

Business sentiment revives in Q2: NCAER

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Business sentiment revived in the second quarter with the Business Confidence Index showing an increase of 6.3 per cent on a quarter-on-quarter basis, a survey by economic thinktank NCAER said.

"The 94th round of the Business Expectations Survey (BES) carried out in September 2015 shows a revival of business sentiments after the Business Confidence Index (BCI) fell for two consecutive quarters.

"The BCI shows an increase of 6.3 per cent in October 2015 over July 2015 on a quarter-on-quarter (q-o-q) basis. However, the BCI continues to fall on a year-on-year basis (9.1 per cent)," said a survey by economic think-tank National Council of Applied Economic Research (NCAER) today said.

NCAER's fellow Bornali Bhandari said that the economy showing signs of bottoming out but the recovery remain weak and fraught with uncertainty. There is improvement in business sentiments and stabilising of political sentiments.

"The improvement in sentiments of small and medium enterprises is the best signal that this survey shows. The capital goods and services sectors also show improvement in sentiments," Bhandari said.

The economic think-tank said barring the Rs 500-crore plus companies, which show a q-o-q decline in the BCI, all firms showed improvement.

The Business Expectations Survey (BES) tracks business sentiment of over 500 Indian companies.