

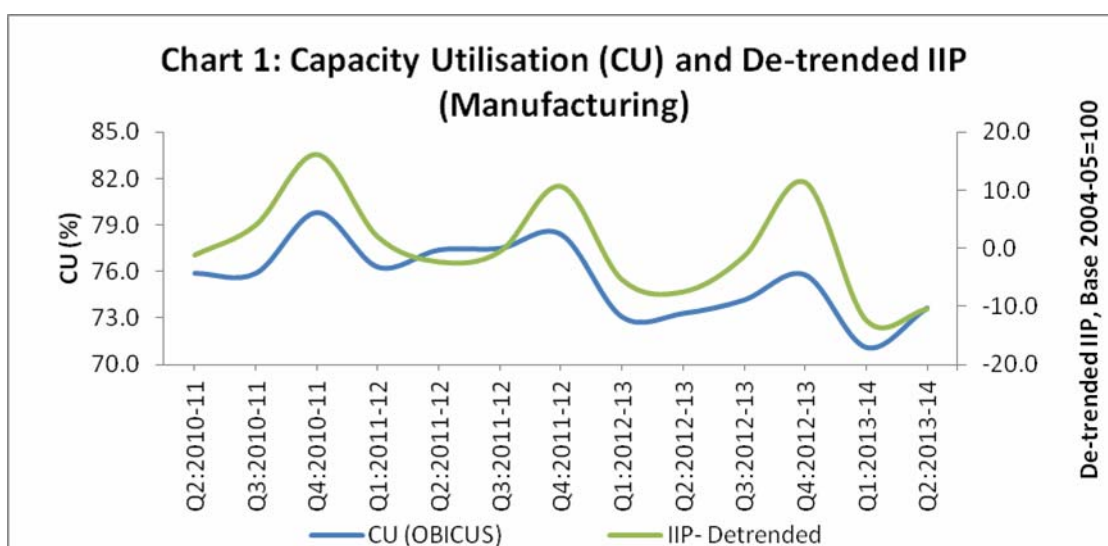
## Quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS)

### July - September 2013 (23<sup>rd</sup> Round)<sup>1</sup>

The Order Books, Inventories and Capacity Utilisation Survey (OBICUS), 23<sup>rd</sup> round in the series, was conducted for Q2:2013-14. In all, 1,179 common manufacturing companies (36 Government companies, 846 public limited companies and 297 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.*, Q2:2012-13 to Q2:2013-14.

#### Highlights:

- i. New orders which had declined in the two previous quarters, increased in Q2:2013-14 both on q-o-q as well as y-o-y basis (Table 1).
- ii. Capacity utilisation at aggregate level, following a seasonal trend, picked up in Q2:2013-14 and was marginally higher than the level achieved in Q2 of 2012-13 (Table 2).
- iii. There is co-movement between capacity utilisation and de-trended Index of Industrial Production (IIP) - Manufacturing (Chart 1).
- iv. Finished goods inventory to sales and raw material inventory to sales ratios declined in Q2 of 2013-14 over the previous quarter and were also lower than those in Q2 of previous year (Table 3).



<sup>1</sup> The 22<sup>nd</sup> round (Q1:2013-14) survey results were released on October 28, 2013 with the publication "Macroeconomic and Monetary Developments: Second Quarter Review 2013-14" on the RBI Website. The survey results are those of the respondents and are not necessarily shared by the Reserve Bank of India.

Quarter ended	Amount in ₹ billion			Q-o-Q growth (%)			Y-o-Y growth (%)		
	Avg Backlog order (484)	Avg New Order book (484)	Avg Pending order (484)	Avg Backlog order	Avg New Order book	Avg Pending order	Avg Backlog order	Avg New Order book	Avg Pending order
Q2:2012-13	1.56	1.14	1.55	3.8	-4.0	-0.7	12.3	5.6	11.0
Q3:2012-13	1.55	1.16	1.53	-0.7	2.5	-0.9	11.2	-4.5	2.2
Q4:2012-13	1.53	1.15	1.42	-1.2	-1.4	-7.5	1.9	-8.5	-5.9
Q1:2013-14	1.41	1.14	1.45	-7.5	-0.3	2.0	-5.7	-3.3	-7.1
Q2:2013-14	1.45	1.18	1.49	2.2	3.0	2.8	-7.1	3.7	-3.9

Figures in parentheses are number of companies reporting order books

Quarter	IIP – Mfg (Qtly avg Base 2004-05)	De-trended Qtly IIP-Mfg	CU
Q2:2012-13	175.9	-7.4	73.3
Q3:2012-13	183.3	-1.3	74.2
Q4:2012-13	197.2	11.3	75.8
Q1:2013-14	174.8	-12.3	71.1
Q2:2013-14	177.9	-10.4	73.7

Quarter ended	Amount in ₹ Billion					Ratio in per cent		
	Avg Sales (979)	Avg Total Inv (979)	Avg FG Inv (979)	Avg WiP Inv (979)	Avg RM Inv	Total Inv/Sales	FG Inv/Sales	RM Inv/Sales
Q2:2012-13	4.10	2.36	0.85	0.37	1.13	57.5	20.8	27.7
Q3:2012-13	4.32	2.39	0.70	0.37	1.32	55.3	16.3	30.6
Q4:2012-13	4.31	2.36	0.81	0.35	1.19	54.7	18.9	27.6
Q1:2013-14	4.05	2.39	0.83	0.39	1.17	59.0	20.5	28.8
Q2:2013-14	4.59	2.51	0.88	0.43	1.21	54.8	19.2	26.3

Figures in parentheses are number of companies reporting inventories

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