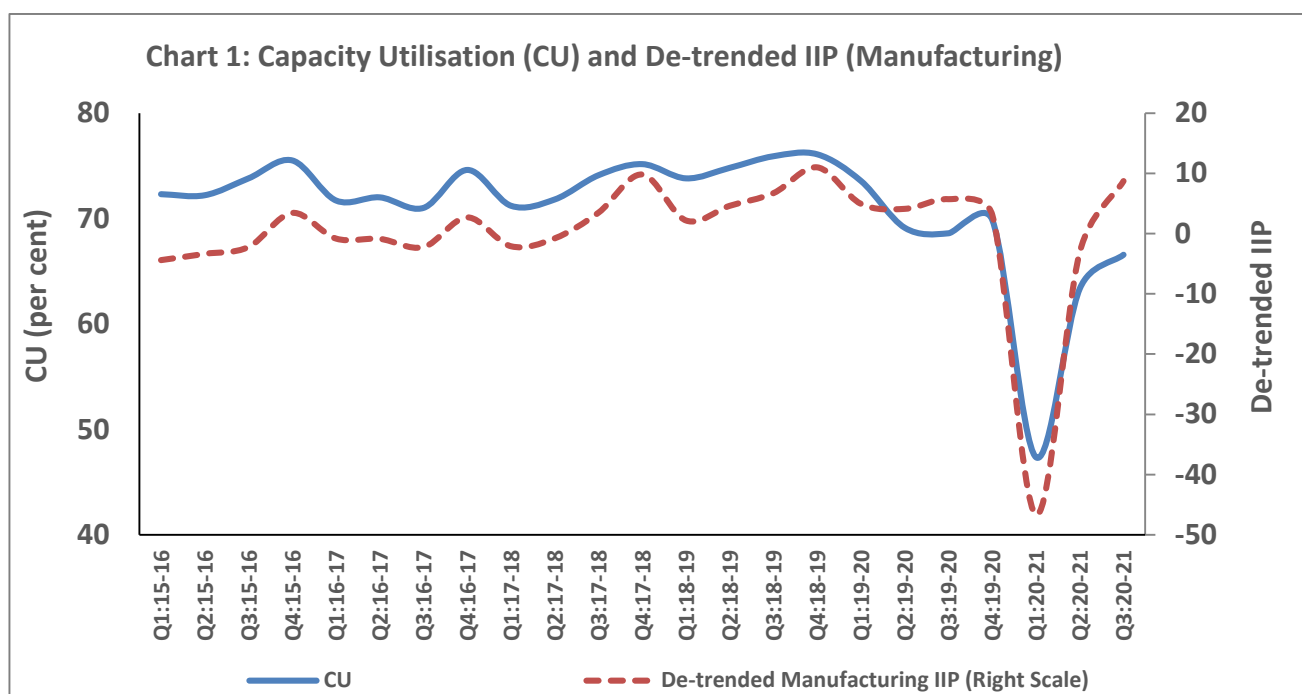


OBICUS Survey on the Manufacturing sector for Q3:2020-21

Today, the Reserve Bank released the results of the 52nd round of the Order Books, Inventories and Capacity Utilisation Survey (OBICUS) for the October-December 2020 quarter covering 644 manufacturing companies. The survey provides a snapshot of demand conditions in India's manufacturing sector¹.

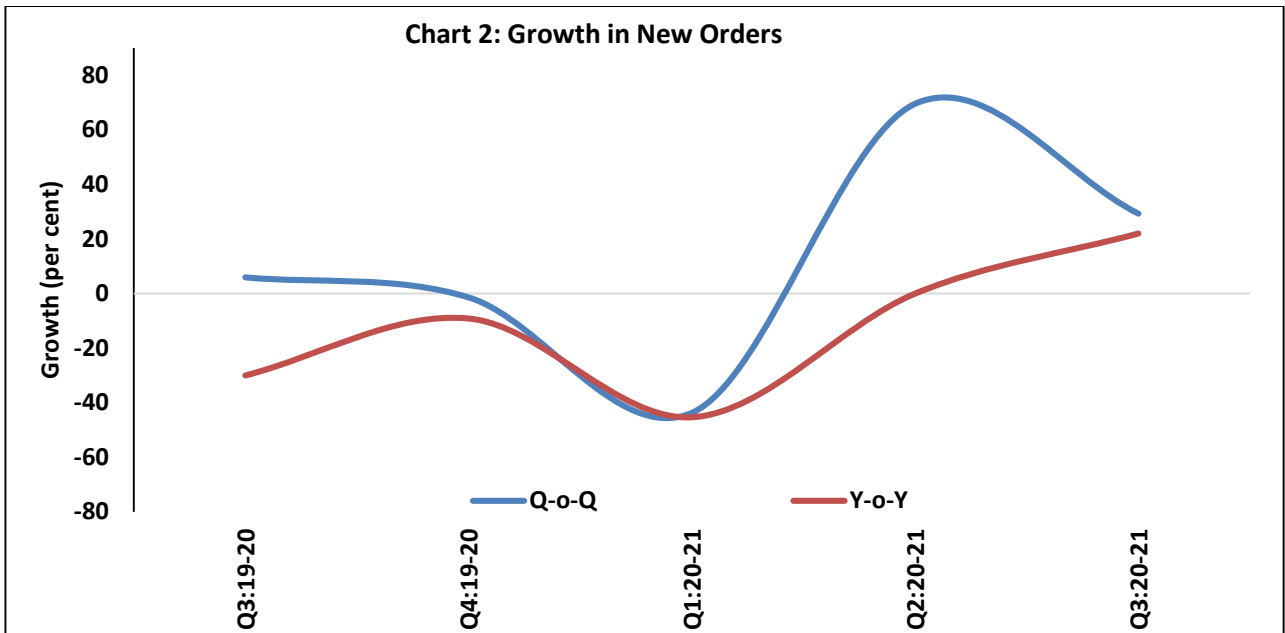
Highlights:

- The aggregate level capacity utilisation (CU) improved further to 66.6 per cent in Q3:2020-21 from the level of 63.3 per cent recorded in Q2:2020-21, on the back of strengthening of production activities and easing of the restrictions related to the COVID-19 pandemic (Chart 1).

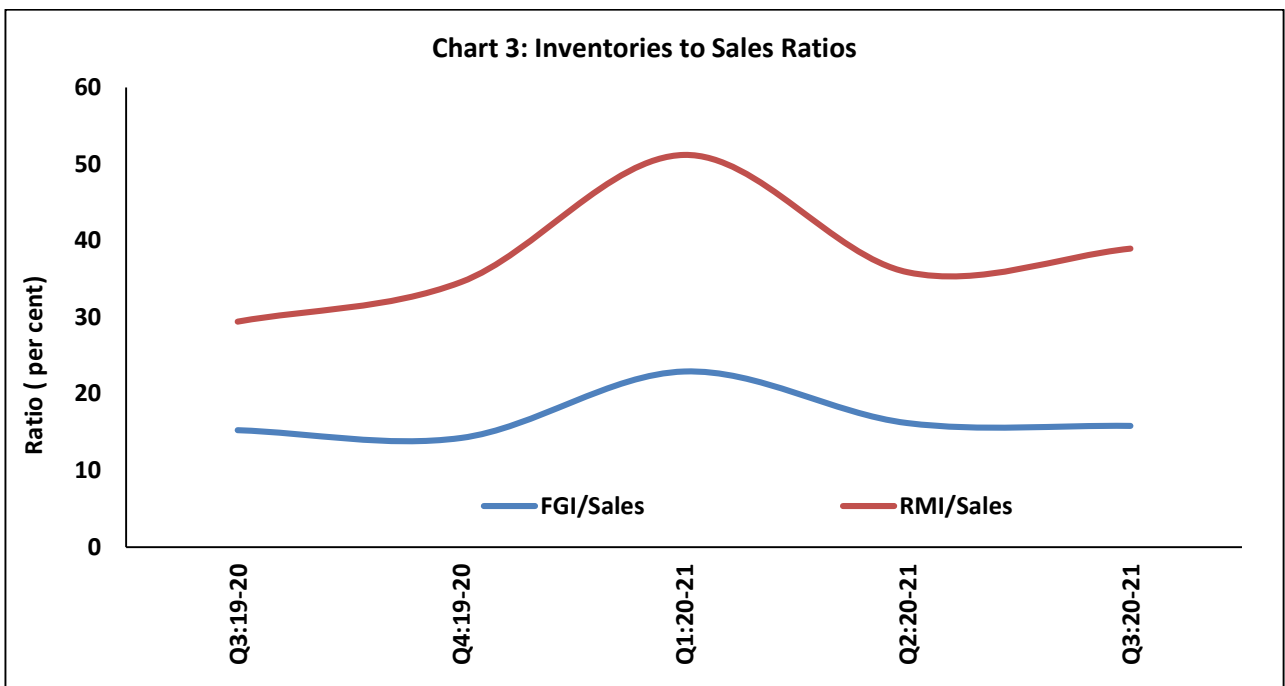


- Manufacturing companies received more new orders during Q3:2020-21 as compared to that in the previous quarter as well as a year ago. Sequential growth (q-on-q) in new orders, however, moderated in Q3:2020-21 as it was on top of a period characterised by surge in orders due to easing of lockdown related restrictions (Chart 2).

¹The survey responses are voluntary. Results of the previous survey round were released on the Bank's website on [February 05, 2021](#).



- The ratio of raw material inventory (RMI) to sales increased marginally during the quarter, while finished goods inventory (FGI) to sales ratio remained stable (Chart 3).



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

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
Q3:2019-20	700	68.6	130.8	5.7
Q4:2019-20	349	69.9	127.9	3.1
Q1:2020-21	406	47.3	77.9	-46.7
Q2:2020-21	563	63.3	121.2	-3.1
Q3:2020-21	610	66.6	132.8	8.7

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

Table 1.2: Order Books (Q3:2019-20 to Q3:2020-21)

*(Based on common set of 51 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
Q3:2019-20	217.0	141.1	225.3	4.4	6.0	3.8	8.0	-30.0	11.8
Q4:2019-20	225.6	139.2	232.5	4.0	-1.3	3.2	12.2	-9.1	15.3
Q1:2020-21	232.4	78.5	235.2	3.0	-43.6	1.2	15.5	-45.4	13.3
Q2:2020-21	235.4	133.1	219.5	1.3	69.6	-6.7	13.2	0.0	1.1
Q3:2020-21	218.9	172.2	237.6	-7.0	29.4	8.3	0.9	22.0	5.5

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

*** : Not seasonally adjusted

Table 1.3: Average Sales and Inventories (Q3:2019-20 to Q3:2020-21)

(Based on common set of 156 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
Q3:2019-20	1037.8	536.5	158.3	72.9	305.3	51.7	15.3	29.4
Q4:2019-20	972.4	521.3	138.5	46.9	336.2	53.6	14.2	34.6
Q1:2020-21	548.3	485.7	125.5	79.6	280.6	88.6	22.9	51.2
Q2:2020-21	756.5	479.6	122.4	85.7	271.4	63.4	16.2	35.9
Q3:2020-21	830.8	532.5	131.4	77.5	323.6	64.1	15.8	38.9

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