

Approach for preparing back-series

- Methodology for preparing the back-series estimates for the years 2004-05 to 2010-11 is largely the same as the methodology followed in the new base (2011-12)
- In certain cases, owing to the limitations of the availability of data, splicing method or ratios observed in the estimates in base year 2011-12 have been applied as appropriate
- Methodology was discussed in detail by ACNAS before adopting
- For the years prior to previous base year (2004-05), the estimates would be prepared using the splicing technique

Major Highlights of Revision: 2011-12

1. Improvement in Methodology

1.1 Implementation of International Guidelines (SNA 2008)

- Estimation by different institutional sectors – Non Financial and financial Corporations, General Government & Households: Distinction between General Government & Public Corporations
- Valuation of GVA at basic prices
- Treatment of quasi corporations : same as corporations
- Research & Development expenses treated as part of Capital Formation
- Reserve Bank of India : treated as a non-market enterprise
- Financial Intermediation Services Indirectly Measured (FISIM) computed using Reference Rate method

1.2 Other Changes

- Use of Enterprise Approach
- Modified Labour Input Method
- Use of Sales tax indicator for unincorporated trade instead of GTI index
- Use of Sector specific CPIs used (Health, Education, Transport & Comm)
- Inclusion of construction materials as basic materials (bitumen, glass) & indirect estimate of sand

Major Highlights of Revision -2011-12

2. Use of Latest Data Sources

- Rebasing to 2011-12 by using recent survey /census data & type studies for rebasing eg. NSS 68th Round (2011-12) survey on Employment & Unemployment & Consumer Expenditure, NSS 67th Round (2010-11) Survey on Unincorporated Non- agricultural Enterprises (Excluding Construction)
- Use of MCA 21 database
- New series of WPI & CPI in lieu of CPI-AL/IW

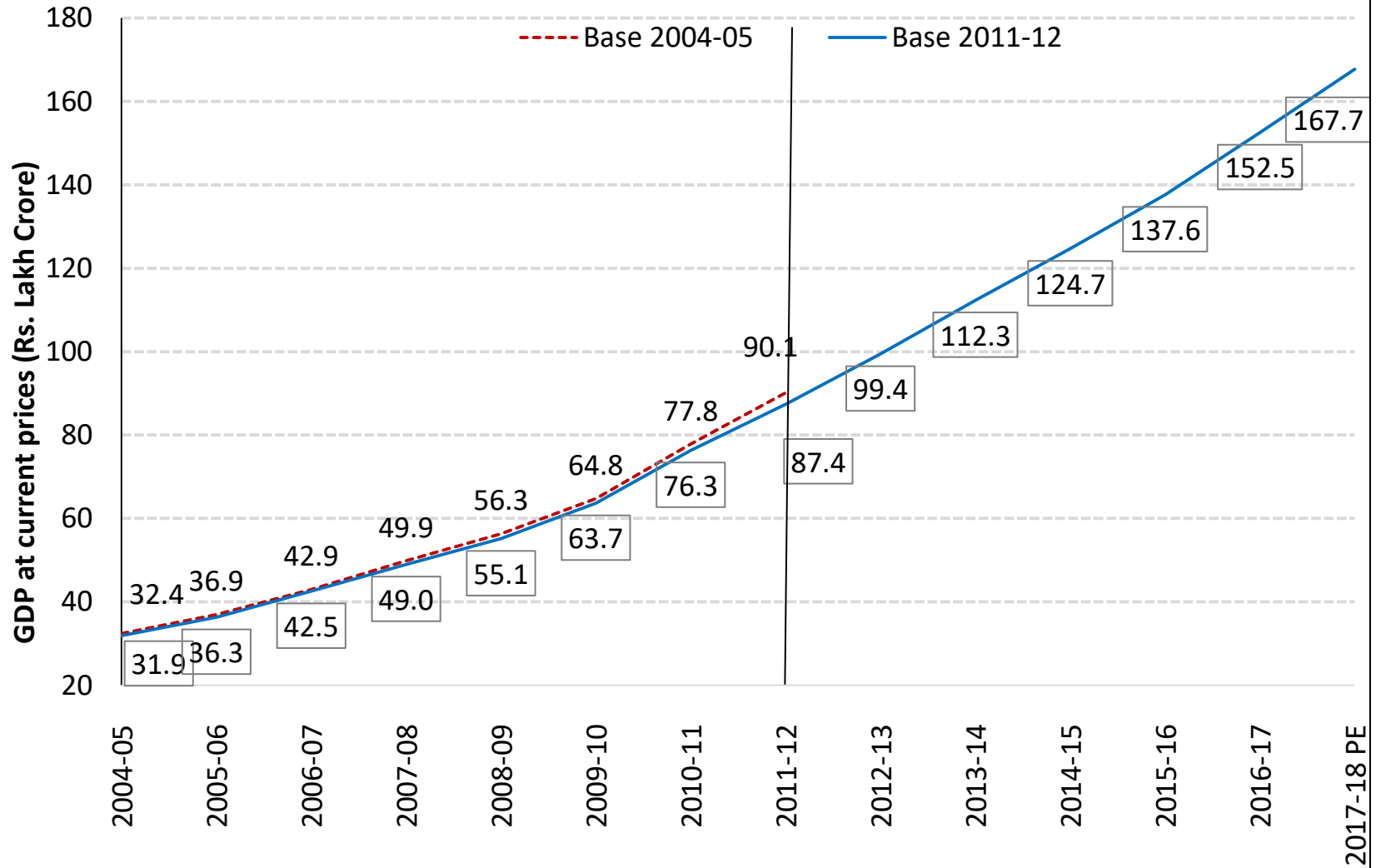
3. Improvement in Coverage

- Inclusion of stock brokers, stock exchanges, asset management companies, additional mutual funds and pension funds, regulatory bodies like SEBI, PFRDA & IRDA in Financial sector
- Improvements in coverage of local bodies and autonomous institutions

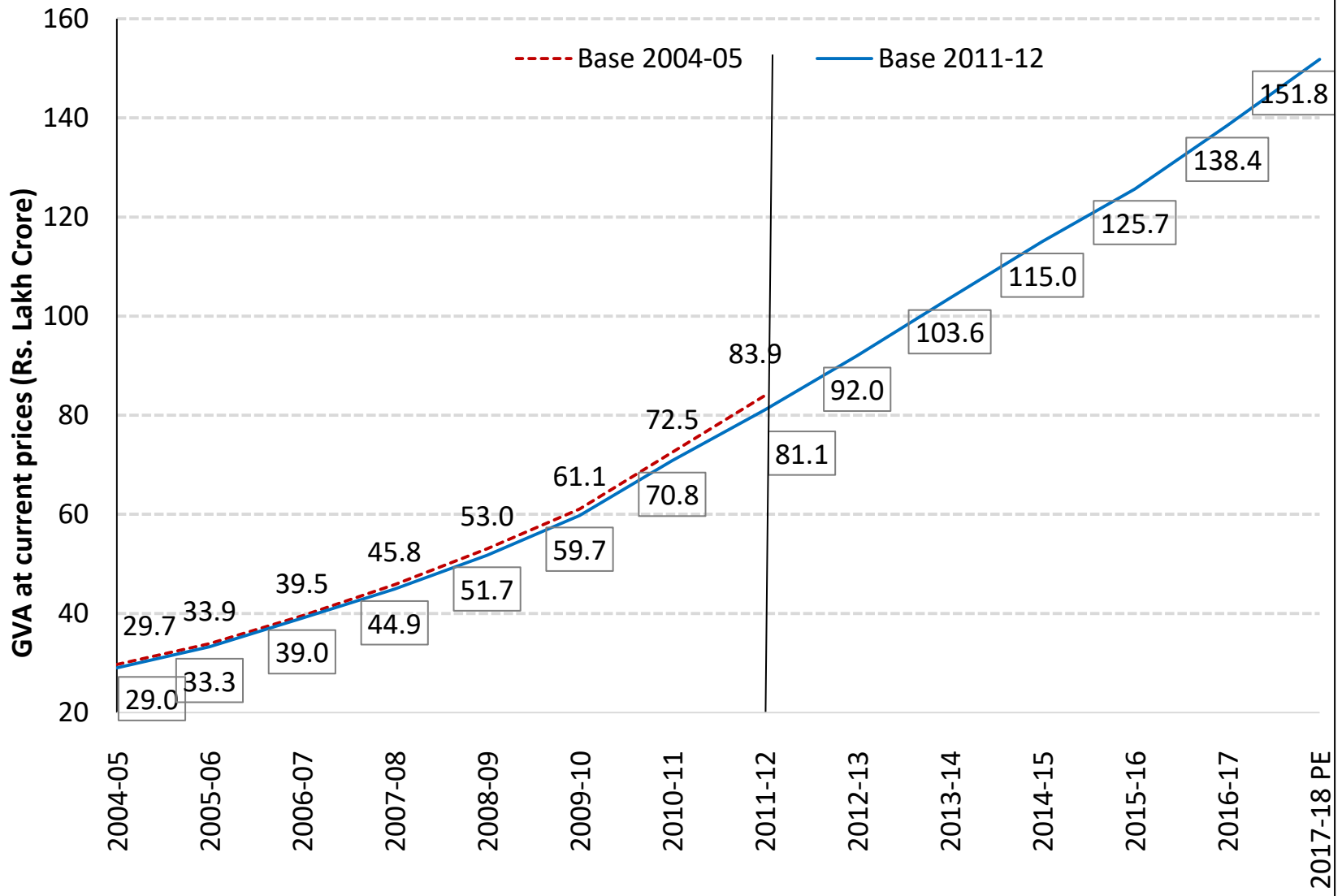
Methodology for 2004-05 Base

- Registered Manufacturing : ASI & budget documents, unregistered manufacturing - NSS 62nd Round estimates subsequently moved by IIP & WPI
- Unorganised manufacturing and services using Labour Input method
- Overall CPI was used
- Gross Trading Income (GTI) Index used to move unorganised sector trade , repair & maintenance, hotels & restaurants
- Private Corporate Sector – Trade, Repair and Maintenance, Communication, Real Estate moved with RBI growth rates (Study on company finances)
- Banking Department of Reserve Bank of India (RBI was treated as Market Enterprise

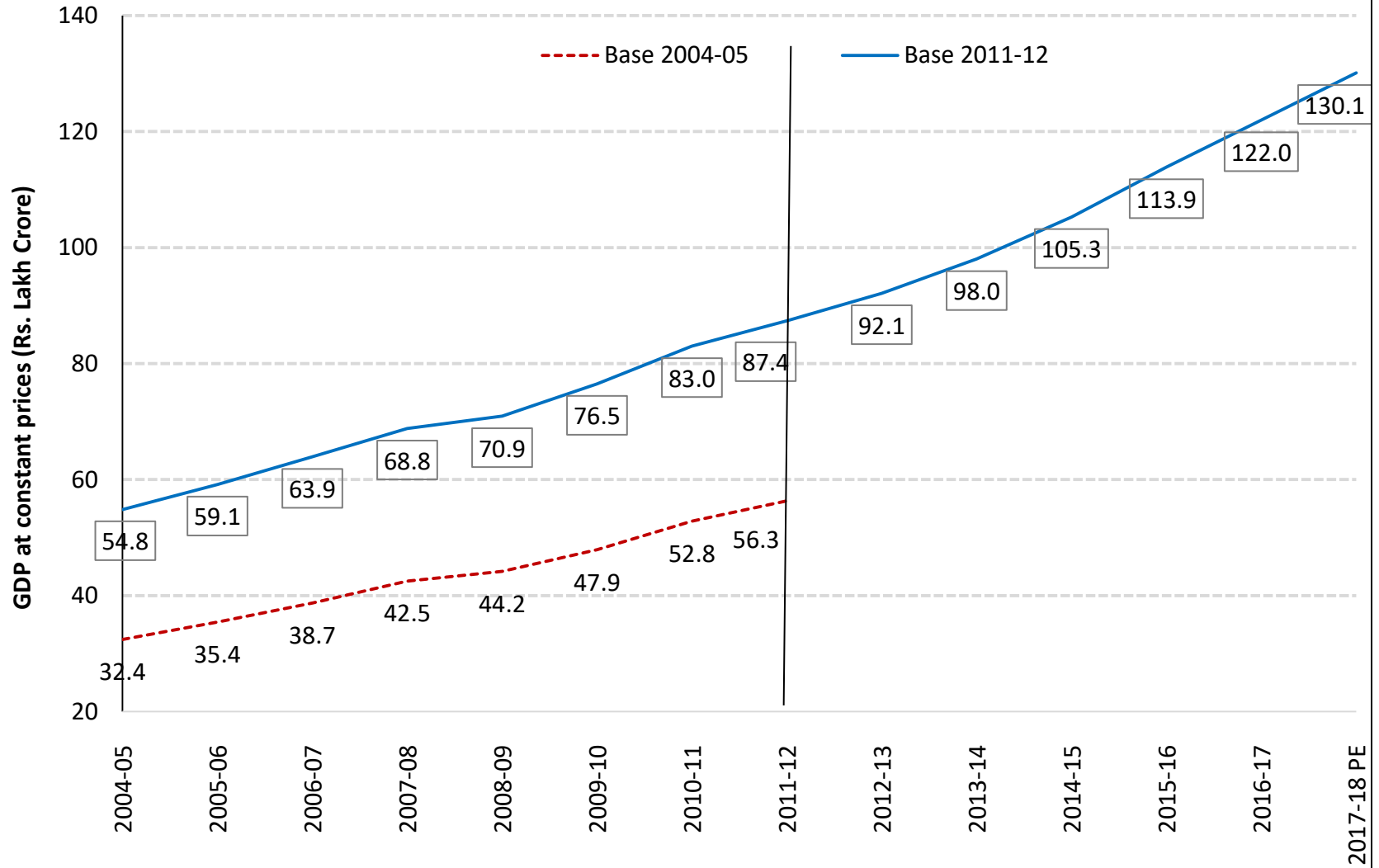
Comparison of GDP at Current Prices (Rs. Lakh Crore)



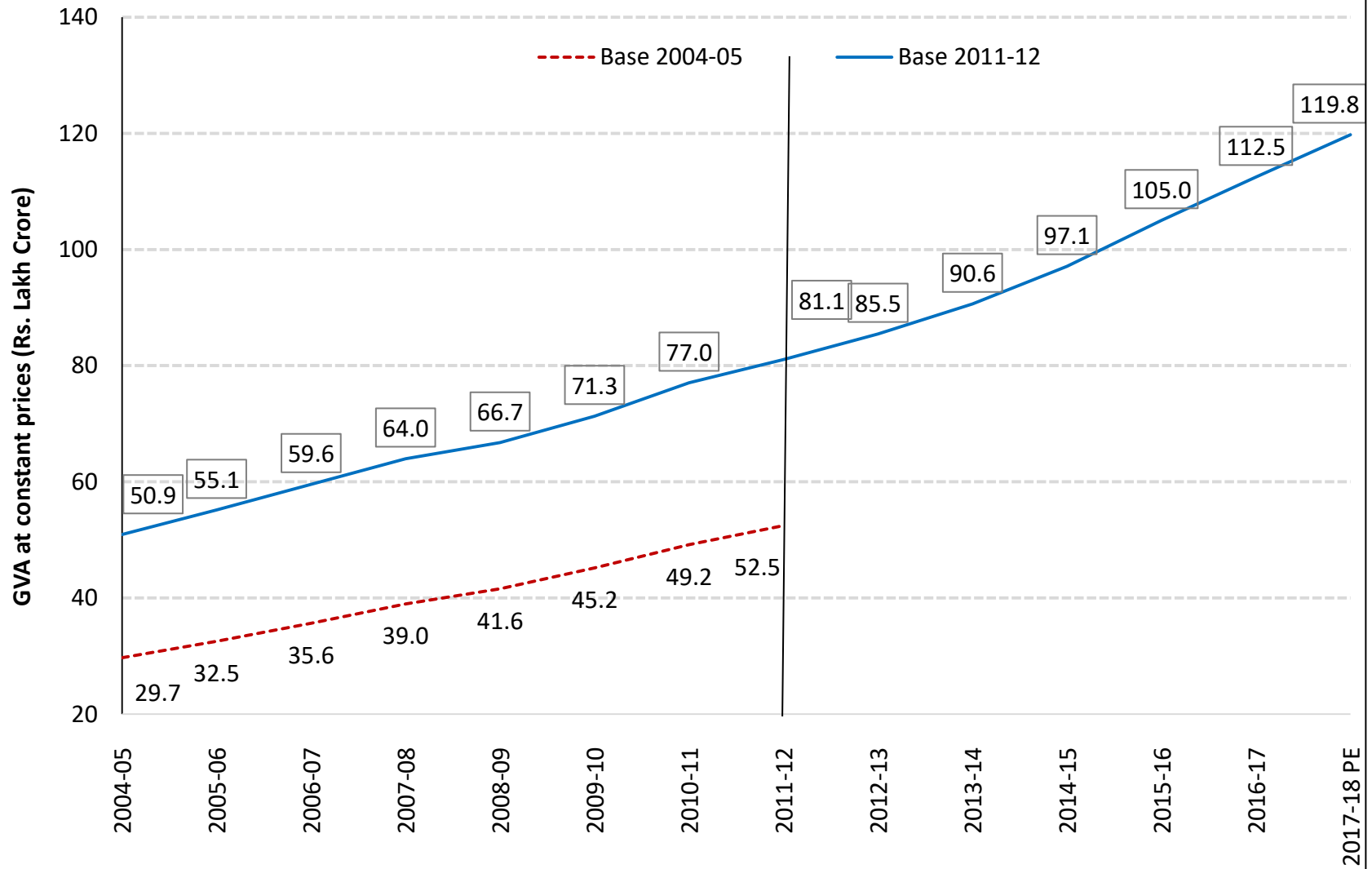
Comparison of GVA at Current Prices (Rs. Lakh Crore)



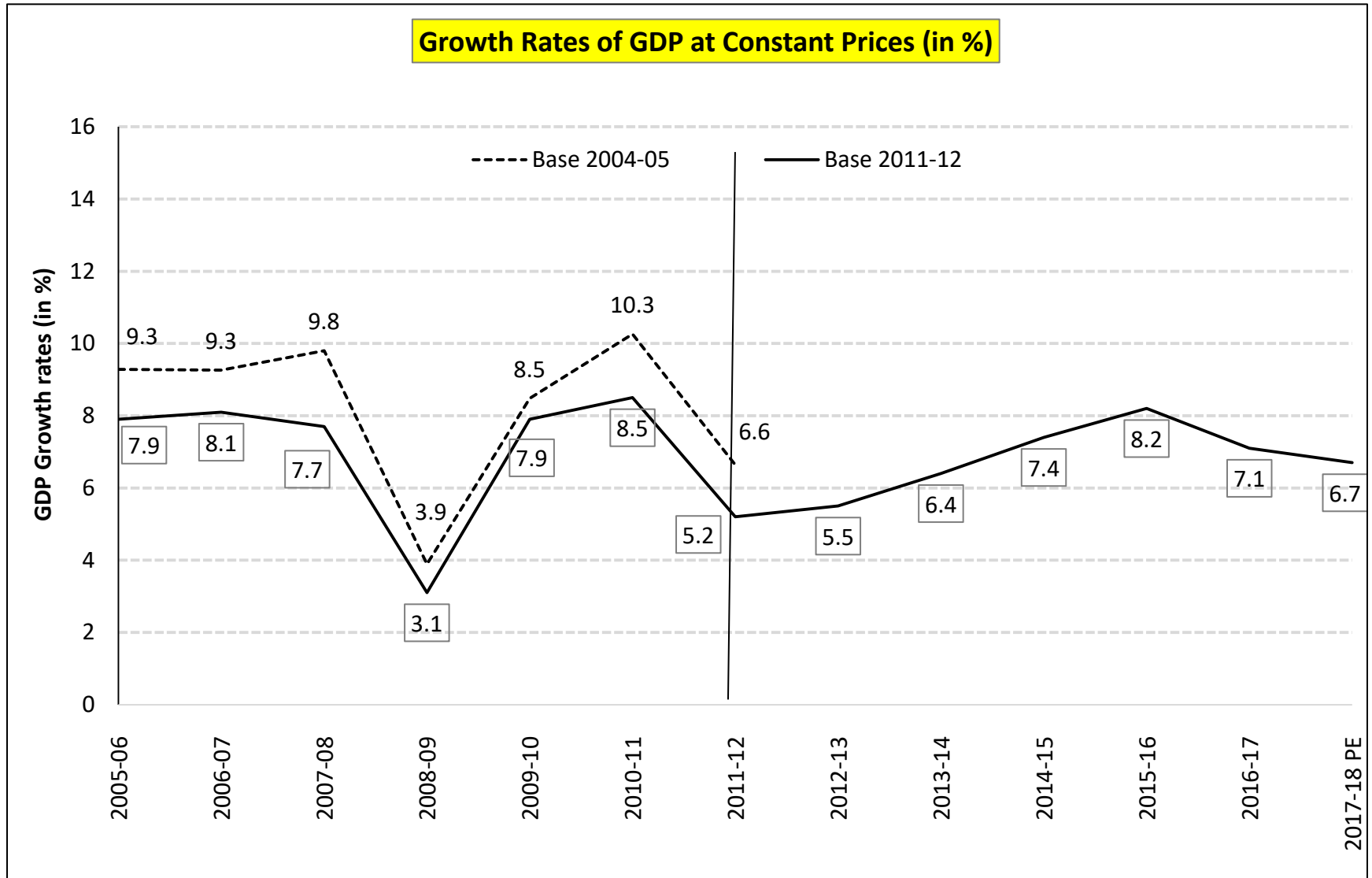
Comparison of GDP at Constant Prices (Rs. Lakh Crore)



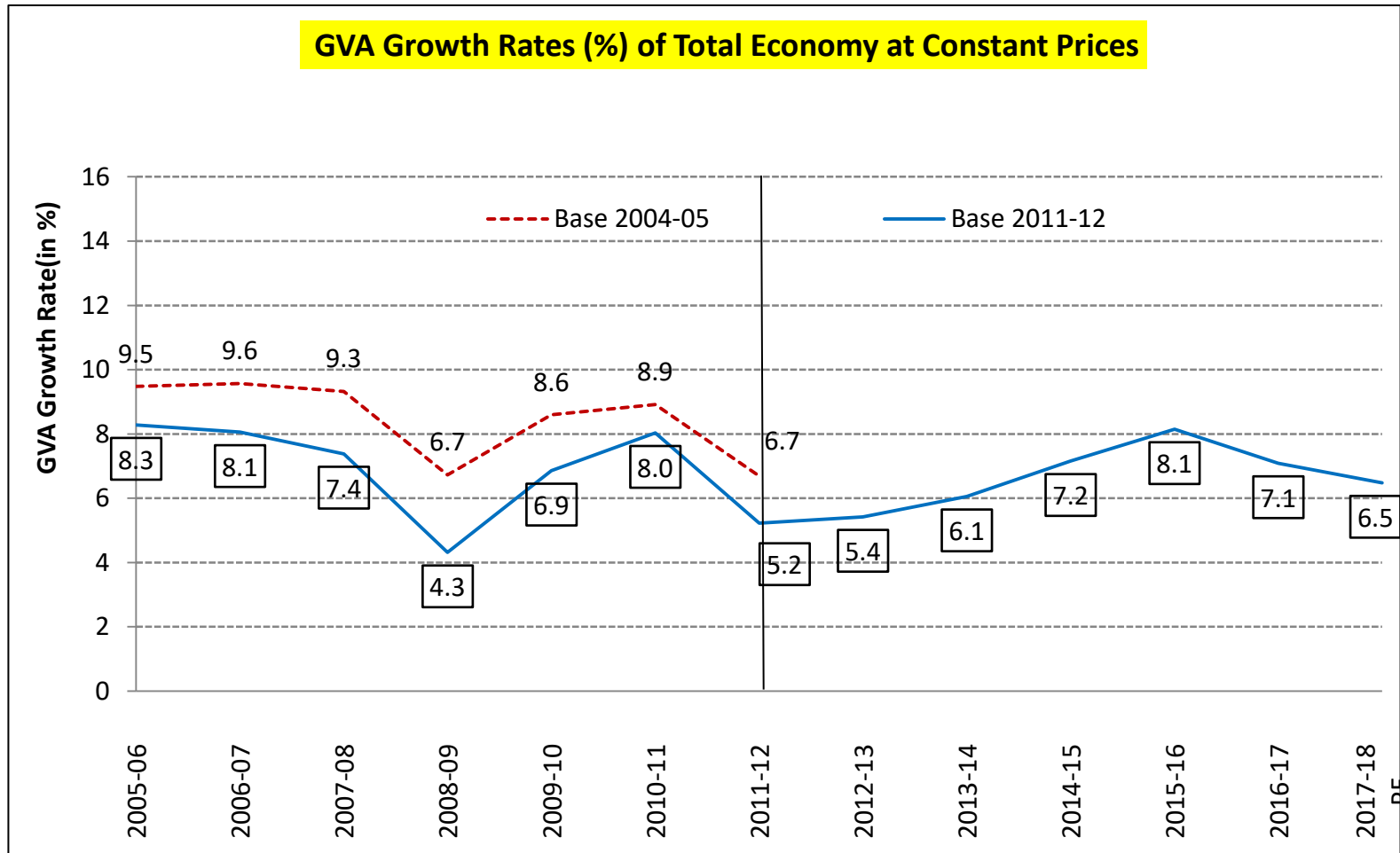
Comparison of GVA at Constant Prices (Rs. Lakh Crore)



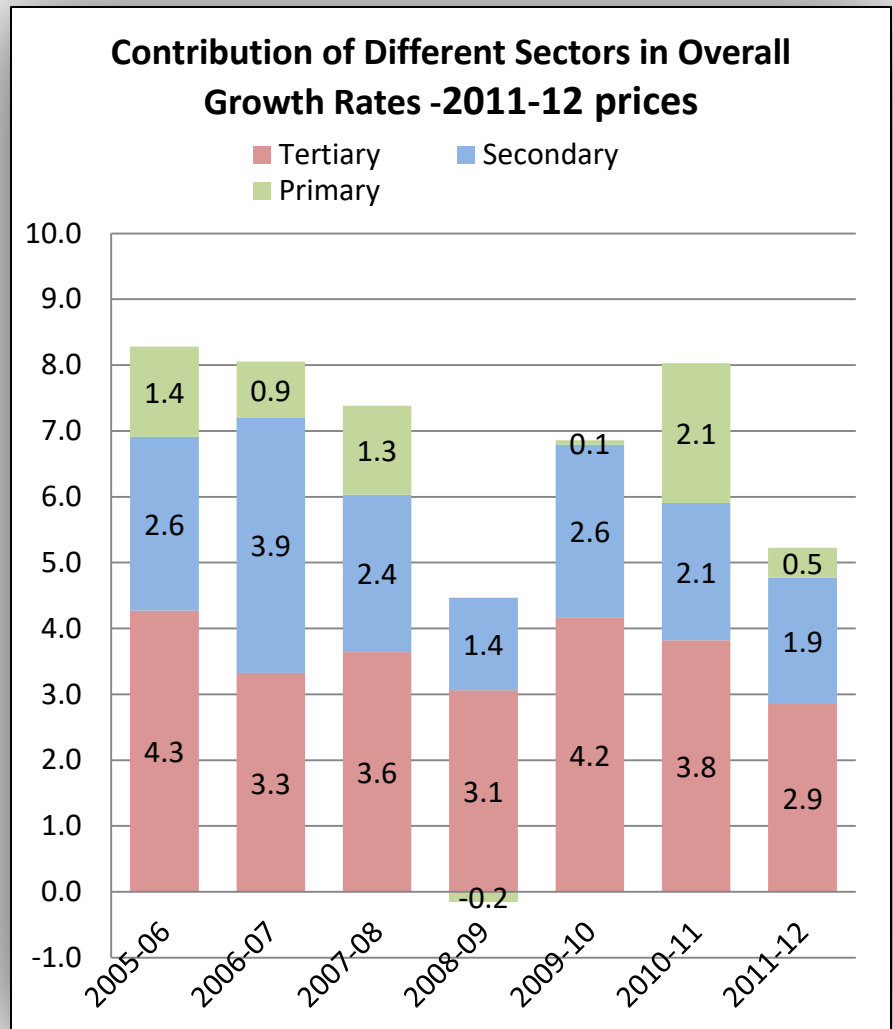
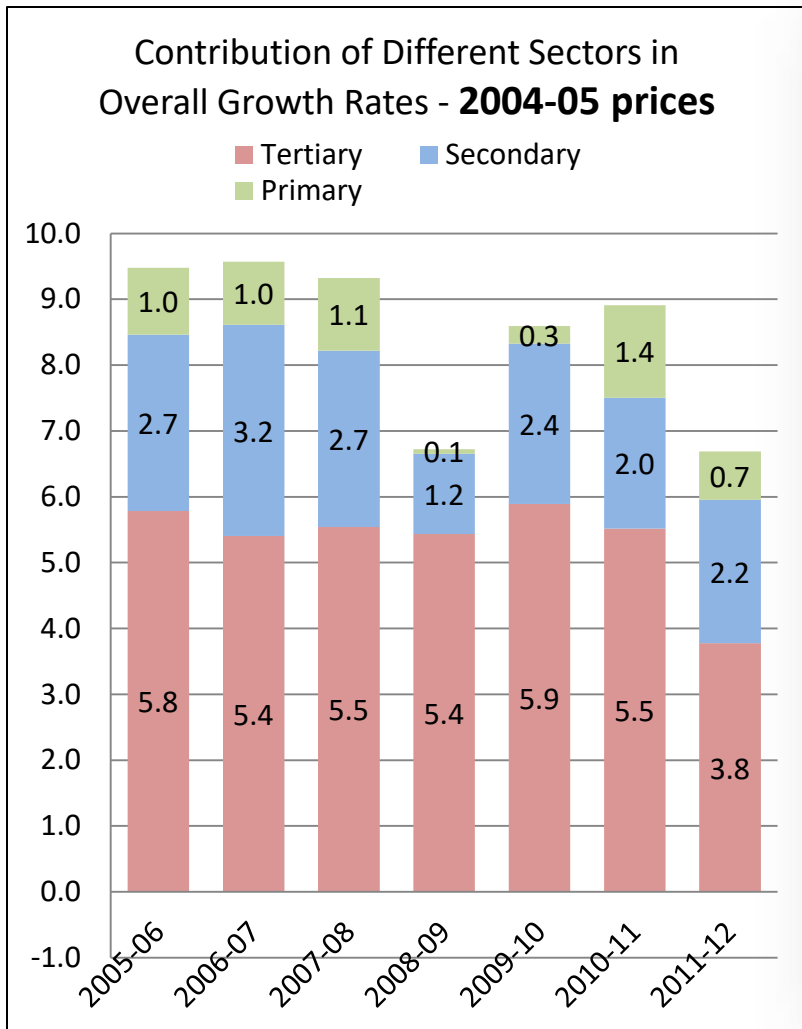
GDP Growth Rates (in %) at Constant Prices - 2004-05 Series and 2011-12 Series



GVA Growth Rates (in %) at Constant Prices - 2004-05 Series and 2011-12 Series



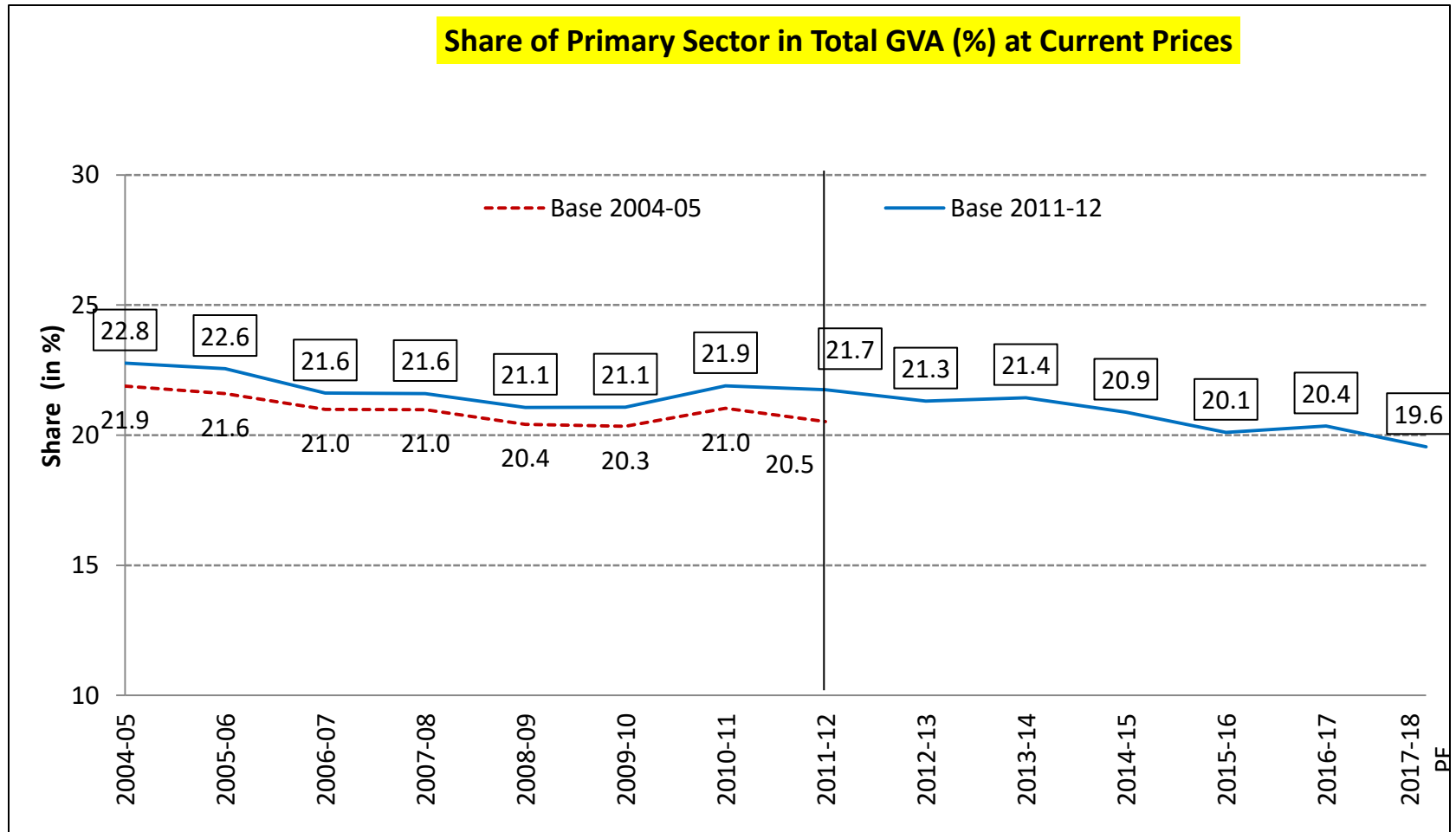
Contribution of Different Sectors in Overall Growth Rates



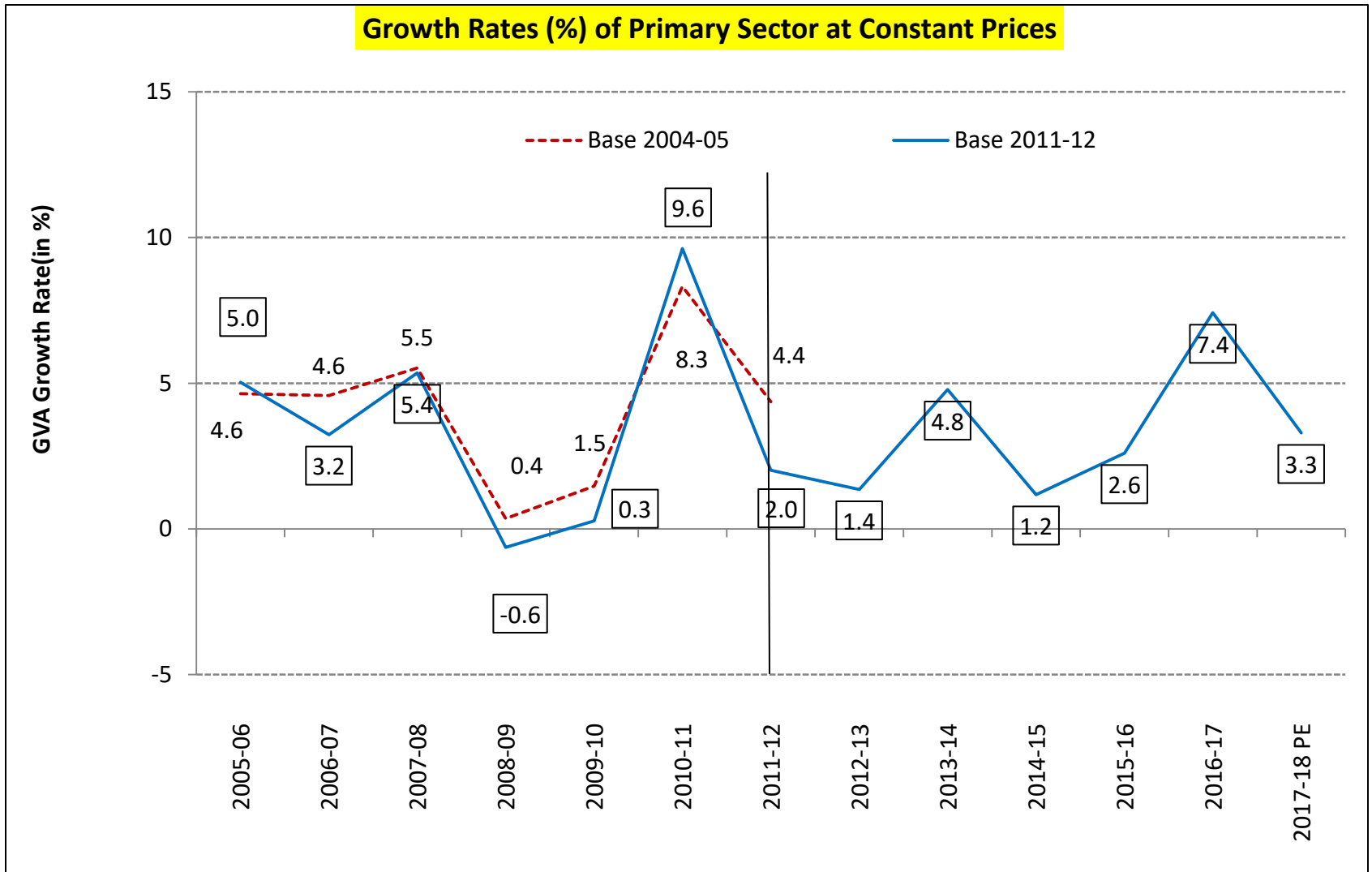
Contribution of Tertiary Sector in Overall Growth Rates

		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Trade, Repair, Hotels and Restaurants	2004-05 series	2.0	1.8	1.7	1.0	1.3	2.0	0.2
	2011-12 series	1.1	1.1	0.7	0.1	0.3	1.6	0.6
Transport, storage, communication & services related to broadcasting	2004-05 series	1.0	1.1	1.1	1.0	1.4	1.3	1.0
	2011-12 series	0.5	0.5	0.5	0.3	0.7	0.4	0.5
Financial services	2004-05 series	0.9	1.3	1.1	1.0	0.9	1.2	1.1
	2011-12 series	0.6	0.7	0.6	0.3	0.4	0.4	0.2
Others	2004-05 series	1.9	1.2	1.6	2.5	2.3	1.1	1.5
	2011-12 series	2.0	1.0	1.8	2.3	2.7	1.5	1.6
GVA Tertiary Sector	2004-05 series	5.8	5.4	5.5	5.4	5.9	5.5	3.8
	2011-12 series	4.3	3.3	3.6	3.1	4.2	3.8	2.9

Primary Sector :Agriculture, Forestry, Fishing, Mining and Quarrying

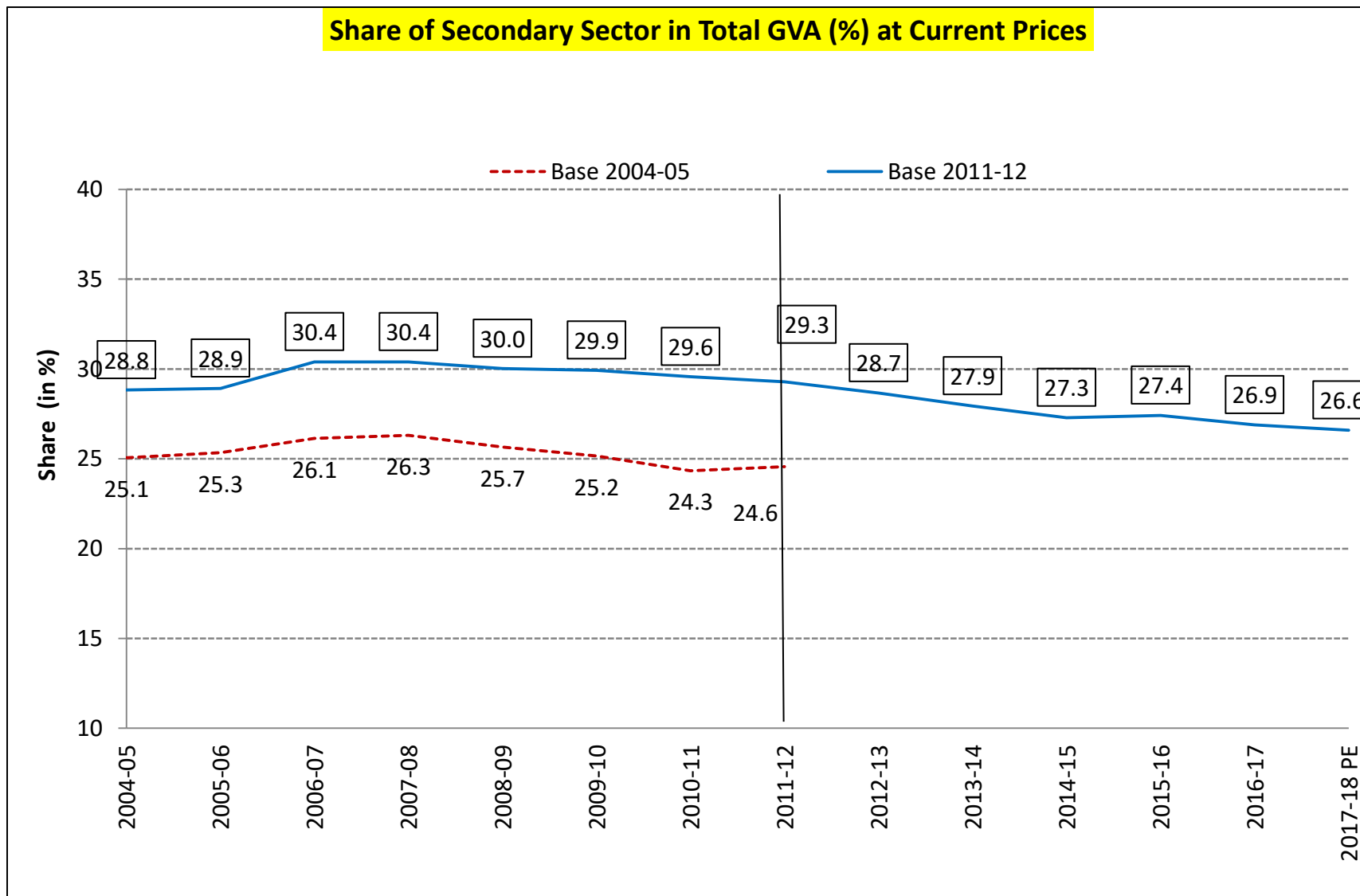


Growth in Primary Sector :Agriculture, Forestry, Fishing, Mining and Quarrying



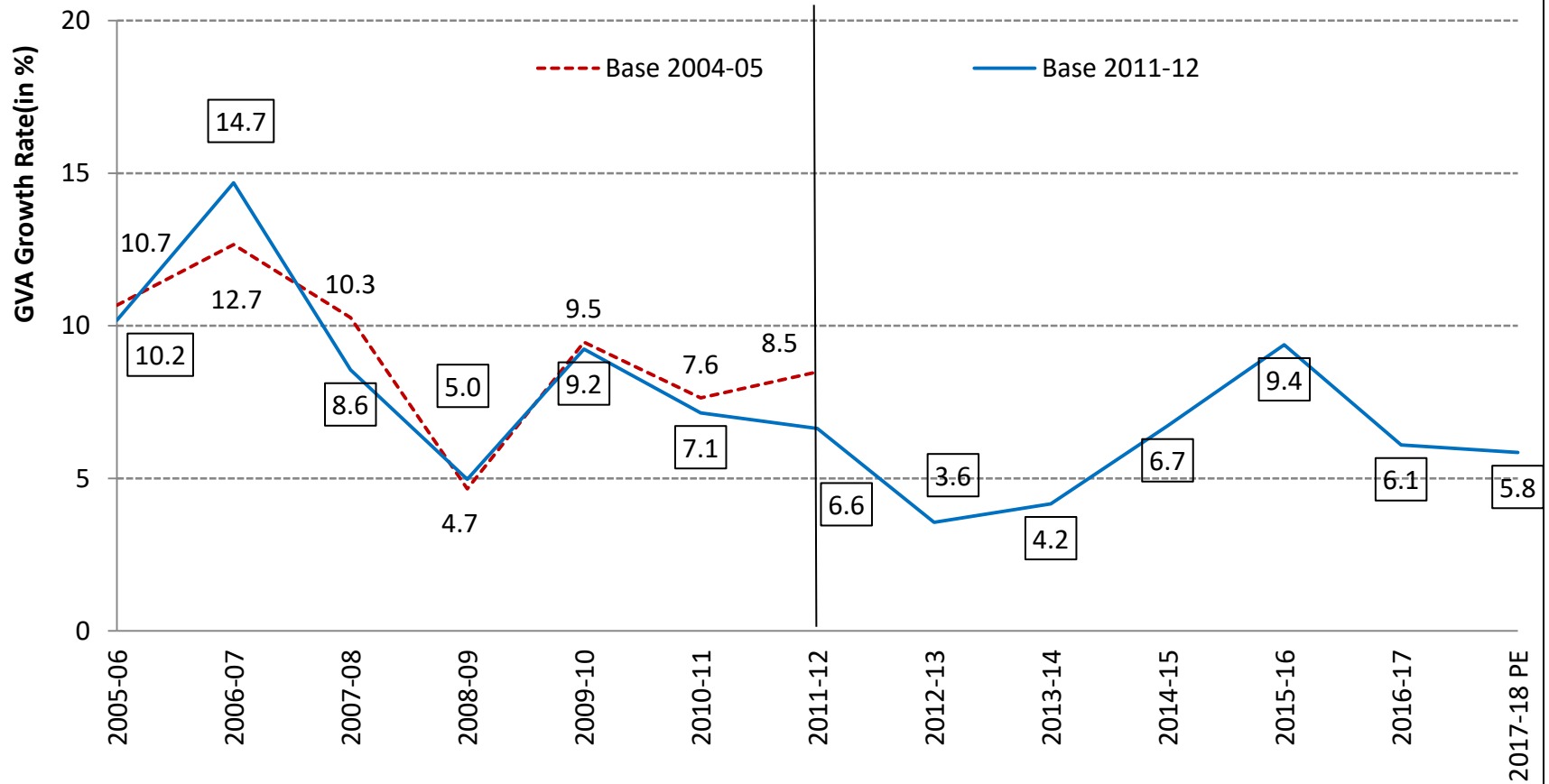
Secondary Sector : Manufacturing, Electricity, Gas, Water Supply, Remediation Services and Construction

Share of Secondary Sector in Total GVA (%) at Current Prices

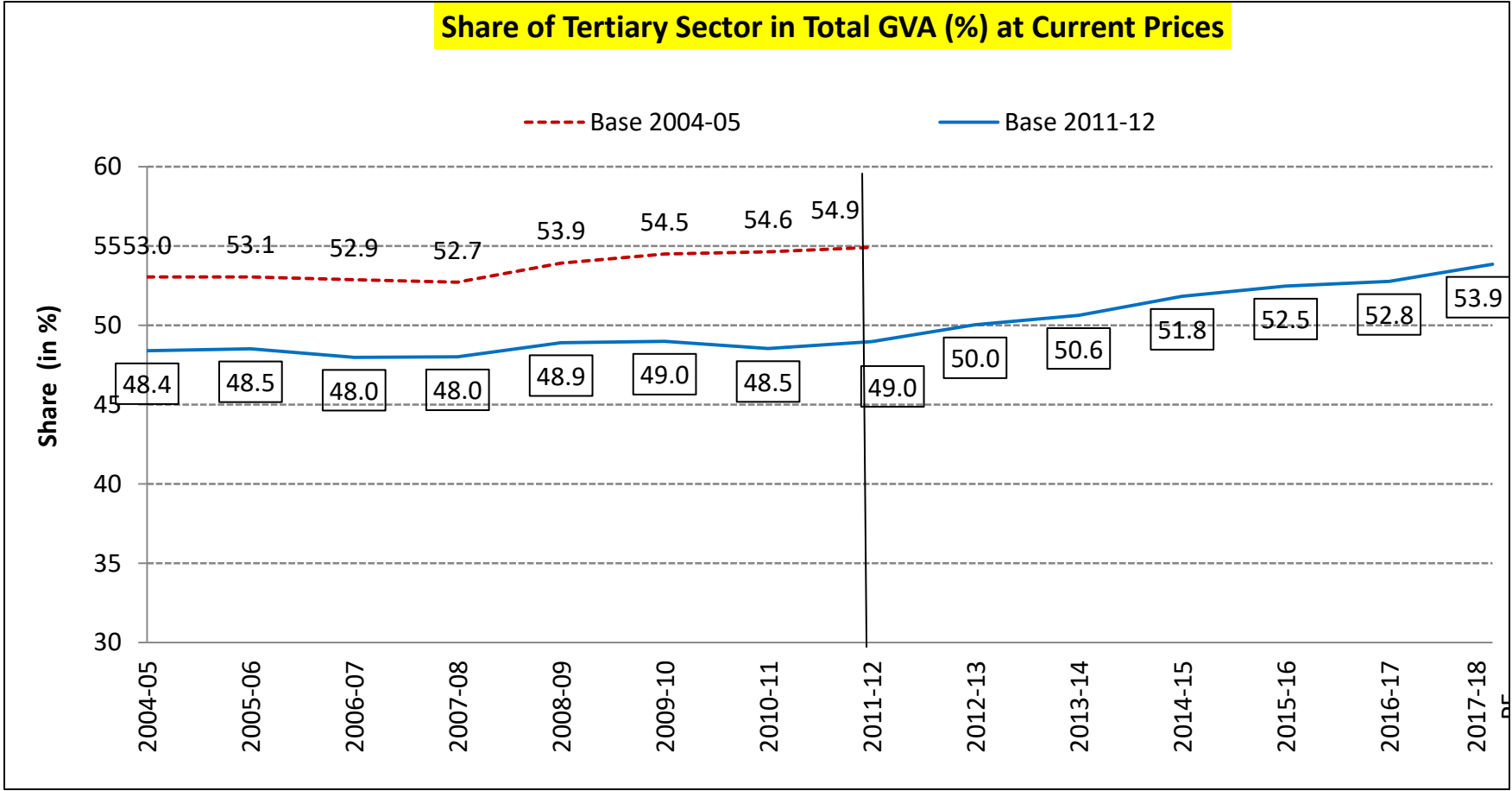


Growth In Secondary Sector :Manufacturing, Electricity, Gas, Water Supply, Remediation Services and Construction

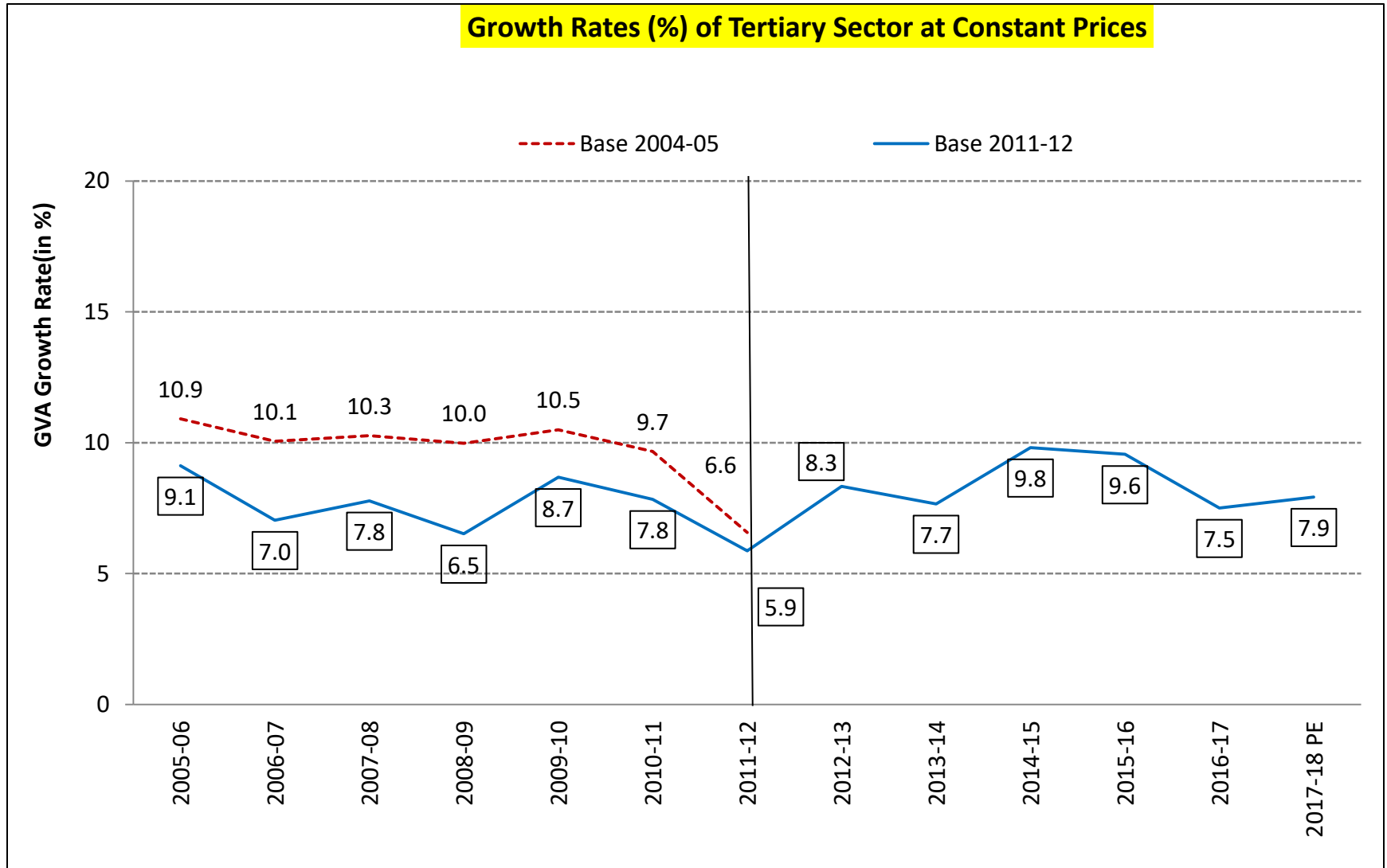
Growth Rates (%) of Secondary Sector at Constant Prices



Tertiary Sector :Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, Broadcasting, Financial Services, Real Estate, Ownership of Dwelling, Professional Services, Public Administration and Defence, Other Services

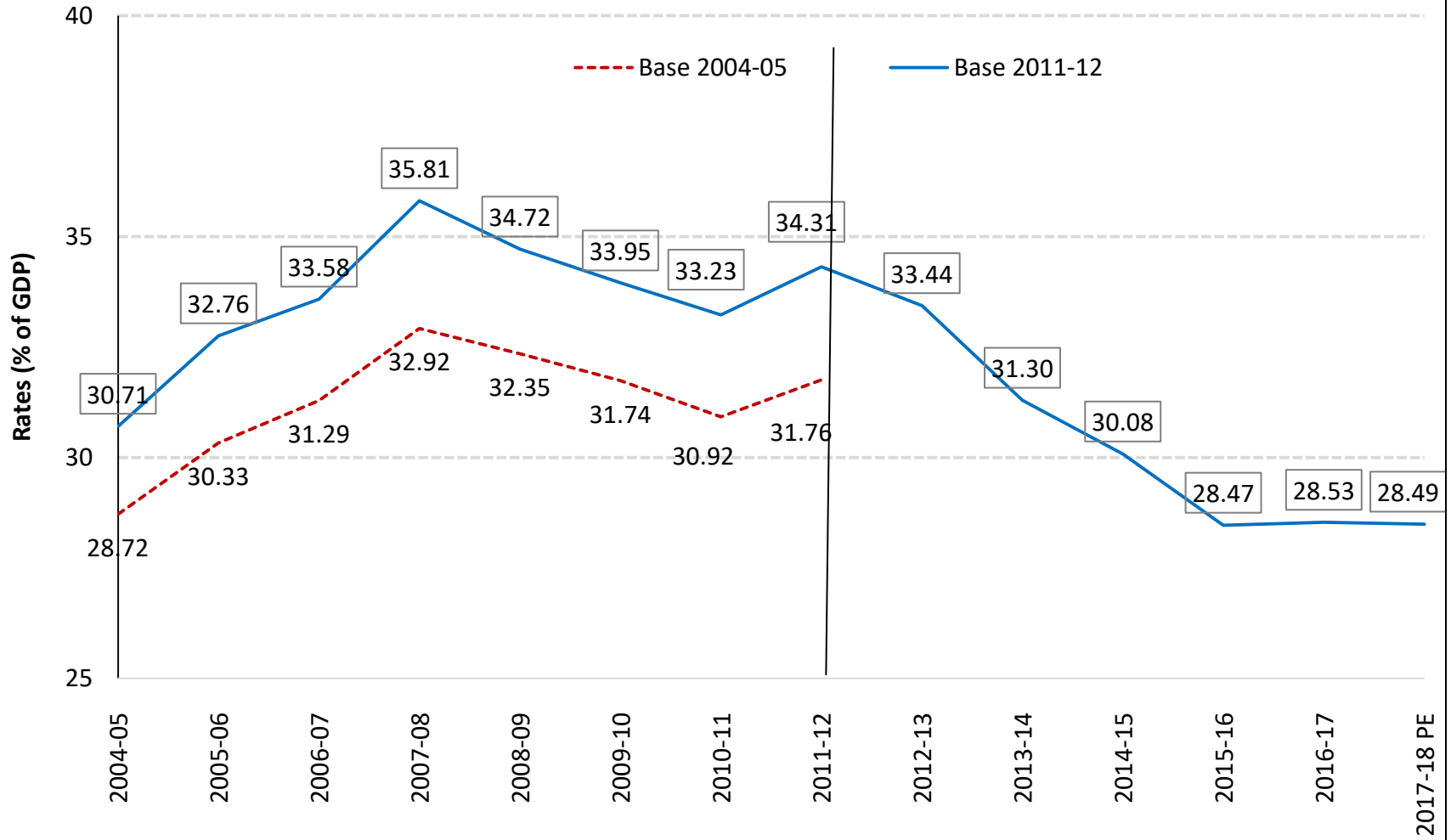


Growth In Tertiary Sector :Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, Broadcasting, Financial Services, Real Estate, Ownership of Dwelling, Professional Services, Public Administration and Defence, Other Services

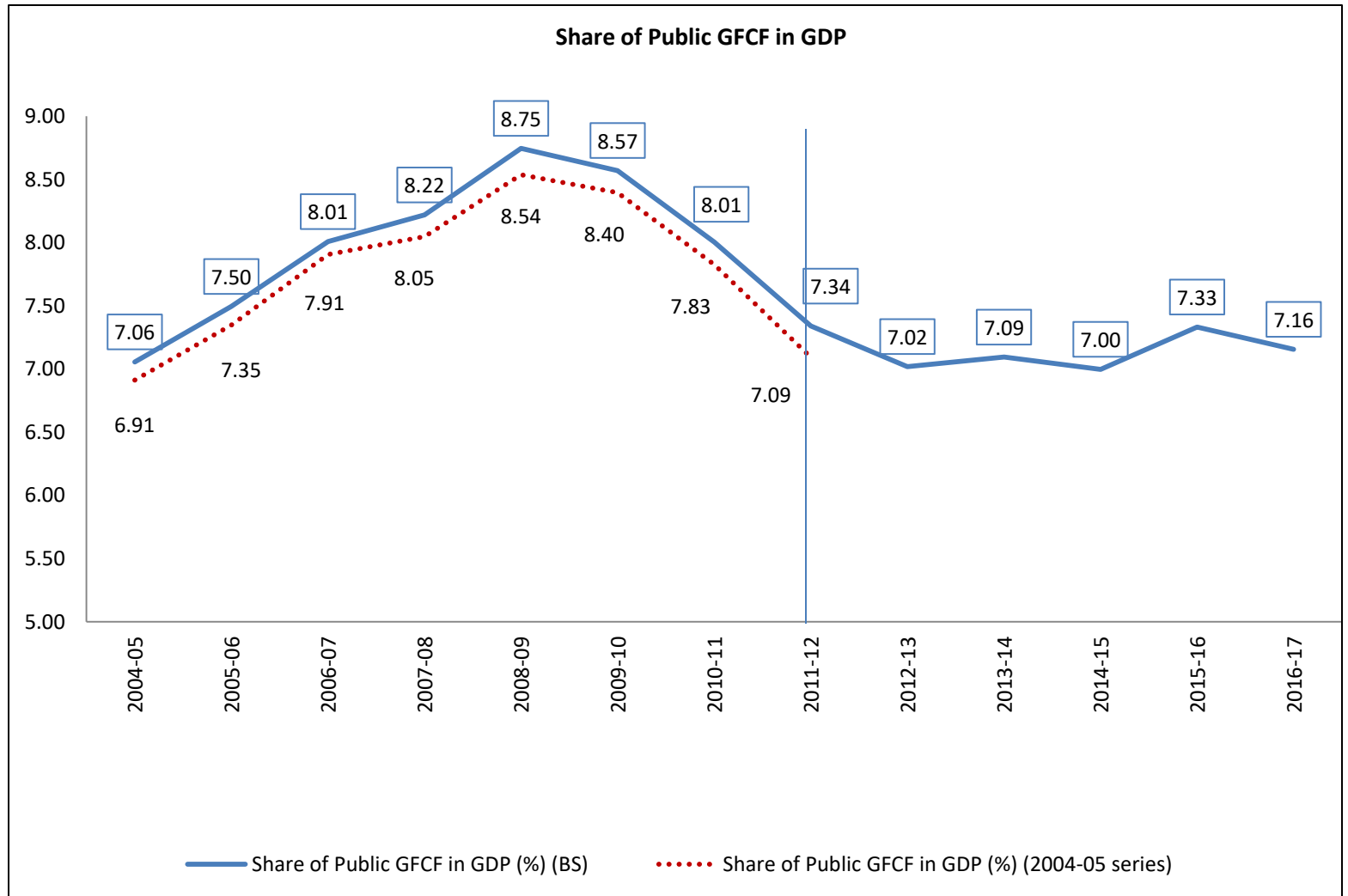


Gross Fixed Capital Formation (Current Prices)

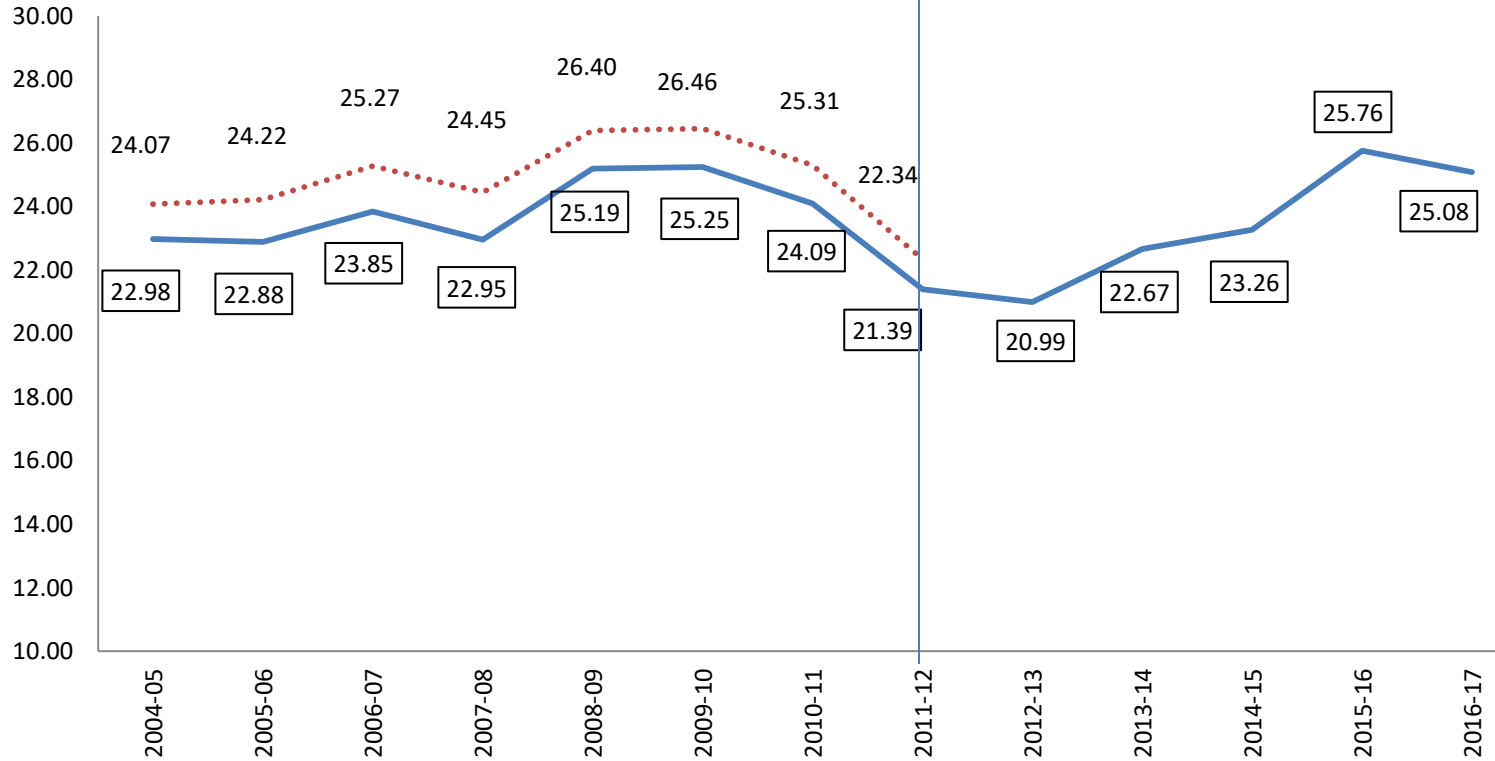
Rates of GFCF to GDP at Current Prices (in %)



Share of Public GFCF in GDP (Current Prices)



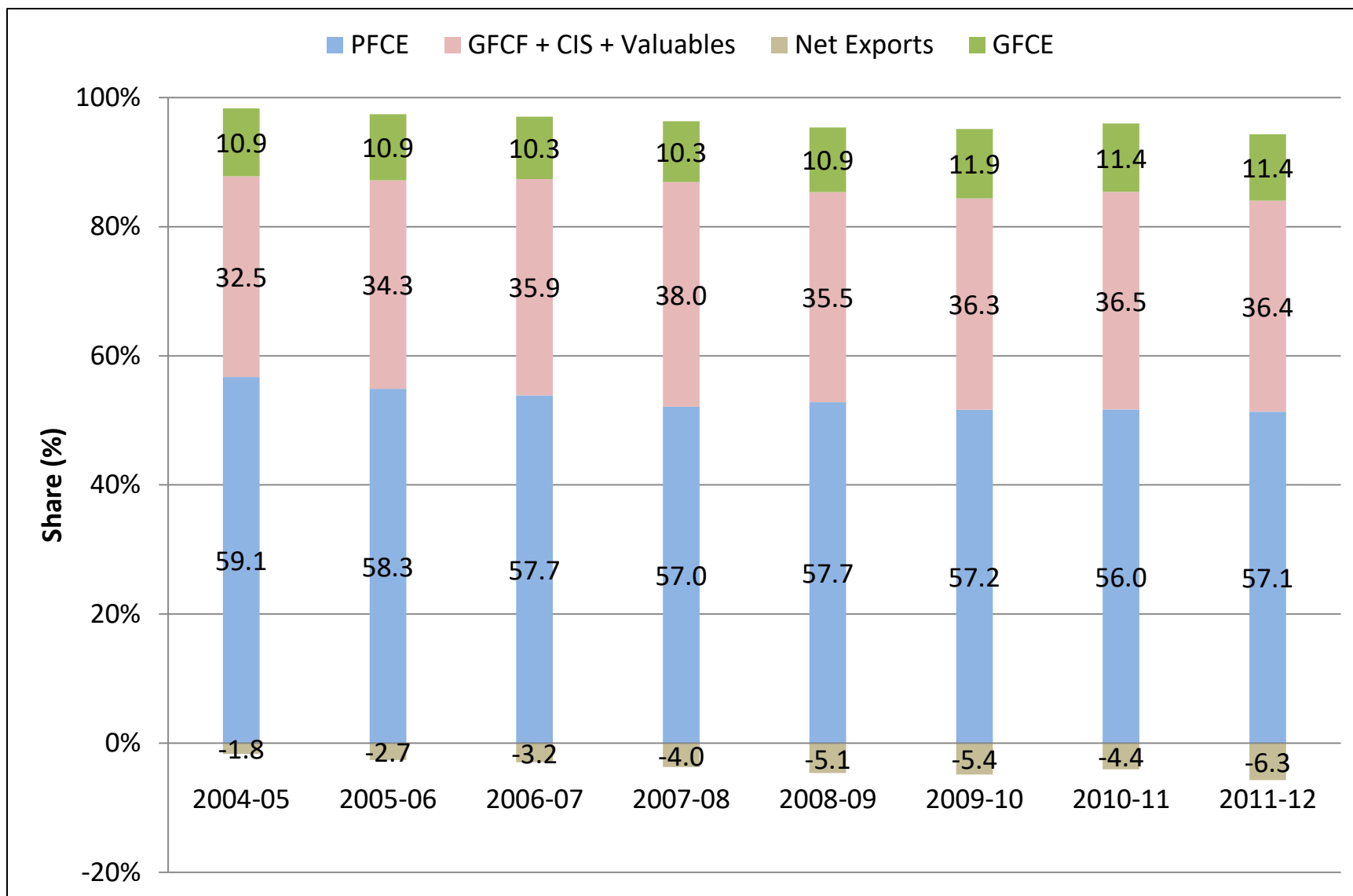
%age Share of Public Sector in Total GFCF at Current Prices



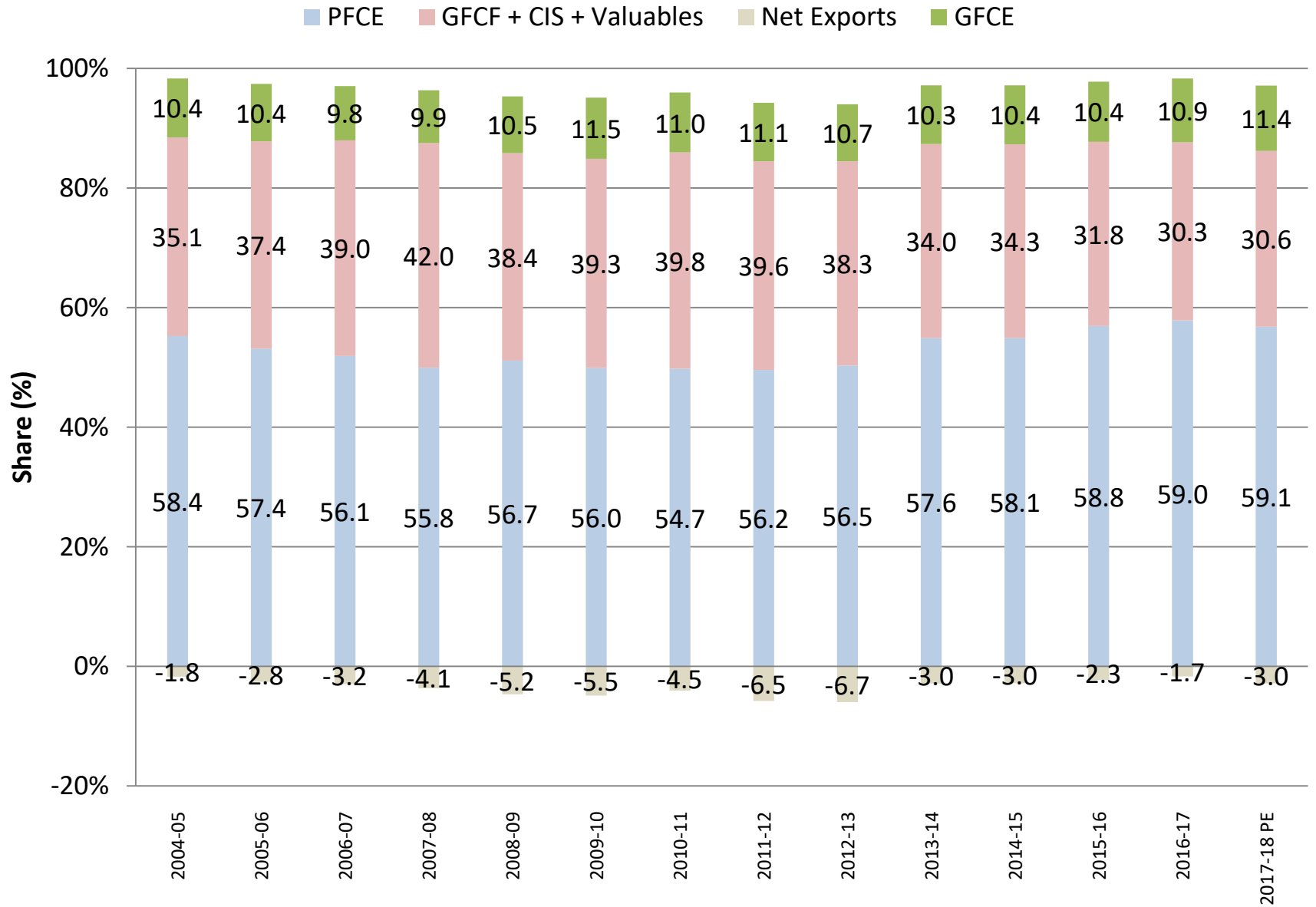
— Percentage share of Public GFCF in Total GFCF (BS Current)

..... Percentage share of Public GFCF in Total GFCF (2004-05 series)

Share (%) of Expenditure Components in GDP – Base 2004-05



Share (%) of Expenditure Components in GDP – Base 2011-12



Summary of Major Changes in Methodology

- **Improvement in methodology**
- **Use of latest survey results**
- **Use of new, more regular and reliable data sources**
- **Improvement in Coverage**

Thanks