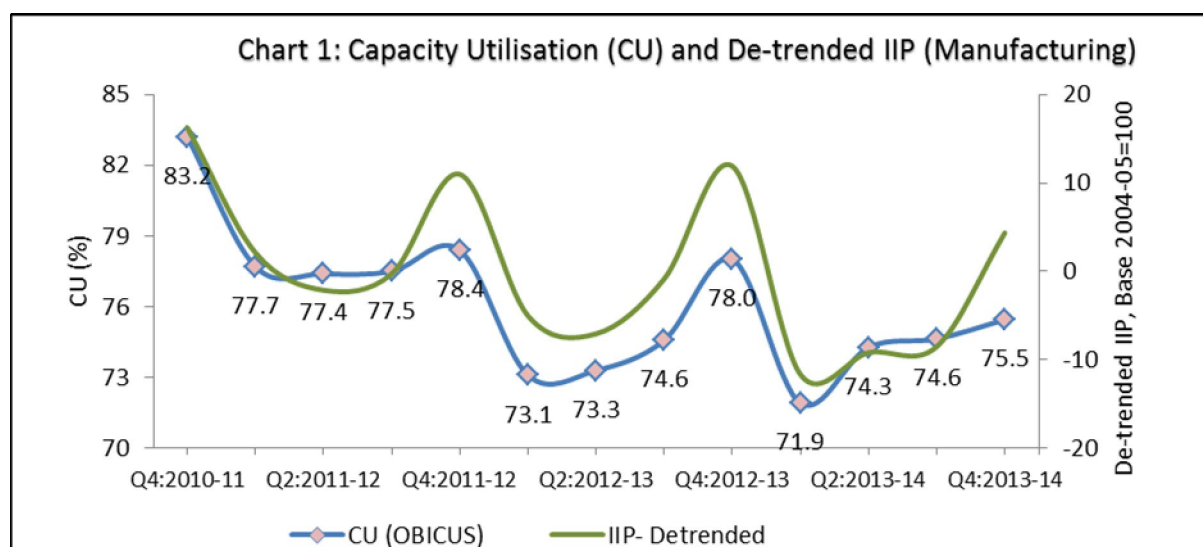


Quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS) January-March 2014 (25th Round)¹

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 25th round in the series, captures data for Q4:2013-14. In all, 1,049 common (for last five quarters) manufacturing companies (Government: 38, Public: 736 and Private: 275) 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.

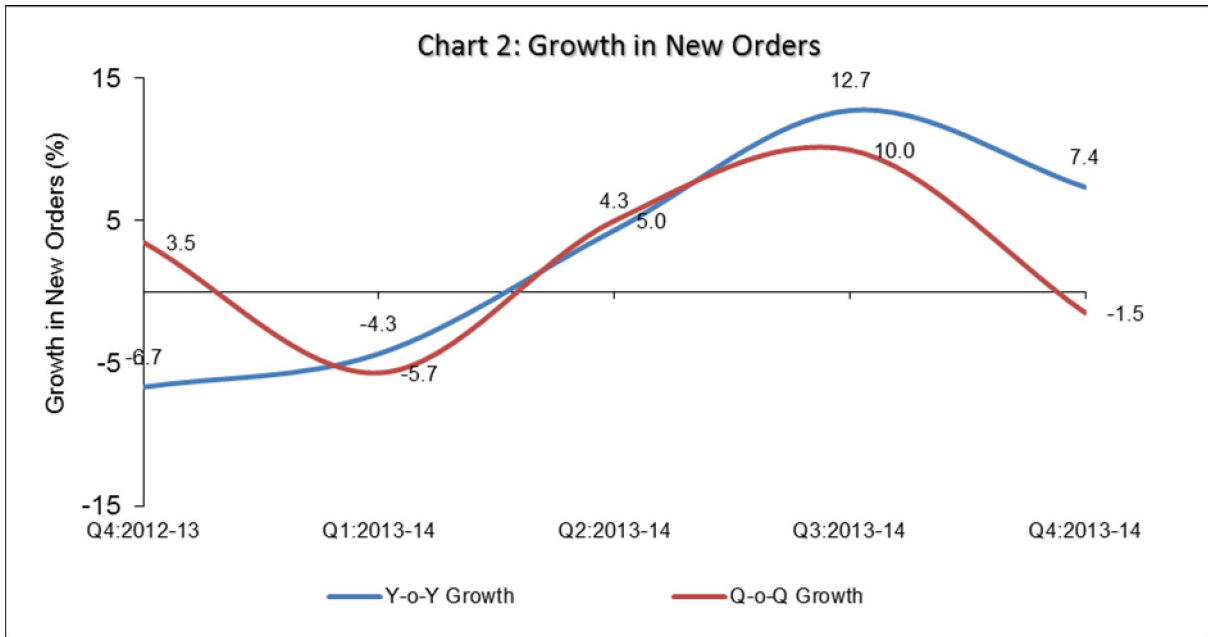
Highlights:

Capacity Utilisation (CU): CU, at the aggregate recorded seasonal increase and stood at 75.5 per cent in Q4:2013-14 as against 74.6 per cent in the previous quarter. However, it was lower when compared with the corresponding quarter of the previous year (78.0 per cent). The CU and de-trended IIP-Manufacturing is given in Chart 1.

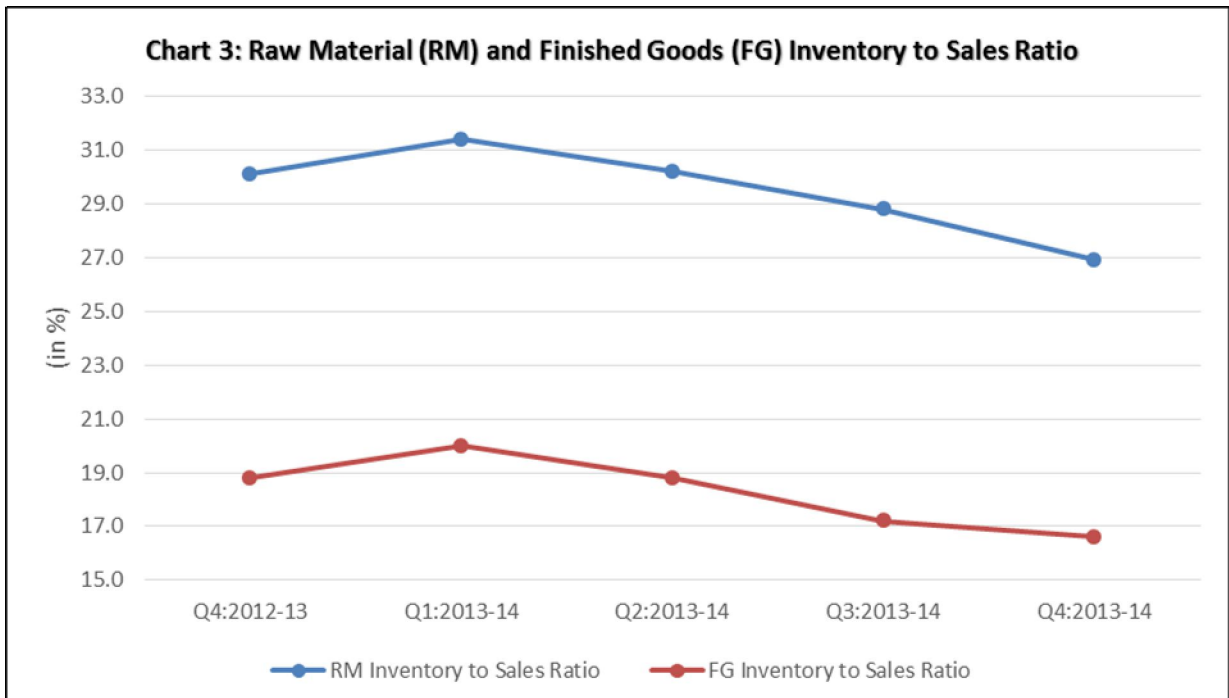


Order Books: The new orders declined in Q4:2013-14 over the previous quarter by 1.5 per cent. On a y-o-y basis, it grew at a slower rate (7.4 per cent) as compared to previous quarter (12.7 per cent) (Chart 2).

¹ The 24th round (Q3:2013-14) survey results were released on April 1, 2014 with the publication "Macroeconomic and Monetary Developments 2014-15 (An Update)" 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: Finished goods inventory to sales ratio as well as raw material inventory to sales ratio continued to decline in Q4:2013-14 (Chart 3).



ANNEX

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
Q4:2012-13	1.358	1.238	1.261	-4.7	3.5	-9.1	2.6	-6.7	-7.6
Q1:2013-14	1.261	1.168	1.281	-7.1	-5.7	1.6	-7.3	-4.3	-10.8
Q2:2013-14	1.281	1.226	1.286	1.6	5.0	0.3	-10.8	4.3	-9.8
Q3:2013-14	1.285	1.348	1.343	0.3	10.0	4.4	-9.8	12.7	-3.3
Q4:2013-14	1.344	1.329	1.409	4.6	-1.5	4.9	-1.0	7.4	11.7

Figures in parentheses are number of companies reporting order books.

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)
Q4:2012-13	197.2	11.9	78.0	75.7-78.0
Q1:2013-14	174.8	-11.6	71.9	71.1-73.4
Q2:2013-14	178.4	-9.2	74.3	73.7-74.3
Q3:2013-14	180.2	-8.5	74.6	73.8-74.6
Q4:2013-14	194.2	4.4	75.5	NA

NA: Not applicable

Quarter ended	Amount in ₹ Billion					Ratio in per cent		
	Avg Sales (879)	Avg Total Inv (879)	Avg FG Inv (879)	Avg WiP Inv (879)	Avg RM Inv	Total Inv/Sales	FG Inv/Sales	RM Inv/Sales
Q4:2012-13	3.821	2.221	0.718	0.354	1.149	58.1	18.8	30.1
Q1:2013-14	3.628	2.233	0.727	0.365	1.140	61.5	20.0	31.4
Q2:2013-14	4.004	2.357	0.754	0.396	1.207	58.9	18.8	30.2
Q3:2013-14	4.123	2.298	0.710	0.402	1.187	55.7	17.2	28.8
Q4:2013-14	4.342	2.290	0.722	0.400	1.168	52.7	16.6	26.9

Figures in parentheses are number of companies reporting inventories.

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