
Estimation of Production Function and productivity of Indian Cement Industry : (A comparison with All India Industries)

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ABSTRACT

Various forms of production functions are based on different values of elasticity's of substitution cob-Douglas production function exhibits unitary elasticity of substitution. Constant elasticity of substitution production functions due to Solow et. al. has elasticity of substitution lying between $(0 < \sigma < \infty)$ and variable elasticity of substitution production function has elasticity of substitution as a function of Capital-Labour ratio .Their empirical analysis exhibit various aspects of production analysis. The paper estimates the different forms of production functions, productivity indices and their linkages with capital intensity. Estimation of total factor productivity gives the contribution of technological changes over a given period of time.