

THE RATE EFFECT

Rising interest rates are denting profits of Indian firms*.

Quarter	Interest cover**	Interest cost (Rs cr)	Profit before interest and tax (Rs cr)
2008			
Sep	4.27	16,383.56	69,909.17
Jun	6.70	12,710.15	85,117.21
Mar	6.97	11,850.02	82,590.82
2007			
Dec	8.77	10,232.36	89,755.24
Sep	10.33	8,201.83	84,704.52
Jun	11.01	6,829.73	75,177.45

*Listed Indian firms—1,742

**No. of times operating profit covers interest payment

Source: Capitaline; Mint research