

## Pattern of Industrial Growth

7. Table 7.1 indicates trends in growth rates of overall industrial production and its three major components viz., mining, manufacturing and electricity generation. After a sharp fall to 0.6 per cent in 1991-92, the industrial growth rate exhibited a rising trend from 1992-93 registering an overall growth of 2.3 per cent during 1992-93, 6 per cent in 1993-94, 9.4 per cent in 1994-95 and further to 12.1 per cent in 1995-96. However, industrial production decelerated to 7.1 per cent in 1996-97.

8. The general Index of Industrial Production (IIP) recorded a growth rate of 7.1 per cent during 1996-97 composed of a growth rate of 0.7 per cent in mining and quarrying, 8.6 per cent in manufacturing and 3.9 per cent in electricity. As per the use based classification, intermediate goods recorded a growth rate of 9.7 per cent, basic goods 8.2 per cent, capital goods 5.9 per cent and consumer goods 4.1 per cent (Table 7.2). Ten out of the seventeen broad manufacturing groups, recorded either growth rate of less than 5 per cent or negative growth rate (Table 7.3). These are rubber and petro products (4.7 per cent), electrical machinery (3.4 per cent), food products (3.4 per cent), jute, hemp and mesta textile (2.4 per cent), chemicals and chemical products (2.2 per cent), leather and fur products (2.0 per cent), metal products and parts (1.9 per cent), machinery, machine tools and parts (0.2 per cent), wood and wood products (- 3.3 per cent) and other manufacturing industries (- 5.8 per cent). Three groups however displayed robust performance. These are basic metal and alloys industries (34.5 per cent), transport equipment and parts (19.0 per cent) and beverages and tobacco (14.8 per cent).

9. The overall industrial production has recorded

a growth rate of 4.6 per cent during April-February 1997-98, composed of a growth rate of 4.7 per cent in mining, 4.2 per cent in manufacturing and 6.8 per cent in electricity. As per the use based classification intermediate goods and basic goods recorded a growth rate of 7.2 per cent and 7.1 per cent respectively. While consumer goods registered 4.3 per cent growth, capital goods have witnessed a decline of (-) 1.8 per cent.

10. Five out of the seventeen broad groups of manufacturing, have registered negative growth rates during April-February, 1997-98. These are wood and wood products (-8.6 per cent), transport equipment and parts (-5.9 per cent), textile products (-5.7 per cent), food products (-3.0 per cent) and leather and fur products (-1.7 per cent). Five groups which have recorded growth rates of less than 5 per cent are electrical machinery (4.9 per cent), basic metal and alloys industries (4.1 per cent), beverages and tobacco (2.4 per cent), rubber and petro-products (2.1 per cent) and metal products and parts (1.1 per cent). One group, namely, machinery, machine tools and parts has experienced no growth during April-February 1997-98. The only industrial group which has exhibited smart recovery is non-metallic mineral products recording a growth rate of 13.1 per cent.

11. Industrial performance during February 1998 appears to be modest since only two out of the seventeen major manufacturing groups recorded growth rates of over 10 per cent. These are paper and paper products (10.2 per cent) and chemicals and chemical products (12.6 per cent). Thus, industrial growth slowed down during the first eleven months of 1997-98 as compared to 1996-97.

12. A Technical Advisory Committee (TAC), has

Sectors	(Weight)	1992-93	1993-94	1994-95	1995-96	1996-97	April-Feb.	
							1996-97	1997-98
Basic Goods	(39.4)	2.6	9.4	5.5	8.3	8.2	8.2	7.1
Capital Goods	(16.4)	-0.1	-4.1	24.8	17.9	5.9	7.2	-1.8
Intermediate Goods	(20.5)	5.4	11.7	3.7	11.8	9.7	10.5	7.2
Consumer Goods	(23.7)	1.8	4.0	8.7	14.3	4.1	4.7	4.3
Consumer Durables	(2.6)	-0.7	16.1	10.2	36.1	5.4	6.3	10.2
Consumer Non-Durables	(21.1)	2.4	1.3	8.4	8.8	3.7	4.2	2.4

**TABLE 7.3**  
**Growth Rates of Industrial Production by Broad Groups of Manufacturing (per cent)**

Code	Sectors	Weights	1994-95	1995-96	1996-97	Apr-97	May-97	June-97	July-97	Aug-97	Sep-97	Oct-97	Nov-97	Dec-97	Jan-98	Feb-98	Apr-96-97	Feb. 97-98
20-21	Food Products	5.3	13.6	13.9	3.4	-13.2	-34.1	-22.4	-5.2	3.3	6.3	6.3	14.8	6.6	7.9	2.7	4.7	-3.0
22	Beverages & Tobacco	1.6	-2.2	19.4	14.8	8.1	11.8	9.2	10.2	4.4	0.3	-2.2	-9.6	-16.4	6.0	9.0	16.7	2.4
23	Cotton Textiles	12.3	-2.9	11.1	10.4	16.5	15.9	9.2	0.0	-1.4	8.4	2.7	12.3	4.5	0.0	3.3	10.9	6.1
25	Jute,Hemp and Mesta Text.	2.0	-11.3	2.3	2.4	-2.0	24.7	13.1	39.8	14.7	16.0	1.8	-3.4	-3.5	-2.4	2.6	3.1	7.4
26	Textile Products	0.8	7.1	14.1	6.5	1.7	3.7	7.9	-6.9	-15.2	-11.7	-10.1	-8.8	-8.2	-7.7	-3.9	6.4	-5.7
27	Wood & wood products	0.4	3.1	17.2	-3.3	13.9	-7.2	-11.2	-19.2	-10.0	-7.4	-7.3	-5.0	-7.8	-7.9	-26.6	-2.2	-8.6
28	Paper & paper products	3.2	14.8	11.0	8.7	-0.4	6.3	7.8	10.3	5.0	4.2	13.6	13.1	8.5	3.0	10.2	8.7	7.4
29	Leather & fur products	0.5	3.7	7.4	2.0	-2.2	-7.4	-5.1	-6.7	-9.3	-6.1	-2.1	-0.1	3.2	13.5	7.8	2.3	-1.7
30	Rubber & Petro products	4.0	3.2	8.1	4.7	-1.0	1.5	5.3	8.2	-5.1	2.2	-0.1	4.5	-2.9	4.6	7.8	5.0	2.1
31	Chemicals & Chem. Products	12.5	9.5	9.3	2.2	7.7	5.0	9.6	11.0	5.7	14.0	9.2	10.0	12.7	10.1	12.6	2.8	9.8
32	Non-metallic min. products	3.0	8.0	12.1	8.2	18.5	23.3	12.3	6.1	4.0	6.9	27.6	10.7	16.5	10.8	8.6	6.7	13.1
33	Basic Metal & alloys Inds.	9.8	-4.3	5.2	34.5	-3.5	3.1	3.3	3.1	1.3	0.5	5.9	5.9	8.2	8.0	8.4	34.5	4.1
34	Metal Products & parts	2.3	17.5	16.9	1.9	3.5	1.0	3.3	2.7	0.3	0.0	-1.8	-3.4	-3.8	4.8	6.4	2.4	1.1
35	Machinery, machine tools & parts	6.2	9.4	21.0	0.2	1.6	1.5	4.9	7.9	-2.6	-0.4	-0.4	13.1	-5.6	-10.4	-5.3	0.6	0.0
36	Electrical machinery	5.8	32.6	19.5	3.4	25.8	3.2	-2.4	11.5	6.5	11.1	-11.8	6.3	1.9	7.6	-0.1	5.2	4.9
37	Transport equipment & Parts	6.4	13.3	24.6	19.0	10.1	8.0	2.5	0.0	-6.3	-10.4	-11.5	-1.2	-18.1	-16.1	-14.3	19.6	-5.9
38	Other mfg. industries	0.9	1.0	11.5	-5.8	26.4	13.1	5.7	7.1	8.2	6.6	-0.4	1.7	2.1	5.2	0.8	-5.7	6.5

**Note : Growth rates are estimated over the corresponding period of the previous year.**

been constituted by the Department of Statistics to examine construction of a comparable series of State level Indices of Industrial Production and revision of existing IIP series (Base : 1980-81).

The Committee is likely to finalise its recommendations shortly.