

GROWTH BY PRODUCT GROUPS

8.20 The growth in any industrial group is determined by the level of production during the current period and the base level. A simple classification of IIP groups in terms of their growth rates reveals that only two out of 17 industrial groups — beverages and tobacco and machinery — grew at robust rates during 2008-09 despite a high base. Seven of the 17 groups showed low growth ranging between 5 per cent to Nil. Of these, three groups (miscellaneous manufacturing, basic metals and alloys and chemicals and chemical products) had a high base in the previous year. Of the eight industrial groups that witnessed a decline in production during 2008-09, the high-base factor was

significant only for three items — leather products, wood products and jute textiles. In general, it can therefore be said that 2008-09 was characterized by a decline in growth largely on account of a slowdown rather than due to a high base in the previous year (2007-08) (Table 8.5).

Contribution of product groups to IIP growth

8.21 The contribution to the growth by an industry group to the IIP in manufacturing in any given period is based on its weight, the level of index and the current growth. Broadly, industry groups that experienced positive growth would have made a positive contribution to manufacturing growth and vice versa (Figure 8.5)

Table 8.5 : Industrial growth by industry groups					
Figures in per cent based on the IIP-(Base: 1993-94 = 100)					
Two digit level groups	Weight	2007-08	2008-09		
			H1	H2	Full year
Overall Manufacturing	100.0	9.0	5.3	-0.5	2.3
High growth in 2008-09					
Beverages, tobacco	3.0	12.0	20.3	11.3	15.6
Machinery & equipment	12.1	10.4	10.1	7.4	8.7
Growth between Nil and 5% in 2008-09					
Basic metals and alloys	9.4	12.1	6.7	1.4	4.0
Textile products	3.2	3.7	5.2	2.2	3.7
Chemicals & products	17.6	10.6	6.1	-0.3	2.9
Transport equipments	5.0	2.9	12.2	-6.8	2.2
Paper & paper products	3.3	2.7	4.6	-1.8	1.3
Non-Met mineral products	5.5	5.7	0.6	1.4	1.0
Miscellaneous manufacture	3.2	19.8	-1.1	1.8	0.5
Negative growth in 2008-09					
Wool, silk & man-made textiles	2.8	4.8	-0.9	0.3	-0.3
Rubber, plastic, petroleum	7.2	8.9	-4.0	0.9	-1.5
Cotton textiles	7.0	4.3	0.1	-5.7	-2.8
Metal products	3.5	-5.6	1.9	-9.3	-4.0
Leather products	1.4	11.7	-1.8	-12.0	-7.0
Food products	11.4	7.0	-1.0	-14.8	-9.6
Jute textiles	0.7	33.1	-5.4	-14.6	-10.0
Wood products	3.4	40.5	-6.1	-14.7	-10.3

Source : Central Statistical Organisation

Figure 8.5 : Percentage contribution of product groups to manufacturing growth

