

## Pattern of Industrial Growth

7.8 The trends in growth rates of overall industrial production and its sectoral components viz., mining, manufacturing and electricity generation, are given in Table 7.1. From a peak level of 12.8 per cent in 1995-96, the industrial growth declined to 5.6 per cent in 1996-97. After improving marginally to 6.6 per cent in 1997-98, it fell to 4.0 per cent in 1998-99. The decline in industrial growth in 1998-99 can be attributed to poor performances by mining and manufacturing sectors.

7.9 Industrial production has shown a distinct improvement in the current year. The improvements are particularly noticeable in manufacturing and electricity generation (Table 7.1). As per use-based classification, consumer goods, intermediate goods and basic goods are having higher growth rates than the previous

year (Table 7.2). Capital goods are growing at 6.6 per cent in April-December 1999, compared to 11.3 per cent in April-December 1998.

7.10 The good performance of the manufacturing sector, is also reflected at the 2-digit level of industrial classification. Twelve out of seventeen industry groups, accounting for 82 per cent and 65 per cent shares in the total weights of manufacturing and IIP respectively, recorded positive growths in April-December 1999 (Table 7.3). Out of these twelve, non-metallic mineral products, machinery and equipment, wool, silk and man-made fibre textiles, leather and leather products, paper and paper products and basic chemicals and chemical products, are performing commendably in the current year.

**TABLE 7.2**  
**Growth rates of industrial production by use-based classification**  
(Base : 1993-94=100) (per cent)

Sectors	(Weight)	1994-95	1995-96	1996-97	1997-98	1998-99	April-Dec.	
							1998-99	1999-00
Basic Goods	35.5	8.9	10.7	3.1	6.5	1.4	1.9	5.1
Capital Goods	9.7	5.7	4.1	9.3	5.3	12.7	11.3	6.6
Intermediate Goods	26.4	5.3	19.1	8.1	8.1	5.9	5.2	8.7
Consumer Goods	28.4	11.8	12.3	5.2	5.7	2.4	2.0	4.9
of which								
(Consumer Durables)	(5.1)	(16.2)	(25.8)	(4.7)	(7.8)	(4.7)	(3.8)	(11.9)
(Consumer Non-Durables)	(23.3)	(10.8)	(9.3)	(5.3)	(5.2)	(1.8)	(1.6)	(2.9)
<b>IIP (Index of Indl. Prodn.)</b>	<b>(100)</b>	<b>8.4</b>	<b>12.8</b>	<b>5.6</b>	<b>6.6</b>	<b>4.0</b>	<b>3.7</b>	<b>6.2</b>

**TABLE 7.3**  
**Growth rates of industrial production by broad groups of manufacturing**  
**(Base : 1993-94=100)**

*(per cent)*

Ind. Code	Sectors	Weight	1997-98	1998-99	Apr' 99	May 99	Jun' 99	Jul' 99	Aug' 99	Sep' 99	Oct' 99	Nov' 99	Dec' 99	Apr-Dec	
														98-99	99-00
20-21	Food Products	9.1	-0.4	0.7	-2.9	0.1	-3.1	-3.1	-5.0	-4.9	12.7	5.6	3.3	0.2	0.4
22	Beverages, Tobacco & related Products	2.4	19.4	12.9	8.2	9.7	10.3	9.4	13.6	3.6	10.0	7.6	15.2	14.2	9.7
23	Cotton Textiles	5.5	2.4	-7.7	-2.9	6.4	4.4	0.2	12.2	11.6	12.0	2.9	5.0	-9.9	5.6
24	Wool, Silk & man-made fibre textiles	2.3	18.5	2.8	15.0	16.1	5.7	-3.5	23.3	16.4	12.4	26.2	5.9	-0.2	12.8
25	Manufacture of Jute & other veg. fibre Tex. (exc. cotton)	0.6	16.9	-7.3	-13.6	-2.9	-4.2	-11.3	1.5	8.5	-7.4	-2.8	6.9	-5.2	-2.9
26	Textile Product (incl. wearing apparel)	2.5	8.5	-3.5	4.5	-3.2	-4.2	1.9	-1.0	2.5	-1.1	3.6	1.3	-3.9	0.5
27	Wood & wood products, Furniture & Fixtures	2.7	-2.6	-5.8	-20.4	-20.5	-18.3	-18.8	-6.8	-2.8	-7.3	-1.1	-7.1	-2.7	-12.0
28	Paper & paper prods. & Print., Pub. & All. Inds.	2.7	6.9	16.0	11.2	17.8	16.9	21.5	18.3	16.9	9.9	6.2	-7.0	16.2	11.9
29	Leather and Leather & Fur Products	1.1	2.2	8.2	1.2	22.2	32.2	29.8	1.7	11.2	17.3	-3.4	5.2	7.0	12.6
30	Basic Chemicals & Chem. Products (exc. prods. of Pet.)	14.0	14.5	6.6	9.8	7.6	12.1	11.3	12.6	13.1	16.3	3.9	12.9	6.3	11.0
31	Rubber, Plastic, Petro. & Coal Products	5.7	5.2	11.3	13.0	14.9	-2.3	-4.1	-4.8	6.1	-8.2	-8.2	-7.9	10.7	-0.4
32	Non-Metallic Mineral Products	4.4	13.8	8.2	26.2	43.6	19.1	23.0	16.4	15.7	18.8	-7.5	25.4	5.9	19.3
33	Basic Metals & Alloys Inds.	7.5	2.6	-2.5	-2.7	-1.2	4.0	5.7	4.1	5.3	8.8	3.1	2.3	-2.1	3.2
34	Metal Products & parts, except Mach. & Equip.	2.8	8.4	17.8	-4.4	12.7	-12.2	-3.7	-7.0	-19.8	-9.1	-8.8	2.8	22.6	-5.9
35-36	Machinery & Equipment other than Trans. equip.	9.6	5.6	1.7	18.3	22.2	22.8	24.6	23.7	20.4	15.5	13.1	15.0	-2.0	19.2
37	Transport equipment & Parts	4.0	2.6	15.7	2.6	1.7	0.2	3.9	-1.0	-5.4	7.2	-2.0	-5.2	18.2	0.1
38	Other Mfg. Industries	2.6	-2.7	6.6	-16.9	-16.9	-17.7	-10.5	-14.5	-16.5	-4.4	-7.7	-15.4	8.8	-13.6

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