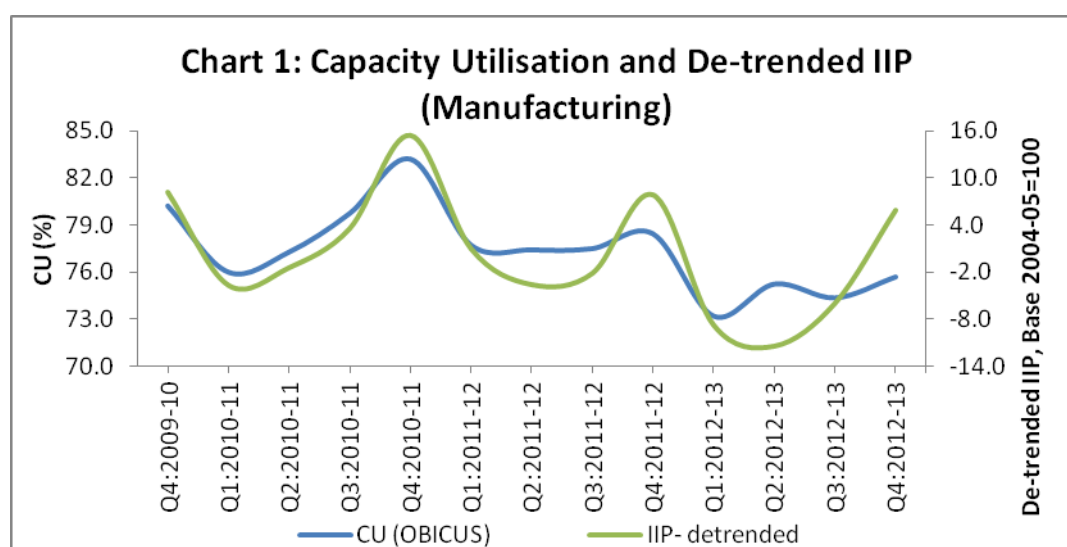


Quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS) January - March 2013 (21st Round)¹

The Order Books, Inventories and Capacity Utilisation Survey (OBICUS), 21st round in the series, was conducted for Q4:2012-13. In all, 1,019 common manufacturing companies (30 Government companies, 728 public limited companies and 261 private limited companies) responded to the survey. The analysis is based on the data on order books, inventory levels for raw materials and finished goods, and capacity utilisation, received from these companies for past five quarters, *i.e.*, Q4:2011-12 to Q4:2012-13.

Highlights:

- I. New orders continued to increase in Q4:2012-13; however, the growth was lower than that witnessed in the previous quarter (Table 1).
- II. Capacity utilisation at aggregate level recorded seasonal increase in Q4:2012-13 over the previous quarter; however it remained well below the peaks observed in Q4 of 2010-11² and 2011-12 (Table 2).
- III. There is broad co-movement between capacity utilisation and de-trended Index of Industrial Production (IIP) - Manufacturing (Chart 1).
- IV. Raw material inventory to sales ratio, which was increasing since Q1:2012-13, reversed the trend in Q4:2012-13 whereas finished goods inventory to sales ratio increased considerably after reaching its lowest level in Q3:2012-13 (Table 3).



¹ The 20th round (Q3:2012-13) survey results were released on May 2, 2013 on the RBI Website alongwith the publication 'Macroeconomic and Monetary Developments - 2012-13'. The survey results are those of the respondents and are not necessarily shared by the Reserve Bank of India.

² The survey results for 2009-10 and 2010-11 are presented in the article "Position of Order Books, Inventories and Capacity Utilisation for the Quarters during October 2011 to September 2012" published in March 2013 issue of the RBI Bulletin.

| Quarter ended | Amount in ₹ billion | | | Q-o-Q growth (%) | | | Y-o-Y growth (%) | | |
|---------------|-------------------------|--------------------------|-------------------------|-------------------|--------------------|-------------------|-------------------|--------------------|-------------------|
| | Avg Backlog order (436) | Avg New Order book (436) | Avg Pending order (436) | Avg Backlog order | Avg New Order book | Avg Pending order | Avg Backlog order | Avg New Order book | Avg Pending order |
| Q4:2011-12 | 1.59 | 1.11 | 1.57 | 3.6 | 6.7 | -1.5 | 3.1 | 7.3 | 0.7 |
| Q1:2012-13 | 1.57 | 1.11 | 1.62 | -1.6 | -0.1 | 3.4 | 0.7 | 23.7 | 4.7 |
| Q2:2012-13 | 1.62 | 0.99 | 1.59 | 3.6 | -10.7 | -2.3 | 4.8 | 0.7 | 3.0 |
| Q3:2012-13 | 1.59 | 1.04 | 1.66 | -2.3 | 4.9 | 4.3 | 3.2 | -0.2 | 3.8 |
| Q4:2012-13 | 1.56 | 1.05 | 1.45 | -1.5 | 1.3 | -12.2 | -2.0 | -5.3 | -7.5 |

Figures in parentheses are number of companies reporting order books.

| Quarter | IIP – Mfg (Qtly avg Base 2004-05) | De-trended Qtly IIP-Mfg | CU |
|------------|-----------------------------------|-------------------------|------|
| Q4:2011-12 | 191.4 | 7.8 | 78.4 |
| Q1:2012-13 | 176.7 | -8.7 | 73.2 |
| Q2:2012-13 | 175.9 | -11.4 | 75.2 |
| Q3:2012-13 | 183.3 | -5.9 | 74.4 |
| Q4:2012-13 | 197.0 | 5.9 | 75.7 |

| Quarter ended | Amount in ₹ Billion | | | | | Ratio in per cent | | |
|---------------|---------------------|---------------------|------------------|-------------------|------------|-------------------|--------------|--------------|
| | Avg Sales (865) | Avg Total Inv (865) | Avg FG Inv (865) | Avg WiP Inv (865) | Avg RM Inv | Total Inv/Sales | FG Inv/Sales | RM Inv/Sales |
| Q4:2011-12 | 4.55 | 2.22 | 0.72 | 0.36 | 1.15 | 48.8 | 15.7 | 25.3 |
| Q1:2012-13 | 4.34 | 2.37 | 0.78 | 0.38 | 1.20 | 54.5 | 18.1 | 27.7 |
| Q2:2012-13 | 4.43 | 2.52 | 0.90 | 0.39 | 1.24 | 56.9 | 20.3 | 27.9 |
| Q3:2012-13 | 4.66 | 2.57 | 0.73 | 0.38 | 1.46 | 55.1 | 15.6 | 31.2 |
| Q4:2012-13 | 4.65 | 2.50 | 0.84 | 0.37 | 1.29 | 53.8 | 18.1 | 27.8 |

Figures in parentheses are number of companies reporting order books

RM - Raw Material; WiP - Work in progress; FG - Finished Goods