

## Business Today - C *fore* Survey

<b>Overall</b> Business confidence index on a scale of 100 for the quarter Jan to March 2012 is	<b>55.4</b>
---	-------------

### BCI for Different Sectors

Business confidence index for <b>Heavy Engineering</b> for the quarter Jan to March 2012 is	<b>52.7</b>
Business confidence index for <b>Light industry</b> for the quarter Jan to March 2012 is	<b>53.2</b>
Business confidence index for <b>Services</b> for the quarter Jan to March 2012 is	<b>59.5</b>

### Size of Industry

Business confidence index for <b>Big Size Business</b> for the quarter October to Jan to March 2012 is	<b>51.2</b>
Business confidence index for <b>Medium Size Business</b> for the quarter October to Jan to March 2012 is	<b>53.3</b>
Business confidence index for <b>Small Business</b> for the quarter October to Jan to March 2012 is	<b>57.2</b>
Business confidence index for <b>Micro Business</b> for the quarter October to Jan to March 2012 is	<b>59.2</b>

# Survey Findings

## Part 1

Q1	How would you rate this quarter (Jan-March) overall economic conditions vis-à-vis the last quarter (Oct-Dec).	
	Substantially Worse	12
	Moderately worse	13
	Same/no change	17
	Moderately better	57
	Substantially better	1

(All figures are in %)

Q2	How would you rate this quarter (Jan-March) overall availability of business finance vis-à-vis the quarter (Oct-Dec).	
	Substantially Worse	5
	Moderately worse	19
	Same/no change	64
	Moderately better	11
	Substantially better	1

(All figures are in %)

Q3	How would you rate this quarter (Jan-March) demand conditions vis-à-vis the last quarter (Oct-Dec).	
	Substantially Worse	3
	Moderately worse	5
	Same/no change	30
	Moderately better	59
	Substantially better	3

(All figures are in %)

<b>Q4</b>	How would you rate this quarter (Jan-March) hiring conditions vis-à-vis the last quarter (Oct-Dec).	
	Substantially Worse	9
	Moderately worse	30
	Same/no change	55
	Moderately better	5
	Substantially better	1

(All figures are in %)

<b>Q5</b>	How would you rate this quarter (Jan-March) profit margins vis-à-vis the last quarter (Oct-Dec).	
	Substantially Worse	12
	Moderately worse	23
	Same/no change	48
	Moderately better	14
	Substantially better	3

(All figures are in %)

## Part 2

Kindly respond to the following questions keeping in mind the next quarter (April to June) from today in comparison to the situation in the present quarter (Jan-March) from today.

<b>Q1</b>	Overall, how would you describe your confidence in the economic prospects facing your business over the next quarter (April to June), compared to this quarter (Jan-March)?	
	Substantially Worse	18
	Moderately worse	41
	Same/no change	25
	Moderately better	14
	Substantially better	2

(All figures are in %)

<b>Q2</b>	How do you foresee the overall economic situation over the next quarter (April to June), compared to this quarter (Jan-March)	
	Substantially Worse	8
	Moderately worse	54
	Same/no change	34
	Moderately better	3
	Substantially better	1

(All figures are in %)

<b>Q3</b>	How do you foresee the overall business situation over the next quarter (April to June), compared to this quarter (Jan-March)	
	Substantially Worse	5
	Moderately worse	56
	Same/no change	32
	Moderately better	5
	Substantially better	2

(All figures are in %)

<b>Q4</b>	<b>How do you foresee your financial situation over the next quarter (April to June), compared to this quarter (Jan-March)</b>	
	Substantially Worse	15
	Moderately worse	43
	Same/no change	36
	Moderately better	5
	Substantially better	1

(All figures are in %)

<b>Q5</b>	<b>How do you foresee your requirement of working capital over the next quarter (April to June), compared to this quarter (Jan-March)</b>	
	Substantially Worse	14
	Moderately worse	39
	Same/no change	35
	Moderately better	9
	Substantially better	3

(All figures are in %)

<b>Q6</b>	<b>How do you foresee the availability of finance over the next quarter(April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	5
	Moderately worse	14
	Same/no change	34
	Moderately better	45
	Substantially better	2

(All figures are in %)

<b>Q7</b>	<b>How do you foresee the cost of external finance over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	11
	Moderately worse	34
	Same/no change	47
	Moderately better	6
	Substantially better	2

(All figures are in %)

<b>Q8</b>	<b>How do you foresee your production level over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	9
	Moderately worse	26
	Same/no change	54
	Moderately better	7
	Substantially better	4

(All figures are in %)

<b>Q9</b>	<b>How do you foresee your order book/demand shaping up over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	18
	Moderately worse	23
	Same/no change	50
	Moderately better	7
	Substantially better	2

(All figures are in %)

<b>Q10</b>	<b>How do you foresee the supply side shaping up over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	10
	Moderately worse	52
	Same/no change	27
	Moderately better	6
	Substantially better	5

(All figures are in %)

<b>Q11</b>	<b>How do you foresee the cost of raw material over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	22
	Moderately worse	68
	Same/no change	7
	Moderately better	2
	Substantially better	1

(All figures are in %)

Q12 How do you foresee your inventory of raw material over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	14
Moderately worse	60
Same/no change	21
Moderately better	4
Substantially better	1

(All figures are in %)

Q13 How do you foresee your inventory of finished goods over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	12
Moderately worse	25
Same/no change	53
Moderately better	6
Substantially better	4

(All figures are in %)

Q14 How do you foresee the utilization of your production capacity over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	16
Moderately worse	25
Same/no change	52
Moderately better	4
Substantially better	3

(All figures are in %)



Q15 How do you foresee your investments in business operations over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	22
Moderately worse	29
Same/no change	43
Moderately better	5
Substantially better	1

(All figures are in %)

Q16 How do you foresee your sales pickup over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	21
Moderately worse	23
Same/no change	36
Moderately better	15
Substantially better	5

(All figures are in %)

Q17 How do you foresee your selling prices pickup over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	17
Moderately worse	48
Same/no change	20
Moderately better	10
Substantially better	5

(All figures are in %)

Q18 How do you foresee your exports pickup over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	24
Moderately worse	40
Same/no change	30
Moderately better	4
Substantially better	2

(All figures are in %)

Q19 How do you foresee your imports pickup over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	16
Moderately worse	56
Same/no change	24
Moderately better	3
Substantially better	1

(All figures are in %)

Q20 How do you foresee your hiring pickup over the next quarter (April to June), compared to this quarter (Jan-March)?	
Substantially Worse	13
Moderately worse	18
Same/no change	43
Moderately better	21
Substantially better	5

(All figures are in %)

<b>Q21</b>	<b>How do you foresee your profits pickup over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	8
	Moderately worse	23
	Same/no change	49
	Moderately better	17
	Substantially better	3

(All figures are in %)

<b>Q22</b>	<b>How do you foresee your stock price pickup (if applicable) over the next quarter (April to June), compared to this quarter (Jan-March)?</b>	
	Substantially Worse	5
	Moderately worse	25
	Same/no change	56
	Moderately better	9
	Substantially better	5

(All figures are in %)

<b>Q23</b>	<b>How do you foresee the union budget impacting your company's performance next quarter (Apr-Jun)?</b>	
	Substantially Worse	6
	Moderately worse	24
	Same/no change	61
	Moderately better	7
	Substantially better	2

(All figures are in %)

## METHODOLOGY

Market research agency C - fore designed and conducted the survey. The field work was conducted in the month of March 2011. A structured questionnaire was administered to CEOs or CFOs of companies. In all 500 CEOs or CFOs representing various industries in terms of sector and size were interviewed. The survey was carried in 12 cities namely Delhi, Mumbai, Chennai, Hyderabad, Bangalore, Kolkata, Chandigarh, Lucknow, Nagpur, Kochi, Vizag and Bhubneshwar. The companies were segmented based on their turnover and also the products offered by them. Those with turnover of over Rs 500 crore have been termed as big, those between 100 to 500 as medium, those with a turnover less than 100 as small and those less than 5 crore as Micro businesses.

Following is the sector wise industry classification that was represented in the sample:

<b>Heavy Engineering</b>	<b>Light industry</b>	<b>Services</b>
Chemical and chemical products	Food products	Hotels and tourism
Rubber, plastic, petroleum and coal products	Beverages, tobacco and other related	Transportation
Non metallic mineral products	Products of wool, jute, rubber, silk and leather	Consultancy services
Basic metal and alloys	Cotton textiles	Communication
Metal products	Textile and apparel	Financial services
Machinery and equipments	Wood and wood products	Business services
Transport equipments and parts	Furniture and fixtures	Real estate
Mining	Paper, paper products and printing	IT/software
Auto and auto components	Publishing and allied industries	Media and related
	Leather and fur products	BPO

The responses to 27 questions pertaining to the present business climate and also to their future expectations were collated. The average confidence level was calculated on a five point scale which was further normalized on 100 point scale.