

# INDIAN CORPORATE SECTOR: Q3 FY2024 PERFORMANCE REVIEW AND OUTLOOK

---

**Revenue growth of India Inc.  
continued into Q3 FY2024, led by  
festive season demand**

**FEBRUARY 2024**



# Agenda

## 1 Summary



## 2 Financial performance of Indian corporate sector in Q3 FY2024



## 3 Key macroeconomic trends



## 4 Key trends in the Indian corporate sector





[Click to see full report](#)

*Corporate India reported 3.7% YoY growth in revenues in Q3 FY2024. Along with the softening in input costs, this supported 171 bps expansion in earnings on YoY basis.*

*Evolution of the global economic scenario would remain a key monitorable over the near term.*



- **The aggregate revenues of 579 listed companies evaluated by ICRA (excluding financial sector entities) expanded by 3.7% on a YoY basis during Q3 FY2024 alongside a margin expansion.** The YoY revenue expansion was curtailed to an extent by a general decline in realisation levels amid softening input costs (mainly raw materials) for most of the sectors.



- **Operating leverage benefits coupled with easing of some input costs led to a YoY expansion in operating profit margin (OPM) of India Inc.** by 171 bps to 17.2% in Q3 FY2024. Although input costs softened in recent months, they remain elevated over historic levels, and as a result, India Inc.'s OPM is yet to reach the levels of 18-19% witnessed during FY2022.



- **Despite the variations in debt levels across sectors, India Inc. reported largely stable credit metrics over the recent past.** The improvement in earnings on the back of recovery in demand across sectors arrested any sharp increase in gearing and Debt/OPBITDA levels during H1 FY2024. ICRA expects India Inc. to report stable credit metrics, going forward, despite expectations of some debt addition to support growth.



- **While India Inc.'s performance in Q4 FY2024 is expected to remain stable,** the uncertainties in the global economic environment, ongoing geopolitical developments, weakness in rural demand and a potential slowdown in government capex in the run up to the General Elections are potential headwinds. Accordingly, India Inc.'s ability to navigate these challenges remains critical.



# ICRA Analytical Contact Details

Name	Designation	Email	Contact Number
Shamsher Dewan	Group Head	<a href="mailto:shamsherd@icraindia.com">shamsherd@icraindia.com</a>	0124 – 4545 328
Kinjal Shah	Co-Group Head	<a href="mailto:kinjal.shah@icraindia.com">kinjal.shah@icraindia.com</a>	022 – 6114 3442
Sahil Udani	Sector Head	<a href="mailto:sahil.udani@icraindia.com">sahil.udani@icraindia.com</a>	022 – 6114 3465
Yashowardhan Swami	Senior Analyst	<a href="mailto:yashowardhan.swami@icraindia.com">yashowardhan.swami@icraindia.com</a>	020 – 6606 9923
Trisha Agarwal	Senior Analyst	<a href="mailto:trisha.agarwal@icraindia.com">trisha.agarwal@icraindia.com</a>	022 – 6114 3457





ICRA

# Business Development/Media Contact Details

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	<a href="mailto:shivakumar@icraindia.com">shivakumar@icraindia.com</a>	022-61693304
Neha Agarwal	Head – Research Sales	<a href="mailto:neha.agarwal@icraindia.com">neha.agarwal@icraindia.com</a>	022-61693338
Rohit Gupta	Head Business Development - Infrastructure Sector	<a href="mailto:rohitg@icraindia.com">rohitg@icraindia.com</a>	0124-4545340
Vivek Bhalla	Head Business Development - Financial Sector	<a href="mailto:vivek.bhalla@icraindia.com">vivek.bhalla@icraindia.com</a>	022-61693372
Vipin Saboo	Head Business Development – Corporate Sector - West & East	<a href="mailto:vipin.saboo@icraindia.com">vipin.saboo@icraindia.com</a>	022-61693348
Shivam Bhatia	Head Business Development – Corporate Sector - North & South	<a href="mailto:shivam.bhatia@icraindia.com">shivam.bhatia@icraindia.com</a>	0124-4545803
Naznin Prodhani	Head – Media & Communications	<a href="mailto:communications@icraindia.com">communications@icraindia.com</a>	0124-4545860







***© Copyright, 2024 ICRA Limited. All Rights Reserved.***

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.



ICRA

**Thank You!**