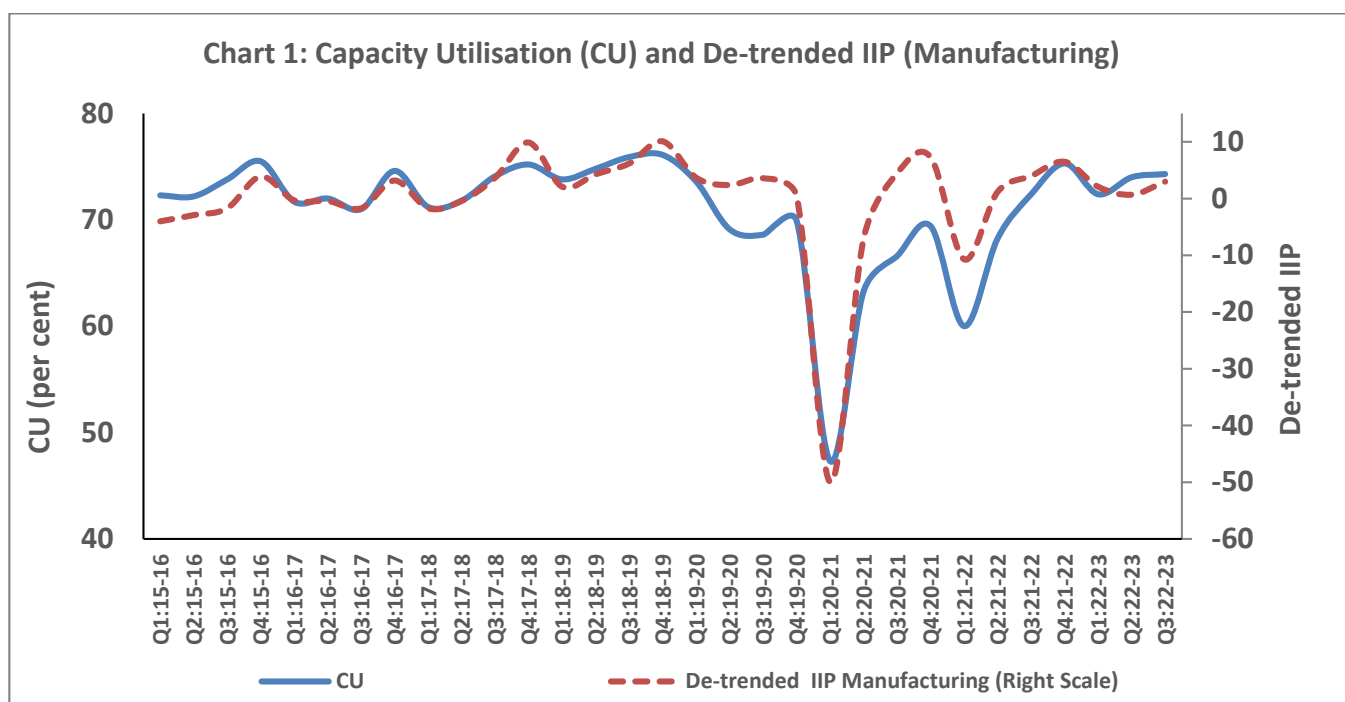


Order Books, Inventories and Capacity Utilisation Survey on the Manufacturing sector for Q3:2022-23

Today, the Reserve Bank released the results of its 60th round of the quarterly Order Books, Inventories and Capacity Utilisation Survey (OBICUS) conducted during Q4:2022-23 covering 762 manufacturing companies. The survey¹ provides a snapshot of demand conditions in India's manufacturing sector during October-December 2022.

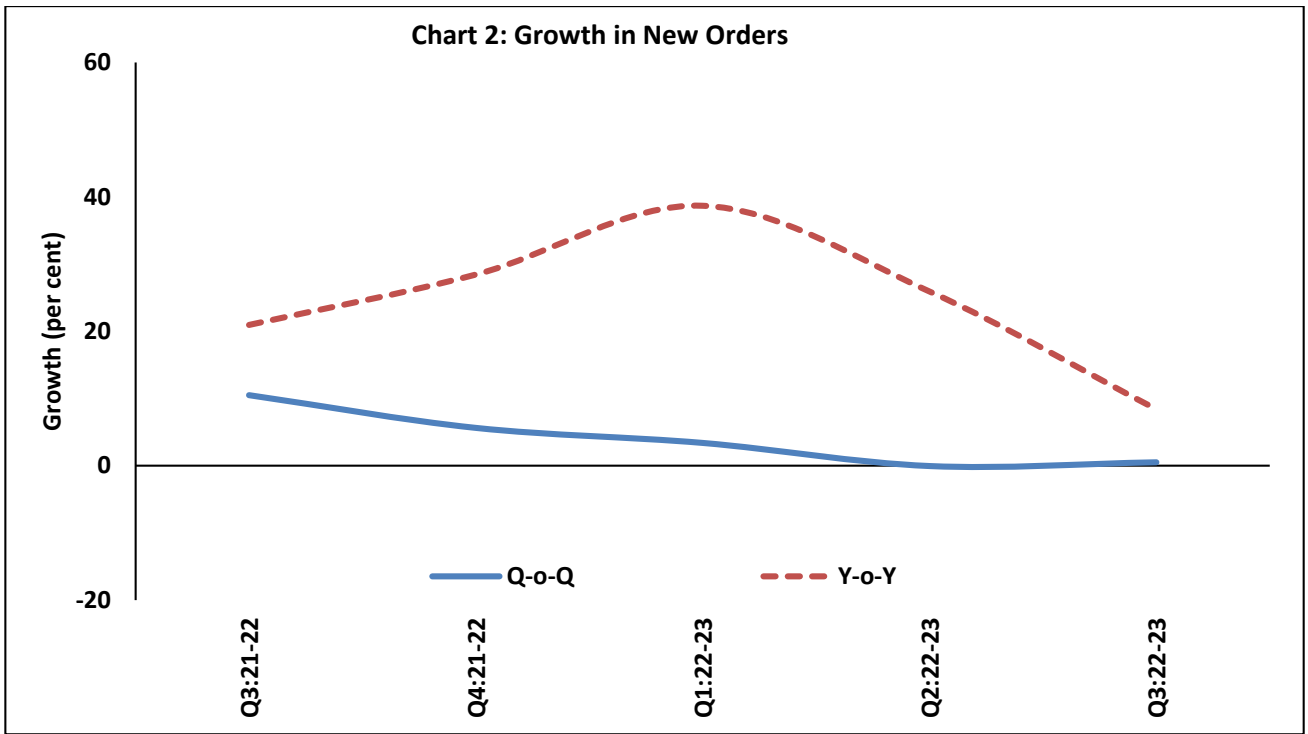
Highlights:

- At the aggregate level, capacity utilisation (CU) in the manufacturing sector improved further to 74.3 per cent in Q3:2022-23 from 74.0 per cent recorded in the previous quarter (Chart 1 and Table 1). The seasonally adjusted CU for Q3:2022-23, however, declined by 40 basis points (bps) during the quarter and stood at 74.1 per cent in Q3:2022-23.

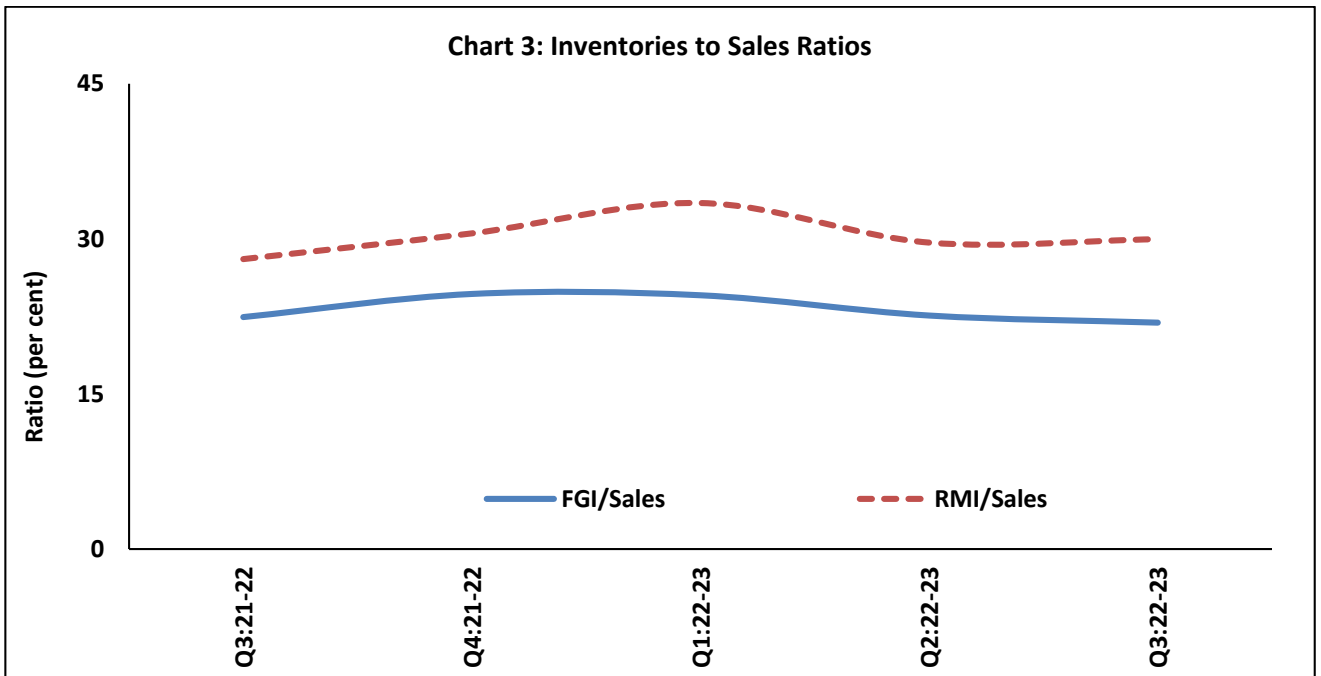


- New orders received by manufacturing companies in Q3:2022-23 were close to their level in the previous quarter but exceeded those received in the corresponding quarter a year ago; the pace of annual growth in new orders has moderated for the second consecutive quarter (Chart 2 and Table 2A).

¹ The survey responses are voluntary and the results reflect the views of the respondents, which are not necessarily shared by the Reserve Bank. Results of the previous survey round were released on the Bank's website on [February 08, 2023](#).



- The ratios of both raw material inventory (RMI) and finished goods inventory (FGI) to sales remained close to their level in the previous quarter (Chart 3 and Table 3A).



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
Q3:2021-22	757	72.4	135.0	4.0
Q4:2021-22	727	75.3	138.1	6.5
Q1:2022-23	692	72.4	134.3	2.1
Q2:2022-23	745	74.0	133.6	0.7
Q3:2022-23	727	74.3	136.6	3.0

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

Quarter	Number of companies	Q-o-Q Growth # (per cent) **			Y-o-Y Growth # (per cent)		
		Backlog Orders	New Order Book	Pending Orders	Backlog Orders	New Order Book	Pending Orders
Q3:2021-22	205	3.5	10.5	7.8	19.5	20.9	20.5
Q4:2021-22	207	4.7	5.6	4.6	14.2	28.4	25.1
Q1:2022-23	233	0.3	3.4	4.2	15.2	38.7	10.3
Q2:2022-23	265	4.6	-0.1	10.8	11.4	25.9	20.1
Q3:2022-23	277	1.8	0.5	3.9	14.7	8.4	18.4

#: Growth rates are calculated using three rounds common set of companies, namely, companies responded in the current quarter, one quarter ago and the same quarter a year ago.

**: Not seasonally adjusted.

Quarter	Number of companies	Average Amount (₹ Crores)		
		Backlog Orders	New Order Book	Pending Orders
Q3:2021-22	205	182.3	224.4	196.6
Q4:2021-22	207	176.3	222.4	184.2
Q1:2022-23	233	221.7	244.8	231.5
Q2:2022-23	265	208.8	307.9	232.4
Q3:2022-23	277	205.0	212.2	213.1

Quarter	Number of Companies	Ratio (per cent) #		
		Total Inventory / Sales	Finished Goods Inventory / Sales	Raw Material Inventory / Sales
Q3:2021-22	681	58.1	22.4	28.0
Q4:2021-22	651	65.2	24.7	30.5
Q1:2022-23	630	69.6	24.6	33.5
Q2:2022-23	721	61.8	22.6	29.6
Q3:2022-23	675	60.6	21.9	30.0

#: Weighted average of industry level ratios using GVA as weights

Table 3B: Average Sales and Inventories (Q3:2021-22 to Q3:2022-23)						
Quarter	Number of Companies	Average Amount (₹ Crores)				
		Sales	Total Inventory	Finished Goods Inventory	Work in progress Inventory	Raw Material Inventory
Q3:2021-22	681	1027.9	465.0	193.5	62.0	209.5
Q4:2021-22	651	1123.2	530.2	219.2	79.8	231.2
Q1:2022-23	630	1238.3	591.8	238.3	87.3	266.2
Q2:2022-23	721	1285.8	508.2	217.6	73.2	217.4
Q3:2022-23	675	1106.7	519.9	195.5	67.1	257.4

Note: The computations of order book growths and inventory to sales ratios are based on methodology given in the [RBI press release dated October 8, 2021](https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=20650) (link: <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=20650>) and not on the basis of averages given in the above tables.