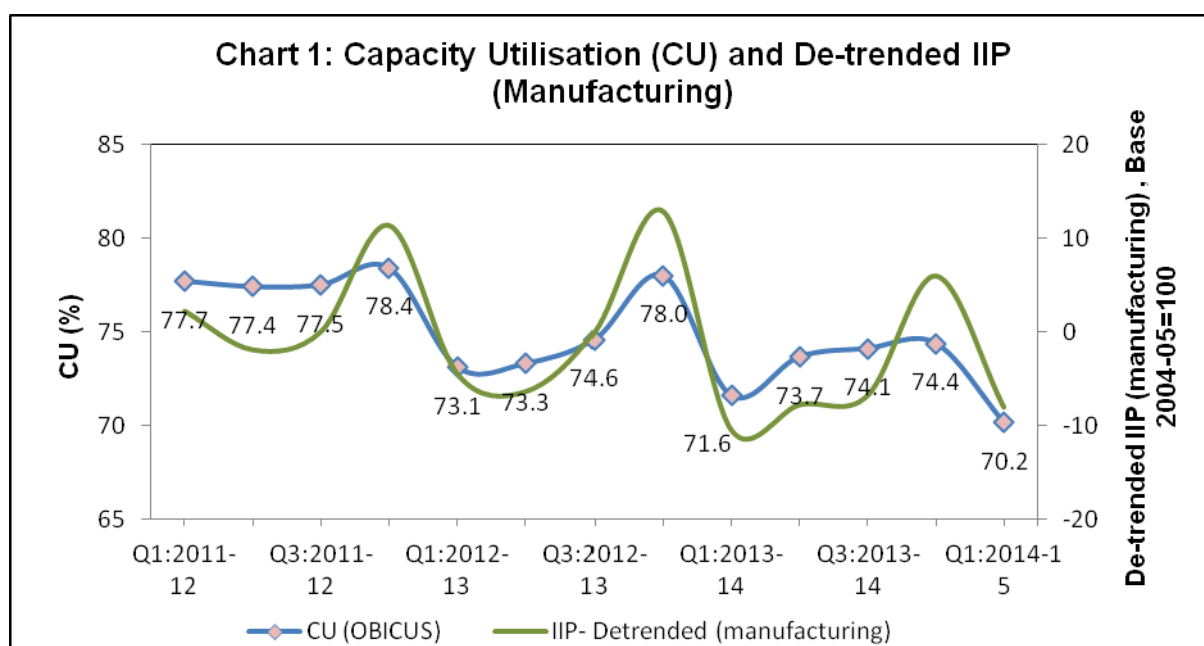


Quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS) April-June 2014 (26th Round)¹

The Order Books, Inventories and Capacity Utilisation Survey (OBICUS) captures actual data from the companies in the manufacturing sector. This round of OBICUS, which is 26th round in the series, captures data for Q1:2014-15. In all, 1,224 common (for last five quarters) manufacturing companies (Government: 45, Public: 855 and Private: 324) responded in this round of survey. The analysis is based on the data on order books, inventory levels for raw materials & finished goods, and capacity utilisation, received from these common set of companies.

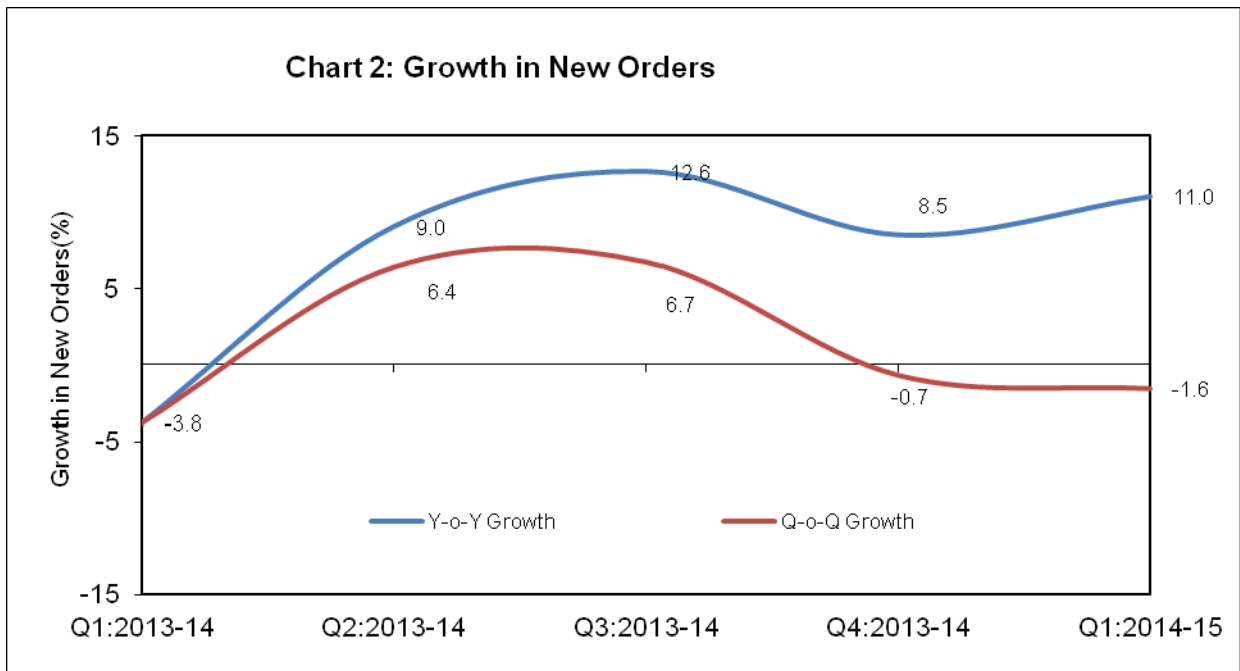
Highlights:

Capacity Utilisation (CU): There is broad co-movement between capacity utilisation and de-trended IIP manufacturing (Chart 1). CU, at the aggregate level recorded seasonal decline in Q1:2014-15 over the previous quarter as well as same quarter of the previous year (Table 1).



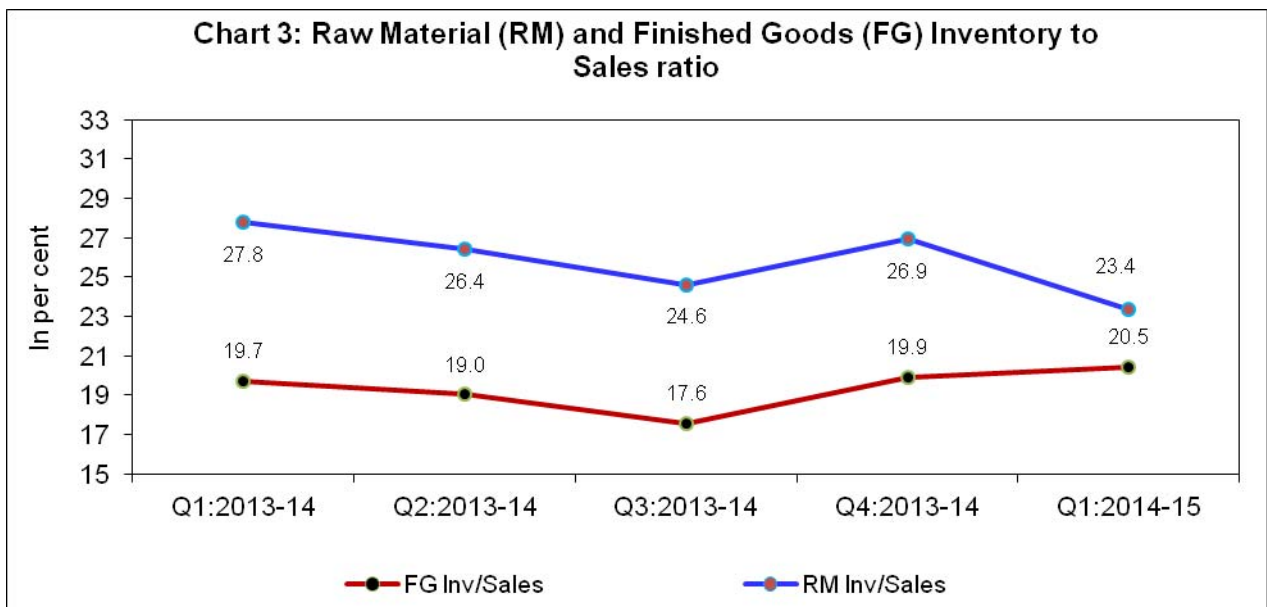
Order Books: The new orders declined in Q1:2014-15 over the previous quarter but, it was higher compared to the same quarter of the previous year (Table 2).

¹ The 25th round (Q4:2013-14) survey results were released on August 5, 2014 on the RBI website. The survey results are those of the respondents and are not necessarily shared by the Reserve Bank of India.



Inventory to Sales Ratio:

Raw material inventory to sales ratio reached its lowest in the latest five quarters, whereas the finished goods inventory to sales ratio increased from its previous quarters (Chart 3).



ANNEX

Quarter	IIP – Mfg (Qtly avg Base 2004-05)	De-trended Qtly IIP-Mfg	CU (in latest survey round)	CU (Range from previous four survey rounds)
Q1:2013-14	174.8	-10.5	71.6	71.1 - 73.4
Q2:2013-14	178.4	-7.8	73.7	73.7 - 74.3
Q3:2013-14	180.3	-6.8	74.1	73.8 - 74.6
Q4:2013-14	194.0	6.0	74.4	74.4 - 75.5
Q1:2014-15	180.9	-8.0	70.2	NA

NA: Not applicable

Quarter	Amount in ₹ Billion			Q-o-Q growth (%)- Seasonally not adjusted			Y-o-Y growth (%)		
	Avg Backlog order (502)	Avg New Order book (502)	Avg Pending order (502)	Avg Backlog order	Avg New Order book	Avg Pending order	Avg Backlog order	Avg New Order book	Avg Pending order
Q1:2013-14	1.724	1.312	1.757	-7.5	-3.8	0.5	-4.4	-3.8	-7.1
Q2:2013-14	1.757	1.396	1.782	1.9	6.4	1.4	-7.0	9.0	-3.8
Q3:2013-14	1.782	1.489	1.830	1.4	6.7	2.7	-3.8	12.6	-2.0
Q4:2013-14	1.611	1.479	1.821	-9.6	-0.7	-0.5	-13.6	8.5	4.2
Q1:2014-15	1.815	1.456	1.891	12.7	-1.6	3.8	5.2	11.0	7.6

Figures in parentheses are number of companies reporting order books.

Quarter	Amount in ₹ Billion					Ratio in per cent		
	Avg Sales (1017)	Avg Total Inv (1017)	Avg FG Inv (1017)	Avg WiP Inv (1017)	Avg RM Inv	Total Inv/Sales	FG Inv/Sales	RM Inv/Sales
Q1:2013-14	4.120	2.312	0.812	0.356	1.144	56.1	19.7	27.8
Q2:2013-14	4.504	2.427	0.858	0.379	1.189	53.9	19.0	26.4
Q3:2013-14	4.639	2.334	0.816	0.376	1.143	50.3	17.6	24.6
Q4:2013-14	4.162	2.319	0.830	0.368	1.121	55.7	19.9	26.9
Q1:2014-15	4.605	2.416	0.942	0.396	1.077	52.5	20.5	23.4

Figures in parentheses are number of companies reporting inventories.

RM: Raw Material, WiP: Work in progress, FG: Finished Goods