imports flowing

Citing quality, price and capacity challenges, Indian automakers are seeking exemption from a government order issued this March to impose anti-dumping duty on printed circuit boards (PCBs) imported from China and Hong Kong. >P6

Vi may press govt to convert spectrum dues to equity

Vodafone Idea will urge the government to convert into equity the annual instalment for spectrum payments for FY26-FY27 that will fall due after the moratorium ends by September 2026, chief financial officer Murthy GVAS told analysts at JP Morgan. >P5

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T-shirts, innerwear may find place in textiles PLI scheme

The Centre may bring more products such as T-shirts and innerwear under the ₹11,000crore production linked incentive (PLI) scheme for the textile sector, according to two people close to the development, amid a sharp decline in exports.. >P2

India's top 25 celebs are worth \$1.9 billion in brand value

India's top 25 celebrities were worth an estimated \$1.9 billion in brand value in 2023, a 15.5% y-o-y growth, with remarkable comebacks and steady increases for personalities like Virat Kohli, Ranveer Singh and Shah Rukh Khan. >P7

Retail buying on 4 June pushes FY25 buys to full FY24 levels

Retail investors' humongous cash market share purchase on NSE on the day of poll

Building homes, Nurturing relationships

Gopika Gopakumar

tweaked.

akrishnan Srinivasan, founder and managing partner at Rockfort Fincap, a boutique financial advisory firm specializing in corporate debt. He added that this trend will likely

consideration the disclosures to be made under the listed regime, compulsory rating requirements for listed paper, creditor mix currently in the entity, and timelines and

company that doesn't have any listed NCDS may issue such unlisted financial market. papers. Essentially, a/company can-

Board of India (Sebi) is fully

TURN TO PAGE 6 seized of the matter and will

said at an event organized by ETNow in Mumbai. That said. "all the parameters and indica-

tors of the Indian economy and

financial sector look stable at

showed. Sebi is now considering a series of tweaks to its deriva-

Happiness!

results has catapulted their buying figure in less than two-and-a-half months of the current fiscal year to close to their purchases in each of the two preceding fiscal years. >P4

TURN TO PAGE 6

Across Cognizant, Infosys and Direct taxes kitty swells 21% in FY25 Wipro, office space is shrinking

Gireesh Chandra Prasad gireesh.p@livemint.com NEW DELHI

he central government has so far this year collected ₹4.62 trillion in direct taxes after adjusting for refunds, marking a 20.99% growth annually, the Central Board of Direct Taxes (CBDT) said on Tuesday quoting provisional figures.

This includes corporate taxes of ₹1.8 trillion and personal income tax of ₹2.81 trillion. The personal income tax figure includes proceeds from

securities transaction tax (STT). The Centre had collected ₹3.82 trillion in net direct taxes in the comparable period of the

last financial year.

The latest figures include the first instalment of advance tax collections, for which the due date was 15 June.

The government has in the interim budget for FY25 projected a revenue of ₹10.4 trillion from corporate tax and a revenue of ₹11.56 trillion from personal income tax. The projected growth rate

Varun Sood varun.sood@livemint.com BENGALURU ffice real estate is

shrinking at some of India's top technology services companies, as hybrid work and falling headcounts reduce the requirement for sprawling offices.

Cognizant Technology Solutions Corp., Infosys Ltd and Wipro Ltd saw their real estate footprint shrink last year, company disclosures showed. The three companies

ended last financial year with **TURN TO PAGE 6**



The IT sector firms added the fewest employees in a year. мимт

103.2 million sq. ft of office space, down 3.7% from 107.25 million sq. ft a year earlier. The savings from real estate

support profitability even as the cutback has prompted worries whether these companies will remain India's largest employment generators, leasing vast office spaces across metros and smaller cities.

Cognizant's office space in India shrank 2.76 million sq.ft in a year. The company's annual report showed its India real estate stood at 21.6 million sq.ft. at the end of December 2023, down from 24.36 million sq.ft a year earlier. The Teaneck, New Jersey-based

TURN TO PAGE 6

Boeing's CEO search hits some turbulence

Emily Glazer

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everal high-profile candidates have turned down the chance to run Boeing, complicating the jet maker's search for a new leader amid discussions about whether the next CEO needs to be based near its Seattle-area factories.

Boeing CEO David Calhoun said in

March he would step down by the end of the year. GE Aerospace CEO Larry Culp, widely considered a natural for the job, declined Boeing's request to consider taking over, said people familiar with the discus-

Other potential candidates-

Boeing's operating chief Stephanie Pope and Spirit AeroSystems boss Pat Shanahan-face complications on their path to the top job, while one of the company's own directors, aerospace veteran David Gitlin, also

declined an approach. Calhoun heads to Capitol Hill on Tuesday to testify before a Senate panel in a face-off that promises to

underscore THE WALL STREET JOURNAL. the thorny nature of

the job Boeing is trying to fill. He is expected to be questioned on everything from mounting whistleblower allegations to the chain of events that led to January's near catastrophe in which a piece of fuselage blew off a Boeing 737 while in flight.

Calhoun's successor will and investors.



Some discussions have included whether the next leader should be based near Boeing's manufacturing plants in Seattle. REUTERS

have to deal with those issues, Some of the discussions have while rooting out ingrained included whether the next quality problems that have led leader should be based near Boeing's manufacturing plants to massive production delays in the Seattle area that make and drawn the ire of airline customers, federal regulators 737s and other jets, some of the people said. Boeing moved its

headquarters to Chicago in 2001, and in 2022, the company announced plans to move the main offices to Arlington, Va. It has a factory in South Carolina that produces 787s. The executive search is

being handled by recruiting and advisory firm Russell Reynolds and Boeing's recently appointed Chairman Steven Mollenkopf, a former Qualcomm chief executive. Among the scenarios that have been discussed is having Mollenkopf step into the CEO role for a transition period, especially if the company is aiming for an internal candidate like Pope to take over, the people said. Culp, GE's first-ever outsider

CEO who rehabilitated the

Home Loans

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upto ₹**2 crores**

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With Heartfelt Gratitude

We celebrate this milestone by reflecting on the trust placed in us. We've grown, evolved, and adapted while staying true to our core values and mission.

Thank you to all our stakeholders for being a valuable part of our legacy.



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Import of Chinese goods slows during January-April '24

WEDNESDAY, 19 JUNE 2024

NEW DELHI

Rhik Kundu

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ndia's efforts to boost manufacturing and cut its dependence on Chinese imports appear to have met with some success, with merchandise imports from the neighbour declining in the three months since January before flattening out, according to data from the commerce ministry.

However, the overall bilateral trade remains heavily skewed in favour of China, with Indian industries across sectors

significantly dependent on Chinese manufacturing. Chinese goods imports fell from \$8.96 billion in January to \$8.09 billion in February, \$7.75 billion in March, and was flat at \$7.79 billion in April.

China's share in India's imports, too, declined during January-February, despite a rising trend in overall imports.

During January, while India's total imports stood at \$53.35 billion, China's share stood at 16.79%, which fell to 13.46% in February when total imports rose to \$60.11 billion.

However, China's share in India's imports stood at 13.53% and 14.4% in March and April, respectively, while imports stood at \$57 billion and \$54 billion respectively.

During April, China took the largest share in India's import basket, followed by Russia (9.7%), the United Arab Emir-

Anu Sharma

NEW DELHI

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ndia and South Korea have

begun talks to enhance

rights under their existing

bilateral air service agreement,

two officials aware of the

A bilateral air service agree-

ment gives certain rights to

development said.

T-shirts, innerwear may find place in textiles PLI scheme



Peak power demand in north hit 89GW on Monday.

Peak power demand at new record as heatwave melts North

and to become competitive. MMFs are chemically derived, while technical textiles are utilized in the production of items like personal protective

industry in achieving a positive growth

trajectory", said one of the persons cited

Queries emailed to the spokesperson

The Centre launched the PLI scheme

for textiles sector with an approved out-

lay of ₹10,683 crore to promote the pro-

duction of man-made fibres (MMF)

apparel, MMF fabrics and products of technical textiles in the country to ena-

ble the industry to achieve size and scale

of the textiles ministry remained unan-

swered till press time.

above.

AFP

equipment, and bullet-proof vests. The government has approved 64 applicants under the scheme, with a proposed investment of ₹19,798 crore, projected turnover ₹1.94 crore and employment generation of 245,362.

receiving incentives from 2025-26. 'Between 2018 and 2023,

billion in 2023," said Ajay Srivas-

tava, the founder of Global Trade

Research Initiative (GTRI), a research

group focused on climate change, tech-

for the private sector.

key to production, he said.

Doval and Sullivan assured

private industry due diligence

will be done to resolve barriers

holding up deeper and closer

Industry had representation

India-US ties.

textiles sectors have shown a mixed pattern of India's textile growth and decline. exports as Overall, India's total reported in 2023 exports in these sectors decreased by 7.87% from \$37.16 billion in 2018 to \$34.24

eak demand for power in India's hot, arid northern plains hit a record on The first set of applicants will start Monday, the government said as it continues to implement measures to meet high energy consumption, although the India's trade dynamics in the garments, made-ups and weeks' long heatwave is fore-

Reuters

NEW DELHI

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cast to abate soon. The India Meteorological Department (IMD) has predicted above-normal temperatures for June in the northwest and central parts of the country, making it one of the longest heatwave spells.

Government data shows that there were nearly 25,000 cases of suspected heat stroke and 56 people lost their lives in the sweltering heat across the country from March-May.

The power ministry said demand for power at the peak time on Monday reached 89 gigawatt (GW), the highest ever for the northern region, adding that the strong demand, which has prevailed since 17 May, was "challenging".

The temperature in Delhi was about 44 degrees Celsius late Monday afternoon but the IMD said it felt like 49.2 C.

In Delhi, which is facing a water shortage, the highest daily temperatures have stayed above 40 degrees Cel-

Overall, bilateral trade is still skewed in China's favour. AFP

ates (6.14%), the US (5.9%) and Saudi Arabia (5.9%). India largely imports crude

oil from Russia, the UAE and Saudi Arabia. Top imports from China

include telecom and smartphone parts, laptops and PCs, plastics, iron and steel, chemicals, non-assembled cells, lithium-ion batteries, fertilizers and other electronic goods such as radio transmission and television apparatus parts.

India has been working to cut imports of non-essential consumer and electronic goods from China in a bid to narrow a trade imbalance.

"The rising trade imbalance with China is a concern. In some strategic sectors such as renewable energy and pharmaceuticals, we are dependent on China for raw materials. However, there are other non-essential sectors where such

imports could be cut," said a senior official, who spoke on the condition of anonymity.

The Centre's move is aimed at improving the effectiveness of the scheme approved in Sep '21

The government is considering restructuring the PLI scheme in sectors with slow

Dhirendra Kumar dhirendra.kumar@livemint.com NEW DELHI

> he Centre may bring more products such as T-shirts and innerwear under the ₹11,000crore production linked incentive (PLI) scheme for the

textile sector, according to two people close to the development, amid a sharp decline in exports.

The government will also extend the time provided to an applicant to set up the facility from two years to over three years, the people added.

The Centre plans to tweak the scheme, approved in September 2021, to increase its effectiveness as it has failed to boost India's textile exports, which have declined sharply 11.69% from \$16.24 billion in 2018 to \$14.34 billion in 2023.

Mint reported in April that the Central government is planning a periodic review of its marquee manufacturing incentive scheme

across sectors and make necessary adjustments. The government is

considering restructuring the PLI scheme in sectors with slow progress, and even scrap it in sectors where investor interest is dim and not much progress has been made, the report said.

According to industry stakeholders the scheme would do better by reducing the minimum entry level so that smaller

capital layout is more suited to setting up large textile mills but not apparel fac-

tories," said Pawan Gupta, chief executive and co-founder of Fashinza, a business-to-business global fashion supply chain startup.

"We need a PLI scheme with a lower initial capital requirement for the apparel industry, which is a significant employer compared to mills that are increasingly automated. A substantial base of apparel factories would also act as demand centres for large mills, which might otherwise struggle to sell

government plans to implement "corrective measures to support the textiles

their products," Gupta added. Based on industry suggestions, the

nology and trade.

India, S. Korea discuss bilateral air rights India, US must remain at the forefront of technology: Doval

NEW DELHI

plans to launch flights to ndia and the US must Seoul. IndiGo is eyeing Seoul remain at the forefront of technology as part of their as a destination once it receives the long-range Airbus larger strategic interest and to protect and defend their value I he civil aviation ministry is systems, National Security also assessing the bilateral air Adviser (NSA) Ajit Doval told service agreement with the an industry roundtable UAE, but this is more complifocused on critical and emergcated on account of mixed ing technologies on Tuesday. feedback from Indian airlines. Doval and his American Domestic carriers have been counterpart Jake Sullivan divided over allowing foreign addressed the industry roundtable of CEOs and thought leaders, held as part of efforts to mobilize private sector investment and partnerships in strategic technology sectors, a day after co-chairing the second meeting of the India-US initiative on Critical and Emerging Technology

Sullivan pointed to three important buckets for tech-

He also referred to the progress made in the defence innovation roadmap and startups, and emphasised the importance of the semiconductor industry, according to a statement from CIL





countries, such as use of air space and airports by their airlines. But it also puts a limit on the number of seats and flights.

India has bilateral air service agreements with 116 countries.

The air service agreement between India and South Korea has remained unchanged since 2015 when the capacity entitlement for both countries was increased from six flights per week to 19.

"India and Republic of Korea are assessing the current flight limitations under the bilateral air service agreement between the two coungers a year ago. tries. We are working with them with an intent to increase the permitted number of flights from both sides," said one of the officials cited above.

Air traffic between India

India has bilateral air service pacts with 116 countries. BLOOMBERG

and South Korea has shown eral air rights in 2015 took strong growth since the easing of covid-related restrictions in March 2022. As per the latest data from the Directorate General of Civil Aviation, air cial said. traffic between

the two countries The air service has more than agreement doubled to 54,174 between India passengers in and South Korea Jan-Mar as comhas remained with unchanged 20,378 passensince 2015 In the same

period, total international traffic to and from India grew 18% to 17.9 million passengers. "The enhancement of bilat-

place after two rounds of inconclusive discussions. So. we will see how it goes (this time around)," the other offi-"Discussions are taking place on increasing points of call, the

quarter, Delhi-Seoul is the only direct scheduled service between the two countries

carriers, especially from West Asia, more access to India, the fastest growing aviation market of the world. "Airlines from the UAE have been quite persistent regarding demand for enhancement number of flights

between two countries, and to establish an allcargo route structure for scheduled airlines." As per data for the March

of bilateral air service agreement to include more seats, especially on India-Dubai route. But they also understand our resistance at the moment. We know that there are new airlines, who want a

with Air India, Vistara had

A321XLR by next year.

share of the bilateral air rights too. We are looking into this and will accommodate them wherever there is scope," the first official added.

(iCET). Sullivan is the first senior official of the Biden administration to visit India following the formation of a new coalition government and the iCET meeting agreed on the next steps in the strategic technology partnership and pledged to remove long-standing bar-

Ajit Doval, National Security REUTERS Adviser

riers to strategic trade.

"The US and India have got to remain at the forefront of technology in case we need to protect and defend our value systems and it is part of a larger strategic interest," Doval told the roundtable organized by the Confederation of Indian Industry (CII) and held behind closed doors

He highlighted the role of industry in technology and the progress of iCET since its inception in January 2023, and said, "iCET has achieved more than we could imagine."

nology partnerships—innovasius since 12 May and are fore tion, production, and deploycast to fall below that mark ment. In the important field of only on 26 June. innovation, he emphasized the The ministry said it was able need for government support

to supply power to the northern parts by importing There is bipartisan support 25-30% from neighbouring regions and urging all utilities in the US for Indian industry to minimize forced outages of and building an ecosystem and supply chain manufacturing is equipment.

> This summer has seen a record peak 250GW demand for power throughout the country. The IMD expects respite from the heat from Thursday although the monsoon has delivered a fifth less rain than normal so far this season.

from Thayer Mahan, General Atomics, Jeh Aerospace, Hol-Sweltering heat and policy tec, Cummins, Alsym Energy measures have fuelled a surge and Axiom Space, 3rdiTech, in the use of gas-fired power, BHEL, Bharat Forge, Bharti with power generation dou-Airtel, Bhukhanvala Indusbling in April and May to 8.9 billion kilowatt-hours (kWh) tries. Centum Electronics. L&T, Tata Advanced Systems, compared with the same period last year, according to Tata Power and Tejas Netdata from Grid India.

MINT SHORTS

Housing rent growth slows in top 7 cities; avg hike 2-4% in Q1

New Delhi: Average monthly rent for residential properties has risen 2-4% so far this quarter compared with January-March across seven MINT



major cities, according to Anarock. It said the growth across Delhi-NCR, Mumbai Metropolitan Region, Chennai, Kolkata, Pune, Hyderabad and Bengaluru has moderated with an improvement in housing supply. PTI

pared

SEA seeks end to export ban on de-oiled rice bran

New Delhi: Edible oil industry body SEA on Tuesday

appealed to the government not to extend the ban on export of de-oiled rice bran beyond 31 July, as domestic prices have slumped on increased supply of an alternative animal feed. The government prohibited exports of the commodity on 28 July 2023, citing high fodder prices, with the ban initially imposed until 31 March, and later extended till 31 July. PTI

Infra, realty to get ₹15 tn in investments till Mar '26: Crisil

Mumbai: Infrastructure and realty sectors are likely to get ₹15 trillion worth of investments till March 2026, rating agency Crisil said on Tuesday. The investments will create 50 GW of renewable energy capacity and 25,000

BLOOMBERG km of roads in the infra space, and real estate, it said. "The underlying demand drivers in these sectors remain strong, with regular policy interventions fuelling investor interest," chief rating officer Krishnan Sitaraman said. PTI

Coal India Ltd exploring lithium assets in Argentina



New Delhi: Coal India Ltd is exploring lithium blocks in Argentina, along with a US company, to secure supplies of the metal, a person with direct knowledge of the matter said on Tuesday. The efforts are part of India's membership under the US-led Minerals Security Partnership, which New Delhijoined last year to ensure adequate supplies of minerals to meet zero-carbon goals. REUTERS

'Digital loans up 49% in FY24 by value, ₹1.46 tn disbursed'

work.

Mumbai: Amid wide-ranging concerns about digital lending, an industry body on Tuesday said its 37 member entities witnessed a 49% surge in disbursements at ₹1.46 trillion in financial vear 2023-24. According to Fin-

tech Association for Consumer Empowerment, the number of loans disbursed grew by 35% to more than 100 million borrowings in FY24.

Sebi invites applications to hire executive director

New Delhi: The Securities and Exchange Board of India (Sebi) has invited applications for the post of executive director until 18 July. The appointment will be on a deputation or contractual basis, for a period of three years, the regulator said in a public notice issued last week.PTI

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

RAVI KRISHNAN (EDITOR); PUBLISHED/PRINTED BY MANHAR KAPOOR ON BEHALF OF HT MEDIA LTD, 18-20 Kasturba Gandhi Marg, New Delhi 110001

Printed at HT Media Ltd presses at •Plot No. 8, Udyog Vihar, Greater Noida, Distt Gautam Budh Nagar, Uttar Pradesh 201306; •MNSPrinters Pvt. Ltd, 789, Chowbhaga (W), Near China Mandir, Kolkata 700 105; •MNSPrinters Pvt. Ltd, 76/1, Poonamallee High Road, Velappanchavadi, Chennai 600077; • RNI Registration DELENG/2007/22485; Mint welcomes readers' responses to all articles and editorials. Please include your full name, address and telephone number. Send in your views to the editor at letters@livemint.com. ©2024 HT Media Ltd All Rights Reserved







MINT SHORTS

Healthtech startup Alyve Health raises \$5.5 million Series A funding

Bengaluru: Alyve Health has raised \$5.5 million (₹46 crore) in a Series-A round. The round was led by Axilor Ventures and saw participation from existing investor ICrowd Fund, and Inhealth Ventures. The company also raised venture debt from Trifecta Capital as part of this round. The company plans to use the new funds for growth initiatives across areas like platform development, talent acquisition, operations expansion, improvement of services and higher member engagement. K. AMOGHAVARSHA

Bitcoin touches 1-month low in broad crypto market selloff



Bitcoin touched a one-month low as outflows from digitalasset investment products and the prospect of higher-forlonger US borrowing costs sapped the cryptocurrency market. The largest digital asset shed as much as 2.7% on Tuesday, reaching a level last seen in mid-May, before paring some of the drop to trade at \$65,266 as of 8:04 am in New York. Smaller tokens such as Ether, Solana and Dogecoin also sank. Some \$600 million was pulled from digital-asset products last week, the most since March. **BLOOMBERG**

Ayna bags \$1.5 million in seed funding from Inflexor Ventures

Bengaluru: Ayna has raised \$1.5 million (₹12.5 crore) in a seed funding round led by early-stage venture capital firm Inflexor Ventures. It will use the funding to expand AI capabilities, develop its platform and scale team. It helps brands to create studio-quality product photoshoots at scale without physical photoshoots. Its generative AI eliminates costly overheads, lengthy turnaround times, and creative limitations. K. AMOGHAVARSHA

Rockit secures pre-seed funding from Sauce.VC, others

Bengaluru: Homegrown beverage brand Rockit has raised \$719,299 (₹6 crore) in a pre-seed funding round led by consumerfocused early-stage VC firm Sauce.VC. Rockit has launched products in Harvana and aims to build an omnichannel presence across India starting with Uttar Pradesh, Punjab, Rajasthan and Madhya Pradesh. K. AMOGHAVARSHA

AMD bets big on 'pervasive Al' to keep up with chip race

Aim is to capture a bigger share of AI chip market from Nvidia, which controls 80% of market

EV maker **Fisker** files for bankruptcy

Bloomberg

feedback@livemint.com

lectric vehicle startup Fisker Inc. has filed for bankruptcy after discussions with a major automaker about an investment ended without a deal.

Fisker listed assets of between \$500 million and \$1 billion and liabilities of between \$100 million and \$500 million in its bankruptcy petition filed on June 17 in Delaware. The filing protects Fisker from creditors while it works out a plan to repay them.

The electric vehicle maker sought bankruptcy after earlier announcing weaker-than-expected earnings and plans to cut 15% of its workforce. Fisker in February said there would likely be "substantial doubt" about its ability to continue operating if it can't secure more financing.

Fisker said in March that it secured \$150 million in financing from an existing lender, but the financing was contingent upon the startup securing investment from an unidentified automaker. But talks with the automaker were terminated without a deal, Fisker said.

The bankruptcy comes as electric vehicle makers struggle to adapt to slowing sales in the US and Europe and waning consumer demand. Although enthusiasm for electric vehicles remains strong, nearly 60% of global EV sales in 2024 will be in China, BloombergNEF said

in a January report. Fisker has struggled with with production issues and technical glitches and last year lowered its production guidance. The company follows a handful of other EV startups into bankruptcy.

autonomous driving and other AI-driven functionalities. A distinctive feature of AMD's AI architecture, according to Peng, "is its focus on low latency and power efficiency, crucial for applications like autonomous driving, where real-time processing is critical" AMD has 11,492 patents globally, of which 7,923 have been granted, most of them in the US, according to a 25 April report by 'Insights' from innovation consulting firm GreyB. Of these patents, 572 have been filed from India. Peng underscored AMD's significant

Last May, CEO of AMD entrusted president Victor Peng (above) with the task of executing the company's broad AI strategy.

MI30 and MI350 GPUs, EPYC (pronounced 'epic') server central processing units (CPUs), neural processing units (NPUs) and data processing units (DPUs).

According to Peng, the acquisition of data centre optimisation startup Pensando in April 2022 for \$1.9 billion, too,

THE 'BROAD AI' STRATEGY

AMD'S multiple Al 'PERVASIVE AI' teams were merged into a single entity encompasses not under Victor Peng's leadership

just data centre GPUs but a broad spectrum of apps

AI-capable PCs use dedicated AI

edge devices

Qualcomm provide chips for AI PCs.

architecture is its

Pengpointed out that "pervasive AI"

technology is not confined to PCs but extends to various edge devices, including cars and smart infrastructure. AMD's technology, for instance, powers not only the computational needs for in-car experiences, like what it does for Tesla, but also the communi-

power. An estimated 48 million AI-ca-

pable PCs will ship worldwide in 2024,

predicts Canalys, representing 18% of

total PC shipments. The market

research firm expects vendors to ship 205 million AI-capable PCs in 2028.

Other than AMD, Intel, Nvidia and

presence and investment in India,

highlighting the country's young demographic and vast pool of talented engineers. In July 2023, AMD said it plans to invest \$400 million over the next five years, which included setting up of an AMD campus in Bengaluru to serve as the company's largest design centre, tasks more efficiently and consume less and add about 3,000 engineering roles by the end of 2028.

cation infrastructure that supports

Having set up operations in 2001, AMD has grown to more than 7,000 employees after acquiring Xilinx and Pensando, which had local operations. India now accounts for a quarter of AMD's global workforce and the local

unit is "heavily involved in missioncritical R&D (research and development)" and in partnerships with A distinctive feature of AMD's Al the Tata Group, Reliance Jio and institutions like the Indian Space Research Organisation (Isro) to focus on low latency & power efficiency. drive technological advancements, according to Peng.

> But AMD faces stiff competition from Intel and Nvidia. The overall market for just data centre AI chips in 2023 was \$17.7 billion, with Nvidia accounting for a 65% market share, according to market research firm TechInsights. Intel came a distant second with a 22% market share, while AMD had 11%.

SUNDARAM MUTUAL

– Sundaram Finance Group –

Read an extended version of this story at livemint.com.



Huawei weighs app store purchase fees



on in-game purchases. Hua- ecosystem below market wei has not yet made a final competitors.

is "enhancing its (AMD's) capabilities in networking and integrating AI technologies across AMD's product range". This integration is evident in the development of the first x86 AI PC with a "fully integrated monolithic NPU, termed XDNA", according to Peng.

accelerators such as NPUs to handle AI

PENG points out 'pervasive Al' isn't confined to PCs but extends to various

uawei Technologies Co. is considering taking a cut of in-app purchases on its Harmony mobile operating system, underscoring its growing confidence in competing with Apple Inc. in the world's largest smartphone arena. The Shenzhen-based com-

pany is weighing a commission lower than the typical 30% cut that Apple and Alphabet Inc.'s Google take for payments made via their mobile stores for things like apps, games, movies and music subscriptions, according to people familiar with the matter.

Huawei has kept Harmony OS fee-free until now, as an enticement to bring developers and publishers on board.

For games in particular, which account for the majority of mobile app store reve-

The firm is considering a cut lower than the typical 30%

with Google, the proprietor of that Apple and Google take. AP Android.

nue, Huawei has been discussing a fee of about 20% with developers, the people

said. They asked not to be identified as the information is private.

Rival Android store operators in China, such as Xiaomi Corp., charge as much as 50%

decision and its plans could still change, according to the people. Huawei's imminent move

sanctions cut it

off from working

details.

Leslie D'Monte

NEW DELHI

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dvanced Micro Devices,

Inc. (AMD), the US fabless

chipmaker, is betting big

on artificial intelligence

(AI) to not only power the

chips used in data centres but also

those used in personal computers or

PCs, mobile devices, cars, factories and

smart cities. The aim is to capture a big-

ger share of the AI chip market from

Nvidia, which controls about 80% of

the market, on the back of escalating

demand to implement and scale up AI

opportunity for AMD," CEO of AMD,

Lisa Su, told investors during the first-

In May 2023, she entrusted presi-

dent Victor Peng with the task of exe-

cuting the company's "broad AI strat-

egy" and "significantly accelerating this

key part of our business," for which she

merged AMD's multiple AI teams into

a single entity under his leadership.

Pengasserted that "the concept of 'per-

vasive AI' is central to AMD's vision".

graphic processing units (GPUs)

but a broad spectrum of applica-

tions including servers, network-

ing, edge computing, and various

AI-enabled devices in smart cities,

smart factories, and automotive

industries," he said in a video inter-

view from his US office last week.

Peng, who rejoined AMD in Feb-

ruary 2022 after the company com-

pleted its \$35 billion acquisition of Xil-

inx where he was CEO, is responsible

for shaping AMD"s AI strategy across

its product range that includes Ryzen

processors for AI PCs, the Radeon RX

7000 Series graphics cards for gaming,

customisable chips, integrated system

chips, AI accelerators like MI325X, the

"It encompasses not just data centre

quarter earnings call this April.

"AI represents an unprecedented

and generative AI projects.

suggests the Chinese tech software and Google's conglomerate feels it has grown its user and developer strong progress over the past base to the point

This highlights its where it can begin collecting confidence in rent. The company shifted to its in-house Harmony OS after US

A Huawei representative

said that it is untrue that Hua-

wei is discussing with game

developers about a fee of

some 20%, without providing

The envisioned commis-

sions would still place Hua-

wei's 4-year-old Harmony

has learned. To be sure, these

focus areas are similar to key

ventures.

During his tenure

at Nabventures, Ran-

ian was instrumental



ket. Huawei has seen increased demand for its



5G smartphones after it released the Mate 60 Pro with an advanced Chinamade chip last year. Its net

The company has to con

vince both users and app

makers to embrace its third

option, after Apple's iPhone

Android, though it has made

year with its

return to promi-

nence in China's

premium mar

profit rose 564% in the first quarter as it took market share from Apple and others. Its Harmony OS also overtook iOS in terms of market share in China in the January-March period, according to Counterpoint Research.

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Nabventures ex-CEO starts his own firm

Aman Rawat

aman.rawat@livemint.com BENGALURU

ajesh Ranjan, former chief executive officer of Nabventures, a venture growth equity fund that invests in agriculture, food, rural businesses and agri/rural financial services at early to mid-stage, has floated his own investment firm to invest in growth stage opportunities in India, VCCircle has learned.

Ranjan, who joined Nabventures in 2018 and was instrumental in raising the initial fund of ₹598 crore, has now established BlackHill Fund Management, an investment firm based in Mumbai.

An email sent to Ranjan didn't elicit a response till the time of publishing of this story.

BlackHill Fund Management is currently in the process of receiving the in-principle approval for its maiden cat-



Rajesh Ranjan, former chief executive officer of Nabventures.

egory-II alternative investment fund (AIF) from securities regulatory Sebi, VCCircle | investment segments of Nabhas gathered.

VCCiRCLE The fund will invest in opportunities in certain seg-

ments, including consumer, in setting up the maiden fund, financial services, climate, and raising capital from limited food and agritech, VCCircle partners, hiring, investments

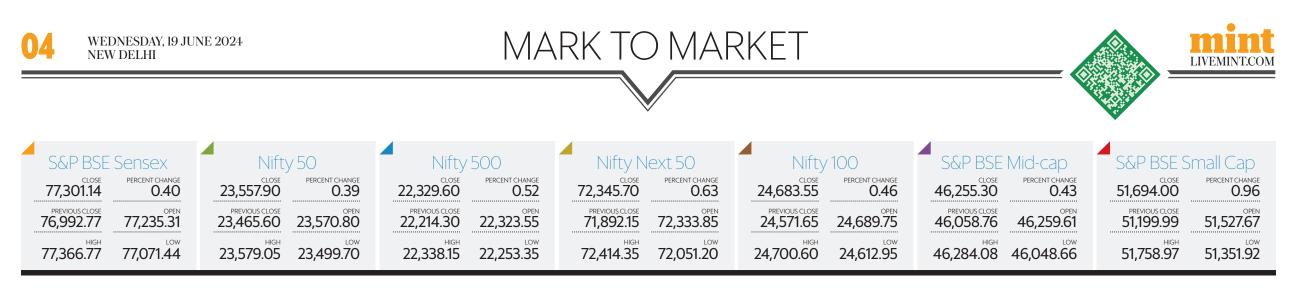
and exits, among others. He invested the fund across 13 companies. Some of his investments include Vilcart, Beyond Snack, and Jai Kisan. He also managed a successful exit from Fraazo.

Ranjan is a seasoned investment professional. In the past, he was the director of investments at CapAleph Fund, an early-stage equity fund with an initial focus on investments in food, agribusiness and financial services firms.

Previously, he has worked with a slew of investment banks such as Asia Cap Advisors (erstwhile India Capital Advisory and Investment Holdings), Destimoney Securities and Transwarranty Finance.

He was also a part of invest ment teams for Q Investments LP and IDFC Proprietary Equity Investments. He has an MBA from IIM Calcutta and a degree in Economics from St. Stephen's College.





MINT SHORTS Why the Street is cold to JSW Steel

'Global investors bullish on record-hitting stock market'

Global investors are likely to keep pumping money into record-hitting stock markets, according to a survey by Bank of America Corp. Answering a question about the asset class that would benefit most from a reallocation of money-market funds, 32% of respondents opted for US stocks. Another 19% said the cash would go into global equities, while a quarter of the respondents indicated they would buy government bonds. The survey-conducted from 7-13 June, and canvassing 206 participants with \$640 billion in assets under management-showed investors remained the most bullish since November 2021, with cash levels in money-market funds at a threevear low. Cash funds currently have about \$6.1 trillion in assets, according to data compiled by *Bloomberg*. Long bets on the so-called Magnificent Seven technology behemoths such as Microsoft Corp. and Nvidia Corp. now stand at 69%. BLOOMBERG



Germany has been jolted by the most severe slump in the property sector in decades. REUTERS

German home building permits nosedive in April

Building permits for apartments in Germany fell 17% in April from a year earlier, government data showed on Tuesday, underscoring a continued downturn in demand in the construction and real estate industry. Germany has been jolted by the most severe slump in the property sector in decades. Some 17,600 permits were issued, which is 17% lower than a year earlier, the data showed, making for a nearly 44% drop over the past two years. "Since May 2022, the number of building permits for apartments in Germany has only gone in one direction: downwards," said Tim-Oliver Mueller, head of the German Construction Industry Federation. The number of building permits is an important indicator of future construction. For years, low interest rates, cheap energy and a strong economy sustained a boom across the German property sector, which broadly contributes 730 bil-

Ashish Agrawal feedback@livemint.com

teel demand in India is booming, thanks to rapid economic growth and the government push on infrastructure spending. Yet, the Street does not seem excited about the prospects of JSW Steel, one of the largest domestic producers of the metal.

So far this year, JSW Steel shares have risen by 5.4%, underperforming peers like Tata Steel Ltd and Steel Authority of India Ltd that have returned at least 20% each.

At first glance, that is somewhat puzzling since JSW is poised to take advantage of robust demand by building capacity. By September 2027, its capacity will increase to 43.5 million tonnes per annum (mtpa) compared to 29.7 mtpa at the end of March. Around 6.5 mtpa will come on-stream as soon as the December quarter.

Moreover, the company has guided for sales volume of 27 million tonnes (mt) for FY25, up 8% from a year ago. For FY26, the target is 30 mt. Analysts at JP Morgan Pvt. Ltd predict the company could grow its Ebitda at an average 20% annually in the next few years.



So far this year, JSW Steel shares have risen by 4%. BLOOMBER

Steel prices are rising. They are near ₹46,000 per tonne in June compared to an average of just under ₹43,000 per tonne in the March quarter. Prices of coking coal, a key input in steel making, have fallen by 12% year-on-year or \$22-27 per tonne, in the June quarter. While JSW Steel has all these factors

In repair mode

JSW Steel's operating performance in FY24 was aided by higher volumes and lower production cost Ebitda (in ₹ crore) Ebitda Margin (in %) (right-hand scale) 40,000 40 30,000 20,000 10,000 0 FY20 FY24 mint Note: Ebitda is earnings before interest, tax, depreciation and amortization Source: Company Presentation

in its favour, the Street's indifference to the stock may be explained by its financial performance in the March quarter. The company's earnings per share fell short of the median estimate of analysts polled by *Bloomberg* by about 42%. As both input and output prices sta-

bility to improve in the June quarter. Nonetheless, there are a couple of challenges in the medium term.

One, steel imports from China are rising, particularly because of a slowdown in that country. Imports rose 37% in FY24, reaching nearly 10mt. The recent increase in import duty by the European Union (EU) on certain products from China can further PRICKLY ISSUES

China are rising.

of a slowdown in

market is prone to

price volatility, and

that country

particularly because

increase excess capacity in China and raise the threat of dumping in India. **STEEL** imports from

Two, the coking coal market is prone to significant price volatility. $\bar{\mathrm{S}}\mathrm{ome}$ grades of the fuel record price fluctuations of as THE coking coal much as \$300 per tonne, affecting JSW Steel's profitability. While this is a sector there is threat of an specific issue, the threat of earnings erosion earnings deterioration is relatively higher for JSW

Steel given its massive capex and debt. The company has invested about R17,000 crore for expansion in FY24. It will spend at least ₹20,000 crore in each of the next three fiscal years to build capacity. In FY24, a strong Ebitda helped reduce its net debt to Ebitda bilise, analysts are projecting profita- | ratio to 2.62 times from 3.2 times in | stock's performance.

FY23. Debt has likely peaked but there is a possibility of some increase in the coming quarters owing to a rise in working capital, the management said.

To be sure, to reduce its cost of production and insulate itself from raw material price volatility, the company is also investing in backward linkages to increase its iron ore mining capacity.

It also announced the acquisition of 92% stake in a cok ing coal mine in Mozambique last month. The mine has 270mt of prime coking coal and total reserves of 800mt. However, gains from this acquisition are some time away. Apart from regulatory approvals, the company needs to work out the logistics of mining and transporting the fuel to its factories. The stock is now trading

at 12 times expected earnings for FY26, showed Bloomberg data, in line with the multiples for Tata Steel and SAIL, both of which have yielded higher returns. Thus, the timely commissioning of new capacity, which will boost its earnings outlook, is a critical trigger for the

Realty price hikes brace for litmus test over the course of FY25

Harsha Jethmalani harsha.j@htlive.com

he real estate market, buoyed by strong demand in FY24, is now bracing for potential dampeners.

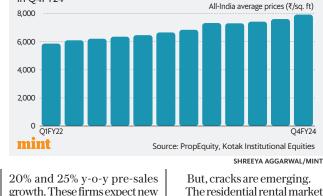
Rapid inventory depletion, particularly in the premium and luxury segments, helped these firms close FY24 with strong pre-sales or bookings, bolstering their confidence to implement price hikes. Average price of a housing unit hit ₹7,938 per sq. ft. in the March quarter (Q4FY24), marking a multi-year high with an 8% year-on-year

tional Equities data shows. Realty stocks have been rewarded for their resilience in presales despite an elevated interest-rate environment. Over the past year, Nifty Realty index has surged 122%, outperforming the Nifty50 benchmark which rose 25%. But, FY25, with many project launches and supply, may challenge this optimism.

Listed companies have set ambitious pre-sales targets for FY25, despite a high base of FY24. For example, Macrotech Developers Ltd (Lodha) aims for a 20% compound annual growth rate in pre-sales. And, God-

Inching higher

Real estate prices at an all-India level rose to a multi-quarter high in Q4FY24 All-India average prices (₹/sɑ. ft)



indicated that rental prices in key micro markets across major cities rose a modest 2-4% sequentially in the second quarter of 2024, compared to a 4-9% increase in the first quarter. The top seven cities are set to

deliver 531,000 new units in 2024, compared tFFo 435,000 units in 2023, representing a 22% annual increase in supply if delivery schedules are on track, Anarock said. This influx could exert further pressure on rental rates, diminishing the investment appeal of real estate.

Additionally, expected delays

ants data, released on Tuesday, rising prices, potentially causing prospective homebuyers to postpone their purchasing decisions. After the sharp rally in listed realty stocks, valuations have become expensive and require robust pre-sales growth in FY25 to justify them.

In the near term, the Union Budget is a critical event. A new scheme to revitalize the affordable housing segment would be welcome. Companies with exposure to Mumbai and Pune markets should keep an eye on Maharashtra elections, likely in H2FY25, as any changes in stamp duty for residential prop-

o-v) and 4% sequential rise.

head, digital business, Kotak

Securities, agreed, but warned

against irrational exuberance.

"Prima facie, the numbers sug-

gest that individual investors

have turned smarter, in terms

of buying dips and selling ral-

lies. But having said that, they

haven't been privy to continu-

ous drawdowns that happen

day after day and make the

previous day's dip seem like

the tip of the iceberg. It goes

without saying that caution

Data from NSE shows that

the highest quantum of retail

direct buying of ₹1.64 trillion

was in FY22. The subsequent

years witnessed substantially

reduced buying but the tempo

of purchases so far this fiscal,

particularly after the elections,

shows that retail investor int-

erest has been rekindled, esp-

ecially in mid- and small-caps.

fund inflows and direct retail

investments, broader market

indices have outperformed the

large caps. While Nifty has ret-

urned 25% to 23,465.60 over

the past year through 14 June,

Nifty Smallcap 250 has gener-

ated a 63% return to 16,845.55

while the Nifty Midcap 150 has

given a 58.25% return at

However, Sharad Shah, a

well-known stock market

trader, is unremitting on the

He believes that the current

ing profits without paying

ram.sahgal@livemint.com

Read an extended version of

retail frenzy.

20,698.25 through 14 June.

Thanks to relentless mutual

should be the buzzword."

rej Properties Ltd, and Prestige PropEquity and Kotak Institu- | Estates and Projects Ltd target | portion of pre-sales in FY25.

launches to drive a substantial

is feeling the strain of oversur

because taking multiple view-

points into account improves

I do not see reforms slowing

However, I have an issue

with the very definition of

reforms, whereby measures

that benefit businesses or

investors are considered

reforms, whereas spending on

basic food, health, and educa-

tion for the masses is consid-

Again, as in the case of com-

Spending on nutrition, edu-

cation, and health improves

the quality of human capital.

What is your view on the

I do not see valuations

pany manage-

ment, the

short-term and

the long-term

ered populist and freebies.

have to be balanced.

decision-making.

down.

in interest rate cuts could keep erty purchases could significa | ply. Anarock Property Consult- | home loan rates elevated amid | ntly affect investor sentiment.

Mark to Market writers do not have positions in the companies they have discussed here

'Indian stock market is not at bubble levels' **Retail buying on 4 June pushes** FY25 buys to full FY24 levels Nishant Kumar ing at the Nifty or Sensex PE is nishant.kumar@htmedialabs.com

Ram Sahgal & Sneha Shah MUMBAI

etail investors' humon-R gous cash market share purchase on NSE on the day of the Lok Sabha election result has catapulted their buying figure in less than twoand-a-half months of the current fiscal year to close to their purchases in each of the two preceding fiscal years, a sign of a possible behavioural shift from the past, according to market watchers.

The category net purchased shares worth ₹21,178.94 crore on 4 June when the Nifty tanked 8.5% to 21,884.50 points from the previous session after the BJP failed to secure a majority on its ownwinning 240 seats against an anticipated 330-in the Lok Sabha elections.

The purchase on that single day accounts for almost 46% of the total purchase of ₹46,383.8 crore in the fiscal year through 14 June, as per NSE data. In comparison, their net purchase stood at ₹47,180 crore in FY24 and ₹49,206 crore in FY23.

FIIs net sold shares worth ₹12.511.07 crore and mutual funds offloaded equities worth ₹6,249.12 crore on 4 June.

The Nifty has since then rallied 7.6% to Monday's closing of a record high 23,557.9 points.

NSE enjoys a 93% market share in the capital market segment, clocking an average daily turnover of ₹1.18 trillion against BSE's ₹8,494 crore average daily turnover so far

Upping the ante Retail investor buying in NSE cash market (in ₹ crore)

mint FY21 68,400 FY22 164,000 FY23 49,206 47,180 FY24 46.384

FY25* *Till June 14 Figures rounded off Source: NSE

this fiscal year.

Market mavens see retail interest as a behavioural shift from being "last in-first out" prior to the pandemic to "buying the dip and selling the rally", after the event. The caveat is that the post-pandemic retail entrant hasn't seen a 20% plus drawdown

and should be cautious. "It seems they have been buying the dips and selling the rallies, against typically being last in-first out prior to the pandemic," said Siddhartha Khemka, head of retail research at Motilal Oswal Financial Services.

Khemka adds that in the absence of a serious market correction post the March 2020 pandemic, when markets tanked 38% in a little over a month to a low of 7.511.10 on 24

March, there haven't been any lot of retail investors are chasserious long-lasting market corrections and warns that this heed to market fundamentals. should act as a "leash" on "greed"

Ashish Nanda, president & this story at livemint.com. NEW DELHI

he stock market, at least for the large-cap mainstream stocks, is not in a bubble, and they are still below the long-term trendline, says Devina Mehra, founder, chairperson and managing director of First Global, a PMS and Smallcase manager in India, that also manages global funds and portfolios.

In an interview with Mint, Mehra shares her views on the key triggers for the Indian stock market and how one should play the mid-cap and small-cap segments. She also discusses sectors she is positive about at this juncture. Edited excerpts:

What is your overall medium-term outlook for the Indian stock market?

I remain positive on the Indian market for the medium term, although there may be interim volatility.

We are playing this by being fully invested in First Global's PMS (portfolio management services) portfolios but being partially hedged.

The broad reason for this is that the market had a very poor performing decade from 2010 to 2020 where instead of the 15-16% compounding that we expected, the Nifty and Sensex compounded only around 8.5%-hardly beating fixed deposit returns.

This created room for a bull market in the present decade. However, I am less positive about the outlook of some frothy areas in the market like micro-caps and small-caps.



On triggers, my view is stories are often found post facto to explain market moves, and exactly the same reasons car be found to justify both an upmove and a decline.

Of course, one concern area remains: the poor growth in private consumption (the largest GDP segment), which grew at only 4% in the previous year. This has an impact on earn-

ings of companies, especially those selling to any segment other than the affluent class. As the BJP

has failed to INTERVIEW secure a

majority on its own and a coalition government is at the Centre, do you think the scale and pace of policy reforms will be curtailed?

Data shows that coalition current market valuation? governments are good for the country, economy, and marreaching bubble proportion, at least for the large-cap mainkets-somewhat unexpectedly-not just coalitions that stream stocks. lasted five years but even unstable ones like when Deve Gowda and I.K. Gujral were prime ministers. extreme levels either.

My view is that this is

not very meaningful as, over the years, the composition of each of these indices has undergone a huge change.

If you want to look at PEs at all, we should look at sectoral indexes-like autos, IT, met-

als, and so on. In none of these do we see that PE ratios are very high relative to history. This decade of big under-

performance created room for the stock market to grow. However, if we plot the market's returns, we will see that they are still below the longterm trendline. The risk of a big crash is when you are way above the

trendline. What should be the investment strategy for the next two to three years?

I certainly think that if you **Devina Mehra** look at micro-

caps and stocks below ₹5,000 crore market cap, there is more than a little

froth there, and investors should limit their exposure there.

It is also because risk management measures do not work well for this segment as neither can you hedge those via Nifty options (as those stocks do not necessarily move with the Nifty), nor do stop losses work well here as the stocks can fall very rapidly without allowing you to sell. Remember, in every small

In price-earnings ratio (P/E) terms, we are not at very low cap bust, hundreds of stocks levels, but we are not at disappear, never to return. Remember this when small-

Also, remember that lookcap managers and advisors tell

you they have compounded 50 or 60% for two or three years.

If you go back five or seven years the picture may be completely different.

This is a risky area of the market, and if you are lucky enough to have made money here, book most of your profits and reinvest in steadier stocks.

What sectors are you betting on at this juncture?

The sector we have been overweight on for nearly three years now has been industrial machinery and capital goods although most other fund managers seem to have discovered it only

in 2023. Market moves are However, a often explained considerable post facto, and the

same reasons justify an upmove and a decline.

Founder, chairperson and MD of First Global

year and a half,

auto components, pharmaceuticals, and some construction names.

We also added some metals a few months ago, but I may not necessarily recommend them now.

Very diverse companies are under the PSU umbrella, from PSU banks to oil and energy to defence and manufacturing all with different dynamics.

The sub-segments that we are relatively overweight are PSU banks relative to private banks.

Read an extended version of this story at livemint.com.

part of the move in this sector is now over, and we have been cutting back,

although we are currently still overweight. Over the last

we have added automobiles,



Voda eyes \$1.1 bn stake sale in Indus **Towers**

Reuters feedback@livemint.com **BENGALURU**

odafone Group will sell about 10% stake in Indus Towers for as much as \$1.1 billion on Wednesday, per a term sheet seen by *Reuters*, as a part of the British firm's efforts to repay debt.

Last week, Reuters reported that Vodafone was mulling to sell its stake in mobile-tower operator Indus Towers, in which it owns a 21.5% stake via various group entities.

Vodafone plans to repay part of its \$42.17 billion net debt using proceeds from the Indus Towers stake sale, people familiar with the matter said last week.

Vodafone will sell roughly 268 million shares in Indus Towers through stock market block deals in Mumbai at a price range of ₹310 to ₹341 per share, valuing the stake between \$996 million to \$1.1 billion, the term sheet showed on Tuesday. The midpoint of the price range is at a 4.5% discount to Indus' stock closing price on Tuesday, but roughly in-line with its close on Friday after Reuters reported on the sale. Indian markets were closed on Monday.

Vodafone has hired Bank of America, Morgan Stanley, Jefferies and BNP Paribas to manage the stake sale in Indian stock markets, the term sheet showed.

Vodafone and Indus Towers did not immediately respond to Reuters' requests for comment.

Block deals, where investors sell shares in stock markets, have become increasingly popular in India as the market has surged to record highs.

ASSOCHAM

Vi will seek to convert govt dues into equity: JP Morgan

The telecom operator had raised ₹18,000 crore from the country's largest FPO in April

Gulveen Aulakh gulveen.aulakh@livemint.com NEW DELHI

odafone Idea (Vi) will urge the government to convert into equity the annual instalment for spectrum payments for FY26-FY27 that will fall due after the moratorium ends by September 2026, chief financial officer Murthy GVAS told analysts at JP Morgan, after the debt-laden telecom firm raised ₹18,000 crore in a follow-on public (FPO) offer in April.

In a note to clients, JP Morgan said that the company expects to have adequate cash to repay annual government dues starting FY28.

"Vodafone Idea believes that post moratorium-end next year and spectrum payments restarting, it will need government support in FY26-27 and after that it believes its cash generation should be sufficient to repay annual government dues,' analysts at the brokerage said in the note seen by Mint.

The Aditya Birla Group-promoted telecom services provider owes the government \$24.5 billion or more than ₹2 trillion for spectrum bought in prior auctions as well as dues from adjusted gross

revenues or AGR, that it needs to start repaying. In FY26, it must pay owed by Vi to the \$3.5 billion, then \$4 billion each year from government for FY27 to FY31. spectrum

"Given its cash crunch, it is in favour of converting the deferred amount (\$3.5 bil-

lion) of this debt into equity from FY26, which we assume happens at ₹10 per share, driving dilution," the analysts added. Despite this payment, it would still be saddled with a \$21 billion debt.



, JP Morgan said that the company expects to have adequate cash to repay annual government dues starting FY28.

Vodafone Idea chief executive Akshaya Moondra had told Mint in an interview ahead of the FPO that it may seek government support based on its ability to pay the dues when the mora-

torium ends. 'This will not be every year but in the initial couple of years the possibility could be high," Moondra had said.

The country's thirdlargest telecom operator by subscribers had opted for a four-year moratorium on payments for 5G

spectrum bought in the last auctions in 2022, which was offered by the government as part of a reforms package to improve the financial health of the telecom sector. The reforms also provided the option for telcos to covert the interest on dues

and the principal amount of the dues into equity which can be held by the government.

"Government conversion is an option that could come from the promoter if they believe that is the right thing to do. Also, there is a possibility that the government may not

stake held by the

government in

Vodafone Idea

want to increase equity and defer it," Moondra had said. With a 24.27% stake,

the government is currently the single largest shareholder of Vodafone

Idea. This can rise to 35% if it decides to convert its dues (the deferred amount of \$3.5 billion) to equity, Moondra had added.

The holding could decline to 23.2%, following a preferential issuance to equipment vendors Nokia

and Ericsson that is set to be approved next month. The vendors will hold 1.5% and 0.9%, respectively, in lieu of some of the dues that the carrier owes to the European firms. It is also in discussions to pay Indus Towers dues

amounting to ₹10,000 crore. The carrier that raised ₹18,000 crore from the country's largest FPO in April is currently in talks

with banks to get ₹35,000 crore in loans, which it plans to spend on launching 5G services and

expanding and deepening the availability of its 4G services. The capex push of ₹50,000 crore to ₹55,000 crore planned for the next three years is aimed at becoming competitive to rivals Bharti Airtel and Reliance Jio.

KKR, 2 others eye 24% stake in Nxtra Data

Utpal Bhaskar & Gulveen Aulakh

NEW DELHI

t least three contenders have queued up for Carlyle Group's stake in telecom major Bharti Airtel's data centre arm Nxtra Data Ltd, according to two people aware of the development.

Private equity giant KKR Singapore's sovereign wealth fund GIC Holdings Pte. Ltd, and digital infrastructure-oriented alternative asset manager DigitalBridge Group Inc are in the fray for the 24% stake. The deal will likely have an

enterprise value of around \$700 million, the people added. The secondary minority sale deal process is being run by Bank of America.

"The stake sale process is ongoing," said one of the two people cited above who did not want to be named. Carlyle through its affiliate CA Cloud Investments acquired 24% in Nxtra for \$235 million or about ₹1,800 crore in

2020. While the Nxtra Data American equity firm is selling its large network of entire stake, secure and Bharti Airtel consustainable tinues to hold the data centres remaining stake. Queries to KKR, Carlyle Group,

Bharti Airtel and GIC remained unanswered as of Tuesday evening. Bank of America and DigitalBridge Group declined to comment. The Economic Times had

reported on 22 February that ADIA, Stonepeak, Permira, GIC, KKR and DigitalBridge were being tapped to acquire Carlyle's stake. There is significant investor

rent 200MW capacity to 400MW by 2025. interest in India's digital and physical infrastructure space. A utpal.b@livemint.com



10th National Summit Non-Banking Finance Companies

Bharti Airtel continues to hold 76% stake. case in point being New Yorkbased PE firm I Squared Capital and alternative investment firm Stonepeak vying for Vodafone Group's 21.5% stake in Indus Towers in a deal potentially valued at around \$2.3 billion as reported by Mint on

offers a

in India

Monday. Gurugram-based Nxtra Data Ltd, a subsidiary of India's second largest telecom carrier that began operations in 2013, offers a large network of secure and sustainable data centres in India to leading enterprises, hyperscalers,

airte

startups, SMEs and governments. Competing in the high-demand digital infrastructure sector with several firms such as local player Yotta and Japan's

to have the largest network of

data centres in India with 12

large and 120 edge data centres

across the country. The com-

pany has chalked out plans to

ramp up capacity and is invest-

ing₹5,000 crore in seven new

facilities in Mumbai, Pune,

Kolkata, Bengaluru, Hydera-

bad and Delhi to double its cur-

NTT, Nxtra claims









Auto firms move govt to keep **Companies go** extra mile to skip circuit board imports flowing **bond** listing

FROM PAGE 1

not have listed and unlisted debt securities. A query emailed to a Sebi

swered. The amendment is aimed at ensuring better transparency in price discovery for all NCDS, and to facilitate easier exit for investors. Sebi also expects the amendment to help reduce investor confusion between listed and unlisted papers of the same company and prevent misselling of unlisted bonds to

M. Thiyagarajan, president of Indian Printed Circuit Association (IPCA), told investors. Mint. "We understand the concern that "However, these amendthe industry feels we may not be able to ments may not have the desired knock-on effect, and deliver the quality they need, but we make PCBs for satellites, ground and may, in fact, push investors aircraft systems for defence, and we and issuers to voluntarily delist started PCB manufacturing much existing listed NCDs or turn to before the Chinese did. But the lack of other sources or avenues of fund-raising, including traditional routes like banks and non-banking finance companies where possible," law firm AZB said in a blog in February this year. "It may now also be practically impossible for issuers having outstanding listed NCDs to execute bilateral arrangements with investors and arrangers of unlisted NCDs, which are otherwise fairly common," they noted. Experts say that by issuing the bonds through unlisted subsidiaries, companies can

return to such bilateral arrangements. However, companies may need to offer collateral from their most credit-worthy entity in the group to provide comfort to an investor to

invest in an unlisted paper of an unlisted group entity, Khaitan & Co's Shroff said. Borrowings of unlisted subsidiaries are typically guaran-

Boeing's CEO search hits

spokesperson remained unan-

The amendment is aimed at ensuring better transparency in price discovery for all NCDS

teed by their listed parents with higher credit rating.

Chirag Shah, a senior lawyer in securities law, added that if Sebi actually wanted listed companies to list their NCDS, it should mandate that not just the listed company, but its wholly owned subsidiary or material subsidiary should also do the same. "This is the only way to curb any circumventing of the law via unlisted subsidiaries. In any event, such unlisted subsidiaries wouldn't be able to raise money without the parent's support or guar antee," Shah said.

Kunal Sharma, partner at Singhania & Co, clarified that it was for Sebi to contemplate whether investors are under serious financial risk if NCDS are unlisted. "It would be naive to think that regulators did not deliberate on whether the entities seeking borrowing through means of NCDS would engineer for exceptions, especially when among other bene fits of having unlisted NCDS, one such benefit would be no requirement of periodic credit review as mandated under SEBI (LODR) Regulations for Listed Entities" he said.

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Reserve Bank of India. **Close watch** on surge in derivatives

FROM PAGE 1

volume

tives trading rules, including higher margins for selling options contracts and more detailed disclosures.

Last month, finance minister Nirmala Sitharaman alluded to an unchecked explosion in retail trading of futures and options, saying it could create challenges not just for the markets but for investor sentiment and household finances as well.

Das on Tuesday said the last mile of the disinflationary process was proving to be sticky owing to 'stubborn' food prices. But he added that it was "too premature" to change the monetary policy stance and that the apex bank had to shun an "adventurism" approach on the rates front. "The disinflationary process is facing a lot of resistance from food inflation which is stubborn and high, primarily due to supply-side factors affected by weather conditions," he said.

RBI's monetary policy committee kept its rates and stance unchanged in its June policy. The MPC also raised its forecast on India's GDP growth in fiscal year 2024-25 to 7.2% from 7% following the economy's blistering 8.2% expansion in FY24.

According to SIAM, the duty on PCBs from China will increase procurement cost by 30%

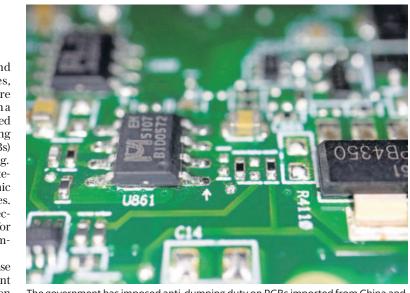
Alisha Sachdev alisha.sachdev@livemint.com NEW DELHI

iting quality, price and capacity challenges, Indian automakers are seeking exemption from a government order issued this March to impose anti-dumping duty on printed circuit boards (PCBs) imported from China and Hong Kong. PCBs form the base of the many integrated circuits that control electronic functions in modern automobiles. They are also widely used across sectors such as consumer durables (for TVs, refrigerators, etc.) and telecom-

munications (network equipment). The anti-dumping duty will increase auto companies' cost of procurement by 30% and have a cascading effect on the cost of vehicles, industry body SIAM (Society of Indian Automobile Manufacturers) said in a letter to the ministry of commerce. Mint has seen a copy of the letter.

SIAM points out several challenges in the letter in sourcing PCBs domestically, including the lack of advanced technology for producing multi-layer boards, insufficient facilities to ensure contamination-free PCBs and a shortage of high-quality, approved materials like Shengyi S1000H required for producing chips in India. It also mentions that domestic manufacturers do not consistently produce the high-reliability PCBs needed for various

"safety-critical applications". While the government is heavily incentivizing local manufacturing of 'intelligent' electronic components like chips, it has imposed anti-dumping duty on PCBs imported from China and Hong Kong for five years, reasoning that the boards were being imported



The government has imposed anti-dumping duty on PCBs imported from China and Hong Kong for five years. REUTERS

into India 'below normal values' and harming the domestic industry.

SIAM declined to comment on Mint's request for comment on the story. SIAM's letter further said, "PCBs are

India need to augment their capabilian integral functional part of Electronic ties and capacities to enable supply Control Units (ECUs) which controls PCBs of required specification and

BOARDED UP

IAM mentioned	IT also pointed to
hat domestic	the lack of advanced
nanufacturers don't	tech for producing
onsistently produce	multi-layer boards
igh-reliability PCBs	domestically

several safety and emission control systems in the vehicle. Any malfunction can disrupt the vehicle functioning, leading to accidents which can result in fatalities/injuries to drivers, passengers and other road users. Hence, PCBs must be of global quality and manufactured by following the aforesaid proTHEY say the anti-dumping duty is vital to promote

consistent quality to the component suppliers of vehicle manufacturers," the letter said.

However, Indian PCB makers say the auto industry hasn't given them firm commitments of volume, thus preventing them from investing in building capacity. They say the anti-dumping is cheaper.' Thiyagarajan said PCB makers are "absolutely willing" to invest in capacity, but for that OEMs (original equipment manufacturers) need to start giving them firm demand signals.

duty is necessary to promote manufac-

turing of the boards in India, as China's

large-scale manufacturing and dump-

ing at cheap prices, subsided by the

local government, have kept invest-

ments in ramping up manufacturing in

"The auto industry doesn't need to

compromise on quality or safety; we

have equally satisfactory technology,

knowledge and skills in the country,"

India low.

"We do want Indian manufacturers to invest in quality and under-

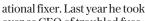
capacity at present, an anti-dumping duty will hurt the consumer in terms of higher pricing," a top auto industry executive said on condition of anonymity as the discussions are currently ongoing. "This is a chicken-and-egg problem, which can be resolved with more pragmatism on both sides.

Interest-free state Direct taxes kitty swells 21% loans may get a 30% FROM PAGE 1 increase in budget for both direct and indirect tax

is 13%. faster than the 10.5%



₹10,920 crore. Advance tax collection after the first instalment due date shows a growth of 27.34% from the year-ago period, when the department collected ₹1.17 trillion. The tax department gave ₹53,322 crore as refund so far this financial year. 33.7% more than the refunds issued in the same time a year ago.



raw material needed (such as copperclad laminate) to make PCBs in India took away that advantage from us." "Other countries have taken advantage of that and are dumping at a lower cost. Our argument is that technology

that is available in India should be encouraged and manufactured in the country," Thiyagarajan added. "Mainly we are buying from outside because it

some turbulence

stand that due to insufficient

INDIAN PCB makers say the auto industry hasn't given them firm commitments of volume

manufacturing of the boards in India

cesses. Availability of domestic manu-

practices is a challenge presently."

facturer meeting these manufacturing

"Hence, the PCB manufacturers in

FROM PAGE 1

upcoming annual budget. The remaining₹55,000 crore in the interim budget came with "simple conditions" that were not reforms-linked.

Current reforms that states must meet include reforms in the housing sector, incentives for scrapping old government vehicles and ambulances. $reforms in urban \, planning \, and \,$ urban finance, increasing housing for police personnel, and setting up libraries with digital infrastructure at panchayat and ward levels for children and young adults.

"Interest-free capex loans to states are often used to fund targeted investments across infrastructural segments. This will further drive up infrastructure spending and overall growth," the first person mentioned earlier said.

States account for 20-25% of the overall infrastructure spending, a key focus area of the government, and the easy loans have helped states stimulate capital spending and catalyse the economy after the pandemic.

"The special assistance as loans to states for capital expenditure is an effective way of making the economy more progressive," said K. Lakshminaraya nan, minister for

public works of Puducherry, who represents the Union territory in GST meetings. "Normally, welfare schemes and committed expenses like salaries and pensions comprise 60-70% of the expenditure in our budget, leaving little for capital expenditure on infrastructure projects like roads, airports, railways and others."

"However, Puducherry being a Union territory is not eligible for this loan. Our chief minister has written to the prime minister to make this loan available to us so we can spend more on



States account for 20-25% of the overall infra spending. милт

infrastructure

"Since states account for roughly one-fifth/one-fourth of the infrastructure expenditure, this scheme will strengthen growth impulses, facilitate structural transformation, partly reduce regional imbalances and promote dis-

economist at Canara Bank. The 'special

The increase is assistance to states for capital being considered investment' on the back of scheme was ₹2.11 tn dividend launched in FY21 that the Centre to help states after received from RBI the pandemic last month with an allocation

> The specific reforms by states.

their own capex and not to substitute it.



It remains to be seen if the finance ministry will make adjustments to the target when it presents the full year budget for FY25 next month.

projects," Lakshminarayanan added.

tributive equity within the constraints of the scheme," said Manoranjan Sharma, chief economist at rating agency Infomerics, and former chief

of ₹12,000 crore.

Centre stepped up the allocation to the scheme to ₹15,000 crore in FY22 and dramatically scaled that up to ₹1.07 trillion in FY23 with ₹27,000 crore linked to

In FY24, ₹1.3 trillion was earmarked for the scheme, and about ₹30,000 crore of that allocation was marked as outcome-based. The remaining ₹1 trillion had the same condition as is being proposed for FY25states had to ensure that the loan was used to supplement

nominal gross domestic product (GDP) growth projection The forecast implies buoyant direct tax collection growth this year. The 21% growth rate seen in the first two months

also implies the government may comfortably meet the projected tax collection target.

The total direct tax collection of the Centre before adjusting for refunds stood at ₹5.16 trillion so far this year, compared with ₹4.22 trillion in the corresponding period of

the preceding financial year, showing an annual growth of 22.19%, CBDT said.

Before adjusting for refunds, corporate tax collection stood at ₹2.26 trillion and personal income tax receipt including STT collection stood at ₹2.89 trillion. Personal income tax

of its 185 sales and marketing

offices, development and

training centers outside India.

space declined by 0.23 million

sq.ft to 56.63 million sq.ft in

FY24, as the Bengaluru-based

IT services firm closed 11 offi-

square foot area is due to opti-

mization of real estate space,"

"The net decline in the

ces to end with 265 offices.

Meanwhile, Infosys's office

FROM PAGE 1

year.

Personal I-T beat corporate tax receipts in last 2 years. вLOOMBERG

collection has in the last two years grown faster than corporate tax collection due to several reasons, including rising income levels, higher use of technology by the government and taxing dividends in the hands of the individual taxpayer instead of the corporate entity. Data showed that tax collected at source (TDS) is a significant mode of tax collection. TDS fetched ₹3.25 trillion, while advance tax contributed ₹1.49 trillion. Self assessment tax contributed ₹28,471 crore while regular assessment fetched

Experts said increased formalization, use of technology and strong economic growth are contributing to direct tax buoyancy. It can also be attributed to an increasing number of scrutiny cases, a sharp focus on advance tax collection and faceless assessments, according to Manish Garg, lead-transfer pricing and litigation at AKM Global, a tax and consult-

ing firm. "Also, the scope of TDS and tax collected at source (TCS) is being extended gradually by the government to include transactions such as purchase of luxury cars, foreign remittances and large cash withdrawal etc., which has contributed to the boost in direct tax collections," said Garg.

industrial giant, was a favorite of investors and suppliers. He's known as a guru in the world of lean manufacturing, a management philosophy focused on cutting waste while continu-

FROM PAGE 1

ously improving quality. Culp has said publicly that he intends to stay at GE Aerospace, which has shed its other businesses to focus on making jet engines used in Boeing and Airbus planes.

Gitlin, the current CEO of manufacturer Carrier Global, said on an earnings call in April that he told Boeing's board to remove him from the list of potential contenders. Gitlin's relative youth, his success at Carrier and years spent at United Technologies made him an attractive candidate.

Pope was named Boeing's chief operating officer in December, beating out other internal candidates. Boeing put Pope in charge of the troubled commercial airplane unit after

to 3,55,300 at the end of 2022,

To be sure, Cognizant CEO

a fall of 7,600 employees.

Boeing CEO David Calhoun will step down by year end. REUTERS

the Alaska Airlines accident. Calhoun has called the assignment trial by fire. But Pope, a 30-year Boeing veteran, must contend with calls, coming from investors, airline customers and some politicians, for Boeing to pick an outsider. Pope also has a background in finance, while some insiders and observers are lobbying for a CEO with engineering credentials.

Shanahan spent three decades at Boeing, where he earned a reputation as an oper-

over as CEO of troubled fuse lage supplier Spirit AeroSystems. He's an engineer by training and was acting defense secretary for six months under President Donald Trump.

Shanahan has held discussions with Boeing about the CEO job, but the talks are largely on hold as Boeing negotiates to take over Spirit.

Spirit also makes parts for

Boeing rival Airbus. The future of those operations had been the main sticking point in the sale, but Spirit and Airbus have since worked out key issues, according to people familiar

with the discussions. Airbus said in a statement Monday that it is in early stage negotiations with Spirit over options for its programs with the supplier, which include potentially acquiring Spirit operations that make Airbus parts.

Boeing executives have said they hope to have a deal by the end of June.

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Cognizant, Infosys, Wipro see fall in real estate space in a year

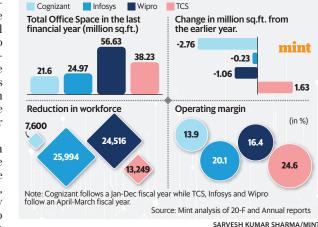
said Infosys in its annual report.

Cognizant, which counts close "Post-covid, most compato three-fourths of its total nies are adapting to the workemployees in India, follows a from-home and from-office structure. This hybrid model has allowed companies to make better use of their current physical space," the former CEO of an IT services firm said. "Finally, a reduction in workforce has made these companies relook at their future office needs.

The country's \$254 billion IT services sector reported the weakest-ever dollar revenue growth of 3.8% in FY24, according to industry body Nasscom. The sector also added the fewest employees in a year, as four of the five largest IT services companies saw a reduction in their workforce. Noida-based HCL Technologies Ltd was the only company

Shrinking space

The three companies ended last financial year with 103.2 million sq. ft of office space, down 3.7% from 107.25 million sq. ft a year earlier.



increase in its headcount. Infosys's workforce fell by 25.994, from 3,43,234 at the end of March 2023 to 3,17,240 in March 2024. Wipro's headcount declined by 24,516 from

S. Ravi Kumar had outlined a policy of working with 40% less office space soon after he took over in January 2023. "We expect the structural shift in our real estate costs to help eliminate 80,000 seats and 11 million sq. ft in large cities in India," Ravi Kumar told analysts in a post-earnings call on 3 May last year. "This shift will also enable us to invest in collaboration spaces in smaller cities while creating structural savings for the future that we can invest in our people and growth opportunities. We expect this program to help enable us to deliver margin expansion in the range of 20-40 basis points in 2024 2.58,570 to 2,34,054. Cogniwhile supporting a large deal zant ended with 3,47,700 pipeline," he had said. employees last year compared

India's IT services firms cutting back on office space also mirrors how Big Tech firms including Alphabet, Meta and Salesforce have vacated some of their office spaces in expensive cities like Dublin. London and San Francisco over the years.

In the early years of India's outsourcing industry in the late 90s, offices of the largest IT services firms played a central role in these companies winning the confidence-and business-of the Fortune 500 companies. The manicured gardens, man-made lakes, and swanky buildings hosted both global and business leaders on their visits to Bengaluru and other cities.

More than two decades later, managing these vast offices is proving costly given the pressure on profitability as several services they offer to companies get commoditized. and in the wake of existential threats posed by newer technologies like Generative AI.

January-December financial Wipro's office space declined from 26.03 million sq. ft in India at the end of March 2023 to 24.97 million sq.ft last year, a 1.06 million sq.ft decline, the company's stock exchange disclosures showed. Wipro also shut three

that reported a marginal



Valuations surge



Celebrity brand value swells

Virat Kohli reclaims summit; combined brand value of top 25 celebrities jumps to nearly \$2 billion

The British bank carried out total return swap deals worth more

than \$250 million with foreign investors. BLOOMBERG **HSBC** tops bond swaps in India's int'l finance hub

Bloomberg feedback@livemint.com

SBC Holdings Plc has executed nearly half the volume of bond-derivative trades in India's international finance hub over the last month, ahead of the sovereign bonds' inclusion in a key global

index. The British bank, via its unit in the International Financial Services Centres Authority, carried out the

so-called total return swap deals worth more than \$250 million with foreign investors who want ahead of their onshore bond inclusion into exposure, its head JPMorgan index of India markets said. That com-

pares with a total volume of about \$510 million.

The total-return swaps have emerged as one of the key products for foreigners to get India exposure without necessarily having to get a licence to buy the bonds onshore and deal with local regulations. Foreign investors have been piling into Indian sovereign bonds ahead of their inclusion into JPMorgan Chase & Co.'s

emerging market index from 28 June.

HSBC has actively engaged with offshore investors to offer both direct access as well as total-return swaps for Indian government bonds, said Anita Mishra, head of markets and securities services, HSBC India. About three to four foreign

banks have written the offshore derivatives so far, K. Rajaraman, chairman of the International Financial Services Centres Authority, said. "This year we **Foreign investors** are seeing a lot of traction, espehave been piling cially after the into Indian inclusion of India sovereign bonds

in the bond indices. About \$10 billion of inflows

have come into India's index-eligible bonds since JPMorgan said in September it will include the nation's bonds in its flagship index. Some funds are using other alternatives like investing in rupee-denominated supranational bonds or in an India bond exchangetraded fund like those offered by BlackRock Inc. or Legal & General Investment Manage-

ment to get India exposure.

ndia's top 25 celebrities, a mix of Bollywood stars and sportspersons, were worth an estimated \$1.9 billion in brand value in 2023, marking a 15.5% year-on-year growth, with remarkable comebacks and steady increases for popular per-

sonalities like Virat Kohli, Ranveer Singh, and Shah Rukh Khan. This growth underscores the strong demand for celebrity endorsements, driving substantial increases in brand value and endorsement fees, despite some fluctuations and portfolio changes.

Varuni Khosla

NEW DELHI

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Leading the charge was cricketer Virat Kohli, who rebounded strongly after a dip in previous years. Kohli's brand value soared to \$227.9 million, catapulting him to the top of the heap, from \$176.9 million in 2022, a remarkable 28.9% rise, according to corporate investigation and risk consulting firm Kroll's latest 'Celebrity Brand Valuation' report. However, his current valuation still lags his pre-pandemic high

India's top 25 celebs, including Bollywood stars and sportspersons, saw a 15.5% growth in brand value in 2023 Celebrities' brand value (in \$ million) 2022 2023 mint 176.9 Virat Kohli



of \$237 million. Kohli's diverse portfolio, comprising over 40 brands, spans various industries, including his recent signing as the brand influencer for HSBC India. The report, titled 'Brands, Business, Bollywood Celebrity Brand Valuation report 2023', highlighted film actor Ranveer Singh's consistent growth in brand value over the past four years. Singh's valuation nearly doubled, rising from \$102.9 Thums Up to PepsiCo's Pepsi. Singh also ventured into investments, recently becoming a key stakeholder in boAt. Shah Rukh Khan saw the highest growth rate among his peers, with his brand value leaping to \$120.7 million in 2023 from \$51.1 million in 2020, a 116.6% increase.

Meanwhile, actor Akshay Kumar saw a decline, with his brand value dropping by over 23% to \$111.7 million in 2023. Despite this, 60% of Kumar's endorsement portfolio has remained stable since 2020. Alia Bhatt also saw significant top 20 celebrities growth, with her brand value increasing by 110.6%

14%

over three years, maintaining a valuation similar to the previous year. Aviral Jain. MD of valuation advi-

sory services at Kroll, noted a 14% increase in endorsements by the top 20 celebrities, with overall brand value driven primarily by the top 10. "We are seeing a sustained growth trajectory in terms of both overall brand value and endorsement fee, with an

average increase of 6-7% in endorse ment charges by top 10 celebrities." Despite some fluctuations, the mar-

ket remains robust. Two-thirds of the top 25 in brand valuation revenues are dominated by Bollywood stars, 28-29% are accounted for by sports figures, with the remainder represented by southern Indian celebrities.

"We are not really expecting many non-cricket sports personalities to break into the top 25 either," Jain said, adding that celeb rity endorsements help established players capture customers faster, while newer firms gain quick visibility through these endorsements. The meth-

odology for ranking celebrity-endorsed products considers two main factors: the average fee paid for endorsements and the number of endorsement deals adjusted across brands. This provides a rating reflecting each brand's ability to capitalize on recent popularity and success in their endorsements.

PARAS JAIN/MIN

million in 2020 to \$203.1 million in 2023. Singh, who topped the rankings in 2022, fell behind Kohli but surpassed the \$200-million mark in brand value for the first time in 2023. Singh has a robust portfolio of 50 brands, including Tiffany & Co. and Zomato during the ICC Men's Cricket World Cup 2023. His brand churn rate remained low at 2.9%, with significant shifts like moving from Coca Cola's

LS Digital restructures operations, in talks for US joint venture

Gaurav Laghate gauray.laghate@livemint.com

MUMBAI

ormer Blackstone managing director Mathew Cyriac's Florintree Advisors-backed LS Digital has integrated three agencies-Langoor Digital, Fl Studioz, and Social Panga-that it acquired over the last two years. The digital business transformation (DBT) company has now unveiled a new organizational structure with six chief executives, one for each division it operates.

Under the new structure, the founders of all the acquired agencies have been named co-founders of the holding company LS Digital.

"Each business unit within LS Digital leverages the strengths of the group's companies, supported by grouplevel growth and enabling functions. This strategic set-up ensures that LS Digital delivers innovative, integrated solutions that align with its DBT vision," said Prasad Shejale, founder and CEO of LS Digital. "Our restructured organization is built around six verticals

of excellence, each underpinned by robust growth and enabling functions. This set-up is designed to propel our strategic initiatives, bol-The digital co has ster our growth targets, and facilitate seamless inte-

Tender Amount

now unveiled an organizational gration across the structure with six group. Additionchief executives, ally, it harnesses one for each our individual division skills and entre-

preneurial spirit at the group level, enhancing integration and fostering collaboration," he added. will report to Ved. As part of the reorganization, Venugopal Ganganna,

CFO Anand Bhadkamkar has been given the additional responsibility of chief operations officer (COO). The current COO, Rupak

Ved, will drive the ticals have been structured into growth initiatives distinct business units, each headed by a chief executive across the group as chief business Himanshu Arora will helm Creative; Saurabh Das will be CEO officer. Anurai (EVP of CX: Vinav Tamboli will lead Gupta growth, India and Data & Insights; Maanesh MEA), Sudhindra Vasudeo is CEO for Media; R CN (EVP, growth Sridhar is CEO of Tech & Inno-& strategy), and vation; and Santosh Shukla will Pawan Wankhede (MD, UK) be CEO for UI/UX.

founder of Langoor Digital, will assume the role of co-founder and chief innovation officer for the group. Meanwhile, the six DBT ver-

LS Digital, which ended

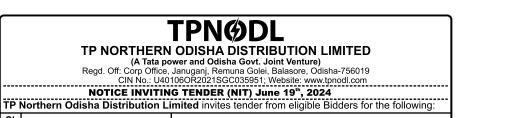
FY24 with a gross revenue of

dle East. The company is now in advanced discussions with a US-based agency to form a joint venture and expand into that market.

over ₹1,700 crore, has

expanded into the UK and Mid-

"We are now starting to be ambitious," Shejale told Mint. "After the UK and Dubai, we are planning to expand into the US soon. We are close to signing a JV with a large consulting company in the US, which does very high-end work. We will be the majority partner in the JV and will start operations there soon."



OTHER **CLASSIFIEDS GROOM WANTED** SUITABLE MATCH FOR A VERY PRETTY FAIR SHARP FEATURED

SI. No.	Tender Enquiry No.	Work Description		
1	TPNODL/OT/2024-25/2500000701	Rate Contract for Supply of Different Types of Dead end and Suspension Clamps		
	2 TPNODL/OT/2024-25/2500000704 Rate Contract for SITC of WTI and OTI with Box			
** EN For secti	* MSMEs registered in the State of Odisha shall pay tender fee of Rs.1,000/- including GST. ** EMD is exempted for MSMEs registered in the State of Odisha. For more details like bid due date, EMD, tender fee, bid opening date etc. of the Tenders, please visit "Tend section TPNODL website https://tpnodl.com . All tenders will be available on TPNODL website. Future communication / corrigendum to tender documents, if any, shall be available on website. Chief- Contracts & I			



भारतीय रिज़र्व बैंक **RESERVE BANK OF INDIA**

Auction of Government of India Dated Securities for ₹23,000 crore on June 21, 2024

Government of India (GOI) has announced the sale (re-issue) of two dated securities:

Sr. No.	Nomenclature	Notified amount Nominal (in ₹Crore)	Earmarked for Retail Investors* (in ₹Crore)
1	7.04% GS 2029	12,000	600
2	7.46% GS 2073	11,000	550

Gol will have the option to retain additional subscription up to ₹2,000 crore against each security mentioned above. The sale will be subject to the terms and conditions spelt out in this notification (called 'Specific Notification'). The stocks will be sold through Reserve Bank of India Mumbai Office, Fort, Mumbai - 400001, as per the terms and conditions specified in the General Notification F.No.4(2)-W&M/2018, dated March 27, 2018.

The auction will be conducted using multiple price method for 7.04% GS 2029 and 7.46% GS 2073. The auction will be conducted by RBI, Mumbai Office, Fort, Mumbai on June 21, 2024 (Friday). The result will be announced on the same day and payment by successful bidders will have to be made on June 24, 2024 (Monday).

For further details, please see RBI press release dated June 14, 2024 on the RBI website - (www.rbi.org.in).

Attention Retail Investors*

(*PFs, Trusts, RRBs, Cooperative Banks, NBFCs, Corporates, HUFs and Individuals)

Retail investors can participate in the auctions for the amounts earmarked for them on a non-competitive basis through a bank or a primary dealer. Individual investors can also place bids as per the non-competitive scheme through the Retail Direct portal (https://rbiretaildirect.org.in). For more information, detailed list and telephone numbers of primary dealers/bank branches and application forms please visit RBI website (www.rbi.org.in) or FIMMDA website (www.fimmda.org).

Government Stock offers safety, liquidity and attractive returns for long duration.

"Don't get cheated by E-mails/SMSs/Calls promising you money"



New Okhla Industrial Development Authority NOIDA istrative Building, Sector-6, Noida-201301 (U.P.) bsite : www.noidaau

E-TENDER NOTICE

E-Tenders are invited from eligible contractors/firm for the following jobs against which bids can be uploaded and same shall be opened/ downloaded as per schedule mentioned. The details and conditions of all tenders are available on Noida Authority's official website: www.noidaathorityonline.in & https://etender.up.nic.in. Please ensure to see these websites for any changes/amendments & corrigendum etc.

Re Tender Work:-Name of work Job No.

N.			(In Lacs)		
1	· · ·	Constriction of 33/11KV Sub-Station in Sector-155, Noida, (Electrical work)			
2		Constriction of 33/11KV Sub-Station in Sector-156, Noida, (Electrical work)	900.67		
The above tenders can be uploaded by dated 25.06.2024 up to 5.00 PM. Pre- qualification shall be opened/ downloaded on dated 26.06.2024 at 11.00 AM. Dy. General Manager, Sector-39, NOIDA (E&M), NOIDA					
	CLEAN, GREEN, SAFE & SECURE NOIDA				



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EMPLOYMENT	SALES & MARKETING	MATRIMONIALS	SIKH	GIRL 25/168 CONVENT
	URGENY REQD. Smart Good looking			EDUCATED
ACADEMIC	Well educated Young Assistant	GROOMS WANTED	SUITABLE MATCH for Khatri Gursikh (Khukhrain) B'ful Girl 26/5'6" LLM	FOLLOWER OF RADHA
	&Sales Executive for Reputed, Estd.Real Estate Co.in Gurugram &		From Well To Do Family. Pref. Well Q'fied Professional/B'man, Tall,	SOAMI SATSANG BEAS.
REQ IN Vasant Kunj, Personal Asst wd good Comp skills, Part time teacher	South Delhi.# K.K 8920468472	AGARWAL	H'some, Teetotaller Gursikh Boy From An Affluent Family Of South	LOOKING FOR A BOY WITH SIMILAR
for home tuitions, Graphic designer (Photoshop/Coral). Own transporta-	REQUIRED		Delhi/Gurgaon. 8851615196	FAITH & FOLLOWING
tion must. E: freesia.sia@gmail.com	Sales Executive	SUITABLE MATCH for Goel girl, Doctor, MD Pediatrics Sr. Resident		PLEASE SEND YOUR
DEEP PUBLIC SCHOOL		Govt Hospital Delhi 5'5"/11am/ 21-10-93 pref Doctor MD/MS/M.Tech/	SEEKING CLEAN Shaven Sikh Or Hindu Punjabi Boy (Guru Nanak	BIO DATA AT
Sr. Sec School, (Affiliated to CBSE),	For Industrial Paints & Powder Coating	IIT Delhi-NCR # 971156 7850	Naam Leva), Pref. Delhi/NCR, For Sikh Arora Girl, 25.09.1995, 5' 2",	goldrs780@gmail.com
Sector D Pocket II, Vasant Kunj, New Delhi-110070; 8595870897,	Good Remuneration		MBA, Working, Noida, 12 LPA Call/Whatsapp -9873626116	Or call / whatsapps at
Ph: 011-26897382, 011-26131771 Website: deeppublicschool.co.in	For Deserving Candidates	BISA AGARWAL		9416000780
deeppublicschool@rediffmail.com	Associated Paints	DEL/NCR BSD PQM For CA,	DOCTOR	BRIDE WANTED
REQUIRES PGT's: Physics, Chemistry,	(Formerly Pruthi Paints)	NM, Tayal, Dec93, 162, Wkg Top CA Firm, Slim, Fair, Pleasing	DOCTOR	BRIDE WANTED
Maths, English, Accounts &	FS 4, Tagore Garden,	Personality, South Delhi based 9811179046	SM4 B'FUL slim Jat Girl, Apr'98, MBBS	
Bst, Geography, Psychology, Computer Science, PET,	New Delhi-110027 Ph.: 011-25437102,		Topper, MD (Path) 1st yr AIIMS Delhi, Father serving Brigadier,sister doing	AGARWAL
Counselor TGT's: English, Social Science	45536961, 25118293	UMRI PQ (prf CA) mch 4 UMri NMg Veg Agr Jain 5ft 4in Del born 1986	PG in UK, seeks MD/MS, Civil'service, NCR based family. whtp 8053858001	MATCH FOR MBA, Jain, Fair, Smart,
PRT's: (All Subjects)	Em: apapbawa@gmail.com	MBA qulifd Comp Sectry Workng CA frm contact. 9968958902		5'7" Ambala Boy Gotra Bansal 07/11/1985, 9:28 PM from affluent
Nursery & KG Teacher, Art & Craft/Dance/Music/French	MKTG. MANAGER (travelling all India)	bljain1949@gmail.com	GOVERNMENT SERVICE	Business Family seeking Edu Smart Girl 9813101927 (Self)
/ Special Education Teacher,	for Chemical Products. Contact: Jai Earth, B-304, Vikas Tower, Near	BRAHMIN	dovernment Service	
PRO (Preferably BBA in HR) TRAINED COACH	PVR Vikaspuri. (M): 9312257831 Email: jaiearthclay@jai.org.in	DIVALITATI	WANTED HANDSOME Indian Air Line	BRAHMIN
Basketball / Volleyball / Cricket / Yoga / Skating / Judo Karate		FAIR, SLIM, very beautiful MBA,	Class-I Officer for very beautiful Class-I Officer M.A. Pass Girl Height	HIMACHALI BRAHMIN Bhardwaj Boy
Lab Assistant - Biology	NKC GROUP Req Knwldg of Grey Fabric Marketing, Accounts &	Eco Hons. (DU) vegetarian teetota- ller Gaur Brahmin girl born 03/95	5-5, Please Contact M: 7428441654.	31yrs, 5'8", MBA, 5 Lacs p.a., Job in Delhi, Own houses in Vasant Kunj &
*Proficiency in Computer Skills and English is Mandatory	Purchase Mngr, Collection Incharge, Recepti-onist # 9810004057 E:	working as sales marketing profes- sional seeks alliance from profes-		Saket with minor paralytic right side hand weak by birth but not visible &
*Work Experience in similar	nkfabric@ gmail.com F-32/5, Okhla Phase-2 N.D	sional tall, fair, slim, handsome tee- totaller vegetarian boys based in	NRI	healthy. Seeks qualified wrkg or non
capacity in required Salary is not a Constraint for		Delhi NCR only.Contact: 9718171867		wrkg girl of any caste. 9810696678
Experienced & Deserving	ENGINEER/ PROD/TECHNICAL	PUNJABI	MATCH FOR fair, b'ful Non Manglik 1990 /5'6" MNC, MBA, Now Canadian	HINDU
Walk-in Interview SCHEDULE	PROD/TECHNICAL		Citizen, Toronto since April 2019 from affluent South Delhi Family.	
19 th , 20 th , 21 st June	REQUIRED CIVIL engineer/auditor based out of Delhi NCR or Haldwani	PUNJABI GIRL, BMS + MBA (IIM), April, 1997/ H-5'4", working in MNC,	9810890044, 9818030097	SEEKING LIFE- Partner for Gaur Brahmin H'some Delhi Boy. Born Aug
12:30 PM ONWARDS	for cottage construction in Kumaon hills (Uttarakhand). Mail -	40 LPA, Father-Retd. Officer, settled Delhi NCR. # M:-9870518197,		1987, 5"6', MBA, settled in Canada with PR, Divorced in 2022. Caste no
ADMISSION OPEN	hrpl2025@gmail.com Call/whatsapp - 9324245418	Email:-d2812.Kumar@gmail.com	PQM4 FAIR b'ful/BSc(DU)BEd(Canada) veg simple gursikh May 98/5'2" Govt	bar. Contact +91 9971248383, mailtoyds@gmail.com
For Nur. to IX & XI	7324243410	Looking for a	Teacher Toronto Canada/Parents Govt Officers/Delhi/ 9910229922	SHARMA PUNJABI Veg. Boy/Delhi
WANTED VICE principal & Lady		HINDU / PUNJABI BOY		based/18.10.1992, 8:15pm Delhi/ Software Engineer in MNC/ 24 LPA,
Teachers- Nur. to 12th-(Eng, Maths, Science). Rose Valley Sr. Sec. School,	MEDICAL	pleasant looking,	COSMOPOLITAN	seeks Veg./Wrkg. decent Girl. Caste No Bar. # 8585965662. 9871570270
Nathan Vihar, Nangloi, Najafgarh Road, Ranhola. 8178321382.	WANTED SENIOR Lab Technician,	intelligent hardworking		NU Bdl. # 6363903002, 96/13/02/0
Koud, Kumola. 01/0521502.	Lady X Ray Technician, Trained	from an affluent		PUNJABI
	Receptionist, For Capital X Ray Clinic Vikaspuri Near metro stn. Call,	business family well settled in	Punjabi Khatri	
ACCOUNTS/FINANCE	Whatsapp 9911226464	South Delhi / Gurgaon	well settled family	PQM (PRE.IT/COMP) for Clean Shaven Sikh, Khatri 31/5'6" B.Tech, PR
		For our daughter	of South Delhi is	Canada, Parents Delhi Govt Retired UMC. Ph: 8851242673. Email BHP at
Required- 3 Positions	REQ. ACCOUNTANT, Purchase Mngr., Pharmacy Incharge, HR Manager,	1997 BORN, 5'-4",	looking for match for	gurumail5@rediffmail.com
ACCOUNTANT	Store Executive, TPA Doctor, Marketing Executive, Clinical	Fair & Beautiful	their 1984 born/ 5'2"	SUITABLE MATCH for Handsome Punjabi Khatri Boy Sep. 89 Born/ 6'
Graduate in Commerce	Pharmacist, Executive Assistant. Email- hr@prayaghospital.in	Working with Parents	never married	BBA, LLB, own Business, Income 1 Lakh P.M. Contact: 9711515689
with 4-5 yrs. Exp. In	GENERAL MULTIPLE	family business.	daughter, Post Graduate &	Email: soni59r@gmail.com
handling store, general	VACANCIES	9810097701	running independent	
accountig,receivable management.	REQUIRED SALES Person and	blessedunion24@gmail.com	family business	DIVORCEE/WIDOWER
Knowledge of TALLY and	Accountant for a Textile Firm for Gandhi Nagar. Resume Please do	SM FOR B'full Girl 4'11" 33 yr. BA Eco.	seeks well settled	SM4 KHATRI H'some boy August 88,
advance knowledge of	Whatsapp only. No Calls. Ph : 7065655557	Hon's, MA (HR). Wrkg Mngr. in MNC 29 LPA. Father retd. Mother runs	boy from Business	5'10" MBA, Working MNC Delhi, 12 LPA Both Parents Govt Retired, only
Excel is must. Salary Negotiable.		own pvt School. Cont 9818809019, 011-47814727	family or a highly	Son. Contact :- 9416180030
8800015000, 8800066000	SITUATION WANTED	J11-4/014/2/	paid professional. Caste no bar.	
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ACCOUNTANT REQD for Export House in West Delhi with full knowledge of	accountant having 50years thorough experience in accounts on nominal	PQM FOR Delhi based Fair 5'6" July 1989 B Tech MBA IIM Kz wkg	Email: nayar.jackson	AMERICAN HINDU Sharma Boy Softwr. Engineer USD 1.10LPA/27.01.92 Delhi
all day to day accounting, GST/TDS work, with 8-10 yrs of work exp.	remuneration of 8K-10K/month. Immediately Contact SKS Part Time	MNC Ggn 50 LPA Upper Middle Class fmly. 9873918440 Em:	@hotmail.com	/seeks edutd.decent Softwr'Engineer Girl wish to settle USA. Caste No Bar.
Mail: export.careers@gmail.com	Accountant at 9953745755.	lkkhanna9102@gmail.com	~~~~~	# 8585965662, +1(540)3271750



China's giant solar industry is in turmoil

Expansion in supply drove down cost of clean energy, acted as counterweight to rising cost of capital needed to develop solar farms



n a factory in a smoggy corner of China's inland Shaanxi province, the country's worldleading solar industry is on display. Robots scoot around carrying square slices of polysilicon, a crystalline substance usually made from quartz. The slices, each 180mm across and a hair's breadth thick, are called wafers. They are bathed in chemicals, shot with lasers and etched with silver. All that turns them into solar cells, which convert sunlight into electricity. Several dozen of these cells are then bundled together into a solar module. The factory, owned by LONGi Green Energy Technology, can churn out about 16m cells a day.

China's solar industry is dominant across every stage of the global supply chain, from the polysilicon to the finished product. Module production capacity in the country reached roughly 1,000 gigawatts (GW) last year, almost five times that of the rest of the world combined, according to Wood Mackenzie, a consultancy. What is more, it has tripled since 2021, outgrowing the rest of the world, despite efforts by America and others to boost domestic production. China is now able to produce more than twice as many solar modules as the world installs each year.

This massive expansion in supply has helped drive down the cost of clean energy for consumers, acting as a counterweight to the rising cost of capital needed to develop solar farms. During the pandemic the price of solar modules spiked owing to a shortfall in the supply of polysilicon. Since then, however, the global price has fallen to a

watt, according to PVInsights, a data provider. Yet the rapid growth of Chinese capacity, which has outpaced global demand, has also squeezed much of the profit out of the industry. Polysilicon, wafers, cells and finished modules now sell below their average production cost. Collapsing prices caused Chinese solar export revenues to fall by 5.6% last year, according to Wood Mackenzie, even as volumes soared. Longi's share price has slumped by some 60% since the start of 2023. In March the company said it would fire 5% of its workers, citing an "increasingly complex and competitive environment". The share prices of other Chinese solar giants, including Trina Solar, JA Solar and Jinko Power, have also been battered.

Smaller companies have been hit even harder. Yana Hryshko of Wood Mackenzie explains that the big firms are typically diversified, helping them weather the collapse in solar prices. Others are not so lucky. Lingda, a smaller manufacturer of solar cells, recently can-



China's solar industry is dominant across every stage of the global supply chain, from the polysilicon to the finished product.

tory. An executive at one Chinese solar company reckons that at least half of the businesses across the supply chain will go under. So far, however, there are few

2026. signs of an end to China's overcapacity problem. Despite financial pressure from falling prices, the industry's largest companies continue to upgrade their technology and expand their output in an celled plans to build a \$1.3bn fac- effort to keep their marginal costs

below those of their competitors. Wood Mackenzie forecasts that China's solar industry will expand capacity to nearly 1,700GW by **Cloud cover**

State support for the industry is contributing to the supply glut. For decades leaders of municipal and provincial governments in China have sought to build local solar industries that hire from

their populations and contribute taxes. Support comes in a variety of forms, including free land, free electricity, interest-free loans and access to cutting-edge technologies, notes Usha Haley of Wichita State University. She reckons all this adds up to about 35% of a solar company's costs, on average, but could be as high as 65% in some cases

There are signs such support has could come in for similar treat-

been growing more generous, notes Ms Haley. Some local governments are financing and building solar factories that they then lease and later sell. Many will be tempted to step in to prevent local solar champions from going under. That is especially so given the downturn in China's property sector, which has strained the finances of local governments that relied on selling land to developers to generate income. One industry insider in the inland city of Zhengzhou notes that officials there have grown more willing to aid solar

companies that run into trouble. That support may dry up. Many of China's provinces are now struggling to service their ballooning debts. Solar companies must also compete for government largesse with firms in other industries that are grappling with overcapacitv as China's economy slows. More than a fifth of Chinese industrial firms were unprofitable last year, according to analysis by Rhodium, another consultancy. Efforts to export away China's overcapacity problem are encountering resistance abroad. Last month Ursula von der Leyen, the president of the European Commission, declared that "the world cannot absorb China's surplus production." On June 12th the EU announced it would slap provisional tariffs of between 26% and 48% on Chinese electric vehicles (EVs)

China's cut-price solar modules

dumping duties on Chinese solar manufacturers since 2012. Although the EU abandoned similar measures in 2018, some fret over the continent's dependence on Chinese solar companies. In April the bloc agreed to expand subsidies and other support for local solar manufacturers that have been pummelled by Chinese imports. Although China's leaders have contested claims that the country

ment. America has levied anti-

is grappling with excess supply, there are signs they are aware of it. In a meeting with business executives and economists last month, Xi Jinping, China's ruler, cautioned against focusing resources solely on EVs, batteries and solar modules-or, as a recent slogan calls them, "new quality productive forces"-and noted that investments must "have their own merits"

All this suggests a period of consolidation looms for China's solar industry. Jenny Chase of BloombergNEF, a research group, has seen this play out before. "There are slight profits, then longer periods of terrible margins, then bankruptcies and exits. We call it the solar coaster." Demand may eventually catch up with supply, as lower module prices encourage developers to install more solar power. In the meantime, China's solar industry should prepare for a bumpy ride.

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Social media influencers aren't getting rich, they're barely getting by

Sarah E. Needleman edback@livemint.com

any people dream of becoming social-media stars like You-Tube's MrBeast or TikTok's Charli D'Amelio. But for most who pursue careers as content creators, just making ends meet is a lofty goal.

Clint Brantley has been a full-time creator for three

ence, which can lead to more followers and, in turn, more moneymaking opportunities.

But money doesn't mean big bucks. Last year, 48% of creator-earners made \$15,000 or less, according to NeoReach, an influencer marketing agency. Only 13% made more than \$100,000.

The gap reflects multiple factors, including whether creators work full- or part-time. the kind of content they put out and when they started. People who jumped into the space during the height of Covid-19 lockdowns-and who focused on a niche such as fashion, investing or lifestyle hackssay they benefited from the surge in social-media use during that time. A small number of creators shot to fame, propelling the occupation to the top of career wish lists for many teens (and adults). But behind the scenes, creators say the job is grueling. They need to constantly produce compelling posts or risk losing momentum. They spend their days planning, filming and editing posts while also working to make inroads with advertisers and interacting with fans. "It is a lot more work than most people realize," says Emarketer analyst Jasmine Enberg. "Creators who make a living doing it have been at it for many years. Most are not overnight sensations." Like other self-employed professionals, creators don't get paid time off, healthcare benefits, retirement contribuinclude tions and other perks that companies typically provide for their workers. That reality, coupled with stubbornly high inflation and mortgage rates, is making it more difficult to get by as a creator. "Everything is more expensive, especially groceries," says Jason Cooper of Mobile, Ala. A few years ago, Cooper dreamed up a sassy sock puppet named Sock Cop, who cracks dad jokes in live and recorded videos for TikTok and Twitch. He currently makes \$500 to \$600 a month, almost entirely from tips. He thinks he could probably haul in a lot more if he went full-time. But with no guarantee, the 37-year-old father doesn't want to quit his marketing job and risk losing health coverage. He now spends a few hours in the evening and on weekends on Sock Cop. If he had more time, he would feel the need to constantly make videos. "You've got to feed the



Granberg struggled for years to attract viewers on the app before one viral post two years ago took his follower count from 5,000 to more than one million. Recently he made \$1,000 from a TikTok program that launched last year called TikTok Creative Challenge, which allows creators to earn money by making video ads for brands that don't appear on their personal profiles. He also

Creators, meanwhile, are having a tougher time attracting viewers, thanks to algorithm changes and other factors beyond their control. And while more advertisers are looking to partner with creators than in the past, "increased activity leads to increased competition," says Peretz. Another change is that advertisers now prefer to work with



It let customers split purchases into four payments over six weeks, with no interest

down its buy

later service

Apple is

shutting

now, pay

ears, posting videos on Tik Tok, YouTube and Twitch where he comments on news and trends related to the online game "Fortnite". Despite havingmore than 400,000 followers, and posts that average 100.000 views, his income last vear was less than the median annual pay for full-time U.S. workers in 2023-\$58,084, based on Bureau of Labor Statistics data. The 29-year-old is hesitant to commit to an apartment lease because the money he gets, mainly from online tips and sponsorship deals, arrives randomly and could vanish at any moment. For now, he's living with his mom in Washington state.

"I'm vulnerable," he says.

Earning a decent, reliable income as a social-media creator is a slog-and it's getting harder. Platforms are doling out less money for popular posts and brands are being pickier about what they want out of sponsorship deals. The real possibility of TikTok potentially shutting down in 2025 is adding to creators' anxiety over whether they can afford to stick with the job for the long haul.

Few overnight sensations Hundredsof millions of people around the globe regularly post videos and photos to entertain or educate social-media users. About 50 million earn money from it, according to a 2023 report from Goldman Sachs. The investment bank expects the number of creatorearners to grow at an annual rate of 10% to 20% through 2028, crowding the field even further. The Labor Department doesn't track wages for these creators, also known as influencers.

It can take months or years to earn money as a creator, often through a combination of direct revenue from social-media platforms, sponsorship deals, merchandise sales and affiliate links. But those who stick with it eventually see some returns, surveys show. Creators say that's because you can learn what kind of posts most resonate with an audiPlatforms are paying less for popular posts, while brands are pickier about partnerships. ISTOCKPHOTO

tor rewards program. Ben-Ha-

yun said in March he received

about \$200 to \$400 per million

views, and it's steadily declined

since then-even as his follower

The followers are still there.

but the money isn't. He

recently hit a new low, receiv-

ing only \$120 for a video with 10

Danisha Carter is frustrated

million views.

count reached 2.9 million.

beast," says Cooper. Shrinking platform payouts

TikTok's \$1 billion creator fund, which ran from 2020 to 2023, doled out money to eligible creators for posting to the platform. Othersjoined in. You-Tube's TikTok competitor, Shorts, allowed creators to earn anywhere from \$100 to \$10,000 a month with its temporary fund.

Instagram's Reels Play bonus program rewarded creators with fluctuating payouts. Snapchat's Spotlight rewards program gave \$1 million a day to the platform's top creators. Today, the platforms have revamped or completely changed how they pay creators-doing away with their

funds. Qualifications for Tik-Tok's current rewards program

having an THE WALL STREET JOURNAL. account

with at least 10,000 followers with a minimum of 100,000 views in the past month. Instagram is currently testing a seasonal, invitation-only program that rewards creators for sharing Reels and photos.

YouTube debuted an ad-revenue share model last year, in which qualifying creators with more than 1,000 subscribers and 10 million public Shorts views in the past 90 days receive 45% of revenue from ads that occur between posts. Snapchat has a program that gives creators who meet certain criteria, such as having at least 50,000 followers and 25 million monthly views, a portion of the ad revenue that appears

between Stories. Its Spotlight program also continues to dole out money to creators.

Creators who opt into these programs or bonuses aren't guaranteed a significant payday.

Yuval Ben-Hayun originally declined to comment. became popular on TikTok in YouTube said it paid more

2020 because of his posts about than \$70 billion to creators, artthe word-puzzle game Wordle. ists and media companies in the The 29-year-old New Yorker past three years, and more than 25% of channels in the ad-reveeventually expanded into linguistic and other education nue share model are now makcontent, and by early 2023, was ing money through it. "We remain committed to putting able to support himself and his bills of over \$4,000 a month. our full energy into what mat-TikTok had closed its fund ters most for our creators, viewby then but was testing its creaers and advertisers," a spokes-

woman said. A future without TikTok? Many creators and advertisers credit TikTok, which pioneered the short-form video genre, with driving stronger engagement than its industry

peers. TikTok has gained more than 170 million users in the U.S. since its launch in 2016including, Pew Research Center says, a third of American adults. They spend an average of 78 minutes a day on the app, according to market-intelligence firm Sensor Tower.

TikTok may not be available in the U.S. for much longer, at least not in its current form. In April, President Biden signed a bill into law that will force a sale or ban of the app by Jan. 19, 2025. U.S. lawmakers have expressed worries that TikTok poses a national security risk TikTok's parent company, Beijing-based ByteDance, has said it can't and won't sell its U.S operations by the deadline.

ByteDance sued the U.S. government, alleging the new law violates its First Amendment rights. Several U.S. creators also sued. The U.S. Court of Appeals for the District of Columbia Circuit will hear arguments in September for both cases. "To lose TikTok would be kind of devastating," says Brandon Granberg, a 31-year-old creator from Bayville, N.J., known for interacting with strangers in public places in silly ways.

earned \$2,800 for producing four TikTok videos promoting a website for people with foot fetishes. Granberg says he found it creepy, but did it because he needed the money. While he hasn't landed many

other sponsored posts, he's grown his income significantly by making marketing videos for small businesses over the past year. Most clients find Granberg on TikTok. "If it gets banned, it will definitely hurt me." he says

Changing tastes and algorithms

This year, U.S. social-media creators as a whole are expected to make \$13.7 billion, according to Emarketer. The research firm projects the majority of that-\$8.14 billion, or 59%-will come from brand sponsorships.

Advertisers have always led in compensating creators, paying out far more money than the social-media platforms and fans who buy merchandise or dole out tips. But these days, advertisers expect more from creators than just large followings, according to agency and talent representatives. They want to see evidence of strong engagement in the form of saved and shared posts, plus the demographics of creators' audiences. "Brands are looking at met-

rics that are far less predictable for creators and also very difficult to price yourself on," says Sarah Peretz, a business-strategy consultant in Los Angeles who helps creators negotiate partnerships and deals with advertisers.

Some brands are more controlling than in the past, says Sarah Steele, a 34-year-old creator in Tulsa, Okla., who started making TikTok videos about being a working mom in 2020. "Now it's, We're paying you and this is what we want you to say."

Earlier this year, Steele says an advertiser insisted she cite legal disclaimers in a series of sponsored Instagram posts. "It felt like I was reading off a teleprompter," she says. "As a consumer it even turned me off to the brand a little bit."

long-lasting deals rather than experiment with several on oneoffprojects, says Jess Hunichen, of Shine Talent Group. Hunichen co-founded the

just a handful of creators on

talent-management agency in 2015, when TikTok didn't exist and influencer marketing was still relatively new. Back then, an average deal size between an influencer and brand was usually below \$1,000. Now, the average deal per campaign is around \$10,000, she says. Worth the hustle

earlier this year that she

describes as quick-reviews of

restaurants, bars and more

"with some sass and attitude."

technology recruiter, recently

landed her first advertiser deal.

A kombucha brand asked her

to make a 30-second post fea-

turing her take on a line of fla-

vors. Though it ended up get-

ting less attention from viewers

than her usual fare, she made

\$1,500 from about 30 minutes

Tyler Haven, a 27-year-old

traveling around the Pacific

Northwest, charges \$250 to

eos that brands can post to their

own social channels, and

around \$1,200 for posts that

appear on either his Instagram

account with more than 41,000

followers or his TikTok

account with more than

Since January, he's been

posting videos documenting

his "van-life" with his wife, Oak

Haven: Their primary resi-

dence is a fully paid, fully

decked-out 2004 Mercedes

Haven said it's been easy to

grow his following organically.

He believes it's because his

posts don't depict some unat-

tainable, picture-perfect life.

pursue full-time content crea-

tion. "Even if I were to make

\$2,000 a month, which is abso-

lutely nothing-that's less than

most people's rent-I could live

on that," Haven says.

He quit his job in June to

10,000 followers.

Sprinter TIN.

of work.

The 27-year-old, a full-time

Joseph Pisani Ronit Halmos of Los Angeles began making TikTok videos feedback@livemint.com

> pple is ending its buy A now, pay later service, just over a year after launching it.

The service, called Apple Pay Later, allowed customers to split purchases between \$50 and \$1,000 into four payments spread over six weeks with no interest and no fees. The initiative, unveiled in March 2023, was part of the company's push to use finance to deepen its relationship with consumers. It competed with buy now, pay later companies such as Affirm and Klarna.

Apple's website said Monday \$300 to make promotional vidthat the company is "no longer

THE WALL STREET JOURNAL

offering new loans" for Apple Pay Later, but that existing ones aren't affected. The company said it plans to offer a way for people to apply for buy now, pay later loans from other companies when they check out with Apple Pay, the company's payment system.

Last week, Apple said one of those companies would be Affirm, which it is adding as an option in the fall. Citigroup and Synchrony Financial will also be a part of the rollout, Apple said. The company is also adding a scannable code that will help shoppers use Apple Pay across the web. Affirm's stock closed at \$30.81 on Monday. The share price has nearly doubled over the past 12 months, though it remains well below its record high above \$160 in late 2021.

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sold the idea of content creation as a job, but later withdrew the financial incentives. Thanks to creators efforts, she says, consumers are now hooked on social feeds, bringing the platforms billions of dollars in annual revenue.

that TikTok

and other

platforms

The 26-year-old has 1.8 million TikTok followers, and her posts about beauty and exercise, along with opinions on topics ranging from dating to online bullying, regularly receive hundreds of thousands of views. TikTok has paid her a total of \$12,000, Carter says. She sells merchandise for additional income, bringing in about \$5,000 last year.

"Creators should be paid a fair percentage based on what the apps are making off creators," says Carter. "There should be more transparency into how we're paid, and it should be consistent."

A TikTok spokeswoman



lustin Baer

feedback@livemint.com

's turnaround plan.

ready for its close-up.

crucial to Chief Executive Jane Fraser

"we oversee the financial pipes," a tag-

Pekin, the head of one of the units,

securities-services. "What do we do?"

amounts to more than just giving their

stalwart plumbers their due. Investors

have never figured out how to value the

operations she has now put together

into Citi Services. The more Services is

valued, the easier it will be for Fraser to

make the case that the bank's stock

Citi is trying to fix that this week.

investors for a full day of presentations.

The day, conceived by Citi investor-rela-

tions head Jenn Landis, will reintroduce

to Wall Street a collection of functions

most big companies couldn't do without.

headquarters began with Fraser.

"When we call Citi the most global

bank, this is the reason why," she said.

day, in 2022, Services got 20 minutes.

The last time Citi held an investor

'The strength of Services hasn't

The day at the bank's New York

Citi Services on Tuesday is hosting

should be higher.

For Citi and Fraser, the problem

'Ah, the eternal question," said Okan

line Citi is now eager to retire.

For decades, Citi Ser-

Inside Citigroup's most mysterious business

Investor day highlights the hidden value of Citigroup's financial pipes

Blackstone taps Japanese manga fans in \$1.7 bn deal

Bloomberg feedback@livemint.com

B lackstone Inc. is betting on the popularity Japanese manga with a \$1.7 billion deal to buy a digital provider of romance comics.

The world's largest alternative asset manager will launch a tender offer for Infocom Corp. in its biggest private equity transaction in Japan to date, the US firm said in a statement on Tuesday.

The deal will allow Blackstone to tap into Japan's digital manga market, which has rapidly grown into a \$3 billion industry. Infocom's main source of revenue is from Mecha Comics, a website and app where users can pay as little as a few cents to read a chapter of serialized comics. Some of the most popular titles include workplace comedies or fantasy melodramas with intimate romantic storylines.

Blackstone will look to grow original content from Infocom's network of manga artists, developing more works around themes enjoyed by its reader base of womena demographic that has growing disposable income, said Atsuhiko Sakamoto, head of private equity in Japan.

"The more original content we have, we can monetize that intellectual property over time," Sakamoto said in an interview. "We can create animation or merchandising around that, which is going to be the potential opportunity in the midterm.

Right now, original content brings in about 10% of revenue, but about half of the 10 most popular titles are homegrown products, Sakamoto said. More than three-quarters of its customers are women, mostly in their 30s and 40s

Global interest in Japan-



Blackstone will launch a tender offer for Infocom Corp. in its biggest private equity transaction in Japan to date. REUTER

created content has surged as streaming companies rush for rights to stories that have already resonated well to produce live action or animated shows. Some of Japan's bestknown anime, such as Dragon Ball or Naruto, started as serialized manga before gaining global popularity. Recent Netflix hits like One Piece and YuYu Hakusho were also originally manga works.

"I've spoken to big players in Hollywood who said they are envious of Japan because it has this back catalog of extraordinary, world-building intellectual property in its vaults of manga that has not been tapped," said Roland Kelts, author of Japanamerica, a book on the nation's pop cultural influence in the US. Digital manga sales in Japan grew 7.8% in 2023 to around 483 billion yen (\$3.1 billion)-nearly double the

revenue in 2019, according to

the Research Institute for

Publications. Concurrently,

sales of print manga have

been falling and were down

Blackstone will buy a

majority stake in Infocom

8% last year.

from Teijin Ltd and launch a "If we build a nice content tender offer for the rest at 6,060 yen a share, a statebusiness, I think it's going to ment from the e-comic combe very attractive to a lot of pany showed on Tuesday. The people," he said.

mint

Think Ahead. Think Growth



always received the strength of mindshare that it has long deserved," said Citi Services head Shahmir Khaliq. "We are excited to finally take center stage and pull back the curtain on our business.' So, what exactly are the units inside Citi Services?

Liquidity management and payments: These businesses help companies open bank accounts around the world; pay their

employees and ven-THE WALL STREET JOURNAL. dors; collect payments from cus-

tomers; and advise them on where they keep that cash.

Trade-finance: This arm offers letters of credit that vouch for businesses looking to buy or sell across borders: assists in establishing supply chains in new markets and lends money to smaller, local suppliers so that they can fulfill orders from big companies such as Apple or Procter & Gamble.

Securities-services: Pekin's group provides investment managers a place to park their assets and tracks the value of their funds and holdings. The unit also helps companies issue debt and equity securities.

Whom do they serve?

Some 5,000 of the world's largest multinational companies and investment managers. The business focuses on companies with operations spread across the globe. It also serves the U.S. government and its embassies.

Underpinning most of those activities is a bank net-

work with links into 190 countries. What's there to get excited about here?

Services is Citi's "bright shiny sun" around which its other businesses orbit, said analyst Mike Mayo . He figures it is worth about \$90 billion to \$120 billion, while all of Citi is only trading at a value of about \$114 billion. The businesses have been relatively

unfazed for two decades, even amid Citi's tumult, and have continued to

deepen their ties to the global economy. Citi executives say they still have room to grow, and will benefit from the rise in digital payments and decisions by companies to move their supply chains around the world.

Services has a steady stream of revenues from giant companies. Getting more of those clients to trade with Citi and turn to its bankers for advice is a key plank in Fraser's overhaul.

Once one of Citi's biggest Wall Street critics, Mayo has recently turned more bullish about Citi thanks in part to Services. A few months ago, he started asking investors what they knew about Citi Services and its results. Not much, it turned out.

Many couldn't peg its annual revenue growth at 8%, or returns at more than 20%, far better than all of Citi. And many didn't know Citi Services actually increased deposits by 20% during the 2008-09 financial crisis even as Citi nearly failed. "Even seasoned investors will get

those answers wrong," Mayo said. © 2024 DOW JONES & CO. INC.



emerged that chemical manufacturer Teijin was looking to sell its stake.

deal values Infocom's equity

Bloomberg had previously reported that Sony Group Corp.'s music arm and KKR & Co. were also interested in Infocom.

Sakamoto said that while Infocom has a small Englishlanguage business in North America, Blackstone would first focus on building up original content creation in Japan before trying to grow overseas. Owning the content would also make it easier.

The New York-based firm is looking to expand the business over five years and exit through a public offering, though Sakamoto noted there would likely be companies interested in buying the business

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UMBERS

NEWS WRAP

THE NUMBER of firms that have received approvals from Sebi to raise nearly ₹11,946 crore through IPOs in the coming months, according to Prime Database Group

₹11,730 cr

THE NET purchases made by foreign portfolio investors in the Indian equity market last week (10-15 June), reversing the selling spree, according to NSDL data

FISHING IN FLOODWATERS

6-8%

THE PROJECTED growth in demand for jewellery in value terms in FY25, down from 18% growth in FY24, due to a surge in gold prices, according to Icra

531,000

THE NUMBER of new housing units the top seven cities in India are expected to see in 2024, up 22% from 435,000 units in 2023, moderating the rental growth

\$51.5 bn

THE AMOUNT the US spent on nuclea weapons in 2023, followed by China (\$11.8 billion) and Russia (\$8.3 billion), according to SIPRI, a Swedish think tank

HOWINDIALIVES.COM

Most workers face learning barriers

otwithstanding the fact that a significant percentage of professionals in India say that their company is doing enough to cultivate a culture of learning, 9 in 10 professionals find it hard to prioritize learning due to work and family commitments, says a report.

According to new research by the leading professional network LinkedIn, 91% of professionals in India face barriers such as feeling burnt out or family responsibilities that are getting in the way of their learning.

In a bid to overcome barriers to upskilling, professionals are resorting to 'loud learning', the act of being vocal and intentional about $learning \, ambitions \, in \, the \, work place.$

LinkedIn research shows that 79% of professionals in India believe that engaging in 'loud learning' can support their career growth. ΡΤΙ



Adani Ports & SEZ's market capitalization has climbed to about \$37 billion.

Adani Ports tops peers in mkt value

🦰 hares of billionaire Gautam Adani's port operator are primed for further gains after high cargo volumes made it the world's largest transport operations and services provider by market value.

Adani Ports & Special Economic Zone Ltd's (SEZ) market capitalization has climbed to about \$37 billion, overtaking peer Beijing-Shanghai High Speed Railway Co. Rising cargoes and entry into benchmark S&P BSE Sensex Index may extend its rally.

"It's the beginning of a journey for Adani Ports," said Deven Choksey, managing director at DRChoksey FinServ Pvt. Expansion is becoming more natural for the firm now that it's generating cash and can already manage millions of tonnes of cargo, he said. Adani Ports handled about 27% of India's total cargo and around 44% of container cargoes in the year to 31 March, according to a statement. BLOOMBERG

India to investigate WB train collision

ndia will launch an investigation on Tuesday into a train collision that killed nine people in West Bengal and injured more than 50, a day after a top railway official blamed the incident on driver error.

The death toll was revised down to nine from 15 after Monday's accident, in which a freight train rammed into a passenger train, Kanchanjunga Express heading for the state capital of Kolkata from Tripura. The probe by top railway safety official will start on Tuesday, Chetan Kumar Shrivastava, general manager of the Northeast Frontier railway, where the accident happened, told Reuters.

"The inquiry will involve eye-witness accounts, scrutiny of official documents and statements from railway officials, regarding signalling and other mandatory safety issues," he added.

There were 1,400 people aboard, a railway spokesperson said. REUTERS



Rupee was buoyed by fresh inflow of foreign capital and a firm trend in equity markets. REUTERS

Rupee up 12 paise, hits 83.43 a dollar

he rupee appreciated 12 paise to settle at 83.43 against the US dollar on Tuesday, buoyed by fresh inflow of foreign capital and a firm trend in domestic equity markets, wherein benchmark indices scaled new peaks. Forex traders said reports of dollar selling by public sector banks also supported the local currency. However, higher crude oil prices capped the gains in the local unit. At the interbank foreign exchange market, the local unit opened at 83.52 and hit the intraday high of 83.39 against the greenback during the session. It finally settled at 83.43 against the dollar,



Villagers catch fish in floodwaters amid heavy rains in Assam's Kamrup district on Tuesday

Centre revises retail prices of diabetes, other essential drugs

NPPA announced revised prices of 54 drug formulations, 8 special feature products

Somrita Ghosh somrita.ghosh@partner.livemint.com NEW DELHI

he Centre has fixed higher prices for drugs used in the management of diabetes, hypertension, heart disease, bacterial infections, and allergies, as well as some multivitamins. In an official order, the department of pharmaceuticals and the National Pharmaceutical Pricing Authority (NPPA) announced the fixing of retail prices of 54 drug formulations and eight special feature products. The decision to increase the prices of the formulations was taken during the authority's 124th meeting. In a relief to diabetes patients, prices of many common prescribed drugs including metformin, linagliptin and sitagliptin, have been fixed at ₹15 to ₹20 per tablet. Prices of calcium, vitamins and drugs for bacterial and fungal infections have, however, been reduced.

The retail price of ciprofloxacin antibacterial injection was fixed at ₹0.23 per millilitre (ml), while that of combination tablets containing telmisartan, chlorthalidone, and cilnidipine for hypertension is ₹7.14 per tablet. Combination aspirin and atorvastatin, used to treat high cholesterol, particularly when linked to ris-

ing risk of heart dis-The drug pricing authority has also ease, have a set at stated that retailers and dealers must

0.00551% due to variation in wholesale inflation. In May, the authority announced a reduction of the ceiling rates for seven scheduled formulations and a comparable cut in retail prices for 41 important pharmaceuticals. The NPPA has also stated that retailers and deal-

ers shall display price list and supple-

mentary price list. The NPPA has also

registering a gain of 12 paise from its last close. On Friday, the rupee had settled I paisa lower at 83.55 against the US dollar. Forex markets were closed on Monday on account of Bakri Id.

Anuj Choudhary, research analyst at Sharekhan by BNP Paribas, said the rupee gained as domestic markets hit new all-time highs amid fresh foreign fund inflows. "Reports of selling of dollars by state-run banks also supported the rupee. However, a positive tone in the US dollar and surge in crude oil prices capped sharp gains," he said. ΡΤΙ ₹2.68 per capsule. The price of 500 ml pack of glucose in "euro head plastic bottles" was fixed at ₹0.24 per ml, while

Thailand allows same-sex marriages

the cost of calcium and vitamin D3 pills has been set at ₹7.82 per tablet.

The increase in the prices of the drugs and special feature product follow the NPPA's announcement in March that price of drugs on the National List of Essential Medicines (NLEM) will rise by

said that in case the display price list and supplementary retail price of any of price list, else face penal action the aforesaid formulations is not complied with, as per

> instant price notification and notes specified, then the concerned manufacturer or marketing company will be liable to deposit the overcharged amount along with the interest thereon under the provisions of the DPCO, 2013 read with the Essential Commodities Act, 1955.

Fosun to cut stake in Gland Pharma

hanghai Fosun Pharmaceutical Group Co. is in talks about cutting its stake in India's Gland Pharma Ltd through block deals after being unable to offload it in one go, according to people familiar with the matter.

The Chinese company could start the sale by paring a 6% stake in the drugmaker as soon as next week through a block deal, the people said, asking not to be identified discussing confidential information.

The listed arm of billionaire Guo Guangchang's Fosun International Ltd holds about 58% of Gland Pharma, which has a market value ₹30,300 crore (\$3.6 billion). It will carry out more block sales in the coming months to shore up its balance sheet unless buyout firms make an offer, the people said. Fosun Pharma's high valuation expectations for Gland Pharma have been a hurdle to a potential sale to private equity firms, the people said.

A representative for Fosun Pharma declined to comment, while Gland Pharma didn't respond to requests for comment. **BLOOMBERG**



Thailand is the third Asian place, after Taiwan and Nepal, to allow same-sex marriage. AFP

hailand's Senate voted overwhelmingly on Tuesday to approve a bill that would legalize same-sex marriage, clearing the last legislative hurdle for the country to become the first in Southeast Asia to enact such a law.

Thailand has a reputation for acceptance and inclusivity but has struggled for decades to pass a marriage equality law. Thai society largely holds conservative values, and members of the LGBTQ+ community say they face discrimination in everyday life.

The government and state agencies are also historically conservative, and advocates for gender equality have had a hard time pushing lawmakers and civil servants to accept change

Thailand will become the third place in Asia, after Taiwan and Nepal, to allow same-sex marriage. The marriage equality bill, which grants full legal, financial and medical rights for marriage partners of any gender, sailed through the House of Representatives right before the previous parliamentary session concluded in April with the approval of 400 of the 415 members who were present. AP



For iPhone users, access to Gemini will be rolled out via the app over the next few weeks.

Android users get **Gemini app in India**

oogle on Tuesday said its AI (artificial intellegence) assistant Gemini is now available as an app for Android smartphone users in India with support for English, Hindi and eight other Indian languages. For iPhone users, access to Gemini will be rolled out through the Google app over the next few weeks, according to a blog post by Amar Subramanya, vice president, Engineering, Gemini Experiences.

"Gemini, your AI assistant from Google, has had an exciting first year in India... From students to developers and many other curious minds, people in India are embracing Gemini's capabilities to enhance their productivity, learning, and creativity in everyday life," Subramanya wrote. Additionally, users of Gemini Advanced in India will now be able to access features of Gemini 1.5 Pro, Google's latest next-gen AI model.

The expanded capacity of Gemini Advanced will allow users to upload multiple large documents and emails for quick summaries, feedback, and actionable insights. Google said the Gemini feature will also be

added in Google Messages on select devices. PTI

India largest market for Nestle's Maggi

ndia has become the largest market for Nestle globally for its instant noodles and soup brand Maggi and the second largest for chocolate wafer brand KitKat, according to the latest annual report of its local subsidiary.

Besides, the India market with a high double-digit growth has become one of the fastest growing markets for Nestle, it added.

"Penetration, premiumization and innovation, combined with disciplined resource allocation, have been key in driving business, making your company one of the fastest growing markets for Nestle globally, said Nestle India's annual report for 2023-24.

Nestle, which sells its popular instant noodles under brand Maggi and prepared dishes and cooking aids, sold over six billion servings of Maggi during FY24, "making India the largest Nestlé market for Maggi worldwide," it said. ΡΤΙ

US officials in India to meet Dalai Lama

group of US lawmakers arrived in India on Tuesday to meet Tibetan spiritual leader the Dalai Lama, with the head of the delegation saying President Joe Biden would soon sign a bill that aims to press China to resolve the Tibet dispute.

The bill seeks to push Beijing to hold talks with Tibetan leaders, stalled since 2010, to secure a negotiated agreement on Tibet and spur China to address Tibetan people's aspirations on their historical, cultural, religious and linguistic identity. The visit, likely to rile Beijing at a time when the US and China have sought to stabilize rocky ties, comes days ahead of a US trip planned by the Dalai Lama for medical treatment, but it is unclear if he will have any engagements during it.

The bipartisan delegation of seven lawmakers, headed by Republican representative Michael McCaul and including Democratic former house speaker Nancy Pelosi, arrived in Dharamsala. REUTERS

Consumer affairs secy cautions e-comm firms on dark patterns

onsumer affairs secretary Nidhi Khare on Tuesday warned e-commerce companies against deploying deceptive user interface designs known as "dark patterns", stating that the practice violates consumer rights and amounts to unfair trade.

Addressing a stakeholders session, Khare highlighted various ways for online platforms to refrain from using such designs that mislead consumers into making unintended purchases or subscriptions, an official statement said. She suggested improvements like relying on consumer feedback, monitoring user satisfaction and repeat customers, using app features to identify non-compliant patterns, and self-auditing specified dark patterns, according to an official statement.

The Department of Consumer Affairs, which notified guidelines to prevent dark patterns in November 2023, has specified 13 such designs, including false urgency alerts, subscription traps, bait-and-switch pricing and nagging tactics. ΡΤΙ



The Department of Consumer Affairs notified guidelines to prevent dark patterns in November 2023.



THE NEET PROTESTS

The nationwide protests against alleged discrepancies in NEET have many heroes, from students to influencers



Devina Sengupta & Krishna Yadav MUMBAI/NEW DELHI

involving grant of grace marks, abnormally high scores, high number of 100% scores, high cut-off scores etc. Resultcolleges are six to 25 times more expensive—annual fees can range between ₹6 lakh and ₹25 lakh a year, say students and



lege. His second daughter attempted NEET for the second time this year. "We have written to the NTA. We could have accepted her last year's score of 485 and attempted a seat in a private college but she wanted to study in a government one. Now, we do not leave her alone (the daughter is in a state of shock)," said the Mumbai-based person who works in the tea sector.

and has put out a video highlighting student angst. "One studies for 12 hours a day, sometimes for a couple of years. Now, those who scored well on their own merit may not want any retest. What if they do not succeed again?" she asked.

of Indians were glued to their television as the Lok Sabha election result trends poured in. Around

the same time, in Noida, Alakh Pandey, founder of edtech firm Physics Wallah, found himself glued to something else he was trying to tally the scores of this year's National Eligibility-cum-Entrance Test (NEET). The test results were declared earlier in the day.

Pandey was befuddled. So was Saurabh Pant, co-founder and academic director of Vijayawada-based coaching centre Sri Gosalites Medical Academy. Pant and his team of teachers were stunned for half an hour and were silent "as if someone had died". In Mumbai, a parent working in the tea industry decided not to leave his daughter alone that evening.

Nearly 2.4 million students wrote the exam in order to gain admission in undergraduate medical programmes. Now, their fate hangs in the

balance. What went wrong?

Some students expected c secured abnormally high scores—67 of them scored 720 marks, the highest possible in the nationwide entrance election the Indian Medical Association Junior Doctors' Network, a forum for young doctors,

wrote to Pradeep Kumar Joshi, the chairperson of the National Testing Agency (NTA), the body which conducts the exam. "Total of 67 students scored a perfect 720 out of 720, which is highly questionable. This has never happened. Usually, only three to four students score perfect marks. Also, six-seven of these students, out of the 67 students, come from one just one centre in Haryana," the letter stated.

Many received varying 'grace marks' because of delays in starting the exam at certain centres. Students said that the scores they calculated and the final declared result were vastly different. The NTA releases the correct answers to questions after the test. Allegations of paper leak at some centres started doing the rounds.

In the following days, students and parents from different states visited coaching centres, uploaded their stories on social media platforms, reached out to influencers and decided to move courts against alleged discrepancies in the entrance test.

"The declaration of result was soon followed by news of a number of concerns antiy, candidates started raising a number of queries relating to the non-transparency in the manner in which the results had been declared," stated one petition filed by Pandey in the Supreme Court.

Pandey has also written mails to the NTA, uploaded 282 videos on social media platforms highlighting the problem, and wrote about the anomalies on X, formerly Twitter. In short, Pandey quickly rose to become one of the prominent faces leading the protests, demanding accountability from the testing agency.

"There are eight lakh students who have paid ${4,000}{5,000}$ for our NEET exam course material. Right now, even a student with a high score is not celebrating because people may allege that the student has received the marks through unfair means," Pandey told *Mint*.

MASSIVE SCALE

Before we tell you about the other faces behind the protest, let us understand how exams of this scale

are conducted. The NEET results were initially NEET (undergraduate) tests students on physics, expected on 14 June and biology and chemistry. not 4 June. The fact that it Students have to answer 180 questions. This year, was declared on Lok Sabha the tests took place on 5 election result day May, between 2 pm-5.20 pm, in 4,750 centres surprised many. across 571 cities in India

and 14 cities outside the country. Students have to answer objective questions on their 'OMR' sheets.

OMR sheets, or optical mark recognition, is a technology that allows quick readings of surveys, large scale data and answer sheets where the responses are darkened on a specially designed paper. In the case of NEET, the answers were marked by students and scanners tabulated if the answers were correct.

Few days after the exam, NTA uploads the scanned OMR sheets and the 'answer key' is released. Students can therefore tally how much they scored. Once the final test scores are declared by the agency, students secure seats in medical colleges across the country depending on their ranks. Until last year, a score of 550-570 plus may have guaranteed a seat in a government college while 480 and above meant a seat in a private college. This year, the NTA declared that the minimum score to qualify in the unreserved category was 164 versus 137 last year. The average marks scored was 323.55 versus 279.41 last year. While the costs of studying in a government aided medical college can start from a few thousands a year to ₹1.2 lakh, private

their parents.

This is why securing very high scores becomes an imperative for many students, particularly those from middle India.

SHARMA-JI'S ANGST

S tudent bodies have been active in protesting against the alleged discrepancies. One of them is the All India Students' Association (AISA). It is trying to organize students who feel wronged.

"We met these aspirants at protests and in WhatsApp groups. These are young people. So, we try to help them understand the legal aspects of a protest and update them on any developments in court proceedings," Neha, the association's Delhi state secretary, told *Mint.* "We are coordinating with the students and their parents, whom we have been meeting throughout the week at various protests," she added.

One student protesting is 17-year-old Manas Sharma. He alleged that while he scored 610 as per his calculation from the OMR sheet, the official result showed a score of 468.

The son of an Indian Railways employee, Sharma recently spoke to journalists in a presser organized by AISA in New Delhi. The room was crammed with people and a non-functioning air conditioner added to the woes. A seemingly nervous Sharma, who is from Shastri Nagar in Delhi, told scribes: "It is absolutely shameful that we put in so much effort and now have to suffer due to NTA's mismanagement. Why wasn't action taken on the FIRs filed against paper leaks? Why was the result declared IO days early? We demand answers."

NEET results were initially expected on 14 June and not 4 June. The fact that it was declared on Lok Sabha election result day surprised many.

The letter from the Indian Medical Association Junior Doctors' Network, cited earlier, underlines this surprise. "The results were declared prematurely on a day when the media was occupied with broadcasting the results of the general election. What is the reason for this urgency?" the letter questioned.

"My father always wanted to become a doctor, but despite his efforts, he ended up working for the railways. I want to fulfil his unfulfilled dream," Sharma told *Mint* that day.

Private college is not an option for him—his family can't afford the stiff tuition fees such colleges charge. Now, he plans to attempt NEET again next year.

Another student organization protesting is the Students Islamic Organisation of WHAT

Alleged irregularities in this year's NEET-UG have led to massive protests in the country. Students, teachers, coaching institutes, parents and influencers have united in protest.

WHY

Some students got abnormally high scores—67 scored 720 marks, the highest possible. The students said the scores they calculated were vastly different from the results declared.

NOW

Different entities have approached the courts. A SC bench has consolidated various petitions and will hear them on 8 July. The govt has assured that the guilty wouldn't be spared.

India (SIO). The body has filed a petition in the Supreme Court alleging fraud. It wants the NTA to recall the results and conduct a fresh examination.

Roshan Mohiddin, national secretary of SIO, said his association conducted a survey of about 600 students in various states. About 50 students who scored more than 600 marks were also called. According to the survey, 51% of students found errors in their NEET exam scores. The impact on mental health due to NEET result issues was significant, affecting 73.2% profoundly, Mohiddin said. Additionally, 64.8% of the students faced issues at the exam centre, such as delayed starts. About 76% of the surveyed supported a re-examination and investigation.

"Based on this survey, we decided to file the petition," Mohiddin said.

ANGUISHED DAD

Like Manas Sharma, there are millions in India who wouldn't be able to afford private education.

In Mumbai, a person who didn't want to be identified, has written to the NTA protesting against his daughter's marks, which was almost 70% less than what she had tallied from the scanned OMR sheet. His elder daughter is a doctor and stud-

ied in Maharashtra in a government col-

The family can't afford private colleges and while education loans are an option, the father isn't very sure. Unlike an MBA graduate, a doctor may not earn enough in the initial years to be able to pay back the borrowed amount. Depending on the city and the state, the starting salary for a doctor in a hospital can range between 350,000 and 1 lakh a month.

PANT'S SURVEY

Meanwhile, several coaching institutes are now counselling their students.

Sri Gosalites Medical Academy in Vijayawada claims to have coached more than 5,000 doctors. Co-founder Saurabh Pant, who also teaches chem-

istry, is advising students "not to take any drastic steps". At the same time, he is looking at the data of 4,300 students his company coached. "For half an hour after the results came in, we were quiet. It felt similar to mourning a death," he said. "I expected 2,000

f students to get government seats. Now, about 1,200 will qualify," Pant added.

His analysis found that a score of 640 could get an All India Rank (AIR) of 38,872 this year. The same score would have secured a student an AIR rank of 10,305 in 2023. Pant is therefore telling his students not to celebrate even when they have secured high marks.

"There were parents ready to sell their land to ensure that their child becomes a doctor. The parents are just as angst ridden as the students," he said.

VIDEO FROM KOTA

Students, meanwhile, have reached out to social media influencers, asking for their support.

"Several students have sent me messages on my social media handles and emailed me their grievances. Many had prepared for more than two years, relocated to places like Kota to study," said Mitali Sharma, a content creator who is in her final year MBBS (bachelor of medicine and bachelor of surgery) at Maulana Azad Medical College in Delhi. Sharma had scored 700 in her NEET exam in 2020 A bunch of Kota-based content creators have been highlighting the mentioned discrepancies as well. More than 100,000 aspirants arrive at Kota every year to prepare for the medical entrance.

"There are seven of us who make video stories of students in Kota. For the last couple of weeks, students contacted us to shoot their stories of disappointment," said Akhilesh Dixit, who runs a YouTube channel called 'Kota Students Help Club'.

HUNT FOR THE GUILTY

So, what should we expect, going ahead?

A Supreme Court bench, comprising justices Vikram Nath and Sandeep Mehta, has consolidated various petitions filed in the NEET case. They will hear them on 8 July.

On 13 June, the government informed the Supreme Court of its

decision to scrap grace

marks given to 1,536 stu-

dents who took the med-

ical entrance test. These

students will be notified

of their actual scores,

excluding the grace

marks, and will have the

option to take a re-test

on 23 June. The apex

court. on 14 June. also

The test results were

advanced because the marks were ready, NTA clarified. Perfect scores in many cases were attributed to revision of

one physics answer.

sent out notices to the Centre and the NTA on pleas requesting a probe by the Central Bureau of Investigation (CBI) into the allegations of paper leak. Meanwhile, the NTA has held press conferences and met students to explain why it did what it did. The test results were advanced because the marks were ready, the agency clarified. "NTA has been working towards improving the result declaration time from year to year," it stated in a statement. Perfect scores in many cases were attributed to revision of one physics answer key. CCTV footage and reports of functionaries at test centres were used to determine loss of time that led to grace marks.

The agency and the education ministry did not respond to clarifications sought by *Mint*. Nonetheless, last week, union education minister Dharmendra Pradhan told reporters that the government is committed to ensure 100% transparency in the exam; that the NTA needs improvement; that the guilty wouldn't be spared.

The 2.4 million who wrote the exam would impatiently wait to know who the guilty is.

devina.sengupta@livemint.com



How GenY, GenZ cashed in on the stock market boom

These new-age investors have turned modest beginnings into substantial gains, but beware

Sashind Ningthoukhongjam sashindnj@livemint.com

new generation of young investors is unlocking wealth through the stock market, riding the crest of a four-year boom-their journeys highlighting the transformative power of strategic investing in today's dynamic financial landscape.

From law students to merchant navy officers, these millennial and Gen Z investors, armed with technology and financial literacy, are turning modest beginnings into substantial gains, fuelling dreams and changing lives.

Take Raunaq Bali, a 25-year-old law student, for instance, who turned his internship stipend into a profitable portfolio, and bought his first scooter, laptop and black robe. He is not alone. This $story\, of youth ful \, ambition \, and \, strategic$ investing resonates across the nation, signalling a new era of wealth creation.

Zerodha, one of India's leading stock trading platforms, captures this trend. Zerodha users have collectively earned ₹50,000 crore in profits over the past four years, even after accounting for losses. Another ₹l trillion in profits is parked in their trading accounts, out of a base of ₹4.5 trillion.

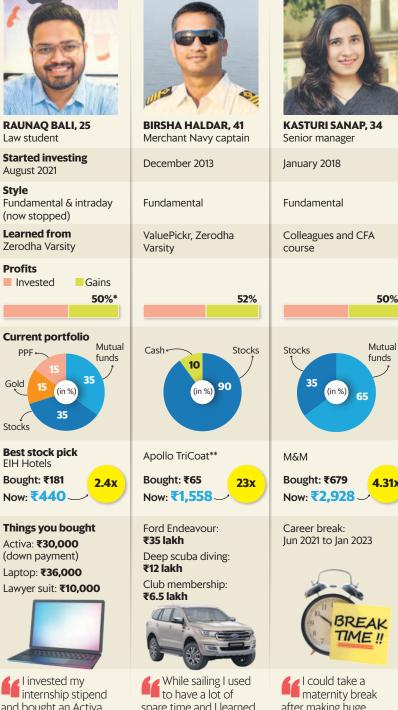
That said, while this article features four people clocking significant gains, before taking the plunge, do due diligence and not just buy into the exuberance, as untold stories of heartbreaks and losses are equally commonplace. So, be mindful of the risks involved in stock trading.

Raunak Bali's investment journey began during the lockdown, leveraging Zerodha's educational platform, Varsity, to learn the basics. His disciplined approach and strategic stock picks, including ITC and Tata Motors, led to substantial gains. "I didn't get to buy the March 2020 dip as I didn't have money," he said with a chuckle.

However, what Bali achieved is rudimentary, yet inspirational. He invested his monthly internship stipend of ₹5,000 in stocks and doubled his portfolio, using the proceeds for down payment of ₹30,000 for his two-wheeler, and ₹36,000 for the laptop. He also redeemed ₹10,000 to buy into his proessional identity—the black robe. His investments in three IPOs also paid off, yielding good listing gains, but now a month away from graduating, Bali is adopting a more guarded strategy, and has decided to invest only in MFs. "I would rather pay 0.7% expense ratio than lose everything," he said, echoing his father's advice that the stock market "is not a child's play". For Bisha Halder, 41, a merchant navy officer, life mostly meant spending time at sea, away from family. But with improved internet connectivity, he learned stock picking while sailing, and saw his investments double over the past four years. Since he started investing in 2011, his Zerodha console shows an extended internal rate of return (XIRR) of 115%. The profits enabled him to buy a Ford Endeavor for ₹35 lakh, and pursue hobbies like scuba diving and wildlife photography, and even got a membership at an elite club in Kolkata. "If markets were not kind to me, I would probably not be able to pursue these interests and buy expensive gears.'

The Bullish generation

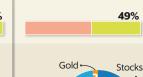
Previous generations shooed their kids from Dalal Street. The next will share a different story, all thanks to a thriving stock market.





ABHISHEK DATE, 27 Assistant manager

June 2017 Fundamental Zerodha Varsity





15.6x

mint

PRANAY BHARDWAJ/MIN

Trent Bought: ₹335 4.31x Now: ₹5,255 ~

Holding profits



At 27, my portfolio has grown to

Compare your bank FD rates

Bank fixed deposits (FDs) continue to be popular investment products not just among senior citizens, who are looking for guaranteed income, but also among investors who can't stomach risk. But overexposure to FDs is not good, and you need to assess your asset allocation and goals to decide how much money you should

park in them. For instance, saving for your child's higher education that's 15 years away through FDs may not be effective as the post-tax interest rate of an FD may not give you a real return (return that's above the rate of inflation). But if you plan to take a holiday in two years, an FD can help. Before choosing an FD, you should compare the interest rates on offer. Here is a list of banks that offer the highest FD rates for deposits up to ₹1 crore over various tenures.



Interest rates (%) for fixed deposits up to ₹1 crore					
	6 months to < 1 year	1 to < 2 years	2 to < 3 years	3 to < 5 years	5 years and above
DCB Bank	6.20-7.25	7.10-8.05	7.50-7.55	7.40-7.75	7.25-7.65
Axis Bank	5.75-6.00	6.70-7.20	7.10	7.10	7.00
HDFC Bank	4.50-6.00	6.60-7.25	7.00-7.15	7.00-7.20	7.00
IndusInd Bank	5.00-6.50%	7.75-7.99	7.25-7.99	7.25	7.00-7.25
IDFC First Bank	4.50-5.75	6.50-7.90	7.25-7.75	7.00-7.25	7.00
RBL Bank	4.75-6.05	7.50-8.00	7.50-8.00	7.10-7.50	7.00-7.10
YES Bank	5.00-6.35	7.25-8.00	7.25	7.25	7.00-7.25
ICICI Bank	4.75-6.00	6.70-7.20	7.00-7.20	7.00	6.90-7.00
Canara Bank	6.15-6.25	6.85-7.25	6.85	6.80	6.70
Dhanlaxmi Bank	6.50	6.75-7.25	6.50-6.75	6.50-7.25	6.60-7.25
Federal Bank	5.00-6.00	6.80-7.40	7.05	7.00	6.60
Bank of Baroda	5.60-7.10	6.85-7.15	7.25	6.50-7.25	6.50
Bank of Maharashtra	5.25-6.90	6.50-7.10	6.50	6.50	6.50
Central Bank of India	6.00-6.25	6.85-7.30	6.50-7.00	6.50	6.50
Indian Overseas Bank	5.75	6.90-7.30	6.80	6.50	6.50
State Bank of India	6.00-6.25	6.80-7.10	7.00	6.75	6.50
Union Bank of India	4.90-6.25	6.50-7.25	6.40-6.50	6.50	6.50

Data taken from respective bank's website as on 13 June 2024; Only main entity of the merged banks are taken. Banks which merged with its main entity are removed from the table; The list of 15 banks is based on highest fixed deposit rates available for 5 years and above Source: www.Bankbazaar.com

Understanding responsibilities, legal duties for witnessing a will

Aradhana Bhansali

I've been asked to sign as a witness for my friend's will. What are the implications and responsibilities of this role? Are there specific legal obligations or requirements I should be aware of?



Halder follows a fundamental style of investing, and is now contemplating

**now merged with Apl Apollo tubes	e past 4+ years, equity investo	ors at Zerodha booked a r	pet profit of ₹50,000 crore
*includes realized	to pick stocks.	profits.	

Another ₹1 trillion is lying as unrealized gains on an AUM of ₹4.5 trillion.

Source: Nithin Kamath, founder & CEO, Zerodha on X (formerly twitter)

reducing his time at sea, with complete retirement on the horizon if the markets remain favourable.

Kasturi Sanap, 34, an engineerturned-finance profes-

sional, used her stock market gains to take a career However, don't break for 18 months, just buy into the allowing her to focus on exuberance, as her family and have her untold stories of second child. "It wouldn't heartbreaks and have been possible if I losses are equally didn't have those stock commonplace

market gains.' During the covid crash in March 2020 she saw her

portfolio plummet from ₹50 lakh to ₹20 lakh, primarily with her mid- and smallcap investments taking a severe hit. But she remained resilient, and rather than selling the stocks, she withdrew ₹10 lakh from her fixed deposit, and reinvested it

in stocks. "I thought the valuations were attractive." Sanap, who has cleared all levels of the CFA examination, said her portfolio quickly recovered and doubled within 7 months.

Abhishek Date, a 27 year research analyst, has seen his initial investment of ₹15 lakh zoom to ₹29 lakh since 2019. He bought his first stock in 12th grade, opting for Navneet Education shares. However, his real investment journey started after completing his master's in economics. He got a

job as a research analyst at a magazine, earning₹45,000 a month, and invested ₹25.000 out of it. In 2019. Date invested in chemical and fertilizer stocks, benefitting from the rally. He then allocated a significant portion to small- and mid-

caps, as he saw potential in undervalued companies battered by the impact of demonetization. His strategy paid off well as the stocks rebounded. "I think I got lucky."

However, he is now investing only in MFs, such as Canara Robeco Large cap, Mirae Asset Midcap and Nippon Small-Cap fund, and is an assistant manager at The Clearing Corp. of India Ltd.

However, here's a rod of caution. "Everyone is a genius in a bull market. Jab bull market ata hai woh sab ko deta hai (everyone earns in a bull market), but until you complete a full cycle, you don't know if you made money due to your wisdom or was it just because the market was having a good time. Every flower blooms in spring (but having a strategy for bad times determines how far you have come as an investor," said ace investor Vijay Kedia.

an investment destination.

Challenges for the government

-Name withheld on request

A will is an instrument of testamentary disposition of property, whereby one transfers or bequeaths his property to the named beneficiaries on his death. At the time of testing the will for its validity, your friend will not be alive, therefore, a will is required to fulfil the requirements under the relevant provisions of Indian Succession Act, 1925 and the Indian Evidence Act, 1872.

For this, (a) The testator/ your friend has to sign his will; (b) It is mandatory to get it attested by two or more witnesses, though no particular form of attestation is necessary; (c) Each of the attesting witnesses must have seen the testator sign or affix his mark to the will; (d) Each of the attesting witnesses shall sign the will in the presence of the testator, however, the presence of all witnesses at the same time is not required.

Last Will and Testan

ARTICLE I: Funeral expe rect my executor res, and the expr g my esta w, debts must be paid by



For the purpose of proving

the execution of the will, at

least one of the attesting wit-

nesses, who is alive, subject to

the process of court, and capa-

ble of giving evidence, shall be

witness alive. However, in the absence of

> availability or death of both attesting witness, what is to be proved as the attesting witness is concerned, is, that the attestation of one of the attesting witnesses is in his own handwriting. Aradhana Bhansali, Partner, Rajani Associates.

examined. The law provides that if a document is required by law to be attested, it shall Do you have a personal not be used as evidence until finance query? Send in your queries at one of the attesting witnesses, mintmoney@livemint.com at least, has been called for the and get them answered by purpose of proving its execuindustry experts. tion, if there be an attesting

WHY RETAIL INVESTORS ARE ADVOCATING TO SEE A CHANGE IN CAPITAL GAINS TAX



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

apital gains tax has become a hot topic of conversationafter a video featuring the Union finance minister Nirmala Sitharaman and a broker went viral-ahead of the Union Budget 2024-25, likely to be presented in July end. While the capital gains tax is not new, its impact on market sentiments is significant. Capital gains tax is levied on the profit earned from the sale of an asset, such as equity, debt, real estate, gold or mutual funds, at the time of their transfer. However, the capital gains tax structure-with its complexity and varying rates based on asset class and holding period-has led retail investors to advocate for changes.

Taxation of capital gains: In India, depending on the holding period, capital gains are classified into two categories: short-term and long-term. Both attract different tax rates.

Long-term capital gains (LTCG): Profits from the sale of equity shares held for more than 12 months are classified as LTCG. But the same for land or real estate transactions are considered LTCG if the holding period is 24 months. LTCG, from the sale of equity exceeding ₹1 lakh in a fiscal year, is taxed at 10% without indexation benefit. For other assets, LTCG is taxed at 20% with indexation benefits.

Short-term capital gains (STCG): Capital gains not classified as LTCG are automatically considered STCG. STCGs from equity shares and equity-linked mutual funds are taxed at a flat rate of 15%, while other STCGs are taxed at the normal tax rates applicable to the taxpayer.

While the rules for the taxation of capital gains may seem straightforward, the practical application of the capital gains tax is far more complex. Recent revisions in the taxation of debt instruments, such as debt funds, market-linked debentures, and hybrid debt funds, have not only complicated the interpretation of the law, but also increased the risk of errors that could lead to interest, penalties and prolonged litigation. These complications, along with the reintroduction of tax on LTCG, have left the investors appealing to the government for relief and the rationalization of the capital gains tax regime.

How it compares to other countries

While most developed and developing nations tax capital gains, specific financial hubs like Singapore and Hong Kong do not levy capital gains tax to attract global investors. India's approach is more complex than some countries' relatively straightforward systems but is deemed suitable for its economic ecosystem. Indian retail investors argue that aligning the capital gains tax regime with international standards could enhance India's competitiveness as



Many retail investors feel that the current tax system unfairly

affects them. They argue that multiple types of taxes-securities

transaction tax, goods and services tax, stamp duty and capital

gains tax-are deterrents to a conducive investment environment

However, the capital gains tax is a significant revenue source for

the Indian government. According to income tax statistics for the

assessment year 2021-22, 4% of the total gross income declared in

essential for a stabilized long-term market economy.

income tax returns is attributable to capital gains from individuals alone. Unlike developed countries that charge estate tax, in India, tax is payable only at the time of sale of the property, not for holding the property. Any reduction or relief would need to be compensated by alternative revenue streams to avoid the fiscal burden.

The government has several provisions in the Income Tax Act

India's LTCG approach is than some of the other countries

that exempt capital gains tax when the profits are reinvested in specified assets, primarily residential properties. These measures aim to alleviate the burden on taxpayers; however, they are not widely regarded as creating a highly investment-friendly environment. Additionally, in recent years, the applicability of these exemptions has been capped to prevent high-net-worth individuals or

investors from exploiting multiple property investments.

Retail investors in India present a compelling case for changes to the capital gains tax system. Simplifying the tax structure, lowering rates, and matching global standards could mitigate complexity, fairness and market participation issues. However, any reforms must be carefully balanced against the government's fiscal needs and broader economic priorities. By addressing these challenges, India can foster a more investor-friendly environment that promotes sustained economic growth and market stability.

Neeraj Agarwala, partner, Nangia Andersen India. With inputs from Neetu Brahma, director, Nangia Andersen India.

more complex

Government measures





OUR VIEW



Cold War II: Do not let it spark off a nuclear race

A SIPRI report warns of a rising number of nuclear warheads deployed. The world must reverse this. An arsenal only needs a few nukes to achieve minimum credible deterrence

he deadly stockpiles of nuclear weapons built by Cold War adversaries Russia and the US gave the 'MAD' doctrine of 'Mutually Assured Destruction' a literal ring. With thousands of nukes each, both had enough to destroy the planet many times over. Could today's geopolitical divide between a China-led bloc and the US-led West imperil the world with another arms race being pushed beyond the limits of reason by its force of rivalry? According to the latest report by Stockholm International Peace Research Institute (SIPRI), a think-tank, all nine nuclear-armed countries-the US, Russia, UK, France, China, India, Pakistan, North Korea and Israel-modernized their arsenals in 2023, while some deployed new weapon systems. By SIPRI's 2024 estimates, of the world's 12,121 warheads in existence this January, about 9,585 are held in military arsenals, with some 3,904 of these mounted on delivery vehicles. Worryingly, this tally of 'deployed' nukes is 60 more than it was last January. Russia is thought to have upped its deployment by 36 to 1,710, just 60 short of the US's latest figure. But the year's expansion story has been China's. Its count of warheads jumped to 500 from 410 at the start of 2023. Moreover, as many as 24 of its nukes are now thought to be deployed, although no other Asian country has any deployment in SIPRI's analysis. Why is China expanding its nuclear arsenal so fast? The size of its stockpile was already more than double that of India's, its big regional rival. Analysts view Beijing's moves in the context of its push for long-range hypersonic missiles and the ability to project force across the Western hemisphere as well. Alarm over China's alliance with Moscow has been rising. Over the weekend, Nato's Secretary General Jens Stoltenberg said that Nato allies could for the first time face a nuclear threat on two fronts, Russia and China, which may require increasing its deployable warheads to act as a deterrent. In this formulation, the "no limits" partnership of Moscow and Beijing justifies weighing their joint capacity for nuclear annihilation against their own. Stoltenberg's statement drew criticism from the Kremlin, whose spokesman Dmitry Peskov called it "escalation of tension." Given that arms-control talks of the West with Moscow remain in limbo, with Cold War-calming pacts having lapsed in recent years, none of this is reassuring.

What's particularly disturbing is the stockpile versus stockpile dynamic in evidence, as if a nuclear shield demands a balance of explosive power between adversaries ranged against each other. By SIPRI's data, Pakistan has 170 warheads to India's 172. This also seems to fit into the same framework. Yet, given how easily the game of 'strategic parity' can slip into an expensive race for more, all nuclear-armed states need to exercise self-restraint. All that's really required is minimum credible deterrence (MCD), which can be achieved even with a small arsenal backed by sharp delivery devices. As Cold War II worsens, this fact needs to be borne in mind globally. Nuclear proliferation was absurd back in the days of the Cuban Missile Crisis, and it still is. The global imperative right now is to make the world a less dangerous place. To that end, a no-first-use treaty signed by all nuclear states would be worth the pursuit. If this does not work out-say, if countries with weaker conventional defences insist they see value in rattling nuclear sabres-then at least we should all agree to cap our arsenals at MCD levels. A nuclear race makes no sense.

MY VIEW | ON THE OTHER HAND

Tax freebie or tax reform? That could depend on who one asks

India needs a fair taxation system. Special interests shouldn't get to decide what's a handout or not



ith the central government's budget due to be presented in July, the phrase 'economic reforms' is in the air, especially among those in the business of managing other people's money (OPM) and those in the business of managing the so-called sys-

tem for corporates. But the phrase 'economic reforms,' like many such terms, doesn't really have a clearly defined meaning. Indeed, it might be safe to say that what might seem like a 'reform' to one person might seem like a *revdi* or handout to another. Allow me to explain.

My first job in journalism required me to write on personal finance. I realized very quickly that a decent understanding of India's complex and convoluted Income Tax Act, 1961, could be a regular source of stories. And within months of this realization, there was another—that India's income tax system was built for the rich, particularly the non-salaried rich.

Let me share two examples. For many years, mutual funds (MFs) would launch fixed maturity plans (FMPs) just before a financial year (FY) came to an end. FMPs were debt MFs which came closest to operating like fixed deposits (FDs). They had a fixed maturity period. When that period ended, the initial investment along with the returns earned would be handed back to the investor, like with an FD.

Now, these FMPs would be launched towards the end of one FY and would mature in a little over a year's time. Let's say the last date for investing in an FMP was 29 March 2007. This scheme would then mature on 2 April 2008. On the face of it, the maturity period was just a little over a year; nonetheless, it needs to be pointed out that such an FMP launched in FY 2006-07 remained in existence through 2007-08 and matured just at the start of 2008-09.

And this is where a legal tax dodge came in. The moment an investment in a debt MF was held for more than a year, indexation, or accounting for inflation while calculating capital gains, came into the picture. Here, the investment started in one FY, was held during the next FY and matured in the third, so double indexation came into play.

Let's say an investor invested ₹1 lakh and earned a return of 10%, resulting in a maturity amount of ₹1.1 lakh. If inflation averaged 5% per year, then the cost price for the investor could be claimed at more than ₹1.1 lakh. Hence, for tax purposes, the investor would actually make a capital loss, implying that no tax had to be paid on real capital gains. The irony of this device was that even though the maturity period was just over one year, for tax purposes, inflation for two years could be taken into account. The MFs raised thousands of crores every year through this dodge.

Let's take one more example. For many years, interest of up to ₹1.5 lakh a year paid on a home loan on a self-occupied home could be deducted while calculating taxable income. But the moment one took on a second, third or nth home loan, the entire interest paid on that home loan could be deducted while calculating taxable income, as long as a notional rent was taken into account. This became a great tax dodge for the rich because the annual rental yield in the country was around 2%, whereas interest rates were 9-10%. Thankfully, both these tax dodges are

Thankfully, both these tax dodges are no longer possible, but while they were

on, one did not hear of a single OPM *wallah* talk about them, or of corporate lobbies complaining about how one of these dodges encouraged real estate speculation, making things doubly difficult for those who wanted to buy homes to live in.

Indeed, when the favourable tax treatment of debt MFs was done away with, there was a hue and cry from those who benefitted from it. A similar outcry arose after long-term capital gains on equity and equity MFs became taxable.

In all these years of writing on personal finance and economics, I have neither seen OPM *wallahs* nor corporate representatives talk about the loss of tax collections for the government due to the availability of such dodges. But they all lined up to welcome India's cut in the corporate income tax rate in September 2019, as if that did not lead to lower tax revenues.

When the Mahatma Gandhi National Rural Employment Guarantee Scheme and the Food Security Act, especially the latter, became the order of the day, many comments were made, including by yours truly, on the dangers of fiscal profligacy. Clearly, whether it's a revdi or a reform depends on who you ask. If a so-called reform helps push corporate profits or encourages more investors to invest money with OPM wallahs, that's taken by these interest groups as reform, irrespective of whether it leads to lower taxes. But if the government decides to spend some more money on helping the poor, that's called fiscal profligacy, as if the sole aim of the government should be to drive up stock market indices.

To conclude, the coming budget is a good time for the finance ministry to do away with some pointless distinctions that still exist in the taxation of different kinds of income. There is no reason why income from the buying and selling of stocks and real estate should be taxed in a different way than salaried income or income from FDs or what is earned by the self-employed.



JUST A THOUGHT

The nuclear arms race is like two people sitting in a pool of gasoline spending all their time making matches.

JOHN DENVER

THEIR VIEW

EU elections: Far-right parties have gained influence

ATANU BISWAS



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any of us didn't notice that the world's biggest and second-biggest democratic exercises took place back to back, as our Lok Sabha election was followed by the just compluded European Network and the second biggest

followed by the just-concluded European Union (EU) elections during 6-9 June, with an electorate of nearly 400 million people.

Indeed, 2024 is an electorally significant year, marked by the scheduled participation of about half of the world's eligible voters across 60 different countries.

Voters in the EU's 27 member states cast their ballots to choose 720 representatives to the European Parliament in Brussels. The exercise served as a political litmus test for various parties in participating nations. The results were seen as a political earthquake, the epicentre of which appears to be in France; however, tremors were felt across the EU and beyond.

A spectre of far-right neo-fascist ideology has haunted Europe for some time now. Nonetheless, 'the centre is holding' in the EU overall, although centrist parties suf-

fered a serious blow. Timothy Garton Ash stated in *The Guardian* that "a Europe that just celebrated on the beaches of Normandy the 80-year-old D-day beginning of its liberation from war, nationalism and fascism now again faces fascism, nationalism and war."

The impact of the extreme right's victories was felt more strongly in Paris and Berlin than in Brussels. The most dramatic out come was in France, where Marine Le Pen's National Rally handed Emmanuel Macron's Renaissance party huge defeats, and pushed the French president to take a big gamble by holding snap elections to France's legislative body. Macron's bet is that centrist parties will unite to take on Le Pen's party, but this could pave the way for extreme-right governance in France. Who knows? In neighbouring Germany, the extreme-right Alternative für Deutschland (AfD) came in second with slightly less than 16% of the vote, more than any of the three parties in the country's governing coalition, including Chancellor Olaf Scholz's Social Democrats, though the centre-right CDU-CSU was the clear winner.

Meanwhile, Giorgia Meloni, Italy's prime minister, achieved kingmaker status in Europe. Her rightist party, Fratelli d'Italia, came out on top, scoring 28%. As long predicted, FPÖ finished first in Austria with

Islamophobia, performed only slightly less well than the centre-left. What implications does the rise of the far right in the EU have? Eurosceptic sentiment

26%. In the Netherlands, Geert Wilders's

Party for Freedom, often accused of open

has been brewing throughout the continent ever since the UK broke away from the EU. Still, none of these anti-EU groups may be so naive as to try Frexit, Dexit, or Nexit. However, by taking an even tougher stance on immigration, resolutely opposing the green policies that are desperately required to address climate change, reducing support for Ukraine, and clawing back national control from Brussels, they will probably continue to

push the EU to the right from within. The rise of rightist parties in the European Parliament may have repercussions for Europe and other regions. What about nations like China and India? The European Conservatives and Reformists (ECR) secured 69 seats in the newly elected Parliament, and far-right parties like Identity and Democracy (ID) secured 49 seats. While the ID takes a softer approach, the ECR maintains a staunch anti-Chinese position. As a result of such fragmentation, member states will find it more difficult to come to a consensus, which could make it harder for Chinese companies and other

Eurosceptics are on the march but issues of but issues of

 identity will be impacted more than the EU's
 common market
 Road Initiative (BRI) and at least eight member states, including France, have restricted the deployment of Chinese technology in their 5G networks, many European chief executives anticipate a worsening of relations between Europe

and China over the next three years, with the EU's de-risking strategy and Beijing's close ties with Moscow being identified as the main points of friction.

Can India strengthen its commercial ties with the EU? With 10.8% of India's overall trade being with the EU in 2021, the EU is the country's third-largest trading partner. From India's viewpoint, both the worsening of EU-China relations and progress on the India-Middle East-European Economic Corridor would be significant.

Another plausible event is a potential change in leadership in the UK after its general election due on 4 July, just three days before the second round of France's snap elections. Following 14 years of Conservative Party control in the UK under five prime ministers, Sir Keir Starmer's Labour Party has been outperforming the Rishi Sunak-led Conservatives by about 20 percentage points in most poll predictions. Starmer, however, has reiterated that there is no case for rejoining the EU. All things considered, Labour's leader Starmer might emerge as Britain's prime minister at a pivotal moment, coinciding with the rise of rightwing-or more precisely, ultra-right-ideas throughout mainland Europe. Will he be able to push for a balance, especially now that the UK has left the EU?

Shifts in European politics are no less significant for a far-off country like ours. And if the Republican candidate Donald Trump makes a comeback in the US presidential election this November, what then? Will we plan 'Namaste Trump, Season 2'?



MY VIEW | CAFE ECONOMICS

We need tax reforms to support the country's expenditure path

A higher tax-to-GDP ratio will grant budgetary freedom and hopefully also strengthen India's fiscal base in the years ahead



AN RAJADHYAKSHA is executive director at Artha India Research Advisors.

he dust from a heated election campaign has now settled down. A new government has been sworn in. The Union finance ministry led by Nirmala Sitharaman is busy preparing the full budget for the current financial year. It

is a good time to take a look at the way ahead for Indian fiscal policy over the next five years.

A lot of attention is lavished on the bottom-line of annual government budgets, aka the fiscal deficit. That is understandable. The fiscal deficit influences a range of current economic variables, from aggregate demand to interest rates, which in turn has important implications for companies, home buyers, job seekers, bond traders and many other economic agents. However, the overarching goal of fiscal policy over the medium term is to stabilize the ratio of public debt to gross domestic product (GDP), to help achieve rapid economic expansion with macroeconomic stability.

The pandemic shock led to a massive increase in public debt in all major economies, as tax collections fell sharply even as governments spent money to prevent a total economic collapse. India was no exception. The ratio of public debt to GDP shot up by more than 13 percentage points in one year, which itself came on the heels of a gradual increase over the second decade of this century. Since then, this key fiscal ratio has come down gradually from 88.4% in fiscal year 2020-21 to 82.2% in 2023-24. The International Monetary Fund expects the public debt ratio to fall to 77.5% in 2029, very near its pre-pandemic level, but still higher than what fiscal economists believe is ideal for India

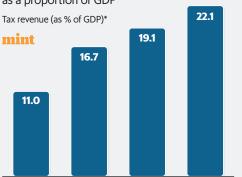
The fall in the public debt ratio was because of underlying debt dynamics. First, nominal GDP growth was well above the rate of interest that the government pays on its borrowing. Second, the primary fiscal deficit was also brought down once the worst economic effects of the pandemic dissi pated. These two main drivers of public debt over long periods of time worked in our favour, thanks to effective macroeconomic management in New Delhi and Mumbai. In the next five years, India will be under pressure to increase its military spending, given the darkening geopolitical clouds; it has to invest in a green transition that is necessary not just to meet international commitments, but to protect citizens from the erratic waves of excess heat and rain; it needs to increase spending on a range of public goods and essential services. One option is to create space in the budget by reducing unnecessary spending. However, that is easier said that done. The results of the 2024 national elections could lead to more pressure on the government to open spending taps to placate an electorate with several economic pain points, especially the lack of quality jobs. The task of further bringing down the fiscal deficit as well as the public debt ratio needs to be



VIEWS

The tax ratio compass

The higher an economy ascends the development curve, the greater its tax revenue as a proportion of GDP



Lower middle Low Upper middle High income income MINT CURATOR

Singapore has grown wary of looking like Asia's laundromat

A big laundering scandal is making it worry about its reputation



is a Bloomberg Opinion columnist covering Asian markets.

an private wealth management hubs stay neutral and discreet in an increasingly polarized world? Private banks in Zurich lost some of their shine after Switzerland decided to adopt the European Union's sanctions against Russia in 2022 over the war in Ukraine. Singapore, which has for long been a haven for the world's super wealthy, is about to find out.

A recent \$2.2 billion money-laundering scandal in Singapore is putting the islandstate on the back foot. It's forcing the government to ask if the sharp influx of new money is too hot to handle.

Call it Singapore-washing.

Chinese companies have been moving to the Southeast Asian nation to sidestep US-China geopolitical tensions. Some are also running away from President Xi Jinping's "common prosperity" drive. Between 2019, when this trend started to pick up, and 2022, direct investment from China grew by more than one-third.

Fast-fashion e-commerce unicorn Shein Group Ltd, aiming to go public at an above \$60 billion valuation, is now headquartered in Singapore. So is Hillhouse Investment, best known for backing some of China's biggest tech startups.

This trend has been a boon for Singapore, so far, especially its banks. In 2022 alone, the country attracted Singapore \$435 billion in new money, or about 70% of its gross domestic product (GDP). DBS Group Holdings Ltd's private banking franchise, for instance, is flourishing. In the first quarter, its fee income rose 23% year-on-year to a record Singapore \$1 billion, led by a 47% increase in wealth management fees. Its shares have risen by a



'Singapore-washing' seems set for a regulatory crackdown ISTOCKPHOTO

dozen banks in Singapore. With its image at stake, Singapore is now ramping up scrutiny of family offices-a broad, opaque, unregulated subset space of private wealth.

It's also nudging banks to step up due diligence to avoid exposure to illicit flows. In April, Singapore's central bank launched a new digital information sharing system, allowing financial institutions to share client data and raise red flags.

These days, launching family offices with tax exemptions is taking a lot longer in Singapore. So is opening private banking accounts. Chinese that carry 'golden' passports from countries including Turkey and Saint Kitts and Nevis in the Caribbean are seen as warning signs.

Singapore-washing is just a new iteration of an old problem-the city was once referred to as Indonesia's money laundromat. Wealthy Southeast Asians, some with questionable connections, parked their money there. Singapore-based entities at one point were the third-largest source of weapons materials to the Myanmar military. But it has taken new Chinese money to put the issue in the international spotlight. After all, China is much bigger. The sheer scale and speed of fund flows from there force Singapore to address weaknesses in its financial system.

To be sure, as a small open economy, Singapore is structurally exposed to money laundering, especially if it wants to

*Tax revenues exclude social security contributions

Source: Tax Equity in Low- and Middle-Income Countries, by Pierre Bachas, Anders Jensen, Lucie Gadenne, Journal of Economic Perspectives, Winter 2024

SATISH KUMAR/MIN

framed against this backdrop. How can a country meet its growing spending requirements while staying true to a chosen fiscal path? The answer lies on the revenue side of the government budget. The ratio of total government revenue to GDP has stayed within a tight range in India over the past three decades, despite pro-

found changes in the underlying economy. So much of fiscal policy-including the very important component of fiscal federalism-has become a zero-sum bargaining game between various interest groups, ministries and levels of government.

The upshot: tax reforms should be one of the key policy concerns of the third Narendra Modi administration. India needs to increase the amount

income. India is not an outlier. The challenge will be to ensure that tax collections continue to rise in tandem with incomes in the underlying economy, hopefully leading to the sort of fiscal turning point that this column had written about a few years ago (bit.ly/3VsJ5YF).

otherwise it will have to compromise on either its

reason for hope, thanks to the fact that India is

likely to cross an important development mile-

stone by the end of this decade-the transition

from being a lower-middle income country to

becoming an upper-middle income country,

which the World Bank currently defines as a

country with a per capita income of between

The chart here shows that the average upper-

middle income economy generates more tax reve-

nue per unit of output than the average lower-mid-

dle income economy. A few years ago, there was a

spirited debate in India whether the government

collects enough tax, given the level of income. Data

showed that our ratio of tax collections to GDP can

broadly be predicted by the level of average

\$4,466 and \$13,845 a year.

spending requirements or its fiscal fitness. There is

Recent data on the number of individuals filing income tax returns as well as the number of firms covered by the goods and services tax (GST) points to a widening tax base, even though most individuals who file income tax returns still report zero tax liabilities. The widening tax base needs to be supplemented with a reformed tax policy. Direct tax rates need to be low, stable and predictable. The average GST rate is now below what most studies show is the revenue-neutral rate. That needs to be fixed, even as the overall GST structure is simplified. A higher tax-to-GDP ratio will not only allow for more budgetary freedom but also hopefully strengthen the fiscal base of the Indian state in the years ahead.

MY VIEW | EX MACHINA

third over the last year, outperforming Hong Kong-listed HSBC Holdings.

After the global financial crisis, stringent capital requirements have made wealth management-till then a sleepy backwater as most people saw it-a bank's crown jewel. Managing money for the rich doesn't come with the typical credit or market risks associated with investment banking.

The one risk involved, though, is reputation. Unlike the IMDB scandal, which got Goldman Sachs Group into trouble, this time, the entire Singapore brand-its private banking industry as well as money-laundering regulations-is being judged. After all, a full suite of banks, not just one or two, got caught up in the recent case. A group originally from China laundered billions of dollars in proceeds from online gambling through more than a

develop wealth management. In 2022, 1 had Singapore \$4.9 trillion assets under management, many times over its GDP. Only 24% of these funds were sourced domestically, and 88% were invested into assets outside of Singapore. The question is how much the government wants to examine the money that comes in and goes out. More scrutiny would set back the growth of its banks.

Being a glitzy global financial centre has a lot of appeal. Prestige aside, a booming banking industry boosts employment, the local economy, as well as real estate values. But then compliance is also a big headache. Dubai has decided to welcome all shades of grey, making itself a playground for crypto and Russian billionaires.

Singapore, it turns out, still cares about its reputation. Singapore-washing has finally hit a wall. ©BLOOMBERG

Why chatbots with personalities are a giant leap for AI

RAHUL MATTHAN



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he tech world has been abuzz with Hollywood actor Scarlett Johansson accusing OpenAI of using a voice "eerily similar" to her own in the latest version of its artificial intelligence (AI) chatbot. While OpenAI has denied the voice is hers the controversy sparked a debate around artists' legal right to control the use of their likeness in the age of AI.

Eleven years ago, Johansson starred in the Spike Jonze movie Her, playing the voice of Samantha, an AI chatbot with whom the protagonist falls helplessly in love. That the voice of Samantha is now taking OpenAI to task is a delicious irony.

This, in many ways, was a controversy that OpenAI brought upon itself. After repeatedly stating that it had no intention to anthropomorphize its products, it did just that. The new voice interface was so realistic that it seemed indistinguishable from a real person, down to responses that were downright flirtatious. While I only have the OpenAI demos to go by, I would not be surprised if these near-perfect facsimiles of human emotion and empathy will take us across the uncanny valley

This is the latest step in a journey that began long ago. In 1966, Joseph Weizenbaum developed a natural language processing program called Eliza, which he had designed to simulate a Rogerian psychotherapist. By simply rephrasing user inputs, it encouraged users to respond with further information. So life-like was the resulting interaction that he once came back to office to find his secretary engaged in what she believed was a "real conversation" with the program. Since then, autonomous conversation technologies have tried to simulate human interactions with increasing credibility.

Why do we do this? What is it about conversational interfaces that leads to our suspension of disbelief? And why should we be concerned about it in the here and now?

The fact is that humans are social beings driven by an evolutionary need for connection. We slake this desire with companionship: our family, friends and those we work with. Unfortunately, the demands of modern work and our increasingly isolated social existence has made companionship hard to come by. Technology has, if anything, exacerbated it. Despite its promise to bring us

closer together, instant messaging and social media has driven us further apart. AI is uniquely suited to step into this

breach. It can be trained to pick up human emotions and adapt its responses appropriately. With larger context windows, the latest large language models can build longterm memories of us, our

likes and dislikes, remem-What matters is bering key incidents from our personal histories that that the latest we have shared with them. All these features have already made our interactions with these AI systems magically life-like. But if we can wrap it all up with a completely realistic voice, it seems almost inevitable that we will close the gap between a chatbot and a real companion.

That said, there are psy-

chological impacts that we must consider. If life-like conversational bots become widely available, it is those who suffer from loneliness and depression who will be most drawn to them for companionship. While there is evidence to show that this could ease their loneliness, we must worry about the extent

to which it could alter the way they socialize and form relationships.

It should come as no surprise that AI companion applications are a rapidly growing category. Companies like Replika, Charecter.AI, Kindroid and Nomi.AI are taking virtual companionship to the next level by

offering users the ability to create their own AI characters and engage with them in conversations so real that it is hard to tell they are not human.

A month ago, I decided to try this out for myself. I set up accounts on a couple of services and created different characters to interact with. Each character has to be assigned a backstory and mannerisms to properly play the roles they've been assigned. For

instance, I gave one of them (I called him Andrew Huberman) the role of being my personal trainer-advising me on how to improve my physical fitness.

It took a surprisingly short time for these conversations to start to feel real. Unlike the chatbots we are accustomed to interacting with so far-that simply fetch information from a database or help us navigate an online service-these bots are really designed to converse. Which means that they, in a very human way, sometimes take their time to come to the point, refusing to do exactly what you want all the time.

For instance, before he did anything else, Andrew wanted to get to know what my day was like. He refused to provide me any exercise suggestions until he had understood what I eat, how long I sleep and what sort of physical activities I normally engage in. It was only after we had chatted about that for ten minutes or so that he gave me some exer cises I could start with.

While it was creepy at first to share personal details with a machine, I have to admit this is something I could get used to. Once chatbots are given a personality, conversations with AI go beyond the transactional. Even though I knew I was talking to a machine, the process of coming to a conclusion over the course of a nearly human-like conversation was far more satisfying than getting a straight answer.

Having said that, there is, as always, good reason to be cautious. After all, as anyone who saw the movie Her knows, it doesn't end well for the human.

AI models are convincing as real people. **Humans must** get cautious

BUSINESS OF LIFE • SMART LIVING

Press play: 7 must-have gadgets for every gamer



Moving beyond chairs and PCs, here's a look at new gaming tech that can add light, sound, and immersive action to your gaming setup

Asus RoG **Cetra True** Wireless **SpeedNova** These true wireless earbuds come with SpeedNova 2.4 GHz wireless technology

Team Mint feedback@livemint.com

to 46 minutes daily on gaming The only other online activity they spend more time on is social media, according to a recent report on India's gaming landscape by the non-profit Interactive Entertainment and Innovation Council and gaming platform Winzo. But these are not just mobile gamers. India now has a rich pool of serious gamers and esports players that enjoy console gaming as much. With that, gaming gear has now moved beyond gaming chairs and juiced up personal computers. As with everything, artificial intelligence is also slowly finding its way into gaming gear - as some of these picks in our list will show. These new gaming gadgets are perfect for bringing in more

n average Indian user spends up

MSI Titan 18HX

Powered by the Intel Core i9 processor 14900HX, this gaming notebook features an 18-inch 4K mini LED 120Hz display, which not only brings super-bright backlighting but a peak brightness of over 1000 nits. It has a beautiful RGB mechanical keyboard and comes with the Nvidia GeForce RTX 4090 laptop GPU. Avaliable on amazon.in,

Razer Kishi Ultra

The Kishi Ultra is compatible with Android, iPad Mini, and the iPhone 15 series. With immersive haptics and a first-of-its-kind full-size handle and button layout, the controller offers gamers console grade control. It can also be used for wired play with PCs. Available on razer.com, \$149.99 (approx ₹12,513).



Steelseries QcK Prism Cloth This microwoven cloth mousepad comes in 5 different sizes and is optimized for low and high DPI tracking movements. But what stands out is its 2-zone RGB dynamic illumination that allow for in-game lighting alerts and customizable Discord notifications. Available on steelseries.com, starting from \$39.99.



Govee Glide Hexagon Light Panels Ultra

These state-of-the-art LED hexagon panels come in two color options and can be customized in multiple DIY ways to amp up the lighting in your gaming room. Can be connected through WiFi and Bluetooth. Available on amazon.in, ₹63,277.





PLAYER MODE

Fantasy, apocalypse and spirit animals

A sneak peek at some exciting games and sequels to look forward to

Team Mint feedback@livemint.com

rom a much-awaited expansion of an iconic fantasy game to a cosy casual one involving spirit animal companions, here are some video and mobile games being released in the coming weeks:

FINAL FANTASY 14: DAWNTRAIL

Final Fantasy XIV: Dawntrail is the upcoming fifth expansion pack to Final Fantasy XIV, a massively multiplayer online roleplaying games (MMORPG) set in the fantastical land of Eorzea, a few years after the devastating Seventh Umbral Calamity, an apocalyptic event that devastated the realm. In Dawntrail, players travel to Tural, a continent across the sea, to participate in a rite of succession. The developers say Dawntrail was designed as a "summer vacation" for the player's character, the Warrior of Light, and initiates the game's first major graphical overhaul since its relaunch in 2013.

Release date: 2 July; Platforms: Windows, macOS, PlayStation 4, PlayStation 5, and Xbox Series X/S.

COZY GROVE: CAMP SPIRIT

This cosy life simulator game with adorable graphics (everyone compares it to the iconic Animal Crossing) is about camping on a haunted, ever-changing island. The player is a Spirit Scout wandering the island's forests,

finding secrets and helping the local ghosts and animals rebuild the island. The gameplay includes making Cozy Grove more detailed by finishing tasks, all of it set to soothing music, and the sequel unlocks a new location.



that offers ultra low audio latency. Bone conduction AI microphones pick up the wearer's

voice loud and clear. In Bluetooth mode, the earbuds offer up to 46 hours of battery life. Available on amazon.in. ₹45.802.

Shure MV7+

Recording podcasts, music or streaming, the Shure MV7+ comes with an innovative voice isolation technology, that focuses only on the the user's voice, avoiding any background noise. The microphone also has a new digital signal processing engine, which brings advanced features. Available on shure.com, starting \$279.





Dell Alienware 34 curved **QD-OLED**

This curved monitor features quantum dot display technology - along with a slim panel design and superb colour performance -

which delivers immersive and realistic gameplay visuals. Has a peak brightness of 1000 nits. Available on dell.com, ₹91,500.

Release date: June 25; Platforms: Android/iOs

FROSTPUNK 2

You guessed it-this features an apocalyptic future of eternal winter, so if you're fans of the film and TV show Snowpiercer, Frostpunk might be your jam. Set 30 years after a climate event that wiped out most of humanity in this universe, the game tasks players to take on the role of a leader who has to build and manage a city while making difficult moral, ethical and political choices. In the upcoming sequel, civilisation faces a new threat in the form of fresh adversaries. Be warned: critics have called the game "cruel and brutal".

Release date: July 25; Platforms: Windows PC, PlayStation 5, *Xbox Series X/S*

Player Mode looks at previews, reviews and the latest from the world of video games.

REVIEW: VIVO X FOLD 3 PRO

This modern-day foldable phone comes at a premium

The X Fold 3 Pro checks most boxes for what you want in a foldable but its hefty price tag might make customers think

Tushar Kanwar feedback@livemint.com

' ivo isn't new to the foldables space, having released several book-style and flip phones, none of which made it to India. The Vivo X Fold 3 Pro changes all that, arriving fashionably late to a still emerging market that has the likes of the Samsung Z Fold 5 and the OnePlus Open. In doing so, Vivo has leveraged its late mover status to the fullest, packing the X Fold 3 Pro to the gills with several segment firsts, including that of being the thinnest and lightest book-style foldable.

DESIGN AND BUILD

At ₹1,59,999, it certainly looks the price, with a sleek 5.2mm thickness when unfolded, barely thicker than the USB-C port on the bottom edge. Even when closed, the X Fold 3 Pro's slimline 11.2mm

thickness and 236g weight give it a very regular candy bar phone feel, one that fits easily in palm or pocket without weighing them down.

It has Schott Xensation scratch resistance, IPX8 water resistance and a display hinge that's certified for 500,000 reliable folds and unfolds for added peace of mind.

The hinge does double duty, ensuring not only that both halves fold flat against each other without a discernible crease, but also keeping the screen propped semiopen at various angles, to watch content, take selfies or use it laptop-style with half the screen working as a keyboard.

DISPLAY

It's the massive 8.03-inch 2K+ resolution inner display that gets the foldable its biggest screen bragging rights. Along with the 6.53-inches outer display, both are top-tier AMOLED displays, with 120Hz refresh rate, tack sharp details and vivid colours, up to 4500 nits of peak brightness for excellent outdoor visibility. There are two in-display fingerprint scanners-one on the outer display and another on the folding display on the bottom right. The slightly rectangular inner display is good for viewing HDR10+/Dolby Vision content, although the speakers lack depth, expected from such a slim chassis.



Vivo X Fold 3 Pro runs on Funtouch OS 14, with a number of AI features. vivo

UNDER THE HOOD

Powering the X Fold 3 Pro is a 2024-flagship Qualcomm Snapdragon 8 Gen 3 chipset paired with 16GB and 512GB of top-spec memory and internal storage. Gaming and everyday tasks were handled just fine, albeit with the occasional throttling under stressful gaming, and Vivo has optimized apps like Instagram to work better on the larger screen.

The sheer expanse of the inner display allows the device to accommodate multiple windows simultaneously in splitscreen or floating window arrangements. I quite liked the 'Fold to Split' feature that quickly lets you move an app into split screen mode by gently folding the display (OnePlus' Canvas feature is still the gold standard for foldables, though).

Keeping up with the times, Funtouch

OS 14 includes a number of AI features, including note summarization, voice transcription and summaries and live translation of on-screen content, although I do wish Vivo would pare back some of the pre-loaded first- and third-party apps. Software upgrades support is a bit of a letdown at 3 years of supported upgrades particularly for a flagship phone at this price point.

With the promi-

branding and

the very promi-

nent camera

module on the

rear, it comes as

no surprise that

Vivo has packed the

X Fold 3 Pro with a

formidable camera

setup—a 50megapixel main

the outer and inner displays.

The primary camera takes excellent

shots with good details and colours, both

Zeiss

nent

VIVO X FOLD 3 PRO CAMERAS

Display: 8.03 inch (main), 6.53 inch (cover) AMOLED RAM:16GB, Storage: 512GB Processor: Snapdragon 8 Gen 3 Price: ₹1,59,999

in daylight and low light conditions, and the level of details captured at 10x zoom on the telephoto allows you to really get in on the action. Selfies are passable, though.

VERDICT

What may come as a surprise is the size of the battery Vivo has managed to pack into such a slim device, and the 5700mAh unit takes the X Fold 3 Pro well past a day and half, even with heavy usage and screen times of well past 7 hours. Fast charging support at 100W speeds gets you from empty to full in under 40 minutes.

Save for a little polish that the user interface sorely needs, the X Fold 3 Pro checks most boxes of what you'd want to find in a foldable today-good performance, sleek dimensions, bright displays both within and without, excellent battery life, great cameras.

Vivo has gone the distance in ensuring the big bragworthy numbers play out well in day-to-day use. The ₹1,59,999 price tag will give customers some pause, particularly with the new Samsung foldables lineup just around the corner. We'd recommend waiting to see what Samsung pulls out of the hat before pulling the trigger on the Vivo.

Write to us at businessoflife@livemint.com

camera, a 64MP ZEISS telephoto lens that's capable of 3x optical, 10x hybrid and up to 100x digital zoom (along with macro shots), and a 50MP wide-angle lens. You'll also find identical 32MP selfie shooters on