CHAPTER II
DEVELOPMENT & HIGHLIGHTS
National Statistical Commission

2.1 The Government of India set up the National Statistical Commission, through Resolution No. M/13011/3/99-Admn. IV dated the 19thJanuary, 2000 of the Ministry of Statistics and Programme Implementation (Copy enclosed at **Annex –II)**. Dr. C. Rangarajan, Honourable Governor of Andhra Pradesh was appointed as the part-time Chairman of the Commission and eleven eminent statisticians/ economists as part-time members.

Composition and Terms of Reference

2.2 The composition of the National Statistical Commission is as follows:

(i)	Dr. C. Rangarajan, Governor, Andhra Pradesh, Hyderabad	Chairman
(ii)	Shri V. R. Rao, Ex-Director, Central Statistical Organisation and UN Advisor, Hyderabad	Member
(iii)	Shri S.M. Vidwans, Ex-Director, Directorate of Economics & Statistics, Government of Maharashtra and UN Expert, Mumbai	Member
(iv)	Prof. J. Roy, Professor Emeritus, Indian Statistical Institute, Kolkata	Member
(v)	Dr. Prem Narain, Emeritus Scientist, Indian Agricultural Research Institute and Ex-Director, Indian Agricultural Statistics Research Institute, New Delhi	Member
(vi)	Dr. Rakesh Mohan Director General, National Council of Applied Economic Research, New Delhi (At present Advisor to the Finance Minister, Ministry of Finance, Government of India)	Member
(vii)	Dr. V.R. Panchamukhi, Director General, Research and Information System for the Non-Aligned and other Developing Countries, New Delhi	Member
(viii)	Dr. Y. Venugopal Reddy, Deputy Governor, Reserve Bank of India, Mumbai	Member
(ix)	Dr. K. Srinivasan, Executive Director, Population Foundation of India and ex-Director of International Institute of Population Studies, New Delhi	Member
(x)	Prof. S. Tendulkar, Delhi School of Economics and Vice-Chairman, National Advisory Board on Statistics, New Delhi	Member
(xi)	Dr. A.B.L. Srivastava, Chief Consultant, Educational Consultants India Ltd. & Ex-Professor, National Council of Educational Research and Training, New Delhi	Member
(xii)	Dr. Fredie Ardeshir Mehta, Eminent Economist and Director, M/s Tata Sons Ltd., Mumbai	Member

2.3 The Terms of Reference for the National Statistical Commission are as follows:

(i) To examine critically the deficiencies of the present statistical system in terms of timeliness, reliability and adequacy;

(ii) To recommend measures to correct the deficiencies and revamp the statistical system to generate timely and reliable statistics for the purpose of policy and planning in Government at different levels of administrative structure;

(iii) To recommend permanent and effective coordinating mechanism for ensuring integrated development of the decentralized statistical system in the country;

(iv) To review the existing legislation for the collection of statistical information and to recommend amendments, where necessary, to achieve the objective of collection and dissemination of timely, reliable and adequate statistics;

(v) To review the existing organisation of the Ministry of Statistics & Programme Implementation (Statistics Wing) and other statistical units of the government and to make recommendations on their staffing and training requirements to enable them to cope with the increase and development of statistical services;

(vi) To examine the need for instituting statistical audit of the range of services provided by the Government and local bodies and make suitable recommendations thereof; and

(vii) To recommend any other measures for improving the statistical system in the country.

2.4 The first meeting of the National Statistical Commission was held on the 9th February, 2000 at Hyderabad. At this meeting, the Commission discussed salient features of the Indian statistical system with special reference to credibility, timeliness and adequacy of the statistics generated by the system. It further deliberated on the modalities of its functioning so as to accomplish the objectives. To facilitate focused discussion on varied spheres of the statistical system, seven Subgroups were formed in the following areas:

Deliberation of National Statistical Commission

(i) Agricultural Statistics

(ii) National Accounts Statistics

(iii) Industry, Commerce, Corporate Sector and Prices Statistics

(iv) Services and Infrastructure Statistics

(v) Socio-economic Statistics

(vi) Financial and External Sector Statistics

(vii) Statistical Systems, Information and Communication Technology Needs, Human Resource Development, Legislation and Audit

2.5 The Subgroups held detailed discussions on the assigned areas by organising several meetings. Apart from the members, external experts and officials were co-opted in each of the Subgroups. In order to assess the current status of the statistical system, the Commission had requested all the State governments, Union Territory administrations and Central Ministries and Departments to provide the basic information on the data supplied by them and the perceived data gaps along with their suggestions. The information so collected was analysed and considered by the concerned Subgroups as well as by the Commission.

2.6 To assist the Commission a number of technical studies have been initiated, some of which are as follows:

(i) Modifying the sampling design of the scheme of Improvement of Crop Statistics (ICS) to provide an alternative all India estimates of crop area and yield rates of major crops.

(ii) Providing correction factors to adjust the estimates of crop area generated by the Timely Reporting Scheme (TRS) using the results of ICS.

(iii) Efficacy of using small area estimation techniques in the field of agricultural statistics.

(iv) Problems in capturing the growth of the industrial sector through the Index of Industrial Production (IIP) and the Annual Survey of Industries (ASI).

(v) Small area estimation of socio-economic variables at district and sub-district levels.

(vi) Ascertaining the data requirements of the statistical system in respect of: (a) International Trade in Services, (b) E-commerce and its regulatory mechanism, (c) Insurance Sector, (d) Informal Financial Sector and (e) Fiscal Sector.

(vii) Identifying the reasons for divergence between the estimates of household consumer expenditure and private final consumption expenditure.

2.7 The following presentations were also arranged:

(i) Use of Remote Sensing Techniques for improving crop yield and acreage statistics in Agriculture by Space Application Centre, Ahmedabad.

(ii) Data Warehousing Initiatives taken by Reserve Bank of India.

(iii) National Statistical System and the Indian Statistical Service (ISS) by the ISS Association.

2.8 The Commission took the opportunity of the 11th Conference of Central and State Statistical Organisations arranged by the Ministry of Statistics and Programme Implementation during the last week of October 2000 to interact on its agenda with the representatives from the various Central Ministries and State Governments. The conference was attended by several heads of statistical organisations/ divisions from the States which included Secretaries, Commissioners of Statistics, Directors of Economics and Statistics of the States and senior officers from the Central Ministries / Departments. The views and suggestions that emerged in the Conference have been considered during the discussions of the different meetings of the Subgroups as well as the Commission.

2.9 The Commission was required to submit its report to the Government within a period of 12 months. However, in view of the wide-ranging terms of reference and emergence of many contentious issues, the Commission requested an extension of six months. Accordingly, the Government, through Resolution No. M-13011/3/99/Adm.IV. dated the 23rd January, 2001 of the Ministry of Statistics and Programme Implementation (Copy at **Annexure III**) extended the term of the Commission up to 18th July 2001.

2.10 The National Statistical Commission submitted its first Interim Report to the Government on the 22ndFebruary, 2001. This Report focuses on the statistics relating to the agricultural, industry & corporate and financial & external sectors. The Commission would take up the other sectors subsequently. The Final Report of the Commission is expected to be submitted in the month of July 2001. The Final Report will contain among other things recommendations regarding the administrative reforms of the Indian Statistical System. The Government has taken the decision to put the first Interim Report of the Commission on the web site and the same is available in the web site of the Ministry of Statistics & Prgramme Implementation at the address *www.nic.in/stat*

Modernisation and Computerisation in Data Collection and Transmission

2.11 As a part of its effort to take advantage of the modern developments in the Information and Communication Technology in survey activities, the National Sample Survey Organisation (NSSO) continued to implement the Plan Scheme "On-line Transmission of Survey Data to Processing Centres and Modernisation of Methods of Data Collection" taken up during the VIII & IX Five Year Plan. The use of Palm-Top Computers for data collection was taken up during the 52nd round of survey in the State of Haryana on an experimental basis. During the 54th round also the use of Palm-Top Computers was tried in the States of Orissa and Maharashtra besides Haryana. The feedback revealed that there were serious constraints both with regard to hardware and software features of Palm-Top system and therefore experimentation could not be replicated. The matter relating to computer aided data collection has been kept in abeyance with an aim to replace the palm top computers with better system viz. Lap Top computer.

2.12 In order to achieve the ultimate goal of "On-line Transmission of Survey Data and Modernisation of Data Collection System" and also to enhance the use of computers in the day to day work, the Regional and Sub-Regional Offices which were already supplied with PC- 386/486 systems in 8th Five Year Plan are being equipped with more user friendly Pentium systems and application package with accessories such as Laser Printer, etc. Regional Offices have already been given Pentium machines and MS Office software package last year. During the year 2000-01, emphasis is on equipping the Sub-Regional Offices with similar systems. Constant effort has been made to establish E-mail and Internet connectivity in the field offices and headquarters. All the Zonal Offices have Internet connection. E-mail connection in more than 120 Regional and Sub-Regional Offices are already in place as of now.

World Bank Project On Modernisation Of Indian Statistical System

2.13 The Ministry of Statistics and Programme Implementation is taking up a project for modernisation of Indian Statistical System with the World Bank assistance. The component relating to National Sample Survey Organisation (NSSO) forms the major share in the total cost of the project. As part of the Modernisation Project, a number of new activities are planned in the Organisation, which are expected to lead to rationalisation of survey programmes of the NSSO. The Project lays emphasis on Modernisation of methods of data collection in the field, its processing and dissemination besides institutional strengthening. Computer aided data collection is an important component of the activities envisaged. Proposals have been formulated for the various components of the project and NSSO Field Operations Divison (FOD) was involved in the same in a big way.

International Coordination/Cooperation

2.14 Liaison was maintained with International Statistical Organisations in different statistical matters which covered interchange of statistical intelligence, participation in International conferences, seminars, workshops for the development of statistical system capabilities and serving as clearing house for statistical matters. In this connection effective co-operation was ensured with various International agencies namely the United Nations Economic & Social Commission for Asia and the Pacific (UN ESCAP), the International Monetary Fund (IMF). An effective liaison was maintained with regard to various statistical issues with International agencies, namely the United Nations (UN), the Economic and Social Commission for Asia and the Pacific (ESCAP), the International Monetary Fund (IMF), the Asian Development Bank (ADB) and the Food and Agricultural Organisation (FAO). Officers of the Ministry of Statistics & Programme Implementation participated in various International Conferences/Seminars/Workshops and there were fruitful exchange of views and information regarding the statistical sector.

2.15 Following meetings/Conferences were attended by the officers of this Ministry: -

(a) Dr. N. S. Sastry, DG & CEO, National Sample Survey Organisation attended the following meetings:-

  (i) 4th Meeting of Delhi Group at ILO Headquarters from 28-30 August, 2000.

  (ii) Meeting with the officers of ILO on Technical Strengthening to the Indian Surveys on Child Labour and Informal Sector from 31.8.2000 to 2.9.2000.

  (iii) International Conference on "Statistics Development and Human Rights" of the International Association for Official Statistics (IAOS) from 4 to 8 September, 2000 in Montreux, Switzerland.

  (iv) 32nd Session of United Nation Statistical Commission at New York from 6-9 March, 2001

(b) Dr. S. Ray, Addl. Director General, Central Statistical Organisation and Shri M. Neelakantan, Deputy Director General, Field Operation Division, National Sample Survey Organisation attended the Millennium Conference of Commonwealth Statisticians in Gaborone, Botswana from May 1-5, 2000.

(c) Dr. A.C. Kulshreshtha, Deputy Director General, Central Statistical Organisation attended United Nations Statistical Expert Group Meeting during 10-12 July, 2000 in New York, USA.

(d) Shri K.S.P. Rao, Director, Ministry of Statistics & Programme Implementation attended RETA-5860 Institutional Strengthening and Collection of Environment Statistics Phase II-Inception Workshop, 25-28 April 2000 in Samarkand, Uzbekistan.

(e) Dr. R.N. Pandey, Joint Director, Central Statistical Organisation, attended the meeting of the Expert Group on methods for conducting Time Use Surveys form 23-27 October, 2000 in New York, USA.

2.16 International Training

The following training courses were attended by the officers of this Ministry: -

(i) Smt. Anjana Dubey, Deputy Director, Central Statistical Organisation, attended the First Group Training Course in Statistical Computing for Trainers from 11 January-15th March 2000 at Japan.

(ii) Smt G.S. Lakshmi, Deputy Director, Central Statistical Organisation attended the Second Group Training Course in Modules on Core Official Statistics, from 4th April to 24th September 2000 at Chiba, Japan.

(iii) Dr. R.N. Pandey, Joint Director, Central Statistical Organisation attended the Workshop on Statistical Aspects of Integrating Unpaid Working National Policies, Bangkok, 11-15 September 2000.

(iv) Shri S. Mallick, Director, Data Processing Division, National Sample Survey Organisation, Calcutta attended the Regional Course on Data Management and Dissemination during 25-29 September 2000 in Taejon, Republic of Korea.

(v) Shri B.K. Tyagi, Joint Director Coordination and Publication Division, National Sample Survey Organisation has been deputed for participation in the Fourth Group training course in Analysis and Interpretation of Statistics (Social Statistics) from 10 October-17 December 2000 at Chiba, Japan.

2.17 United Nations Statistical Commission

India is a member of UNSC continuously since its inception in 1946 and since then has occupied its position of member excepting the year 1984. Re-election was not sought from 1989 to 1992. India was again elected, as member of the UNSC for a four-year term beginning from January, 1993 and since then India is the member of the UNSC. The present term is from January, 2000 to December, 2003.

2.18 Governing Board of United Nations Statistical Institute for Asia and the Pacific

Statistical Institute for Asia and the Pacific (SIAP) is a subsidiary body of Economic Commission for Asia and the Pacific (ESCAP), a United Nations Agency. There is a Governing Board, constituted on 29th April, 1995, in which there are 9 members elected including Japan, being the host country. India is one of the elected members of Governing Board and is holding this position after re-election for the period 2000-2005.

2.19 Memorandum of Understanding (MOU)

Memorandum of Understanding between the National Sample Survey Organisation and the London School of Economics, London was signed on 6.6.2000 to set up collaboration programmes in the analysis of data collected through National Sample Surveys of India. Details of the meetings /deputation abroad attended by officers of this Ministry are at **Annexure-IV.**

Visitors from abroad

2.20 A two member French delegation comprising Mrs. Maryvonno Lemaire, Deputy Director of the Department of National Accounts and Mr. Philippe Brion, Director of Agriculture Division in the INSEE visited this Ministry from 9-13 October, 2000 for discussion on statistical matters.

National Sample Survey

2.21 The 55th Round of National Sample Survey (NSS) (July 1999-June 2000) is devoted to survey on Employment and Umemployment & Consumer Expenditure and Survey on Informal Non-Agriculture Enterprises other than those engaged in Industrial categories, mining and quarrying, water supply, electricity and gas.

2.22 In the Employment and Unemployment Survey, data are collected on the nature and extent of employment, underemployment and unemployment situation prevailing in the country on the basis of current activity and usual activity particulars of individuals. In the Consumer Expenditure Enquiry, data are being collected on the quantity and value of consumption of different items of households. The Informal Sector Survey was the first of its kind in the country for estimating a variety of parameters on two key aspects, viz., the share of the informal sector, the employment and the output of informal sector in the non-agricultural sectors of the economy. For the purpose of this survey, informal sector has been defined to consist of small enterprises owned by individuals (Sole proprietorships and partnerships).

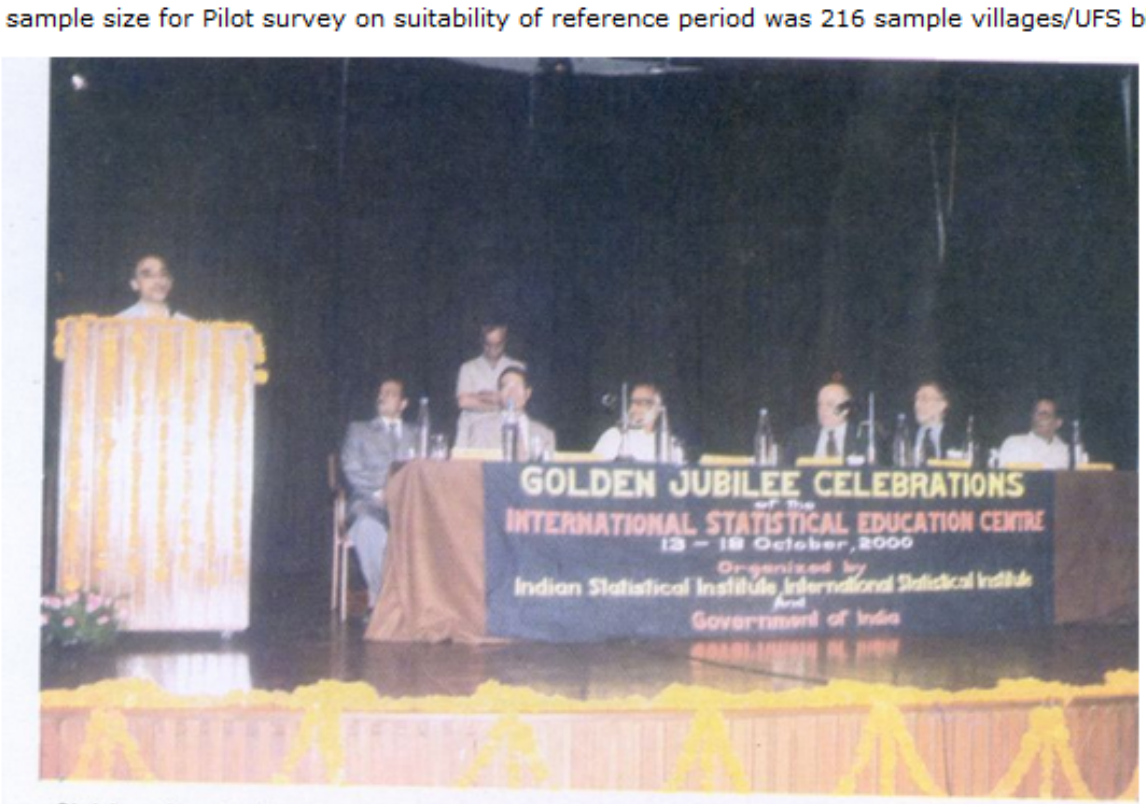
2.23 During 55th Round survey, out of a total allotment of 10,384 sample villages/urban blocks, data collection was completed by 30th June, 2000 in all the sample villages/urban block.

2.24 The NSS 56th Round (July, 2000 – June, 2001) is earmarked for conducting mainly the survey on unorganized Manufacturing enterprises, as a follow up survey of the fourth Economic Census. In addition to the main subject, data on household consumer expenditure and some employment-unemployment characteristics will also be collected in a thin sample of households as per the usual practice. The main objective of the survey is to estimate the number of enterprises, size of employment-unemployment and some important characteristics like fixed assets, working capital, loan and gross value added of the manufacturing enterprises in the unorganized manufacturing sector. This will also provide inputs for National Accounts and others.

2.25 The 56th Round Survey covers about 59,000 households for consumer expenditure and 2,36,600 unorganised manufacturing enterprises in about 14,788 villages and urban blocks in the central sample, with at least equal matching participation by states in an independent set of 16,220 sample villages and urban blocks.

2.26 The 57th round of NSS July 2001 – June 2002 will be devoted to Service Sector, namely, hotel and restaurants, transport, storage and communication, real estate, renting and business activities, education, health and social work, other community, social and personal service activities. Preliminary work relating to the survey has already been initiated.

2.27 Pilot Surveys: Two Pilot Surveys were taken up by NSSO (i) to test the suitability of different reference periods for collecting consumption data and (ii) for improving the survey methodology in reducing non-sampling errors while collecting data on value addition by non-agricultural enterprises in the informal sector. The Pilot Surveys were taken up in independent sets of villages and UFS blocks. The sample size for Pilot survey on suitability of reference period was 216 sample villages/UFS blocks and survey period was January, 2000-June, 2000. Sample size for Pilot survey on Informal Sector manufacturing was 200 sample villages/UFS blocks and survey period was March, 2000-June, 2000. Both the Pilot surveys were completed.



GOLDEN JUBILEE CELEBRATIONS
of the
INTERNATIONAL STATISTICAL EDUCATION CENTRE
13 – 18 October,2000
Organized by
Indian Statistical Institute International Statistical Institute
And
Government of India

Shri Arun Shourie, Hon'ble Minister of State, Statistics and progrramme Implimentation, Govt. of India, delivering his inaugural speech during the inaugural session of the Golden Jubilee celebration of the International Statistical Education Centre (ISEC) held at ISI,Delhi on October 13, 2000

स्वर्णजयन्ती समारोह
& PROGRAMME IMPLEMENTATION
SURVEY ORGANISATION
UBILEE CELEBRA

Dr. C. Rangarajan, Hon'ble Governor Andhra Pradesh Chairman, National Statistical Commission Lighting the Inaugural lamp seen with him are Prof. Pravin Visaria, Chairman Governing Council, NSSO, Dr. Arun Shourie,Hon'ble Minister of State, MOS&PI and Shri K.V. Imiraya,Secretary, MOS&PI.

Celebration of 50th Year of NSSO

2.28 The Year 2000 is also the Golden Jubilee Year of the Organisation, which came into existence as the Directorate of National Sample Survey in the year 1950. As part of Golden Jubilee Celebrations, a series of activities are planned during the year. Most important, among them is the organization of a series of National and regional seminars on the themes/subjects relevant to the activities and functions of the Organisation with a view to giving opportunity to the officers and staff of all the four Divisions to participate in them in large number. It has been decided to hold National Seminars in New Delhi, Calcutta, Bangalore and Pune on the subjects such as 'Poverty and Levels of Living', 'Non-Agricultural Development', 'Agricultural Development' and 'Human Resource Development'. Regional Seminars are planned in 11 major state capitals such as Hyderabad, Jaipur, Ahmedabad, Chandigarh, Chennai, Trivandrum, Bhopal, Lucknow, Guwahati, Patna and Bhubaneswar.

The National Seminar on 'Poverty and Levels of Living' has already been organised in New Delhi with organization of Inaugural Function of NSS Golden Jubilee Celebrations in New Delhi on 15th May, 2000 in which the keynote address was given by Dr. C.Rangarajan, Hon'ble Governor of Andhra Pradesh and Chairman, National Statistical Commission, and Shri Arun Shourie, Hon'ble Minister of Statistics and Programme Implementation presided over the function. The Inaugural Function was attended by more than 400 delegates drawn from CSO, M/O Statistics & Programme Implementation, other Ministries/Departments, various Divisions of NSSO, Chairman and Members of National Statistical Commission and Governing Council of NSSO, retired NSS Officials, academic institutions of repute, State Government/ Central Government Organisations, etc. The Seminar proceedings, in which Prof. N. Bhattacharya and Prof. S.D.Tendulkar presented invited papers using NSS data was presided over by Prof. Y.K.Alagh, former Union Minister of Planning and Programme Implementation. The National Seminar on 'Understanding the Developments of non-Agricultural Sector through National Surveys' was organised during 28-29, December, 2000 at Calcutta. The National Seminars in Bangalore and Pune are planned in the months of March and April 2001. The Regional Seminars, which are planned to be organised from November, 2000 – March, 2001, have already commenced with successful organization of seminars at Hyderabad and Jaipur on 9th and 17th November, 2000.

Growth of the economy

2.29 The Gross Domestic Product (GDP) at constant (1993-94) prices registered a growth of 6.4 percent in 1999-2000 as compared to 6.6 percent in 1998-99. The estimated per capita income in real terms showed a growth of 4.8 percent during 1999-2000. During the period 1993-94 to 1999-2000, the average annual growth rates of GDP and per capita income at constant prices were 6.7 and 4.8 percent respectively. As per the advance estimates for 2000-2001, the GDP in real terms is expected to register a growth rate of 6.0 percent.

2.30 The rates of Gross Domestic Savings (GDS) and Gross Domestic Capital Formation (GDCF) in 1999-2000 were 22.3 percent and 23.3 percent respectively as compared to 22.0 percent and 23.0 percent in 1998-99. The share of Private Final Consumption Expenditure (PFCE) at current prices in 1999-2000 was 64.7 percent of GDP at market prices as against 64.9 percent during the year 1998-99.

2.31 The pattern of saving, viz., by broad sectors of household private corporate and public sectors, has undergone a change during the period. The household sector formed, throughout, a major share in the total domestic saving. The share in 1999-2000 was 88.8 percent compared to 81.8 percent in 1993-94. The relative share of private corporate sector has registered an increase from 15.4 percent in 1993-94 to 16.5 percent in 1999-2000 whereas the share of public sector has shown a decline from 2.8 percent in 1993-94 to –5.3 percent in 1999-2000.

2.32 As regards Capital Formation by industry of use, it is observed that at constant (1993-94) prices, the share of agriculture in total Capital formation has increased from 8.4 percent in 1993-94 to 9.0 percent in 1999-2000. The share of manufacturing has increased from 32.4 percent to 37.6 percent and that of other industries marginally declined from 59.2 percent to 53.4 percent.

Industrial Production

2.33 In order to capture the structural changes in the Industrial Sector, the Ministry has launched a revised all-India Index of Industrial Production (IIP) with base 1993-94. The revised series has taken into account the contribution of the unorganised sector also along with the organised manufacturing sector and has adopted NIC-1987. The monthly series of IIP has been revised from April, 1994 onwards on account of inclusion of production of Natural Gas by Private Sector and Joint Venture Companies and utilisation part of Natural Gas produced by the Public Sector Companies in the mining sector's index and the revision of manufacturing sector indices from April, 1998 onwards after deleting four items reported to Department of Industrial Policy and Promotion (DIPP) by 'Single Producers'.

2.34 The current series of IIP with base 1993-94 prepared by the Ministry is the most up-to-date indicator of industrial growth in the Indian economy. This series covers 538 items (clubbed in 283 item groups Mining-1, Manufacturing – 281, Electricity – 1) comprising 64 from Mining & Quarrying, 473 from Manufacturing and 1 from Electricity Sector having the weightage of 10.47%, 79.36% and 10.17% respectively in the all-India IIP. The Index of Industrial Production is released every month in the form of Quick Estimates with a time lag of less than 6 weeks as per the Special Data Dissemination Standard (SDDS) norms laid down by IMF. The estimates are also simultaneously being released as per use-based classification, viz., Basic goods, Capital Goods, Intermediate Goods, Consumer durables and non-durables. These estimates get revised subsequently on receipt of updated production data from the 15 different source agencies in various Ministries/Departments/ Attached/Subordinate Offices, the major source of data being Ministry of Industry, who supply data on 209 item groups contributing 52.0% weight in the overall IIP.

2.35 The industrial production registered a growth of 9.1% during 1994-95, followed by a steep rise in the rate of growth to 13.0% during 1995-96. Thereafter the industrial growth declined to 6.1% in 1996-97. However, the growth marginally increased to 6.7% in 1997-98 but again declined to 4.1% in 1998-99. The growth in 1999-2000 improved significantly to 6.6% due to improvement in the industrial performance of manufacturing sector.

2.36 As regards sector-wise growth, the trend in the manufacturing sector has been almost similar to that of the General index. The mining sector has witnessed an irregular growth pattern, which fluctuated between 9.8% in 1994-95 and –1.9% in 1996-97. In the electricity sector, the rate of growth has shown a decline from 8.5% to 4.0% during the period 1994-97, but subsequently during 1997-2000 the growth remained constant at about 6.6%.

2.37 During the first nine months (April-December) of 2000-2001, the industrial performance has overall growth of 5.7% as compared to a growth of 6.4% during the same period of last year. The Electricity and Manufacturing sectors have depicted lower growths of 4.8% and 5.9% respectively during April-December, 2000-2001 as compared to a growth of 7.7% and 7.0% during the same period of 1999-2000. However, the growth in the Mining sector has improved significantly to 4.1% as compared to dismal growth of 0.5% during April-December of 1999-2000.

2.38 The sector-wise annual trends in indices of industrial production during 1994-95 to 1999-2000 and monthly trends during April, 1999 to December, 2000 exhibited by the manufacturing sector along with the General Index of Industrial Production are depicted in Table I and Charts I & II respectively. The sector-wise annual growth rates during 1994-2000 are depicted in Chart III

-

Table I

Sector-wise Index of Industrial Production & Growth Rates (Base: 1993-94)

Period	Mining	Manufacturing	Electricity	General
April -March				
1994-95	109.8	109.1	108.5	109.1
1995-96	120.5	124.5	117.3	123.3
1996-97	118.2	133.6	122.0	130.8
1997-98	126.4	142.5	130.0	139.5
1998-99	125.4	148.8	138.4	145.2
1999-2000	126.7	159.4	147.6	154.8
Growth				
1994-95	9.8	9.1	8.5	9.1
1995-96	9.7	14.1	8.1	13.0
1996-97	-1.9	7.3	4.0	6.1
1997-98	6.9	6.7	6.6	6.7
1998-99	-0.8	4.4	6.5	4.1
1999-2000	1.0	7.1	6.6	6.6
Index				
Apr'99	116.5	151.2	145.7	147.0
May'99	125.0	155.1	146.2	151.0
Jun'99	120.3	150.5	140.6	146.3
Jul'99	124.6	152.6	145.7	149.0
Aug'99	122.6	153.6	152.5	150.2
Sep'99	119.0	154.0	149.6	149.9
Oct'99	123.4	151.3	142.1	147.4
Nov'99	125.5	156.6	143.6	152.0
Dec'99	134.8	172.0	152.6	166.1
Jan'2000	135.5	167.9	154.7	163.2
Feb'2000	129.6	167.7	147.2	161.6
Mar'2000	143.2	180.3	151.1	173.4
Apr'2000	121.2	161.9	151.1	156.5
May'2000	128.3	164.7	155.6	160.0
Jun'2000	125.6	159.7	147.7	154.9
Jul'2000	127.1	161.3	149.5	156.5
Aug'2000	127.5	162.1	154.1	157.7
Sep'2000	125.4	163.9	152.9	158.7
Oct'2000	130.4	160.5	158.5	157.1
Nov'2000	132.4	168.2	154.3	163.0
Dec'2000	139.7	177.6	158.4	171.7
April-December				
1994-95	105.3	105.0	106.3	105.2
1995-96	116.4	119.5	115.8	118.8
1996-97	114.9	130.4	120.2	127.7
1997-98	122.3	139.4	127.4	136.4
1998-99	122.9	145.1	136.0	141.9
1999-2000	123.5	155.2	146.5	151.0
2000-2001	128.6	164.4	153.6	159.6
Growth				
1995-96	10.5	13.8	8.9	12.9
1996-97	-1.3	9.1	3.8	7.5
1997-98	6.4	6.9	6.0	6.8
1998-99	0.5	4.1	6.8	4.0
1999-2000	0.5	7.0	7.7	6.4
2000-2001	4.1	5.9	4.8	5.7
Note:- The indices incorporate the revised indices of Mining Sector from April 1994 onwards and Manufacturing Sector from April 1998 onwards.				

CHART I

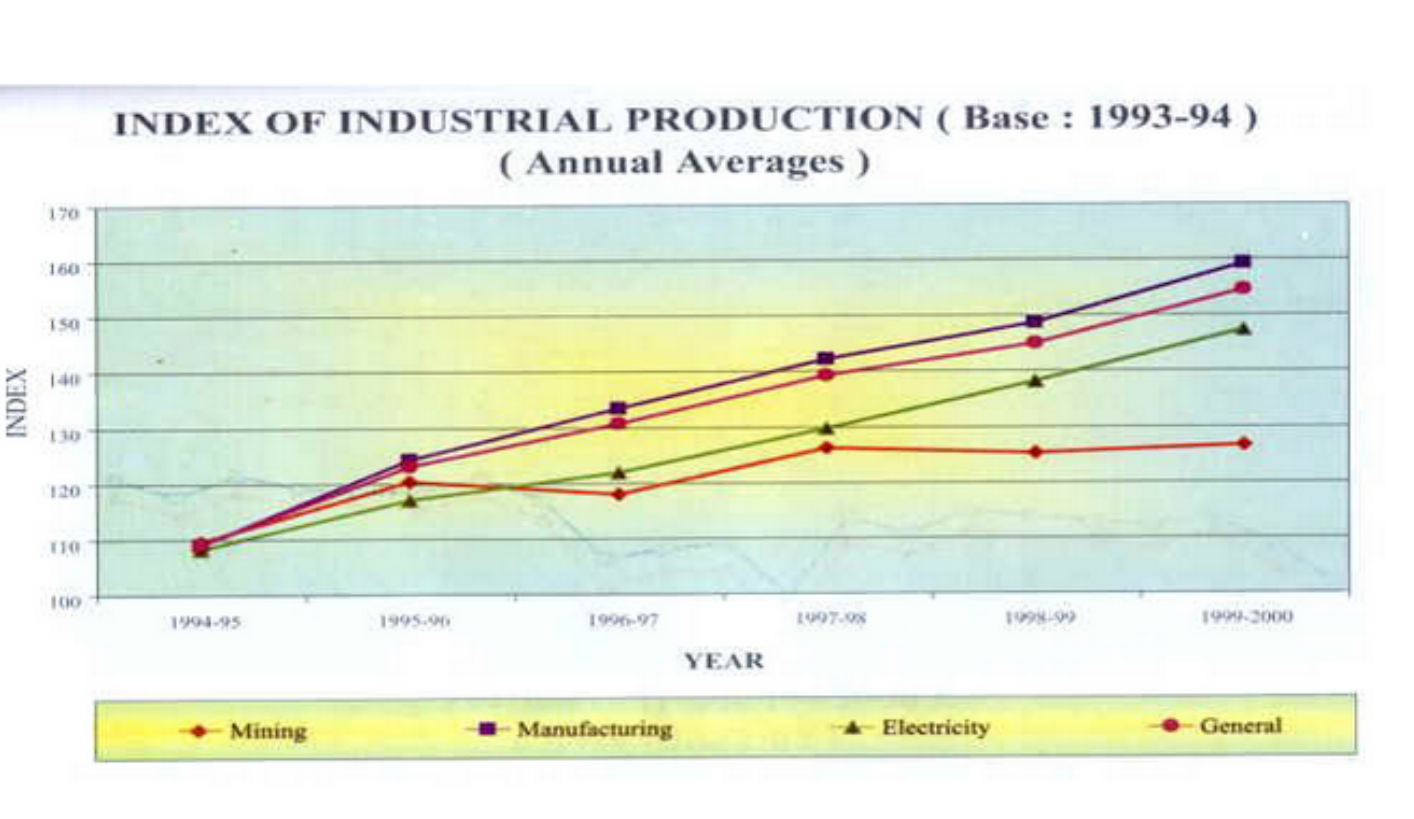


CHART II

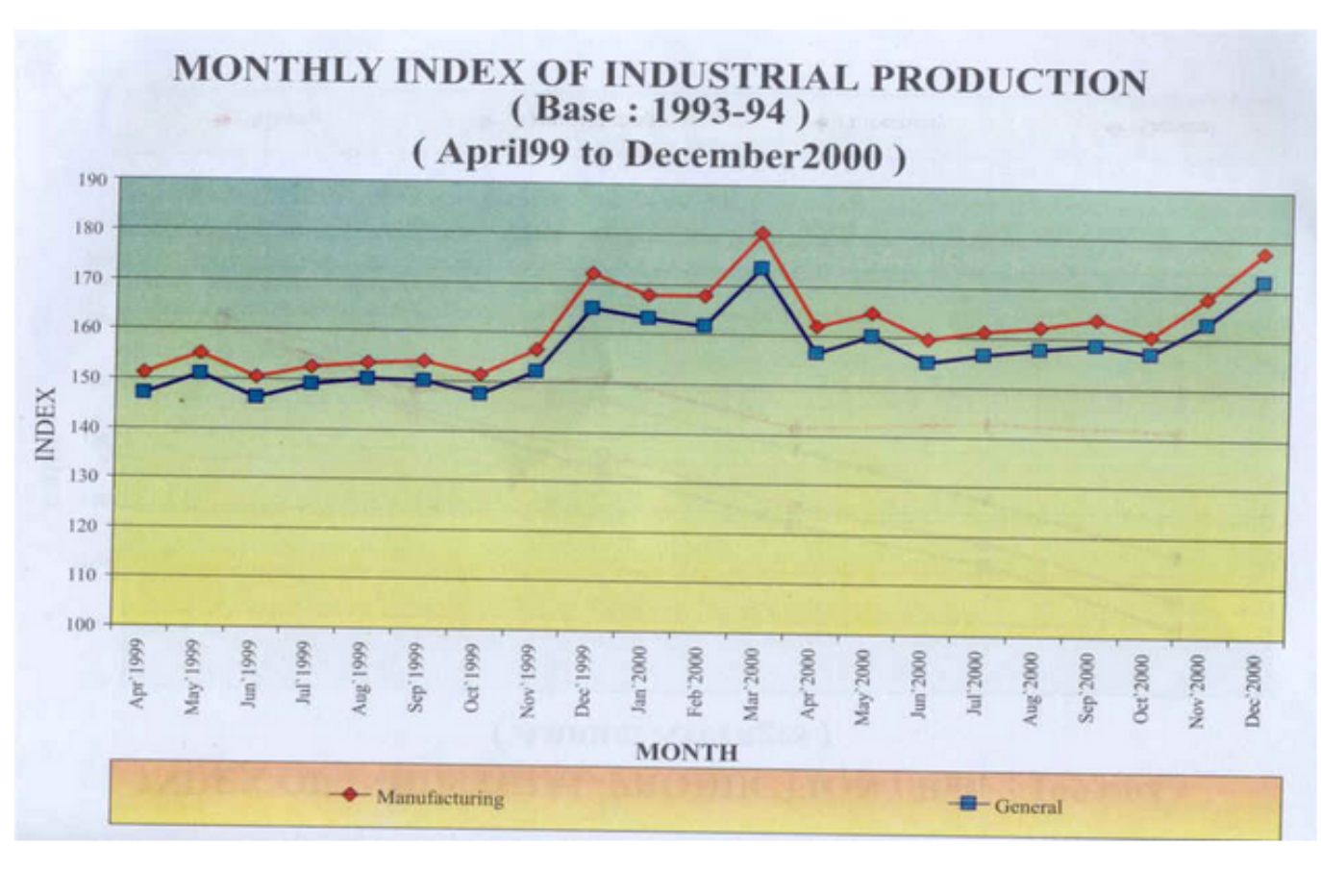
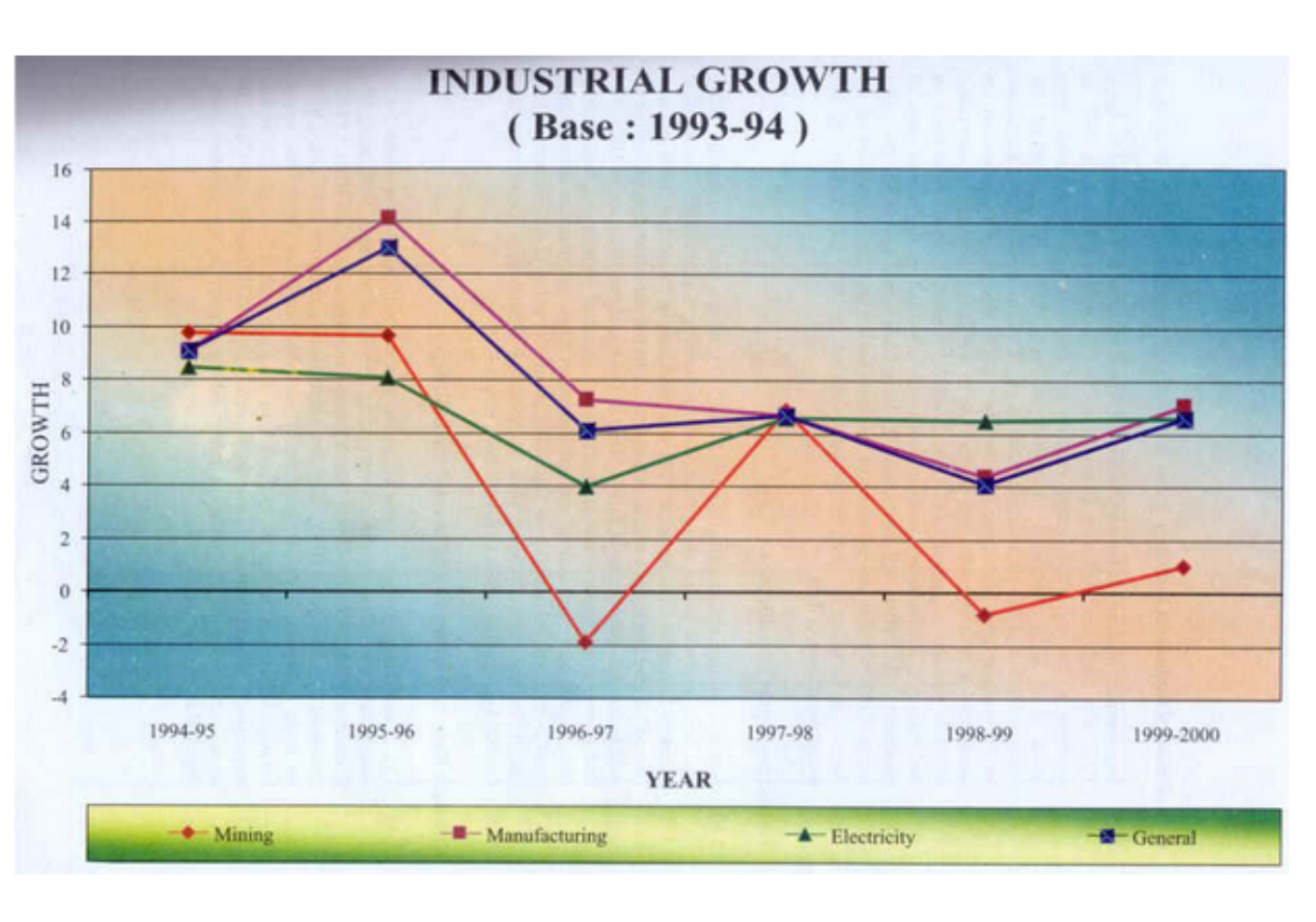


CHART III



Compilation of State level Indices

2.39 In pursuance of the assurance given by the Prime Minister in Parliament in April, 1993, the Technical Advisory Committee (TAC), constituted in June 1995 to examine all the technical aspects relating to Compilation of Comparable State level (S.L) IIPs, submitted its report in June, 1998. As a part of the implementation of the recommendations of the TAC, a set of revised guidelines on the subject have been issued to the State DESs alongwith requisite data for identification of item basket and preparation of weighting diagram. A workshop of DESs was also organised in CSO on 19-20 November, 1998 to orient them on the concepts, methodology and various issues involved in the compilation of comparable S.L. IIPs. All the States/UTs have been asked to compile the index (base: 1993-94) after the selection of the item basket and the preparation of the weighting diagram as per the criteria decided by the government on the recommendation of TAC.

Standardisation of Classification

2.40 National Industrial Classification 1987 (NIC-87), which was in vogue till 1997, has been revised under the guidance of a Steering Committee. The revised National Industrial Classification 1998 was published in December, 1998 and was sent to all user agencies with the request to adopt the same for data collection as well as for data processing in future. One of the significant features of NIC-98 is that it embraces the structure of International Standard Industrial Classification (ISIC) 1990 Rev.3 of United Nations Statistical Division structure unto 4-digit level in toto and extends it to 5-digit level to suit the national requirements. The NIC-1998 has also linkages with Harmonised Commodity Description and Coding System (HS) 1986 similar to ISIC Rev.3.

Inflation Rate as measured by different Price Indices

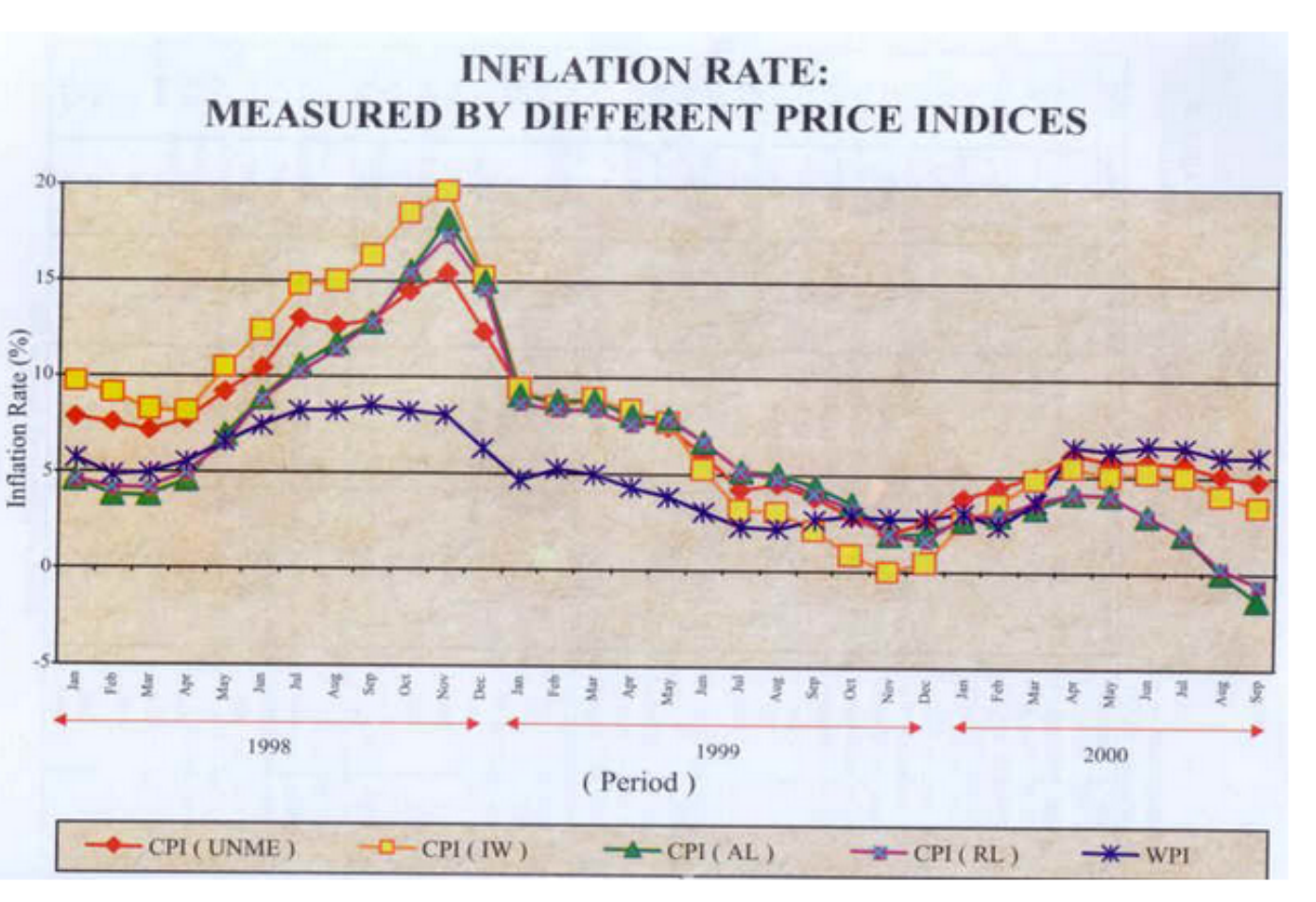
2.41 The annual inflation rate, computed as the percent variation of the index for a month over the index for the corresponding month of previous year, using the Consumer Price Index for Urban Non-Manual Employees CPI (UNME)], CPI for Industrial Workers [CPI (IW)], CPI for Agricultural Labourers [CPI (AL)], CPI for Rural Labourers [CPI (RL)] and the Wholesale Price Index (WPI) have varied between 2.0 to 15.5, 0.0 to 19.7, -1.3 to 18.3, -0.6 to 17.4 and 2.2 to 8.6 respectively during January, 1998 to September, 2000. Table II and Chart IV show comparison of the inflation rates and the trends in the inflation rates depicted from these price indices respectively.

TABLE II

Inflation rate as measured by different price indices January 1998 to September, 2000

YEAR	MONTH	CPI (UNME)	CPI (IW)	CPI (AL)	CPI (RL)	WPI
1998	Jan	7.9	9.7	4.6	4.6	5.8
	Feb	7.6	9.1	3.8	4.2	4.9
	Mar	7.2	8.3	3.8	4.2	5.0
	Apr	7.8	8.2	4.6	5.0	5.6
	May	9.2	10.5	7.0	6.5	6.6
	Jun	10.5	12.4	8.9	8.8	7.5
	Jul	13.1	14.8	10.7	10.3	8.3
	Aug	12.7	15.0	11.8	11.4	8.3
	Sep	13.0	16.3	12.9	12.9	8.6
	Oct	14.5	18.6	15.6	15.5	8.3
	Nov	15.5	19.7	18.3	17.4	8.1
	Dec	12.4	15.3	15.1	14.6	6.3
1999	Jan	9.3	9.4	9.1	8.7	4.7
	Feb	8.6	8.6	8.8	8.4	5.3
	Mar	9.0	8.9	8.8	8.4	5.0
	Apr	7.9	8.4	8.1	7.6	4.3
	May	7.5	7.7	8.0	7.9	3.8
	Jun	6.1	5.3	6.7	6.7	3.1
	July	4.2	3.2	5.2	5.2	2.3
	Aug	4.5	3.1	5.1	4.8	2.2
	Sep	3.8	2.1	4.4	4.0	2.7
	Oct	2.9	0.9	3.6	3.3	2.9
	Nov	2.0	0.0	1.9	1.9	2.8
	Dec	2.6	0.5	2.0	1.6	2.8
2000	Jan	3.8	2.6	2.7	3.0	3.1
	Feb	4.4	3.6	3.0	3.0	2.4
	Mar	5.0	4.8	3.4	3.7	3.7
	Apr	6.2	5.5	4.1	4.1	6.5
	May	5.8	5.0	4.0	4.0	6.3
	Jun	5.8	5.2	3.0	3.0	6.6
	July	5.7	5.0	2.0	2.0	6.5
	Aug	5.1	4.0	0.0	0.3	6.1
	Sep	4.8	3.5	-1.3	-0.6	6.1*

* Based on provisional figure of WPI.

CHART IV