

## From Director's Desk

As we welcome the new year, it is but fitting that we take a moment to reflect back on some big events and trends of year that passed. 2024, in many ways, was a remarkable year for India.

It was a year in which India, the world's biggest democracy, voted in a new government – a government that will steer our destiny for the next five years. The sheer scale of this election exercise is mind boggling. 98 crore registered voters, of which 65 crore cast their vote, in an election that spanned seven phases over 44 days! Nowhere else in the world can one witness such a grand celebration of democracy.

2024 saw the government introduce a number of initiatives that will be transformative – taking India closer to its ambitious Viksit Bharat@2047 goals. The Prime Minister Internship Scheme (PMIS), which aims to offer internships to 10 million young Indians over the next five years, will be a game changer. Not only will these internships equip our youth with job related skills, it will also boost their employability. The other much needed reform that was introduced was the overhaul of the criminal justice system, with three new laws coming into effect from July 2024, replacing the old colonial era legislations.

While there was no let-up in the global turmoil, with the Russia-Ukraine conflict showing no signs of easing and Israel's war in Gaza against the Hamas continuing, closer home, India and China were successful in resolving their long standing dispute over the 3440 kilometer border. This will no doubt have a significant impact on the geopolitics of our region.

2024 was a year that we lost two towering personalities – former Prime Minister Manmohan Singh and noted industrialist Ratan Tata. India will forever remember their outstanding contributions to the building of modern India.

2024 was also, in many ways, a landmark year for the financial markets. Indian bonds were included in the JP Morgan Government Bond Index – Emerging Markets (GBI-EM). This inclusion will, in course of time, deepen the Indian bond markets, as the index will eventually hold a 10% weight in Indian bonds. The Indian IPO market reached new heights in 2024, with over Rs.1.60 lakh crores being raised. This reflects the increasing confidence in the primary markets and the growing awareness of investors. Retail participation in equity markets also came of age in 2024, with the number of demat accounts hitting the 18 crore mark. Retail investor now own close to 10% of the Indian stock market capitalization. Equally impressive was the 36% annual growth in AuM of the mutual fund industry, which stood at Rs.68 lakh crores in November 2024.

All this points to the increasing financialisation of savings in India, a trend that is inexorably gathering momentum. India heads into 2025 with a immense sense of optimism and hope.

Wishing all our readers a very happy New Year – a year filled with exciting opportunities and great achievements.

**Sashi Krishnan**  
**Director, NISM**

# India: Macro-finance Data

January 2025, Volume 37

Source: Bloomberg

Macro Indicators	As On			% Change in last	
	31-12-24	29-12-23	31-12-21	1 year	3 years
Nifty	23644.8	21731.4	17354.05	8.8	25.2
Sensex	78139.01	72240.26	58253.82	8.1	24.01
Nifty P/E	22.1	23.5	25.1		
Sensex P/E	23.01	23.9	27.5		
RBI Rate (%)	6.5	6.5	4		
10 Yr G Sec (Gol) %	6.76	7.1	6.4		
INR USD	85.6	83.2	74.3	-2.8	-11.9
GST Collection (Rs lac cr)	1.77	1.7	1.3	7.3	29.3
GDP growth rate %	5.3	8.08	5.5		
Export growth rate % (yoy)	-4.8	-3.2	44.2		
Import growth rate % (yoy)	27.04	-3.32	40.5		
CPI %	5.4	5.5	5.6		
WPI %	1.8	0.3	14.2		
BSE Mkt Cap (Rs lac cr)	441	364	266	21.1	36.8
NSE Mkt Cap (Rs lac cr)	438	361	264	21.3	36.7

200

# Congratulations!

*Lucky winners of December 2024 Quiz*

- Bharat Sharma
- Amit Kumar
- Makarand Deshpande

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pages....

## Financial Markets

### GST collections hit Rs 1.77 tn in December 2024, up 7.3%

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India's goods and services tax (GST) collections rose to Rs 1.77 tn in December, marking the tenth consecutive month of collections exceeding Rs 1.7 tn. The steady rise in GST revenues signals improved economic performance compared to the previous quarter, despite challenges in the broader economic landscape.

### Current account deficit narrows to \$11.2 bn

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India's current account deficit was \$11.2 bn or 1.2% of GDP in July-September, similar to the previous year. The merchandise trade deficit increased to \$75.3 bn, while net services receipts rose to \$44.5 bn. Private transfer receipts also grew, and the balance of payments showed a surplus of \$18.6 bn.

### Net direct tax collection rises 16.45% to Rs 15.82 tn

Net direct tax collections grew 16.45 per cent to Rs 15.82 trillion between April 1 and December 17 of FY25. non-corporate tax – which includes taxes paid by individuals, Hindu undivided families (HUFs), firms, body of individuals, association of persons, local authorities and artificial judicial persons grew 22.5% year-on-year (Y-o-Y) to Rs 7.97 tn.

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### UPI transactions touched record 16.73 bn in December 2024

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Transactions through the popular Unified Payments Interface (UPI) touched a record 16.73 bn in December, recording a growth of 8% over the preceding month. The transactions worked at ₹23.25 lk cr in December 2024 as against ₹21.55 lk cr in November.

### Net FDI into India stood at \$2.2 bn during April-October

Gross inward FDI rose to \$48.6 bn during April-October 2024 from \$42.1 bn a year ago. Major source countries included Singapore, Mauritius, the UAE, the Netherlands, and the US, contributing more than three-fourths of the flows during the period

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### India's manufacturing PMI stood at 56.4

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India's manufacturing activity ended a strong 2024 with a soft note amidst more signs of a slowing trend, albeit moderate, in the industrial sector. The rate of job creation quickened to the fastest in four months, during December.

### India's services PMI hits 59.3 in December, ending 2024 on a high note

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India's Services Purchasing Managers' Index (PMI) for December 2024 rose to 59.3 points, an increase from 58.4 points recorded in November, signaling growth in the country's services sector. Continued demand buoyancy propelled new business inflows, supported output growth, and encouraged firms to expand their workforce.

### 2024 ends on positive note as business activity

India's business activity reached a four-month high in December, driven by increased output in both goods and services sectors. The composite PMI rose to 60.7, fueled by stronger new orders and employment growth. While cost pressures eased, selling prices continued to rise, reaching their highest level since February 2013.

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## REGULATORY DEVELOPMENTS

### SEBI relaxes norms for settling client accounts inactive for 30 days [Read More](#)

SEBI revised settlement norms for brokerage accounts of inactive clients, aligning them with the monthly/quarterly settlement cycle. The changes simplify processes, reduce inefficiencies, and address broker concerns while maintaining investor protection and facilitating ease of business operations.

### SEBI's new guidelines for independent advisers, research analysts [Read More](#)

SEBI tightened rules for independent advisers and research analysts by imposing deposit requirements and restrictions on the scope of advice to enhance transparency and protect investors.

### RBI consolidates credit information reports mandate

Consolidating its guidelines on credit information reporting in a master circular, the Reserve Bank of India (RBI) has instructed credit information companies (CICs) to notify customers when their credit information reports (CIRs) are accessed. Additionally, it has made it mandatory for credit institutions (CIs), such as banks and non-banking financial companies, to provide reasons when rejecting data correction requests from individuals.

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### Introduction of a Mutual Funds Lite framework for passively managed schemes

MF Lite is a mutual fund that consists only of index funds, exchange-traded funds (ETFs), or funds of funds (FoFs) and other mutual funds. The introduction of the MF Lite framework for passively managed mutual funds aims to reduce entry barriers, reduce compliance requirements, and promote liquidity and diversification.

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### RBI releases draft formats of financial statements of Co-operative Banks [Read More](#)

The RBI has undertaken a comprehensive review of the formats of the financial statements of the co-operative banks and has released draft formats of the revised Forms and their schedules together with instructions for the compilation of the balance sheet and profit and loss account.

### IRDAI further strengthens regulatory framework

As a part of the comprehensive review of regulatory framework to maintain an agile, progressive, and forward-looking regulatory framework, the Insurance Regulatory and Development Authority of India (IRDAI) has issued nine principle based regulations. In continuation of the process of strengthening the regulatory architecture the following five regulations/amendments have been notified.

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## SECTORAL DEVELOPMENTS

### India's textile exports grew 7% to USD 21.35 bn [Read More](#)

India's textiles and apparel exports, including handicrafts, rose by 7% to USD 21.35 billion from April-October FY 2024-25, led by Ready Made Garments. Imports in the sector declined slightly by 1% in the same period. Cotton Textiles and Man-Made Textiles saw notable export increases.

### India's core sector output increases by 4.3% in November 2024 [Read More](#)

India's core sector output increased by 4.3% in November, driven by strong construction activity. Cement and steel production saw substantial gains, while coal production and refinery product output rose at a slower pace. Energy generation and fertilizer production also improved.



## India's power consumption up nearly 6% to 130.40 bn units in December

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## India's fuel consumption rises 2.1% to hit seven-month high in December

India's fuel consumption in December rose 2.1 per cent year on year to 20.67 million metric tons, its highest level since last May. On a monthly basis, fuel demand was up over 1 per cent from 20.46 million tons in November, data from the Petroleum Planning and Analysis Cell's (PPAC)

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## GLOBAL FINANCIAL DEVELOPMENTS

### US current account deficit hits record high in the third quarter

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America's trade deficit hit a new high. Imports surged, and income from abroad dipped. This widened the current account deficit to a record \$310.9 bn. The gap now represents 4.2% of the nation's GDP.

### China services activity hits 7-month high

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China's services activity expanded at the fastest pace in seven months in December, driven by a surge in domestic demand, but orders from abroad declined, reflecting growing trade risks to the economy. The Caixin/S&P Global services purchasing managers' index rose to 52.2 in December from 51.5 the previous month.

### UK construction growth slows to 6-month low

The S&P Global Purchasing Managers' Index for the construction sector dropped to 53.3 in December from November's 55.2, its lowest since June and below. S&P's UK all-sector PMI, which includes previously released services and manufacturing PMI data for December, fell to a 13-month low of 50.6 from 50.9 in November, just above the 50 mark that divides growth from contraction.

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### Japan economy to see 1.1% real growth in FY2025

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Japan's economy will grow more than 1% in inflation-adjusted terms in fiscal 2025. The predict average real growth of 1.1%. That's more optimistic than the projection for the current fiscal year of 0.4 %.

## DEVELOPMENTS IN RELATED AREAS

### Net FDI, FPI and FII data (2024-2025)

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FDI, FPI and FII data are out for ready reference in RBI Bulletin for November 2024 with estimates of latest months along with debt transactions of FDI enterprises – point 34 under Foreign Investment Inflows.

### Electric car sales in India jump 20% in 2024

Electric car sales in India increased by 20% in 2024, reaching nearly 100,000 units, up from 82,688 the previous year. Electric vehicles' market share rose to 2.4%, aided by government incentives and infrastructure improvements.

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## NISM PROGRAMS

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As part of its Investor Education initiatives, NISM has introduced a masterclass series featuring Industry experts in financial and Capital market fields. These sessions are designed to enhance the learning experience for both students and professionals. Each carefully curated, hour-long session aims to provide valuable insights and practical strategies to help both experienced and new investors make informed investment decisions.

### NISM Masterclass Series

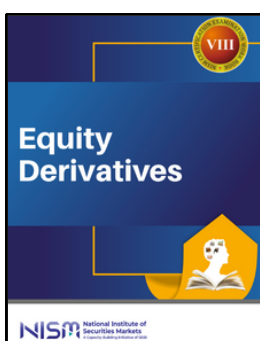


### Fostering Partnerships



Securities and Exchange Board of India (SEBI) emphasizes the need for a proficient workforce to maintain market efficiency and integrity. Ongoing global, technological, and regulatory shifts demand skilled and adaptable professionals who can navigate market complexities with unwavering commitment to compliance and ethics. In light of the evolving financial landscape, it is evident that enhancing the current academic curriculum offered by Higher Education Institutions can effectively prepare students with the specialized knowledge and practical skills to navigate the dynamic and regulated world of finance. The Financial Services Industry is facing critical shortage of skilled and job-ready professionals to keep pace with its rapid growth and expansion. NISM offers a range of certifications, e-learning, and other long-term programs designed to equip individuals with the necessary skills and updated knowledge to excel in the dynamic field of securities markets. We believe that our expertise in this area can be of great value to the institutions and their students. By collaborating with NISM, HEIs can fulfill the mission of promoting professional development and job readiness among students, while also reaping benefits such as improved job placements, higher rankings, and better admissions. We invite HEIs to explore this opportunity and engage in discussions on how we can work together.

## NISM CERTIFICATIONS




**NISM-Series-VIII: Equity Derivatives Certification Examination:** This examination seeks to create a common minimum knowledge benchmark for associated persons functioning as approved users and sales personnel of the trading member of an equity derivatives exchange or equity derivative segment of a recognized stock exchange. The examination aims to enable a better understanding of various derivatives products available in equity derivatives markets, regulations and risks associated with the products and the exchange mechanisms of clearing and settlement. The examination also covers knowledge competencies related to the understanding of the financial structure in India and the importance of the different rules and regulations governing the Indian securities market, especially those related to the equity derivatives segment.

**Certificate Program in Commodity Warehousing Management:** This e-learning program aims to train the participants with the best practices in the warehousing management industry. The course would enable passionate professionals to handle all functions related to warehousing right from good practices in the commodity eco-system such as storage, price stabilization, minimization of risk, financing, grading and packing.

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## YOUR FUTURE,

## OUR CALCULATOR.

Financial calculators are indispensable tools that help individuals and businesses make informed decisions about their finances. These financial calculators are user-friendly and provide detailed, accurate results, empowering users to make informed financial decisions.



Click here

 to access the financial calculator

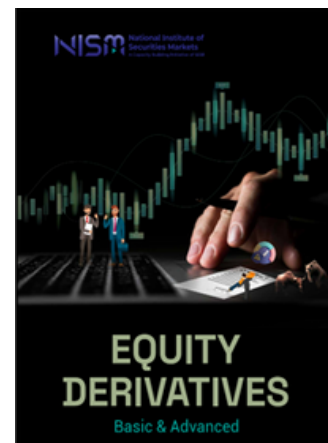
## NISM e-LEARNING MODULES

### Equity Derivatives (Basic & Advance)

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**Basic:** This course has been revised and updated with fresh content to enhance learners' foundational understanding of equity derivatives, covering essential concepts, trading strategies, and practical applications. The course takes about 4 hours to complete, is fully online, and includes quizzes and assessments with a certificate upon successful completion.

**Advanced:** This new course dives deeper into advanced derivatives strategies and complex option greeks, designed for professionals and learners aiming to expand their expertise in equity derivatives. The course takes about 5 hours to complete, is fully online, and includes quizzes and assessments with a certificate upon successful completion.





## Interest Rate Derivatives

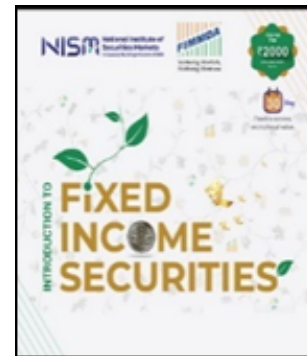
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Interest rate derivatives are F&O contracts used to trade or hedge against interest rate fluctuations. Introduction to Interest Rate Derivatives, is an eLearning course, co-branded by NISM and FIMMDA (The Fixed Income Money Market and Derivatives Association of India). This course offers an insightful journey into understanding the intricacies of this vital segment of the financial market. From exploring market overview to understanding trading and hedging strategies, this course equips you with essential knowledge to navigate the interest rate derivatives landscape effectively.

## Fixed Income Securities

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Fixed income securities refer to a diverse range of investment instruments where investors lend money to an entity, such as governments or corporations, in exchange for regular interest payments over a period. Introduction to Fixed Income Securities, is a comprehensive eLearning course jointly developed by the National Institute of Securities Markets (NISM) and the Fixed Income Money Market and Derivatives Association of India (FIMMDA). This course is designed to provide a thorough understanding of the Indian fixed income securities market, types of fixed income securities, and the associated risks. Whether you're a seasoned professional or a student looking to enhance your knowledge, this course offers valuable insights into the world of fixed income securities.



## Forensic Investigation- Level 1

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## Forensic Investigation- Level 2

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## Overview of Indian Debt Markets

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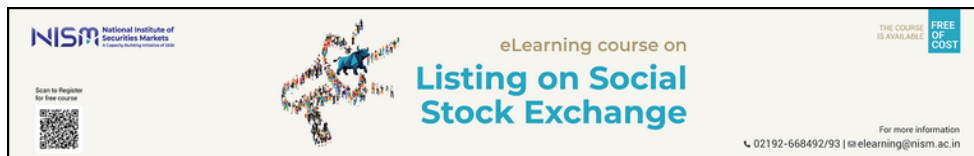

Debt Market is the market where fixed income securities of various types and features are issued and traded. Overview of Indian Debt Markets, is a comprehensive eLearning course jointly developed by the National Institute of Securities Markets (NISM) and the Fixed Income Money Market and Derivatives Association of India (FIMMDA). This course is designed to give a comprehensive understanding of the intricacies of Money Market, Government Debt Market, and Corporate Debt Market in India.

## Municipal Bonds

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Municipal bonds are an innovative, yet underutilised, financing option for Indian municipalities and urban local bodies. To help bridge this gap, a comprehensive eLearning course has been prepared aimed at empowering municipalities with the knowledge and practical skills to leverage municipal bonds as a powerful tool for financing development projects.

## Listing on Social Stock Exchange

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In India, social stock exchanges are emerging as a game-changing platform for organizations with a social impact mission. Our eLearning course, Listing on Social Stock Exchange, is designed to empower socially responsible organizations such as Not for Profit Organizations (NPOs) and For Profit Social Enterprise (FPEs) with the knowledge and tools they need to access these innovative markets. Whether you're a nonprofit, social enterprise, or a mission-driven business, this course will guide you step-by-step through the listing process and regulatory requirements to maximize your impact.

## SME Listing and Compliance

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Take your financial knowledge to the next level with our "Financial Planning (Advanced)" eLearning course. Designed for individuals with an understanding of basic financial concepts, this course delves into advanced topics such as goal prioritization, application of time value of money, building retirement corpus, and regulatory framework for SEBI registered investment advisers. Led by experts in the field, this course challenges you to explore complex financial scenarios using case studies, equipping you with the tools to navigate intricate financial landscapes. Whether you are a seasoned investor or an investment adviser looking to enhance your expertise, this course provides advanced insights to elevate your financial planning skills.

## AML for Insurance Professionals

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Effective Anti-Money Laundering (AML) practices are crucial in the insurance industry to prevent illegal activities like money laundering and financing terrorism. By implementing robust AML measures, insurance companies can not only contribute to a safer, more transparent industry, but also promote trust and confidence among clients and stakeholders. This course is designed to equip the insurance professionals with the essential knowledge and skills required to maintain the integrity of financial systems, ensure regulatory compliance, and safeguard their company's reputation.

## Financial literacy Course for Bharat

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Financial literacy is a universal necessity for individuals seeking to enhance their financial acumen and secure their financial future. It is the cornerstone of sound financial decision-making. It encompasses understanding various financial instruments, managing finances effectively, planning for the future, assessing risks, and grasping the dynamics of the financial landscape.

## NISM & CRISIL Certified ESG Risk Analyst (NCCERA)

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The intense spotlight on sustainability is leading to greater systematic scrutiny of environmental, social, and governance (ESG) aspects of businesses world over. Investors, looking beyond traditional market rate returns, are driving corporate leaders to redraw organisational strategy and increasingly focus on the 'triple bottom line'. These shifts have opened up great demand for professionals across industries with critical training in ESG analysis, sustainability practices and regulatory asks, hence, for credible ESG courses that impart these skills.

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## FOOD FOR THOUGHT – FROM NISM BRAINS

### Can energy-focused mutual funds power up your investment portfolio?

The article highlights the potential of energy-focused mutual funds in India, driven by the country's renewable energy goals and growing power demands. These funds invest in traditional and clean energy companies, offering long-term wealth creation opportunities. With AUM of ₹20,000–30,000 crore, they suit investors with a high-risk appetite and long-term investment horizon. Regulatory changes, market risks, and systematic investment plans should be considered before investing. While energy-focused mutual funds offer a promising avenue to tap into India's growing energy sector, investors should conduct thorough research and consider their risk tolerance before investing.

*Author: Rasmeet Kohli*

### From light regulation to accountability: How Sebi is rethinking SME IPO rules

The article discusses SEBI's efforts to tighten regulations for SME IPOs to address issues like fund misuse, promoter exits, and market misconduct. It highlights the success of SME exchanges since 2012 but emphasizes vulnerabilities in the current framework. Proposed measures include stricter eligibility criteria, higher application thresholds, improved governance, and enhanced disclosures to protect investors and ensure credible listings, while also emphasizing the untapped potential of SME exchanges in India.

*Author: Rasmeet Kohli & Pradiptarathi Panda*

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