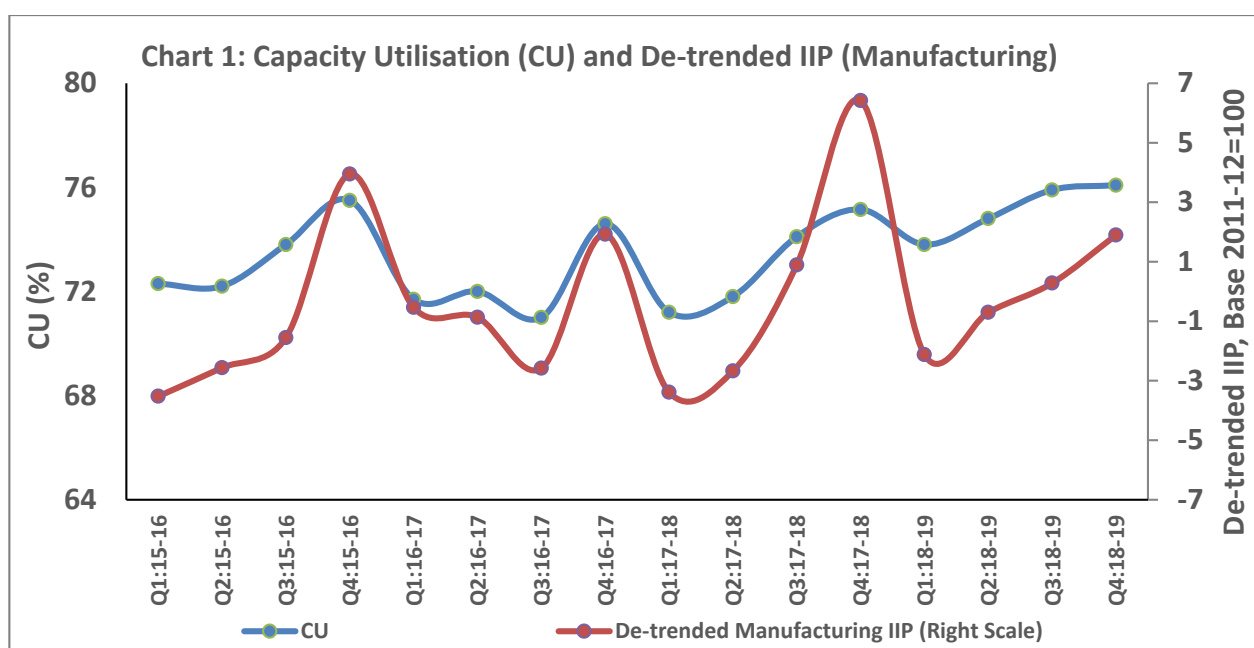


OBICUS Survey on the Manufacturing sector – Q4:2018-19

Today, the Reserve Bank released the results of the 45th round of the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) for the quarter January-March 2019 covering 843 manufacturing companies. The survey provides a snapshot of demand conditions in India's manufacturing sector¹.

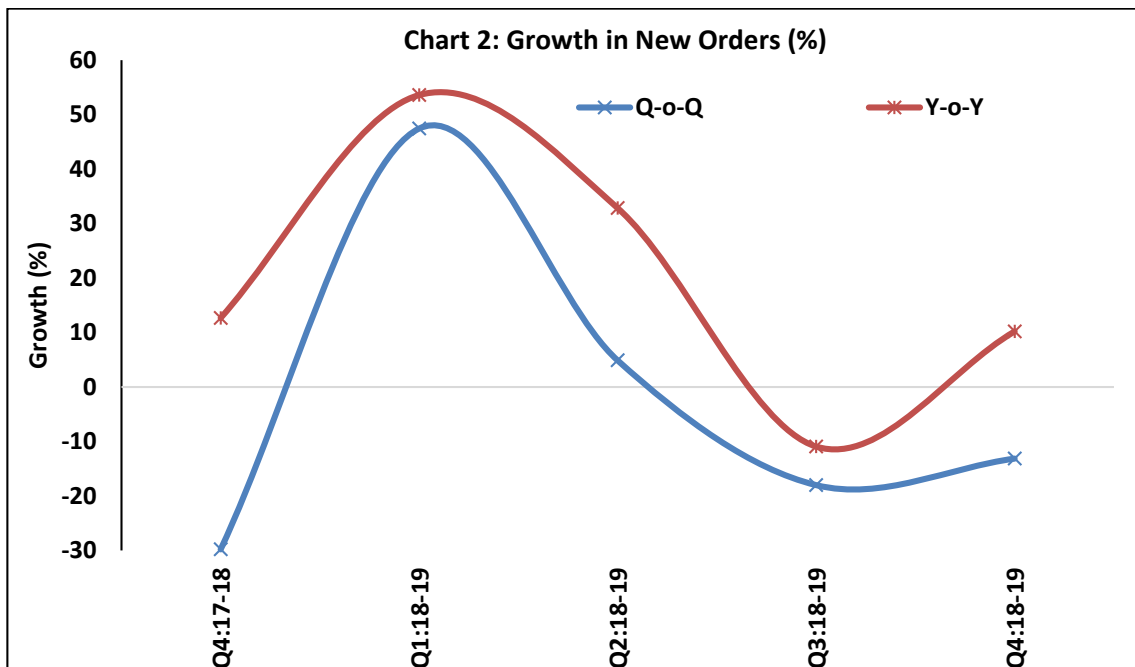
Highlights:

- 1) Capacity Utilisation (CU):** At the aggregate level, CU rose by 0.2 percentage points to 76.1 per cent in Q4:2018-19, co-moving with de-trended manufacturing output in the index of industrial production (IIP) (Chart 1). Seasonally adjusted CU, however, declined by 1.1 percentage points to 74.5 per cent in Q4:2018-19.



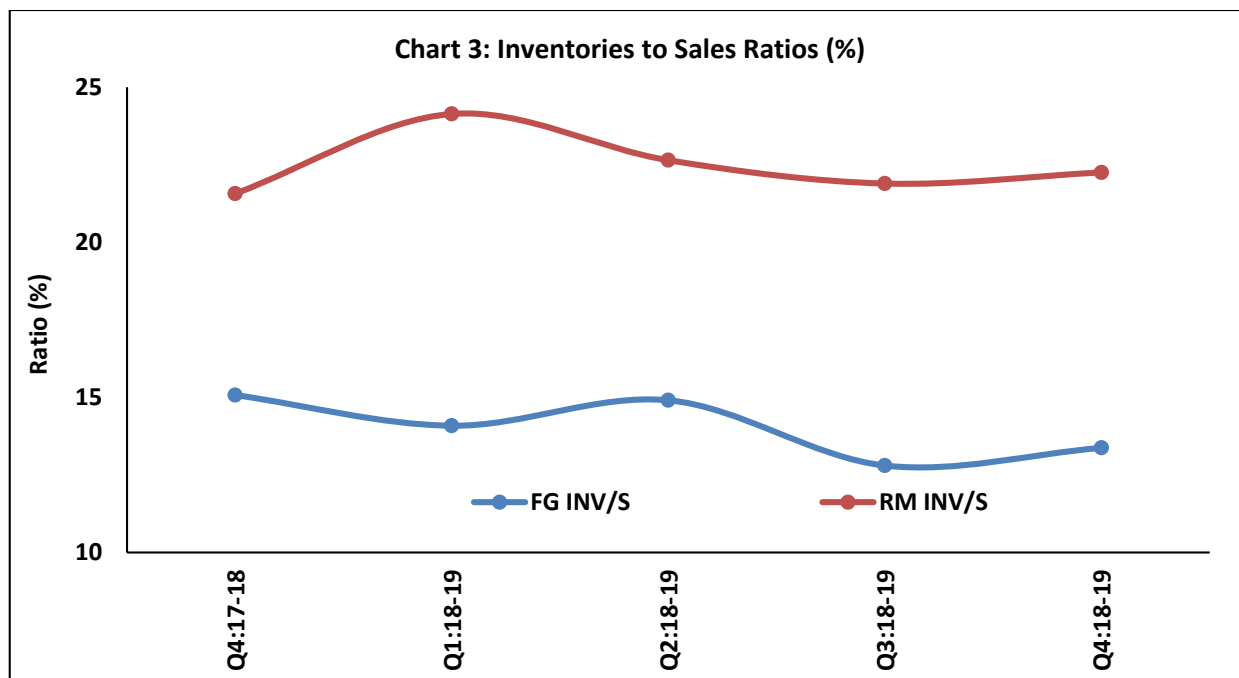
- 2) Order Books:** Although fewer new orders were received in Q4:2018-19 relative to the preceding quarter, order books increased on a year on year basis and moved into expansion zone on the back of favourable base effects (Chart 2).

¹ The survey responses are voluntary. The 44th round of the OBICUS covering 909 manufacturing companies with reference period as October-December 2018 was released on the RBI website on [April 04, 2019](#).



3) **Finished Goods Inventory (FGI) to Sales Ratio:** A rise in the ratio of FGI to sales essentially reflected a decline in sales (Chart 3).

4) **Raw Material Inventory (RMI) to Sales Ratio:** The rise in the ratio of RMI to sales was entirely due to contraction in sales (Chart 3).



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

ANNEX 1: Data Tables

Table 1.1: IIP*-Manufacturing and Capacity Utilisation (CU)

Quarter	Number of responding companies	Capacity Utilisation	IIP-Manufacturing (Quarterly Average)	De-trended Quarterly IIP-Manufacturing
Q4:2017-18	921	75.2	134.6	6.4
Q1:2018-19	850	73.8	127.3	-2.1
Q2:2018-19	818	74.8	129.9	-0.7
Q3: 2018-19	860	75.9	132.2	0.3
Q4: 2018-19	802	76.1	135.0	1.9

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

Table 1.2: Order Books (Q4:2017-18 to Q4:2018-19)

*(Based on common set of 91 companies in 9 quarters)***

Quarter	Amount (₹ Billion)			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
Q4:2017-18	1.570	1.245	1.385	42.7	-29.8	-11.8	62.6	12.7	74.7
Q1:2018-19	1.386	1.836	1.875	-11.7	47.5	35.3	74.6	53.6	118.3
Q2:2018-19	1.874	1.926	2.318	35.2	4.9	23.6	118.4	32.8	110.9
Q3: 2018-19	2.318	1.579	2.337	23.7	-18.0	0.8	110.8	-10.9	48.9
Q4: 2018-19	2.337	1.372	2.012	0.8	-13.1	-13.9	48.9	10.2	45.3

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

***: Not seasonally adjusted

Table 1.3: Average Sales and Inventories (Q4:2017-18 to Q4:2018-19)

(Based on common set of 360 companies in 5 quarters)

Quarter	Amount (₹ Billion)					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
Q4:2017-18	9.557	3.918	1.441	0.417	2.061	41.0	15.1	21.6
Q1:2018-19	9.614	4.113	1.354	0.438	2.320	42.8	14.1	24.1
Q2:2018-19	10.170	4.295	1.516	0.476	2.303	42.2	14.9	22.6
Q3: 2018-19	10.364	4.045	1.327	0.450	2.269	39.0	12.8	21.9
Q4: 2018-19	10.200	4.107	1.364	0.473	2.269	40.3	13.4	22.3

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