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GOVERNMENT    OF    KERALA

Report on Index of Industrial Production

for the year 1989-90

(Base year 1980-81 = 100)

DIRECTORATE OF ECONOMICS AND STATISTICS

THIRUVANANTHAPURAM.



## P E E F A C E

The Department of Economics and Statistics is computing the Index of Industrial Production on a quarterly basis to study the change in the industrial production in the State. The present issue deals with the indices for the quarters ended 30-6-89, 30-9-89, 31-12-89 and 31-3-90 and the Annual Index for the year 1989-90.

The indices were computed by the Index of Industrial Production Unit of the Directorate of Economics and Statistics.

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## Report on the Index of Industrial Production in Kerala 1989-90

### Introduction:

The index of industrial production is considered as an indicator to assess the progress in the industrial sector. It shows the average percentage increase in the industrial production in the States with reference to the base year. The index also helps to study the trend in industrial production over time and for interindustry comparison.

### Coverage:-

The index covers the manufacturing and electricity generation sectors in the state. Under manufacturing the index covers only the industrial units included in the census part of the Annual Survey of Industries (ASI). These are registered factories having 50 workers or more and using power, and those having 100 or more workers and not using power. In the case of industries like cashew processing, Tile manufacturing and tea processing there are a large number of units. So 50% of them are selected using simple random sampling method for enumeration. In the case of the rest all units are enumerated. The production data are collected from all the selected industrial units regularly. From the sample, production estimate for all the units are obtained by inflating the sample total by the ratio of the total employment in all the units (with respect to each group) to the employment in the selected units.

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The indices of industrial production for the quarter ended June '89 September '89, December '89 and March '90 and the annual index for 1989-90 are furnished in this report.

Methodology:-

The index is calculated by using the formula.

$$I = \frac{\sum Wi \frac{P_n \times 100}{P_o}}{\sum Wi} \text{ where}$$

I = Index of Industrial Production.

Wi = Weight attached to the i<sup>th</sup> item

P<sub>n</sub> = Production (Qty.) in the current year.

P<sub>o</sub> = Production (Qty.) in the base year.

Base Year.

1980-81 (financial year) is taken as the base year for computing the index both for comparison and weighting. The indices are prepared on a quarterly basis. The quarterly average of production in each group during 1980-81 is taken for comparison.

Weights:-

Weights are assigned in proportion to the value added by manufacture of the item during the base period. Data relating to the value added by manufacture was collected from the ASI for 1980-81 in respect of the factories under the census sector.





Production data:-

The quarterly production data are collected from the selected industrial units by mailed questionnaire followed by personal visits.

The General Index:-

The general index and group indices at the 2 digit level of 'Industrial classification' as per the revised National Industrial Classification 1987 for the four quarters of 1989-90 are given in Table-I and that of 3 digit level in Table II. Annual indices are calculated as the average of the quarterly indices. The annual index for the year 1989-90 increased from 142.34 to 166.98 showing an increase of 17.31%. The quarterly indices for all the four quarters have increased during the period under report and also compared to the corresponding periods of the previous year.

On reviewing the production movements under major groups it is seen that there is increased production during the year in manufacture of wool, silk and man made fibre textiles, manufacture of paper and paper products, non metallic mineral products, basic metal and alloy industries metal products and parts, machinery and equipment other than transport equipment other manufacturing industries and electricity generation, transmission and distribution. Manufacture of food products, beverages, tobacco, cotton textiles, textile products, wood and wood products, basic chemicals and chemical products Rubber, plastic products, transport equipment and parts etc. recorded decreased production.

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T A B L E : I

INDEX OF INDUSTRIAL PRODUCTION Base : 1980-81 = 100

Sl. No.	Code	Item	Weight	For the quarter ending					Annual
				June 89	Septem-ber 89	Decem-ber 89	March 90	March 90	
1	2		4	5	6	7	8	9	
		GENERAL INDEX	100	139.41	160.74	179.87	187.88	166.98	
I	20-21	Manufacture of food products	8.82	171.87	182.87	126.83	88.33	142.47	
II	22	Manufacture of Beverages, tobacco and related products	1.46	133.15	103.96	111.57	110.50	114.80	
III	23	Manufacture of Cotton textiles	8.02	139.90	171.85	167.56	182.31	165.40	
IV	24	Manufacture of wool, Silk and Man made fibre textiles	1.26	98.25	111.20	111.18	125.56	111.55	
V	26	Manufacture of textile products	3.26	73.93	98.74	79.76	75.76	82.06	
VI	27	Manufacture of wood & wood products	1.35	76.20	79.19	93.13	108.42	89.24	
VII	28	Manufacture of paper & paper products	3.16	760.32	576.33	908.60	796.12	760.34	
VIII	30	Manufacture of basic chemicals & chemical products (except products of petroleum & coal)	19.78	120.54	145.48	191.08	156.31	155.85	
IX	31	Manufacture of rubber, plastic, petroleum and coal products processing of nuclear fuels	10.06	125.66	84.61	94.31	114.46	104.76	
X	32	Manufacture of non-metallic mineral products	3.42	71.71	92.78	103.82	110.89	94.80	
XI	33	Manufacture of basic metal and alloys industries	3.43	116.59	175.92	191.34	187.81	167.92	
XII	34	Manufacture of metal products and parts except machinery and equipment	0.50	219.87	222.83	226.31	251.43	230.11	



	1	2	3	4	5	6	7	8	9
XIII	35-36	Manufacture of machinery and equipment other than transport equipment		9.46	211.42	343.98	331.21	542.98	357.40
XIV	37	Manufacture of transport equipment and parts		2.67	19.87	23.30	41.75	23.43	27.09
XV	38	Other manufacturing industries		1.42	32.89	34.11	32.98	20.01	30.00
XVI	40	Electricity Generation transmission and distribution		21.93	79.11	110.13	128.60	114.05	107.97



T A B L E : II

INDEX OF INDUSTRIAL PRODUCTION

Sl. No.	Code	Item	Weight Index for the quarter ending					Annual
			June 89 per 89	Septem- ber 89	Decem- ber 89	March 90	Annual	
1	2	3	4	5	6	7	8	9
		GENERAL INDEX						
I	20-21	Manufacture of food products	100.00	139.41	160.74	179.87	187.88	166.98
"	202	Canning and preservation of fruits and vegetables	8.82	171.87	182.87	126.83	88.33	142.47
	203	Processing canning and preservation of fish, crustacea and similar foods	0.09	485.59	224.86	61.88	118.74	222.77
	204	Grain Milling	0.11	-	-	-	-	-
	205	Manufacture of bakery of products	0.21	365.78	409.69	407.87	375.25	389.65
	206	Manufacture of refining of sugar	0.41	-	62.56	162.17	-	112.36
	211	Manufacture of vegetable oils and fats	0.08	15.79	7.13	11.91	7.52	10.59
	213	Processing and blending of tea	2.19	280.19	201.76	255.75	171.84	227.38
	214	Coffee Curing, roasting grinding and blending	0.11	75.17	93.12	78.68	82.51	82.37
	215	Processing of edible nuts	4.49	153.67	209.32	62.70	42.72	117.10
	218	Manufacture of starch	0.67	65.13	74.57	112.88	77.71	82.57
II	22	Manufacture of Beverage, tobacco and related Products	1.46	133.15	103.96	111.57	110.51	114.80
	220	Distilling rectifying and blending of spirits ethyl alcohol production from fermented materials	1.06	134.87	98.73	109.81	106.89	112.57
	222	Manufacture of malt liquors and	0.15	267.42	239.78	236.13	238.76	245.52





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2	Manufacture of Beedi	0.25	47.38	46.63	46.14	47.76	47.73
226	Manufacture of Cotton textiles	8.02	139.90	171.85	167.56	182.31	165.40
III 23	Cotton ginning cleaning and baling	7.68	98.05	109.13	120.29	133.70	115.27
230	Weaving and furnishing of cotton	0.34	1078.08	1577.81	1229.27	1272.17	1289.33
233 & 234	Textiles on handlooms & Power- looms						
IV 24	Manufacture of wool silk and manmade fibre textiles	1.26	98.26	111.20	111.18	125.56	111.55
244	Spinning weaving and finishing of silk textiles	1.26	98.26	111.20	111.18	125.56	111.55
V 26	Manufacture of textile products	3.26	73.99	98.74	79.76	75.76	82.06
260	Manufacture of knitted or crocheted textile products	0.06	238.26	231.82	197.99	204.41	218.12
261	Manufacture of all types of threads, cordage, ropes, twins and nets etc	2.79	71.32	100.59	79.03	73.15	81.02
264	Manufacture of floor coverings of jute Mestassann hemp and other kinds of fibres of coir	0.41	68.11	66.52	67.37	74.74	69.19
VI 27	Manufacture of wood and wood pro- ducts furniture and fixtures	1.35	76.20	79.19	93.13	108.42	89.24
270	Sawing and planning of wood	0.10	95.96	79.59	84.58	91.01	87.78
271	Manufacture of veneer sheets plywood and their products	1.02	73.42	75.21	93.76	126.55	92.24
276	Manufacture of wooden furniture and fixtures	0.23	79.52	96.47	94.20	36.64	76.71
VII 28	Manufacture of paper and paper products and printing and pub- lishing and allied industries	3.16	760.32	576.33	908.60	736.12	760.34
280	Manufacture of pulp, paper and paper board including manufact- ure of newspaper	3.16	760.32	576.33	908.60	796.12	760.34



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VIII	30	<u>Manufacture of basic chemicals and chemical products (except products of petroleum and coal)</u>	19.78	120.54	145.48	191.08	166.31	155.85
	300	<u>Manufacture of industrial organic &amp; inorganic chemicals (Manufacture of chemicals for laboratory and technical uses)</u>	6.39	72.27	102.62	122.65	99.63	99.29
	301	<u>Manufacture of fertilizers and chemicals</u>	9.86	98.72	128.97	209.73	180.41	154.46
	304	<u>Manufacture of drugs medicines and allied products</u>	1.13	173.04	167.34	175.40	158.80	168.64
	305	<u>Manufacture of perfumes cosmetics lotions, hair dressings tooth pastes, soaps in any form detergents, shampoos, shaving products, washing and clearing preparations and other toilet preparations</u>	2.40	313.74	316.94	303.82	289.30	305.95
IX	31	<u>Manufacture of rubber, plastic petroleum and coal products processing of nuclear fuels</u>	10.06	125.66	84.61	94.31	114.46	104.76
	310	<u>Tyre and tube industries</u>	1.16	144.34	153.87	154.90	131.37	146.12
	312	<u>Manufacture of rubber products</u>	2.28	84.28	105.76	117.60	98.08	101.43
	314	<u>Manufacture of refined petroleum products</u>	6.62	136.69	65.17	75.65	117.16	98.67
X	32	<u>Manufacture of non-metallic mineral products</u>	3.42	71.71	92.78	103.82	110.89	94.80
	320	<u>Manufacture of refractory products and structural clay products</u>	2.13	55.06	51.64	63.40	74.97	61.27
	321	<u>Manufacture of glass and glass products</u>	0.30	174.35	149.60	159.08	155.55	159.65
	323	<u>Manufacture of non-structural ceramic ware</u>	0.18	64.25	58.04	63.14	62.21	61.91



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	324	Manufacture of cement lime and plaster	0.32	52.76	81.38	93.14	90.75	79.51
	329	Manufacture of miscellaneous non-metallic mineral products	0.49	96.17	258.76	269.36	272.49	224.20
XI	33	<u>Basic metal and alloys Industries</u>	3.43	116.59	175.92	191.34	187.81	167.92
	330	Manufacture of iron and steel in primary semifinished forms	1.20	86.15	254.37	244.03	238.37	205.73
	331	Manufacture of semi finished iron and steel products in rerolling mills, cold rolling mills and wire drawing mills	0.35	78.62	85.14	107.70	152.50	105.99
	335	Aluminium Manufacturing	1.88	153.00	142.48	173.04	162.00	155.13
XII	34	<u>Manufacture of Metal Products and parts except machinery and equipment</u>	0.50	219.87	222.83	226.31	251.43	230.11
	340	Manufacture of fabricated structural metal products	0.09	248.52	125.44	44.97	2.37	105.33
	341	Manufacture of fabricated metal products not else where classified	0.08	151.86	210.36	217.32	171.11	187.66
	343	Manufacture of hand tools weights and measures and general hardware	0.28	233.84	262.93	295.96	370.08	290.70
	346	Manufacture of metal cutlery utensils and kitchenware	0.05	197.40	191.51	173.87	156.75	179.88
XIII	35 & 36	<u>Manufacture of machinery and equipment other than transport equipment</u>	9.46	211.42	343.98	331.21	542.98	357.40
	354	Manufacture of industrial machinery for other than food and textile industries	0.01	25.00	33.33	25.00	25.00	27.08
	357	Manufacture of machine tools their parts and accessories	1.06	167.83	124.35	110.43	189.56	148.04
	359	Manufacture of special purpose machinery equipment their components and accessories	0.04	222.22	200.00	188.89	233.33	211.11



	4	5	6	7	8	9
1 2 3						
360	2.34	426.60	732.93	648.74	1045.69	713.49
361	1.96	112.47	367.32	407.82	843.83	432.86
362	1.11	70.78	69.68	51.96	44.83	59.31
363	0.42	156.02	414.09	429.30	546.84	586.56
364	0.05	-	-	-	-	-
365	1.42	42.12	27.33	31.28	35.75	34.12
367	0.34	422.35	345.82	415.35	528.60	428.03
368	0.71	344.84	379.06	373.62	441.39	384.73
XIV 37	2.67	19.87	23.30	41.75	23.43	27.09
	1.94	-	-	25.00	-	25.00
	0.64	74.37	87.49	87.76	85.75	83.84
	0.09	60.55	69.29	75.57	84.62	72.51
	1.42	32.89	34.11	32.98	20.01	30.00
XV 38	1.38	33.92	35.18	34.01	20.63	30.93





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382	Manufacture of watches and clocks	0.04							
XVI 40	Electricity generation transmission and distribution	21.93	79.11	110.13	128.60	114.05	107.97		
400	Generation and transmission of electric energy	21.93	79.11	110.13	128.60	114.05	107.97		

