## GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:1321 ANSWERED ON:03.03.2000 INDUSTRIAL PRODUCTION BIKASH CHOWDHURY;SUNIL KHAN

## Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) Whether the industrial production, showing indication of revival, the production in capital goods item has not growth during 1999-2000; and
- (b) If so, the reasons therefor?

## **Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (b):- A statement is enclosed.

Statement referred to in reply to Lok Sabha Unstarred Question No. 1321 for answer on 03.03.2000.

(a) to (b): According to the use based classification of the Index of Industrial Production, the growth rates of different sectors of industry for the period between 1995-96 (April-December) to 1999-2000 (April-December) are given in the table belwo:

SECTOR-WISE GROWTH RATE (%)

Period Basic Goods Capital Goods Intermediate Consumer Goods Overall

 1995-96
 10.5
 6.9
 18.8
 12.0
 12.8

 1996-97
 3.8
 10.9
 9.5
 6.9
 6.9

 1997-98
 6.7
 6.7
 9.0
 4.6
 6.8

 1998-99
 1.9
 11.3
 5.2
 2.0
 3.7

 1999-2000
 5.1
 6.6
 8.7
 4.9
 6.2

The growth rate of the capital goods sector does not necessarily follow one to one correspondence with the aggregate growth rate in the industrial sector. The possible reasons for this are that demand for capital goods is lumpy in nature and triggered by improvements in the expectations of businessmen.