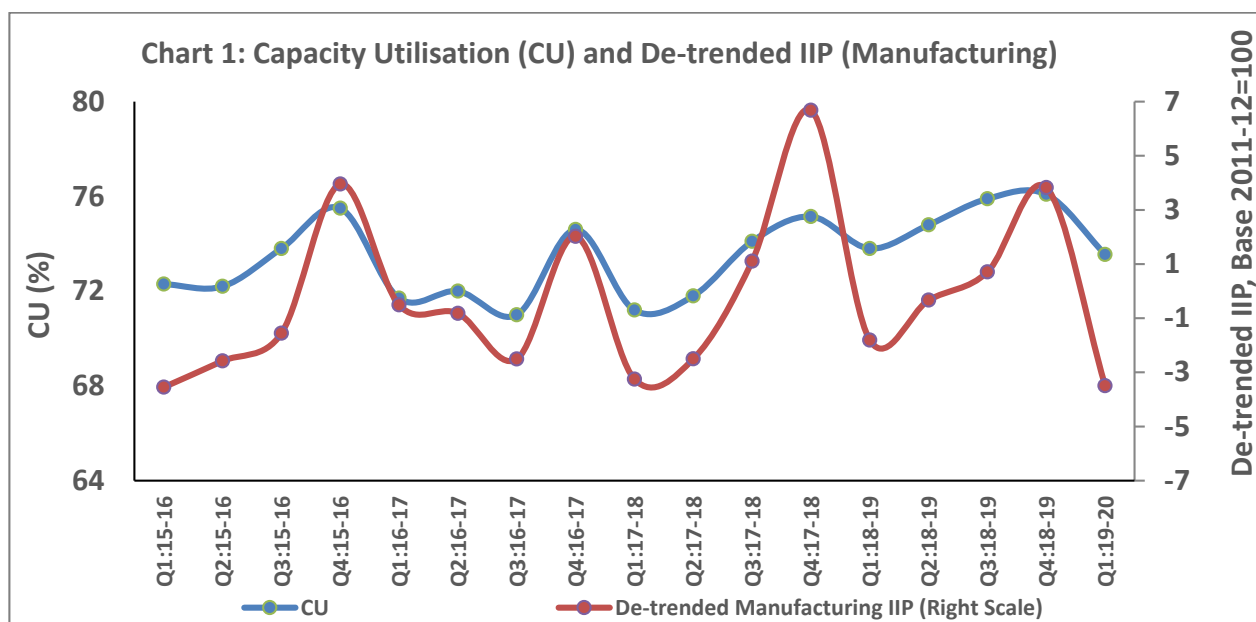


OBICUS Survey on the Manufacturing sector – Q1:2019-20

Today, the Reserve Bank released the results of the 46th round of the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) for the quarter April-June 2019 covering 818 manufacturing companies. The survey provides a snapshot of demand conditions in India's manufacturing sector¹.

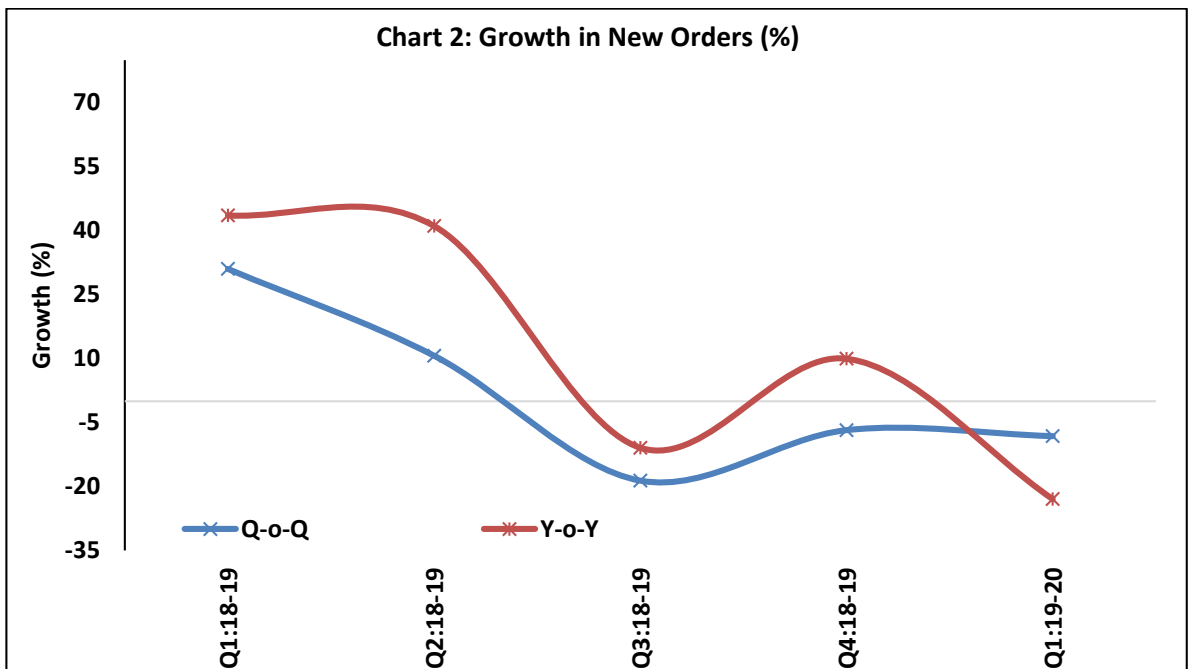
Highlights:

- 1) Capacity Utilisation (CU):** At the aggregate level, CU declined to 73.6 per cent in Q1:2019-20 from 76.1 per cent in Q4:2018-19, broadly tracking the de-trended index of industrial production (IIP) (Chart 1). Seasonally adjusted, CU increased by 0.3 percentage points to 74.8 per cent in Q1:2019-20.



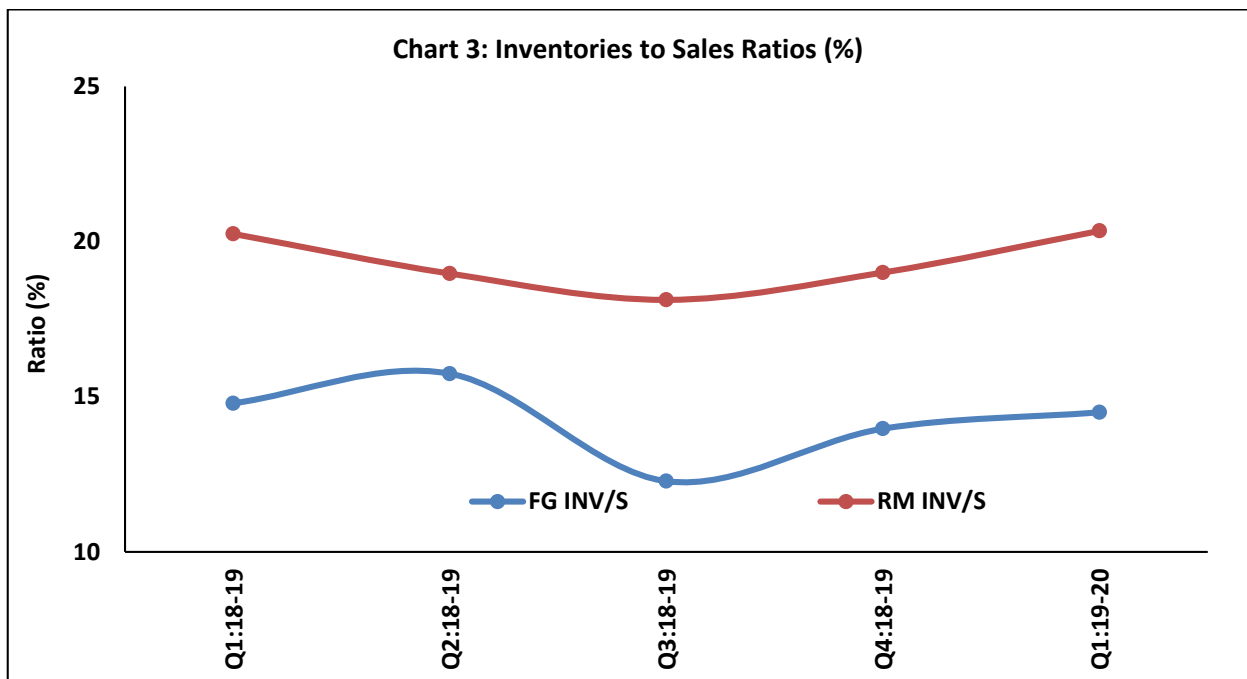
- 2) Order Books:** Fewer new orders were received in Q1:2019-20, marking the third successive quarter of decline in new orders. (Chart 2).

¹ The survey responses are voluntary. The 45th round of the OBICUS covering 843 manufacturing companies with reference period as January-March 2019 was released on the RBI website on [August 07, 2019](#).



3) **Finished Goods Inventory (FGI) to Sales Ratio:** The FGI to sales ratio rose for the second consecutive quarter in Q1:2019-20, mainly reflecting moderation in sales as FGI remained unchanged from the preceding quarter's level (Chart 3).

4) **Raw Material Inventory (RMI) to Sales Ratio:** The rise in RMI to sales ratio was on account of increase in inventories and moderation 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
Q1:2018-19	850	73.8	127.3	-1.8
Q2:2018-19	818	74.8	129.9	-0.3
Q3: 2018-19	860	75.9	132.2	0.7
Q4: 2018-19	802	76.1	136.5	3.8
Q1:2019-20	781	73.6	130.3	-3.5

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

Table 1.2: Order Books (Q1:2018-19 to Q1:2019-20)

*(Based on common set of 99 companies in 9 quarters)***

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
Q1:2018-19	184.8	182.2	222.6	-6.6	31.0	20.4	68.1	43.6	79.5
Q2:2018-19	222.6	201.6	268.7	20.5	10.7	20.7	79.5	41.1	79.8
Q3: 2018-19	268.8	164.1	268.2	20.8	-18.6	-0.2	79.9	-10.9	35.8
Q4: 2018-19	268.0	152.9	241.5	-0.3	-6.8	-10.0	35.5	10.0	30.7
Q1:2019-20	241.4	140.4	181.3	-9.9	-8.2	-24.9	30.7	-22.9	-18.5

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

*** : Not seasonally adjusted

Table 1.3: Average Sales and Inventories (Q1:2018-19 to Q1:2019-20)

(Based on common set of 362 companies in 5 quarters)

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
Q1:2018-19	1048.0	426.6	155.0	59.4	212.2	40.7	14.8	20.3
Q2:2018-19	1107.1	451.9	174.3	67.6	210.0	40.8	15.7	19.0
Q3: 2018-19	1140.9	403.6	140.1	56.7	206.8	35.4	12.3	18.1
Q4: 2018-19	1102.8	421.6	154.1	58.0	209.6	38.2	14.0	19.0
Q1:2019-20	1062.7	434.5	154.1	64.2	216.2	40.9	14.5	20.3

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