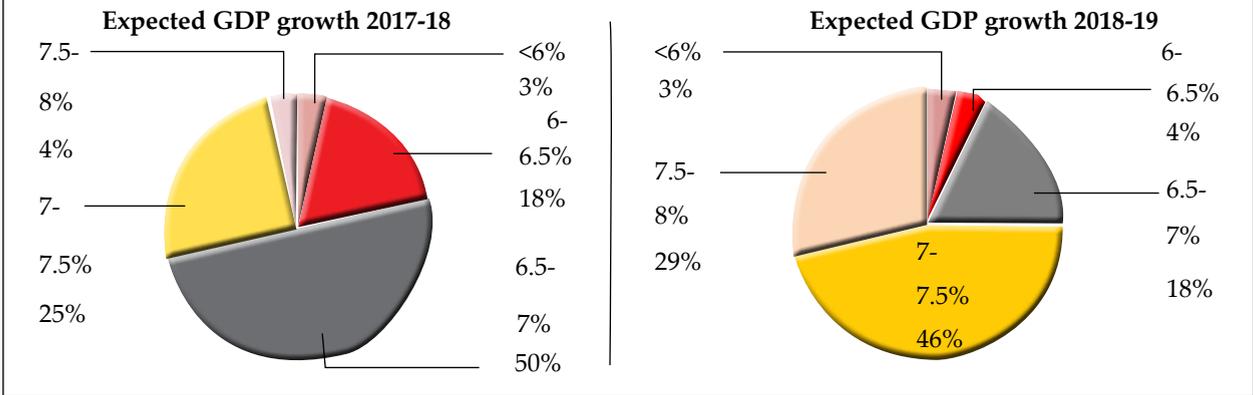


# Road to Recovery

**Chart 1: GDP Growth expectations**



**2**017 was a roller-coaster ride for the CFOs of India Inc., but as they move into 2018, many see a clear road to recovery from recent economic and regulatory disruptions. Events of the last year have also left Finance heads with a new set of priorities – on both the personal front, and in terms of what they expect of their team-mates in these turbulent times.

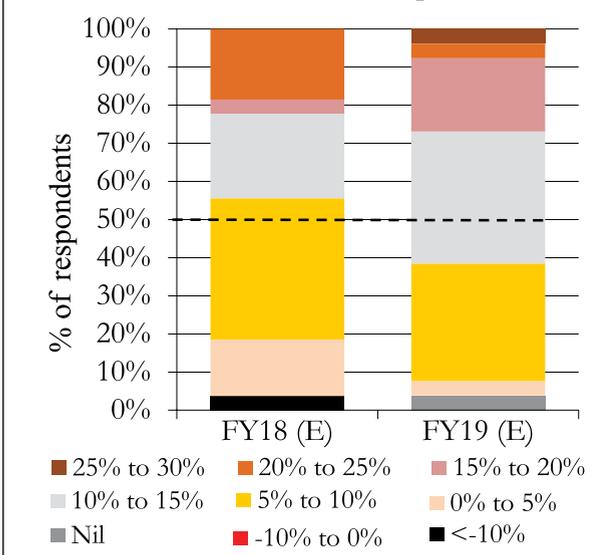
In a recent IMA dip-stick

survey, over 30 CFOs shared their perspectives on the economy, their individual businesses, and their key ‘asks’ – not only of their teams, but also of themselves. The results confirm the general view that economic growth is recouping from the ‘GST jitters’: median growth expectations for FY19, at 7-7.5 per cent, are higher than for FY18 (6.5-7 per cent), and more than a quarter (29 per cent) of CFOs expect it to exceed 7.5 per cent, up

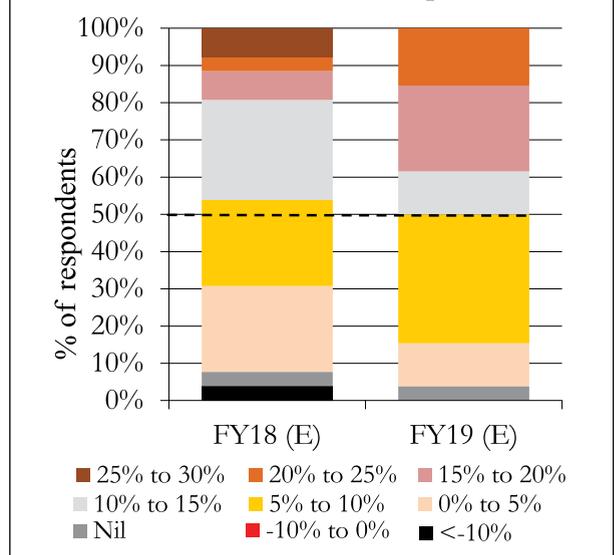
from just 4 per cent for this year (Chart 1). Moreover, the domestic recovery will spill over into improved top-line and bottom-line performance. 62 per cent of firms expect to grow revenue by more than 10 per cent next fiscal, up from 44 per cent this year (Chart 2). 38 per cent forecast net profit growth in excess of 15 per cent, double the share with similar expectations for FY18 (Chart 3).

A cheerier business outlook

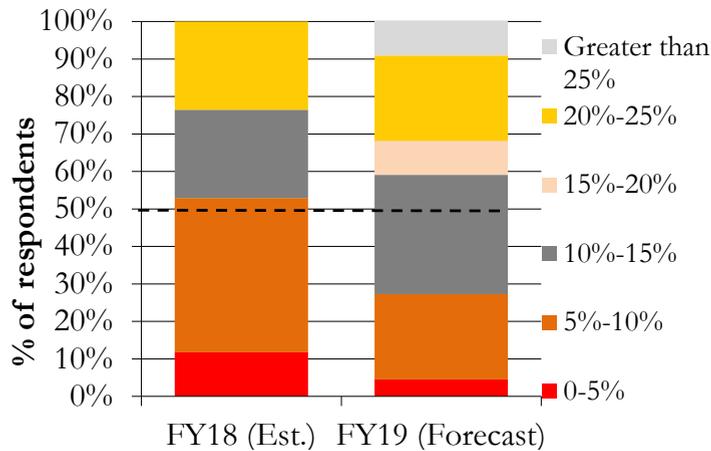
**Chart 2: Revenue Growth expectations**



**Chart 3: Net Profit Growth expectations**



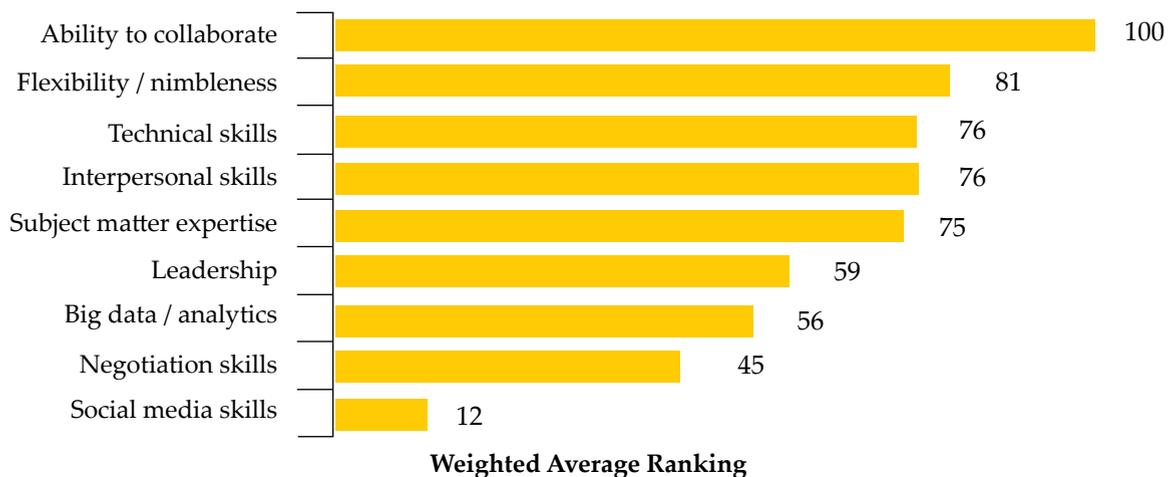
**Chart 4: Export growth projections**



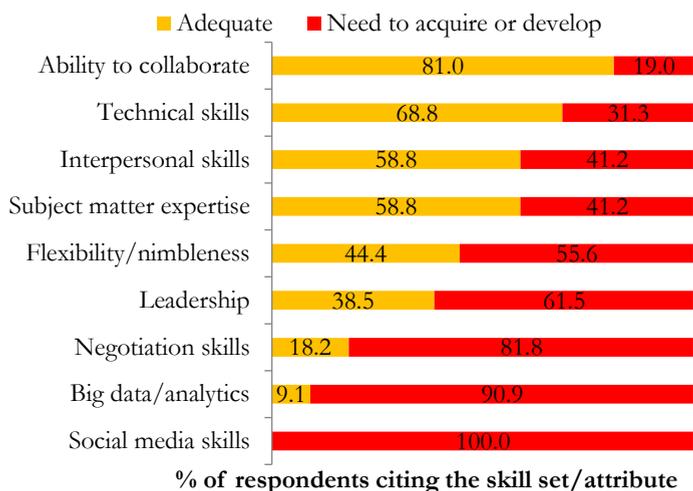
stems partly from a strengthening world economy, which will create opportunities for exports. At the median, CFOs expect growth from overseas sales to move up from the 5-10 per cent range in FY18 to 10-15 per cent in FY19, with the share of companies expecting more than 15 per cent export growth almost doubling, from 24 per cent to 41 per cent (Chart 4).

A shifting economic and regulatory regime will impact both skill-set requirements, as well as the to-do list for CFOs. The ability to collaborate and flexibility/nimbleness are at the top of the 'demand' list for Finance-team

**Chart 5: Skill set requirements**



**Chart 6: Skill set availability**



employees, edging out technical and inter-personal skills (Chart 5). Yet, while most CFOs believe that their teams are 'adequately stocked' in terms of collaborative skills, they are less sanguine about the other three key 'asks' – and especially so in terms of flexibility (Chart 6). On the personal priority list, compliance issues expectedly comes out on top (27 per cent of all CFOs rank it in first place), but, in an environment where growth is clearly returning, ensuring business growth (17 per cent) is a second, vital priority. ■

**IMA Research  
for CFO Connect**