

Dear Investor,

In November, Market performance turned more mixed after October's broad based rally, reflecting a phase of consolidation and selective risk taking. The Nifty 50 advanced 1.87% to 26,203, supported by continued resilience in large cap earnings and steady domestic flows, indicating that leadership remained firmly with frontline stocks. The Nifty Midcap 150 also posted a modest gain of 1.59%, suggesting that investor interest in quality mid sized companies remained intact, however with greater selectivity. Broader participation softened, with the Nifty 500 rising a limited 0.94%, pointing to uneven performance across sectors and market caps.

In contrast, risk appetite faded meaningfully in the smaller end of the market. The Nifty Smallcap 250 declined 3.36% and the Nifty Microcap 250 fell 2.83%, highlighting profit booking and valuation sensitivity after the sharp run up seen earlier in the year.

Index	Oct-25	Nov-25	1M Change (%)
Nifty 50	25,722	26,203	1.87%
Nifty Next 50	69,825	69,137	-0.98%
Nifty 500	23,710	23,933	0.94%
Nifty Midcap 150	22,046	22,395	1.59%
Nifty Smallcap 250	17,314	16,733	-3.36%
Nifty Microcap 250	23,787	23,115	-2.83%
Nifty India FPI 150	1596.5	1,621	1.56%

### FII & DII Flows

In November 2025, FIIs remained on the sell side, recording a net outflow of ₹17,500 crore, a sharp escalation compared to the previous month. Despite healthy gross purchases of over ₹3.07 lakh crore, selling activity was stronger, reflecting continued risk aversion amid global macro uncertainty, currency volatility and selective profit taking after the sustained market up move. In contrast, DIIs once again played the role of stabilizers, posting a robust net inflow of ₹77,084 crore, driven by strong mutual fund inflows, steady SIP contributions and persistent retail participation. The scale of domestic buying not only absorbed the elevated foreign selling pressure but also reinforced market resilience, allowing indices to remain well supported. Overall, the November data further highlighted the structural shift in market dynamics, with domestic capital increasingly anchoring Indian equities even as global flows remain volatile.

## IPO Highlights

Two new listings : Workmates Core2cloud Solution Ltd and Physicswallah Ltd dominated the market buzz, both delivering exceptional listing gains of nearly 90.00% & 33.03% respectively, from their issue prices.

**Workmates Core2cloud Solution Ltd** is a fast growing cloud and digital transformation services company that has scaled rapidly on the back of rising enterprise cloud adoption. Revenues surged from ₹12.8 crore in FY22 to ₹107.7 crore in FY25 (~74% CAGR), while net profit expanded from ₹1.3 crore to ₹13.9 crore, reflecting strong operating leverage and execution. Backed by its positioning as an AWS Premier Tier Services Partner, the company's ₹69.84 crore SME IPO saw strong investor demand and listed at a ~90% premium to the issue price.

**Physicswallah Ltd** is an edtech platform across online and offline formats, serving K-12 and competitive exam segments. The company has delivered strong revenue growth, scaling from ₹233 crore in FY22 to ₹2,887 crore in FY25, driven by rapid student additions & aggressive offline expansion. Net losses narrowed to ₹216 crore in FY25 from FY24 highs and Recent quarterly performance indicates improving operating leverage, with Sept 2025 returning to profitability on better cost control and higher revenues. Its ₹3,480 crore IPO witnessed strong investor interest and listed at a healthy 33.03% premium, underscoring solid market confidence in the company's fundamentals and growth outlook.

Name	Industry	Subscription	Market Cap	PostIPO PE
<b>KSH International Limited</b>	Textile	16th – 18th Dec	2,602.00	38.3
<b>Gujarat Kidney and Super Speciality Limited</b>	Healthcare	22nd to 24th Dec	898.81	41.59
<b>Phytochem Remedies (India) Limited - SME</b>	Pharmaceuticals	18th to 22th Dec	115.00	25.8
<b>EPW India Limited – SME</b>	Industrial Equipment	22nd to 24th Dec	111.35	13.84
<b>Dachepalli Publishers Limited - SME</b>	Media & Publishing	22nd to 24th Dec	152.76	10.03
<b>Shyam Dhani Industries Limited - SME</b>	FMCG	22nd to 24th Dec	144.59	17.21
<b>Dhara Rail Projects Limited - SME</b>	Infrastructure	23rd to 26th Dec	190.06	29.12
<b>Bai Kakaji Polymers Limited - SME</b>	Plastics & Polymers	23rd to 26th Dec	398.12	22.51

## **Economic Updates**

### ***Sector in Focus: Energy***

India is set to remain the largest driver of global energy demand growth over the next decade, reflecting strong GDP expansion and rising industrial and transport activity. At the same time, the country has made notable progress on the transition front, achieving its 50% non fossil power capacity target in 2025, five years ahead of schedule. Renewable energy investment has accelerated sharply, with the ratio of non fossil to fossil power investments shifting from 1:1 in 2015 to nearly 4:1 by 2025, led by solar and wind. However, coal continues to play a critical role in ensuring grid stability and meeting rising electricity demand, particularly from industry, even as renewables dominate incremental capacity additions. Overall, India's energy outlook is characterised by simultaneous expansion of clean energy and continued reliance on conventional fuels, positioning the sector at the intersection of growth, energy security and transition priorities. ([Report](#))

### ***Exports Surge, Trade Deficit Narrows in November***

India's trade performance strengthened in November 2025, with total exports (goods and services) rising 15.5% YoY to USD 73.99 billion, while imports remained subdued at USD 80.63 billion, leading to a sharp narrowing of the trade deficit to USD 6.64 billion from USD 17.06 billion a year ago. Merchandise exports grew strongly to USD 38.13 billion, driven by robust growth in engineering goods (+24%), electronics (+39%), gems and jewellery (+28%) and pharmaceuticals (+21%), even as merchandise imports eased marginally. Services exports also remained a key support, rising to USD 35.86 billion during the month. For the April-November 2025 period, cumulative exports stood at USD 562.13 billion (+5.4% YoY), while imports rose about 5% to USD 651.13 billion, resulting in a trade deficit of USD 89 billion. Strong growth in non petroleum exports and services exports, which recorded an 8.7% increase and a surplus of USD 134.13 billion, underscored diversification in India's export basket and resilience in trade performance amid global uncertainties.

### ***Fiscal consolidation progressing, but challenges remain : IMF***

IMF acknowledged steady progress on fiscal consolidation, while cautioning that achieving deficit targets will require strong expenditure discipline. It flagged potential risks from GST and personal income tax cuts and emphasised the need to rebuild fiscal buffers over the medium term through higher domestic revenue mobilisation and more efficient spending.

## **Structural reforms key to long term ambition: IMF**

To support India’s goal of becoming an advanced economy, the IMF stressed the importance of accelerating structural reforms especially in labour markets, human capital, female workforce participation, trade integration, innovation and the green transition while maintaining data quality and policy credibility

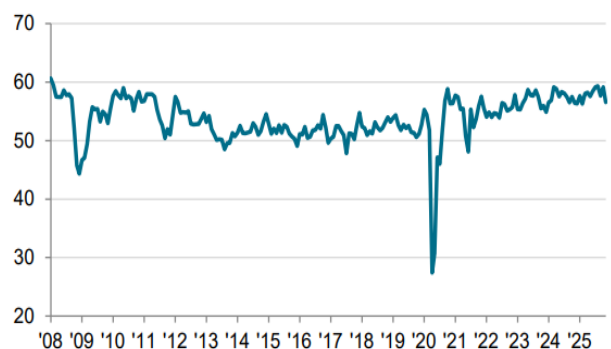
## **Moody’s Projects India Growth at ~7% in 2025, ~6.4% in 2026**

Credit ratings agency Moody’s has projected India’s economy to remain one of the fastest growing among emerging markets, with GDP expected to expand by about 7.0% in 2025 and 6.4% in 2026, underpinned by robust domestic demand and resilient consumption amid global uncertainty. The agency highlighted that India, along with Australia, is set to lead growth in the Asia Pacific region (excluding China), with emerging markets driving overall regional expansion. Moody’s maintained a stable outlook for the region, supported by strong internal growth drivers even as global growth moderates. It noted that while the Indian rupee has experienced weakness lately, most rated Indian firms have currency risk management frameworks and strong financial buffers to manage dollar linked cost pressures. However, currency mismatches may pose challenges for sectors with significant imported inputs. Overall, the outlook reflects confidence in India’s growth momentum relative to regional peers.

## **Manufacturing Growth Moderates in November Amid Softer Demand, Inflation Relief Provides Support**

India’s manufacturing sector continued to expand in November, though momentum moderated, with the PMI easing to 56.6 from 59.2 in October. While the index remained comfortably above the neutral 50 mark, the decline signalled the slowest improvement in operating conditions since February.

HSBC India Manufacturing PMI  
sa, >50 = improvement since previous month



Sources: HSBC, S&P Global PMI.  
Data were collected 11-24 November 2025.

Growth was still supported by healthy domestic demand and competitive pricing, but new orders and output rose at a slower pace and export growth softened to a more than one year low, reflecting global trade headwinds. Encouragingly, cost pressures eased, with both input cost inflation and output price increases slowing to multi month lows, providing some relief to manufacturers.

## **Global Trade - India-Russia Target \$100 Billion Bilateral Trade by 2030**

India and Russia are working on a strategic economic framework to raise bilateral trade to \$100 billion by 2030, according to India's ambassador to Russia. Trade between the two countries has already grown more than six fold over the past two years, crossing \$65 billion in 2024. The newly agreed plan outlines priority sectors, responsible institutions and monitoring mechanisms to ensure execution. Russian officials highlighted the need to diversify trade beyond energy and defence, with areas such as India's Smart City programme, digital solutions, video analytics and big data processing identified as potential avenues for deeper cooperation.

## **Small & Mid-cap**

Equity mutual fund flows remained robust in November 2025, underpinned by strong retail participation, with SIP contributions sustaining elevated levels at ₹29,445 crore, close to record highs. This steady domestic inflow environment continued to favour growth oriented segments, as mid cap funds attracted ₹4,487 crore (42.6%) and small cap funds saw inflows of ₹4,407 crore (41.8%), together accounting for over 84% of total category specific allocations of ₹10,534 crore. In contrast, large cap funds received ₹1,640 crore (15.6%), reflecting a more selective approach toward frontline stocks. The persistence of high SIP inflows highlights investors' long term conviction in India's equity growth story, even amid market volatility. However, the pronounced tilt toward mid and small caps suggests a calibrated risk on stance, with investors selectively backing domestic manufacturing, consumption led businesses and financials, while remaining mindful of valuation comfort and earnings visibility.

## Outlook

Indian equities saw a shift toward consolidation and selectivity in November 2025 after October's broad based rally, as investors increasingly favoured quality and earnings visibility over blanket risk taking. Market leadership narrowed meaningfully, with the Nifty 50 rising 1.87% and the Nifty Midcap 150 gaining 1.59%, while broader indices lagged and the Nifty Smallcap 250 declined 3.36%, reflecting profit booking and valuation sensitivity at the lower end of the market. This divergence underscored a clear preference for large caps and select midcaps with resilient fundamentals, supported by continued domestic flows and stable earnings delivery, even as rotation into riskier segments paused.

Flows data reinforced this quality driven trend. While FIs remained net sellers (₹17,500 crore) amid global uncertainty, DIs absorbed the pressure with strong inflows of ₹77,084 crore, backed by steady mutual fund contributions and elevated SIP inflows. Investor allocations increasingly reflected caution and selectivity, with domestic capital anchoring the market and favouring businesses linked to manufacturing, consumption and financial services, even as valuations in parts of the market particularly new age and smaller names came under scrutiny.

On the IPO side, ICICI Prudential AMC continued to demonstrate strong and consistent financial performance, underpinned by steady AUM growth, operating leverage and a highly scalable business model. In H1 FY26, revenues rose 20% YoY to ₹2,949 crore, while net profit increased to ₹1,618 crore from ₹1,327 crore, reflecting robust earnings momentum. Operating margins remained exceptionally strong at ~75%, highlighting the annuity like nature of the AMC business and disciplined cost management. For FY25, the company reported revenue growth of 32% YoY to ₹4,977 crore, with net profit rising 29% to ₹2,651 crore. Despite higher expenses linked to growth investments, operating profit expanded to ₹3,635 crore, with margins sustaining at a healthy ~73%. The ability to maintain such high margins while scaling revenues underscores the strength of its distribution network, brand equity and equity heavy product mix.

November marked a transition from broad participation to a more defensive, fundamentals led phase, where domestic liquidity continues to support markets, but return generation is increasingly dependent on stock selection rather than market wide momentum.