

A monthly reading of the numbers, deals and policy that move Indian capital.

THE COVER STORY · PAGE 04

Warsh Hikes. The NSE Lists.

The Federal Reserve delivers its first hike since 2023, taking the funds rate to 3.75-4.00%. India's long-awaited NSE IPO opens for subscription at INR 22,562 crore. The FEMA export-import framework goes live on 1 October. A pivotal month for Indian capital.

BY THE EDITORIAL TEAM · VALUATION INDIA

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FROM THE FINANCIAL ADVISORY DESK

Editor's Note

Dear reader,

September delivered what August had only hinted at. The Federal Reserve, under Chair Kevin Warsh, hiked by 25 basis points — the **first upward move since July 2023** — and placed another hike squarely in play before year-end. Short-dollar funding has become more expensive; EM equity flow attitudes have shifted.

At home, the **NSE's INR 22,562 crore IPO** opened on 17 September, finally delivering the mega-listing the Street has waited two years for. And on 1 October, the **new FEMA export-import framework** replaces the 2015 regulations — shorter realisation timelines and more AD-bank discretion.

A pivotal month. In this issue we walk through each.

Gaurav Kshirsagar*Manager — Financial Advisory*

SEPTEMBER BY THE NUMBERS

3.75-4.00%

FED FUNDS

22,562 CR

NSE IPO SIZE

10.3 BN

TECH FUNDING YTD

1 OCT

FEMA REGS LIVE

Deal Street

Where India's boardrooms are actually putting the cheque book.

LEAD STORY · THE MEGA-IPO

The NSE finally comes to market

Pure OFS of 14.89 crore shares at a price band of **INR 1,700-1,785** — the **INR 22,562 crore** issue opened on 17 September and closed on 21 September. Two years of anticipation, the year's defining mainboard book.

The **National Stock Exchange's** IPO is the single most important equity-market data-point for Indian comparables since the LIC listing. Structured as a pure **offer for sale of 14.89 crore equity shares** (about 6.02% of equity), the issue was priced at **INR 1,700-1,785** and anchored at an implied market capitalisation close to **INR 4.4 lakh crore**, repricing listed exchange and financial-infrastructure comparables across emerging markets.

Three second-order effects for promoters and PE sponsors. First, the **anchor-book pricing** sets the comparable floor for H2 2026 listings. Second, **Zepto (INR 11,000 cr)** and **Reliance Jio Platforms** move closer with price-discovery de-risked. Third, fintech unicorn **Moneyview filed its RHP** in September — INR 750 cr fresh plus a sizeable OFS component.

“The NSE book repriced Indian financial-infrastructure comparables overnight — H2 listings now have a floor.”

SEPTEMBER CAPITAL-RAISE WATCH

INR 22,562 CR

NSE · Mainboard IPO

OFS of 14.89 cr shares · 17-21 Sep

INR 11,000 CR

Zepto · Pipeline

Approved · Jul-Sep tgt revised

INR 750 CR

Moneyview · RHP filed

Fresh issue + OFS · Sep filing

THE COVER STORY · US MONETARY POLICY

Warsh Hikes. Direction, Not Pause.

The Federal Reserve lifted the funds rate by 25 bps on 16 September — the first upward move since July 2023. Twelve to zero. The dot plot signals one more hike before year-end. For India, the EM-flow mathematics has decisively changed.

BY THE EDITORIAL TEAM

On 16 September 2026, the Federal Open Market Committee voted **12-0** to lift the federal funds rate by 25 basis points, taking the target range to **3.75% to 4.00%**. It is the **first upward move since July 2023** and the first hike under Chair Kevin Warsh. In his press conference, Warsh promised a “timelier return” to the 2% inflation objective, pointing to a labour market still too hot and Middle East tensions keeping energy prices firm.

The **Summary of Economic Projections** moved materially. The median end-2026 dot now sits at **4.1%**, signalling at least one additional 25-bps hike before year-end. Sixteen of eighteen participants expect another increase; four see two more as possible. Only two see today's hike as the cycle peak.

The operative signal for Indian borrowers is **higher-for-longer dollar funding**. ECB coupons on fresh issuance should be modelled 25-40 bps wider than Q3 FY27 assumptions.

For **Indian equity flows**, the September hike is a two-way signal. Firmer US yields pull passive EM capital back toward the dollar, and the rupee has already softened from mid-93 to the high-94 range. But a Fed that is **credibly fighting inflation** is medium-term supportive of risk assets — the de-rating risk is near-term, not structural.

For **corporate treasuries**, three practical adjustments: **(i)** re-run FY27 ECB cost-of-funds under a 4-handle Fed; **(ii)** stress-test USD payables under a 95-97 USD-INR band; **(iii)** accelerate forward-cover ladders where the natural hedge is less than two years out.

The RBI's own December meeting now faces a harder brief. A fourth hold made sense in August; the question in December is whether the MPC can keep sitting while the Fed moves.

“First upward move since July 2023. Twelve to zero. The dot plot says one more before year-end.”

THE FOMC AT A GLANCE · 16 SEP 2026

FED FUNDS	MOVE	VOTE	DOT PLOT MEDIAN	NEXT MEETING
3.75-4.00%	+25 BPS	12-0	4.10%	28-29 OCT

Sector Radar

Four sectors — where boards are actually looking this month.

01 · INFORMATION TECHNOLOGY

AI investment thesis holds — H2 trade is quality

Indian AI startups have pulled in roughly **USD 1.56 billion** by end-August across 200+ deals, with the sector **up more than 4x year-on-year**. For listed IT services, the Fed hike firms up the rupee tailwind on reported earnings but tightens the client discretionary spending outlook.

02 · INDUSTRIALS & MOBILITY

Capex cycle holds; borrowing math shifts

The **INR 18,100 cr PLI-ACC** and **INR 24,000 cr Solar PV PLI** remain the sector anchors. September's Fed hike pushes dollar-denominated EPC and capital-equipment imports marginally wider — model **FX pass-through** on FY27 EV and renewable-manufacturing projects explicitly.

03 · PHARMA & HEALTHCARE

US dollar earnings tailwind returns

A firmer dollar is **supportive for Indian pharma exporters** — formulators with significant US revenue should see reported margins expand in Q3 FY27. The **Sun-Organon integration** conversation continues, and PE consolidation in diagnostic platforms remains the structural trade.

04 · FINANCIAL SERVICES

The NSE listing recasts the sector

September's **INR 22,562 cr NSE IPO** is the sector-defining event. Beyond anchor-book pricing, the listing establishes a **listed, mark-to-market valuation benchmark** for exchange and depository businesses — watch for CDSL and BSE multiple re-rating through October.

AI ECOSYSTEM · BY THE NUMBERS

1.56 BN

AI STARTUP FUNDING

200+

AI DEALS

4x

YOY GROWTH

8

AI UNICORNS

10.3 BN

TOTAL TECH FUNDING

Source: Inc42, Tracxn, Valuation India analysis. Funding data January-August 2026.

By the Numbers

Startups, cross-border compliance, and the world beyond India.

2026 TECH FUNDING · BY SECTOR

USD 10.3 bn, selective.

YTD	Total tech funding	USD 10.3 bn
YTD	AI startup funding	USD 1.56 bn
YTD	Rounds count	1,134 (-38%)
JUN	Sarvam AI	AI foundation unicorn
JUL	Emergent	AI coding unicorn
AUG	Astrotalk	7th of 2026
SEP	Moneyview	RHP · INR 750 cr fresh

CROSS-BORDER · NEW REGS LIVE

FEMA · now in force.

The **FEMA (Export & Import of Goods and Services) Regulations, 2026** came into force on **1 October**, superseding the 2015 framework. Headline changes: export realisation timelines compressed from **15 months to 9** (Reg 5(1)(a)/(b)) and from 18 to 12 months (first proviso); a new **EDF for services and software**; declaration-based closure of EDPMS/IDPMS entries up to **INR 10 lakh**; and expanded AD-bank operational authority for set-off and third-party receipts/payments.

GLOBAL LENS · WHAT HAPPENED

Fed hiked (page 4).

The Fed **raised rates by 25 bps** on 16 September — the first hike since July 2023 — to **3.75-4.00%**. 12-0 vote; dot plot signals one more hike before year-end. Next FOMC **28-29 October** is the next decision point. Monitor USD-INR closely into Q3 FY27 close.

TO CONTINUE THE CONVERSATION

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— Thank you for reading Market Pulse. See you next month. —