

Business News Update

7.02.2025

“Failure Is Not The Opposite Of Success, It's Part Of Success.”

Market Update

Nifty 50	23615.75
BSE Sensex	78090.15
Nifty 500	21663.40
Nifty MidCap 50	14953.10
BSE MidCap	42916.55

Consumption slowdown, commodity weakness hurt India Inc's profits. MOSL advises portfolio rejig

In a recent note, brokerage house Motilal Oswal Financial Services (MOSL) stated that a slowdown in consumption and commodity weakness have weighed on corporate earnings, even as sectors such as BFSI, Healthcare, Capital Goods, and Technology delivered strong performances. However, the government's shift from capital expenditure to consumption in its latest budget is expected to trigger a realignment in investment portfolios, leading to a potential moderation in valuation multiples across the Industrials, Capital Goods, and Manufacturing sectors. MOSL noted that the underperformance of Consumer Staples may be nearing an end as the government's ₹1 trillion tax relief for middle-class taxpayers is expected to boost consumer spending in the coming quarters. This could lead to a rebound in valuation multiples for consumption-driven companies, particularly in the Staples segment, after a prolonged de-rating since FY20.

Source: [Livemint, February 6, 2025](#)

Cognizant's 2024 rebound: A real recovery or an acquisition boost?

Cognizant Technology Solution Corp. bounced back from 2023's lacklustre performance reporting a revenue growth for last year, mainly on the back of two large acquisitions. But factor out the acquisitions and the revenue concerns linger. The Chennai-born, New Jersey-headquartered Cognizant acquired Belcan in September for \$1.3 billion to strengthen its position in the engineering research and development (ER&D) sector. Earlier, in January last year, it acquired Thirdera for \$430 million to build an artificial intelligence offering. The Nasdaq-listed company reported \$19.74 billion in revenue for 2024, up 1.98% on a yearly basis. In 2023, Cognizant's revenue had declined 0.4% to about \$19.35 billion. But Cognizant, which follows a January-December financial calendar, noted that its recently completed acquisitions made up 200 basis points, or 2%, of its 2024 revenue growth, indicating slower growth without counting revenue from the recently acquired companies.

Source: [Livemint, February 6, 2025](#)

PVR INOX posts Rs 68.1 crore profit in Q3, reports highest-ever ticket prices and ad revenue

PVR INOX reported its financial results for Q3 and the nine-month period ending December 31, 2024, highlighting strong box office performance driven by blockbuster releases. The company posted quarterly revenue of Rs 1,738.8 crore, with EBITDA at Rs 258.3 crore and net profit at Rs 68.1 crore, marking its highest-ever quarterly average ticket price (Rs 281) and food & beverage spend per head (Rs 140). Advertising revenue also reached a post-pandemic high of Rs 148.6 crore. For the nine-month period, PVR INOX reported a revenue of Rs 4,589.3 crore but a net loss of Rs 46 crore, despite 106.4 million admissions and an average ticket price of Rs 259. The company reduced net debt by Rs 434.6 crore since March 2023 and opened 77 new screens, bringing its total screen count

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Source: [Financial Express, February 6, 2025](#)

New Tax Regime: These deductions, exemptions still available for you

The Indian government introduced a new tax regime in 2020, offering lower tax rates while removing several exemptions and deductions available under the old system. Initially optional, this regime became the default in 2023, requiring taxpayers to opt out if they wished to continue under the old structure. Despite the removal of many benefits, certain allowances remain exempt under the new tax regime, providing some relief to employees.

Standard Deduction: All salaried employees and pensioners are eligible for a standard deduction of Rs 75,000.

Retirement Benefits: Gratuity and leave encashment received at retirement remain non-taxable. Employer Contributions to NPS/PF: Contributions by an employer towards the National Pension System (NPS) or Provident Fund (PF) remain exempt. Income from the Agnipath Scheme (Section 80CCH) Allowances Still Exempt, Transfer-Related Allowance: Employees relocating for work can claim tax-free transition expenses. Conveyance

Source: [Financial Express, February 6, 2025](#)

Shipping giant Maersk's shares jump 10% on profit beat despite trade uncertainty

Maersk shares jumped more than 10% after the shipping giant posted better-than-expected fourth-quarter results on Thursday, putting shares on course for their best daily performance since 2016. Earnings before interest, depreciation, taxes and amortization (EBITDA) rose 26% to \$12.13 billion in the full-year stretch and came in at \$3.6 billion in the fourth quarter, exceeding the \$3 billion analyst forecast for the three-month period cited by Reuters. "We saw growth across all three of our segments. We saw also a pretty strong price environment on the back of that growth and some shortages of capacity, so global trade continuing to be strong allowed us to deliver a very strong quarter," Maersk CEO Vincent Clerc told CNBC's "Squawk Box Europe" on Thursday. "At a time of very high macroeconomic uncertainties, we were able to be sufficiently agile." The return to profit growth follows a plunge in 2023, as the impact of global supply chain constraints drove a huge spike to record highs in .

Source: [CNBC, February 6, 2025](#)

Europe stocks rise ahead of Bank of England decision; Maersk up 10%

European markets were higher Thursday, with investors assessing more earnings reports and awaiting the latest monetary policy decision from the Bank of England. The regional benchmark Stoxx 600 was 0.75% higher at 9:37 a.m. London time as almost all sectors traded higher. Shipping giant Maersk popped 10.35% in early deals after beating fourth-quarter profit expectations, despite forecasting a weaker result this year. The Stoxx autos index shook off early losses to trade 0.6% higher amid continued uncertainty over the impact of U.S. tariffs this year. However, Sweden's Volvo Cars lost 9% after warning that 2025 would be a challenging year in which EV competition from China would intensify and market growth would slow. Danish brewer Carlsberg meanwhile reported a slight miss in fourth-quarter sales and pointed to lower growth in 2025. Earnings are also out from ING, ArcelorMittal, AstraZeneca, Ørsted, Vinci, L'Oreal, Siemens

Source: [CNBC, February 6, 2025](#)

US Steel bid matches Trump goals, Nippon Steel says, no certainty deal will close

Nippon Steel (5401.T), opens new tab, Japan's biggest steelmaker, said on Thursday its proposed acquisition of U.S. Steel (X.N), opens new tab fits with President Donald Trump's goal of a stronger United States as the leaders of the two allies prepared to meet. Nippon Steel's bid for U.S. Steel, key to the Japanese company's global expansion plan, was blocked last month by then-U.S. President Joe Biden, citing national security. Together with U.S. Steel, it filed a number of lawsuits challenging Biden's decision. The merger became highly politicized ahead of the November U.S. presidential election, with both Democrat Biden and Republican Trump pledging to kill it off as they wooed voters in the swing state of Pennsylvania where U.S. Steel is headquartered. Nevertheless the bid "contributes to Trump's goals of promoting U.S. investment, creating U.S. jobs, and strengthening U.S. manufacturing through new investment and advanced technology transfer," Nippon Steel said in a statement, while adding there was no guarantee that the transaction would be closed.

Source: [Reuters, February 6, 2025](#)
