

# FLOW COEFFICIENTS FOR SMALL SCALE SECTOR INDUSTRIES<sup>1</sup>

P. VENKATRAMAIAH

## I. *Introduction*

1. In this paper an attempt is made to evaluate the flow coefficients of small scale manufacturing sector making use of the model scheme data.

2. In constructing an input-output table for an economy, normally a sector is defined to consist of all establishments producing similar outputs. The capital intensity, product mix and the quality of the products are some of the important factors that may make a difference in the input structure of establishments with different sizes. The very methods of production and organization are generally different in the small units from those of large units. Product mix which affects the input structure may be different in the small units compared to the large units. In a given industry group the large units manufacture not only a wide range of products compared to small units but the very nature of products may also be different between different size groups. A dual structure may exist in an industry group even when considered at a 4 or 5 digit level, with small establishments specialising in some products and large units specialising in some others.

3. For manufacturing sectors the basic source of data is the Annual Survey of Industries (A.S.I.). While the large scale units are covered on a census basis, in this source, the small scale units are covered only on a sample basis. The input data are available for the census sector in detail but not for the sample sector. Data on only broad groups of inputs (materials consumed, fuel and power, 'other' inputs) are available for the sample sector. For evaluating input coefficients a further break up of these broad groups is necessary.

4. The office of the development commissioner, small scale industries, New Delhi, published about 390 small industry schemes

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