

CHAPTER II

DEVELOPMENTS & HIGHLIGHTS

National Statistical Commission

2.1. The Government took note of the report of the National Statistical Commission (NSC) and directed that the processing of the recommendations be completed within six months. The Ministry of Statistics and Programme Implementation has been designated as the 'Nodal Ministry' for co-ordinating the implementation of the NSC recommendations. The direction of the Government for processing the recommendations contained in the report of the NSC within six months, has been conveyed to all concerned Ministries/ Departments. The Departments have also been requested to nominate nodal officers to co-ordinate with the Ministry of Statistics and Programme Implementation in the processing of the NSC recommendations. In all, the NSC made 623 recommendations, of which 282 recommendations relate to the Ministry of Statistics & Programme Implementation and the remaining 341 to other Ministries and Departments. However, the actual implementation of as many as 150 recommendations has to be done by the State/ UT Governments, though indicated against concerned Departments of Central Government. In respect of the recommendations relating to the Ministry of Statistics and Programme Implementation, 65 have already been implemented and 127 recommendations are being processed for finalisation of technical/ operational details, and/ or for administrative/ financial approvals.

2.2. In the case of other Ministries, 65 recommendations have been implemented and 99 more are under process. The implementation/ processing of 24 recommendations have to be deferred till the establishment of the National Commission on Statistics (NCS) or satisfaction of other conditions. One of the major recommendations of the Commission for achieving systemic improvement in the statistical system of the country is to establish a permanent and statutory apex body called 'National Commission on Statistics'. This Ministry has prepared a draft Bill for the purpose and has obtained comments of the concerned Ministries/ Departments and State/ UT Governments. Based on the comments received, the draft Bill has been revised and sent to the Ministry of Law for final vetting. The Ministry has also circulated a note for the amendment of Collection of Statistics Act 1953 for comments. Yet another important recommendation of the Commission is to establish and maintain a Business Register for improving the coverage and reliability of the GDP estimates. The technical aspects of this project are being finalised.

Modernisation and Use of Information Technology

2.3. The Ministry has provided access to recent advances in Information Technology to all its officials and staff in the headquarters at Delhi and Kolkata. At the field level, the Field Operations Division (FOD) of the NSSO continued its efforts to provide state of the art of Information Technology to its offices down to the Sub-Regional Offices (SRO) to ensure its extended use in their day-to-day functioning, so that there is tangible improvement in their productivity. As a result, all its offices with the exception of 15 SROs, which are mostly located in remote districts, are having Pentium computer systems with Internet and e-mail facilities.

2.4. During the year, 36 additional field offices were connected through e-mail/ Internet services, raising the total number of field offices having established e-mail connectivity to 140. Sustained efforts are being made to establish connectivity in the remaining offices of the FOD.

2.5. To introduce innovations in methods of data collection, efforts are being made to evolve a suitable mechanism for capturing data by the field functionaries through electronic data capturing devices.

International Coordination/ Cooperation

2.6. During 2002-03, effective liaison and cooperation were maintained with International Statistical organisations and agencies in different statistical matters, which covered interchange of statistical intelligence, participation in international conferences, seminars, and workshops for the development of statistical system capabilities and serving as clearing house for statistical matters. The International agencies included the United Nations (UN), Economic and Social Commission for Asia and the Pacific (ESCAP), International Monetary Fund (IMF), Asian Development Bank (ADB), Food and Agricultural Organisation (FAO) and the Organisation for Economic Cooperation and Development (OECD). Officers of the Ministry of Statistics and Programme Implementation participated in various International Conferences/ Seminars/ Workshops, which were aimed at capacity building, development/ implementation of the latest international statistical standards and exchange of views and information.

2.7. The Ministry of Statistics and Programme Implementation participated in the following international activities during the year:

- (i) The ADB/ESCAP Seminar on Enhancing Social and Gender Statistics, held at Bangkok, Thailand, during 28-31 May, 2002;
- (ii) The OECD/ADB/ESCAP Seminar on Quarterly National Accounts, held at Bangkok, Thailand during 17-21 June, 2002;
- (iii) The FAO Workshop on Food Consumption Statistics from Household Income/ Expenditure Surveys, held at Bangkok, Thailand during 19-29 August, 2002;
- (iv) The Sixth Meeting of the Expert Group on Informal Sector Statistics (Delhi Group), held at Rio-de-Janeiro, Brazil, during 16-18 September, 2002;
- (v) A meeting of the Technical Sub-Group of the Expert Group on Classifications, conducted by the UN Statistics Division at New York, during 7-11 October, 2002;
- (vi) The Regional Seminar for Asian Managers on Monitoring and Evaluation of Poverty Reduction Programmes, held at Bangkok, Thailand, during 9-11 October 2002;
- (vii) The Eighth Session of the Governing Board of SIAP, held at Chiba, Japan, during 27-31 October 2002;
- (viii) The Thirteenth Session of the ESCAP Committee on Statistics, held at Bangkok, Thailand, during 27-29 November 2002.

Short Term Consultancy

- (i) Shri S. K. Sinha, DDG (SDRD, NSSO) delivered lectures on Sampling and Demographic Statistics to the participants of Training Courses conducted by the UN-SIAP at Chiba, Japan, during 5-16 August 2002.
- (ii) Shri M. Neelakantan, DDG (FOD, NSSO) provided consultancy services to the UNDP, Delhi on Strengthening State Statistical Systems in India, during 18th November to 23rd December 2002.
- (iii) Dr. Ravendra Singh, Director (SSD, CSO) provided consultancy services to the African Development Bank on International Comparison Programme for Africa for a period of 42 days with effect from 27th January 2003.

International Training

- (i) Shri P. S. Bose, Director (SDRD, NSSO) attended the Seventh Training Course on Sample Design of Household and Establishment Surveys, which was conducted by the ADB at Manila, Philippines, during 18th March to 12th April 2002.
- (ii) Shri S. S. Jakhar, Assistant Director (CSO) attended the training course on Monetary and Financial Statistics, which was conducted by the Singapore Regional Training Institute (STI) at Singapore, during 15th April to 3rd May 2002.
- (iii) Shri T. Baskaran, Deputy Director (CSO), Shri A. C. Sharma, Deputy Director (CSO) and Shri R. L. Misra, Assistant Director (CSO) attended the training course on Quarterly National Accounts, which was conducted by the IMF, at Singapore, during 2-13 September 2002.
- (iv) Shri Asis Ray, Deputy Director (SDRD, NSSO) attended the First Group Training Course in Analysis and Interpretation of Official Statistics (Social Statistics), which was conducted by the UN-SIAP at Chiba, Japan, during 16-21 September 2002.
- (v) Shri Pramod Kumar, Senior Investigator (CSO) attended the Fourth Group Training Course in Modules on Core Official Statistics, which was conducted by the UN-SIAP at Chiba, Japan during 1st October 2002 to 23rd March 2003.
- (vi) Shri Yogendra Singh, Joint Director (CSO) attended the Energy Statistics Training Programme for Statisticians and Energy Analysts, which was conducted by the IEA at Paris, during 14-25 October 2002.
- (vii) Shri Alope Kar, Director (CSO), attended the Training Course on National Accounts Statistics, which was conducted by the IMF at Washington, USA, during 21st October to 15th November 2002.

National Sample Survey

2.8. Besides the annual consumer expenditure and employment and un-employment surveys, the following surveys were conducted, or are being conducted:

2.9. The NSS 56th Round (July 2000 – June 2001) on ‘unorganized manufacturing’. The fieldwork of the survey was spread over the period July 2000 to June 2001. A series of five reports relating to the subjects covered in this round has been prepared and released.

2.10. The NSS 57th Round (July 2001 – June 2002) survey on economic and operational characteristics of unorganized enterprises in the service sector (excluding trade and finance). The fieldwork was taken up in July 2001 and continued till June 2002. The survey covered 9 broad activity groups viz, (i) Storage and warehousing (ii) Hotels (iii) Post and telecommunication (iv) Mechanized road transport (v) Real estate, renting and business activities (vi) Health and social work (vii) Restaurants (viii) Education and (ix) other community, social and personal service activities and other transport. A new data entry software based on 4GL has been developed in-house by the DPD and the same has been used for this round. The data entry and validation work for all the four sub rounds have been completed.

2.11. The 58th Round of NSS (July 2002 – December 2002) on disability, housing condition, village facilities and slum particulars, besides household consumer expenditure and employment and unemployment. The fieldwork for the survey was completed during July-December 2002. The processing of data has also been taken up simultaneously.

2.12. The NSS 59th Round (January-December 2003) on Land and Livestock Holdings and Debt and Investment. A Situation Assessment Survey - *A Millennium Study of Indian Farmers* has also been taken up along with the 59th Round. In addition, annual survey on household consumer expenditure along with some key characteristics of employment-unemployment has been undertaken in this round as per the present practice followed in the NSSO. The fieldwork for the survey has started in January 2003 and will be completed in December 2003. The Training of Trainers for this Round was held at New Delhi, during 9-10 October 2002.

2.13. During the year under review, the NSSO was entrusted with the responsibility of conducting a ‘Diagnostic Survey on Cattle’ by the National Commission on Cattle. The survey was conducted in four districts, namely, Sonapat and Sirsa in Haryana and Nellore and Rangareddy in Andhra Pradesh. The survey was aimed at finding whether the reasons for change in cattle population, especially the causes of decline, if any, in the cattle population could be estimated through sample survey of households and cattle enterprises with reasonable accuracy. The survey was completed in time and the draft report based on the survey was given to the National Commission on Cattle in August 2002.

Growth of the Economy

2.14. The Indian economy, in terms of Gross Domestic Product (GDP) at constant (1993-94) prices, achieved a growth of 5.6 per cent during the year 2001-02, as compared to the 4.4 per cent growth rate registered in the previous financial year. The per capita income of the country in real terms has also risen by 4.3 per cent during 2001-02, over that in the previous year. The average annual growth

rates of the GDP and the per capita income in real terms during the period 1993-94 to 2001-02 are estimated at 6.4 per cent and 4.3 per cent, respectively.

2.15. During the current financial year 2002-03, the GDP at constant (1993-94) prices is anticipated to register a growth rate of 4.4 per cent, according to the Advance Estimate released by the CSO on 7.2.2003.

2.16. During the year 2001-02, the other important indicators of the economy, namely, the rate of Gross Domestic Saving (GDS) and the rate of Gross Domestic Capital Formation were placed at 24.0 per cent and 23.7 per cent, respectively, as compared to the rates of 23.4 per cent and 24.0 per cent, respectively in the previous year. The share of Private Final Consumption Expenditure at current prices during 2001-02 was 65.0 per cent of the GDP at market prices, as against the share of 64.6 per cent in the previous financial year.

2.17. The pattern of GDS by broad sectors of household, private corporate and public sectors has undergone a change during the period. The household sector has a major share in the total gross domestic saving. The share in 2001-02 was 93.7 per cent, as compared to 81.8 per cent in 1993-94. The relative share of private corporate sector has registered an increase from 15.4 per cent in 1993-94 to 16.7 per cent in 2001-02, whereas the share of public sector has shown a decline from 2.8 per cent in 1993-94 to (-) 10.5 per cent in 2001-02.

2.18. 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 marginally risen from 8.4 per cent in 1993-94 to 8.6 per cent in 2001-02. The share of manufacturing has increased from 32.4 per cent to 34.1 per cent and that of other industries marginally declined from 59.2 per cent to 57.3 per cent.

All India Index of Industrial Production

2.19. The current series of all-India Index of Industrial Production (IIP) with base 1993-94, released by the Ministry every month, is an up-to-date indicator of industrial growth in the Indian economy. This series covers Mining, Manufacturing and Electricity sectors, having a weightage of 10.47%, 79.36% and 10.17%, respectively. The IIP is released every month in the form of Quick Estimates with a time lag of less than 6 weeks. The Press Release on IIP is also placed on the website of the Ministry on the same day.

2.20. In order to capture the structural changes in the Industrial Sector, the Ministry has undertaken the task of revising the base year of all-India IIP from the existing base of 1993-94.

State level Indices of Industrial Production

2.21. The CSO has provided necessary guidelines and requisite data for compilation of comparable State level IIPs with base 1993-94. The States of Assam, Andhra Pradesh, Delhi, Goa, Haryana, Rajasthan, Tamil Nadu and West Bengal have started compiling monthly State level IIPs. Other States/UTs are also at different stages of compilation of these indices.

Updation of National Industrial Classification, 1998

2.22. The present International Standard Industrial Classification (ISIC), namely, ISIC Rev. 3 is being updated by the UN and the new industrial classification ISIC Rev. 3.1 is likely to be released

shortly. The CSO is actively involved in the revision exercise. The industrial classification followed in the country, namely, the National Industrial Classification (NIC), 1998 is based on the ISIC Rev.3. In order to maintain conformity with the changes incorporated in ISIC Rev.3.1, the updation of NIC-98 has become imperative. The above exercise is being carried out under the over all guidance of the Standing Committee on Industrial Statistics (SCIS), chaired by Prof. K L Krishna.

National Product Classification (Services Sector)

2.23. The CSO has undertaken an exercise for development of National Product Classification. As the Product Classification for transportable goods has already been developed by Central Board of Excise & Customs, Ministry of Finance, the exercise in Central Statistical Organisation has been limited to development of Product Classification for non-transportable goods (Services Sector) only. This exercise is also being done under the overall guidance of SCIS. A Sub-Group has been constituted for this purpose.

Inflation Rate as Measured by Different Price Indices

2.24. The CSO releases a measure of inflation in terms of Consumer Price Index for Urban Non-Manual Employees [CPI(UNME)]. According to this measure, the annual inflation rate (point-to-point) in November 2002 stood at 3.3 per cent. The corresponding inflation rates measured by CPI for Industrial Workers [CPI(IW)], CPI for Agricultural Labourers [CPI(AL)] and CPI for Rural Labourers [CPI(RL)] in November 2002 are 3.6 per cent, 3.2 per cent and 3.2 per cent, respectively. According to the weekly Wholesale Price Index (WPI), the inflation rate in November 2002 stands at 3.2 per cent. Table-2.1 and Chart-I present a comparison of the inflation rates and the trends in the inflation rates depicted by these price indices.

Table 2.1: Inflation Rate as Measured by Different Price Indices from January 2000 to November 2002

Year	Month	CPI(UNME)	CPI(IW)	CPI(AL)	CPI(RL)	WPI
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
	Jul	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	6.5
	Oct	5.0	2.7	-3.2	-2.5	7.5
	Nov	5.3	2.7	-3.2	-2.5	7.6
	Dec	5.9	3.5	-2.6	-1.6	8.5
2001	Jan	5.9	3.2	-2.0	-1.6	8.7
	Feb	5.9	3.0	-2.3	-2.0	8.3
	Mar	5.6	2.5	-2.0	-1.6	6.4
	Apr	4.7	2.3	-2.0	-1.6	5.4
	May	4.9	2.5	-2.3	-1.6	5.6
	Jun	5.5	3.4	-1.3	-0.6	5.3
	July	5.7	4.0	-0.3	0.0	5.2
	Aug	6.2	5.2	1.3	1.6	5.4
	Sep	5.9	4.7	1.6	1.6	4.5
	Oct	4.8	4.2	2.6	2.6	2.9
	Nov	5.1	4.9	2.3	2.6	2.6
	Dec	5.1	5.2	3.0	2.6	2.1
2002	Jan	4.5	4.9	2.3	2.6	1.5
	Feb	4.3	5.2	3.0	3.3	1.4
	Mar	4.8	5.2	3.0	3.0	1.8
	Apr	4.5	4.7	2.7	3.0	1.5
	May	4.2	4.7	2.6	2.3	1.6
	Jun	4.1	4.2	2.6	2.6	2.4
	July	3.8	3.9	2.3	2.6	2.8
	Aug	3.6	3.9	2.2	2.2	3.3
	Sep	4.1	4.3	3.2	3.2	3.7
	Oct	3.8	4.1	2.9	2.9	3.1
	Nov	3.3	3.6	3.2	3.2	3.2*

• *Based on provisional figure of WPI*

INFLATION RATE BASED ON DIFFERENT INDICES

CHART - I

