


**भारतीय रिज़र्व बैंक**
**RESERVE BANK OF INDIA**

वेबसाइट : [www.rbi.org.in/hindi](http://www.rbi.org.in/hindi)

वेबसाइट : [www.rbi.org.in](http://www.rbi.org.in)

ई-मेल email: [helpdoc@rbi.org.in](mailto:helpdoc@rbi.org.in)
**संचार विभाग, केंद्रीय कार्यालय, एस.बी.एस.मार्ग, मुंबई-400001**

DEPARTMENT OF COMMUNICATION, Central Office, S.B.S.Marg, Mumbai-400001

फोन/Phone: 91 22 2266 0502 फैक्स/Fax: 91 22 22660358

December 20, 2013

### Performance of the Private Corporate Business Sector during Second Quarter of 2013-14 – Data Release

The Reserve Bank of India today released, on its website, [the data](#) on the performance of non-financial private corporate business sector during second quarter of 2013-14 (July-September 2013).

The data compiled are based on the abridged financial results of 2,708 listed non-government non-financial (NGNF) companies. To enable comparison, similar data pertaining to Q1:2013-14 and Q2:2012-13 are also presented. Coverage of companies in different quarters varies to some extent, depending on date of declaration of quarterly results but it is not expected to alter the aggregate position significantly. 'Explanatory Notes' containing the brief methodology followed for compilation of data and the glossary of terms is given at the end.

#### Highlights:

- Sales growth (Y-o-Y) improved in Q2:2013-14 after successive deceleration since Q3:2011-12. This improvement was due to the large (annualised sales above ₹10 billion) companies.
- Sales of small (annualised sales below ₹1 billion) companies, however, continued to contract.
- The upturn in sales growth is noticeable for the manufacturing and the IT sectors, while slowdown continued in the non-IT services sector.
- Among the major industries, sales growth was high in textiles, coke & refined petroleum products, chemicals and chemical product industries. However, cement & cement products, iron & steel, motor vehicle & transport equipments and machinery industries continued to record contraction in sales.
- The improvement in sales growth was not reflected in profit growth (Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA) and Net Profit growth) and profit margins.
- Pricing power, as measured by profit margins remained low since Q2:2011-12 and eroded further in Q2:2013-14. As compared to the previous quarter, EBITDA margin declined at the aggregate level and also for the manufacturing and the non-IT services sectors. Net profit margin remained almost unchanged at the aggregate level. However, it declined for manufacturing sector. Both the margins improved for the IT sector.
- Interest expenses grew at a higher rate in Q2:2013-14 across all sectors. Interest coverage ratio (Earnings before Interest & Tax (EBIT)/Interest expenses) was distinctly lower than that observed in Q2:2012-13; however, the ratio remained almost similar to that in Q1:2013-14.