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TATA TRUST DEFICIT

TATA TRUSTS IS IN THE GRIP OF A FACTIONAL FEUD AS THE SHAPOORJI PALLONJI GROUP RENEWS ITS PUSH TO LIST TATA SONS

- STANDING ● NOEL TATA, CHAIRMAN, TATA TRUSTS
- (SITTING CLOCKWISE FROM LEFT) ● SHAPOORJI MISTRY, CHAIRMAN, SP GROUP
- DARIUS KHAMBATA, TRUSTEE, TATA TRUSTS ● MEHLI MISTRY, TRUSTEE, TATA TRUSTS
- VENU SRINIVASAN, VICE-CHAIRMAN, TATA TRUSTS
- VIJAY SINGH, VICE-CHAIRMAN, TATA TRUSTS ● N CHANDRASEKARAN, CHAIRMAN, TATA SONS

TIMETABLED FREIGHT

ON OCTOBER 1, Indian Railways launched its first assured time container service between Delhi and Kolkata. In a significant shift, timetabled services are planned to be scaled up on several routes to ensure reliable delivery of goods that generally move by road. Commodity specific cargo services—grains, cement, automobile and export/import—are also being transitioned to timetabled movement to boost logistics services. It was a long-pending demand from operators to provide assured time services to compete with road services.



AI FUNDING BUBBLE?

WITH OPENAI OVERTAKING Elon Musk's SpaceX to become the world's most valuable privately held start-up at over \$500 billion, concerns about an AI funding bubble are mounting. Globally, AI start-ups raised \$100 billion in 2025, accounting for nearly 58% of all venture funding, research firm PitchBook data shows. In India, start-ups secured \$7.7 billion in the first nine months of 2025, ranking third worldwide, according to Tracxn. While median round sizes doubled despite a funding dip, analysts caution that valuations may be racing ahead of fundamentals, making sustainable innovation the real test.

\$7.4
BILLION

INVESTMENT BY DIIs IN SEPTEMBER 2025. FIIs SOLD \$2.1 BN IN INDIAN EQUITIES IN THE SAME PERIOD. DOMESTIC MFs INVESTED \$5.1 BN WHILE INSURANCE INFLOW WAS \$2.3 BN, ACCORDING TO HSBC MF

US TARIFF DRAMA

US PRESIDENT DONALD Trump's announcement of a 100% tariff on films not made in the US is likely to have serious repercussions. The hardest hit is likely to be the Telugu industry, for which overseas markets are a big component of box-office collections, with the US alone accounting for 60%. The

PHOTO BY HARDIK CHHABRA



corresponding number for Hindi cinema is around 35%. At a time when Europe and the Middle East are offering subsidies for films to be shot there, the US market—from a production point of view—becomes less attractive. This script is writing itself.

DIWALI DHAMAKA?

RATE CUTS UNDER the goods and services tax (GST), effective September 22, have given a boost to consumer sentiments with auto majors and consumer durable firms announcing price cuts to cash in on festive cheer. Several brands and retailers have reported sales growth of 25% to 100%. But transmission of the tax cuts is still under way with smaller retailers awaiting new inventory to pass on the benefits. E-commerce platforms are working to ensure sellers lower prices. The government expects the transition issues to be sorted out soon. This could give a boost to purchases during Diwali and manufacturers are optimistic of better sales in Q3FY26.



107.9%

**ABOVE-NORMAL
SOUTHWEST MONSOON.
THE LONG-PERIOD AVERAGE
COUNT EXCEEDED IMD'S
FORECAST OF 105%,
ACCORDING TO CMIE DATA**



CEMENTING TRADE PACTS

ON THE BACKDROP of continued US tariffs, the India-European Free Trade Association trade pact came into effect from October 1, giving hopes of diversification of India's export markets. The Trade and Economic Partnership Agreement between India and the four-nation bloc of Switzerland, Norway, Liechtenstein, and Iceland is expected to offer better access to Indian exports in sectors like machinery, organic chemicals, and processed foods. It also includes a commitment to facilitate \$100 billion of FDI in India over the next 15 years and create one million direct jobs. The next in line is conclusion of negotiations for a trade pact with the European Union and there's cautious optimism on the India-US trade deal.



GOLDEN RUSH

GOLD HAS BEEN on a record-breaking spree as geopolitical uncertainties persist, driving investors toward safer assets. Over the past year, the price of gold in India has surged 59%, reaching an all-time high of ₹1,19,400 per 10 grammes on October 7, 2025. In the international market, gold has gained 47% year-to-date till September 2025, marking its strongest annual performance since 1979, according to the World Gold Council. Analysts believe that escalating global tensions and fluctuations in the US dollar will continue to influence gold's trajectory in the coming months.