

## Services and Infrastructure Outlook Survey for Q3:2020-21

Today, the Reserve Bank released the results of 27<sup>th</sup> round of its quarterly Services and Infrastructure Outlook Survey (SIOS). This forward-looking survey, being conducted since Q1:2014-15, captures qualitative assessment and expectations of Indian companies in the services and infrastructure sectors on a set of business parameters relating to demand conditions, price situation and other business conditions. 526 companies gave their assessment for Q3:2020-21 and expectations for Q4:2020-21 in the latest round of the survey, which was conducted during October-December 2020.<sup>1</sup>

### Highlights:

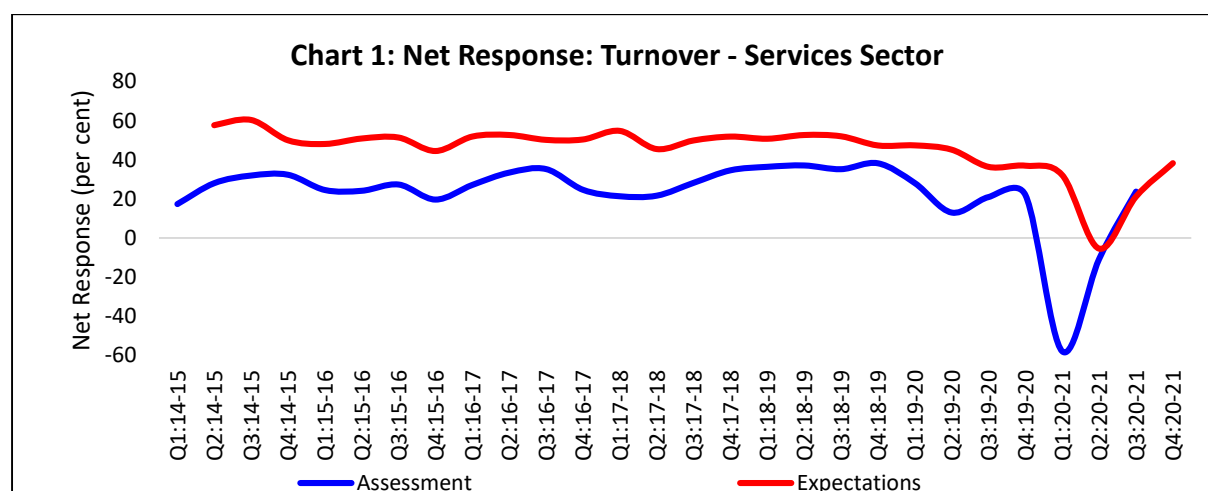
#### A. Services Sector

##### Assessment for Q3:2020-21

- Services sector firms assessed strong revival in turnover during Q3:2020-21 (Chart 1 and Table A).
- All major business parameters, except input costs, recorded significant improvement in Q3:2020-21.
- Respondents assessed subdued selling prices and profit margins, though their sentiments improved over the previous quarter.
- Sentiments on overall business situation returned to optimism.

##### Expectations for Q4:2020-21

- Services sector companies expect further improvement in turnover in Q4:2020-21 (Chart 1).
- Outlook on major business parameters, except input costs, improved further.
- Companies expect rise in both selling prices and input costs, resulting in marginal gain in profit margins.



<sup>1</sup> The background and methodological aspects of the survey are documented in the published article “Services and Infrastructure Outlook Survey – Recent Trends” in December 2020 issue of RBI bulletin (Weblink: [https://www.rbi.org.in/Scripts/BS\\_ViewBulletin.aspx?id=19962](https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx?id=19962)).

The survey results reflect the views of the respondents, which are not necessarily shared by the Reserve Bank of India.

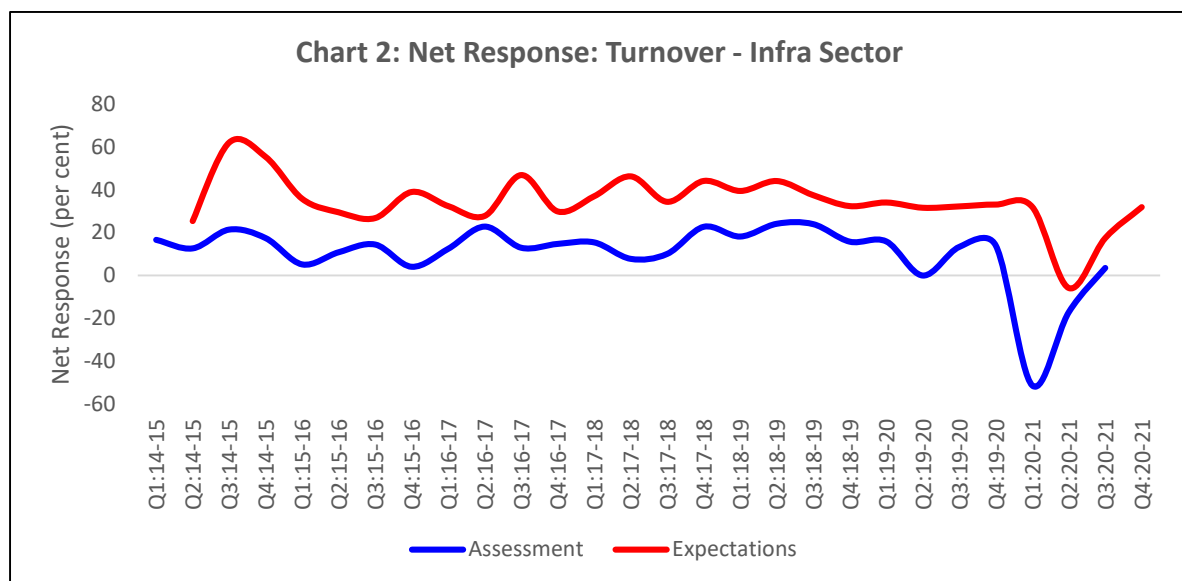
## B. Infrastructure Sector

### Assessment for Q3:2020-21

- Infrastructure companies gauged expansion in turnover, where the net sentiments turned positive after two quarters (Chart 2 and Table B).
- Major business parameters like turnover, employment, selling price and profit margin are assessed to have improved in Q3:2020-21 resulting in overall improvement in business situation.

### Expectations for Q4:2020-21

- The turnover of infrastructure companies is expected to improve further in Q4:2020-21 (Chart 2); other major business parameters are also expected to improve.
- Employment conditions are expected to turn positive for both full-time and part-time employees.



## Summary of Net Responses<sup>2</sup> on Survey Parameters

| <b>Table A: Services Sector</b> |                   |          |                     |          |
|---------------------------------|-------------------|----------|---------------------|----------|
| (per cent)                      |                   |          |                     |          |
| Parameters                      | Assessment period |          | Expectations period |          |
|                                 | Q2:20-21          | Q3:20-21 | Q3:20-21            | Q4:20-21 |
| Overall Business Situation      | -4.7              | 30.9     | 27.0                | 44.5     |
| Turnover                        | -10.7             | 23.7     | 21.2                | 38.4     |
| Full-time Employees             | -8.8              | 9.5      | 4.0                 | 15.4     |
| Part-time Employees             | -15.4             | -4.3     | -3.8                | 6.6      |
| Availability of Finance         | -1.1              | 10.7     | 5.3                 | 16.9     |
| Cost of Finance                 | 0.0               | -4.6     | -2.2                | -8.5     |
| Salary & Wages                  | -0.3              | -12.0    | -9.5                | -20.3    |
| Cost of Inputs                  | -26.2             | -28.0    | -24.2               | -29.2    |
| Selling Price                   | -12.6             | -9.9     | -5.4                | 0.3      |
| Profit Margin                   | -29.5             | -11.1    | -6.3                | 1.4      |
| Inventories                     | -5.9              | 6.0      | 1.3                 | 12.3     |
| Technical/Service Capacity      | 5.6               | 10.7     | 9.6                 | 13.1     |
| Physical Investment             | -1.4              | 5.7      | 1.1                 | 8.7      |

| <b>Table B: Infrastructure Sector</b> |                   |          |                     |          |
|---------------------------------------|-------------------|----------|---------------------|----------|
| (per cent)                            |                   |          |                     |          |
| Parameters                            | Assessment period |          | Expectations period |          |
|                                       | Q2:20-21          | Q3:20-21 | Q3:20-21            | Q4:20-21 |
| Overall Business Situation            | -11.0             | 16.2     | 14.8                | 37.7     |
| Turnover                              | -17.2             | 3.5      | 17.5                | 31.9     |
| Full-time Employees                   | -26.0             | -14.2    | -8.0                | 2.9      |
| Part-time Employees                   | -19.2             | -5.8     | -2.4                | 3.0      |
| Availability of Finance               | -10.4             | -0.7     | 1.6                 | 10.1     |
| Cost of Finance                       | -12.2             | -13.8    | -21.1               | -17.4    |
| Salary & Wages                        | 11.2              | -8.6     | -17.7               | -16.7    |
| Cost of Inputs                        | -31.9             | -33.1    | -42.7               | -40.7    |
| Selling Price                         | -18.8             | -7.1     | -10.0               | 3.2      |
| Profit Margin                         | -41.9             | -23.4    | -17.4               | -3.6     |
| Inventories                           | 0.0               | 0.8      | 5.7                 | 6.9      |
| Technical/Service Capacity            | -3.7              | 1.7      | 1.9                 | 5.0      |
| Physical Investment                   | -2.9              | 0.9      | 7.8                 | 7.0      |

**Note:** [Please see the excel file for time series data](#)

<sup>2</sup> Net Response (NR) is the difference between the percentage of respondents reporting optimism and those reporting pessimism. It ranges between -100 to 100. Positive value indicates expansion/optimism and negative value indicates contraction/pessimism. In other words,  $NR = (I - D)$ ; where, I is the percentage response of 'Increase/optimism', D is the percentage response of 'Decrease/pessimism' and E is the percentage response as 'no change/ equal' (i.e.,  $I+D+E=100$ ). For example, increase in turnover is optimism whereas decrease in cost of inputs is pessimism.

## Services Sector

**Table S1: Assessment and Expectation for Overall Business Situation**

(Percentage responses)@

| Quarter  | Assessment |           |       |               | Expectation |           |       |              |
|----------|------------|-----------|-------|---------------|-------------|-----------|-------|--------------|
|          | Better     | No Change | Worse | Net response# | Better      | No Change | Worse | Net response |
| Q3:19-20 | 32.8       | 51.4      | 15.8  | <b>17.0</b>   | 47.0        | 39.0      | 13.9  | <b>33.1</b>  |
| Q4:19-20 | 33.0       | 52.6      | 14.3  | <b>18.7</b>   | 45.2        | 45.2      | 9.6   | <b>35.5</b>  |
| Q1:20-21 | 7.4        | 31.3      | 61.3  | <b>-53.9</b>  | 43.8        | 45.8      | 10.4  | <b>33.4</b>  |
| Q2:20-21 | 26.4       | 42.4      | 31.1  | <b>-4.7</b>   | 29.0        | 43.9      | 27.1  | <b>1.9</b>   |
| Q3:20-21 | 43.2       | 44.5      | 12.3  | <b>30.9</b>   | 40.3        | 46.3      | 13.4  | <b>27.0</b>  |
| Q4:20-21 |            |           |       |               | 50.4        | 43.7      | 5.9   | <b>44.5</b>  |

'Increase' in Overall business situation is optimistic.

@: Due to rounding off percentage may not add up to 100.

#: Net Response (NR) is the difference of percentage of the respondents reporting optimism and that reporting pessimism. The range is -100 to 100. Any value greater than zero indicates expansion/ optimism and any value less than zero indicates contraction/ pessimism.

**Table S2: Assessment and Expectation for Turnover**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 40.3       | 40.3      | 19.4     | <b>20.9</b>  | 50.5        | 35.4      | 14.0     | <b>36.5</b>  |
| Q4:19-20 | 41.6       | 38.8      | 19.7     | <b>21.9</b>  | 48.1        | 40.9      | 11.0     | <b>37.1</b>  |
| Q1:20-21 | 9.0        | 23.9      | 67.1     | <b>-58.1</b> | 46.6        | 39.1      | 14.3     | <b>32.2</b>  |
| Q2:20-21 | 28.0       | 33.2      | 38.7     | <b>-10.7</b> | 30.4        | 33.9      | 35.8     | <b>-5.4</b>  |
| Q3:20-21 | 43.7       | 36.3      | 20.0     | <b>23.7</b>  | 40.5        | 40.2      | 19.3     | <b>21.2</b>  |
| Q4:20-21 |            |           |          |              | 48.6        | 41.1      | 10.3     | <b>38.4</b>  |

'Increase' in Turnover is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S3: Assessment and Expectation for Full-time Employees**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 26.0       | 57.7      | 16.3     | <b>9.7</b>   | 26.4        | 66.2      | 7.4      | <b>19.0</b>  |
| Q4:19-20 | 30.3       | 56.9      | 12.8     | <b>17.5</b>  | 27.4        | 63.5      | 9.1      | <b>18.3</b>  |
| Q1:20-21 | 11.6       | 63.5      | 24.8     | <b>-13.2</b> | 28.3        | 62.8      | 8.9      | <b>19.4</b>  |
| Q2:20-21 | 15.2       | 60.9      | 24.0     | <b>-8.8</b>  | 13.4        | 68.7      | 17.9     | <b>-4.6</b>  |
| Q3:20-21 | 24.9       | 59.8      | 15.3     | <b>9.5</b>   | 17.0        | 70.0      | 13.0     | <b>4.0</b>   |
| Q4:20-21 |            |           |          |              | 22.9        | 69.5      | 7.5      | <b>15.4</b>  |

'Increase' in Full-time Employees is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S4: Assessment and Expectation for Part-time Employees** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 12.9       | 70.6      | 16.5     | <b>-3.6</b>  | 12.9        | 77.1      | 10.0     | <b>3.0</b>   |
| Q4:19-20 | 12.1       | 75.6      | 12.4     | <b>-0.3</b>  | 14.7        | 72.3      | 13.1     | <b>1.6</b>   |
| Q1:20-21 | 4.5        | 62.9      | 32.6     | <b>-28.1</b> | 15.4        | 74.1      | 10.6     | <b>4.8</b>   |
| Q2:20-21 | 8.3        | 68.1      | 23.6     | <b>-15.4</b> | 8.5         | 70.4      | 21.2     | <b>-12.7</b> |
| Q3:20-21 | 10.0       | 75.7      | 14.3     | <b>-4.3</b>  | 9.5         | 77.2      | 13.3     | <b>-3.8</b>  |
| Q4:20-21 |            |           |          |              | 15.0        | 76.7      | 8.3      | <b>6.6</b>   |

'Increase' in Part-time Employees is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S5: Assessment and Expectation for Availability of Finance** (Percentage responses)

| Quarter  | Assessment |           |        |              | Expectation |           |        |              |
|----------|------------|-----------|--------|--------------|-------------|-----------|--------|--------------|
|          | Improve    | No Change | Worsen | Net response | Improve     | No Change | Worsen | Net response |
| Q3:19-20 | 17.4       | 70.1      | 12.5   | <b>4.9</b>   | 27.8        | 64.6      | 7.6    | <b>20.2</b>  |
| Q4:19-20 | 21.5       | 66.8      | 11.7   | <b>9.8</b>   | 22.9        | 68.0      | 9.1    | <b>13.9</b>  |
| Q1:20-21 | 9.7        | 66.3      | 23.9   | <b>-14.2</b> | 24.0        | 65.9      | 10.1   | <b>13.9</b>  |
| Q2:20-21 | 15.4       | 68.0      | 16.6   | <b>-1.1</b>  | 15.9        | 66.6      | 17.5   | <b>-1.7</b>  |
| Q3:20-21 | 21.3       | 68.0      | 10.7   | <b>10.7</b>  | 17.7        | 69.9      | 12.4   | <b>5.3</b>   |
| Q4:20-21 |            |           |        |              | 25.5        | 65.9      | 8.6    | <b>16.9</b>  |

'Improve' in Availability of Finance is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S6: Assessment and Expectation for Cost of Finance** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 16.5       | 74.3      | 9.2      | <b>-7.3</b>  | 16.3        | 71.2      | 12.5     | <b>-3.8</b>  |
| Q4:19-20 | 14.9       | 75.7      | 9.5      | <b>-5.4</b>  | 15.3        | 75.7      | 9.0      | <b>-6.3</b>  |
| Q1:20-21 | 21.4       | 62.9      | 15.7     | <b>-5.7</b>  | 13.4        | 76.6      | 10.0     | <b>-3.4</b>  |
| Q2:20-21 | 15.1       | 69.7      | 15.1     | <b>0.0</b>   | 18.1        | 68.9      | 13.0     | <b>-5.1</b>  |
| Q3:20-21 | 16.8       | 70.9      | 12.3     | <b>-4.6</b>  | 13.5        | 75.1      | 11.4     | <b>-2.2</b>  |
| Q4:20-21 |            |           |          |              | 17.0        | 74.6      | 8.5      | <b>-8.5</b>  |

'Decrease' in Cost of Finance is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S7: Assessment and Expectation for Salary/Wages** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 35.1       | 61.9      | 3.0      | <b>-32.1</b> | 34.8        | 61.0      | 4.3      | <b>-30.5</b> |
| Q4:19-20 | 33.6       | 61.9      | 4.4      | <b>-29.2</b> | 31.2        | 66.8      | 2.1      | <b>-29.1</b> |
| Q1:20-21 | 13.2       | 61.2      | 25.6     | <b>12.3</b>  | 39.2        | 57.8      | 3.0      | <b>-36.2</b> |
| Q2:20-21 | 16.9       | 66.4      | 16.7     | <b>-0.3</b>  | 15.8        | 66.2      | 18.0     | <b>2.3</b>   |
| Q3:20-21 | 23.7       | 64.5      | 11.7     | <b>-12.0</b> | 19.0        | 71.6      | 9.5      | <b>-9.5</b>  |
| Q4:20-21 |            |           |          |              | 26.4        | 67.6      | 6.0      | <b>-20.3</b> |

'Decrease' in Salary/Wages is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S8: Assessment and Expectation for Cost of Inputs**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 35.8       | 60.2      | 4.0      | <b>-31.7</b> | 33.6        | 64.1      | 2.3      | <b>-31.3</b> |
| Q4:19-20 | 36.2       | 56.9      | 6.9      | <b>-29.3</b> | 31.7        | 63.9      | 4.5      | <b>-27.2</b> |
| Q1:20-21 | 24.5       | 58.8      | 16.7     | <b>-7.8</b>  | 32.6        | 62.7      | 4.7      | <b>-28.0</b> |
| Q2:20-21 | 34.6       | 56.9      | 8.4      | <b>-26.2</b> | 25.8        | 63.6      | 10.6     | <b>-15.2</b> |
| Q3:20-21 | 33.2       | 61.5      | 5.2      | <b>-28.0</b> | 30.6        | 63.1      | 6.4      | <b>-24.2</b> |
| Q4:20-21 |            |           |          |              | 34.0        | 61.1      | 4.8      | <b>-29.2</b> |

'Decrease' in Cost of Inputs is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S9: Assessment and Expectation for Selling Price**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 9.8        | 76.3      | 13.9     | <b>-4.0</b>  | 12.7        | 78.8      | 8.6      | <b>4.1</b>   |
| Q4:19-20 | 11.1       | 77.8      | 11.1     | <b>0.0</b>   | 11.7        | 79.2      | 9.0      | <b>2.7</b>   |
| Q1:20-21 | 3.0        | 71.2      | 25.8     | <b>-22.9</b> | 12.5        | 76.0      | 11.4     | <b>1.1</b>   |
| Q2:20-21 | 6.1        | 75.1      | 18.8     | <b>-12.6</b> | 6.1         | 75.4      | 18.6     | <b>-12.5</b> |
| Q3:20-21 | 7.0        | 76.0      | 16.9     | <b>-9.9</b>  | 7.8         | 79.1      | 13.2     | <b>-5.4</b>  |
| Q4:20-21 |            |           |          |              | 11.3        | 77.7      | 11.0     | <b>0.3</b>   |

'Increase' in Selling Price is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S10: Assessment and Expectation for Profit Margin**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 19.2       | 52.9      | 27.9     | <b>-8.7</b>  | 27.2        | 53.4      | 19.4     | <b>7.8</b>   |
| Q4:19-20 | 19.4       | 56.0      | 24.6     | <b>-5.2</b>  | 26.4        | 57.0      | 16.6     | <b>9.8</b>   |
| Q1:20-21 | 3.5        | 37.7      | 58.7     | <b>-55.2</b> | 23.0        | 59.7      | 17.3     | <b>5.7</b>   |
| Q2:20-21 | 12.4       | 45.8      | 41.9     | <b>-29.5</b> | 13.4        | 48.5      | 38.1     | <b>-24.8</b> |
| Q3:20-21 | 19.0       | 50.8      | 30.2     | <b>-11.1</b> | 20.5        | 52.7      | 26.8     | <b>-6.3</b>  |
| Q4:20-21 |            |           |          |              | 21.6        | 58.3      | 20.2     | <b>1.4</b>   |

'Increase' in Profit Margin is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S11: Assessment and Expectation for Inventories**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 15.1       | 74.2      | 10.7     | <b>4.4</b>   | 18.1        | 73.1      | 8.8      | <b>9.2</b>   |
| Q4:19-20 | 16.7       | 72.2      | 11.0     | <b>5.7</b>   | 13.8        | 78.2      | 8.0      | <b>5.7</b>   |
| Q1:20-21 | 13.5       | 63.5      | 23.0     | <b>-9.6</b>  | 16.9        | 73.9      | 9.2      | <b>7.7</b>   |
| Q2:20-21 | 14.4       | 65.3      | 20.3     | <b>-5.9</b>  | 14.5        | 68.8      | 16.7     | <b>-2.2</b>  |
| Q3:20-21 | 17.9       | 70.2      | 11.9     | <b>6.0</b>   | 15.9        | 69.6      | 14.6     | <b>1.3</b>   |
| Q4:20-21 |            |           |          |              | 20.6        | 71.2      | 8.3      | <b>12.3</b>  |

'Increase' in Inventories is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S12: Assessment and Expectation for Technical/Service Capacity** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 18.2       | 80.6      | 1.2      | <b>17.0</b>  | 19.6        | 78.3      | 2.1      | <b>17.4</b>  |
| Q4:19-20 | 16.8       | 81.0      | 2.2      | <b>14.6</b>  | 18.6        | 80.1      | 1.3      | <b>17.3</b>  |
| Q1:20-21 | 9.2        | 79.2      | 11.5     | <b>-2.3</b>  | 16.8        | 81.3      | 2.0      | <b>14.8</b>  |
| Q2:20-21 | 12.5       | 80.6      | 6.9      | <b>5.6</b>   | 13.9        | 78.6      | 7.5      | <b>6.3</b>   |
| Q3:20-21 | 14.6       | 81.5      | 3.9      | <b>10.7</b>  | 14.8        | 80.1      | 5.2      | <b>9.6</b>   |
| Q4:20-21 |            |           |          |              | 16.8        | 79.4      | 3.8      | <b>13.1</b>  |

'Increase' in Technical/Service Capacity is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table S13: Assessment and Expectation for Physical Investment** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 18.3       | 79.5      | 2.2      | <b>16.1</b>  | 18.2        | 77.8      | 4.0      | <b>14.2</b>  |
| Q4:19-20 | 18.5       | 77.4      | 4.2      | <b>14.3</b>  | 18.0        | 80.1      | 1.9      | <b>16.1</b>  |
| Q1:20-21 | 11.7       | 72.8      | 15.6     | <b>-3.9</b>  | 15.4        | 79.5      | 5.1      | <b>10.2</b>  |
| Q2:20-21 | 8.0        | 82.7      | 9.3      | <b>-1.4</b>  | 13.9        | 75.3      | 10.8     | <b>3.2</b>   |
| Q3:20-21 | 13.2       | 79.4      | 7.4      | <b>5.7</b>   | 8.5         | 84.0      | 7.5      | <b>1.1</b>   |
| Q4:20-21 |            |           |          |              | 14.0        | 80.8      | 5.2      | <b>8.7</b>   |

'Increase' in Physical Investment is optimistic. Footnotes @ and # given in Table 1 are applicable here.

## Infrastructure Sector

**Table I1: Assessment and Expectation for Overall Business Situation**

(Percentage responses)<sup>@</sup>

| Quarter  | Assessment |           |       |                           | Expectation |           |       |              |
|----------|------------|-----------|-------|---------------------------|-------------|-----------|-------|--------------|
|          | Better     | No Change | Worse | Net response <sup>#</sup> | Better      | No Change | Worse | Net response |
| Q3:19-20 | 33.1       | 50.3      | 16.6  | <b>16.6</b>               | 42.1        | 43.2      | 14.7  | <b>27.4</b>  |
| Q4:19-20 | 34.6       | 47.7      | 17.7  | <b>16.9</b>               | 49.7        | 39.9      | 10.5  | <b>39.2</b>  |
| Q1:20-21 | 13.3       | 28.6      | 58.1  | <b>-44.8</b>              | 50.8        | 40.0      | 9.2   | <b>41.5</b>  |
| Q2:20-21 | 25.2       | 38.6      | 36.2  | <b>-11.0</b>              | 29.5        | 46.7      | 23.8  | <b>5.7</b>   |
| Q3:20-21 | 35.2       | 45.8      | 19.0  | <b>16.2</b>               | 34.4        | 46.1      | 19.5  | <b>14.8</b>  |
| Q4:20-21 |            |           |       |                           | 47.1        | 43.5      | 9.4   | <b>37.7</b>  |

'Increase' in Overall business situation is optimistic.

@: Due to rounding off percentage may not add up to 100.

#: Net Response (NR) is the difference of percentage of the respondents reporting optimism and that reporting pessimism. The range is -100 to 100. Any value greater than zero indicates expansion/ optimism and any value less than zero indicates contraction/ pessimism.

**Table I2: Assessment and Expectation for Turnover**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 36.3       | 40.8      | 22.9     | <b>13.4</b>  | 47.3        | 37.6      | 15.1     | <b>32.3</b>  |
| Q4:19-20 | 34.4       | 45.3      | 20.3     | <b>14.1</b>  | 45.5        | 42.2      | 12.3     | <b>33.1</b>  |
| Q1:20-21 | 9.7        | 29.1      | 61.2     | <b>-51.5</b> | 42.2        | 47.7      | 10.2     | <b>32.0</b>  |
| Q2:20-21 | 23.4       | 35.9      | 40.6     | <b>-17.2</b> | 24.5        | 45.1      | 30.4     | <b>-5.9</b>  |
| Q3:20-21 | 29.8       | 44.0      | 26.2     | <b>3.5</b>   | 38.1        | 41.3      | 20.6     | <b>17.5</b>  |
| Q4:20-21 |            |           |          |              | 41.8        | 48.2      | 9.9      | <b>31.9</b>  |

'Increase' in Turnover is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I3: Assessment and Expectation for Full-time Employees**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 14.1       | 67.3      | 18.6     | <b>-4.5</b>  | 24.2        | 65.3      | 10.5     | <b>13.7</b>  |
| Q4:19-20 | 16.2       | 68.5      | 15.4     | <b>0.8</b>   | 16.4        | 73.7      | 9.9      | <b>6.6</b>   |
| Q1:20-21 | 4.8        | 68.3      | 26.9     | <b>-22.1</b> | 20.5        | 70.1      | 9.4      | <b>11.0</b>  |
| Q2:20-21 | 3.9        | 66.1      | 29.9     | <b>-26.0</b> | 7.7         | 70.2      | 22.1     | <b>-14.4</b> |
| Q3:20-21 | 7.1        | 71.6      | 21.3     | <b>-14.2</b> | 8.8         | 74.4      | 16.8     | <b>-8.0</b>  |
| Q4:20-21 |            |           |          |              | 14.3        | 74.3      | 11.4     | <b>2.9</b>   |

'Increase' in Full-time Employees is optimistic. Footnotes @ and # given in Table 1 are applicable here.



**Table I4: Assessment and Expectation for Part-time Employees** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 8.6        | 82.8      | 8.6      | <b>0.0</b>   | 16.1        | 71.0      | 12.9     | <b>3.2</b>   |
| Q4:19-20 | 5.5        | 85.0      | 9.4      | <b>-3.9</b>  | 10.7        | 80.5      | 8.7      | <b>2.0</b>   |
| Q1:20-21 | 3.9        | 63.1      | 33.0     | <b>-29.1</b> | 10.2        | 81.3      | 8.6      | <b>1.6</b>   |
| Q2:20-21 | 5.6        | 69.6      | 24.8     | <b>-19.2</b> | 9.8         | 71.6      | 18.6     | <b>-8.8</b>  |
| Q3:20-21 | 8.7        | 76.8      | 14.5     | <b>-5.8</b>  | 10.6        | 76.4      | 13.0     | <b>-2.4</b>  |
| Q4:20-21 |            |           |          |              | 12.6        | 77.8      | 9.6      | <b>3.0</b>   |

'Increase' in Part-time Employees is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I5: Assessment and Expectation for Availability of Finance** (Percentage responses)

| Quarter  | Assessment |           |        |              | Expectation |           |        |              |
|----------|------------|-----------|--------|--------------|-------------|-----------|--------|--------------|
|          | Improve    | No Change | Worsen | Net response | Improve     | No Change | Worsen | Net response |
| Q3:19-20 | 14.9       | 66.2      | 18.8   | <b>-3.9</b>  | 25.0        | 56.5      | 18.5   | <b>6.5</b>   |
| Q4:19-20 | 14.5       | 69.4      | 16.1   | <b>-1.6</b>  | 22.4        | 68.4      | 9.2    | <b>13.2</b>  |
| Q1:20-21 | 7.0        | 64.0      | 29.0   | <b>-22.0</b> | 25.2        | 64.2      | 10.6   | <b>14.6</b>  |
| Q2:20-21 | 14.4       | 60.8      | 24.8   | <b>-10.4</b> | 14.7        | 66.7      | 18.6   | <b>-3.9</b>  |
| Q3:20-21 | 18.6       | 62.1      | 19.3   | <b>-0.7</b>  | 21.8        | 58.1      | 20.2   | <b>1.6</b>   |
| Q4:20-21 |            |           |        |              | 23.0        | 64.0      | 12.9   | <b>10.1</b>  |

'Improve' in Availability of Finance is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I6: Assessment and Expectation for Cost of Finance** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 33.1       | 57.8      | 9.1      | <b>-24.0</b> | 23.1        | 58.2      | 18.7     | <b>-4.4</b>  |
| Q4:19-20 | 27.4       | 63.7      | 8.9      | <b>-18.5</b> | 24.3        | 66.2      | 9.5      | <b>-14.9</b> |
| Q1:20-21 | 29.1       | 56.3      | 14.6     | <b>-14.6</b> | 23.2        | 66.4      | 10.4     | <b>-12.8</b> |
| Q2:20-21 | 24.4       | 63.4      | 12.2     | <b>-12.2</b> | 28.7        | 59.4      | 11.9     | <b>-16.8</b> |
| Q3:20-21 | 20.3       | 73.2      | 6.5      | <b>-13.8</b> | 27.6        | 65.9      | 6.5      | <b>-21.1</b> |
| Q4:20-21 |            |           |          |              | 24.6        | 68.1      | 7.2      | <b>-17.4</b> |

'Decrease' in Cost of Finance is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I7: Assessment and Expectation for Salary/Wages** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 28.4       | 62.6      | 9.0      | <b>-19.4</b> | 30.4        | 63.0      | 6.5      | <b>-23.9</b> |
| Q4:19-20 | 25.0       | 67.2      | 7.8      | <b>-17.2</b> | 28.3        | 67.8      | 3.9      | <b>-24.3</b> |
| Q1:20-21 | 18.6       | 59.8      | 21.6     | <b>2.9</b>   | 37.5        | 61.7      | 0.8      | <b>-36.7</b> |
| Q2:20-21 | 12.0       | 64.8      | 23.2     | <b>11.2</b>  | 21.8        | 60.4      | 17.8     | <b>-4.0</b>  |
| Q3:20-21 | 19.3       | 70.0      | 10.7     | <b>-8.6</b>  | 23.4        | 71.0      | 5.6      | <b>-17.7</b> |
| Q4:20-21 |            |           |          |              | 22.5        | 71.7      | 5.8      | <b>-16.7</b> |

'Decrease' in Salary/Wages is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I8: Assessment and Expectation for Cost of Inputs**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 38.9       | 58.4      | 2.7      | <b>-36.2</b> | 35.2        | 60.2      | 4.5      | <b>-30.7</b> |
| Q4:19-20 | 39.3       | 55.7      | 4.9      | <b>-34.4</b> | 37.1        | 58.7      | 4.2      | <b>-32.9</b> |
| Q1:20-21 | 31.6       | 58.2      | 10.2     | <b>-21.4</b> | 36.1        | 58.8      | 5.0      | <b>-31.1</b> |
| Q2:20-21 | 36.1       | 59.7      | 4.2      | <b>-31.9</b> | 31.6        | 62.2      | 6.1      | <b>-25.5</b> |
| Q3:20-21 | 38.2       | 56.6      | 5.1      | <b>-33.1</b> | 44.4        | 53.8      | 1.7      | <b>-42.7</b> |
| Q4:20-21 |            |           |          |              | 42.2        | 56.3      | 1.5      | <b>-40.7</b> |

'Decrease' in Cost of Inputs is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I9: Assessment and Expectation for Selling Price**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 7.6        | 78.0      | 14.4     | <b>-6.8</b>  | 19.7        | 65.8      | 14.5     | <b>5.3</b>   |
| Q4:19-20 | 8.0        | 74.3      | 17.7     | <b>-9.7</b>  | 12.5        | 78.9      | 8.6      | <b>3.9</b>   |
| Q1:20-21 | 7.4        | 66.0      | 26.6     | <b>-19.1</b> | 10.8        | 74.8      | 14.4     | <b>-3.6</b>  |
| Q2:20-21 | 8.9        | 63.4      | 27.7     | <b>-18.8</b> | 7.5         | 68.8      | 23.7     | <b>-16.1</b> |
| Q3:20-21 | 8.7        | 75.4      | 15.9     | <b>-7.1</b>  | 10.9        | 68.2      | 20.9     | <b>-10.0</b> |
| Q4:20-21 |            |           |          |              | 15.2        | 72.8      | 12.0     | <b>3.2</b>   |

'Increase' in Selling Price is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I10: Assessment and Expectation for Profit Margin**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 11.3       | 60.7      | 28.0     | <b>-16.7</b> | 18.9        | 55.6      | 25.6     | <b>-6.7</b>  |
| Q4:19-20 | 11.6       | 56.2      | 32.2     | <b>-20.7</b> | 17.4        | 59.0      | 23.6     | <b>-6.3</b>  |
| Q1:20-21 | 2.9        | 33.0      | 64.1     | <b>-61.2</b> | 18.6        | 58.5      | 22.9     | <b>-4.2</b>  |
| Q2:20-21 | 7.3        | 43.5      | 49.2     | <b>-41.9</b> | 11.9        | 44.6      | 43.6     | <b>-31.7</b> |
| Q3:20-21 | 11.3       | 53.9      | 34.8     | <b>-23.4</b> | 17.4        | 47.9      | 34.7     | <b>-17.4</b> |
| Q4:20-21 |            |           |          |              | 21.0        | 54.3      | 24.6     | <b>-3.6</b>  |

'Increase' in Profit Margin is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I11: Assessment and Expectation for Inventories**

(Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 17.0       | 74.1      | 8.8      | <b>8.2</b>   | 18.6        | 68.6      | 12.8     | <b>5.8</b>   |
| Q4:19-20 | 15.8       | 71.7      | 12.5     | <b>3.3</b>   | 17.5        | 72.0      | 10.5     | <b>7.0</b>   |
| Q1:20-21 | 17.0       | 68.0      | 15.0     | <b>2.0</b>   | 16.9        | 73.7      | 9.3      | <b>7.6</b>   |
| Q2:20-21 | 12.4       | 75.2      | 12.4     | <b>0.0</b>   | 14.3        | 72.4      | 13.3     | <b>1.0</b>   |
| Q3:20-21 | 12.9       | 75.0      | 12.1     | <b>0.8</b>   | 18.0        | 69.7      | 12.3     | <b>5.7</b>   |
| Q4:20-21 |            |           |          |              | 16.8        | 73.3      | 9.9      | <b>6.9</b>   |

'Increase' in Inventories is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I12: Assessment and Expectation for Technical/Service Capacity** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 18.0       | 78.1      | 3.9      | <b>14.1</b>  | 20.3        | 77.0      | 2.7      | <b>17.6</b>  |
| Q4:19-20 | 14.0       | 82.2      | 3.7      | <b>10.3</b>  | 16.7        | 80.2      | 3.2      | <b>13.5</b>  |
| Q1:20-21 | 4.4        | 79.1      | 16.5     | <b>-12.1</b> | 14.7        | 82.6      | 2.8      | <b>11.9</b>  |
| Q2:20-21 | 5.6        | 85.2      | 9.3      | <b>-3.7</b>  | 8.8         | 80.2      | 11.0     | <b>-2.2</b>  |
| Q3:20-21 | 9.2        | 83.3      | 7.5      | <b>1.7</b>   | 9.5         | 82.9      | 7.6      | <b>1.9</b>   |
| Q4:20-21 |            |           |          |              | 10.0        | 85.0      | 5.0      | <b>5.0</b>   |

'Increase' in Technical/Service Capacity is optimistic. Footnotes @ and # given in Table 1 are applicable here.

**Table I13: Assessment and Expectation for Physical Investment** (Percentage responses)

| Quarter  | Assessment |           |          |              | Expectation |           |          |              |
|----------|------------|-----------|----------|--------------|-------------|-----------|----------|--------------|
|          | Increase   | No Change | Decrease | Net response | Increase    | No Change | Decrease | Net response |
| Q3:19-20 | 18.9       | 75.6      | 5.5      | <b>13.4</b>  | 25.3        | 66.7      | 8.0      | <b>17.3</b>  |
| Q4:19-20 | 16.8       | 79.4      | 3.7      | <b>13.1</b>  | 21.1        | 74.0      | 4.9      | <b>16.3</b>  |
| Q1:20-21 | 6.7        | 71.9      | 21.3     | <b>-14.6</b> | 20.2        | 76.9      | 2.9      | <b>17.3</b>  |
| Q2:20-21 | 10.7       | 75.7      | 13.6     | <b>-2.9</b>  | 9.1         | 72.7      | 18.2     | <b>-9.1</b>  |
| Q3:20-21 | 9.4        | 82.1      | 8.5      | <b>0.9</b>   | 17.6        | 72.5      | 9.8      | <b>7.8</b>   |
| Q4:20-21 |            |           |          |              | 14.8        | 77.4      | 7.8      | <b>7.0</b>   |

'Increase' in Physical Investment is optimistic. Footnotes @ and # given in Table 1 are applicable here.