



THE RUPEE CRUMBLES

The RBI has been rifling through its forex reserves to shore up the rupee, but with the dollar strengthening, more pain is in the offing

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Tushita Nigam
Editor

The Rupee Saga

The Indian rupee has plunged to a record low against the US dollar, with projections indicating a further decline in the coming months. So, what does this mean for the Indian economy? How will the government and the Reserve Bank of India act to stabilize the currency's free fall? Which sectors will bear the brunt of a strengthening dollar? And what could be the global repercussions of a depreciating rupee? Find clarity on these pressing concerns in the cover story of our latest issue.

As you explore the issue, don't miss other thought-provoking articles, including the current state of the Indian economy, an analysis of SEBI's proposal to convert in-the-money Options into Futures Contracts a day before derivatives expiry - an initiative aimed at reducing risks for investors. Dive into insights on the evolving medical device sector in India, brimming with opportunities, and the footwear industry, where shoes have transcended necessity to become fashion statements.

You'll also discover intriguing articles on the growing popularity of dubbed movies, turbulence in the airline sector despite government support, the tepid festive demand in retail, and the rise of a "concert economy" driven by India's deepening interest in music.

To protect yourself from the wave of online frauds that have caused many to lose their hard-earned money, head to the Beyond Learning section, where we provide actionable tips to safeguard your finances.

This issue ends with a handy page featuring the international stock market holidays for quick and easy reference.

And finally, as we welcome the New Year, we extend our heartfelt wishes for a prosperous and healthy 2025 for you and your family.

Thank you, our readers, for being a valued part of our journey! Your continued support and patronage means a lot to us!

"In the coming days, the Nifty Futures has support at the 23,800 and 23,700 levels."

Nifty Futures: 24,000

(Last Traded Price As On 27th Dec '24)



The Reserve Bank of India (RBI) reduced the Cash Reserve Ratio (CRR) by 50 basis points to 4%, injecting much-needed liquidity of ₹1.16 lakh crore into the financial system, during its policy meet earlier this month. Meanwhile, a high current account deficit continues to exert pressure on the depreciating rupee.

The US Federal Reserve (Fed) recently cut interest rates but cautioned against further cuts in the near term.

In the coming days, the Nifty Futures has support at the 23,800 and 23,700 levels. On the upper side, it is likely to touch 24,450. Thereafter, it could touch the 24,750 level.

Market participants are advised to monitor the Q3 FY25 earnings results for India Inc., which are expected to be a mixed bag. Additionally, they should closely follow evolving expectations surrounding the Union Budget announcements and the possibility of a decision regarding a rate cut in the upcoming RBI meeting.

Daily? Bang

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ECONOMY ON A ROLLERCOASTER

INFLATION SOFTENS, GST STRENGTHENS,
AND FOREX TAKES A HIT



India's November Retail Inflation Slides To 5.48%

The country's retail price inflation, based on the Consumer Price Index (CPI), slid to 5.48% in November, down from a much higher 6.21% in October.

Inflation's southward movement in November was primarily due to the easing of food prices during the month.

This decline also marks a reversal of the increasing trend observed in the previous two months, when inflation touched 6.21% in October this year.

"During the month of November, a significant decline in inflation is observed in vegetables, pulses, sugar and confectionery, fruits, eggs, milk and products, spices, transport and communications and personal care and effects sub-groups," an official statement said.

The top five items showing the highest year-on-year (y-o-y) inflation at the all-India level in November were garlic (85.14%), potato (66.65%), cauliflower (47.70%), cabbage (43.58%) and coconut oil (42.13%), according to official figures.

Key items having the lowest y-o-y inflation in November were jeera (-35.04%), ginger (-16.96%), LPG used as cooking gas (-10.24%) and dry chillies (-9.73%).

GST Collection Up By 8.5% In November

Driven by higher revenues from domestic transactions, gross GST collections expanded 8.5% to over ₹1.82 lakh crore in November this year.

The Central GST collection stood at ₹34,141 crore, State GST at ₹43,047 crore, Integrated GST at ₹91,828 crore and cess at ₹13,253 crore, according to government data released early December.

In October, GST collections stood at ₹1.87 lakh crore, which was the second-best mop up with a 9% annual growth. The highest ever collection was registered in April this year at over ₹2.10 lakh crore.

During the month under review, GST from domestic transactions expanded 9.4% to ₹1.40 lakh crore, while revenues from tax on imports increased about 6% to ₹42,591 crore.

Refunds worth ₹19,259 crore were issued during the month, registering an 8.9% slide over the year-ago period.

After adjusting refunds, the net GST collection increased by 11% to ₹1.63 lakh crore.

India's Industrial Output Slows Down In October

The country's industrial production slowed to 3.5% in October this year while in October of the year-ago, the number stood at 11.9%.

In September this year, factory output growth, measured in terms of the Index of Industrial Production (IIP), stood at 3.1%.

In the April to October period, factory output growth worked out to be 4% as against 7% in the year-ago period.

Mining output growth decelerated to 0.9% in October from a 13.1% expansion in the year-ago period. The manufacturing sector's growth also decelerated to 4.1% in October from 10.6% in the year-ago period.

Similarly, in power generation as well, output growth slid southward to 2% from a 20.4% growth a year ago.

As per use-based classification, the capital goods segment growth decelerated

to 3.1% in October this year from 21.7% in the year-ago period.

In the same month of this year, consumer non-durables' output growth slowed to 2.7% as compared to a 9.3% in October '23.

Consumer durables goods production moved northward by 5.9% during the reporting month against a 15.9% growth in October '23.

Infrastructure/construction goods reported a 4% growth in October '24, down from a 12.6% expansion in the year-ago period.

The output of primary goods logged a 2.6% growth in October as against 11.4% a year earlier. The expansion in the intermediate goods segment was 3.7% in the month under review, lower than 9.5% a year-ago.

Fitch, CareEdge Lower India's GDP Growth Projections For FY25

Ratings agencies Fitch and CareEdge have revised southward their forecasts for the country's economic growth in the current fiscal (FY25) to 6.4% and 6.5%, respectively, from their earlier projections of 7% following a weaker-than-expected expansion clocked in the first half (H1) of the fiscal.

The chief economist at CareEdge, Ms Rajani Sinha, at a media briefing, said that the country's GDP was projected to grow at 6.8% in the second half (H2) of the current fiscal year (FY25). In H1 FY25, India's GDP growth stood at

6%. Ms Sinha said that a 6.8% expansion in H2 of this fiscal would take the full year's average to 6.5%.

"Contraction in public capex, prolonged monsoon and weakening urban demand impacted growth momentum in the H1 of the current FY," she said.

"But we can expect economic growth in H2 to rebound, supported by the recovery in consumption and a pick-up in government capex. Healthy agricultural production and robust services sector performance will be supportive of a rebound in GDP," she added.

Fitch Ratings said that it forecasts India's GDP to expand by 6.4% this fiscal.

"Fitch forecasts India's GDP to expand by 6.4% in FY25 and 6.5% in FY26, slowing from the 8.2% pace in FY24. However, India's economic growth remains a strong relative to that of global peers and supports our asset performance forecast," Fitch Ratings said.

An important point to note here is that India's GDP growth slumped to a seven-quarter low of 5.4% in the latest July to September quarter. Following this, several agencies lowered their projections.

Maharashtra, Karnataka Garner Over Half Of FDI In The Past 5 Years

Two Indian states - Maharashtra and Karnataka - have received over 50% of the total Foreign Direct Investment

(FDI) into the country since October '19, data from the Department for Promotion of Industry and International Trade showed.

Maharashtra attracted direct investments worth US \$82,638 million or 31% of the total inflows in the country between October '19 and September '24, the data showed.

Karnataka bagged investments worth US \$54,574 million or 21% of the total flow during the same period.

Gujarat and Delhi got 16% and 13%, respectively, while Tamil Nadu attracted 5% from global investors completing the top five spots in the country.

Among the top ten states on the list, Jharkhand, Rajasthan and West Bengal occupied the last position with 1% of the total flows each since October '19. This comes in the backdrop of FDI inflows into the country breaching the US \$1,000 billion mark since the turn of the century.

The cumulative amount of the FDI, including equity, re-invested earnings and other capital stood at US \$1,033.40 billion (US \$1 trillion) between April '00 and September '24.

The services sector and computer software and hardware industries garnered maximum interest from global investors since April '00.

The former bagged over 16% while computer software and hardware sectors received 15% share from overall investments since the century began.

The country which contributed the most in terms of FDI in the country since April '00 is Mauritius with 25% of all FDI inflows. It was closely followed by Singapore at 24% while the US came a distant third with less than 10%.

Forex Reserves Slide To Nearly 6 Month Low: RBI Data

India's forex reserves slid sharply southward by nearly US \$2 billion to an almost six month low of US \$652.87 billion as of 13th December, data from the Reserve Bank of India (RBI) showed.

The country's forex reserves declined by US \$1.988 billion to US \$652.869 billion for the week ended 13th December, the RBI said.

In the previous reporting

week, the overall reserves had declined by US \$3.235 billion to US \$654.857 billion.

Reserves have been sliding for the last few weeks and the drop has been attributed to revaluation, along with forex market interventions by the RBI to help reduce volatilities in the rupee.

The forex reserves had increased to an all-time high of US \$704.885 billion in September.

Changes in Foreign Currency Assets (FCAs) are caused by the central bank's intervention in the forex market as well as the appreciation or depreciation of foreign assets held in the reserves.

For the week ended 13th December, FCAs, a major component of the reserves

decreased by US \$3.047 billion to US \$562.576 billion, the data showed.


Expressed in US dollar terms, FCAs include the effect of appreciation or depreciation of non-US units like the Euro, Pound and Yen held in the forex reserves.

Gold reserves increased by US \$1.121 billion to US \$68,056 billion during the week, the RBI said.


The Special Drawing Rights (SDRs) were down by US \$35 million to US \$17.997 billion, the country's central bank said.

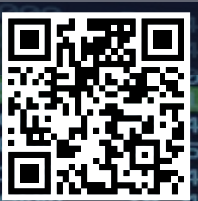
India's reserve position, with the International Monetary Fund (IMF) was also down by US \$27 million to US \$4.24 billion in the reporting week, the Reserve Bank said.

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any Indians were busy planning their year-end foreign trips to ring in 2025 when news broke of the rupee crossing 85 against the dollar. The breach of an important psychological milestone threatened to throw their carefully budgeted plans awry, leading many to scramble for calculators to check how much more they would have to shell out for their dream holidays. On the other hand, those earning in dollars merrily counted the currency windfall.

The rupee, historically prone to annual depreciation of about 5% to 10% against the US dollar, has been remarkably steady in recent years. After hitting nearly ₹83 per dollar in October 2022, the currency stabilized and became one of the strongest among emerging markets.

Between October '22 and October '24, the rupee maintained a trading range of ₹82 - ₹84, with its decline from ₹82 to ₹84 taking 24 months.

However, since September '24, the rupee's trajectory has reversed. From ₹83.5 in mid-September, it fell to a record low of ₹85.3 by 18th Dec '24, marking a rapid two-month decline. So, what does the 85 milestone mean for the rupee and how will the situation pan out for the Indian economy?

THE REASONS

The primary reason for the rupee's fall lies in the strengthening US dollar, which is driven by the robust performance of the US economy. While the rupee itself remains fundamentally sound - with a manageable current account deficit (1.1% of GDP in Q1 FY25), moderating inflation (5.5% in November), stable crude oil prices, and improving fiscal deficit (projected at 4.9% of GDP in FY25) - global capital flows have heavily favoured the US, pressurizing the rupee.

The US Federal Reserve's monetary policy has supported this trend. By achieving a "soft landing" with inflation control and avoiding recession, the US has attracted significant foreign capital, bolstering the dollar.

Financial markets anticipate further US economic growth under a potential second term for Donald Trump, similar to his first

term's pre-Covid performance. This optimism has led to expectations of continued dollar strength.

Market expectations of four US Federal Reserve rate cuts in 2025 have been tempered and higher interest rates support the dollar by encouraging investment in US bonds, indirectly weakening the rupee.

IMPACT ON THE INDIAN ECONOMY

A depreciating rupee has significant implications, with imported inflation being the most pressing concern. A weak rupee directly affects everyday life, from costlier petrol to pricier groceries.

India, as a net importer, relies on the US dollar - the world's reserve and primary invoicing currency - for most transactions. A stronger dollar or weaker rupee increases the cost of imports, even if their volume and international prices remain unchanged.

India heavily relies on dollar-denominated imports, particularly crude oil, with 87% of its oil needs imported. In FY24 alone, \$134 billion was spent on oil imports.

A stronger dollar inflates this bill, driving up costs for fuel, plastics, and fertilizers, triggering imported inflation that raises prices across the board.

So, even if global crude prices stay stable and import volumes remain constant, a weaker rupee can raise the cost of petrol and diesel domestically.

The rupee's relatively smaller depreciation compared to the yuan, coupled with an expected rise in Chinese dumping, is hitting Indian businesses with reduced domestic sales and less competitive exports.

Also, Indian companies borrowing in dollars face increased repayment burdens. For instance, a \$1 loan at ₹83 now costs ₹84.4 to repay.

As of June '24, India's external debt stood at \$682 billion, a \$13 billion rise in just three months, risking financial stress for some firms.

A weakening rupee has worsened India's trade deficit, which reached a record of \$37.8 billion in November.

Additionally, net inflows linked to the JPM Bond Index inclusion reversed in November, with \$507.4 million in net outflows through the Fully Accessible Route, putting pressure on the rupee.

These developments expose vulnerabilities in the RBI's rupee management. Domestic growth slowed sharply to 5.4% in Q3 FY25, the lowest in seven quarters, while inflation surged to 6.21% in October, a 12-month high.

Foreign currency reserves have also declined significantly, with foreign currency assets below \$500 billion when adjusted for forward market shortfalls.

WHO BENEFITS?

Exporters gain from a weaker rupee as they earn in dollars. IT companies see higher rupee

conversions while drugmakers exporting to the US and Europe benefit from favourable exchange rates. With a falling rupee, Indian textile firms gain competitiveness as global buyers seek alternatives to China.

Investors in IT and pharmaceutical stocks may see portfolio gains, offering a silver lining amid broader economic challenges.

HOW IS RBI FIGHTING TO SHORE UP THE RUPEE?

The Reserve Bank of India (RBI) has undertaken significant interventions in the currency market over the past three years, amounting to \$38 billion in 2022, \$9 billion in 2023, and approximately \$67 billion in the first 11 months of 2024.

Much of this activity, particularly in the non-deliverable forward (NDF) market, has been concentrated since late September, coinciding with the lead-up to the RBI governorship transition.

This marks a departure from the past when the RBI discouraged the use of the NDF market. The forex reserve import cover declined to 9.4x in November, its lowest in a year, while short-term external debt cover fell to 4.9x from 5.1x in October.

The forward market offers the RBI certain advantages. Transactions in this market, especially in the unregulated NDF segment, are less transparent, allowing the RBI

to obscure its presence.

Unlike spot interventions, forward transactions preserve domestic liquidity in the short term since payments are deferred until the contracts mature. However, NDF transactions also carry risks.

A significant depreciation of the rupee could result in substantial losses, as these contracts are settled in US dollars.

For instance, a \$70 billion short position with an unexpected 10% rupee depreciation would lead to \$7 billion in losses, potentially reducing the central bank's dividend to the nation's government.

The RBI's net short position in forward contracts stood at \$49 billion as of 31st Oct '24. Of this, \$28 billion was due for settlement in November, with the remainder maturing between December and January.

These settlements could drain ₹1.8 lakh crore from the banking system by January '25, exceeding the liquidity infusion from the cash reserve ratio cut.

Despite increasing reliance on forward interventions, the RBI's spot market activities have also remained substantial. In 2022, heavy dollar sales in the spot market tightened liquidity, pushing short-term rates higher.

A similar scenario unfolded between October and December '24, leading to liquidity shortages and rising

market interest rates, even as the economy showed signs of losing momentum. Continued interventions risk further draining liquidity, potentially reversing the CRR-induced relief.

The central bank has recently shifted its strategy by allowing some NDF contracts to expire without renewal, signalling a recalibration of its approach.

This decision, made before Sanjay Malhotra's appointment as the RBI Governor, has increased pressure on the domestic rupee market.

Banks previously hedging their positions through NDF contracts have now turned to onshore markets to close their exposures, driving demand for dollars and pushing forward implied yields higher.

THE TRUMP FACTOR

Donald Trump's swift policy statements, including tariffs on imports, are triggering significant global economic ripple effects.

Trump has announced plans to impose a 25% tariff on imports from Mexico and Canada unless immigration issues are addressed by these nations, and an additional 10% tariff on Chinese imports, compounding existing tariffs.

In response, China has cut value-added tax rebates for aluminium and copper exports, leading to price spikes on the London Metal Exchange.

This has pushed up domestic

prices in markets like India, showing that even tariff discussions can drive inflation. Currencies of targeted economies, including the euro and Chinese yuan, have weakened since Trump's election.

The yuan's depreciation is expected to continue, which while offering some export advantages, risks stoking inflation in these countries.

THE BIGGER PICTURE

While some sectors benefit, the overall impact of a weak rupee leans negative. Higher import costs burden households and businesses, inflation erodes savings, and dollar loans increase financial instability risks.

A strong dollar could trigger global trade disruptions, akin to the 2018 US-China trade war.

A 10% dollar rise can reduce emerging economies' output by 2% within a year, according to the IMF - an outcome India can ill afford.

On the global front, the USD strengthened by 2.3% post-U.S. elections, peaking above 107.5, while US rates surged on fiscal concerns before easing with Scott Bessent's appointment as Treasury Secretary.

However, with firmer inflation, resilient US growth, and a potential Fed pause, USD strength and rising US rates are expected to persist. In Asia, the BoJ's anticipated policy hike could push JGB 10-year yields above 1.1%,

presenting additional risks to EM currencies.

THE WAY AHEAD

While tailwinds for the INR are limited, potential positives include a recovery in economic growth supported by increased government capital expenditure and measures to ease consumption pressures. While the rupee has weakened to a record low against the dollar, it remains one of Asia's more stable currencies.

Globally, a dovish Fed or a higher-than-expected hawkish BoJ could temper USD strength. Additionally, easing geopolitical tensions that reduce oil prices would support the INR.

Foreign Institutional Investor debt flows may remain passive in Q4FY25, though FTSE index-related inclusion and a rally in yields could improve sentiment.

If the RBI opts for slower rate cuts compared to Asian or EM peers, carry trade opportunities could bolster the INR. The Bloomberg USD-INR carry trade index recently hit a 52-week high, reflecting potential interest in such trades.

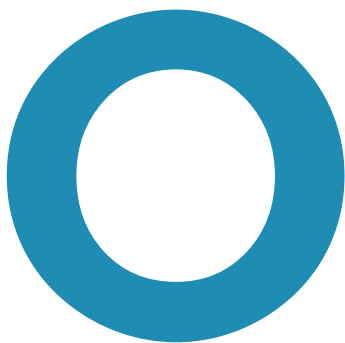
The USD-INR is projected to remain in the 86.0–86.5 range for FY25, with risks extending into FY26 if tariff-related uncertainties materialize.

Experts say the RBI's cautious balancing act in managing the rupee appears increasingly unsustainable, highlighting the need for a more flexible exchange rate policy.



MITIGATING RISKS

SEBI's proposal to convert ITM Options into Futures Contracts a day before derivatives expiry will mitigate expiry day risks



On 5th December, the capital markets regulator, the Securities and Exchange Board of India (SEBI) released a consultation paper proposing to convert In-the-Money (ITM) stock option into futures contracts a day before the derivatives contract expires for a particular month. Public comments on the consultation paper were invited by 26th Dec '24.

In recent months, SEBI has been cautious about excessive volatility on the expiry day of the derivatives contracts and its potential consequences. It undertook deliberations with the industry to put in place a system to contain risks arising out of huge swings on the expiry day.

One such risk is of an out-of-the-money (OTM) option suddenly turning ITM on the expiry day. As per settlement norms, the ITM option holder is obligated to bring in cash or securities to honour the physical settlement. If the position is large enough and such an ITM option holder fails to oblige by bringing in cash or securities to honour the physical settlement, it could pose a huge risk to the entire settlement system. Hence, the consultation paper was floated by SEBI.

The paper proposes converting ITM options into futures contract a day before the contract expiry day. But before we delve deeper, let us try to understand the issue in some detail.

ITM, ATM AND OTM OPTIONS

Derivatives are contractual instruments, the prices of which are derived from the underlying asset. They include Futures and Options (Call and Put). On the Options front, a bullish view would include buying a Call Option (or selling a Put Option) by the trader, while a bearish view would include buying a Put Option (or selling a Call Option). Normally, these contracts expire on the last Thursday of the month. There are various strike prices at which these derivatives contracts are offered by the stock exchanges.

Now, depending on the view on the market, the trader can buy these Options at different strike prices. Here is where the concept of ITM, ATM and OTM comes in.

To illustrate, if the spot price is ₹100, then all strike prices for

Call Options above ₹100 are OTM, below ₹100 are ITM, and at or near ₹100 are ATM. Similarly, for Put Options, all strike prices below ₹100 are OTM, above ₹100 are ITM, and at or near ₹100 are ATM.

Exposure to ITM, OTM or ATM determines the profit outcome for the trader. While all OTM or ATM Options contracts expire worthless on the expiry day (say, E), all open ITM contracts on the expiry day are automatically exercised. This implies that they need to buy shares from the cash market to meet delivery obligations.

THE ISSUE

Now, it is the spot price of the underlying asset that decides if the contract will expire ITM, OTM or ATM. Huge swings witnessed in the price of the underlying asset on the expiry day. If an OTM Option suddenly turns ITM on expiry day, the ITM Option holder is obligated to bring in the cash or securities to honour the physical settlement.

The worry is that if the position is large and such an ITM option holder fails to bring in the cash or securities to honour the physical settlement, the same could pose potential risks to the entire settlement system.

Currently, the closing price of the underlying stock on the expiry day is based on the average of the last 30 minutes. There could be sudden movement of OTM option converting to ITM even in the last 5 minutes before the market closes for the day. The reverse is also possible.

In a nutshell, SEBI's proposal to convert ITM Options into Futures contracts a day before the contract expiry day is a prudent move to mitigate potential risks arising from excessive expiry day volatility.

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INDIA'S GLOBAL MEDTECH AMBITION

Evolving from import reliance to a global innovation hub, India's medical device sector is poised for exponential growth



As science makes rapid strides, India's medical device sector is emerging as a sunrise industry. No longer restricted to the domestic markets, India is now exporting a wide range of medical devices across the globe while also importing them.

Experts believe the sector holds immense growth potential over the next five years. A recent EY-Parthenon study forecasts that India's medical device industry, valued at US \$12 billion in FY24, will grow into a US \$50 billion powerhouse by FY30, marking the country's transformation from a major importer to a global hub for medical technology innovation and manufacturing.

The study outlines various factors that will drive the sector's growth. Below are key highlights of the report, illustrating why India's medical device sector is on the rise:

THE INDUSTRY

India's medical device sector is predominantly driven by the electronic equipment and disposables and consumables categories, which together accounted for 82.5% of the combined import and export market in 2023-24.

Of this, electronic equipment held the largest share at 56%, while disposables and consumables contributed 26.5%. The remaining 17.5% was distributed across in-vitro diagnostics (8.1%), implants (7.1%), and surgical instruments (2.3%).

The sector is divided into five primary segments: electronic equipment, in-vitro diagnostics, disposables and consumables, surgical instruments, and implants.

KEY FEATURES OF THE INDUSTRY

- The medical device sector, recognized as a sunrise industry in India, played a pivotal role during the Covid-19 pandemic.
- It swiftly manufactured and exported essential supplies like ventilators, Rapid Antigen Test kits, RT-PCR kits, infrared thermometers, PPE kits, and N-95 masks.
- According to the Association of Indian Medical Device Industry (AIMED), India's medical device market was valued at approximately US \$12 billion in FY24 and is expected to grow to US \$50 billion by 2030.

- Currently, the market ranks among the top 20 globally, with a 1.65% market share, which is projected to increase to between 10% and 12% over the next 25 years.

- The majority of Indian medical device manufacturers specialize in the disposables and consumables segment, mostly catering to domestic demand, while multinational corporations (MNCs) dominate the high-tech segment with extensive service networks.

- India has seen significant growth in the export of medical devices, achieving a CAGR of around 14% from FY20 to FY24. In FY24 alone, the country's medical device exports were valued at US \$3.8 billion, reflecting a 13.5% increase from the previous year.

- The United States was the largest export market, receiving 18% of India's medical device exports, followed by Germany (5.4%), China (4.5%), the Netherlands (3.8%), and Brazil (2.4%). Together, these five countries accounted for approximately 34% of total exports.

- India remains a net importer of medical devices, relying on imports for 80% to 85% of its domestic requirements. In FY24, imports reached US \$8.2 billion, a 13% increase from the previous year, more than twice the value of its total exports.

- The surge in imports is attributed to the growth of top-tier hospital chains such as Max, Hinduja Group, Fortis, Manipal, Calcutta Medical Research Institute (CMRI) and Apollo, which are investing in advanced infrastructure.

- Additionally, the burgeoning medical tourism industry in

India is driving the demand for sophisticated medical devices.

- India imports primarily from the US, China, Germany, Singapore and Netherlands, which constituted close to 18%, 17%, 11%, 10% and 6% of total imports, respectively, in FY24.

- The electronic equipment segment constituted the bulk of imports, with a 64% share and a growth of 14.5% compared to the previous year. The second most significant category was 'disposables and consumables', accounting for 16.7% of imports, growing by 11.5% year-on-year.

- Imported devices are typically high-value, low-volume items such as hematology analyzers, gas analysis apparatus, immunoassay processors, and robotic navigation solutions.

Now, let us understand the growth drivers of India's medical device sector:

As per the EY-Parthenon report, the growth of India's medical device sector will be driven by 14 key factors: rising incidence of chronic illnesses, increasing focus on preventive healthcare, an aging population, shift in care outside traditional settings, digitally-driven, integrated healthcare, transition towards next generation therapies, rising income and the middle class, expanding healthcare insurance penetration, infrastructure and resource expansion, increasing medical tourism, greater government focus, inherent digital and technological strength, a burgeoning start-up ecosystem, and improving investor sentiment.

Let us understand a few important growth drivers among these 14 factors. Here are salient features of select growth drivers of India's medical device sector mentioned in the report.

SALIENT FEATURES

RIISING PREVALENCE OF CHRONIC DISEASES

- Chronic diseases are responsible for 66% of deaths each year and are the primary drivers of substantial out-of-pocket healthcare expenditure in India.
- The World Health Organization reports that chronic conditions such as heart diseases, cancer, diabetes, and respiratory disorders cause 41 million deaths worldwide annually. In India, these conditions are also associated with significant economic output losses, projected to reach US \$3.55 trillion between 2012 and 2030.

INCREASING FOCUS ON PREVENTIVE HEALTHCARE IN INDIA

- According to the EY-Parthenon report, nearly 40% of the respondents strongly preferred preventive health measures.
- The establishment of preventive health and screening outpatient departments in hospitals, prioritization of 'preventive and promotive health' in the National Medical Devices Policy, and the focus on the National Digital Health Mission are key indicators of the shift towards preventive healthcare.

GROWING ELDERLY POPULATION

- In India, the elderly accounted for 10.5% of the population in the year 2022, and projections from the Longitudinal Ageing Study in India (LASI) suggest this figure will climb to as much as 20.8% by 2050.

- Consequently, the old-age dependency ratio - the ratio of individuals aged 60 and above to every 100 people of working age (15 to 59 years) - is set to rise.

- According to the India Ageing Report 2023, this ratio is anticipated to grow from 15.7% in 2021 to 20.1% in 2031.

- This increase in the elderly population and dependency ratio signal an escalating need for the younger generation to provide care and address the social needs of older adults in the country.

DIGITALLY DRIVEN, INTEGRATED HEALTHCARE

- India's digital health market is anticipated to expand from US \$12.2 billion in 2023 to US \$25.64 billion by 2027, demonstrating a robust CAGR of 20.4%.

- Digital health enhances efficiency, accessibility, personalization, and effectiveness of healthcare through the strategic application of data and technology.

- Patients gain greater control over their health with convenient access to medical care, while physicians are equipped with real-time data that supports early disease detection and enhances data-driven decision-making,

ensuring that the task is easier and simpler.

- The exponential growth in Food and Drug Administration (FDA) approvals for AI-enabled medical devices, which rose by over 176% from 80 in 2019 to 221 in 2023, shows the rapid integration of digital technology in medical devices.

RISING INCOME AND THE MIDDLE CLASS

- The Indian government's 2022–23 Household Consumption Expenditure survey reveals a steady increase in nominal household consumption expenditure, indicating the growing financial muscle of the Indian middle class.
- Rural households have seen an annual growth rate of 1.02% from 2011–12 to 2022–23, while its urban counterparts have experienced a slightly higher rate of 1.12% during the same time period.
- The expanding middle class, armed with increased purchasing power, is becoming more health-conscious and demanding higher standards of healthcare. This demand is not just for basic medical services but extends to high quality and more sophisticated healthcare solutions.
- For the MedTech sector, this is an invitation to innovate, expand and deliver healthcare solutions that meet the aspirations of a new India that is healthier, wealthier and more discerning than ever before.

EXPANDING HEALTHCARE INSURANCE PENETRATION

- According to the report,

around 20% of India's population is covered by social or private insurance, and about 50% is covered by government schemes such as Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) and state initiatives, leaving approximately 30% uninsured.

- In September '24, the government extended AB-PMJAY to senior citizens aged 70 years and above. This unique initiative brought an estimated 60 million seniors - around 4% of the total population - into the government-covered category, reducing the size of the uninsured in the country.

INCREASING MEDICAL TOURISM

- India is now the second largest medical tourism hub in Asia. In 2023, India hosted more than 5,00,000 international patients. This figure is expected to rise to 3 million by 2030.
- Patients from nations such as Afghanistan, Pakistan, Oman, Bangladesh, the Maldives, Nigeria, Kenya, and Iraq constitute a significant portion of India's medical tourists.
- Medical procedures in India are 60% to 80% less expensive than in developed countries. For example, a cardiac procedure that costs approximately US \$1,00,000 in the United States or US \$40,000 in the United Kingdom can be performed for close to US \$5,000 in India with similar clinical success.

INCREASING GOVERNMENT FOCUS

- The Indian government has

implemented a comprehensive set of reforms such as 'Medical Device Rules, 2017' and 'National Medical Device Policy, 2023', Production Linked Incentive (PLI) scheme, Promotion of Medical Device Parks scheme, MedTech Mitra platform for start-ups, and promotion of research and innovation in Pharma -MedTech sector (PRIP) scheme.

- The National Medical Device Policy, which was approved in April last year, aims at making India a global leader in medical device manufacturing and innovation by achieving a 10% to 12% share in the expanding global market over the span of 25 years.

IMPROVING INVESTOR SENTIMENT

- The medical device sector in India has attracted significant interest from Private Equity (PE) firms, who see immense potential for growth and innovation in the market. Healthcare devices and supplies attracted over US \$1.2 billion in PE and Venture capital (VC) investments by August '24, highest in the last five years.
- Additionally, Foreign Direct Investment (FDI) in the medical device sector has been steadily increasing. In the first two quarters of 2023-24, India witnessed US \$425 million in FDI in the MedTech sector, the highest since the year 2019-20.
- Given these growth drivers, India's medical device sector is expected to contribute to a robust healthcare system in India and achieve the mission of Swasta Bharat (Healthy India).

From new regulations to fleet expansions, India's aviation is revving up - but the sector still faces some turbulence

HIGH AMBITIONS, ROUGH SKIES





As the global aviation sector continues its ascent, total passenger traffic is projected to reach approximately 9.5 billion in 2024, surpassing pre-pandemic levels. Reflecting this momentum, India's domestic passenger traffic has grown by 9.6% year-on-year, signalling a robust recovery and strong demand for air travel.

India's aviation industry has undergone a big transformation, driven by regulatory reforms and expanding infrastructure. The Ministry of Civil Aviation (MoCA) has played a pivotal role in shaping the sector through initiatives focused on improving efficiency, safety, and sustainability in air travel. Supporting this effort, regulatory bodies such as the Directorate General of Civil Aviation (DGCA), the Aircraft Accidents Investigation Bureau (AAIB), and the Airports Authority of India (AAI) are collaboratively fortifying the nation's aviation framework.

One of the most notable legislative changes is the introduction of the Bharatiya Vayuyan Vidheyak Bill 2024. This bill seeks to replace the outdated Aircraft Act of 1934, which has long been a source of regulatory ambiguity. By streamlining regulations, providing clearer definitions, and aligning India's aviation sector with international standards, the new bill marks a pivotal step forward.

The Bill introduces a key reform by transferring responsibility for the Radio Telephone Operator Restricted (RTR) certificate and licence examinations from the Department of Telecom (DoT) to the Directorate General of Civil Aviation (DGCA). This shift aims to streamline the process, allowing aviation personnel to obtain all necessary certifications from a single authority, creating a more efficient, one-stop system.

Allegations of corruption have plagued the RTR exam process under the DoT, with some candidates reporting demands for large sums in bribes to secure their certification. Also, the Bill empowers the regulation of aircraft design and the locations where they are developed, while maintaining existing provisions related to manufacturing, repair, and maintenance.

Key provisions of the Bill include:

- **MRO Industry Support:** The Bill introduces precise definitions

for terms related to the maintenance, repair, and overhaul (MRO) sector, boosting domestic production capabilities and self-sufficiency. This is expected to attract significant investment in MRO facilities and create thousands of jobs.

- **Certification Streamlining:**

Centralizing the certification process for aircraft operation and maintenance will eliminate delays and improve workforce readiness, addressing the growing demand for skilled aviation professionals.

- **International Alignment:** By

aligning India's regulations with global conventions, such as the Chicago Convention (1944), the Bill enhances India's international standing in aviation safety and registration.

These measures create a favourable environment for investment and growth, particularly in the MRO and aircraft leasing sectors, which are poised for rapid development.

OPPORTUNITIES IN AVIATION SECTOR

India's aviation market continues to expand at a rapid pace. Airlines are actively expanding their fleets to meet the growing demand for air travel. Air India, for instance, has placed an order for 85 Airbus planes, and IndiGo is investing US \$5 billion in 30 A350-900s, bringing its total order to over 1,000 aircraft. These fleet expansions are indicative of the sector's optimism and the

opportunities available for both new and existing carriers.

Alongside fleet growth, India is also becoming a major hub for aircraft leasing, particularly at the Gujarat International Finance Tech-City (GIFT City). With its favourable tax policies and regulatory framework, GIFT City is attracting international leasing companies and facilitating a shift away from traditional leasing centers like Dublin and Singapore. These fleet expansions present both opportunities and challenges, as airlines need to ensure they have the necessary support in terms of infrastructure, training, and MRO services.

The rising air traffic has created ample opportunities for airlines and other aviation businesses. The demand for aircraft leasing, maintenance, and operational upgrades is growing. The Indian government has introduced measures to grow the Maintenance, Repair, and Overhaul (MRO) sector, including allowing 100% foreign direct investment (FDI) and reducing Goods and Services Tax (GST) on MRO services. With over 80% of India's MRO needs currently being met by foreign sources, developing a strong domestic MRO industry could save India billions of dollars while creating tens of thousands of jobs.

CHALLENGES

While the outlook for India's aviation sector remains optimistic, significant challenges persist, particularly in infrastructure and

operational costs. The number of operational airports in India has increased from 74 in 2014 to 157 in 2024, yet many airports are operating at or beyond their capacity, leading to congestion and delays. By 2030, domestic passengers could reach 600-700 million, and international traffic may grow to 140-160 million annually.

With the number of operational airports set to rise from 157 in 2024 to 350-400 by 2047, India aims to meet future demand. However, key airports like Delhi, Mumbai, and Bengaluru are nearing capacity, and modernization is essential.

To meet the growing demand, the development of new airports, especially in Tier II and Tier III cities, is crucial. Although government initiatives like the UDAN scheme are designed to improve regional connectivity, infrastructure development in these areas continues to be a key challenge.

India's airline fleet is expected to expand to 1,400 aircraft by 2030. To support this, India must develop efficient infrastructure, regulatory reforms, and a skilled workforce. Innovations like AI-powered customer service and biometric security checks will improve the passenger experience. With continued investment, India has the potential to become a global aviation leader.

High fuel costs are another major concern for the aviation industry, significantly impacting profitability. Despite

strong passenger traffic growth, the industry is projected to face a net loss of ₹20 billion to ₹30 billion in FY25 and FY26 due to elevated aviation turbine fuel (ATF) prices and operational challenges. Managing these costs will require strategic adjustments, including adopting fuel-efficient technologies and improving operational efficiencies.

India's aviation sector is on a promising trajectory, with significant opportunities for growth in passenger traffic, aircraft leasing, and MRO services. Legislative reforms like the Bhartiya Vayuyan Vidheyak Bill 2024 and the expansion of GIFT City as a hub for leasing are helping to position India as a competitive player in the global market.

However, the sector must address challenges such as infrastructure constraints and high operational costs to sustain this growth. While the Bhartiya Vayuyan Vidheyak Bill 2024 presents significant opportunities for India's aviation sector, it must address challenges such as infra gaps, rising fuel costs, and pilot shortages. To be truly effective, the Bill must foster a conducive environment for sustainable growth.

Moreover, establishing aviation tribunals with industry experts is crucial to efficiently handle sector-specific disputes. This would enhance decision-making and expedite the resolution of aviation-related issues. By addressing these concerns, India can position its aviation sector for success on the global stage.

SOLE SEARCHING

India's ₹1 trillion footwear industry is navigating tight spots, but evolving tastes, bold moves, and new government norms promise a strong stride ahead



India's footwear sector, a nearly ₹1 trillion industry, seems to be walking a tightrope these days. The first half of the current fiscal year has been anything but a sprint, with demand growth limping along. Inflation and low-income growth among end consumers continue to pinch, making it tough for the sector to find its footing.

Adding to the woes of industry players are new regulations by the government, which have put the sector's supply chains in a bit of a tangle - like trying to lace up shoes with the wrong-sized laces.

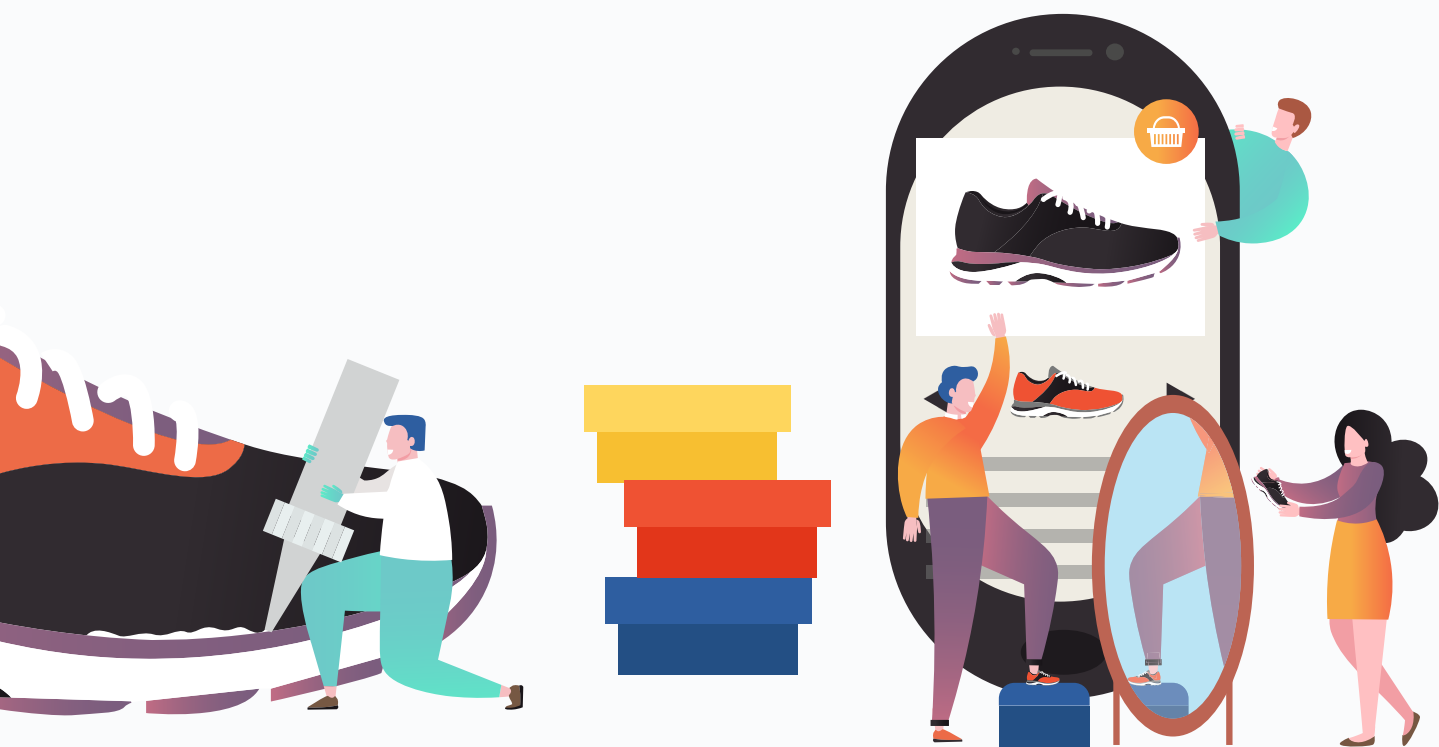
While the festive season and an uptick in weddings have brought a whiff of optimism, the growth trajectory appears to be

unclear for the near term.

Interestingly, despite the hiccups, consumer attitudes toward footwear have been undergoing a quiet revolution. No longer just a necessity, footwear is now a lifestyle statement.

Organized players in the footwear sector have been riding the wave of urbanization, shifting demographics, rising aspirations, and increasing disposable incomes - because who doesn't want shoes to match every mood, occasion, and social media post?

Additionally, ease of making payments, has given a sharp rise to demand through online shopping, further cementing



this shift.

Now, footwear is transcending into a lifestyle purchase from value purchase. Different shoes are bought for different occasions - be it formal meetings, gym workouts, or for that matter dancing in the baraat.

Athleisure and sportswear have become hot favourites among sports enthusiasts, and growing participation of women in the workforce has sparked demand for stylish yet comfortable footwear.

Even kids aren't left behind, with parents splurging on tiny sneakers that cost more than their own childhood school shoes!

The shift from unorganized to organized players has been a boon for companies like Bata India, Campus Activewear, Metro Brands, and Relaxo Footwears.

However, in the last six months, their stock prices have taken a hit, underperforming broader market indices.

Investors seem to be playing it cautious, with one particular regulatory hurdle - the implementation of Bureau of Indian Standards for footwear - looming large.

BIS: A NEAR-TERM PAIN

The Indian government, in its effort to give the footwear and leather sector a much-needed polish, has rolled out several initiatives under the Indian Footwear and Leather Development Programme (IFLDP).

This ambitious scheme aims to bolster infrastructure, address environmental concerns, attract investments, generate jobs, and ramp up production in the sector.

With this in mind, the government has introduced the Quality Control Orders (QCOs), effective from 1st Aug '24.

Under these new norms, most footwear products will now fall under the purview of the Bureau of Indian Standards (BIS) and must bear the coveted ISI mark.

To add to the challenge, manufacturers were required to disclose all old stock by August '24, and have only until July '26 to clear these inventories.

The norms apply to both domestic and foreign footwear manufacturers selling in the Indian market. The QCO order covers multiple sub-categories within the footwear sector pertaining to leather, rubber and polymeric materials.

So, what is the challenge here? Imports cannot be made without registration and adhering to stringent quality norms now.

This isn't just about slapping an ISI mark on shoes - manufacturers need to overhaul their processes, source raw materials that meet the new standards, and brace for higher costs.

Industry is also witnessing some disruption in manufacturing capabilities as they stock up old inventory

and put them up for sale on a priority basis.

Some research analysts tracking the footwear sector have estimated that expenses for manufacturing units could rise by 3% to 5% due to the cost outgo needed to obtain mandatory licences and set up in-house testing laboratories as per the new norms.

LONG-TERM GAINS

While Indian brands are strapping in to keep manufacturing despite the recent regulatory shake-up, international footwear brands might face a bumpy ride in the next quarter, with supply chain uncertainties looming. Yet, despite these near-term challenges, the domestic footwear industry has largely hailed the government's move.

Why? Because it's a step toward ensuring quality footwear for Indian consumers while promoting the "Make in India" theme.

In the past decade, organized footwear retailers have outpaced the growth witnessed by the overall industry, capturing a bigger share of the market - and likely the hearts of shoppers looking for everything from formal oxfords to sporty sneakers.

The government now has ambitious plans to scale up the leather and footwear industry to a whopping \$50 billion by 2030, from \$12 billion currently.

The footwear industry is

important for India as it offers immense employment and export potential.

The sector contributes around 2% of India's GDP, generating employment to approximately 4.42 million people consisting mainly of young age population and women workforce.

Currently, India stands as the second-largest producer of footwear, contributing 10.7% of global production.

Around 90% of footwear manufactured in India are consumed internally, while the remaining are exported, primarily to the European nations.

In terms of sheer volume, India's footwear market clocks in a staggering 2.2 billion pairs annually. The market is segmented into categories such as mass (under ₹500 per pair), economy (₹501 to ₹1,000), middle (₹1,001 to ₹3,000), and premium (₹3,001 and above).

It doesn't stop there. The industry also caters to men, women, and kids, with new segments like athleisure and sportswear gaining traction at a faster pace.

With more women joining the workforce and kids demanding their share of fashionable kicks, it's a market that truly has something for everyone across ages.

FINALLY – KEY TRENDS TO CONTINUE

Despite a few near-term challenges, consumer

behaviour in India's footwear market is striding ahead. A handful of key trends are reshaping the sector, setting the stage for listed footwear companies to step up their game.

Unorganized To Organized:

With about 70% of the sector still unorganized, the winds of change are blowing.

Factors like healthy economic growth, rising disposable incomes, urbanization, and a younger demographic are encouraging a shift from unorganized to organized markets.

Footwear For All Occasions:

Gone are the days when one trusty pair of shoes would suffice for all events. The rise of sportswear and casual footwear is nudging Indians toward buying more pairs.

Currently, India's per capita footwear consumption stands at a modest two pairs — well below the global average of 3.2 pairs (2019).

Premiumization

The Indian consumer is warming up to brands - big and small, even in smaller cities. Whether it's a big-city mall or a tier-II store, shoppers are trading up to premium, high-value footwear.

Data shows that the average selling price (ASP) of footwear in India has climbed from ₹308 in FY14-15 to ₹415-₹430 in FY21-22, and is estimated to have crossed ₹550 in FY23-24.

E-commerce

While most Indian consumers still prefer the in-store experience - browsing through exclusive brand outlets (EBOs) or multi-brand outlets (MBOs) - e-commerce has made significant strides, especially post-pandemic.

Be it midnight impulse buys or end-of-season sales, the convenience of online shopping has found favour with a growing number of Indians. And honestly, who wouldn't want their new sneakers delivered right to their door?

The organized footwear market isn't just thriving in metros and big cities; tier-II and tier-III cities are joining the party.

Companies have expanded their product portfolios to cater to this diverse demand, covering everything from budget- friendly chappals to luxe leather loafers.

Footwear companies are not just keeping pace with demand - they're also effectively passing on any increase in raw material costs to consumers.

With these trends gaining traction, the long-term outlook for India's organized footwear sector looks solid.

Whether it's the steady rise of e-commerce, the charm of premiumization, or the ongoing shift to organized retail, the footwear sector in the country is lacing up for sustained growth in the coming timeS.

DUBBED BLOCKBUSTERS

Dubbed films shine beyond South India, winning hearts and fortunes with most releases



T

he stupendous success of the Hindi dubbed version of Telugu film *Pushpa 2: The Rule* has once again put the economics of dubbed films under the spotlight. According to trade analysts, the film's Hindi version has raked in over ₹500 within just nine days of its release, showcasing the sheer power of a southern blockbuster crossing over.

Over the past decade, dubbed films have been attracting audiences well beyond their home states. In fact, the overwhelming response to these southern films, which cross their home territories, has encouraged many a southern filmmaker to aim for a pan-India market.

This brings us to two pressing questions: First, what are the key ingredients in these dubbed southern films that have struck a chord with audiences in the non-southern states? Second, what makes them such a financially sound investment? Here's a closer look at both.

THE ELEMENTS

A key factor behind the success of dubbed southern films is their universal appeal, thanks to the elements of *Navarasa*. This concept largely revolves around nine emotions interwoven within a film's story – something that resonates deeply with the mass audience. When this expectation is fulfilled, the chances of a film becoming a hit skyrocket.

But over the years, the mass audience has often been alienated. Cinemas in cities focused more on urban audiences. The language, the ideological references, the global views, concerns and references alienated mass audiences. They could not connect with urban films which largely focused on the Non-Resident Indians (NRIs).

Meanwhile, dubbed Telugu and Tamil films were making their way to the northern parts of India via pen drives. Scholars point out that video store owners would sell four to five dubbed films at once, and the mass audience in the North quickly found a connection.

These films contained the very elements missing in contemporary Hindi cinema: larger-than-life heroes,

high-octane action, and themes that mirrored the audience's value systems. Take *Sarrainodu* (2016), one of the most-watched dubbed Telugu films, for example. This film is a masala blockbuster packed with all the nine *rasas*.

The hero, Gana (played by Allu Arjun), is a larger-than-life ex-army major who can't tolerate injustice (*Veer Rasa*). He is sent to a neighbouring village to meet his prospective bride, Mahalaskhmi.

However, Gana falls in love (*Shringar Rasa*) with a Member of the Legislative Assembly (MLA), Hansitha Reddy.

In a sub-plot, a rich and spoiled brat named Veerendra assaults and kills a girl. He seeks help from Vairam Dhanush, the son of the state's chief minister, Reddy.

When Gana learns of Veerendra's crime, he chops off his legs (*Raudra Rasa*). He then wins the heart of MLA Hansitha Reddy. After this, Gana promises Hansitha that he will choose the path of peace (*Karuna Rasa*).

Later, Gana discovers that Vairam Dhanush is eyeing farmers' land for an oil pipeline project.

After a series of events, Gana is forced to kill both Vairam Dhanush and his father, Reddy. He informs the media (*Abhay Rasa*) that unknown terrorists were responsible for their deaths.

The film ends with Gana endorsing his MLA girlfriend, Hansitha Reddy, as a

candidate for Chief Minister.

Another winning formula for these dubbed films is their folktale structure. Take the example of *Don No. 1* (2008), a cult favourite in the Hindi heartland. The film follows a familiar folk narrative: Surya, the hero, becomes a don of Andhra Pradesh after avenging his parents' deaths.

He saves a boy who is tortured by a drug peddler. The boy, named Raghava, becomes his henchman after twenty years.

There is another don, Stephen, who rules Mumbai (like a king of another kingdom). He wants to rule (read: conquer) Andhra Pradesh. He sends his men to Andhra Pradesh to kill Surya.

After several incidents in which Surya loses Raghava (who is killed by Stephen), there is a final confrontation between Surya and Stephen. Surya wins because he survives and is righteous.

These films have one thing in common: they are created for pure entertainment. The action is fast-paced, the family is central, and the plots are driven by universal themes of justice, righteousness, and oppression.

They tell stories in a straightforward, no-frills way, designed to captivate and thrill audiences regardless of where they're from. And that's why they're making waves far beyond their home states.

DUBBED ECONOMICS

According to FICCI-EY 2024's

Media and Entertainment report, viewers are increasingly watching content in dubbed versions.

The report notes, "Content has started to travel across language barriers. Industry discussions indicate that between 20% and 50% of consumers now consume content in more than one language using subtitles and dubbed versions."

In fact, the report states that 1,796 films were released in theatres in 2023 across languages and dubbed versions.

The report further notes that major streaming platforms released content in 10 to 15 languages, and South Indian language movies were dubbed into five to seven languages. This demonstrates the economic sense behind dubbed films, as reflected in their performance.

As per various trade analysts' estimates, the top five dubbed films in Hindi, which have generated high collections, are *Pushpa 2 - The Rule*, *Baahubali 2 - The Conclusion*, *K.G.F - Chapter 2*, *Kalki 2898 AD*, and *RRR*.

On average, these films have garnered ₹414 crore in Hindi alone. This shows that when a crossover Southern film succeeds in the northern region of India, it provides strong business for its makers and becomes a pan-India success.

YOUTUBE CONNECTION

The genesis of these successful

films can be traced back to the culture of watching dubbed films on YouTube. A large number of dubbed Southern films are easily available on YouTube.

One of the most popular dubbed Southern film YouTube channels, Goldmines Telefilms, has more than 100 million subscribers. This clearly shows that dubbed Southern films are already being widely watched by the Indian audiences.

In fact, such YouTube channels dedicated to dubbed Southern films have created a popular mass base for Southern stars.

So, when their films are released in dubbed versions in the northern parts of India, the audience in the hinterland is already familiar with their films and recognizes these stars.

This is one reason why the makers of the mega movie, *Pushpa 2: The Rule*, chose the northern state of Bihar as the first location to kick off the film's promotional tour. The trailer was released at a Patna event attended by over two lakh people. And this strategy has paid off well.

While dubbed Southern films have performed well in Hindi, not all such films succeed. A case in point is the recent Tamil film *Kanguva*, which failed to attract the Hindi heartland crowd.

Therefore, for a Southern film to become a pan-India success, it must have diverse elements of Navarasa woven into the story.

FESTIVITIES ON A BUDGET

Festive buzz met cautious wallets as online clicks outpaced in-store sales in India's 2024 retail scene





The retail sector in India exhibited a mixed performance in 2024, with sales growth varying significantly across regions and segments. Even the festive season, a traditionally high point in annual retail activity, presented a blend of optimism and challenges. This festive period, spanning September to November, was shaped by shifts in consumer behaviour, evolving economic conditions, and technological advancements that are increasingly defining the retail landscape.

Retailers pulled out all the stops to capture the festive season's surge in consumer spending. From exclusive product launches and promotional offers to immersive in-store events and enhanced online shopping experiences, businesses employed a variety of strategies. However, these efforts yielded uneven results. While Tier-II and Tier-III cities showed stronger responses, metropolitan areas experienced only moderate growth compared to the previous year. Retailers had anticipated a 25% to 50% growth in sales, but actual figures fell short of these projections, reflecting the cautious optimism that characterized consumer behaviour.

OVERVIEW OF THE FESTIVE SEASON

The festive season has long been synonymous with heightened consumer spending, driven by cultural celebrations and rituals. Retailers, as always, stocked up on goods and designed eye-catching promotional campaigns to attract buyers. Yet, in 2024, the pace of growth was slower than in prior years. Analysts observed modest increases in retail sales - both online and offline - while the pace of growth was notably moderate.

While rural areas and smaller cities (Tier-II and Tier-III) displayed steady demand, metropolitan regions and industrial sectors struggled with subdued consumer enthusiasm, highlighting the disparities and mixed trends in festive consumption within the market.

Amidst this, various retail segments adapted uniquely to the festive demand. Indian beauty brands introduced limited-edition collections and gift sets inspired by the festive spirit, capturing niche markets.

Apparel brands, despite facing headwinds from shifting

consumer priorities and inflationary pressures, saw a surge in ethnic and fusion wear sales. Strategies like influencer partnerships, flash sales, and expanded omnichannel presence played a pivotal role in driving demand.

This year, apparel was expected to show weak sentiment for clothing demand, according to the Clothing Manufacturers Association of India (CMAI), due to a shift in consumer spending towards other lifestyle avenues, along with a slowing economy and rising inflation. Despite these challenges, many brands experienced a gush in demand during the festive season.

Similarly, the home decor and furnishings segment capitalized on the season's gift-giving traditions during weddings and festivals as consumers eagerly seek to enhance their spaces with new décor and furniture, although the response was moderate. Even high-value categories like jewellery and precious metals saw strong rural demand despite rising prices of gold, silver, and diamonds, bolstered by favourable monsoon conditions and increased agricultural income through rise in crop sowing this year.

CONSUMER SENTIMENT AND SPENDING PATTERNS

Consumer sentiment during the festive season of 2024 reflected a mix of optimism and caution. After a prolonged period of uncertainty due to the Covid-19 pandemic, many

consumers were eager to celebrate and spend. Rising disposable incomes, improved employment rates, and a rebound in economic activity encouraged spending, yet consumers prioritized value-for-money purchases, while refraining from spending generously. This was especially evident in Tier-II and Tier-III cities, where demand remained strong.

The hybrid shopping model gained traction, with consumers blending the convenience of online platforms with the experiential aspects of in-store visits. In fact, e-commerce platforms reported record sales during Diwali, as consumers sought the convenience and variety offered online. However, brick-and-mortar stores also saw decent foot traffic during the festive season.

SALES GROWTH AND KEY CATEGORIES

Retail sales in India during this festive season witnessed modest growth.

Apparel And Footwear: The fashion retail sector has been a major contributor to sales, with consumers keen to refresh their wardrobes in preparation for festivities. Traditional wear saw a surge in purchases as people embraced their cultural roots during celebrations.

Electronics: The electronics segment, particularly smartphones and home appliances, also recorded substantial sales. Festive discounts and promotional offers attracted tech-savvy

consumers looking to upgrade their gadgets, with categories like personal tech and smart home devices leading the charge.

Home Decor And Furniture:

Many families engaged in home renovations and decor for the season, leading to healthy sales growth in the home furnishing and decor sectors. Retailers introduced festive collections catering to consumer demand for both aesthetics and functionality.

ONLINE SALES SURGE

Despite slower overall consumption growth, online retail sales experienced a remarkable surge, particularly driven by consumers in Tier-II and Tier-III cities, which accounted for over 60% of total online sales. According to ClickPost, a logistics intelligence platform, categories such as electronics, fashion, and home decor saw healthy gains during the festive period.

Electronics: The average order value in the electronics category reached ₹38,000, propelled by the demand for personal tech and smart home gadgets.

Fashion: In the fashion sector, the average order value climbed to ₹4,000 due to heightened purchases of festive apparel.

Home Decor: Home decor items had an average order value of approximately ₹7,900, with consumers opting for durable and aesthetic products. Promotional offers, including cashback deals and

no-cost Equated Monthly Installment (EMI) schemes, further fuelled online sales growth. Industry data indicated that e-commerce platforms achieved nearly ₹1 trillion (approximately \$11.9 billion) in sales during the month-long festive season, marking a year-on-year (y-o-y) increase of over 20%.

CHALLENGES FACED BY RETAILERS

Despite these positive trends, the retail sector faced several hurdles. Inflation drove up the prices of raw materials and essential commodities, squeezing profit margins. Global supply chain disruptions led to stock shortages, forcing retailers to balance inventory management carefully. Additionally, evolving consumer preferences - particularly a shift towards sustainability and ethical consumption - required retailers to adapt quickly.

TECHNOLOGICAL ADVANCEMENTS AND INNOVATIONS

Amidst these challenges, technological innovation proved pivotal. Retailers increasingly adopted tools like augmented reality (AR) and virtual reality (VR) to create immersive shopping experiences, particularly in fashion and home decor. They were also seen leveraging data analytics to better understand consumer behaviour and personalize marketing efforts. Investments in logistics and delivery systems by e-commerce platforms further enhanced

customer satisfaction during high-demand festive season, underscoring the critical role of technology in shaping the future of retail.

REGIONAL INSIGHTS AND PERFORMANCE

Regional disparities also influenced the sector's performance. According to a recent report by the Retailers Association of India (RAI), the overall retail sector grew by only 2% in 2024 compared to the same period last year. Notably, West India recorded the highest sales growth at 3%, followed closely by South India with a 2% increase. North and East India, however, saw a more modest growth of just 1%.

Within retail categories, food and grocery emerged as one of the fastest-growing segments, with a remarkable 6% increase. Apparel and jewellery followed closely with 3% growth. Despite this, many retailers reported negative growth on a like-for-like basis, raising concerns about the sector's overall health.

Kumar Rajagopalan, CEO of RAI, highlighted the need for strategic interventions to invigorate consumer demand and foster sustainable growth across the industry. He emphasized that retailers are still grappling with challenges and that real growth remains elusive for many businesses.

FUTURE OUTLOOK FOR THE RETAIL SECTOR

The performance of the retail sector during the festive season of 2024 largely reflected cautious consumer behaviour. While challenges remain, the adaptability of retailers and their embrace of technology offer a promising outlook.

Looking ahead to 2025, the retail sector in India is expected to continue evolving, with a focus on sustainability, digital integration, and enhanced consumer experiences. Retailers who can successfully navigate this dynamic environment are likely to emerge stronger, ready to meet the diverse and increasingly discerning needs

of consumers.

The festive season of 2024 has provided valuable insights into consumer preferences, the effectiveness of online and offline sales strategies, and the importance of technological innovation. By learning from this season's experiences, retailers can better prepare for future challenges and opportunities, setting the stage for robust recovery and growth.

While the retail sector in India faced a mixed bag of outcomes during the festive season of 2024, underlying trends suggest a positive trajectory. The increasing significance of online sales, coupled with changing consumer preferences and the adoption of advanced technologies, paints an optimistic picture for the retail landscape.

Retailers must remain agile and responsive to these shifts to meet the demands of an evolving consumer base in an increasingly competitive environment.

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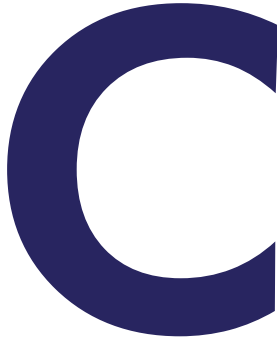
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WHEN MELODIES MAKE MILLIONS

**India's 'Concert Economy' is hitting
all the right notes - turning music
lovers into economic movers**



concerts are definitely the flavour of the month! With a lineup of 10 music concerts scheduled until March next year, featuring big names like Coldplay, Ed Sheeran, Sonu Nigam, A R Rahman, Shankar Mahadevan, Shawn Mendes, and Bryan Adams, the buzz is palpable.

The response so far has been nothing short of electric, reflected in the soaring ticket prices. For instance, Coldplay's concert on 18th and 19th, Jan '25, is setting ticket prices ranging from ₹2,500 to a staggering ₹35,000 for regular seats. And if you fancy a VIP experience, tickets start at ₹35,000.

This concert craze has sparked the rise of a new economic term: the 'Concert Economy.' Economists and business analysts are now recognizing the huge impact that concerts have on a country's economy. So, let's decipher how these musical events are strumming the strings of economic growth.

THE SWINGING IMPACT

The whole perception of concerts has undergone a sea change in recent years. What was once merely a gathering of an artist and their fans has evolved into a much bigger affair.

Today, people take concerts seriously - thanks to rising disposable incomes and a growing appetite for entertainment that goes beyond the sedentary and fatigue-inducing distractions of mobile phones and the often lacklustre offerings at film theatres. These factors have contributed to the skyrocketing interest in concerts.

Leading the charge in bringing the concept of the 'Concert Economy' into the public consciousness is none other than Taylor Swift.

Media outlets across geographies have conducted studies on the economic impact of her concerts, with the results so impressive that they've coined terms like "Swiftonomics" and "Swiftomania." In 2023, Taylor launched her global Eras Tour, which raked in more than US\$ 1 billion - marking the highest earnings ever for an artist's tour.

The impact of her concerts on local economies has been

staggering. Reports reveal that Taylor's Eras Tour has given a major boost to industries like hospitality, transportation, food, and merchandise.

It is estimated that Swift's concert had an attendance of more than 54,000. In fact, the average spend per fan on the Eras Tour was US \$1,327.7.

A study by the California Center for Jobs & the Economy estimated that Taylor's tour would boost Los Angeles Country's Gross Domestic Product (GDP) by a whopping \$320 million, increase employment in California city by 3,300, and generate \$160 million in local earnings.

Altogether, the Eras Tour has contributed close to \$5 billion to the US economy. The US Travel Association even suggests that the total figure could be closer to \$10 billion once you factor in indirect spending from people who didn't attend but still spent money around the events.

The Eras Tour also made waves internationally, boosting the aviation, hospitality, and retail sectors in countries like Japan, the UK, Europe, and New Zealand.

Interestingly, a survey by online research firm QuestionPro found that 58% of attendees of the Eras Tour were between the ages of 35 and 64, 37% were 18-34, and less than 5% were under 18.

The immense success of Taylor Swift's Eras Tour has paved the way for future concerts to enjoy similar, if not greater, economic impact.

THE INDIAN CONNECTION

Recently, Bank of Baroda Research conducted a study on the concert scene in India, assessing past trends and predicting future spending in the next three months following announcements of concerts by global and local artists.

Titled "A Concert-ed Push for the Economy," the study attributes India's appeal as a concert hub to its favourable demographics, stable currency, range-bound inflation, and a tourism-friendly environment. Together, these factors have positioned India as a preferred destination for concerts.

Ticket sales, which form a large part of concert spending, are expected to contribute a hefty ₹750 crore to ₹950 crore "based on the stadium capacity and charges for each ticket."

Beyond that, hospitality and transportation will rake in an estimated ₹400 crore to ₹500 crore, with sponsorship revenue - covering title sponsorship, co-sponsorship, and associate sponsorship - bringing in ₹250 crore to ₹300 crore.

In addition to this, miscellaneous spending, including event management, gig workers (volunteers), security expenses, and merchandise spending, is expected to be in the range of ₹45 crore to ₹60 crore.

Overall, the Bank of Baroda analysis reveals that live concerts and entertainment events in India have already

generated an estimated spending between ₹1,600 crore to ₹2,000 crore in the past two to three months.

"The multiplier effect is reflected across industries such as food and beverages, hotels, transportation, and merchandise, to name a few. Moreover, it also stimulates the gig economy, adding to the employment levels," observed the report.

On an annual basis, concerts in India could trigger a spending spree of ₹6,000 crore to ₹8,000 crore.

This points to the vast revenue potential of concerts in India. According to Statista, India ranks seventh globally for revenue from live events, ahead of South Korea, France, and Australia, thanks to its large economy and a high share of young population.

Looking ahead, event management companies predict that affluent, globally-connected Indians will be the driving force behind the demand for concerts.

India is now the second-largest audio streaming market for most global artists, which creates immense opportunities for both international and local artists.

In 2024 alone, there have been an estimated 27,000 live events in India - a 35% increase from 2023, according to data from BookMyShow. These events cover a mix of music and comedy shows.

A key factor behind the

booming live event industry is the increasing earning and spending power of Indians.

Government data shows that the number of Indians earning over ₹1 million annually has more than doubled to over 12 million in the last five fiscals, ending FY24.

Infrastructure improvements, such as enhanced inter-state connectivity and the rise of new airports, have added to the success of live events and concerts.

There's also a rising demand for live events in tier-II and tier-III cities, where audiences are now exposed to global and independent music.

According to a study by consulting firm Ernst and Young, the aggregate revenue from India's live entertainment market is expected to reach \$1.7 billion by 2026, growing at a compound annual growth rate (CAGR) of over 20% in the next three to five years.

This optimism is driven largely by the high engagement of young users on social media platforms like Instagram, X, and Facebook.

With nearly 80 million people under the age of 35 - approximately 66% of India's population - India is increasingly being viewed as a global concert destination by artists.

It seems India is tuning up for a concert economy symphony that's only getting louder thanks to enthusiastic participation of music aficionados.

TECHNICAL OUTLOOK

T

he Indian market displayed resilience through most of 2024, navigating various challenges, including weaker-than-expected Q2 FY25 earnings, inflation, general election outcomes, geopolitical uncertainties, and FII outflows. Despite these hurdles, the Nifty 50 and Sensex have delivered positive returns of 9.27% and 8.5%, respectively, in 2024 so far.

Looking ahead, the market may not see a swift recovery, as the upcoming Union Budget will be key factor influencing the sentiment. Globally, US President Donald Trump's policies and the trajectory of US interest rates will serve as critical market triggers.

Technically, the Nifty showed a strong rally in CY2024, rising from 21,137 to 26,277, followed by a sell-off rally that retraced 61.8% of the move (High - 26,277.35 and Low - 18,837.85), bringing the index to its current levels around 23,263 from higher levels of 26,277. This aligns with the Golden Ratio of 61.8%, near the 23,435 mark. If the Nifty fails to hold this support, then we may see further selling pressure, potentially pulling

the Nifty down to 23,000, and subsequently to 22,500.

On the flip side, the Nifty is facing strong resistance in the 24,000-24,250 range. A breakout above this zone on a closing basis could open the door for upward movement towards 24,800 – 25,400 in the near term. While the market is likely to remain volatile, sectoral rotation and stock-specific rallies can be anticipated.

Overall, the technical outlook for the Nifty remains cautious. Investors are advised to wait for opportunities to build long positions at support levels, with a focus on stock-specific trading and strict stop-loss measures to minimize losses.

Technically, the Bank Nifty faces immediate resistance at 52,200. A close above this level could lead to an extended rally toward 53,000 or even 53,800. On the flip side, support is positioned at 51,000 and 49,800.

On the Nifty Options front, for the January series, the highest open interest (OI) build up on the Call side is observed at 24,000 and 24,500 strikes, while on the Put side, it is concentrated at 23,500 and 23,000 strikes.

Markets have shown a negative trend following a healthy correction in December. Once the Nifty stabilizes above 24,000, buyers are likely to turn more aggressive and push the index

towards the 25,000–25,200 range, going forward.

India VIX has remained highly volatile during the December series, with a range of 17 to 13. If the VIX closes above 15 in the January series, heightened volatility is expected.

The Put Call Ratio-Open Interest (PCR-OI) for Nifty Options has remained in the 0.6–1.2 range in December, and is expected to stay within this band in the coming month.

The markets are likely to witness fresh shorts action in the January series with supports placed at 23,500 and 23,000 levels. Also, important resistance is placed at 24,000 and 24,500 levels.

OPTIONS STRATEGY

Long Strangle

It can be initiated by 'Buying 1 lot 09JAN 24000 CE (₹160) and Buying 1 lot 09JAN 23600 PE (₹160)'. The total outflow of premium comes to around 320 points, which represents the maximum loss. A stop loss (SL) can be set at 200 points (a 120-point loss on the total premium). The maximum gain is unlimited, with a Target of 600 points (a 280-point gain on the total premium). Once the range of 23,500 - 24,000 is breached, heavy range shifting is anticipated, enabling this strategy to yield decent profits if the Nifty moves 500 – 600 points in either direction.

MUTUAL FUND BLACKBOARD

Large Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Baroda BNP Paribas Large Cap Fund - Growth	217.2	22.4	16.6	17.2	14.0	13.2	2,403
ICICI Prudential Bluechip Fund - Growth	104.2	19.5	17.5	18.4	14.3	13.8	63,938
Invesco India Largecap Fund - Growth	67.3	22.1	14.8	17.4	13.8	13.1	1,317
Kotak Bluechip Fund - Reg - Growth	548.6	18.6	14.0	16.6	13.5	13.0	9,498
Nippon India Large Cap Fund - Reg - Growth	86.6	20.9	21.0	19.4	14.6	14.2	35,314
Nifty 100 TRI	33427.6	15.5	13.5	16.0	13.6	12.9	--

Mid Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Mid Cap Fund - Growth	100.3	40.0	25.7	30.4	18.7	19.1	8,280
Mahindra Manulife Mid Cap Fund - Reg - Growth	33.3	32.1	24.7	27.9	--	--	3,461
Mirae Asset Midcap Fund - Reg - Growth	34.9	21.7	19.6	25.7	--	--	16,695
Nippon India Growth Fund - Reg - Growth	4055.5	29.3	26.1	29.2	19.2	18.5	34,584
Tata Mid Cap Growth Fund - Reg - Growth	424.1	23.5	20.5	24.8	15.8	16.5	4,494
Nifty Midcap 150 TRI	26650.5	26.8	23.8	28.6	17.5	19.0	--

Small Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Small Cap Fund - Reg - Growth	44.9	26.0	22.5	32.9	--	--	4,374
Mahindra Manulife Small Cap Fund - Reg - Growth	19.8	29.6	--	--	--	--	4,269
Quant Small Cap Fund - Growth	257.8	23.8	25.8	45.7	26.0	20.3	27,161
LIC MF Small Cap Fund - Reg - Growth	33.5	39.2	24.6	30.4	17.1	--	411
Nifty Smallcap 250 TRI	22272.4	28.4	23.7	31.1	14.7	16.9	--

Large & Mid Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Large & Mid Cap Fund - Growth	86.5	26.0	18.5	21.2	15.9	15.0	3,745
Kotak Equity Opportunities Fund - Reg - Growth	333.3	26.1	20.2	21.2	15.8	15.7	25,649
Mahindra Manulife Large & Mid Cap Fund	26.5	17.5	16.4	--	--	--	2,538
Tata Large & Mid Cap Fund - Reg - Growth	515.5	17.9	17.2	18.6	14.3	13.9	8,342
UTI Large & Mid Cap Fund - Growth	175.1	29.9	21.7	23.5	15.1	14.2	4,048
NIFTY Large Midcap 250 TRI	20222.1	21.1	18.7	22.3	15.6	16.1	--

Multicap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan Multi Cap Fund - Reg - Growth	16.7	21.3	18.8	--	--	--	2,449
HDFC Multi Cap Fund - Reg - Growth	18.7	22.7	23.6	--	--	--	17,250
HSBC Multi Cap Fund - Reg - Growth	18.8	29.4	--	--	--	--	4,362
Mahindra Manulife Multi Cap Fund - Reg - Growth	34.7	24.6	19.5	24.2	17.2	--	4,858
Nippon India Multi Cap Fund - Reg - Growth	288.8	28.0	26.1	24.3	16.7	14.9	39,001
NIFTY 500 Multicap 50:25:25 TRI	20429.9	21.5	18.7	23.0	15.0	15.5	--

FlexiCap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HSBC Flexi Cap Fund - Growth	218.8	30.7	18.2	20.1	13.3	13.4	5,049
ICICI Prudential Flexicap Fund - Reg - Growth	18.1	23.0	19.5	--	--	--	16,857
Mirae Asset Flexi Cap Fund - Reg - Growth	15.2	19.5	--	--	--	--	2,455
Parag Parikh Flexi Cap Fund - Reg - Growth	80.0	24.0	16.6	24.6	19.3	17.6	84,641
WhiteOak Capital Flexi Cap Fund - Reg - Growth	16.9	25.0	--	--	--	--	4,326
S&P BSE 500 TRI	44852.0	18.1	16.0	19.0	14.5	14.2	--

Focused Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Axis Focused 25 Fund - Growth	53.2	17.4	5.5	11.4	10.6	12.3	13,289
Bandhan Focused Equity Fund - Reg - Growth	88.9	31.9	18.2	18.4	11.8	12.7	1,793
HDFC Focused 30 Fund - Growth	214.9	25.7	24.4	22.6	13.6	13.9	15,521
Nippon India Focused Equity Fund - Reg - Growth	114.4	13.0	15.1	19.3	12.4	13.8	8,412
UTI Focused Fund - Reg - Growth	14.9	15.6	13.9	--	--	--	2,683
S&P BSE 500 TRI	44852.0	18.1	16.0	19.0	14.5	14.2	--

Dividend Yield Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
ICICI Prudential Dividend Yield Equity Fund	49.0	22.7	23.3	25.4	14.9	14.6	4,783
Tata Dividend Yield Fund - Reg - Growth	17.4	13.7	16.0	--	--	--	986
Nifty 500 TRI	35413.4	18.6	16.1	19.0	14.4	14.1	--

Contra/Value Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan Sterling Value Fund - Reg - Growth	145.9	20.5	18.5	25.5	14.0	15.5	10,054
SBI Contra Fund - Growth	374.6	21.2	23.2	29.4	17.3	16.1	41,907
Nippon India Value Fund - Reg - Growth	223.0	25.6	22.9	24.4	16.4	16.2	8,536
S&P BSE 500 TRI	44852.0	18.1	16.0	19.0	14.5	14.2	--

ELSS Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan ELSS Tax saver Fund - Reg - Growth	147.7	15.6	15.6	21.9	13.9	15.4	6,894
Kotak ELSS Tax Saver Fund - Reg - Growth	115.5	23.8	17.8	19.9	15.1	14.7	6,232
Mahindra Manulife ELSS Tax Saver Fund - Reg	27.2	14.3	13.8	18.0	11.7	--	931
Parag Parikh ELSS Tax Saver Fund - Reg - Growth	30.3	20.7	17.8	22.9	--	--	4,385
Tata ELSS Tax Saver Fund - Reg - Growth	44.1	21.1	17.0	17.9	13.3	15.1	4,663
Nifty 500 TRI	35413.4	18.6	16.1	19.0	14.4	14.1	--

Thematic / Sector Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
ICICI Prudential Banking and Financial Services	120.5	13.6	14.3	11.6	10.1	12.5	9,026
Nippon India Pharma Fund - Reg - Growth	514.0	33.8	19.6	27.7	20.1	15.4	8,638
Tata Digital India Fund - Reg - Growth	54.3	31.1	11.2	28.9	25.6	--	12,659
ICICI Prudential Business Cycle Fund - Reg - Growth	22.3	22.8	21.3	--	--	--	11,881
Mirae Asset Great Consumer Fund - Growth	90.5	17.5	18.9	19.6	15.3	15.8	4,156
Quant Quantamental Fund - Reg - Growth	22.1	17.5	25.6	--	--	--	2,346
Nifty 500 TRI	35413.4	18.6	16.1	19.0	14.4	14.1	--

Arbitrage Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	2 Years	3 Years	
Bandhan Arbitrage Fund - Reg - Growth	31.4	6.7	6.9	7.6	7.4	6.2	7,524
Edelweiss Arbitrage Fund - Reg - Growth	18.7	6.8	6.8	7.7	7.4	6.3	12,199
Invesco India Arbitrage Fund - Growth	30.8	6.7	7.0	7.6	7.5	6.7	18,252
Kotak Equity Arbitrage Fund - Reg - Growth	36.2	7.0	7.0	7.9	7.6	6.5	54,915
Tata Arbitrage Fund - Reg - Growth	13.9	6.7	6.9	7.5	7.3	6.2	12,589
Nifty 50 Arbitrage Index	2421.3	7.3	6.4	7.6	7.8	6.5	--

Equity Savings Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Equity Savings Fund - Reg - Growth	24.0	13.0	9.6	10.6	9.1	8.9	561
HDFC Equity Savings Fund - Growth	63.5	11.1	10.1	11.1	8.8	9.4	5,516
Kotak Equity Savings Fund - Reg - Growth	25.3	12.8	11.5	11.1	9.6	9.4	7,974
NIFTY 50 Hybrid Composite Debt 65:35 Index	19556.9	11.4	10.7	13.0	11.9	11.1	--

Index Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HDFC NIFTY Next 50 Index Fund - Reg - Growth	15.9	32.0	17.7	--	--	--	1,782
Motilal Oswal Nifty Midcap 150 Index Fund	36.5	25.6	22.6	27.4	--	--	1,987
Motilal Oswal Nifty Next 50 Index Fund	23.7	31.7	17.6	18.9	--	--	310
Motilal Oswal Nifty Smallcap 250 Index Fund	37.9	26.8	22.0	29.2	--	--	845
Nippon India Nifty Midcap 150 Index Fund	23.8	25.5	22.5	--	--	--	1,636
Tata Nifty Midcap 150 Momentum 50 Index Fund	19.0	32.9	--	--	--	--	686
Nifty 500 TRI	35413.4	18.6	16.1	19.0	14.4	14.1	--

Dynamic Asset Allocation Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Balanced Advantage Fund - Growth	49.2	14.6	11.4	14.8	11.9	10.8	12,381
HDFC Balanced Advantage Fund - Growth	499.2	18.4	22.3	20.0	14.8	14.3	95,570
Nippon India Balanced Advantage Fund - Reg	169.3	14.6	12.0	12.4	10.1	10.3	8,850
Tata Balanced Advantage Fund - Reg - Growth	19.9	11.9	11.3	12.9	--	--	10,258
NIFTY 50 Hybrid Composite Debt 65:35 Index	19556.9	11.4	10.7	13.0	11.9	11.1	--

Hybrid Aggressive Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Baroda BNP Paribas Aggressive Hybrid Fund	27.4	20.5	15.0	16.1	13.8	--	1,180
Kotak Equity Hybrid Fund - Growth	61.0	23.0	15.8	18.0	13.7	13.1	6,816
Mirae Asset Aggressive Hybrid Fund - Reg - Growth	30.6	15.3	12.0	14.3	12.1	--	9,054
Tata Hybrid Equity Fund - Reg - Growth	427.4	14.7	12.9	14.1	10.7	10.6	4,151
NIFTY 50 Hybrid Composite Debt 65:35 Index	19556.9	11.4	10.7	13.0	11.9	11.1	--

Multi Asset Allocation Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HSBC Multi Asset Allocation Fund - Reg - Growth	12.2	--	--	--	--	--	2,133
Mirae Asset Multi Asset Allocation Fund	11.2	--	--	--	--	--	1,756
Nippon India Multi Asset Fund - Reg - Growth	20.0	19.9	15.1	--	--	--	4,683
Tata Multi Asset Opportunities Fund - Reg - Growth	22.2	15.7	13.4	--	--	--	3,431
UTI Multi Asset Allocation Fund - Growth	71.4	22.1	17.9	15.5	11.4	9.9	4,682
WhiteOak Capital Multi Asset Allocation Fund	12.9	17.6	--	--	--	--	1,053
NIFTY 50 Hybrid Composite Debt 65:35 Index	19556.9	11.4	10.7	13.0	11.9	11.1	--

Gold Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HDFC Gold Fund - Growth	23.1	19.9	14.8	13.5	13.5	9.7	2,715
Kotak Gold Fund - Reg - Growth	29.8	20.0	14.5	13.3	13.8	9.7	2,251
Nippon India Gold Savings Fund - Reg - Growth	29.6	19.7	14.9	13.3	13.4	9.5	2,193
Prices of Gold	75671.0	20.8	16.3	14.7	14.8	11.1	--

Overnight Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		2 Weeks	1 Month	3 Months	1 Year	YTM	
Bandhan Overnight Fund - Reg - Growth	1330.0	6.5	6.5	6.3	6.6	6.7	1,153
Tata Overnight Fund - Reg - Growth	1316.0	6.5	6.5	6.4	6.6	6.7	4,127

Liquid Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		2 Weeks	1 Month	3 Months	1 Year	YTM	
HDFC Liquid Fund - Growth	4942.0	6.3	6.5	6.8	7.3	7.1	72,653
Mahindra Manulife Liquid Fund - Reg - Growth	1639.3	6.5	6.7	6.9	7.3	7.1	1,311
Nippon India Liquid Fund - Reg - Growth	6147.1	6.2	6.5	6.8	7.3	7.2	32,108

Ultra Short Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential Ultra Short Term Fund - Growth	26.6	7.0	7.0	7.4	6.3	7.6	14,551
Kotak Savings Fund - Reg - Growth	41.3	6.8	6.9	7.2	6.1	7.4	13,450

Money Market Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HDFC Money Market Fund - Growth	5486.9	7.1	7.2	7.6	6.5	7.3	26,788
Tata Money Market Fund - Reg - Growth	4531.5	7.1	7.3	7.7	6.6	7.3	27,483

Low Duration Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HDFC Low Duration Fund - Growth	55.4	6.7	7.1	7.4	6.1	7.8	18,497
Kotak Low Duration Fund - Std - Growth	3212.0	7.1	7.1	7.3	5.9	7.7	12,510
Nippon India Low Duration Fund - Reg - Growth	3594.7	7.2	7.2	7.3	6.1	7.7	9,004

Short Term Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential Short Term Fund - Growth	57.5	6.9	7.7	7.8	6.6	7.7	19,992
Nippon India Short Term Fund - Reg - Growth	50.4	7.0	8.2	8.0	6.0	7.6	7,627

Corporate Bond Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Kotak Corporate Bond Fund - Std - Growth	3599.3	6.4	8.2	8.2	6.2	7.5	14,333
SBI Corporate Bond Fund - Reg - Growth	14.8	6.6	8.1	7.9	5.9	7.5	20,916

Dynamic Bond Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HDFC Dynamic Debt Fund - Growth	86.2	3.5	7.5	8.6	5.6	7.1	791
Kotak Dynamic Bond Fund - Reg - Growth	35.9	2.4	7.5	9.2	6.0	7.2	3,014

Medium Duration Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HSBC Medium Duration Fund - Reg - Growth	19.5	6.1	7.7	8.2	5.9	7.8	841
ICICI Prudential Medium Term Bond Fund - Growth	42.7	6.7	8.1	7.9	6.3	8.2	5,929
SBI Magnum Medium Duration Fund - Growth	48.9	6.6	8.0	8.1	6.2	7.9	6,661

Long Duration Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Nippon India Nivesh Lakshya Fund - Reg - Growth	17.2	3.6	7.9	11.4	6.8	7.1	9,115

Gilt Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Bandhan Government Securities Fund Investment Plan	34.0	0.6	5.9	10.5	6.1	7.1	3,685
Kotak Gilt Fund - Growth	93.0	1.8	6.5	8.3	5.9	7.1	4,398

Gilt Funds With 10 Year Constant Duration

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential Constant Maturity Gilt Fund Growth	23.4	5.3	8.9	9.2	5.9	6.9	2,637

Credit Risk Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential Credit Risk Fund - Growth	30.3	6.2	8.5	8.4	6.9	8.5	6,419
SBI Credit Risk Fund - Growth	43.6	7.4	7.6	8.0	6.8	8.7	2,289

Banking & PSU Bond Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HDFC Banking and PSU Debt Fund - Reg - Growth	22.0	6.3	7.9	7.8	7.8	7.4	5,882
HSBC Banking and PSU Debt Fund - Growth	23.2	6.5	7.0	7.2	7.2	7.5	4,391

Disclaimer : Mutual Fund Investments are subject to market risks. Please read the offer document carefully before investing. Past performance is no guarantee of future performance. Returns are of Growth option of Regular plans. Returns which are below 1 year period are Annualized Returns. Source: - ICRA MFI, NAV as on 23rd December 2024.

CLICK WITH CAUTION

In outsmarting digital fraudsters,
caution is better than losing a
swipe — because your wallet
deserves better!





In today's digital age, payment networks like Google Pay, UPI, and e-commerce platforms have become deeply embedded in our daily lives. These systems have revolutionized how we transact, making even the smallest payments as simple as a click or a scan, effectively eliminating the need to carry cash. Banks, too, are encouraging customers to embrace online transactions, allowing them to streamline operations, reduce branch visits, and cut costs.

While the convenience of digital payments is undeniable, it has a darker side. Cybercriminals are increasingly exploiting this shift, employing tactics such as identity theft, phishing, and impersonating officials from income tax departments or banks. These sophisticated scams have led to countless individuals losing significant sums of money. Headlines about digital frauds are now alarmingly common, as criminals devise innovative ways to outsmart unsuspecting users.

To illustrate the severity of the issue, the GOI reported Indians lost a staggering ₹27.2 billion to financial fraud involving amounts of ₹1 lakh or more in FY24. UPI-related fraud alone accounted for 1.34 million reported cases in FY24, with losses totalling ₹10.9 billion, nearly double the ₹5.7 billion recorded in FY23. By September FY25, 6,30,000 UPI fraud cases had already been reported, with losses amounting to ₹4.8 billion.

The RBI's annual report paints an equally concerning picture. The number of card and internet fraud transactions surged from 6,699 in FY23, involving ₹2.77 billion, to 29,082 in FY24, with losses skyrocketing to ₹14.57 billion.

The alarming rise in digital financial fraud is concerning due to the devastating impact it can have on individuals financially and psychologically. The victims of financial fraud feel violated, betrayed and powerless. In some cases, people have lost their entire life savings in mere moments, with recovery often being next to impossible.

These scams emanate from seemingly harmless messages such as claiming the recipient has won a prize and requesting personal details to more advanced schemes involving malware that compromises devices, stealing sensitive information to perpetrate fraud.

WHAT IS DIGITAL FINANCIAL FRAUD?

Digital financial fraud is the loss of money through the use of online means by illegal and deceptive activities by scammers and fraudsters. Financial fraud can be executed through a plethora of ways including malware, phishing, and identity threat, among others. Let's explore some of the most commonly employed techniques by cybercriminals to carry out these crimes.

Malware, or malicious software, is a tool frequently used by cybercriminals to steal sensitive data and conduct unauthorized transactions using the same. Common types of malware include spyware, adware, viruses, trojan horses, and ransomware.

Malware is typically distributed via emails, SMSs, websites, or infected files. Users often unknowingly install malware by clicking on suspicious email links or downloading files from untrustworthy websites. In addition to laptops and PCs, mobile devices are also vulnerable. Infection can occur when users open malicious email attachments, click on compromised SMS links, or download apps from unreliable sources.

In some cases, fraudsters first send the email or messages and then impersonate bankers or representatives of reputable institutions, persuading victims to click on a link sent via WhatsApp or other messaging apps. These links may grant fraudsters remote access to the

victim's device. Once access is obtained, criminals exploit it to execute fraudulent transactions, often draining money from the victim's bank accounts or credit cards.

Phishing is a deceptive technique used by cybercriminals to trick individuals into divulging sensitive information such as one-time passwords (OTPs), login credentials, or personal details, which are then exploited to conduct fraudulent transactions.

Attackers often send emails or messages that appear to originate from legitimate entities. These communications contain links that lead users to fake websites designed to harvest their information. Once the victim submits their details, the fraudsters gain access to their accounts or credit cards, enabling unauthorized transactions.

At times, fraudsters use vishing - voice phishing wherein the criminal calls the user claiming to be from a reputable institution and create a sense of urgency saying that their action is timebound, causing the user to panic and reveal details such as personal information and at times even the OTP enabling the perpetrator to seamlessly carry out the fraud.

One of the recent cases involves users receiving messages purportedly from India Post, falsely claiming a package is waiting at a warehouse. The message prompts users to update their address, during which

fraudsters extract sensitive personal information. To "complete" the process, victims are asked to provide debit or credit card details to pay a small fee for redelivery. Armed with this information, the scammers execute fraudulent activities.

Other instances include emails allegedly from the Income Tax Department, stating the recipient is eligible for a tax refund based on their last filed returns, or emails from Gmail warning users to update their account details within seven days to avoid losing access. Such schemes rely on urgency and familiarity to pressure individuals into compliance, ultimately resulting in financial and data loss.

In today's world, sharing personal information like PAN card and Aadhaar card details has become commonplace, often required for even the most routine tasks. However, what may seem like harmless disclosure can have serious consequences. Fraudsters can exploit this information for schemes like SIM swapping, where they gain unauthorized access to a victim's phone number by duplicating the SIM card. Once they control the phone number, these imposters send OTPs to the victim's device, allowing them to bypass security measures and authorize fraudulent transactions.

What Should One Do To Avoid Falling Prey To A Fraudster's Plan?

- **Be Vigilant:** If you receive an email or SMS requesting personal information, your first

instinct should be caution. Take a moment to verify the sender's authenticity - often, a close look at the email address or the message content can reveal red flags, such as spelling errors or suspicious domain names. For SMS messages, tools like Truecaller can help identify the sender. If there's even a shred of doubt about the message's legitimacy, it's best to directly contact the company or institution that appears to have sent it, using their official contact details. Being vigilant can prevent falling prey to potential fraud.

- **Urgency / Emotional Setup:**

Fraudsters often exploit urgency to manipulate victims, claiming, for instance, that failing to update your Paytm or Google Pay account will result in losing access. Such claims should immediately raise a red flag. Instead of engaging with the caller, disconnect and contact the company directly through official channels to verify the information.

Another common tactic involves fraudsters posing as someone seeking urgent help for a friend or family member in an emergency. These appeals can be highly convincing, but it's essential not to act impulsively. Always corroborate the claim by reaching out to another trusted friend or family member before transferring any funds. Staying calm and verify the situation to prevent falling victim to such scams.

- **Stay Well Informed:**

Criminals are constantly devising new methods to deceive unsuspecting

individuals. Staying informed is crucial to recognizing these tactics, remaining vigilant, and taking prompt action to disengage if you suspect you are being targeted. Awareness is the first step toward protecting yourself from becoming a victim.

• **Avoid Opening Attachments From Unknown Senders:** Attachments from unknown sources may contain malware, making them a potential security threat. If you receive an attachment from an unfamiliar sender, it's best to avoid opening it until you can verify the sender's authenticity.

• **Beware Of Opportunities Too Good To Be True:** Fraudsters often entice potential victims with promises of exceptionally high returns on investments. These scams are typically propagated through online channels like Telegram and WhatsApp, where victims receive links directing them to deposit money for the purported investment.

Initially, scammers build trust by returning the money with attractive returns, creating the illusion of a legitimate opportunity. However, once the victim invests a substantial amount, the fraudsters disappear without a trace, leaving the victim with significant losses. A key warning sign to watch out for is the promise of unrealistically high returns, which is often a hallmark of such fraudulent schemes.

• **Use Strong Passwords And Multi-Factor Authorization:** It is highly recommended to

regularly update your passwords and choose strong, unique ones. Additionally, enhance your account security by enabling two-factor authentication, providing an extra layer of protection against unauthorized access.

• **Subscribe To Intimations:** Subscribing to mobile and email notifications for all debit or credit transactions on your accounts and credit/debit cards is highly advisable. These real-time alerts enable you to detect unauthorized transactions promptly. In the event of fraudulent activity, you can take immediate action to block your card or account, minimizing potential losses.

What Should You Do If You Are A Victim Of Financial Fraud?

• **Stop Engaging With The Scammer:** The first thing to do is to stop any communication with the fraudster immediately to prevent any further damage or loss.

• **Notify The Bank/Credit Card Company/Service Provider:** Most banks and service providers have a 24X7 facility. Call them and ask them to block your account immediately so that no more unauthorized transactions can go through.

• **Report The Crime To The Cyber Cell:** The Indian government has set up a dedicated crime cell in major cities to handle fraud. The complaint can be filed online on the National Cyber Crime Reporting Portal. Make sure that all the details are provided and the earlier it is

done the better. The chances of recovery are higher when the authorities are informed at the earliest.

• **File A Complaint With The Police:** In case of significant financial losses, filing a First Information Report (FIR) with the local police is important. Police departments now have cyber crime cells to handle such cases. The FIR is a legal acknowledgement of the crime committed and hence pursuing further action such as a court case can be done.

IN A NUTSHELL

As technology becomes far more entrenched in our lives, dependence on the digital platform for transactions is going to increase. Users will transact more and more online, and financial frauds are bound to arise. Fraudsters improvise and come up with ingenious and deceptive ways to trap gullible people. While regulatory authorities like the RBI have strengthened fraud risk management for banks, users also play a crucial role in safeguarding themselves as many of the frauds are committed not because the system or the platform is compromised but because the individual gives out personal data and password which enables the execution of a fraudulent transaction.

Staying informed, vigilant, and seeking advice or aid when in doubt can prevent costly mistakes. Recovering from online fraud can be tough, making prevention the best strategy and all it needs is for the user to be alert and adopt safe online practices.



IMPORTANT JARGON

SEBI PROPOSES POST-CLOSE AUCTION SESSIONS FOR EQUITY CASH MARKET

Capital markets regulator, the Securities and Exchange Board of India (SEBI), has issued a consultation paper proposing an auction mechanism in India to determine the closing price in the equity cash market. The paper is open for public comments until 26th Dec '24.

Q. What Has Been Proposed By SEBI?

SEBI is proposing a call-auction mechanism for determining the closing price of each stock in the equity cash segment, replacing the extant Volume Weighted Average Price (VWAP) mechanism.

A Close Auction Session (CAS) is suggested as a separate 15-minute session from 15:30 - 15:45. It may be applied to stocks in a phased manner, starting with stocks on which derivatives are available, as they have sufficient liquidity.

During CAS, both limit orders and market orders will be permitted. Limit order is an instruction given to the stock broker

to sell or buy a stock at a specific price. Market order is an instruction to buy or sell stocks at the current market price.

Q. How Are The Prices Currently Decided For Market Closure?

At present, the closing price of stocks in India is determined using the VWAP method, which calculates the weighted average price of a security during the last 30 minutes of the trading day. This method factors in the volume executed at each price within this time frame.

Q. Why Has An Auction

Session For Market Closing Been Proposed?

Market participants, particularly passive investment funds, have raised concerns that the current method of price discovery at market close may not accurately reflect market conditions, especially during periods of high volatility or significant events such as the Union Budget, RBI monetary policies, or major global developments.

Additionally, the Indian market does not currently allow investors to buy stocks precisely at the close price of the day.

Q. Why Is A Close Auction Session Significant For The Passive Investment Market?

The Close Auction Session proposal stems from requests by certain passive funds, which aim to replicate the benchmark indices by buying and selling shares in exactly the same proportions as the index.

However, technical or market factors often result in tracking error - the difference between a fund's performance and its benchmark.

Some international passive fund houses have highlighted that the current closing price mechanism can lead to significant price volatility for a lot of stocks in benchmark indices.

Moreover, the absence of an option to trade at the market close price increases the risk of incomplete large orders, further exacerbating tracking

errors, particularly on days with large events like index rebalancing (when passive funds actually buy or sell shares to replicate the benchmark) or derivative expiries.

Q. Why Is The Demand Of Passive Funds Significant?

The lack of execution at the closing price in India contributes to higher tracking errors for passive funds (both global and local) compared to other markets or jurisdictions. This risk ultimately impacts the investors in these funds.

Over the years, passive investments have grown significantly in India. The assets under management (AUM) for passive investments such as Exchange Traded Funds (ETFs) and index mutual funds jumped from ₹ 1,62,500 crore in August '20 to ₹10,95,509 crore till August '24.

As India's economy and capital markets grow, the weightage of Indian stocks in major international indices has also grown steadily over time.

Gaining prominence in global indices reflects foreign investors' interest in the domestic market, making it essential to address such market inefficiencies.

Q. Is There Any Precedent For Such Auctions In Price Discovery?

Most major jurisdictions around the world, including several in Asia, already have a closing auction mechanism in place.

A SEBI analysis shows that those jurisdictions that have a closing auction mechanism see no spike in volatility on days when securities are included or excluded on rebalancing days.

India already employs a similar pre-market session, running from 9:00 AM to 9:15 AM.

This session ensures a smooth market opening by facilitating order collection, modification, and cancellations in the first eight minutes, while the next seven minutes of the session are devoted to matching orders and confirming trades once placed.

The CAS proposal follows a similar structure, with dedicated time slots for order submission, cancellation, and trade matching before determining the closing price of a stock.

Q. Will The Close Auction Session Impact The Markets In India?

The introduction of CAS may attract categories of investors such as Foreign Portfolio Investors (FPIs) and Mutual Fund Houses, who may prefer executing trades at the close price discovered during the CAS.

On index rebalancing days, liquidity is currently concentrated in the last half-hour of trading.

With CAS, some liquidity may shift to the new session, enabling buyers and sellers to trade directly at the day's closing price.

International Stock Exchange Holidays for 2025										
	Date	China	India	Japan	Singapore	UK	USA	Hong Kong	Taiwan	Korea
JAN	01-01-2025	Holiday		Holiday	Holiday	Holiday	Holiday	Holiday	Holiday	Holiday
	02-01-2025			Holiday						
	03-01-2025			Holiday						
	13-01-2025			Holiday						
	20-01-2025						Holiday			
	23-01-2025								Holiday	
	24-01-2025								Holiday	
	27-01-2025								Holiday	
	28-01-2025	Holiday							Holiday	Holiday
	29-01-2025	Holiday			Holiday			Holiday	Holiday	Holiday
FEB	30-01-2025	Holiday			Holiday			Holiday	Holiday	Holiday
	31-01-2025							Holiday	Holiday	
	03-02-2025	Holiday								
	04-02-2025	Holiday								
	11-02-2025			Holiday						
	17-02-2025						Holiday			
	23-02-2025			Holiday						
	24-02-2025			Holiday						
MAR	26-02-2025		Holiday							
	28-02-2025								Holiday	
	03-03-2025									Holiday
	14-03-2025		Holiday							
	20-03-2025			Holiday						
APR	31-03-2025		Holiday		Holiday					
	03-04-2025								Holiday	
	04-04-2025	Holiday						Holiday	Holiday	
	10-04-2025		Holiday							
	14-04-2025		Holiday							
	18-04-2025		Holiday		Holiday	Holiday	Holiday			
	19-04-2025							Holiday		
	21-04-2025					Holiday		Holiday		
MAY	29-04-2025			Holiday						
	01-05-2025	Holiday	Holiday		Holiday			Holiday	Holiday	Holiday
	02-05-2025	Holiday								
	03-05-2025			Holiday						
	04-05-2025			Holiday						
	05-05-2025	Holiday		Holiday		Holiday		Holiday		Holiday
	06-05-2025			Holiday						Holiday
	12-05-2025				Holiday					
	26-05-2025					Holiday	Holiday			
	30-05-2025								Holiday	
JUN	31-05-2025	Holiday						Holiday	Holiday	
	02-06-2025	Holiday								
	06-06-2025				Holiday					Holiday
	10-06-2025								Holiday	
	19-06-2025						Holiday			
JUL	01-07-2025							Holiday		
	04-07-2025						Holiday			
	21-07-2025			Holiday						
AUG	11-08-2025			Holiday						
	15-08-2025		Holiday							Holiday
	25-08-2025					Holiday				
	27-08-2025		Holiday							
SEPT	01-09-2025						Holiday			
	15-09-2025			Holiday						
	23-09-2025			Holiday						
	01-10-2025	Holiday						Holiday		
OCT	02-10-2025	Holiday	Holiday							
	03-10-2025	Holiday								
	06-10-2025	Holiday								Holiday
	07-10-2025	Holiday						Holiday		Holiday
	08-10-2025	Holiday								Holiday
	09-10-2025									Holiday
	10-10-2025								Holiday	
	13-10-2025			Holiday						
	20-10-2025				Holiday					
	21-10-2025		Holiday							
	22-10-2025		Holiday							
NOV	29-10-2025							Holiday		
	03-11-2025			Holiday						
	05-11-2025		Holiday							
	23-11-2025			Holiday						
	24-11-2025			Holiday						
	27-11-2025						Holiday			
DEC	24-12-2025									
	25-12-2025		Holiday		Holiday	Holiday	Holiday			Holiday
	26-12-2025							Holiday		
	31-12-2025			Holiday		Holiday				Holiday



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