

India's biz confidence index moves up 4.1% in Dec qtr: NCAER

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India's business confidence index (BCI) moved up by 4.1 per cent in the third quarter of the current fiscal, economic think-tank NCAER said today.

"The NCAER Business Confidence Index (BCI) increased by 4.1 per cent over the previous quarter, from 142.5 in October 2014 to 148.4 in December," it said in a release.

The BCI index rose during the quarter on factors including expectation of improved economic conditions, positive investment climate and rise in capacity utilisation.

However, companies' view about their financial position improving in next six months showed negative change.

"The BCI rose for all five sectors of the economy (consumer durables, consumer non-durables, intermediate goods, capital goods and services) over the previous quarter, with the services sector showing the largest growth of 12.5 per cent."

Services sector also showed the highest BCI. The BCIs of capital goods and consumer non durables sector grew handsomely, by 8.8 and 8 per cent, respectively, said the National Council of Applied Economic Research.

Sentiment on production, domestic sales, exports and pre-tax profits were mixed. Shares of firms expecting increases in these variables rose, while shares of those expecting expansion of more than 10 per cent declined, it said.

On polity, NCAER's Political Confidence Index (PCI) continued to rise and increased by 1.4 per cent during the quarter, it said.

"Service sector units showed the maximum growth of 23 per cent in PCI. Intermediate goods and capital goods units showed a decline in PCI. Regionally, the north grew by the most whereas the west declined by the most," it added.