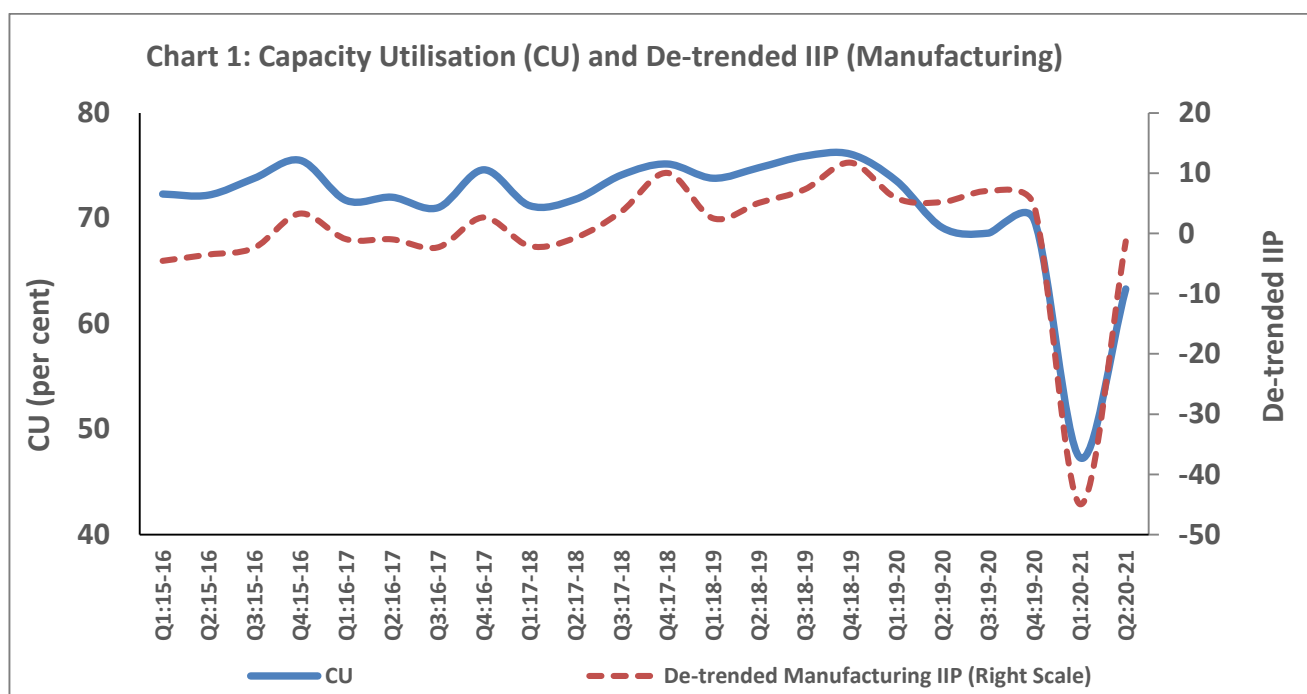


OBICUS Survey on the Manufacturing sector for Q2:2020-21

Today, the Reserve Bank released the results of the 51th round of the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) for the quarter July-September 2020 covering 602 manufacturing companies. The survey provides a snapshot of demand conditions in India's manufacturing sector¹.

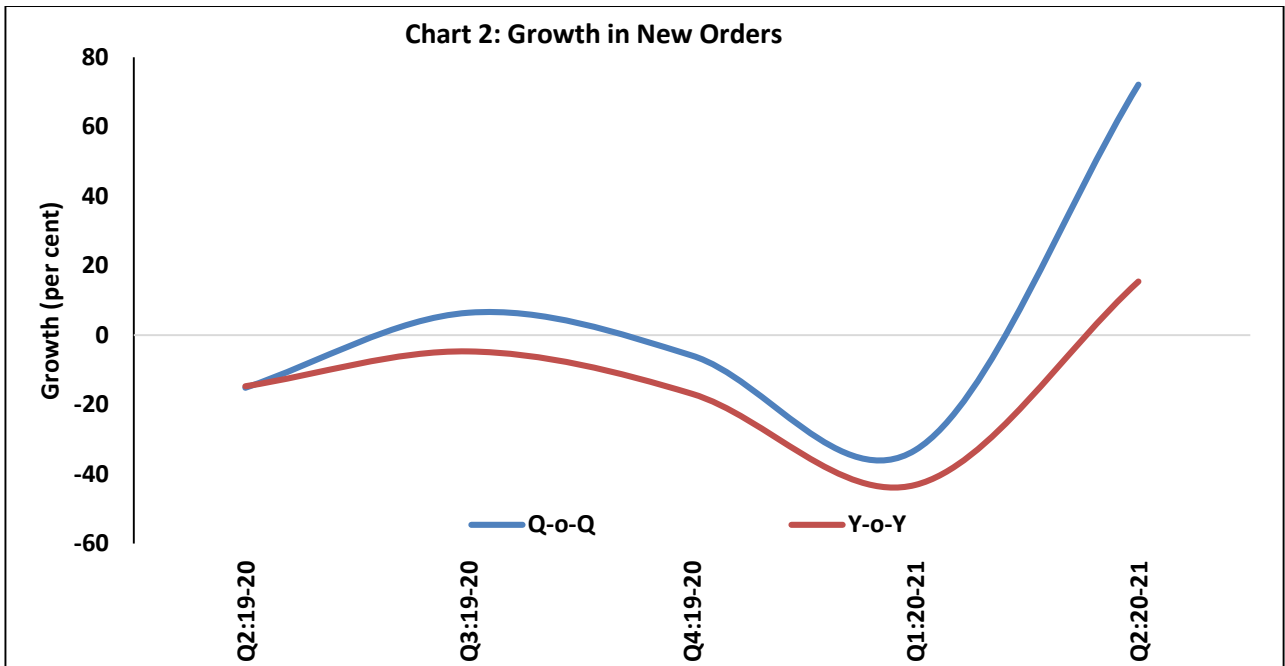
Highlights:

- After recording the historical low of 47.3 per cent in Q1:2020-21, which witnessed COVID-19 pandemic related restrictions and lockdown, aggregate level capacity utilisation (CU) recovered to 63.3 per cent in Q2:2020-21. Seasonally adjusted CU also increased to 64.1 per cent in Q2:2020-21 from 47.9 per cent in the previous quarter (Chart 1).

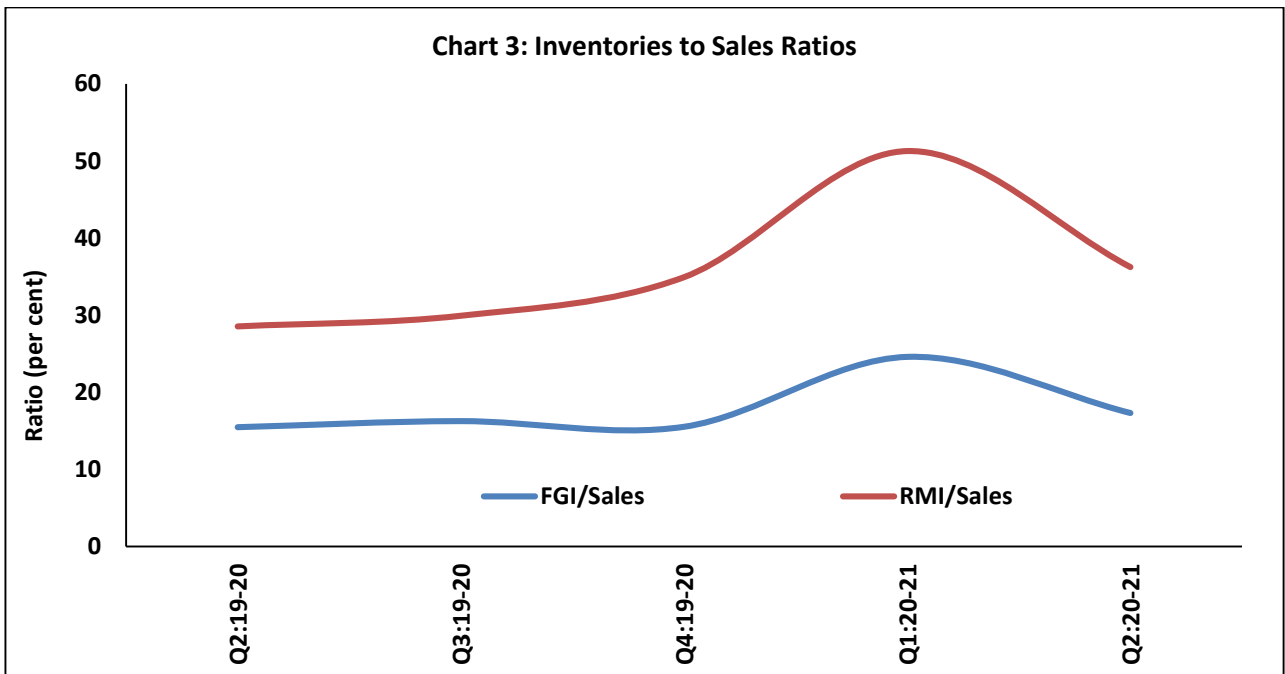


- With gradual relaxation in COVID related restrictions, manufacturing companies received substantially higher new orders during Q2:2020-21 as compared to that in the previous quarter as well as a year ago (Chart 2).

¹ The survey responses are voluntary. The 50th round of the OBICUS covering 462 manufacturing companies with reference period as April-June 2020 was released on the RBI website on [October 09, 2020](#).



- During Q2:2020-21, finished goods inventory (FGI) and raw material inventory (RMI) were close to their level in the previous quarter, whereas sales improved considerably with the revival of economic activity. This resulted in fall in ratios of FGI and RMI to sales (Chart 3).



Note- [Please see the excel file for time series data.](#)

ANNEX 1: Data Tables

Quarter	Number of responding companies	Capacity Utilisation	IIP-Manufacturing (Quarterly Average)	De-trended Quarterly IIP-Manufacturing
Q2:2019-20	819	69.1	129.4	5.2
Q3:2019-20	700	68.6	130.8	7.0
Q4:2019-20	349	69.9	127.9	4.6
Q1:2020-21	406	47.3	77.9	-44.9
Q2:2020-21	563	63.3	121.0	-1.3

*: 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
Q2:2019-20	119.7	151.6	116.6	7.8	-15.1	-2.3	11.9	-14.7	3.6
Q3:2019-20	116.6	161.4	114.0	-2.6	6.5	-2.3	3.5	-4.7	3.4
Q4:2019-20	114.3	152.0	107.0	-2.0	-5.9	-6.1	3.7	-16.8	-3.9
Q1:2020-21	106.9	101.7	111.6	-6.5	-33.1	4.3	-3.7	-43.1	-6.5
Q2:2020-21	111.8	175.0	103.5	4.6	72.1	-7.3	-6.6	15.4	-11.2

** : 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
Q2:2019-20	935.9	483.1	144.7	71.3	267.1	51.6	15.5	28.5
Q3:2019-20	960.0	514.5	156.0	71.2	287.2	53.6	16.3	29.9
Q4:2019-20	902.0	503.5	140.0	48.7	315.1	55.8	15.5	34.9
Q1:2020-21	509.4	464.4	125.4	77.7	261.3	91.2	24.6	51.3
Q2:2020-21	708.6	463.5	122.6	84.1	256.8	65.4	17.3	36.2

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