

REPLACEMENT VALUE OF CAPITAL EMPLOYED IN THE THIRD DIVISION¹ MANUFACTURING INDUSTRIES OF MAHARASHTRA, 1959— A DISAGGREGATIVE STUDY

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1. *Introduction*

The problem of estimating the replacement value of capital at a disaggregative level is a difficult task, in view of the paucity of very detailed data on capital goods and their prices. In this paper, an attempt has been made to estimate the replacement value of different types of fixed capital used in 95 subgroups of the 3rd division¹ of large-scale manufacturing industries, also to present the values of the stocks of inventories held at the end of the year 1959 in Maharashtra. In this attempt, the use of these replacement values in eventually evaluating the capital coefficients needed for the dynamic input-output analysis is kept in view.

2. *Data and Classification*

The only data regarding different types of capital at a very disaggregative level are those collected under the Annual Survey of Industries (Census Sector) for the year 1959. Particulars about each factory are collected in a schedule containing 34 blocks. The data in blocks No. 17, 18 and 28 pertaining to 95 industries in Maharashtra are considered here. For analysis of these data, it is necessary to adopt a suitable classification for classifying the assets, materials, products and firms. The firms are already classified according to Annual Survey of Industries Classification (ASIC)¹ by the same agency. Assets, materials and products are classified by us

¹ See Annual Survey of Industries, 1959 (Summary report), Appendix C—classification of Indian industries.

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