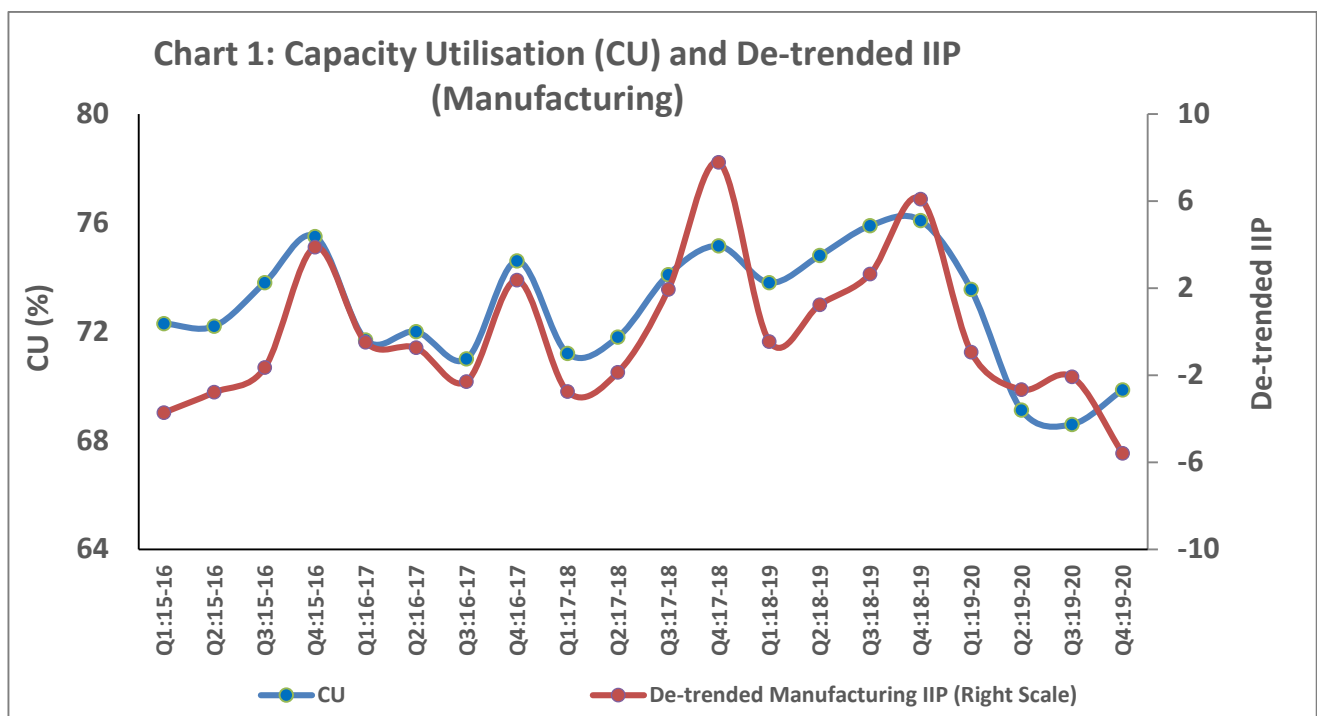


OBICUS Survey on the Manufacturing sector – Q4:2019-20

Today, the Reserve Bank released the results of the 49th round of the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) for the quarter January-March 2020 covering 364 manufacturing companies. The survey provides a snapshot of demand conditions in India's manufacturing sector¹.

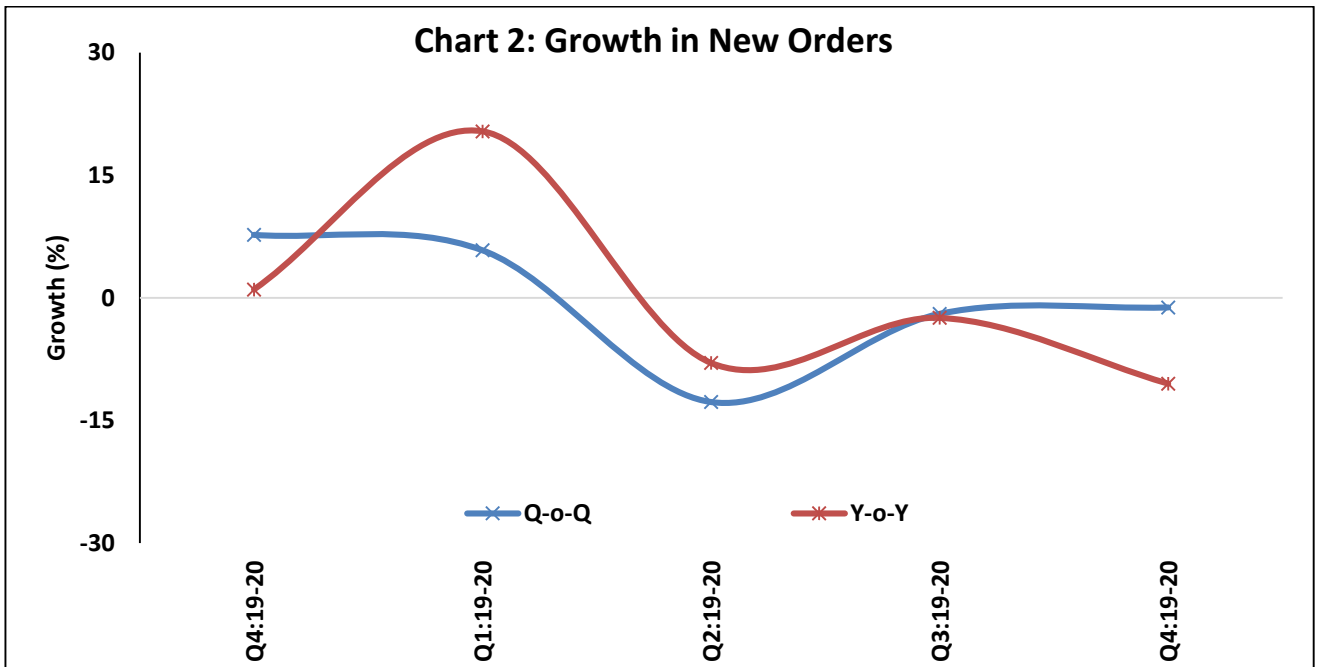
Highlights:

- 1) Capacity Utilisation (CU):** In the last quarter of 2019-20, CU at the aggregate level increased to 69.9 per cent from 68.6 percent in the previous quarter; it was, however, was much lower *vis-à-vis* the corresponding quarter a year ago (76.1 per cent). The CU broadly tracks the de-trended index of industrial production (IIP) (Chart 1). Seasonally adjusted CU remained stable at 68.3 per cent in Q4:2019-20 (68.4 per cent in the previous quarter).



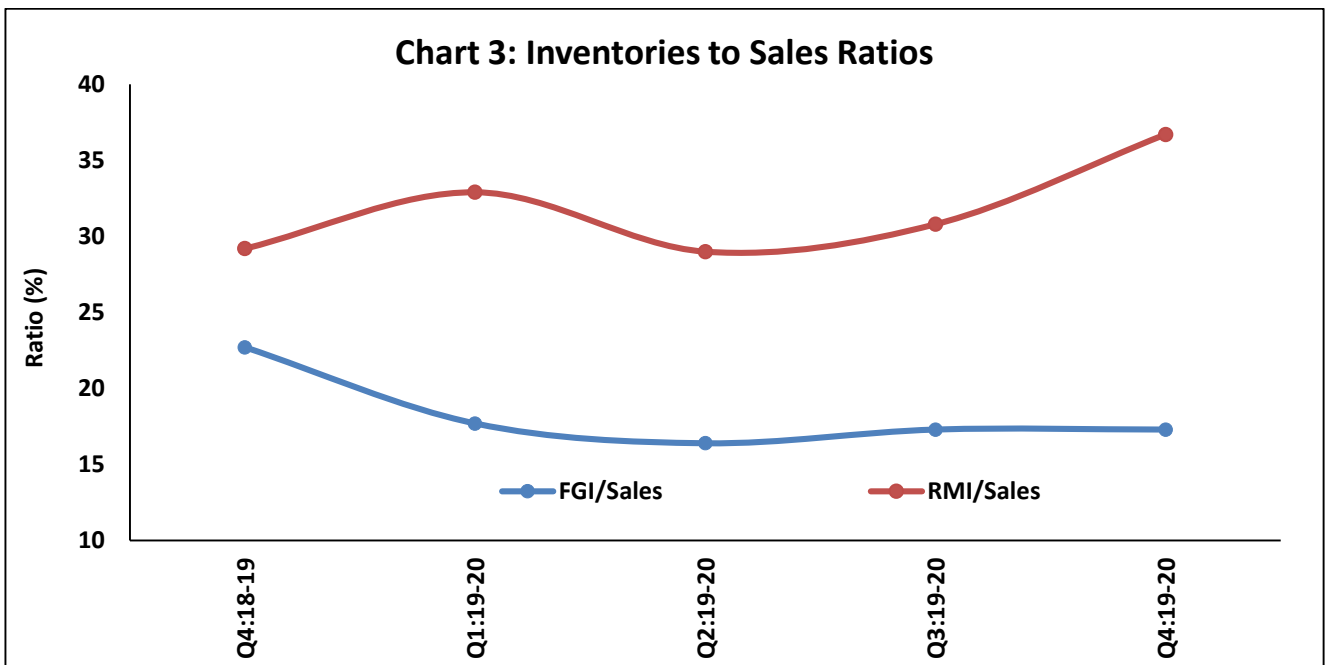
- 2) Order Books:** Manufacturing companies received fewer new orders in Q4:2019-20 as compared with their level a year ago; a marginal decline in new orders was also reported *vis-a-vs* the previous quarter (Chart 2).

¹The survey responses are voluntary. The 48th round of the OBICUS covering 704 manufacturing companies with reference period as October-December 2019 was released on the RBI website on [April 03, 2020](#).



3) **Finished Goods Inventory (FGI) to Sales Ratio:** The FGI to sales ratio remained stable as both FGI and sales recorded similar decline for the reporting companies during Q4:2019-20 (Chart 3).

4) **Raw Material Inventory (RMI) to Sales Ratio:** The RMI to sales ratio surged during Q4:2019-20 reflecting subdued demand conditions (Chart 3).



[Historical time series have been made available in excel format.](#)

ANNEX 1: Data Tables

Quarter	Number of responding companies	Capacity Utilisation	IIP-Manufacturing (Quarterly Average)	De-trended Quarterly IIP-Manufacturing
Q4: 2018-19	802	76.1	136.5	6.10
Q1:2019-20	781	73.6	130.3	-0.94
Q2:2019-20	819	69.1	129.4	-2.66
Q3:2019-20	700	68.6	130.8	-2.07
Q4:2019-20	349	69.9	128.1	-5.58

*: Index of Industrial Production (Base: 2011-12)

Quarter	Amount (₹ Crores)			Q-o-Q Growth (%)***			Y-o-Y Growth (%)		
	Average Backlog Orders	Average New Order Book	Average Pending Orders	Average Backlog Orders	Average New Order Book	Average Pending Orders	Average Backlog Orders	Average New Order Book	Average Pending Orders
Q4: 2018-19	110.9	150.3	112.2	-0.1	7.7	1.2	0.7	1.0	3.8
Q1:2019-20	112.0	159.1	132.5	0.9	5.8	18.1	3.1	20.4	27.3
Q2:2019-20	132.5	138.8	138.0	18.4	-12.7	4.1	27.3	-7.9	24.3
Q3:2019-20	137.8	136.1	142.9	4.0	-1.9	3.6	24.1	-2.4	29.0
Q4:2019-20	142.3	134.5	143.0	3.3	-1.2	0.0	28.3	-10.5	27.4

**: As required for calculating growth rates in recent 5 quarters.

***: Not seasonally adjusted

Quarter	Amount (₹ Crores)					Ratio (per cent)		
	Average Sales	Average Total Inv	Average FG Inv	Average WiP Inv	Average RM Inv	Total Inv/ Sales	FG Inv/ Sales	RM Inv/ Sales
Q4: 2018-19	846.0	458.1	192.2	59.9	247.1	54.1	22.7	29.2
Q1:2019-20	826.6	480.7	146.0	63.2	271.6	58.2	17.7	32.9
Q2:2019-20	824.3	434.9	135.0	60.6	239.2	52.8	16.4	29.0
Q3:2019-20	830.0	458.8	143.4	60.0	255.4	55.3	17.3	30.8
Q4:2019-20	756.5	447.1	130.8	38.5	278.0	59.1	17.3	36.7

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