

## Midnight News Update – Feb 21st 2025

India's oldest depository, NSDL, is launching its ₹3,000 crore IPO by end of March 2025. As a MII (market infrastructure institution), the deadline to list ends next month and NSDL wants to complete the IPO before that. NSE, SBI and HDFC Bank will offload part of their stake via an offer for sale. There will be no fresh issue component in the IPO. Since NSE was one of the original promoters of NSDL, the stock cannot be listed on the NSE and would only have to be listed on the BSE. Net profits were up 30% yoy in Q3FY25.

The tax sops announced in the Union Budget that was slated to put about ₹1 lakh of additional cash in the pockets of common Indians, has hardly enthused the markets. The carnage continues and FPIs continue to be persistent sellers in Indian equities. The tax cuts were supposed to benefit the consumer stocks, but they have taken a hit due to weak demand conditions and narrowing operating margins. Since the Nifty and Sensex peaked in late September, the consumer companies saw market cap erosion of over ₹6 trillion.

Talking of declines in the market, there are 5 large stocks that have been hit by the correction in calendar year 2025. Siemens has seen its market cap shrink by 47%, while Trent (owned by the Tata group) has seen its market cap deplete by 30%. The star of FMCG, Varun Beverages also saw market cap correcting by 28%, while Jio Financial has fallen nearly 23% this year. In the case of Jio, it is more about the lack of clarity about its future plans. The fifth stock to take a major hit is Adani Green Energy, down 17% in 2025.

The Burman family has finally acquired official control of Religare Enterprises and has been classified as the promoter group. The Burmans now own about 25.2% stake in Religare Enterprises. The open offer to increase their stake in the target company got a lukewarm response as the stock price of Religare had rallied sharply since that time. Hence, shareholders wanted a better price, which the Burmans were not willing to offer. The primary task for Burmans is to boost stake and bring stability in running of business.

On the subject of mega IPOs, Phone Pe is all set to become the third fintech company in India to launch its IPO. It has been preparing for its IPO in the last couple of years, which has included flipping its head office from Singapore back to India. Paytm and MobiKwik were the previous Fintechs to hit the IPO market and their performance post-listing has not been too impressive. While its revenues grew 74% in FY24, Phone Pe continues to report losses. It has restructured its business across key verticals as subsidiaries.

Indian pharma industry is confident that higher tariffs would not blunt the export edge of Indian pharma. Trump had imposed 25% or higher tariffs on drugs and formulations imported into the US to give a level playing field to the US pharma industry. Currently, US accounts for nearly 25% of the total exports of drugs and pharmaceuticals from India. While industry players are confident of retaining market share even in the midst of higher tariffs, trade experts believe that the tariff threats are just a bargaining chip for Trump.

Emmvee Energy will invest ₹15,000 crore in the state of Karnataka for a solar energy plant. Emmvee Energy is a high-end manufacturer of solar photovoltaic panels and modules. The investment will be done in a phased manner. In the first phase, Emmvee Energy will invest ₹5,000 crore to set up a facility with 5 GW power generation capacity. The plant will help the state and the country move closer to its green goals. The MOU for this agreement was signed during the Global Investor Meet, Invest Karnataka 2025.

The family offices of Azim Premji and Ranjan Pai will invest in Akasa Air, subject to regulatory approvals. The investment will be made through alternate investment funds (AIFs) owned by the respective groups. Apart from these 2 groups, 360 One AMC will also take a stake in Akasa. The stake will be in SNV Aviation, which is the holding company of Akasa Air. The Jhunjhunwala family holds 45.97% stake in Akasa Air. The stake of existing shareholders, which includes CEO Vinay Dube, will come down post allocation of shares.



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