प्रेस प्रकाशनी PRESS RELEASE

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
वेबसाइट : www.rbi.org.in/hindi
Website : www.rbi.org.in
ई-मेल/email: 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: 022- 22660502

March 05, 2021

Performance of the private corporate business sector during the third quarter of 2020-21

Today, the Reserve Bank released data on the performance of the private corporate sector during the third quarter of 2020-21 drawn from abridged quarterly financial results of 2,692 listed non-government non-financial (NGNF) companies. Data pertaining to Q3:2019-20 and Q2:2020-21 are also presented in the tables to enable comparison. The data can be accessed at the web-link https://dbie.rbi.org.in/DBIE/dbie.rbi?site=statistics#!2_42.

Highlights:

Nominal Sales

- With gradual easing of restrictions related to the Covid-19 pandemic and rebound in demand conditions, sales of 1,685 manufacturing companies expanded by 7.4 per cent (Y-o-Y) in Q3:2020-21 after recording contraction during the preceding six quarters; the recovery was led by iron and steel, automobiles, cement, chemicals and pharmaceuticals companies (Table 2A and Table 5A).
- Information technology (IT) sector remained in positive terrain throughout the Covid-19 pandemic period and their sales increased by 5.2 per cent (Y-o-Y) in Q3:2020-21 (Table 2A).
- Non-IT services sector recorded lower contraction (Y-o-Y) in sales [(-)5.7 per cent in Q3:2020-21 *vis-à-vis* (-)14.5 per cent in the previous quarter], which was supported by better performance of telecommunication, real estate and trade sector companies (Table 2A and Table 5A).

Expenditure

- Manufacturing companies increased their expenditure on raw materials during Q3:2020-21 in tune with rise in sales (Table 2A).
- Staff cost growth (Y-o-Y) increased for manufacturing and IT companies in Q3:2020-21, whereas it remained in contraction zone for non-IT services sectors (Table 2A).

Operating profit

- Operating profits for all group of companies improved in Q3:2020-21 (Table 2A).

Interest

- With rise in profits, interest coverage ratio (ICR) [1] of manufacturing companies improved noticeably to 6.6 in Q3:2020-21 (4.6 in the previous quarter); ICR of non-IT services companies remained below one (Table 2B).

Pricing power

- Profit margins improved further for manufacturing and IT companies in this quarter (Table 2B).

List of Tables

<table>
<tr><th colspan="2">Table No.</th><th colspan="2">Title</th></tr>
<tr><td rowspan="2">1</td><td>A</td><td rowspan="2">Performance of Listed Non-Government Non-Financial Companies</td><td>Growth Rates</td></tr>
<tr><td>B</td><td>Select Ratios</td></tr>
<tr><td rowspan="2">2</td><td>A</td><td rowspan="2">Performance of Listed Non-Government Non-Financial Companies – Sector-wise</td><td>Growth Rates</td></tr>
<tr><td>B</td><td>Select Ratios</td></tr>
<tr><td rowspan="2">3</td><td>A</td><td rowspan="2">Performance of Listed Non-Government Non-Financial Companies according to Size of Paid-up-Capital</td><td>Growth Rates</td></tr>
<tr><td>B</td><td>Select Ratios</td></tr>
<tr><td rowspan="2">4</td><td>A</td><td rowspan="2">Performance of Listed Non-Government Non-Financial Companies according to Size of Sales</td><td>Growth Rates</td></tr>
<tr><td>B</td><td>Select Ratios</td></tr>
<tr><td rowspan="2">5</td><td>A</td><td rowspan="2">Performance of Listed Non-Government Non-Financial Companies according to Industry</td><td>Growth Rates</td></tr>
<tr><td>B</td><td>Select Ratios</td></tr>
<tr><td colspan="4">Explanatory Notes</td></tr>
<tr><td colspan="4">Glossary</td></tr>
</table>

Notes:

- The coverage of companies in different quarters varies, depending on the date of declaration of results; this is, however, not expected to significantly alter the aggregate position.
- Explanatory notes detailing the compilation methodology, and the glossary (including revised definitions and calculations that differ from previous releases) are appended.

(Yogesh Dayal)
Chief General Manager

Press Release: 2020-2021/1206

[1] ICR (*i.e.*, ratio of earnings before interest and tax to interest expenses) is a measure of debt servicing capacity of a company. The minimum value for a viable ICR is 1.