

Stock markets fall for 2nd day; Sensex tanks 721 pts dragged by Bajaj Finance, foreign fund outflows

NEW DELHI, JULY 25:Stock markets declined for the second day in a row on Friday, with the Sensex tumbling 721 points due to heavy selling in financial, IT and oil & gas shares amid persistent foreign fund outflows.

Analysts said a weak trend in Asian and European markets also dented investors' sentiment.

Vinod Nair, Head of Research, Geojit Investments Limited, said, "Subdued corporate results and lacklustre global cues triggered a broad-based sell-off across domestic equities. Elevated valuations in large-cap stocks, coupled with significant net short positions held by FIIs, added to the downward pressure."

Among Sensex firms, Bajaj Finance declined 4.73 per cent post its June quarter earnings announcement. Power Grid, Infosys, Tech Mahindra, Bajaj Finserv, Trent, Tata Motors, NTPC and Adani Ports were also among the laggards.

However, Sun Pharma and Bharti Airtel emerged as gainers.

"Markets extended their decline on Friday, losing nearly a per cent amid weak global cues. Benchmark indices remained under pressure from the outset, largely due to disappointing



earnings, with the situation worsening as the session progressed.

"The recent correction reflects growing concerns around earnings disappointments and cautious management commentary, which are weighing heavily on investor confidence. Additionally, continued selling by FIIs is exacerbating the pressure," Ajit Mishra – SVP, Research, Religare Broking Ltd, said.

The BSE smallcap gauge tanked 1.88 per cent and midcap index dropped 1.46 per cent.

Utilities slumped 2.37 per cent, power tumbled 2.36 per cent, oil & gas (2.11 per cent), industrials (1.88 per cent), capital goods (1.83 per cent), IT (1.65 per cent) and metal (1.64 per cent).

BSE healthcare emerged as the only gainer.

As many as 2,892 stocks declined while 1,117 advanced and 145 remained unchanged on the BSE.

On the weekly front, the BSE benchmark gauge declined 294.64 points or 0.36 per cent, and the Nifty dipped 131.4 points or 0.52 per cent.

Foreign Institutional Investors (FIIs) offloaded equities worth Rs 2,133.69 crore on Thursday, according to exchange data. However, Domestic Institutional Investors (DIIs) bought stocks worth Rs 2,617.14 crore.

In Asian markets, Japan's Nikkei 225 index, Shanghai's SSE Composite index and Hong Kong's Hang Seng settled lower while South Korea's Kospi ended in positive territory.

European markets were trading lower. The

US markets ended on a mixed note on Thursday.

India and the UK signed a landmark free trade agreement on Thursday, which, starting next year, will see 99 per cent of Indian exports enter the UK duty-free, while reducing tariffs on British products such as cars and whisky.

The deal, which comes days ahead of the US moratorium on higher tariffs coming to an end, aims to double the USD 56 billion trade between the world's fifth and sixth largest economies by 2030.

Global oil benchmark Brent crude climbed 0.32 per cent to USD 69.40 a barrel.

On Thursday, the Sensex tanked 542.47 points or 0.66 per cent to settle at 82,184.17. The Nifty dropped 157.80 points or 0.63 per cent to 25,062.10.

Labour ministry examining delayed onboarding of 600 lateral hires by TCS, says official

NEW DELHI, JULY 25:The Union labour ministry is examining the delayed onboarding of 600 lateral hires by TCS after receiving a letter from IT employees' union NITES, a senior government official told Moneycontrol.

"We've received a letter, but it's too early to comment on the matter...we're looking into it," the official confirmed.

On July 22, IT employees' union Nascent Information Technology Employees Senate (NITES) wrote to the ministry and asked it to direct TCS to provide an official and time-bound commitment regarding the onboarding of the affected lateral hires.

"Many have relocated or made substantial personal and financial arrangements in anticipation of joining TCS. Unfortunately, upon reporting to the company on their designated joining dates, they were informed of an indefinite delay in onboarding. No official communication, revised schedule, or assurance has been provided since," said Harpreet Singh Saluja, President, NITES, in the letter.

TCS has indefinitely delayed the onboarding of over 600 lateral hires,

professionals with experience ranging from 2 to 18 years, NITES said. These professionals are from cities such as Bengaluru, Hyderabad, Pune, Kolkata, Mumbai, and Delhi.

A spokesperson of TCS, however, told Moneycontrol that the company will onboard all professionals. "Everyone who has received an offer from TCS will be onboarded. The joining dates are decided as per business demand, and in some cases, they do get adjusted to meet our business needs. We remain in continuous touch with all candidates in these cases and look forward to them joining our company soon," the spokesperson added.

Experts say that although the labour ministry may examine the issue and speak to TCS, it cannot compel them to onboard the professionals.

"The labour ministry lacks statutory authority to compel a private employer to onboard unless a clear legal violation is established," said Ketan Mukhija, Senior Partner, Burgeon Law.

Indian labour laws do not mandate specific timelines for onboarding post offer acceptance. However, if a candidate resigns based on a con-

firmed offer, prolonged delays may raise contractual concerns, potentially amounting to a breach under civil law, explained Mukhija.

"Labour statutes are primarily triggered post-employment, relating to wages, termination, or working conditions, not pre-employment delays," he said.

Under the present labour laws, if the offer letter issued by the employer constitutes a binding contract — containing specific terms such as start date and compensation — a wilful or unexplained delay in onboarding may amount to a breach of contract under the Indian Contract Act, 1872. In cases where candidates qualify as 'workmen' under the Industrial Disputes Act, 1947, such delays could potentially be challenged as unfair labour practices, especially if the offer was made in bad faith or induced reliance resulting in financial or professional loss, explained experts.

"While the central government does not have the authority to mandatorily direct a private employer such as TCS to complete the onboarding process, it may act upon representations received — such as from NITES —

by initiating a fact-finding inquiry or conciliation proceedings through the Chief or Regional Labour Commissioner," said Rohitaashv Sinha, Partner, King Stubb & Kasiva, Advocates and Attorneys.

Sinha said that although penal action is unlikely unless there is a demonstrable violation of labour statutes (such as wrongful termination or wage denial post-joining), the ministry may issue advisories or seek formal commitments from the employer to ensure fair and transparent resolution.

In February, the Karnataka Labour Department had cleared software major Infosys of any labour law violations related to the exit of trainees, based on the documentary evidence collected.

On February 7, software major Infosys laid off around 350-400 trainees at its Mysuru campus after they failed evaluation tests in three consecutive attempts.

This is approximately half of the trainees onboarded in October 2024. But, the department gave a clean chit to Infosys based on the documentary evidence collected, as reported by Moneycontrol earlier.

tribution segment. "The regulator is witnessing increased activity in this area on a day-to-day basis."

Brokers' contribution to the industry, particularly in normal life policies, has been higher because of the value addition in the last 4-5 years, particularly post-COVID. He advised intermediaries to pull up their socks and focus on creating long-term value in their own setups, given the increasing interest from foreign direct investors.

Samara Capital Group and an affiliate of Samara Alternate Investment Fund. Additionally, in 2023, Global Insurance Brokers, a provider of risk management, insurance, and reinsurance broking services in the Indian subcontinent has announced its acquisition by professional services firm Aon plc.

Further, he said that in the insurance broking space, there is a record level of activity in terms of mergers, acquisitions, and demergers in the dis-

CG Power says OSAT project ahead of schedule; mini facility to go live this quarter

NEW DELHI, JULY 25:CG Power & Industrial Solutions Ltd, a part of the Murugappa Group, is moving faster than expected on its ambitious Outsourced Semiconductor Assembly and Test (OSAT) project, with a mini-plant set to start production this quarter and the larger facility in FY27.

The company is funding the semiconductor foray using proceeds from its recent qualified institutional placement (QIP) and is also evaluating potential acquisitions.

"CG Semi is absolutely on track. The mini-plant, as we had projected, will start production and the main plant, which is the larger one, will start production in the next fiscal. So, we reviewed the project, and I think they are, in fact, a little ahead of the target. So, that is doing good," Amar Kaul, MD & CEO of CG Power

and Industrial Solutions, said during the Q1 earnings call.

CG Power is building semiconductor capabilities through two units — CG Semi and Axiro. Axiro houses the radio frequency and chip-design business acquired from its Japanese partner Renesas and other affiliates.

"Axiro, which is a radio frequency and chip designing facility — there revenue will start already flowing in because that was a direct movement and acquisition of this facility," Kaul said.

The company reported a more than 50 percent jump in employee costs year-on-year, mainly due to hiring for CG Semi and the integration of Axiro operations.

"So, that's coming out to CG Semi as well as that, you know that we did the acquisition of Axiro, so that also is coming. As you know, in that

business, the staff cost and employee cost would be much higher... for the first year, any acquisition that happens will be the transition year, and then you will see the upside going there, and that's specific to Axiro," Kaul said.

"CG Semi itself, if you are looking at employee level...there are almost 170 people already on board and with no revenue. But again, we have made that investment, it's a more strategic investment because most of them have been trained right from operators to engineers in various plants of our partners outside India, and right now they are on the job of learning," he added. "So, our lead time from manufacturing start till you start the shipments will be compressed with the investment that we are doing now."

The OSAT unit is being built with a \$222 million investment in Sanand, Gujarat, as part of a joint venture with Renesas, which is contributing chip-packaging technology and holds a minority stake. Thailand-based Stars Microelectronics is also a minority investor.

CG Power has invested around Rs 400 crore in CG Semi, so far, underlining its commitment to becoming a serious player in India's fast-growing semiconductor manufacturing ecosystem.

In the first quarter of FY26, CG Power & Industrial Solutions posted a 29 percent YoY growth in consolidated revenue at Rs 2,878 crore. Net profit was up 11 percent to Rs 267 crore ago.

EBITDA rose 17 percent to Rs 381 crore, though margins declined to 13.2 percent from 14.7 percent on input cost pressures.

JSW Cement plans to trim IPO size to \$415 mn; eyes early August launch at \$2.3 bn valuation

NEW DELHI, JULY 25:Parth Jindal led JSW Cement, a group company of diversified conglomerate JSW Group is planning to trim the size of its initial public offer (IPO) from the original \$462 million (Rs 4,000 crore) to \$415 million (Rs 3,600 crore) by reducing the primary component from Rs 2,000 crore to Rs 1,600 crore with the secondary component kept unchanged at Rs 2,000 crore, multiple industry sources in the know told Moneycontrol on the condition of anonymity.

"The UDRHP (updated draft red herring prospectus) has been filed and JSW Cement is gearing up to launch the IPO early next month, possibly in the week of August 4," said one of the persons above. The firm is targeting an IPO valuation of around



\$2.3 billion or Rs 20,000 crore, a second person said.

An email query sent to company officials remained unanswered at the time of publishing this article. The story will be updated if and when the company responds.

Investors like Apollo Global Management, Synergy Metals Investment Holding and SBI will participate in the offer-for-sale as per the DRHP.

The initial share sale would be the cement sector's first offering by a

majority group since Nirma Group backed Nuvoco Vistas' Rs 5,000 crore IPO in August 2021. Incidentally, the listing of JSW Infrastructure in October 2023 marked the group's first public offering in 13 years.

JSW Cement's move to make a debut on Dalal Street comes on the back of the sector witnessing an intense m&a tussle between market leader Ultratech Cement of the Birla group and the ACC-Ambuja combine of the Adani group.

Shiva Cement was ac-

quired by JSW Cement in 2017 and supplies clinker - a key component in cement production - to the parent entity.

JM Financial, Kotak Mahindra Capital, Jefferies, Axis Capital, Citi, Goldman Sachs, DAM Capital, and SBI Capital are the investment banks managing the share sale. Khaitan and Co is the legal counsel to the firm.

JSW Cement focuses on manufacturing green cementitious products comprising blended cement (which includes portland slag cement and portland composite cement and ground granulated blast furnace slag. The firm also manufactures ordinary portland cement, clinker and a range of allied cementitious products such as ready-mix concrete, screened slag, construction chemicals and waterproofing compounds.

Premium imported whiskies to be cheaper by Rs 200-300 per bottle post FTA

NEW DELHI, JULY 25:Scotch whisky — including popular blends like Johnnie Walker and single malts like Lagavulin and The Glenlivet — is set to become cheaper in India, following the India-UK Free Trade Agreement that slashes import duties on British spirits.

The deal—finalised af-

ter three years of negotiations—reduces Scotch whisky tariffs from 150 percent to 75 percent initially, with a further drop to 40 percent over 10 years. The move is expected to make imported premium spirits more accessible to Indian consumers, fuelling aspiration-led consumption, according to analysts.

The FTA will take a few months to come into full effect, until then retail prices remain unchanged.

"For standard Scotch brands like Black & White, 100 Pipers, and Vat 69, the price difference post-tariff cuts will be around Rs 100 to Rs 150 per bottle. For premium labels such as

Johnnie Walker Black Label or Chivas Regal, the reduction could be Rs 200 to Rs 300. In the case of single malts, The Glenlivet or Lagavulin, the drop could be proportionately higher, around Rs 300 to Rs 400," said Vinod Giri, Director General of the Brewers Association of India (BAI).

Accel's Anand Daniel, SoftBank's Sumer Juneja step down from Swiggy board

NEW DELHI, JULY 25:Anand Daniel, Partner at Accel and Sumer Juneja, Managing Partner and Head of EMEA & India at SoftBank Investment Advisers, have given up their board seats at Swiggy, the company informed the stock exchanges on July 25, marking the third board exit at the food delivery and quick commerce platform, after Delhivery's Sahil Barua also gave up his board earlier this year.

While Juneja is leaving "due to other pre-occupations and professional commitments" Daniel was giving up his board seat "due to other professional commitments" Swiggy said in its notice to the stock exchanges.

Barua had left "due to increased work commitment."

Non-independent di-



rectors Sumer Juneja and Anand Daniel are stepping back from board representation following a period of significant progress and value-creation at Swiggy. This transition reflects their confidence in the company's strategic direction, executive leadership, and governance framework, the company said.

To be sure, SoftBank typically gives up its board seat in most of its portfolio companies in the run up to their IPO or shortly after, includ-

ing Meesho, Paytm, PB Fintech and others.

Swiggy also announced that it has appointed Faraz Khalid, CEO of Noon - one of Middle East's leading consumer commerce platforms - as an independent director on its board. Noon has evolved into an e-commerce, quick commerce and food delivery platform, which will align with Swiggy's business plans.

Sriharsha Majety, Founder and Group CEO of Swiggy, said

"Faraz is among the most visionary leaders in e-commerce, bringing extensive expertise in integrating advanced technology, scaling operations, and delivering superior customer experiences."

"With his joining our board, our independent directors (led by our chairperson) represent four pillars of strategic governance. They bring a wide array of experience across established companies and startups, and marry business and financial acumen with fiduciary expertise. We are confident that their foresight and diversity shall be vital in guiding Swiggy on its next leg of growth."

Swiggy's shares were down 2.68 percent at the end of the day's session on July 25 to change hands at Rs 407.80 apiece.

IRDAI's Satyajit Tripathy cautions on practices of insurance brokers to increase valuation

NEW DELHI, JULY 25:Insurance Regulatory and Development Authority of India's (IRDAI) member distribution Satyajit Tripathy, on July 25, cautioned against the practices adopted by insurance brokers to increase valuation.

He added that, in the long run, increased valuation proves detrimental to the entire ecosystem.

"I must add a word of caution that with increased growth being seen, we need not be adopting what we call as

sharp practices to increase valuation, get listed, and to do business in a way, which may in the long run prove detrimental to the whole ecosystem," Tripathy said addressing the Insurance Brokers Association of India's foundation day in Mumbai.

Last year, Aditya Birla Capital Ltd (ABCL) concluded the sale of its 50.002 percent stake in Aditya Birla Insurance Brokers Ltd (ABIBL) to Edme Services Private Ltd, which is part of the

Samara Capital Group and an affiliate of Samara Alternate Investment Fund. Additionally, in 2023, Global Insurance Brokers, a provider of risk management, insurance, and reinsurance broking services in the Indian subcontinent has announced its acquisition by professional services firm Aon plc.

Further, he said that in the insurance broking space, there is a record level of activity in terms of mergers, acquisitions, and demergers in the dis-