

Stock markets end higher for 2nd day, led by strong buying in IT firms

MUMBAI, OCT 16: Benchmark indices Sensex and Nifty closed higher for the second straight day on Friday, driven by strong buying in IT stocks amid firm global trends.

The 30-share BSE Sensex climbed 413.66 points, or 0.56 per cent, to settle at 74,729.27. During the day, it surged 463.17 points, or 0.62 per cent, to 74,778.78.

The 50-share NSE Nifty was up 148.80 points, or 0.65 per cent, to end at 23,146.15.

From the 30 Sensex firms, Tech Mahindra surged 8.45 per cent after the IT services firm reported a 32.74 per cent jump in consolidated net profit to Rs 1,585.6 crore for the July-September quarter of FY27 as strong volume growth, cost savings and rupee depreciation lifted operating profit.

Tata Consultancy Services, Infosys, Bharti Airtel, Mahindra & Mahindra, Bajaj Finance and HCLTech were also among the major winners.

InterGlobe Aviation, Reliance Industries, Asian Paints and Bharat Electronics were among the biggest laggards.

Markets regulator Sebi on Thursday revised the framework for the Closing Auction Session (CAS), changing trading timings, and the methodology for determining settlement prices of stock and index derivatives contracts.

Under the revised framework, the 10-minute closing auction session will operate



from 3:30 pm to 3:40 pm on all trading days, while trading in index and stock derivatives will continue until 3:45 pm, with certain exceptions for expiring index derivatives contracts, Sebi said in its circular.

Further, a key change pertains to the settlement of expiring derivatives contracts, which will now be based on a Volume Weighted Average Price (VWAP) methodology using the last 30 minutes of continuous trading.

The revisions follow a review of the existing framework, consideration of public comments, recommendations of Sebi's Secondary Market Advisory Committee and discussions with stock exchanges.

"Indian equities extended their recovery, led by sustained buying in IT stocks, as strong quarterly results

and upbeat management commentary reinforced confidence in the sector's earnings outlook. Softer crude oil prices and a strengthening rupee further supported sentiment," Vinod Nair, Head of Research, Geojit Investments Limited, said.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 5,285.37 crore on Thursday, according to exchange data.

Brent crude, the global oil benchmark, declined 0.30 per cent to USD 105.6 per barrel.

In Asian markets, South Korea's Kospi, Japan's 225 index, Shanghai's SSE Composite index and Hang Seng index rebounded and ended in positive territory.

Markets in Europe were trading largely in the green. US markets ended higher

on Thursday.

"Markets extended their recovery for a second consecutive session on Friday, with benchmark indices trading higher following Thursday's sharp rally. The recent buoyancy in IT stocks, following quarterly results, has been the primary driver of the market rebound, while other sectors have played a supportive role so far. The rupee strengthened against the US dollar, offering some relief to domestic sentiment," Ajit Mishra, SVP & research, Religare Broking, said.

On Thursday, the Sensex jumped 1,533.72 points, or 2.11 per cent, to settle near the day's high at 74,315.61. The Nifty climbed 374.65 points, or 1.66 per cent, to close at 22,997.35, its highest level since September 25. (PTI)

Centre open to hearing stakeholders' views on LTCG tax: Nirmala Sitharaman

NEW DELHI, OCT 16: union Finance Minister Nirmala Sitharaman has indicated that the government is open to hearing stakeholders' views on the long-term capital gains (LTCG) tax during consultations ahead of the next union Budget, amid growing debate among domestic and overseas investors over the taxation of equity investments.

Speaking at the Bloomberg New Economy Forum in New Delhi on Tuesday, Sitharaman said questions surrounding LTCG tax, securities transaction tax (STT) and the treatment of different asset classes had become important subjects of discussion. She described the debate as healthy, signalling that the government would consider stakeholder feedback during the Budget consultation process.

The Finance Minister's remarks come as investors examine the impact of taxes on equity market participation and investment returns. However, she did not announce any decision to abolish the LTCG tax, and her comments indicated that the issue would be open for discussion rather



than confirming a policy change.

Sitharaman also highlighted the growing participation of private capital in sectors such as renewable energy, semiconductor and artificial intelligence-related infrastructure.

"India's ambitions extended beyond AI applications to the underlying technologies needed to support their development, including chip design, manufacturing and packaging. The country has attracted investments across data centres, semiconductor manufacturing, power transmission, renewable energy, green hydrogen and green ammonia," she said.

"The government has

also pursued semiconductor production across different technology segments, covering advanced chips as well as less sophisticated components that remain essential for a wide range of industries," she added. The expansion of these sectors is expected to create opportunities for private investors as India seeks to strengthen domestic manufacturing capabilities and develop infrastructure for emerging technologies, Sitharaman added. On infrastructure development, the Finance Minister said the National Infrastructure Pipeline (NIP), launched in late 2019, had crossed \$4.5 trillion.

She also pointed to the role of the National Bank for Financing Infrastructure and Development (NaBFID) and the National Investment and Infrastructure Fund (NIIF) in mobilising financing for large-scale projects.

Sitharaman said India had made substantial progress in building capacity across sectors over the past decade and expected the momentum to continue.

"Domestic capital was increasingly flowing into renewable energy, chip design, biosimilars, pharmaceutical manufacturing and maintenance, repair and overhaul (MRO) facilities. These investments reflect the broadening range of sectors attracting capital beyond traditional infrastructure and manufacturing," she added. The civil aviation sector, which she said was growing at around 16 per cent, was another area offering investment opportunities. The government expects investments across aviation and related services to support the expansion of India's transport infrastructure and industrial ecosystem. (PTI)

Deloitte projects India's GDP to grow 7.1-7.3 pc in FY27

NEW DELHI, OCT 16: The Indian economy is expected to grow by 7.1-7.3 per cent in the current fiscal, with a sustained revival in private investment providing an additional source of demand, Deloitte India said on Friday.

However, geopolitical tensions, volatile energy prices and trade disruptions pose risks to the growth outlook, it added.

Deloitte India Economist Rumki Majumdar said over the past decade, India's growth has rested on resilient household spending and sustained investment push in public infrastructure. Businesses now

have better connectivity, healthier balance sheets, and higher capacity utilisation, which strengthens the case for expansion.

"The question is whether these conditions will encourage private investment to play a larger role in boosting growth in the coming years. Recent indicators offer grounds for optimism. Gross fixed capital formation grew by 11.9 per cent in the first quarter of FY 2026-27, its fastest expansion in four years," Majumdar said.

Deloitte Economic Outlook projected India's economy to grow by 7.1-7.3 per cent in FY 2026-27 and

6.6-7.0 per cent in FY 2027-28.

A sustained revival of private investment would provide India an additional source of demand while building the productive capacity needed for future growth.

Geopolitical tensions, energy-price volatility, and trade disruptions remain risks to this outlook, the report said.

Deloitte's FY27 GDP growth projection compares with 7.1 per cent estimated by the RBI and OECD, 7 per cent by the International Monetary Fund (IMF), ADB, S&P Global Ratings and

Moody's.

Majumdar said a shift towards investment in strategic sectors such as semiconductors, electronics, defence manufacturing, clean energy, and AI infrastructure will add to the private capex momentum since these sectors require substantial upfront investment.

"India has improved many of the business conditions needed to expand. Turning those improvements into sustained private investment now depends on how confidently firms can plan, finance, and execute their next projects," she added. (PTI)

Mutual fund houses temporarily suspend fresh subscriptions in gold FoFs

NEW DELHI OCT 16: More than a dozen mutual fund houses, including SBI Mutual Fund, HDFC Mutual Fund, ICICI Prudential Mutual Fund and Kotak Mutual Fund, have temporarily suspended fresh subscriptions in their gold fund of funds (FoFs) starting this Friday.

The suspension will remain in force until further notice, according to the notices issued by the respective fund houses. Gold FoFs invest money into Gold Exchange Traded Funds (ETFs) rather than buying physical gold.

The restrictions cover fresh lump-sum investments, switch-in transactions and new registrations for systematic investment plans (SIPs) and systematic transfer plans (STPs), among other inflows, in the affected schemes.

Some fund houses have also extended the restrictions to gold-silver FoFs. The move comes ahead of the festive season, when gold demand typically picks up as consumers buy the yellow metal on Dhanteras and Diwali, which are considered auspicious occasions for gold purchases.

More fund houses are expected to suspend fresh subscriptions in gold FoFs as market participants said the restrictions were im-



posed following directions from the Securities and Exchange Board of India (Sebi).

However, the notices issued by the mutual fund houses did not specify the reasons for the move.

Investors can continue to redeem their existing investments, while instalments under already registered SIPs and other eligible systematic investment plans will continue to be processed, according to the notices.

Among the fund houses that have announced the suspension are SBI Mutual Fund, Tata Mutual Fund, ICICI Prudential Mutual Fund, HDFC Mutual Fund, Aditya Birla Sun Life Mutual Fund, Zerodha Mutual

Fund, Groww Mutual Fund, Axis Mutual Fund, HSBC Mutual Fund, DSP Mutual Fund, Invesco Mutual Fund, Nippon India Mutual Fund, Quantum Mutual Fund, Mirae Asset Mutual Fund, LIC Mutual Fund, UTI Mutual Fund and Kotak Mahindra Mutual Fund.

In a notice to investors, Kotak Mahindra Asset Management Company said it has "decided to temporarily suspend the acceptance of fresh/additional lump-sum investments, switch-in transactions, new SIP/STP (inflows) registrations (including step-up in existing SIP) under Kotak Gold Fund & Kotak Gold Silver Passive FOF with ef-

fect from October 16".

Also, Axis Mutual Fund announced a temporary suspension of specified transactions in Axis Gold and Silver Passive FoF from the cut-off time of 3 pm on October 16.

Gold exchange-traded funds (ETFs) attracted net inflows of Rs 4,450 crore in September, compared to Rs 2,597 crore in the preceding month, according to the Association of Mutual Funds in India (Amfi).

"This is not speculative accumulation; it is defensive capital fleeing equity drawdowns and debt uncertainty," Nitin Agrawal, CEO, Mutual Funds, In-Cred Money, had said on the inflow. (PTI)

South Indian Bank aims 16 pc loan growth in FY27; bets big on retail, agri and MSME financing

MUMBAI, Oct 16: Private sector lender South Indian Bank is aiming for a 15-16 per cent credit growth in FY27, driven by the retail, agriculture and MSME (RAM) advances, a top official said on Friday.

The RAM advances, which constitute 61 per cent of the book, are targeted to grow at a higher level of 17-18 per cent by the bank.

"Our festive-season growth strategy is focused on the RAM segment, particularly retail lending and gold loans. I expect South Indian Bank's overall advances to grow by around 15-16 per cent, with the RAM segment growing slightly faster, at around 17-18 per cent," said Mahesh Muralidhar Pai, managing director and chief executive officer of South Indian Bank, in an in-

teraction with PTI.

In the latest July-September quarter, the bank's gross advances increased by 18.67 per cent year-on-year to Rs 1,09,517 crore, up from Rs 92,286 crore in the year-ago period.

Pai said the projection is "cautious" because the ongoing conflict in the Middle East is a key risk.

"If the war continues and oil prices remain elevated, India could face significant economic challenges, including higher inflation and a deterioration in credit quality. Therefore, our growth projections are cautious," Pai told PTI.

The Indian banking sector is currently at historically low levels of NPAs, and asset quality has improved significantly. However, this may be a cyclical trend and

should not necessarily be expected to continue indefinitely, he added.

On priorities, Pai, the newly-appointed managing director and chief executive officer of the bank, said that the lender will focus on strengthening the share of the low-cost current and savings account deposits, NRI and retail term deposits while shifting its lending focus from corporate loans towards retail, agriculture and MSME (RAM) segments.

"Gold loans, which account for around 25 per cent of the bank's portfolio, will remain a key growth area as the lender looks to expand its presence in the segment," he said.

The lender on Thursday reported a 21 per cent year-on-year rise in its net profit to Rs 426 crore for the sec-

ond quarter of the financial year 2026-27, aided by increased margins and better asset quality.

On FCNR (B) deposits, Pai said the bank mobilised around USD 230 million under the scheme.

"Since we do not have branches overseas, our leverage in this entire USD 230 million is very nominal. Most of the mobilisation has come directly from customers, without leverage," he added.

Pai expects the Reserve Bank of India to conduct another two to three rounds of open market operations (OMOs) to absorb surplus liquidity from the banking system, and sees scope for two more interest rate hikes of 25 basis points each during the current fiscal year. (PTI)

India at defining moment, unique opportunity to shape exponential tech like AI: IBM India & S Asia MD

MUMBAI, OCT 16: India is at a defining moment with a unique opportunity to shape exponential technologies like artificial intelligence, IBM India and South Asia Managing Director Sandip Patel said on Tuesday, noting that "when India builds, it builds for billions," which allows impact to scale.

Speaking at the IBM Think 2026 event in Mumbai, Patel said it is still 'day zero' of the AI revolution.

Most enterprises already run it, but only at the margins, a workflow here, a use case there, he said, and observed that this was valuable, but with 'marginal gains.'

The winners, he said, won't simply deploy more AI. They'll redesign how they work around agents, real-time data, automation, hybrid architecture and, above all, trust.

Enterprises that race ahead will be those who, in the AI era, fundamentally redesign how they work.

"...and that requires more than a frontier model or model discussions. It requires a new AI-led business model that truly brings together agents, real-time data, automation, hybrid architecture, and most importantly, trust," he said.

At the 'Think' keynote, Pa-

tel emphasised that India is at a defining moment.

"We have a unique opportunity to shape the future of exponential technologies like AI, because when India builds, it builds for billions, and when you build for billions, the impact scales for everyone," he elaborated.

A lot rests on data, he said. Beyond stored data lies data in motion, which can lose value within nanoseconds. A fraud-detection agent working on yesterday's data will always get it wrong, no matter how capable the model.

Hence IBM's push, including the Confluent acquisition, and what it has built with watsonx.data -- unite data at rest and in motion, to make timely governed information available to all application and AI systems.

As AI accelerates, so do vulnerabilities, Patel cautioned.

Business and government leaders alike are worried about what happens if regulations or geopolitics shift and the infrastructure their operations rely on is no longer available on the terms they need, Patel said.

This is where sovereignty, or what he calls "digital swaraj" in the Indian context, comes in. IBM has been building layers of sov-

ereignty and privacy across infrastructure environments.

What matters, he said, is making sovereignty operational by giving enterprises control over their operating environment, data, technology and AI execution. This is one of the reasons IBM built Sovereign Core.

Sovereignty, Patel stressed, is not a trade-off between control and innovation, but what gives enterprises the confidence to innovate at scale while staying in control.

IBM also announced a Memorandum of Understanding (MoU) with MeitY Startup Hub (MSH) to accelerate India's deep tech innovation and startup ecosystem.

Startups will get access to IBM's technology expertise, mentorship, enterprise engagement opportunities and skilling programmes.

As part of this collaboration, startups will get access to IBM's portfolio of enterprise technologies and innovation platforms to solve business use cases.

"This includes technical guidance and enablement on technologies such as IBM watsonx, an enterprise-ready AI and data platform; IBM Bob, an AI coding agent for enterprises; IBM Sovereign Core,

an AI-ready software stack for digital sovereignty; technical orientation on IBM's hybrid cloud and quantum computing; and security and automation solutions," according to a release.

Under the pact, IBM and MSH will jointly explore initiatives that support startups across multiple stages of growth and across sectors such as banking, finance, government, industrial and more.

The collaboration will focus on enterprise proofs of concept, sovereign AI innovation, open-source ecosystem development and founder mentorship. A key priority will be identifying promising innovators from Tier 2 and Tier 3 cities.

This collaboration reflects shared commitment to fostering innovation and strengthening the country's deep-tech startup ecosystem, Patel said.

"Together with MeitY Startup Hub, we aim to help founders innovate faster, scale responsibly, and build solutions that address both national and global challenges, turning promising innovation into real-world impact," he said. Panneerselvam Madanagopal, CEO, MSH, believes India's startup ecosystem is emerging as a global engine for technology innovation.