CoinDCX to absorb $44 mn security breach loss: CEO

AJINKYA KAWALE
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Crypto exchange platform CoinDCX will absorb the entire $44 million loss — equivalent to about three to four months of its revenue — from an alleged security breach on its balance sheet this financial year (FY26), said Sumit Gupta, cofounder and CEO of the company. The theft was reported on July 19.

The case was the second security breach at an Indian crypto exchange after WazirX's $230 million theft in July last year.

"We have absorbed the (lost) amount on our balance sheet. We have a healthy balance sheet. It's like three to four months of our revenue. Business continues as usual," Gupta told *Business Standard*.

Gupta maintained that customer funds on the platform were not compromised, since they were parked on a cold wallet infrastructure. Cold wallets provide better security as they are not connected to the internet and are based on physical, hardware-based devices.

"The law enforcement agencies and local security experts were investigating the breach, with initial findings indicating it was a social engineering attack," Gupta added.

Last year, the company had constituted a Crypto Investor Protection Fund (CIPF) with a total corpus value of ₹60.08 crore as of June 2025. However, the lost amount will not be recovered from this corpus, since customer funds were not impacted.

Instead, the lost amount will be recovered from the company's treasury.

The company said in a blog post that its annualised revenue at a group-level stood at ₹1,179 crore with more than ₹10,000 crore as of financial year 2025 (FY25).

The DCX group represents companies such as CoinDCX in India, BitOasis in the United Arab Emirates and Bahrain, and Okto.

Gupta also clarified that the company was not in active discussions with any companies or investors to raise capital or sell the crypto firm, adding that the company's valuation was pegged at $2.5 billion, up from $2.2 billion in 2022 — when it last raised capital. CoinDCX has raised ₹2,144 crore to date.

The clarification comes amid reports of US-based Coinbase being in discussions to acquire CoinDCX at a valuation of less than $1 billion.

"There are no active conversations. We continue to build, remain strong, and we continue to educate people... the idea is to invest more and strengthen the security front," he added.

Decoding the crisis

- Customer funds on the platform not compromised owing to cold wallet infrastructure
- Cold wallets are not connected to internet, hence give better security
- The lost amount will be recovered from the company's treasury and not via Crypto Investor Protection Fund

'Rolls-Royce still in race to power India's stealth jet'

Q&A Prime Minister Narendra Modi's visit to the United Kingdom (UK) in July saw the signing of the India-UK Comprehensive Economic and Trade Agreement (Ceta), the adoption of Vision 2035 to steer bilateral strategic relations over the next decade, and the finalisation of a defence industrial road map. Against this backdrop, **Alex Zino**, executive vice-president (business development & future programmes for UK & international markets) and global head of government relations, Rolls-Royce, spoke to **Bhaswar Kumar** in a telephonic interview about how these developments would help the British aerospace and defence company scale up operations in India. Zino said the company was still in contention, alongside France's Safran, to codevelop engines for India's under-development fifth-generation stealth jet, the advanced medium combat aircraft (Amca). Edited excerpts:

How are things progressing with your bid to be selected as codeveloper of Amca's next-generation engine?

■ For us, this opportunity is a catalyst — for transferring capability, knowledge, and experience, and for enabling strategic autonomy in gas turbines, both in India and globally. What matters is that the process moves forward in a timely but rigorous way, allowing the customer to make the right decision based on their end requirements. There are varying views on what the engine should be — its size, role, and performance — but it's for the customer to define that. We stand ready to respond when they do. One potential next step would be a request for proposal with clear requirements, allowing us to respond precisely. For now, we're waiting to understand how the customer intends to take the programme forward. But we are very clear: Together with the UK government, we're offering a solution for India, and in India, where we codesign and codevelop the engine. Our government has been equally clear — this is a joint offer from the industry and government, working in lockstep. It's being made under the Defence Partnership–India (DP-I) initiative, launched by the UK government at Aero India 2025. We're working closely with them and will continue to do so. This isn't just about one programme. It's about creating a sustainable capability that lasts decades. The aim is to stand up an ecosystem that supports programmes and evolving requirements for India over time, but a specific programme like Amca is needed to trigger that transfer.

There was at least one recent media report suggesting you may no longer be in the running for the Amca engine. Have you received any official communication confirming that?

■ We're still talking to the customer. We're still engaged, and we're still putting an offer on the table through the UK government. We'll continue doing that until we're told, "No, thank you, we don't need a meeting on this." And looking at where things are headed, whether through the free-trade agreement (Ceta) or the India-UK Vision 2035, both of which emphasise deepening defence cooperation, I'm not aware of anything in that framework that suggests we shouldn't be discussing Amca.

What does Ceta bring to the table for Rolls-Royce?

■ Ceta's positive impact will be felt across our whole business, because it has a number of elements that support our wider operations. For example, there are provisions related to trade in commercial aerospace and the gradual reduction of tariffs — aligned with the World Trade Organisation's (WTO's) goal of zero tariffs in aerospace — which will benefit the UK and India, as well as our broader commercial engagements with Air India and IndiGo.

Can you elaborate on Ceta's impact on civil aviation?

■ We have engine orders with Air India and IndiGo, bringing the opportunity of introducing the Trent XWB engines into India. Against this backdrop, the changes brought in by Ceta to the aerospace tariff regime — which will mature and develop over the next five years — will be positive. They will support the movement of components and engines between the UK and India and help us build capability.

In parallel, we're evaluating when and how to establish maintenance, repair, and overhaul (MRO) capability. On the civil side, that's something we could look to build over time. We can draw on what we already do in defence, where we support Hindustan Aeronautics Ltd (HAL) in maintaining the fleet we currently power. We're also exploring MRO options under the Medium Transport Aircraft project for the Indian Air Force. We're looking across the full ecosystem.

The full ecosystem?

■ Yes. Our goals include scaling up engineering, whether for civil programmes or through codesign and codevelopment in defence. They also include growing the supply chain. This covers current civil programmes. And should we be selected to codevelop the engine for Amca, that supply chain would expand in ways that support both civil and defence use. We're also looking at the aftermarket and support phase.

WE ARE VERY CLEAR: TOGETHER WITH THE UK, WE'RE OFFERING A SOLUTION FOR INDIA, AND IN INDIA, WHERE WE CO-DESIGN AND CO-DEVELOP THE ENGINE

'Timex Group plans to double down on India, raise mkt share'

Q&A From aggressively doubling down on their development in India to diversifying the brand with launches like Guess Jewellery, Timex is charting a clear and ambitious path forward. **Tobias Reiss-Schmidt**, president and CEO of Timex Group, and **Deepak Chhabra**, managing director of Timex Group India Limited (TGIL), told **Aneeka Chatterjee** in an interview in Bengaluru that the company's aspiration is to become one of the leading global watch players in India. Edited excerpts:

How do you envision the company's growth and strategy evolving in the India market?

■ **Tobias:** We are committed to doubling down on our development in India and significantly increasing our focus and investment in this market, given the incredible growth opportunities we are seeing. GUESS and Versace have shown impressive performance, and newer brands like Philipp Plein have doubled in growth over the past year. Across the board, our brand portfolio is developing very well.

What is your strategy to expand your market share in India further?

■ **Tobias:** Our overall business is growing by over 50 per cent, and our flagship brand, Timex, is growing even faster, significantly outpacing the market, which is growing at around 10 to 15 per cent. We are seeing strong momentum across our brand portfolio, but our top priority is always our largest and most important brand-Timex. We are expanding our assortment and broadening architecture, introducing more styles priced above ₹10,000. What also sets Timex apart is its wide distribution network, especially in Tier-II, III and IV cities. We are also committed to serving the growing middle class, offering strong value with styles in the ₹3,000–₹4,000 range. Growth is visible across all price segments.

What revenue goals have you set for FY26, and what factors will drive that growth?

■ **Deepak:** In the last financial year, our revenue grew by 28 per cent, and earnings before interest, taxes, depreciation, and amortisation (Ebitda) increased way higher by 55 per cent. I see no reason why we cannot sustain similar growth in both our top line and bottom line over the next three to five years.

Our aspiration is to first become the second-largest international watch company operating in India. Titan, for example, is already considered a global company and has achieved a great deal, backed by the credibility and strength of the Tata Group.

How do you plan to allocate investments in India during the upcoming quarters in FY26?

■ **Tobias:** As our business continues to grow at a strong pace, we are committed to increasing our marketing investments in India to support that momentum. Since we manufacture in India, we are also expanding our production capacity. Beyond that, we are developing India as a key sourcing hub for our global product lines.

Can we expect any strategic acquisitions or partnerships as part of your growth roadmap?

■ **Tobias:** We are actively expanding our brand portfolio and are excited to be launching Aston Martin in India. In addition to new launches, we are also exploring acquisition opportunities to further strengthen and diversify our portfolio.

What strategies do you have in place to recover the operating cash flow, which saw a record decline in Q1FY26, over the coming quarters?

■ **Deepak:** The primary reason was a shortage of capital. Coming out of COVID, and even over the last 8 to 10 years, our business was gradually improving, but our cost structure remained high. As a result, the cash flow did not translate into Ebitda, and those gaps had to be funded. To cover those losses, we had to rely on our available credit limits. Inventory was not a major concern but the real issue was that business growth was not keeping pace with our cost structure, which was quite heavy.

What is your strategy to scale up the GUESS jewellery business in India?

■ **Tobias:** The type of jewellery Guess is offering falls under costume jewellery, which is increasingly resonating with the younger generation. Traditionally in India, the focus has been on precious metal jewellery, especially gold. However, with Guess watches having a strong distribution here, we see an opportunity to collaborate with our watch dealers and merchandise jewellery. This approach can elevate the overall brand experience and create a compelling in-store presentation that captures attention followed by expanding into online sales.

Do you see a shift in how younger consumers are engaging with analogue and smartwatches, especially in the premium and luxury categories?

■ **Tobias:** I would not say we are seeing a major shift, but what is clear is that interest in traditional watches among younger consumers is growing. The common perception that younger people only want smartwatches is not accurate. With Timex, we are leaning into the vintage trend by reissuing classic models, which resonates with today's youth.

Tobias Reiss-Schmidt *(left)*, president and CEO of Timex Group, with Deepak Chhabra, managing director of Timex Group India

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Just 1/5th of auto PLI firms have products cleared for incentives

Others, including Suzuki, Ashok Leyland, Hyundai, Kia, and PCA Automobiles, have yet to receive approval for any electric model. The performance in the auto components category is even weaker. Only nine of 64 eligible companies have received DVA clearance.

What makes the situation more difficult is that at least three companies have received clearance to manufacture traction motors or wheel rims integrated with hub motors. But they now face challenges due to China's ban on rare earth material exports, making domestic production increasingly difficult.

To encourage fresh investments, the government had carved out a separate segment under the PLI scheme for new non-automotive investors. But apart from Ola Electric, none of the other five firms in this category have received DVA clearance for even a single model.

The only area where the PLI scheme has seen big success is in the electric two- and three-wheeler space under the Champion OEM category. Three of the four eligible companies (barring Piaggio) have already received DVA clearance for several of their models.

In terms of financial disbursement, the Union Budget for FY25 initially allocated ₹3,500 crore for the scheme. However, the revised estimates sharply reduced this figure to ₹346.87 crore. As of December 2024, cumulative disbursements under the scheme stood at ₹322 crore, according to a government release in March. For FY26, the government has earmarked an allocation of ₹2,818 crore under the PLI scheme.