THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
KUWAIT CHAPTER

Jagruti

A JOURNEY OF AWARENESS & EXCELLENCE

VOLUME 6

JUNE 2026 EDITION

Carbon, Core & Capital

The New Trinity of Modern Wealth

Marking
WORLD ENVIRONMENT DAY
5 JUNE 2026

Marking
INTERNATIONAL YOGA DAY
21 JUNE 2026

AWARENESS • ACTION • ACCOUNTABILITY • EXCELLENCE

From the Editor's Desk

CA Kriti Buchasia
Editor of the Month
Jagruti – ICAI Kuwait Chapter

"Growth begins with consciousness — the very essence of Jagruti."

Dear Readers,

Welcome to the 6th edition of *Jagruti*. In a world shaped by rapid technological advancement, evolving business landscapes, and changing societal expectations, the ability to adapt, learn, and lead with awareness has never been more important. Whether in our professional journeys or personal lives, meaningful growth begins with consciousness — the very essence of *Jagruti*.

This edition reflects on the connected ideas of inner balance, environmental responsibility, and thoughtful value creation. As we celebrate **International Yoga Day**, we are reminded that resilience, focus, and well-being begin from within. As we also mark **World Environment Day**, we are called to renew our commitment to the planet and to more conscious choices in the way we live, work, and lead. Together, these themes encourage us to build organizations and communities that are mindful, responsible, and future-ready.

As we look ahead to the second half of the year, our focus must remain on:

- **Strengthening the Core** through disciplined governance, ethics, and compliance
- **Embedding Carbon** consciousness into financial, strategic, and operational decisions
- **Optimizing Capital** to support sustainable, resilient, and inclusive growth

These priorities are deeply connected; together, they guide us toward becoming more balanced, conscious, and future-ready individuals. As Chartered Accountants, our role continues to evolve beyond financial stewardship, calling on us to strengthen governance, support sustainable growth, and enable informed decision-making in an increasingly dynamic world.

We extend our sincere appreciation to our contributors, volunteers, sponsors, and readers, whose continued support makes *Jagruti* a vibrant platform for learning, collaboration, and professional excellence.

Happy Reading!

CONTENT

JUNE 2026 IN THIS ISSUE...

From the Chairperson

CA Venkata Ramana Badida
Chairperson, ICAI Kuwait Chapter
2026–27

> *“Together, let us ELEVATE ourselves further.”*

Vision 2026–27: Our members deserve to be more informed, more skilled and more valued.

A journey of a thousand miles begins with a single step, this step was taken on 19 April 2006, the inauguration of ICAI Kuwait chapter. My deep sense of gratitude to the Founding members CA Sanjiv Pabrai, CA Jagdish Joshi, CA M. S. Mathew along with other charter members who came forward for this journey that day.

Our chapter has been built on a strong leadership foundation, and I am fortunate to have support of a vibrant Organising Team 2026-27 who are fully committed to go the extra mile in building the fraternity and carrying out the many worthwhile projects that we envisage for the benefit of our members.

On this note, I must take the opportunity to thank my predecessor CA Rohit Agarwal for showing his trust and support for me as his successor.

I am honoured and humbled to be the 15th Chairperson of this esteemed fraternity for the term 2026-27, and with the help & support of my Team members and fellow members, I will strive hard to seeing every member of ICAI Kuwait remains an informed and capable contributor to the landscape in which they operate while fostering a strong sense of professional camaraderie and belonging.

For the year ahead, my vision is anchored in three core convictions—that our members deserve to be more informed, more skilled and more valued. In an era marked by rapid technological advancements, changing business models and evolving regulatory frameworks, continuous learning and adaptability have become indispensable. To this end, we will strive to create meaningful opportunities that enhance professional competencies, encourage knowledge sharing and deepen understanding of Kuwait’s and the region's dynamic regulatory, economic and business environment while on the other hand fortifying the chapter with new members.

With those initial thoughts, now let me acknowledge the remarkable evolution of our chapter’s newsletter “Jagruti.” Since its relaunch, Jagruti has grown steadily into a credible and cherished platform that reflects the collective voice of our members and the vibrancy of the Chartered Accountancy profession in Kuwait.

I must extend a word of appreciation to the Editor CA Kriti Buchasia for selecting such a compelling, multi-dimensional theme “Carbon, Core & Capital – The New Trinity of Modern Wealth.” that perfectly captures the paradigm shift reshaping global business and investments today. Today, wealth is no longer defined strictly by financial statements, the true prosperity balances three pillars: Carbon, Core & Capital.

As finance professionals, we stand at the centre of this evolution. It is our responsibility to manage, measure, and maximize this new trinity to create sustainable value for our organizations and society.

The success of Jagruti is a testament to the dedication of its editorial team, the enthusiasm of its contributors, and the continued engagement of its readers.

As we move forward, I encourage more members to participate actively in this journey by sharing their perspectives, experiences, and knowledge through Jagruti. I am confident that with the continued support of our contributors, editorial team, and readership, the journal will continue to evolve and reach even greater heights in the months and years ahead.

I look forward to working alongside each one of you as we embark on another exciting year for the ICAI Kuwait Chapter.

A Conversation with CA Gaurav Dokania

On Leadership, AI in Audit, ESG, and the GCC's Future

CA Gaurav Dokania
Assurance Partner & COO
EY MENA Assurance

CA Gaurav Dokania is an Assurance Partner and the Chief Operating Officer for EY's MENA Assurance practice. Based in Kuwait, he has been with EY for over 26 years leading accounting and audit engagements for clients across the Middle East. He is a Certified Public Accountant (USA) and a Chartered Accountant (India), bringing deep technical expertise and seasoned judgment to his role. As MENA Assurance Operations Leader, he is responsible for driving operational excellence across the region — focusing on enhancing productivity, streamlining workflows, and fostering collaboration across various locations and offices to deliver consistent, high-quality outcomes.

> ***"For me it was never just about working hard — it was about how I ultimately created impact."***

THE ORIGIN STORY · EARLY PRINCIPLE

You became partner at a relatively young age. What's one early principle or decision that made the real difference?

When I reflect on my journey, one thing that worked for me was consistently thinking outside the box rather than following a traditional approach to auditing. I focused on finding smarter, more efficient ways to solve problems and deliver value. That mindset helped me grow faster and build confidence. For me it was never just about working hard — it was about how I ultimately created impact.

FIRST 90 DAYS

First 90 days as partner — what was the biggest mental shift you had to make that no one warned you about?

The biggest mental shift was moving my focus outward rather than inward. The real transition is understanding that your role is no longer defined by how well you manage internal expectations, but by the value you create for your clients and the strength of the relationships you build in the market. That means consistently stepping back, asking what truly matters to the client, and aligning your efforts to deliver meaningful, tangible outcomes.

TOUGHEST 'NO'

What's the toughest 'no' you had to say early in your career that ended up being the right call?

Early on in my career I was offered a very lucrative opportunity to relocate to the USA. At the time, it was seen as a high-potential move, and everyone around me – my friends, my family, my managers at work, advised me to go for it.

I made a deliberate choice to take a calculated risk and said "No" and that has made all the difference. The conscious decision to stay in Kuwait proved to be pivotal to my success because this region has transformed at such an accelerated pace, giving me the opportunity to create meaningful impact, build deeper relationships, and gain diverse regional experiences, all of which have brought me to where I am today.

GCC OPPORTUNITIES & RISKS

The GCC continues to evolve rapidly amid global uncertainty. From your seat, what's one opportunity and one risk for businesses here over the next 3–5 years that leaders underestimate?

With significant government investment into rapid digital adoption, businesses in the GCC region have a unique chance to embed advanced technologies such as AI into their operating models to unlock efficiency and new growth avenues.

At the same time, a key risk that is often underestimated is that the pace of change may outstrip governance and talent readiness, leaving gaps in areas such as data governance, regulatory alignment, and the ability of teams to effectively deal with complexity.

Ultimately, the organizations that will succeed are those that balance ambition with discipline which means they move quickly to capture the opportunity, but also build the right controls, skills, and oversight to sustain it. Our own 'Client Zero' journey of AI transformation at EY demonstrates this balance and we are leveraging it to guide others in responsible AI adoption at scale.

COO MOMENT

What's been one of your most challenging and most rewarding moments as COO at EY MENA Assurance so far?

It was 2019. I had just stepped into the COO role and was making the challenging transitions needed for this next step in my career. And then the pandemic hit the world. All of us had our backs against the wall and we had to adapt, make critical decisions under overwhelming uncertainty, and support both the business and our people during an unprecedented time. It really pushed me to transform myself, stay resilient, and lead with clarity.

As COO, I am critically involved in the recruitment, training, and career development of our people and feel privileged to be a part of their growth and success. When you see this role impacting so many lives in a positive manner, that is what makes the long hours truly worthwhile.

AI & THE HUMAN ELEMENT

How do you see AI changing audit in the GCC over the next 3 years? Realistically, what stays human?

AI is significantly reshaping the audit profession not by replacing auditors, but by augmenting their capabilities. At EY, we use AI to reduce administrative work and streamline processes, enabling professionals to focus on higher-value areas such as risk assessment, judgment, insights, and client engagement.

By analyzing very large datasets in real-time, AI helps us identify risks earlier and with accuracy, ultimately enhancing audit quality, increasing trust and transparency. Audits will remain human-led. Critical elements such as professional skepticism and accountability cannot be replicated by technology.

AI RISK

What's one new risk AI creates in the financial world that you think boards in the GCC still underestimate?

A key risk is the possibility of gaps between AI adoption, human capability, and readiness. While organizations are investing heavily in AI, they are often not keeping pace in building the skills needed to understand, interpret, and effectively govern these systems.

This means that while AI is widely used, it may not be fully understood, challenged, or aligned with emerging regulations. Addressing this requires a more balanced approach, with equal focus on upskilling talent, strengthening oversight, and proactively aligning with the regulatory landscape as it develops.

AI TOOLS VS TRAINING

As COO, where are you putting more weight today: investing in AI tools, or in training auditors to question AI outputs?

It's not about choosing one over the other. In my opinion, both are equally critical and deeply interconnected.

We are investing significantly in next-gen AI tools to enhance audit quality, enable deeper insights, and drive efficiency through advanced analytics and automation. Simultaneously, we are upskilling our auditors to critically evaluate and challenge AI outputs as we consider them to be the "human-led" engine of this transformation change. Ultimately, the value lies at the intersection of the two.

ESG MINDSET SHIFT

ESG disclosures are ramping up. What's one mindset shift you think finance teams need to make before the rules hit?

The new wave of ESG disclosures (especially IFRS S1/S2) introduces a few critical shifts – first, there is an enhanced focus on climate related disclosures. Second, is the concept of financial materiality of sustainability risks – requiring organizations to assess both risks and opportunities and translate them into financial terms.

For finance teams, this calls for a mindset shift. ESG data is no longer just about reporting sustainability impacts. It now carries direct financial implications and finance teams need to significantly strengthen ESG and climate data controls, processes, and systems to ensure the same level of rigour and reliability as financial data.

At the same time, ESG is rapidly moving from a largely voluntary exercise to a compliance-driven agenda, firmly owned by the CFO. With disclosures being presented alongside the annual financial statements and subject to external audit scrutiny, finance teams must build ESG and climate literacy to effectively oversee this space.

SUSTAINABILITY IN STRATEGY

You sit with a lot of leadership teams. What's one thing you've noticed about how the best ones think about sustainability?

I've observed that when it comes to sustainability, the best-performing leadership teams are the ones that are well informed and truly appreciate its impact on our world. They recognize how these risks and opportunities directly link to their core business strategy, and do not treat sustainability as a separate or peripheral agenda. Rather, they integrate sustainability into their day-to-day operations.

WELLNESS IN HIGH PERFORMANCE

We're seeing more professionals in the GCC turn to yoga for focus and resilience. From a COO lens, do you see value in weaving wellness practices into a high-performance culture?

In the high-pressure world of Professional Services, wellness is not a luxury, it is a performance strategy. We have seen that professionals who invest in their wellness with exercise, meditation, or any personal hobbies are more resilient and able to perform better.

At EY, we have regular internal People Pulse surveys, which include wellness topics, and we have taken a deliberate approach to integrate wellbeing into how we work. A good example is our "Wellbeing in Action" monthly series, where we encourage our people to take a more holistic view of performance.

As COO, I want to continue to build this culture where people are supported to build consistent habits around wellness and mental health.

PSYCHOLOGICAL SAFETY

Mental health stigma still exists in this region. What's one practical thing you've done to help your teams speak up?

I have always encouraged my team to be open about any mental health challenges or difficult moments they may be facing personally or professionally. At EY, we have taken a deliberate tone at the top that normalizes the conversations around mental health. All our employees have access to our confidential Employee Assistance Program, which includes professional support for mental health concerns. We also have a campaign focused on neurodiversity which aims to provide colleagues with different cognitive abilities, such as those with ADHD or Autism, accommodations that will support their contributions to the workforce.

Breaking the stigma starts with making support visible, accessible, and judgment-free. In a very practical way, I did this during the recent regional uncertainties, where I would touch-base daily with all team members and transparently discuss the safety concerns and challenges we were navigating.

LEADERSHIP ADVICE

What's one piece of advice you'd give ambitious young CAs about leadership that they don't hear enough?

Empower others. Early in your career, discipline and hard work sets the foundation. However, as you grow, leadership is less about the effort you put into your own work and more about how you enable others to succeed, make decisions with conviction, and stay accountable. The focus should be on developing your people.

RAPID FIRE

in one phrase

1. **One leadership habit you never compromise on?**
Zero procrastination.

2. **One book every business leader should read?**
Mindset: The New Psychology of Success by Dr. Carol S. Dweck

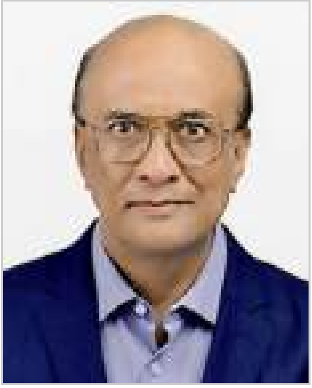
3. **AI: Opportunity or risk?**
Opportunity with responsibility.

4. **One word that defines the future of the GCC economy?**
Ambition.

5. **Advice to young CAs in one sentence?**
Your mindset will define your growth and success. Stay curious, resilient, adaptable, and proactive.


INTERNATIONAL
YOGA DAY
2026
Stronger Mind.
Sharper Focus.
Better Decisions.
In finance, clarity creates confidence. Yoga keeps you centered through every number and every deadline.
6 YOGA POSES FOR FINANCE PROFESSIONALS
1
TREE POSE
(VRIKSHASANA)
Improves balance and concentration.
2
SEATED SPINAL TWIST
(ARDHA MATSYENDRASANA)
Relieves back and neck stiffness.
3
DOWNWARD DOG
(ADHO MUKHA SVANASANA)
Boosts circulation and relieves fatigue.
4
COBRA POSE
(BHUJANGASANA)
Opens the chest and reduces stress.
5
SEATED SIDE STRETCH
(PARSVA SUKHASANA)
Improves flexibility and relieves body tension.
6
MEDITATION & BREATHING
(PRANAYAMA)
Enhances focus and mental clarity.
“Just as sound financial planning creates long-term sustainability, regular yoga practice creates long-term physical and mental resilience.”
DID YOU KNOW?
Even 10–15 minutes of yoga daily can significantly reduce stress levels.
Controlled breathing techniques improve focus and cognitive performance.
Regular stretching can alleviate many of the musculoskeletal issues associated with desk-based professions.
HEALTHY MIND. HEALTHY BODY. BETTER DECISIONS.
WHY YOGA MATTERS FOR FINANCE PROFESSIONALS
ENHANCES CONCENTRATION
Improves accuracy in financial analysis and reporting.
REDUCES STRESS
Helps manage month-end, audit and budgeting pressures.
IMPROVES POSTURE
Counteracts long hours spent at desks and laptops.
BOOSTS ENERGY LEVELS
Reduces fatigue during intensive reporting cycles.
SHARPENS DECISION-MAKING
Promotes calm, rational thinking under pressure.
SUPPORTS WORK-LIFE BALANCE
Enhances overall well-being and productivity.
INTERNATIONAL
Yoga Day
21 JUNE 2026
Yoga for One Earth, One Health

FINANCE & POLICY ● RETIREMENT PLANNING · REAL ESTATE · INDIA



CA Sajjan K. Agrawala
Chief Financial Officer
K4 General Trading & Contracting Co.

Reverse Mortgage in India

Monetising the Home, Preserving Dignity

Living out one's twilight years with dignity and independence, without becoming a burden.

The typical Indian retiree presents a paradox that economists describe as being "asset rich but cash poor." Decades of disciplined saving are poured into acquiring a house — often the single largest store of a retired person's wealth — yet the same person may struggle to meet monthly expenses, leave alone any sudden medical emergencies, once regular income stops. With only a very small and negligible fraction of India's workforce covered by formal pensions, and with healthcare costs rising faster than general inflation, millions of senior citizens sit on valuable real estate while facing genuine liquidity stress. One witnesses many cases where seniors are staying in their own houses worth crores of rupees but still dependent on children for regular monthly sustenance. The reverse mortgage scheme, introduced in India in 2007 through the Union Budget and operationalized under guidelines issued by the National Housing Bank (NHB), was designed precisely to resolve this paradox by converting the locked-up value of a self-occupied home into a regular stream of income, without requiring the elderly owner to sell or vacate it.

"A reverse mortgage inverts the logic of a conventional home loan — the borrower receives money from the lender, and the loan is repaid only when the borrower sells, moves out, or passes away."

What is a Reverse Mortgage?

A reverse mortgage inverts the logic of a conventional home loan. In a regular mortgage, the borrower receives a lump sum to buy a house and repays the lender in instalments. In a reverse mortgage, a senior citizen who already owns a house pledges it to a bank or housing finance company and, in return, receives payments from the lender — as monthly or quarterly annuity-like instalments, a lump sum, a committed line of credit, or a combination of these. The homeowner continues to live in the house for life. The loan, together with accumulated interest, becomes repayable only when the borrower (and spouse, where the loan is joint) passes away or permanently moves out. At that point, the legal heirs may repay the dues and retain the property, or the lender sells the property, recovers its dues, and hands over any surplus to the heirs. Crucially, the borrower's debt obligation rises over time while no repayment is demanded during their lifetime — hence the term "reverse." Payments can be structured as monthly or quarterly instalments over a tenure of 15–20 years.

The main borrower is eligible to apply for a loan under this scheme only after he/she attains the age of 60 years.

Salient Features of the Indian Scheme

Under the NHB guidelines, eligibility is restricted to senior citizens, generally aged sixty years or above, who own a self-occupied residential property in India with a clear, marketable title; in the case of a married couple borrowing jointly, the spouse is usually required to be at least fifty-five or fifty-eight years old depending on the lender. The property must be the borrower's permanent primary residence and should have a reasonable residual life, typically of at least twenty years. The loan amount is determined by the market value of the property, the age of the borrower, and prevailing interest rates, with lenders generally extending between sixty and ninety per cent of the assessed value, the proportion rising with the borrower's age. The maximum tenure of disbursements is usually capped at twenty years (fifteen in some institutions), though the borrower's right to occupy the house continues for life even after payments stop. Lenders revalue the property periodically, normally once every five years, and may adjust payments accordingly.

Important Points to be Noted

- A defining protective feature is the "non-recourse" guarantee: the borrower or the heirs can never be asked to pay more than the realized value of the property, even if the accumulated dues exceed it.
- The borrower retains ownership and possession throughout, but must keep the property insured, pay municipal taxes, and maintain it; the property cannot ordinarily be rented out or abandoned for an extended period.
- The scheme also enjoys favourable tax treatment — the periodic receipts are treated as loan advances and not as income, so they are exempt from income tax, and the mortgage transaction itself does not attract capital gains tax at the time of pledging.
- A later refinement, the Reverse Mortgage Loan-enabled Annuity (RMLeA), routes the loan amount through a life insurance company so that the borrower receives assured annuity payments for their entire lifetime rather than for a fixed term, addressing the risk of outliving the twenty-year payment window.
- Borrowers are further given a cooling-off period after approval during which they may cancel the arrangement, and prepayment of the loan generally attracts no penalty.

The Need for the Scheme and Why Its Relevance is Growing

The case for reverse mortgage in India rests on a convergence of demographic, economic, and social trends. India's population is ageing rapidly: the number of citizens above sixty, already well past the hundred-and-fifty-million mark, is projected to approach a fifth of the population by mid-century. At the same time, formal retirement security is thin — the vast majority of Indians work in the informal sector with no pension, gratuity, or provident fund of any meaningful size, and even salaried retirees find that fixed pensions erode quickly under inflation. Longevity compounds the problem: living into one's eighties means financing twenty or more years of post-retirement life, with medical inflation outpacing incomes.

Simultaneously, the traditional social contract is weakening. The joint family system, in which children housed and financed their ageing parents, is giving way to nuclear families, urban migration, and the emigration of children abroad, leaving many elderly couples to fend for themselves financially. Yet these same households frequently own urban property whose value has multiplied many times over the decades. For them, the house is wealth they cannot eat. Selling it would mean losing their home, their neighbourhood, and their dignity; reverse mortgage offers the middle path of monetising the asset while continuing to live in it. Rising property prices in Indian cities make the proposition more attractive over time, since the unlockable value keeps growing. The scheme also carries a wider social benefit: it reduces elderly dependence on children and on the state, supports consumption among a vulnerable group, and channels dead capital into the financial system.

Challenges Confronting the Scheme

Despite its conceptual elegance, the reverse mortgage has seen strikingly low uptake in India in the nearly two decades since its launch, with only a few thousand loans disbursed against a potential market of millions. The obstacles are partly cultural, partly product-related, and partly institutional.

The deepest barrier is emotional and cultural. In India, the family home is not merely an asset but a legacy; parents see bequeathing the house to children as a moral duty and mortgaging it in old age carries a perceived stigma of financial failure or of children having neglected their parents. Children, in turn, often discourage the arrangement because it diminishes their inheritance, and many elderly borrowers become hesitant to take the decision.

Product design also needs to increase its appeal to the addressable segment of population. The fixed tenure of fifteen to twenty years creates the unsettling prospect of payments ceasing while the borrower is still alive. The annuity variant addresses but tax-related issues blunt the product's edge.

The monthly payouts themselves are often modest relative to the property's value, because lenders apply conservative loan-to-value margins, assume long interest accumulation, and price in legal and valuation risk. The higher interest rates in compounding format also leads to the stress of larger amounts becoming payable upon the borrower's death, that reduces its attractiveness.

On the supply side, lenders remain lukewarm. Reverse mortgages expose them to longevity risk, interest rate risk, and above all property risk in a market where titles are frequently unclear, valuation is unreliable, and foreclosure or sale of a deceased borrower's home can be entangled in prolonged litigation with heirs. The absence of a deep secondary market or securitisation mechanism for such loans leaves the entire risk on the lender's balance sheet. Finally, awareness is abysmal: most senior citizens have never heard of the product, bank staff are rarely trained to explain it, and the few who do know of it often misunderstand it as a surrender of ownership. Complex documentation, valuation fees, and periodic revaluation requirements add friction for a clientele least equipped to navigate them. Banks are least incentivized to market the product to its clientele.

Recommendations to Popularise the Scheme

Reviving the reverse mortgage requires coordinated action on product design, risk-sharing, taxation, and trust-building. First, the lifetime annuity variant should be made the default design, with full income-tax exemption extended unambiguously to annuity receipts so that borrowers never face the fear of outliving their payments or losing benefits to tax. Second, the government or the NHB could institute a credit guarantee or insurance fund to absorb the "crossover" risk where loan balances exceed property value, which would let lenders offer higher loan-to-value ratios and more generous payouts. Third, enabling securitisation of reverse mortgage portfolios and encouraging participation by pension funds and insurers, who naturally hold long-duration liabilities, would relieve banks of the burden of warehousing these loans for decades on their balance sheets.

Equally important are measures that lower the cultural barrier. A sustained national awareness campaign — through banks, post offices, senior citizens' associations, and vernacular media — should reposition the product as a dignified pension drawn from one's own life savings rather than a distress sale of the family home, and should highlight the non-recourse protection and the heirs' first right to redeem the property. Mandatory but simple counselling, involving family members, would build informed consent and reduce frictions. Procedural reform like: standardised and simplified documentation, capped processing and valuation charges, digitised title verification, and faster, clearly defined settlement procedures with heirs after the borrower's demise, should be implemented. Periodic revaluation should work in the borrower's favour, with payouts stepped up as property values rise. Finally, lenders could be allowed flexibility to make the scheme more attractive keeping NHB guidelines as baseline.

Conclusion

The reverse mortgage is, in principle, tailor-made for India's elderly — a population that is house-rich, pension-poor, increasingly long-lived, and progressively less able to rely on children for support. That the scheme has languished is a failure not of the idea but of its packaging, pricing, and promotion. With a lifetime annuity structure backed by a sovereign guarantee, clear tax exemption, honest counselling, and a campaign that reframes the product as self-earned security rather than the surrender of a legacy, the reverse mortgage scheme can attempt to solve a problem that is being increasingly felt by seniors.

SUSTAINABILITY • BATTERY LIFECYCLE · CIRCULAR ECONOMY · GREEN FINANCE

CA Nidhi Puniani
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Sustainability’s Next Challenge:

The Battery after the Battery

As EV adoption accelerates, the world faces a looming crisis: what happens when millions of batteries die?

When we talk about sustainability in the automotive industry today, electric vehicles are often at the center of the conversation.

And rightly so.

According to the International Energy Agency’s (IEA) Global EV Outlook 2025, global electric car sales crossed 17 million units in 2024, representing more than 20% of all new cars sold worldwide. China led the market with more than 11 million electric cars sold, while the United States recorded around 1.6 million electric car sales. Interestingly, markets outside China, Europe and the United States also grew strongly, reaching around 1.3 million units.

These numbers clearly show that EVs are no longer a futuristic concept. They are becoming mainstream.

The global EV market, valued at approximately USD 713.9 billion in 2024, is projected to reach around USD 2.13 trillion by 2032, growing at a CAGR of 13.2%, according to Fortune Business Insights.

“The battery that chose not to waste itself but to reinvent itself is the most sustainable battery of all."

What happens to the battery after its life in the vehicle ends?

That question may define the next chapter of sustainability.

The Market is Growing — So Is the Battery Challenge

The EV boom is expected to accelerate further. The IEA projects that the global EV fleet could reach 250 million by 2030 — almost four times the level seen at the end of 2024.

Regionally, the shift is even more striking. China’s electric car and van sales share is expected to reach around 80% by 2030. Europe is projected to reach nearly 60%, while the United States is expected to see EVs account for around one in five vehicle sales by 2030.

This is where the real sustainability challenge begins. If millions of EVs are entering the market today, millions of batteries will eventually retire tomorrow.

And batteries are not ordinary waste. They contain valuable materials such as lithium, nickel, cobalt and manganese. If handled poorly, they can become an environmental concern. If handled intelligently, they can become the foundation of a circular economy.

When a Battery Retires, Is It Really the End?

Most people assume that an EV battery reaches the end of its life when it is removed from a vehicle.

An EV battery is often retired from automotive use when it still retains significant usable capacity. While it may no longer meet the performance requirements of a vehicle, it may still be suitable for other applications such as renewable energy storage, backup power systems and industrial energy solutions.

In other words, the battery’s first life may end inside a vehicle, but its second life may just be beginning. This is giving rise to what can be called the **second-life battery economy**.

Redwood Materials: Seeing Value Where Others Saw Waste

One of the most interesting companies in this space is Redwood Materials, founded by JB Straubel, Tesla’s former Chief Technology Officer and co-founder.

Redwood Materials started with a focus on battery recycling, but its business model reflects a much bigger idea: batteries should not be treated as waste too early. The company works on recovering critical battery materials and reintegrating them into the supply chain. More recently, it has also explored second-life battery applications, where suitable retired batteries can be repurposed into stationary energy storage systems.

The business logic is powerful. A battery creates value once when it powers an electric vehicle. It can create value again when it stores renewable energy. And finally, after its second life, valuable materials can still be recovered through recycling. That is circular economy in action.

More importantly, it shows that sustainability does not always have to be a cost. Done well, it can become a business model.

Why Finance Professionals Should Care

At first glance, battery lifecycle management may seem like an engineering or automotive issue. It is not. It is also a finance issue.

The EV battery market itself is expanding rapidly. Grand View Research estimates that the global EV battery market was valued at USD 61.3 billion in 2024 and is expected to reach nearly USD 198.9 billion by 2030, growing at a CAGR of 22.2%.

That means the battery ecosystem is not a side story to the EV revolution.

As this market grows, finance professionals will increasingly need to evaluate:

- Investment in battery recycling infrastructure
- Valuation of recovered materials
- Environmental liabilities
- Second-life battery business models
- Circular economy returns

They will help businesses understand how value can be created across the full lifecycle of an asset.

As EV adoption grows across China, Europe, the United States and emerging markets, the world must prepare for the next challenge - managing millions of batteries after their first life ends.

If we fail, today's green solution may become tomorrow's environmental problem.

But if we succeed, retired batteries can become the foundation of a new circular economy - one that reduces waste, recovers valuable materials and creates new business opportunities.

Because perhaps the most valuable battery of the future will not be the one powering the next vehicle. It will be the one we chose not to waste.

5 JUNE

WORLD ENVIRONMENT DAY

FINANCE AT THE CENTER OF CHANGE

Every financial decision today shapes the planet we all depend on tomorrow.

1 ALLOCATE CAPITAL

Invest in what builds a better future.

2 ASSESS RISKS

Identify risks. Protect value. Strengthen resilience.

3 MEASURE IMPACT

Track what matters. Improve what we can.

4 INTEGRATE ENVIRONMENT CONSIDERATIONS

Embed in planning, decisions and operations.

5 INFLUENCE CHANGE

Partner. Engage. Create lasting impact.

Finance doesn't just reflect the future. We shape it.

Better decisions today. Better planet tomorrow.

PROTECT OUR PLANET

CREATE VALUE FOR PEOPLE

DRIVE LONG-TERM VALUE FOR BUSINESS

BUILD A BETTER FUTURE FOR ALL

FINANCE TODAY. IMPACT TOMORROW.

ESG & GOVERNANCE ● ARTIFICIAL INTELLIGENCE · SUSTAINABILITY · SYSTEMIC RISK

CA Ritesh Katti
Vice President, Group Financial Control
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Beyond Efficiency:

ESG & Sustainability Risks of AI

AI is transforming industries — but its ESG risks are being systematically underestimated by the profession.

"Behind every 'intelligent' algorithm lies an invisible chain of energy, resources, and emissions—reminding us that digital progress is never truly immaterial."

Executive Summary: *Artificial Intelligence is reshaping modern economies, but its growing social, environmental, and governance risks demand urgent scrutiny from policymakers, regulators, and the accounting profession.*

Artificial Intelligence (AI) is widely promoted as a driver of efficiency, innovation, and economic growth. For organisations and governments alike, AI promises enhanced decision-making, automation, and scalability. However, when evaluated through an Environmental, Social, and Governance (ESG) lens, the rapid and largely unregulated expansion of AI presents material risks that warrant critical scrutiny. From labour displacement and inequality to environmental degradation and governance failures, AI's long-term implications pose significant challenges for policymakers, regulators, and the accounting profession.

"As finance professionals, we stand at the centre of this evolution — it is our responsibility to manage, measure, and maximise this new trinity to create sustainable value."

Social Risks: Workforce Disruption and Inequality

Artificial Intelligence is widely promoted as a driver of efficiency, innovation, and economic growth. Yet behind these promises lies a set of sustainability and ESG risks that are rarely examined with the same rigour applied to financial returns.

From a social perspective, AI-driven automation represents a structural shift in labour markets with far-reaching consequences. Unlike previous waves of automation, AI increasingly affects not only manual roles but also professional and white-collar occupations, including accounting, finance, legal services, and customer support. Millions of jobs are expected to be displaced globally due to AI over the coming decade. While new roles may emerge, they typically require advanced technical skills, leaving large segments of the workforce vulnerable to long-term unemployment. This transition exacerbates income inequality, places pressure on social systems, and introduces reputational and regulatory risks for organisations. Reskilling initiatives are frequently cited as solutions, yet their reach and effectiveness remain limited. For organisations, these trends translate into heightened social risk, reputational exposure, and increased scrutiny from regulators and stakeholders concerned with fair employment practices and human capital sustainability.

AI also raises concerns around surveillance, privacy, and algorithmic bias. Automated decision systems increasingly influence hiring, lending, insurance, and law enforcement. When trained on biased datasets, these systems can entrench discrimination at scale. The opacity of AI models further undermines accountability, posing significant governance challenges for assurance professionals.

Environmental Risks: Energy, Emissions, and Resource Depletion

From an environmental standpoint, AI's sustainability footprint is both significant and underreported. Training and operating advanced AI models requires vast computational capacity, driving substantial energy consumption and carbon emissions. The expansion of data centres—many still dependent on fossil-fuel-based power—runs counter to global climate targets and net-zero commitments.

Beyond energy use, AI systems rely heavily on resourceintensive infrastructure. High-performance chips and data systems require rare earth minerals such as lithium, cobalt, and nickel, the extraction of which is linked to environmental degradation and human rights concerns. Additionally, data centres consume large volumes of freshwater for cooling, often in already water-stressed regions.

The environmental burden is further amplified by electronic waste. Rapid innovation cycles shorten the lifespan of AI hardware, contributing to growing global e-waste challenges with serious environmental and public health implications, particularly in developing economies (United Nations Environment Programme, 2022).

Accounting and Governance Implications

For the accounting profession, these ESG risks translate into tangible financial reporting and governance challenges. Significant investments in AI infrastructure raise questions around capitalisation, useful life estimation, and impairment, particularly given rapid technological obsolescence.

Rising energy and resource costs affect operating margins and long-term valuation models, while AI-related emissions increasingly require measurement, disclosure, and, in some jurisdictions, financial provisioning. From a sustainability perspective, AI's environmental footprint must be incorporated into ESG disclosures under emerging frameworks such as those issued by the ISSB.

For auditors, the opacity of AI systems complicates traditional assurance approaches. Evaluating algorithmic controls, data governance, and ethical compliance introduces new challenges, requiring expanded skill sets and methodologies. Boards and audit committees will increasingly depend on finance professionals to assess AI-related risks, further elevating the accountant's role in strategic governance.

Future and Systemic Risks

Looking ahead, the concentration of AI capabilities among a small number of organisations raises systemic governance concerns. The increasing reliance on algorithmic decision-making risks eroding human judgment and accountability, particularly in high-stakes domains such as finance, healthcare, and public policy.

Without robust oversight, AI may amplify inequality, concentrate power, and introduce systemic risks that extend beyond individual organisations, affecting global economic and social stability.

Conclusion

When viewed through an ESG and governance framework, Artificial Intelligence presents material risks to social stability, environmental sustainability, and long-term value creation. While AI offers operational efficiencies, its broader societal and environmental costs are substantial and growing. For policymakers, regulators, and the accounting profession, the priority must shift from accelerating adoption to strengthening governance, accountability, and sustainable practice.

Without decisive intervention, AI risks undermining the very foundations of responsible growth and trust that underpin modern economic systems.

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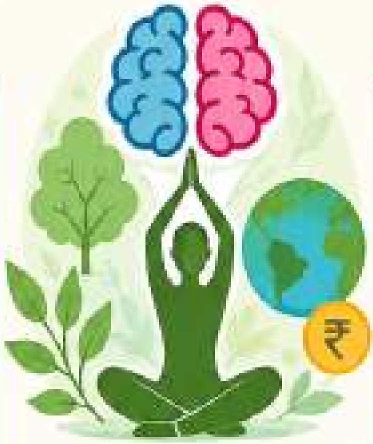
ABOUT THIS ARTICLE

This article was generated with the assistance of Artificial Intelligence—a process estimated to have consumed several litres of water within energy-intensive data centres, underscoring the often overlooked environmental cost of digital intelligence.

BRAIN BUZZ



1

A CA auditing a company's carbon credit transactions would primarily apply which standard?

a) SA 700
b) ISAE 3410
c) SA 200
d) AS 26

2

Assurance on Greenhouse Gas Statements

Researchers estimate that AI models consume significant water for cooling data centers. Approximately how much water does ChatGPT consume for every 10–50 prompts a user sends?

a) 1 ml — same as a few drops
b) 50 ml — half a small cup
c) 500 ml — approximately one standard water bottle
d) 5 litres — a large bucket of water

3

Which UN framework guides sustainability reporting that CAs increasingly use for ESG audits?

a) Basel III
b) GRI — Global Reporting Initiative
c) IFRS 9
d) COSO Framework

4

When was the International Day of Yoga officially proclaimed by the United Nations?

A. 21 June 2014
B. 11 December 2014
C. 21 June 2015
D. 27 September 2015

5

Which yoga breathing technique, when practiced by CA professionals, is scientifically shown to improve cognitive performance and decision-making quality?

a) Bhastrika (forceful breathing)
b) Nadi Shodhana (balanced alternate nostril breathing)
c) Kumbhaka (breath retention only)
d) Sheetali (cooling breath)

CONDITIONS TO PARTICIPATE

a. Please fill in the answers and send it to editorialboard@icaikw.org by 15th July 2026.

b. The winner will be selected via lucky draw.

c. The winner name will be announced in the next newsletter and will be given a cash prize of KD 20.

✅ ANSWER KEY — MAY '26 BRAIN VAULT

Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11
B	C	B	C	C	B	C	C	B	C	C

🎉 WINNER — MAY '26 BRAIN VAULT

CA Jessica Fernandes

CORPORATE FINANCE ● MERGERS & ACQUISITIONS · GCC DEAL-MAKING · DUE DILIGENCE

CA Nishank Agarwal
AVP Finance
Alshaya Group

Minority Stake Acquisition

A Buyer's Viewpoint

From teaser to definitive agreement — a step-by-step guide to M&A deal-making in the GCC.

This article covers:

- Steps involved in acquisition of minority stake in a company
- Decoding M&A jargons

Mergers vs. Acquisitions

In corporate world, a merger is when two companies of similar sizes combine to form a new entity, while an acquisition is when one company takes control of another, usually by purchasing a majority stake. *The key difference lies in equality of partnership versus dominance of one party.*

Acquiring a minority stake in a company is a strategic move that requires careful planning, negotiations, and execution. For Buyer, such acquisitions are not merely financial transactions but a way to complement existing businesses and align with long-term corporate vision.

Let's walk through the typical steps of such a deal from the Buyer's viewpoint.

> ***"For the finance professional sitting at that deal table, a thorough command of each of these steps is not merely useful — it is indispensable."***

Step 1: Origination and Teaser:

Every deal begins with a conversation. In general, financial advisors approaches potential Buyer with a document called Teaser (a concise, two-page document prepared by the Seller, summarising its business model, key financials, and growth story).

At this stage, with a careful study of Teaser, Buyer must answer one decisive question that "Does this opportunity fit strategic vision of its company and complement its existing portfolio" along with good probability of delivering expected returns on proposed investment.

If answer is yes, the Buyer proceeds to engage formally, and the dialogue between the two parties begins with serious, heartfelt, and sincere state of mind.

Step 2: Negotiation including Valuation Mechanism:

Once both the parties agree to explore the opportunity, the next critical milestone is aligning with the valuation methodology.

For most GCC transactions of this nature, the Enterprise Value (EV) of the target is determined using an EBITDA multiple — a widely accepted yardstick that reflects the company's earnings power before the impact of capital structure, tax, and non-cash charges (though there are various other methods to value a company but not discussed in this article).

Seller shares its projected income statements, allowing both parties to debate and agree upon broad valuation. Once both sides agree with the EV mechanism, the parties formalise their mutual intent by executing a Non-Binding Offer (NBO) agreement. This document is, in effect, a letter of intent: it is not legally enforceable on price, but it signals serious commitment and creates a framework for the due diligence phase that follows.

Step 3: Engaging the advisors / consultants by Buyer:

With an NBO in place, Buyer hires external consultants to advise for various tasks — a multi-disciplinary group that examines every corner of Seller over the next few weeks (2 to 3 months).

Relevant data for all the advisors are uploaded by Seller in a common third-party cloud center called VDR (virtual data room) and access is given to all the advisors once confidentiality agreement is signed between the relevant parties.

Each adviser has a distinct mandate:

- **Commercial Due Diligence (CDD).**

An independent assessment of Seller market position, customer relationships, product competitiveness, and growth outlook. The CDD adviser benchmarks the target against peers and stress-tests the revenue projections.

- **Financial Due Diligence (FDD)**

A deep dive into the historical financial statements, working capital trends, cash conversion cycle, and quality of earnings — validating whether the EBITDA agreed at NBO stage truly reflects the underlying business.

- **Legal Due Diligence (LDD)**

A thorough review of corporate structure, contracts, litigation, licences, and regulatory compliance — identifying any legal landmines before the deal closes.

- **Tax Due Diligence (TDD)**

An analysis of the Seller's historic tax positions, corporate tax / VAT / Zakat /Capital gain tax obligations in the relevant jurisdiction, and any exposures that could affect post-deal value.

- **Investment Banker / M&A Adviser**

For Buyer — coordinating all workstreams, driving the weekly progress calls, negotiating with the other side, and ensuring the transaction stays on track within the two-to-three-month due diligence window.

Step 4: Closing Mechanics (Lockbox vs. Completion Accounts approach):

One of the most commercially significant choices the parties must make is how to fix the economic transfer date — i.e., the date from which all economic benefits and risks pass to Buyer for the stake acquired.

There are two choices (primary mechanisms in deal-making):

- **Lockbox Mechanism:** the balance sheet is fixed at the previous year-end date. The price is set at that point, and the Seller provides 'leakage' protections — covenants that prevent value being extracted from the business between the lockbox date and deal signing/closing date (which can fall at any day during the year once all diligences and negotiations are done). This approach offers price certainty and simplicity (popular in Europe).
- **Completion Accounts Mechanism:** the balance sheet is prepared as at the actual closing/signing date — the day the Share Purchase Agreement is signed, and Buyer formally becomes owner. This introduces some post-closing price adjustment but ensures the Buyer pays for the business as it actually stood at handover (popular in USA/GCC/India).

Step 5: The Definitive Agreements - SPA & SHA:

The culmination of the entire process is captured in two landmark documents that Buyer and Seller execute at a last stage of the M&A deal.

- **Share Purchase Agreement (SPA)**

The SPA is the primary commercial contract of the deal. Beyond setting out the price, it contains the Enterprise Value adjustment mechanism (EV + Adjustments on signing date which includes Cash and Excess working capital less debt).

The SPA also contains Representations and Warranties (R&W) — statements made by the Seller about the accuracy of everything disclosed. These are typically supported by a W&I Insurance policy, which protects the Buyer if a warranty proves to be untrue after closing, without having to chase the Seller directly.

- **Shareholders' Agreement (SHA)**

The SHA governs the ongoing relationship between Buyer and Seller which works as partnership agreement after acquisition completes. Key provisions typically include: board appointment rights (the right to nominate a director proportionate to the minority's stake), a Drag-Along Right (refer Appendix), and a Tag-Along Right (refer Appendix). Where applicable, a future Listing Period or IPO timeline may also be agreed, giving the investor/minority a clear exit path.

Appendix (definition of key M&A jargon):

- **Adjusted EBITDA and EV:**

EBITDA after removing one-offs (non-recurring items to give a cleaner picture of the normalised earnings power of the business) is used to work out Enterprise Value (EV) after applying agreed EBITDA multiple.

- **Adjustment for "Debt like items" and "working capital adjustment" after working out EV:**

Debt like items: Obligations that function like financial debt but may not appear as 'borrowings' on the balance sheet — such as deferred revenue, unfunded pension liabilities, or earn-out obligations. This is treated as deductible from EV.

Working Capital adjustment: If business reports higher than average working capital on cutoff date, then excess working capital benefit is passed on to Seller by increasing EV. Cash on cutoff date is also an addition to EV.

- **Representations & Warranties**

Legally binding statements by the Seller asserting that key facts about the business are true. If a warranty proves false, the Buyer has grounds to claim compensation.

- **W&I Insurance**

Warranty & Indemnity Insurance: a policy that pays the Buyer if a Seller's representation turns out to be incorrect, providing a 'clean' recovery route without suing the Seller directly.

- **Tag-Along Right**

A minority shareholder's contractual right to join any sale being made by the majority shareholders, on the same terms and at the same price, so they are not left behind.

- **Drag-Along Right**

A majority shareholder's right to compel the minority to sell their stake as part of a broader sale of the company, ensuring the majority can deliver 100% of shares to the new Buyer.

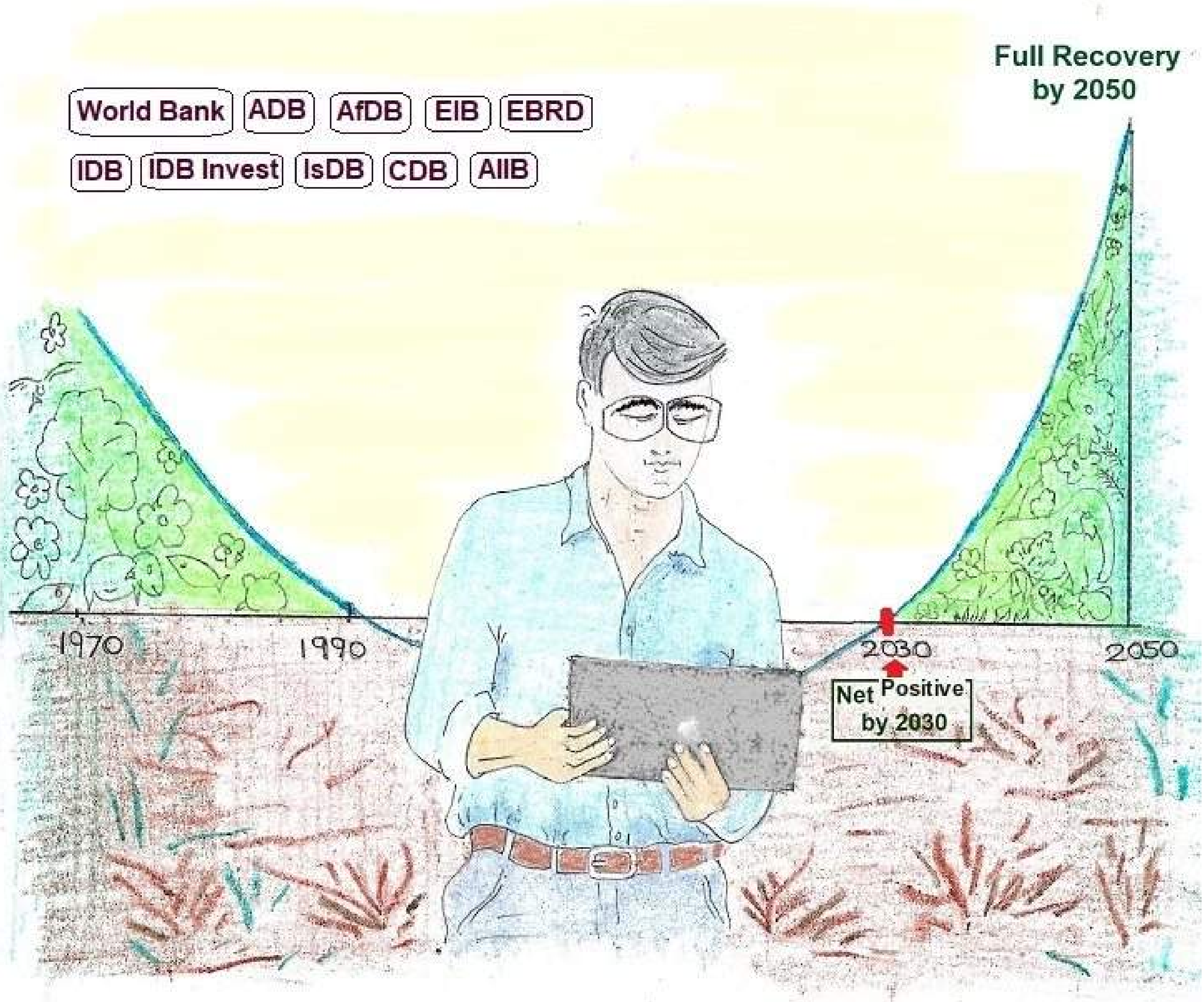
- **Conditions Precedent (CPs)**

Specific events or approvals (e.g. regulatory clearances, third-party consents) that must be satisfied before the deal can legally close.

This is important to note that part acquisition is never just a financial transaction — it is the beginning of a long-term commercial partnership. Also, detailed due diligences, the precision of the SPA's adjustment mechanisms, and the foresight embedded in the SHA's governance provisions shapes the returns for years to come.

For the finance professional sitting at that deal table, a thorough command of each of these steps is not merely useful — it is indispensable.

Lines & Ledgers: 10 MDBs for Nature Positive.



10 Multi Dimensional Banks track the Nature Positive by 2030 & Full Recovery by 2050.

Note: 'CA. Ashok' is an imaginary cartoon character and an honorary member of the ICAI Kuwait Chapter. He has agreed to provide synopsis of a few matters of Current Affairs in the Finance / Economic / Accountancy fields. by CA. Dipen Sen.

CAPITAL MARKETS ● IPO ANALYSIS · IFRS 15 · SPACEX · CORPORATE GOVERNANCE

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stc Kuwait

SpaceX Goes Public:

The IPO That Rewrote Rules — and the Sky

The largest IPO in history raises deep questions for every finance professional.

On June 12, 2026, Elon Musk's SpaceX listed on the Nasdaq — raising **USD 75 billion** at a valuation of **USD 1.77 trillion**, making it the largest IPO in human history — surpassing Saudi Aramco's 2019 record of USD 29 billion. The stock closed 19% above its issue price on Day 1. Behind the celebration, however, lie hidden risks and structural questions that every finance professional must understand.

📊 IPO Snapshot

SpaceX · SPCX · Nasdaq · June 12, 2026

Day 1: +19% above issue price

ISSUE PRICE	RAISED	VALUATION	PUBLIC FLOAT	MUSK VOTING	GAAP LOSS	BRIDGE LOAN
$135	**$75B**	**$1.77T**	**~4%**	**>80%**	**$4.9B**	**$20B**
per share	largest ever	at listing	⚠ very low	⚠ unilateral	post-xAI merger	⚠ due 6 months

Priced at ~94× 2025 revenue — pricing in decades of future optionality, not current earnings

> ***"Balance — between ambition and accountability, between capital and conscience — is not just a personal practice. For CA colleagues, it is a professional imperative."***

🚀 Not Just a Rocket Company

Most people think SpaceX launches rockets. Financially, that is the smallest part of the story:

- **Starlink (satellite internet):** USD 11.4 Bn revenue — 61% of total, the only profitable division at 39% margins. This is the real engine.
- **Space / Launch services:** USD 4.1 Bn revenue — strategically critical but funding-heavy; subsidising Starship R&D.
- **AI segment (xAI, Grok, X, data centres):** USD 3.2 Bn revenue but USD 6.4 Bn operating loss. High-capex, high-risk. Dragging the entire company to a GAAP loss.
- The stock is priced at ~94x 2025 revenue — pricing in decades of future optionality, not current earnings.

💣 The Hidden Bombshell: The Anthropic Deal

The deal: Anthropic - maker of Claude - pays SpaceX USD 1.25 billion per month (USD 15 billion/year) for GPU compute capacity at SpaceX's Colossus data centres in Memphis. This single contract equals ~80% of SpaceX's entire 2025 revenue.

The irony: Anthropic and xAI/Grok are direct AI competitors. SpaceX is essentially renting compute to its fiercest rival.

The risk: Either party can exit with just 90 days' notice. This is not a secured backlog - it is a revocable purchase order. If Anthropic shifts to Google TPUs, AWS, or its own infrastructure, SpaceX's AI revenue collapses.

CA Lens: Under IFRS 15, revenue terminable in 90 days cannot be treated as long-term contracted income. Valuing this stream at 80x is analytically unsound.

⚖️ Corporate Environment: Rules Rewritten

Regulatory Relaxations (USA)

SEC Disclosure Rollback: Quarterly reporting may shift to semi-annual. Larger firms get a 5-year ramp before stricter disclosure rules apply - directly benefiting SpaceX.

ESG Reporting Withdrawn: Scope 3 emissions, board diversity, and human capital disclosures have been pulled from the SEC's regulatory agenda.

Confidential IPO Filing: SpaceX filed its S-1 secretly on April 1, 2026 - limiting investor analysis time before listing.

Index Inclusion Controversy

Nasdaq: Rule changed to allow index entry after just 15 days (was 3 months) for mega-caps - explicitly in response to SpaceX.

FTSE Russell: Relaxed its 5% minimum float threshold - enabling entry despite SpaceX's 4% float.

S&P 500: Held firm. SpaceX cannot enter until mid-2027 at the earliest - it must post 4 consecutive quarters of GAAP profit first.

The forced consequence: Passive funds tracking Nasdaq-100 and Russell 1000 must sell billions in Apple, Microsoft, and Nvidia to absorb SpaceX - whether or not their managers believe in the valuation.

🌍 The Atmospheric Cost of Starlink's Ambition

SpaceX has filed to operate up to **1 million satellites**. Over 10,000 are already in orbit; licences exist for 40,000. Each satellite lasts just 5 years — meaning re-entry volumes will grow exponentially.

Every rocket launch deposits **black carbon** (soot) and **alumina** (aluminium oxide) into the upper atmosphere at 80–110 km altitude — directly affecting the ozone layer and stratospheric chemistry.

UCL researchers (May 2026): Starlink-style mega constellations could account for **42% of all space sector air pollution by 2030**. Scientists have described the cumulative effect as an 'unregulated geoengineering experiment' — a domain with no regulatory framework and almost no enforcement.

Space debris from re-entering satellites now occurs almost daily. A 2025 study was the first to trace and measure atmospheric contamination from a specific Starlink re-entry.

💸 The Green Finance Paradox

The same deregulatory wave that enabled this IPO has dismantled the ESG disclosure framework that green finance relies upon — withdrawing scope 3 emission rules, board diversity mandates, and climate disclosures.

xAI's Colossus data centres are among the most energy-intensive computational facilities on the planet. AI's carbon footprint is growing faster than any reporting framework can track.

Green Finance practitioners have less data, not more, to price environmental risk into mega-IPOs like SpaceX — precisely when they need it most.

For Indian CAs: SEBI's **BRSR** (Business Responsibility and Sustainability Reporting) framework — mandatory for India's top 1,000 listed companies — now stands in sharp contrast to the US retreat. This divergence will shape cross-border capital allocation in the years ahead.

👁 5 Things to Watch Post-Listing

1. **Anthropic contract renewal:** Any sign of Anthropic diversifying compute away from SpaceX is a valuation de-rating trigger.
2. **GAAP profitability:** S&P 500 inclusion — and a potential USD 50 Bn+ passive buying wave — requires 4 profitable quarters. Watch the AI segment losses.
3. **Bridge loan repayment:** USD 20 Bn due within 6 months of listing. A critical test of post-IPO treasury management.
4. **Float expansion & lock-up expiry:** Only 4% float today. As lock-ups expire, supply increases and volatility follows. Historically, low-float mega-IPOs correct 20–30% within 12 months.
5. **Starship reliability:** The entire long-term cost reduction thesis depends on Starship achieving regular commercial flight. A major failure resets the narrative.

✍ The Bottom Line

The SpaceX IPO is five stories in one: a record-breaking capital markets event, a valuation that challenges conventional analysis, a governance structure that concentrates power, an index system that bent its own rules, and a physical environment paying a price that no prospectus discloses.

As we mark **International Yoga Day and World Environment Day** this month, the SpaceX story is a timely reminder: balance — between ambition and accountability, between capital and conscience, between the sky above and the Earth below — is not just a personal practice. For my CA colleagues, it is a professional imperative.

LEADERSHIP & WELLBEING ● MENTAL HEALTH · GCC POLICY · WORKPLACE CULTURE

CA Tanujh Singh
CFO
Armada Group

Is the Mental Health Landscape Changing in the GCC?

A decade ago, mental health barely featured in Gulf policy. Today it's law, budget, and boardroom agenda.

> ***"The direction is set. The pace is the open question — and that's where leaders, employers, and institutions across the GCC will make the difference."***

A decade ago, mental health barely featured in the Gulf's policy vocabulary. Today the UAE has a dedicated federal mental health law, Saudi Arabia has written mental wellness into Vision 2030, and the regional mental health market is measured in billions of dollars. So the short answer is yes — the landscape is changing, and faster than most people realise.

The more useful question is *which parts* are changing, which are lagging, and what that means for anyone leading people in this region.

The policy shift is real, and recent

The clearest signal is legislative. The UAE's Federal Law No. 10 of 2023 on Mental Health came into force on 30 May 2024, replacing legislation that dated back to the early 1980s, with its Executive Regulations (Cabinet Resolution No. 213 of 2025) taking effect from January 2026. It protects the rights and dignity of people with mental health conditions — including employees — and, notably, provides that a diagnosis alone cannot justify work restrictions or termination without a competent medical assessment. Administrative fines for breaches run from AED 5,000 to AED 1 million.

Saudi Arabia's trajectory is longer but accelerating: a National Mental Health Policy in 2006, a Mental Health Law in 2014 aligned to WHO standards, and now mental health positioned as a core pillar of Vision 2030's healthcare reform, supported by e-mental health services and performance programmes.

The money is following the language. The UAE's National Strategy for Wellbeing 2031 made wellbeing a multisectoral priority; Dubai committed AED 105 million to a "Mental Wealth" plan; and Abu Dhabi's Department of Health reports a roughly 30% increase in people receiving treatment for mental health conditions since 2022. Qatar continues to expand community-based care. These are not awareness slogans — they are budgets, frameworks, and laws.

The numbers behind the urgency

The reform is a response to real, measurable need. Saudi Arabia's National Mental Health Survey put the prevalence of mental disorders at around 20.2% of the population, with anxiety the most common at 12.3%. Among Saudi youth aged 15–30, lifetime prevalence of any mental disorder has been estimated at roughly 40%. The drivers are demographic and structural: a young population, rapid social change, and the same social media pressures seen worldwide.

The starker number is the treatment gap. National screening found around 12–13% of Saudis at risk of depression or anxiety — yet only about 1.5% were diagnosed and treated for depression, and 0.5% for anxiety. Across the GCC, research suggests roughly 40% of people are unsure where to turn for help, and about 35% dismiss their symptoms as temporary or not worth professional attention. Awareness, in other words, is rising faster than access.

Stigma is easing — slowly, and unevenly

Culturally, the shift is genuine but partial. Public campaigns, social media conversation, and advocacy by public figures have started to normalise the topic, and younger generations are markedly more willing to seek help and to challenge old taboos. That generational change is probably the most durable force at work, because it changes demand from the ground up rather than by decree.

But stigma remains the single biggest barrier between someone needing care and someone receiving it. A law can mandate nondiscrimination; it cannot, by itself, make a person comfortable telling their manager or their family. This is the gap between policy and lived experience, and it is where the real work still sits.

LEADERSHIP & WELLBEING (CONTD.) ● MENTAL HEALTH IN THE GCC · CA TANUJH SINGH

Digital and AI are reshaping access

Where physical infrastructure and clinician supply fall short, technology is filling part of the gap. The GCC mental health market reached roughly USD 8.6 billion in 2024 and is projected toward USD 12.3 billion by 2033. Teletherapy, confidential online counselling, AI-assisted screening, and conversational support tools are extending reach into a region where distance, cost, and privacy concerns have historically deterred people from seeking help.

The caveat matters: these tools widen the front door, but they are not a substitute for clinical care, and the same data-privacy and quality questions that apply to any health technology apply here. Used well, they triage and destigmatise; used carelessly, they overpromise.

The workplace dimension

For business leaders, this is no longer a peripheral HR topic. The UAE's mental health law, sitting alongside the Labour Law's duty to provide a safe working environment, has shifted employee wellbeing from a "nice to have" toward a documented duty of care. The commercial logic is straightforward — supported employees show lower absenteeism, higher engagement, and better retention — but the legal backdrop now reinforces it.

The honest assessment, though, is that recognition has outpaced integration. Many organisations have launched wellbeing initiatives that remain fragmented — perks without trust, platforms without dialogue. The frameworks that work are unglamorous: confidential support such as employee assistance programmes, managers trained to recognise strain, and a culture where disclosure doesn't carry a career penalty. Psychological safety starts with everyday behaviour, not a launch event.

So, is it changing?

Yes — structurally and, I'd argue, irreversibly. The policy architecture, the investment, the market, and above all the attitudes of a younger generation have all moved in the same direction within a remarkably short span.

But the parts that change by legislation and budget are the easier parts. The harder shifts — closing the treatment gap, dismantling stigma, and turning a law on paper into how someone is actually treated by their employer, their clinic, and their community — are still very much in progress. The direction is set. The pace is the open question, and that's where leaders, employers, and institutions across the GCC will make the difference.

Speak. Support. Heal.

> **→ In your organisation, has mental wellbeing moved from a poster on the wall to something people actually feel safe talking about?**
>
> *If you or someone you know is struggling, reaching out to a licensed professional or a trusted person is a strong first step — support is increasingly available across the region.*

SUSTAINABILITY REPORTING · ISSB · IFRS S1 & S2 · GLOBAL BASELINE

CA Varun Agarwal

Senior Manager

EY

ISSB Sustainability Standards:

IFRS S1 and IFRS S2

How the global baseline for sustainability reporting is reshaping financial disclosure.

> ***"Adoption is progressing globally, but approaches differ by jurisdiction — which is why understanding the ISSB framework matters for every CA."***

Why Sustainability Reporting Matters

Sustainability reporting has moved from being a voluntary corporate responsibility exercise to a core part of business reporting. Investors, lenders, regulators and other stakeholders increasingly expect companies to explain how environmental, social and governance matters affect strategy, risk, resilience and long-term financial performance. This shift is driven by climate-related risks, changing customer and investor expectations, pressure on access to capital, supply chain exposure, and the need for more reliable information about how companies create and preserve value over time.

Historically, sustainability information was often reported separately from financial statements and lacked consistent structure, controls and comparability. As these matters became increasingly relevant to financial performance and decision-making, users began seeking information that is reliable and comparable financial reporting. This highlighted the need for a more consistent reporting baseline.

The Shift from Fragmented Reporting to a Global Baseline

Before the International Sustainability Standards Board (ISSB) issued IFRS S1 and IFRS S2, companies commonly used a range of voluntary or market-led frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), Climate Disclosure Standards Board (CDSB), Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP). These frameworks each served important purposes, but they differed in scope, audience, metrics and reporting boundaries. As a result, companies often faced reporting complexity, while users found it difficult to compare sustainability information across entities, industries and jurisdictions.

This need for a global baseline was also highlighted by Sue Lloyd, Vice-Chair of the ISSB, who stated:

"We've consolidated the work of the key investor-focused initiatives such as the TCFD, SASB, CDSB and elements of the Integrated Reporting Framework into a single, global baseline of sustainability-related financial disclosures."

Sue Lloyd made this comment in her speech at the World Standard-setters Conference 2024, held in London on 23rd September 2024.

Introduction to IFRS S1 and IFRS S2

The ISSB issued IFRS S1 and IFRS S2 on *26th June 2023*. Both standards are effective for annual reporting periods beginning on or after *1st January 2024*, although mandatory application depends on adoption by local securities exchanges and other regulators.

What Changed with IFRS S1 and IFRS S2?

The standards were developed in response to rising demand for consistent and comparable sustainability-related financial information. Rather than adding another framework to an already fragmented landscape, they establish a common reporting language across jurisdictions. IFRS S1 and IFRS S2 help entities explain how sustainability and climate-related matters may affect their prospects, enabling investors and lenders to make better-informed decisions.

The standards encourage entities to report sustainability-related information in a structured manner, alongside financial reporting, and in a way that reflects the information needs of investors and other capital providers.

Benefits and Limitations of the ISSB Standards

IFRS S1 and IFRS S2 provide a common baseline for sustainability and climate-related disclosures, improving comparability across entities and jurisdictions. They also support investor confidence, reduce reporting duplication, and encourage stronger links between sustainability information, financial reporting, governance, risk management, data quality and capital market communication.

At the same time, implementation depends on local adoption and may involve practical challenges. Entities may need to strengthen sustainability data processes, internal controls, reporting timelines and assurance readiness before the standards can be applied effectively.

Disclosure Requirements under IFRS S1 and IFRS S2

IFRS S1 requires entities to disclose material information about sustainability-related risks and opportunities that could reasonably affect cash flows, access to finance or cost of capital, while IFRS S2 applies this structure specifically to climate-related risks and opportunities. The standards are organized around four pillars: governance, which addresses oversight and accountability; strategy, which explains the impact on the business model and resilience; risk management, which covers how risks are identified, assessed and monitored; and metrics and targets, which show how performance and progress are measured.

Applicability: Who Needs to Comply?

Compliance depends on local adoption. The ISSB issues the standards, but local regulators decide whether, when and how they apply. In many jurisdictions, the requirements are expected to apply first to listed entities, public-interest entities, financial institutions and large companies. Other entities may apply the standards voluntarily or may be required to use them through group reporting instructions, financing arrangements, investor expectations or contractual requirements.

Implementation Reliefs Provided by the ISSB

The ISSB provided transitional reliefs to support first-time application of IFRS S1 and IFRS S2, recognizing that many entities need time to build sustainability reporting systems, internal controls, data processes and governance capability. A key relief is the "climate-first" approach, which permits an entity in its first year of applying the standards to disclose information only about climate-related risks and opportunities under IFRS S2, while applying IFRS S1 only to the extent relevant to those climate-related disclosures.

Other first-year reliefs include relief from presenting comparative information, relief relating to the timing of sustainability disclosures, and certain reliefs linked to Scope 3 greenhouse gas emissions and emissions measurement methodologies. These reliefs are intended to support practical implementation without changing the overall objective of providing investor-focused sustainability-related financial information. The purpose of these reliefs was explained by Emmanuel Faber, Chair of the ISSB, following the ISSB's 4th April 2023 decision:

"The upcoming introduction of the ISSB's Standards establishing the global baseline is being welcomed by companies urgently looking for tools to meet the information needs of their investors. This transitional relief ensures companies can phase in their approach, initially focusing on the quality of the climate-related information they provide."

Emmanuel Faber, Chair of the ISSB, made this comment following the ISSB's 4th April 2023 decision to introduce additional transitional reliefs for first-time application of IFRS S1 and IFRS S2.

Where Does ISSB Adoption Stand Globally

Adoption is progressing globally, but approaches differ by jurisdiction. Some jurisdictions are adopting ISSB Standards directly, some are prioritizing climate-related disclosures, and others are developing local standards aligned with ISSB principles. The adoption journey below illustrates a typical pathway from regulatory intention to phased implementation; however, the exact process, scope and timing depend on each jurisdiction's legal and regulatory framework.

Adoption Journey

- **United Kingdom:** Since the ISSB's establishment, the UK government has supported its work as part of its wider ambition to position the UK as a global leader in sustainable finance. The UK government has finalized UK SRS S1 and S2, based on IFRS S1 and S2, and made them available for voluntary use. The government and FCA will consider whether reporting against these standards should become mandatory for certain UK entities, with FCA consultation on related Listing Rule changes.
- **India:** India has not directly adopted IFRS S1 and IFRS S2 as mandatory local standards. Sustainability reporting for listed entities is currently driven mainly by the Securities and Exchange Board of India's Business Responsibility and Sustainability Reporting framework. India is therefore progressing through its own domestic reporting framework, with increasing focus on alignment with international sustainability disclosure practices rather than direct adoption of the ISSB Standards.

The Four Pillars of IFRS S1 & S2

Governance
Oversight and accountability for sustainability-related risks and opportunities.

Strategy
Impact on the business model, outlook and resilience to sustainability-related risks.

Risk Management
How sustainability-related risks are identified, assessed and monitored.

Metrics & Targets
How performance and progress toward stated goals are measured and tracked.

- **South Korea:** South Korea has moved towards a domestic sustainability disclosure framework based on ISSB Standards. The Korean Financial Services Commission published a draft roadmap applying KSSB 1 and KSSB 2, which are based on IFRS S1 and IFRS S2, with mandatory reporting proposed to begin for the largest KOSPI listed companies from fiscal year 2027 onwards. The scope is expected to expand in phases to additional listed companies, while certain requirements, such as Scope 3 GHG emissions, are subject to later implementation.
- **Pakistan:** Pakistan has notified the phase-wise adoption of IFRS S1 and IFRS S2 through the Securities and Exchange Commission of Pakistan, following the recommendation of the Institute of Chartered Accountants of Pakistan. The standards will apply to listed companies based on asset, turnover and employee thresholds, with Phase 1 beginning from annual reporting periods starting on or after 1st July 2025, followed by further phases in July 2026 and July 2027. Unlisted licensed public-interest companies are included in the third phase, and auditor assurance will be required from the second year of reporting.
- **Other jurisdictions:** The IFRS Foundation has identified a growing number of jurisdictions that have adopted, are using or are progressing towards ISSB-aligned requirements. Published profiles include jurisdictions such as Australia, Bangladesh, Brazil, Chile, Ghana, Hong Kong SAR, Jordan, Kenya, Malaysia, Mexico, Nigeria, Qatar, Rwanda, Sri Lanka, Tanzania, Türkiye and Zambia. These examples demonstrate that ISSB adoption is developing through different models, including full adoption, climate-first adoption, local alignment, and phased implementation.

Kuwait's Approach to Sustainability Reporting

In Kuwait, sustainability reporting is currently driven by the Capital Markets Authority regulatory framework and Boursa Kuwait's ESG Reporting Guide for listed companies. The 2026 ESG Reporting Guide was prepared in line with CMA Listing Rules and takes into account CMA Circular No. 04 of 2025, which requires Premier Market companies to publish sustainability reports starting in 2026 for the financial year 2025, before the end of Q2 2026.

IFRS S1 and IFRS S2 are not directly mandatory in Kuwait unless formally adopted into local regulation; however, the guide refers to international sustainability reporting frameworks and standards, including ISSB Standards, as guidance for listed companies. For non-listed entities, application is generally not mandatory unless required by another regulator, group reporting instruction, financing arrangement, shareholder requirement or investor expectation. [8]

Implications for Auditors

Under IFRS S1 and IFRS S2, sustainability-related financial disclosures form part of an entity's general purpose financial reporting and are expected to be presented alongside the financial statements, subject to local adoption and regulatory requirements. Accordingly, auditors should consider whether qualitative and quantitative sustainability disclosures are consistent with the financial statements, particularly where sustainability-related risks and opportunities affect the entity's operations, financial position, performance, cash flows or future prospects.

Where local regulation or engagement terms require assurance over sustainability disclosures, this is generally addressed through a separate assurance engagement, unless the applicable regulatory framework requires otherwise.

Financial Reporting Implications

From a financial reporting perspective, IFRS S1 and IFRS S2 are disclosure standards and do not change recognition or measurement requirements in the financial statements. However, sustainability and climate-related matters may influence existing judgments and estimates under the applicable financial reporting framework, including impairment, asset useful lives, provisions, fair value measurements, expected credit losses and going concern assessments. Where material, these effects should be reflected in the financial statements or disclosed in the notes as appropriate.

Key Takeaway

Overall, IFRS S1 and IFRS S2 mark a shift toward more structured, investor-focused sustainability and climate reporting. Their application depends on how each jurisdiction adopts or aligns with the ISSB framework, which is why implementation varies across markets. While the standards are disclosure-focused, the underlying risks and opportunities may still influence financial statement judgments, audit considerations, and assurance requirements where they are material.

This article should be read alongside the IFRS Sustainability Disclosure Standards and related official guidance. It is intended to provide a high-level overview of IFRS S1 and IFRS S2 and does not replace a detailed review of the full disclosure requirements.

ICAI KUWAIT CHAPTER

CA INDIA

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JAGRUTI: The Journal of ICAI Kuwait Chapter

Chartered Accountants and finance professionals are invited to contribute original, insightful and well-researched articles to **JAGRUTI, the official journal of ICAI Kuwait Chapter.**

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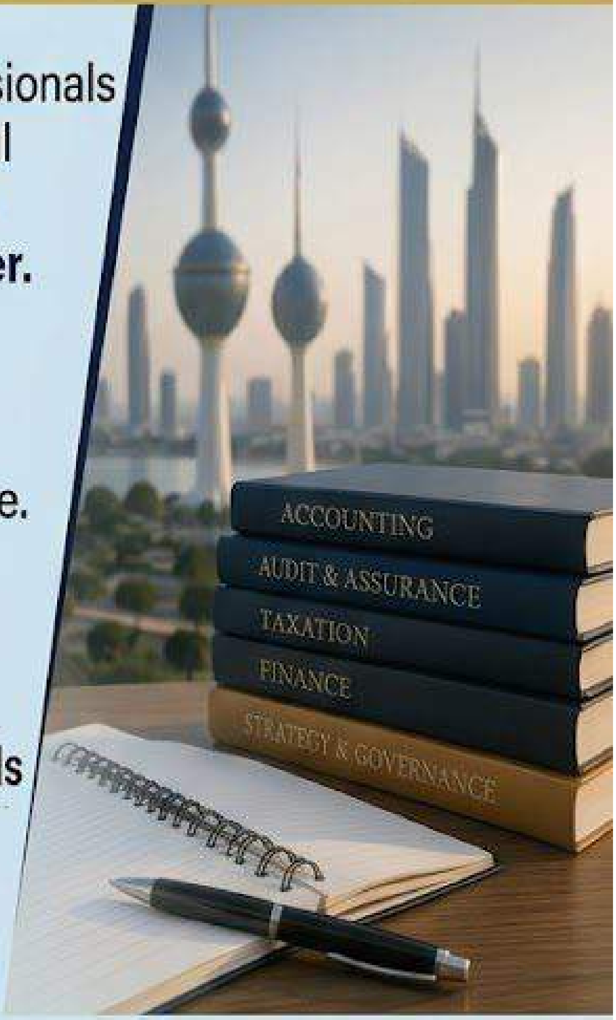

Guidelines:

* Original & unpublished articles
* Recommended length: 1,500 – 2,500 words
* Include 100-word author profile and photograph
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Arundhathi Jayadevan

D/o CA Jayadevan Thayil
Vice President, Financial Accounting
National Bank of Kuwait

Beyond Restoration

Healing as Transformation, not Return

Is healing something that can ever be fully resolved — or is it an ongoing negotiation between past and present?

Healing is often imagined as a return, a restoration of the body to a prior state of wholeness, which implies that such restoration can be complete. This assumption is limiting. In reality, healing does not restore but transforms.

In this sense, healing is not the removal of experience, but a shift in how it is carried over time. Transformation, by its nature, does not move toward completion. Experiences leave behind changes in memory, emotional response, and self-perception that continue shaping individuals over time. Yet the implications of this persistence are not straightforward, raising further questions about whether healing is something that can ever be fully resolved. This raises a deeper question: is completion even the right way to understand healing?

> *"Healing does not restore but transforms. The self it seeks to restore is never the same self that first experienced the wound."*

The idea of returning to a prior self in the name of restoration rests on the assumption that identity is static. Yet identity is neither fixed nor recovered. Philosopher Paul Ricoeur describes identity as something continuously reconstructed through memory and narrative rather than preserved as a fixed essence. In this sense, the self is shaped less by static continuity than by the changing ways individuals interpret their experiences over time. If identity is continually reshaped through memory and interpretation, then the idea of healing as completion begins to lose its coherence.

In practice, this means healing is less about erasing experience and more about how it continues to shape who we become. Some aspects of an experience may fade over time. They rarely disappear entirely; instead, they continue to influence how individuals interpret and respond to new situations. You can see this in ordinary moments: the hesitation before entering a familiar place, the instinctive fear attached to certain conversations, or the way seemingly small events begin carrying meanings they once did not. Here, healing becomes a form of adaptation rather than closure. Freud's concept of Nachträglichkeit suggests that experiences are not simply preserved in memory, but continually reinterpreted through later events. In this way, the meaning of past experiences is not fixed at the moment they occur, but reshaped over time through changing emotional and psychological contexts. The emotional meanings attached to experiences often persist even when the events themselves become temporally distant, allowing them to resurface in ways that prevent any true state of finality. Rather than moving toward a fixed endpoint, the psychological significance of past experiences changes across different emotional and social contexts. This persistence, however, is not always constructive; what remains may, at times, distort perception by causing individuals to interpret neutral situations through expectations shaped by earlier pain or fear. This process can look quite different across contexts, yet in each case earlier experiences continue shaping responses, interpretations, and anticipation in later situations. t suggesting that healing can never be complete also risks romanticising suffering itself. In reality, people often seek healing because certain experiences become difficult to live with when left unresolved. Pain that continues shaping fear, perception, or daily life cannot simply be viewed as a source of depth or understanding. This suggests that while healing may never fully remove the past, some degree of resolution is necessary in order to move beyond it. The tension, therefore, lies not between healing and non-healing, but between erasing the past and learning how to carry it.

However, to view this incompleteness solely as a limitation is to overlook what it makes possible. The emotional and psychological effects that remain after difficult experiences often shape how individuals relate to others, not through abstract understanding, but through experiences that continue shaping emotional understanding and perception. You can see this, for instance, in the way someone who has experienced loss is able to sit with another person's grief without needing to explain it, or how past struggles make certain silences not uncomfortable, but understood. Often, this understanding is not spoken aloud at all. It appears quietly in the way people pause before responding, avoid certain questions, or recognise emotions that do not need to be explained directly. In such moments, what remains is not just pain, but a depth of recognition that would not exist in its absence. Martha Nussbaum similarly argues that human vulnerability deepens the capacity for emotional understanding, allowing suffering to become a basis for moral recognition rather than isolation. In this way, healing extends beyond the individual, shaping connections through shared vulnerability rather than similarity of experience. Each person carries different effects from what they have lived through, and it is these emotional and psychological effects that shape who they become; without them, the self would remain largely unchanged. Healing, therefore, is not about removing the past, but integrating it into the future.

Healing, then, cannot be understood as something that reaches completion, nor as a simple return to what once was. Healing does not progress toward a fixed resolution, but continually renegotiates the relationship between past and present. It is a process shaped as much by what persists as by what changes, unfolding through the ways individuals continue to interpret, carry, and respond to their experiences. The lingering emotional and psychological effects of past experiences may at times complicate or even unsettle this process, yet they are also what allow for depth of understanding, connection, and growth. In this sense, healing is not a state to be achieved, but an ongoing negotiation between past experience and present identity, because the self it seeks to restore is never the same self that first experienced the wound.

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LIFE & LEADERSHIP · NEUROSCIENCE · HABITS · FRESH START · MINDSET

CA Jessica Fernandes
Life Coach

The 9:58 Problem

Your Mid-Year Reset Doesn't Need January

It is 9:58 AM. You have something important to start — a project, a habit, a conversation you've been avoiding. And without even noticing, your mind whispers: Let's wait until 10:00.

Two minutes. A clean, round number. A tiny, almost invisible act of self-sabotage.

Now zoom out. Every January 1st, millions of people make a promise to themselves. New year, new me. Gym memberships spike. Journals get bought. Vision boards get pinned. And then, somewhere around the third week of January, the momentum quietly dissolves — and we return to the familiar rhythm of who we were before midnight struck.

What if you made every single day your own private New Year?

THE FRESH START EFFECT

Here is the uncomfortable truth: our obsession with calendar milestones is the same trap as waiting for the clock to tick to 10:00 AM. It is our brain's deep need for a "clean start". Researchers at the Wharton School call this the **Fresh Start Effect** — the tendency to pursue goals following temporal landmarks like new weeks, new months, or new years. But what happens in between those landmarks? Daily life takes over. We lose momentum and our milestones slide right back onto the vision board.

Here is the pivot that changes everything: if our brains genuinely do function better after a fresh start, why are we rationing them to once a year? Time is, in its most fundamental sense, a man-made construct. The sun does not reset on January 1st. The planet does not pause. We chose that date and then handed it enormous psychological power.

What if you stopped outsourcing your momentum to the calendar — and made every single day your own private New Year? Not in celebration, but in the same quality of intention, renewal and conscious beginning that we reserve for the first of January — applied to every ordinary morning. That shift in framing is not a motivational metaphor. As we will see further, it is grounded in the mechanics of how your brain rebuilds itself at night while you sleep.

> ***"If our brains genuinely function better after a fresh start, why are we rationing them to once a year? Make every morning your own private New Year."***

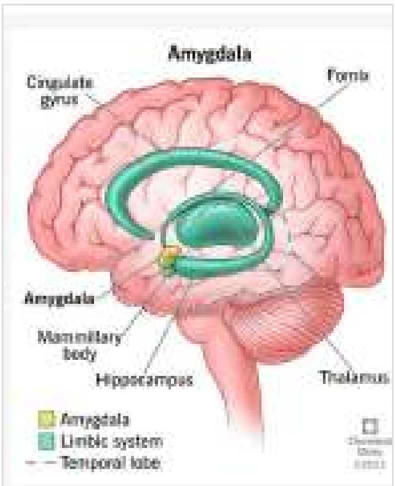
The Neuroscience Behind Why You Pull Back

Your brain is not designed for success. It is designed for survival. Within the limbic system of the brain sits the amygdala — a structure shaped by millions of years of evolution. Its singular job is to scan for threat and protect the organism. However, this ancient system cannot distinguish between a saber-toothed tiger and the discomfort of sending a bold email, speaking on stage or starting a new routine.

Both register as **danger**. Both trigger the same cascade: sweaty palms, racing heartbeat, dry mouth — and the powerful urge to retreat to familiar ground. This is not weakness. It is biology.

Research suggests that approximately 95% of your daily decisions are driven by the subconscious mind. Your current patterns — however limiting — are encoded in the subconscious as **known territory**. And known is safe. Unknown is danger. This is why your subconscious mind will consistently and quietly pull you back towards your old patterns.

You are not lazy nor do you lack discipline or vision. Your brain is performing its function with relentless efficiency.



The amygdala — your brain's ancient threat-detection centre

How to Rewire Your Brain for Success?

Dr. Joe Dispenza, a neuroscience researcher and NYT best-selling author, has documented extensively on **neurons that fire together wire together**. The more you repeat a thought pattern, an emotional response, or a habit — consciously or not — the more that neurological pathway deepens. Eventually, the behavior is no longer a choice but a default.

Think about the first time you drove a car. The mental pressure was immense. Today, you drive the same route while holding a conversation, planning your afternoon and maneuvering through short cuts because the skill has been absorbed into automation. That same transfer is available for any habit, mindset and behavioral pattern. But it requires consistent daily repetition until the brain decides the new pathway is worth keeping.

The version of you that will be living differently is not waiting for January 1st.

The resistance you feel — the anxiety, the doubt, the analysis paralysis — is not evidence that something is wrong with you. These are signs you are on the edge of expansion. The amygdala fires hardest when the growth is real.

Make it happen!

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The 5-Minute Daily Routine

Sleep (7–9 hours):

Sleep is a secret weapon. Every night the brain actively prunes unused habits and consolidates the ones in use. Over time, these routines become stronger and older patterns lose their power.

Morning Intention (2 Min):

Before checking your phone, ground yourself and state: “Today I choose to show up as [specific quality].” Placing deliberate intention here pre-empts the amygdala’s default threat scan.

Micro Win Journal (3 Min):

Every evening document three completed actions that align with your vision. When you identify as an action taker, the Reticular Activating System surfaces more evidence of that identity — compounding momentum.

ICAI IN ACTION ● A GLIMPSE OF MAY 2026 EVENTS

ICAI KUWAIT CHAPTER *in Action*

The month of May 2026 was a vibrant month of learning, leadership and togetherness as ICAI Kuwait Chapter organized a series of engaging events for its members and their families.

INVESTING INSIGHTS WITH MARKET EXPERT CA VIVEK BAJAJ

8 MAY 2026 | VIRTUAL WEBINAR

The Chapter hosted an insightful webinar on "How to Enter & Exit Stocks in 2026?" by renowned market expert CA Vivek Bajaj, Founder of Kredent, Iraage and StockEdge.

The session provided practical insights on market cycles, investment strategies, risk management and disciplined decision-making in equity investing. Members benefited from actionable guidance on navigating evolving market conditions and building long-term wealth through informed investment choices.

ENDLESS INSPIRATIONS: BREAKING STEREOTYPES, CELEBRATING STRENGTH, GRACE & LEADERSHIP

20 MAY 2026 | JUMEIRAH MESSILAH BEACH HOTEL, KUWAIT

In a celebration of leadership, resilience and diversity, the Chapter hosted an inspiring women's leadership event. The session was moderated by Ms. Chaitali B Roy, Cultural Journalist, Writer & Broadcaster and Special Correspondent – Arab Times.

The panel featured distinguished speakers: Ms. Sara Akhbar (CEO, OilServ), Ms. Thuraya Al Baqsami (Artist & Writer), Dr. Ameera Al Hassan (UN Habitat Kuwait & GCC – Head of Mission), Ms. Balsam Al-Ayoub (Kuwaiti Business Woman and Entrepreneur), and Dr. Arezou Harraf (Author, Uncensored Leader; Head of School of Business & Vice Chair, Amcham Kuwait). The panel discussions highlighted remarkable personal journeys, leadership lessons and the importance of empowering women to lead with confidence and purpose.

ICAI IN ACTION · A GLIMPSE OF MAY 2026 EVENTS

FAMILY FUN DAY – STRENGTHENING BONDS BEYOND THE PROFESSION

15 MAY 2026 | COZMO ENTERTAINMENT, SALMIYA

The Chapter brought members and their families together for a fun-filled afternoon of games, entertainment and networking at Cozmo Entertainment, Salmiya. Participants enjoyed bowling, arcade games and various recreational activities, creating an atmosphere of camaraderie and togetherness. The event successfully strengthened personal connections among members and their families, reinforcing the spirit of community and the Chapter's commitment to a vibrant and engaged professional fraternity.

ICAI IN MEDIA ● PRESS & TV COVERAGE · PROFESSIONAL DEVELOPMENT

ICAI KUWAIT CHAPTER *in Media*

Building Knowledge › Inspiring Leadership › Strengthening Community

› PRESS COVERAGE › WOMEN IN LEADERSHIP

ENDLESS INSPIRATIONS: BREAKING STEREOTYPES, CELEBRATING STRENGTH, GRACE & LEADERSHIP


Leadership and resilience take center stage

The ICAIKC organizes leadership panel on women empowerment

ICAIKC Hosts Powerful Leadership Dialogue Celebrating Women Who Inspire Change

The Times Kuwait Report

Arab Times | Times Kuwait | 3 CPE Hours | 20 May 2026

› PROFESSIONAL DEVELOPMENT › WEBINAR

HOW TO ENTER & EXIT STOCKS IN 2026 — CA VIVEK BAJAJ

Times Kuwait | 2 CPE Hours | 191 reads | 8 May 2026

› TELEVISION MEDIA › KUWAIT TV FEATURE

CHAIRMAN CA ROHIT AGARWAL FEATURED ON KUWAIT TV — GOOD MORNING KUWAIT

ICAIKC Chairperson CA Rohit Agarwal was featured in a high-profile interview on Kuwait TV (KTV), broadcast on the popular programme Good Morning Kuwait and published on KTV's official YouTube channel — marking a proud milestone for the Chapter.

In this engaging conversation, he highlighted the growing stature of Indian Chartered Accountants within Kuwait's dynamic economic landscape — a community that continues to contribute meaningfully to the nation's finance, audit, and advisory sectors.

He also spoke about the Chapter's wide-ranging initiatives — from professional development webinars and CPE sessions to leadership forums and community engagement events — underscoring how ICAIKC has evolved into a vibrant hub for finance professionals across Kuwait.

The interview further touched upon the evolving opportunities for finance professionals in the Gulf, emphasizing continuous learning, cross-cultural collaboration, and the increasing recognition of CA qualifications across the region.

Kuwait TV (KTV) | Good Morning Kuwait | YouTube

ICAI Kuwait Chapter › Building Knowledge › Inspiring Leadership › Strengthening Community


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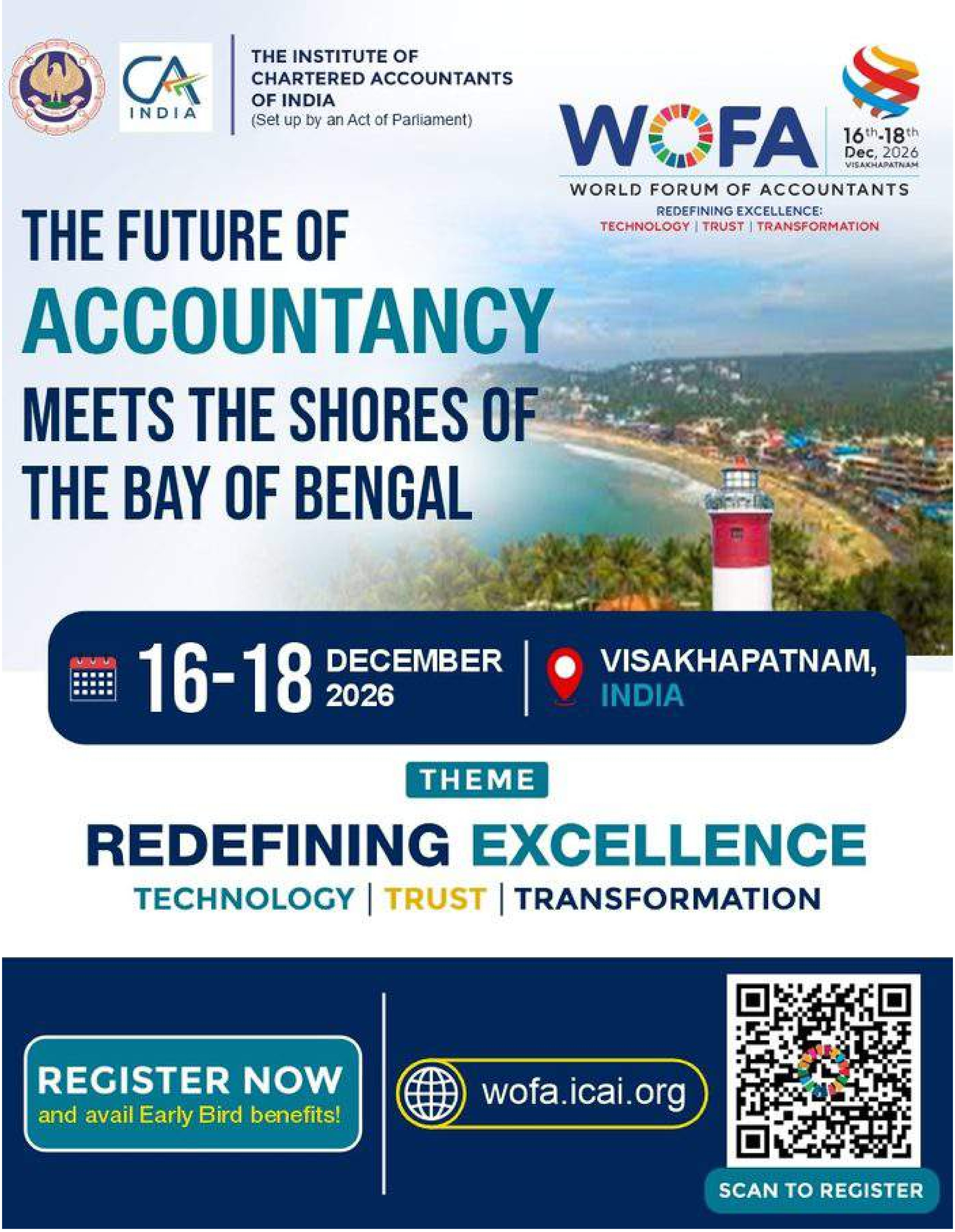
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