DAILY REPORTER

By

India IPO

#indiaipo

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Monday

FII/DII Activity (in ₹crores)	
FII (Cash)	-588.34
DII (Cash)	-682.73
FII (Index Futures)	-1,564.98
FII (Index Options)	-10,292.45
FII (Stock Futures)	-1804.69
FII (Stock Options)	659.71

Global Market Snapshot		
Dow Jones	48,892.47	(▼ -0.36)
S&P 500	6,969.01	(▲ 0.00)
Nasdaq	23,685.12	(▲ 0.00)
Gift Nifty	24,786.00	(▼ -2.43)
Nikkei 225	53,322.85	(▼ -0.10)
Hang Seng	27,387.11	(▼ -2.08)

Macro Data		
Brent Crude	69.32	(▼ -0.39)
Gold	143,460.00	(▼ -4.97)
Silver	250,510.00	(▼ -14.45)
Dollar Index	96.99	(▲ 0.74)
INR/USD	91.99	(▲ 0.03)
India 10Y Bond Yield	6.71	(▲ 0.00)
US 10Y Bond Yield	4.24	(▲ 0.00)

Indian Market		
BSE Sensex	80,722.94	(▼ -2.23)
NIFTY 50	24,825.45	(▼ -2.33)
BSE SENSEX 50	25,930.80	(▼ -2.40)
NIFTY NEXT 50	66,360.55	(▼ -3.00)
BSE SENSEX Next 50	82,997.50	(▼ -2.31)
NIFTY BANK	58,417.20	(▼ -2.57)
BSE BANKEX	65,614.52	(▼ -2.73)
NIFTY FINANCIAL SERVICES	26,699.10	(▼ -2.95)
BSE Financial Services	12,649.26	(▼ -2.84)
NIFTY MIDCAP SELECT	13,020.25	(▼ -3.01)
BSE MidCap Select	16,525.92	(▼ -1.62)
India VIX	15.1	(▲ 12.94)

Recent IPO Updates:

- Post-Budget, new rules allow Non-Resident Indians (NRIs) to invest up to 10% directly in Indian equities, which is expected to provide a liquidity cushion for the 2026 IPO pipeline, including giants like Jio and PhonePe.

P.E. & Funding Updates:

- Aerospace manufacturer JJG Aero raised ₹252 Cr in a funding round led by Norwest to expand manufacturing capacity and invest in advanced sub-assemblies.

Business & Economic Updates:

- The Budget extends incentives for AI and semiconductors beyond hardware, proposing a ₹40,000 Cr overlay for the India Semiconductor Mission 2.0 to attract PE.
- The Union Budget 2026-27 significantly impacted markets by increasing STT on derivatives (Futures to 0.05%, Options to 0.15%), triggering a 1.5k-point drop in the Sensex to curb speculative trading.
- The government announced a dedicated ₹10,000 Cr SME Growth Fund to provide equity support and help small businesses scale into "Future Champions."
- A high-powered panel will suggest measures to double India's share in the global services sector to 10% by 2047, attracting high-value foreign capital.
- India eyes the global chip circuit by establishing rare earth corridors, creating new specialized investment opportunities in strategic mineral mining and processing.
- In a landmark move, foreign investors are offered a 20-year tax holiday for data centre investments, to make India a global hub by 2047.
- The Budget focuses on long-term predictability and capital efficiency rather than populist measures, signaling a disciplined fiscal path to anchor investor confidence through 2027.
- Significant duty cuts on manufacturing inputs and 17 essential drugs aim to lower production costs, boost domestic electronics manufacturing, and provide relief to consumers.

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- Proposed changes to FEMA regulations in the Budget are expected to simplify cross-border deal-making and listing processes for Indian startups looking abroad.
- D-Street witnessed its biggest budget-day drop as the Sensex plummeted 1,547 points, primarily spooked by the hike in Securities Transaction Tax (STT) on derivatives.
- The government's gross market borrowing is pegged at ₹17.2 lakh Cr, a move that experts believe could push G-sec yields up by 5-10 basis points.
- The Budget spotlighted tourism as a growth engine, proposing new infrastructure and a National Institute of Hospitality to drive employment and service standards.
- A major policy boost for Biologics and Biosimilars was announced, alongside a ₹10,000 Cr outlay for the "Biopharma SHAKTI" mission to enhance innovation.
- To support beleaguered discoms, the government allocated ₹18,000 Cr for distribution reforms, focusing on smart metering and reducing aggregate technical and commercial losses.
- The government aims to raise ₹80,000 Cr through asset sales and divestment in the upcoming fiscal year to fund priority infrastructure projects.
- The "SHE-Marts" initiative was launched to help "Lakhpati Didis" transition into community-owned retail entrepreneurs, moving beyond simple credit-based livelihood models.
- The Budget earmarked the first tranches of a ₹5,000 Cr package for the Ulfa peace deal, allocating ₹500 Cr to foster regional stability.
- By strengthening trade integration, the Budget aims to deepen international partnerships and position India as a reliable alternative in the global supply network.
- New rules allow Non-Resident Indians (NRIs) to invest up to 10% directly in Indian equities, simplifying the entry of foreign retail capital into domestic markets.
- Prices of Gold and Silver ETFs extended their fall following the Budget's rationalization of customs duties on precious metals and changes to SGB tax rules.
- An additional ₹2,000 Cr has been allocated to the Self-Reliant India (SRI) Fund to ensure continuous risk capital access for micro-enterprises.
- While FPI outflows fluctuate, the government is focusing on boosting net FDI inflows to offset them, noting an improvement in long-term foreign direct investment.
- The Budget sets a record capital expenditure outlay of ₹12.2 Lakh Cr (3.1% of GDP) to drive infrastructure-led growth across roads and railways.
- The tax holiday for businesses in GIFT City IFSC has been doubled to 20 years, providing long-term certainty for global financial institutions.
- The Electronics Components Manufacturing Scheme (ECMS) outlay has been nearly doubled to ₹40,000 Cr to strengthen the domestic electronics hardware ecosystem.
- The government will spend ₹5,000 Cr per region to develop City Economic Regions (CERs) based on specific growth drivers through a challenge mode.

- The Safe Harbour threshold for the IT sector was raised from ₹300 Cr to ₹2,000 Cr, with a common margin of 15.5% to reduce litigation.
- To boost local manufacturing, the government exempted customs duty on aircraft parts and introduced incentives for seaplane production under the new policy.
- An allocation of ₹30,000 Cr was made for MGNREGA specifically to clear pending liabilities as the new VB-G RAM G scheme begins its rollout.
- The new rural employment mission replaces MGNREGA with an allocation of ₹95,692 Cr, promising 125 days of guaranteed annual work to rural households.
- The food subsidy is projected to rise to ₹2.27 Lakh Cr in FY26-27 due to higher procurement costs and the extension of free grain schemes.
- With agriculture's share in the economy declining, the Budget shifts focus to allied sectors like fisheries and high-value crops like coconut and cashew.
- Policy support aims to keep rural demand on track, leveraging AgriStack and AI tools like Bharat-VISTAAR to improve productivity for small farmers.
- Market analysts expect G-Sec yields to harden as the government sets a high gross market borrowing target for FY 2026-27 to fund infrastructure.
- The Finance Minister defended the STT hike, stating it aims to protect retail investors, as SEBI data shows 90% of individual traders lose money in derivatives.
- A ₹10,000 Cr anchor fund over 5 years was launched to make India a global hub for container production and reduce import dependency.
- Global PE major KKR is reportedly leading a group to acquire a major Indian data center firm, following the Budget's 20-year tax holiday for the sector.
- The government proposed a major restructuring of PFC and REC to improve capital efficiency and scale for financing the renewable energy transition.
- FM Sitharaman urged India Inc. to build internal capabilities and increase private investment to complement the government’s record ₹12.2 Lakh Cr capex push.
- The government has tightened the fiscal deficit target to 4.3% of GDP for FY 2026-27, signaling a strong commitment to long-term debt sustainability.
- The digital payment incentive for banks was set at ₹2,000 Cr for FY 2026-27, aimed at maintaining zero MDR for small-value merchant transactions.
- India’s Gross GST collection rose 6.2% in January 2026, providing a stable revenue base for the ambitious ₹53.5 Lakh Cr total Budget expenditure.
- While the New Tax Act 2025 simplifies compliance, minor adjustments in cess and deductions lead to a slight rise in the burden for middle-income earners.
- A high-level panel has been formed to review the banking sector and align it with the Viksit Bharat goals, focusing on asset quality and digital lending.

- The Budget provided a "lifetime" boost to SEZs by easing operational norms and extending tax benefits to units engaged in global high-tech services.
- Defense allocation was hiked to ₹7.85 Lakh Cr, representing 2% of GDP, following "Operation Sindoor" to accelerate military modernization and border infrastructure.
- The "First Kartavya" framework was introduced as a diplomatic and economic pillar to ensure India's growth remains resilient against global supply chain turmoil.
- Duty-free baggage limits were increased and basic customs duty on essential aircraft parts was removed to support the domestic aviation and maintenance ecosystem.

Geopolitical Updates:

- US President Trump claimed a deal is in place for India to purchase Venezuelan oil instead of Iranian crude, aiding the shift away from sanctioned regimes.
- PM Modi reaffirmed India's unwavering support for the Palestinian cause, emphasizing a peaceful two-state solution and continued humanitarian assistance for reconstruction and essential services.
- In a strategic shift, the Budget slashed funding for Iran's Chabahar port to zero, coinciding with the upcoming expiry of a US sanctions waiver in April 2026.
- Despite broader cuts, Bhutan remains India's largest aid recipient with a ₹2,288 Cr allocation, reinforcing its central position in India's "Neighborhood First" policy and regional security.
- US-India industry bodies lauded the ₹12.2 Lakh Cr capex and tax holidays in Budget 2026, while urging faster execution to accelerate bilateral trade and investments.