

*Performance of Private Corporate Business Sector, 2006-07**

This article reviews the quarterly and annual performance of the private corporate business sector during 2006-07, based on abridged financial results of non-Government public limited companies. The performance of select non-Government non-financial public limited companies continued to improve during 2006-07. The robust performance in terms of healthy sales and net profits was despite high growth in their interest payments, depreciation and tax provisions. Profitability reflected in gross and net profit margins recorded improvement across almost all the paid-up capital and sales classes. Interestingly, interest burden, though, varied considerably across the industries, was lighter than the previous year for many industries. Reflecting input and wage costs pressures, the share of consumption of raw materials as well as staff cost in sales was higher as compared with the previous year. Quarter-wise, while the first three quarters of 2006-07 recorded accelerated growth in sales and net profits, deceleration was observed in the fourth quarter. The non-Government financial public limited companies also recorded improvement in their income from operations and profits after tax during 2006-07.

The performance of the private corporate business sector during 2006-07 (April-March) is assessed in this article, based on abridged financial results submitted by the listed companies to the Stock Exchanges. Since the data are available

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for only few items and are provisional in nature, analysis based on these data can be taken as indicative.

This article covers data relating to 2388 non-Government non-financial public limited companies and provides, *inter alia*, a brief size-wise and industry-wise analysis. The coverage of these select listed companies in terms of paid-up capital and net sales in relation to the companies listed on the Bombay Stock exchange is 49.5 per cent and 61.4 per cent, respectively. A review of the performance of private corporate sector over the quarters of 2006-07 has also been presented based on abridged financial results of 2228, 2263, 2258 and 2356 companies, respectively, in Q1, Q2, Q3 and Q4 of 2006-07. In addition, it briefly, touches upon the performance of 352 non-Government financial public limited companies during 2006-07.

Performance of Select 2388 Non-Financial Non-Government Companies

Overall Performance, 2006-07

Led by increased production levels and better price realisations, sales increased by record 26.2 per cent to Rs.10,41,894 crore. Reflecting operational efficiencies, the growth in total expenditure was lower by 2.7 percentage points at 23.5 per cent, resulting in 42.3 per cent rise in operating profits. Supported by the significant contribution of Rs.29,385 crore from 'other income', the resultant net profits stood at Rs.1,11,107 crore showing 45.2 per cent rise over 2005-06. This high growth in earnings was despite high increases in depreciation provision (15.4 per cent),

interest payments (17.4 per cent) and tax provision (49.8 per cent).

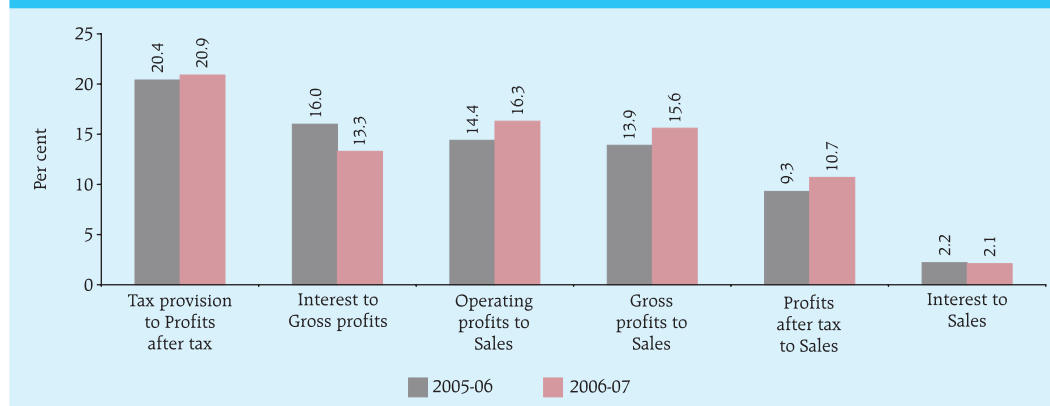
Operating profit margin (excluding other income) increased by 190 basis points to 16.3 per cent for these 2388 companies. Net profit margin also recorded improvement of 140 basis points to 10.7 per cent (Chart 1). Notwithstanding a sizable growth of 17.4 per cent in interest payments, interest burden defined as the ratio of interest to gross profits, declined to 13.3 per cent from 16.0 per cent in the previous year, reflecting faster growth in gross profits, *vis-à-vis*, interest payments.

Exhibiting continued good performance, the number of companies recording net profits was higher at 1946 (81.5 per cent of all the companies) in 2006-07 as compared with 1925 (80.6 per cent) in 2005-06. Of these, 658 companies (27.6 per cent) recorded net profits growth of more than 50 per cent, 194 companies (8.1 per cent) between 30-50 per cent and 247 companies (10.3 per cent) recorded between 10-30 per cent increase in net profits. Of the 2388

Table 1: Performance of 2388 Non-Government Non-Financial Companies, 2006-07

Performance Parameter	Amount (Rs. crore)		Per cent change
	2005-06	2006-07	
1	2	3	4
Sales	8,25,364	10,41,894	26.2
Expenditure	7,06,114	8,72,168	23.5
Operating profits	1,19,250	1,69,726	42.3
Other income	27,373	29,385	7.4
Depreciation	32,156	37,095	15.4
Gross profits	1,14,467	1,62,017	41.5
Interest	18,317	21,500	17.4
Profits before tax	96,150	1,40,517	46.1
Tax provision	19,634	29,410	49.8
Profits after tax	76,516	1,11,107	45.2
<i>Paid-up capital</i>	<i>51,568</i>	<i>55,755</i>	<i>8.1</i>

Chart 1: Profit Allocation, Profitability and Interest-linked Ratios



companies covered in the study, 218 companies each with sales of 'Rs. 500 crore and above' and paid-up capital of 'Rs 25 crore and above' contributed around 69 per cent of total sales. These companies recorded sales and profits after tax growth of 28.6 per cent and 44.4 per cent, respectively.

Performance according to Size of Paid-up Capital

The size-wise analysis of companies, classified according to the size of paid-up capital, revealed that all the classes recorded

good performance in terms of growth in sales and net profits. The 1351 companies in the two smallest size groups, each with paid-up capital of less than Rs 10 crore, accounted for more than 50 per cent in terms of number but represented only 12.3 per cent of the aggregate paid-up capital (Table 2). In contrast, companies in the top bracket, each having paid-up capital of more than Rs.25 crore and representing only 17 per cent in terms of number, occupied a predominant share of 70.5 per cent in the aggregate paid-up capital. These top companies together recorded the highest

Table 2: Performance of the Select Companies according to the Size of Paid-up capital, 2006-07

PUC Size class (Rs. crore)	No. of companies	Paid-up capital		Per cent change (YoY)								
		Amount outstanding (Rs.crore)	Per cent share	Sales	Other income	Total expenditure	Depreciation provision	Gross profits	Interest	Profits before tax	Tax provision	Profits after tax
1	2	3	4	5	6	7	8	9	10	11	12	13
Below 5	668	2,100	3.8	19.9	17.9	19.5	16.3	25.8	23.0	26.9	24.6	27.7
5 – 10	683	4,764	8.5	20.5	23.2	18.9	12.4	42.0	18.9	52.0	46.3	53.7
10 – 15	358	4,307	7.7	25.2	35.1	23.0	13.9	49.9	14.1	62.0	63.2	61.7
15 – 25	275	5,298	9.5	24.0	55.2	23.7	24.4	33.3	21.1	36.2	43.7	34.4
25 and above	404	39,286	70.5	27.6	-1.6	24.4	14.7	42.3	16.7	46.4	50.5	45.4
All companies	2,388	55,755	100.0	26.2	7.4	23.5	15.4	41.5	17.4	46.1	49.8	45.2

sales growth of 27.6 per cent. The relatively lower rise of 24.4 per cent in their expenditure resulted in more than 40 per cent increase in profits at all levels. Higher growth in other income helped companies in size group of 'Rs.15 crore - Rs.25 crore' to achieve 34.4 per cent rise in net profits despite substantial growth in depreciation provision (24.4 per cent), interest payments (21.1 per cent) and tax provision (43.7 per cent). Interestingly, performance of companies with paid-up capital between 'Rs.10 crore and Rs.15 crore' in terms of sales growth though was similar to companies in the higher classes, the significantly lower growth in expenditure *vis-a-vis* sales led profits growth to the highest level among all the size classes (49.9 per cent growth in gross profits and 61.7 per cent in net profits).

Interest burden continued to fall across all the size classes (Table 3). For companies in the top class, interest burden eased by 250 basis points to 11.4 per cent whereas for companies in size class of 'Rs.15 crore to Rs.25 crore', it eased by 180 basis points. Profitability in terms of gross and net profit

margin was higher for higher size classes and improvements were observed across all the classes over their levels in the previous year. In particular, gross and net profit margin of the top class companies at 17.2 per cent and 12.1 per cent were the highest, improving by 180 and 150 basis points, respectively.

Performance according to Size of Sales

In line with the companies classified as per paid-up capital, the classes based on sales revealed the size influence on sales growth - larger the size, higher the sales growth. Companies with annual sales of 'Rs.1,000 crore and above' posted remarkable increase of 29.1 per cent in their sales with expenditure rising at a relatively lower rate of 26.3 per cent and hence yielding higher profits at operating level itself (Table 4). As a result, the high growth in gross as well as net profits, *viz.*, 43.6 per cent and 45.6 per cent respectively, were observed for this group of companies. In contrast, companies in the preceding size class, *viz.*, sales between Rs.500 crore and Rs.1000 crore, though recorded 25 per cent

Table 3: Profit Allocation, Interest-linked and Profitability Ratios according to the Size of Paid-up capital, 2006-07

PUC Size class (Rs. crore)	Profit allocation Ratios				Interest linked ratios				Profitability ratios			
	Tax provision to Profits before tax		Interest to Gross profits		Interest coverage (Times)		Interest to Sales		Gross profits to Sales		Profits after tax to Sales	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11	12	13
Below 5	25.6	25.1	27.8	27.2	3.6	3.7	2.0	2.0	7.0	7.4	3.8	4.0
5 – 10	23.8	22.9	30.1	25.2	3.3	4.0	2.5	2.5	8.3	9.8	4.4	5.7
10 – 15	21.6	21.7	25.3	19.2	4.0	5.2	2.7	2.5	10.8	12.9	6.3	8.2
15 – 25	19.1	20.2	19.3	17.5	5.2	5.7	2.3	2.3	12.0	12.9	7.9	8.5
25 and above	20.2	20.8	13.9	11.4	7.2	8.8	2.1	2.0	15.4	17.2	10.6	12.1
All companies	20.4	20.9	16.0	13.3	6.2	7.5	2.2	2.1	13.9	15.6	9.3	10.7

Table 4: Performance of Select Companies according to the Size of Sales, 2006-07

Sales Size class (Rs. crore)	No. of com- panies	Sales (Rs. crore)	Per cent share in Sales	Per cent change (y-o-y)								
				Sales	Other income	Total expen- diture	Depre- ciation provi- sion	Gross profits	Inter- est	Profits before tax	Tax provi- sion	Profits after tax
1	2	3	4	5	6	7	8	9	10	11	12	13
Less than Rs. 25	812	6,876	0.7	-7.2	-19.6	-13.3	-33.9	\$	-31.1	\$	13.6	\$
25-50	274	10,140	1.0	13.2	-13.7	10.1	9.9	33.9	8.7	94.3	19.7	206.4
50-100	307	21,923	2.1	15.5	57.4	13.8	7.3	50.3	4.9	79.7	45.9	92.1
100-500	646	1,49,320	14.3	18.7	1.0	16.6	11.8	31.4	14.4	38.4	43.2	37.1
500-1000	166	1,18,795	11.4	25.0	19.8	23.7	19.2	34.3	33.0	34.5	43.9	32.4
1000 and above	183	7,34,840	70.5	29.1	7.6	26.3	17.6	43.6	19.4	46.9	51.9	45.6
All companies	2388	10,41,894	100.0	26.2	7.4	23.5	15.4	41.5	17.4	46.1	49.8	45.2

\$: Numerator negative or negligible.

hike in sales, high growth in depreciation provision (19.2 per cent) and interest payments (33.0 per cent) pulled down net profits increase to 32.4 per cent. However, the high depreciation provision and high interest outgo could possibly be pointing to the high capacity accretions by companies in this size class.

Interest burden was higher for companies in the lower classes (Table 5).

Interest burden for companies with sales less than Rs.500 crore was more than 25 per cent in 2006-07 but was substantially lower in relation to previous year. Companies in the top class recorded a fall of 2 percentage points in their interest burden. The net profit margin improved across all the size classes. For top companies, net profit margin improved by 130 basis points to 11.9 per cent, the highest among all the classes.

Table 5: Profit allocation, Interest-linked and Profitability Ratios according to Size of Sales, 2006-07

Sales Size Class (Rs. crore)	(Per cent)											
	Profit allocation Ratios				Interest linked ratios				Profitability ratios			
	Tax provision to Profits before tax		Interest to Gross profits		Interest coverage (Times)		Interest to Sales		Gross profits to Sales		Profits after tax to Sales	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11	12	13
Less than 25	#	37.6	290.6	60.9	0.3	1.6	8.4	6.2	2.9	10.2	\$	2.5
25-50	60.1	37.0	70.5	57.2	1.4	1.7	5.5	5.3	7.8	9.3	0.9	2.5
50-100	26.8	21.7	39.3	27.4	2.5	3.6	3.9	3.6	10.0	13.0	4.4	7.4
100-500	20.5	21.3	29.2	25.4	3.4	3.9	3.2	3.1	10.9	12.1	6.1	7.1
500-1000	18.5	19.8	18.3	18.1	5.5	5.5	2.4	2.5	13.0	13.9	8.6	9.2
1000 and above	20.2	20.9	11.9	9.9	8.4	10.1	1.8	1.7	15.0	16.7	10.6	11.9
All companies	20.4	20.9	16.0	13.3	6.2	7.5	2.2	2.1	13.9	15.6	9.3	10.7

#: Denominator negative.

\$: Numerator negative.

It improved by 60 basis points to 9.2 per cent for sales size class of Rs.500 crore-Rs.1000 crore and by 100 basis points to 7.1 per cent for the sales size class of Rs.100 crore -Rs.500 crore.

Industry-wise Performance during 2006-07

At the sectoral level, performance of companies in the Services sector was observed to be better than that of Manufacturing sector. Services sector posted 28.7 per cent jump in the sales, *vis-à-vis*, 25.6 per cent posted by Manufacturing; post tax profits too were up by 47.2 per cent compared to 44.4 per cent registered by Manufacturing sector. For Manufacturing companies, cost of raw materials rose sharply by 26.6 per cent in relation to total expenditure at 23.3 per cent reflecting higher input prices. A steep rise of 39.8 per cent in staff cost for Service sector companies mirrored the enlarged business activity as also the wage inflation observed in 2006-07.

The key indicators of performance across the industries showed considerable variations in their growth rates and ratios during 2006-07¹ (Statement 1). Of a total of 30 industries analysed, twelve industries recorded very high sales growth of more than 25 per cent while eleven industries recorded impressive net profits growth of more than 50 per cent. Thirteen industries recorded more than 20 per cent growth in their interest payments while depreciation provision increased by more than 20 per cent

¹ For the companies where the information on major industrial activity was not available in the abridged financial results, information was compiled from other sources such as previous annual reports, stock exchanges and capital market newsletters, etc.

for the seven industries. Out of 30 industries, interest burden declined for as many as 20 industries. Interest burden for the wholesale & retail trade increased to 39.5 per cent (28.4 per cent in 2005-06), followed by Textiles at 37.7 per cent (37.1 per cent), Basic industrial chemicals at 27.0 per cent (23.6 per cent), Sugar at 26.3 per cent (26.0 per cent) and Electricity generation and supply at 26.1 per cent (25.7 per cent) (Statement 2). A high net profit margin of more than 15 per cent was recorded by the six industries out of thirty industries analysed.

Cement industry recorded impressive sales growth of 50.5 per cent during 2006-07 due to higher output as also higher prices observed during the year. Net profit margin for the Cement & cement products industry improved from 9.2 per cent to 17.3 per cent in 2006-07. Iron and steel industry recorded sales growth of 28.5 per cent. Net profits of these companies grew by 40.0 per cent, primarily on account of reduction of fuel cost and coke consumption, higher volumes, better sales realisation and capacity expansion. Sales of Machinery & machine tools industry shot up by 29.9 per cent and their net profits rose 45.3 per cent reflecting increased investment demand. Motor vehicles & other transport equipment industry recorded lower net profits growth of 17.3 per cent at the back of 24.4 per cent turnover growth mainly on account of input price hikes during the year squeezing the profit margins.

Pharmaceuticals & medicines companies recorded sales growth of 23.7 per cent and their net profits grew by 44.0 per cent, primarily due to a relatively lower growth of 18.4 per cent in their expenditure. These companies were

benefited by high export growth and contract orders, despite appreciation of rupee. Textiles industry posted 16.6 per cent growth in sales and 25.8 per cent in net profits despite increase of 29.1 per cent in the interest outgo. Net profit margin improved from 4.8 per cent to 5.2 per cent in 2006-07. Sugar industry was badly affected despite record output as it was associated with price decline. These companies witnessed fall in the post tax profits unlike the general trend of high profits prevailing in 2006-07.

Among the Service sector companies, Construction companies posted the highest rise of 35.7 per cent in sales while their post tax profits were up by 67.7 per cent. Depreciation provision of 30.7 per cent was indicative of high asset formation. Transport, storage & communication industry recorded revenue growth of 34.5 per cent and net profits growth of 44.4 per cent. This rise could be attributed primarily from the good performance of the Telecom companies. The Computer & related activities industry continued to perform

well with 34.6 per cent increase in revenue and 52 per cent in net profits.

Major Components of Expenditure, 2006-07

Consumption of Raw Materials

Reflecting notable increase in input costs, the 1871 companies reporting consumption of raw materials (CRM) recorded in aggregate a growth of 26.3 per cent in CRM, while their total expenditure grew by a lower rate of 23.4 per cent (Table 6). As a result, the share of CRM in total expenditure increased by 4.5 percentage points to 67.8 per cent from 63.3 per cent in 2005-06. It may also be noted from the table that select companies in aggregate recorded higher share of CRM in total expenditure in all the four quarters of 2006-07 as compared with those in the same quarter of the previous year.

Staff Cost

Reflecting wage pressures and increased business activity during the year,

Table 6: Consumption of Raw Materials, 2006-07

(Amount in Rs. crore)										
Item	Q1		Q2		Q3		Q4		Year	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11
No. of companies	1,594		1,754		1,771		1,853		1,871	
Consumption of raw materials	93,042	1,16,193 (24.9)	94,883	1,23,807 (30.5)	98,208	1,28,488 (30.8)	1,18,829	1,44,844 (21.9)	4,08,673	5,16,051 (26.3)
Total expenditure	1,37,402	1,70,874 (24.4)	1,45,381	1,82,694 (25.7)	1,46,975	1,86,538 (26.9)	1,82,219	2,16,706 (18.9)	6,16,435	7,60,661 (23.4)
CRM as percentage of total expenditure	67.7	68.0	65.3	67.8	66.8	68.9	65.2	66.8	63.3	67.8

Note : Figures in brackets denote percentage change over the corresponding period of the previous year.

Table 7: Staff Cost, 2006-07

(Amount in Rs. crore)										
Item	Q1		Q2		Q3		Q4		Year	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11
No. of companies	1,284		2,047		2,042		2,125		2,170	
Staff cost	13,397	17,322 (29.3)	14,504	18,806 (29.7)	15,102	19,052 (26.2)	16,715	21,069 (26.0)	58,763	74,677 (27.1)
Total expenditure	1,47,295	1,84,914 (25.5)	1,63,302	2,06,818 (26.6)	1,68,017	2,13,280 (26.9)	2,05,295	2,45,282 (19.5)	6,96,514	8,60,777 (23.6)
Staff cost as percentage of total expenditure	9.1	9.4	8.9	9.1	9.0	8.9	8.1	8.6	8.4	8.7

Note : Figures in brackets denote percentage change over the corresponding period of the previous year.

the 2170 companies reporting spending on staff cost recorded in aggregate a rise of 27.1 per cent in their staff cost. Relatively, total expenditure for them increased slowly at 23.6 per cent (Table 7), resulting in higher share of staff costs in total spending (8.7 per cent, *vis-à-vis*, 8.4 per cent in the previous year). However, this share declined from 9.4 per cent in the first quarter to 8.6 per cent in the fourth quarter.

Change in Stock-in-trade

The 1805 companies, which reported change in stock-in-trade, showed an accumulation of stocks of tradable goods (Rs. 11,008 crore) of the order of 1.2 per cent of sales in 2006-07 as compared to 1.3 per cent posted in the previous year (Table 8). Over the quarters, change in stock-in-trade as percentage of sales declined from 2.9 per cent in Q1 to 0.9 per cent in Q4 of 2006-07.

Table 8: Change in Stock-in-trade, 2006-07

(Amount in Rs. crore)										
Item	Q1		Q2		Q3		Q4		Year	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11
No. of companies	820		1,693		1,698		1,788		1,805	
Stock-in-trade	5,213	5,285	667	2,567	3,690	2,641	1,217	2,213	9,705	11,008
Sales	1,44,229	1,82,176 (26.3)	1,71,175	2,18,110 (27.4)	1,72,107	2,24,171 (30.3)	2,10,079	2,54,209 (21.0)	7,20,544	9,03,649 (25.4)
Stock-in-trade as percentage of sales	3.6	2.9	0.4	1.2	2.1	1.2	0.6	0.9	1.3	1.2

Note : Figures in brackets denote percentage change over the corresponding period of the previous year.

Performance over the Quarters of 2006-07

The performance of private corporate business sector in terms of sales and profitability was impressive over the quarters of 2006-07. Sales growth at 25.6 per cent in Q1:2006-07 shot up to 30.3 per cent in Q3:2006-07 but decelerated to 22.5 per cent in Q4:2006-07. Consequently, the post tax profits after registering 59.5 per cent growth in Q3:2006-07 recorded lower growth of 39.6 per cent in Q4:2006-07 (Table 9, Chart 2).

Although rise in interest outgo was the highest in Q4:2006-07 at 32.3 per cent, yet interest cost of sales was maintained at 2.0 per cent. The growth in operating profits from Q2:2006-07 onwards could be attributed to higher sales realizations in select sectors. Over the quarters, gross profit margin and net profit margin stayed around 15-16 per cent and 10-11 per cent, respectively.

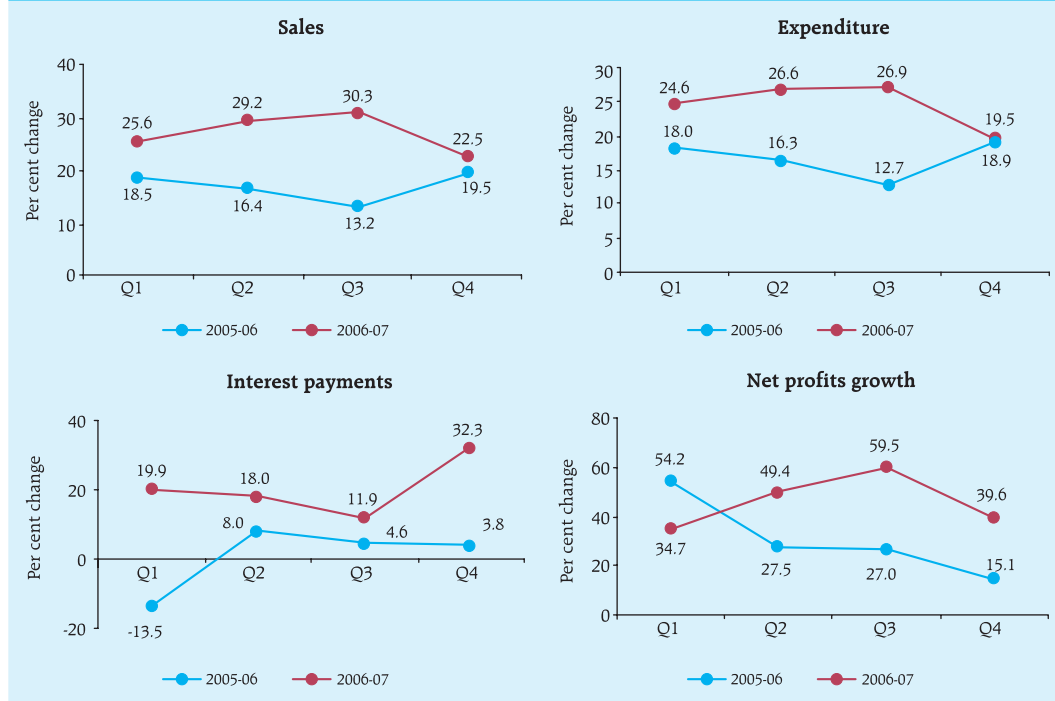
Sales growth of Cement companies accelerated from 40 per cent to 53.5 per cent in the first three quarters of 2006-07 before dropping to 32.1 per cent in the fourth

Table 9: Performance of the Select Companies over the Quarters of 2006-07

	2005-06				2006-07			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	2	3	4	5	6	7	8	9
Year-on-year Growth rate in Per cent :								
Sales	18.5	16.4	13.2	19.5	25.6	29.2	30.3	22.5
Total expenditure	18.0	16.3	12.7	18.9	24.6	26.6	26.9	19.5
Depreciation	4.4	7.4	10.2	13.2	14.9	16.4	16.8	18.1
Gross profits	32.0	19.1	21.2	16.6	33.9	45.9	51.8	39.2
Interest payments	-13.5	-8.0	4.6	3.8	19.9	18.0	11.9	32.3
Profits after tax	54.2	27.5	27.0	15.1	34.7	49.4	59.5	39.6
Ratios in Per cent :								
Gross profits to sales	13.1	13.0	12.8	12.7	15.6	15.9	15.8	15.3
Profits after tax to sales	8.6	8.5	8.6	8.7	10.6	11.0	11.0	10.6
Interest to sales	2.2	2.1	2.1	1.7	2.2	2.0	2.0	2.0
Interest to gross profits	16.6	16.2	16.2	13.7	13.9	12.8	12.5	13.0
Interest coverage (Times)	6.0	6.2	6.2	7.3	7.2	7.8	8.0	7.7
<i>Memo:</i> (Amount in Rs. crore)								
No. of companies	2,355	2,361	2,366	2,415	2,228	2,263	2,258	2,356
Sales	1,94,608	2,12,693	2,19,098	2,49,971	2,34,610	2,51,125	2,60,064	2,94,223
Expenditure	1,66,972	1,83,717	1,88,934	2,18,511	1,95,556	2,09,437	2,16,053	2,48,740
Depreciation provision	7,137	7,617	7,748	8,340	8,449	8,892	9,172	10,338
Gross profits	25,577	27,620	28,135	31,652	36,567	40,041	41,169	45,108
Interest payments	4,241	4,467	4,555	4,348	5,083	5,121	5,162	5,862
Profits after tax	16,726	18,169	18,790	21,634	24,845	27,710	28,698	31,251

Note : Data for the full year may not add up to the quarterly totals due to difference in the composition and number of companies covered in each period.

Chart 2: Performance Indicators over the Quarters of 2006-07



quarter (Chart 3, Statement 3). Consequently, net profits of these companies shot up and varied between 191 per cent to 222 per cent in the first three quarters but fell to 66 per cent in the fourth quarter (Chart 4). Iron & steel companies recorded moderate growth

in sales at 14.7 per cent while their net profits declined by 16.1 per cent in the Q1:2006-07; however, from the second quarter onwards, these companies posted sales and profits after tax growth of more than 29 per cent and 44 per cent, respectively.

Chart 3: Percentage change in Sales Over the Quarters of 2006-07 - Major Industry-wise

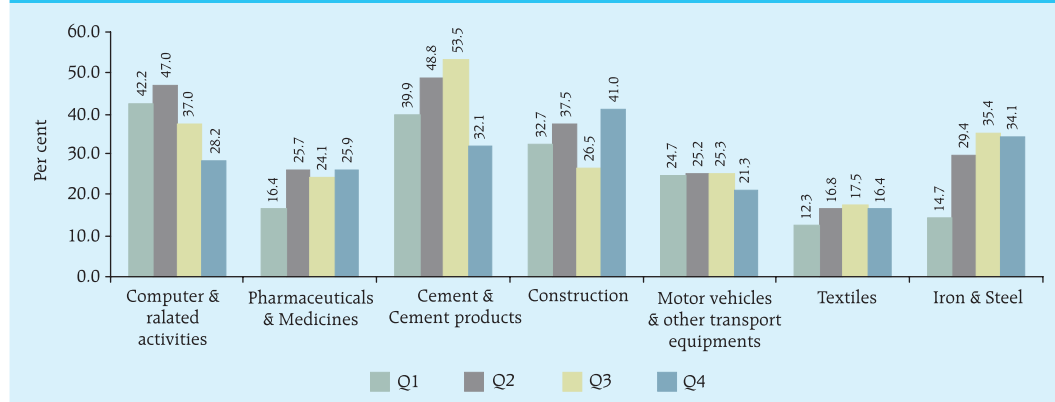
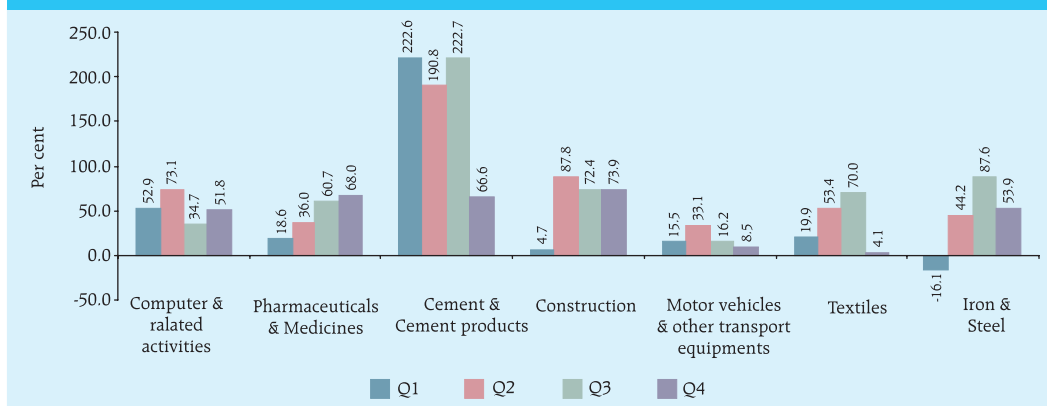


Chart 4: Percentage change in Net profits over the Quarters of 2006-07 - Major Industry-wise



For Textiles industry, quarter-wise sales growth was between 12 to 17 per cent but their net profits that accelerated from 20 per cent to 70 per cent from Q1:2006-07 to Q3:2006-07. It dropped substantially to 4 per cent in the last quarter of 2006-07 as the pace of expenditure growth caught up with that of sales and hence moderated the operating profits.

Companies engaged in Computer & related activities recorded very impressive sales growth of more than 42 per cent in the first two quarters; however, in Q3 and

Q4 of 2006-07 lower rates of 37.0 per cent and 28.2 per cent were posted. Their post tax profits rose by 52.9 per cent, 73.1 per cent, 34.7 per cent and 51.8 per cent, respectively, in Q1, Q2, Q3 and Q4 of 2006-07. Sales of the Diversified companies grew between 21 per cent and 31 per cent and their net profits ranged between 50 per cent and 183 per cent. Net profit margin of these companies improved by more than two percentage points in all the quarters of 2006-07 over the corresponding quarters of the previous year (Chart 6, Statement 5).

Chart 5: Gross Profit Margin over the Quarters of 2006-07 - Major Industry-wise

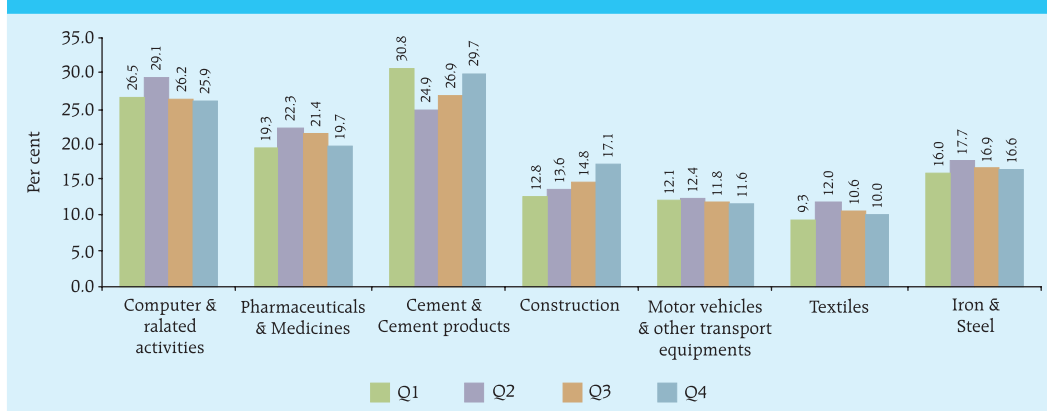
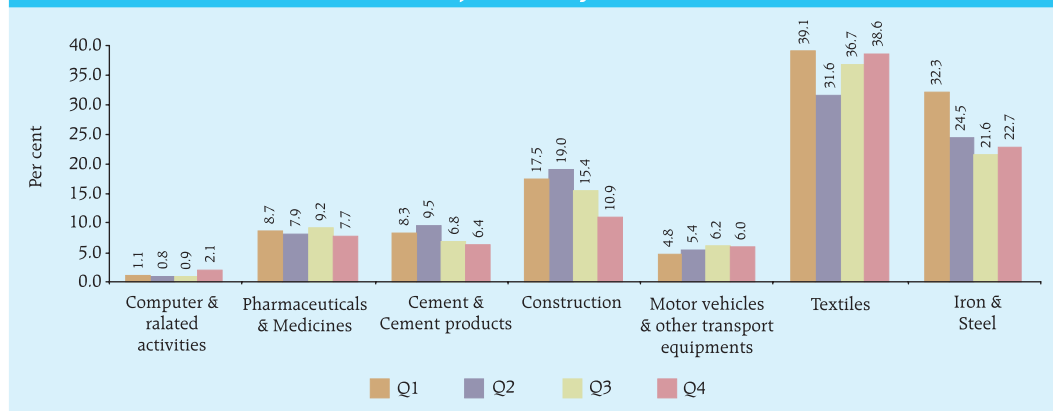


Chart 6: Interest Burden (Interest to Gross profits) over the Quarters of 2006-07 - Major Industry-wise



Performance of Non-Government Financial Companies

The non-government financial public limited companies performed well during 2006-07 in terms of growth in income from operations and net profits. The select 352 non-government financial public limited companies recorded 35.1 per cent growth in income from operations while interest

expenditure was up by almost 50 per cent (Table 10). Net profits of these companies increased by 24.6 per cent. Over the quarters, financial companies performed better in the first and third quarter compared to second and fourth quarters. Growth in income from operations was highest at 53.1 per cent in Q1 while post tax profits doubled in the third quarter. In the second and fourth quarter,

Table 10: Performance of Financial Companies, 2006-07

Item	Q1:2006-07		Q2:2006-07		Q3:2006-07		Q4:2006-07		2006-07	
	Amount (Rs. crore)	Per cent change	Amount (Rs. crore)	Per cent change	Amount (Rs. crore)	Per cent change	Amount (Rs. crore)	Per cent change	Amount (Rs. crore)	Per cent change
1	2	3	4	5	6	7	8	9	10	11
Number of companies	247		255		319		307		352	
Income from operations	4,167	53.1	4,281	21.9	5,389	47.7	5,847	19.4	21,997	35.1
Other income	64	34.9	105	46.2	118	71.4	202	7.2	558	19.0
Expenditure	1,976	75.5	1,894	13.0	2,669	35.6	2,307	2.3	9,887	29.7
Interest	1,388	39.5	1,402	50.2	1,714	52.5	1,978	57.7	7,257	49.7
Gross profits	867	34.0	1,090	11.8	1,124	79.6	1,764	12.1	5,411	26.3
Depreciation	40	-2.4	59	21.2	51	17.3	62	30.8	261	6.9
Profits before tax	827	36.2	1,031	11.3	1,073	84.5	1,703	11.5	5,150	27.5
Tax provision	166	42.5	191	36.2	222	38.3	336	52.2	1,081	39.3
Profits after tax	661	34.7	839	6.9	851	102.1	1,366	4.6	4,069	24.6
<i>Paid-up capital</i>	2,519	10.1	2,531	5.7	2,870	5.6	3,140	4.9	3,458	5.1

Note : Percent change is over the corresponding period of the previous year.

lower order income growth (19 per cent and 22 per cent respectively) accompanied with higher growth in interest expenditure and

depreciation provision pulled down the post tax profits growth to 6.9 per cent and 4.6 per cent.

ARTICLE

Performance of
Private Corporate
Business Sector,
2006-07

Statement 1: Industry-wise Growth Rates of Select Performance Indicators, 2006-07

Industry/ Industry group	No. of companies	Paid-up capital		Per cent change								
		Amount (Rs. crore)	Per cent share	Sales	Other income	Expenditure	Depreciation	Gross profits	Interest	Profits before tax	Tax provision	Profits after tax
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	27	222	0.4	12.0	9.9	7.9	-1.5	34.2	54.3	29.8	-1.3	34.6
2. Mining and quarrying	38	488	0.9	13.2	44.0	12.8	6.3	19.1	24.6	18.6	21.5	17.1
3. Food products and beverages	177	2660	4.8	18.4	42.7	17.9	16.1	29.4	1.8	40.5	5.4	51.4
<i>of which</i>												
i. Sugar	38	823	1.5	13.2	88.2	18.2	21.1	-7.8	-6.5	-8.3	-47.2	-1.1
ii. Edible oils	51	534	1.0	14.8	-39.6	13.6	1.8	49.6	23.2	63.5	76.6	60.0
iii. Other food products & beverages	88	1,303	2.3	25.6	42.3	22.4	17.8	58.2	2.7	81.6	19.7	110.7
4. Textiles	285	5,079	9.1	16.6	22.0	15.9	14.3	27.1	29.1	25.9	26.4	25.8
5. Paper and paper products	40	704	1.3	10.5	66.5	9.1	10.1	28.7	-3.6	46.6	59.0	44.4
6. Chemicals and chemical products	367	8,250	14.8	15.5	7.8	13.3	9.6	27.5	6.9	30.6	36.1	29.4
<i>of which</i>												
i. Basic industrial chemicals	92	1,325	2.4	21.2	-43.7	17.9	22.0	8.1	23.7	3.3	42.7	-2.4
ii. Chemical fertilizers and pesticides	35	1,924	3.5	9.4	-24.0	7.2	2.8	11.4	-9.1	18.1	-0.1	24.8
iii. Paints and varnishes	12	273	0.5	17.5	270.1	14.8	-1.9	107.4	-58.2	131.8	53.2	188.2
iv. Pharmaceuticals and medicines	132	2,193	3.9	23.7	-4.3	18.4	16.1	42.3	21.2	44.3	46.6	44.0
v. Other chemical & chemical products	96	2,535	4.5	10.3	62.9	11.2	4.6	17.2	8.4	18.1	42.5	12.5
7. Rubber and plastic products	108	1,093	2.0	22.9	8.7	21.8	10.4	46.5	15.6	88.1	65.4	94.0
8. Cement and cement products	38	1,781	3.2	50.5	18.2	30.1	38.7	166.7	7.0	222.0	485.4	183.4
9. Iron and steel	110	5,952	10.7	28.5	-38.3	25.7	18.7	33.5	17.5	39.9	39.6	40.0
10. Fabricated metal products except machinery and equipment	33	395	0.7	20.2	12.1	18.8	22.8	25.6	24.7	25.8	24.7	26.2
11. Machinery and machine tools	137	1,556	2.8	29.9	-10.4	27.5	10.8	34.3	-9.2	42.2	34.1	45.3
12. Electrical machinery and apparatus	96	1,266	2.3	39.0	14.8	38.0	7.3	49.5	14.8	57.7	70.0	53.7
13. Radio, television and communication equipments	45	1,013	1.8	29.7	-55.9	4.0	0.3	#	12.6	#	14.7	#
14. Medical precision and other scientific instruments	21	232	0.4	50.2	23.6	49.3	26.2	53.3	-73.1	59.6	68.1	56.5
15. Motor vehicles and other transport equipments	83	2,029	3.6	24.4	15.1	25.4	9.3	18.4	27.3	17.9	19.5	17.3
16. Jewellery and related articles	28	292	0.5	2.8	91.4	-0.2	8.5	106.0	10.5	259.5	32.3	536.8
17. Diversified	17	587	1.1	24.8	-20.9	16.8	-13.7	74.6	16.5	86.5	86.2	86.6
18. Electricity generation and supply	8	1,207	2.2	16.7	23.5	25.3	-18.3	3.8	5.3	3.2	-99.0	27.8
19. Construction	71	1,357	2.4	35.7	-13.9	28.5	30.7	75.4	33.0	85.0	148.7	67.7
20. Wholesale and retail trade	115	1,102	2.0	12.0	-27.3	12.1	17.8	-6.7	29.5	-21.1	12.2	-27.6
21. Hotel and restaurant	43	652	1.2	27.9	9.4	22.5	15.1	38.6	15.7	44.1	32.5	48.7
22. Transport, storage and communication	33	5,641	10.1	34.5	-19.3	30.5	30.2	39.4	20.7	43.3	36.6	44.4
23. Computer and related activities	175	4,338	7.8	34.6	112.2	33.5	18.8	49.0	34.0	49.3	30.9	51.8
24. Petroleum refinery	15	2,840	5.1	29.2	-64.5	29.4	17.6	24.3	25.3	24.2	60.6	20.4
All companies including others	2,388	55,755	100.0	26.2	7.4	23.5	15.4	41.5	17.4	46.1	49.8	45.2

#: Denominator negative.

Statement 2: Industry-wise Profit Allocation, Interest-linked and Profitability Ratios, 2006-07

Industry/ Industry group	(Per cent)											
	Profit Allocation Ratios				Interest linked Ratios				Profitability Ratios			
	Tax provision to Profits before tax		Interest to Gross profits		Interest coverage (Times)		Interest to Sales		Gross profits to Sales		Profits after tax to Sales	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	13.5	10.3	18.1	20.8	5.5	4.8	3.2	4.4	17.5	21.0	12.4	14.9
2. Mining and quarrying	32.6	33.4	8.7	9.2	11.4	10.9	2.2	2.4	24.8	26.1	15.3	15.8
3. Food products and beverages <i>of which</i>	23.7	17.8	28.6	22.5	3.5	4.4	2.4	2.1	8.6	9.4	4.7	6.0
i. Sugar	15.5	8.9	26.0	26.3	3.9	3.8	3.7	3.1	14.3	11.6	8.9	7.8
ii. Edible oils	21.1	22.8	34.6	28.5	2.9	3.5	0.8	0.9	2.4	3.2	1.2	1.7
iii. Other food products & beverages	31.9	21.0	29.6	19.2	3.4	5.2	3.2	2.6	10.9	13.7	5.2	8.7
4. Textiles	17.1	17.2	37.1	37.7	2.7	2.7	3.4	3.8	9.2	10.1	4.8	5.2
5. Paper and paper products	15.2	16.5	35.7	26.8	2.8	3.7	4.1	3.6	11.4	13.3	6.2	8.1
6. Chemicals and chemical products <i>of which</i>	18.3	19.0	13.0	10.9	7.7	9.1	1.9	1.7	14.2	15.7	10.1	11.3
i. Basic industrial chemicals	12.5	17.3	23.6	27.0	4.2	3.7	3.4	3.5	14.6	13.0	9.7	7.8
ii. Chemical fertilizers and pesticides	26.7	22.5	24.6	20.1	4.1	5.0	3.0	2.5	12.2	12.4	6.7	7.7
iii. Paints and varnishes	41.8	27.6	12.8	2.6	7.8	38.7	1.4	0.5	10.8	19.1	5.5	13.5
iv. Pharmaceuticals and medicines	13.9	14.1	8.8	7.5	11.3	13.3	1.6	1.5	17.8	20.4	13.9	16.2
v. Other chemical & chemical products	18.7	22.6	8.7	8.1	11.5	12.4	1.1	1.1	12.8	13.6	9.5	9.7
7. Rubber and plastic products	20.6	18.1	57.4	45.3	1.7	2.2	3.0	2.8	5.3	6.3	1.8	2.8
8. Cement and cement products	12.8	23.2	25.7	10.3	3.9	9.7	3.7	2.6	14.2	25.1	9.2	17.3
9. Iron and steel	28.5	28.5	28.4	25.0	3.5	4.0	4.6	4.2	16.1	16.7	8.2	9.0
10. Fabricated metal products except machinery and equipment	24.0	23.8	20.6	20.4	4.9	4.9	3.0	3.1	14.6	15.3	8.8	9.3
11. Machinery and machine tools	28.3	26.7	15.3	10.3	6.5	9.7	1.9	1.3	12.4	12.8	7.5	8.4
12. Electrical machinery and apparatus	24.3	26.1	19.1	14.7	5.2	6.8	2.1	1.7	11.1	11.9	6.8	7.5
13. Radio, television and communication equipments	#	40.1	#	54.8	\$	1.8	4.2	3.7	\$	6.7	\$	1.8
14. Medical precision and other scientific instruments	26.4	27.8	4.7	0.8	21.3	121.2	0.5	0.1	10.0	10.2	7.0	7.3
15. Motor vehicles and other transport equipments	26.7	27.1	5.3	5.7	18.9	17.6	0.7	0.7	12.5	11.9	8.7	8.2
16. Jewellery and related articles	55.0	20.2	61.7	33.1	1.6	3.0	1.9	2.1	3.1	6.3	0.5	3.4
17. Diversified	25.1	25.0	16.9	11.3	5.9	8.9	2.2	2.1	13.0	18.2	8.1	12.1
18. Electricity generation and supply	19.4	0.2	25.7	26.1	3.9	3.8	6.1	5.5	23.7	21.0	14.2	15.5
19. Construction	21.3	28.7	18.5	14.0	5.4	7.1	2.2	2.2	11.9	15.3	7.6	9.4
20. Wholesale and retail trade	16.2	23.1	28.4	39.5	3.5	2.5	1.5	1.8	5.4	4.5	3.2	2.1
21. Hotel and restaurant	28.3	26.0	19.4	16.2	5.2	6.2	6.0	5.4	30.8	33.4	17.8	20.7
22. Transport, storage and communication	13.7	13.0	17.5	15.2	5.7	6.6	3.4	3.0	19.2	19.9	13.7	14.7
23. Computer and related activities	11.8	10.3	2.1	1.9	47.5	52.8	0.5	0.5	23.3	25.8	20.1	22.7
24. Petroleum refinery	9.6	12.4	8.1	8.2	12.3	12.2	1.1	1.0	13.2	12.7	10.9	10.2
All companies including others	20.4	20.9	16.0	13.3	6.2	7.5	2.2	2.1	13.9	15.6	9.3	10.7

: Denominator negative. \$: Numerator negative.

ARTICLE

Performance of
Private Corporate
Business Sector,
2006-07

Statement 3: Industry-wise Performance over the Quarters of 2006-07

Industry / Industry Group	(Per cent)											
	Number of Companies				Sales				Total Expenditure			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	25	22	28	27	13.1	16.7	9.1	10.9	9.5	13.8	8.0	5.4
2. Mining and quarrying	31	31	29	39	17.0	25.3	14.5	21.1	24.4	37.0	9.8	16.2
3. Food products and beverages	154	156	167	173	16.6	23.2	33.5	22.6	14.2	23.9	36.5	25.4
<i>of which</i>												
i. Sugar	33	30	41	40	24.9	1.7	-3.1	-3.3	23.5	5.2	4.8	14.7
ii. Edible oils	42	44	43	46	12.5	33.6	70.9	30.9	11.5	32.9	69.3	29.6
iii. Other food products & beverages	79	82	83	87	13.9	26.2	31.0	36.3	10.2	25.4	29.9	28.7
4. Textiles	279	284	293	287	12.3	16.8	17.5	16.4	10.3	15.2	16.4	16.4
5. Paper and paper products	36	39	40	42	16.6	19.3	16.5	19.1	14.7	19.1	15.4	19.0
6. Chemicals and chemical products	358	357	352	367	18.6	16.4	15.0	14.2	19.1	14.0	12.0	10.8
<i>of which</i>												
i. Basic industrial chemicals	86	87	93	94	16.0	27.0	24.1	17.2	15.8	22.5	20.6	13.7
ii. Chemical fertilizers and pesticides	37	36	34	35	32.9	8.9	4.1	-1.4	36.5	8.5	4.0	-13.2
iii. Paints and varnishes	14	14	11	14	13.8	17.7	8.1	22.3	15.1	20.1	8.1	12.2
iv. Pharmaceuticals and medicines	125	127	125	130	16.4	25.7	24.1	25.9	16.7	19.8	15.9	20.6
v. Other chemical & chemical products	96	93	89	94	16.3	11.2	10.7	10.6	15.9	10.2	11.4	15.6
7. Rubber and plastic products	108	103	109	107	21.6	20.1	22.7	21.4	21.7	19.5	21.7	18.4
8. Cement and cement products	40	40	34	38	39.9	48.8	53.5	32.1	20.5	27.2	30.8	16.5
9. Iron and steel	103	111	111	110	14.7	29.4	35.4	34.1	17.5	24.9	31.2	26.9
10. Fabricated metal products except machinery and equipment	33	34	33	34	20.4	15.6	18.7	20.0	19.0	14.0	18.3	21.1
11. Machinery and machine tools	167	178	165	139	29.2	26.4	29.5	31.3	27.6	24.1	27.5	30.5
12. Electrical machinery and apparatus	93	94	95	95	42.4	47.1	32.1	39.0	41.2	44.7	31.7	36.5
13. Radio, television and communication equipments	47	46	42	43	29.1	25.8	33.3	34.8	26.6	28.2	-1.4	-17.6
14. Medical precision and other scientific instruments	25	24	24	22	56.4	38.4	62.6	66.9	55.0	38.4	62.6	68.2
15. Motor vehicles and other transport equipments	83	81	80	86	24.7	25.2	25.3	21.3	24.4	25.4	26.6	23.5
16. Jewellery and related articles	22	23	24	26	-0.9	14.4	29.0	25.9	-1.7	13.7	28.9	16.2
17. Diversified	15	15	15	17	21.3	23.5	30.8	27.1	16.9	15.8	18.7	21.9
18. Electricity generation and supply	10	6	8	8	13.9	18.3	19.6	7.9	16.7	27.8	29.9	22.5
19. Construction	69	69	67	66	32.7	37.5	26.5	41.0	27.3	30.1	22.1	34.9
20. Wholesale and retail trade	54	51	52	107	1.0	26.0	13.7	1.0	-0.4	26.7	13.4	2.0
21. Hotel and restaurant	43	44	40	42	27.0	27.7	27.4	28.9	17.0	20.9	20.6	26.2
22. Transport, storage and communication	32	32	30	32	29.0	38.1	36.1	35.0	33.1	41.9	33.4	22.3
23. Computer and related activities	148	143	143	169	42.2	47.0	37.0	28.2	44.8	48.2	37.4	26.1
24. Petroleum refinery	17	17	17	14	35.2	36.3	45.0	6.7	39.0	39.0	41.9	4.9
All companies including others	2228	2263	2258	2356	25.6	29.2	30.3	22.5	24.6	26.6	26.9	19.5

Statement 3: Industry-wise Performance over the Quarters of 2006-07 (Concl.)

Industry / Industry Group	(Per cent)							
	Gross profits				Profits after tax			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	14	15	16	17	18	19	20	21
1. Tea plantation	7.1	37.6	54.1	#	—	43.6	58.1	#
2. Mining and quarrying	6.4	3.6	25.7	43.5	8.3	-6.1	27.7	46.9
3. Food products and beverages	32.4	11.0	37.4	-7.5	45.6	12.0	48.5	-21.2
<i>of which</i>								
i. Sugar	60.9	-34.2	-58.2	-83.9	81.1	-39.8	-70.3	#
ii. Edible oils	40.5	56.0	125.5	83.9	44.7	68.3	178.3	84.8
iii. Other food products & beverages	10.3	33.1	126.4	197.9	17.3	40.8	189.2	814.6
4. Textiles	22.7	44.6	47.6	19.2	19.9	53.4	70.0	4.1
5. Paper and paper products	28.1	25.3	33.0	29.0	36.8	37.2	45.1	37.4
6. Chemicals and chemical products	29.9	31.4	35.9	37.5	38.8	32.7	44.8	43.9
<i>of which</i>								
i. Basic industrial chemicals	29.8	30.8	55.2	-34.3	26.9	34.4	92.9	-47.2
ii. Chemical fertilizers and pesticides	81.8	25.0	8.5	#	290.2	62.1	17.5	#
iii. Paints and varnishes	5.6	2.1	97.4	652.3	4.6	-2.5	139.1	#
iv. Pharmaceuticals and medicines	16.9	36.7	53.4	70.5	18.6	36.0	60.7	68.0
v. Other chemical & chemical products	30.0	32.9	-1.2	-22.2	36.9	25.1	-4.9	-23.2
7. Rubber and plastic products	19.3	18.9	55.9	85.8	21.2	31.9	122.0	185.8
8. Cement and cement products	167.2	144.5	186.7	98.6	222.6	190.8	222.7	66.6
9. Iron and steel	1.9	34.0	56.3	53.9	-16.1	44.2	87.6	53.9
10. Fabricated metal products except machinery and equipment	31.0	27.7	29.3	5.5	35.1	25.6	42.1	1.4
11. Machinery and machine tools	40.5	47.9	51.3	43.3	51.7	56.5	61.2	41.9
12. Electrical machinery and apparatus	79.0	68.3	42.5	45.1	91.9	82.1	41.5	39.6
13. Radio, television and communication equipments	135.4	8.2	#	#	#	10.2	#	#
14. Medical precision and other scientific instruments	53.8	41.4	73.9	19.7	59.4	81.0	72.3	4.4
15. Motor vehicles and other transport equipments	19.5	33.2	16.5	5.6	15.5	33.1	16.2	8.5
16. Jewellery and related articles	31.0	37.0	30.8	#	166.7	154.0	84.8	#
17. Diversified	47.6	76.7	130.8	73.2	50.3	81.3	183.3	82.4
18. Electricity generation and supply	13.4	11.7	-11.1	-9.2	20.7	14.4	24.4	19.3
19. Construction	18.1	73.0	75.8	83.8	4.7	87.8	72.4	73.9
20. Wholesale and retail trade	48.6	17.1	39.0	-47.2	33.8	2.2	66.5	-71.0
21. Hotel and restaurant	80.2	76.0	8.6	34.1	106.1	112.6	4.3	40.7
22. Transport, storage and communication	7.6	44.1	34.6	62.1	1.5	45.4	40.3	75.4
23. Computer and related activities	51.4	72.0	31.5	49.0	52.9	73.1	34.7	51.8
24. Petroleum refinery	12.9	12.1	62.5	20.0	10.1	7.5	57.5	15.5
All companies including others	33.9	45.9	51.8	39.2	34.7	49.4	59.5	39.6

: Denominator negative or negligible. — : Negligible.

ARTICLE

Performance of
Private Corporate
Business Sector,
2006-07

Statement 4: Industry-wise Profit Allocation Ratios and Interest-linked Ratios over the Quarters of 2006-07

Industry / Industry group	(Per cent)							
	Interest to Gross profits							
	Q1		Q2		Q3		Q4	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9
1. Tea plantation	14.1	17.0	8.9	8.4	21.4	21.4	#	#
2. Mining and quarrying	6.7	5.8	12.6	14.8	6.4	5.5	6.9	7.2
3. Food products and beverages	21.2	17.6	23.6	24.3	23.5	21.5	24.9	37.1
<i>of which</i>								
i. Sugar	27.5	16.1	23.1	34.2	18.9	43.1	13.8	130.7
ii. Edible oils	30.4	27.0	27.9	23.5	30.3	25.2	34.2	28.5
iii. Other food products & beverages	15.2	17.6	23.0	21.0	27.2	16.1	56.6	23.2
4. Textiles	41.7	39.1	34.6	31.6	42.3	36.7	29.6	38.6
5. Paper and paper products	26.3	21.5	30.9	24.4	31.8	23.8	27.8	23.6
6. Chemicals and chemical products	15.2	13.2	14.1	11.3	15.4	12.3	16.3	14.6
<i>of which</i>								
i. Basic industrial chemicals	23.3	22.8	27.6	25.2	38.4	26.0	10.6	27.2
ii. Chemical fertilizers and pesticides	50.9	26.7	33.0	21.7	22.8	20.5	#	64.0
iii. Paints and varnishes	12.8	10.6	6.8	7.8	9.0	1.9	40.8	3.3
iv. Pharmaceuticals and medicines	8.0	8.7	8.3	7.9	10.2	9.2	10.8	7.7
v. Other chemical & chemical products	8.1	8.2	9.1	7.1	11.4	11.6	6.9	10.7
7. Rubber and plastic products	46.6	45.7	54.2	52.3	66.3	48.2	53.8	32.3
8. Cement and cement products	23.9	8.3	25.1	9.5	22.7	6.8	13.2	6.4
9. Iron and steel	22.7	32.3	27.5	24.5	34.3	21.6	25.4	22.7
10. Fabricated metal products except machinery and equipment	20.1	18.7	20.0	18.1	23.8	16.7	15.3	17.4
11. Machinery and machine tools	21.4	16.0	16.3	12.8	21.5	15.7	11.5	11.4
12. Electrical machinery and apparatus	18.6	14.0	18.7	14.3	17.7	15.1	14.4	13.1
13. Radio, television and communication equipments	152.1	68.1	45.5	50.1	#	56.4	#	36.1
14. Medical precision and other scientific instruments	1.1	#	19.0	10.7	5.9	#	1.6	1.1
15. Motor vehicles and other transport equipments	4.9	4.8	4.8	5.4	5.4	6.2	5.3	6.0
16. Jewellery and related articles	64.3	34.5	56.6	27.9	50.7	33.6	#	35.3
17. Diversified	13.9	10.0	16.3	10.3	22.3	10.9	13.9	11.5
18. Electricity generation and supply	26.3	23.7	28.9	26.6	24.4	27.8	23.4	29.8
19. Construction	17.3	17.5	23.8	19.0	22.3	15.4	13.0	10.9
20. Wholesale and retail trade	32.1	37.5	37.3	42.5	46.5	32.3	13.3	41.2
21. Hotel and restaurant	30.5	14.7	34.0	20.1	12.3	10.0	11.1	12.2
22. Transport, storage and communication	14.9	18.4	18.8	17.1	17.4	13.7	15.7	11.6
23. Computer and related activities	1.1	1.1	1.2	0.8	1.1	0.9	2.1	2.1
24. Petroleum refinery	8.5	8.3	7.5	8.3	9.0	8.4	7.8	7.8
All companies including others	15.5	13.9	15.8	12.8	17.0	12.5	13.7	13.0

: Denominator negative or negligible.

Statement 4: Industry-wise Profit Allocation Ratios and Interest-linked Ratios over the Quarters of 2006-07 (Concl'd.)

(Per cent)								
Industry / Industry group	Interest to Sales							
	Q1		Q2		Q3		Q4	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	10	11	12	13	14	15	16	17
1. Tea plantation	2.7	3.0	3.4	3.8	3.4	4.8	3.9	5.8
2. Mining and quarrying	2.4	1.9	3.5	3.4	2.3	2.1	1.7	2.1
3. Food products and beverages	2.2	2.1	2.3	2.1	2.1	1.9	2.2	2.5
<i>of which</i>								
i. Sugar	3.9	2.9	3.6	3.5	2.5	2.5	2.8	4.4
ii. Edible oils	0.8	0.9	0.9	0.9	0.8	0.8	0.8	0.9
iii. Other food products & beverages	2.0	2.3	2.6	2.5	2.9	3.0	3.0	2.7
4. Textiles	3.5	3.6	3.3	3.8	3.6	3.9	2.9	3.9
5. Paper and paper products	3.0	2.7	3.9	3.2	3.8	3.2	3.6	3.3
6. Chemicals and chemical products	2.2	2.1	2.0	1.8	2.1	1.9	1.8	1.9
<i>of which</i>								
i. Basic industrial chemicals	3.1	3.4	3.6	3.4	3.9	3.3	2.3	3.4
ii. Chemical fertilizers and pesticides	6.2	4.4	3.1	2.4	2.1	2.0	3.8	4.4
iii. Paints and varnishes	1.4	1.1	0.8	0.8	1.4	0.5	1.5	0.7
iv. Pharmaceuticals and medicines	1.5	1.7	1.7	1.8	1.8	2.0	1.6	1.5
v. Other chemical & chemical products	1.0	1.2	1.2	1.1	1.5	1.4	0.9	1.0
7. Rubber and plastic products	2.8	2.7	3.5	3.4	3.2	3.0	2.8	2.6
8. Cement and cement products	3.9	2.5	3.8	2.4	3.3	1.8	2.6	1.9
9. Iron and steel	4.1	5.2	4.7	4.3	5.0	3.7	3.7	3.8
10. Fabricated metal products except machinery and equipment	2.9	2.9	3.1	3.1	3.7	2.8	2.6	2.6
11. Machinery and machine tools	2.2	1.8	1.9	1.8	2.0	1.7	1.3	1.4
12. Electrical machinery and apparatus	1.9	1.8	2.0	1.8	1.9	1.8	1.7	1.6
13. Radio, television and communication equipments	5.1	4.2	4.8	4.5	3.3	4.2	4.1	2.7
14. Medical precision and other scientific instruments	0.1	\$	1.8	1.0	0.5	\$	0.2	0.1
15. Motor vehicles and other transport equipments	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7
16. Jewellery and related articles	1.9	1.3	1.9	1.1	2.1	1.4	\$	2.0
17. Diversified	2.1	1.8	2.0	1.8	2.3	2.0	2.0	2.3
18. Electricity generation and supply	5.3	4.8	7.0	6.1	6.0	5.0	5.7	6.1
19. Construction	2.5	2.2	2.6	2.6	2.4	2.3	1.7	1.9
20. Wholesale and retail trade	1.0	1.8	1.6	1.7	2.1	1.8	1.2	1.9
21. Hotel and restaurant	7.2	4.9	6.8	5.5	5.4	3.8	4.2	4.7
22. Transport, storage and communication	3.4	3.5	3.3	3.1	3.6	2.8	2.9	2.6
23. Computer and related activities	0.3	0.3	0.3	0.2	0.3	0.2	0.5	0.6
24. Petroleum refinery	1.3	1.1	1.1	1.0	1.0	1.1	0.9	1.0
All companies including others	2.3	2.2	2.2	2.0	2.3	2.0	1.8	2.0

\$: Numerator negative.

ARTICLE

Performance of
Private Corporate
Business Sector,
2006-07

Statement 5: Industry-wise Profitability Ratios over the Quarters of 2006-07

Industry / Industry group	(Per cent)							
	Gross profits to Sales							
	Q1		Q2		Q3		Q4	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	2	3	4	5	6	7	8	9
1. Tea plantation	18.9	17.8	38.0	44.9	16.0	22.6	\$	\$
2. Mining and quarrying	35.9	32.6	27.8	23.0	35.7	39.1	24.8	29.4
3. Food products and beverages	10.3	11.7	9.5	8.6	8.8	9.1	8.8	6.7
<i>of which</i>								
i. Sugar	14.1	18.2	15.6	10.1	13.3	5.7	20.4	3.4
ii. Edible oils	2.5	3.2	3.1	3.7	2.5	3.4	2.3	3.3
iii. Other food products & beverages	13.3	12.9	11.4	12.0	10.7	18.5	5.4	11.8
4. Textiles	8.5	9.3	9.7	12.0	8.4	10.6	9.8	10.0
5. Paper and paper products	11.3	12.5	12.5	13.2	11.9	13.5	13.0	14.1
6. Chemicals and chemical products	14.6	16.0	14.1	15.9	13.4	15.8	11.0	13.2
<i>of which</i>								
i. Basic industrial chemicals	13.1	14.7	12.9	13.3	10.3	12.8	22.1	12.4
ii. Chemical fertilizers and pesticides	12.2	16.6	9.5	10.9	9.3	9.7	\$	6.9
iii. Paints and varnishes	11.0	10.2	12.3	10.7	15.4	28.2	3.6	22.3
iv. Pharmaceuticals and medicines	19.2	19.3	20.5	22.3	17.3	21.4	14.6	19.7
v. Other chemical & chemical products	12.9	14.4	13.0	15.6	13.3	11.8	13.1	9.2
7. Rubber and plastic products	6.1	6.0	6.5	6.4	4.9	6.2	5.2	8.0
8. Cement and cement products	16.1	30.8	15.2	24.9	14.4	26.9	19.8	29.7
9. Iron and steel	18.0	16.0	17.1	17.7	14.6	16.9	14.5	16.6
10. Fabricated metal products except machinery and equipment	14.4	15.6	15.5	17.1	15.5	16.9	17.0	14.9
11. Machinery and machine tools	10.1	11.0	11.7	13.7	9.4	11.0	11.6	12.6
12. Electrical machinery and apparatus	10.0	12.6	10.9	12.4	10.8	11.6	11.8	12.3
13. Radio, television and communication equipments	3.3	6.1	10.6	9.1	\$	7.5	\$	7.5
14. Medical precision and other scientific instruments	7.7	7.6	9.5	9.7	8.5	9.1	11.5	8.2
15. Motor vehicles and other transport equipments	12.6	12.1	11.7	12.4	12.7	11.8	13.3	11.6
16. Jewellery and related articles	2.9	3.8	3.4	4.1	4.2	4.2	\$	5.6
17. Diversified	14.9	18.2	12.1	17.3	10.3	18.1	14.7	20.0
18. Electricity generation and supply	20.2	20.1	24.4	23.0	24.4	18.2	24.4	20.5
19. Construction	14.4	12.8	10.8	13.6	10.7	14.8	13.1	17.1
20. Wholesale and retail trade	3.2	4.7	4.4	4.1	4.6	5.6	8.7	4.6
21. Hotel and restaurant	23.7	33.6	19.9	27.4	44.1	37.6	37.4	38.9
22. Transport, storage and communication	22.6	18.9	17.7	18.5	20.4	20.2	18.4	22.1
23. Computer and related activities	24.9	26.5	24.9	29.1	27.3	26.2	22.3	25.9
24. Petroleum refinery	15.3	12.7	14.1	11.6	11.6	13.0	11.9	13.4
All companies including others	14.6	15.6	14.1	15.9	13.6	15.8	13.5	15.3

\$: Numerator negative.

Statement 5: Industry-wise Profitability Ratios over the Quarters of 2006-07 (Concl.)

Industry / Industry group	(Per cent)							
	Profits after tax to Sales							
	Q1		Q2		Q3		Q4	
	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
1	10	11	12	13	14	15	16	17
1. Tea plantation	14.5	12.8	31.6	38.9	11.1	16.1	\$	\$
2. Mining and quarrying	23.1	21.4	18.0	13.5	22.5	25.1	14.9	18.1
3. Food products and beverages	6.1	7.7	5.6	5.1	5.6	6.2	5.2	3.4
<i>of which</i>								
i. Sugar	8.8	12.8	9.9	5.9	9.4	2.9	14.6	\$
ii. Edible oils	1.5	1.9	1.9	2.4	1.2	2.0	1.3	1.9
iii. Other food products & beverages	7.7	7.9	6.2	7.0	6.2	13.8	1.1	7.2
4. Textiles	4.3	4.6	5.4	7.0	3.8	5.6	5.9	5.3
5. Paper and paper products	6.7	7.9	7.1	8.1	6.7	8.4	7.7	8.9
6. Chemicals and chemical products	9.6	11.2	9.9	11.2	9.1	11.5	7.4	9.4
<i>of which</i>								
i. Basic industrial chemicals	8.4	9.2	7.6	8.0	5.0	7.7	18.5	8.3
ii. Chemical fertilizers and pesticides	3.3	9.8	4.0	6.0	5.0	5.7	\$	1.3
iii. Paints and varnishes	6.7	6.1	8.1	6.7	9.3	20.6	\$	15.9
iv. Pharmaceuticals and medicines	14.7	15.0	16.4	17.7	13.3	17.2	11.4	15.2
v. Other chemical & chemical products	8.7	10.3	9.8	11.0	9.9	8.5	10.1	7.1
7. Rubber and plastic products	2.8	2.8	2.4	2.6	1.3	2.3	1.8	4.3
8. Cement and cement products	9.5	22.0	8.8	17.3	9.1	19.1	17.2	21.6
9. Iron and steel	10.7	7.8	8.7	9.7	7.1	9.8	7.9	9.1
10. Fabricated metal products except machinery and equipment	8.7	9.7	9.8	10.6	9.0	10.8	11.4	9.6
11. Machinery and machine tools	5.8	6.8	7.5	9.2	5.4	6.8	7.6	8.2
12. Electrical machinery and apparatus	6.2	8.3	6.6	8.2	6.6	7.1	7.9	7.9
13. Radio, television and communication equipments	\$	1.6	4.1	3.6	\$	2.3	\$	3.1
14. Medical precision and other scientific instruments	5.7	5.8	5.2	6.8	5.9	6.2	8.4	5.3
15. Motor vehicles and other transport equipments	9.0	8.3	8.0	8.5	8.8	8.1	9.0	8.1
16. Jewellery and related articles	0.8	2.2	1.2	2.6	1.7	2.4	—	2.4
17. Diversified	9.8	12.1	7.8	11.5	5.6	12.1	9.4	13.5
18. Electricity generation and supply	11.7	12.3	14.9	14.4	15.6	16.2	14.6	16.1
19. Construction	10.3	8.1	6.1	8.4	6.7	9.1	8.7	10.7
20. Wholesale and retail trade	1.7	2.2	2.2	1.8	1.9	2.8	6.8	2.0
21. Hotel and restaurant	13.2	21.5	9.7	16.1	30.1	24.6	23.1	25.2
22. Transport, storage and communication	16.8	13.2	12.6	13.3	14.7	15.1	13.2	17.2
23. Computer and related activities	21.3	22.9	21.8	25.6	23.8	23.4	20.0	23.6
24. Petroleum refinery	12.5	10.2	11.8	9.3	9.6	10.4	10.0	10.8
All companies including others	9.9	10.6	9.5	11.0	9.0	11.0	9.3	10.6

—: Negligible. \$: Numerator negative.