**BENGALURU** 

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### Walmart invests \$600 mn in Flipkart 4 IPOs oversubscribed up to 82 times despite volatility Latter likely to receive another \$400 million, new investors to join fresh funding round

UMA KANNAN @ Bengaluru

HOMEGROWN ecommerce marketplace Flipkart has received \$600 million fund infusion from parent company Walmart. Flipkart confirmed the fundraising to this newspaper.

As per reports, the company might receive another \$400 million funds and new investors will also join the fresh fundraising round. Though Flipkart didn't comment on this, it is said the funding will value the company at a premium of 5-10% from its current valuation. It was last valued at about \$35 billion. Flipkart will use the funds to expand its operations. Flipkart co-founder Binny Bansal, Accel and Tiger Global Management in July exited the e-commerce firm and sold their shares to Walmart.

Earlier in July, Walmart in its filing said during the six months ended July 31, 2023, it paid \$3.5 billion to acquire shares from certain Flipkart non-controlling interest holders. The US retail company paid about \$1.4 billion to Tiger

### NEW FUNDING ROUND

Ecommerce company will use the proceeds from the funding round from its major shareholder Walmart to expand its operations

Flipkart receives nearly \$600 mn investment from Walmart

Ecommerce marketplace is expected to raise another

The online marketplace was last valued at about

New funding round Walmart holds will value the firm at **80.5%** stake 5-10% premium in Flipkart

Walmart paid \$3.5 bn in Jul to buy shares from Flipkart noncontrolling interest holders

Global to buy its remaining shares in Flipkart. In 2018, Walmart paid about \$16 billion for a 77% stake in the ecommerce firm, and according to Tracxn, Walmart now holds about 80.5% stake in the company.

Flipkart hived-off its payments entity PhonePe in De-

Walmart had said that both Flipkart and PhonePe are continuing to demonstrate impressive growth and Flipkart delivered strong GMV (gross merchandise value) and net sales growth as the core business continues to grow well.

The Flipkart Group includes group companies Flipkart, Myntra, Flipkart Wholesale, Flipkart Health+, and Cleartrip. It claims a registered user base of over 500 million, and there are over 14 lakh sellers on the platform, including Shopsy sellers. In FY23, Flipkart reported consolidated losses of Rs 4,890.6 crore and its consolidated net income stood at Rs 56,012.8 crore.

In its Flip Trends 2023, the homegrown ecommerce firm said that shoppers spent an average of 7 hours on Flipkart this year, and that the platform also witnessed over 41 million new customers up until November 2023. It also said that the company saw 100% growth in infant formula and premium skin care baby products which saw 50% growth in 2023.

ARSHAD KHAN @ New Delhi

DESPITE volatility in the stock market, demand for public issues remained robust as all the four initial public offerings (IPOs) whose subscription period ended on Thursday were oversubscribed multiple times.

While the IPO of Credo Brands Market Limited was subscribed 52 times, the initial offering of Happy Forging Limited was booked 82 times on the final day of bidding. Not only overbooked, the two IPOs are commanding a premium of 45-50% in the grey market, indicating strong listing gains.

As per the data available on the BSE, Credo Brands IPO's non-institutional investors (NIIs) portion was subscribed 55.52 times while the qualified institutional buyers (QIBs) portion was subscribed nearly 105 times. The retail quote was booked nearly 20 times. Credo, which owns the denim brand Mufti, is aiming to raise ₹549.78 crore from this public issue,

#### **Overbooked IPOs**

**RBZ Jewellers Ltd** 

Oversubscribed: 16.86 times **Happy Foreign Ltd** 

Oversubscribed: 82.04 times

**Credo Brands Ltd** Oversubscribed: 51.85 times

**Shanti Spintex** Oversubscribed: Data yet

to come

which is completely OFS (offer for sale) in nature.

For Happy Forging (HFL), the QIB portion was booked over 220 times while the NII portion was oversubscribed 62.17 times. The retail portion was subscribed about 15 times. The forging company aims to raise ₹1.008.59 crore from its initial offer. Geogit Financial in a recent note said that HFL has consistently shown revenue growth and profitability, with revenues increasing from Rs 585crore in

FY21 to Rs 1196.5 crore in FY23 at a CAGR of 43% and profits growing from ₹86.4 crore to ₹208.7 crore at a CAGR of 55% during the same period.

'At the upper price band of ₹850, HFL is available at a P/E of 33.6x (FY24 annualised), which seems in-line compared to its peers. Considering the company's well-established standing in the crankshaft manufacturing industry, notable customers, solid financials, varied product range, global reach with future strategic acquisitions and expansion plans, and new customer additions, we recommend a 'Subscribe rating for the issue on a medium- to long-term basis," the brokerage firm said.

The IPO of RBZ Jewellerz was overbooked 16.86 times while the IPO of Shanti Spintex was booked 27.38 times. IPO market is buzzing with new entrants as many companies are confident of raising funds via this route amid a sharp rally in the stock market.

# Israel's EVR Motors plants India manufacturing footprint

Flipkart's investors Accel.

Binny Bansal sold stakes to

Walmart and exited the firm

bn to Tiger Global to buy its

remaining shares in Flipkart

cember last year and in July,

the company distributed cash

payout worth \$700 million to

nearly 24,000 employees, includ-

ing former employees. This is

to compensate them for the sep-

aration of PhonePe from the

In an earnings call in August,

ecommerce firm.

Walmart paid about \$1.4

HRITHIK KIRAN BAGADE @ Bengaluru

ISRAELI motor tech firm EVR Motors, operating in India under a 100%-subsidiary – I.EVR Motors Pvt Ltd – is commissioning a greenfield plant for trapezoidal geometry coils in the country that will begin operations in Q2 CY2024. With this, EVR Motors will become the first Israeli automotive firm to have manufacturing operations in India.

pacity of 2-3 lakh coils, servicing  $\sim$ 20,000 motors a month. With EV market demand rising, the same could be expand-

ed to  $\sim$ 100,000 motors. With South India becoming a burgeoning hub for e-mobility. EVR Motors is also eyeing a coil manufacturing hub in this region, with the Karnataka capital being a potential port of call. "EV-makers want to be near suppliers. Without pushing too much of capacity utiliSajal Kishore, Managing Director - EVR Motors, India, without divulging further details.

Elaborating on the company's plans, he said, "We are an end-toend PMSM (permanent-magnet synchronous motor) radial flux technology provider; and our plan in India is specifically to offer motors. At present, however, motor production has been licensed to various Tier-I manufacturers here, who can make all components except the coil, which will be made by us. Hence, we become a Tier-II to the Tier-Is, whose mo-

The coil, made from copper,

is a critical component in electric motors, which in turn will go on board EVs. Due to its shape, it boasts of a high copper fill factor of over 50%, rendering the motor to remain compact. Eventually, the coil's role is to create flux in the motor, so as to interplay with its magnetics, thus aiding it to rotate efficiently.

'We are trying to address two challenges. First, OEMs want more space in their vehicles, and thus expect smaller motors, which will also shrink the overall product cost. We are addressing this through our small high-power torque-dense motors (Eg. a 6.5-kg motor can dish out over 14 kW power). Second, we are addressing the need for modularity. With our motor, we can start at 48 volts, and go up to over 400, without changing any major component within the system, except for the coil to modulate the voltage. Without any major system changes, we can offer varied voltages for

the same motor." Kishore said. Meanwhile, the coil from the company's Manesar plant and the motors from its Tier-Is will also serve EVR Motors' global clientele.

### Govt grants LIC one-time exemption from 25% public shareholding rule

ARSHAD KHAN @ New Delhi

THE Centre has granted Life Insurance Corporation of India (LIC) a one-time exemption from the 25% minimum public shareholding (MPS) rule.

This means that the Government of India will continue to hold more than 75% stake in the insurance behemoth for the next eight-nine years.

The current MPS rule specifies that a listed entity with a market capitalisation (m-cap) of more than ₹1 lakh crore should have a minimum 25% public shareholding within five vears of listing. For firms which have lower m-cap, they are required to have a minimum 25% public shareholding within a year of listing. LIC, which had launched the biggest IPO in India's capital market history. entered the bourses on May 17, 2022. This meant it had to meet the 25% criteria by May

2027. However, with the extension, it would now have to meet the MPS rule by May "Pursuant to Regulation 30 of the SEBI (Listing Obliga-

tions and Disclosure Requirements) Regulations, 2015, this is to inform you that the Department of Economic Affairs, Ministry of Finance vide Office Memorandum dated December 20, 2023 has decided in the public interest, to grant one-time exemption to Life Insurance Corporation of India

to achieve 25% minimum public shareholding (MPS) within 10 years from the date of listing i.e., till May 2032 under Rule 19A (6) of the Securities Contract (Regulations) Rules

(SCRR) 1957," LIC said in a reg-

जीवन बीमा निगम

ulatory filing on Thursday. Currently, LIC has a mcap of ₹4.84 lakh crore and the Government of India, the company's largest stakeholder, holds a 96.50% stake in the company. Public shareholding in LIC

stands at only 3.50%. LIC shares have seen a big recovery, gaining over 27% since start of November. On Thursday, the share closed at ₹767 apiece. The share took a beating earlier this year when it hit its all-time low of ₹530 apiece. This was a steep fall from its issue price of ₹949 apiece. Axis Securities in a recent note said LIC stock has successfully breached its 'multiple resistance zone' at ₹ 754, indicating a positive bias in its current trajectory.

#### The 15,000 sqft highly-autosation for the Manesar facility, we would definitely want to mated, verticalised plant is slated to come up in Manesar, move that to Bengaluru, whentors will be supplied to OEMs." boasting an initial monthly caever the time is right," hinted

### PIRAMAL ENT, IIFL FINANCE DISCLOSE AIF INVESTMENTS

ENS ECONOMIC BUREAU @ New Delhi

DAYS after the banking regulator tightened rules for banks and NBFCs investing in schemes of Alternate Investment Funds (AIFs), two NBFCs - Pirmal Enterprises (PEL) and IIFL Finance – on Thursday disclosed their exposure to such schemes.

In an exchange filing, Piramal Enterprises said the value of investments by PEL and Piramal Capital & Housing Finance Limited in AIF units was ₹3,817 crore as of November 30, 2023. The company said ₹653 crore worth of funds have no exposure to any debtor companies of Piramal Enterprises, while ₹1,737 crore worth of down-

stream investments have been made by the AIF into three entities that are (or were in the last 12 months) debtor companies of PEL. The company further said it intends to adjust the entire ₹3.164 crore in

its financial statements through capital funds or provisions. The RBI on December 19, 2023, issued a

circular asking all entities regulated by it to avoid having indirect exposure to their existing borrowers through AIFs such as private equity or debt funds,

hedge funds, etc. As per the circular, if an AIF scheme invests in an existing borrower of a bank (or an NBFC), it must liquidate its investment in the scheme within 30 days. In case if the banks are not able to liquidate their investments within the above-prescribed time limit. they will have to make 100% provision on such

PEL further said it is confident of full recovery of the underlying downstream investments in the impacted AIF units. PEL has received ₹905 crore so far as repayment of interest and principal on these units, it added.

Meanwhile, IIFL Finance in an exchange filing informed that there is an Investment of ₹21.37 crore in IIFL Fintech Fund where the company has outstanding debt exposure of ₹3.28 crore in one of the downstream investments of

New Delhi: The Competition Commission of India (CCI) has written to Religare Enterprises (REL)seeking information whether the Burmans had sought a merger involving the company, proposed to get involved in its management or have representation on its board. The Burman

EXPRESS READ

CCI seeks details from REL on Burmans' role

Family of FMCG major Dabur is the biggest shareholder of REL. According to people aware of the development, CCI has sought all the communication documents exchanged between the two parties from October 13, 2017, to September 25, 2023. According to a report in a financial daily. Religare has reportedly stated that there have been no communication with the Burmans over a merger or management of the company's affairs but their actions show intention to gain control of

#### Rajya Sabha passes telecom Bill by voice vote

NEW DELHI: The Telecommunication Bill 2023 passed in Rajya Sabha on Thursday by voice vote, a day passed in Lok Sabha. Telecom minister Ashwini Vaishnaw, while speaking in parliament said that a significant spectrum reform is being brought which will pull the telecom sector out from the dark ages of corruption and scams like

#### Rupee falls 9 paise to 83.27 against US dollar

MUMBAI: The rupee fell by 9 paise to settle at 83.27 against the US dollar on Thursday amid concerns over global trade disruption through Red Sea route. As per forex analysts, despite positive sentiment in domestic markets and a weak US currency against major global currencies, the Indian unit was weighed down by the volatile crude oil prices. ENS

## Crypto market makes a comeback in 2nd half of 2023 after huge drop

UMA KANNAN @ Bengaluru

EVEN as the crypto market came under significant pressure in the first half of 2023 due to the after effects of Terra and Luna collapse, mismanagement of funds in FTX and so on, virtual currencies witnessed a recovery towards the end of the year.

Exchanges believe with regulatory clarity 2024 will hold significant promise for the crypto market. Bitcoin, the most popular crypto, rose from \$16,000 to its peak above \$44,500 this

"Factors such as enhanced regulatory clarity and growing acceptance among institutional and retail investors attributed to the surge," said Edul Patel, CEO, Mudrex, adding 2023 witnessed a recovery phase for the crypto market.

In October, G20 nations adopted the road map proposed in the Synthesis Paper for crypto assets regulation. Earlier, a Synthesis Paper was released by the International Monetary



Fund (IMF) and the Financial Stability Board (FSB) that discussed various challenges associated with crypto. It said blanket bans that make all crypto-asset activities illegal can be costly and technically demanding to enforce. It also said that a decision to ban is not an "easy option"

According to Kumar Gauray, founder and CEO, Cashaa, Bitcoin prices could end at a gain of around 120% for the year 2023. "Looking forward to 2024, with increased regulatory clarity and regulated avenues of crypto investing provided by Bitcoin and Ethereum ETFs

can usher in a new era of institutional as well as retail investments. This could be further spurred on by the expected end to rate hike cycle and consequent rate cuts by the Federal Bank in the US and other central banks," he said.

He added that crypto could become a preferred alternative investment avenue to earn inflation beating yields for investors and 2024 will also witness the next halving of Bitcoin rewards increasing scarcity and hence boosting the price of Bitcoin and consequently of other alt coins. About 6 lakh new users were signed up on WazirX this year and women accounted for 22% of all tokens traded on the platform.

Rajagopal Menon, Vice President, WazirX, said, "With the advent of decentralised systems and maturing blockchain technologies, cryptocurrencies are set to evolve beyond speculative assets, becoming integrated within supply chain management, healthcare, and digital identity verification."

#### **Annual General Body Meeting of All India Punjab National Bank** Officers' Association

Bhubaneswar: Annual General Body Meeting of All India Punjab National Bank Officers' Association, Bhubaneswar Circle was held in the Chanakya Hall

of Hotel Swosti Premium, Jaydev Vihar, Bhubaneswar with a packed audience. Over five hundred officers from different branches of the Bhubaneswai Circle as well as a good number of invitees from other circles of the State cheered the meeting with thunderous applause. The meeting was organised under

the leadership of Com. Bailochan Sahoo, Circle Secretary and AGS of Odisha State. While Com. Sreekumar K, President of the Central Body of AIPNBOA was the prime attraction of the meeting, Zonal Manager of Bhubaneswar Zone Shri A .Uday Bhaskar Reddy graced the meeting as the Chief

Guest. Sri Bailochan Sahoo spoke extensively on the various issues of the officers of the Bhubaneswar Zone. Shri Reddy emphasised that Management and Association are complimentary to each other.





#### JSW Foundation's Heartwarming Initiative: 'Share the Warmth Drive' in Thelkoloi Gram Panchayat

In a heartwarming initiative, JSW Foundation, the CSR Department of JSW BPSL organized the "Share the Warmth Drive" at Thelkoloi Gram panchayat on 19th December by distributing blankets to the poor and marginalised communities in the locality. In view of the ongoing heavy cold waves, JSW BPSL, CSR department has undertaken the initiative to address immediate needs of the community and proactively contributed

to the well-being of the residents. The event was graced by the esteemed presence of Mrs. Neelam Singh, the First Lady, and President of Akanksha Ladies Club, JSW BPSL along with otherclub member. Also Mrs. Abanti Nayak, Sarapnacha of Thelkoloi Gram Panchayat, and Mr. Vishal Raj, Head of CSR at JSW BPSL, actively participated in the distribution programme, bringing warmth and smiles in the faces of the recipients. The event was marked by a sense of community and

compassion, embodying the spirit of corporate social responsibility.

#### Paradip port breaks own record of swiftest climb to 100 MMT cargo handling

Paradip Port achieved yet another 100 Million Metric Tonnes (MMT) of cargo handling, in shortest time, in its history, showcasing the Port's unwavering commitment to excellence and efficiency in cargo handling. It has once again repeated the feat by crossing the 100 MMT mark, 7th year, in succession and achieved cargo throughput of 100.28 MMT on 18th December in the current fiscal. Notably, in FY 2022-23 the coveted mark of 100 MMT was achieved on January 9th 2023. Thus by, the record was achieved in 22 days in advance i.e. in 262 days in current fiscal against 284 days in last financial year, by exhibiting 9.64 % growth in total cargo throughput. Thus this century is the fastest by PPA, in its history. The Port is poised to set all time record cargo handling of more than 145 MMT in current fiscal.

