

A MILLION MUTINIES

The last month was about the cooling off AI trade and the ecstatic investors coming back to their senses. We cautioned about the AI valuation exuberance in our June Newsletter and we do feel happy when some of these things go the way we want them to.

On a different note, what is the probability of a person with limited means becoming extremely successful and also creating meaningful growth opportunities for others? Each of these dhurandhars don't care about probabilities, only about the possibilities of shaping outcomes of what they are really passionate about. Everyone who is going about their business of creating a better tomorrow is creating a mutiny – fighting the system and bringing about desirable change. We need millions more of such mutinies.

There are also other kinds of undesirable mutinies like the recent NEET protests leading to the resignation of a (very competent) minister. While we acknowledge the genuine issues in the Indian education system and the need of long overdue reforms, the way in which the protestors went about their campaign undermines their rightful demands, in our view. The opposition put their entire might behind this and this was one of the rare times that the current government had to give in to the demands of the protestors.

While we are strong votaries of dissent, the method of dissent is something that we think can be drastically improved. Is it ok to destroy public property? Is it ok to cause public nuisance? Is it ok for the rightful police cases against lawlessness to be withdrawn? We also don't support the choicest abuses hurled at people in power and their families by protestors. But then, what can one expect from some of the antisocial filth that tends to congregate at such events (and the others who get carried away in the mob mentality).

We need to learn from the Japanese here. When their workers go on strike (rare), they don't stop production so that they can catch up with the numbers when the issues are sorted and settlement is reached. Their public protests are peaceful and orderly too, as protests should be about finding solutions, not creating new problems. For those baying for regime change and Nepal / Bangladesh kind of situation, our only feedback is to wait for the next elections and get the kind of administration that they want.

Till then, be part of the solution. Light your own small candle instead of complaining about the darkness. Don't have the candle or the matchsticks? Help those who have small candles of their own. Get more of the candle people together. Because more often than not, those with the loudest complaints about darkness are also the ones most in love with it. Don't make it the reason for your existence. Because no system is perfect and it is continuous work to make things better. While making a new system from scratch is ideal, it is not always feasible. It is best to keep tinkering with the current system and make it the best version of itself.

So let a million mutinies bloom, but of the right kind and with the objective of making things work better, not creating chaos.



WHAT WE LIKE

STOCK

The demerger of Vedanta unlocked value hiding in plain sight. Five independent entities emerged and the market re-rated them to an aggregate INR 3.53 lakh crore, a 16% appreciation over the combined structure. Since, we first covered the parent stock, it has delivered a 60% absolute return post demerger. **Power** was the standout for us.

India's fifth-largest private thermal producer delivered the fastest earnings growth in the group through FY26, with EBITDA more than doubling to 1,623 crores from 650 crores. It's a business built to anchor the portfolio going forward, providing the stable baseload power that the system needs.

The 4.7x net debt/EBITDA makes it the most leveraged entity in the group, but the debt is long-dated project finance from PFC and REC, carrying an irrevocable guarantee from the parent entity.

Energy remains a multi-year visible story. India's demand crossed 271GW in FY26 and still trails global per-capita consumption, even as electrification, data centers and policy-supported manufacturing expand the breadth of demand, setting up a sustained and long-term growth opportunity for the power sector.

The growth ahead looks bigger than the one behind. Vedanta Power is well positioned to ride these tailwinds with 4.2GW operational capacity and scaling toward 20GW while building optionality in battery storage and nuclear.

With EBITDA compounding at a 50% CAGR, the stock still trades at a P/E of 22, a 36% discount to pure-play peers, which leaves room for the re-rating to continue.

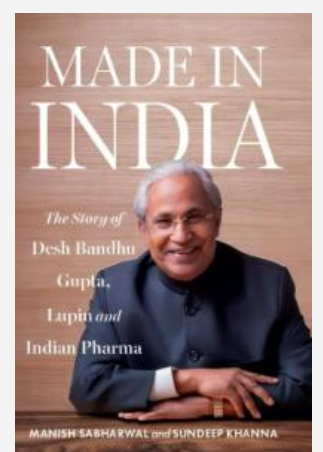
BOOK

Not every empire is built on innovation alone, some are built on grit, patience and an unshakable belief in Indian Capabilities.

Made in India traces Desh Bandhu Gupta's journey from a modest scientist to the founder of Lupin, one of India's pharma giants, built at a time when Indian drugmakers were seen as followers, not pioneers.

It's a story of scientific rigor and long-term vision, showing how one man's obsession turned a small outfit into a global pharmaceutical powerhouse.

India's pharma sector today is the third-largest in the world by volume and often called the "pharmacy of the world." This book is a reminder of the founders who built that legacy from scratch and created a world leading company in a single lifetime.



MOVIE

Nolan delivers a masterpiece once again. A story for the ages told beautifully by the master, it's not a movie but a cinematic experience.

The Odyssey actually lives up to the high expectations and delivers more, much more.

It is a technical masterpiece that grounds mythological events in a deeply human story about resilience, leadership and ultimately finding one's way home. Watch it in IMAX.



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