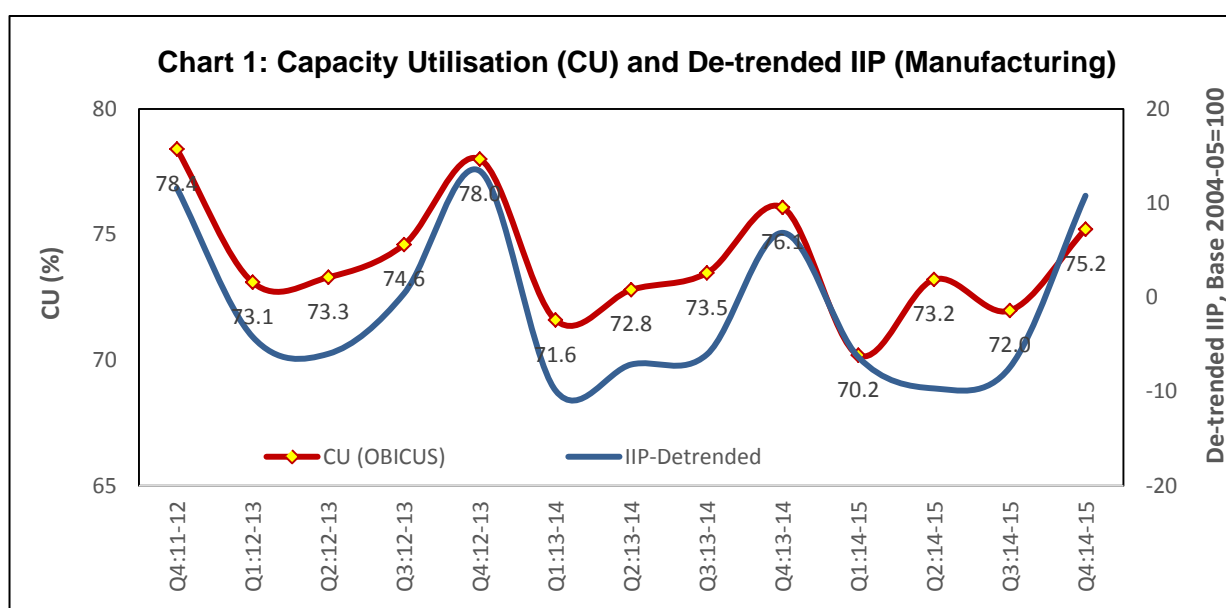


## Quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS) January-March 2015 (29<sup>th</sup> Round)<sup>1</sup>

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 the 29<sup>th</sup> round in the series, captures data for Q4:2014-15. In all, 1,273 common (for last five quarters) manufacturing companies (Government: 48, Public: 871 and Private: 354) 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.

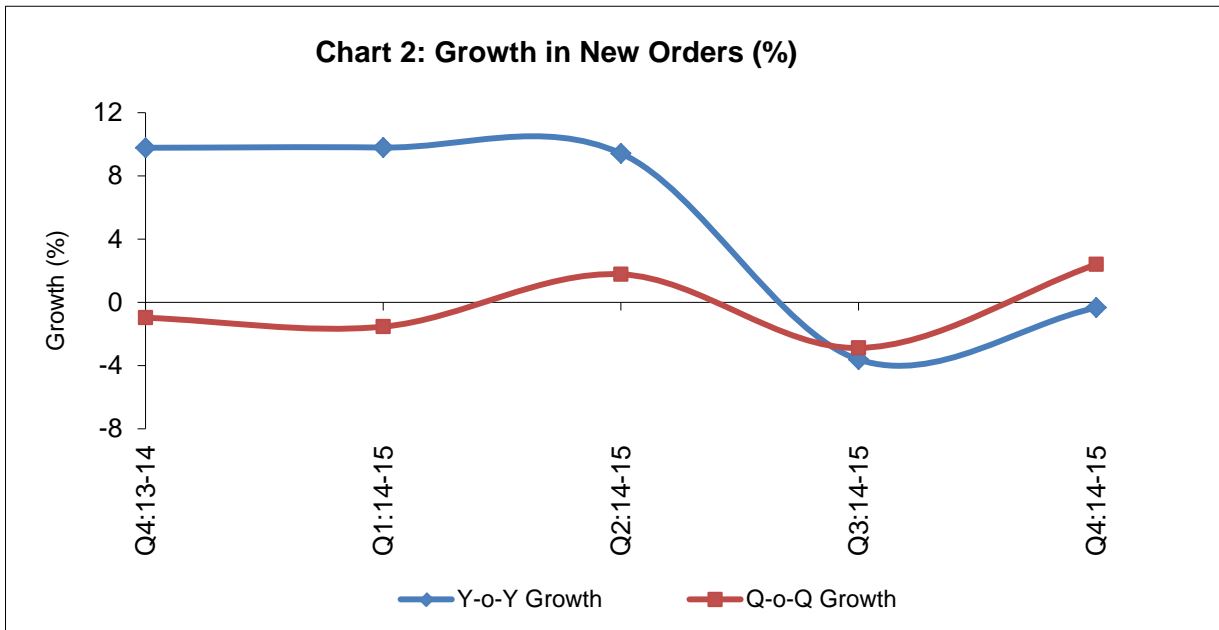
### Highlights:

**Capacity Utilisation (CU):** At the aggregate level, CU recorded seasonal increase in Q4:2014-15 and stood at 75.2 per cent, below its level during the same quarter of the previous year. There is broad co-movement between capacity utilisation and de-trended IIP manufacturing (Chart 1).

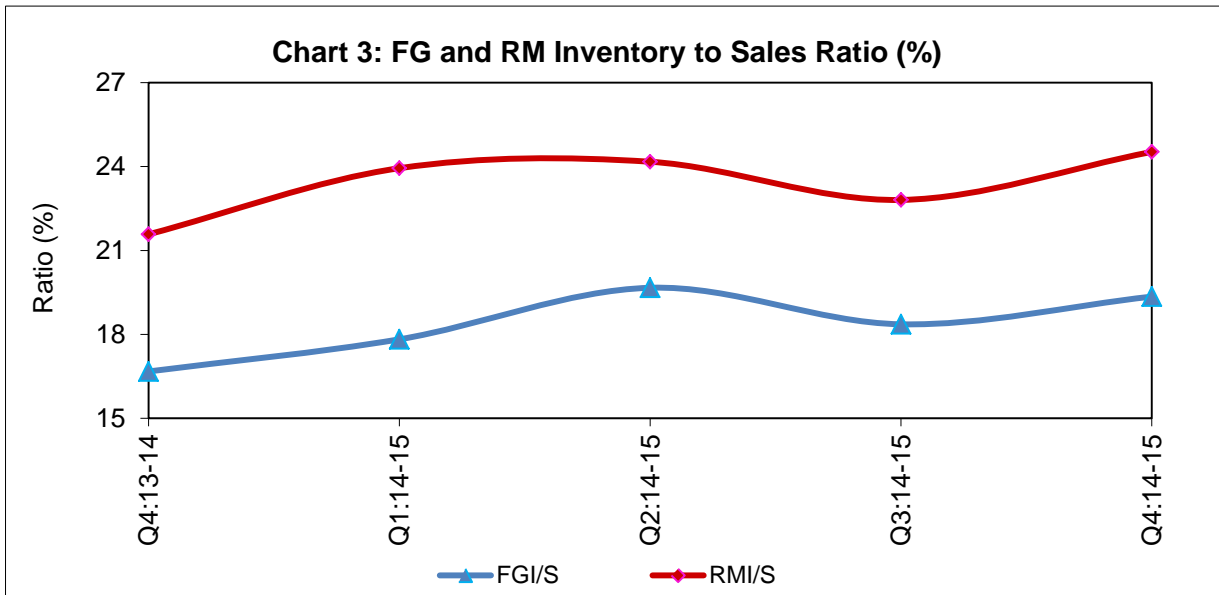


**Order Books:** The new orders growth bounced back to positive territory on a q-o-q basis. On a y-o-y basis, new orders recorded a marginal contraction in Q4:2014-15 (Chart 2).

<sup>1</sup> The 28<sup>th</sup> round (Q3:2014-15) survey results were released on [April 7, 2015](http://www.rbi.org.in/pressreleases/2015/04/07) on the RBI website. The survey results are based on views of the respondents and are not necessarily shared by the Reserve Bank of India.



**Inventory to Sales Ratio:** The finished goods inventory to sales ratio (FGI/S) rose marginally in Q4:2014-15 from the previous quarter and also stood at a higher level as compared to the position in Q4:2013-14. The raw material inventory to sales ratio (RMI/S) witnessed similar movement (Chart 3).



**ANNEX**

<b>Table 1: IIP-Manufacturing and Capacity Utilisation (CU)</b>				
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)
Q4:2013-14	194.0	6.9	76.1	74.2 – 76.1
Q1:2014-15	181.7	-6.3	70.2	69.4 – 70.2
Q2:2014-15	179.2	-9.7	73.2	71.0 – 73.2
Q3:2014-15	182.2	-7.4	72.0	71.7 – 72.0
Q4:2014-15	201.3	10.8	75.2	NA #

\*: Since CU is being computed based on 5 quarter common set of companies, the CU for each round gets revised for subsequent four rounds.

#: CU is calculated first time for Q4:2014-15.

<b>Table 2: Order Books (Q4:2013-14 to Q4:2014-15)</b>									
Quarter	Amount in ₹ Billion			Q-o-Q growth (%) – Seasonally not adjusted			Y-o-Y Growth (%)		
	Avg Backlog order (518)	Avg New Order book (518)	Avg Pending order (518)	Avg Backlog order	Avg New Order book	Avg Pending order	Avg Backlog order	Avg New Order book	Avg Pending order
Q4:2013-14	1.485	1.377	1.478	3.0	-1.0	-0.2	-2.1	9.8	5.6
Q1:2014-15	1.435	1.356	1.493	-3.4	-1.5	1.0	3.7	9.8	5.1
Q2:2014-15	1.491	1.380	1.499	3.9	1.8	0.4	5.0	9.4	4.0
Q3:2014-15	1.501	1.340	1.470	0.6	-2.9	-2.0	4.1	-3.6	-0.8
Q4:2014-15	1.468	1.372	1.385	-2.2	2.4	-5.7	-1.2	-0.3	-6.2

Figures in parentheses are number of companies reporting order books.

<b>Table 3: Average Sales and Inventories and their ratios (Q4:2013-14 to Q4:2014-15)</b>								
Quarter	Amount in ₹ Billion					Ratio in per cent		
	Avg Sales (1070)	Avg Total Inv (1070)	Avg FG Inv (1070)	Avg WiP Inv (1070)	Avg RM Inv (1070)	Total Inv/Sales	FG Inv/Sales	RM Inv/Sales
Q4:2013-14	5.712	2.561	0.952	0.376	1.232	44.8	16.7	21.6
Q1:2014-15	5.378	2.650	0.958	0.404	1.288	49.3	17.8	23.9
Q2:2014-15	5.300	2.723	1.042	0.399	1.281	51.4	19.7	24.2
Q3:2014-15	5.026	2.459	0.923	0.390	1.146	48.9	18.4	22.8
Q4:2014-15	4.706	2.434	0.911	0.369	1.154	51.7	19.4	24.5

Figures in parentheses are number of companies reporting inventories.

RM - Raw Material; WiP - Work in progress; FG - Finished Goods; Inv – Inventory.