

Midnight News Update – Aug 08th 2025

For now, India will continue to import Russian crude, despite the risk of sharply higher tariffs by the US. Today, Russia accounts for about 35% of the oil basket. Oil refineries have not got any instructions from the Indian government to reduce Russian purchases, so that is going on as usual. Under the new Executive Order passed by Trump, the 25% tariffs are effective from 07-Aug, which will go up to 50% for goods shipped to the US after 21-Aug. PM Modi has refused to allow the US into the Indian farm and dairy sector.

Textiles and gems & jewellery exporters are the most apprehensive about Trump tariffs as they are likely to be hit the hardest. India exports gems & jewellery worth \$50 billion annually, of which \$12 billion is to the US alone. So, the pain is going to be there. They are expecting a drastic drop in exports due to the 50% tariffs imposed by Trump. Indian jewellery makers are likely to lose their competitive edge to the other countries with lower tariffs. Units are also looking to relocate their units to Dubai to reduce tariff impact.

Titan reported 52.5% growth in net profits yoy at ₹1,091 crore. Revenues in Q1FY26 were up 24.5% yoy at ₹16,523 crore. The jewellery portfolio of Titan, comprising of Tanishq, Mia, Zoya, and Caratlane grew by 19% overall in revenues. Even the international business grew by 49% in revenues at ₹554 crore, although the base was quite small. The jewellery portfolio of Titan had overall EBIT margins of 11%, which is fairly attractive. In addition, the watches and eyecare business also grew by 24% and 13% respectively.

Finance Ministry disclosed that public sector banks (PSBs) had written off a combined ₹4.48 trillion in bad loans in last 4 fiscal years. This is much bigger than expected and raises concerns that much of the NPA reduction may be through write-offs. Four big PSBs that accounted for bulk of the NPA write-offs in the last 4 years. SBI wrote off NPAs worth ₹80,197 crore, Union Bank ₹68,557 crore, Punjab National Bank ₹65,366 crore, and Bank of Baroda ₹55,279 crore. In many cases, write-offs are purely technical in nature.

In the first quarter ended June 2025, Jio got the better of Airtel on volume metrics, although Airtel still enjoys higher levels of average revenues per user (ARPU). In Q1FY26, Jio added 76 lakh customers, while Airtel added just about 12 lakh customers net. Jio subscriber base of 49.8 crore is far better than Airtel's base of 43.6 crore subscribers. Unlike Airtel, Jio has also been very strong on broadband services and in smart homes. Airtel's playbook is largely based on premiumization and profitability than on the volumes.

Net profits of Hindustan Petroleum increased by 6.5 times yoy to ₹4,111 crore. Bulk of the profits came from the downstream refining and marketing verticals, which gained substantially from the lower crude prices, which is keeping profits high for HPCL. The board of HPCL also cleared a ₹10,000 crore fund raising plan through NCDs on private placement basis. However, the surge in net profits has come from the crude prices remaining subdued on account of OPEC supplies surging, but Russia tariffs could spike oil prices.

SEBI is planning some far-reaching changes to the IPO allocation for retail investors, which could have an impact on the rapid growth of retail investors in India. If SEBI has its way, then IPOs with size above ₹5,000 crore will have only 10% allocation to retail investors beyond ₹5,000. The overall allocation to retail in IPOs will be restricted to 25%, which is a sharp reduction from the peak level of 50% that is permitted as of date. This would make more space available to mutual funds, where retail flows are increasing sharply.

A recent survey across 97 cities in India revealed that 27% of the personal loan borrowers prefer to take a loan to fund their vacation plans. This is in contrast to the survey in 2023, wherein most of the people had taken personal loans for home renovation. Interestingly, this concept of borrowing for vacations is more popular in tier-2 and tier-3 cities at 71%, while Tier-1 cities contribute just 29% to personal loans for vacation purposes. Bulk of the borrowers in this category are Gen-Z borrowers under the age of 28 years.

Disclaimer: The content of this newsletter published by HPMG Shares and Securities Private Limited (Mid Night News Update) are not intended to serve as a professional advice or guidance and the newsletter takes no responsibility or liability, express or implied whatsoever for any investment decision made or taken by readers of this newsletter based on its content thereof. The readers of this newsletter should exercise due caution and/or seek independent professional advice before entering into any commercial or business relationship or making any investment decision or entering into any financial obligation based on any information, statement or opinion which is contained, provided or expressed in this newsletter.