



MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

***CHANGES IN***  
***METHODOLOGY AND DATA SOURCES***  
***IN THE***  
***NEW SERIES OF NATIONAL ACCOUNTS***

---

BASE YEAR 2011-12

***JUNE 2015***

# CONTENTS

**FOREWORD**

**LIST OF OFFICERS ASSOCIATED WITH NATIONAL ACCOUNTS**

**ABBREVIATIONS & NOTES**

|   |            |
|---|------------|
| <b>SECTION 1 : Introduction</b>   | <b>1</b>   |
| <b>SECTION 2: Guiding Principles for the New Series</b>   | <b>3</b>   |
| <b>SECTION 3: Changes in the Institutional Sectors</b>  | <b>29</b>  |
| <b>SECTION 4: Changes in GVA Estimates, by Industry,<br/>GDP and National Income</b>                                  | <b>60</b>  |
| <b>SECTION 5: Expenditure Aggregates, Saving and<br/>Allocation of FISIM</b>  | <b>111</b> |
| <b>SECTION 6: Summary of estimation procedure used<br/>for compilation of national accounts in<br/>the new series</b> | <b>136</b> |

## FOREWORD

The Central Statistics Office (CSO) introduced the new series of national accounts statistics with base year 2011-12, in place of the previous series with base year 2004-05 on January 30, 2015 through a Press Release, giving the New series Estimates of National Income, Consumption Expenditure, Saving and Capital Formation for the years 2011-12 to 2013-14. A brief note on the conceptual and statistical changes made in the new series of national accounts was also included in the press note.

2. The new series on National Accounts Statistics was introduced after a comprehensive review of both the database and the methodology employed in the estimation of various aggregates. Besides shifting the base year from 2004-05 to 2011-12, the series incorporates latest available data from surveys and Censuses, new economic activities, expansion of coverage of activities, improvements in procedures and to the extent possible, the latest recommendations of System of National Accounts, 2008 in the compilation of national accounts.

3. Subsequent to the release of the new series of national accounts with base year 2011-12, the Central Statistics Office brought out a publication on changes in methodology and data Sources in the new Series of National Accounts. Based on the requests received from users, the publication has now been augmented by adding a section that gives summary of estimation procedure used for compilation of national accounts in the new series. Further, the annexures given at the end of the publication have now been placed with the sections to which they pertain. The latest version of the publication is being placed on the website of the Ministry. The earlier version, marked as obsolete, will be retained on the website for ease of users.

4. This extended report, intended to provide better understanding of the new series of national accounts is the result of the sincere efforts made by the officers and staff of the National Accounts Division.

New Delhi  
26<sup>th</sup> June, 2015



(Ashish Kumar)

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## ABBREVIATIONS

|            |   |
|------------|---|
| AIDIS      | All India Debt and Investment Survey                                |
| ASI        | Annual Survey of Industries   |
| CBRI       | Central Building Research Institute                                 |
| CCS        | Cost of Cultivation Studies   |
| CFC        | Consumption of Fixed Capital  |
| CIS        | Change In Stocks  |
| CPI        | Consumer Price Index  |
| CPI (AL)   | CPI (Agricultural Labourers)  |
| CPI (IW)   | CPI (Industrial Workers)  |
| CPI (UNME) | CPI (Urban Non-Manual Employees)                                    |
| CSO        | Central Statistics Office   |
| DCU/DE     | Departmental Commercial Undertaking/Departmental Enterprises        |
| DES        | State Directorates of Economics and Statistics                      |
| DGET       | Directorate General of Employment and Training                      |
| DMI        | Directorate of Marketing & Inspection                               |
| EUS        | Employment and Unemployment Survey                                  |
| FISIM      | Financial Intermediation Services Indirectly Measured               |
| GCF        | Gross Capital Formation   |
| GDP        | Gross Domestic Product  |
| GFCE       | Government Final Consumption Expenditure                            |
| GFCF       | Gross Fixed Capital Formation                                       |
| GG         | General Government  |
| GVO        | Gross Value of Output   |
| HS         | Harmonised System of Classification of Commodities and Codes        |
| ICFRE      | Indian Council for Forest Research Education                        |
| IMF        | International Monetary Fund   |
| IOT        | Input Output Tables   |
| LI         | Labour Input  |
| MCA        | Ministry of Corporate Affairs                                       |
| MF         | Mutual Funds  |
| NABARD     | National Bank for Agriculture and Rural Development                 |
| NAS        | National Accounts Statistics  |
| NASSCOM    | The National Association of Software and Service Companies          |
| NDCU/NDE   | Non-Departmental Commercial Undertaking/Non-Departmental Enterprise |
| NDP        | Net Domestic Product  |
| NFCS       | Net Fixed Capital Stock   |
| NGNBFC     | Non-Government Non-Banking Financial Companies                      |
| NIC        | National Industrial Classification                                  |

|           |  |
|-----------|--|
| NNI       | Net National Income                                      |
| NPCMS     | National Product Classification for Manufacturing Sector |
| NPI       | Non-Profit Institutions                                  |
| NRCM      | National Research Centre on Meat                         |
| NSS       | National Sample Survey                                   |
| NSSO      | National Sample Survey Office                            |
| NVA       | Net Value Added  |
| OECD      | Organisation for Economic Cooperation and Development    |
| PFCE      | Private Final Consumption Expenditure                    |
| PIM       | Perpetual Inventory Method                               |
| RBI       | Reserve Bank of India                                    |
| NRB & OCW | Non-Residential Buildings and Other Construction Works   |
| ROW       | Rest of the World  |
| RRB       | Rural Residential Buildings                              |
| SNA       | System of National Accounts                              |
| TTM       | Trade and Transport Margins                              |
| UTI       | Unit Trust of India                                      |
| VAPW      | Value Added Per Worker                                   |
| VAPEW     | Value Added Per Effective Worker                         |
| WPI       | Wholesale Price Index                                    |

## NOTES

1. Percentage differences in this Report have been taken with reference to the earlier series.

$$\% \text{ Diff} = \left\{ \frac{(\text{Est. of } (2011-12) \text{ Series} - \text{Est. of } (2004-05) \text{ Series})}{(\text{Est. of } (2004-05) \text{ Series})} \right\} \times 100$$

2. Total in the Tables of this publication may not tally due to rounding off.

**NEW SERIES OF  
NATIONAL ACCOUNTS STATISTICS  
(BASE YEAR: 2011-12)**

**Introduction**

1.1. The first set of estimates of national income for the entire Indian Union was compiled by the 'National Income Committee', a High Powered Expert Committee set up by the Government of India under the Chairmanship of Prof. P.C. Mahalanobis in 1949. The estimates of national income and details of methodology adopted by the Committee were published in the First and Final reports of the National Income Committee brought out in April 1951 and February 1954 respectively (available on MOSPI's website <http://mospi.gov.in>).

1.2. Following the methodology recommended by the National Income Committee, the Central Statistics Office, earlier called the Central Statistical Organisation (CSO) prepared the first official estimates of national income with base year 1948-49 at constant prices. The CSO published these estimates at constant (1948-49) prices alongwith the corresponding estimates at current prices and the accounts of the Public Authorities in the publication, "*Estimates of National Income*" in 1956. With the gradual improvement in the availability of basic data over the years, a comprehensive review of methodology for national accounts statistics has constantly been undertaken by the CSO with a view to updating the data base and shifting the base year to a more recent year. The base year of national accounts were revised in the following chronological order:

- i. From 1948-49 to 1960-61 in August 1967;
- ii. From 1960-61 to 1970-71 in January 1978;
- iii. From 1970-71 to 1980-81 in February 1988;
- iv. From 1980-81 to 1993-94 in February 1999;
- v. From 1993-94 to 1999-2000 in January 2006;
- vi. From 1999-2000 to 2004-05 in January 2010; and
- vii. From 2004-05 to 2011-12 on January 30, 2015.

Alongwith the shifting of base years of national accounts series, the CSO also had been making improvements in the compilation of national accounts series, in terms of coverage of activities, incorporation of latest datasets and latest international guidelines.

1.3. The reason for changing the base year of the national accounts periodically is to take into account the structural changes which have been taking place in the economy and to depict a true picture of the economy through macro aggregates like Gross Domestic Product (GDP), National Income, consumption expenditure of Government and individuals, capital formation etc. For examining the performance of the economy in real

terms, estimates of these macro-economic aggregates are prepared at the prices of selected year known as base year. The estimates at the prevailing prices of the current year are termed as "at current prices", while those prepared at base year prices are termed as "at constant prices". The comparison of the estimates at constant prices, which means "in real terms", over the years gives the measure of real growth.

1.4. In Section 2 of the Brochure, the guiding principles behind the changes made in the compilation of national accounts in the New Series, including the reasons for choosing 2011-12 as the base year, have been spelt. The details of changes made in each of the institutional sectors – General Government, Non-Financial Corporations, Financial Corporations and Households – are given in Section 3. Other changes in industry/item level in the industry-wise estimates of Gross Value Added (GVA) and expenditure aggregates of Gross Domestic Product (GDP) have been presented in Sections 4 and 5 respectively. After Section 5, few important statements of the new series of national accounts have been presented. Wherever possible, a comparison of estimates with the old series (base year 2004-05) has been provided in this Brochure.

1.5. The brochure presents, in brief, the changes made from the earlier series, and therefore, it does not dwell much on the details of the compilation procedure, especially in cases where no changes have been made in the new series. For a more detailed explanation of the sources and methods used in all such cases, users are requested to refer to the publication, "National Accounts Statistics: Sources and Methods, 2012", which is available on the website of the Ministry of Statistics and Programme Implementation at <http://mospi.gov.in>.

## SECTION 2

### Guiding Principles for the New Series

2.1. The three major components influencing the present revision exercise include (i) revision of base year to a more recent year (for meaningful analysis of structural changes in the economy in real terms), (ii) complete review of the existing data base and methodology employed in the estimation of various macro-economic aggregates including choice of the alternative databases on individual subjects and (iii) to the extent feasible, implementing the international guidelines on the compilation of national accounts, the System of National Accounts (SNA), 2008 prepared under the auspices of the Inter Secretariat Working Group on National Accounts comprising of the European Communities (EUROSTAT), International Monetary Fund (IMF), Organisation for Economic Cooperation and Development (OECD), United Nations and the World Bank.

#### ***Choice of 2011-12 as the Base Year***

2.2. In the past, National Accounts Statistics were revised decennially changing the base to a year, which ends with 1. With the informal/unorganised sector playing a major role in the Indian economy, this was primarily because in the base year estimates of national accounts aggregates, the work force estimates especially that for the unorganised sector were obtained from the Population Census conducted decennially in the years ending with 1. This practice continued upto the series with base year 1980-81.

2.3. Since the 1993-94 series, the CSO started using the work force estimates from the results of Quinquennial Employment and Unemployment Surveys of National Sample Survey Organisation (NSSO), which are conducted once in every five years, and consequently started revising the base years of national accounts statistics once in every five years coinciding with the years for which the NSSO conducts the Quinquennial Employment and Unemployment Surveys (EUS). The National Statistical Commission has also recommended that all economic indices should be rebased at least once in every five years.

2.4. The NSS 61<sup>st</sup> Round Quinquennial EUS conducted in the year 2004-05, on which the previous series of national accounts was based, was followed by a quinquennial EUS in 2009-10. However, the year was not considered a "normal" year since it succeeded the global slowdown of 2008. Therefore, a fresh EUS was conducted in 2011-12. The results of this survey have been used for the compilation of the estimates in the new series with base year 2011-12, released on 30<sup>th</sup> January, 2015<sup>1</sup>.

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<sup>1</sup> Press Release on the New Series of National Accounts, released on January 30, 2015  
[http://mospi.nic.in/Mospi\\_New/upload/nad\\_press\\_release\\_30jan15.pdf](http://mospi.nic.in/Mospi_New/upload/nad_press_release_30jan15.pdf)

### **Improvements in coverage**

2.5. **Corporate Sector** – In the 2004-05 series, the Private Corporate Sector was being covered using the RBI Study on Company Finances, wherein estimates were compiled on the basis of financial results of around 2500 companies. In the new series, comprehensive coverage of Corporate Sector has been ensured in mining, manufacturing and services by incorporation of annual accounts of companies as filed with the Ministry of Corporate Affairs (MCA) under their e-governance initiative, MCA21. Accounts of about 5 lakh companies have been analysed and incorporated for the years 2011-12 and 2012-13, while the number of common companies (companies for which accounts are available for the year 2012-13) is around 3 lakh for the year 2013-14.

2.6. **Financial Corporations** – Financial corporations in the private sector, other than banking and insurance, in the earlier series was limited to a few mutual funds and estimates for the Non-Government Non-Banking Finance Companies as compiled by RBI. In the new series, the coverage of financial sector has been expanded by including stock brokers, stock exchanges, asset management companies, mutual funds and pension funds, as well as the regulatory bodies, SEBI, PFRDA and IRDA.

2.7. **Local bodies and autonomous institutions** – Earlier, estimates for local bodies and autonomous institutions were prepared on the basis of information received for seven autonomous institutions and local bodies of four States – Delhi, Himachal Pradesh, Meghalaya and Uttar Pradesh. In the new series, there has been an improved coverage of local bodies and autonomous institutions, covering around 60% of the grants/transfers provided to these institutions.

### **Use of results of recent surveys and censuses and type studies**

2.8. In the new series, efforts have been made to make use of as much current data as possible. Further, the results of latest available surveys have also been made use of. Some of the important sources of data, which have been used in the new series, are as follows:

- (i) NSS 68<sup>th</sup> round (2011-12) – Survey on employment and unemployment and consumer expenditure;
- (ii) NSS 67<sup>th</sup> round (2010-11) - Survey on Unincorporated Non-agricultural Enterprises (Excluding Construction);
- (iii) All India Livestock Census, 2012;
- (iv) NSS 70<sup>th</sup> round (2013) - All India Debt and Investment Survey and Situation Assessment Survey;
- (v) House-listing and Housing Census, 2010 and Population Census, 2011;
- (vi) Study on yield rates of meat products & by-products of different livestock species conducted by National Research Centre on Meat, Hyderabad;
- (vii) Study on the inputs in the Construction sector by Central Building Research Institute (CBRI), Roorkee; and

- (viii) Study on 'Harvest and Post-harvest losses of major crops and livestock products in India' conducted by Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana.

### **Consultation with Expert Bodies**

2.9. The Advisory Committee on National Accounts Statistics (ACNAS) under the chairmanship of Prof.K.Sundaram, constituted the following sub-committees to look into the issues in the compilation of national accounts and make necessary recommendations for the new series of national accounts:

- a) Sub-Committee on Unorganised Manufacturing & Services Sectors  
Chairman: Prof.K.Sundaram
- b) Sub-Committee on Agriculture and Allied Sectors  
Chairman: Prof. S. Mahendra Dev
- c) Sub-Committee on Private Corporate Sector including PPPs  
Chairman: Prof.B.N.Goldar
- d) Sub-Committee on System of Indian National Accounts  
Chairman: Dr.A.C.Kulshreshtha
- e) Committee on Private Final Consumption Expenditure  
Chairman: Prof.A.K.Adhikari

2.10. The reports of the above-mentioned Sub-Committees are available on the website of the Ministry, <http://mospi.gov.in>.

### ***Implementation of 2008 SNA***

2.11. While revising the base year, efforts have also been made to implement the recommendations of the System of National Accounts (SNA) 2008 to the extent data are available. Some of the recommendations which presently form part of the new series are:

- i. Valuation of various GVA, NVA and related aggregates at basic prices and GDP at market prices instead of factor cost.
- ii. Estimates of the institutional sectors – Non-financial and financial Corporations, General Government and households are shown separately, in view of their 'intrinsic difference in their economic objectives, functions and behaviour'.
- iii. Distinction between General Government and public corporations has been made and units have been allocated to institutional sectors so that general government and other public units can be identified separately.
- iv. Unincorporated enterprises belonging to households, which have complete sets of accounts, tend to behave in the same way as corporations. Therefore, as recommended by SNA 2008, such enterprises have been treated as quasi-corporations. Some examples of quasi-corporations in the Indian context are proprietorship and partnership enterprises, maintaining accounts.

- v. The head office has been allocated to the non-financial corporations sector unless all or most of its subsidiaries are financial corporations, in which case it is treated as a financial auxiliary in the financial corporations sector. In the 2004-05 series, the recommendation had been adopted for service sector wherein GVA estimates were compiled from enterprises in this sector. In the new series, this approach has been adopted for the mining and organised manufacturing sectors also.
- vi. Sub-sectoring of Non-Profit Institutions (NPIs) in the corporate and government sectors has been done in respect of autonomous bodies and Section 25 companies.
- vii. Expenditure on Research & Development (R&D) has been capitalised in Government, Public Corporations and Private Corporations and hence has become part of capital formation.
- viii. Financial Intermediation Services Indirectly Measured (FISIM) has been calculated using a reference rate for units engaged in financial intermediation.
- ix. Output of central bank (RBI) is measured at cost.
- x. Non-financial assets in the earlier series were classified as 'construction' and 'machinery'. In the new series, as recommended by SNA2008, non-financial assets have been classified as 'dwellings, other buildings and structures', 'machinery and equipment', 'cultivated biological resources' and 'intellectual property products'.
- xi. Consumption of fixed capital has been measured at the average prices of the period with respect to a constant-quality price index of the asset concerned.
- xii. Harmonisation between SNA and BPM in respect of the external sector transactions has been achieved since RBI has adopted BPM6 in its compilation.

2.12. In view of the implementation of the above-mentioned recommendations of SNA 2008, specifically those stated at (ii), (iii) and (iv) above, the classification of enterprises in the new series has undergone change. The details of the institutional sector classification are given below:

#### I. Organised Sector

- a. General Government
- b. Public Financial/Non-Financial Corporations
  - 1. Departmental Enterprises (DE) or Departmental Commercial Undertakings (DCU)
  - 2. Non-Departmental Enterprises (NDE) or Non-Departmental Commercial Undertakings (NDCUs)
- c. Private Financial/Non-Financial Corporations
  - 1. Private Incorporated Enterprises
  - 2. Quasi-corporations

These include -

- i. Crop production in plantations, other than those covered in private corporate sector
- ii. Unincorporated Enterprises covered in Annual Survey of Industries
- iii. Unincorporated enterprises of manufacturing that are not covered under ASI but maintain accounts
- iv. Co-operatives providing non-financial services
- v. Unincorporated enterprises providing non-financial services maintaining accounts
- vi. Unorganised financial enterprises

The following points need to be noted with reference to this categorization of organised sector-

- In the earlier series, only quasi-corporations under (i), (ii) and (iv) above were included in the organised sector.
- 'Registered Manufacturing' in the national accounts earlier referred to DEs and all factories registered under the Factories Act under Section 2m(i) & 2m(ii) employing more than 10 workers with power or 20 workers without power. Therefore, apart from factories of the Incorporated Enterprises, it also included factories of unincorporated enterprises which were registered under the Factories Act. The organised manufacturing sector in this series is a super-set of the registered sector.

## II. Households or Unorganised sector

- a. Enterprises not covered in 'I' above, i.e, all non-Government Unincorporated Enterprises that have not been classified as quasi-corporations – *Includes Non-Profit Institutions Serving Households (NPISH)*

2.13. The estimates of GVA at basic prices, by industry and by institutional sector, are given at ***Annexure 2.1***.

### ***Methodological Changes in Compilation***

#### ***Estimation of GVA for the unincorporated manufacturing and non-financial enterprises***

2.14. In the absence of annual enterprise surveys, the GVA estimates in respect of unorganised segments of manufacturing and services sectors are compiled indirectly through Labour Input Method (LI Method) using the benchmark-indicator procedure. In this procedure, the benchmark GVA estimates are initially prepared at detailed activity level for the base year of national accounts series using the estimated labour input

(which is the total of principal and subsidiary activity of workers engaged in the activity) and the value added per worker (VAPW) in the activity. For subsequent years, the GVA is estimated by extrapolation using appropriate indicators relevant to the economic activity. Therefore, for estimation of GVA for these unorganised segments of economy, data on labour input and VAPW are required for the base year. It is pertinent to mention here that the labour input used in the national accounts relates to the number of jobs performed in the economic activities, rather than the number of persons employed. This means that a person performing two jobs is counted twice in the labour input procedure. This labour input corresponds conceptually to the labour input used in estimating the value added per worker from the NSS enterprise surveys.

2.15. In the national accounts statistics, the estimates of value added are compiled at detailed activity level, known as 'compilation categories'. These compilation categories are determined by regrouping the economic activities at different levels described in the National Industrial Classification (NIC), 2008, which, in turn, follows the International Standards Industrial Classification of All Economic Activities, Rev.4 (ISIC Rev.4) of the United Nations. The complete list of compilation categories of national accounts in the new (2011-12) series is given in **Annexure 2.2**. There are some differences in compilation categories in 2011-12 from 2004-05 due to change of NIC from NIC, 2004 to NIC, 2008. Major differences are given below:

- i. The activities, 'Recycling of metal waste and scrap + non-metal waste and scrap', which was earlier part of manufacturing and 'Sewerage and other waste management services' have been clubbed to form the category 'Remediation and other utility services', and will be reflected in the group 'Electricity, gas, water supply and other utility services'.
- ii. 'Repair of computers', which was earlier part of computer related activities, to be a part of 'Repair of personal and household goods' and reflected in 'Trade & Repair Services'.
- iii. 'Recording, Publishing and Broadcasting Services' to form a new category, and reflected in the group 'Communication & Services related to broadcasting'.
- iv. Sewage activities removed from services sector and made a part of Electricity, Gas, Water Supply and Utility Services.

2.16. In the new series, a new method called "**Effective Labour Input Method**" (**ELI Method**) has been adopted for the following enterprises:

- All unincorporated manufacturing enterprises, except those covered under the Annual Survey of Industries
- Unincorporated service enterprises, except those of 'Trade & Repair Services', 'Hotels and Restaurants', 'Non-mechanized Road transport' and 'Telecommunication'.

2.17. In the Labour Input Method (LI Method), as was being used in the earlier series, while compiling GVAPW from the Enterprise Survey, it is assumed that there is equal contribution from all categories of workers engaged in an economic activity i.e. the productivity of an employer, a casual wage worker, or a family worker is equal. The new method addresses differential labour productivity issue by assigning weights to the different categories of workers engaged in an economic activity based on their productivity. The weights were compiled using the data on establishments covered in the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 (hereinafter referred to as ES). A nested Cobb-Douglas function has been used for computing the weights of different categories of workers.

$$\text{Model Expression: } Y = A K^{\beta} [L2 + \delta_1 L1 + \delta_2 L3]^{\alpha} \quad - \quad (1)$$

2.18. After taking the natural log of eq. 1 and adding a dummy variable representing the sector (rural, urban),

$$\text{Log } Y = \text{Log } A + \beta \text{ Log } K + \alpha \text{ Log } [L2 + \delta_1 L1 + \delta_2 L3] + YS \quad - \quad (2)$$

Where,  $Y = \text{GVA}$

$K = \text{capital}$

$L1 = \text{Owner}$

$L2 = \text{Hired worker (formal + informal)}$

$L3 = \text{Helper}$

$S = \text{Dummy variable for sector (Rural} = 0, \text{Urban} = 1)$

2.19. The coefficients of labour terms,  $\delta_1$  and  $\delta_2$ , in this equation give the relative marginal productivities which are used as conversion factors for conversion of "owners" and "helpers" in terms of hired worker for computation of "effective labour input".

2.20.  $\delta_1$  and  $\delta_2$  in equation (2) are the conversion factors (or relative marginal productivity) of the owner and helper categories of workers respectively in terms of hired worker. For e.g.  $\delta_1 = 0.5$  implies that 10 owners are equivalent to 5 hired workers.

2.21.  $\delta_1$  and  $\delta_2$  were used for computing the GVA per effective worker = GVA from 67<sup>th</sup> round/  $[L2 + \delta_1 L1 + \delta_2 L3]$ . The same conversion factors were used on the number of different types of workers as estimated from NSS 68<sup>th</sup> round Employment and Unemployment Survey (EUS) (duly adjusted for population, as per Population Census, 2011) for getting the effective LI engaged in that activity/category.

2.22. The NSS 67<sup>th</sup> round ES collected, inter alia, data on employment for four categories of labour viz. i) working owner-801; ii) formal hired worker-802; iii) informal hired worker-803; iv) other worker/helper-804. The NSS 68<sup>th</sup> round EUS classifies the status of workers as - "worked in h.h. enterprise (self-employed): own account worker - 11, employer-12, worked as helper in h.h. enterprise (unpaid family worker) -21;

worked as regular salaried/ wage employee -31, worked as casual wage labour: in public works-41, in other types of work-51”.

2.23. The concordance between the codes given for workers in the 68<sup>th</sup> round EUS (2011-12) and the 67<sup>th</sup> round ES (2010-11) is given as under:

| Sl.No. | Description           | Code in EUS | Code in ES |
|--------|-----------------------|-------------|------------|
| 1.     | working owner         | 11 & 12     | 801        |
| 2.     | formal hired worker   | 31          | 802        |
| 3.     | informal hired worker | 51          | 803        |
| 4.     | other worker/helper   | 21          | 804        |

2.24. The GVA adjusted for labour productivity (Effective GVA) was then computed as the product of Effective LI from EUS and GVA per effective worker from ES. This method, referred to as "**effective LI method**" was adopted for the unorganised manufacturing as a whole. Effective LI method was used for the unincorporated enterprises of mechanized road transport, services incidental to transport, courier services, cable operators, professional, scientific & technical activities, activities of membership organisations and all categories of personal services.

2.25. The Effective LI method based on establishment was modified in a few categories of non-financial services, namely, education, health, water transport, storage, real estate, renting of machinery, computer & related services, legal and accounting services, by using effective LI and the GVA per effective worker (GVAPW) of rural establishments and urban directory establishments, as the case may be. This method would be referred to as "**modified effective LI method**".

$$\text{GVA} = \text{Effective LI (Rural)} \times \text{GVAPW (Rural Establishments)} \\ + \text{Effective LI (Urban)} \times \text{GVAPW (Urban Directory Establishments)}$$

2.26. In some other categories, namely, Trade & repair services, Hotels and Restaurants and Non-mechanized Road transport, telecommunication, where it was felt that the productivity of different categories of labour may not have a significant impact on GVA, especially in the unorganised segment, the "**LI method**" was used as below:

$$\text{GVA} = \text{LI (Rural)} \times \text{GVAPW (Rural Establishments)} \\ + \text{LI (Urban)} \times \text{GVAPW (Urban Directory Establishments)}$$

2.27. It may be worthwhile to note that in urban areas GVAPW/GVAPW for Directory Establishments (having 6 or more workers) has been used since most of the establishments in urban areas are Directory Establishments. This is also in consonance with the practice adopted in previous series.

2.28. The estimates of GVAPW and LI for the unorganised manufacturing and non-financial service sector enterprises for the base year 2011-12, which have been computed using either of the above-mentioned methods, are given in **Annexure 2.3**.

2.29. The enterprise survey collects information on whether the enterprise is maintaining books of accounts or not. As recommended by SNA 2008, all these unincorporated enterprises have been classified as quasi-corporations, if they are maintaining accounts, otherwise as household enterprises. Estimate of GVA from quasi-corporations have been added to GVA of incorporated enterprises in case of non-financial corporations.

2.30. The list of indicators used for estimation of GVA in the subsequent years for the enterprises of manufacturing is given in **Annexure 2.4**, while those for the unorganised non-financial services is given in **Annexure 2.5**.

### ***Other changes in the compilation procedure***

2.31. Some of the other key changes that have been incorporated in the new series of national accounts are described in the following paragraphs.

#### **(1) *FISIM***

2.32. In the earlier series, Financial Intermediation Services Indirectly Measured (FISIM), which gives an estimate of the 'net interest margin' of the financial corporations, was based on the difference between total property receipts (dividend+ interest+ net profit on sale of investments) and total interest payments by the financial corporations. In the new series, as recommended in the SNA 2008, the estimates of FISIM have been compiled, using the Reference Rate (RR) approach<sup>2</sup>.

#### **(2) *Output of RBI***

2.33. The estimates of GVA of the Central Bank, i.e., the Reserve Bank of India (RBI), in the earlier series were computed using a mix of market and non-market approach. The issue department of the RBI was considered as non-market and a part of the General Government. The banking operations of the RBI were considered as market operations. In the new series, the entire operation of the RBI has been considered as non-market, as recommended in the SNA 2008 and the value of its output has been computed using the cost approach<sup>3</sup>.

#### **(3) *Unorganised financial enterprises (other than insurance agents)***

2.34. In the financial services, in the 2004-05 series, the GVA of the unorganised sector was estimated as a fixed ratio (1/3<sup>rd</sup>) of the GVA of Government Companies and

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<sup>2</sup> See Paragraph 3.20 for more details

<sup>3</sup> See Paragraph 3.21 for more details

the Non-Government Non-Banking Financial Companies (NGNBFCs). This sector consisted of private moneylenders and unincorporated financial enterprises. In the new series, the estimates for private moneylenders have been derived using the information available from the NSS 70<sup>th</sup> round All India Debt and Investment Survey (AIDIS), 2013, RBI's annual publication - Basic Statistical Returns of Scheduled Commercial Banks in India, RBI's "Report of the Technical Group to review legislations on moneylenders", 2007 and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. For the remaining unorganised financial enterprises, the estimates of GVA have been derived from NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11.

(4) ***Sand***

2.35. The estimate of 'extraction of sand' as part of minor minerals in the earlier series was found to be negligible as compared to its apparent use in construction. Therefore, in the new series, an indirect estimate of the value of output of 'extraction of sand' at basic prices has been derived through the value of commodities used for 'construction'.

(5) ***Inclusion of construction materials as basic materials***

2.36. Two new construction materials, namely, bitumen & bitumen mixtures and glass & glass products have been included in the list of basic materials used for estimation of value of output of construction activity. The output for these items has been derived from the Annual Survey of Industries, 2011-12. In addition, for the output of glass & glass products, information has also been taken from the manufacturing enterprises covered in NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. Due adjustments are then made on these estimates of output for excise duty, net imports and import duty, as also the value of these products used in the manufacturing sector as inputs, to derive the estimates of these two materials as used in construction.

(6) ***Use of Consumer Price Indices – Rural/Urban/Combined***

2.37. Price indices are used for compiling the estimates in two cases – (i) as a deflator when current price estimates are available through firm data sources (e.g. annual financial reports) and (ii) for converting the constant price estimate to that at current prices, when quantum indicators are used in compilation. In the earlier series, CPI-AL/IW was being used as an indicator for the movement in retail prices. In the new series, these have been replaced by the more broad based CPI-Rural/Urban/Combined, which have since become available.

**ANNEXURE 2.1****GVA AT BASIC PRICES FOR THE YEAR 2011-12  
By Industry and Institutional Sector****(Rs. crore)**

| <b>S. No.</b> | <b>Item</b>  | <b>GG</b>     | <b>DE</b>     | <b>NDE</b>    | <b>Pvt. Corp</b> | <b>HH</b>      | <b>Total</b>   |
|---------------|--|---------------|---------------|---------------|------------------|----------------|----------------|
| 1.            | Agriculture, forestry and fishing                                    |               | 40171         | 2077          | 37002            | 1426330        | 1505580        |
| 1.1           | Crops  |               | 31678         | 1130          | 34751            | 919045         | 986604         |
| 1.2           | Livestock  |               |               |               | 1159             | 322854         | 324013         |
| 1.3           | Forestry and logging   |               | 8493          | 926           | 174              | 119512         | 129105         |
| 1.4           | Fishing and aquaculture  |               |               | 21            | 918              | 64919          | 65858          |
| 2.            | Mining and quarrying   |               |               | 161810        | 43508            | 57495          | 262813         |
| 3.            | Manufacturing  |               | 27344         | 105779        | 1169029          | 180006         | 1482158        |
| 3.1           | Food Products, Beverages and Tobacco                                 |               | 984           | 11334         | 115240           | 36653          | 164211         |
| 3.2           | Textiles, Apparel and Leather Products                               |               |               | 63            | 101673           | 47959          | 149695         |
| 3.3           | Metal Products   |               | 3093          | 19436         | 246017           | 26281          | 294827         |
| 3.4           | Machinery and Equipment  |               | 18057         | 28541         | 254695           | 15193          | 316486         |
| 3.5           | Other manufactured Goods   |               | 5210          | 46405         | 451404           | 53920          | 556939         |
| 4.            | Electricity, gas, water supply & other utility services              | 19166         | 10058         | 111072        | 48060            | 6047           | 194403         |
| 5.            | Construction   | 42781         | 11758         | 3455          | 131547           | 584552         | 774093         |
| 6.            | Trade, repair, hotels and restaurants                                |               | 255           | 20430         | 367055           | 495217         | 882957         |
| 6.1           | Trade & repair services  |               | 255           | 19797         | 327650           | 445294         | 792996         |
| 6.2           | Hotels & restaurants   |               |               | 634           | 39404            | 49924          | 89962          |
| 7.            | Transport, storage, communication & services related to broadcasting |               | 76692         | 52552         | 193297           | 207622         | 530163         |
| 7.1           | Railways   |               | 59928         | 1255          | 27               |                | 61210          |
| 7.2           | Road transport   |               | 3004          | 17646         | 44846            | 195392         | 260888         |
| 7.3           | Water transport  |               | 655           | 454           | 5054             | 1029           | 7193           |
| 7.4           | Air transport  |               | 50            | 980           | 3424             |                | 4454           |
| 7.5           | Services incidental to transport                                     |               | 369           | 9975          | 50247            | 2982           | 63573          |
| 7.6           | Storage  |               |               | 1935          | 2589             | 768            | 5292           |
| 7.7           | Communication & services related to broadcasting                     |               | 12686         | 20307         | 87109            | 7451           | 127553         |
| 8.            | Financial services   |               | 5627          | 244178        | 230427           |                | 480232         |
| 9.            | Real estate, ownership of dwelling & professional services           | 1704          |               | 3385          | 459268           | 594985         | 1059342        |
| 10.           | Public administration and defence                                    | 492405        |               |               |                  |                | 492405         |
| 11.           | Other services   | 238919        |               | 617           | 165067           | 126796         | 531398         |
|               | <b>TOTAL GVA at basic prices</b>                                     | <b>794975</b> | <b>171905</b> | <b>705356</b> | <b>2844259</b>   | <b>3679050</b> | <b>8195546</b> |

**COMPILATION CATEGORIES ADOPTED IN NEW SERIES (B.Y. 2011-12) AND  
THEIR CONCORDANCE WITH NIC 2008**

| <b>Sl. No.</b> | <b>Compilation Category</b>   | <b>NIC 2008</b> |
|----------------|---|-----------------|
| <b>1.</b>      | <b>Agriculture, forestry &amp; fishing</b>  |                 |
| 1.1.           | Crops & Livestock   | 01              |
| 1.2.           | Forestry  | 02              |
| 1.3.           | Fishing & aquaculture   | 03              |
| <b>2.</b>      | <b>Mining &amp; quarrying</b>   | <b>05-09</b>    |
| <b>3.</b>      | <b>Manufacturing</b>  |                 |
| <b>3.1.</b>    | <b><i>Manufacturing of food products, beverages and tobacco</i></b>                     |                 |
| 3.1.1.         | Production, processing and preservation of meat, fish, fruit, vegetables, oils and fats | 101-104         |
| 3.1.2.         | Manufacture of dairy products   | 105             |
| 3.1.3.         | Manufacture of grain mill products, etc. and animal feeds                               | 106+108         |
| 3.1.4.         | Manufacture of other food products  | 107             |
| 3.1.5.         | Manufacture of beverages  | 11              |
| 3.1.6.         | Manufacture of tobacco products   | 12              |
| <b>3.2.</b>    | <b><i>Manufacturing of textiles, apparel &amp; leather products</i></b>                 |                 |
| 3.2.1.         | Manufacture of textiles + cotton ginning  | 13+01632        |
| 3.2.2.         | Manufacture of wearing apparel, except custom tailoring                                 | 14-14105        |
| 3.2.3.         | Manufacture of leather and related products   | 15              |
| <b>3.3.</b>    | <b><i>Manufacturing of metal products</i></b>   |                 |
| 3.3.1.         | Manufacture of Basic Iron and Steel + Casting of iron and steel                         | 241+2431        |
| 3.3.2.         | Manufacture of basic precious and non-ferrous metals + Casting of non-ferrous metals    | 242+2432        |
| 3.3.3.         | Manufacture of fabricated metal products, except machinery and equipment                | 25              |
| <b>3.4.</b>    | <b><i>Manufacturing of machinery and equipment</i></b>                                  |                 |
| 3.4.1.         | Manufacture of electronic component, consumer electronics, magnetic and optical media   | 261+264+268     |

| <b>Sl. No.</b> | <b>Compilation Category</b>  | <b>NIC 2008</b>                        |
|----------------|--|--|
| 3.4.2.         | Manufacture of computer and peripheral equipment   | 262                                    |
| 3.4.3.         | Manufacture of communication equipment   | 263                                    |
| 3.4.4.         | Manufacture of optical and electronics products n.e.c  | 265+266+267                            |
| 3.4.5.         | Manufacture of Electrical equipment  | 27                                     |
| 3.4.6.         | Manufacture of machinery and equipment n.e.c   | 28                                     |
| 3.4.7.         | Manufacture of Transport   | 29+30                                  |
| <b>3.5.</b>    | <b><i>Manufacturing of other goods</i></b>   |  |
| 3.5.1.         | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting material | 16                                     |
| 3.5.2.         | Manufacture of paper and paper products  | 17                                     |
| 3.5.3.         | Printing and reproduction of recorded media except publishing  | 18                                     |
| 3.5.4.         | Manufacture of coke and refined petroleum products   | 19                                     |
| 3.5.5.         | Manufacture of chemical and chemical products except pharmaceuticals, medicinal and botanical products                         | 20                                     |
| 3.5.6.         | Manufacture of pharmaceutical; medicinal chemicals and botanical products  | 21                                     |
| 3.5.7.         | Manufacture of rubber & plastic products   | 22                                     |
| 3.5.8.         | Manufacture of other non-metallic mineral products   | 23                                     |
| 3.5.9.         | Manufacture of furniture   | 31                                     |
| 3.5.10.        | Other Manufacturing  | 32                                     |
| 3.5.11.        | Repair and installation of machinery and equipment   | 33                                     |
| <b>4.</b>      | <b>Electricity, gas, water supply and other utility services</b>   |  |
| 4.1.           | Electricity  | 351                                    |
| 4.2.           | Gas – Manufacture & distribution   | 352+353                                |
| 4.3.           | Water Supply   | 36                                     |
| 4.4.           | Sewerage, waste management and remediation activities  | 37,38,39                               |
| <b>5.</b>      | <b>Construction</b>  | <b>Industry divisions<br/>41,42,43</b> |
| <b>6.</b>      | <b>Trade, repair, hotels &amp; restaurants</b>   |  |
| <b>6.1.</b>    | <b>Trade &amp; repair services</b>   |  |

| <b>Sl. No.</b> | <b>Compilation Category</b>  | <b>NIC 2008</b> |
|----------------|--|-----------------|
| 6.1.1.         | Trade and repair of motor vehicles (including motor cycles) and retail sale of automotive fuel | 45+473          |
| 6.1.2.         | Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets       | 46+92001        |
| 6.1.3.         | Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets        | 47-473+92002    |
| 6.1.4.         | Repair of computers and personal and household goods   | 95              |
| <b>6.2.</b>    | <b>Hotels &amp; Restaurants</b>  | <b>55, 56</b>   |
| <b>7.</b>      | <b>Transport, storage, communication &amp; services related to broadcasting</b>                |                 |
| <b>7.1.</b>    | <b>Transport</b>   |                 |
| 7.1.1.         | Transport via Railways   | 491             |
| 7.1.2.         | Road transport   | 492             |
| 7.1.2.1.       | Mechanized Road Transport  | 492-49226-49232 |
| 7.1.2.2.       | Non-mechanized Road Transport  | 49226+49232     |
| 7.1.3.         | Water Transport  | 50              |
| 7.1.4.         | Air Transport  | 51              |
| 7.1.5.         | Services incidental to transport   | 522             |
| <b>7.2.</b>    | <b>Storage</b>   | <b>521</b>      |
| <b>7.3.</b>    | <b>Communication &amp; services related to broadcasting</b>                                    |                 |
| 7.3.1.         | Postal activities  | 531             |
| 7.3.2.         | Courier activities   | 532             |
| 7.3.3.         | Activities of cable operators  | 61103           |
| 7.3.4.         | Telecommunication  | 61-61103        |
| 7.3.5.         | Recording, Publishing and Broadcasting services  | 58,59,60        |
| <b>8.</b>      | <b>Financial Services</b>  | <b>64,65,66</b> |
| <b>9.</b>      | <b>Real estate, ownership of dwellings and professional services</b>                           |                 |
| <b>9.1.</b>    | <b>Real estate and ownership of dwellings</b>  | <b>68</b>       |
| 9.1.1.         | Real Estate activities   | 68 – 681 (p)    |
| 9.1.2.         | Ownership of dwellings   | 681 (p)         |
| <b>9.2.</b>    | <b>Professional services</b>   |                 |
| 9.2.1.         | Computer and information related services  | 62,63           |
| 9.2.2.         | Professional, scientific and technical activities (including R&D)                              | 70 to 75        |
| 9.2.3.         | Administrative & support service activities and other professional activities                  |                 |

| <b>Sl. No.</b> | <b>Compilation Category</b>   | <b>NIC 2008</b>             |
|----------------|---|-----------------------------|
| 9.2.3.1.       | Legal activities  | 691                         |
| 9.2.3.2.       | Accounting & book keeping activities                                      | 692                         |
| 9.2.3.3.       | Rental and leasing services   | 77                          |
| 9.2.3.4.       | Administrative and support services excluding rental and leasing services | 78 to 82                    |
| <b>10.</b>     | <b>Public Administration and defence</b>                                  | <b>84</b>                   |
| <b>11.</b>     | <b>Other Services</b>   |                             |
| 11.1.          | Education (including coaching and tuition)                                | 85                          |
| 11.2.          | Human health activities and care services with/without accommodation      | 86,87,88                    |
| 11.3.          | Recreational, cultural and sporting activities                            | 90,91,92 (-92001, 92002),93 |
| 11.4.          | Activities of membership organisations                                    | 94                          |
| 11.5.          | Personal Services & Other Services, n.e.c                                 |                             |
| 11.5.1.        | Washing & cleaning of textiles and fur products                           | 9601                        |
| 11.5.2.        | Hair dressing and other beauty treatment                                  | 9602                        |
| 11.5.3.        | Custom tailoring  | 14105                       |
| 11.5.4.        | Other personal service activities   | 9609,9603                   |
| 11.6.          | Private households with employed persons                                  | 97                          |

**Estimates for the base year for Unincorporated Enterprises of  
Manufacturing and Non-financial Services**

**2.3.1 Estimates of Unincorporated Manufacturing for the Base Year 2011-12 derived using effective LI method**

$$GVA = \text{Effective LI} \times \text{GVA per Effective Worker (GVAPW)}$$

| Sl. No. | Activity   | Effective LI (Number) | Effective GVAPW (Rupees) |
|---------|--|-----------------------|--------------------------|
| 1       | Cotton ginning, cleaning and baling  | 36743                 | 99752                    |
| 2       | Production, processing and preservation of meat, fish, fruit vegetables, oils and fats   | 497592                | 193866                   |
| 3       | Manufacture of dairy product   | 115027                | 130753                   |
| 4       | Manufacture of grain mill products, etc. and animal feeds  | 1035359               | 132323                   |
| 5       | Manufacture of other food products   | 1411621               | 91511                    |
| 6       | Manufacture of beverages   | 139125                | 114838                   |
| 7       | Manufacture of tobacco products  | 1246466               | 65662                    |
| 8       | Spinning, weaving and finishing of textile+ Other textiles+ Knitted and crocheted fabrics and articles   | 4747232               | 105886                   |
| 9       | Wearing apparel, except fur apparel and tailoring  | 1169420               | 91728                    |
| 10      | Dressing and dyeing of fur; manufacture of articles of fur and tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear | 930792                | 104729                   |
| 11      | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plating materials                                   | 1738745               | 112971                   |
| 12      | Manufacture of furniture   | 1316920               | 135545                   |
| 13      | Manufacture of Paper And Paper Products and publishing, printing and reproduction of recorded media  | 870685                | 139744                   |

| <b>Sl. No.</b> | <b>Activity</b>  | <b>Effective LI (Number)</b> | <b>Effective GVAPW (Rupees)</b> |
|----------------|--|------------------------------|---------------------------------|
| 14             | Manufacture of coke, refined petroleum products and nuclear fuel and rubber and plastic products       | 544142                       | 108649                          |
| 15             | Manufacture of chemical and chemical products  | 824971                       | 89253                           |
| 16             | Manufacture of other non-metallic mineral products   | 3926903                      | 74233                           |
| 17             | Manufacture of Basic Iron & Steel+ Casting of iron and steel   | 497674                       | 170256                          |
| 18             | Manufacture of basic precious and non-ferrous metals+ Casting of non-ferrous metals                    | 69254                        | 88923                           |
| 19             | Recycling of metal waste and scrap+ non-metal waste and scrap  | 368141                       | 87457                           |
| 20             | Manufacture of fabricated metal products, except machinery and equipment                               | 2071843                      | 115431                          |
| 21             | Manufacture of machinery and equipment n.e.c + office, accounting and computing machinery              | 639241                       | 125067                          |
| 22             | Electrical machinery and apparatus n.e.c.+ radio, television and communication equipment and apparatus | 663128                       | 113192                          |
| 23             | Manufacture of medical, precision and optical instruments, watches and clocks+ Manufacturing n.e.c     | 2392901                      | 80872                           |
| 24             | Manufacture of motor vehicles, trailers and semi-trailers+ manufacture of other transport equipment    | 446654                       | 143210                          |

**2.3.2 Estimates of Unincorporated Non-financial Services for the Base Year 2011-12 derived using LI method**

***LI Method:  $GVA = LIR \times GVAPWR(Est) + LIU \times GVAPWU(Directory\ Establishment)$***

| Sl. No. | Compilation Category                                      | LI (Number) |          | GVAPW (Rupees) |            |
|---------|---|-------------|----------|----------------|------------|
|         |   | Rural       | Urban    | Rural (Est.)   | Urban (DE) |
| 1.      | Maintenance and repair of motor vehicles and motor cycles | 727422      | 1688196  | 73559          | 90982      |
| 2.      | Sale of motor vehicles                                    | 227743      | 669317   | 357360         | 218259     |
| 3.      | Whole sale trade except of motor vehicles                 | 1738747     | 3678356  | 96490          | 191436     |
| 4.      | Repair of personal and household goods                    | 1492616     | 1471320  | 45926          | 71139      |
| 5.      | Retail trade (except motor vehicle)                       | 17682870    | 19842156 | 101884         | 191015     |
| 6.      | Hotel & Restaurants                                       | 2979529     | 4908952  | 69283          | 104105     |
| 7.      | Other non-scheduled passenger land transport              | 1197822     | 746105   | 72871          | 49942      |
| 8.      | Freight transport other than by motor vehicles            | 632143      | 511749   | 86216          | 71929      |
| 9.      | Other communication                                       | 53798       | 193699   | 32130          | 275232     |

**2.3.3 Estimates of Unincorporated Non-financial Services for the Base Year 2011-12 derived using effective LI method**

***$GVA = Effective\ LI \times GVA\ per\ Effective\ Worker\ (GVAPEW)$***

| Sl. No. | Compilation Category  | Effec. LI (Number) | Effec. GVAPW (Rupees) |
|---------|---|--------------------|-----------------------|
| 1.      | Scheduled passenger land transport                                | 1097186            | 260483                |
| 2.      | Non-scheduled passenger land transport by motor vehicles          | 3554937            | 231756                |
| 3.      | Freight transport by motor vehicles                               | 4394989            | 216125                |
| 4.      | Services incidental to transport                                  | 795790             | 168063                |
| 5.      | Courier activities  | 164002             | 112566                |
| 6.      | Cable operator  | 154745             | 134293                |
| 7.      | Professional, scientific and technical activities (including R&D) | 1999441            | 141299                |

| <b>Sl. No.</b> | <b>Compilation Category</b>   | <b>Effec. LI (Number)</b> | <b>Effec. GVAPW (Rupees)</b> |
|----------------|---|---------------------------|------------------------------|
| 8.             | Activities Of Membership Organisations n.e.c.+ Social work with accommodation | 527049                    | 119164                       |
| 9.             | Recreational, cultural and sporting activities                                | 1068650                   | 170725                       |
| 10.            | Washing and cleaning of textile and fur products                              | 441101                    | 129476                       |
| 11.            | Hair dressing and other beauty treatment                                      | 1071007                   | 118551                       |
| 12.            | Custom Tailoring  | 3240627                   | 96049                        |
| 13.            | Funeral and related activities  | 1782189                   | 135856                       |

**2.3.4 Estimates of Unincorporated Non-financial Services for the Base Year 2011-12 derived using modified effective LI method**

$$\text{GVA} = \text{Effective LI (rural)} \times \text{GVAPEW (rural establishment)} + \text{LI (urban)} \times \text{GVAPEW (urban directory establishment)}$$

| <b>Sl. No.</b> | <b>Compilation Category</b>  | <b>Effective LI (Number)</b> |              | <b>GVAPEW (Rupees)</b> |                   |
|----------------|--|------------------------------|--------------|------------------------|-------------------|
|                |  | <b>Rural</b>                 | <b>Urban</b> | <b>Rural (est.)</b>    | <b>Urban (DE)</b> |
| 1.             | Water Transport  | 65200                        | 356971       | 20405                  | 26554             |
| 2.             | Storage  | 80736                        | 150968       | 101557                 | 53132             |
| 3.             | Real Estate Activities   | 110972                       | 435604       | 205832                 | 540849            |
| 4.             | Renting of machinery & equipment without operator, personal / household goods            | 62521                        | 88157        | 249304                 | 287894            |
| 5.             | Computer and Related activities  | 82364                        | 197529       | 77131                  | 606262            |
| 6.             | Legal activities   | 106022                       | 692120       | 150029                 | 441462            |
| 7.             | Accounting, book-keeping   | 138657                       | 228116       | 36682                  | 259623            |
| 8.             | Coaching centres + Activities of the individuals providing tuition                       | 41609                        | 359832       | 664541                 | 848240            |
| 9.             | Education excluding (Coaching centres + Activities of the individuals providing tuition) | 75821                        | 94201        | 1668175                | 2287797           |
| 10.            | Human health activities  | 106059                       | 167162       | 704927                 | 1344153           |
| 11.            | Sewerage And Refuse Disposal, Sanitation And Similar Activities                          | 84592                        | 112315       | 106721                 | 74572             |

## ANNEXURE 2.4

### 2.4.1 List of indicators used for estimating Value Added in the Manufacturing Sector in the Old Series (B.Y. 2004-05) and in the New Series (B.Y. 2011-12) – Current Prices

| S. No. | Institution  | Earlier Indicator (2004-05 series)                                | Present Indicator (2011-12 series)  |
|--------|--|---|---|
| 1      | Factories Registered Under Factories Act (covered by ASI)  | Compilation category wise IIP & WPI till ASI result available     | Now classified under the respective institutional sector as described below                             |
| 2      | Quasi corporate - Proprietary, Partnerships, KVI- from ASI | -do-  | Compilation category wise IIP & WPI till ASI result available   |
| 3      | DEs (incl Railway Workshops)                               | Revised Estimates from Budget followed by Actual Estimates        | Revised Estimates from Budget followed by Actual Estimates  |
| 4      | NDEs   | <i>Not taken separately</i>                                       | Growth from accounts of common Companies, applied to all Companies till final accounts become available |
| 5      | Private Corporate  | <i>Not taken separately</i>                                       | -do-  |
| 6      | Unorganised  | Estimates compiled compilation category-wise by using IIP and WPI | Estimates compiled compilation category-wise by using IIP and WPI, till ASI data becomes available      |

### 2.4.2 List of indicators used for estimating Value Added in the Manufacturing Sector in the Old Series (B.Y. 2004-05) and in the New Series (B.Y. 2011-12) – Constant Prices

| S.No. | Institution   | Earlier Indicator (2004-05 series)               | Present Indicator (2011-12 series)  |
|-------|---|--|---|
| 1     | Factories Registered Under Factories Act (covered by ASI) | Current price estimates deflated by relevant WPI | Now classified under the respective institutional sector as described below |
| 2     | ASI (Quasi corporate) - Proprietary, Partnerships, KVI    | -do-   | Actual estimates of current price deflated by relevant WPI                  |
| 3     | DEs (incl Railway Workshops)                              | -do-   | -do-  |
| 4     | NDEs  | <i>Not taken separately</i>                      | -do-  |
| 5     | Private Corporate   | <i>Not taken separately</i>                      | -do-  |
| 6     | Unorganised   | Benchmark estimates moved using IIP              | -do-  |

**ANNEXURE 2.5**

**2.5.1: List of indicators used for estimating Value Added for each Compilation Category in the Unorganised Non-Financial Services Sector in the Old Series (B.Y. 2004-05) and in the New Series (B.Y. 2011-12) – Current Prices**

| <b>S.No.</b> | <b>Compilation Category</b>  | <b>Earlier Indicator (2004-05 series)</b> | <b>Present Indicator (2011-12 series)</b>  |
|--------------|--|---|--|
| 1.           | Maintenance and repair of motor vehicles and motor cycles                                | GTI index                                 | Motor vehicles Sales growth * WPI  |
| 2.           | Sale of motor vehicles   | GTI index                                 | Total sales tax converted to turnover and adjusting for private corporate and NDEs give turnover for sales tax paying unorganised sector. Growth is used as an indicator |
| 3.           | Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets | GTI index                                 | As in 2  |
| 4.           | Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets  | GTI index                                 | As in 2  |
| 5.           | Repair of computers and personal and household goods*                                    | GTI index                                 | Service tax growth   |
| 6.           | Hotels & Restaurants   | GTI index                                 | Corporate growth   |
| 7.           | Scheduled passenger land transport   |   |  |
| 8.           | Non-scheduled passenger land transport by motor vehicles                                 | Growth in registered vehicles * WPI       | Growth in registered vehicles * CPI (Transport & Communication)  |
| 9.           | Freight transport by motor vehicles  |   |  |
| 10.          | Other non-scheduled passenger land transport   | LI method                                 |  |
| 11.          | Freight transport other than by motor vehicles   | LI method                                 |  |

| <b>S.No.</b> | <b>Compilation Category</b>  | <b>Earlier Indicator (2004-05 series)</b>   | <b>Present Indicator (2011-12 series)</b>             |
|--------------|--|---|---|
| 12.          | Water Transport  | Index of cargo handled at major and minor ports X WPI                                 | Index of cargo handled at major and minor ports X WPI |
| 13.          | Storage and warehousing  | LI method   | Corporate growth                                      |
| 14.          | Services incidental to transport*  | Combined growth of Road, Water and Air transport                                      | Combined growth of Road & Water Transport             |
| 15.          | Courier activities   | LI method   | Service tax growth                                    |
| 16.          | Cable operator   | LI method   | Service tax growth                                    |
| 17.          | Telecommunication #  | Growth in subscribers/minutes of usage & Implicit price deflator of Private corporate |   |
| 18.          | Recording, Publishing and Broadcasting services^                                   |   | Corporate growth                                      |
| 19.          | Real Estate Activities   | LI method   | Corporate growth                                      |
| 20.          | Computer and information related services*   | Private corporate growth  |   |
| 21.          | Professional, scientific and technical activities (including R&D)*                 | LI method   |   |
| 22.          | Administrative & support service activities excluding rental and leasing services* | LI method   |   |
| 23.          | Rental and leasing services  | LI method   |   |
| 24.          | Legal activities   | LI method   |   |
| 25.          | Accounting, book-keeping   | LI method   |   |
| 26.          | Ownership of dwellings   | Rural : User cost approach<br>Urban : Gross rentals – R&M                             | Same as in earlier series.                            |
| 27.          | Coaching centres + Activities of the individuals providing tuition                 | LI method   | Growth in consumer expenditure                        |

| <b>S.No.</b> | <b>Compilation Category</b>  | <b>Earlier Indicator<br/>(2004-05 series)</b> | <b>Present Indicator<br/>(2011-12 series)</b> |
|--------------|--|---|---|
| 28.          | Education excluding (Coaching centres + Activities of the individuals providing tuition) | Growth in consumer expenditure                | Growth in consumer expenditure                |
| 29.          | Human health activities and care services with/without accommodation*                    | Growth in consumer expenditure                |   |
| 30.          | Sewage And Refuse Disposal, Sanitation And Similar Activities                            | LI method                                     | Now a component of utilities sector           |
| 31.          | Activities Of Membership Organisations*  | LI method                                     | Service tax growth                            |
| 32.          | Recreational, cultural and sporting activities*  | LI method                                     | Growth in non-food consumer expenditure       |
| 33.          | Washing and cleaning of textile and fur products   | LI method                                     | -do-  |
| 34.          | Hair dressing and other beauty treatment   | LI method                                     | Service tax growth                            |
| 35.          | Custom Tailoring   | LI method                                     | Growth in non-food consumer expenditure       |
| 36.          | Other personal services  | Population Growth                             | -do-  |
| 37.          | Private households employing staff   | LI method                                     | LI method                                     |

# Earlier classified as Other Communication.

^ New category

\* Modified category

**2.5.2: List of indicators used for estimating Value Added for each Compilation Category in the Unorganised Non-Financial Services Sector in the Old Series (B.Y. 2004-05) and in the New Series (B.Y. 2011-12) – Constant Prices**

| <b>S.No.</b> | <b>Compilation Category</b>  | <b>Earlier Indicator (2004-05 series)</b>        | <b>Present Indicator (2011-12 series)</b>                    |
|--------------|--|--|--|
| 1.           | Maintenance and repair of motor vehicles and motor cycles                                | GTI index  | Motor vehicles Sales growth                                  |
| 2.           | Sale of motor vehicles   | GTI index  | Current prices deflated using WPI/CPI                        |
| 3.           | Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets | GTI index  |  |
| 4.           | Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets  | GTI index  |  |
| 5.           | Repair of computers and personal and household goods*                                    | GTI index  |  |
| 6.           | Hotels & Restaurants   | GTI index  |  |
| 7.           | Scheduled passenger land transport   | Growth in registered vehicles                    |  |
| 8.           | Non-scheduled passenger land transport by motor vehicles                                 | Growth in registered vehicles                    |  |
| 9.           | Freight transport by motor vehicles  | Growth in registered vehicles                    |  |
| 10.          | Other non-scheduled passenger land transport   | Moved using LI growth                            |  |
| 11.          | Freight transport other than by motor vehicles   | Moved using LI growth                            |  |
| 12.          | Water Transport  | Index of cargo handled at major and minor ports  | Moved using Index of cargo handled at major and minor ports. |
| 13.          | Storage and warehousing  | Moved using LI growth                            | Current prices deflated using WPI                            |
| 14.          | Services incidental to transport*  | Combined growth of Road, Water and Air transport | Moved using combined growth of Road & Water Transport        |

| S.No. | Compilation Category   | Earlier Indicator (2004-05 series)   | Present Indicator (2011-12 series)                              |
|-------|--|--|---|
| 15.   | Courier activities   | Moved using LI growth  | Current prices deflated using CPI (Transport & Communication)   |
| 16.   | Cable operator   |  |   |
| 17.   | Telecommunication #  | Growth in subscribers  | Moved using growth in minutes of usage                          |
| 18.   | Recording, Publishing and Broadcasting services^   |  | Current prices deflated using CPI (Transport & Communication)   |
| 19.   | Real Estate Activities   | Moved using LI growth  | Current prices deflated by CPI (misc. services)/WPI             |
| 20.   | Computer and information related services*   |  |   |
| 21.   | Professional, scientific and technical activities (including R&D)*                       |  |   |
| 22.   | Administrative & support service activities excluding rental and leasing services*       |  |   |
| 23.   | Rental and leasing services  |  |   |
| 24.   | Legal activities   |  |   |
| 25.   | Accounting, book-keeping   |  |   |
| 26.   | Ownership of dwellings   | Rural: current price deflated by CPI (AL)<br>Urban: Using growth in no. of dwellings | Current price deflated by CPI (R)<br>Same as in earlier series. |
| 27.   | Coaching centres + Activities of the individuals providing tuition                       | Moved using LI growth.   | Current prices deflated by CPI (Education)                      |
| 28.   | Education excluding (Coaching centres + Activities of the individuals providing tuition) |  |   |
| 29.   | Human health activities and care services with/without accommodation*                    |  | Current prices deflated by CPI (Health)                         |
| 30.   | Sewage And Refuse Disposal, Sanitation And Similar Activities                            |  | Now a component of utilities sector                             |
| 31.   | Activities Of Membership Organisations*  |  | Current prices deflated by CPI (misc. services)                 |

| <b>S.No.</b> | <b>Compilation Category</b>                      | <b>Earlier Indicator<br/>(2004-05 series)</b> | <b>Present<br/>Indicator<br/>(2011-12 series)</b> |
|--------------|--|---|---|
| 32.          | Recreational, cultural and sporting activities*  |   | Current prices deflated by CPI (recreation)       |
| 33.          | Washing and cleaning of textile and fur products |   | Current prices deflated by CPI (misc. services)   |
| 34.          | Hair dressing and other beauty treatment         |   |   |
| 35.          | Custom Tailoring                                 |   |   |
| 36.          | Other personal services                          | Population Growth                             |   |
| 37.          | Private households employing staff               | Moved using LI growth                         | Current prices deflated by CPI (general index)    |

# Earlier classified as Other Communication.

^ New category

\* Modified category

## SECTION 3

### Changes in the institutional sectors

3.1. The changes made in the new series in the institutional sectors have affected the estimates across industries. These changes have been discussed in this Section.

#### Public Financial and Non-Financial Corporations

3.2. There has been no change in the methodology adopted for compilation of estimates in the Departmental and Non-Departments Enterprises. However, the following changes in respect of NDEs have been incorporated in the new series-

- (i) Use of the latest list of Central Public Sector Undertakings from the Annual Report of the Department of Public Enterprises;
- (ii) Incorporation of the estimates of NDEs for the compilation of mining and manufacturing industries -

In the new series, 'enterprise approach' has been adopted for compiling the estimates of mining and manufacturing sectors. Therefore, the estimates of the Non Departmental Enterprises (NDEs), both Central and State, as compiled from their Annual Report, are being used for compilation of the estimates pertaining to these industries. However, care has been taken to ensure that NDEs have been excluded while using data from the Annual Survey of Industries (ASI) and the XBRL/ MCA 21 data of the Ministry of Corporate Affairs, to avoid double counting.

3.3. Changes have also been made in two Departmental Enterprises – Railways and Department of Posts. These are described as under:

#### (1) Railways

3.4. Estimates of Railways have three components – Administration, Manufacturing and Transport. No changes have been made in Railway Administration and Rail Transport. As regards railway manufacturing, in the earlier series, the block account of 5 production units of Indian Railways - Chittaranjan Locomotive Works, Diesel Locomotive Works, Integral Coach Factory, Rail Wheel Factory and Rail Coach Factory – were being analysed for compiling the estimates of capital formation. In the new series, apart from these 5 production units, block accounts of two more production units - Railway Electrification, Allahabad and Diesel Modernisation Component Work, Patiala – have also been analysed.

#### (2) Department of Posts

3.5. Estimates of Communication are prepared by analysing Demand for Grants of D/o Post. Estimates are prepared for three components namely: Postal Services, Post

Office Savings Bank (POSB) and Postal Life Insurance (PLI). In the 2004-05 series, GVA of POSB was computed as a fixed percentage of receipts. In the new series, actual data of POSB, which is available in the Demand for Grants of D/o Posts have been used to estimate GVA.

3.6. Comparative estimates of GVA for the year 2011-12 (at current prices) for the three components are given below:

| (Rs. crore)     |                |                |              |
|-----------------|----------------|----------------|--------------|
| Type of Service | 2004-05 Series | 2011-12 Series | % Difference |
| Postal Service  | 10172          | 12686          | 24.71        |
| PL Insurance    | 336            | 336            | 0            |
| POS Bank        | 2907           | 4316           | 48.47        |
| <b>Total</b>    | 13415          | 17338          | 29.24        |

### Private Non-Financial Corporations

3.7. Significant change has been made in terms of coverage of private non-financial corporations. In the earlier series, estimates for these corporations were prepared using the RBI Study on Company Finances. The data sources and methodology used in the new series for this sector are given in the following paragraphs.

3.8. Non-financial private corporate sector consists of

- (i) Non-financial Private Companies registered with Ministry of Corporate Affairs (MCA) under the Companies Act, 1956,
- (ii) Limited Liability Partnerships registered with MCA under LLP Act, 2008 and
- (iii) Quasi-corporate sector which are enterprises not registered under companies but maintain accounts.

This section discusses compilation procedure alongwith data sources in respect of (i) and (ii). The methodology for (iii) is the same as that for household enterprises and has been provided in Section 2, Paras 2.13 to 2.28.

### Definition and data source:

#### ***(i) Non-financial private companies registered with Ministry of Corporate Affairs under the Companies Act:***

3.9. For new series (Base Year 2011-12), estimates for the non-financial private companies have been prepared using the database created under an e-governance project, called MCA21, by the Ministry of Corporate Affairs. Under MCA21 project, a database of the annual financial reports is created every year by online data submission by the companies registered under Companies Act under two web platforms namely, (i) ***Form 23 AC/ACA*** and (ii) ***Form 23 AC/ACA-XBRL (Extensible Business Reporting Language)***.

3.10. Companies falling in the following categories file their Balance Sheet and Profit & Loss Account using Extensible Business Reporting Language (XBRL) taxonomy for financial year commencing on or after 01.04.2011:

- a. all companies listed with any Stock Exchange(s) in India and their Indian subsidiaries; or
- b. all companies having paid up capital of Rupees five crore and above; or
- c. all companies having turnover of Rupees one hundred crore and above; or
- d. all companies who were required to file their financial statements for FY 2010-11, using XBRL.

However banking companies, power companies, non-banking financial companies and insurance companies are exempted from compulsory XBRL filing as of now.

Companies not falling in the above categories are required to file balance sheet and Profit & Loss information in the summarized form in 23 AC/ACA format.

3.11. Each company is having a Company Identification Number (CIN) which is a 21 digit number given by Registrar of Companies, MCA at the time of registration. CIN includes the information on economic activity at five digit level of NIC 2004 and codes indicating whether the company is a government company or a Section 25 company (coded as 'NPL') or a private company.

MCA has shared the financial data for 23AC/ACA and XBRL companies with CSO for compilation of national accounts statistics. Estimates of output for NPL companies are prepared separately by cost method (where Output = Compensation of Employees + Intermediate Consumption + Consumption of Fixed Capital + Production taxes less Production subsidies) and output for private companies is estimated as "Sale + Miscellaneous Income – (Product tax – Product subsidies)."

***(ii) Limited Liability Partnership Companies (LLPs) registered with MCA under LLP Act, 2008:***

3.12. MCA has also shared the financial reports for LLPs. LLPs are not registered under Companies Act but registered under LLP Act, 2008. The enterprises registered under LLP Act, 2008 are also not covered by the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. Estimates for LLPs are prepared by production approach.

**Size of the non-financial private corporate sector:**

3.13. Table 1 shows the industry-wise number of companies for which the estimates were prepared based on the data made available by MCA.

**Table 1: Industry wise number of companies / LLPs**

| Sl. No.     | Compilation Category   | Number of MCA 21 companies in 2011-12 as on 15.12.2014 |              |               | Number of Section 25 (NPL) Companies | Number of LLPs |
|-------------|--|--|--------------|---------------|--------------------------------------|----------------|
|             |  | 23AC/ACA   | XBRL         | Total         |                                      |                |
| (1)         | (2)  | (3)  | (4)          | (5)           | (6)                                  | (7)            |
| <b>1.</b>   | <b>Agriculture, forestry &amp; fishing</b>   | <b>11671</b>   | <b>258</b>   | <b>11929</b>  | <b>31</b>                            | <b>116</b>     |
| 1.1.        | Crops & Livestock  | 10712  | 177          | 10889         | 28                                   | 113            |
| 1.2.        | Forestry   | 361  | 2            | 363           | 2                                    | 1              |
| 1.3.        | Fishing & aquaculture  | 598  | 79           | 677           | 1                                    | 2              |
| <b>2.</b>   | <b>Mining &amp; quarrying</b>  | <b>6472</b>  | <b>249</b>   | <b>6721</b>   | <b>3</b>                             | <b>42</b>      |
| <b>3.</b>   | <b>Manufacturing</b>   | <b>123120</b>  | <b>12682</b> | <b>135802</b> | <b>93</b>                            | <b>665</b>     |
| <b>4.</b>   | <b>Electricity, gas, water supply and other utility services</b>                               | <b>5402</b>  | <b>850</b>   | <b>6252</b>   | <b>20</b>                            | <b>74</b>      |
| 4.1.        | Electricity  | 3856   | 756          | 4612          | 3                                    | 54             |
| 4.2.        | Gas – Manufacture & distribution   | 233  | 30           | 263           | 0                                    | 0              |
| 4.3.        | Water Supply   | 1081   | 10           | 1091          | 6                                    | 17             |
| 4.4.        | Sewerage, waste management and remediation activities  | 232  | 54           | 286           | 11                                   | 3              |
| <b>5.</b>   | <b>Construction</b>  | <b>55804</b>   | <b>3617</b>  | <b>59421</b>  | <b>40</b>                            | <b>938</b>     |
| <b>6.</b>   | <b>Trade, repair, hotels &amp; restaurants</b>   | <b>90888</b>   | <b>4787</b>  | <b>95675</b>  | <b>30</b>                            | <b>751</b>     |
| <b>6.1.</b> | <b>Trade &amp; repair services</b>   | <b>80117</b>   | <b>4005</b>  | <b>84122</b>  | <b>27</b>                            | <b>623</b>     |
| 6.1.1.      | Trade and repair of motor vehicles (including motor cycles) and retail sale of automotive fuel | 2895   | 62           | 2957          | 0                                    | 30             |
| 6.1.2.      | Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets       | 63962  | 3253         | 67215         | 24                                   | 398            |
| 6.1.3.      | Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets        | 13260  | 690          | 13950         | 3                                    | 195            |
| <b>6.2.</b> | <b>Hotels &amp; Restaurants</b>  | <b>10771</b>   | <b>782</b>   | <b>11553</b>  | <b>3</b>                             | <b>128</b>     |
| <b>7.</b>   | <b>Transport, storage, communication &amp; services related to broadcasting</b>                | <b>15540</b>   | <b>1472</b>  | <b>17312</b>  | <b>28</b>                            | <b>121</b>     |
| <b>7.1.</b> | <b>Transport</b>   | <b>11316</b>   | <b>852</b>   | <b>12468</b>  | <b>14</b>                            | <b>106</b>     |
| 7.1.1.      | Transport via Railways   | 0  | 7            | 7             | 0                                    | 0              |
| 7.1.2.      | Road transport   | 2180   | 158          | 2338          | 2                                    | 15             |

| Sl. No.                                 | Compilation Category  | Number of MCA 21 companies in 2011-12 as on 15.12.2014 |              |               | Number of Section 25 (NPL) Companies | Number of LLPs |
|---|---|--|--------------|---------------|--------------------------------------|----------------|
|   |   | 23AC/ACA   | XBRL         | Total         |                                      |                |
| (1)                                     | (2)   | (3)  | (4)          | (5)           | (6)                                  | (7)            |
| 7.1.3.                                  | Water Transport   | 520  | 59           | 579           | 1                                    | 3              |
| 7.1.4.                                  | Air Transport   | 0  | 63           | 363           | 0                                    | 0              |
| 7.1.5.                                  | Services incidental to transport  | 8616   | 565          | 9181          | 11                                   | 88             |
| <b>7.2.</b>                             | <b>Storage</b>  | <b>1648</b>  | <b>30</b>    | <b>1678</b>   | <b>0</b>                             | <b>0</b>       |
| <b>7.3.</b>                             | <b>Communication &amp; services related to broadcasting</b>                   | <b>2576</b>  | <b>590</b>   | <b>3166</b>   | <b>14</b>                            | <b>15</b>      |
| 7.3.2.                                  | Courier activities  | 356  | 12           | 368           | 0                                    | 0              |
| 7.3.4.                                  | Telecommunication   | 299  | 251          | 550           | 2                                    | 15             |
| 7.3.5.                                  | Recording, Publishing and Broadcasting services                               | 1921   | 327          | 2248          | 12                                   | 0              |
| <b>9.</b>                               | <b>Real estate, ownership of dwellings and professional services</b>          | <b>131621</b>  | <b>4236</b>  | <b>135857</b> | <b>381</b>                           | <b>3822</b>    |
| <b>9.1.</b>                             | <b>Real estate and ownership of dwellings</b>                                 | <b>39527</b>   | <b>1829</b>  | <b>41356</b>  | <b>18</b>                            | <b>1012</b>    |
| 9.1.1.                                  | Real Estate activities  | 39527  | 1829         | 41356         | 18                                   | 1012           |
| <b>9.2.</b>                             | <b>Professional services</b>  | <b>92094</b>   | <b>2407</b>  | <b>94501</b>  | <b>363</b>                           | <b>2810</b>    |
| 9.2.1.                                  | Computer and information related services                                     | 32457  | 1217         | 33674         | 17                                   | 610            |
| 9.2.2.                                  | Professional, scientific and technical activities (including R&D)             | 59371  | 1150         | 60521         | 345                                  | 2193           |
| 9.2.3.                                  | Administrative & support service activities and other professional activities | 266  | 40           | 306           | 1                                    | 7              |
| <b>11.</b>                              | <b>Other Services</b>   | <b>54103</b>   | <b>979</b>   | <b>55082</b>  | <b>1771</b>                          | <b>662</b>     |
| 11.1.                                   | Education (including coaching and tuition)                                    | 4906   | 180          | 5086          | 470                                  | 135            |
| 11.2.                                   | Human health activities and care services with/without accommodation          | 8559   | 375          | 8934          | 474                                  | 99             |
| 11.3.                                   | Recreational, cultural and sporting activities                                | 2667   | 259          | 2926          | 77                                   | 82             |
| 11.4.                                   | Activities of membership organisations  | 225  | 12           | 237           | 355                                  | 9              |
| 11.5.                                   | Personal Services   | 4995   | 153          | 5149          | 395                                  | 337            |
| 11.6.                                   | Other Services n.e.c  | 32750  |              | 32750         |                                      |                |
| <b>Total Non-financial Corporations</b> |   | <b>494621</b>  | <b>29130</b> | <b>524051</b> | <b>2397</b>                          | <b>7191</b>    |

*Note to Table 1: Financial Services, Postal Services, Repair Services and Public Administration are not shown in the table since they do not belong to the 'Non-financial Corporations' Sector.*

### **Comparison of GVA for non-financial private corporate enterprises**

3.14. Table 2 shows the comparison between estimated gross value added (GVA) for non-financial private corporate sector (excluding quasi-corporations) derived from MCA 21 database and LLP database for new series (2011-12 base year) and estimated GVA for non-financial private corporate sector in old series (2004-05 base year) for the year 2011-12. More detailed estimates have been given at **Annexure 3.1**.

**Table 2: GVA for non-financial private corporate sector excluding quasi-corporate sector in 2011-12**

**(Rs. crore)**

| <b>S. No.</b>                           | <b>Industry</b>  | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---|--|-----------------------|-----------------------|---------------------|
| 1.                                      | Agriculture, forestry & fishing                                      | 35591                 | 8878                  | -75.1               |
| 2.                                      | Mining & quarrying   | 23001                 | 39159                 | 70.2                |
| 3.                                      | Manufacturing  | 761593                | 980452                | 28.7                |
| 4.                                      | Electricity, gas, water supply and other utility services            | 19658                 | 52252                 | 165.8               |
| 5.                                      | Construction   | 101355                | 138242                | 36.4                |
| 6.                                      | Trade, repair, hotels & restaurants                                  | 274582                | 100578                | -63.4               |
| 7.                                      | Transport, storage, communication & services related to broadcasting | 91705                 | 155495                | 69.6                |
| 9.                                      | Real estate, ownership of dwellings and professional services        | 321750                | 397932                | 23.7                |
| 11.                                     | Other Services   | 143796                | 74001                 | -48.5               |
| <b>Total Non-financial Corporations</b> |  | <b>1773031</b>        | <b>1946989</b>        | <b>9.8</b>          |

*Note: Financial Services (Sl.No.8) and Public Administration (Sl.No.10) are not shown in the table since they do not belong to the 'Non-financial Corporations' Sector.*

## **Financial Corporations**

3.15. In the new series of national accounts, the following information has been incorporated for the first time-

- (i) Annual accounts of the Mutual Funds (excluding UTI MF) registered with the Securities and Exchange Board of India (SEBI);
- (ii) Annual accounts of the stock brokers and stock exchanges registered with SEBI (who are also registered under the Companies Act);
- (iii) Annual accounts of the financial regulatory authorities, like SEBI, IRDA and PFRDA; and
- (iv) Annual accounts of the Pension Funds registered with the Pension Fund Regulatory and Development Authority (PFRDA).

3.16. Further, the financial corporations have been sub-sectored as recommended by SNA 2008. The sub-sectors are:

1. Central Bank
2. Deposit-taking corporations except the Central Bank
3. Money market funds (MMF)
4. Non-MMF investment funds
5. Other financial intermediaries except insurance corporations and pension funds (ICPF)
6. Financial auxiliaries
7. Captive financial institutions and money lenders
8. Insurance corporations (IC)
9. Pension funds (PF)

3.17. Adoption of sub-sectorisation has effected some changes in classification. These include, classifying the insurance agents under financial auxiliaries; disaggregation of the mutual funds into Money-Market Funds (MMF), non-MMF and Asset Management Companies (AMCs) and treating the AMCs as financial auxiliaries. In the earlier series, insurance agents were under the insurance sub-sector and entire NBFCs were treated together.

### **Improvement in coverage of mutual funds**

3.18. Estimates pertaining to mutual funds in the earlier series were compiled using the annual accounts of the Unit Trust of India (UTI). In the new series, both public and private mutual funds have been comprehensively covered. Further, these have been segregated into Money Market Funds (MMF), non-MMF and Asset Management Companies (AMCs), as per the recommendations of SNA 2008.

3.19. The estimates of GVA for financial services have changed due to two reasons, namely, methodological changes made in computation of the value of output of financial

services, specifically Financial Intermediation Services Indirectly Measured (FISIM), output of Central Bank (RBI), GVA of moneylenders and incorporation of additional data from the MCA 21 and regulatory agencies, like the SEBI, IRDA and the PFRDA.

### **FISIM**

3.20. In the previous base, the FISIM component of the output of financial intermediaries was based on the difference between total property receipts (dividend+ interest+ net profit on sale of investments) and total interest payments by the banking sector. In the present base, the FISIM has been computed only on loans and deposits, using the Reference Rate (RR) approach, as recommended in the SNA 2008. In short, it is  $(LR-RR) * \text{average stock of loans} + (RR-DR) * \text{average stock of deposits}$ . The RR = harmonic mean of lending rate and deposit rate for the banking sector. Moreover, FISIM, under the present method, does not include interest receipts on investments and debt securities, interest paid on borrowings and debt securities and net profit on sale of investments (POSI). These components have been considered as property income, which come directly under the gross savings of the financial corporations. Exclusion of receipts like POSI from the FISIM computation has also reduced the GVA of the banking sector.

### **Output and GVA of RBI**

3.21. In the earlier series, GVA of the Central Bank, that is, the Reserve Bank of India (RBI) was computed using a mix of market and non-market approach. The issue department of the RBI was considered as non-market and a part of the general Government. The banking operations of the RBI were considered as market operations. SNA 2008 recommends classifying the operations of Central Bank into three components – monetary policy services; intermediary services; and supervisory services. Monetary policy services are non-market in nature, while the intermediary services are market services. It further recommends that in cases where market output is not separated from non-market output, the whole of the output of the central bank should be treated as non-market and valued at the sum of costs.

3.22. In the Indian context, disaggregated accounts are not available for RBI separately for the three services. Therefore, in the new series, the entire operation of the RBI has been considered as non-market and the value of its output has been computed using the cost approach. It may also be noted that, as the net profit on sale of investments (in case of the RBI, net profit on sale of securities) is not a part of FISIM computation in the new series, its contribution no longer remains a part of the output, irrespective of the approach followed for computation of the value of output, and, consequently, the GVA.

### **GVA of unorganised financial enterprises (excluding insurance agents)**

3.23. In the 2004-05 series, the GVA of this sector was estimated as one-third of the GVA of Government Financial Companies and the NGBFCs (including HDFC). This sector included private money lenders and the remaining unorganised financial services, which in the new series, has been estimated separately as under:

- For the private money lenders, the following steps are followed to compute the GVA -
  - The quantum of loan advanced by the money lenders to the households has been estimated using the data from the NSS 70<sup>th</sup> round AIDIS, 2013 and RBI's annual publication - Basic Statistical Returns of Scheduled Commercial Banks in India, which gives the loans advanced to households.
  - Interest rates charged by private money lenders have been taken from RBI's "Report of the Technical Group to review legislations on moneylenders", 2007.
  - FISIM calculated by RR method has been taken to be equivalent to the output.
  - The ratio of intermediate consumption to the total interest receipts, as estimated from NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, has been used to estimate intermediate consumption, and hence, GVA.
- For the remaining unorganised segment, the estimate of GVA has been prepared from the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11.

3.24. In the base 2004-05, the estimates of Non-Government Non-Banking financial companies (NGBFC) were compiled using the sample study of NGBFCs conducted by RBI and then blowing up that figure using the Paid-Up Capital (PUC) of the NGBFCs (i.e., ratio of PUC of all NGBFCs to that of covered NGBFCs). As the samples were drawn independently each year, the coverage of these units used to vary. To overcome this, a three-year average was used in the base 2004-05. In the present base, the financial data of top 195 NGBFCs was obtained from the RBI, for each of these years. The blowing up procedure has been kept the same.

3.25. Finally, in the present base, financial data of some more companies have been brought under the ambit of analysis. This include, private mutual funds and their Asset Management Companies (AMCs), whose list as well as data has been provided by the SEBI; private pension funds, whose list and data has been provided by the PFRDA and the three regulatory agencies, namely, the SEBI, IRDA and PFRDA.

3.26. The effect on the above-mentioned changes in the GVA of the financial corporations for the year 2011-12 can be seen in the Table 3.

**Table 3. GVA at current prices of the financial corporations for the year  
2011-12**

**(Rs. crore)**

| <b>Sub-sectors of financial services</b>                 | <b>2004-05 series</b> | <b>2011-12 series</b> | <b>% Difference</b> |
|--|-----------------------|-----------------------|---------------------|
| RBI  | 26122                 | 3236                  | -87.6               |
| SCBs (incl. Regional Rural Banks)                        | 254602                | 246452                | -3.2                |
| Post Office Savings Bank (POSB)                          | 2907                  | 4316                  | 48.5                |
| NBFIs  | 68226                 | 91344                 | 33.9                |
| Co-operative credit society (includes Cooperative Banks) | 14889                 | 23854                 | 60.2                |
| Unorganised  | 18033                 | 44663                 | 147.7               |
| Insurance  | 95742                 | 65392                 | -31.7               |
| Life   | 64611                 | 40487                 | -37.3               |
| Non-Life   | 31131                 | 24905                 | -20.0               |
| Pension Fund   | 974                   | 975                   | 0.1                 |
| <b>Financial Services (Total)</b>                        | <b>481495</b>         | <b>480232</b>         | <b>-0.3</b>         |

*# These will be merged with Scheduled Commercial Banks in the publication, NAS.*

*Note: New series estimates are at basic prices while the estimates in the old series at factor cost. Estimates of GVA at factor cost for the new series for the year 2011-12 is estimated at Rs.4,79,860 crore.*

## **General Government**

3.27. There has been no change in the methodology adopted for compilation of estimates of General Government. However, two changes in the sector are

- (i) RBI's Issue Department which was earlier included in the Government, is now treated as part of Financial Corporations; and
- (ii) Improvement in the coverage of this sector in the new series in local bodies and autonomous institutions.

### **1. Local Bodies (LB)**

3.28. As per recommendations of the Thirteenth Finance Commission (TFC), one of the milestones to be achieved by the States' Directorate of Economics and Statistics (DES), is the economic and purpose classification of expenditure of Local Bodies (LB) by collecting their receipt and payment accounts. Under TFC, DES of eleven States - Uttar Pradesh, Tamilnadu, Meghalaya, Maharashtra, Kerala, Karnataka, Himachal Pradesh, Delhi, Chandigarh, Andhra Pradesh and Telangana - have collected the accounts of local bodies, analysed them for the economic and purpose classification of their expenditure. On the basis of this information, which accounts for about 60% of the transfers to all local bodies, national level estimates are compiled. Estimates for the States, where accounts of local bodies have not been analysed, the national level estimates are

apportioned to the State based on the share of the transfers received by the State, after making due adjustments for the actual estimates of the above-mentioned eleven States.

3.29. As a result of the changes mentioned above, the estimates for the base year 2011-12 have undergone change. A comparative picture of changes in the estimates of LBs is given in Table 4.

**Table 4. Comparison of estimates of NVA and GFCF of Local Bodies for the year 2011-12 for the old (2004-05) series and new (2011-12) series**

**I. Net Value Addition by activity**

(Rs. crore)

| <b>Activity</b>       | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|-----------------------|-----------------------|-----------------------|---------------------|
| Construction          | 3029                  | 2645                  | -12.7               |
| Water Supply          | 4151                  | 2966                  | -28.5               |
| Education             | 22096                 | 24109                 | 9.1                 |
| Medical               | 7227                  | 7000                  | -3.1                |
| Sanitation            | 7692                  | 5344                  | -30.5               |
| Public Admn & Defence | 33362                 | 33531                 | 0.5                 |
| <b>Total</b>          | <b>77557</b>          | <b>75595</b>          | <b>-2.5</b>         |

**II. Gross Fixed Capital Formation by Activity**

(Rs. crore)

| <b>Activity</b>       | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|-----------------------|-----------------------|-----------------------|---------------------|
| Construction          | 93                    | 127                   | 36.6                |
| Water Supply          | 4419                  | 7467                  | 69                  |
| Education             | 7236                  | 5359                  | -25.9               |
| Medical               | 1658                  | 2583                  | 55.8                |
| Sanitation            | 0                     | 2609                  | N.A.                |
| Public Admn & Defence | 101428                | 70021                 | -31                 |
| <b>Total</b>          | <b>114834</b>         | <b>88166</b>          | <b>-23.2</b>        |

## **2- Autonomous Institutions (AI)**

3.30. A large number of Autonomous Institutions (AIs) have been set up by various Ministries/Departments of Central and State Governments for different purposes and substantial grants are released to them every year. These grants have a significant share in the government current expenditure, and are reflected in the government budgets. In addition to the grants, the recipient institutions also generate additional resources on their own to meet their expenditure for payment of salaries, pension, office expenses and acquisition of fixed assets. Details of such expenses are not available in the budget documents. Therefore, it becomes imperative to analyse the accounts of AIs for compilation of estimates of value added, capital formation and consumption expenditure. In the 2011-12 series, the coverage of Central Government AIs has been improved.

3.31. In the 2004-05 series, the accounts of seven major Central AIs were analysed and estimates were projected on the basis of grants given to the Central AIs. In 2011-12 series, the Central Government's AIs have been classified under two groups. One group pertains to AIs engaged in R&D activities and another group pertains to AIs engaged in non R&D activities. This has been done to take into account SNA 2008 recommendation that expenditure on Research and Development (R&D) should be treated as fixed capital formation. The accounts of 27 AIs engaged in Research and Development (R&D) and 55 AIs engaged in activities other than R&D have been analysed. Moreover, the non-R&D AIs have been further classified into homogeneous groups like Indian Institute of Technology, Indian Institute of Management, Central Universities and other AIs. Estimates compiled for each of these homogeneous groups have been projected separately on the basis of total grants. These analysed AIs cover almost 60% of total grants-in-aid given to all Central AIs. A comparative picture of changes in the estimates of Central AIs for the year 2011-12 is given in Table 5.

**Table 5. Comparative estimates of NVA and GFCF of Autonomous Institutions for the year 2011-12 in the old (2004-05) series and new (2011-12) series**

### **I. Net Value Added by Activity**

(Rs. crore)

| <b>Activity</b>       | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|-----------------------|-----------------------|-----------------------|---------------------|
| Education             | 20005                 | 23984                 | 19.9                |
| Medical               | 5363                  | 1719                  | -67.9               |
| Public Admn & Defence | 24648                 | 13055                 | -47                 |
| <b>Total</b>          | <b>50016</b>          | <b>38758</b>          | <b>-22.5</b>        |

## II. Gross Fixed Capital Formation by Activity

(Rs. crore)

| Activity              | 2004-05 Series | 2011-12 Series | % Difference |
|-----------------------|----------------|----------------|--------------|
| Education             | 4150           | 8056           | 94.1         |
| Medical               | 2242           | 503            | -77.6        |
| Public Admn & Defence | 10394          | 13424          | 29.2         |
| <b>Total</b>          | <b>16786</b>   | <b>21983</b>   | <b>31.0</b>  |

3.32. After implementing the above mentioned changes, the changes in the estimates of General Government for the year 2011-12 are given in Table 6.

**Table 6. Comparative estimates of NVA and GFCF of General Government for the year 2011-12 in the old (2004-05) series and new (2011-12) series**

### I. Net Value Added by Activity

(Rs. crore)

| Activity                              | 2004-05 Series | 2011-12 Series | % Difference |
|---------------------------------------|----------------|----------------|--------------|
| Construction                          | 17016          | 16743          | -1.6         |
| Water Supply                          | 9751           | 8564           | -12.2        |
| Education                             | 173328         | 179770         | 3.7          |
| Medical                               | 51026          | 51397          | 0.7          |
| Sanitation                            | 8049           | 5712           | -29          |
| Real estate and ownership of dwelling | 27             | 27             | 0            |
| Public Admn & Defence                 | 440604         | 407207         | -7.6         |
| <b>Total</b>                          | <b>699801</b>  | <b>669420</b>  | <b>-4.3</b>  |

*Note: NVA in the case of 'public administration & defence' is the same at 'basic prices' and 'at factor cost' since there are no production taxes or production subsidies in this case.*

### II. Gross Fixed Capital Formation by Activity

(Rs. crore)

| Activity     | 2004-05 Series | 2011-12 Series | % Difference |
|--------------|----------------|----------------|--------------|
| Construction | 404            | 345            | -14.6        |
| Water Supply | 11858          | 14926          | 25.9         |

| <b>Activity</b>                       | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---------------------------------------|-----------------------|-----------------------|---------------------|
| Education                             | 20632                 | 21241                 | 3                   |
| Medical                               | 8215                  | 6914                  | -15.8               |
| Sanitation                            | 841                   | 3455                  | 310.8               |
| Real estate and ownership of dwelling | 8746                  | 8926                  | 2.1                 |
| Public Admn & Defence                 | 252268                | 261995                | 3.9                 |
| <b>Total</b>                          | <b>302965</b>         | <b>317803</b>         | <b>4.9</b>          |

3.33. The decline in the NVA of local bodies and Autonomous Institutions is also reflected in the downward revision of Government Final Consumption Expenditure (GFCE) for the year 2011-12, which has reduced from Rs. 10,25,895 crore in the old (2004-05) series to Rs. 9,87,220 in the new (2011-12) series.

#### **Classification of Taxes and Subsidies:**

3.34. In the earlier series, the indirect taxes, such as customs, excise, sales tax and service tax, were classified as 'product' taxes and the remaining indirect taxes and land revenue were treated as 'production taxes'. In the case of subsidies, the total subsidies were netted of the production subsidies as given in the annual reports of NDEs, to obtain the product subsidies. However, as per SNA, both taxes and subsidies should be classified as product and production, depending on whether they are paid/received on the factors of production or on per unit of output. This recommendation has been implemented in the new series of national accounts. A list of production taxes, production subsidies, product taxes and product subsidies is given in **Annexure 3.2**.

#### ***Production tax/ Production subsidy***

3.35. Production tax or production subsidy is paid/ received on the factors of production – land, labour or capital, irrespective of the volume of production. For instance, land revenue and stamp tax are treated as production taxes, while, the input subsidies to farmers, some mining industries, dredging subsidies to Kolkata Port Trust etc. have been treated as production subsidies.

3.36. In respect of the Departmental Enterprises (DEs) of the Government, which are engaged in market operations, these enterprises function despite regular losses because of financial support given by the Government (Central or State, as the case may be). D/o Post, Delhi Milk Scheme and Chandigarh (UT) Transport Undertaking are some of Central DEs. The Department of State Transport, Haryana is one of the state DEs. The losses to these DEs are treated as production subsidies.

### ***Product tax/ Product subsidy***

3.37. Product tax or product subsidy is paid/ received on per unit of output. Some examples are - excise tax, sales tax or subsidies on LPG cylinder, subsidy given to Food Corporation of India (FCI), subsidy provided to banks for providing cheap loans to beneficiaries, subsidy given to insurance corporations for providing insurance at subsidised rates.

3.38. A comparative statement on the values of production/product taxes and subsidies is given in Table 7.

**Table 7. Taxes and Subsidies on Production/Product for the year 2011-12**  
(Rs. crore)

| Item                        | Old (2004-05)<br>Series | New (2011-12)<br>Series | % diff |
|-----------------------------|-------------------------|-------------------------|--------|
| <b>Product Taxes</b>        | 819733                  | 886969                  | 8.2    |
| <b>Product Subsidies</b>    | 345398                  | 250503                  | -27.5  |
| <b>Production Taxes</b>     | 147923                  | 85020                   | -42.5  |
| <b>Production Subsidies</b> | 4227                    | 95873                   | 2168.1 |

3.39. Further, subsidies given to Food Corporation of India (FCI), which are primarily product subsidies, in the earlier series, were shown as subsidies given to Agriculture sector in Classification of Functions of Government (COFOG). However, since the major economic activity of FCI is that of trade, the subsidy to FCI in the new series will be shown as subsidies given to Trade sector in COFOG classification. Consequently, in the new series, the agricultural subsidies would be reduced in COFOG classification.

### **Households (including NPISH)**

3.40. The major change in the estimate of GVA for this sector is due to the adoption of **effective LI method** and latest Survey on Unincorporated Enterprises, the details of which have been given in Section 2, Paras 2.13 to 2.28. Comparative estimates for household sector at current prices are given in Table 8. It may be noted that the estimates are not strictly comparable since in the 2004-05 series, household sector included quasi-corporations whereas in the new (2011-12) series, these have been included in corporate sector and hence not included in this sector.

**Table 8. Gross Value Added for the year 2011-12 from Household Sector at Current Prices**

(At factor cost for old series and at basic prices for new series)

(Rs. crore)

| S.No.     | Item                                     | 2004-05<br>Series | 2011-12<br>Series | %<br>Difference |
|-----------|--|-------------------|-------------------|-----------------|
| <b>1.</b> | <b>Agriculture, forestry and fishing</b> | 1420165           | 1426330           | 0.4             |
| 1.1       | Crops*                                   | 1231323           | 919045            | 0.9             |

| S.No.      | Item  | 2004-05 Series | 2011-12 Series | % Difference |
|------------|---|----------------|----------------|--------------|
| 1.2        | livestock   |                | 322854         |              |
| 1.3        | forestry and logging  | 122005         | 119512         | -2.0         |
| 1.4        | fishing and aquaculture   | 66837          | 64919          | -2.9         |
| <b>2.</b>  | <b>Mining and quarrying</b>   | <b>28040</b>   | <b>57495</b>   | <b>105.0</b> |
| <b>3.</b>  | <b>Manufacturing</b>  | <b>350634</b>  | <b>180006</b>  | <b>-48.7</b> |
| <b>4.</b>  | <b>Electricity, gas, water supply &amp; other utility services</b>              | <b>3800</b>    | <b>6047</b>    | <b>59.1</b>  |
| <b>5.</b>  | <b>Construction</b>   | <b>437835</b>  | <b>584552</b>  | <b>33.5</b>  |
| <b>6.</b>  | <b>Trade, repair, hotels and restaurants</b>                                    | 1170752        | 495217         | -57.7        |
| 6.1        | Trade & repair services   | 1084321        | 445294         | -58.9        |
| 6.2        | Hotels & restaurants  | 86431          | 49924          | -42.2        |
| <b>7.</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>398210</b>  | <b>207622</b>  | <b>-47.9</b> |
| 7.1        | Transport by means other than railways  | 361903         | 199403         | -44.9        |
| 7.2        | Storage   | 2833           | 768            | -72.9        |
| 7.3        | Communication & services related to broadcasting                                | 33474          | 7451           | -77.7        |
| <b>8.</b>  | <b>Financial services</b>   | <b>43526</b>   | <b>**</b>      | <b>-</b>     |
| <b>9.</b>  | <b>Real estate, ownership of dwelling &amp; professional services</b>           | <b>578549</b>  | <b>594985</b>  | <b>2.8</b>   |
| <b>10.</b> | <b>Other services</b>   | <b>274148</b>  | <b>126796</b>  | <b>-53.7</b> |
| <b>11.</b> | <b>TOTAL GVA</b>  | <b>4705659</b> | <b>3679050</b> | <b>-21.8</b> |

\* included livestock in 2004-05 series

\*\* In new series, all the unincorporated enterprises in the Financial Services, including moneylenders, have been classified as quasi-corporations.

3.41. In the earlier series, expenditure of households on purchase of gold and silver ornaments was treated as consumption expenditure and included in PFCE. In the new series, gold and silver ornaments acquired by the households are treated as savings of households in the form of valuables. This has been estimated using information available from NSS 68<sup>th</sup> round Consumer Expenditure Survey (CES) for the base year. For the subsequent years, this has been estimated using information on corresponding output in the manufacturing sector, duly adjusted by their imports and exports.

**ANNEXURE 3.1**

**ESTIMATES OF GVA FOR THE NON-FINANCIAL PRIVATE  
CORPORATE SECTOR FOR THE YEAR 2011-12**

(Rs. crore)

| Sl. No.     | Compilation Category   | GROSS VALUE ADDED (GVA) |               |            |            |                             |                |              |
|-------------|--|-------------------------|---------------|------------|------------|-----------------------------|----------------|--------------|
|             |  | 2011-12 Series          |               |            |            |                             | 2004-05 Series | % diff       |
|             |  | 23 AC/AC A              | XBRL          | NPL        | LLP        | total                       |                |              |
| (1)         | (2)  | (3)                     | (4)           | (5)        | (6)        | (7)<br>=(3)+(4)<br>+(5)+(6) | (8)            | (9)          |
| <b>1.</b>   | <b>Agriculture, forestry &amp; fishing</b>   | <b>5173</b>             | <b>3678</b>   | <b>18</b>  | <b>9</b>   | <b>8878</b>                 | <b>35591</b>   | <b>-75.1</b> |
| 1.1.        | Crops & Livestock  | 4735                    | 3026          | 17         | 9          | 7787                        |                |              |
| 1.2.        | Forestry   | 105                     | 68            | 0          | 0          | 173                         |                |              |
| 1.3.        | Fishing & aquaculture  | 333                     | 584           | 0          | 0          | 917                         |                |              |
| <b>2.</b>   | <b>Mining &amp; quarrying</b>  | <b>4946</b>             | <b>34203</b>  | <b>1</b>   | <b>9</b>   | <b>39159</b>                | <b>23001</b>   | <b>70.2</b>  |
| <b>3.</b>   | <b>Manufacturing</b>   | <b>138522</b>           | <b>841623</b> | <b>26</b>  | <b>281</b> | <b>980452</b>               | <b>761593</b>  | <b>28.7</b>  |
| <b>4.</b>   | <b>Electricity, gas, water supply and other utility services</b>                               | <b>31674</b>            | <b>20177</b>  | <b>3</b>   | <b>397</b> | <b>52252</b>                | <b>19658</b>   | <b>165.8</b> |
| 4.1.        | Electricity  | 30330                   | 15376         | 1          | 391        | 46098                       |                |              |
| 4.2.        | Gas – Manufacture & distribution   | 302                     | 4267          | 0          | 0          | 4569                        |                |              |
| 4.3.        | Water Supply   | 755                     | 234           | 1          | 6          | 996                         |                |              |
| 4.4.        | Sewerage, waste management and remediation activities  | 287                     | 300           | 1          | 0          | 588                         |                |              |
| <b>5.</b>   | <b>Construction</b>  | <b>35357</b>            | <b>102415</b> | <b>16</b>  | <b>454</b> | <b>138242</b>               | <b>101355</b>  | <b>36.4</b>  |
| <b>6.</b>   | <b>Trade, repair, hotels &amp; restaurants</b>   | <b>29234</b>            | <b>70743</b>  | <b>19</b>  | <b>582</b> | <b>100578</b>               | <b>274582</b>  | <b>-63.4</b> |
| <b>6.1.</b> | <b>Trade &amp; repair services</b>   | <b>21565</b>            | <b>59104</b>  | <b>17</b>  | <b>567</b> | <b>81253</b>                |                |              |
| 6.1.1.      | Trade and repair of motor vehicles (including motor cycles) and retail sale of automotive fuel | 1679                    | 2018          | 0          | 2          | 3699                        |                |              |
| 6.1.2.      | Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets       | 17281                   | 46970         | 17         | 484        | 64753                       |                |              |
| 6.1.3.      | Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets        | 2605                    | 10116         | 0          | 81         | 12802                       |                |              |
| <b>6.2.</b> | <b>Hotels &amp; Restaurants</b>  | <b>7669</b>             | <b>11639</b>  | <b>2</b>   | <b>15</b>  | <b>19325</b>                |                |              |
| <b>7.</b>   | <b>Transport, storage, communication &amp; services related to broadcasting</b>                | <b>35578</b>            | <b>119763</b> | <b>108</b> | <b>47</b>  | <b>155495</b>               | <b>91705</b>   | <b>69.6</b>  |
| <b>7.1.</b> | <b>Transport</b>   | <b>30666</b>            | <b>41547</b>  | <b>93</b>  | <b>46</b>  | <b>72351</b>                |                |              |
| 7.1.1.      | Transport via Railways   | 0                       | 27            | 0          | 0          | 27                          |                |              |
| 7.1.2.      | Road transport   | 7130                    | 8910          | 22         | 11         | 16072                       |                |              |
| 7.1.3.      | Water Transport  | 1434                    | 3591          | 68         | 0          | 5093                        |                |              |

| Sl. No.                                 | Compilation Category  | GROSS VALUE ADDED (GVA) |                |             |             |                             |                |              |
|---|---|-------------------------|----------------|-------------|-------------|-----------------------------|----------------|--------------|
|   |   | 2011-12 Series          |                |             |             |                             | 2004-05 Series | % diff       |
|   |   | 23 AC/AC A              | XBRL           | NPL         | LLP         | total                       |                |              |
| (1)                                     | (2)   | (3)                     | (4)            | (5)         | (6)         | (7)<br>=(3)+(4)<br>+(5)+(6) | (8)            | (9)          |
| 7.1.4.                                  | Air Transport   | 0                       | 3476           | 0           | 0           | 3476                        |                |              |
| 7.1.5.                                  | Services incidental to transport  | 22102                   | 25543          | 3           | 35          | 47683                       |                |              |
| <b>7.2.</b>                             | <b>Storage</b>  | <b>1371</b>             | <b>381</b>     | <b>0</b>    | <b>0</b>    | <b>1752</b>                 |                |              |
| <b>7.3.</b>                             | <b>Communication &amp; services related to broadcasting</b>                   | <b>3541</b>             | <b>77835</b>   | <b>15</b>   | <b>1</b>    | <b>81392</b>                |                |              |
| 7.3.2.                                  | Courier activities  | 875                     | 1569           | 0           | 0           | 2444                        |                |              |
| 7.3.4.                                  | Telecommunication   | 252                     | 66097          | 0           | 1           | 66350                       |                |              |
| 7.3.5.                                  | Recording, Publishing and Broadcasting services                               | 2414                    | 10169          | 14          | 0           | 12597                       |                |              |
| <b>9.</b>                               | <b>Real estate, ownership of dwellings and professional services</b>          | <b>122190</b>           | <b>274384</b>  | <b>234</b>  | <b>1124</b> | <b>397932</b>               | <b>321750</b>  | <b>23.7</b>  |
| <b>9.1.</b>                             | <b>Real estate and ownership of dwellings</b>                                 | <b>21088</b>            | <b>12499</b>   | <b>12</b>   | <b>560</b>  | <b>34160</b>                |                |              |
| 9.1.1.                                  | Real Estate activities  | 21088                   | 12499          | 12          | 560         | 34160                       |                |              |
| 9.1.2.                                  | Ownership of dwellings  |                         |                |             |             | 0                           |                |              |
| <b>9.2.</b>                             | <b>Professional services</b>  | <b>101102</b>           | <b>261885</b>  | <b>222</b>  | <b>564</b>  | <b>363773</b>               |                |              |
| 9.2.1.                                  | Computer and information related services                                     | 42826                   | 183750         | 4           | 189         | 226769                      |                |              |
| 9.2.2.                                  | Professional, scientific and technical activities (including R&D)             | 57762                   | 69875          | 198         | 373         | 128208                      |                |              |
| 9.2.3.                                  | Administrative & support service activities and other professional activities | 514                     | 8260           | 19          | 2           | 8795                        |                |              |
| <b>11.</b>                              | <b>Other Services</b>   | <b>54470</b>            | <b>18163</b>   | <b>1204</b> | <b>164</b>  | <b>74001</b>                | <b>143796</b>  | <b>-48.5</b> |
| 11.1.                                   | Education (including coaching and tuition)                                    | 3243                    | 3149           | 354         | 8           | 6754                        |                |              |
| 11.2.                                   | Human health activities and care services with/without accommodation          | 10065                   | 9290           | 169         | 31          | 19555                       |                |              |
| 11.3.                                   | Recreational, cultural and sporting activities                                | 2449                    | 3515           | 93          | 4           | 6061                        |                |              |
| 11.4.                                   | Activities of membership organisations  | 151                     | 264            | 108         | 1           | 523                         |                |              |
| 11.5.                                   | Personal Services   | 3823                    | 1945           | 481         | 120         | 6369                        |                |              |
| 11.6.                                   | Other Services n.e.c  | 34738                   |                |             |             | 34738                       |                |              |
| <b>Total Non-financial Corporations</b> |   | <b>457144</b>           | <b>1485149</b> | <b>1628</b> | <b>3067</b> | <b>1946989</b>              | <b>1773031</b> | <b>9.8</b>   |

*Note: Financial Services, Postal services, Repair Services and Public Administration are not shown in the table since they do not belong to the 'Non-financial Corporations' Sector.*

## Classification of Taxes and Subsidies as Production/Product

### 3.2.1 List of Taxes treated as Product Taxes

| Major Head  | Minor Head | Description of Product Tax                                |
|---|------------|---|
| <b>Major Head 0023: Hotel Receipts Tax</b>                      |            |   |
| 0023  | 101        | Collections from Hotels which are companies               |
| 0023  | 102        | Collections from Hotels which are non-companies           |
| <b>Major Head 0024: Interest Tax</b>                            |            |   |
| 0024  | 102        | Collection under the Interest Tax Act                     |
| <b>Major Head 0028: Other Taxes on Income &amp; Expenditure</b> |            |   |
| 0028  | 109        | Expenditure Tax Act, 1987                                 |
| <b>Major Head 0037: Customs</b>                                 |            |   |
| 0037  | 101        | Imports   |
| 0037  | 102        | Exports   |
| 0037  | 103        | Cesses on Exports   |
| 0037  | 108        | Safeguard Duty  |
| 0037  | 109        | Additional Duty of Customs on Tea And Tea Waste           |
| 0037  | 504        | Primary Education Cess                                    |
| 0037  | 505        | Secondary & Higher Education Cess                         |
| <b>Major Head 0038: Union Excise Duties</b>                     |            |   |
| <b>Sub Major Head 01: Shareable Duties</b>                      |            |   |
| 0038  | 101        | Basic Excise Duties                                       |
| 0038  | 102        | Auxiliary duties of Excise                                |
| 0038  | 103        | Additional Excise Duties on Mineral Products              |
| 0038  | 104        | Special Excise Duties                                     |
| 0038  | 700        | Receipts under Kar Vivad Samadhan Scheme,1998             |
| <b>Sub Major Head 02: Duties assigned to State</b>              |            |   |
| 0038  | 101        | Additional Excise Duties in lieu of Sales Tax             |
| 0038  | 102        | Excise Duty on Generation of Power                        |
| <b>Sub Major Head 03: Non-Shareable Duties</b>                  |            |   |
| 0038  | 101        | Regulatory Excise Duties                                  |
| 0038  | 102        | Auxiliary Duties of Excise                                |
| 0038  | 103        | Special Excise Duties                                     |
| 0038  | 104        | Additional Excise Duties on Textiles and Textile Articles |
| 0038  | 105        | Additional Excise duty on T.V Sets                        |
| 0038  | 106        | Additional Excise Duties on indigenous Motor Spirit       |
| 0038  | 107        | Additional Excise Duty on High Speed Diesel Oil           |

| <b>Major Head</b>                                      | <b>Minor Head</b> | <b>Description of Product Tax</b>                                 |
|--|-------------------|---|
| 0038   | 108               | National Calamity Contingent Duty                                 |
| 0038   | 109               | Special Additional Duty of Excise on Motor Spirit                 |
| 0038   | 110               | Additional Duty of Excise on Tea & Tea waste                      |
| 0038   | 111               | Additional Duty of Excise on Pan Masala & certain Tobacco Product |
| 0038   | 112               | Clean Energy Cess   |
| 0038   | 504               | Primary Education Cess  |
| 0038   | 505               | Secondary & Higher Education Cess                                 |
| 0038   | 700               | Receipts under Kar Vivad Samadhan Scheme,1998                     |
| <b><i>Sub Major Head 04: Cesses on Commodities</i></b> |                   |   |
| 0038   | 101               | Cess on Coal and Coke   |
| 0038   | 102               | Cess on Jute  |
| 0038   | 103               | Cess on Tea   |
| 0038   | 104               | Cess on Copra   |
| 0038   | 105               | Cess on Oil and Oil Seeds   |
| 0038   | 106               | Cess on Cotton  |
| 0038   | 107               | Handloom Cess on Rayon and Artsilk Fabs                           |
| 0038   | 108               | Handloom Cess on Woollen Fabrics                                  |
| 0038   | 109               | Handloom Cess on Cotton Fabrics                                   |
| 0038   | 110               | Cess on Iron Ore  |
| 0038   | 111               | Cess on MICA  |
| 0038   | 112               | Cess on Limestone and Dolomite                                    |
| 0038   | 113               | Cess on Salt  |
| 0038   | 114               | Cess on Bidi  |
| 0038   | 115               | Cess on Tobacco   |
| 0038   | 116               | Cess on Rubber  |
| 0038   | 117               | Cess on Crude Oil   |
| 0038   | 118               | Cess on Coffee  |
| 0038   | 119               | Cess on Sugar   |
| 0038   | 120               | Cess on Condenser   |
| 0038   | 121               | Cess on Manganese   |
| 0038   | 122               | Cess on Cardamom  |
| 0038   | 123               | Handloom Cess on Manmade Fabrics                                  |
| 0038   | 124               | Cess on Paper   |
| 0038   | 125               | Cess on Straw Board   |
| 0038   | 126               | Cess on Electricity   |
| 0038   | 127               | Cess on Vegetable Oils  |
| 0038   | 128               | Cess on Automobiles   |
| 0038   | 129               | Cess on Textiles and Textile Machinery                            |
| 0038   | 130               | Cess on Feature Films   |

| <b>Major Head</b>   | <b>Minor Head</b> | <b>Description of Product Tax</b>                                |
|---|-------------------|--|
| 0038  | 131               | Cess on Matches  |
| 0038  | 200               | Cess on Other Commodities  |
| <b>Major Head 0039: State Excise</b>                      |                   |  |
| 0039  | 101               | Country Spirit   |
| 0039  | 102               | Country Fermented Liquor   |
| 0039  | 103               | Malt Liquor  |
| 0039  | 104               | Liquor   |
| 0039  | 105               | Foreign Liquors and spirits                                      |
| 0039  | 106               | Commercial and denatured spirits and medicated wines             |
| 0039  | 107               | Medicinal and toilet preparations containing alcohol, opium etc. |
| <b>Major Head 0040: Taxes on Sales, Trade etc.</b>        |                   |  |
| 0040  | 101               | Receipts under the Central Sales Tax Act                         |
| 0040  | 102               | Receipts under State Sales Tax Act                               |
| 0040  | 110               | Trade Tax  |
| <b>Major Head 0041: Taxes on Vehicles</b>                 |                   |  |
| 0041  | 102               | Receipts under State Motor Vehicle Taxation Act                  |
| <b>Major Head 0042: Taxes on Goods &amp; Passengers</b>   |                   |  |
| 0042  | 103               | Tax Collections-Passenger Tax                                    |
| <b>Major Head 0043: Taxes &amp; Duties on Electricity</b> |                   |  |
| 0043  | 101               | Taxes on consumption and sale of Electricity                     |
| <b>Major Head 0044: Service Tax</b>                       |                   |  |
| 0044  | 101               | Tax on Telephone Billing   |
| 0044  | 102               | Tax on General Insurance Premium                                 |
| 0044  | 103               | Tax on Stock Brokerage Commission                                |
| 0044  | 104               | Advertising Services   |
| 0044  | 105               | Courier Services   |
| 0044  | 106               | Radio and Paging Services  |
| 0044  | 107               | Custom House Agent Services                                      |
| 0044  | 108               | Steamer Agent Services   |
| 0044  | 109               | Air Travel Agent Services  |
| 0044  | 110               | Mandap Keeper Services   |
| 0044  | 111               | Clearing and Forwarding Agent Services                           |
| 0044  | 112               | Rent a cab scheme operator Services                              |
| 0044  | 113               | Outdoor Caterers Services  |
| 0044  | 114               | Pandal or Shamiana Contractor Services                           |
| 0044  | 115               | Consulting Engineer Services                                     |
| 0044  | 116               | Manpower Recruitment Services                                    |
| 0044  | 117               | Tour Operator Services   |
| 0044  | 118               | Goods Transport Operator Services                                |

| <b>Major Head</b>                   | <b>Minor Head</b> | <b>Description of Product Tax</b>   |
|-------------------------------------|-------------------|---|
| <b>Major Head 0044: Service Tax</b> |                   |   |
| 0044                                | 119               | Architect Services  |
| 0044                                | 120               | Interior Decoration/Designers Services  |
| 0044                                | 121               | Mechanised Slaughter House Services   |
| 0044                                | 122               | Under Writer Services   |
| 0044                                | 123               | Credit Rating Agency Services   |
| 0044                                | 124               | Chartered Accountant Services   |
| 0044                                | 125               | Cost Accountant Services  |
| 0044                                | 126               | Company Secretary Services  |
| 0044                                | 127               | Real Estate Agent/ Consultant Services  |
| 0044                                | 128               | Security/ Detective Agency Services   |
| 0044                                | 129               | Market Research Agency Services   |
| 0044                                | 130               | Management Consultant Services  |
| 0044                                | 131               | Scientific and Technical Consultancy Services   |
| 0044                                | 132               | Photography Services  |
| 0044                                | 133               | Convention Services   |
| 0044                                | 134               | Leased Circuit Services   |
| 0044                                | 135               | Telegraph Services  |
| 0044                                | 136               | Telex Services  |
| 0044                                | 137               | Facsimile Services  |
| 0044                                | 138               | Online Information and Database Access and/or Retrieval Services                                |
| 0044                                | 139               | Video Tape Production Services  |
| 0044                                | 140               | Sound Recording Services  |
| 0044                                | 141               | Broadcasting Services   |
| 0044                                | 142               | Insurance Auxiliary Services  |
| 0044                                | 143               | Banking and other Financial Services  |
| 0044                                | 144               | Port Services   |
| 0044                                | 145               | Service on Repair Provided by Authorised Service Station for Motor Car and Two Wheeled Vehicles |
| 0044                                | 146               | Life Insurance Services including Insurance Auxiliary Services                                  |
| 0044                                | 147               | Cargo Handling Services   |
| 0044                                | 148               | Storage and Warehouse Services  |
| 0044                                | 149               | Event Management Services   |
| 0044                                | 150               | Rail Travel Agent Services  |
| 0044                                | 151               | Health club and Fitness Centres Services  |
| 0044                                | 152               | Beauty Parlour Services   |
| 0044                                | 153               | Fashion Designing Services  |
| 0044                                | 154               | Cable Operator Services   |
| 0044                                | 155               | Dry cleaning Services   |

| <b>Major Head</b>                   | <b>Minor Head</b> | <b>Description of Product Tax</b>  |
|-------------------------------------|-------------------|--|
| <b>Major Head 0044: Service Tax</b> |                   |  |
| 0044                                | 156               | Business Auxiliary Services  |
| 0044                                | 157               | Commercial Training and Coaching Centre  |
| 0044                                | 158               | Commissioning and Installation Agency  |
| 0044                                | 159               | Franchise Services   |
| 0044                                | 160               | Internet Cafe  |
| 0044                                | 161               | Maintenance and Repair Services  |
| 0044                                | 162               | Technical Testing and Analysis-Technical Inspection and Certify  |
| 0044                                | 163               | Business Exhibition Services   |
| 0044                                | 164               | Airport Services   |
| 0044                                | 165               | Transport of Goods by Road   |
| 0044                                | 166               | Transport of Goods by Air  |
| 0044                                | 167               | Survey & Exploration of Minerals   |
| 0044                                | 168               | Opinion Poll Services  |
| 0044                                | 169               | Intellectual Property Services other than copyright  |
| 0044                                | 170               | Forward Contract Services  |
| 0044                                | 171               | TV Radio Programme Production  |
| 0044                                | 172               | Construction Services in respect of Commercial or Industrial Buildings and Civil Structures  |
| 0044                                | 173               | Travel agents (other than AIR/Travel Agents)   |
| 0044                                | 174               | Transport of Goods through Pipeline etc.   |
| 0044                                | 175               | Site formation & Clearance, Excavation & Earth moving & Demolition Services other than those provided to Agriculture, Irrigation & Water shade Development |
| 0044                                | 176               | Dredging Service of River, Port, Harbour, Backwater Estuary  |
| 0044                                | 177               | Survey & Map making other than those by Govt. Deptt.   |
| 0044                                | 178               | Cleaning Services other than in relation to Agriculture, horticulture  |
| 0044                                | 179               | Membership of Club or Association with specified exclusions  |
| 0044                                | 180               | Packaging Services   |
| 0044                                | 181               | Mailing List Compilation and Mailing   |
| 0044                                | 182               | Construction of Residential Complex having more than Twelve Houses   |
| 0044                                | 183               | Service provided by a registrar to an issue  |
| 0044                                | 184               | Service provided by a share transfer agent   |
| 0044                                | 185               | ATM operations, maintenance or management  |
| 0044                                | 186               | Service provided by a recovery agent   |
| 0044                                | 187               | Sale of space or time for advt. other than print media   |
| 0044                                | 188               | Sponsorship services provided to anybody, corporate, firm other than sponsorship of sports events  |

| <b>Major Head</b>                   | <b>Minor Head</b> | <b>Description of Product Tax</b>  |
|-------------------------------------|-------------------|--|
| <b>Major Head 0044: Service Tax</b> |                   |  |
| 0044                                | 189               | Transport of passengers embarking on international journey by air, other than economic class passengers  |
| 0044                                | 190               | Transport of goods in container by rail by any person  |
| 0044                                | 191               | Business support services  |
| 0044                                | 192               | Auctioneer services other than auction of property   |
| 0044                                | 193               | Public relations service   |
| 0044                                | 194               | Ship management services   |
| 0044                                | 195               | Internet telephony services  |
| 0044                                | 196               | Transport of persons by cruise ship  |
| 0044                                | 197               | Credit /debit card, change card or payment card related services   |
| 0044                                | 198               | Services provided by a telegraph authority in relation to telecom  |
| 0044                                | 199               | Services provided in relation to mining of minerals, oil or gas  |
| 0044                                | 200               | Services provided in relation to renting of immovable property for use in course of further some of business or commerce   |
| 0044                                | 201               | Services provided in relation to execution of work contract  |
| 0044                                | 202               | Services provided in relation to development, supply of content for use in telecom services, advertising agency services and database access or retrieval services   |
| 0044                                | 203               | Services provided to any person except banking company or FI including NBFC or any other body, corporate or commerce concerned in relation to asset management including portfolio management and all forms of fund management |
| 0044                                | 204               | Services provided in relation to design services   |
| 0044                                | 205               | Professional Services  |
| 0044                                | 206               | Services Provided by an Insurer on Life Insurance Business in Relation to Management of Investment, Under Unit Link Insurance Business, Commonly Known as Unit Linked Insurance Plan-Ulip Scheme                               |
| 0044                                | 207               | Services Provided by a Recognized Stock Ex. in Relation to Assisting, Regulating or Controlling the Business or Dealing in Securities  |
| 0044                                | 208               | Services Provided by a Recognized/Registered Association in Relation to Assisting, Regulating or Controlling   |
| 0044                                | 209               | Services Provided by a Processing and Clearing House in Relation to Processing, Clearing and Settlement of Transaction in Securities   |
| 0044                                | 210               | Services Provided by any Person in Relation to Supply of Tangible Goods including Machinery, Equipment and Appliances for use  |
| 0044                                | 211               | Cosmetic Surgery or Plastic Surgery Service  |

| <b>Major Head</b>  | <b>Minor Head</b> | <b>Description of Product Tax</b>  |
|--|-------------------|--|
| <b>Major Head 0044: Service Tax</b>  |                   |  |
| 0044   | 212               | Transport of Coastal Goods & Goods Through National Waterways  |
| 0044   | 213               | Legal Consultancy Service  |
| 0044   | 214               | Services of Promoting, Marketing or organizing of Games of Chance including Lottery, Bingo or Lotto                          |
| 0044   | 215               | Health Services Like (A) Health check up undertaken by Hospitals on Medical Establishment for employees                      |
| 0044   | 216               | Services provided maintenance of medical records of Employee business entity   |
| 0044   | 217               | Services of promoting brand of goods services events business entity   |
| 0044   | 218               | Services of permitting commercial use of exploitation of any event organised by person or organisation                       |
| 0044   | 219               | Services provided by Electricity exchange  |
| 0044   | 220               | Services related to (A) transferring temporarily or (B) permitting the use or enjoyment of any copy right                    |
| 0044   | 221               | Special services provided by a builder etc. to the prospective buyers such as providing preferential                         |
| 0044   | 222               | Services of Airconditioned Restaurants   |
| 0044   | 223               | Services of providing of accommodated in Hostels/Inns/Clubs/Guesthouse/Camp site for continuous period of less than 3 months |
| 0044   | 224               | All taxable Services   |
| 0044   | 225               | Other Taxable Services   |
| 0044   | 504               | Primary Education Cess   |
| 0044   | 505               | Secondary & Higher Education Cess  |
| 0044   | 700               | Receipts Under Kar Vivad Samadhan Scheme, 1998   |
| <b>Major Head 0045: Other Taxes &amp; Duties on Commodities &amp; Services</b> |                   |  |
| 0045   | 101               | Entertainment Tax  |

### 3.2.2 List of Taxes treated as Production Taxes

| Major Head   | Minor Head | Description of Production Tax                                      |
|--|------------|--|
| <b>Major Head 0026: Fringe Benefit Tax</b>                                     |            |  |
| 0028   | 107        | Taxes on Professions, Trades, Callings and Employment              |
| <b>Major Head 0029: Land Revenue</b>   |            |  |
| 0029   | 101        | Land Revenue Tax   |
| 0029   | 103        | Rates and Cesses on land   |
| <b>Major Head 0030: Stamps &amp; Registration fees</b>                         |            |  |
| 0030   | 101        | Court fees realised in Stamps                                      |
| 0030   | 102        | Sale of stamps   |
| 0030   | 103        | Duty on Impressing of Documents                                    |
| 0030   | 104        | Fees for registering documents                                     |
| <b>Major Head 0031: Estate Duty</b>  |            |  |
| 0031   | 101        | Ordinary Collections   |
| <b>Major Head 0036: Banking Cash Transaction Tax</b>                           |            |  |
| 0036   | 101        | Collection under Banking Cash Transaction Tax                      |
| <b>Major Head 0041: Taxes on Vehicles</b>                                      |            |  |
| 0041   | 101        | Receipts under the Indian Motor Vehicles Act                       |
| <b>Major Head 0045: Other Taxes &amp; Duties on Commodities &amp; Services</b> |            |  |
| 0045   | 105        | Luxury Tax   |
| 0045   | 110        | Receipts under Water(Prevention and Control of Pollution) Cess Act |
| 0045   | 112        | Receipts for Cesses under other Acts                               |
| 0045   | 117        | Receipts under Research and Development Cess Act, 1986             |

### 3.2.3 List of Subsidies treated as Production Subsidies

| Major Head   | Minor Head   | Sub Head/Description of Production Subsidy                              |
|--|--|---|
| -  | -  | Losses of Departmental Enterprises (Imputed Production Subsidy)         |
| <b>Major Head 2401: Crop Husbandry</b>                     |  |   |
| 2401   | 103: Seeds   | 23: Expenditure on seeds  |
| 2401   | 105: Manures and Fertilisers   | 16: Distribution of Fertilizers   |
| 2401   | 107: Plant Protection  | 02: Plant Protection Scheme   |
| 2401   | 108: Commercial Crop   | 03: Coconut   |
| <b>Major Head 2402: Soil and Water Conservation</b>        |  |   |
| 2402   | 001: Direction and Administration  | 02: Soil Conservation Unit  |
| <b>Major Head 2408: Food Storage &amp; Warehousing</b>     |  |   |
| 2408   | 800: Other Expenditure   | 01: Subsidy for maintenance of Buffer Stocks of Sugar                   |
| 2408   | 800: Other Expenditure   | 08: Scheme for Extending Financial Assistance to Sugar undertaking 2007 |
| 2408   | 902: Amount met from sugar Development Fund                                    | 03: Subsidy for maintenance of Buffer stocks of Sugar                   |
| <b>Major Head 2435: Other Agricultural Programme</b>       |  |   |
| 2435   | 800: Other Expenditure   | 04: High Yielding Programme   |
| <b>Major Head 2552: North-Eastern Areas</b>                |  |   |
| 2552   | 223: Tea- Other Expenditure  | 01: Assistance to Tea growers and others                                |
| 2552   | 224: Coffee- Other Expenditure   | 01: Assistance to Coffee growers and others                             |
| 2552   | 225: Rubber- Other Expenditure   | 01: Assistance to Rubber growers and others                             |
| 2552   | 318: New and Renewable Energy Grid Interactive and Distributed Renewable Power | 01: Grid Interactive Renewable Power                                    |
| 2552   | 236: Village and Small Industries small Scale Industries                       | 21: Other Grants  |
| 2552   | 475: Spices- Other Expenditure   | 01: Assistance to Spice growers and others                              |
| <b>Major Head 2810: Non-Conventional Sources of Energy</b> |  |   |
| 2810   | 101: Grid Interactive and Distributed Renewable power                          | 01: Grid Interactive Renewable Power                                    |

| <b>Major Head</b>  | <b>Minor Head</b>   | <b>Sub Head/Description of Production Subsidy</b>   |
|--|---|---|
| 2810   | 101: Grid Interactive and Distributed Renewable power                   | 02: Off Grid/ Distributed and Decentralized Renewable Power                                   |
| 2810   | 102: Renewable Energy for Rural Applications                            | 02: Renewable Energy for all villages   |
| 2810   | 103: Renewable Energy for Urban, Industrial and Commercial Applications | 01: ST, SPV and other RE Systems  |
| <b>Major Head 2852: Industries</b>                         |   |   |
| 2852   | 202: Textiles   | 16: Procurement of cotton by cotton corporation of India under price support                  |
| 2852   | 600: Others   | 04: Jute  |
| <b>Major Head 3051: Port and Light Houses</b>              |   |   |
| 3051   | 108: Assistance to Port Trusts  | 01: Maintenance and dredging in Haldia Channel by Calcutta Port Trust                         |
| 3051   | 108: Assistance to Port Trusts  | 02: River Dredging and Maintenance of river Hooghly and Haldia channel by Calcutta Port Trust |
| <b>Major Head 3053: Civil Aviation</b>                     |   |   |
| 3053   | 191: Schemes for NE Region  | 01: Payment for Helicopter Services in North Eastern Region                                   |
| <b>Major Head 3075: Other Transport Services</b>           |   |   |
| 3075   | 101: Subsidy to Railways towards Dividend relief                        | 01: Payment to Railway  |
| 3075   | 101: Subsidy to Railways towards Dividend relief                        | 02: Reimbursement of losses to Railways on operating strategic Railway lines                  |
| <b>Major Head 3451: Secretariat Economic Services</b>      |   |   |
| 3451   | 090: Secretariat  | 07: Essential Air services to Remote & Inaccessible areas                                     |
| <b>Major Head 3453: Foreign Trade and Export Promotion</b> |   |   |
| 3453   | 194: Assistance for Export Promotion and Market Development             | 03: Assistance to Export Promotion and Market Development Organisations                       |
| 3453   | 800: Other Expenditure  | 08: Marine Products Export Development Authority  |
| <b>Major Head 3456: Civil Supplies</b>                     |   |   |
| 3456   | 195: Assistance to Consumer Cooperatives in Rural Areas                 | 01: Managerial Subsidy  |

### 3.2.4 List of Subsidies treated as Product Subsidies

| Major Head   | Minor Head   | Sub Head/Description of Product Subsidy   |
|--|--|---|
| <b>Major Head 2235: Social Security &amp; welfare</b>  |  |   |
| 2235   | 800: Other Expenditure   | 09: Payment to Public Sector General Insurance Co. for community based Universal  |
| 2235   | 800: Other Expenditure   | 10: Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizens   |
| <b>Major Head 2401: Crop Husbandry</b>                 |  |   |
| 2401   | 105: Manures and fertilizers   | 14: Payment for concessional sale of Indigenous decontrolled fertilizers  |
| 2401   | 105: Manures and fertilizers   | 15: Payment for concessional sale of imported decontrolled fertilizers  |
| 2401   | 106: Import of fertilizers   | 02: Import of Urea  |
| 2401   | 129: Issue of special bonds to fertilizers companies as compensation towards fertilizers subsidy | 04: Compensation for loss on Account of sale of fertilizer bonds for concessional sale of imported decontrolled fertilizers         |
| 2401   | 800: Other Expenditure   | 06: Comprehensive Crop Insurance  |
| <b>Major Head 2408: Food Storage &amp; Warehousing</b> |  |   |
| 2408   | 102: Food Subsidy  | 09: Subsidy for meeting losses on import of pulses  |
| 2408   | 102: Food Subsidy  | 02: Subsidy payable to food corporation of India and others on food grains transactions   |
| 2408   | 102: Food Subsidy  | 04: Sugar subsidy payable to FCI and others on account of levy sugar, Import of sugar etc.  |
| 2408   | 102: Food Subsidy  | 07: Subsidy for Imported Edible Oils for distribution through States/ UTs Govt.   |
| 2408   | 800: Other Expenditure   | 03: Departmental Canteen National Sugar Institute   |
| 2408   | 800: Other Expenditure   | 06: Re imbursement of Internal Transport and freight charges to sugar factories on export shipment and payment of other permissible |

| <b>Major Head</b>   | <b>Minor Head</b>  | <b>Sub Head/Description of Product Subsidy</b>   |
|---|--|--|
|   |  | claims   |
| 2408  | 902: Amount met from Sugar Development Fund  | 06: Re imbursement of Internal Transport and freight charges to sugar factories on export shipment and payment of other permissible claims |
| <b>Major Head 2416: Agricultural Financial Institutions</b> |  |  |
| 2416  | 800: Other Expenditure   | 02: Interest Subvention for providing short term credit to Farmers   |
| <b>Major Head 2552: Development of North Eastern Region</b> |  |  |
| 2552  | 238: Development of backward areas subsidies   | 01: Transport Subsidy  |
| <b>Major Head 2802: Petroleum</b>                           |  |  |
| 2802  | 102: Subsidy to Oil Marketing Cos.   | 01: Subsidy on domestic LPG and PDS Kerosene   |
| 2802  | 102: Subsidy to Oil Marketing Cos.   | 02: Freight subsidy on retail products for far flung areas   |
| 2802  | 102: Subsidy to Oil Marketing Cos.   | 04:Subsidy to oil cos for supply of Natural Gas to North Eastern Region  |
| 2802  | 103: Payment to Oil Marketing Companies as compensation for under recoveries in their domestic LPG and Kerosene (PDS) operations | 01: Govt. of India Special Bonds to oil Marketing companies  |
| <b>Major Head 2803: Coal and Lignite</b>                    |  |  |
| 2803  | 101: Assistance to Coal & Lignite Companies  | 03: Payment against collection of cess on coal and coke  |
| <b>Major Head 2851: Village and Small Industries</b>        |  |  |
| 2851  | 105: Khadi and Village industries  | 07: Janshree Bima Yojana for Khadi artisans  |
| <b>Major Head 2852: Industries</b>                          |  |  |
| 2852  | 101: Fertilizer Subsidy  | 01: Payment under fertilizers Retention Price scheme   |
| 2852  | 129: Issue of special bonds to fertilizers companies as compensation towards fertilizers subsidy                                 | 02: Payment under fertilizer Freight subsidy scheme  |

| <b>Major Head</b>  | <b>Minor Head</b>                                    | <b>Sub Head/Description of Product Subsidy</b>                                       |
|--|--|--|
| 2852   | 102: Transport Equipment Industries                  | 10: Ship Building Subsidy  |
| 2852   | 102: Transport Equipment Industries                  | 21: Subsidy to non-Central PSU Shipyards and private sector shipyards                |
| <b>Major Head 2885: Other Outlays on Industries &amp; Minerals</b> |  |  |
| 2885   | 101: Assistance to Industrial Financial Institutions | 06: 1% interest subvention on Housing Loans  |
| 2885   | 800: Other Expenditure                               | 03: Subsidy in lieu of concession in the rate of interest on Loans                   |
| 2885   | 101: Subsidies                                       | 03: Transport subsidies to industries  |
| 2885   | 101: Subsidies                                       | 09: Transport Subsidy  |
| 2885   | 101: Subsidies                                       | 12: Investment Subsidy-Old   |
| <b>Major Head 3053: Civil Aviation</b>                             |  |  |
| 3053   | 800: Other Expenditure                               | 06: Subsidy for operation of Haj Charters  |
| <b>Major Head 3056: Inland Water Transport</b>                     |  |  |
| 3056   | 800: Other Expenditure                               | 03: Interest Subsidy to Banks/ Financial Institutions for loans to IWT entrepreneurs |
| <b>Major Head 3453: Freight Trade and Export Promotion</b>         |  |  |
| 3453   | 107: Export Subsidy                                  | 04: Interest Subvention to Schd. Commercial Banks                                    |
| <b>Major Head 3456: Civil Supplies</b>                             |  |  |
| 3456   | 103: Consumer Subsidies                              | 01: Transport Subsidy  |

## SECTION 4

### Changes in GVA Estimates, by Industry, GDP and National Income

4.1. In this section, changes made in the new series in terms of methodology and in sources of data used in compiling estimates of gross domestic product by economic activity, have been discussed. The consequential impact in the estimates of other income aggregates like gross and net national income, per capita national income and growth pattern of macro aggregates have also been discussed.

#### ***Overall Estimates of Gross Domestic Product (GDP)***

4.2. The estimates of GVA by economic activity for the year 2011-12, according to the new series and the 2004-05 series, have been presented in Table 9. ***It may be noted that estimates of GVA had been prepared at factor cost in the earlier series, while these are being prepared at basic prices in the new series.*** Further, the classification of economic activities across industry groups has also been change in accordance with NIC 2008. Therefore, though the estimates have been presented side by side, these are not strictly comparable. The key industries with significant change are 'manufacturing', 'trade & repair services' and 'other services'.

4.3. The details of changes in the methodology/data sources by economic activity, alongwith the reasons, are discussed in the succeeding paragraphs.

**Table 9. Estimates of GVA by economic activity at current prices, 2011-12**  
(At factor cost for old series and at basic prices for new series)

(Rs. crore)

| S. No.    | Item  | 2004-05 Series | 2011-12 Series | % Difference |
|-----------|---|----------------|----------------|--------------|
| <b>1.</b> | <b>Agriculture, forestry and fishing</b>                            | <b>1499098</b> | <b>1505580</b> | <b>0.4</b>   |
| 1.1       | crops   | 960445         | 986604         | 2.7          |
| 1.2       | livestock   | 340124         | 324013         | -4.7         |
| 1.3       | forestry and logging  | 131667         | 129105         | -1.9         |
| 1.4       | fishing and aquaculture   | 66862          | 65858          | -1.5         |
| <b>2.</b> | <b>Mining and quarrying</b>   | <b>222716</b>  | <b>262813</b>  | <b>18.0</b>  |
| <b>3.</b> | <b>Manufacturing</b>  | <b>1236182</b> | <b>1482158</b> | <b>19.9</b>  |
| <b>4.</b> | <b>Electricity, gas, water supply &amp; other utility services*</b> | <b>135670</b>  | <b>194403</b>  | <b>43.3</b>  |
| <b>5.</b> | <b>Construction</b>   | <b>689798</b>  | <b>774093</b>  | <b>12.2</b>  |
| <b>6.</b> | <b>Trade, repair, hotels and restaurants</b>                        | <b>1457565</b> | <b>882957</b>  | <b>-39.4</b> |

(Rs. crore)

| <b>S. No.</b> | <b>Item</b>   | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---------------|---|-----------------------|-----------------------|---------------------|
| 6.1           | Trade & repair services   | 1330489               | 792996                | -40.4               |
| 6.2           | Hotels & restaurants  | 127076                | 89962                 | -29.2               |
| <b>7.</b>     | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>614707</b>         | <b>530163</b>         | <b>-13.8</b>        |
| 7.1           | Railways  | 62710                 | 61210                 | -2.4                |
| 7.2           | Transport by means other than railways  | 456754                | 336109                | -26.4               |
| 7.3           | Storage   | 5496                  | 5292                  | -3.7                |
| 7.4           | Communication & services related to broadcasting                                | 89747                 | 127553                | 42.1                |
| <b>8.</b>     | <b>Financial services</b>   | <b>481495</b>         | <b>480232</b>         | <b>-0.3</b>         |
| <b>9.</b>     | <b>Real estate, ownership of dwelling &amp; professional services</b>           | <b>900029</b>         | <b>1059342</b>        | <b>17.7</b>         |
| <b>10.</b>    | <b>Public administration and defence</b>  | <b>498346</b>         | <b>492405</b>         | <b>-1.2</b>         |
| <b>11</b>     | <b>Other services</b>   | <b>656085</b>         | <b>531398</b>         | <b>-19.0</b>        |
| <b>12.</b>    | <b>TOTAL GVA</b>  | <b>8391691</b>        | <b>8195546</b>        | <b>-2.3</b>         |

\* Does not include other utility services in 2004-05 series. Other utility services in 2004-05 series were covered partially under manufacturing and partially under 'other services'.

#### **AGRICULTURE AND ALLIED**

4.4. The industry group 'Agriculture & Allied' consists of (i) Crop sector; (ii) Livestock sector; (iii) Forestry; and (iv) Fishing & aquaculture. The activities covered are:

- 1) Crop sector includes crop production and operation of Government irrigation system;
- 2) Livestock sector includes breeding and rearing of animals and poultry, production of milk, slaughtering, preparation and dressing of meat, production of raw hides and skins, eggs, dung, raw wool, honey and silk worm cocoons etc.;
- 3) Forestry sector includes forestry, logging and farmyard wood (industrial wood and firewood from trees outside regular forests); and
- 4) 'Fishing & aquaculture' includes commercial fishing in marine and inland waters, subsistence fishing in inland waters and fish curing viz., salting and sun-drying of fish.

4.5. In the 2011-12 series, the Gross Value Added (GVA) of Agriculture and Allied sector for the year 2011-12 has been estimated as Rs. 15,05,580 crore at basic prices as compared to Rs. 14,99,098 crore at factor cost in the old series (2004-05 series). It shows an increase of Rs. 6,482 crore i.e. 0.43 % increase over the previous GVA estimate. The net increase in GVA is mainly on account of revision of prices of crops and livestock products, despite fall observed in forestry and 'fishing & aquaculture' sectors. The differences in the estimates of gross value of output (GVO), value of inputs and GVA between 2004-05 series and 2011-12 series at item level are presented in Table 10.

4.6. In the 2011-12 Series, the GVA of crop sector and livestock sector has been compiled separately by bifurcating the common inputs. Some of the crops under other pulses, other fruits and other vegetables are compiled separately on the basis of production from M/o Agriculture and prices from State Directorates of Economics and Statistics (State DES). Data on number of Tractors has been taken from "Agricultural Research Data Book", 2013 instead of Indian Livestock Census (ILC) for estimation of diesel oil consumption for crop cultivation. Further, Rates and Ratios of estimation of value of Meat products and Meat by-products have been updated as per results of Study of National Research Centre on Meat (NRCM), Hyderabad. Various rates and ratios used for compilation of estimate Forestry Sector i.e. Timber from Trees Outside Forest (TOF), Fodder from Forest and Fire wood have been updated as per India State of Forest Report (ISFR), NSSO 68<sup>th</sup> round Consumer Expenditure Survey (CES) – 2011-12, ASI, 2011-12, Population Census-2011 and State Government Budget documents.

**Table 10. GVO, Inputs and GVA of Agriculture and Allied Sectors, 2011-12**  
(Rs. crore)

| Sl. No.                      | Description   | 2004-05 Series | 2011-12 Series | % diff. |
|------------------------------|---|----------------|----------------|---------|
| <b>(A). GVA- Crop Sector</b> |   |                |                |         |
| <b>1</b>                     | <b>GVO-Crop sector</b>                              |                |                |         |
| 1.1                          | Cereals   | 338014         | 338478         | 0.1     |
| 1.2                          | Pulses  | 53813          | 53816          | 0.0     |
| 1.3                          | Oilseeds  | 107242         | 107253         | 0.0     |
| 1.4                          | Sugars  | 77784          | 79128          | 1.7     |
| 1.5                          | Fibres  | 81777          | 85035          | 4.0     |
| 1.6                          | Indigo and Tanning material                         | 85             | 86             | 1.0     |
| 1.7                          | Drugs & narcotics                                   | 37933          | 38254          | 0.8     |
| 1.8                          | Condiments & spices                                 | 48478          | 49200          | 1.5     |
| 1.9                          | Fruits & vegetables                                 | 288634         | 290246         | 0.6     |
| 1.10                         | Other crops   | 82580          | 82164          | -0.5    |
| 1.11                         | By-products   | 65211          | 68819          | 5.5     |
| 1.12                         | Kitchen garden, mushroom                            | 5464           | 5369           | -1.7    |
| 1.13                         | <b>GVO of Govt .operation<br/>Irrigation system</b> | 38556          | 38219          | -0.9    |

| Sl. No.                           | Description  | 2004-05 Series | 2011-12 Series | % diff.     |
|-----------------------------------|--|----------------|----------------|-------------|
| 1.14                              | <b>TOTAL GVO (Crop sector)</b>                     | 1225570        | 1236067        | 0.9         |
| <b>2</b>                          | <b>INPUTS (Crop sector)</b>                        |                |                |             |
| 2.1                               | Seed   | 26738          | 29408          | 10.0        |
| 2.2                               | Organic manure                                     | 19883          | 21083          | 6.0         |
| 2.3                               | Chemical fertilisers                               | 47191          | 47100          | -0.2        |
| 2.4                               | Current repairs, maintenance and operational costs | 8497           | 7908           | -6.9        |
| 2.5                               | Feed of livestock                                  | 60705          | 29117          | -52.0       |
| 2.6                               | Irrigation charges                                 | 4158           | 4158           | 0.0         |
| 2.7                               | Market charges                                     | 38222          | 38571          | 0.9         |
| 2.8                               | Electricity  | 8915           | 8915           | 0.0         |
| 2.9                               | Pesticides & insecticides                          | 1567           | 1567           | 0.0         |
| 2.10                              | Diesel oil   | 29598          | 24684          | -16.6       |
| 2.11                              | FISIM  | 14245          | 31543          | 121.4       |
| 2.12                              | <b>Input of Govt .operation Irrigation system</b>  | 5407           | 5411           | 0.1         |
| 2.13                              | <b>Total Input (Crop sector)</b>                   | 265126         | 249464         | -5.9        |
| <b>3</b>                          | <b>GVA-Crop sector</b>                             | <b>960444</b>  | <b>986603</b>  | <b>2.7</b>  |
| <b>(B). GVA- Livestock Sector</b> |  |                |                |             |
| <b>1</b>                          | <b>GVO-Livestock</b>                               |                |                |             |
| 1.1                               | Milk   | 310021         | 324895         | 4.8         |
| 1.2                               | Meat   | 91121          | 96287          | 5.7         |
| 1.3                               | Eggs   | 17739          | 16470          | -7.2        |
| 1.4                               | Wool   | 507            | 512            | 1.0         |
| 1.5                               | Dung & Droplets                                    | 31844          | 32754          | 2.9         |
| 1.6                               | Silk   | 4211           | 4331           | 2.9         |
| 1.7                               | Increment in livestock                             | 14740          | 9854           | -33.1       |
| 1.8                               | <b>TOTAL GVO (Livestock sector)</b>                | 470182         | 485103         | 3.2         |
| <b>2</b>                          | <b>INPUTS (Livestock sector)</b>                   |                |                |             |
| 2.1                               | Current repairs, maintenance and operational costs | 968            | 3037           | 213.8       |
| 2.2                               | Feed of livestock                                  | 123351         | 157740         | 27.9        |
| 2.3                               | Market charges                                     | 96             | 96             | -           |
| 2.4                               | FISIM  | 5643           | 216            | -96.2       |
| 2.5                               | <b>Total Input (Livestock Sector)</b>              | 130057         | 161090         | 23.9        |
| <b>3</b>                          | <b>GVA-Livestock</b>                               | <b>340124</b>  | <b>324013</b>  | <b>-4.7</b> |
| <b>(C). GVA- Forestry Sector</b>  |  |                |                |             |
| <b>1</b>                          | <b>GVO-Forestry</b>                                |                |                |             |
| 1.1                               | Industrial Wood                                    | 3507           | 3189           | -9.1        |
| 1.2                               | Timber from Trees Outside Forest                   | 60066          | 73432          | 22.3        |
| 1.3                               | Firewood   | 74070          | 47979          | -35.2       |
| 1.4                               | NTFP   | 18361          | 29720          | 61.9        |

| Sl. No.  | Description  | 2004-05 Series         | 2011-12 Series | % diff.     |
|--|--|------------------------|----------------|-------------|
| 1.5  | <b>TOTAL GVO (Forestry)</b>                          | 156004                 | 154320         | -1.1        |
| 2  | <b>Total Input (Forestry sector including FISIM)</b> | 24337                  | 25215          | 3.6         |
| 3  | <b>GVA- Forestry</b>                                 | <b>131667</b>          | <b>129105</b>  | <b>-1.9</b> |
| <b>(D). GVA- Fishery Sector</b>                  |  |                        |                |             |
|  |  |                        |                |             |
| 1  | <b>GVO-Fishery</b>                                   |                        |                |             |
| 1.1  | Inland fish  | 44952                  | 43756          | -2.7        |
| 1.2  | Marine fish  | 33775                  | 33890          | 0.3         |
| 1.3  | <b>TOTAL GVO (Fishery)</b>                           | 78727                  | 77646          | -1.4        |
| 2  | <b>Total Input (Fishery sector including FISIM)</b>  | 11865                  | 11788          | -0.6        |
| 3  | <b>GVA-Fishery</b>                                   | <b>66862</b>           | <b>65858</b>   | <b>-1.5</b> |
|  |  |                        |                |             |
| <b>(E). GVA- Agriculture and Allied Sectors:</b> |  | <b>(A)+(B)+(C)+(D)</b> |                |             |
|  | <b>GVA-Agriculture and Allied Sectors</b>            | <b>1499098</b>         | <b>1505580</b> | <b>0.43</b> |

Note: New series estimates are at basic prices while the estimates in the old series were at factor cost. The GVA at factor cost for the new series is Rs. 15,53,960 Crore.

### Changes made in the new series

#### **Value of Output- Crop Sector**

4.7. In the new series, estimates of output for crops such as Cowpea, Rajma, Wal, Batna, and Choula (earlier covered under 'Other Pulses'), Beans, Bitter gourd, Bottle guard, Capsicum, Carrot, Cucumber, Muskmelon, Radish, Parwal, Pumpkin and Watermelon (earlier covered under 'Other Vegetables'), Aonla, Ber, Custard Apple, Kiwi, Passion Fruit, Peach, Plum, Pomegranate and Strawberry (earlier covered under 'Other Fruits') are compiled separately. The output of toddy is estimated from the consumption side, since there are obvious gaps in its reporting. The estimates of output for toddy have been updated using the estimates of consumption of Toddy from NSS 68<sup>th</sup> round CES, 2011-12.

#### **Value of Output- Livestock Sector**

4.8. Two major changes have been incorporated related to estimation of value of livestock sector. These are as follows.

#### **I. Estimation of Meat (including meat products and meat by-products)**

4.9. A study was awarded by the Ministry to National Research Centre on Meat, Hyderabad to update the yield rates used in estimation of Value of Meat, in March, 2013.

The study provided the ratio of meat-products and meat by-products to total meat produced in terms of value and quantity for each species of livestock. As the information on the prices on the meat-products and meat by-products are not being provided by State/UT on systematic and regular basis, therefore, percentage share of value of meat products and meat by-products to total value of meat has been used in estimation of value of total output of meat for 2011-12 series. The ratio (in percentage) of value of meat products and by-products to total value of meat as per NRCM study is given in Table 11.

**Table 11. Rate (in percentage) of meat products and meat by-products to meat**

| Sl. No. | ITEM                   | Cattle | Buffalo | Sheep | Goat  | Pig  |
|---------|------------------------|--------|---------|-------|-------|------|
| 1.      | Heads and legs         | 2.24   | 2.37    | 6.33  | 5.38  | 2.11 |
| 2.      | Fat                    | 2.07   | 1.92    | 2.98  | 2.73  | 2.58 |
| 3.      | Skin                   | 7.07   | 6.67    | 3.32  | 3.07  | 0.00 |
| 4.      | EOG                    | 2.69   | 1.31    | 6.72  | 7.18  | 3.66 |
| 5.      | Other meat by-products | 1.93   | 2.22    | 3.70  | 3.23  | 1.05 |
| 6.      | Total                  | 16.00  | 14.49   | 23.05 | 21.59 | 9.40 |

4.10. Based on above rates and ratio, the estimate of meat for 2011-12 is Rs. 96,287 crore which was earlier Rs. 91,121 crore resulting an increase Rs. 5,166 crore i.e. 5.7 % over 2004-05 series.

## II. Estimation of Dung by including Sheep and Goat droplets

4.11. In 2011-12 series, the value of evacuation/droplet from Goat and Sheep has been estimated by using results of a joint study by Central Institute for Research on Goats and National Centre for Agricultural Economics and Policy Research on "Positive Environmental Externalities of Livestock in Mixed Farming Systems of India" published in year 2013. The evacuation rate as per study for Goat is 0.3 kg per day and for Sheep is 0.8 kg per day. The value of the droplets is estimated using the prices of dung and grouped with the estimates of dung. Also, the Livestock population has been updated as per ILC-2012. Impact of inclusion of droplets from Goat and Sheep is presented in Table 12.

**Table 12. Estimate of Dung & Droplets, 2011-12**

(Rs. crore)

| Item            | 2004-05 series | 2011-12 series | % Difference |
|-----------------|----------------|----------------|--------------|
| Dung & Droplets | 31844          | 32754          | 2.9          |

### **Changes in Inputs of crop sector and livestock sector**

4.12. The major changes in the 2011-12 series are segregation of common inputs into crop sector and livestock sector, and estimation of seed, diesel oil and organic manure.

### **Segregation of common inputs**

4.13. The major changes relate to the procedure of apportioning the common input such as (I) Feed of livestock, (II) Expenditure on current repairs, maintenance and operational cost, (III) Market charges and (IV) FISIM between crop sector and livestock sector. The procedure adopted for apportioning is given below.

### **I. Estimation of Feed of Livestock using consumption approach and distribution of Feed between Crop Sector and Livestock Sector**

4.14. In the 2011-12 series, estimation of Livestock feed has been done using consumption approach rather than production approach. The procedure uses the following source data:

- (i) animal feed consumption rate (Dry Fodder, Green Fodder, and Concentrates) from a research study done on "India's Livestock Feed Demand: Estimates and Projection", jointly conducted by Centre of Economics and Social Research and National Centre for Agricultural Economics and Policy Research, published in the year 2010;
- (ii) livestock population as per ILC-2012; and
- (i) price of feed calculated from the Cost of Cultivation Studies (CCS), 2010-11.

4.15. The estimate of feed of livestock using consumption approach used in 2011-12 series and production approach used in 2004-05 series is presented in Table 13.

**Table 13. Estimation of Feed of Livestock, 2011-12**

**(Rs. crore)**

| <b>Sl. No.</b> | <b>Item</b>        | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|----------------|--------------------|-----------------------|-----------------------|---------------------|
| <b>1.</b>      | <b>Roughage</b>    | 113316                | 113441                | 0.1                 |
| <b>2.</b>      | <b>Concentrate</b> | 70740                 | 73416                 | 3.8                 |
| <b>3.</b>      | <b>Total Feed</b>  | 184056                | 186857                | 1.5                 |

4.16. For distribution of feed of livestock between crop sector and livestock sector, it is assumed that feed of livestock used for crop production would be total feed consumed by Adult Buffalo (Male) and Adult Cattle (Male). From the total feed of the livestock, the value of feed consumed by the livestock used for crop production is subtracted to arrive at the value of the feed consumed by the livestock for the livestock sector. The percentage distribution of feed of the livestock used in crop sector is 15.6% whereas for the livestock sector it is 84.4% of the total value of feed. The detailed methodology is given in **Annexure 4.1**.

## **II. Current repairs, maintenance and operational cost**

4.17. Repairs, maintenance and operational cost consist of expenditure on repair and maintenance in Orchards & Plantation Resources, Wells & Irrigation, Agricultural Machinery & Implements and Transport Equipment, Barns & Animal Sheds, Other Costs and Operational Cost of livestock. Of these, expenditure on Barns & Animal Sheds, Other Cost and Operational Cost on livestock are allocated to livestock sector and rest to crop sector. These estimates have undergone change due to the adoption of AIDIS, 2013. For 2011-12, the estimate of Current repairs, maintenance and operational cost for crop sector is Rs. 7,908 crore in 2011-12 series which was Rs. 8,497 crore in 2004-05 series and resulting a decrease of Rs. 589 crore i.e. 6.9% over 2004-05 series. Similarly for 2011-12, the estimate of Current repairs, maintenance and operational cost for livestock sector is Rs. 3,037 crore in 2011-12 series, which was Rs. 968 crore in 2004-05 series resulting an increase of Rs. 2069 crore or 213 percent.

## **III. Market charges**

4.18. In the 2004-05 series, the estimates of market charges is based on Market Margin study conducted for 15 crops viz. paddy, wheat, maize, gram, ginger, mango, potato, onion, arhar, tobacco, gur, groundnut, kapas, apple and tea during 2004-05 by the Directorate of Economics and Statistics(DES), Ministry of Agriculture. In the study it was found that, on an average, market charges are around 3.22% of the GVO. The same ratio has been used in 2011-12 series. In the 2011-12 series, market charge has recorded an increase of Rs. 349 crore for 2011-12 over the market charges in the 2004-05 series, mainly due to updated data on area, production and prices for estimation of GVO. In the 2004-05 series, the market charges have been estimated separately for livestock sector on the basis of Municipal charges per slaughtered animal. The same is continued for 2011-12 Series. For 2011-12, the market charge for livestock sector has been estimated as Rs. 96 crore in 2011-12 Series, which is same as in 2004-05 series.

## **IV. FISIM**

4.19. In 2004-05 Series, FISIM for crop sector was apportioned on the basis of ratio of GVO of crop sector to GVO of crop and livestock sector combined. In 2011-12 series, the FISIM for crop sector and livestock sector have been estimated on the basis of data on Deposit by Ownership and Loan by Economic activity obtained from RBI, NABARD & other financial institutions. Further, the Implicit Price Index is being used for arriving at the corresponding estimate at constant prices. The methodological revision resulted in estimate of FISIM for crop sector for 2011-12 as Rs. 31,543 crore from Rs. 14,245 crore, which is an increase of Rs.17,298 crore. The FISIM for livestock sector is Rs. 216 crore which was earlier estimated as Rs. 5643 crore.

## **Seed**

4.20. In 2004-05 series, except for paddy, the farm harvest prices were used for estimation of value of seed. The methodology did not account for improved / hybrid

variety of seeds being used by farmers for growing crops mainly in irrigated areas. In 2011-12 series, State-wise seed replacement rate (rate of replacement of ordinary seeds with hybrid seeds) has been used on the irrigated area to estimate the irrigated area under a crop for which hybrid seeds are used. For this part of irrigated area, price of seed as derived from CCS has been used for estimating the value of seed. For the remaining irrigated area and the un-irrigated areas, quantity of seed used per hectare has been evaluated with farm harvest price, to estimate the value of seed. However, in the case of paddy, sugarcane and potato, price of seed as derived from CCS has been used for the crop cultivated in both the irrigated and un-irrigated areas. The seed rate (Kg / hectare) is taken as average rate estimated from the latest five year data of CCS (2007-08 to 2011-12). Using above mentioned approach, the value of seed for 2011-12 has been revised to Rs 29,408 crore in 2011-12 series which was Rs. 26,738 crore in 2004-05 series resulting an increase in value of seed by Rs.2,670 crore (10% over 2004-05 series).

### **Diesel Oil**

4.21. The information on the state-wise number of tractors in operation was earlier available in the Livestock Census. This information is no longer available in the Indian Livestock Census. For 2011-12 series, the number of tractors has been revised using number of tractors sold in last 13 years (excluding exports) from the report of "Agricultural Research Data Book 2013" and per tractor value of diesel oil consumption, as per CCS, 2010-11. The number of tractors in operation has been estimated on the basis of number of tractor sold in last 13 years on the assumption that the service life of a tractor is 13 years. The estimate of the number of diesel engines for the current series is same as that of 2004-05 series. However, the consumption of diesel oil has been revised as per CCS, 2010-11. The value of Diesel Oil consumed per year per tractor and that per Oil Engine has been estimated at Rs. 32385.30 and Rs. 8181.60 respectively for the year 2010-11. The estimate of consumption of Diesel oil in 2004-05 series and 2011-12 series for the year 2011-12 is given in Table 14. The decrease in estimate is mainly due to fall in number of Tractors and also to some extent in consumption of diesel oil per tractor/ diesel engine.

**Table 14. Estimate of Consumption of Diesel Oil, 2011-12**

**(Rs. crore)**

| <b>Item</b>       | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|-------------------|-----------------------|-----------------------|---------------------|
| <b>Diesel Oil</b> | 29598                 | 24684                 | -16.6               |

### **Organic Manure**

4.22. For estimation of value of organic manure for 2011-12 series, livestock population as derived from ILC-2012 has been used. Further, droplets from Goat & Sheep have been included in estimation of value organic manure. Under this group, for

the year 2011-12, the value of organic manure has been estimated as Rs. 21,083 crore for 2011-12 series while it was Rs. 19,883 crore in the 2004-05 Series resulting in an increase of Rs. 1,200 crore i.e. 6% over 2004-05 Series.

### Forestry

4.23. The difference in the estimates of the value of output, value of input and GVA between 2011-12 series and 2004-05 series at item level for the year 2011-12 in the forestry sector is given in Table 15. Due to revision of prices, incorporation of the estimates of growing stock as available in ISFR, 2013 and decrease in consumption of firewood, the GVA of the forestry sector has recorded a decrease of Rs. 2,562 crore for the year 2011-12 in 2011-12 Series.

**Table 15. Output and Value Added of Forestry, 2011-12**  
(Rs. crore)

| Sl. No.   | ITEMS                            | 2004-05 Series | 2011-12 Series | Difference (B-A) | % Difference |
|-----------|----------------------------------|----------------|----------------|------------------|--------------|
| 1.        | Industrial Wood                  | 3507           | 3189           | -318             | -9.1         |
| 2.        | Timber from Trees Outside Forest | 60066          | 73432          | 13366            | 22.3         |
| 3.        | Firewood                         | 74070          | 47979          | -26091           | -35.2        |
| 4.        | NTPF                             | 18361          | 29720          | 11359            | 61.9         |
| <b>5.</b> | <b>TOTAL GVO</b>                 | <b>156004</b>  | <b>154320</b>  | <b>-1684</b>     | <b>-1.1</b>  |
| <b>6.</b> | <b>INPUT (including FISIM)</b>   | <b>24337</b>   | <b>25215</b>   | <b>878</b>       | <b>3.6</b>   |
| <b>7.</b> | <b>GVA</b>                       | <b>131667</b>  | <b>129105</b>  | <b>-2562</b>     | <b>-1.9</b>  |

### Industrial Wood and Timber from TOF

4.24. The estimates of value of output of industrial wood from the Government forests have been compiled as per previous practice. The timber from Trees outside of the Forest (TOF) has been revised using latest data on the growth rate of growing stock of TOF. As per ISFR, Growing stock in 2011 is 1548.427 cu.m. and Growing stock in 2013 is 1484.684 cu.m., translating to an annual decrease 2.1 % per annum. Further, volume of wood from TOF has then been estimated using potential production of Timber as estimated by the Forest Survey of India (FSI), and the annual linear growth rate has been applied to extrapolate for the subsequent years. The price of Industrial Wood as received from State DES is multiplied to get the value of the output of timber from TOF.

### Firewood

4.25. In 2011-12 Series, the value of firewood has been revised using NSS 68<sup>th</sup> round CES, 2011-12. There is decrease in consumption rate of fire-wood as per the NSSO survey. In Rural and Urban area, the percentage decrease of firewood is 11.2% and

31.8% respectively. Table 16 gives the per capita consumption of firewood per month in rural and urban areas as per the latest quinquennial surveys of NSS.

**Table 16. Estimated consumption of firewood and chips**

| NSS round                  | Consumption per person per 30 days |             |
|----------------------------|------------------------------------|-------------|
|                            | Rural (Kg.)                        | Urban (Kg.) |
| 61 <sup>st</sup> (2004-05) | 21.44                              | 6.29        |
| 68 <sup>th</sup> (2011-12) | 19.04                              | 4.29        |

4.26. Further, using latest data from ASI and Census, the ratio of consumption of firewood used for religious, industrial and rituals in households has been revised to 7.64% from 6.00%. The estimate of the value of output of firewood, which was earlier estimated as Rs. 74,070 crore for the year 2011-12, has now been estimated in the new series as Rs. 47,979 crore, showing a decrease of 35.2%.

### Non-Timber Forest Products (NTFP)

4.27. There is no change of methodology for estimation of Non-Timber Forest Products (NTFP). However, the fodder from the forest has been revised as per India State of Forest Report (ISFR) 2013. As per the report, 22.6% of the livestock population is dependent on fodder from forest as compared to 15.5% reported in ISFR 2011. Accordingly, output of fodder from forest was revised. The impact of revision is presented in Table 17.

**Table 17. Non-Timber Forest Products (NTFP) for the Year 2011-12**  
(Rs. crore)

| Sl. No | Item                    | 2004-05 Series | 2011-12 Series | % Diff |
|--------|-------------------------|----------------|----------------|--------|
| 1.     | Minor Forest Products * | 3415           | 3794           | 11.10  |
| 2.     | Fodder from Forests     | 14946          | 25926          | 73.48  |
| 3.     | NTFP (Total)            | 18361          | 29720          | 61.87  |

\* As obtained from the State Forest Departments

### Inputs- Forestry

4.28. The input ratio has been revised on the basis of average expenditure on the purchase of goods and services and on repairs and maintenance of fixed assets to the total value of output of this sector in the Government Forest Departments during 2011-12, which is 16.20 percent in place of 15.6 percent for 2004-05 series. This norm has been utilized for estimating the material inputs in this sector for 2011-12 series.

### Fishing and aquaculture

4.29. In 2011-12 Series, though no changes have been made in this sector, the reduction in GVA to the extent of Rs. 1,004 crore for 2011-12 has been due to the adoption of updated prices provided by the State DESs. The impact is given in Table 18.

**Table 18. Comparison of Output, Input & Value Added, 2011-12****(Rs. crore)**

| <b>Sl. No.</b> | <b>Items</b>                   | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Diff</b> |
|----------------|--------------------------------|-----------------------|-----------------------|---------------|
| 1.             | GVO - Inland Fish              | 44952                 | 43756                 | -2.7          |
| 2.             | GVO - Marine Fish              | 33775                 | 33890                 | 0.3           |
| <b>3.</b>      | <b>TOTAL GVO</b>               | <b>78727</b>          | <b>77646</b>          | <b>-1.4</b>   |
| <b>4.</b>      | <b>Input (including FISIM)</b> | <b>11865</b>          | <b>11788</b>          | <b>-0.6</b>   |
| <b>5.</b>      | <b>GVA</b>                     | <b>66862</b>          | <b>65858</b>          | <b>-1.5</b>   |

4.30. A study on input costs of marine fish production is presently being conducted by Central Marine Fisheries Research Institute (CMFRI), Kochi. Central Inland Fisheries Research Institute (CIFRI), Kolkata has also been requested to conduct study on input costs of inland fish production. The ratio of input costs for production of marine fish (22.5%), prawns (22.5%), inland fish (10%), subsistence fish (1%), sun-drying of fish (1%) and salting of fish (1%) to the value of output used in 2004-05 series, will continue to be used in 2011-12 Series till the results of rates and ratios for input costs of above studies are made available.

### **Mining and Quarrying**

4.31. The revision in the estimates of Mining and Quarrying sector in the new series is because of the change in methodology of estimating the Gross Value Added at basic prices and also source of data. In the old series, estimates of production and input costs were taken from the Indian Bureau of Mines (IBM). In the new series, the GVA at basic prices have been computed from the annual financial statements of the companies for non-departmental enterprise and private corporate enterprises, implications of which have been described in Section above on the inclusion of MCA21 database. The following methodology has been used for preparing the estimates in the new series:

### **Coal, Petroleum and Natural Gas:**

4.32. The estimates for these have been derived as the sum of GVA estimates of Non-Departmental Enterprises (NDEs) and Private Corporate Sector.

### **Metallic and Non-Metallic Minerals**

4.33. The GVA estimates for metallic & non-metallic minerals sector is estimated as the sum of GVA of NDEs and GVA of Private Corporate Sector. Since estimates at the enterprise level do not specify the mineral produced, the total GVA/GVO of metallic and non-metallic minerals is divided in the proportion of the estimates of GVA/GVO calculated on the information on output received from IBM. The GVA of atomic minerals is computed from the financial accounts of Indian Rare Earth Ltd and Kerala Minerals and Metals and the estimates of value of output of Atomic Minerals obtained from the

Department of Atomic Energy. GVA of salt is obtained by using the input rate from analysis of accounts of Hindustan Salt Limited (by considering information related to indigenous salt) and the value of production from the O/o Salt Commissioner. The estimate for atomic minerals is then added to that of metallic minerals, while the estimate of salt is added to that of non-metallic minerals.

### Minor Minerals

4.34. There is no change in the estimation procedure of minor minerals in the new series except that of sand. An indirect estimate of the value of output of 'extraction of sand' at basic prices is derived through the value of commodities used for 'construction'. As per the study conducted by the Central Building Research Institute, the value of sand used in the construction is estimated as 8.2% of the total value of inputs used for the activity. Since inputs are valued at purchasers' prices, suitable adjustments of trade transport margins (taken as 224% based on the TTM of minor minerals as derived from Input Output Tables, 2007-08) were made to arrive at the value of output for sand from the corresponding annual estimate of the value of inputs in construction. Further, using the input rate from IBM for sand, the GVA of sand is derived and added to the minor mineral GVA to arrive at the overall GVA of minor minerals.

4.35. The differences in GVO/GVA are, therefore, due to the change in data sources in the case of major minerals, and in the case of minor minerals, the major difference is due to the inclusion of the indirect estimates of sand. Table 19 gives the estimates of value of output, inputs and GVA at basic prices of the Mining & Quarrying sector.

**Table 19. Value of output, inputs and GVA of Mining and Quarrying for the year 2011-12**

(Rs. crore)

| Item                            | 2004-05 Series | 2011-12 Series | % Difference |
|---------------------------------|----------------|----------------|--------------|
| GVO - Fuel Mineral              | 196318         | 292084         | 48.8         |
| GVO - Metallic Mineral          | 47588          | 71394          | 50.0         |
| GVO - Non-Metallic Mineral      | 7543           | 12693          | 68.3         |
| GVO - Minor Mineral             | 33046          | 67712          | 104.9        |
| <b>Total GVO</b>                | <b>284496</b>  | <b>443883</b>  | <b>56.0</b>  |
| Input                           | 60271          | 179435         | 197.7        |
| <b>GVA unadjusted for FISIM</b> | <b>224225</b>  | <b>264447</b>  | <b>17.9</b>  |

*Note: New series estimates are at basic prices while the estimates in the old series were at factor cost. The GVA at factor cost for the new series is Rs. 259371 crore.*

### Manufacturing (Organised and Un-organised)

4.36. In the old series, manufacturing was categorised into two segments- registered and unregistered manufacturing. The registered manufacturing included all factories

registered under the Factories Act under Section 2m(i) & 2m(ii) employing more than 10 workers with power or 20 workers without power. The manufacturing units which were not covered under registered sector (including household industries) formed the unregistered sector. In compiling the GVA estimates of registered manufacturing, production approach was followed and total estimate were derived using the following three data sources –

1. Annual Survey of Industries (ASI) - part related to manufacturing;
2. Railway workshops;
3. Currency, coinage and defence manufacturing

4.37. Establishment approach was followed in estimating the GVA in the Annual Survey of Industries i.e. the focus of survey is the factory, where primarily manufacturing activity takes place, implying thereby that other activities such as trading or other services of the head office conducted outside the surveyed factory were not included in 2004-05 series. However, enterprise approach was adopted for Railway workshops and currency, coinage and defence manufacturing.

4.38. In the new series, with base year 2011-12, the manufacturing sector has been classified into Organised Manufacturing and Unorganised Manufacturing.

4.39. In the new series, there have been changes in the estimates due to adoption of NIC 2008, enterprise approach for organised manufacturing and 'Effective Labour Input Method' for the unincorporated manufacturing enterprises.

### **Classification changes**

4.40. One of the major changes due to classification is that 'Recycling' and 'Publishing of books, periodicals and other publishing activities' were included in the manufacturing sector, which in the new series would be the part of 'Remediation Activities' in 'Other Utility Services' and 'Services related to broadcasting'.

### **Organised Manufacturing**

4.41. Till recently, the Annual Survey of Industries (ASI) was the only comprehensive source of data for the registered manufacturing sector. However, ASI provides estimates for the manufacturing establishments only, and therefore, does not provide any estimates for trading and other activities that may be provided elsewhere by the enterprise. Therefore, the services carried out by the manufacturing enterprises were not adequately covered in the national accounts. With the availability of the comprehensive MCA21 database, this data gap could be addressed by using the 'enterprise approach' for manufacturing also. In the new series, estimates have been derived using the annual accounts of Non Departmental Enterprises (NDE), Private corporate sector from MCA data base and quasi-corporations as covered by ASI, apart from the Departmental Enterprises (DEs), like Railway Workshops, GOI Printing Press and Ordnance Factories.

4.42. ASI captures the data by type of organisation such as private and public limited companies, NDEs, proprietary and partnership factories, Hindu Undivided Family, KVIC etc. Annual accounts of DEs, NDEs and Private Corporate Sector being already available, the estimates relating to the Non-Government unincorporated enterprises, which include partnership and proprietorship enterprises in ASI have been estimated and are classified as quasi-corporations. These enterprises being small in size, their coverage from ASI has been treated as of enterprise even if the data is collected through establishment approach. In addition, in accordance with the recommendation of SNA 2008, unincorporated manufacturing enterprises maintaining accounts are quasi-corporations and therefore, their estimates have been included in organised manufacturing. For obtaining estimates of GVO/GVA by compilation category in the case of private corporate sector, the estimates as obtained as the sum of all enterprises have been apportioned using the corresponding share in ASI.

### **Unorganised Manufacturing**

4.43. In the old series, the base year estimate of unregistered manufacturing was estimated as a combination of GVA from MSME sector and residual unregistered sector using the labour input method. The MSME estimate of GVA was obtained by applying the GVA/GVO ratio of Directory Establishments (as derived from the NSS 62<sup>nd</sup> round Survey on Manufacturing Enterprises) to the GVO obtained from MSME Census of 2006-07. The GVA of the residual unregistered sector was obtained by multiplying the GVA per worker (from 62<sup>nd</sup> round) and labour input from 61<sup>st</sup> round EUS after making suitable adjustments for the labour input in MSME.

4.44. In the new series, as described in Section 2, Paras 2.13 to 2.28, the effective labour input method has been used for compilation category wise estimation of GVA of unincorporated manufacturing enterprises from the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 and NSS 68<sup>th</sup> round Employment Unemployment Survey, 2011-12.

4.45. The estimates for organised manufacturing are compiled by summing up the estimates from DEs, NDEs, Private Corporate Sector Enterprises, Non-Corporate manufacturing establishments covered under ASI and the quasi-corporations of the unincorporated enterprises. The unorganised manufacturing consists of the household enterprises. Table 20 gives the comparison of estimates of GVA for registered/organised manufacturing for the year 2011-12 at factor cost for the 2004-05 series and at basic prices for the 2011-12 series.

**Table 20. Comparison of GVA of Organised Manufacturing (excluding quasi-corporations of the unincorporated enterprise) of new series with GVA for registered manufacturing from old series for the year 2011-12**

(Rs. crore)

| CC         | Activity   | 2004-05 Series | 2011-12 Series | % Difference |
|------------|--|----------------|----------------|--------------|
| 2          | Production, processing and preservation of meat, fish, fruit vegetables, oils and fats   | 16213          | 19080          | 17.7         |
| 3          | Manufacture of dairy product   | 7360           | 9408           | 27.8         |
| 4          | Manufacture of grain mill products, etc. and animal feeds  | 19464          | 23029          | 18.3         |
| 5          | Manufacture of other food products   | 25089          | 30563          | 21.8         |
| 6          | Manufacture of beverages   | 15417          | 28925          | 87.6         |
| 7          | Manufacture of tobacco products  | 10265          | 12788          | 24.6         |
| <b>1+8</b> | Spinning, weaving and finishing of textile+ Other textiles+ Knitted and crocheted fabrics and articles   | 49756          | 57040          | 14.6         |
| 9          | Wearing apparel, except fur apparel and tailoring  | 13509          | 20341          | 50.6         |
| 10         | Dressing and dyeing of fur; manufacture of articles of fur and tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear | 6434           | 7692           | 19.6         |
| 11         | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plating materials                                   | 2626           | 2971           | 13.1         |
| 12         | Manufacture of furniture   | 1685           | 2053           | 21.8         |
| 13         | Manufacture of Paper And Paper Products and publishing, printing and reproduction of recorded media  | 20554          | 28338          | 37.9         |
| 14         | Manufacture of coke, refined petroleum products and nuclear fuel and rubber and plastic products   | 95268          | 152710         | 60.3         |
| 15         | Manufacture of chemical and chemical products  | 165050         | 214277         | 29.8         |
| 16         | Manufacture of other non-metallic mineral products   | 52522          | 67389          | 28.3         |

| CC           | Activity   | 2004-05 Series | 2011-12 Series | % Difference |
|--------------|--|----------------|----------------|--------------|
| 17           | Manufacture of Basic Iron & Steel+ Casting of iron and steel   | 144191         | 195543         | 35.6         |
| 18           | Manufacture of basic precious and non-ferrous metals+ Casting of non-ferrous metals  | 20160          | 27944          | 38.6         |
| 19           | Recycling of metal waste and scrap+ non-metal waste and scrap  | 216            |                | -            |
| 20+21        | Manufacture of fabricated metal products, except machinery and equipment and Manufacture of machinery and equipment n.e.c + office, accounting and computing machinery | 109961         | 43146          | -60.8        |
| 22           | Electrical machinery and apparatus n.e.c.+ radio, television and communication equipment and apparatus   | 46406          | 181652         | 291.4        |
| 23           | Manufacture of medical, precision and optical instruments, watches and clocks+ Manufacturing n.e.c   | 32157          | 15541          | -51.7        |
| 24           | Manufacture of motor vehicles, trailers and semi-trailers+ manufacture of other transport equipment  | 85524          | 125368         | 46.6         |
| <b>Total</b> |  | <b>939825</b>  | <b>1265797</b> | <b>34.7</b>  |

4.46. Table 21 gives the comparison of estimates of GVA for Unorganised manufacturing for the year 2011-12 at factor cost for the 2004-05 series and at basic prices for the 2011-12 series.

**Table 21. Comparison of GVA of Unorganised Manufacturing (including quasi-corporations of the unincorporated enterprise) of new series with GVA for unregistered manufacturing from old series for the year 2011-12 (Rs. crore)**

| CC | Activity   | 2004-05 Series | 2011-12 Series | % Difference |
|----|--|----------------|----------------|--------------|
| 2  | Production, processing and preservation of meat, fish, fruit vegetables, oils and fats | 9303           | 9647           | 3.7          |
| 3  | Manufacture of dairy product   | 1705           | 1504           | -11.8        |

| CC         | Activity   | 2004-05 Series | 2011-12 Series | % Difference |
|------------|--|----------------|----------------|--------------|
| 4          | Manufacture of grain mill products, etc. and animal feeds  | 11765          | 13700          | 16.5         |
| 5          | Manufacture of other food products   | 15180          | 12918          | -14.9        |
| 6          | Manufacture of beverages   | 1485           | 1598           | 7.6          |
| 7          | Manufacture of tobacco products  | 10456          | 8185           | -21.7        |
| <b>1+8</b> | Spinning, weaving and finishing of textile+ Other textiles+ Knitted and crocheted fabrics and articles   | 49206          | 50647          | 2.9          |
| 9          | Wearing apparel, except fur apparel and tailoring  | 19084          | 10727          | -43.8        |
| 10         | Dressing and dyeing of fur; manufacture of articles of fur and tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear | 9063           | 9748           | 7.6          |
| 11         | Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plating materials                                   | 24777          | 19643          | -20.7        |
| 12         | Manufacture of furniture   | 17038          | 17850          | 4.8          |
| 13         | Manufacture of Paper And Paper Products and publishing, printing and reproduction of recorded media  | 11621          | 10554          | -9.2         |
| 14         | Manufacture of coke, refined petroleum products and nuclear fuel and rubber and plastic products   | 9720           | 5912           | -39.2        |
| 15         | Manufacture of chemical and chemical products  | 13839          | 7363           | -46.8        |
| 16         | Manufacture of other non-metallic mineral products   | 28577          | 29151          | 2.0          |
| 17         | Manufacture of Basic Iron & Steel+ Casting of iron and steel   | 12838          | 8473           | -34.0        |
| 18         | Manufacture of basic precious and non-ferrous metals+ Casting of non-ferrous metals  | 3118           | 616            | -80.3        |
| 19         | Recycling of metal waste and scrap+ non-metal waste and scrap  | 805            | 3220           | 300.1        |

| CC           | Activity   | 2004-05 Series | 2011-12 Series | % Difference |
|--------------|--|----------------|----------------|--------------|
| 20+21        | Manufacture of fabricated metal products, except machinery and equipment and Manufacture of machinery and equipment n.e.c + office, accounting and computing machinery | 49460          | 31910          | -35.5        |
| 22           | Electrical machinery and apparatus n.e.c.+ radio, television and communication equipment and apparatus   | 10231          | 4843           | -52.7        |
| 23           | Manufacture of medical, precision and optical instruments, watches and clocks+ Manufacturing n.e.c   | 26983          | 19352          | -28.3        |
| 24           | Manufacture of motor vehicles, trailers and semi-trailers+ manufacture of other transport equipment  | 17608          | 6397           | -63.7        |
| <b>Total</b> |  | <b>353864</b>  | <b>283957</b>  | <b>-19.8</b> |

Note:

- i. In the case of Org Mfg, the estimates are not comparable as there are classification changes as per NIC 2008.
- ii. In the earlier series, GVA of recycling and Publishing of books, periodicals and other publishing activities were also included in Manufacturing sector, which in the new series respectively would be the part of Utility and Services. If this component is removed from the estimate of GVA at current prices for the year 2011-12, then GVA of manufacturing will be Rs. 12,88,664 crore unadjusted for FISIM and Rs. 12,31,157 crore adjusted for FISIM. Similarly, new series estimates are at basic prices while the estimates at old base were at factor cost. The GVA at factor cost for the year 2011-12 (organised + unorganised) in the new series is Rs. 14,69,005 Crore.

### **Electricity, Gas, Water Supply and Other Utility Services**

4.47. In the new series, the major changes in estimates are due to (i) changes in NIC classification (ii) enterprise approach (iii) use of annual accounts of private corporate sector from MCA21 data base.

#### **Electricity**

4.48. There are no changes in the methodology and estimates are compiled through the enterprise approach, by aggregating the estimates for NDEs and companies in the Private Corporate Sector. However, electricity generation and distribution by the private companies, which was earlier based on the analysis of annual reports of private electricity companies registered with CEA, is now being captured through the MCA21 database. Further, companies engaged in production of electricity through 'wind/renewable energy' have been covered through the MCA21 database.

## Gas

4.49. There are no changes in the methodology and estimates are compiled through the enterprise approach, by aggregating the estimates for NDEs, companies in the Private Corporate Sector and the estimates for manufacture of gas in households through bio-gas plants (Gobar Gas). The estimates for Gobar Gas have been classified under the 'Households' sector. Further, as in the other cases, companies in the Private Corporate Sector are being captured through the MCA21 database.

## Water Supply

4.50. The estimates for Water Supply are obtained by aggregating those for DEs, NDEs, Companies in the Private Corporate Sector and water supply in the unorganised sector. Estimates for the unorganised sector have been compiled using the wages and the number of workers from the NSS 68<sup>th</sup> round Employment Unemployment Survey, duly adjusted for the population as per Census 2011.

## Remediation and other utility services

4.51. The estimates for this sector have been compiled by aggregating the estimates for recycling, remediation, sewerage and other waste management services. The estimates for recycling in the organised sector have been obtained from ASI, while those for the remaining services have been estimated by aggregating the estimates of DEs and Enterprises of the Private Corporate Sector. Estimates for the Unincorporated Enterprises have been estimated using the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 and NSS 68<sup>th</sup> round Employment Unemployment Survey, 2011-12. As in the case of unincorporated manufacturing, the unincorporated enterprises are classified as quasi-corporations, if they are maintaining accounts and otherwise, as household enterprises.

4.52. Table 22 gives the estimates of GVA for 'Electricity, Gas, Water Supply and other utility services' for the year 2011-12 at factor cost for the 2004-05 series and at basic prices for the 2011-12 series.

**Table 22. GVA for Electricity, Gas, Water Supply and Remediation for the year 2011-12**

(Rs. crore)

| Activity                             | 2004-05 Series | 2011-12 Series | Difference  |
|--------------------------------------|----------------|----------------|-------------|
| Electricity                          | 105494         | 151094         | 43.2        |
| Gas                                  | 12334          | 15554          | 26.1        |
| Water Supply                         | 17842          | 15242          | -14.6       |
| <b>Sub-total</b>                     | <b>135670</b>  | <b>181890</b>  | <b>34.1</b> |
| Remediation & other utility services | * 15600        | 12512          | -19.8       |
| <b>Total</b>                         |                | <b>194402</b>  |             |

*Note to Table 22:*

*\* 'Remediation & other utility services' was not part of this group, and hence, has not been taken into account in the 'Total'. Estimate is shown for comparison purpose only. New series estimates are at basic prices while the estimates in the old series at factor cost. The GVA at factor cost for the year 2011-12 in the new series is Rs. 202395 Crore.*

## **Construction**

4.53. The Gross Value Added from Construction comprises of the following components:

- i. Dwellings, Other Buildings & Structures (DOBS)
- ii. Construction in plantations
- iii. Mineral explorations

4.54. GVA of Dwellings, Other Buildings & Structures further consists of two components namely (i) pucca and (ii) kutcha. The former continues to be measured through the commodity flow approach, and the latter through the expenditure approach. However, in addition to these estimates, expenditure on construction activity in plantations and mineral explorations is separately estimated and included in GVA from construction.

4.55. The broad methodology adopted in the new series for estimating the total GVO and GVA from Construction is broadly the same as the one used in earlier series except for some modifications and different data sources. The major revisions are due to the following:

- i. Use of financial reports as in MCA 21 database for estimation of GVA from Construction for private corporations.
- ii. Revision in methodology for estimation of value of output used in construction for Bricks & tiles.
- iii. Estimation of value of output used in construction for *Bitumen and bitumen mixtures*, and *Glass and glass products* in addition to Cement and cement products, Iron & steel, Bricks & tiles, Timber and Fixtures & fittings.
- iv. 'Other materials' to include service charges and therefore, presented as 'Other materials and Service charges' based on information received from study on cost of construction by CBRI.
- v. Use of NSS 70<sup>th</sup> round All India Debt and Investment Survey (AIDIS), 2013 for preparing benchmark estimates of rural residential buildings, urban residential buildings, non-residential buildings and other construction works.
- vi. Use of NSS 65<sup>th</sup> round Survey on Housing Conditions, 2008-09, for obtaining ratios of pucca and kutcha construction for dwellings.

- vii. Adjustment in the output of construction industry for the own account construction as included in the output of enterprises with major economic activity other than 'construction'.

### ***Pucca Dwellings, Other Buildings & Structures***

4.56. The estimates of pucca dwellings, other buildings & structures for the entire economy are compiled first through the commodity flow approach on the basis of availability of basic construction materials and factor inputs. This forms the control figure of overall output of pucca dwellings, other buildings & structures for the country. Estimates of output of dwellings, other buildings & structures in General Government, public corporations, private corporations and households are also compiled independently from budget documents, profit and loss accounts, balance sheets and results of AIDIS.

4.57. The estimates for private corporations are prepared using information on financial parameters of non-government companies from MCA21 database provided by Ministry of Corporate Affairs. In the 2004-05 series, these estimates were prepared on the basis of the sample studies of non-Government financial and non-financial Companies by RBI. In the earlier series, construction expenditures by new companies was used to supplement the estimates from RBI study. As the MCA21 database includes the new companies also, this adjustment has been done away with in the 2011-12 series.

4.58. In respect of 'Households', the estimates of new construction and repair and maintenance for (i) rural residential buildings (RRB) (ii) urban residential buildings (URB) and (iii) non-residential and other construction works (NRB and OCW) are prepared initially for the benchmark year using the results of AIDIS 2013. The benchmark estimates for **RRBs and URBs** are extrapolated with various indicators such as inter-censal growth rates of rural and urban dwellings, and composite price indices, for compiling the estimates for subsequent years. The above said estimates of RRBs and URBs are further apportioned to pucca and kutcha dwellings using the NSS Report 535, 65<sup>th</sup> round, 2008-09. The norms used for apportioning the RRBs into pucca and kutcha dwellings are 83:17 (as against 79:21 used in 2004-05 series) and for URBs, they are 98:2 (as against 97:3 used in 2004-05 series). As regards **NRB & OCW**, expenditure on wells and other irrigation resources by households engaged in farm business and expenditure on workplace, workshop and other constructions by households engaged in non-farm business are shown under 'pucca buildings & structures'. Expenditure on barns and animal sheds and 'other construction works' under farm business, and development of land are shown under 'kutcha buildings & structures'.

4.59. The output for pucca dwellings, other buildings & structures obtained through commodity flow approach includes both new construction and repair & maintenance. The approach covers the cost of basic materials, other materials and factor payments

such as labour cost, contractor's profit, etc. In the new series, the construction costs incurred on seven basic materials used in construction activity have been captured as against five basic materials in the old (2004-05) series. The basic materials considered for construction in the 2011-12 series are (i) cement and cement products, (ii) iron and steel, (iii) bricks and tiles, (iv) timber and round wood (including imports of timber products and veneer plywood) (v) fixtures and fittings (vi) bitumen and bitumen mixtures and (vii) glass and glass products. The item basket for the above construction materials has been finalized by analyzing the detailed results of Annual Survey of Industries (ASI) 2011-12 at commodity level of 7-digit National Product Classification for Manufacturing Sector (NPCMS). For estimating the value of output of these items from unorganised manufacturing sectors, NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 have been used. Estimates of basic materials compiled using ASI and NSS enterprise survey results have been appropriately adjusted with corresponding output estimated in the manufacturing sector. The Trade and Transport margins have been revised based on the Input Output Tables, 2007-08.

***New/Revised Methodology for Bitumen & bitumen mixtures, Glass & glass products and Bricks & tiles:***

4.60. Two new construction materials, namely, bitumen & bitumen mixtures and glass & glass products were included in the list of basic materials used for estimation of value of output of construction activity. Detailed results of ASI 2011-12 at 5-digit level of NIC 2008 along with 7-digit level of NPCMS code for commodities, have been analyzed for compilation of base year estimates. Corresponding information from NSS 67<sup>th</sup> round has also been incorporated to account for manufacture of glass & glass products in unorganised manufacturing sector. It is assumed that bitumen is not produced in the unorganised manufacturing sector. To these estimates, excise duty, net imports and import duty for the specific commodity has been added. Input ratios of these commodities in manufacturing obtained from ASI, 2011-12 have been applied to deduct the intermediate consumption thereby getting an estimate of use in construction.

4.61. Methodology for compilation of estimates of "bricks & tiles" has been revised. For estimating the production of bricks & tiles in organised sector, detailed results of ASI 2011-12 for 7-digit level of NPCMS code for bricks & tiles at 5 digit level of NIC 2008 have been analyzed. For estimating the production of bricks & tiles in un-organised sector, results of NSS 67<sup>th</sup> round, have been used.

4.62. From the results obtained from the study of cost of construction by CBRI, it has been estimated that the seven basic material groups account for 74.96 per cent of the total construction materials while the remaining 25.04 per cent accounts for 'other materials and service charges'. 'Other materials and service charges' include sand, kerosene oil, steam coal, cement primer, cement paint, driver charges, mixing charges, water charges, etc. After obtaining the estimated value of output of pucca construction

from the basic materials, these ratios are used to estimate output from 'other materials and service charges'.

4.63. Revised norms for basic materials, other materials and factor inputs used in new series for construction activity are 48.7 per cent, 16.3 per cent, and 35.0 per cent as against the norms of 49.5 per cent, 15.7 per cent, and 34.8 per cent, respectively in old series. The factor incomes consist of wages of all type of construction workers, contractors' profits, etc. Table 23 gives a comparative statement of these norms for the 2004-05 series and 2011-12 series.

**Table 23. Norms of materials and factor inputs in construction in the 2004-05 series and in the 2011-12 series.**

| <b>ITEMS</b>                     | 2004-05 series | 2011-12 series |
|----------------------------------|----------------|----------------|
| <b>1 basic materials</b>         | 49.5           | 48.7           |
| 1.1 cement & cement products     | 7.9            | 7.7            |
| 1.2 iron & steel                 | 31.5           | 31.4           |
| 1.3 bricks & tiles               | 2.4            | 2.9            |
| 1.4 timber and roundwood         | 3.0            | 2.3            |
| 1.5 bitumen and bitumen mixtures | -              | 0.9            |
| 1.6 glass and glass products     | -              | 0.4            |
| 1.7 fixtures & fittings          | 4.7            | 3.1            |
| <b>2. other materials *</b>      | <b>15.7</b>    | <b>16.3</b>    |
| <b>3. factor inputs*</b>         | <b>34.8</b>    | <b>35.0</b>    |
| <b>TOTAL</b>                     | <b>100.0</b>   | <b>100.0</b>   |

*\*Based on CBRI study and remaining are separately estimated every year*

### ***Kutcha Dwellings, Other Buildings & Structures***

4.64. In the new series, the kutcha DOBS includes kutcha construction undertaken in the General Government, public corporations and households. In the 2004-05 series, capital expenditure on installation of wind energy systems which is a pucca construction activity was separately estimated and 8.7 per cent of the total capital expenditure incurred in constructing the wind energy systems was included. As MCA 21 database covers companies undertaking installation of wind systems, these estimates are not separately added as was being done in the old series.

### ***Plantations***

4.65. The capital expenditure incurred on cultivation of plantation crops during the gestation period is treated as output of the 'Construction Industry' for that year. The coverage of capital expenditure in cultivation of plantation crops now include cardamom based on data available from NHB and NABARD for the year 2014-15. Using information on the asset 'Tree, crop and plant resources yielding repeat products' available from the

MCA 21 database for private corporations and from budgets, annual reports for public corporations, the capital expenditure for the Households Sector is worked out as a residual.

### ***Mineral exploration***

4.66. As regards expenditure in mineral exploration, this is the expenditure incurred on mineral exploration asset by all institutional sectors. This information is separately available in accounts of public corporations and private corporations. This is added separately to the commodity flow estimates of construction.

4.67. The estimate of Gross Value Added (GVA) from construction is compiled as sum of (i) factor payments in pucca DOBS; (ii) 75 percent of output in kutchha DOBS; (iii) 75 percent of expenditure incurred on plantations; and (iv) fixed proportion of expenditure on mineral exploration based on information available from annual accounts of public and private corporations.

4.68. With the adoption of above mentioned expanded coverage and use of fresh data, the total value of output of construction is estimated at Rs. 21,81,008 crore in the new series for the year 2011-12 as against Rs. 20,07,846 crore estimated in old (2004-05) series. This increase in output by Rs. 1,73,162 crore has been due to the additional coverage of items in both pucca and kutchha constructions, revised norms and upward revision in the repairs and maintenance expenditure in pucca construction.

4.69. The new series estimates, and additional items included in the coverage and the differences from the previous series are presented in Tables 24 and 25.

**Table 24. Value of output of construction sector, 2011-12  
(Rs. crore)**

| <b>S.No.</b> | <b>Item</b>   | <b>2004-05<br/>Series</b> | <b>2011-12<br/>Series</b> | <b>%<br/>Difference</b> |
|--------------|---|---------------------------|---------------------------|-------------------------|
| <b>1</b>     | <b>TOTAL OUTPUT<br/>CONSTRUCTION (2+3+4+5)</b>  | <b>2007846</b>            | <b>2181008</b>            | 8.6                     |
| <b>2</b>     | <b>Total Output Pucca<br/>(Dwellings, Other Buildings &amp;<br/>Structures) (2.1+2.2)</b> | <b>1949701</b>            | <b>2089060</b>            | 7.1                     |
| <b>2.1</b>   | <b>Total available supply of<br/>materials (2.1.1+2.1.2)</b>                              | <b>1270991</b>            | <b>1357414</b>            | 6.8                     |
| <b>2.1.1</b> | <b>Basic Materials</b>  | <b>965953</b>             | <b>1018060</b>            | 5.4                     |
| 2.1.1.1      | Cement & Cement Products  | 154661                    | 160368                    | 3.7                     |
| 2.1.1.2      | Iron & Steel  | 613812                    | 655110                    | 6.7                     |
| 2.1.1.3      | Bricks & Tiles  | 46817                     | 60312                     | 28.8                    |
| 2.1.1.4      | Timber & Roundwood  | 58871                     | 48631                     | -17.4                   |

| <b>S.No.</b> | <b>Item</b>  | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|--------------|--|-----------------------|-----------------------|---------------------|
| 2.1.1.5      | Bitumen and Bitumen Mixtures   | 0                     | 19427                 | -                   |
| 2.1.1.6      | Glass and Glass Products   | 0                     | 8725                  | -                   |
| 2.1.1.7      | Fixtures & Fittings  | 91792                 | 65488                 | -28.7               |
| <b>2.1.2</b> | <b>Other Materials &amp; Service Charges</b>                             | <b>305038</b>         | <b>339353</b>         | 11.2                |
| <b>2.2</b>   | <b>Factor Inputs</b>   | <b>678709</b>         | <b>731646</b>         | 7.8                 |
| <b>3</b>     | <b>Total Output Kutcha (Dwellings, Other Buildings &amp; Structures)</b> | <b>54825</b>          | <b>61605</b>          | 12.4                |
| <b>4</b>     | <b>Total Output Plantation</b>   | <b>3320</b>           | <b>2699</b>           | -18.7               |
| <b>5</b>     | <b>Total Output Mineral Exploration</b>                                  |                       | <b>27644</b>          | -                   |
| <b>6</b>     | <b>New Dwellings, Other Buildings &amp; Structures (6.1+6.2)</b>         | <b>1593714</b>        | <b>1686146</b>        | 5.8                 |
| <b>6.1</b>   | <b>Pucca (Dwellings, Other Buildings &amp; Structures)</b>               | <b>1546851</b>        | <b>1627751</b>        | 5.2                 |
| 6.1.1        | General government   | 258456                | 210041                | -                   |
| 6.1.2        | Public Corporations  | 152321                | 75810                 | -                   |
| 6.1.3        | Private Corporations   | 239016                | 245633                | -                   |
| 6.1.4        | Households   | 897059                | 1096267               | -                   |
| <b>6.2</b>   | <b>Kutcha (Dwellings, Other Buildings &amp; Structures)</b>              | <b>46863</b>          | <b>58395</b>          | 24.6                |
| 6.2.1        | General government   | 3983                  | 25408                 | -                   |
| 6.2.2        | Public Corporations  | 6558                  | 6706                  | -                   |
| 6.2.3        | Private Corporations   | 1700                  | 0                     | -                   |
| 6.2.4        | Households   | 34622                 | 26281                 | -                   |
| <b>7</b>     | <b>Repair &amp; Maintenance (7.1+7.2)</b>                                | <b>410812</b>         | <b>464519</b>         | 13.1                |
| <b>7.1</b>   | <b>Pucca (Dwellings, Other Buildings &amp; Structures)</b>               | <b>402850</b>         | <b>461309</b>         | 14.5                |
| 7.1.1        | General government   | 67567                 | 69092                 | -                   |
| 7.1.2        | Public Corporations  | 16363                 | 16759                 | -                   |
| 7.1.3        | Private Corporations   | 48136                 | 51570                 | -                   |
| 7.1.4        | Households   | 270784                | 323889                | -                   |
| <b>7.2</b>   | <b>Kutcha (Dwellings, Other Buildings &amp; Structures)</b>              | <b>7962</b>           | <b>3210</b>           | -59.7               |
| 7.2.1        | Households   | 7962                  | 3210                  | -59.7               |

*Note: Output for 2011-12 has been adjusted due to own account construction.*

**Table 25. GVA of construction sector, 2011-12**

| <b>S. No.</b> | <b>Item</b>                                      | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---------------|--|-----------------------|-----------------------|---------------------|
| <b>1</b>      | <b>GVA Construction (unadjusted for FISIM)</b>   | <b>722317</b>         | <b>800607</b>         | <b>10.8</b>         |
| 1.1           | Pucca (Dwellings, Other Buildings & Structures)  | 678709                | 731646                | 7.8                 |
| 1.2           | Kutcha (Dwellings, Other Buildings & Structures) | 41118                 | 46204                 | 12.4                |
| 1.3           | Plantation                                       | 2490                  | 2024                  | -18.7               |
| 1.4           | Mineral Exploration                              |                       | 20733                 | -                   |
| <b>2</b>      | <b>FISIM</b>                                     | <b>32520</b>          | <b>26514</b>          | <b>-18.5</b>        |
| <b>3</b>      | <b>GVA Construction (adjusted (1-2))</b>         | <b>689797</b>         | <b>774093</b>         | <b>12.2</b>         |

*Note: New series estimates are at basic prices while the estimates in the old series are at factor cost. The GVA at factor cost for the new series is Rs. 7,69,842 Crore.*

## **Trade, repair services, hotels and restaurants**

### **Trade & repair services**

4.70. Trade activity includes wholesale and retail trade in all commodities whether produced domestically, imported or exported. Repair services of computers, household goods, motor vehicles (including motor cycles) are also included in this Section. In the earlier series, repair of computers was a part of computer related activities. It has been made a part of this category as per NIC 2008. The benchmark year estimates of GVA for this activity in the old series were prepared separately for the public sector, private organised sector and households. For public sector trading units, GVA estimates were compiled by analyzing the annual accounts of public trading enterprises and budget documents. Estimates for private organised part comprising private corporate sector and cooperative societies engaged in trade were prepared using the result for the RBI study on company finances, total paid up capital of companies available from Ministry of Company Affairs and the information available from the NABARD publication viz "Statistical statement relating to the cooperative movement in India 2003-04" respectively. As this category of services was not covered in the NSS 63<sup>rd</sup> round Enterprise Survey, the GVA of each of the five categories of unorganised sector from the previous series obtained by moving the estimates for the year 1999-2000 to 2004-05 using the index of Gross Trading Income (GTI) was retained.

4.71. In the new series, the estimates of GVA for trade and repair services have been prepared separately for the following categories, as per NIC 2008 classification:

1. Trade and repair of motor vehicles (including motor cycles) and retail sale of automotive fuel
2. Wholesale trade except of motor vehicles and motor cycles + Wholesale of lottery tickets
3. Retail trade except of motor vehicles and motor cycles + retail sale of lottery tickets
4. Repair of computers and personal and household goods

4.72. The revision in GVA estimates of public, private and unorganised components in 2011-12 in the new series has been due to the availability of latest data from different source agencies. For public sector trading units, i.e., DEs and NDEs, GVA estimates have been compiled by analyzing the budget documents and the annual accounts of public trading enterprises, respectively. There is no change in the sources and methods of estimating the GVA of these enterprises. Estimates for 2011-12 of private organised part comprising private corporate sector, quasi-corporations and co-operative societies engaged in trade and repair services have been prepared as below:-

- (a) Private corporate: As described in Section 3, Paras 3.7 to 3.14, estimates of Private Incorporated Enterprises have been derived using the MCA 21 database.
- (b) Quasi-Corporations: Estimates for the quasi-corporations have been derived using LI method, as described in Section 2, Paras 2.13 to 2.28.
- (c) Cooperatives: No changes were made in the methodology adopted for compilation of estimates of the cooperatives, since cooperatives were not covered in the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 and updated information on trading cooperatives is not available from NABARD.

4.73. The estimates of the unincorporated segment (quasi-corporations and household enterprises) have been compiled using the labour input method, as given in Section 2, Paras 2.13 to 2.28.

4.74. The decrease in GVA of Trade is mainly due to drop in the latest survey based estimates of trade for the unorganised sector. The change in the methodology and use of the latest data on private corporate sector i.e. MCA 21 have also led to a significant decrease in the estimates as compared to the old series. In the old series, the benchmark estimates for the private corporate sector were moved forward using the growth rates based on RBI sample studies of non-financial companies. In the absence of trade related survey between 1999-2000 to 2010-11, the estimate of the unorganised trade sector for 2011-12 in the old series projected using the GTI index seem to be over-estimated leading to a wide divergence between the new series and old series estimates.

The estimate of GVA for 2011-12 for 'trade and repair services' has gone down by 39.4% from 2004-05 series.

### Hotels and Restaurants

4.75. The methodology followed for estimating GVA of public, private organised and households in the new series is same as that of trade & repair services. The estimates of GVA at factor cost from this activity for 2011-12 has gone down from Rs 1,27,076 crore at factor cost in the old series to Rs. 89,962 crore at basic prices in the new series.

4.76. A comparison of estimates of GVA for 'Trade & Repair Services' and 'Hotels & restaurants' for the year 2011-12 between the old (2004-05) series and new (2011-12) series is given in the Table 26.

**Table 26. Comparative Estimates of GVA of 'Trade, repair, hotels and restaurants' for the year 2011-12**

| (Rs. crore)  |                  |                 |              |
|--|------------------|-----------------|--------------|
| Item   | 2004-05 Series   | 2011-12 Series  | % Difference |
| Trade & Repair services                              | 13,30,489        | 7,92,996        | -40.4        |
| Hotel & Restaurants                                  | 1,27,076         | 89,962          | -29.2        |
| <b>Total- Trade, repair, hotel &amp; restaurants</b> | <b>14,57,565</b> | <b>8,82,957</b> | <b>-39.4</b> |

*Note: Trade & Repair services in the new series also include Repair of computers as per NIC 2008 classification. New series estimates are at basic prices while the estimates in the old series at factor cost. The GVA at factor cost for the new series for this group is Rs. 8,74,412 crore.*

### Railways

4.77. There are no changes in compilation procedure for estimation of GVA of Railway transport services. However, in the new series, estimates of 'Railways' operated by the Private Companies, has been included using their accounts as available in the MCA21 database, as can be seen in Table 27.

**Table 27. GVA from Railways at current prices, 2011-12**  
(At factor cost for old series and at basic prices for new series)

| (Rs. crore)                   |                |                |              |
|-------------------------------|----------------|----------------|--------------|
| Type of institution           | 2004-05 Series | 2011-12 Series | % Difference |
| Departmental Enterprises      | 61451          | 59928          | -2.5         |
| Non- Departmental Enterprises | 1260           | 1255           | -0.4         |
| Private Corporate             |                | 27             | -            |
| <b>Total</b>                  | <b>62711</b>   | <b>61210</b>   | <b>-2.4</b>  |

*Note to Table 27:*

- 1. New series estimates are at basic prices while the estimates in the old series are at factor cost. The GVA at factor cost for the new series is Rs. 68,222 Crore.*
- 2. The loss of Railway DE is treated as "imputed production subsidy".*
- 3. The change in the estimate of GVA is due to the revision of CFC in the new series.*

### **Transport by means other than railways and storage**

4.78. The economic activities covered in this sector are: (i) Road transport; (ii) Air transport; (iii) Water transport; and (iv) Services incidental to transport.

#### **Road Transport**

4.79. In the old series, for mechanized road transport, public sector GVA estimates have been compiled by analyzing the annual accounts of State Road Transport Corporations. While for private corporate and unorganised sector, the estimates of GVA in respect of mechanized and non-mechanized road transport were compiled using the labour input method. In the case of private corporate sector, the GVAPW of "establishments" was used whereas for unorganised sector, the GVAPW of "all enterprises" was used.

4.80. In the new series, while there is no change in the methodology for compiling the public sector estimates, the estimates of Private corporate estimates have been compiled using MCA21 database. As described in Section 2, Paras 2.13 to 2.28, for the unorganised sector, the estimates of GVA in respect of mechanized and non-mechanized road transport have been compiled for the base year using the effective labour input method and labour input method respectively.

#### **Air Transport**

4.81. In the earlier series, the GVA estimates of air transport were prepared separately for the two parts i.e. public and private corporate sector. Estimates for the public sector were obtained by analyzing the budget documents and the annual accounts of public sector undertakings. The GVA of private corporate sector for the base year was prepared by analyzing the annual accounts of the companies and estimates for the subsequent years were obtained by extrapolation using index of passengers and cargo handled at airports. In the new series, while the methodology for public part is the same, the estimates of the private organised part have been compiled using MCA 21 database.

#### **Water Transport**

4.82. In the old series, the public sector GVA estimate was prepared by analyzing the budget documents and annual accounts of Public Shipping Companies and Inland Water Shipping Companies. The GVA of private corporate sector for the base year was prepared by analyzing the annual accounts of sample companies and adjusted by the Gross Registered Tonnage for the total registered companies. For the subsequent years,

estimates were extrapolated using index of cargo handled at major and minor ports. The GVA estimates for unorganised sector were prepared using labour input method.

4.83. In the new series, while the methodology for the public part is the same, the estimates of the private corporate part have been compiled using MCA 21 database. The GVA estimates for unorganised sector have been prepared using effective LI method.

### **Services incidental to transport**

4.84. The activities of 'travel agencies and tour operators' are no longer a part of this category as per NIC 2008. This will form a part of a new category in the 'Real estate, Ownership of Dwellings and professional services' group. For this industry, the public sector estimates of GVA are prepared by analysing the budget documents for information on lighthouses and lightships and annual accounts of companies engaged in services incidental to water and air transport like Port Trusts, Inland Water Authority, Dredging Corporation and Airport Authority of India.

4.85. In the earlier series, for private corporate and unorganised sectors, the estimates of GVA for the year 2004-05 were prepared using the labour input method.

4.86. In the new series, while the methodology for the public part is the same, the estimates of the private corporate part have been compiled using MCA 21 database. The GVA estimates for unorganised sector have been prepared using effective LI method.

### **Storage**

4.87. The economic activities covered in this sector are: (i) Warehousing (Public Corporations) (ii) Cold Storage (Private Corporate) (iii) Storage not elsewhere classified n.e.c. (Unorganised Enterprises).

4.88. In the old series, for *Warehousing Corporations*, the GVA estimate was based on the analysis of annual accounts of state and central warehousing corporations. For *Cold Storage*, GVA estimate was based on the results available from Annual Survey of Industries (ASI) and for Storage not elsewhere classified (n.e.c), which is treated as the unorganised sector of the category, the estimates of GVA for the year 2004-05 were prepared using labour input method.

4.89. In the new series, while the methodology for the public part is the same, the estimates of the private corporate part have been compiled using MCA 21 database. The GVA estimates for unorganised sector have been prepared using the effective LI method.

### **Communication & services related to broadcasting**

4.90. A new category - Recording, publishing and broadcasting services – has been included in this category.

4.91. As in the earlier series, the public sector GVA estimate has been prepared by analyzing the budget documents and annual accounts of Department of Posts and NDEs.

4.92. In the old series, the estimates of the private corporate and unorganised sector for both cable and courier services were compiled using the LI method. The GVO estimates of private corporate sector for other communication services (reclassified as Telecommunication in the new series) was compiled as a product of the annualised average revenue per user and number of subscribers. The GVO/GVA ratio of sample private cellular companies was applied on the revenue so obtained to get the GVA for this activity. The estimates of unorganised part for other communication services were compiled using LI method.

4.93. In the new series, estimates for the private corporate sector enterprises for all the categories have been compiled using MCA21 database. The estimates for the unincorporated sector (quasi-corporations and household enterprises) have been compiled using labour input method for 'telecommunication' and using effective labour input method for the remaining categories.

4.94. A comparison of estimates of GVA in respect of 'transport by means other than railways', storage and 'communication & services related to broadcasting' for the year 2011-12 for the old series at factor cost and new series at basic prices for the year 2011-12 are given in Table 28.

**Table 28. GVA from 'Transport by means other than railways', storage and 'communication & services related to broadcasting' at current prices, 2011-12**

| Item  | 2004-05 Series | 2011-12 Series | % Difference |
|---|----------------|----------------|--------------|
| <b>Transport by means other than Railways &amp; storage</b> | <b>462249</b>  | <b>341400</b>  | <b>-26.1</b> |
| Road transport  | 391064         | 260888         | -33.3        |
| Water transport   | 13589          | 7192           | -47.1        |
| Air transport   | 16880          | 4454           | -73.6        |
| Services incidental to transport                            | 35220          | 63574          | 80.5         |
| <b>Total Transport by means other than railways</b>         | <b>456754</b>  | <b>336108</b>  | <b>-26.4</b> |
| <b>Storage</b>  | <b>5496</b>    | <b>5291</b>    | <b>-3.7</b>  |
| <b>Communication &amp; Services related to broadcasting</b> | <b>89748</b>   | <b>127553</b>  | <b>42.1</b>  |

*Note: 1. For the category Services incidental to transport, the estimates in the two series are not comparable as 'Activities of tour agencies and travel operators' is no longer a part of this category.*

2. 'Services related to broadcasting' is a new category in this group in the new series. Hence, the two series are not exactly comparable.

3. New series estimates are at basic prices while the estimates in the old series at factor cost.

4. The estimates of GVA at factor cost for 'Transport by means other than railways', 'storage' and 'communication & services related to broadcasting' are respectively Rs. 335325 crore, Rs. 5145 crore and Rs.1,36,250 crore respectively.

### **Financial Services**

4.95. Changes in the financial services have been described in Section 3, paragraphs 3.15 to 3.26. The changes in the estimates of the sub-sectors within the financial services sector have also been given in Table 3.

### **Real estate, Ownership of Dwellings and Professional Services**

#### **Real Estate and Professional Services**

4.96. The economic activities covered in this sector in the new series are (i) Real estate activities; (ii) Computer & information related services; (iii) Professional, scientific and technical activities including R&D; and (iv) Administrative and support service activities and other professional activities.

4.97. As in the earlier series, the estimates for the public sector for all these categories have been derived from the budget documents and annual reports of public sector companies. In the case of 'Computer & information related services', estimates for the private corporate sector in the earlier series were derived based on the information available from NASSCOM. For the unorganised sector of 'Computer & information related services', as also for the private corporate and unorganised sectors of remaining categories, labour input method was used for compiling the base year estimates (2004-05).

4.98. In the new series, for all these services other than 'ownership of dwellings' in this category, MCA21 database has been used for the private corporate sector, while effective labour input method has been used for compiling the estimates of the unincorporated sector in the new series.

4.99. The estimates of these services have undergone change in the new series because of the adoption of MCA21 database and the effective labour input method. Further, owing to the modifications in this categorisation of services based on NIC 2008 (other than 'real estate'), the estimates of the old series and new series are not comparable. The major changes are given in the following paragraphs.

### **Computer and Information related Services,**

4.100. 'Repair of computers' and 'Software publishing' are no longer a part of this category and have been moved to 'Trade & Repair Services' and 'Communication & services related to broadcasting' respectively.

### **Professional, scientific and technical activities including R&D**

4.101. The category 'research & development etc.' in the old series has been modified with inclusion of 'veterinary activities' and appropriately renamed.

### **Administrative and support service activities and other professional activities**

4.102. This is a new category culled out from the certain activities of the previous category- 'research & development etc.' and includes all administrative and support service activities. It also includes legal and accounting activities.

### **Ownership of dwellings**

4.103. As per the production boundary defined for national accounts, 'production of housing services for owner occupiers' own final consumption' has to be taken into consideration in the estimation of GDP. Therefore, this economic activity apart from capturing the housing services generated from rented residential houses, also includes the imputed value of owner occupied dwellings. Services rendered by non-residential buildings are considered to be a subsidiary activity of the industries, which occupy the buildings and therefore, are not included in this sector.

4.104. In the old series, GVA estimates for the ownership of dwellings of urban areas were estimated as the gross rental (actual rent paid and imputed rent for owned dwellings) of the residential census houses less the cost of repairs and maintenance. The user cost approach was used for estimating the value added from rural dwellings.

4.105. The same methodology has been followed in the new series also, duly updated with the latest Data on dwellings and rent per dwelling for urban areas has been taken from the Population Census, 2011 and the results of NSS 68<sup>th</sup> round Consumer Expenditure Survey respectively. For estimating the services in the rural areas, the user cost approach has been updated using the AIDIS, 2013, Population Census 2011. The estimates of GVA for the year 2011-12 in the new series have gone up to Rs. 548351 crore at basic prices as against Rs 440398 crore at factor cost in the old series.

4.106. The estimates of GVA for 'Real estate, Ownership of Dwellings & Professional services' for the year 2011-12 as compared with old series 2004-05 at factor cost is given in Table 29.

**Table 29. GVA from 'Real estate, Ownership of dwellings & Professional services' at current prices, 2011-12**

(Rs. crore)

| Item  | 2004-05 series | 2011-12 series | % Difference |
|---|----------------|----------------|--------------|
| Real estate   | 42115          | 63169          | 50.0         |
| Ownership of dwellings  | 440398         | 548351         | 24.5         |
| Computer and Information related services                                       | 269638         | 233901         | -13.3        |
| Professional, scientific and technical activities including R&D                 | 98962          | 24509          | -75.2        |
| Administrative and support service activities and other professional activities | 48918          | 189414         | 287.2        |
| <b>Total</b>  | <b>900030</b>  | <b>1059343</b> | <b>17.7</b>  |

*Note: 1. Due to changes in the compilation categories owing to NIC 2008 classification, the two series are not comparable.*

*2. The category "Administrative and support service activities and other professional activities" has been culled out from the category Research & Development etc. in the previous series.*

*3. New series estimates are at basic prices while the estimates in the old series at factor cost.*

*4. Estimate of GVA at factor cost for this group in the new series is Rs. 10,29,821 crore.*

### **Public Administration & Defence**

4.107. The reasons for change in the estimates of public administration and defence have already been discussed in Section 3, 3.27 to 3.32. The comparison of NVA of this activity in the old series and the new series is given in Table 6.

### **Other Services**

4.108. The economic activities covered under this sector are (i) education services; (ii) human health & care services; (iii) recreation, cultural and sporting activities; (iv) Activities of membership organisations; (v) Personal services including washing, hair dressing, custom tailoring and other personal service activities; and (vii) Private households with employed person. The activities of extra territorial organisations and bodies are not a part of GDP and have hence been excluded from this group. The categories 'Sewerage and refuse disposal' and 'Veterinary services' have been removed from this group and classified as a part of utility services in 'Electricity, gas, water supply and utility services' group and 'professional services' respectively.

4.109. In the earlier series, the base year estimates of value added of private corporate as well as unorganised parts for this activity were prepared using the labour input method. For the public sector part, estimates were compiled by analyzing the budget

documents of central and state governments, reports of autonomous institutions, and annual reports of public undertakings.

4.110. In the new series, there is no change in the estimation of the public part in the new series. There is a deviation in the case of private corporate sector, which has now been covered using the MCA21 database. For the private unincorporated enterprises (quasi-corporations and household enterprises), the estimates of all categories except 'private households employing persons' have been compiled using effective labour input method for the new series.

### Classification changes

4.111. In a few categories of the industry group, there have been changes in classification due to the adoption of NIC 2008. 'Social work with & without accommodation' which was part of 'activities of membership organisations' is now a part of 'human health & care services'. Further, 'broadcasting' which was earlier a part of 'recreation' is now covered in the group 'Communication & services related to broadcasting'.

### Private households with employed persons

4.112. Data on private households with employed persons is usually not collected in the Survey on Unincorporated Enterprises, as it is not feasible to identify such households as enterprises. The value added generated by this activity relates to wages paid to 'employed persons' by the households. Therefore, the wages related information was estimated from the NSS 68<sup>th</sup> round Employment & Unemployment Survey, 2011-12.

4.113. The GVA estimates of 'Other Services' for the year 2011-12 in the new series as compared with that in the 2004-05 series is given in the Table 30.

**Table 30. GVA from 'Other Services' at current prices, 2011-12**  
(Rs. Crore)

| Item   | 2004-05 series | 2011-12 series | % Difference |
|--|----------------|----------------|--------------|
| Education including Coaching                   | 327379         | 265464         | -18.9        |
| Human health activities & Care activities      | 117725         | 108856         | -7.5         |
| Activities Of Membership Organisations         | 59609          | 10238          | -82.8        |
| Recreational, cultural and sporting activities | 41398          | 19378          | -53.2        |
| Personal Services & Other Services, n.e.c      | 77721          | 110888         | 42.7         |
| Private HHs with employed persons              | 14812          | 16574          | 11.9         |
| <b>Total</b>                                   | <b>638644</b>  | <b>531398</b>  | <b>-16.8</b> |

*Note: Recreational, cultural and sporting activities category is a modified category in the new series owing to which the two series are not exactly comparable. New series estimates are at basic prices while the estimates in the old series at factor cost. Estimate of GVA at factor cost for this group in the new series is Rs. 5,30,378 crore.*

### **Consumption of fixed capital**

4.114. The consumption of fixed capital (CFC) is the replacement value of reduction in the assets used up in the process of production during the accounting period resulting from deterioration, normal obsolescence or normal accidental damage. The CFC is calculated for all fixed assets owned by producers. However, it is not calculated for

- valuables that are acquired precisely because their value, in real terms, is not expected to decline over time;
- livestock;
- non-produced assets such as land, mineral or other deposits
- work in progress; and
- value of fixed assets destroyed by acts of war or major natural disasters, which occur very infrequently.

4.115. The estimates of Net Fixed Capital Stock (NFCS) and CFC, both at current and constant prices, continue to be based on the Perpetual Inventory Method (PIM), wherein method of declining balance is adopted, as recommended under the System of National Accounts. For these estimates, it is essential to have the following:

- Annual series of the estimates of the Gross Fixed Capital Formation (GFCF) at current prices for long period prior to the base year;
- Average economic age of the assets; and
- Appropriate price indices for use as deflator.

4.116. In the new series, GFCF is estimated for four broad categories of assets namely, Dwellings, Other buildings & Structures; Machinery & equipment; Cultivated biological resources; and Intellectual property products. This is further classified into 14 asset types (shown in Table No. 31) for use in estimation of stocks and CFC by PIM as against only two asset categories 'Construction' and 'Machinery & equipment' in the previous series. The opening stocks for the base year 2011-12 have been compiled using detailed information on the opening stocks (book values) from the government companies' annual reports, MCA 21 database, and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. Another major improvement in the new series is that average service lives of assets have been revised keeping in view the latest information available from various departments/organizations such as Railway Board, State Road Transport Corporations, Department of Post, Electricity Boards, Central Building Research Institute, Central Public Works Department, State PWDs, U.P. State Bridge Corporation Ltd. and other agencies. Table 31 shows the average service lives of assets used in the two series for various assets.

**Table 31. Average service lives of assets (in years)**

| <b>Asset</b>   | <b>2004-05 series</b> | <b>2011-12 series</b> |
|--|-----------------------|-----------------------|
| <b>1. Dwellings, Other buildings and structures</b>  |                       |                       |
| 1.1 Dwellings  | 60 to 80              | 70 to 80              |
| 1.2 Non Residential buildings                        |                       | 47 to 70              |
| 1.3 Other Structures                                 | 25 to 50              | 25 to 50              |
| 1.4 Land Improvements                                |                       | 20 to 30              |
| 1.5 Roads & bridges                                  | 200 to 400            | 60 to 100             |
| <b>2. Machinery and equipment</b>                    |                       |                       |
| 2.1 Transport Equipment                              | 10 to 20              | 8 to 15               |
| 2.2 Information & Communication Technology equipment | 15 to 25              | 5                     |
| 2.3 Other Machinery & Equipment                      |                       | 11 to 30              |
| <b>3. Cultivated biological resources</b>            |                       |                       |
| 3.1 Tree, crop & plant resources                     | 30                    | 20 to 30              |
| <b>4. Intellectual property products</b>             |                       |                       |
| 4.1 Research & Development                           | –                     | 10                    |
| 4.2 Mineral Exploration                              | –                     | 14                    |
| 4.3 Computer software                                | 5                     | 7                     |
| 4.4 Entertainment, literary or artistic originals    | –                     | 7                     |
| 4.5 Other intellectual property products             | –                     | 7                     |

4.117. Tables 32 and 33 present the changes in estimates of CFC in the old and new series, owing to revisions in GFCF, price change and revisions in average service lives of assets.

**Table 32. Estimates of CFC, 2011-12 (Institution wise)****(Rs. crore)**

| <b>S. No</b> | <b>Institution</b>                 | <b>2004-05 series</b> | <b>2011-12 series</b> | <b>% Difference</b> |
|--------------|------------------------------------|-----------------------|-----------------------|---------------------|
| 1            | Public Non-Financial Corporations  | 156551                | 131353                | -16.1               |
| 2            | Private Non-Financial Corporations | 319106                | 346443                | 8.6                 |
| 3            | Public Financial Corporations      | 3404                  | 3207                  | -5.8                |
| 4            | Private Financial Corporations     | 3144                  | 4370                  | 39.0                |
| 5            | General Government                 | 73206                 | 99852                 | 36.4                |
| 6            | Households including NPISH         | 324484                | 323432                | -0.3                |
|              | <b>Total</b>                       | <b>879895</b>         | <b>908657</b>         | <b>3.3</b>          |

**Table 33. Estimates of CFC, 2011-12 (Industry wise)**

*(Rs. crore)*

| <b>S. No</b> | <b>Industry</b>   | <b>2004-05 series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|--------------|---|-----------------------|-----------------------|---------------------|
| <b>1</b>     | <b>Agriculture, forestry and fishing</b>  | <b>101931</b>         | <b>95648</b>          | <b>-6.2</b>         |
| 1.1          | Crops   | 89836                 | 81140                 | -3.9                |
| 1.2          | Livestock   |                       | 5151                  |                     |
| 1.3          | Forestry and logging  | 1657                  | 1365                  | -17.6               |
| 1.4          | Fishing and aquaculture   | 10439                 | 7992                  | -23.4               |
| <b>2</b>     | <b>Mining and quarrying</b>   | <b>43046</b>          | <b>31867</b>          | <b>-26.0</b>        |
| <b>3</b>     | <b>Manufacturing</b>  | <b>278368</b>         | <b>258961</b>         | <b>-7.0</b>         |
| <b>4.</b>    | <b>Electricity, gas, water supply &amp; other utility services</b>              | <b>72803</b>          | <b>62365</b>          | <b>-14.3</b>        |
| <b>5</b>     | <b>Construction</b>   | <b>37476</b>          | <b>36540</b>          | <b>-2.5</b>         |
| <b>6</b>     | <b>Trade, repair, hotels and restaurants</b>                                    | <b>51011</b>          | <b>45417</b>          | <b>-11.0</b>        |
| 6.1          | Trade & repair services   | 39985                 | 37126                 | -7.2                |
| 6.2          | Hotels & restaurants  | 11026                 | 8291                  | -24.8               |
| <b>7</b>     | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>80197</b>          | <b>82603</b>          | <b>3.0</b>          |
| 7.1          | Railways  | 13879                 | 12510                 | -9.9                |
| 7.2          | Road transport  | 42145                 | 32274                 | 7.4                 |
| 7.3          | Water transport   |                       | 2508                  |                     |
| 7.4          | Air transport   |                       | 3248                  |                     |
| 7.5          | Services incidental to transport  |                       | 7220                  |                     |
| 7.6          | Storage   | 483                   | 762                   | 57.8                |
| 7.7          | Communication & services related to broadcasting                                | 23690                 | 24082                 | 1.7                 |
| <b>8</b>     | <b>Financial services</b>   | <b>6548</b>           | <b>7577</b>           | <b>15.7</b>         |
| <b>9</b>     | <b>Real estate, ownership of dwellings &amp; professional services</b>          | <b>105709</b>         | <b>154207</b>         | <b>45.9</b>         |
| <b>10</b>    | <b>Public administration and defence</b>  | <b>57742</b>          | <b>85197</b>          | <b>47.5</b>         |
| <b>11</b>    | <b>Other Services</b>   | <b>45064</b>          | <b>48273</b>          | <b>7.1</b>          |
|              | <b>TOTAL</b>  | <b>879895</b>         | <b>908657</b>         | <b>3.3</b>          |

4.118. Following is the step-wise description of the methodology in the new series:

- (i) Rebasings of the price indices at 2011-12, i.e., making it 100 for the year 2011-12;
- (ii) Revision of average life of assets, due to changes in technology or some other reasons on the basis of information from various organizations;
- (iii) Incorporating the latest estimates of Gross Fixed Capital Formation for the year 2011-12 as per the new series;
- (iv) Estimating the stocks and GFCF, by disaggregated assets, for the back years using splicing techniques. The splicing is suitably done upto the year from which the change has taken place;
- (v) Calculation of CFC and NFCS following the declining balance method.

### Comparison between estimates in the Old and New Series

#### *Level of GDP*

4.119. Normally, when the base year of national accounts statistics is changed, there is some change in the levels of GDP estimates. This happens due to widening the coverage and inclusion of latest survey results. Table 34 illustrates the changes in the levels of GDP due to the introduction of the new series of national accounts in India. The effect of the change in base year and the changes made in the new series ranges from -2% in 2011-12 to -0.1 per cent in 2013-14.

**Table 34. GDP at current market prices, 2011-12 to 2013-14**

(Rs. crore)

| Year           | 2004-05 Series | 2011-12 Series | % Difference |
|----------------|----------------|----------------|--------------|
| <b>2011-12</b> | 9009722        | 8832012        | -2.0         |
| <b>2012-13</b> | 10113281       | 9988540        | -1.2         |
| <b>2013-14</b> | 11355073       | 11345056       | -0.1         |

#### *Growth rates*

4.120. There are notable changes in the overall growth rates of GDP as well as industry level GVAs with the change in the base year. The change in the growth rates of real GDP in the new and old series is given in Table 35.

**Table 35. Growth Rates of GDP at constant market prices, 2011-12 to 2013-14**

(Rs. crore)

| Year           | 2004-05 Series | 2011-12 Series | Growth Rate (%) |                |
|----------------|----------------|----------------|-----------------|----------------|
|                |                |                | 2004-05 Series  | 2011-12 Series |
| <b>2011-12</b> | 5633050        | 8832012        | -               | -              |
| <b>2012-13</b> | 5899847        | 9280803        | 4.7             | 5.1            |
| <b>2013-14</b> | 6195842        | 9921106        | 5.0             | 6.9            |

4.121. The growth rates at industry level show some major changes, which are on account of changes in procedures, methodology and data sources and use of latest data from survey results, the details of which have been explained in the previous paragraphs. Table 36.1 and 36.2 show growth rates at current and constant prices in the old and new series, during 2012-13 and 2013-14, at industry level.

**Table 36.1 Growth rates of GVA at industry level at current prices**  
(At factor cost for old series and at basic prices for new series)

| S. No.    | Industry  | 2012-13        |                | 2013-14        |                |
|-----------|---|----------------|----------------|----------------|----------------|
|           |   | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
| <b>1.</b> | <b>Agriculture, forestry and fishing</b>  | <b>9.7</b>     | <b>10.8</b>    | <b>15.9</b>    | <b>12.7</b>    |
| 1.1       | Crops   | 7.4            | 9.5            |                | 14.2           |
| 1.2       | Livestock   | 13.6           | 13.4           |                | 10.5           |
| 1.3       | Forestry and logging  | 13.5           | 10.7           |                | 1.3            |
| 1.4       | Fishing and aquaculture   | 16.7           | 18.5           |                | 24.1           |
| <b>2.</b> | <b>Mining and quarrying</b>   | <b>-0.1</b>    | <b>8.4</b>     | <b>0.1</b>     | <b>4.8</b>     |
| <b>3.</b> | <b>Manufacturing</b>  | <b>6.9</b>     | <b>11.6</b>    | <b>2.2</b>     | <b>9.3</b>     |
| <b>4.</b> | <b>Electricity, gas, water supply &amp; other utility services</b>              | <b>15.8</b>    | <b>10.0</b>    | <b>29.2</b>    | <b>14.2</b>    |
| <b>5.</b> | <b>Construction</b>   | <b>10.2</b>    | <b>3.6</b>     | <b>7.7</b>     | <b>8.3</b>     |
| <b>6.</b> | <b>Trade, repair, hotels and restaurants</b>                                    | <b>10.9</b>    | <b>18.5</b>    | <b>7.0</b>     | <b>20.2</b>    |
| 6.1       | Trade & repair services   | 11.2           | 19.3           |                | 21.2           |
| 6.2       | Hotels & restaurants  | 7.1            | 11.0           |                | 10.2           |
| <b>7.</b> | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>15.3</b>    | <b>15.9</b>    | <b>10.2</b>    | <b>12.1</b>    |
| 7.1       | Railways  | 12.6           | 18.3           |                | 10.2           |
| 7.2       | Transport by means other than railways  | 15.8           | 16.3           |                | 8.7            |
| 7.3       | Storage   | 17.3           | 18.2           |                | 9.4            |
| 7.4       | Communication & services related to broadcasting                                | 14.5           | 13.5           |                | 22.4           |
| <b>8</b>  | <b>Financing, insurance, real estate &amp; business services</b>                | <b>17.1</b>    | <b>17.4</b>    | <b>19.9</b>    | <b>14.8</b>    |
| 8.1       | Financial services  | 14.1           | 13.8           |                | 11.5           |
| 8.2       | Real estate, ownership of dwellings & professional services                     | 18.6           | 19.1           | N.A.           | 16.2           |
| <b>9</b>  | <b>Community, social &amp; personal services</b>                                | <b>16.2</b>    | <b>13.4</b>    | <b>13.5</b>    | <b>16.8</b>    |
| 9.1       | Public administration and defence   | 13.8           | 12.6           |                | 13.7           |
| 9.2       | Other services  | 18.1           | 14.1           |                | 19.6           |

| S. No.     | Industry         | 2012-13        |                | 2013-14        |                |
|------------|------------------|----------------|----------------|----------------|----------------|
|            |                  | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
| <b>10.</b> | <b>TOTAL GVA</b> | <b>11.9</b>    | <b>12.9</b>    | <b>11.5</b>    | <b>13.2</b>    |

**Table 36.2 Growth rates of GVA at industry level at constant prices**  
(At factor cost for old series and at basic prices for new series)

| S.No.      | Industry  | 2012-13        |                | 2013-14        |                |
|------------|---|----------------|----------------|----------------|----------------|
|            |   | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
| <b>1.</b>  | <b>Agriculture, forestry and fishing</b>  | <b>1.4</b>     | <b>1.2</b>     | <b>4.7</b>     | <b>3.7</b>     |
| 1.1        | Crops   | -0.4           | -0.1           | N.A.           | 3.3            |
| 1.2        | Livestock   | 4.4            | 5.1            |                | 5.5            |
| 1.3        | Forestry and logging  | 2.9            | -0.7           |                | 0.3            |
| 1.4        | Fishing and aquaculture   | 7.1            | 5.5            |                | 5.8            |
| <b>2.</b>  | <b>Mining and quarrying</b>   | <b>-2.2</b>    | <b>-0.2</b>    | <b>-1.4</b>    | <b>5.4</b>     |
| <b>3.</b>  | <b>Manufacturing</b>  | <b>1.1</b>     | <b>6.2</b>     | <b>-0.7</b>    | <b>5.3</b>     |
| <b>4.</b>  | <b>Electricity, gas, water supply &amp; other utility services</b>              | <b>2.3</b>     | <b>4.0</b>     | <b>5.9</b>     | <b>4.8</b>     |
| <b>5.</b>  | <b>Construction</b>   | <b>1.1</b>     | <b>-4.3</b>    | <b>1.6</b>     | <b>2.5</b>     |
| <b>6.</b>  | <b>Trade, repair, hotels and restaurants</b>                                    | <b>4.5</b>     | <b>10.3</b>    | <b>1.0</b>     | <b>13.3</b>    |
| 6.1        | Trade & repair services   | 4.8            | 11.1           | N.A.           | 14.3           |
| 6.2        | Hotels & restaurants  | 0.5            | 3.3            |                | 3.9            |
| <b>7.</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>6.0</b>     | <b>8.4</b>     | <b>6.1</b>     | <b>7.3</b>     |
| 7.1        | Railways  | 0.3            | 18.0           | N.A.           | 9.3            |
| 7.2        | Transport by means other than railways  | 6.6            | 7.4            |                | 4.7            |
| 7.3        | Storage   | 8.6            | 12.0           |                | 1.4            |
| 7.4        | Communication & services related to broadcasting                                | 6.5            | 6.3            |                | 13.4           |
| <b>8</b>   | <b>Financing, insurance, real estate &amp; business services</b>                | <b>10.9</b>    | <b>8.8</b>     | <b>12.9</b>    | <b>7.9</b>     |
| 8.1        | Financial services  | 11.8           | 6.7            | N.A.           | 6.4            |
| 8.2        | Real estate, ownership of dwellings & professional services                     | 10.0           | 9.8            |                | 8.5            |
| <b>9</b>   | <b>Community, social &amp; personal services</b>                                | <b>5.3</b>     | <b>4.7</b>     | <b>5.6</b>     | <b>7.9</b>     |
| 9.1        | Public administration and defence   | 3.4            | 3.2            | N.A.           | 4.9            |
| 9.2        | Other services  | 6.8            | 6.2            |                | 10.7           |
| <b>10.</b> | <b>TOTAL GVA</b>  | <b>4.5</b>     | <b>4.9</b>     | <b>4.7</b>     | <b>6.6</b>     |

### Composition of various activities between the two Series

4.122. The weighting pattern of various activities in the GVA in the old and new series for the year 2011-12 also influences to some extent the overall growth rate in GVA. The composition of the various activities in the old and new series, may be seen in Table 37. Marked changes have been observed in the shares of two major industries, namely, 'manufacturing' and 'trade'. In the case of manufacturing, with the availability of the MCA21 database, coverage of the activities other than manufacturing in the companies has improved significantly. Estimates of 'trade and repair services' has become lower than in the old series because of two reasons-

- (i) Trade carried out by manufacturing companies, which has now become part of 'manufacturing', was earlier covered in 'trade' because of establishment approach;
- (ii) In 2004-05, no recent survey of unorganised trade enterprises was available for incorporation and hence the estimates were based on the survey conducted in 1999-2000. This has now been updated with the survey on 'Unincorporated Enterprises' conducted by NSS in 2010-11.

4.123. Share of the other sectors have also undergone change due to adoption of the latest data sources.

**Table 37. Weights of various sectors at current prices in the new and old series, 2011-12**

(At factor cost for old series and at basic prices for new series)

| S.No.     | Industry  | 2004-05 Series | 2011-12 Series |
|-----------|---|----------------|----------------|
| <b>1.</b> | <b>Agriculture, forestry and fishing</b>  | <b>17.9</b>    | <b>18.4</b>    |
| 1.1       | Crops   | 11.4           | 12.0           |
| 1.2       | Livestock   | 4.1            | 4.0            |
| 1.3       | Forestry and logging  | 1.6            | 1.6            |
| 1.4       | Fishing and aquaculture   | 0.8            | 0.8            |
| <b>2.</b> | <b>Mining and quarrying</b>   | <b>2.7</b>     | <b>3.2</b>     |
| <b>3.</b> | <b>Manufacturing</b>  | <b>14.7</b>    | <b>18.1</b>    |
| <b>4.</b> | <b>Electricity, gas, water supply &amp; other utility services</b>              | <b>1.6</b>     | <b>2.4</b>     |
| <b>5.</b> | <b>Construction</b>   | <b>8.2</b>     | <b>9.4</b>     |
| <b>6.</b> | <b>Trade, repair, hotels and restaurants</b>                                    | <b>17.4</b>    | <b>10.8</b>    |
| 6.1       | Trade & repair services   | 15.9           | 9.7            |
| 6.2       | Hotels & restaurants  | 1.5            | 1.1            |
| <b>7.</b> | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>7.3</b>     | <b>6.5</b>     |
| 7.1       | Railways  | 0.7            | 0.7            |
| 7.2       | Transport by means other than railways  | 5.4            | 4.1            |
| 7.3       | Storage   | 0.1            | 0.1            |

| S.No. | Industry  | 2004-05 Series | 2011-12 Series |
|-------|---|----------------|----------------|
| 7.4   | Communication & services related to broadcasting            | 1.1            | 1.6            |
| 8.    | Financial services  | 5.7            | 5.9            |
| 9.    | Real estate, ownership of dwellings & professional services | 10.7           | 12.9           |
| 10.   | Public administration and defence                           | 5.9            | 6.0            |
| 11.   | Other services  | 7.8            | 6.5            |
| 12.   | <b>TOTAL GVA</b>  | <b>100.0</b>   | <b>100.0</b>   |

### Net Domestic Product and National Income

4.124. Table 38 presents the estimates of GDP, Net Domestic Product (NDP), Net National Income (NNI) (also known as National Income) and per capita income at market prices for the period, 2011-12 to 2013-14 in the 2004-05 series and new series. The estimates are presented in the table at current prices, for the sake of comparison in the levels of estimates between the two series in various aggregates. Also presented in this table are the growth rates alongwith the estimates.

4.125. For assessing the performance of the economy, growth rates at constant prices are used, as they are free from price fluctuations and present the year to year changes in volume terms. For the sake of comparison in growth rates at constant prices between the old and new series, estimates of various aggregates have been provided in Table 39, alongwith the estimates.

**Table 38. Estimates of GDP, NDP, NNI and Per Capita Income at current market prices**

| Year                    | GDP<br>(Rs. lakh crore) |                | NDP<br>(Rs. lakh crore) |                | NNI<br>(Rs. lakh crore) |                | Per Capita<br>Income (Rs.) |                |
|-------------------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|----------------------------|----------------|
|                         | 2004-05 Series          | 2011-12 Series | 2004-05 Series          | 2011-12 Series | 2004-05 Series          | 2011-12 Series | 2004-05 Series             | 2011-12 Series |
| 2011-12                 | 90.10                   | 88.32          | 81.30                   | 79.23          | 80.53                   | 78.47          | 66997                      | 64316          |
| 2012-13                 | 101.13                  | 99.89          | 90.97                   | 89.58          | 89.80                   | 88.42          | 73791                      | 71593          |
| 2013-14                 | 113.55                  | 113.45         | 101.82                  | 101.96         | 100.53                  | 100.57         | 81535                      | 80388          |
| <b>Growth rates (%)</b> |                         |                |                         |                |                         |                |                            |                |
| 2012-13                 | 12.2                    | 13.1           | 11.9                    | 13.1           | 11.5                    | 12.7           | 10.1                       | 11.3           |
| 2013-14                 | 12.3                    | 13.6           | 11.9                    | 13.8           | 11.9                    | 13.7           | 10.5                       | 12.3           |

**Table 39. Estimates of GDP, NDP, NNI and Per Capita Income at constant prices**

| Year                    | GDP<br>(Rs. lakh crore) |                   | NDP<br>(Rs. lakh crore) |                   | NNI<br>(Rs. lakh crore) |                   | Per Capita<br>Income (Rs.) |                   |
|-------------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|----------------------------|-------------------|
|                         | 2004-05<br>Series       | 2011-12<br>Series | 2004-05<br>Series       | 2011-12<br>Series | 2004-05<br>Series       | 2011-12<br>Series | 2004-05<br>Series          | 2011-12<br>Series |
| 2011-12                 | 56.33                   | 88.32             | 50.05                   | 79.23             | 49.59                   | 78.47             | 41255                      | 64316             |
| 2012-13                 | 59.00                   | 92.81             | 52.12                   | 83.01             | 51.47                   | 81.93             | 42289                      | 66344             |
| 2013-14                 | 61.96                   | 99.21             | 54.42                   | 88.72             | 53.74                   | 87.52             | 43587                      | 69959             |
| <b>Growth rates (%)</b> |                         |                   |                         |                   |                         |                   |                            |                   |
| 2012-13                 | 4.7                     | 5.1               | 4.1                     | 4.8               | 3.8                     | 4.4               | 2.5                        | 3.2               |
| 2013-14                 | 5.0                     | 6.9               | 4.4                     | 6.9               | 4.4                     | 6.8               | 3.1                        | 5.4               |

**Implicit price deflators in the new series**

4.126. Tables 40 and 41 present the implicit price deflators (IPDs) from the national accounts, economic activity-wise in the old and new series, industry-wise and the annual growth rates in the IPDs. It may be seen from this table that there are changes in the IPDs at economic-activity level and at the overall level, due to changes in the composition in the new series at sub-economic activity level as also in overall GVA.

**Table 40. Implicit price deflators in GVA (%) (2011=100)**  
(At factor cost for old series and at basic prices for new series)

| S.No.     | Item   | 2011-12           |                   | 2012-13           |                   | 2013-14           |                   |
|-----------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|           |  | 2004-05<br>Series | 2011-12<br>Series | 2004-05<br>Series | 2011-12<br>Series | 2004-05<br>Series | 2011-12<br>Series |
| <b>1.</b> | <b>Agriculture, forestry and fishing</b>                           | <b>100.0</b>      | <b>100.0</b>      | <b>108.2</b>      | <b>109.5</b>      | <b>119.7</b>      | <b>119.1</b>      |
| 1.1       | Crops  | 100.0             | 100.0             | 107.9             | 109.7             |                   | 121.2             |
| 1.2       | Livestock  | 100.0             | 100.0             | 108.8             | 107.8             |                   | 113.0             |
| 1.3       | Forestry and logging   | 100.0             | 100.0             | 110.3             | 111.5             |                   | 112.6             |
| 1.4       | Fishing and aquaculture  | 100.0             | 100.0             | 109.0             | 112.4             |                   | 131.7             |
| <b>2.</b> | <b>Mining and quarrying</b>  | <b>100.0</b>      | <b>100.0</b>      | <b>102.1</b>      | <b>108.6</b>      | <b>103.6</b>      | <b>108.0</b>      |
| <b>3.</b> | <b>Manufacturing</b>   | <b>100.0</b>      | <b>100.0</b>      | <b>105.6</b>      | <b>105.1</b>      | <b>108.8</b>      | <b>109.1</b>      |
| <b>4.</b> | <b>Electricity, gas, water supply &amp; other utility services</b> | <b>100.0</b>      | <b>100.0</b>      | <b>113.3</b>      | <b>105.7</b>      | <b>138.2</b>      | <b>115.3</b>      |
| <b>5.</b> | <b>Construction</b>  | <b>100.0</b>      | <b>100.0</b>      | <b>109.0</b>      | <b>108.3</b>      | <b>115.5</b>      | <b>114.5</b>      |
| <b>6.</b> | <b>Trade, repair, hotels and restaurants</b>                       | <b>100.0</b>      | <b>100.0</b>      | <b>106.1</b>      | <b>107.4</b>      | <b>112.5</b>      | <b>113.9</b>      |
| 6.1       | Trade & repair services  | 100.0             | 100.0             | 106.1             | 107.4             |                   | 113.9             |
| 6.2       | Hotels & restaurants   | 100.0             | 100.0             | 106.6             | 107.4             |                   | 113.9             |
| <b>7.</b> | <b>Transport, storage, communication &amp; services related to</b> | <b>100.0</b>      | <b>100.0</b>      | <b>108.8</b>      | <b>106.8</b>      | <b>113.0</b>      | <b>111.6</b>      |

| S.No.      | Item   | 2011-12        |                | 2012-13        |                | 2013-14        |                |
|------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
|            |  | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
|            | <b>broadcasting</b>  |                |                |                |                |                |                |
| 7.1        | Railways   | 100.0          | 100.0          | 112.3          | 100.2          |                | 101.0          |
| 7.2        | Transport by means other than railways                           | 100.0          | 100.0          | 108.6          | 108.2          |                | 112.4          |
| 7.3        | Storage  | 100.0          | 100.0          | 108.0          | 105.5          |                | 113.9          |
| 7.4        | Communication & services related to broadcasting                 | 100.0          | 100.0          | 107.4          | 106.8          |                | 115.2          |
| <b>8</b>   | <b>Financing, insurance, real estate &amp; business services</b> | <b>100.0</b>   | <b>100.0</b>   | <b>105.5</b>   | <b>107.9</b>   | <b>112.1</b>   | <b>114.8</b>   |
| 8.1        | Financial services   | 100.0          | 100.0          | 102.0          | 106.7          |                | 111.8          |
| 8.2        | Real estate, ownership of dwellings & professional services      | 100.0          | 100.0          | 107.8          | 108.4          |                | 116.1          |
| <b>9</b>   | <b>Community, social &amp; personal services</b>                 | <b>100.0</b>   | <b>100.0</b>   | <b>110.4</b>   | <b>108.3</b>   | <b>118.7</b>   | <b>117.1</b>   |
| 9.1        | Public administration and defence                                | 100.0          | 100.0          | 110.0          | 109.1          |                | 118.4          |
| 9.2        | Other services   | 100.0          | 100.0          | 110.6          | 107.5          |                | 116.0          |
| <b>10.</b> | <b>TOTAL GVA</b>   | <b>100.0</b>   | <b>100.0</b>   | <b>107.1</b>   | <b>107.6</b>   | <b>114.1</b>   | <b>114.3</b>   |

**Table 41. Growth in Implicit price deflators of GVA (%)**  
(At factor cost for old series and at basic prices for new series)

| S.No.     | Item   | 2012-13        |                | 2013-14        |                |
|-----------|--|----------------|----------------|----------------|----------------|
|           |  | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
| <b>1.</b> | <b>Agriculture, forestry and fishing</b>                           | <b>8.2</b>     | <b>9.5</b>     | <b>10.7</b>    | <b>8.7</b>     |
| 1.1       | Crops  | 7.9            | 9.7            |                | 10.5           |
| 1.2       | Livestock  | 8.8            | 7.8            |                | 4.8            |
| 1.3       | Forestry and logging   | 10.3           | 11.5           |                | 1.0            |
| 1.4       | Fishing and aquaculture  | 9.0            | 12.4           |                | 17.2           |
| <b>2.</b> | <b>Mining and quarrying</b>  | <b>2.1</b>     | <b>8.6</b>     | <b>1.5</b>     | <b>-0.5</b>    |
| <b>3.</b> | <b>Manufacturing</b>   | <b>5.6</b>     | <b>5.1</b>     | <b>2.9</b>     | <b>3.8</b>     |
| <b>4.</b> | <b>Electricity, gas, water supply &amp; other utility services</b> | <b>13.3</b>    | <b>5.7</b>     | <b>22.0</b>    | <b>9.0</b>     |
| <b>5.</b> | <b>Construction</b>  | <b>9.0</b>     | <b>8.3</b>     | <b>6.0</b>     | <b>5.7</b>     |
| <b>6.</b> | <b>Trade, repair, hotels and</b>                                   | <b>6.1</b>     | <b>7.4</b>     | <b>6.0</b>     | <b>6.0</b>     |

| S.No.      | Item  | 2012-13        |                | 2013-14        |                |
|------------|---|----------------|----------------|----------------|----------------|
|            |   | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series |
|            | <b>restaurants</b>  |                |                |                |                |
| 6.1        | Trade & repair services   | 6.1            | 7.4            |                | 6.0            |
| 6.2        | Hotels & restaurants  | 6.6            | 7.4            |                | 6.1            |
| <b>7.</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>8.8</b>     | <b>6.8</b>     | <b>3.9</b>     | <b>4.5</b>     |
| 7.1        | Railways  | 12.3           | 0.2            |                | 0.8            |
| 7.2        | Transport by means other than railways  | 8.6            | 8.2            |                | 3.8            |
| 7.3        | Storage   | 8.0            | 5.5            |                | 7.9            |
| 7.4        | Communication & services related to broadcasting                                | 7.4            | 6.8            |                | 7.9            |
| <b>8</b>   | <b>Financing, insurance, real estate &amp; business services</b>                | <b>5.5</b>     | <b>7.9</b>     | <b>6.3</b>     | <b>6.4</b>     |
| 8.1        | Financial services  | 2.0            | 6.7            |                | 4.8            |
| 8.2        | Real estate, ownership of dwellings & professional services                     | 7.8            | 8.4            |                | 7.0            |
| <b>9</b>   | <b>Community, social &amp; personal services</b>                                | <b>10.4</b>    | <b>8.3</b>     | <b>7.5</b>     | <b>8.2</b>     |
| 9.1        | Public administration and defence   | 10.0           | 9.1            |                | 8.5            |
| 9.2        | Other services  | 10.6           | 7.5            |                | 8.0            |
| <b>10.</b> | <b>TOTAL GVA</b>  | <b>7.1</b>     | <b>7.6</b>     | <b>6.5</b>     | <b>6.2</b>     |

#### Net Factor Income from the Rest of the World

4.127. There is no change in the estimates of Net factor Income from the Rest of the world at current prices for the years 2011-12 to 2012-13. In the new series, estimates at constant (2011-12) prices continue to be prepared using single deflation method by adopting Implicit price deflators of service sector on the current price estimate of net factor income from abroad. The estimates at current prices are presented in Table 42.

**Table 42. Net Factor Income from Rest of the World, 2011-12 to 2013-14**

| Year    | At current prices |            |            |
|---------|-------------------|------------|------------|
|         | 2004-05 series    | New series | Difference |
| 2011-12 | -76830            | -76824     | 6          |
| 2012-13 | -116766           | -116763    | 3          |
| 2013-14 | NA                | -139887    | NA         |

**Estimation of Feed of Livestock using Consumption Approach and its segregation into crop sector and livestock sector**

4.1.1. In 2004-05 Series, the feed consumption of animals used for cultivation activities as well as production of livestock and livestock products, was considered as input. Livestock feed comprises of (i) roughages; (ii) concentrates including salt, medicines and other miscellaneous feed. Roughages include cane trash, grass, fodder, stalks, straw etc., while concentrates are made up of oil cakes, crushed pulses, grains, grams, rice bran, husk, oil seeds, gur etc. As regards roughages, the entire production of fodder, cane trash and grass and 95 per cent of production of stalks and straws in the agriculture sector were considered to be consumed by entire livestock population. An adjustment was made for the consumption of these items by animals, which are not used in agriculture sector viz., bullocks, horses, camels etc., mainly used for transportation purposes. Stalks and straws and cane trash were the by-products of the corresponding food grain crops and sugarcane. The estimates of concentrates fed to livestock were largely based on the Cost of Cultivation Studies, done by the Ministry of Agriculture. The value of concentrates fed per animal per year for Cattle/ Buffalo was Rs. 685.26, for Sheep, Goat, Pigs was Rs.164.82, and for Poultry was Rs. 121.38 for the base year 2004-2005. Major part of roughages includes by-products of crop sector which is estimated as a percentage of Value of Output of crops using CCS data.

4.1.2. In the 2011-12 series, the estimate of per animal feed (Dry Fodder, Green Fodder, and Concentrates) has been taken from a research study done on "India's Livestock Feed Demand: Estimates and Projection", jointly conducted by Centre of Economics and Social Research and National Centre for Agricultural Economics and Policy Research, published in the year 2010. The study has estimated the feed consumption rates for different Livestock Species by age, sex at National level. The paper made use of the data from a feed consumption survey undertaken as part of a larger project, 'India's livestock feed balance and its environmental implications', funded by the Indian Council of Agricultural Research (ICAR) under the National Agricultural Technology Project (NATP), and carried out jointly by the National Centre for Agricultural Economics and Policy Research (NCAP) and the Society (now Centre) for Economic and Social Research (SESR), Delhi. The design of the feed consumption survey was developed at the SESR, which also carried out the survey.

4.1.3. The feed consumption rates for different livestock species, population as per latest Livestock Census, 2012, and price of feed calculated from CCS 2010-11 have been used to estimate total value of feed consumed by livestock. All-India feed consumption rates of different types of feed fed to different categories of livestock at

the household premises and grazing per day as estimated the study are given in Table 4.1 A.

**Table 4.1 A: Quantities of Feed (per day in kg) fed to different species including intake through grazing**

| Animal Category | Feed Types   |            |              |
|-----------------|--------------|------------|--------------|
|                 | Green Fodder | Dry Fodder | Concentrates |
| Cattle          |              |            |              |
| in milk         | 5.92         | 5.5        | 0.64         |
| Dry             | 4.66         | 4.02       | 0.4          |
| Adult male      | 7.12         | 6.03       | 0.33         |
| Young stock     | 3.95         | 2.13       | 0.18         |
| Buffalo         |              |            |              |
| in milk         | 8.9          | 6.34       | 1.05         |
| Dry             | 9.72         | 4.95       | 0.52         |
| Adult male      | 7.11         | 7.47       | 0.36         |
| Young stock     | 6.1          | 2.22       | 0.19         |
| Goat            | 1.5          | 0.2        | 0.06         |
| Sheep           | 1.65         | 0.2        | 0.04         |
| Others          | 15.65        | 6.72       | 0.49         |

4.1.4. The study also concluded that almost the entire quantity of dry fodder comes from the cultivated crops, mainly from cereals as straws and gathered dry fodder comprises only 2 per cent of the total fodder. Out of total green fodder consumed by livestock, about 40% contribution is from grazing, 27% is from cultivated fodder crops and remaining 33% comes from grasses, weeds and tree leaves gleaned and gathered from cultivated fields and uncultivated lands such as pastures, public lands, wastelands, fallows and forests. Feed fed to animals within the household premise excludes the grazing part. Quantities of Feed (in Kg) fed to different species within Household premises is given in Table 4.1 B.

**Table 4.1 B: Quantities of Feed (per day in Kg) fed to different species within Household premises**

| Animal Category | Feed Types   |            |              |
|-----------------|--------------|------------|--------------|
|                 | Green Fodder | Dry Fodder | Concentrates |
| Cattle          |              |            |              |
| in milk         | 4.75         | 5.5        | 0.64         |
| Dry             | 3.4          | 4.02       | 0.4          |
| Adult male      | 4.06         | 6.03       | 0.33         |
| Young stock     | 2.18         | 2.13       | 0.18         |

| Animal Category | Feed Types   |            |              |
|-----------------|--------------|------------|--------------|
|                 | Green Fodder | Dry Fodder | Concentrates |
| Buffalo         |              |            |              |
| in milk         | 5.96         | 6.34       | 1.05         |
| Dry             | 5.44         | 4.95       | 0.52         |
| Adult male      | 4.04         | 7.47       | 0.36         |
| Young stock     | 2.29         | 2.22       | 0.19         |
| Goat            | 1.04         | 0.2        | 0.06         |
| Sheep           | 1.01         | 0.2        | 0.04         |
| Others          | 2.35         | 6.72       | 0.49         |

4.1.5. In the feed of livestock, 'Concentrates' refers to a mixture of Cereals, Pulses (grains), Oilcakes and Manufactured feed. The composition of Cereals, Pulses, Oilseeds & Oilcakes and Manufactured Feed in the Concentrate varies with the species of animal. The study also provides information on the Cereals, Pulses, Oilseeds & Oilcakes and Manufactured feed consumption for different species of Animal which can be used to estimate percentage composition of Cereals, Pulses, Oilseeds & Oilcakes, and Manufactured Feed in Concentrates. Percentage composition of Cereals, Pulses, Oilseeds & Oilcakes, and Manufactured Feed in Concentrates is given in Table 4.1 C.

**Table 4.1 C: Composition of Concentrates in the Feed of Different animals**

| Species      | Cereals | Pulses | Oilseeds & Oilcakes | Manufactured Feed | Total  |
|--------------|---------|--------|---------------------|-------------------|--------|
| Cattle       | 49.24   | 7.23   | 36.97               | 6.56              | 100.00 |
| Buffalo      | 39.55   | 10.62  | 43.20               | 6.63              | 100.00 |
| Goat         | 82.05   | 4.03   | 13.55               | 0.37              | 100.00 |
| Sheep        | 100.00  | 0.00   | 0.00                | 0.00              | 100.00 |
| Others       | 90.48   | 0.00   | 0.00                | 9.52              | 100.00 |
| <b>Total</b> | 48.23   | 8.30   | 37.35               | 6.12              | 100.00 |

4.1.6. For Price of Feed, unit level data of Cost of Cultivation Studies (CCS) for 2010-11 from Ministry of Agriculture, Government of India has been analyzed. As the prices from CCS pertained to the year, 2010-11, Wholesale Price Index (WPI) was used to estimate the prices for the year 2011-12. WPI of cattle feed has been used for fodder dry and green whereas for oil cakes & concentrates and grains WPI of respective grains have been used, and further composition of Concentrate for different species of Livestock has been used to get State wise price of Fodder-Dry, Fodder-Green and Concentrate. Also for the State where prices were not available, (State which are not covered under CCS Scheme), weighted average price at all India level or neighboring State Prices (wherever it was reasonable to assume similarity in consumption of feed) were used. Weighted Average price at all India Level has been calculated using State-wise average price for

Dry Fodder, Green Fodder, Grains, and Oilseeds & Oilcakes and corresponding production of Straw, Grass, Cereals & Pulses (85% of Cereals and 15% Pulses) and Oilseed in the State to get appropriate representation of State Price in estimation of National Average Price.

4.1.7. Using the rates of feed (in kg) fed to Cattle, Buffalo, Goat and Sheep and Price of per kg Feed (Green Fodder, Dry Fodder and Concentrates), the value of feed (in Rs.) fed per Cattle, Buffalo, Goat and Sheep is estimated. The above values have been applied on the estimated livestock population to estimate total feed consumption. The value of feed of livestock at All India level using above methodology is Rs. 186857 Crore.

4.1.8. Estimate of Roughage and Concentrate as per 2004-05 Series and in 2011-12 series is presented in Table 4.1 D.

**Table 4.1 D: Value of Roughage and Concentrate in Feed, 2011-12**  
(Rs. crore)

|                    | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|--------------------|-----------------------|-----------------------|---------------------|
| <b>Roughage</b>    | 113316                | 113441                | 0.1                 |
| <b>Concentrate</b> | 70740                 | 73416                 | 3.8                 |
| <b>Total Feed</b>  | 184056                | 186857                | 1.5                 |

4.1.9. Further, assuming that only Adult Buffalo (Male) and Adult Cattle (Male) are used in the cultivation of crops, the total feed consumed by Adult Buffalo (Male) and Adult Cattle (Male) has been apportioned to the crop sector. This value of the feed consumed by the livestock used in crop sector has been subtracted from the total estimated value of the feed to arrive at the value of the feed for the livestock sector. At All India level, feed of livestock consumed in the crop sector is estimated as 15.6% and the feed consumed in livestock sector is estimated as 84.4%.

## SECTION 5

### EXPENDITURE AGGREGATES, SAVING AND ALLOCATION OF FISIM

4.128. The expenditure aggregates of GDP comprise of consumption expenditure (government final consumption expenditure and private final consumption expenditure), gross fixed capital formation, and changes in stocks, valuables, and net exports (exports minus imports). These estimates are compiled at market prices. The GVA at basic prices by economic activity discussed in the previous section is adjusted by adding taxes on products including import duty less subsidies on product to arrive at the estimate of GDP (at market prices), so that it equals the expenditure on gross domestic product. As the expenditure components of the GDP, namely, consumption expenditure and capital formation are measured at market prices, the discussion in the following paragraphs is in terms of market prices.

#### Private Final Consumption Expenditure (PFCE)

4.129. The basic data on output and prices utilized in the estimation of private final consumption expenditure (PFCE) are mostly the same as those used in the preparation of GVA estimates and as such the improvements/changes in data sources and coverage etc. in GVA estimates are included in the estimates of PFCE. Table 43 presents the estimates of PFCE for the year 2011-12 by object i.e. according to the purpose for which the goods and services are acquired, in the old and new series.

**Table 43. Estimates of Private Final Consumption Expenditure, 2011-12**

(Rs. crore)

| Items   | 2004-05 Series | 2011-12 Series | % Difference |
|---|----------------|----------------|--------------|
| 1. Food and non-alcoholic beverages                                   | 15,64,033      | 14,92,455      | -4.6         |
| 2. Alcoholic beverages, tobacco and narcotics                         | 1,58,123       | 1,58,311       | 0.1          |
| 3. Clothing and footwear  | 3,83,347       | 3,57,504       | -6.7         |
| 4. Housing, water, electricity, gas and other fuels                   | 6,72,771       | 7,70,788       | 14.6         |
| 5. Furnishings, household equipment and routine household maintenance | 2,08,627       | 1,82,432       | -12.6        |
| 6. Health   | 1,87,954       | 1,81,334       | -3.5         |
| 7. Transport  | 8,16,677       | 7,61,608       | -6.7         |
| 8. Communication  | 67,671         | 98,012         | 44.8         |
| 9. Recreation and culture   | 71,463         | 56,273         | -21.3        |
| 10. Education   | 67,440         | 1,37,067       | 103.2        |

| <b>Items</b>  | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---|-----------------------|-----------------------|---------------------|
| 11. Hotels & restaurants  | 1,36,551              | 1,16,644              | -14.6               |
| 12. Miscellaneous goods and services                                  | 8,32,789              | 8,03,942              | -3.5                |
| <b>Total Private Final Consumption expenditure in domestic market</b> | <b>51,67,446</b>      | <b>51,16,371</b>      | <b>-1.0</b>         |

4.130. It may be observed that the total PFCE as per the new series, as a net result of downward/upward revisions of various items, is lower by 1.0% as compared to the old series. The reasons for the major variations are in the estimates of PFCE for the base year 2011-12 are given below.

#### ***Quantity Retained for Consumption***

4.131. In the 2004-05 series, the quantity retained by producer was estimated using the marketable surplus ratio obtained from Ministry of Agriculture on production of crops and estimating marketable surplus for the years 2003-04 to 2005-06. Subtracting the marketable surplus from total production, the quantity retained (QR) was obtained for the three years. Dividing the QR by projected population for each year, per capita QR for each year was obtained. Finally the average for the per capita QR for the three years was used. This was under the assumption that QR remains constant over a short period. In the new series, quantity retained for consumption has been derived from NSS 68<sup>th</sup> Consumer Expenditure Survey (CES) for the bench mark year 2011-12. For subsequent years, per capita quantity retained by the producer is multiplied with the population to obtain quantity retained by producer for different agricultural commodities.

#### ***Wastage ratios***

4.132. In the 2004-05 series, the wastage ratios for agricultural commodities were based on reports of Directorate of Marketing and Inspection, Ministry of Agriculture. In the new series, wastage ratio of crops and livestock products has been updated using a study conducted by Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana on "Harvest and Post-harvest losses of major crops and livestock products in India".

#### ***Manufactured goods used for PFCE***

4.133. The data base for preparation of estimates of PFCE for majority of manufactured items is same as that for estimating the value added from manufacturing sector. Data on output according to compilation category estimated for compiling GVA by adopting the enterprise approach is utilized. Share of products and by-products for different industries in the total output is worked out from ASI. Also from the detailed analysis of ASI, items of final consumption as per Classification of Individual Consumption According to Purpose (COICOP) and share of these items in the total value of products and by-products is compiled. Applying these shares on the value of products and by-products

estimated from the output compiled by the enterprise approach, for enterprises in Public Sector, Private Corporate Sector and Unincorporated Sector, the total value of products and by-products of different items under this group is estimated.

4.134. For unorganised manufacturing sector, the base year ratio between output of organised and unorganised manufacturing for corresponding industry groups has been used. The total output is then adjusted for excise duty/import duty, trade and transport margin. Finally the adjustment for Government consumption, capital formation and inter-industry consumption has been done using Input-Output Tables, 2007-08 to arrive at PFCE. These ratios have been used for estimating PFCE for subsequent years in respect of manufactured goods.

#### ***Food and Non-alcoholic beverage***

4.135. For most food items, PFCE is estimated by the commodity flow approach. Two major changes have been introduced in this group. First, the quantity retained for consumption has been estimated using a different approach as mentioned earlier in para 5.4. Second, wastage ratios has been updated for major crops and livestock products as mentioned in para 5.5. Intermediate consumption has also been updated using the Input Output Tables, 2007-08 and Annual Survey of Industries. Besides, estimates in respect of rice products have been derived from the corresponding output in the manufacturing sector. 'Other cereals products and pulses products' are derived from NSS 68<sup>th</sup> round CES, 2011-12. This has resulted in decrease in the PFCE for the group by Rs.71,578.

#### ***Clothing and footwear***

4.136. The item-wise data on value of output at NIC (National Industrial Classification, 2008) 3-digit level available from the ASI 2011-12 has been analysed for estimating the PFCE in the new series for this group, as mentioned in para 5.6. The use of the latest ASI data and identification of consumption basket of items resulted in a decrease of Rs.25,843 crore in the PFCE under this Group.

#### ***Housing, water, electricity, gas and other fuel***

4.137. In the old series, data on electricity sold to domestic consumers is obtained from Central Electricity Authority (CEA) and evaluation was done at the retail prices as available in the report. Base year prices were then moved on the basis of wholesale price index. In the new series, consumption of electricity and retail price for the base year has been derived from NSS 68<sup>th</sup> round CES, 2011-12. For subsequent years, the base year estimates of consumption of electricity has been moved forward using CEA data on electricity sold, and base year retail price has been moved forward using WPI of electricity. Besides, PFCE to output ratio has also been updated for the other items of this group, as they are estimated as a percentage of output. This has resulted in an increase in the PFCE estimates for this group by Rs.98,017 crore.

### ***Furnishings, household equipment and routine household maintenance***

4.138. PFCE for this group has decreased by Rs.26,195 crore. Reasons for this variation are the same as those mentioned under the group 'clothing and footwear' and the procedure adopted for estimating PFCE for this group is explained in para 5.6. As a result of updation of rates and ratios based on Input Output Tables, 2007-08, the PFCE for this group has decreased by Rs.26,195 crore.

### ***Health services***

4.139. In the 2004-05 series, the benchmark PFCE estimates were based on the Nation Health Accounts of India, 2004-05, M/o Health and Family Welfare. The PFCE for subsequent years was estimated using growth rate in the private expenditure during 2004-05 and 2005-06 as given in the Nation Health Accounts. Receipts of Central government on account of Central Government Health Scheme compiled from the Central government budget was also taken as an item of household consumption. In the new series, the base year PFCE estimates are based on the NSS 68<sup>th</sup> round CES, 2011-12, duly supplemented by the expenditure incurred by NPISH on health. For subsequent years, base year expenditure has been extrapolated by gross value of output on health compiled by CSO. The PFCE estimate on health has decreased by Rs.6,620 crore in the new series.

### ***Transport***

4.140. There is variation in the PFCE estimates between the old and new series. The PFCE estimates are based on output in the manufacturing sector and the reasons for variation are same as mentioned under the group, 'clothing and footwear' above and the procedure explained in para 5.6. As a result of updation of rates and ratios based on Input-Output Tables, 2007-08, the PFCE for this group has decreased by Rs.55,069 crore in the new series as compared to the old series in the year 2011-12.

### ***Communication***

4.141. The PFCE for this item is estimated as a percentage of output. Rise in the level of estimated output has resulted in an increase in the PFCE estimates for this item by Rs.30,341 crore.

### ***Recreation and culture***

4.142. The variation in PFCE estimates for this group is due to reasons similar to those mentioned under the manufacturing items. This has resulted in decrease in the PFCE for this group by Rs.15,190 crore in the new series for the year 2011-12.

### ***Education***

4.143. The PFCE in the case of education has risen by Rs.69,627 crore in 2011-12 in the new series. The benchmark PFCE estimates are based on the NSS 68<sup>th</sup> round CES, 2011-12. The consumption expenditure on education as available in the CES, 2011-12 has been supplemented by the expenditure incurred by NPISH on education. For

subsequent years, base year expenditure has been extrapolated by gross value of output on education compiled by CSO.

### ***Hotels & restaurants***

4.144. The PFCE for this item is also estimated as a percentage of output. The base year estimates have been taken for NSS 68<sup>th</sup> round CES, 2011-12 and ratio of PFCE to output worked out for the base year is applied on subsequent years output to arrive at PFCE estimates. This has resulted in a decrease in the PFCE estimates for this item by Rs.19,907 crore on account of decline in the output of this sector.

### ***Miscellaneous goods and services***

4.145. The PFCE estimates for this group are also lower in the new series for the year 2011-12 by Rs.28,847 crore. The reasons is as mentioned in para 5.9 for miscellaneous manufacturing goods and variation in output of the service sector for miscellaneous services included in this group.

### ***Level of PFCE***

4.146. The above paragraphs explain the reasons resulting in overall downward revision in the estimates of PFCE during 2011-12 in the new series, as can be seen in Table 44. The per capita consumption expenditure in the year 2011-12, which was of the order of Rs.42,778 (2004-05 series), is now estimated at Rs.41,728 in the new series, showing a decrease of Rs.1,050.

**Table 44. PFCE and Per Capita PFCE, 2011-12 to 2013-14  
(at current prices)**

| Year    | PFCE (Rs. crore) |                | Per capita PFCE (Rs.) |                |
|---------|------------------|----------------|-----------------------|----------------|
|         | 2004-05 Series   | 2011-12 Series | 2004-05 Series        | 2011-12 Series |
| 2011-12 | 51,41,896        | 50,90,822      | 42,778                | 41,728         |
| 2012-13 | 57,72,059        | 58,75,111      | 47,429                | 47,572         |
| 2013-14 | 64,85,037        | 67,72,066      | 52,596                | 54,133         |

### ***Growth rates in PFCE***

4.147. The annual growth rates in the PFCE at the aggregate level and the per capita levels according to the 2004-05 and the new series are presented in Table 45 for two year period 2012-13 to 2013-14. The new series shows marginal higher annual growth rates as compared to those in the old series.

**Table 45. Growth Rates in PFCE and Per capita Expenditure, 2012-13 to 2013-14**

### ***I. At current prices***

|         | PFCE           |                | Per capita PFCE |                |
|---------|----------------|----------------|-----------------|----------------|
|         | 2004-05 Series | 2011-12 Series | 2004-05 Series  | 2011-12 Series |
| 2012-13 | 12.3           | 15.4           | 10.9            | 14.0           |
| 2013-14 | 12.4           | 15.3           | 10.9            | 13.8           |

### ***II. At constant prices***

|         | PFCE           |                | Per capita PFCE |                |
|---------|----------------|----------------|-----------------|----------------|
|         | 2004-05 Series | 2011-12 Series | 2004-05 Series  | 2011-12 Series |
| 2012-13 | 5.0            | 5.5            | 3.7             | 4.2            |
| 2013-14 | 4.8            | 6.2            | 3.5             | 4.8            |

## **Capital Formation**

4.148. The methodology adopted for compilation of estimates of saving and capital formation of various institutional sectors in the new series is based on System of National Accounts, 2008 (SNA 2008).

### ***Gross Capital Formation***

4.149. Gross Capital Formation (GCF) refers to the aggregate of gross additions less deductions of fixed assets (Gross Fixed Capital Formation, GFCF), change in stocks of inventories (CIS) and valuables.

4.150. GFCF estimates in the new series are compiled for four broad categories of assets as per System of National Accounts, 2008. These asset categories are:

- i. Dwellings, Other buildings & Structures;
- ii. Machinery & equipment;
- iii. Cultivated biological resources; and
- iv. Intellectual property products.

Table 46 gives the comparison between categories of fixed assets in the new and old series.

**Table 46. Comparison between Fixed Asset categories in 2011-12 Series vs 2004-05 series**

| <b>Fixed Assets in New (2011-12) Series</b> | <b>Corresponding Fixed Assets in Old (2004-05) Series</b>  |
|---|--|
| Dwellings, Other Buildings & Structures     | Construction asset of 2004-05 series excluding Plantation  |
| Machinery & Equipment (M&E)                 | Machinery & Equipment (M&E) of 2004-05 series excluding Increment in livestock, Software, Expenditure on R&D |
| Cultivated Biological Resources (CBR)       | Increment in Livestock   |
|   | Plantation   |
| Intellectual Property Products (IPP)        | Expenditure on R&D   |
|   | Software   |

4.151. In the new series, the **GFCF** estimates have undergone revisions mainly due to (i) use of information on financial parameters of non-government companies from MCA 21 database provided by Ministry of Corporate Affairs instead of results from sample studies of non-government companies by RBI, (ii) use of ASI 2011-12 detailed results, (iii) estimation of GFCF for four broad categories of assets as per SNA 2008 namely, Dwellings, Other Buildings & Structures; Machinery & equipment; Cultivated biological resources; and Intellectual property products as against only two asset categories 'Construction' and 'Machinery & equipment' in the previous series, (iv) separating out estimates for quasi-corporations from households and inclusion in private corporations based on recommendations of SNA 2008, and (v) Use of NSS 70<sup>th</sup> round AIDIS, 2013 and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 for updating ratios for preparing benchmark estimates in the household sector.

4.152. For estimation of **change in stocks of inventories**, the book values of change in stocks for the corporations are now revalued in the new series. Expenditure of households on **valuables** has been included as savings in the form of physical assets of households.

**I) GFCF by type of assets**

4.153. The estimates of capital formation by type of assets and by type of institutions for the new and old series for the year 2011-12 have been presented in Table 47. The overall revision for the year 2011-12 in GFCF has been from Rs. 28,61,064 crore in the old series to Rs. 29,71,246 crore in the new series. The GCF estimate for the year 2011-12 has been increased to Rs. 34,38,834 crore in new series as against Rs. 32,78,332 crore in 2004-05 series.

**Table 47. Capital Formation by type of assets and institutions, 2011-12***(Rs. crore)*

| <b>S. No.</b> | <b>Item</b>                               | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Diff</b> |
|---------------|---|-----------------------|-----------------------|---------------|
| <b>1</b>      | <b>Gross Capital Formation*</b>           | <b>3278332</b>        | <b>3438834</b>        | <b>4.9</b>    |
| <b>1.1</b>    | Public Non-Financial Corporations         | 379664                | 347393                | -8.5          |
| <b>1.2</b>    | Private Non-Financial Corporations        | 907905                | 1136119               | 25.1          |
| <b>1.3</b>    | Public Financial Corporations             | 8136                  | 8428                  | 3.6           |
| <b>1.4</b>    | Private Financial Corporations            | 5379                  | 37735                 | 601.5         |
| <b>1.5</b>    | General Government                        | 308034                | 318574                | 3.4           |
| <b>1.6</b>    | Households including NPISH                | 1422541               | 1337552               | -6.0          |
| <b>1.7</b>    | Valuables                                 | 246673                | 253033                | 2.6           |
| <b>2</b>      | <b>Gross Fixed Capital Formation</b>      | <b>2861064</b>        | <b>2971246</b>        | <b>3.9</b>    |
| <b>2.1</b>    | <b>Public Non-Financial Corporations</b>  | <b>329625</b>         | <b>332240</b>         | <b>0.8</b>    |
| 2.1.1         | Dwellings, Other buildings and structures | 157354                | 139114                | -11.6         |
| 2.1.2         | Machinery & equipment                     | 159173                | 165977                | 4.3           |
| 2.1.3         | CBR                                       | 0                     | 199                   | -             |
| 2.1.4         | IPP                                       | 13098                 | 26950                 | 105.8         |
| <b>2.2</b>    | <b>Private Non-Financial Corporations</b> | <b>844796</b>         | <b>958217</b>         | <b>13.4</b>   |
| 2.2.1         | Dwellings, Other buildings and structures | 239904                | 251735                | 4.9           |
| 2.2.2         | Machinery & equipment                     | 520061                | 607543                | 16.8          |
| 2.2.3         | CBR                                       | 163                   | 1169                  | 617.2         |
| 2.2.4         | IPP                                       | 84668                 | 97769                 | 15.5          |
| <b>2.3</b>    | <b>Public Financial Corporations</b>      | <b>7940</b>           | <b>8428</b>           | <b>6.1</b>    |
| 2.3.1         | Dwellings, Other buildings and structures | 1701                  | 2220                  | 30.5          |
| 2.3.2         | Machinery & equipment                     | 6239                  | 6048                  | -3.1          |
| 2.3.3         | CBR                                       |                       | 0                     | -             |
| 2.3.4         | IPP                                       |                       | 160                   | -             |
| <b>2.4</b>    | <b>Private Financial Corporations</b>     | <b>4474</b>           | <b>27970</b>          | <b>525.2</b>  |
| 2.4.1         | Dwellings, Other buildings and structures | 812                   | 11193                 | 1278.4        |
| 2.4.2         | Machinery & equipment                     | 3662                  | 10193                 | 178.3         |
| 2.4.3         | CBR                                       |                       | 9                     | -             |
| 2.4.4         | IPP                                       |                       | 6576                  | -             |
| <b>2.5</b>    | <b>General Government</b>                 | <b>301591</b>         | <b>316117</b>         | <b>4.8</b>    |
| 2.5.1         | Dwellings, Other buildings and structures | 262262                | 235448                | -10.2         |
| 2.5.2         | Machinery & equipment                     | 39074                 | 68484                 | 75.3          |

| <b>S. No.</b> | <b>Item</b>                               | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Diff</b> |
|---------------|---|-----------------------|-----------------------|---------------|
| 2.5.3         | CBR                                       | 255                   | 157                   | -38.4         |
| 2.5.4         | IPP                                       | 0                     | 12028                 | -             |
| <b>2.6</b>    | <b>Households</b>                         | <b>1372637</b>        | <b>1328274</b>        | <b>-3.2</b>   |
| 2.6.1         | Dwellings, Other buildings and structures | 931680                | 1122548               | 20.5          |
| 2.6.2         | Machinery & equipment                     | 432372                | 200038                | -53.7         |
| 2.6.3         | CBR                                       | 8585                  | 5629                  | -34.4         |
| 2.6.4         | IPP                                       | 0                     | 59                    | -             |
| <b>3</b>      | <b>Change in stocks</b>                   | <b>170596</b>         | <b>214555</b>         | <b>25.8</b>   |
| <b>3.1</b>    | Public Non-Financial Corporations         | 50039                 | 15153                 | -69.7         |
| <b>3.2</b>    | Private Non-Financial Corporations        | 63109                 | 177902                | 181.9         |
| <b>3.3</b>    | Public Financial Corporations             | 196                   | 0                     | -100.0        |
| <b>3.4</b>    | Private Financial Corporations            | 905                   | 9766                  | 979.1         |
| <b>3.5</b>    | General Government                        | 6443                  | 2457                  | -61.9         |
| <b>3.6</b>    | Households including NPISH                | 49904                 | 9277                  | -81.4         |

*Note:*

*\* Unadjusted for 'Flow of Funds'*

1. In new (2011-12) series, Public Sector is divided into Public Non-Financial Corporations, Public Financial Corporations & General Government, and Private Sector is divided into Private Non-Financial Corporations & Private Financial Corporations.

2. In 2004-05 series, GFCF in Plantation was part of Construction and GFCF from M&E included R&D Expenditure of NDCUs, Fixed Assets in Livestock and Computer Software. In the 2011-12 series, R&D Expenditure of NDCUs and Computer Software are part of Intellectual Property Products (IPP) and GFCF in Plantation and Fixed Assets in Livestock are part of Cultivated Biological Resources (CBR).

3. For comparison of estimates, the 2004-05 series estimates have been classified into asset categories as per 2011-12 series, to the extent possible.

#### ***i. Dwellings, Other Buildings & Structures***

4.154. The estimates for asset (i) 'Dwellings, Other Buildings & Structures' correspond to the 'construction' asset (excluding capital expenditure on plantations) in the previous series, for which the methodology continues to be the same. Commodity flow approach is adopted at the national level for estimating output of *pucca* Dwellings, Other Buildings & Structures. The output of *kutchra* Dwellings, Other Buildings & Structures are estimated using the expenditure approach. Bitumen & bitumen mixtures, and Glass & glass products have been included in the basic construction materials using detailed information from ASI 2011-12 and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. Estimates for Cement and cement products, Iron & steel, Bricks & tiles, Timber and Fixtures & fittings have been updated using detailed information from

the same sources. The methodology for estimation of value of output used in construction for Bricks & tiles has also been revised. The ratio of 'other materials and service charges' have been updated using study by CBRI, Roorkee. Other rates and ratios are updated using AIDIS, 2013 and results of NSS 65<sup>th</sup> round Housing Condition Survey, 2008-09. Cost of basic construction materials received from the States and Trade & Transport Margins (TTMs) from IOT, 2007-08, has been incorporated in the compilation. Further details are given in section on estimation of GVA from Construction.

4.155. From the total estimated GFCF for Dwellings, Other Buildings & Structures, which is the expenditure on new Dwellings, Other Buildings & Structures, arrived from commodity flow approach, the GFCF in respect of public and private corporations (Dwellings, Other Buildings & Structures part) is subtracted to obtain the GFCF of the households, as residual. With the revisions in coverage of basic materials, ratios from CBRI study and use of fresh data, the GFCF in the form of Dwellings, Other Buildings & Structures is estimated at Rs. 17,62,259 crore in the new series for the year 2011-12, as against Rs. 15,93,713 crore estimated in 2004-05 series.

4.156. The details of GFCF from Dwellings, Other Buildings & Structures are given in the Table 48, separately in the old and new series for the year 2011-12 and also separately for the pucca and kutcha segments of new Dwellings, Other Buildings & Structures.

**Table 48. GFCF from Dwellings, Other Buildings & Structures, 2011-12**  
(Rs. crore)

| S.No.    | Item         | 2004-05 Series | 2011-12 Series | % Difference |
|----------|--------------|----------------|----------------|--------------|
| <b>1</b> | <b>Total</b> | <b>1593713</b> | <b>1762259</b> | <b>10.6</b>  |
| 1.1      | Pucca        | 1546851        | 1703864        | 10.2         |
| 1.2      | Kutcha #     | 46863          | 58395          | 24.6         |

# Kutcha DOBS only. This excludes plantation asset for comparability, as it is a part of CBR asset in 2011-12 series.

#### **ii. Machinery & equipment**

4.157. Methodology for estimation of GFCF for asset (ii) 'Machinery & equipment' using commodity flow approach is unchanged in the new series. Fixed Assets in livestock, Software and Research & Development (R&D) expenditure, which was a part of machinery & equipment in 2004-05 series, are classified as separate assets, CBR and IPP, in the new series. The ex-factory values of capital goods have been estimated using detailed results of Annual Survey of Industries, 2011-12, appropriately adjusted with value of output in the manufacturing sector estimated in the new series. Details are given below.

4.158. The data on ex-factory value of products and by products at detailed 7 digit level of NPCMS (National Product Classification for Manufacturing Sector) codes have been obtained at 5 digit National Industry Classification (NIC), 2008 from ASI, 2011-12. The machinery items at 7 digit level of NPCMS have been classified into (i) capital goods; (ii) parts of capital goods; (iii) partly capital goods; and (iv) parts of partly capital goods. The machinery items classified as capital goods are taken as 100% fixed asset; parts of capital goods as 50% fixed asset and remaining as intermediate consumption. To the partly capital goods i.e. dual use goods, ratios of fixed asset to total output have been obtained from IOT, 2007-08, and applied to get the fixed asset. Parts of partly capital goods are taken as further 50% of the ratio applied on partly capital goods. Ratios of fixed assets to ex-factory value of machinery items for each of the machinery-producing NIC 2008 industries derived from the ASI data (organised manufacturing) has been applied to the output of organised manufacturing sector estimated in the new series.

4.159. Use of detailed 7 digit level of NPCMS in ASI data has resulted in capturing all the machinery items produced in the economy irrespective of the principal industry classification of the establishments. To account for fixed assets in the unorganised sector, ratios of fixed assets to ex-factory value of machinery items for each of the machinery-producing NIC 2008 industries derived from the ASI data (organised manufacturing) has been applied to the output of unorganised manufacturing sector.

4.160. The estimates of fixed assets obtained from organised and unorganised manufacturing at NIC-2008 four and two digit levels are then finally classified at the broad category levels as non-electrical (NE), electrical (E), transport equipment (TE) and others (O).

4.161. The estimates at 2 digit level of NIC have been clubbed appropriately to get the estimates at the broad category level. The addition in stock of capital goods in terms of finished and semi-finished materials at 4 digit level of NIC have been obtained from ASI 2011-12 and the same have been clubbed to get the estimates at the NIC 2 digit level and at the broad category level. Thus the estimates of ex-factory value of capital goods at the broad category level are obtained. To these ex-factory values of capital goods, the net import, import duty, excise duty are added to get the domestic availability of GFCF in Machinery & Equipment (M&E). Finally, TTM as obtained from IOT, 2007-08, are added at the broad category level to get the estimate of GFCF in M&E.

4.162. Estimates of GFCF in the form of machinery and equipment for the year 2011-12 has now been estimated at Rs. 10,58,283 crore in the new series as against Rs. 11,60,579 crore in the 2004-05 series. The decrease in GFCF from machinery and equipment by Rs. 1,02,296 crore has mainly been due to the adoption of latest available data and revision in item-baskets of capital goods, as also due to other changes explained above.

**iii. Cultivated biological resources (CBR)**

4.163. Capital expenditure on plantations and increment in livestock used as capital asset (breeding, dairying and as draught animal) comprises of the 'Cultivated biological resources' in the new series, for which the estimation methodology at the broad level remains unchanged. In the 2004-05 series, capital expenditure on plantations was included in 'Construction' asset and 'increment in livestock used as fixed asset' was a part of 'machinery & equipment' asset, both appearing in the agriculture industry. However, in the new series, this asset category is shown separately. The comparative estimates of GFCF from CBR at current prices for the year 2011-12 in the old and new series are given in Table 49.

**Table 49. GFCF from Cultivated Biological Resources, 2011-12**  
(Rs. crore)

| Item                                  | 2004-05 Series | 2011-12 Series | % Difference |
|---------------------------------------|----------------|----------------|--------------|
| Cultivated Biological Resources (CBR) | 9003           | 7162           | -20.4        |

**iv. Intellectual property products (IPP)**

4.164. The intellectual property products (IPP) consist of expenditure on research & development, mineral exploration, computer software and other intellectual property products. The data for IPP is separately available from the MCA 21 database as well as analysis of annual reports of government companies and autonomous bodies. For Households Sector, IPP information pertains only to software for which information has been obtained from the NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. Further, from the total estimate of software estimated using data from NASSCOM and imports, the residual obtained after netting out the corresponding expenditure by corporations and households is added to the private corporations.

4.165. In 2004-05 series, software and research & development were components of 'machinery & equipment' asset. In the new series these are reclassified in a separate category in accordance with SNA, 2008. The comparative estimates of GFCF from IPP at current prices for the year 2011-12 in the old and new series are given in Table 50.

**Table 50. GFCF from Intellectual Property Products, 2011-12**  
(Rs. crore)

| Item  | 2004-05 Series # | 2011-12 Series | % Difference |
|---|------------------|----------------|--------------|
| <b>Intellectual Property Products (IPP)</b> | <b>97766</b>     | <b>143543</b>  | <b>46.8</b>  |

# The estimate pertains to software only

### ***Valuables***

4.166. Data on expenditures made on net acquisition of valuables on precious items like gold, gems, ornaments and precious stones etc., has been included under GCF, as a separate category (separately from the GFCF and Change in Stocks) as in the old series. In the new series, valuables include HS codes 7108 (gold), 7106 (silver), 7113 and 7114 (gold and silver ornaments), precious articles with HS codes 710231 (diamonds), 7103 (other gems and stones), and 711019 (platinum). Thus, the coverage is broadly the same as in the old series. However, the ratios of inter-industry use of the output have been updated from ASI, 2011-12 and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11 to account for use of these imported products in manufacturing activity.

## **II) Gross capital formation by industry of use**

4.167. The Gross capital formation estimates have been compiled for each industry group and each institutional sector by aggregating the GFCF and CIS estimates, which are estimated separately. The overall revision in GFCF by industry of use for the year 2011-12 has been from Rs. 28,61,064 crore in the 2004-05 series to Rs. 29,71,246 crore in the new series.

### **GFCF by industry of use**

4.168. The estimates for the general government and public corporations are obtained from the budget documents and annual accounts of public corporations. The estimates for private corporations are mainly prepared using information on financial parameters of non-government companies from MCA21 database provided by Ministry of Corporate Affairs instead of results from RBI sample study of companies. Estimates for Limited Liability Partnerships (LLPs), cooperatives, insurance companies and banks have been obtained from MCA, NABARD and annual reports of IRDA and banks, respectively and included in the private corporate sector. As regards the 'Households' sector, benchmark results obtained from various NSS surveys (especially the capital stock to output/GVA ratios) and growth rates in GVO, GVA etc. are used to obtain the GFCF estimates (by extrapolating the benchmark capital stock data with the growth observed in GVO (or GVA) and taking the difference between two years' capital stock data). The estimates have been prepared for the disaggregated level of assets, as per SNA 2008, based on the information available.

4.169. Estimates for quasi-corporations have been excluded from the Households Sector and included in private corporations in line with SNA 2008 recommendations. These are detailed below:

- (i) *Unincorporated manufacturing enterprises covered under ASI*: The GFCF estimate obtained from ASI 2011-12 for "Individual Proprietorship, Joint Family (HUF), Partnership, Khadi & Village Industries Commission, Handlooms,

Others" was earlier a part of Households Sector, but in the new series, it is now a part of quasi-corporations and hence included in private corporations.

- (ii) *Unincorporated manufacturing (excluding enterprises of (i) above) and non-financial services*: Based on information on the variable "whether accounts maintained" in NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, separate capital stock to GVA ratios have been obtained for each of the industry, separately, for those enterprises for which accounts are maintained and those for which accounts are not maintained. In case accounts are maintained, these have been classified into quasi-corporations. Enterprises not maintaining accounts belong to the households sector. Applying the ratio on the GVA (at 2011-12 prices) of the respective industries for quasi-corporations, the estimates of stock of fixed assets for the respective industry at 2011-12 prices are obtained. Taking the difference between two successive years' stock data, the estimate of GFCF at 2011-12 prices has been obtained.
- (iii) *Unorganised financial services*: Capital stock to GVA ratio for all unincorporated enterprises engaged in financial services (maintaining and not maintaining accounts) has been obtained from NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, and applied on the GVA of unorganised sector banking (comprising of money lenders, insurance agents and other unincorporated financial enterprises) to get stock of fixed assets. Taking the difference between two successive years' stock data, the estimate of GFCF at 2011-12 prices has been obtained.

4.170. The GFCF estimates of 'Dwellings, Other Buildings & Structures' and 'machinery and equipment' obtained from commodity flow approach for the entire economy have been taken as firmer estimates and the industry-wise GFCF estimates for the Households Sector compiled by the expenditure method, have been adjusted proportionately with the estimates compiled by commodity flow approach (separately for 'Dwellings, Other Buildings & Structures' and 'machinery and equipment'). GFCF in respect of CBR and IPP for the households are as estimated by expenditure approach.

### **Methodology followed for the Households Sector:**

4.171. Broad methodology for industry of use for the Households Sector is the same, except for exclusion of estimates of quasi-corporations and updation of ratios and benchmark estimates from latest surveys. Details are given below:

#### ***Agriculture (Crops and Livestock)***

4.172. In the new series, estimates of the GFCF in machinery and equipment (ME) for agriculture industry is estimated by using the ex-factory value for agricultural implements from Annual Survey of Industries (ASI) 2011-12 and corresponding part from NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, to account for production in unregistered manufacturing. From this total estimate, the estimate of GFCF for

agricultural machinery for Households Sector has been derived by subtracting the corresponding estimate for corporations. Applying the ratio observed between the construction (land development and other structures) and ME from AIDIS 2013 on the estimate of GFCF in ME in agriculture, the estimate of GFCF in Dwellings, Other Buildings & structures in agriculture industry is arrived at.

4.173. The estimate of Dwellings, Other Buildings & structures are split into crops industry and livestock industry using information from AIDIS 2013. Ratio of capital expenditure on barns & animal sheds in farm sector to total capital expenditure (including—land development and other structures) is applied on the estimate of Dwellings, Other Buildings & structures for agriculture industry to get the corresponding estimate for livestock industry. The residual is taken in crops industry. The estimate of machinery & equipment for agriculture industry is completely considered as that of crops industry.

4.174. The coverage of capital expenditure in plantation crops has been extended to include an additional plantation crop (cardamom) based on data available from NHB and NABARD for the year 2014-15. Using information on the asset 'Tree, crop and plant resources yielding repeat products' available from the MCA 21 database for private corporations and from budgets, annual reports for public corporations, the capital expenditure for the Households Sector is worked out as a residual.

4.175. Increment in livestock used as capital asset (breeding, dairying and as draught animal) has been estimated using Livestock Census 2012. Here again, the corresponding estimates from MCA 21 database for private corporations and from budgets, annual reports for public corporations, have been used for deriving the estimate for the Households Sector as a residual. The estimate of Households Sector is split into crops industry and livestock industry using distribution as in feed of livestock in the two industries.

### ***Forestry and Logging***

4.176. In the previous series, estimates of public sector were marked up by 5.0% to account for both private corporations and households due to unavailability of separate data for private sector. However, in the new series, GFCF estimates are separately prepared for the private corporations using MCA 21 database. For the Households Sector, Table on "Area by ownership during 2005-06" from Forestry Statistics India 2007, ICFRE has been used to obtain ratio of ownership of private forests to forests owned by public & corporate bodies. This ratio has been used to obtain GFCF for this industry for the Households Sector.

### ***Mining and quarrying***

4.177. Capital stock to output ratio used in 2004-05 series for 2011-12 has been used in the 2011-12 series. This ratio has been applied on the estimate of GVO of minor minerals at 2011-12 prices to get the estimate of stock at 2011-12 prices. Taking the difference between two successive years' stock data, the estimate of GFCF at 2011-12 prices has been obtained.

### ***Electricity, gas and water supply***

4.178. Average cost of capital expenditure on biogas plants for 2011-12 has been obtained from Ministry of New and Renewable Energy. This average cost is multiplied by the number of biogas plants installed during the year to get the GFCF for 2011-12. This estimate is moved forward using WPI (Electricity) and number of biogas plants installed, for which information is available regularly from the Ministry of New and Renewable Energy to get the GFCF at current prices for other years.

### ***Construction***

4.179. In previous series, in the absence of any survey data on investment in this specific industry, the capital stock to output ratio for Central Non-Departmental Construction Enterprises was applied on the GVO of construction in the Households Sector to get the estimate of stock of fixed assets. In the 2011-12 series, capital stock to output ratio has been worked out using information on XBRL non-government companies (about top 400 companies by sales, after removing outliers) from MCA 21 database.

### ***Unorganised Manufacturing and Non-financial Services (Trade, hotels & restaurants, transport, remediation & other utility services, communication, real estate, education, health, other services)***

4.180. For these industries, the ratios of capital stock of fixed assets to GVA for unincorporated household enterprises has been obtained from NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, and applied on the respective GVA of Households Sector to get estimates of stock of fixed assets for the respective industry at 2011-12 prices. Taking the difference between two successive years' stock data, the estimate of GFCF at 2011-12 prices has been obtained. GFCF by assets at current price have been estimated by using the index of general pucca construction, WPI for machinery equipment and WPI for transport equipment.

### ***Ownership of dwellings***

4.181. AIDIS, 2013 has been used for estimating GFCF in respect of 'Ownership of dwellings'.

4.182. Table 51 gives the comparative estimates of GFCF by industry for the year 2011-12 in the old (2004-05) series and in the new (2011-12) series.

**Table 51. GFCF by industry of use, 2011-12**

(Rs. crore)

|           | Industry  | 2004-05 series | 2011-12 series | % Diff       |
|-----------|---|----------------|----------------|--------------|
| <b>1</b>  | <b>Agriculture and allied</b>   | <b>241178</b>  | <b>267687</b>  | <b>11.0</b>  |
| 1.1       | Crops   | 223118         | 233756         | 13.8         |
| 1.2       | Livestock   |                | 20197          |              |
| 1.3       | Forestry & logging  | 2026           | 1972           | -2.7         |
| 1.4       | Fishing & aquaculture   | 16034          | 11762          | -26.6        |
| <b>2</b>  | <b>Mining &amp; quarrying</b>   | <b>103128</b>  | <b>69078</b>   | <b>-33.0</b> |
| <b>3</b>  | <b>Manufacturing</b>  | <b>678425</b>  | <b>550645</b>  | <b>-18.8</b> |
| 3.1       | Organised   | 573589         | 452199         | -21.2        |
| 3.2       | Unorganised   | 104836         | 98446          | -6.1         |
| <b>4</b>  | <b>Elect., Gas, Water Supply and other utility services</b>                     | <b>202214</b>  | <b>280882</b>  | <b>38.9</b>  |
| <b>5</b>  | <b>Construction</b>   | <b>142583</b>  | <b>146177</b>  | <b>2.5</b>   |
| <b>6</b>  | <b>Trade, repair, hotels &amp; restaurants.</b>                                 | <b>375213</b>  | <b>173330</b>  | <b>-53.8</b> |
| 6.1       | Trade & Repair Services   | 314375         | 139719         | -55.6        |
| 6.2       | Hotels & restaurants  | 60838          | 33611          | -44.8        |
| <b>7</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>252994</b>  | <b>223019</b>  | <b>-11.8</b> |
| 7.1       | Railways  | 25582          | 31240          | 22.1         |
| 7.2       | Road transport  | 135487         | 93613          | -9.0         |
| 7.3       | Water transport   |                | 6463           |              |
| 7.4       | Air transport   |                | 6185           |              |
| 7.5       | Services incidental to transport  |                | 17037          |              |
| 7.6       | Storage   | 3261           | 6293           | 93.0         |
| 7.7       | Communication & services related to broadcasting                                | 88664          | 62187          | -29.9        |
| <b>8</b>  | <b>Financial services</b>   | <b>12414</b>   | <b>36398</b>   | <b>193.2</b> |
| <b>9</b>  | <b>Real estate, ownership of dwellings and professional services</b>            | <b>424370</b>  | <b>821973</b>  | <b>93.7</b>  |
| <b>10</b> | <b>Public Admn. &amp; defence</b>   | <b>244503</b>  | <b>260299</b>  | <b>6.5</b>   |
| <b>11</b> | <b>Other Services</b>   | <b>184042</b>  | <b>141759</b>  | <b>-23.0</b> |
| <b>12</b> | <b>Total ( 1 to 11 )</b>  | <b>2861064</b> | <b>2971246</b> | <b>3.9</b>   |

### Change in stocks by industry

4.183. The estimates of change in stock (CIS) at current prices (CP) and constant prices (KP), and of inventory at CP and KP are being compiled for all the institutional sectors

and for each industry, separately. WPI for the appropriate industry group is used to convert CP estimates to KP estimates and vice versa for the specific industry.

4.184. For private corporations (non-government companies, data source: MCA 21) and public corporations (NDEs, data source: annual reports), the estimates of change in stocks have been revalued. For General Government, there is no change in methodology.

4.185. For the quasi-corporations (component of private corporations), change in stock is estimated for only organised manufacturing and Trade from available information on these sectors from ASI and NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11. The methodology adopted to estimate CIS is first to obtain inventory at current price for the bench mark year. Then deflating the current price estimates of inventory by relevant WPI, the 2011-12 price estimate of inventory is obtained and taking the difference between two successive years' inventory estimates at 2011-12 prices, the estimate of CIS at 2011-12 prices is arrived at. Then the current price estimate of CIS is arrived at by again inflating the 2011-12 price estimates of CIS by the same WPI.

#### ***Unincorporated Manufacturing establishments covered in ASI***

4.186. Registered unincorporated manufacturing establishments from ASI 2011-12, which were earlier a part of Households Sector in old series, are now included in private corporations. Ratio of inventory to output for these establishments as obtained from ASI 2011-12 has been applied to the corresponding estimate of GVO at current price to get the inventory at current price.

#### ***Trade & repair services***

4.187. The inventory for 2011-12 has been prepared using NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, from which stock of inventory to GVA ratio has been obtained for enterprises engaged in 'Trade & repair services' and maintaining accounts. This ratio has been applied to GVA (Trade & Repair Services) for quasi-corporations to get current price estimate for stock of inventory for 2011-12. The indicators used for estimating the current price estimates of inventory for other years are "outstanding credit by scheduled commercial banks (SCBs) to household for trading" and "food credit by scheduled commercial banks (SCBs)".

4.188. For the Households Sector, at the industry level, although the methodology is broadly the same, the rates/ratios have been updated from the latest available surveys. The data sources used are given below:

#### ***Agriculture (Livestock)***

4.189. In agriculture sector in households, the change in stocks of inventories is only the increment in livestock not used for production purposes. Latest Livestock Census, 2012, has been used for estimating increment in livestock. Ratios for species-wise

estimate for fixed asset (used for breeding, dairying and as draught animal) and change in stock have been updated from this livestock census.

### ***Mining and Quarrying***

4.190. Ratio between inventory and output for minor minerals has been updated for 2011-12 from Indian Minerals Year Book, 2012, IBM. This ratio is applied on value of output of minor minerals at current prices to get the inventory at current price.

### ***Registered Manufacturing***

4.191. This is now a part of quasi-corporate sector and is explained in previous paragraph.

### ***Unregistered Manufacturing***

4.192. The ratio between the inventory and output for this industry obtained from NSS 62<sup>nd</sup> round enterprise survey on unorganised manufacturing sector, 2005-06 has continued to be used as NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, gave change in stocks/inventory estimates only for semi-finished goods. Hence the ratio from NSS 62<sup>nd</sup> round has been applied on the GVO of unregistered manufacturing for Households Sector at current price to get the inventory at current price.

### ***Trade***

4.193. The inventory for 2011-12 has been revised using NSS 67<sup>th</sup> round Survey on Unincorporated Enterprises, 2010-11, from which stock of inventory to GVA ratio has been obtained for enterprises engaged in Trade and not maintaining accounts. This ratio has been applied to GVA (Trade) for Households Sector to get current price estimate of stock of inventory for 2011-12. The indicator used for moving forward the estimate for 2011-12 to get the current price estimates of inventory for this industry is the same as in the previous series i.e. "outstanding credit by scheduled commercial banks (SCBs) to households for trading" and "food credit by scheduled commercial banks (SCBs)".

### ***Hotel and Restaurants***

4.194. Inventory (per enterprise inventory formation) as used in 2004-05 series has been used in the absence of any other information. NSS enterprise surveys for 2006-07 (report No. 529) and 2010-11 (report No. 549) have been used to get the Intra-survey growth rate for number of estimated enterprises- hotels & restaurants. Multiplying the 'per enterprise estimated inventory' at 2011-12 price with the number of enterprises, the estimate of inventory at 2011-12 price for this industry is arrived at. WPI for all commodities is used to estimate of inventory at current price.

### ***Road Transport***

4.195. Ratio of inventory to stock of fixed assets as used in 2004-05 series for 2011-12 has been used. Using the stock of fixed assets of transport equipment in the Households

Sector for mechanized road transport at 2011-12 prices, stock of inventory at 2011-12 prices is estimated. It has been seen that the inventory is mainly in terms of tyres and tubes etc. Using WPI for tyres, the current price estimates of inventory are obtained.

4.196. Table 52 gives the industry wise break-up of the estimates of CIS for the year 2011-12 along with the old series estimates, at current prices.

**Table 52. CIS by industry of use, 2011-12**

(Rs. crore)

| Industry  |   | 2004-05 series | 2011-12 series | % Diff        |
|-----------|---|----------------|----------------|---------------|
| <b>1</b>  | <b>Agriculture and allied</b>   | <b>10527</b>   | <b>7632</b>    | <b>-27.5</b>  |
| 1.1       | Crops   | 10166          | 1614           | -29.0         |
| 1.2       | Livestock   |                | 5602           |               |
| 1.3       | Forestry & logging  | 365            | 251            | -31.2         |
| 1.4       | Fishing & aquaculture   | -4             | 165            | -4225.0       |
| <b>2</b>  | <b>Mining &amp; quarrying</b>   | <b>3278</b>    | <b>-2510</b>   | <b>-176.6</b> |
| <b>3</b>  | <b>Manufacturing</b>  | <b>87889</b>   | <b>76753</b>   | <b>-12.7</b>  |
| 3.1       | Organised   | 85928          | 75198          | -12.5         |
| 3.2       | Unorganised   | 1961           | 1555           | -20.7         |
| <b>4</b>  | <b>Elect., Gas, Water Supply and other utility services</b>                     | <b>7596</b>    | <b>5363</b>    | <b>-29.4</b>  |
| <b>5</b>  | <b>Construction</b>   | <b>11723</b>   | <b>62324</b>   | <b>431.6</b>  |
| <b>6</b>  | <b>Trade, repair, hotels &amp; restaurants</b>                                  | <b>37579</b>   | <b>31356</b>   | <b>-16.6</b>  |
| 6.1       | Trade & Repair Services   | 37415          | 29794          | -20.4         |
| 6.2       | Hotels & restaurants  | 164            | 1563           | 853.0         |
| <b>7</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>2158</b>    | <b>2777</b>    | <b>28.7</b>   |
| 7.1       | Railways  | 175            | 142            | -18.9         |
| 7.2       | Road transport  | 1546           | 2533           | 82.7          |
| 7.3       | Water transport   |                | 903            |               |
| 7.4       | Air transport   |                | 99             |               |
| 7.5       | Services incidental to transport  |                | -710           |               |
| 7.6       | Storage   | 789            | 415            | -47.4         |
| 7.7       | Communication & services related to broadcasting                                | -353           | -605           | 71.4          |
| <b>8</b>  | <b>Financial services</b>   | <b>1101</b>    | <b>9766</b>    | <b>787.0</b>  |
| <b>9</b>  | <b>Real estate, ownership of dwellings and professional services</b>            | <b>3590</b>    | <b>13283</b>   | <b>270.0</b>  |
| <b>10</b> | <b>Public Admn. &amp; defence</b>   | <b>5003</b>    | <b>1249</b>    | <b>-75.0</b>  |
| <b>11</b> | <b>Other Services</b>   | <b>151</b>     | <b>6561</b>    | <b>4245.0</b> |
| <b>12</b> | <b>Total ( 1 to 11 )</b>  | <b>170596</b>  | <b>214555</b>  | <b>25.8</b>   |

4.197. Table 53 gives the comparative estimates of GCF by industry of use, for the year 2011-12, in the old (2004-05) series and in the new (2011-12) series.

**Table 53. GCF by industry of use, 2011-12**

(Rs. crore)

| Industry  |   | 2004-05 series | 2011-12 series | % Diff       |
|-----------|---|----------------|----------------|--------------|
| <b>1</b>  | <b>Agriculture and allied</b>   | <b>251705</b>  | <b>275319</b>  | <b>9.4</b>   |
| 1.1       | Crops   | 233284         | 235370         | 12.0         |
| 1.2       | Livestock   |                | 25800          |              |
| 1.3       | Forestry & logging  | 2391           | 2223           | -7.0         |
| 1.4       | Fishing & aquaculture   | 16030          | 11927          | -25.6        |
| <b>2</b>  | <b>Mining &amp; quarrying</b>   | <b>106406</b>  | <b>66568</b>   | <b>-37.4</b> |
| <b>3</b>  | <b>Manufacturing</b>  | <b>766314</b>  | <b>627398</b>  | <b>-18.1</b> |
| 3.1       | Organised   | 659517         | 527397         | -20.0        |
| 3.2       | Unorganised   | 106797         | 100001         | -6.4         |
| <b>4</b>  | <b>Elect., Gas, Water Supply and other utility services</b>                     | <b>209811</b>  | <b>286244</b>  | <b>36.4</b>  |
| <b>5</b>  | <b>Construction</b>   | <b>154306</b>  | <b>208502</b>  | <b>35.1</b>  |
| <b>6</b>  | <b>Trade, repair, hotels &amp; restaurants.</b>                                 | <b>412792</b>  | <b>204686</b>  | <b>-50.4</b> |
| 6.1       | Trade & Repair Services   | 351790         | 169512         | -51.8        |
| 6.2       | Hotels & restaurants  | 61002          | 35174          | -42.3        |
| <b>7</b>  | <b>Transport, storage, communication &amp; services related to broadcasting</b> | <b>255152</b>  | <b>225796</b>  | <b>-11.5</b> |
| 7.1       | Railways  | 25757          | 31382          | 21.8         |
| 7.2       | Road transport  | 137033         | 96146          | -8.0         |
| 7.3       | Water transport   |                | 7366           |              |
| 7.4       | Air transport   |                | 6284           |              |
| 7.5       | Services incidental to transport  |                | 16327          |              |
| 7.6       | Storage   | 4050           | 6709           | 65.6         |
| 7.7       | Communication & services related to broadcasting                                | 88311          | 61582          | -30.3        |
| <b>8</b>  | <b>Financial services</b>   | <b>13515</b>   | <b>46164</b>   | <b>241.6</b> |
| <b>9</b>  | <b>Real estate, ownership of dwellings and professional services</b>            | <b>427960</b>  | <b>835256</b>  | <b>95.2</b>  |
| <b>10</b> | <b>Public Admn. &amp; defence</b>   | <b>249506</b>  | <b>261548</b>  | <b>4.8</b>   |
| <b>11</b> | <b>Other Services</b>   | <b>184191</b>  | <b>148320</b>  | <b>-19.5</b> |
| <b>12</b> | <b>Total ( 1 to 11 )</b>  | <b>3031661</b> | <b>3185801</b> | <b>5.1</b>   |
| <b>13</b> | <b>Valuables</b>  | <b>246673</b>  | <b>253033</b>  | <b>2.6</b>   |
| <b>14</b> | <b>Total GCF*</b>   | <b>3278332</b> | <b>3438834</b> | <b>4.9</b>   |

\* Unadjusted for 'Flow of Funds'

## ***Savings***

4.198. The estimates of Savings are prepared separately for each of the six institutional sectors namely, General Government, Public Financial Corporations, Public Non-Financial Corporations, Private Financial Corporations, Private Non-Financial Corporations, and Households. In the new series, the major revisions that have taken place are: (i) Physical assets of quasi-corporations have been excluded from households and included in the private corporations; (ii) Savings estimates for Non-Government Non-Financial Companies, previously taken from RBI, have now been derived from MCA 21 database; (iii) Savings estimates for Non-Government financial companies, life & non-life private insurance companies and non-nationalized banks have been taken from analysis of annual accounts of companies and banks; (iv) Expenditure of households on valuables has been included alongwith the physical assets of households; (v) Addition of organizations for providing provident and pension fund data of households; (vi) Savings of household sector in mutual funds has been taken from analysis of annual accounts of mutual fund companies. Estimates of financial savings of households are compiled by RBI. Separate information on financial savings of quasi-corporations is not available. Therefore, household savings in the form of financial assets continues to include financial savings of quasi- corporations.

4.199. In the earlier series, expenditure of households on purchase of gold and silver ornaments was treated as consumption expenditure and included in PFCE. In the new series, gold and silver ornaments acquired by the households are treated as savings of households in the form of valuables. This has been estimated using information available from NSS 68<sup>th</sup> round Consumer Expenditure Survey (CES) for the base year. For the subsequent years, this has been estimated using information on corresponding output in the manufacturing sector, duly adjusted by their imports and exports.

4.200. These revisions have resulted in an increase of Rs. 169,467 crore in the Gross Savings of the economy in the year 2011-12. The private financial and non-financial corporations have been revised upwards by Rs. 60,459 crore and Rs. 135,237 crore, respectively, in 2011-12 which is mainly due to change in data source and also inclusion of physical assets of quasi-corporations. The households' savings in physical assets has been revised downward by Rs.84,989 crore due to revisions in the capital formation estimates and exclusion of physical assets of quasi corporations. However, the financial savings have increased by Rs. 11,231 crore. These changes have decreased the savings of household sector by Rs. 40,124 crore for the year 2011-12 in the new series.

4.201. Table 54 gives the comparative estimates of Gross Savings by institutional sectors for the year 2011-12 in the old (2004-05) series and in the new (2011-12) series.

**Table 54. Estimates of Gross Savings by Institutional Sectors, 2011-12**  
(Rs. crore)

| <b>Institutional Sector</b>          | <b>2004-05 series</b> | <b>2011-12 series</b> | <b>% Difference</b> |
|--------------------------------------|-----------------------|-----------------------|---------------------|
| 1 Private Non-financial corporations | 619295                | 754532                | 21.8                |
| 2 Private Financial corporations     | 39133                 | 99592                 | 154.5               |
| 3 Public Non-Financial corporations# | 293716                | 122853                | -2.6                |
| 4 Public Financial corporations      | NA                    | 163313                |                     |
| 5 General Government                 | -182421               | -160978               | -11.8               |
| 6 Households Sector                  | 2054737               | 2014613               | -2.0                |
| 6.1 Financial Savings                | 632196                | 643427                | 1.8                 |
| 6.2 Saving in Physical Assets        | 1422541               | 1337552               | -6.0                |
| 6.3 Saving in form of valuables      | NA                    | 33635                 |                     |
| <b>7 Total Economy</b>               | <b>2824459</b>        | <b>2993926</b>        | <b>6.0</b>          |

# includes savings of public financial corporation in 2004-05 series

***Rate of Savings and Gross Capital Formation***

4.202. The estimates of capital formation for this purpose are obtained from flow of funds approach and are equivalent to the Savings plus the net inflow of capital from rest of the world. The comparative estimates of GCF, as estimated from flow of funds for the year 2011-12 are given in Table 55.

**Table 55. GCF from Flow of Funds, 2011-12**  
(Rs. Crore)

| <b>Item</b>                 | <b>2004-05 Series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|-----------------------------|-----------------------|-----------------------|---------------------|
| Gross Savings               | 2824459               | 2993926               | 6.0                 |
| Net Capital Inflow from ROW | 376174                | 376171                | 0.0                 |
| GCF                         | 3200633               | 3370097               | 5.3                 |

4.203. Table 56 presents the rates of savings and gross capital formation for the year 2011-12 for the two series. The rates are worked out as a percentage of Gross Savings to GNDI and Gross capital formation to GDP at current prices.

**Table 56. Rates of Savings & Gross Capital Formation, 2011-12 to 2013-14**

| Rates (%)   | 2011-12        |                | 2012-13        |                | 2013-14        |
|---|----------------|----------------|----------------|----------------|----------------|
|   | 2004-05 Series | 2011-12 Series | 2004-05 Series | 2011-12 Series | 2011-12 Series |
| <b>Gross Savings to GNDI</b>                              | 30.6           | 33.0           | 29.4           | 31.1           | 30.0           |
| <b>Gross Capital Formation to GDP</b>                     | 35.5           | 38.2           | 34.8           | 36.6           | 32.3           |
| <b>Gross Capital Formation excluding Valuables to GDP</b> | 32.8           | 35.3           | 32.2           | 33.9           | 31.0           |

It can be observed that these rates also broadly follow a similar pattern as that of the savings rates.

### **Changes in allocation of FISIM**

4.204. FISIM produced by the domestic financial intermediaries is either consumed by producing units or households or exported. Utilizing the sector wise loan and / or deposit for each of the financial institutions as indicator, total FISIM is allocated to different users (intermediate use or final use).

4.205. In the earlier series, the allocation of FISIM, specifically that generated by the Scheduled Commercial Banks, was made using the aggregate credit and deposit of different industries, as obtained from the RBI. However, in this set of information received from RBI, credit and deposit figures are provided for the Government as well as financial institutions. But, the financial intermediaries themselves produce FISIM. Therefore, FISIM cannot be considered as being consumed by the financial corporations. Further, the RBI clarified that the RBI keeps the accounts of all the Governments, both Central and State, as a banker to the Government. Thus, the Government sector also does not consume any FISIM. Keeping in view the above-mentioned facts, in the new series, allocation of FISIM, generated as an output by the financial corporations, has been made to all the industries in proportion to the aggregate of credits and deposits of these industries, except for two institutional sectors, namely, General Government and Financial Corporations. The industry-wise allocation of FISIM in the old & new series is presented in the Table 57.

**Table 57. Industry-wise FISIM at current prices, 2011-12**

(Rs. Crore)

| <b>S. No.</b> | <b>Industry</b>         | <b>2004-05 series</b> | <b>2011-12 Series</b> | <b>% Difference</b> |
|---------------|-------------------------|-----------------------|-----------------------|---------------------|
| 1             | Agriculture             | 19536                 | 31543                 | 61.5                |
| 2             | Live Stock              | 352                   | 216                   | -38.6               |
| 3             | Forestry                | 343                   | 215                   | -37.3               |
| 4             | Fishing                 | 23                    | 15                    | -36.9               |
| 5             | Mining & Quarrying      | 1508                  | 1634                  | 8.4                 |
| 6             | Manufacturing           | 55507                 | 64377                 | 16.0                |
| 6.1           | Registered              | 55123                 | 59250                 | 7.5                 |
| 6.2           | Un-registered           | 384                   | 5127                  | 1234.1              |
| 7             | Construction            | 32520                 | 26514                 | -18.5               |
| 8             | Electricity             | 17613                 | 17306                 | -1.7                |
| 9             | Gas                     | 399                   | 272                   | -31.7               |
| 10            | Transport               | 5542                  | 5019                  | -9.4                |
| 11            | Storage                 | 37                    | 28                    | -26.2               |
| 12            | Trade & Repair Services | 21723                 | 26017                 | 19.8                |
| 13            | Hotels & Restaurants    | 2111                  | 2508                  | 18.8                |
| 14            | Business and Service    | 5933                  | 7059                  | 19.0                |
| 15            | Financial               | 24612                 | 0                     | -100.0              |
| 16            | Personal (Household)    | 105038                | 157787                | 50.2                |
| 17            | Government              | 45427                 | 0                     | -100.0              |
| 18            | Railways                | 1138                  | 393                   | -65.4               |
| 19            | Other Services          | 8949                  | 10702                 | 19.6                |
| 20            | Miscellaneous           | 0                     | 0                     |                     |
| 21            | Foreign                 | 4351                  | 4648                  | 6.8                 |
| 22            | Communication           | 2871                  | 3352                  | 16.7                |
|               | <b>TOTAL</b>            | <b>355536</b>         | <b>359606</b>         | <b>1.1</b>          |

## **SECTION 6**

### **SUMMARY OF ESTIMATION PROCEDURE USED FOR COMPILATION OF NATIONAL ACCOUNTS IN THE NEW SERIES**

Estimation procedure adopted in base year 2011-12 and procedure adopted for both current and constant prices is presented in this section in a tabular format. The tables also provide the assumptions made/ratios adopted in the present series. These tables are divided into six sub-sections-

- 6.1 Gross Value Added (GVA) at basic prices
- 6.2. Private Final Consumption Expenditure (PFCE)
- 6.3. Government Final Consumption Expenditure (GFCE)
- 6.4. Saving
- 6.5. External Transaction Account
- 6.6. Capital Formation

**6.1. GROSS VALUE ADDED AT BASIC PRICES**

| Item                                | Data: Source   | Method of estimation  |  | Assumption  |
|-------------------------------------|--|---|--|---|
|                                     |  | At current prices   | At constant (2011-12) prices   |   |
| (1)                                 | (2)  | (3)   | (4)  | (5)   |
| <b>1. Agriculture (Crop Sector)</b> |  |   |  |   |
| (a) Value of output                 |  |   |  |   |
| (1) Major and minor crops           |  |   |  |   |
| (i) Major crops                     | <ul style="list-style-type: none"> <li>◆ Production: Directorate of Economics and Statistics, Ministry of Agriculture (DESAg)</li> <li>◆ Prices: State DESs</li> </ul> | Value of output = current year production * current year price            | Value of output = current year production * base year price            |   |
| (ii) Minor Crops                    | <ul style="list-style-type: none"> <li>◆ Production: Horticulture Statistics Division (DAC, M/o Agriculture) &amp; State DESs</li> <li>◆ Prices: State DESs</li> </ul> | Value of output = current year production * current year price            | Value of output = current year production * base year price            |   |
| (iii) Small Millets                 | <ul style="list-style-type: none"> <li>◆ Production: DESAg</li> <li>◆ Prices: State DESs</li> </ul>  | Value of output = current year production * current year price            | Value of output = current year production * base year price            | Price = 75% of weighted average price of jowar, bajra, barley, maize and ragi in the reference year |
| (iv) Other Pulses                   | <ul style="list-style-type: none"> <li>◆ Production: DESAg and State DESs</li> </ul>   | Value of output = current year production * current year price            | Value of output = current year production * base year price            | Price = 0.85* weighted average price of arhar, urad, moong, masur and horsegram in reference year   |
| (2) Commercial Crops                |  |   |  |   |
| (i) Tea                             | <ul style="list-style-type: none"> <li>◆ Production of processed tea: Tea Board</li> <li>◆ Prices: State DESs</li> </ul>   | Value of output = current year production of Raw tea * current year price | Value of output = current year production of Raw tea * base year price | Production of Raw tea = processed tea / 0.225   |
| (ii) Coffee                         | <ul style="list-style-type: none"> <li>◆ Production: Coffee Board</li> <li>◆ State DESs (prices)</li> </ul>  | Value of output = current year production * current year price            | Value of output = current year production * base year price            |   |
| (iii) Rubber                        | <ul style="list-style-type: none"> <li>◆ Production: Rubber Board</li> </ul>   | Value of output = current year  | Value of output = current year   |   |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation   |  | Assumption  |
|---|--|--|--|---|
|   |  | At current prices  | At constant (2011-12) prices                                   |   |
| (1)   | (2)  | (3)  | (4)  | (5)   |
|   | ♦ Prices : State DESs  | production *<br>current year price                                   | production * base year price                                   |   |
| (iv) Cashew Nuts And Cocoa                                  | ♦ Production: Directorate of<br>Cashewnut and Cocoa<br>Development Board<br>♦ Prices: State DESs | Value of output = current year<br>production *<br>current year price | Value of output = current year<br>production * base year price |   |
| (v) Horticulture Crops:                                     | ♦ Production: Horticulture Statistics<br>Division (DAC, M/o Agriculture)<br>♦ Prices: State DESs | Value of output = current year<br>production *<br>current year price | Value of output = current year<br>production * base year price |   |
| (vi) Opium  | ♦ Production and Prices: Central<br>Bureau of Narcotics  | Value of output = current year<br>production *<br>current year price | Value of output = current year<br>production * base year price |   |
| (vii) Arecanut  | ♦ Production: Directorate of<br>Arecanut and Spices Development<br>♦ Prices: State DESs          | Value of output = current year<br>production *<br>current year price | Value of output = current year<br>production * base year price |   |
| (viii) Flowers<br>(separately for cut flowers<br>and spike) | ♦ Production: Horticulture Statistics<br>Division (DAC, M/o Agriculture)<br>♦ Prices: State DESs | Value of output = current year<br>production *<br>current year price | Value of output = current year<br>production * base year price |   |
| (3) Miscellaneous Crops                                     |  |  |  |   |
| (i) Other Cereals   | ♦ Area: LUS from DES Ag / State<br>DESs  | Value of output = area * value<br>per hectare (VPH)                  | Value of output = area * base<br>year value per hectare        | Value per hectare = weighted<br>average of value per hectare of<br>the crops: jowar, bajra, barley,<br>maize and ragi in reference year |
| (ii) Other Sugars (excluding<br>Palmyra)                    | ♦ Area: LUS from DES Ag / State<br>DESs  | Value of output = area * value<br>per hectare                        | Value of output = area * value<br>per hectare                  | Value per hectare = 0.90* VPH<br>of the crop sugarcane in<br>reference year   |
| (iii) Other Oilseeds (excluding<br>Taramira)                | ♦ Area: LUS from DES Ag / State<br>DESs  | Value of output = area * value<br>per hectare                        | Value of output = area * value<br>per hectare                  | Value per hectare = 0.85*<br>weighted average of value per  |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                             | Data: Source   | Method of estimation   |   | Assumption  |
|----------------------------------|--|--|---|---|
|                                  |  | At current prices  | At constant (2011-12) prices                                |   |
| (1)                              | (2)  | (3)  | (4)   | (5)   |
|                                  |  |  |   | hectare of linseed, sesamum, castorseed, nigerseed and safflower in reference year  |
| (iv) Other Fibres                | ♦ Area: LUS from DES Ag / State DESs   | Value of output = area * value per hectare                     | Value of output = area * value per hectare                  | Value per hectare = 0.90* weighted average of value per hectare of sanhemp and mesta in reference year  |
| (v) Other Drugs and Narcotics    | ♦ Area: LUS from DES Ag / State DESs   | Value of output = area * value per hectare                     | Value of output = area * value per hectare                  | Value per hectare = 0.90* weighted average of value per hectare of opium (Madhya Pradesh & Rajasthan) and tobacco & tobacco stem (other states) in reference year |
| (vi) Other Condiments and Spices | ♦ Area: LUS from DES Ag / State DESs   | Value of output = area * value per hectare                     | Value of output = area * value per hectare                  | Value per hectare = 0.90* weighted average of value per hectare of dry chillies, dry ginger, cardamom and Black pepper in reference year.                         |
| (vii) Other Fruits               | ♦ Production: Horticulture Statistics Division (DAC, M/o Agriculture)                    | Value of output = current year production * current year price | Value of output = current year production * base year price | Price = weighted average price of all fruits for which separate data is available in reference year.  |
| (viii) Other Vegetables          | ♦ Production: Horticulture Statistics Division (DAC, M/o Agriculture)                    | Value of output = current year production * current year price | Value of output = current year production * base year price | Price = weighted average price of all vegetable for which separate data is available in reference year.   |
| (ix) Tobacco stem                | ♦ Production of tobacco leaves: DES Ag / State DESs<br>♦ Prices of tobacco leaves: State | Value of output = current year production * current year price | Value of output = current year production * base year price | Production= 86.63% of production of tobacco leaves and Price=50% of the price of  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |   | Assumption   |
|---|---|---|---|--|
|   |   | At current prices   | At constant (2011-12) prices  |  |
| (1)   | (2)   | (3)   | (4)   | (5)  |
|   | DESS  |   |   | tobacco leaves   |
| (x) Toddy                                   | <ul style="list-style-type: none"> <li>◆ MPCE of Toddy: NSS 68<sup>th</sup> Round CES, 2011-12</li> <li>◆ Rural and urban population: Population Census 2011</li> </ul> | Value of output= estimate at constant price * (WPI (non-food articles) current/ WPI (non-food articles) base) | Value of output= value of consumption of toddy per annum per person in the base year * population in the current year |  |
| (xi) Fodder                                 | <ul style="list-style-type: none"> <li>◆ Total and irrigated area under fodder crops: DES Ag and State DESS</li> <li>◆ Prices: State DESSs</li> </ul>                   | Value of output = current year production * current year price  | Value of output = current year production * base year price   | Production = irrigated area under fodder crops (in ha)* (50MT/ha) + un-irrigated area under fodder crops (in ha) *(25MT/ha) (Yield rates based on a study conducted by Socio-Economic Research Centre) |
| (xii) Grass                                 | <ul style="list-style-type: none"> <li>◆ Area: LUS from DES Ag / State DESSs</li> <li>◆ Prices: State DESSs</li> </ul>  | Value of output = current year production * current year price  | Value of output = current year production * base year price   | Production = total area (4* area under permanent pastures + 1* miscellaneous tree crops + 2* culturable waste + 2* fallow lands + 1* net area sown) * state-wise yield rates (based on NSS results)    |
| (xiii) Mulberry                             | <ul style="list-style-type: none"> <li>◆ Production and prices: State DESSs</li> </ul>  | Value of output = current year production * current year price  | Value of output = current year production * base year price   |  |
| (xiv) Miscellaneous food And non-food Crops | <ul style="list-style-type: none"> <li>◆ Area: LUS from State DESSs</li> <li>◆ Value per hectare: State DESSs</li> </ul>  | Value of output = area * Value per hectare in current year  | Value of output = area * Value per hectare in the base year   |  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item               | Data: Source  | Method of estimation  |   | Assumption   |
|--------------------|---|---|---|--|
|                    |   | At current prices   | At constant (2011-12) prices  |  |
| (1)                | (2)   | (3)   | (4)   | (5)  |
| (4) By products    | <ul style="list-style-type: none"> <li>◆ Area: LUS from DES Ag / State DESs</li> <li>◆ Value per hectare: CCS from DES Ag/State DESs (except for poppy husk and poppy seed).</li> <li>◆ Value of poppy husk and poppy seed are made available by State DESs.</li> </ul>   | <p>Value of output = area * Value per hectare in current year</p> <p>In case CCS is not available for the current year,<br/>Value per hectare of current year = Value per hectare of reported year from CCS * (WPI current/WPI reported year) of respective crop.</p> | <p>Value of output = area * Value per hectare in base year as per CCS 2011-12</p> |  |
| (5) Other products |   |   |   |  |
| (i) Gur            | <ul style="list-style-type: none"> <li>◆ Production and Seed Rates: DESAg</li> <li>◆ Quantity of sugar cane crushed by factories: Dte. of Sugar, Ministry of Consumer Affairs, Food and Public Distribution</li> <li>◆ Quantity of sugarcane used in manufacture of khandsari in manufacturing sector: ASI &amp; NSS Survey of manufacturing enterprises (non-ASI)</li> <li>◆ Prices: State DESs</li> </ul> | <p>Value of output = current year production of Gur * current year price</p>  | <p>Value of output = current year production of Gur *base year price</p>          | <p>Rates assumed -</p> <ul style="list-style-type: none"> <li>◆ State-wise percentage (9-10%) of quantity of sugar cane retained for gur making</li> <li>◆ State-wise percentage of sugar cane used for chewing</li> <li>◆ State-wise quantity of sugar cane used for seed based on latest CCS</li> <li>◆ State-wise percentage of sugarcane used for manufacture of khandsari.</li> </ul> <p>Quantity of sugarcane retained for gur making =total sugarcane production – sugarcane used for chewing, seed, crushed by factories and Khandsari</p> |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation   |   | Assumption   |
|---|---|--|---|--|
|   |   | At current prices  | At constant (2011-12) prices  |  |
| (1)   | (2)   | (3)  | (4)   | (5)  |
| (ii) Palmyra  | ♦ Production and prices: State DESs   | Value of output = current year production * current year price   | Value of output = current year production * base year price   |  |
| (iii) Bagasse   | ♦ Prices: State DESs  | Value of output = current year production * current year price   | Value of output = current year production * base year price   | Based on a study conducted by Socio- Economic Research Centre, production of bagasse = 3.5% * sugar cane used for gur making   |
| (iv) Foreyard and Backyard farming (kitchen garden i.e. Homestead land raising for crop and having area less than 0.01 H)   | ♦ Net sown area: LUS from DES Ag / State DESs   | Value of output = Area under Foreyard and Backyard farming (kitchen garden) * value of output per hectare of fruits and vegetables in current year | Value of output = Area under Foreyard and Backyard farming (kitchen garden) * value of output per hectare of fruits and vegetable, in the base year | Based on NSS Survey on Land & Livestock Holdings, Area under Foreyard and Backyard farming (kitchen garden)= 0.21% of net sown area  |
| <b>(b) Inputs (Crop Sector)</b>   |   |  |   |  |
| (1) Seed  |   |  |   |  |
| (i) Wheat, Jowar, Bajra, Barley, Maize, Ragi, Small Millets, Gram, Arhar, Urad, Moong, Masoor, Linseed, Sesamum, Groundnut, Rapeseed & Mustard, Castor, Black Pepper and Turmeric | ♦ Seed rate, seed replacement rate, area: CCS from DESAg<br>♦ Area under the crop, prices: State DESs | Value of Seed = Value of improved variety of Seed + Value of harvested Grains retained for Seed  | Value of Seed inputs= Value of improved variety of Seed at base year prices + Value of harvested Grains retained for Seed at base year prices       | Value of improved variety of Seed=Seed Rate*(Irrigated Area*Seed Replacement Rate)*CCS Seed Price for current/base year; WPI is used for extrapolation till CCS becomes available<br><br>Value of harvested Grains retained for Seed= Seed Rate*(Irrigated Area*(100-Seed Replacement Rate) + Un-irrigated |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |  | Assumption  |
|--|--|--|--|---|
|  |  | At current prices  | At constant (2011-12) prices   |   |
| (1)  | (2)  | (3)  | (4)  | (5)   |
|  |  |  |  | area}*Farm Harvest Price of respective crop for current/base year                     |
| (ii) Paddy, Sugarcane and Potato   | <ul style="list-style-type: none"> <li>Seed Rate, Seed Price: CCS from DESAg</li> </ul>  | Value of Seed = Area * VPH (Seed Rate*CCS Seed Price) for current year;<br>In case CCS is not available for the current year,<br>Value per hectare of current year = Value per hectare of reported year from CCS * (WPI current/WPI reported year) of respective crop. | Value of Seed inputs= Area * VPH (Seed Rate*CCS Seed Price) for base year.   |   |
| (iii) Other cereals, other condiments & spices, coconut, miscellaneous food crops                          | <ul style="list-style-type: none"> <li>VPH of seed: Study conducted by Directorate of Marketing Inspection (DMI), M/o Agriculture</li> <li>Area: State DESs</li> </ul> | Value of seed = Estimate in col. (4) * relevant WPI current/ WPI base  | Value of inputs = area under the crop in the current year* value of seed per hectare in the base year                  |   |
| (iv) Misc. Non-Food Crops, Tapioca, Fodder, Guar Seed, Cotton, Dry Chillies, Other Vegetables & Dry-ginger | <ul style="list-style-type: none"> <li>Value per Hectare (VPH): Benchmark study conducted by State DESs</li> <li>Area: State DESs</li> </ul>                           | Value of inputs = Estimate in col. (4) * relevant WPI current/ WPI base  | Value of inputs = (area * Value per Hectare as per Bench mark study)* relevant Wholesale Price Index (WPI) for 2011-12 | Input cost per hectare has remained constant over years, with only price adjustments. |
| (2) Pesticides   | <ul style="list-style-type: none"> <li>Consumption and prices: Dte. of Quarantine &amp; Plant Protection</li> </ul>  | Value of input = State-wise consumption * current year price; WPI used for extrapolation till current year prices are received   | Value of input = State-wise consumption * base year price  |   |
| (3) Repair & Maintenance for   | <ul style="list-style-type: none"> <li>Average cost of Repair and</li> </ul>   | Benchmark/ Base year estimates   | Benchmark/ Base year estimates   |   |

GVA estimated by production approach:  
 GVA estimated by income approach:

GVA = Output - Material Inputs  
 GVA = Compensation of Employees + Operating Surplus + CFC

| Item                         | Data: Source   | Method of estimation   |  | Assumption  |
|------------------------------|--|--|--|---|
|                              |  | At current prices  | At constant (2011-12) prices   |   |
| (1)                          | (2)  | (3)  | (4)  | (5)   |
| Crop Sector                  | Maintenance on (i) Orchards & Plantation Resources, (ii) Wells & Irrigation, (iii) Agricultural Machinery & Implement and (iv) Transport Equipment: All India Debt and Investment Survey (AIDIS), 2013 | (as derived from AIDIS, 2013) moved with the estimates of capital stock of farm business at current prices                                     | (as derived from AIDIS, 2013) moved with the estimates of capital stock of farm business at constant prices                                  |   |
| (4) Electricity              | ♦ Consumption of electricity for agricultural purposes and prices: Central Electricity Authority   | Value of electricity inputs = electricity consumption in the current year * current year price   | Value of electricity inputs = electricity consumption in the current year * base year price  |   |
| (5) Chemical Fertilisers     | ♦ Consumption and Prices: Fertiliser Association of India  | Value of inputs = quantity consumed in the current year * current year price   | Value of inputs = quantity consumed in the current year * base year price  |   |
| (6) Diesel oil               | ♦ Number of tractors: Agriculture Research Data Book, ICAR<br>♦ Number of diesel engines: ILC, 1997 and ILC, 2003<br>♦ Consumption of diesel oil per diesel engine and per tractor: CCS from DESAg     | Value of inputs = no. of diesel engines/tractors in the current year* consumption in value terms per diesel engine/tractor in the current year | Value of inputs = no. of diesel engines/tractors in the current year * consumption in value terms per diesel engine/tractor in the base year | Number of diesel engines/tractors for the years beyond the survey year has been calculated using inter-survey/inter-censal growth rate. |
| (7) Irrigation charges       | ♦ Gross irrigated area: State DESs<br>♦ Receipts of Government from sale of water: State Government Budget   | Total receipts in the relevant head from sale of water   | Gross Irrigated Area through government canals (ha) * Per Hectare receipt from sale of water in base year                                    |   |
| (8) Market charges for crops |  | Market charges = 3.22% of value of output of crops at current prices   | Market charges = 3.22% of value of output of crops at base year prices   | An estimated proportion of 3.22% of market charges to value of output has been derived using a survey on market margins                 |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source  | Method of estimation  |  | Assumption   |
|--|---|---|--|--|
|  |   | At current prices   | At constant (2011-12) prices   |  |
| (1)  | (2)   | (3)   | (4)  | (5)  |
|  |   |   |  | conducted by the DESAg during 2004-05  |
| (9) Feed of livestock for Crop Sector              | <ul style="list-style-type: none"> <li>◆ Age-wise Species-wise Population: ILC, 2003, 2007 and 2012 from DADF</li> <li>◆ Prices of Dry Fodder, Green Fodder and Concentrates: CCS from DESAg</li> </ul> | <p>Value of Feed = Per animal annual Consumption rates of Adult Male Cattle &amp; Adult Male Buffalo * Current Year price * population of these categories</p> <p>Current Year price = Base Year Prices of Roughages and Concentrates inflated with growth rate of WPI of Fodder and food grains respectively</p> | <p>Value of Feed = Per animal annual Consumption rates of Adult Male Cattle &amp; Adult Male Buffalo * Base Year price * population of these categories</p> <p>Price: Average price for Dry Fodder, Green Fodder and Concentrates by CCS</p> | Per animal annual Consumption rates of Adult Male Cattle & Adult Male Buffalo have been derived using the study on "India's Livestock Feed Demand: Estimates and Projection" by Centre of Economics and Social Research, New Delhi and National Centre for Agricultural Economics and Policy Research, New Delhi |
| <b>2. Irrigation System</b>                        |   |   |  |  |
| (i) Operation of Govt. Irrigation system           | ◆ Central & State Govt. Budget documents  | Estimates of GVA at current prices estimated using income approach.   | Base year estimates are moved with the index of area irrigated through government canals   |  |
| <b>3. Livestock Products</b>                       |   |   |  |  |
| (a) Value of Output                                |   |   |  |  |
| (i) Milk (Cattle, Buffalo and Goat), Eggs and Wool | <ul style="list-style-type: none"> <li>◆ Production: DADF (Integrated Sample Survey (ISS) for MLP)</li> <li>◆ Prices: State DESs</li> </ul>   | Value of output = current year production * current year price  | Value of output = current year production * base year price  |  |
| (ii) Camel milk                                    | <ul style="list-style-type: none"> <li>◆ Production: State DESs</li> <li>◆ Prices: State DESs</li> </ul>  | Value of output = current year production * current year price  | Value of output = current year production * base year price  |  |
| (iii) Duck eggs                                    | ◆ Production: ISS from DADF, in cases where ISS covers duck eggs  | Value of output = current year production * current year price  | Value of output = current year production * base year price  | States where ISS does not cover hen eggs – Production = 3.5% of hen eggs in  |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation   |  | Assumption  |
|---|--|--|--|---|
|   |  | At current prices  | At constant (2011-12) prices   |   |
| (1)   | (2)  | (3)  | (4)  | (5)   |
|   | <ul style="list-style-type: none"> <li>Prices: State DESs</li> </ul>   |  |  | case of Gujarat<br>Production = 3% of hen eggs in case of Goa, Madhya Pradesh, Mizoram, Daman & Diu, Dadra & Nagar Haveli, Delhi  |
| (iv) Meat (Registered + Unregistered)   | <ul style="list-style-type: none"> <li>Production: ISS from DADF and State DESs</li> <li>Prices: State DESs</li> </ul>   | Value of output = production (after adjusting the quantity produced in manufacturing sector)* current year price   | Value of output = production (after adjusting the quantity produced in manufacturing sector)* base year price      |   |
| (v) Meat (Products and by-products) (includes fats, edible offals & glands, hides & skins, heads & legs of slaughtered animals) |  | Animal-wise Meat (Product and by-product) estimated as % of Value of Meat at current price   | Animal-wise Meat (Product and by-product) estimated as % of Value of Meat at base year price                       | Proportion of meat taken as meat product and by-product - Cattle (16.0%), Buffalo (14.49%), Goat (21.59%) Sheep (23.05%) and Pig (9.4%)<br>(Based on a study by NRCM on Meat Products and Meat by-products, 2013-14)  |
| (vi) Poultry Meat   | <ul style="list-style-type: none"> <li>Poultry population: ILC, 2003 and ILC, 2012 from DADF</li> <li>Production of eggs: ISS from DADF</li> <li>Prices: State DESs</li> </ul> | Value of output is estimated separately for four components (a) chicken and ducklings killed, (b) adult fowls killed, (c) adult ducks killed and (d) other poultry killed multiplied by the respective price per bird. | Same procedure as adopted for the current price estimates, but the prices used are the respective base year prices | <b>(a)chickens &amp; ducklings killed = total poultry of current year</b> (chicks survived + 50% of hens & cock population + 50 % of ducks & drakes population + population of chickens & ducklings+ 62.5 % of other poultry)<br><b>- total poultry of next year</b> (population of hens +cocks + ducks + drakes + chickens + |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation  |   | Assumption  |
|---|--|---|---|---|
|   |  | At current prices   | At constant (2011-12) prices  |   |
| (1)   | (2)  | (3)   | (4)   | (5)   |
|   |  |   |   | <p>other poultry),<br/> <u>where</u><br/> chicks survived = 1/3rd of eggs kept for hatching (eggs kept for hatching = fixed ratio * total egg production)</p> <p><b>(b) adult fowls killed</b> = 50% of population of hens &amp; cocks</p> <p><b>(c) adult ducks killed</b> = 50% of population of ducks &amp; drakes</p> <p><b>(d) other poultry</b> = 37.5 % of other poultry</p> |
| (vii) Fats from Fallen Animals (only for cattle and buffalo)                  | <ul style="list-style-type: none"> <li>Mortality rates: DMI reports</li> <li>Population: ILC, 2003, 2007 and 2012 from DADF</li> </ul>                                       | Value of output = Number of Fallen animal * yield rate * current year price         | Value of output = Number of Fallen animal * yield rate * base year price              |   |
| (viii) Cattle hides, Buffalo hides, Goat skin and Sheep skin (fallen animals) | <ul style="list-style-type: none"> <li>Mortality rates: DMI Reports</li> <li>Population: ILC, 2003, 2007 and 2012 from DADF</li> </ul>                                       | Value of output = Number of Fallen animal * current value of hides/ skin per animal | Value of output = Number of Fallen animal * base year value of hides/ skin per animal |   |
| (ix) Camel hair/Goat hair /Pig bristles                                       | <ul style="list-style-type: none"> <li>Population: ILC, 2003, 2007 and 2012 from DADF</li> <li>Yield rates for goat hair: DMI Reports</li> <li>Prices: State DESs</li> </ul> | Value of output = yield rate * population of camel/goat/pig * current year price    | Value of output = yield rate * population of camel/goat/pig * base year price         | <p>Yield rate of hair<br/> Camel – 800 gm. per animal per year (as available for single-humped camel)<br/> Pig Bristles: For pig bristles</p>   |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |  | Assumption  |
|--|--|--|--|---|
|  |  | At current prices  | At constant (2011-12) prices   |   |
| (1)  | (2)  | (3)  | (4)  | (5)   |
|  |  |  |  | 155gm per pig per year.   |
| (x) Dung and Droplet<br>(a) Dung Fuel<br>(b) Dung Manure         | <ul style="list-style-type: none"> <li>Population: ILC, 2003, 2007 and 2012 from DADF</li> <li>Prices, evacuation rate for dung, utilization rate for dung cake &amp; dung manure: State DESs</li> </ul> | Production of dung = population of cattle, buffalo, sheep and goat * evacuation rate<br>(a) dung fuel<br>value of output = 0.4 * utilisation rate for estimating dung used for making cakes * dung production * current year price<br>(b) dung manure<br>value of output = utilisation rate for estimating dung used for manure purpose * dung production * current year price | Same procedure as adopted for the current price estimates, but the prices used are the respective base year prices | Evacuation rate for sheep and goat have been derived from a study conducted by Central Institute for Research on Goats and National Centre for Agricultural Economics and Policy Research, New Delhi, during 2013, on "Positive Environmental Externalities of Livestock in Mixed Farming Systems of India" |
| (xi) Other Products – Silk – Ere, Tasar, Muga, Honey and Bee Wax | <ul style="list-style-type: none"> <li>Production and prices of silk: Central Silk Board</li> <li>Production and prices of honey: KVIC</li> <li>Production and prices of bee wax: State DESs</li> </ul>  | Value of output = current year production * current year price   | Value of output = current year production * base year price  |   |
| (xii) Increment in livestock                                     | <ul style="list-style-type: none"> <li>Population: ILC, 2003, 2007 and 2012 from DADF</li> <li>Prices: State DESs</li> </ul>   | Value of output = additions to livestock population during the year * current year price   | Value of output = additions to livestock population during the year * base year price                              |   |
| (b) Inputs -Livestock  |  |  |  |   |
| (1) Repair and maintenance for livestock and operational costs   | <ul style="list-style-type: none"> <li>Average cost of Repair and Maintenance on (i) Barns; (ii) Animal Sheds and</li> </ul>   | Benchmark estimates (as derived from AIDIS, 2013) moved with the estimates of capital stock of   | Benchmark estimates (as derived from AIDIS, 2013) moved with the estimates of capital stock of                     | Value of Operational Cost = 0.25 % of value of output at current/constant prices of   |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output – Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation  |   | Assumption   |
|---|--|---|---|--|
|   |  | At current prices   | At constant (2011-12) prices  |  |
| (1)   | (2)  | (3)   | (4)   | (5)  |
|   | (iii) other miscellaneous costs: All India Debt and Investment Survey (AIDIS), 2013  | farm business at current prices<br>+ Value of Operational Cost at current prices  | farm business at constant prices<br>+ Value of Operational Cost at constant prices  | (poultry meat, silk, wool, hides and increment in livestock)   |
| (2) Market charges for Live stock             | <ul style="list-style-type: none"> <li>Number of slaughtered animals: ISS from DADF</li> <li>Municipal charges per slaughtered animal: State DESs</li> </ul>   | Market charges = rates in Rupees per animal in current year * no. of slaughtered animals  | Market charges = rates in Rupees per animal in base year * no. of slaughtered animals   | Assumed to be fixed till revised by State Governments.   |
| (3) Feed of livestock for Livestock Sector    | <ul style="list-style-type: none"> <li>Age-wise Species-wise Population: ILC, 2003, 2007 and 2012 from DADF</li> <li>State-wise average price for Dry Fodder, Green Fodder and Concentrates: CCS from DESAg</li> </ul> | Value of Feed = Species-wise and Category-wise per animal annual feed Consumption value for base year (except Adult Male Cattle & Adult Male Buffalo) *(relevant indicator based on WPI of Fodder and food grains)* Species-wise and Category-wise population | Value of Feed = Species-wise and Category-wise per animal annual feed Consumption value for base year (except Adult Male Cattle & Adult Male Buffalo) * Species-wise and Category-wise population | Per animal annual Consumption rates have been derived using the study on "India's Livestock Feed Demand: Estimates and Projection" by Centre of Economics and Social Research, New Delhi and National Centre for Agricultural Economics and Policy Research, New Delhi |
| <b>4. Forestry</b>                            |  |   |   |  |
| (1) Industrial wood from Forests              | <ul style="list-style-type: none"> <li>Production and Prices: State DESs</li> </ul>  | Recorded:<br>Value of output = production * current year price<br><br>Total = 1.1*Value of output of recorded production  | Recorded:<br>Value of output = production * base year price<br><br>Total = 1.1*Value of output of recorded production   | Value of output of unrecorded production= 0.1 * value of output of recorded production   |
| (2) Industrial Wood from Trees outside forest | <ul style="list-style-type: none"> <li>Growing Stock: India State of Forest Report (ISFR), 2011 and 2013 from Forest Survey of India</li> </ul>  | Value = Estimated production (Projection using potential production from TOF in the year of survey and Growth Rate of   | Value= = Estimated production (Projection using potential production from TOF in the year of survey and Growth Rate of  | Growth rate in price of industrial wood from TOF is the same as that of industrial wood from recorded forests  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item                           | Data: Source   | Method of estimation  |  | Assumption  |
|--------------------------------|--|---|--|---|
|                                |  | At current prices   | At constant (2011-12) prices   |   |
| (1)                            | (2)  | (3)   | (4)  | (5)   |
|                                |  | Growing Stock of TOF) * base year price* (Current year price of Industrial Wood from Forests/Base Year Price of Industrial Wood from Forests)                     | Growing Stock of TOF) * base year price  |   |
| (3) Firewood                   | <ul style="list-style-type: none"> <li>◆ Monthly Per Capita Quantity of Firewood consumed: NSS 68<sup>th</sup> Round CES, 2011-12</li> <li>◆ Population: Projections based on Population Census-2011</li> <li>◆ Firewood used for industrial purposes: ASI -2011-12</li> <li>◆ Prices: State DESs</li> </ul> | Value of Output: (Total Value of Firewood at Current Price – Value of agricultural by products used as firewood at Current Price)*1.0764                          | Value of Output: (Total Value of Firewood at Base Year Price – Value of agricultural by products used as firewood at Base Year Price)*1.0764 | Total Value of Firewood= Monthly Per Capita quantity of firewood consumed * Population*(365/30)* Price in the reference year<br>ii) 1.0764= Factor of adjustment for contribution of firewood for Industrial and Religious purposes |
| (3) Non Timber Forest Products |  |   |  |   |
| (i) Minor forest products      | ◆ Value of Output: State DESs  | Value of output estimates are directly furnished by the State DESs  | value of output at current prices deflated by the relevant WPI   |   |
| (ii) Fodder from forest        | ◆ Percentage of Livestock dependent on forest for fodder: India State of Forest Report (ISFR), 2013 from FSI   | Value of Roughages (as estimated for feed of livestock in crops & livestock sectors) at current year price*Percentage of Livestock dependent on forest for fodder | Value of Roughages at base year price*Percentage of Livestock dependent on forest for fodder   |   |
| (b)Inputs of forestry          | ◆ Central & State Govt. Budget documents   | 16.2% of total value of output at current price   | 16.2% of total value of output at base year price  | Calculated using the information available for 2010-11, 2011-12 & 2012-13   |
| <b>5. Fishing</b>              |  |   |  |   |
| (1) Marine fish, inland fish   |  | Value of output = Quantity of fish  | Value of output = Quantity of  |   |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                                   | Data: Source   | Method of estimation   |   | Assumption   |
|--|--|--|---|--|
|  |  | At current prices  | At constant (2011-12) prices  |  |
| (1)                                    | (2)  | (3)  | (4)   | (5)  |
| and prawns                             | <ul style="list-style-type: none"> <li>Production: DADF</li> <li>Production, disposals and prices: State DESs</li> </ul>   | sold in raw form *current price + quantity of salted fish sold * current price + quantity of sun-dried fish * current price + quantity of fish let-in for freezing * current price | fish sold in raw form *Base year price + quantity of salted fish sold * Base year price + quantity of sun-dried fish * Base year price + quantity of fish let-in for freezing * Base year price |  |
| (2) Subsistence fish                   | <ul style="list-style-type: none"> <li>Production, disposals and prices: State DESs</li> </ul>   | Value of output = Production of subsistence fish * Current price   | Value of output = Production of subsistence fish * Base year price  | Production of subsistence fish= 0.125*production of Inland fish (for the States where production of subsistence fish is not available) |
| (b) inputs                             |  |  |   |  |
| (1) Marine fish and prawns             |  | Value of inputs = 0.225 * value of Catch at current prices of marine fish and prawns   | Value of inputs = 0.225 * value of Catch of marine fish and prawns at base year prices  | Fixed input rates  |
| (2) Inland fish                        |  | Value of inputs = 0.1 * value of Catch of inland fish at current prices  | Value of inputs = 0.1 * value of Catch of inland fish at base year prices   | Fixed input rates  |
| (3) Fish salting/sun dried/subsistence |  | Value of inputs = 0.01 * value of output of (Let out of salted fish/ Let out of sundried/subsistence fish) at current prices   | Value of inputs = 0.01 * value of output of (Let out of salted fish/ Let out of sundried/subsistence fish) at base year prices  | Fixed input rates  |
| <b>6. Mining &amp; Quarrying</b>       |  |  |   |  |
| (1) coal & lignite                     | <ul style="list-style-type: none"> <li>Annual Reports of Public Sector Companies</li> <li>MCA21 database for the annual reports of Private Sector Companies</li> </ul> | <ul style="list-style-type: none"> <li>Estimates of GVA at current prices are estimated by the production approach.</li> </ul>   | Current year estimates are deflated using WPI   |  |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source  | Method of estimation   |  | Assumption |
|--|---|--|--|------------|
|  |   | At current prices  | At constant (2011-12) prices   |            |
| (1)  | (2)   | (3)  | (4)  | (5)        |
|  | <ul style="list-style-type: none"> <li>Ministry of Commerce and Industry for WPI</li> </ul>   |  |  |            |
| (2) crude petroleum and natural gas                | <ul style="list-style-type: none"> <li>Annual Reports of Public Sector Companies</li> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>Ministry of Commerce and Industry for WPI</li> </ul> | <ul style="list-style-type: none"> <li>Estimates of GVA at current prices are estimated by the production approach.</li> </ul>   | Current year estimates are deflated using WPI  |            |
| (3) other major minerals                           |   |  |  |            |
| Major minerals other than salt and atomic minerals | <ul style="list-style-type: none"> <li>Annual Reports of Public Sector Companies</li> <li>MCA21 database for the annual reports of Private Sector Companies</li> </ul>  | <ul style="list-style-type: none"> <li>Estimates of GVA at current prices are estimated by the production approach in the case of public and private sector companies</li> </ul>   | Constant price estimates are derived using deflators compiled from the IBM data on production, prices and input rates. |            |
| Salt   | <ul style="list-style-type: none"> <li>Output: Salt Commissioner's Office</li> <li>Input rates: Hindustan Salt Limited</li> </ul>   | <ul style="list-style-type: none"> <li>Estimate of value of output in the case of salt production is obtained from Salt Commissioner's Office.</li> <li>For estimating value added, input rates as observed in the case of Hindustan Salt Limited are used.</li> </ul> | Same as above  |            |
| Atomic Minerals                                    | <ul style="list-style-type: none"> <li>Dept. of Atomic Energy</li> <li>Indian Rare Earths Limited</li> </ul>  | <ul style="list-style-type: none"> <li>For atomic minerals, estimates of value added as obtained from the analysis of Indian Rare Earths Limited is</li> </ul>   | Same as above  |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                           | Data: Source  | Method of estimation  |   | Assumption   |
|--------------------------------|---|---|---|--|
|                                |   | At current prices   | At constant (2011-12) prices  |  |
| (1)                            | (2)   | (3)   | (4)   | (5)  |
|                                |   | extrapolated for the total production of atomic minerals as obtained from Department of Atomic Energy   |   |  |
| (4) minor minerals except sand | <ul style="list-style-type: none"> <li>◆ State Geological Departments for value of output</li> <li>◆ IBM for input rates</li> </ul> | <ul style="list-style-type: none"> <li>◆ Value of output estimates are directly available at current year price</li> <li>◆ Input rates are directly available from IBM</li> </ul>   | Constant price estimates are derived using deflators compiled from the IBM data on production, prices and input rates of non-metallic minerals. |  |
| (5) Sand                       | <ul style="list-style-type: none"> <li>◆ Results of CBRI Study</li> <li>◆ Input rates: IBM</li> </ul>                               | <ul style="list-style-type: none"> <li>◆ Value of output = 8.2% of value of material inputs in construction, adjusted for TTM</li> <li>◆ Intermediate consumption and Value Added derived using the input rate obtained from IBM</li> </ul> | Constant price estimates are derived using deflators compiled from the IBM data on production, prices and input rates of non-metallic minerals. | Based on the CBRI study, the value of sand used in the construction is estimated as 8.2% of the total value of inputs used for the activity. Since inputs are valued at purchasers' prices, suitable adjustments of trade transport margins (taken as 224% based on the TTM of minor minerals as derived from Input Output Tables, 2007-08) were made to arrive at the value of output for sand from the corresponding annual estimate of the value of inputs in construction. |
| <b>7. Manufacturing</b>        |   |   |   |  |
| <b>Public corporations</b>     | <ul style="list-style-type: none"> <li>◆ Annual Reports of Public Sector Companies</li> </ul>                                       | <ul style="list-style-type: none"> <li>◆ Estimates of GVA compiled using production approach in</li> </ul>  | Current price estimates are deflated with the relevant WPI.   |  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item                        | Data: Source   | Method of estimation  |   | Assumption |
|-----------------------------|--|---|---|------------|
|                             |  | At current prices   | At constant (2011-12) prices                                |            |
| (1)                         | (2)  | (3)   | (4)   | (5)        |
|                             | <ul style="list-style-type: none"> <li>Budget Documents of the Departmental Enterprises (DEs), including those of Railways Workshops</li> <li>Ministry of Commerce and Industry for the WPI</li> </ul>   | the case of Public Sector Companies and income approach in case of DEs.   |   |            |
| <b>Private Corporations</b> | <ul style="list-style-type: none"> <li>Annual Survey of Industries (ASI)</li> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11 (for quasi-corporations) and 68<sup>th</sup> Round EUS, 2011-12</li> <li>Index of Industrial Production (IIP)</li> <li>Ministry of Commerce and Industry for the WPI</li> </ul> | <ul style="list-style-type: none"> <li>Estimates of GVA compiled using production approach in the case of Private Sector Companies.</li> <li>Estimates of output, material inputs and GVA for the quasi-corporations covered under ASI are obtained from the results of ASI. Till ASI becomes available, estimates of the preceding year are extrapolated using IIP and WPI.</li> </ul> | Current price estimates are deflated with the relevant WPI. |            |
| <b>Households</b>           | <ul style="list-style-type: none"> <li>NSS 67<sup>th</sup> Round ES, 2010-11 (for enterprises excluding quasi-corporations) and 68<sup>th</sup> Round EUS, 2011-12</li> <li>IIP</li> <li>Ministry of Commerce and Industry for WPI</li> </ul>  | <ul style="list-style-type: none"> <li>Benchmark estimates of GVA for the year 2011-12 = effective value added per worker (VAPW) * number of effective workers</li> <li>The benchmark compilation category-wise estimates are moved to subsequent years using the ASI growth.</li> </ul>  | Current price estimates are deflated with the relevant WPI. |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation  |   | Assumption  |
|--|--|---|---|---|
|  |  | At current prices   | At constant (2011-12) prices  |   |
| (1)  | (2)  | (3)   | (4)   | (5)   |
|  |  | ◆ For the year when ASI is not available the preceding year estimates are moved using IIP and WPI   |   |   |
| 8. Electricity, gas, water supply and other utility services |  |   |   |   |
| (1) electricity  | <ul style="list-style-type: none"> <li>◆ Annual Reports of Public Sector Companies</li> <li>◆ MCA21 database for the annual reports of Private Sector Companies</li> <li>◆ Budget Documents of the Departmental Enterprises</li> </ul> | ◆ Estimates of GVA compiled using production approach in the case of Public and Private Sector Companies and Departmental Enterprises.        | Base year estimate moved with the index of quantum sales of electricity |   |
| (2) gobar gas  | <ul style="list-style-type: none"> <li>◆ No. of bio gas plants: Ministry of Non-Conventional Energy</li> <li>◆ Value of production: Khadi &amp; Village Industries Commission (KVIC)</li> </ul>  | ◆ GVA is calculated as Value of production at current prices, adjusted for share of KVIC in total biogas plants installed up to current year. | Base year estimate moved with the index of no. of bio gas plants        | Value of inputs is assumed to the same as the value of by-product, i.e. manure. |
| (3) gas (other than gobar gas)                               | <ul style="list-style-type: none"> <li>◆ Annual Reports of Public Sector Companies</li> <li>◆ MCA21 database for the annual reports of Private Sector Companies</li> </ul>   | ◆ Estimates of GVA compiled using production approach   | Base year estimate moved with the index of quantum sales of gas.        |   |
| (4) water supply – organised                                 | <ul style="list-style-type: none"> <li>◆ Annual Reports of Public Sector Companies</li> <li>◆ MCA21 database for the annual reports of Private Sector Companies</li> <li>◆ Budget Documents of the</li> </ul>                          | ◆ Estimates of GVA compiled using production approach   | Current price estimates are deflated with the CPI                       |   |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                           | Data: Source  | Method of estimation   |   | Assumption |
|--------------------------------|---|--|---|------------|
|                                |   | At current prices  | At constant (2011-12) prices                                |            |
| (1)                            | (2)   | (3)  | (4)   | (5)        |
|                                | Departmental Enterprises<br>♦ CPI   |  |   |            |
| (5) water supply – unorganised | ♦ NSS 68 <sup>th</sup> Round EUS, 2011-12<br>♦ CPI  | ♦ For the base year, the estimate of GVA is calculated as Wage per day * Number of working days<br>♦ For the subsequent years the growth of Pvt. Corporate is used.  | Current price estimates are deflated with the CPI           |            |
| (6) remediation (recycling)    | ♦ ASI<br>♦ Index of Industrial Production (IIP)<br>♦ Ministry of Commerce and Industry for WPI<br>♦ NSS 67 <sup>th</sup> Round ES, 2010-11 and 68 <sup>th</sup> Round EUS, 2011-12 (for the unorganised portion of recycling) | ♦ Value of output material inputs and GVA are obtained from the results of ASI.<br>♦ For the year when ASI is not available, the previous year estimates are moved using IIP and WPI.<br>♦ Benchmark estimates of GDP for the year 2011-12 for the unorganised recycling portion = effective value added per worker (VAPW) * number of effective workers.<br>♦ The estimates for unorganised recycling are moved to subsequent years using IIP and WPI and are replaced by ASI when its results become available | Current price estimates are deflated with the relevant WPI. |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation  |   | Assumption |
|--|--|---|---|------------|
|  |  | At current prices   | At constant (2011-12) prices                      |            |
| (1)  | (2)  | (3)   | (4)   | (5)        |
| (7) remediation (sewerage)                             | <ul style="list-style-type: none"> <li>◆ MCA21 database for the annual reports of Private Sector Companies</li> <li>◆ Budget Documents of the Departmental Enterprises</li> <li>◆ NSS 67th Round ES, 2010-11 and 68th Round EUS, 2011-12 results</li> <li>◆ CPI</li> </ul>   | <ul style="list-style-type: none"> <li>◆ Estimates of GVA compiled using production approach in the case of Private Sector Companies and Departmental Enterprises.</li> <li>◆ Benchmark estimates of GVA for the year 2011-12 for the unorganised sewerage portion = effective value added per worker (VAPW) * number of effective workers.</li> <li>◆ For the subsequent years, the growth rate of Private Corporate Sector in this category is used.</li> </ul> | Current price estimates are deflated with the CPI |            |
| <b>9. Construction</b>                                 |  |   |   |            |
| Pucca Dwellings, Other Buildings and Structures (DOBS) |  |   |   |            |
| Value of Output  | <p>i. Estimates compiled from the availability of basic materials through the commodity flow method.</p> <p>ii. Value of basic materials, i.e., cement, iron &amp; steel, bricks &amp; tiles, timber &amp; roundwood, bitumen and glass – and their products as also fixtures &amp; fittings, available for construction estimated.</p> <p>iii. Total Value of construction materials estimated as Total value of basic materials/0.7496</p> <p>iv. Factor inputs estimated as 53.9% of value of construction materials.</p> <p>iii. Value of Output = (total value of construction materials + factor inputs)</p> <p>iv. The total value of output is then adjusted for own account construction as included in the output of enterprises with major economic activity other than 'construction'.</p> <p>Item-wise Details given below-</p> |   |   |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                           | Data: Source   | Method of estimation   |   | Assumption |
|--------------------------------|--|--|---|------------|
|                                |  | At current prices  | At constant (2011-12) prices  |            |
| (1)                            | (2)  | (3)  | (4)   | (5)        |
| Basic Materials (seven groups) |  |  | Current price estimates are deflated by index of general pucca construction |            |
| Cement & Cement Products       | <ul style="list-style-type: none"> <li>i. Cement production: Index of Eight Core Industries from Office of Economic Adviser, DIPP) for growth in cement production</li> <li>ii. Cement consumption from Cement Manufacturers Association, 2010-11</li> <li>iii. Ex-factory value of output of cement products: ASI 2011-12</li> <li>iv. Prices of cement: State DESs</li> <li>v. Excise Duty on cement products: CBEC</li> </ul> | Cement available for construction * price of cement + trade and transport margin (TTM) + value of cement products covered through ASI inclusive of excise duty + TTMs  |   |            |
| Iron & Steel                   | <ul style="list-style-type: none"> <li>i. Ex-factory value of output of iron &amp; steel products: ASI 2011-12</li> <li>ii. Imports &amp; exports: EXIM data bank, M/o Commerce</li> <li>iii. Excise &amp; customs duties: CBEC</li> </ul>   | Value of iron & steel used in construction + excise duty + net imports used in construction + import duties on the value of imports used in construction + value of iron & steel used in construction in unorganised sector + TTMs |   |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item                                | Data: Source   | Method of estimation  |                              | Assumption |
|-------------------------------------|--|---|------------------------------|------------|
|                                     |  | At current prices   | At constant (2011-12) prices |            |
| (1)                                 | (2)  | (3)   | (4)                          | (5)        |
| Bricks & Tiles                      | i. Ex-factory value of output of bricks & tiles: ASI 2011-12<br>ii. Corresponding value of output of bricks & tiles from unorganised manufacturing sector: NSS 67th Round ES, 2010-11<br>iii. Excise Duties: CBEC                                    | Value of bricks & tiles produced in unorganised sector + Value of bricks & tiles produced in organised sector inclusive of excise duty and TTMs |                              |            |
| Timber & Roundwood                  | i. ex-factory value of output of timber & roundwood: ASI 2011-12<br>ii. Production of industrial wood and price of timber used in construction: State DESs<br>iii. Net imports of veneer & plywood: EXIM databank<br>iv. Excise & customs duty: CBEC | Total value of timber & roundwood used in construction + value of veneer and plywood inclusive of net imports, excise & imports duty and TTMs   |                              |            |
| Bitumen & Bitumen Products/Mixtures | i. Ex-factory value of output of bitumen & bitumen products/mixtures: ASI 2011-12<br>ii. Net imports: EXIM databank<br>iii. Excise & customs duty: CBEC  | Total value of bitumen & bitumen mixtures inclusive of net imports, excise duty, customs duty and TTMs  |                              |            |
| Glass & Glass Products              | i. Ex-factory value of output of glass & glass products: ASI 2011-12<br>ii. Corresponding value of output of glass & glass products from unorganised manufacturing sector: NSS 67th Round ES, 2010-11  | Total value of glass & glass products from unorganised and organised sector inclusive of net imports, excise duty, customs duty and TTMs        |                              |            |

GVA estimated by production approach:  
 GVA estimated by income approach:

GVA = Output - Material Inputs  
 GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation   |  | Assumption  |
|---|---|--|--|---|
|   |   | At current prices  | At constant (2011-12) prices   |   |
| (1)   | (2)   | (3)  | (4)  | (5)   |
|   | iii. Net imports: EXIM databank<br>iii. Excise & customs duty: CBEC   |  |  |   |
| Fixtures & Fittings   | i. Ex-factory value of output of fixtures & fittings: ASI 2011-12   | Value of fixtures & fittings used in construction + TTMs   |  |   |
| Other Materials used in construction and service charges                            |   | Value of other materials & service charges used in construction (assuming that it consists of 25.04% of total value of construction material) = total value of construction materials in pucca DOBS - total value of basic materials |  | The proportion of 25.04% has been derived from a study on inputs used in construction conducted by CBRI |
| Gross Value Added (GVA) from Pucca DOBS (OR factor inputs/payments)                 |   | 53.9% of total value of construction materials in pucca DOBS at current prices   | 53.9% of total value of construction materials in pucca DOBS at base year prices | The proportion of 53.9% has been derived from a study on inputs used in construction conducted by CBRI  |
| <b>Kutcha DOBS</b>  |   |  |  |   |
| Value of Output   | Sum of kutcha DOBS in GG, Public Corporations & Households  |  |  |   |
| General Government and Public Corporations  | Budget documents for general government and DEs   | Value of total expenditure on kutcha DOBS as per budget documents  | Deflated by index of rural unskilled labour                                      |   |
| Private Corporations  | No kutcha DOBS constructed by Private Corporations  |  |  |   |
| Household Sector  |   | Total output=sum of RRB, URB and NRB/OCW<br>Item-wise details given below  |  |   |
| Rural Residential Buildings (RRB) - New construction and Repair & Maintenance (R&M) | i. All India Debt & Investment Survey (AIDIS) 2013, for investment in rural and urban residential buildings | 17% of total expenditure (including new & R&M) on RRB is assumed to be for Kutcha DOBS   | Estimate in col. (3) deflated using Index of rural housing                       |   |
| Urban Residential Buildings   | ii. Population Census for number of   | 2% of total expenditure  | Estimate in col. (3) deflated  |   |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |  | Assumption   |
|---|---|---|--|--|
|   |   | At current prices   | At constant (2011-12) prices   |  |
| (1)   | (2)   | (3)   | (4)  | (5)  |
| (URB) - New construction and R&M  | dwellings<br>iii. NSS 65 <sup>th</sup> Round Housing Condition Survey, 2008-09                              | (including new & R&M) on URB is assumed to be for Kutcha DOBS   | using Index of urban housing   |  |
| Rural/Urban Non-residential Buildings & Other Construction Works (R/U NRB&OCW) - New construction and R&M | i. All India Debt & Investment Survey (AIDIS) 2013, for investment in rural and urban residential buildings | Expenditure (including new & R&M) on development of land, barns & animal sheds and other construction by households engaged in farm business and development of land under non-farm business is assumed to constitute kutcha part of NRB&OCW. | Estimate in col. (3) deflated using Index of R/U construction NRB&OCW (Kutcha) |  |
| GVA from Kutcha DOBS  |   | 75% of total value of output of Kutcha DOBS at current prices   | 75% of total value of output of Kutcha DOBS at base year prices                | Proportion of 75% derived on the basis of information in the budget documents and NSS Survey on Housing Conditions in India. |
| <b>Plantation</b>   |   |   |  |  |
| Value of Output   |   | Total output=sum of GG, Public & Private Corporations and Households<br>Item-wise details given below<br>Current price estimates deflated with CPI (R)  |  |  |
| General Government (GG) and Public Corporations   | i. Budget documents and Annual Reports  | Expenditure as per budget document and annual reports   | Current price estimates deflated with CPI (R)                                  |  |
| Private Corporations  | MCA21 database for the annual reports of Private Sector Companies   | As per fixed asset block information of private corporations from MCA21 database  | Current price estimates deflated with CPI (R)                                  |  |
| Households  | i. Cost structure from NABARD<br>ii. Increment in area under cultivation                                    | Total capital expenditure on plantations is derived as product  | Current price estimates deflated with CPI (R)                                  |  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |   | Assumption   |
|---|---|---|---|--|
|   |   | At current prices   | At constant (2011-12) prices                                    |  |
| (1)   | (2)   | (3)   | (4)   | (5)  |
|   | from States' DES/NHB  | of cost and increment in area under cultivation. Value of Output in the household sector is worked out by residual approach.                              |   |  |
| GVA from Plantations                                    |   | 75% of total value of output of Plantations at current prices   | 75% of total value of output of Plantations at base year prices | Proportion of 75% derived on the basis of the cost structure received from NABARD. |
| <b>Mineral Explorations</b>                             |   |   |   |  |
| Value of Output   |   | Total output=sum of Public & Private Corporations<br>Mineral Explorations are not undertaken by GG and Households<br><i>Item-wise details given below</i> |   |  |
| General Government                                      | <b>No mineral explorations are undertaken by General Government</b>   |   |   |  |
| Public Corporations                                     | Annual Reports of NDEs  | Expenditure as per annual reports.  | Current price estimates deflated with CPI                       |  |
| Private Corporations                                    | MCA21 database for the annual reports of Private Sector Companies   | As per balance sheet information from MCA21 database  | Current price estimates deflated with CPI                       |  |
| Households  | <b>No mineral explorations are undertaken by households</b>   |   |   |  |
| GVA from Mineral Explorations                           | GVA to GVO ratio from MCA21 database and annual reports of public corporations  | Fixed proportion of output of Mineral Explorations  |   |  |
| <b>10. Trade</b>  |   |   |   |  |
| <b>Public Corporations</b>                              | <ul style="list-style-type: none"> <li>Budget documents of DEs</li> <li>Annual reports of NDEs</li> <li>WPI from M/o Commerce and Industry</li> </ul> | Estimates of GVA compiled using income approach in case of DEs and production approach in case of NDEs  | Current price estimates are deflated using WPI                  |  |
| <b>Private Corporate (excluding quasi-corporations)</b> |   |   |   |  |
| Pvt. Corporate Units                                    | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector</li> </ul>   | Estimates of GVA at current prices compiled using production  |   |  |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation   |   | Assumption |
|---|---|--|---|------------|
|   |   | At current prices  | At constant (2011-12) prices  |            |
| (1)   | (2)   | (3)  | (4)   | (5)        |
|   | Companies<br>• WPI from M/o Commerce and Industry   | approach   |   |            |
| Co-operative Units  | NABARD publication, "Statistical Statements Relating to Cooperative Movement in India, 2004-05" |  |   |            |
| <b>(3) Private unincorporated sector (Quasi-corporations and household sector)</b> covers |   |  |   |            |
| (i) Maintenance and repair of motor vehicles and motor cycles                             | • NSS 68 <sup>th</sup> Round EUS, 2011-12 and population Census 2011                            | Base year GVA as described in para 2.3.2 in Annexure 2.3. For subsequent years current prices estimates are obtained (i) by inflating estimates at constant price by WPI | (i) For subsequent years the base year estimates are moved with sales growth of motor vehicles. |            |
| (ii) Sale of motor vehicles   | • NSS 67 <sup>th</sup> Round ES, 2010-11  | (ii), (iii) & (v) by using index of sales tax turn overs   | (ii), (iii), (iv) & (v)   |            |
| (iii) Whole sale trade except of motor vehicles   | • WPI from Ministry of Commerce and Industry  | (iv) by using service tax growth   | Current price estimates are deflated by WPI/CPI   |            |
| (iv) Repair of personal and household goods   | • CPI   |  |   |            |
| (v) Retail trade (except motor vehicle)   | • Service tax from M/o Finance  |  |   |            |
| <b>11. Hotels and Restaurants</b>   |   |  |   |            |
| (i) Public Corporations   | • Budget documents of DEs<br>• Annual reports of the NDEs<br>• WPI from Ministry of Commerce    | Estimates of GVA compiled using income approach in case of DEs and production approach in case   | Current price estimates are deflated using WPI.   |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation  |  | Assumption |
|---|--|---|--|------------|
|   |  | At current prices   | At constant (2011-12) prices   |            |
| (1)   | (2)  | (3)   | (4)  | (5)        |
|   | and Industry   | of NDEs   |  |            |
| (ii) Private Corporate (excluding quasi-corporations)                         | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>Cooperatives projected from 63<sup>rd</sup> Round ES, 2006-07</li> <li>WPI from Ministry of Commerce and Industry</li> </ul> | Estimates of GVA compiled using production approach   | Current price estimates are deflated using WPI.  |            |
| (iii) Private unincorporated sector (Quasi-corporations and household sector) | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>WPI from Ministry of Commerce and Industry</li> </ul>                         | Base year GVA as described in para 2.3.2 in Annexure 2.3. For subsequent years, current prices estimates moved using growth in the corporate sector | Current price estimates deflated using WPI.  |            |
| <b>12. Railways</b>   |  |   |  |            |
| Railways  | <ul style="list-style-type: none"> <li>Annual Railway Budget</li> <li>Annual reports of the NDEs</li> <li>MCA21 database for the annual reports of Private Sector Companies</li> </ul>   | Estimates of GVA compiled using income approach in case of DEs and production approach in case of NDEs and Private Corporate Companies              | Base year estimate moved with combined indicator of passenger kilometres and net tonne kilometres, combined with their earnings in the base year as weights. |            |
| <b>13. Transport other than Railways</b>                                      |  |   |  |            |
| <b>Public Corporations</b>  |  |   |  |            |
| (i) Land Transport  | <ul style="list-style-type: none"> <li>Budget documents of DE</li> <li>Annual reports of the NDEs</li> <li>Motor Transport Statistics from M/o Transport for</li> </ul>  | Estimates of GVA compiled using income approach in case of DEs and production approach in case of NDEs  | Base year estimates are moved using Volume index of transport  |            |
| (ii) Water Transport  |  |   | Base year estimates are moved using index of cargo handled   |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |  | Assumption |
|--|--|--|--|------------|
|  |  | At current prices  | At constant (2011-12) prices   |            |
| (1)  | (2)  | (3)  | (4)  | (5)        |
| (iii) Air Transport  | <ul style="list-style-type: none"> <li>registered vehicles.</li> <li>M/o Civil Aviation for Cargo handled and passenger data.</li> </ul>   |  | Base year estimates are moved using air volume index   |            |
| (iv) Storage & warehousing   |  |  | Base year estimates are moved using storage index  |            |
| (v) Services incidental to transport   |  |  | Combined Growth of GVA of water+air+land transport at constant prices  |            |
| <b>Private Corporate (excluding quasi-corporations)</b>                        |  |  |  |            |
| (vi) Land Transport  | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Cooperatives (for land and water transport)</li> <li>M/o Transport for registered vehicles.</li> <li>M/o Civil Aviation for Cargo handled and passenger data.</li> <li>M/o Shipping for Cargo handled at ports.</li> </ul> | Estimates of GVA compiled using production approach                          | Base year estimates are moved using index of registered vehicles   |            |
| (vii) Water Transport  |  |  | Base year estimates are moved using index of cargo handled   |            |
| (viii) Air Transport   |  |  | Combined growth of passengers and cargo handled by private airlines  |            |
| (ix) Storage & warehousing   |  |  | Base year estimates moved using storage index  |            |
| (x) Services incidental to transport   |  |  | Combined growth of (water+air+land transport) at constant prices   |            |
| <b>Private unincorporated sector (Quasi-corporations and household sector)</b> |  |  |  |            |
| (i) Land Transport   | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11.</li> <li>WPI from Ministry of</li> </ul>  | Constant price estimates are inflated using CPI (Transport & communication). | Base year GVA as described in para 2.3.2 in Annexure 2.3 used for freight transport other than motor vehicles, while method as |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation   |   | Assumption |
|---|---|--|---|------------|
|   |   | At current prices  | At constant (2011-12) prices  |            |
| (1)   | (2)   | (3)  | (4)   | (5)        |
|   | Commerce and Industry   |  | described in para 2.3.3 used for non-scheduled passenger land transport.<br><br>For years after base year, base year estimates are moved using growth in regd. vehicles.    |            |
| (ii) Water Transport  | <ul style="list-style-type: none"> <li>NSS 68th Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67th Round ES, 2010-11.</li> <li>WPI from Ministry of Commerce and Industry</li> </ul> | Constant price estimates are inflated using WPI.   | Base year GVA as described in para 2.3.4 in Annexure 2.3.<br><br>For years after base year, base year estimates moved using index of cargo handled.                         |            |
| (iii) Air Transport   | No household enterprises in this industry   |  |   |            |
| (iv) Storage & warehousing                                      | <ul style="list-style-type: none"> <li>NSS 68th Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67th Round ES, 2010-11.</li> <li>WPI from Ministry of Commerce and Industry</li> </ul> | Base year GVA as described in para 2.3.3 in Annexure 2.3.<br>For subsequent years, previous year's current price estimate is moved using Corporate Growth.                 | Current price estimates are deflated using WPI.   |            |
| (v) Services incidental to transport                            | <ul style="list-style-type: none"> <li>NSS 68th Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67th Round ES, 2010-11.</li> <li>WPI from Ministry of Commerce and Industry</li> </ul> | Base year GVA as described in para 2.3.3 in Annexure 2.3.<br><br>Combined growth of (water+ land transport) at current prices used to extrapolate the base year estimates. | Base year GVA as described in para 2.3.3 in Annexure 2.3.<br><br>Combined growth of (water+ land transport) at constant prices used to extrapolate the base year estimates. |            |
| <b>14. Communication &amp; Services related to broadcasting</b> |   |  |   |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source  | Method of estimation   |   | Assumption |
|--|---|--|---|------------|
|  |   | At current prices  | At constant (2011-12) prices  |            |
| (1)  | (2)   | (3)  | (4)   | (5)        |
| <b>Public corporations</b>   | <ul style="list-style-type: none"> <li>Budget document of Department of Posts</li> <li>Annual reports of BSNL &amp; MTNL (NDE)</li> </ul>   | Estimates of GVA compiled using production approach  | Current prices estimates are deflated using CPI (transport and communication) |            |
| <b>Private Corporate (excluding quasi-corporations)</b>  |   |  |   |            |
| Courier activities, Cable operators, Telecommunication and Recording, publishing & Broadcasting services | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Cooperatives (for telecommunication)</li> </ul> | Estimates of GVA compiled using production approach  | Current prices estimates are deflated using CPI (transport and communication) |            |
| <b>Private unincorporated sector (Quasi-corporations and household sector)</b>                           |   |  |   |            |
| Courier activities   | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>M/o Finance for Service Tax</li> </ul>     | Base year GVA as described in para 2.3.2 in Annexure 2.3. For subsequent years, estimates are moved using growth in service tax of the relevant service. | Current prices estimates are deflated using CPI (transport and communication) |            |
| Cable operators  |   |  |   |            |
| Telecommunication  | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>M/o Finance for Service Tax</li> </ul>     | Base year GVA as described in para 2.3.2 in Annexure 2.3. For subsequent years, estimates are moved using growth in service tax of the relevant service. | Base year estimates are moved using minutes of usage.                         |            |
| Recording, publishing & Broadcasting services  | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> </ul>   | Base year GVA as described in para 2.3.3 in Annexure 2.3.  | Current prices estimates are deflated using CPI (transport                    |            |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |   | Assumption |
|--|--|--|---|------------|
|  |  | At current prices  | At constant (2011-12) prices  |            |
| (1)  | (2)  | (3)  | (4)   | (5)        |
|  | <ul style="list-style-type: none"> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> </ul>  | For subsequent years, estimates are moved using Corporate growth in 'Cable and Services related to broadcasting'   | and communication)  |            |
| <b>15. Real estate, Ownership of Dwellings and Professional Services</b>   |  |  |   |            |
| <b>Public Sector (General Government and Public Corporations)</b>  |  |  |   |            |
| <b>(i) Real estate and Professional Services</b>   | <ul style="list-style-type: none"> <li>Annual accounts of NDEs and Budget documents of DEs</li> <li>CPI</li> </ul>   | Estimates of GVA compiled using income approach in case of DEs and production approach in case of NDEs   | Current year estimates are deflated using CPI(general) index        |            |
| <b>(ii) Ownership of dwellings</b>   | <ul style="list-style-type: none"> <li>Budget documents</li> </ul>   | Estimates of GVA compiled using income approach  | Current year estimates are deflated using CPI(general) index        |            |
| <b>Private Corporate (excluding quasi-corporations)</b>  |  |  |   |            |
| Real Estate and Professional Services  | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Cooperatives</li> <li>CPI</li> </ul> | Estimates of GVA compiled using production approach  | Estimates at current prices are deflated using CPI (misc. services) |            |
| <b>Private unincorporated sector (Quasi-corporations and household sector)</b>   |  |  |   |            |
| Real Estate Activities<br>Administrative and support services+ Renting of machinery & equipment without operator, personal / household goods | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12 and Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul>                  | Base year GVA as described in para 2.3.4 in Annexure 2.3 except in the case of R & D etc. for which method as described in para 2.3.3 is used.<br>For the subsequent years | Estimates at current prices are deflated using CPI (misc. services) |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |   | Assumption   |
|---|---|---|---|--|
|   |   | At current prices   | At constant (2011-12) prices  |  |
| (1)   | (2)   | (3)   | (4)   | (5)  |
| Information & Computer Related activities                                     |   | estimates are moved using Corporate Growth (same as in organised sector)  |   |  |
| Legal activities  |   |   |   |  |
| Accounting, book-keeping  |   |   |   |  |
| Research and development & Other Professional Services +veterinary activities |   |   |   |  |
| Ownership of dwellings  | The GVA for the ownership of dwellings is equivalent to gross rental of the residential census houses less the cost of repairs and maintenance.<br><b><i>Details for rural &amp; urban dwellings are given below:</i></b> |   |   |  |
| Urban dwellings   | <ul style="list-style-type: none"> <li>Population Census 2011 for number of residential houses</li> <li>CPI (R) &amp; CPI (U)</li> <li>NSS 68<sup>th</sup> Round CES, 2011-12 for rent per household</li> </ul>           | <p>Gross rental=no. of census houses (urban) * rent per household as obtained from CES for the base year.</p> <p>For years subsequent to the base year, Rent per household as in the base year is extrapolated using the index of house rent (urban areas) and the number of dwellings is extrapolated using the inter-censal growth rate of urban dwellings.</p> | <p>Estimates of Urban GVA are obtained by moving the base year estimate with inter censal growth rate of dwellings.</p> | <p>In the absence of updated information on the number of dwellings, the inter-censal growth rate is assumed to be valid till the next Population Census.</p>                                      |
| Rural dwellings   | <ul style="list-style-type: none"> <li>Capital Stock of rural residential buildings as estimated through annual capital formation</li> <li>CPI (R)</li> </ul>   | <p>Gross rental is estimated through user cost approach, using the capital stock of rural residential buildings.</p>  | <p>Estimates of Rural GVA are obtained by deflating the current price estimates using CPI(R)</p>                        | <p>In the user cost measure, the net operating surplus is imputed using the opportunity cost principle; i.e. the net operating surplus is estimated on the basis of what owner occupiers could</p> |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |   | Assumption  |
|--|--|--|---|---|
|  |  | At current prices  | At constant (2011-12) prices  |   |
| (1)  | (2)  | (3)  | (4)   | (5)   |
|  |  |  |   | have earned on alternative investments (if they had not bought the dwelling). Then, the dwelling costs (intermediate consumption and consumption of fixed capital) are added to the imputed net operating surplus to obtain the imputed rent. |
| <b>16. Financial Services</b>  |  |  |   |   |
| (1) Deposit taking corporations  | <ul style="list-style-type: none"> <li>Annual accounts from all the Nationalised Banks. For RRBs, foreign banks and OSCBs and Co-op. Banks data contained in different RBI publications.</li> </ul>            | Estimates of GVA at current prices are estimated by the production approach.   | Index of deflated credits and deposits of All Scheduled Commercial Banks.<br>For cooperative banks Combined Index of membership and deposits. |   |
| (2) Central Bank   | <ul style="list-style-type: none"> <li>RBI for data on income and expenditure</li> </ul>   | Estimates of GVA at current prices are estimated by the production approach - cost method has been used  | Current price estimates deflated by implicit deflator of commercial banks   |   |
| (3) Post Office Saving bank (POSB)   | <ul style="list-style-type: none"> <li>Budget Documents</li> </ul>   | Estimates of GVA at current prices are estimated by the production approach.   | Current price estimates deflated with CPI (IW)  |   |
| (4) Other Financial Intermediaries except Insurance Corporations and Pension Funds | <ul style="list-style-type: none"> <li>Annual reports of Non-departmental Non-banking financial companies and corporations containing their annual accounts</li> <li>Data received from RBI for top</li> </ul> | Estimates of GVA at current prices are estimated by the production approach. for non-departmental financial companies and corporations,<br>For private non-banking financial | Index of deflated net receipts.   |   |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source   | Method of estimation   |   | Assumption |
|--|--|--|---|------------|
|  |  | At current prices  | At constant (2011-12) prices  |            |
| (1)  | (2)  | (3)  | (4)   | (5)        |
|  | companies – 195 companies in the case of base year.  | companies the data on income and expenditure for the top companies supplied by RBI is blown up with the total paid up capital of non-government non-banking financial companies.                   |   |            |
| (5) Financial auxiliaries                            | <ul style="list-style-type: none"> <li>SEBI, MCA and annual accounts of Insurance companies (for Insurance Agents)</li> </ul>  | Data has been received for share brokers, AMCs and stock exchanges from MCA and for insurance agents, data on commission paid to agents, is available in the annual reports of insurance companies | Index of deflated net receipts.   |            |
| (6) Captive financial institutions and money lenders | <ul style="list-style-type: none"> <li>For companies and corporations annual accounts data has been used.</li> <li>For money lenders, NSS 67<sup>th</sup> Round ES, 2010-11 along with AIDIS 2012</li> </ul> | A combination of NSS 67 <sup>th</sup> Round Survey, AIDIS ratios for loans and stock of loans of commercial banks has been used for estimation of this segment.                                    | Index of Net Receipts of corporations and money lenders.  |            |
| (7) Life Insurance (including PLI)                   | <ul style="list-style-type: none"> <li>Annual reports of LIC and private life insurance companies</li> </ul>   | Estimates of GVA at current prices are estimated by the production approach.   | For LIC, base year estimates are moved with the average of deflated indices of life fund and sum assured. For private life insurance, current price GVA has been deflated with WPI. |            |
| (8) Postal Life Insurance                            | <ul style="list-style-type: none"> <li>Budget Documents</li> </ul>   | Estimates of GVA at current prices are estimated by the production approach.   | Current price estimates deflated with CPI (IW)  |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output – Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source   | Method of estimation   |  | Assumption |
|---|--|--|--|------------|
|   |  | At current prices  | At constant (2011-12) prices   |            |
| (1)   | (2)  | (3)  | (4)  | (5)        |
| (9) Non-life insurance  | <ul style="list-style-type: none"> <li>Annual Reports of public and private Insurance Companies for economic classification</li> </ul> | Estimates of GVA at current prices are estimated by the production approach.   | Base year estimates are moved with the deflated index of 'Gross premium less claims', for non-life insurance other than ESIC. For ESIC, the current price estimates are deflated with the WPI. For private insurance companies current price GVA has been deflated with WPI. |            |
| (8) Pension Fund  | <ul style="list-style-type: none"> <li>Annual Financial Reports</li> </ul>   | Estimates of GVA at current prices are estimated by the income approach.   | Current price estimates deflated with CPI (IW)   |            |
| <b>17. Public administration and defence</b>                      |  |  |  |            |
| Central and State Governments, Local Bodies                       | <ul style="list-style-type: none"> <li>Budget documents from central and state governments, annual accounts of local bodies</li> </ul> | Estimates of GVA at current prices compiled using production approach  | Current price estimates deflated by the CPI (Combined)   |            |
| Autonomous Institutions   | <ul style="list-style-type: none"> <li>Annual Financial Accounts of sampled Central Autonomous Institutions</li> </ul>                 | Gross Value Added is worked out from the production approach of the sample autonomous institutions for the base year and these benchmark estimates have been projected with the help of total grants given to all autonomous institutions. | Current price estimates deflated by the CPI (Combined)   |            |
| <b>18. Other Services</b>   |  |  |  |            |
| <b>Public Sector (General Government and Public Corporations)</b> |  |  |  |            |
| Education, Health and Recreation                                  | <ul style="list-style-type: none"> <li>Budget documents of DEs &amp; autonomous institutions</li> </ul>                                | Estimates of GVA compiled using income approach in case of DEs   | Current price estimates are deflated using CPI index for   |            |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |   | Assumption |
|---|---|---|---|------------|
|   |   | At current prices   | At constant (2011-12) prices  |            |
| (1)   | (2)   | (3)   | (4)   | (5)        |
|   | <ul style="list-style-type: none"> <li>Annual reports of the NDEs</li> <li>CPI</li> </ul>   | and autonomous institutions and production approach in case of NDEs | Education and Health in the case of GVA of Education & Health Services and CPI (Miscellaneous) in the case of GVA of Recreation |            |
| <b>Private Corporate (excluding quasi-corporations)</b>   |   |   |   |            |
| Coaching centres + Activities of the individuals providing tuition + Education excluding Coaching | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Co-operatives</li> <li>CPI</li> </ul> | Estimates of GVA compiled using production approach                 | Current price estimates deflated using CPI(education)   |            |
| Human health activities+ care services  | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Co-operatives</li> <li>CPI</li> </ul> | Estimates of GVA compiled using production approach                 | Current price estimates deflated using CPI(health)  |            |
| Activities Of Membership Organisations n.e.c.   | <ul style="list-style-type: none"> <li>MCA21 database for the annual reports of Private Sector Companies</li> <li>NSS 63<sup>rd</sup> Round ES, 2006-07 for Co-operatives</li> <li>CPI</li> </ul> | Estimates of GVA compiled using production approach                 | Current price estimates deflated using CPI (Miscellaneous)  |            |
| Recreational, cultural and sporting activities  |   |   |   |            |
| Washing and cleaning of textile and fur products  |   |   |   |            |
| Hair dressing and other beauty treatment  |   |   |   |            |
| Custom Tailoring  |   |   |   |            |
| Other personal Services   |   |   |   |            |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output – Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item  | Data: Source  | Method of estimation  |   | Assumption |
|---|---|---|---|------------|
|   |   | At current prices   | At constant (2011-12) prices                                |            |
| (1)   | (2)   | (3)   | (4)   | (5)        |
| <b>Private unincorporated sector<br/>(Quasi-corporations and household sector)</b>                |   |   |   |            |
| Coaching centres + Activities of the individuals providing tuition + Education excluding Coaching | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>NSS 61<sup>st</sup> and 68<sup>th</sup> Rounds CES, 2004-05 &amp; 2011-12, respectively</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul> | Base year GVA as described in para 2.3.4 in Annexure 2.3. For years after the base year, previous year's estimate moved using inter-survey growth in consumer expenditure in education. | Current price estimates deflated using CPI(education)       |            |
| Human health activities+ care services  | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>NSS 61<sup>st</sup> and 68<sup>th</sup> Rounds CES, 2004-05 &amp; 2011-12, respectively</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul> | Base year GVA as described in para 2.3.4 in Annexure 2.3. For years after the base year, previous year's estimate moved using inter-survey growth in consumer expenditure in health.    | Current price estimates deflated using CPI(health)          |            |
| Activities Of Membership Organisations n.e.c.   | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> <li>Service Tax from M/o Finance</li> </ul>  | Base year GVA as described in para 2.3.4 in Annexure 2.3. For years after the base year, previous year's estimate moved using service tax growth.                                       | Current price estimates deflated using CPI (misc. services) |            |
| Recreational, cultural and sporting activities  | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>NSS 61<sup>st</sup> and 68<sup>th</sup> Rounds CES, 2004-05 &amp; 2011-12, respectively</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul> | Base year GVA as described in para 2.3.3 in Annexure 2.3. For years after the base year, previous year's estimate moved using inter- survey non-food consumer expenditure growth.       | Current price estimates deflated using CPI (recreation)     |            |

GVA estimated by production approach:

GVA estimated by income approach:

GVA = Output - Material Inputs

GVA = Compensation of Employees + Operating Surplus + CFC

| Item   | Data: Source  | Method of estimation   |   | Assumption |
|--|---|--|---|------------|
|  |   | At current prices  | At constant (2011-12) prices                                    |            |
| (1)  | (2)   | (3)  | (4)   | (5)        |
| Washing and cleaning of textile and fur products | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>NSS 61<sup>st</sup> and 68<sup>th</sup> Rounds CES, 2004-05 &amp; 2011-12, respectively</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul> | Base year GVA as described in para 2.3.3 in Annexure 2.3. For years after the base year, previous year's estimate moved using non-food inter-survey consumer expenditure growth. | Current price estimates deflated using CPI (misc. services)     |            |
| Hair dressing and other beauty treatment         | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> <li>Service Tax from M/o Finance</li> </ul>  | Base year GVA as described in para 2.3.3 in Annexure 2.3. For years after the base year, previous year's estimate moved using service tax growth.                                | Current price estimates deflated using CPI (misc. services)     |            |
| Custom Tailoring & Other personal activities     | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>NSS 61<sup>st</sup> and 68<sup>th</sup> Rounds CES, 2004-05 &amp; 2011-12, respectively</li> <li>Population Census 2011</li> <li>NSS 67<sup>th</sup> Round ES, 2010-11</li> <li>CPI</li> </ul> | Base year GVA as described in para 2.3.3 in Annexure 2.3. For years after the base year, previous year's estimate moved using non-food inter-survey consumer expenditure growth. | Current price estimates are deflated using CPI (misc. services) |            |
| Private Households with employed persons         | <ul style="list-style-type: none"> <li>NSS 68<sup>th</sup> Round EUS, 2011-12</li> <li>Population Census 2011</li> </ul>  | Base year GVA as described in para 2.3.3 in Annexure 2.3. For years after the base year, previous year's estimate moved using population growth and CPI (misc. services)         | Previous year's estimate moved using population growth.         |            |

GVA estimated by production approach:  
GVA estimated by income approach:

GVA = Output - Material Inputs  
GVA = Compensation of Employees + Operating Surplus + CFC

## 6.2. PRIVATE FINAL CONSUMPTION EXPENDITURE

| Item   | Data: Source  | Method of estimation   |  | Assumption       |
|--|---|--|--|------------------|
|  |   | At current prices  | At constant (2011-12) prices   |                  |
| (1)  | (2)   | (3)  | (4)  | (5)              |
| <b>Primary Goods</b>   |   |  |  |                  |
| Food grains - cereals and pulses;<br>Meat, fish and seafood;<br>Milk and eggs;<br>Oils and fats;<br>Fruits and vegetables;<br>Sugarcane for chewing & gur;<br>Non-alcoholic beverages - Coffee, tea, cocoa; and Narcotics - Areca nut and opium. | Production :- Same as for GVA<br>Wastages :- CIPHET Study, 2009<br>Quantity retained for own consumption: NSS 68 <sup>th</sup> Round CES, 2011-12.<br>Seed & Feed: As calculated for the compilation of GVA of crops<br>Inter Industry Consumption: IOTT and ASI<br>Imports & Exports: DGCI&S, Ministry of Commerce<br>Government consumption: Government's annual budget documents.<br>PDS Quantity, where applicable: M/o Consumer Affairs, Food and Public Distribution<br>Retail Prices: Prices from NSS 68 <sup>th</sup> Round CES, 2011-12 (base year) moved with CPI | Quantity of item wise consumption is estimated in two steps:<br>(i) Out of total production of food grains in a year, quantity retained for seed, feed (based on fixed rate), wastages at various stages and quantity retained for own consumption are subtracted to arrive at marketable surplus;<br>(ii) To arrive at net market supplies from marketable surplus, estimated inter-industry consumption, PDS quantity and government consumption are subtracted. Then quantity of net imports (imports minus exports) and net change in stock are added.<br>Valuation: (a) quantity retained for own consumption is evaluated at ex-farm price. (b) Net marketable supplies are evaluated at retail price and (c) Quantity of PDS supplies for rice, wheat are evaluated at PDS price. The value of quantity retained, PDS supply and net market supplies available for consumption are added to obtain estimates of PFCE. | Same method as adopted for current price estimates, but the prices used are the base year prices | See Annexure 6.2 |

| Item   | Data: Source   | Method of estimation   |   | Assumption       |
|--|--|--|---|------------------|
|  |  | At current prices  | At constant (2011-12) prices                |                  |
| (1)  | (2)  | (3)  | (4)   | (5)              |
|  | Trade and Transport Margins (TTM) in cases where retail prices are not available: IOTT   |  |   |                  |
| <b>Manufactured products</b>   |  |  |   |                  |
| Rice products;<br>Bread and biscuits;<br>Milk products;<br>Refined sugar, palm gur and sugar confectionery;<br>Other food products;<br>Non-alcoholic beverages - Mineral water and soft drinks;<br>Alcoholic beverages, tobacco for chewing, cigarette, bidi and other tobacco products;<br>clothing and footwear;<br>furniture and furnishings, carpet and other floor coverings;<br>household textile and appliances;<br>glassware and tableware;<br>motor vehicles and parts;<br>audio-visual, photographic and other recreational equipment;<br>newspaper, books and | 1.Output/Product & by products:- Same as for GVA<br>2.Share of consumable goods:<br>(i) Registered: Detailed ASI results at commodity level.<br>(ii)Un-registered: ratio between organized & unorganized manufacturing.<br>3.Excise and Import duty: TRU, M/o Finance<br>4. Imports & Exports: DGCI&S<br>5. Govt. consumption: Ratio from IOTT<br>6. Capital goods: IOTT<br>7. Inter-industry consumption: IOTT<br>8. Trade and Transport Margins: IOTT<br>9.Change in stocks: ASI | The data base for preparation of estimates of PFCE for majority of manufactured items is same as that for estimating the value added from manufacturing sector. Data on output according to compilation category estimated for compiling GVA by adopting the enterprise approach is utilized. Share of products and by-products for different industries in the total output is worked out from ASI. Also from the detailed analysis of ASI, items of final consumption are classified as per Classification of Individual Consumption According to Purpose (COICOP) and share of these items in the total value of products and by-products is compiled. Applying these shares on the value of products and by-products estimated from the output compiled by the enterprise approach, for enterprises in Public Sector, Private Corporate Sector and Unincorporated Sector, the total value of products and by-products of different items under this group is estimated. For unorganized manufacturing sector, the base year ratio between output of organized and unorganized manufacturing for corresponding industry groups has been used. The total | Current price estimates are deflated by CPI | See Annexure 6.3 |

| Item  | Data: Source                                     | Method of estimation  |   | Assumption              |
|---|--|---|---|-------------------------|
|   |  | At current prices   | At constant (2011-12) prices                |                         |
| (1)   | (2)  | (3)   | (4)   | (5)                     |
| stationery; jewellery, clocks and watches; and other personal goods |  | output is then supplemented by excise duty, import/import duty and net of change of stock. Further total supply is marked up by trade and transport margin to arrive at total available supply for consumption. Finally exports, government consumption, capital formation and inter-industry consumption are subtracted from total availability to arrive at PFCE. |   |                         |
| <b>Other Products</b>   |  |   |   |                         |
| Other cereals products and pulses products                          | NSS 68 <sup>th</sup> Round CES, 2011-12.         | Other cereals products and pulses products worked out from CES. The growth in per capita consumer expenditure between last two NSS CES along with population is used to work out estimates for other years. Retail price as obtained from CES used is moved forward using appropriate price indices.  | Current price estimates are deflated by CPI | See Annexure 6.2        |
| Salt and spices   | NSS 68 <sup>th</sup> Round CES, 2011-12.         | Estimates are prepared using the value of per capita consumption  | Current price estimates are deflated by CPI |                         |
| Pan   | NSS 68 <sup>th</sup> Round CES, 2011-12.         | Estimates are prepared using the value of per capita consumption  | Current price estimates are deflated by CPI |                         |
| <b>Services</b>   |  |   |   | <b>See Annexure 6.4</b> |
| (1) Housing, water supply and misc. services relating to dwelling   | Same sources as those used for the GVA estimates | Estimated using GVO of 'ownership of dwellings' i.e., expenditure on house rent and repair & maintenance as estimated for both rented dwellings and owner occupied dwellings (imputed rent is taken for owner-occupied dwellings). Water charges are taken for urban areas only.  | By taking GVO at constant (2011-12) prices. |                         |

| Item   | Data: Source  | Method of estimation   |  | Assumption  |
|--|---|--|--|---|
|  |   | At current prices  | At constant (2011-12) prices   |   |
| (1)  | (2)   | (3)  | (4)  | (5)   |
| (2) Health Services  | NSS 68 <sup>th</sup> Round CES, 2011-12.; Survey on NPIS conducted by CSO                             | Estimates are prepared using the value of per capita consumption based on the NSS 68 <sup>th</sup> Round CES, 2011-12, duly supplemented by the expenditure incurred by NPISH on health. For subsequent years, base year expenditure has been extrapolated by gross value of output on health compiled by CSO. | Deflating Current price estimates by CPI   |   |
| (3) purchase of transport services & maintenance of personal transport equipment - Rail, air, road transport, water transport and repair of personal transport equipment | Same sources as those used for the GVA estimates and IOTT   | The estimates of PFCE in respect of road transport, rail transport, air transport and water transport are compiled on the basis of the total passenger earnings in these services.   | Current price estimates are deflated with the help of implicit price indices of GVO estimates. | Proportion of PFCE to Passenger earnings (by type of transport) is assumed to be constant for the series. |
| (4) Communication  | Sources as used for GVA   | PFCE is estimated as 40 per cent of the total output.  | Current price estimates are deflated by implicit price index of GVO                            | Proportion of PFCE to output is assumed to be constant for the series.                                    |
| (5) Recreational and cultural services   | Indian Public Finance Statistics, Ministry of Finance and sources as those used for the GVA estimates | The estimates of PFCE are built up on the basis of rates of entertainment taxes and revenues of State governments on entertainment taxes.  | Deflated by implicit price index of GVO  |   |
| (6) Education  | NSS 68 <sup>th</sup> Round CES, 2011-12., sources as used for GVA; Survey on NPIS conducted by CSO    | Base year estimates are based on the NSS 68 <sup>th</sup> Round CES, 2011-12, duly supplemented by the expenditure incurred by NPISH on education. For subsequent years, base year expenditure has been extrapolated by gross value of output on education compiled by CSO.                                    | Same as above  |   |

| Item   | Data: Source   | Method of estimation   |   | Assumption |
|--|--|--|---|------------|
|  |  | At current prices  | At constant (2011-12) prices  |            |
| (1)  | (2)  | (3)  | (4)   | (5)        |
| (7) Hotels and Restaurants   | NSS 68 <sup>th</sup> Round CES, 2011-12., sources as used for GVA      | The base year estimates have been taken for NSS 68th Round CES, 2011-12 and ratio of PFCE to output worked out for the base year is applied on subsequent years' output to arrive at PFCE estimates.   | Same as above   |            |
| (8) Other miscellaneous services: Domestic services, laundry, hairdressing, legal services, funeral, business, tailoring and religious services and other miscellaneous services namely, repair of personal household goods, insurance services and other financial services | Sources as used for GVA and IOTT                                       | The PFCE for these services is estimated as a certain percentage of output. The PFCE on financial services includes imputed charges (FISIM).   | Same as above   |            |
| <b>Electricity, gas and other fuel</b>   |  |  |   |            |
| Electricity  | Central Electricity Authority NSS 68 <sup>th</sup> Round CES, 2011-12. | Consumption of electricity and retail price for the base year has been derived from NSS 68 <sup>th</sup> Round CES, 2011-12. For subsequent years, the base year estimates of consumption of electricity has been moved forward using CEA data on electricity sold, and base year retail price has been moved forward using appropriate price indices. | Base year estimates are moved forward using consumption of electricity (in terms of electricity sold) as obtained from CEA. |            |
| Gas  | Ministry of Petroleum and Natural Gas                                  | Domestic consumption from Indian Petroleum & Natural Gas Statistics and retail price as obtained from CES has been used. Base year retail price has been moved forward using   | Base year estimates are moved forward using domestic consumption of gas as obtained from IP&NG Statistics.                  |            |

| Item                           | Data: Source                             | Method of estimation  |  | Assumption  |
|--------------------------------|--|---|--|---|
|                                |  | At current prices   | At constant (2011-12) prices   |   |
| (1)                            | (2)                                      | (3)   | (4)  | (5)   |
|                                |  | relevant price indices.   |  |   |
| Kerosene                       | Ministry of Petroleum and Natural Gas    | Domestic consumption from Indian Petroleum & Natural Gas Statistics and retail price (weighted average price of PDS and non PDS) as obtained from CES has been used. Base year retail price has been moved forward using relevant price indices.  | Base year estimates are moved forward using domestic consumption of kerosene (PDS & non-PDS) as obtained from IP&NG Statistics.    |   |
| Firewood                       | NSS 68 <sup>th</sup> Round CES, 2011-12. | NSS consumption data used for the base year. Base year value has been moved forward using output of firewood at current prices as obtained in the forestry sector.  | Base year value has been moved forward using output of firewood at constant (2011-12) prices as obtained in the forestry sector.   |   |
| Charcoal                       | NSS 68 <sup>th</sup> Round CES, 2011-12. | Consumption of Charcoal and retail price for the base year has been derived from NSS 68 <sup>th</sup> Round CES, 2011-12. For subsequent years, the base year estimates of consumption of charcoal has been moved forward using production data, and base year retail price has been moved forward using appropriate WPI. | Base year estimates are moved forward using production of charcoal.  |   |
| Gobar Gas                      | KVIC                                     | Gobar Gas consumption is taken from the annual report of the KVIC.  | Deflated using the implicit price index of 'production of gobar gas'.  |   |
| Dung fuel, Coke and other fuel | Same sources as used for GVA.            | For these items, PFCE has been estimated as a fixed percentage of output at current prices.   | The ratios of output to PFCE have been used on the value of output at constant prices to obtain PFCE at constant (2011-12) prices. | Coke - 69.4 % of Disposable Supplies<br>Vegetable waste - 98.48% of Disposable Supplies<br>Bagasse- 5.96% of Disposable Supplies<br>Dung cake = 97.14% of Disposable Supplies |

### 6.3. GOVERNMENT FINAL CONSUMPTION EXPENDITURE (GFCE)

| Item | Data: Source  | Method of estimation   |  |
|------|---|--|--|
|      |   | At current prices  | At constant (2011-12) prices   |
| (1)  | (2)   | (3)  | (4)  |
| GFCE | Budget documents from central and state governments, annual accounts of local authorities; Annual Financial Accounts of Central Autonomous Institutions | Sum of compensation of employees, net purchase of goods and services and consumption of fixed capital (no provision is made in the budget documents for consumption of fixed capital of the central/state governments, local authorities and autonomous institutions. These are worked out from the estimated value of capital stock and the expected age of various types of assets at the aggregate level) | Deflation of current price estimates is done separately for each of the components. CE is deflated by Consumer Price Index while net purchase of goods and commodities is deflated using WPI based weighted price index, where the weights have been derived from IOTT |

**SECTION 6.4. SAVING**

*(Estimates are compiled only at current prices)*

| Item  | Data: Source  | Method of estimation   | Assumption |
|---|---|--|------------|
|   |   | At current prices  |            |
| (1)   | (2)   | (3)  | (5)        |
| <b>(a) Public Corporations</b>                |   |  |            |
| (i) DEs                                       | ◆ Budget documents  | Current receipt less Current expenditure   |            |
| (ii) NDEs                                     | ◆ Annual Reports  | Gross saving is the balancing item of Secondary Distribution of Income Account (in the sequence of accounts for government companies).   |            |
| <b>(b) Private Non-financial corporations</b> |   |  |            |
|   | ◆ MCA21 database for Non-financial non-government companies   | Gross saving is same as the balancing item of Secondary Distribution of Income Account (in the sequence of accounts for non-financial non-government companies) - Reinvested earnings of foreign companies.<br>In the parlance of business accounts, this is equivalent to retained profit plus depreciation provision minus reinvested earnings of foreign companies  |            |
|   | ◆ NABARD for Non-credit societies   | ii. Non-credit societies: gross saving is equal to sum of statutory reserve and other reserves   |            |
|   | ◆ NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (unincorporated manufacturing and non-financial services) | iii. Quasi-corporations (unincorporated manufacturing and non-financial services): Capital stock is estimated by multiplying the capital stock to GVA ratio from NSS 67 <sup>th</sup> round survey for the enterprises maintaining accounts with the GVA estimated for this component. Saving in physical assets i.e. capital formation is then derived by taking the difference between the capital stock of two consecutive years. |            |
|   | ◆ ASI, 2011-12 detailed results for quasi-corporations (unincorporated manufacturing enterprises covered under ASI)       | iv. Quasi-corporations (unincorporated manufacturing enterprises covered under ASI) Physical assets i.e. capital formation for "Individual Proprietorship, Joint Family (HUF), Partnership, Khadi & Village Industries Commission, Handlooms, Others" as derived from ASI.   |            |
| <b>(c) Private Financial corporations</b>     |   |  |            |
|   | ◆ RBI for Non-Government Non-Banking Finance Corporations (NGBFCs)  | i. Non Govt. Finance companies, private & foreign banks, Insurance companies: gross saving is the balancing item of Secondary Distribution of Income Account (in the sequence of accounts for financial non-government companies). Alternatively, it is same as  |            |
|   | ◆ MCA21 database for stock brokers  |  |            |

| Item  | Data: Source   | Method of estimation   | Assumption |
|---|--|--|------------|
|   |  | At current prices  |            |
| (1)   | (2)  | (3)  | (5)        |
|   | <ul style="list-style-type: none"> <li>and asset management companies (List from SEBI)</li> <li>◆ RBI for private &amp; foreign banks</li> <li>◆ Annual Reports of insurance companies</li> <li>◆ NABARD for credit societies</li> <li>◆ NSS 67<sup>th</sup> Round ES, 2010 -11 for quasi-corporations (unorganised financial services) in the form of physical assets (for money lenders, insurance agents and other unincorporated financial enterprises)</li> </ul> | <p>(GVA at basic price–Compensation of Employee-(taxes- subsidies) on production - net property income payment - net current transfer payment - income tax)</p> <p>ii. Credit societies: gross saving is equal to sum of statutory reserve and other reserves</p> <p>iii. Quasi-corporations (unorganised financial services) in the form of physical assets: Capital Formation for quasi-corporations estimated using capital stock to GVA ratio from NSS 67<sup>th</sup> Round ES, 2010-11 for the financial enterprises and GVA for the corresponding sector.</p> |            |
| <b>(d) General Government</b>   | <ul style="list-style-type: none"> <li>◆ Budget documents</li> </ul>   | Current receipt less current expenditure   |            |
| <b>(e) Household Sector</b>   |  | Total of Financial Saving for households (including quasi-corporations) and Saving in Physical Assets & in the form of valuables for households.   |            |
| <b>(i) Financial Saving for households (including quasi-corporations)</b> |  |  |            |
| (a) Currency, Deposits, Shares and debentures and Claims on Govt.         | <ul style="list-style-type: none"> <li>◆ RBI for financial savings of households (including quasi-corporations) for all instruments</li> </ul>   | Residual method i.e. Total minus share of Public Sector & Private Corporate Sector.  |            |
| (b) Provident and Pension Funds   | <ul style="list-style-type: none"> <li>◆ Provident and Pension Fund Organisations</li> <li>◆ Union Government Finance Accounts for Central &amp; State Govt. provident fund and Public provident fund</li> </ul>   | Provident & Pension Fund = Contribution + Recoveries - Withdrawals + Interest.<br>Central & State Govt. provident fund, Public provident fund: Excess of receipts over payments from Union Government Finance Accounts   |            |

| Item   | Data: Source  | Method of estimation  | Assumption  |
|--|---|---|---|
|  |   | At current prices   |   |
| (1)  | (2)   | (3)   | (5)   |
| (c) Insurance Funds  | <ul style="list-style-type: none"> <li>◆ LIC annual report</li> <li>◆ Union Government Finance Accounts for postal life insurance, CGEGIS &amp; State/UT insurance</li> </ul> | Life insurance from LIC: Increase in Life Fund from LIC annual report<br>Postal life insurance, CGEGIS & State/UT insurance: Excess of receipts over payments from Union Government Finance Accounts                  |   |
| (d) Mutual Funds   | <ul style="list-style-type: none"> <li>◆ Annual Reports of UTI and other Money Market Funds (MMF) and Non-MMF for savings in mutual funds</li> </ul>                          | Mutual funds: Household savings in mutual funds is taken as 39.77% of gross savings in MMF and non-MMF funds.   | The proportion of 39.77% has been derived from the share of net assets held by individual investors in Investor accounts of MMF and non-MMF funds in the base year. |
| (ii) Saving in <b>physical assets of households</b>        | <ul style="list-style-type: none"> <li>◆ Household Capital Formation</li> </ul>   | Household investment in fixed assets is derived as residual deducting the corresponding estimates of public and private corporations from the total capital formation plus change in stock derived by industry of use |   |
| (iii) Saving of households in the form of <b>valuables</b> | <ul style="list-style-type: none"> <li>◆ NSS 68<sup>th</sup> Round CES, 2011-12</li> </ul>  | Expenditure by households on valuables  |   |
| <b>2. Net Capital Inflow from abroad</b>                   | <ul style="list-style-type: none"> <li>◆ RBI</li> </ul>   | Net capital inflow is the deficit of the nation on current account in balance of payment account excluding official transfers   |   |
| <b>3. Finances for Gross Capital Formation*</b>            |   | Gross Saving plus Net Capital Inflow from abroad  |   |

\*: Estimates of Finances for Gross Capital Formation are compiled at constant prices also by deflating the current price estimates using the implicit index of unadjusted GCF, estimated from commodity-flow approach.

**6.5. EXTERNAL TRANSACTION ACCOUNT**

| Item   | Data: Source     | Method of estimation  |   |
|--|------------------|---|---|
|  |                  | At current prices   | At constant (2011-12) prices  |
| (1)  | (2)              | (3)   | (4)   |
| 1. Export/Import of Merchandise<br>(including net exports of goods under<br>merchanting) | ♦ RBI<br>♦ DGCIS | As received from RBI  | Exports and Imports of goods at current prices are<br>deflated by unit value of export index and unit value<br>of import index, respectively. |
| 2. Export/Import of Services   | ♦ RBI            | As received from RBI  | Exports and Imports of services at current prices<br>are deflated by implicit price index of service sector                                   |
| 3. Net Factor Income From Abroad   | ♦ RBI            | Net receipt of Compensation of<br>Employees and Property &<br>Entrepreneurial Incomes | Current price estimates are deflated by implicit price<br>index of service sector   |
| 4. Other Components - Transfers  | ♦ RBI            | As received from RBI  | Not compiled at constant prices   |

### 6.6. CAPITAL FORMATION

| Item  | Data: Source   | Method of estimation  |  |
|---|--|---|--|
|   |  | At current prices   | At constant (2011-12) prices   |
| (1)   | (2)  | (3)   | (4)  |
| <b>GROSS FIXED CAPITAL FORMATION BY TYPE OF ASSET</b>           |  |   |  |
| <b>Dwellings, Other Buildings &amp; Structures (DOBS) Asset</b> |  |   |  |
| <b>Overall Estimate</b>   | Seven basic material groups (viz. Cement & Cement Products, Iron & Steel, Bricks & Tiles, Timber & Roundwood, Bitumen & Bitumen Mixtures/Products, Glass & Glass Products and Fixtures & Fittings) and Other Materials & Service Charges | i. Through commodity flow approach for Pucca DOBS using basic materials, other materials & service charges and factor inputs/payments.<br>ii. Through Expenditure approach for Kutcha DOBS.<br>iii. Only New Construction forms part of GFCF<br><i>(ASI Output adjusted for corresponding output estimated in the manufacturing sector by adopting enterprise approach)</i> | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| <b>Institution-wise details</b>                                 |  |   |  |
| General Government (GG)   | Budget documents of Administration Departments and Annual Reports of Autonomous Bodies   | New capital outlay on DOBS (both pucca and kutcha) as obtained from the analysis of budget documents & annual reports (by expenditure approach)   | same as above  |
| Public Corporations   | Budget documents of DEs  | Same as above   | same as above  |
|   | Annual Reports of NDEs   | GFCF is estimated from fixed asset block of annual reports  | same as above  |
| Private Corporations  | MCA21 database for the annual reports of Private Sector Companies  | Non-government companies: GFCF is derived from MCA21 database and blown up for non-responding companies on the basis of paid up capital   | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
|   | RBI for private and foreign banks  | Private & Foreign Banks: GFCF is estimated from details of assets and liabilities by RBI  |  |
|   | Annual reports from insurance companies  | Insurance companies: GFCF is estimated from fixed asset block of annual reports   |  |
|   | NABARD for co-operative societies  | Co-operative Societies: based on the data on fixed assets obtained from NABARD  |  |
|   | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (unincorporated manufacturing and services)  | Quasi-corporations (unincorporated manufacturing and services): Initially, estimates of GFCF for quasi-corporations are prepared by industry, using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round for enterprises maintaining accounts and  |  |

| Item   | Data: Source  | Method of estimation   |  |
|--|---|--|--|
|  |   | At current prices  | At constant (2011-12) prices   |
| (1)  | (2)   | (3)  | (4)  |
| Private Corporations<br>(Contd.)                 |   | applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. The stocks of assets are distributed by assets based on the asset-wise distribution of stocks from NSS 67 <sup>th</sup> Round. GFCF by asset (DOBS) is then estimated as the difference between two successive years' stocks for each asset.         | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
|  | ASI, detailed results for quasi-corporations (unincorporated manufacturing enterprises covered under ASI)   | i. ii. iii. iv. v. vi. Quasi-corporations (unincorporated manufacturing enterprises covered under ASI): GFCF for "Individual Proprietorship, Joint Family (HUF), Partnership, Khadi & Village Industries Commission, Handlooms, Others" is derived from ASI.   |  |
| Households                                       | <b>Pucca DOBS</b>   | GFCF-Pucca DOBS of households = Total value of GFCF-Pucca DOBS - value of new construction in GG, Financial & Non-Financial Public & Private Corporations.   | same as above  |
|  | <b>Kutcha DOBS</b><br>i. All India Debt & Investment Survey (AIDIS) 2013, for investment in rural and urban residential buildings<br>ii. Population Census for number of dwellings<br>iii. NSS 65 <sup>th</sup> Round Housing Condition Survey, 2008-09 | Estimated using capital expenditure on New Construction per dwelling from AIDIS 2013, number of dwellings and ratios for kutcha and pucca dwellings from NSS 65 <sup>th</sup> round.   | same as above  |
| <b>Machinery &amp; Equipment (M&amp;E) Asset</b> |   |  |  |
| <b>Overall Estimate</b>                          | i. Detailed results of ASI for organised sector<br>ii. EXIM databank for net imports<br>iii. CBEC for excise & customs duty<br>iv. NSS 67 <sup>th</sup> Round ES, 2010-11 for un-organised part   | Total GFCF in M&E asset = Sum of ex-factory value of capital goods from organised and un-organised sectors + TTMs + excise duty + imports of capital goods + import duty for these items - exports of capital goods<br><i>(ASI Output adjusted for corresponding output estimated in the manufacturing sector by adopting enterprise approach)</i> | same as above  |
| <b>Institution-wise details</b>                  |   |  |  |

| Item                    | Data: Source  | Method of estimation  |  |
|-------------------------|---|---|--|
|                         |   | At current prices   | At constant (2011-12) prices   |
| (1)                     | (2)   | (3)   | (4)  |
| General Government (GG) | Budget documents of Administration Departments and Autonomous Bodies                                      | Capital expenditure on M&E obtained from the analysis of budget documents & annual reports (by expenditure approach)  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| Public Corporations     | Budget documents of DEs   | Same as above   | same as above  |
|                         | Annual Reports of NDEs  | GFCF is estimated from fixed asset block of annual reports  | same as above  |
| Private Corporations    | MCA21 database for the annual reports of Private Sector Companies   | Derived from MCA21 database and blown up for non-responding companies on the basis of paid up capital   | same as above  |
|                         | RBI for private and foreign banks   | Estimated from details of assets and liabilities by RBI   | same as above  |
|                         | Annual reports from insurance companies   | Estimated from fixed asset block of annual reports  | same as above  |
|                         | NABARD for cooperative societies  | Estimated on the basis of the data obtained on fixed assets from NABARD   | same as above  |
|                         | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (unincorporated manufacturing and services) | Estimates of GFCF for quasi-corporations are prepared by industry, using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round for enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. The stocks of assets are distributed by assets based on the asset-wise distribution of stocks from NSS 67 <sup>th</sup> Round. GFCF by asset (M&E) is then estimated as the difference between two successive years' stocks for each asset. | same as above  |
|                         | ASI detailed results for Quasi-corporations (unincorporated manufacturing enterprises covered under ASI)  | Derived from the data on "Individual Proprietorship, Joint Family (HUF), Partnership, Khadi & Village Industries Commission, Handlooms, Others" from ASI.   | same as above  |
| Households              |   | Derived as a residual from the total GFCF in M&E asset  | same as above  |

| Item   | Data: Source   | Method of estimation  |  |
|--|--|---|--|
|  |  | At current prices   | At constant (2011-12) prices   |
| (1)  | (2)  | (3)   | (4)  |
| <b>Cultivated Biological Resources (CBR) Asset</b> |  |   |  |
| <b>Overall Estimate</b>                            | i. Total capital expenditure on plantations (cost structure) from NABARD<br>ii. Increment in area under cultivation from States' DES<br>iii. Increment in livestock from Livestock Census 2012 | Plantation & orchards: using expenditure approach<br>Increment in livestock (for breeding, dairying and draught animals) used as capital asset has been estimated using Livestock Census 2012 | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| <b>Institution-wise details</b>                    |  |   |  |
| General Government (GG)                            | Budget documents of Administration Departments and Autonomous Bodies   | From the analysis of budget documents & annual reports (by expenditure approach)  | same as above  |
| Public Corporations                                | Budget documents of DEs  | Same as above   | same as above  |
|  | Annual Reports of NDEs   | Estimated from fixed asset block of annual reports  | same as above  |
| Private Corporations                               | MCA21 database for the annual reports of Private Sector Companies  | Non-government companies: GFCF-CBR is derived from MCA21 database and blown up for non-responding companies on the basis of paid up capital   | same as above  |
| Households   |  | Derived as a residual from the total GFCF in CBR asset  | same as above  |
| <b>Intellectual Property Products (IPP) Asset</b>  |  |   |  |
| <b>Overall Estimate</b>                            | i. Total capital expenditure on Research & Development activities (R&D)<br>ii. Mineral Exploration & Evaluation<br>iii. Computer Software & Database   | Expenditure Approach is used.   | same as above  |
| General Government (GG)                            | Budget documents of Administration Departments and Autonomous Bodies   | From the analysis of budget documents & annual reports (by expenditure approach)  | same as above  |
| Public Corporations                                | Budget documents of DEs  | Same as above   | same as above  |
|  | Annual Reports of NDEs   | Estimated from reported expenditure on IPPs   | same as above  |

| Item   | Data: Source   | Method of estimation   |  |
|--|--|--|--|
|  |  | At current prices  | At constant (2011-12) prices   |
| (1)  | (2)  | (3)  | (4)  |
| Private Corporations   | MCA21 database for the annual reports of Private Sector Companies  | Derived from MCA21 database and blown up for non-responding companies on the basis of paid up capital  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
|  | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (unincorporated manufacturing and services)        | Information is available for only software asset, under IPP, which is compiled using NSS 67 <sup>th</sup> Round Survey   | same as above  |
| Households   | NSS 67 <sup>th</sup> Round ES, 2010-11, excluding quasi-corporations (unincorporated manufacturing and services) | GFCF in households consists of mainly software asset under IPP, which is compiled using NSS 67 <sup>th</sup> Round Survey  | same as above  |
| <b>Valuables</b>   | i. Production: ASI and IBM<br>ii. EXIM databank for net imports  | Total availability = Production (adjusted for inter-industry use) + net imports  | same as above  |
| <b>GROSS FIXED CAPITAL FORMATION BY INDUSTRY OF USE – expenditure method</b> |  |  |  |
| <b>1. Crops</b>  |  |  |  |
| (a) Public corporations  | Budget documents of DEs and Annual Reports of NDEs   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | same as above  |
| (b) General government   | No enterprises of General Government in this industry  |  |  |
| (c) Private corporations   | MCA21 database for the annual reports of Private Sector Companies  | Estimates of GFCF for non-government companies derived from MCA21 database   | same as above  |
| (d) Household sector   |  |  |  |
| ◆ Other buildings and structures   | AIDIS 2013   | Benchmark estimate worked out from AIDIS is moved for other years using output of agriculture.   | same as above  |
| ◆ Machinery & equipment  | ASI 2011-12  | Ex-factory value of agriculture machinery & implements for the base year is taken ASI 2011-12 unit level data for NPCMS codes for this category. Estimate for household sector is obtained by deducting the estimate of GFCF for agricultural machinery from public & private corporations. This is moved for other years using output of agriculture. | same as above  |

| Item                             | Data: Source  | Method of estimation   |  |
|----------------------------------|---|--|--|
|                                  |   | At current prices  | At constant (2011-12) prices   |
| (1)                              | (2)   | (3)  | (4)  |
| ◆ Plantation                     | ◆ NABARD for cost structure<br>◆ Increment in area covered under plantation | From total capital expenditure in plantation, information on the corresponding asset from the MCA21 database for private corporations and from budgets, annual reports for public corporations, the capital expenditure for the household sector is worked out as a residual.  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| ◆ Increment in livestock         | Livestock Census 2012   | From total increment in livestock (fixed asset), information on the corresponding asset from the MCA21 database for private corporations and from budgets, annual reports for public corporations, the increment in livestock for the household sector is worked out as a residual. Increment in livestock in respect of Adult Cattle Male and Adult Buffalo Male are apportioned to crops industry. | Same as above  |
| <b>2. Livestock</b>              |   |  |  |
| (a) General government           | <b>No enterprises of General Government in this industry</b>                |  |  |
| (b) Public corporations          | <b>No Public Corporations in this industry</b>                              |  |  |
| (c) Private corporations         | MCA21 database for the annual reports of Private Sector Companies           | Estimates of GFCF derived from MCA21 database  | Same as above  |
| (d) Household sector             |   |  |  |
| ◆ Other buildings and structures | AIDIS 2013  | Benchmark estimate worked out from AIDIS is moved for other years with output of agriculture.  | Same as above  |
| ◆ Increment in livestock         | Livestock Census 2012   | Same as methodology for corresponding asset of crops industry. Increment in livestock in respect of animals other than Adult Cattle Male and Adult Buffalo Male are apportioned to livestock industry.   | Same as above  |
| <b>3. Forestry and logging</b>   |   |  |  |
| (a) Public corporations          | Budget documents and Annual Reports of NDEs                                 | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | Same as above  |
| (b) General government           | No enterprises of General Government in this industry                       |  |  |

| Item                              | Data: Source   | Method of estimation  |  |
|-----------------------------------|--|---|--|
|                                   |  | At current prices   | At constant (2011-12) prices   |
| (1)                               | (2)  | (3)   | (4)  |
| (c) Private corporations          | MCA21 database for the annual reports of Private Sector Companies                      | Estimates of GFCF for non-government companies derived from MCA21 database  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| (d) Household sector              | Table on "Area by ownership during 2005-06" from Forestry Statistics India 2007, ICFRE | Private forestry estimate is prepared by applying ratio of ownership of private forests to forests owned by public & corporate bodies (1.53%) from Forestry Statistics India 2007 | Same as above  |
| <b>4. Fishing and aquaculture</b> |  |   |  |
| (a) Public corporations           | Annual Reports of NDEs   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations          | MCA21 database for the annual reports of Private Sector Companies                      | Estimates of GFCF for non-government companies derived from MCA21 database  | Same as above  |
| (c) General government            | <b>No enterprises of General Government in this industry</b>                           |   |  |
| (d) Household sector              | Growth of stock between two livestock censuses   | Fixed stock estimated using inter-censal growth rate. GFCF is estimated as the difference between two successive years' stocks.   | Same as above  |
| <b>5. Mining &amp; quarrying</b>  |  |   |  |
| (a) Public corporations           | Annual Reports   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations          | MCA21 database for the annual reports of Private Sector Companies                      | Estimates of GFCF for non-government companies derived from MCA21 database  | Same as above  |
| (c) General government            | <b>No enterprises of General Government in this industry</b>                           |   |  |
| (d) Household sector              | Capital stock to output ratio for 2011-12 used in 2004-05 series                       | Capital stock to output ratio is applied on GVO of minor minerals to get series of fixed stocks. GFCF is estimated as the difference between two successive years' fixed stock.   | Same as above  |
| <b>6. Manufacturing</b>           |  |   |  |
| (a) Public corporations           | Budget documents of DEs and Annual Reports of NDEs                                     | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |

| Item  | Data: Source   | Method of estimation  |  |
|---|--|---|--|
|   |  | At current prices   | At constant (2011-12) prices   |
| (1)   | (2)  | (3)   | (4)  |
| (b) Private corporations  | MCA21 database for the annual reports of Private Sector Companies                            | Estimates of GFCF for non-government companies derived from MCA21 database  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
|   | NABARD   | Estimates for Co-operative Societies are based on the data obtained from NABARD   | Same as above  |
|   | ASI, 2011-12 for quasi-corporations (unincorporated manufacturing)                           | Estimates for quasi-corporations are obtained from unit level data of ASI 2011-12 for "Individual Proprietorship, Joint Family (HUF), Partnership, Khadi & Village Industries Commission, Handlooms, Others".   | Same as above  |
|   | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (unincorporated manufacturing) | Estimates for quasi-corporations are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.                            | Same as above  |
| (c) General government  | <b>No enterprises of General Government in this industry</b>                                 |   |  |
| (d) Household sector  | NSS 67 <sup>th</sup> Round ES, 2010-11   | Estimates for enterprises other than quasi-corporations are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>not maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| <b>8. Electricity, gas, water supply and other utility services</b> |  |   |  |
| (a) Public corporations   | Budget documents of DEs and Annual Reports of NDEs   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations  | MCA21 database for the annual reports of Private Sector Companies                            | Estimates of GFCF for non-government companies derived from MCA21 database  | Same as above  |
|   | NSS 67 <sup>th</sup> Round ES, 2010 -11 for  | Estimates of quasi-corporations (Remediation & other utility  | Current price estimates are  |

| Item                     | Data: Source   | Method of estimation   |  |
|--------------------------|--|--|--|
|                          |  | At current prices  | At constant (2011-12) prices   |
| (1)                      | (2)  | (3)  | (4)  |
|                          | quasi-corporations (Remediation & other utility services)  | services) are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.  | deflated by WPI-based composite price indices for the relevant asset |
| (c) General government   | Budget documents   | Capital outlay on disaggregated assets as obtained from the analysis of Budget documents   | Same as above  |
| (d) Household sector     | M/o New and Renewable Energy   | GFCF for bio gas: Number of bio-gas plants* cost of installation   | Same as above  |
|                          | NSS 67 <sup>th</sup> Round ES, 2010-11 for households (Remediation & other utility services)   | Estimates for enterprises other than quasi-corporations for Remediation & other utility services are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>not maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| <b>9. Construction</b>   |  |  |  |
| (a) Public corporations  | Annual Reports of NDEs   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | Same as above  |
| (b) Private corporations | MCA21 database for the annual reports of Private Sector Companies  | Estimates of GFCF for non-government companies derived from MCA21 database   |  |
|                          | NABARD in case of non-credit cooperative societies   | Co-operative Societies: based on the data obtained from NABARD   | Same as above  |
| (c) General government   | Budget documents   | Capital outlay on disaggregated assets as obtained from the analysis of Budget documents   |  |
| (d) Household sector     | MCA21 database (about top 400 non-government companies in construction industry, by sales, after removing outliers) for capital stock to output ratio in absence of any survey | Capital stock to output ratio of non-government construction companies is applied on GVO of construction for the household sector to estimate the fixed stock for construction in household sector. GFCF is estimated as the difference between two successive years' fixed stocks.  | Same as above  |

| Item                                   | Data: Source  | Method of estimation  |  |
|--|---|---|--|
|  |   | At current prices   | At constant (2011-12) prices   |
| (1)                                    | (2)   | (3)   | (4)  |
|  | data  |   |  |
| <b>10. Trade &amp; repair services</b> |   |   |  |
| (a) Public corporations                | Budget documents of DEs and Annual Reports of NDEs                                      | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| (b) Private corporations               | MCA21 database for the annual reports of Private Sector Companies                       | Estimates of GFCF for non-government companies derived from MCA21 database  | Same as above  |
|  | NABARD in case of non-credit cooperative societies                                      | Co-operative Societies: based on the data obtained from NABARD  | Same as above  |
|  | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (trade & repair services) | Estimates of quasi-corporations (trade & repair services) are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.                               | Same as above  |
| (c) General government                 | <b>No enterprises of General Government in this industry</b>                            |   |  |
| (d) Households                         | NSS 67 <sup>th</sup> Round ES, 2010-11  | Estimates for enterprises other than quasi-corporations for trade & repair services are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> round Enterprise Survey for the enterprises <u>not maintaining accounts</u> and applied on GVA for corresponding segment to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| <b>11. Hotels and restaurants</b>      |   |   |  |
| (a) Public corporations                | Annual Reports of NDEs  | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations               | MCA21 database for the annual   | Estimates of GFCF for non-government companies derived from   |  |

| Item   | Data: Source   | Method of estimation  |  |
|--|--|---|--|
|  |  | At current prices   | At constant (2011-12) prices   |
| (1)  | (2)  | (3)   | (4)  |
|  | reports of Private Sector Companies  | MCA21 database  |  |
|  | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (hotels & restaurants) | Estimates of quasi-corporations (hotels & restaurants) are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| (c) General government   | <b>No enterprises of General Government in this industry</b>                         |   |  |
| (d) Household sector   | NSS 67 <sup>th</sup> Round ES, 2010-11   | Applying ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.  | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| <b>12. Railways</b>  |  |   |  |
| (a) Public corporations  | Budget documents of DEs and Annual Reports of NDEs                                   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations   | MCA21 database for the annual reports of Private Sector Companies                    | Estimates of GFCF for non-government companies derived from MCA21 database  | Same as above  |
| (c) General government   | <b>No enterprises of General Government in this industry</b>                         |   |  |
| (d) Household sector   | <b>No household enterprises in this industry</b>                                     |   |  |
| <b>13. Road, air, water transport and services incidental to transport</b> |  |   |  |
| (a) Public corporations  | Budget documents of DEs and Annual Reports of NDEs                                   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations   | MCA21 database for the annual reports of Private Sector Companies                    | Estimates of GFCF for non-government companies derived from MCA21 database  |  |
|  | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations                        | Estimates of quasi-corporations are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises maintaining accounts and applied on GVA for   | Same as above  |

| Item  | Data: Source  | Method of estimation   |  |
|---|---|--|--|
|   |   | At current prices  | At constant (2011-12) prices   |
| (1)   | (2)   | (3)  | (4)  |
|   |   | corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.   |  |
| (c) General government  | <b>No enterprises of General Government in this industry</b>            |  |  |
| (d) Household sector  | NSS 67 <sup>th</sup> Round ES, 2010-11                                  | Applying ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.   | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
| <b>14. Storage</b>  |   |  |  |
| (a) Public corporations                                       | Budget documents of DEs and Annual Reports of NDEs                      | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | Same as above  |
| (b) Private corporations                                      | MCA21 database for the annual reports of Private Sector Companies       | Estimates of GFCF for non-government companies derived from MCA21 database   |  |
|   | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (storage) | Estimates of quasi-corporations are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| (c) General government  | <b>No enterprises of General Government in this industry</b>            |  |  |
| (d) Household sector  | NSS 67 <sup>th</sup> Round ES, 2010-11                                  | Applying ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.   | Same as above  |
| <b>15. Communication and services related to broadcasting</b> |   |  |  |
| (a) Public corporations                                       | Budget documents of DEs and Annual Reports of NDEs                      | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | Current price estimates are deflated by WPI-based composite price indices for the                |

| Item                          | Data: Source   | Method of estimation  |  |
|-------------------------------|--|---|--|
|                               |  | At current prices   | At constant (2011-12) prices   |
| (1)                           | (2)  | (3)   | (4)  |
|                               |  |   | relevant asset   |
| (b) Private corporations      | MCA21 database for the annual reports of Private Sector Companies  | Estimates of GFCF for non-government companies derived from MCA21 database  |  |
|                               | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (communication and services related to broadcasting) | Estimates of quasi-corporations (communication and services related to broadcasting) are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| (c) General government        | <b>No enterprises of General Government in this industry</b>   |   |  |
| (d) Household sector          | NSS 67 <sup>th</sup> Round ES, 2010-11   | Applying ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.  | Same as above  |
| <b>16. Financial services</b> |  |   |  |
| (a) Public corporations       | Budget documents of DEs and Annual Reports of NDEs   | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports   | Same as above  |
| (b) Private corporations      | MCA21 database for the annual reports of Private Sector Companies  | Non-government companies: GFCF is derived from MCA21 database   | Current price estimates are deflated by WPI-based composite price indices for the relevant asset |
|                               | RBI for private and foreign banks  | Private & Foreign Banks: From details of assets and liabilities by RBI  | Same as above  |
|                               | Annual reports from insurance companies  | Insurance companies: GFCF is estimated from fixed asset block of annual reports   | Same as above  |
|                               | NABARD in case of credit cooperative societies   | Co-operative Societies: based on the data obtained from NABARD  | Same as above  |
|                               | NSS 67 <sup>th</sup> Round ES, 2010-11 for   | Estimates of quasi-corporations (unorganised financial services)  | Current price estimates are  |

| Item   | Data: Source  | Method of estimation   |  |
|--|---|--|--|
|  |   | At current prices  | At constant (2011-12) prices   |
| (1)  | (2)   | (3)  | (4)  |
|  | quasi-corporations (unorganised financial services)   | are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for <i>all</i> financial enterprises and applied on GVA for unorganised financial sector (money lenders, etc.) to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.   | deflated by WPI-based composite price indices for the relevant asset |
| (c) General government   | No enterprises of General Government in this industry   |  |  |
| (d) Household sector   | No household enterprises of in this industry  |  |  |
| <b>Real estate, ownership of dwellings &amp; professional services</b> |   |  |  |
| (a) Public corporations  | Budget documents of DEs and Annual Reports of NDEs  | Capital outlay on disaggregated assets as obtained from the analysis of budgets/fixed asset block in annual reports  | Same as above  |
| (b) Private corporations   | MCA21 database for the annual reports of Private Sector Companies                                   | Estimates of GFCF for non-government companies derived from MCA21 database.  | Same as above  |
|  | NSS 67 <sup>th</sup> Round ES, 2010-11 for quasi-corporations (real estate & professional services) | Estimates of quasi-corporations (real estate & professional services) are prepared using ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| (c) General government   | Budget documents  | Capital outlay on disaggregated assets as obtained from the analysis of Budget documents   | Same as above  |
| (d) Household sector   | NSS 67 <sup>th</sup> Round ES, 2010-11 for households (real estate & professional services)         | Real Estate & professional services: Applying ratio of capital stock to GVA derived from NSS 67 <sup>th</sup> Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks.  |  |
|  | AIDIS, 2013 for ownership of  | Ownership of dwellings: GFCF is estimated using capital  | Current price estimates are  |

| Item   | Data: Source   | Method of estimation   |  |
|--|--|--|--|
|  |  | At current prices  | At constant (2011-12) prices   |
| (1)  | (2)  | (3)  | (4)  |
|  | dwellings  | expenditure on dwellings estimate for from AIDIS, 2013. This is moved for other years by applying inter censal growth of no. of residential housing stock from population censuses and the WPI of rural and urban housing.   | deflated by WPI-based composite price indices for the relevant asset |
| <b>18. Public administration and defence</b> |  |  |  |
| General government                           | Administration: Budget documents                                   | Capital outlay on disaggregated assets as obtained from the analysis of Budget documents   | Same as above  |
|  | Autonomous Institutions: annual financial accounts                 | GFCF is compiled using estimates obtained from sample autonomous institutions. These are blown up on the basis of grants given to all autonomous institutions.   | Same as above  |
| <b>19. Other Services</b>                    |  |  |  |
| (a) Public corporations                      | Budget documents of DEs and Annual Reports of NDEs                 | Capital outlay on disaggregated assets as obtained from the analysis of fixed asset block in annual reports  | Same as above  |
| (b) Private corporations                     | MCA21 database for the annual reports of Private Sector Companies  | Estimates of GFCF for non-government companies derived from MCA21 database.  |  |
|  | NSS 67th Round ES, 2010-11 for quasi-corporations (Other Services) | Estimates of quasi-corporations are prepared using ratio of capital stock to GVA derived from NSS 67th Round Survey for the enterprises maintaining accounts and applied on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. | Same as above  |
| (c) General government                       | Administration: Budget documents                                   | Capital outlay on disaggregated assets as obtained from the analysis of Budget documents   | Same as above  |
|  | Autonomous Institutions: annual financial accounts                 | GFCF is compiled for each group of autonomous institution (as given in para 3.31 of Section 3) using estimates obtained from sample autonomous institutions. These are blown up (for each group) on the basis of grants given to all autonomous institutions.  | Same as above  |
| (d) Household sector                         | NSS 67th Round ES, 2010-11   | Applying ratio of capital stock to GVA derived from NSS 67th   | Same as above  |

| Item | Data: Source | Method of estimation  |                              |
|------|--------------|---|------------------------------|
|      |              | At current prices   | At constant (2011-12) prices |
| (1)  | (2)          | (3)   | (4)                          |
|      |              | Round Survey for the enterprises not maintaining accounts on GVA for corresponding sector to arrive at the estimates of stocks of fixed assets. GFCF is estimated as the difference between two successive years' stocks. |                              |

**Ratios used in PFCE estimation in 2011-12 series (%)**  
**Agricultural items**

| Items                                      | Wastage | TTM * | IIC                     | GFCE                 |
|--|---------|-------|-------------------------|----------------------|
| <b>1. Food and non-alcoholic beverages</b> |         |       |                         |                      |
| <b>1.1 FOOD</b>                            |         |       |                         |                      |
| <b>1.1.1 Bread, cereals and pulses</b>     |         |       |                         |                      |
| 1. Rice                                    | 5.19    |       | 5.03                    | 0.349% of total GFCE |
| 1a. Rice products                          |         |       | 39.0                    |                      |
| 2. Wheat                                   | 5.96    |       | 99.18 of (NDS-GFCE-PDS) | 0.374                |
| 2a. Wheat products                         |         |       | 13.11                   |                      |
| 3. Jowar                                   | 3.87    |       | 100.0 of (NDS-GFCE)     | 0.007                |
| 3a. Jowar products                         |         |       | 60.0                    |                      |
| 4. Bajra                                   | 4.8     |       | 95.0                    |                      |
| 4a. Bajra products                         |         |       | 73.0                    |                      |
| 5. Maize                                   | 4.1     |       | 97.7                    |                      |
| 5a. Maize products                         |         |       | 30.0                    |                      |
| 6. Ragi                                    |         |       | 100.0 of NDS            |                      |
| 6a. Ragi products                          |         |       | 56.0                    |                      |
| 7. Barley                                  | 1.5     |       | 86.0                    |                      |
| 7a. Barley products                        |         |       | 90.0                    |                      |
| 8. Small millets                           |         |       | 100.0 of NDS            |                      |
| 8a. Small millets products                 |         |       | 90.0                    |                      |
| 9. Other cereals                           |         | 61.8  |                         |                      |
| 10. Gram whole                             | 4.28    |       | 86.34                   | 0.005                |
| 11. Bread & biscuit                        |         | 19.3  | 10.8                    | 0.95% of NDS         |
| 12. Tapioca                                | 9.19    |       | 9.4                     |                      |
| 13. Arhar                                  | 5.39    |       | 18.0                    |                      |
| 14. Moong                                  | 5.51    |       | 17.0                    |                      |
| 15. Urad                                   | 6.06    |       | 17.0                    |                      |
| 16. Masoor                                 | 5.00    |       | 17.0                    |                      |
| 17. Gram Products                          |         |       | 17.0                    |                      |
| 18. Other Pulses                           | 5.00    |       |                         |                      |
| <b>1.1.2 Meat</b>                          |         |       |                         |                      |
| 1. Beef, Pork, Mutton & Buffalo Meat       | 2.23    |       | 70.86                   |                      |
| 2. Other meat products                     | 5.0     | 27.3  | 70.86                   |                      |
| 3. Duck, Fowl & Chicken                    | 3.65    |       | 20.5                    |                      |
| <b>1.1.3 Fish and seafood</b>              |         |       |                         |                      |
| 1. Inland Fish                             | 6.92    | 43.7  | 25.41                   |                      |
| 2. Marine Fish                             | 2.78    | 43.7  | 32.26                   |                      |
| <b>1.1.4 Milk, cheese and eggs</b>         |         |       |                         |                      |

| Items  | Wastage                                    | TTM * | IIC   | GFCE |
|--|--|-------|-------|------|
| 1. Milk and milk products  |  | 25.9  | 10.78 |      |
| 2. Eggs  | 6.55                                       |       | 20.50 |      |
| <b>1.1.5 Oils and fats</b>   |  |       |       |      |
| 1. Vanaspati, mustard oil, coconut oil, gingelly oil & linseed oil | 2.0  |       | 28.22 |      |
| 2. Groundnut oil   | 2.0  |       | 42.00 |      |
| 3. Castor oil  | 2.0  |       | 99.00 |      |
| 4. Other edible oils (incl. imported oil)                          |  |       | 28.22 |      |
| 5. Sesamum seed  |  |       | 89.76 |      |
| 6. Linseed   | 1.0  |       | 89.76 |      |
| 7. Rapeseed and mustard  | 8.89                                       |       | 99.25 |      |
| 8. Other oilseeds  | 6.26                                       | 24.0  | 89.76 |      |
| <b>1.1.6 Fruit</b>   |  |       |       |      |
| 1. Banana  | 6.6  |       | 10.4  |      |
| 2. Mango   | 12.74                                      |       | 10.4  |      |
| 3. Grapes  | 8.3  |       | 10.4  |      |
| 4. Citrus fruits   | 6.38                                       |       | 10.4  |      |
| 5. Cashew kernels  | 1.12                                       |       | 10.4  |      |
| 6. Groundnut   | 10.07                                      |       | 63.14 |      |
| 7. Coconut   | 5.36                                       |       | 57.41 |      |
| 8. Copra   |  |       | 89.76 |      |
| 9. Other fruits  | 12.0                                       | 43.1  | 25.0  |      |
| 10. Fruit products   |  | 43.1  | 2.5   |      |
| <b>1.1.7 Vegetables</b>  |  |       |       |      |
| 1. Onion   | 7.51                                       |       | 19.44 |      |
| 2. Potato  | 8.99                                       |       | 19.44 |      |
| 3. Sweet potato  | 7.1  |       |       |      |
| 4. Other vegetables  | 12.0                                       | 43.1  | 25.0  |      |
| 5. Vegetable products  |  | 43.1  | 2.5   |      |
| <b>1.1.8 Sugar, jam, honey, chocolate and confectionery</b>        |  |       |       |      |
| 1. Sugar cane for chewing  | 8.64                                       | 27.7  |       |      |
| 2. Gur   | 2.0  |       | 25.95 |      |
| 3. Refined Sugar   | 2.0  |       | 25.95 |      |
| 4. Sugar confectionery   |  | 19.3  | 25.95 |      |
| <b>1.1.9 Food products n.e.c.</b>                                  |  |       |       |      |
| 1. Salt  | Estimated from Consumer Expenditure Survey |       |       |      |
| 2. Spices  | Estimated from Consumer Expenditure Survey |       |       |      |
| 3. Other food  |  | 19.3  | 62.72 |      |
| <b>1.2 NON-ALCOHOLIC BEVERAGES</b>                                 |  |       |       |      |
| <b>1.2.1 Coffee, tea and cocoa</b>                                 |  |       |       |      |
| 1. Coffee  |  |       | 58.88 |      |
| 2. Tea   |  |       | 26.85 |      |

| Items   | Wastage                                    | TTM * | IIC   | GFCE |
|---|--|-------|-------|------|
| 3. Cocoa  |  | 19.3  | 62.72 |      |
| <b>1.2.2 Mineral water, soft drinks, fruit and vegetable juices</b>         |  | 35.3  | 12.35 | 0.9  |
| <b>2. ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS</b>                        |  |       |       |      |
| <b>2.1 Alcoholic Beverages</b>  |  | 35.3  | 9.9   | 1.3  |
| <b>2.2 Tobacco</b>  |  |       |       |      |
| 1. Cigarettes   |  | 39.5  |       |      |
| 2. Bidi   |  | 39.5  |       |      |
| 3. Chewing tobacco and other tobacco products                               |  | 39.5  | 4.63  |      |
| <b>2.3 Narcotics</b>  |  |       |       |      |
| 1. Pan  | Estimated from Consumer Expenditure Survey |       |       |      |
| 2. Arecanut   | 7.87                                       |       | 4.63  |      |
| * No figures reported against TTM column means retail price have been used. |  |       |       |      |
| NDS = National Disposable Supply  |  |       |       |      |

**Ratios used in PFCE estimation in 2011-12 series (%)**  
**Manufactured products**

|    | <b>Items</b>  | <b>TTM\$</b> | <b>IIC&amp;</b> | <b>GFCE&amp;</b> | <b>GFCF&amp;</b> |
|----|---|--------------|-----------------|------------------|------------------|
| 1  | Clothing materials  | 41.12        | 40.0            | 0.15             | 0                |
| 2  | Garments & Other articles of clothing and clothing accessories                | 41.12        | 11.65           | 4.73             | 0                |
| 3  | Shoes & footwear  | 79.93        | 1.88            | 0.15             | 0                |
| 4  | Furnishings   | 49.75        | 22.72           | 11.3             | 16.48            |
| 5  | Carpets   | 42.32        | 4.77            | 2.7              | 43.61            |
| 6  | Household textiles  | 20.24        | 4.77            | 7.09             | 0                |
| 7  | Household appliances  | 22.71        | 19.44           | 8.79             | 46.86            |
| 8  | Glassware, tableware, household utensils                                      | 30.23        | 71.05           | 0.14             | 5.19             |
| 9  | Small Tools   | 28.65        | 86.58           | 0.27             | 0                |
| 10 | Non-durable goods   | 28.81        | 55.84           | 1.33             | 0                |
| 11 | Motor cars  | 15.83        | 14.81           | 2.27             | 60.01            |
| 12 | Motor cycles  | 25.32        | 40.41           | 2.20             | 1.12             |
| 13 | Bicycle   | 49.99        | 11.7            | 1.46             | 29.75            |
| 14 | Animal drawn vehicles   | 46.23        | 54.91           | 0.17             | 36.36            |
| 15 | Spare parts   | 23.75        | 28.7            | 1.74             | 42.67            |
| 16 | Telephone and Telefax Equipment   | 27.7         | 21.24           | 9.05             | 24.39            |
| 17 | Equipment for the reception, recording and reproduction of sound and pictures | 35.89        | 21.64           | 9.45             | 43.22            |
| 18 | Photographic and cinematographic equipment and optical instruments            | 61.72        | 20.84           | 6.30             | 53.72            |
| 19 | Information processing equipment  | 24.08        | 18.62           | 3.00             | 63.38            |
| 20 | Recording Media   | 27.65        | 21.24           | 9.05             | 24.39            |
| 21 | Major durables for outdoor recreation   | 6.24         | 15.46           | 0.02             | 39.94            |
| 22 | Musical instruments and major durables for indoor recreation                  | 58.31        | 0               | 1.75             | 5.48             |
| 23 | Items related to Games, toys and hobbies                                      | 58.31        | 0               | 1.75             | 5.48             |
| 24 | Equipment for sport, camping and open-air recreation                          | 62.14        | 35.05           | 1.45             | 4.42             |
| 25 | Products relating Gardens, plants and flowers                                 | 18.9         | 81.95           | 1.20             | 0.00             |
| 26 | Pets and related products   | 19.25        | 62.72           | 0.89             | 0.00             |
| 27 | Books   | 24.04        | 38.24           | 24.47            | 0.00             |
| 28 | Newspapers and periodicals  | 24.04        | 38.24           | 24.47            | 0.00             |
| 29 | Miscellaneous printed matter  | 24.04        | 38.24           | 24.47            | 0.00             |
| 30 | Stationery and drawing materials  | 58.3         | 38.24           | 24.47            | 0.00             |
| 31 | Electric and other appliances for personal care                               | 23.45        | 21.00           | 0.00             | 0.00             |
| 32 | Clocks, watches, etc.   | 10.91        | 49.13           | 0.03             | 31.61            |
| 33 | Other personal items  | 65.80        | 42.97           | 1.75             | 5.48             |

\$ as a percent of total supplies

& as a percent of total available supplies after accounting for TTM

**Ratios used in PFCE estimation in 2011-12 series (%)**  
**Services**

| Item   | Assumptions  |
|--|--|
| 1. Cleaning, repair and hire of clothing   | 75% of output  |
| 2. Actual rentals for housing  | GVA of owner ship of dwellings   |
| 3. Services for the maintenance and repair of dwelling                                 | Cost of R&M of Dwelling  |
| 4. Water supply  | 3% of GVA of Ownership of Dwellings  |
| 5. Refuse collection, sewage collection and other services relating to dwelling n.e.c. | 10% of GVA of Sanitary services  |
| 6. Repair of personal & Hhs goods, furniture, furnishings and floor coverings          | 100% of output   |
| 7. Domestic services   | 100% of output   |
| 8. Fuels and lubricants for personal transport equipment                               | PFCE is 65% of cost on petrol and 70% of cost on R&M in case of cars, 84% for both the items in case of two wheelers, 95% of cost on R&M in case of bicycles |
| 9. Maintenance and repair of personal transport equipment                              |  |
| 10. Passenger transport by railway   | PFCE is 80% of passenger earnings  |
| 11. Passenger transport by road  | PFCE is 55% of the earning in case of taxis, 85% of the earnings in case of bus and 90% of the earnings in case of autorickshaws                             |
| 12. Passenger transport by air   | 40% of output  |
| 13. Passenger transport by sea and inland waterway                                     | PFCE is 75% of passenger earnings in case of organised water transport and 95% of output for passengers in case of unorganised water transport               |
| 14. Other purchased transport services   | PFCE is 5% of the total agency earnings in case of Railway, shipping, air etc  |
| 15. Communication services   | PFCE is 40% of earnings  |
| 16. Recreational and sporting services   | PFCE is equivalent to the entertainment cost which is estimated taking the entertainment tax rate as 49.03% and 75% of output of TV and Radio services       |
| 17. Catering services  | 44% of output  |
| 18. Hairdressing salons and personal grooming establishments                           | 98% of output  |
| 19. Legal services   | 50% of output  |
| 20. Funeral services   | 90% of output  |
| 21. Business services  | 45% of output  |
| 22. Tailoring services   | 75% of output  |
| 23. Religious services   | 90% of output  |