

A Statistical Study of the Translog Production Function of sugar with Reference to Bardoli Sugar Factory

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Abstract

India is an agriculture based country where many industries are also working in India. One of the main product is Sugar and Sugar industry has developed on this basis, many factors affect to the production of Sugar. In this situation it becomes very essential to know that whether production of sugar remain constant or not? Keeping this point in view investigator decided to obtain Ordinary Least Square Estimates (OLSE) of two-inputs Translog production function of Sugar of Bardoli Sugar factory. Investigator tried to study about the progress of the production of Sugar by comparing the obtained production function with the law of constant, increasing and decreasing returns to scale of economics. Investigator collected the necessary data from the annual Reports of the Bardoli Sugar factory.

Bardoli Sugar factory was selected using purposive sampling method. While investigator applied casestudy method for the present investigation. Investigator obtained increasing returns to scale value (13.72) for Bardoli Sugar factory. Hence the production of Sugar of Bardoli Sugar factory was progressive. Moreover, investigator interpreted the R-squared value and Elasticity of output variable with respect to input variables. Investigator also test of individual and joint significance of the variable of the Production functions of Sugar. Investigator applied econometric EViews8 software for the analysis of the data. Interesting findings came into light through this investigation

Keywords: Sugarcane, Sugar factory, Translog Production function, EViews8
