

*Performance of Private Corporate Business Sector during the First Half of 2007-08**

This article reviews the performance of private corporate business sector during the first half of 2007-08 based on the abridged un-audited/audited financial results of public limited companies. The non-government non-financial companies showed lower business activity in the first half of 2007-08 reflecting deceleration in consumer demand, signs of which surfaced from the last quarter of 2006-07. Sales and net profit growth at 17.4 per cent and 31.1 per cent were substantially lower by 10.0 and 10.5 percentage points when compared over their respective year ago levels. Sector-wise, performance of services sector companies (excluding those engaged in computer and related activities) was impressive in terms of growth in revenue as well as profits at 27.7 per cent and 70.7 per cent respectively. In contrast, manufacturing companies reported lower growth in sales (15.1 per cent) as well as post tax profits (25.1 per cent). Over the quarters, the sales and post tax profits growth at 16.0 per cent and 22.7 per cent observed in the second quarter was lower than the sales and net profits growth at 19.2 per cent and 33.9 per cent in the first quarter of 2007-08.

The performance of the private corporate business sector during the first half of 2007-08 (April-September) is assessed in this article, based on abridged un-audited/audited financial results submitted by the listed companies to the Stock Exchanges. Since the data are available for only few items and are provisional in nature, findings of analysis can be taken as indicative.

* Prepared in the Corporate Studies Division of the Department of Statistical Analysis and Computer Services. The previous study "Performance of Private Corporate Business Sector during the first half of 2006-07" was published in the January 2007 issue of the RBI Bulletin.

This article covers data relating to 2082 non-government non-financial public limited companies and provides, inter alia, a brief size-wise and industry-wise analysis. The coverage of the selected companies in terms of paid-up capital (PUC) and sales in relation to the companies listed on the Bombay Stock Exchange is around 47 per cent and 63 per cent respectively. A brief review of the performance of private corporate sector over the first two quarters of 2007-08 has also been presented based on abridged financial results of 2342 and 2228 companies, respectively. In addition, it briefly touches upon the performance of 286 non-government financial public limited companies during the first half of 2007-08.

Performance of Select 2082 Non-Government Non-Financial Companies during H1:2007-08

Overall Performance

The non-government non-financial companies, broadly representing the pri-

vate corporate sector, showed lower business activity in the first half of 2007-08 reflecting deceleration in consumer demand, signs of which surfaced from the last quarter of 2006-07. Consequently, profit growth too had declined. The sales growth at 17.4 per cent was lower by 10 percentage points when compared over year ago level (Table1). Gross profits of these companies increased by 28.1 per cent, much lower than 39.8 per cent posted in the corresponding period of previous year. Other income, which is not core to the companies, was up by 63.6 per cent as against 19.3 per cent in H1:2006-07. Gross profits excluding other income was lower by 6.8 percentage points to 21.3 per cent. More importantly, interest outgo in the current period increased by 10.1 per cent *vis-a-vis* 20.8 per cent rise observed in the previous period. Post-tax profits recorded 31.1 per cent increase, much lower than 41.6 per cent observed in H1: 2006-07.

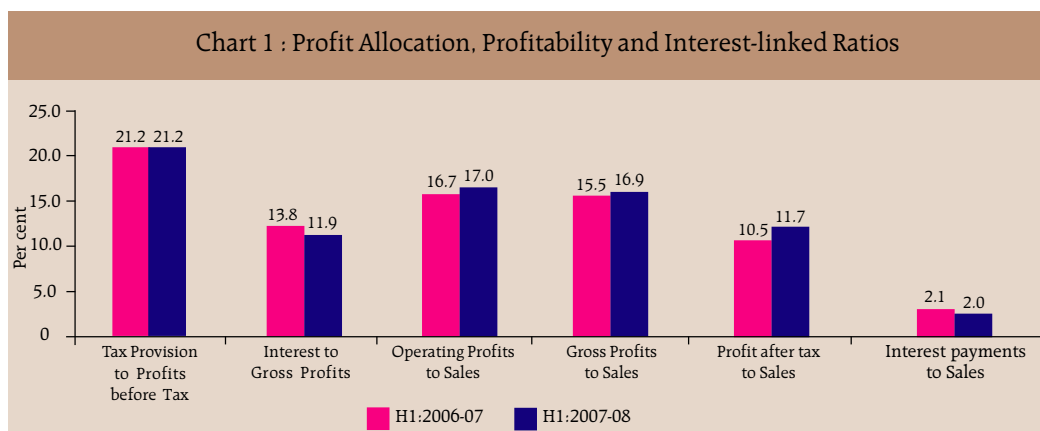
Table 1: Performance of 2082 Non-Government Non- Financial Companies, H1: 2007-08

Item	H1 : 2006-07 (Rs. crore)	H1: 2007-08 (Rs. crore)	Per cent change*	
			H1: 2006-07#	H1: 2007-08
1	2	3	4	5
Sales	4,56,787	5,36,358	27.4	17.4
Expenditure	3,80,701	4,45,086	25.6	16.9
Operating Profits \$	7,60.86	91,272	43.3	20.0
Other income	11,335	18,547	19.3	63.6
Depreciation	16,805	19,347	16.1	15.1
Gross profits	70,616	90,472	39.8	28.1
Interest	9,777	10,760	20.8	10.1
Profits before tax	60,840	79,712	43.5	31.0
Tax provision	12,885	16,866	51.1	30.9
Profits after tax	47,955	62,846	41.6	31.1
Paid-up capital	49,563	52,912	8.8	6.8

*' Over the corresponding period of previous year.

'\$' Operating Profits = Sales - Expenditure

'#' Source: Performance of Private Corporate Business Sector during the first half of 2006-07', RBI Bulletin, January 2007



Interest burden (interest payments to gross profits) declined by 1.9 percentage points to 11.9 per cent (Chart 1). Higher contribution from other income helped gross profit margin (gross profits to sales) and net profit margin (profits after tax to sales) to improve by 1.4 percentage points and 1.2 percentage points to 16.9 per cent and 11.7 per cent respectively. Without this contribution, the improvement in the net profit margin would have shrunk to merely 30 basis points.

Performance according to Size of Paid-up Capital

The analysis of 2082 non-government non-financial companies classified on the basis of Paid-up Capital (PUC) revealed that 566 companies each with PUC of less than Rs.5 crore accounted for 3.3 per cent of the aggregate PUC while 381 companies each with PUC of Rs. 25 crore and above accounted for 73.1 per cent of the aggregate PUC (Table 2). The companies in the 'Rs.5 crore to Rs.10 crore' PUC size class performed

Table 2: Performance of the Select Companies according to the Size of Paid-up Capital, H1: 2007-08

Paid-up Capital Size Class (Rs. crore)	No. of Companies	Paid-up capital		Per cent change								
		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	566	1732	3.3	18.1	47.8	18.0	10.1	32.6	32.6	32.6	27.6	34.1
5 - 10	583	4073	7.7	22.9	90.7	22.3	15.2	45.1	41.0	46.5	51.9	45.0
10 - 15	309	3723	7.0	18.1	44.5	16.0	21.3	38.3	32.7	39.6	30.7	42.3
15 - 25	243	4693	8.9	18.4	20.9	17.9	27.0	20.6	19.1	21.0	45.2	15.2
25 and above	381	38,692	73.1	16.6	68.8	16.2	13.7	27.2	1.6	30.6	28.7	31.2
All Companies	2,082	52,912	100.0	17.4	63.6	16.9	15.1	28.1	10.1	31.0	30.9	31.1

Table 3: Profit Allocation, Interest-linked and Profitability Ratios according to the Size of Paid-up Capital, H1:2007-08

Paid-up Capital 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 Ratio (number)		Interest to Sales		Gross Profits to Sales		Profits after Tax to Sales	
	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13
Below 5	23.5	22.6	32.7	32.7	3.1	3.1	2.5	2.8	7.5	8.4	3.9	4.4
5 - 10	21.8	22.6	24.7	23.9	4.1	4.2	2.4	2.8	9.8	11.6	5.8	6.8
10 - 15	23.1	21.6	18.8	18.1	5.3	5.5	2.3	2.6	12.2	14.3	7.6	9.2
15 - 25	19.3	23.1	19.7	19.5	5.1	5.1	2.5	2.6	12.9	13.1	8.3	8.1
25 and above	21.2	20.9	12.0	9.6	8.3	10.4	2.0	1.8	17.0	18.5	11.8	13.2
All Companies	21.2	21.2	13.8	11.9	7.2	8.4	2.1	2.0	15.5	16.9	10.5	11.7

remarkably well. These companies posted the highest growth rate in turnover (22.9 per cent), other income (90.7 per cent), interest payments (41.0 per cent) and post tax profits (45.0 per cent). Their net profit margin at 6.8 per cent improved by a percentage point (Table 3).

The differential between sales growth and expenditure growth - indicating profitability at the operating level - was the highest at 210 basis points for companies in the 'Rs.10 crore to Rs.15 crore' class. This coupled with 44.5 per cent rise in other income helped companies in this size class to post 42.3 per cent rise in net profits. The net profit margin improved from 7.6 per cent in H1: 2006-07 to 9.2 per cent in H1: 2007-08.

The 381 companies in the top size class recorded 16.6 per cent growth in their income from sales, the lowest growth among all the classes. Their expenditure growth at 16.2 per cent was of marginally low magnitude when compared with that

of sales. Helped by significant growth in other income these companies registered 31.2 per cent rise in profits after tax. In contrast to the high growth in interest payments observed across all the size classes, companies in the top size class, in aggregate recorded a very modest rise of 1.6 per cent. However, this low rise is masked by one large company. If it is excluded then interest payments for rest of the companies of this class would increase to 7.9 per cent.

Performance according to Size of Sales

Barring smaller classes having companies with sales turnover less than Rs. 50 crore, the other size classes based on sales performed well as depicted in robust growth in sales and net profits (Table 4). Significant contribution from other income appeared to have helped margins to improve despite marked increases in depreciation, interest and tax provision. Due to faster momentum in gross profits *vis-à-vis* interest

Table 4: Performance of Select Companies according to
Size of Sales, H1:2007-08

Sales Size Class (Rs. crore)	No. of Companies	Sales Amount Outstanding (Rs. crore)	Per cent Share in Sales	Per cent change								
				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
Less than 25	625	2,764	0.5	-2.0	62.0	-2.4	2.7	65.4	9.3	168.5	25.3	248.3
25-50	229	4,143	0.8	1.5	32.0	1.0	7.3	15.5	14.1	16.8	48.6	6.9
50-100	299	10,956	2.0	15.5	32.8	14.6	12.2	30.7	16.7	41.0	19.9	50.0
100-500	574	66,413	12.4	14.7	61.6	14.8	13.9	25.0	16.7	28.4	38.0	26.0
500-1000	161	58,296	10.9	18.0	72.2	16.9	15.4	35.4	26.1	37.5	40.0	36.9
1000 and above	194	3,93,786	73.4	18.2	64.6	17.8	15.7	27.5	4.0	30.3	29.4	30.6
All Companies	2082	5,36,358	100.0	17.4	63.6	16.9	15.1	28.1	10.1	31.0	30.9	31.1

payments, interest burden became lighter across all the size classes (Table 5).

The combined sales of companies with sales between Rs. 500 crore and Rs. 1000 crore grew at 18.0 per cent, stronger by 1.1 percentage points than the expenditure. This differential along with marked growth in other income resulted in notable 36.9 per cent growth in net profits, despite high rise in depreciation

provision (15.4 per cent) and interest payments (26.1 per cent).

Large companies generated the highest rate of growth in sales (18.2 per cent), contained expenses had low growth in tax and interest payments and generally added to capacities as can be made out from the highest growth in depreciation provision. Moderate rise in interest payments at 4 per cent coupled with steep

Table 5: Profit allocation, Interest-linked and Profitability Ratios according to
Size of Sales, H1:2007-08

Sales Size Class (Rs. Crore)	Profit Allocation Ratios				Interest-linked Ratios				Profitability Ratios			
	Tax Provision to Profits before Tax		Interest to Gross Profit		Interest Coverage Ratio (number)		Interest to Sales		Gross Profits to Sales		Profits after Tax to sales	
	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13
Less than 25	35.8	16.7	64.8	42.8	1.5	2.3	4.8	5.4	7.5	12.6	1.7	6.0
25-50	23.6	30.1	47.0	46.4	2.1	2.2	4.2	4.7	8.9	10.1	3.6	3.8
50-100	29.8	25.3	42.4	37.8	2.4	2.6	4.3	4.4	10.2	11.5	4.1	5.3
100-500	19.7	21.2	28.9	26.9	3.5	3.7	3.4	3.4	11.7	12.8	6.7	7.4
500-1000	21.4	21.8	18.5	17.3	5.4	5.8	2.4	2.6	13.2	15.1	8.4	9.8
1000 and above	21.2	21.0	10.6	8.6	9.5	11.6	1.8	1.6	16.7	18.1	11.8	13.0
All companies	21.2	21.2	13.8	11.9	7.2	8.4	2.1	2.0	15.5	16.9	10.5	11.7

Table 6 : Sector-wise Performance of Non-Government Non-Financial Companies
during H1:2007-08

Item	Manufacturing		Services		Services Other than Computer and related activities	
	Amount (Rs. Crore)	Per cent change	Amount (Rs. Crore)	Per cent change	Amount (Rs. Crore)	Per cent change
No. of Companies	1,598		484		331	
Sales	4,16,461	15.1	1,19,897	26.4	81,606	27.7
Expenditure	3,49,068	14.8	96,018	25.2	66,893	24.7
Of which						
Cost of raw Materials	230,419	12.9	23,881	55.4	21,955	64.3
Staff Cost	20,204	16.6	20,896	25.1	5,571	32.7
Operating Profits \$	67,393	16.2	23,879	31.9	14,713	43.3
Other income	12,831	51.6	5,715	98.9	3,718	77.7
Depreciation	13,760	10.9	5,588	27.1	4,182	28.1
Gross Profits	66,465	23.0	24,006	44.8	14,249	56.6
Interest	8,520	10.3	2,240	9.2	2,006	4.6
Profits before tax	57,946	25.1	21,766	49.9	12,243	70.5
Tax Provision	13,358	25.3	3,508	58.0	2,409	69.9
Profits after tax	44,587	25.1	18,258	48.4	9,834	70.7
Paid-up capital	37,357	5.7	15,555	9.3	11,516	9.2

\$' Operating Profits = Sales - Expenditure

jump of 64.6 per cent in other income helped companies in this class to post 30.6 per cent growth in post tax profits in H1:2007-08. For these companies, interest burden was lighter by 200 basis points in the current period.

Industry-wise Performance during H1: 2007-08

Performance of services sector was impressive in terms of growth in revenue as well as post tax profits at 26.4 per cent and 48.4 per cent respectively (Table 6). Net profits would have been much larger at 70.7 per cent had the companies engaged in computer and related activities were excluded. In contrast to services companies, manufacturing companies reported lower growth in sales (15.1 per cent) as well as post tax profits (25.1 per cent). For this sector cost of raw materials, accounting for about 66 per

cent of the total expenses, went up by 12.9 per cent, little lower than 14.8 per cent increase observed for total expenditure.

The key indicators of performance across the industries showed considerable variations in their growth rates and ratios during H1:2007-08*. Of the 30 industries analysed, 15 industries posted more than 20 per cent growth in sales while another 6 industries posted less than 10 per cent (Statement 1). Post tax profits of 8 industries increased by more than 50 per cent. Interest payments rose by more than 30 per cent for 9 industries. Interest burden declined for most of the industries barring 5 industries where it moved in

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

opposite direction (Statement 2). Net profit margin for 7 industries contracted whereas for rest of the industries it improved in first half of 2007-08.

Sugar industry continued to incur losses mainly due to lower sales realisations; sales were down by 16.7 per cent while interest payments rose by 31.5 per cent. The edible oil industry showed a remarkable performance in terms of turnover as well as net profits. The turnover growth of 34 per cent, aided further by more than 100 per cent rise in other income, helped these companies to register 78.3 per cent jump in post tax profits in H1:2007-08. For textile companies, expenditure rose at a higher rate of 15.7 per cent than sales at 12.9 per cent. Consequently, net profits of these companies were lower by 20.2 per cent.

Fertilizer companies posted moderate growth in sales and expenditure at 6.1 per cent and 5.2 per cent respectively. The lower turnover growth coupled with a fall of 27.7 per cent in other income acted adversely on the gross profit that declined by 2.4 per cent in H1:2007-08 when compared over year ago level.

Pharmaceutical and Medicines companies, witnessed higher growth in expenditure relative to sales and yet posted 25.2 per cent increase in net profits mainly on account of 80.1 per cent jump in other income. Net margin for

these companies improved by 1.5 percentage points at 17.9 per cent.

Iron & steel companies posted 54.0 per cent growth in post tax profits in H1: 2007-08 mainly on account of steep jump in other income (183.7 per cent) and 6.4 per cent fall in interest payments. Interest burden - ratio of interest payments to gross profits - eased by 9.2 percentage points while net margin improved by 230 basis points to 10.8 per cent during the current period.

Sales of Machinery and machine tools companies recorded impressive growth of 25.0 per cent while expenditure went up by 24.3 per cent. Other income declined by 6.2 per cent. Higher provisioning for depreciation at 18.7 per cent reflected continuation of investment demand. Performance of Motor vehicles and other transport equipment industry was subdued in the first half of 2007-08 on account of slower consumer demand. The lower turnover growth (8.1 per cent), relatively higher increase in expenditure (9.0 per cent) accompanied by as much as 51.2 per cent rise in interest payments affected the performance of these companies adversely; post tax profits were stagnant at the previous periods level. Interest burden was higher by 2.5 percentage points while net margin at 7.9 per cent shrunk by 60 basis points.

Cement & Cement products companies posted 24.3 per cent increase

in turnover. Lower growth in expenditure (20.7 per cent) and a decline of 2.0 per cent in interest payments helped cement companies to post 35.2 per cent growth in net profits. Net profit margin for this group of companies improved by 1.6 percentage points to 19.9 per cent. Net profits of construction companies shot up by 80.0 per cent on the turnover growth of 36.9 per cent mirroring continued expansion in this sector; consequently net profit margin improved by as much as 2.2 percentage points. Hotel & restaurant industry posted 24.6 per cent rise in net profits on the turnover growth of 22.8 per cent.

Expenses of electricity generation and supply companies rose at a much faster pace (20.1 per cent) than revenue growth of 14.9 per cent. For companies engaged in computer and related activities, revenue growth at 23.9 per cent was lower than total expenditure growth (26.3 per cent) possibly due to adverse impact

of rupee appreciation. Revenue growth of transport, storage & communication industry was much faster at 28.4 per cent than that of expenditure at 23.2 per cent; with steep jump in other income (136.8 per cent) and decline in interest payments (-53.3 per cent), net profits growth shot up to 90.9 per cent.

Major Components of Expenditure, H1: 2007-08

Consumption of Raw Materials

Consumption of raw materials of 1624 reporting companies, during H1: 2007-08, increased at a lower rate of 13.8 per cent compared to the 15.9 per cent growth observed in total expenditure (Table 7). Consequently, share of consumption of raw materials in total expenditure at 64.9 per cent declined by 1.1 percentage points. During the second quarter consumption of raw materials rose at a much lower pace of 10.6 per cent than the total expenditure at 14.8 per cent reflecting lower input cost.

Table 7: Consumption of Raw Materials during H1: 2007-08

Item	(Amount in Rs. crore)					
	Q1		Q2		H1	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5	6	7
No. of Companies	1,826		1,713		1,624	
Consumption of raw materials (CRM)	1,17,342	1,38,758 (18.3)	1,21,087	1,33,918 (10.6)	2,19,402	2,49,779 (13.8)
Total expenditure	1,72,080	2,03,019 (18.0)	1,86,925	2,14,515 (14.8)	3,32,242	3,85,046 (15.9)
CRM as percentage of total expenditure	68.2	68.4	64.8	62.4	66.0	64.9

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

Table 8: Staff Cost during H1: 2007-08

(Amount in Rs. crore)						
Item	Q1		Q2		H1	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5	6	7
No. of Companies	2,122		2,017		1,899	
Staff cost	17,665	21,607 (22.3)	19,084	22,923 (20.1)	33,968	41,078 (20.9)
Total expenditure	1,93,652	2,30,954 (19.3)	2,11,943	244,780 (15.5)	3,76,709	4,40,165 (16.8)
Staff cost as percentage of total Expenditure	9.1	9.4	9.0	9.4	9.0	9.3

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

Staff Cost

Staff cost of reported companies went up by 20.9 per cent in the current period; higher by 4.1 percentage points than the increase in total expenditure and formed 9.3 per cent of the total expenditure (Table 8). Staff cost rose at a lower pace of 20.1 per cent during second quarter as against 22.3 per cent observed in the first quarter.

Change in Stock-in-trade

Stock-in-trade at Rs.7,090 crore during H1:2007-08 against Rs.8,719 crore observed in the previous period reflected depletion in the stock of traded goods

by 18.7 per cent. Change in stock-in-trade formed 1.5 percent of sales, which was 2.2 per cent in H1: 2006-07 (Table 9). Over the quarters, first quarter witnessed sizeable reduction to the extent of 15.9 per cent in the stock of traded goods in comparison to marginal decline of 1.6 per cent in the second quarter.

Performance over the Quarters of 2007-08

Sales growth at 16.0 per cent in second quarter was lower than 19.2 per cent observed in Q1: 2007-08 (Table 10, Chart 2). Expenditure growth, however, was contained as the major components

Table 9: Increase in Stock-in-trade during H1: 2007-08

(Amount in Rs. crore)						
Item	Q1		Q2		H1	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5	6	7
No. of Companies	1755		1675		1571	
Stock-in-trade	5,427	4,683 (-15.9)	2,962	2,916 (-1.6)	8,719	7,090 (-18.7)
Sales	2,03,156	2,39,240 (17.8)	2,22,246	2,55,108 (14.8)	3,96,063	4,58,811 (15.8)
Stock-in-trade as percentage of sales	2.7	2.0	1.6	1.4	2.2	1.5

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

Table 10: Performance of the Select Companies over the Quarters of 2007-08

Item	2006-07				2007-08	
	Q1	Q2	Q3	Q4	Q1	Q2
1	2	3	4	5	6	7
No. of Companies	2,228	2,263	2,258	2,356	2,342	2,228
Growth rate in Per cent:						
Sales	25.6	29.2	30.3	22.5	19.2	16.0
Total expenditure	24.6	26.6	26.9	19.5	19.3	15.5
Depreciation	14.9	16.4	16.8	18.1	18.1	15.8
Gross profits	33.9	45.9	51.8	39.2	28.6	22.1
Interest payments	19.9	18.0	11.9	32.3	4.4	18.4
Profits after tax	34.7	49.4	59.5	39.6	33.9	22.7
Ratio in Per cent						
Gross Profits to Sales	15.6	15.9	15.8	15.3	16.7	16.6
Profits After Tax to Sales	10.6	11.0	11.0	10.6	11.6	11.5
Interest to Sales	2.2	2.0	2.0	2.0	2.0	2.1
Interest to Gross Profits	13.9	12.8	12.5	13.0	11.7	12.6
Interest Coverage (Times)	7.2	7.8	8.0	7.7	8.5	7.9
Memo Items (Rs. crore)						
Sales	2,34,610	2,51,125	2,60,064	2,94,223	2,80,814	2,97,110
Expenditure	1,95,556	2,09,437	2,16,053	2,48,740	2,34,596	2,47,425
Depreciation provision	8,449	8,892	9,172	10,338	10,173	10,576
Gross profits	36,567	40,041	41,169	45,108	46,925	49,228
Interest Payments	5,083	5,121	5,162	5,862	5,504	6,194
Profits after tax	24,845	27,710	28,698	31,251	32,699	34,266

viz., raw materials and staff cost moved quarter. Interest payments increased by at a slow pace when compared with first 18.4 per cent in Q2 as against 4.4 per cent

Chart 2 : Performance Indicators over the Quarters of 2007-08

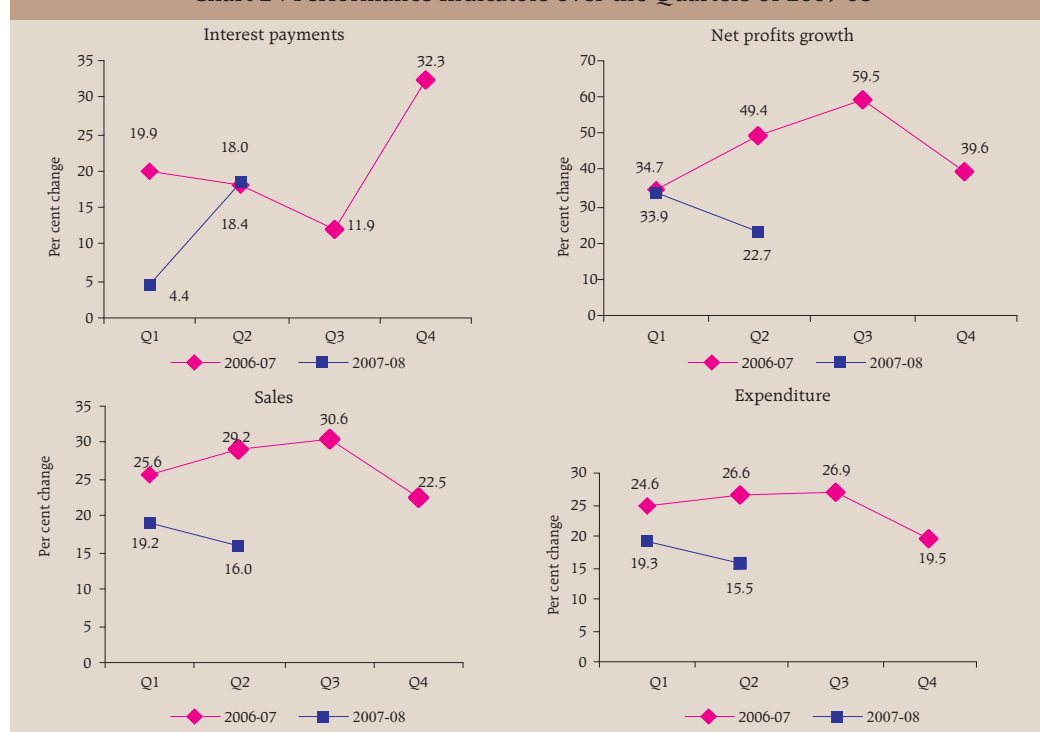
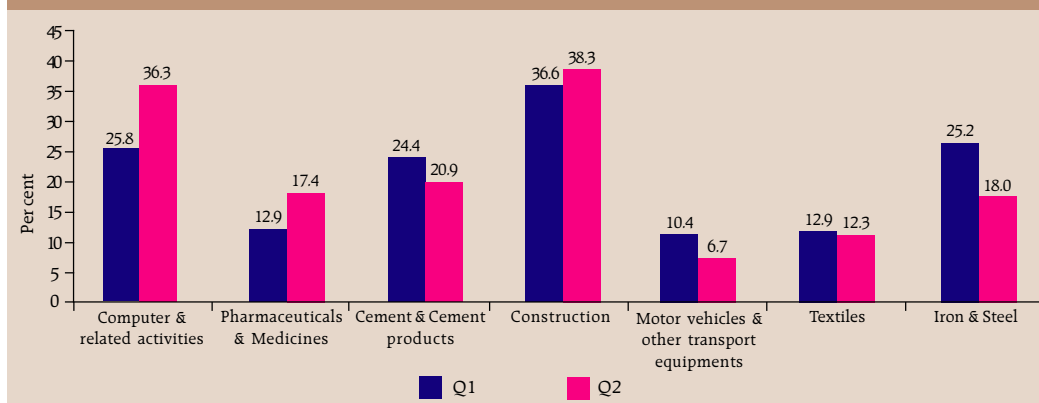


Chart 3: Percentage change in Sales Over the Quarters of 2007-08 - Major Industry-wise



in Q1. Post tax profits were up by 22.7 per cent in Q2:2007-08 ; lower by 11.2 percentage points when compared over first quarter.

Industry-wise, sales growth in mining and quarrying industry jumped from 12.4 per cent in Q1 to 42.1 per cent in Q2 that translated into 136.4 per cent growth in net profits in Q2 (Statement 3, 4 & 5, Charts 3,4,5,6). Textile companies that posted moderate growth in net profits in the first quarter witnessed sizeable fall

of 46.3 per cent in Q2. Fertilizer companies posted marginal increase in sales (2.0 per cent) in Q2 against a dip in sales in Q1. Iron and steel companies growth in post tax profits receded to 30.4 per cent in the second quarter from 84.7 per cent observed in the first quarter. For machinery and machine tools industry, sales growth was lower at 22.7 per cent against 26.4 per cent in Q1. In the case of motor vehicles and other transport equipments industry, the slowdown in

Chart 4: Percentage change in Net Profits Over the Quarters of 2007-08 - Major Industry-wise

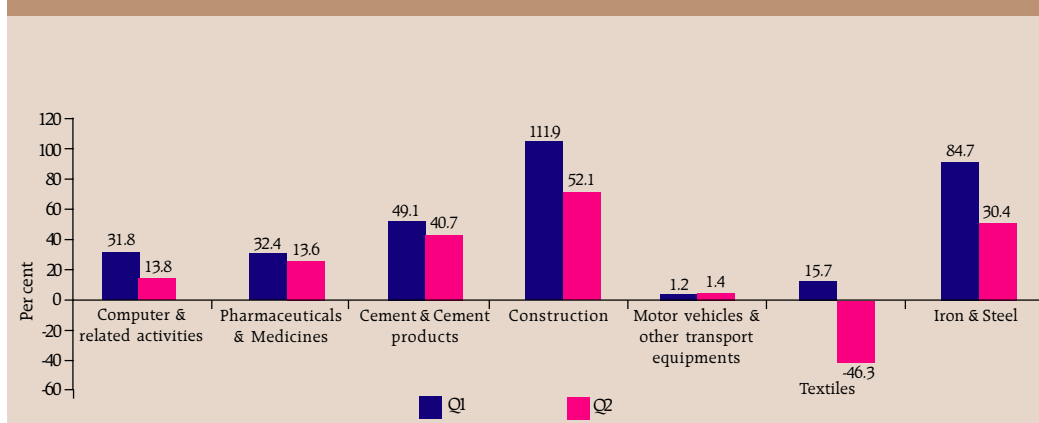
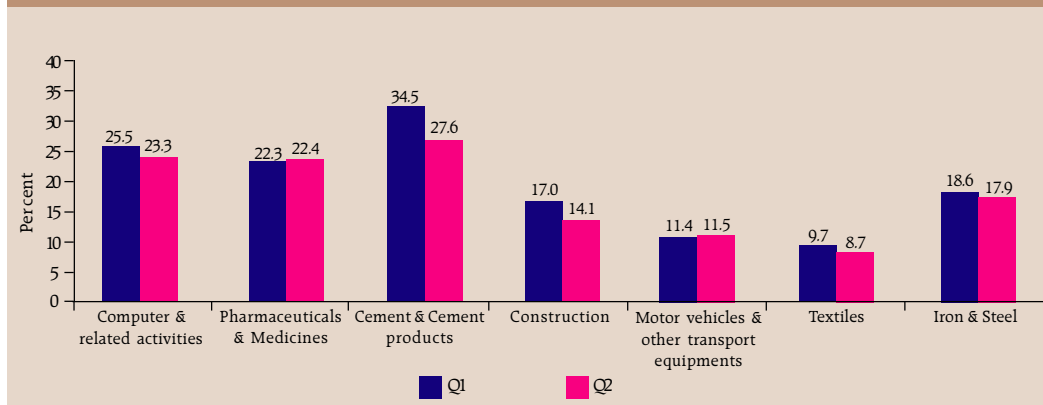


Chart 5: Gross Profit Margin over the Quarters of 2007-08 - Major Industry-wise



consumer demand was well reflected through deceleration in sales growth from 10.4 per cent in Q1 to 6.7 per cent in Q2:2007-08. These companies posted nominal growth in net profits in both the quarters. Construction companies' post tax profits growth receded from 111.9 per cent to 52.1 per cent in Q2:2007-08. Though second quarter was better in terms of revenue growth for companies engaged in computer and related activities, net profit growth was lower

at 13.8 per cent (31.8 per cent in Q1).

Performance of Non-Government Financial Companies

In line with the buoyancy in the asset markets in the recent period, financial companies recorded sharp growth of 44.8 per cent and 59.7 per cent in income from operations and post tax profits.

Performance of financial companies in the second quarter continued to be impressive as in the first quarter. Income

Chart 6: Interest Burden (Interest to Gross profit) over the Quarters of 2007-08 - Major Industry-wise

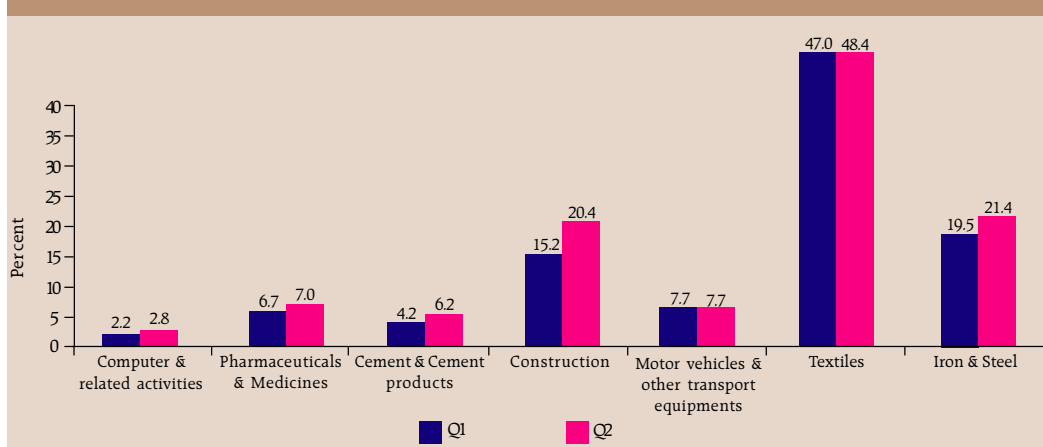


Table 11: Performance of Non-Government Financial Companies, 2007-08

(Amount in Rs. crore)						
Item	Q1 : 2007-08		Q2 : 2007-08		H1 : 2007-08	
	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
No. of Companies	256		284		286	
Income from operations	5876	39.4	6882	41.7	14078	44.8
Other income	125	72.2	466	295.2	623	184.0
Expenditure	2346	17.0	2937	37.2	5983	33.5
Interest	2224	59.2	2387	47.8	5067	55.2
Gross profits	3601	60.6	4319	56.1	8531	60.1
Depreciation	55	36.4	92	37.2	187	41.9
Profits before tax	1376	62.8	1932	67.8	3465	67.8
Tax provision	307	80.8	473	116.1	833	100.0
Profits after tax	1069	58.3	1459	56.4	2631	59.7
Paid-up capital	2841	46	3044	59	3346	63

Per cent change is over the corresponding period of the previous year

from operations increased by 39.4 per cent and 41.7 per cent in the first and second quarter of 2007-08, respectively. Interest expenses growth at 59.2 per cent

in Q1 slid to 47.8 per cent in Q2. Post tax profit growth at 56.4 per cent in Q2 was however lower by 1.9 percentage points when compared over Q1.

Statement 1: Industry-wise Growth Rates of Select Performance Indicators, H1:2007-08

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. Tea plantation	17	162	0.3	50	-45.8	6.7	9.1	-25.1	80.8	-35.1	26.2	-41.1
2. Mining and quarrying	35	452	0.9	24.6	25.7	23.4	-1.3	34.1	33.2	34.2	25.4	38.3
3. Food products and beverages												
<i>Of which</i>	147	2,067	3.9	23.4	12.2	24.6	21.1	10.9	39.4	3.6	21.1	-2.1
i. Sugar	21	442	0.8	-16.7	-48.3	-1.2	11.3	\$	31.5	\$	\$	\$
ii. Edible oils	44	363	0.7	34.0	120.0	33.2	13.6	72.9	40.5	85.1	110.2	78.3
iii. Other food products & beverages	82	1,262	2.4	25.4	61.7	23.5	27.6	42.3	41.2	42.6	42.2	42.8
4. Textiles	255	4,818	9.1	12.9	60.8	15.7	17.3	-2.5	27.2	-19.1	-14.2	-20.2
5. Paper and paper products	35	483	0.9	11.6	111.8	9.9	18.7	29.8	27.8	30.5	44.4	26.8
6. Chemicals and chemical products												
<i>Of which</i>	309	7,111	13.4	10.5	46.5	10.4	10.7	20.8	8.3	22.6	24.0	22.3
i. Basic industrial chemicals	78	1,173	2.2	12.4	88.3	10.4	23.6	36.2	3.4	48.3	32.2	52.4
ii. Chemical fertilizers and pesticides	34	1,946	3.7	6.1	-27.7	5.2	8.7	-2.4	-2.1	-2.4	14.1	-7.2
iii. Paints and varnishes	12	279	0.5	12.4	80.9	11.9	3.1	24.7	19.6	24.9	23.1	25.6
iv. Pharmaceuticals and medicines	112	2,008	3.8	15.1	80.1	16.6	15.4	25.7	16.5	26.5	34.4	25.2
v. Other chemical & chemical products	73	1,704	3.2	5.4	67.0	5.4	-5.8	23.6	19.3	24.3	8.2	28.4
7. Rubber and plastic products	98	1,153	2.2	14.3	23.1	10.1	8.0	81.5	22.1	153.2	271.1	128.8
8. Cement and cement products	33	2,041	3.9	24.3	6.1	20.7	26.3	31.6	-2.0	35.2	35.3	35.2
9. Iron and steel	105	6,150	11.6	21.7	183.7	20.9	16.5	39.4	-6.4	57.3	65.4	54.0
10. Fabricated metal products except machinery and equipment	29	338	0.6	15.9	94.4	17.7	36.9	15.7	-2.0	20.1	21.9	19.5
11. Machinery and machine tools	113	1,290	2.4	25.0	-6.2	24.3	18.7	21.8	25.3	21.5	21.1	21.6
12. Electrical machinery and apparatus	83	1,158	2.2	28.3	2.4	25.9	16.6	43.5	29.7	46.0	68.2	38.4
13. Radio, television and communication equipments	40	992	1.9	2.3	-13.8	2.7	-10.2	-	-2.8	38.5	24.8	44.7
14. Medical precision and other scientific instruments	17	186	0.4	37.9	46.7	36.6	24.7	56.8	15.9	64.4	195.4	33.4
15. Motor vehicles and other transport equipments	79	1,938	3.7	8.1	3.9	9.0	12.7	-0.5	51.2	-3.1	-11.2	-
16. Jewellery and related articles	23	288	0.5	21.7	19.9	21.5	3.5	25.6	7.7	34.3	51.9	31.0
17. Diversified	14	514	1.0	20.9	286.2	15.5	20.7	82.7	27.3	88.9	84.9	90.3
18. Electricity generation and supply	7	1,199	2.3	14.9	79.2	20.1	-4.8	23.5	6.4	29.0	9.7	32.2
19. Construction	63	1,547	2.9	36.9	53.6	31.9	34.6	75.8	54.3	81.0	83.4	80.0
20. Wholesale and retail trade	94	734	1.4	24.0	56.3	23.0	25.0	50.9	33.3	62.4	34.6	70.5
21. Hotel and restaurant	44	644	1.2	22.8	-11.7	17.6	4.2	29.0	18.8	31.8	52.8	24.6
22. Transport, storage and communication	29	5,632	10.6	28.4	136.8	23.2	37.3	65.1	-53.3	91.7	97.1	90.9
23. Computer and related activities	153	4,039	7.6	23.9	155.4	26.3	24.2	30.5	75.1	29.6	37.0	28.7
24. Petroleum refinery	13	2,824	5.3	10.4	51.3	8.5	-2.6	29.0	-6.8	32.3	34.6	31.9
All companies	2082	52,912	100.0	17.4	63.6	16.9	15.1	28.1	10.1	31.0	30.9	31.1

'\$' : Numerator negative. '---' : Nil/Negligible

Statement 2: Industry-wise Profit Allocation, Interest-linked and Profitability Ratios, H1:2007-08

Industry / Industry group	(Per cent)											
	Profit Allocation Ratio				Interest-linked ratio				Profitability Ratio			
	Tax Provision to profits before Tax		Interest to Gross profits		Interest Coverage Ratio (Number)		Interest to Sales		Gross Profits to Sales		Profits after Tax to Sales	
	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08	H1: 2006-07	H1: 2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	9.0	17.4	8.6	20.8	11.6	4.8	2.9	5.0	33.7	24.0	28.0	15.7
2. Mining and quarrying	31.9	29.8	10.9	10.8	9.2	9.2	2.3	2.5	21.1	22.7	12.8	14.2
3. Food products and beverages												
<i>Of which</i>	24.4	28.6	20.4	25.7	4.9	3.9	1.9	2.2	9.4	8.5	5.7	4.5
ii. Sugar	19.1	\$	15.4	\$	6.5	-0.6	2.6	4.2	17.1	-2.7	11.7	-6.6
iii. Edible oils	21.1	24.0	27.2	22.1	3.7	4.5	0.9	0.9	3.3	4.2	1.9	2.5
iv. Other food products & beverages	27.1	27.0	20.8	20.6	4.8	4.9	2.6	2.9	12.4	14.1	7.2	8.2
4. Textiles	18.0	19.1	35.9	46.8	2.8	2.1	3.8	4.3	10.7	9.2	5.6	4.0
5. Paper and paper products	20.8	23.0	23.9	23.6	4.2	4.2	2.9	3.3	12.1	14.1	7.3	8.3
6. Chemicals and chemical products												
<i>Of which</i>	18.1	18.3	12.7	11.4	7.8	8.8	2.0	2.0	15.8	17.2	11.3	12.5
i. Basic industrial chemicals	20.2	18.0	26.9	20.4	3.7	4.9	3.6	3.3	13.2	16.1	7.7	10.5
ii. Chemical fertilizers and pesticides	22.2	26.0	18.5	18.5	5.4	5.4	2.7	2.5	14.7	13.5	9.3	8.1
iii. Paints and varnishes	30.9	30.4	2.8	2.7	35.3	36.8	0.4	0.4	12.6	14.0	8.5	9.5
iv. Pharmaceuticals and medicines	14.1	15.0	7.7	7.1	13.0	14.0	1.6	1.6	20.7	22.6	16.4	17.9
v. Other chemical & chemical products	20.3	17.7	13.7	13.2	7.3	7.6	1.5	1.7	10.9	12.8	7.5	9.2
7. Rubber and plastic products	17.2	25.2	54.7	36.8	1.8	2.7	3.4	3.6	6.1	9.8	2.3	4.6
8. Cement and cement products	24.2	24.2	9.7	7.2	10.3	13.8	2.6	2.0	26.8	28.3	18.3	19.9
9. Iron and steel	28.8	30.2	28.0	18.8	3.6	5.3	4.7	3.6	16.6	19.1	8.5	10.8
10. Fabricated metal products except machinery and equipment	25.5	25.9	20.2	17.1	4.9	5.8	3.5	3.0	17.3	17.3	10.3	10.6
11. Machinery and machine tools	24.4	24.3	8.5	8.7	11.8	11.5	1.2	1.2	13.6	13.3	9.4	9.2
12. Electrical machinery and apparatus	25.3	29.2	15.1	13.7	6.6	7.3	1.8	1.8	11.8	13.2	7.5	8.1
13. Radio, television and communication equipments	31.0	28.0	58.0	41.7	1.7	2.4	4.0	2.8	6.8	6.7	2.0	2.8
14. Medical precision and other scientific instruments	19.1	34.3	15.6	11.6	6.4	8.7	1.2	1.0	7.9	9.0	5.4	5.2
15. Motor vehicles and other transport equipments	27.5	25.2	4.7	7.2	21.2	13.9	0.6	0.8	12.3	11.3	8.5	7.9
16. Jewellery and related articles	16.1	18.2	32.9	28.2	3.0	3.5	2.1	1.9	6.5	6.7	3.7	4.0
17. Diversified	25.8	25.3	10.1	7.0	9.9	14.2	1.8	1.9	17.9	27.1	12.0	18.8
18. Electricity generation and supply	14.2	12.1	24.1	20.8	4.2	4.8	5.3	4.9	22.0	23.6	14.3	16.4
19. Construction	27.8	28.2	19.4	17.1	5.1	5.9	2.4	2.7	12.2	15.7	7.1	9.3
20. Wholesale and retail trade	22.4	18.5	39.5	34.9	2.5	2.9	1.8	1.9	4.5	5.5	2.1	2.9
21. Hotel and restaurant	25.7	29.7	21.4	19.7	4.7	5.1	6.7	6.5	31.2	32.8	18.2	18.5
22. Transport, storage and communication	13.6	14.0	18.3	5.2	5.5	19.3	3.4	1.2	18.6	23.9	13.1	19.5
23. Computer and related activities	10.9	11.5	1.8	2.4	56.0	41.7	0.4	0.6	24.2	25.5	21.2	22.0
24. Petroleum refinery	12.4	12.6	8.4	6.0	12.0	16.6	1.0	0.9	12.5	14.6	10.0	12.0
All companies	21.2	21.2	13.8	11.9	7.2	8.4	2.1	2.0	15.5	16.9	10.5	11.7

\$: Numerator negative.

Statement 3: Industry-wise Growth Rates of Select Performance Indicators over the quarters of 2007-08

Industry / Industry group	(Per cent)														
	Number of companies			Sales			Total Expenditure			Gross Profits			Profits after Tax		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. Tea plantation	24	21	17	4.2	4.4	5.0	4.3	8.6	6.7	18.7	-33.5	-25.1	-0.3	-43.4	-41.1
2. Mining and quarrying	38	35	35	12.4	42.1	24.6	16.1	31.9	23.4	4.3	101.3	34.1	0.9	136.4	38.3
3. Food products and beverages	169	156	147	21.9	18.4	23.4	28.2	19.8	24.6	-33.3	11.9	10.9	-69.1	-5.7	-2.1
<i>Of which</i>															
i. Sugar	34	26	21	-11.9	-14.0	-16.7	11.5	1.5	-1.2	\$	\$	\$	\$	\$	\$
ii. Edible oils	50	45	44	54.1	23.7	34.0	53.1	22.5	33.2	101.9	45	72.9	122.2	30.6	78.3
iii. Other food products & beverages	85	85	82	21.6	24.8	25.4	19.1	23.5	23.5	41.8	40.3	42.3	39.3	42.4	42.8
4. Textiles	278	267	255	12.9	12.3	12.9	14.8	14.8	15.7	18.9	-20.4	-2.5	15.7	-46.3	-20.2
5. Paper and paper products	41	36	35	12.7	8.4	11.6	12.7	5.7	9.9	20.0	26.4	29.8	19.2	24.3	26.8
6. Chemicals and chemical products	367	339	309	8.0	10.9	10.5	7.1	10.2	10.4	19.8	18.1	20.8	25.2	17.8	22.3
<i>Of which</i>															
i. Basic industrial chemicals	95	85	78	13.7	12.0	12.4	14.8	8.8	10.4	21.0	43.9	36.2	31.7	62.6	52.4
ii. Chemical fertilizers and pesticides	38	35	34	-6.3	2.0	6.1	-8.5	0.0	5.2	-23.7	23.5	-2.4	-31.4	29.2	-7.2
iii. Paints and varnishes	14	13	12	14.7	11.5	12.4	13.7	9.0	11.9	31.5	40.3	24.7	51.6	44.9	25.6
iv. Pharmaceuticals and medicines	129	121	112	12.9	17.4	15.1	13.6	20.1	16.6	29.5	16.2	25.7	32.4	13.6	25.2
v. Other chemical & chemical products	91	85	73	7.3	10.5	5.4	5.6	9.9	5.4	30.4	5.3	23.6	37.3	4.5	28.4
7. Rubber and plastic products	110	105	98	16.0	12.8	14.3	11.7	8.8	10.1	94.6	75.7	81.5	148.3	115.2	128.8
8. Cement and cement products	39	39	33	24.4	20.9	24.3	24.8	16.2	20.7	37.0	35.6	31.6	49.1	40.7	35.2
9. Iron and steel	109	110	105	25.2	18.0	21.7	27.4	17.7	20.9	45.3	24.7	39.4	84.7	30.4	54
10. Fabricated metal products except machinery and equipment	32	31	29	19.3	16.3	15.9	22.0	16.8	17.7	23.2	11.2	15.7	34.4	9.5	19.5
11. Machinery and machine tools	134	127	113	26.4	22.7	25.0	26.4	21.0	24.3	45.7	6.6	21.8	48.2	2.2	21.6
12. Electrical machinery and apparatus	92	87	83	31.8	25.8	28.3	29.6	23.4	25.9	33.3	43.5	43.5	22.1	40.2	38.4
13. Radio, television and communication equipments	40	42	40	10.6	-8.2	2.3	10.4	-6.2	2.7	41.6	-34.6	-	-362.4	-49.5	44.7
14. Medical precision and other scientific instruments	20	17	17	57.9	33.9	37.9	60.2	32.3	36.6	58.3	54.2	56.8	44.3	38.2	33.4
15. Motor vehicles and other transport equipments	85	82	79	10.4	6.7	8.1	11.4	7.2	9.0	4.2	-1.0	-0.5	1.2	1.4	-
16. Jewellery and related articles	24	23	23	19.0	24.2	21.7	17.8	24.7	21.5	42.8	14.2	25.6	58.4	15.6	31.0
17. Diversified	16	15	14	22.6	20.0	20.9	18.0	14.6	15.5	39.0	123.1	82.7	38.4	135.6	90.3
18. Electricity generation and supply	9	7	7	19.2	10.5	14.9	29.4	12.9	20.1	17.0	28.5	23.5	26.9	37.5	32.2
19. Construction	70	65	63	36.6	38.3	36.9	30.2	35.1	31.9	100.3	53.8	75.8	111.9	52.1	80.0
20. Wholesale and retail trade	102	99	94	22.1	16.1	24.0	21.6	15.0	23.0	30.8	51.8	50.9	35.4	66.6	70.5
21. Hotel and restaurant	45	43	44	22.9	22.5	22.8	20.5	15.5	17.6	8.3	51.2	29.0	3.2	56.0	24.6
22. Transport, storage and communication	33	32	29	31.5	25.5	28.4	27.6	18.9	23.2	67.6	63.2	65.1	102.2	81.0	90.9
23. Computer and related activities	166	164	153	25.8	36.3	23.9	27.3	42.2	26.3	28.6	17.0	30.5	31.8	13.8	28.7
24. Petroleum refinery	14	13	13	15.0	7.2	10.4	13.6	5.3	8.5	28.3	25.9	29.0	29.5	29.0	31.9
All companies+	2342	2228	2082	19.2	16.0	17.4	19.3	15.5	16.9	28.6	22.1	28.1	33.9	22.7	31.1

\$. Numerator negative; +: All companies under study. - Nil/Negligible

Statement 4: Industry-wise Interest-linked Ratios over the Quarters of 2007-08

Industry / Industry group	(Per cent)											
	Interest Gross Profits						Interest to Sales					
	Q1		Q2		H1		Q1		Q2		H1	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	17.5	28.1	8.2	16.6	8.6	20.8	3.1	5.8	3.8	4.8	2.9	5.0
2. Mining and quarrying	8.2	11.8	20.0	12.1	10.9	10.8	2.1	2.8	3.2	2.8	2.3	2.5
3. Food products and beverages												
<i>Of which</i>	18.1	44.9	24.5	31.2	20.4	25.7	2.0	2.7	2.1	2.5	1.9	2.2
i. Sugar	13.1	\$0	39.8	\$	15.4	\$	2.3	5.7	3.7	6.4	2.6	4.2
ii. Edible oils	34.1	25.7	22.4	19.5	27.2	22.1	1.0	1.0	0.9	0.9	0.9	0.9
iii. Other food products & beverages	20.3	19.5	21.2	21.7	20.8	20.6	2.6	2.9	2.6	2.9	2.6	2.9
4. Textiles	42.3	47.0	29.9	48.4	35.9	46.8	3.9	4.6	3.6	4.2	3.8	4.3
5. Paper and paper products	26.1	28.8	23.3	22.7	23.9	23.6	3.1	3.6	3.1	3.5	2.9	3.3
6. Chemicals and chemical products												
<i>Of which</i>	14.4	10.8	11.7	11.4	12.7	11.4	2.2	1.8	1.8	1.9	2.0	2.0
i. Basic industrial chemicals	25.9	23.1	26.6	20.0	26.9	20.4	3.7	3.5	3.4	3.3	3.6	3.3
ii. Chemical fertilizers and pesticides	28.7	26.0	24.1	24	18.5	18.5	4.8	3.5	2.4	2.9	2.7	2.5
iii. Paints and varnishes	10.0	4.9	6.6	4.7	2.8	2.7	1.1	0.6	0.7	0.6	0.4	0.4
iv. Pharmaceuticals and medicines	8.2	6.7	7.1	7.0	7.7	7.1	1.6	1.5	1.6	1.6	1.6	1.6
v. Other chemical & chemical products	10.1	7.2	7.8	8.3	13.7	13.2	1.3	1.1	1.1	1.2	1.5	1.7
7. Rubber and plastic products	52.0	32.5	54.1	36.8	54.7	36.8	2.8	3.0	3.4	3.6	3.4	3.6
8. Cement and cement products	8.2	4.2	9.6	6.2	9.7	7.2	2.6	1.5	2.4	1.7	2.6	2.0
9. Iron and steel	31.7	19.5	25.2	21.4	28.0	18.8	5.1	3.6	4.3	3.8	4.7	3.6
10. Fabricated metal products except machinery and equipment	22.4	16.1	17.9	18.6	20.2	17.1	3.6	2.7	3.1	3.1	3.5	3.0
11. Machinery and machine tools	12.5	9.9	7.9	8.8	8.5	8.7	1.5	1.3	1.2	1.1	1.2	1.2
12. Electrical machinery and apparatus	14.0	14.6	15.2	13.7	15.1	13.7	1.8	1.9	1.8	1.9	1.8	1.8
13. Radio, television and communication equipments	77.6	42.3	56.4	69.9	58.0	41.7	4.3	3.0	4.2	3.7	4.0	2.8
14. Medical precision and other scientific instruments	-1.1	-0.6	11.3	8.7	15.6	11.6	-0.1	0.0	1.1	0.9	1.2	1.0
15. Motor vehicles and other transport equipments	5.2	7.7	5.2	7.7	4.7	7.2	0.6	0.9	0.6	0.9	0.6	0.8
16. Jewellery and related articles	36.5	28.9	30.5	27.5	32.9	28.2	2.1	2.0	2.2	1.8	2.1	1.9
17. Diversified	11.5	10.9	10.3	6.2	10.1	7.0	2.1	2.3	1.8	2	1.8	1.9
18. Electricity generation and supply	25.7	23.5	22.8	19	24.1	20.8	5.4	4.9	5.2	5	5.3	4.9
19. Construction	19.9	15.2	20.4	20.4	19.4	17.1	2.3	2.6	2.6	2.9	2.4	2.7
20. Wholesale and retail trade	37.9	36.4	38.4	36	39.5	34.9	1.9	1.9	1.7	2.1	1.8	1.9
21. Hotel and restaurant	18.2	19.2	24.8	20.2	21.4	19.7	6.7	6.2	6.7	6.7	6.7	6.5
22. Transport, storage and communication	18.5	-0.9	18.0	11.2	18.3	5.2	3.5	-0.2	3.3	2.7	3.4	1.2
23. Computer and related activities	2.0	2.2	1.5	2.8	1.8	2.4	0.5	0.6	0.4	0.7	0.4	0.6
24. Petroleum refinery	8.3	7.1	8.0	5.5	8.4	6.0	1.1	1.0	1.0	0.8	1.0	0.9
All companies +	14.5	11.7	13.0	12.6	13.8	11.9	2.2	2.0	2.0	2.1	2.1	2.0

\$: Numerator Negative; '+': All companies under study.

Statement 5: Industry-wise Profitability Ratios over the Quarters of 2007-08

Industry / Industry group	(Per cent)											
	Gross Profits to Sales						Profits after Tax to Sales					
	Q1		Q2		H1		Q1		Q2		H1	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Tea plantation	17.9	20.5	45.8	29.2	33.7	24.0	12.5	11.9	39.7	21.5	28.0	15.7
2. Mining and quarrying	25.5	23.6	16.2	23.0	21.1	22.7	16.0	14.4	8.7	14.5	12.8	14.2
3. Food products and beverages	11.1	6.1	8.5	8.0	9.4	8.5	7.1	1.8	4.9	3.9	5.7	4.5
<i>Of which</i>												
i. Sugar	17.7	-6.5	9.4	-3.6	17.1	-2.7	12.7	-11.7	4.5	-9.6	11.7	-6.6
ii. Edible oils	2.8	3.7	3.9	4.5	3.3	4.2	1.5	2.1	2.6	2.7	1.9	2.5
iii. Other food products & beverages	12.6	14.7	12.1	13.6	12.4	14.1	7.3	8.4	7.0	8.0	7.2	8.2
4. Textiles	9.2	9.7	12.2	8.7	10.7	9.2	4.1	4.2	7.4	3.5	5.6	4.0
5. Paper and paper products	11.8	12.6	13.3	15.5	12.1	14.1	6.8	7.2	8.4	9.6	7.3	8.3
6. Chemicals and chemical products	15.3	17.0	15.6	16.6	15.8	17.2	10.5	12.2	11.2	11.9	11.3	12.5
<i>Of which</i>												
i. Basic industrial chemicals	14.3	15.2	12.9	16.5	13.2	16.1	8.2	9.5	7.5	10.9	7.7	10.5
ii. Chemical fertilizers and pesticides	16.8	13.7	10.0	12.1	14.7	13.5	9.7	7.1	5.1	6.5	9.3	8.1
iii. Paints and varnishes	10.5	12.0	11.0	13.9	12.6	14.0	6.3	8.3	7.0	9.1	8.5	9.5
iv. Pharmaceuticals and medicines	19.4	22.3	22.6	22.4	20.7	22.6	15.2	17.8	18.1	17.5	16.4	17.9
v. Other chemical & chemical products	12.5	15.2	14.5	13.9	10.9	12.8	8.6	10.9	11.0	10.4	7.5	9.2
7. Rubber and plastic products	5.5	9.2	6.3	9.8	6.1	9.8	2.1	4.6	2.4	4.6	2.3	4.6
8. Cement and cement products	31.3	34.5	24.6	27.6	26.8	28.3	21.9	26.3	17.0	19.7	18.3	19.9
9. Iron and steel	16.1	18.6	17.0	17.9	16.6	19.1	7.5	11.1	9.3	10.3	8.5	10.8
10. Fabricated metal products except machinery and equipment	16.2	16.7	17.6	16.8	17.3	17.3	9.4	10.6	10.9	10.3	10.3	10.6
11. Machinery and machine tools	11.6	13.4	14.9	12.9	13.6	13.3	7.3	8.6	10.4	8.7	9.4	9.2
12. Electrical machinery and apparatus	13.0	13.1	11.9	13.5	11.8	13.2	8.6	8.0	7.5	8.4	7.5	8.1
13. Radio, television and communication equipments	5.6	7.1	7.5	5.3	6.8	6.7	0.7	3.0	2.4	1.3	2.0	2.8
14. Medical precision and other scientific instruments	6.6	6.6	9.5	10.9	7.9	9.0	4.8	4.4	6.7	6.9	5.4	5.2
15. Motor vehicles and other transport equipments	12.1	11.4	12.4	11.5	12.3	11.3	8.3	7.6	8.4	8.0	8.5	7.9
16. Jewellery and related articles	5.9	7.0	7.1	6.5	6.5	6.7	3.1	4.1	4.2	3.9	3.7	4.0
17. Diversified	18.4	20.8	17.3	32.1	17.9	27.1	12.0	13.6	11.5	22.6	12.0	18.8
18. Electricity generation and supply	21.1	20.8	22.7	26.4	22.0	23.6	13.1	14.0	15.3	19.1	14.3	16.4
19. Construction	11.6	17.0	12.7	14.1	12.2	15.7	6.7	10.4	7.3	8.0	7.1	9.3
20. Wholesale and retail trade	5.0	5.3	4.4	5.8	4.5	5.5	2.5	2.8	2.1	3.1	2.1	2.9
21. Hotel and restaurant	36.7	32.3	26.9	33.2	31.2	32.8	21.8	18.3	14.9	18.9	18.2	18.5
22. Transport, storage and communication	18.8	23.9	18.3	23.8	18.6	23.9	13.2	20.3	13.0	18.7	13.1	19.5
23. Computer and related activities	24.9	25.5	27.2	23.3	24.2	25.5	21.4	22.4	23.7	19.8	21.2	22.0
24. Petroleum refinery	12.7	14.2	12.2	14.3	12.5	14.6	10.2	11.5	9.8	11.8	10.0	12.0
All companies+	15.5	16.7	15.7	16.6	15.5	16.9	10.4	11.6	10.9	11.5	10.5	11.7

+: All companies under study.