

# NATIONAL ACCOUNTS STATISTICS 2007

## AN OVERVIEW

### 1. THE PUBLICATION

**1.01** The Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation, regularly compiles estimates of national accounts aggregates (i.e. domestic product, consumption expenditure, capital formation, saving and capital stock etc.) for the economy as a whole as well as for the Public Sector, both at current and constant (1999-2000) prices and publishes them in its annual publication called *National Accounts Statistics*. In January of every year, the CSO releases “Quick” estimates of national accounts aggregates for the financial year ending March of the preceding year. These estimates, brought out with a time lag of 10 months, are based on the latest available data on agricultural production, industrial production, government expenditure and other current/partial data received on railways, communication and non-departmental commercial undertakings etc. Together with the release of “Quick” estimates for the preceding financial year, the CSO also revises the estimates for a few earlier financial years using the detailed and more comprehensive data available from various source agencies.

**1.02** Besides the “Quick” estimates and their revisions, the CSO also compiles estimates of the main macro-economic aggregates for the current financial year, about two months before the close of the year, and releases them as “Advance” estimates. The release of “Advance” estimates contains the estimates of the Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP), Net Domestic Product (NDP) at factor cost by industry, and Per Capita Income (Per Capita Net National Product at factor cost in rupees) for both current and constant prices. These estimates are subsequently revised and released on the last working day of June i.e. with a time lag of three months, as updates of advance estimates.

**1.03** The present issue of National Accounts Statistics (NAS) 2007 includes the Quick Estimates of macro-economic aggregates for the year 2005-06. Advance Estimates of National Income for the year 2006-07 and Quarterly estimates of Gross Domestic Product (GDP) for the years 2003-04 to 2006-07 released on 28 February 2007 are also included. The publication consists of five parts. The contents of each part are briefly described below:

*Part-I: Macro-economic Aggregates.* This part contains the summary statements of macro-economic aggregates like GDP, NDP, GNP, and NNP at factor cost at constant (1999-2000) prices and at market prices, Consumption of Fixed Capital (CFC), Private Final Consumption Expenditure (PFCE), Government Final Consumption Expenditure (GFCE), Exports and Imports, Capital Formation and Savings. This part also contains consolidated accounts of the nation and performance of the public sector.

*Part-II: Domestic Product.* This part of the NAS 2007 presents statements on GDP and NDP by industry of origin, i.e. by economic activity along with the percentage distribution and growth rates.

*Part III: Consumption, Saving and Capital Formation.* This part presents the estimates of Private Final Consumption, Saving and Capital Formation in some detail. The estimates of PFCE are presented separately for about 38 commodity groups, whereas the estimates of Gross Domestic Saving are presented by type of institutions. The estimates of Capital Formation (comprising Fixed Capital

Formation and Change in Stocks) are given by type of assets, by type of institutions and by type of 'Industry of use'.

*Part-IV: Public Sector Transactions.* This part gives the details of the Public sector component of the aggregates like GDP and NDP (by type of institution and by the economic activity), GFCE by purpose, Savings and Capital Formation (by type of institution and by industry of use). This part, in fact, presents the details of economic accounts by a three-fold classification namely, by factor incomes, by economic activities and by type of institutions. The final consumption expenditure of the administrative departments are also given separately for the expenditure on compensation of employees, net purchase of goods and services separately by the Central Government, State Government and local authorities. The details of expenditure of the administrative departments are also provided by economic and purpose classification categories.

*Part-V: Disaggregated Statements.* This part presents detailed disaggregated statements at the crop/item/category level. The nature and extent of disaggregated data vary from industry to industry depending on the availability of information and procedure of estimation. The disaggregated estimates in respect of savings relate to financial assets and the liabilities of the household sector. The estimates of capital formation by type of assets and by type of institutions and external transaction accounts are also presented in this part.

**1.04** The publication NAS (2007) also contains an additional section that gives a number of useful special statements.

## **2. THE ECONOMY**

### **GROSS DOMESTIC PRODUCT AND NATIONAL INCOME**

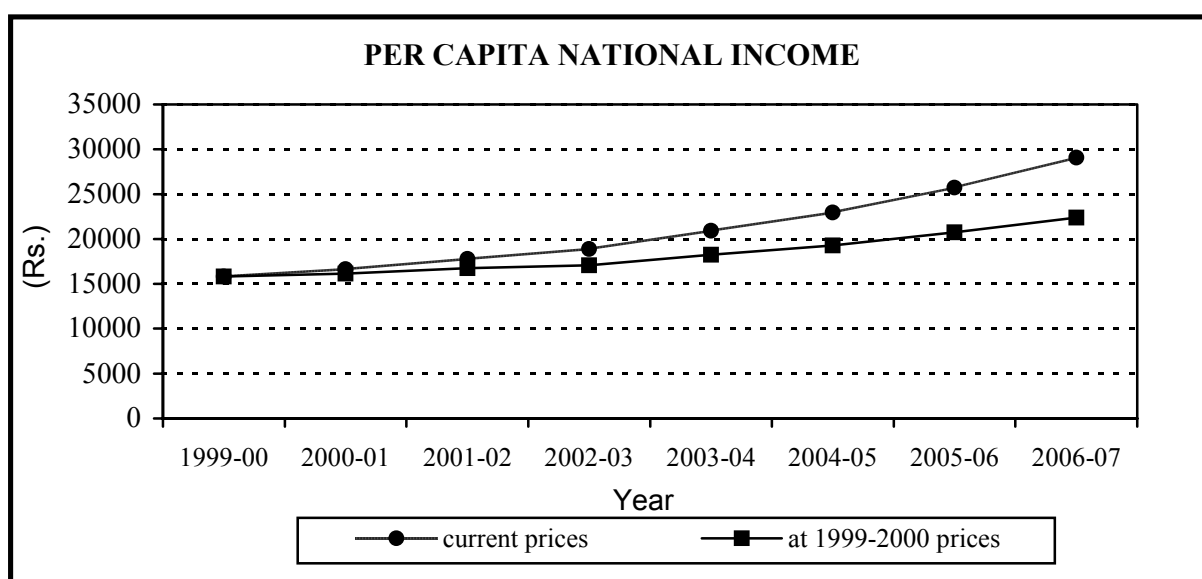
**2.01** The advance estimate of GDP at factor cost at constant (1999-00) prices arrived at for the year 2006-07 is Rs. 28,44,022 crore, as against the quick estimate of Rs. 26,04,532 crore for 2005-06, indicating growth of 9.2 per cent during 2006-07. At current prices, the advance estimate of GDP at factor cost for 2006-07 turns out to be Rs. 37,17,465 crore as against the quick estimate of Rs. 32,50,932 crore for 2005-06, showing an increase of 14.4 per cent during the year.

**2.02** The advance estimate of national income (i.e. Net National Product at factor cost) at constant (1999-00) prices for 2006-07 is Rs. 25,15,372 crore, as against the quick estimate of Rs. 22,95,243 crore for 2005-06, suggesting a rise of 9.6 per cent in national income during 2006-07. At current prices, the advance estimate of national income for 2006-07 is estimated at Rs. 32,67,371 crore as compared to the quick estimate of Rs. 28,46,762 crore for 2005-06, showing a rise of 14.8 per cent during the year.

**Table 1: Gross Domestic Product (GDP) at Factor Cost and National Income or Net National Product (NNP) at Factor Cost**

Year	GDP (Rs. crore)		NNP (Rs. crore)		Per Capita NNP (Rs.)	
	Current Prices	1999-2000 Prices	Current Prices	1999-2000 Prices	Current Prices	1999-2000 Prices
1999-00	1786525	1786525	1585501	1585501	15839	15839
2000-01	1925415	1864773	1696387	1643998	16648	16133
2001-02	2100187	1972912	1847667	1739876	17800	16762
2002-03	2265304	2047733	1993846	1801430	18899	17075
2003-04	2549418	2222591	2246465	1959599	20936	18263
2004-05	2855933	2389660	2501067	2103350	22946	19297
2005-06 (Quick)	3250932	2604532	2846762	2295243	25716	20734
2006-07 (Advance)	3717465	2844022	3267371	2515372	29069	22379
<i>Per cent growth over previous year</i>						
2000-01	7.8	4.4	7.0	3.7	5.1	1.9
2001-02	9.1	5.8	8.9	5.8	6.9	3.9
2002-03	7.9	3.8	7.9	3.5	6.2	1.9
2003-04	12.5	8.5	12.7	8.8	10.8	7.0
2004-05	12.0	7.5	11.3	7.3	9.6	5.7
2005-06 (Quick)	13.8	9.0	13.8	9.1	12.1	7.4
2006-07 (Advance)	14.4	9.2	14.8	9.6	13.0	7.9

**2.03** The per capita real income, i.e. per capita net national product at factor cost at constant (1999-00) prices, as per the advance estimates for 2006-07 turns out to be Rs. 22,379 as against the quick estimate of Rs.20,734 for 2005-06. This indicates a growth of per capita real income of about 7.9 per cent during 2006-07. At current prices, the per capita income is seen to have grown by about 13.0 per cent during the year from Rs.25,716 (quick estimate) in 2005-06 to Rs. 29,069 (advance estimate) in 2006-07.



**2.04** The percentage changes in the GDP (at factor cost) in different sectors of the economy, which are presented in Table 2, reveal low growths in real terms in forestry & logging (1.6%), fishing (4.1%) and mining & quarrying (3.6%) during 2005-06. A growth rate of 9.0 per cent in GDP of the economy as a whole during the same period could be achieved because of high growths in sectors namely communication (23.9%); construction (14.2%); banking & insurance (14.0%); other services (9.4%); manufacturing (9.1%);

transport by other means (8.9%); real estate, ownership of dwelling & business services (8.6%) and railways (7.7%).

**Table 2: Percentage Change over Previous Year in GDP (at factor cost) of different Sectors of Economy At Constant (1999-2000) Prices**

Sector (industry)	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
1. Agriculture	-0.6	6.5	-8.1	10.9	-0.2	6.3
2. Forestry & logging	2.7	3.1	0.7	-1.1	1.6	1.6
3. Fishing	4.7	5.0	4.1	3.6	1.5	4.1
4. Mining & Quarrying	2.4	1.8	8.8	3.1	7.5	3.6
5. Manufacturing	7.7	2.5	6.8	6.6	8.7	9.1
6. Electricity, gas and water supply	2.1	1.7	4.7	4.8	7.5	5.3
7. Construction	6.2	4.0	7.9	12.0	14.1	14.2
8. Trade, Hotels & Restaurant	5.2	9.6	6.9	10.3	8.4	8.2
9. Railways	4.1	7.0	5.6	6.5	5.7	7.7
10. Transport by other means	7.7	4.0	10.3	11.9	12.8	8.9
11. Communication	26.9	19.5	25.6	25.4	22.8	23.9
12. Banking & Insurance	-2.0	9.1	11.3	2.2	8.8	14.0
13. Real estate, OD & BS *	9.1	5.9	5.4	8.3	8.6	8.6
14. Public administration & defence	2.1	2.9	1.6	2.6	9.0	5.4
15. Other services	7.1	5.1	5.8	7.6	7.2	9.4
<b>16. Total GDP</b>	<b>4.4</b>	<b>5.8</b>	<b>3.8</b>	<b>8.5</b>	<b>7.5</b>	<b>9.0</b>

\* 'OD & BS' stands for ownership of dwellings and business services.

**2.05 Performance of Agriculture and livestock sectors:** The value of agricultural output recorded a growth of 5.7 per cent in 2005-06, after showing a decline of (-)1.1 per cent in 2004-05. The livestock output had grown by 5.9 per cent during the same period. The output of food grains, oilseeds and cotton registered positive growth during the year. Sugarcane has also shown a rise in the growth of production, from 1.4 percent to 18.6 percent during 2005-06.

**Table 3: Performance of Agriculture**

Item	1999-00	2003-04	2004-05	2005-06	Percentage Growth	
					2004-05	2005-06
1. Value of output (in Rs. Crore at 1999-2000 prices)	512363	549572	550098	581994	0.1	5.8
1.1 Agriculture	382832	402272	397848	420699	-1.1	5.7
1.2 Livestock	129531	147300	152250	161294	3.4	5.9
2. Value of selected inputs (in Rs. Crore at 1999-2000 prices)						
2.1 Chemical fertilizer	21205	18210	18574	19650	2.0	5.8
2.2 Diesel Oil	5609	6704	7065	7471	5.4	5.7
2.3 Organic Manure	5821	5702	5791	5981	1.6	3.3
2.4 Feed of livestock	53840	60607	60821	61005	0.4	0.3
2.5 Seed	9022	8505	8452	8938	-0.6	5.7
3. Production of selected crops (in million tonnes)						
3.1 Food grains	209.80	213.19	198.36	208.59	-7.0	5.2
3.1.1 Paddy	89.68	88.53	83.13	91.79	-6.1	10.4
3.1.2 Wheat	76.37	72.15	68.64	69.35	-4.9	1.0
3.1.3 Coarse cereals	30.34	37.60	33.46	34.06	-11.0	1.8
3.1.4 Pulses	13.41	14.91	13.13	13.39	-11.9	2.0
3.2 Oilseeds	20.71	25.19	24.35	27.98	-3.3	14.9
3.3 Cotton*	11.53	13.73	16.43	18.50	19.7	12.6
3.4 Sugarcane	299.32	233.86	237.09	281.17	1.4	18.6

\*Million bales of 170 Kg

**2.06 Performance of Non-Agricultural Goods Production Sector:** There is a positive growth in non-agricultural goods production during the year as compared to the previous year in most of the items. However the Index of mining; meat, fish, fruits, vegetables and oils; leather and fur products; paper and printing etc; chemical and chemical products; metal products and machinery and electrical machinery registered a decline in the growth from 4.4% to 1.0%; 18.3% to 2.0%; 9.0% to -3.8%; 10.3% to -0.9%; 15.0% to 8.4%; 11.7% to 7.3% and 26.8% to 13.4% respectively during the year.

**Table 4: Indices of Non-Agricultural Goods Production at 2-Digit Level of NIC (base year 1999-2000)**

Industry	NIC Code	2001-02	2002-03	2003-04	2004-05	2005-06	Percentage growth	
							2004-05	2005-06
mining	101-142	104.1	110.2	115.9	121.1	122.3	4.4	1.0
meat, fish, fruits, vegetables and oils	151	150.4	191.6	221.5	262.0	267.2	18.3	2.0
dairy products	152	77.5	93.5	88.3	88.6	90.3	0.4	2.0
grain mill products	153	103.0	115.8	128.4	120.4	122.7	-6.3	2.0
other food products	154	107.0	111.1	103.6	94.1	96.0	-9.1	2.0
beverages	155	128.6	171.7	191.2	210.2	239.3	9.9	13.8
tobacco products	16	73.4	66.6	60.3	66.3	91.8	10.0	38.3
spinning, weaving and finishing of textiles	171+172+173	104.7	108.6	107.9	118.4	127.9	9.8	8.0
wearing apparel	181-18105	101.9	122.7	118.1	140.7	163.7	19.1	16.3
leather & fur products	182+19	115.8	110.9	105.7	115.3	110.9	9.0	-3.8
wood and wood products	20	91.5	75.4	80.6	73.7	69.5	-8.5	-5.7
paper and printing etc	21+22	93.6	100.0	115.9	127.8	126.6	10.3	-0.9
rubber, petroleum products etc.	23+25	124.6	131.4	137.3	140.3	146.4	2.2	4.3
chemical and chemical products	24	112.4	116.5	126.0	144.9	157.0	15.0	8.4
non-metallic products	26	100.0	105.1	108.9	110.6	122.8	1.6	11.0
basic metals	271+272+2731+2732	106.2	116.0	126.6	133.5	154.6	5.5	15.8
metal products and machinery	28+29+30	93.2	105.5	114.7	128.2	137.5	11.7	7.3
electrical machinery	31+32	132.9	118.7	142.1	180.3	204.4	26.8	13.4
other manufacturing	33+369	121.6	121.6	131.0	155.3	194.4	18.5	25.2
transport equipment	34+35	104.7	120.0	140.4	146.2	164.8	4.2	12.7
manufacturing	151-372	108.3	114.9	123.3	134.6	146.9	9.2	9.1
electricity	401	107.2	110.6	116.2	122.2	128.6	5.2	5.2
general	10-40	107.8	114.0	122.0	132.2	143.0	8.4	8.2

**2.07 Performance of Services Sector:** Table 5 gives some key indicators showing the performance of distributive, communication and financial services during the last few years. Communication sector has shown a growth of 45.1% during the year as compared to 28.7% during the previous year and aggregate deposits & credits have shown a growth of 24.3% during the year as compared to 13.4% during the previous year. Gross trading income has however shown a decline in the growth from 7.4% to 6.7% during the year.

**Table 5: Key Indicators on Performance in Services Sector**

Item	Index (1999-2000=100)							Percentage growth	
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2004-05	2005-06
1. Gross trading income	100.0	104.3	108.7	113.9	125.0	134.2	143.2	7.4	6.7
2. Railways									
2.1 Passenger net Kms.	100.0	110.0	115.1	115.1	119.6	126.9	140.1	6.1	10.4
2.2 Freight tonne Kms.	100.0	101.8	108.2	116.3	124.3	134.1	145.3	7.9	8.4
3. Communication-Telephone Connections	100.0	122.3	151.2	184.0	258.4	332.6	482.6	28.7	45.1
4. Cargo handled at major ports	100.0	103.3	105.8	115.3	126.7	141.1	155.6	11.4	10.3
5. Aggregate deposits & credits at the end of year in real terms	100.0	110.9	125.1	140.2	156.1	176.9	219.9	13.4	24.3

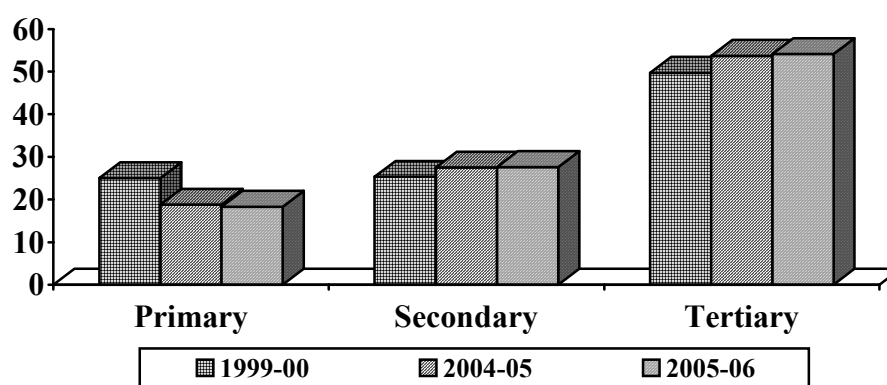
**Table 6: Gross Domestic Product by broad sectors**

Industry		% Share at current prices			% Share at Constant (1999-2000) Prices	
		1999-00	2004-05	2005-06	2004-05	2005-06
1	Agriculture, forestry & fishing	25.0	18.8	18.3	20.2	19.7
2	Mining, manufacturing, electricity and construction	25.3	27.5	27.6	26.1	26.2
3	Services *	49.7	53.7	54.1	53.7	54.1
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Services sector includes trade, hotels & restaurant, transport, storage & communication, financing, insurance, real estate & business services, community, social & personal services

**2.08** Table 6 reveals the changes in the structure of the economy during the recent years, in terms of changes in the composition of GDP undergone since 1999-00. It is seen that while the share of agriculture and allied sector has gone down from 25.0 per cent in 1999-00 to 18.3 and to 19.7 per cent at current and constant prices respectively in 2005-06, the share of the tertiary (services) sector has grown from 49.7 per cent in 1999-00 to 54.1 per cent at both current and constant prices in 2005-06.

**GROSS DOMESTIC PRODUCT**  
(Percentage share at current Prices)



**2.09** During the year 2004-05 the percentage growth rate of different price indices based on directly collected price data varied from 3.9 percent to 4.8 percent. Consistent with the movement of these price indices, the price index implicit in the current and constant-price estimates of net domestic product grew by 4.3 percent in 2005-06.

**Table 7: Price indices (1999-2000=100)**

Item		2002-03	2003-04	2004-05	2005-06	Growth		
						2003-04	2004-05	2005-06
<b>A Derived from national accounts (Implicit)</b>								
1.	NDP	110.5	114.5	118.7	123.8	3.6	3.7	4.3
2.	PFCE	110.6	114.7	118.6	122.6	3.7	3.4	3.4
3.	GFCF	112.3	116.8	125.2	132.1	4.0	7.2	5.5
3.1	Construction	112.4	117.1	125.6	132.0	4.2	7.3	5.1
3.2	Machinery & equipment	112.3	116.6	124.8	132.1	3.8	7.0	5.8
<b>B Directly available</b>								
4.	Wholesale price index	114.8	121.1	128.9	134.6	5.5	6.4	4.4
5.	Consumer prices*							
5.1	Agricultural labourers	103.9	108.0	110.8	115.1	3.9	2.6	3.9
5.2	Industrial workers	112.6	116.8	121.2	126.6	3.7	3.8	4.5
5.3	Urban non-manual employees	115.2	119.5	123.8	129.7	3.7	3.6	4.8

\* Indices are available with base year other than 1999-2000. These have been converted to base 1999-2000=100 by arithmetical conversion.

## CONSUMPTION EXPENDITURE, SAVING AND CAPITAL FORMATION

**2.10** The GDP at market prices is derived by adding indirect taxes net of subsidies to the GDP at factor cost. As the various components of expenditure on GDP, for example, consumption expenditure and capital formation, are normally measured at market prices, the discussion in the following paragraphs is in terms of estimates at market prices only.

### PRIVATE FINAL CONSUMPTION EXPENDITURE

**2.11** The estimates of private final consumption expenditure (PFCE) in the domestic market, both at current and constant prices are given in Table 8. The PFCE at current prices works out to Rs. 20,72,079 crore in 2005-06 as against Rs. 18,73,729 crore in 2004-05. The PFCE thus formed 58.1 per cent of GDP at market prices in 2005-06. At constant (1999-00) prices, the PFCE works out to Rs. 16,89,861 crore in 2005-06 as against Rs. 15,79,255 crore in 2004-05. The per capita PFCE in 2005-06 works out to Rs. 18,718 at current prices and Rs. 15,265 at constant (1999-00) prices as against Rs. 17,190 and Rs. 14,489 respectively in 2004-05. The expenditure on all the groups, both at current and constant prices, increased in 2005-06 as compared to the previous year (see Table 9). Similarly the shares of various groups have remained more or less of the same order.

**Table 8: Private final consumption expenditure in the domestic market**

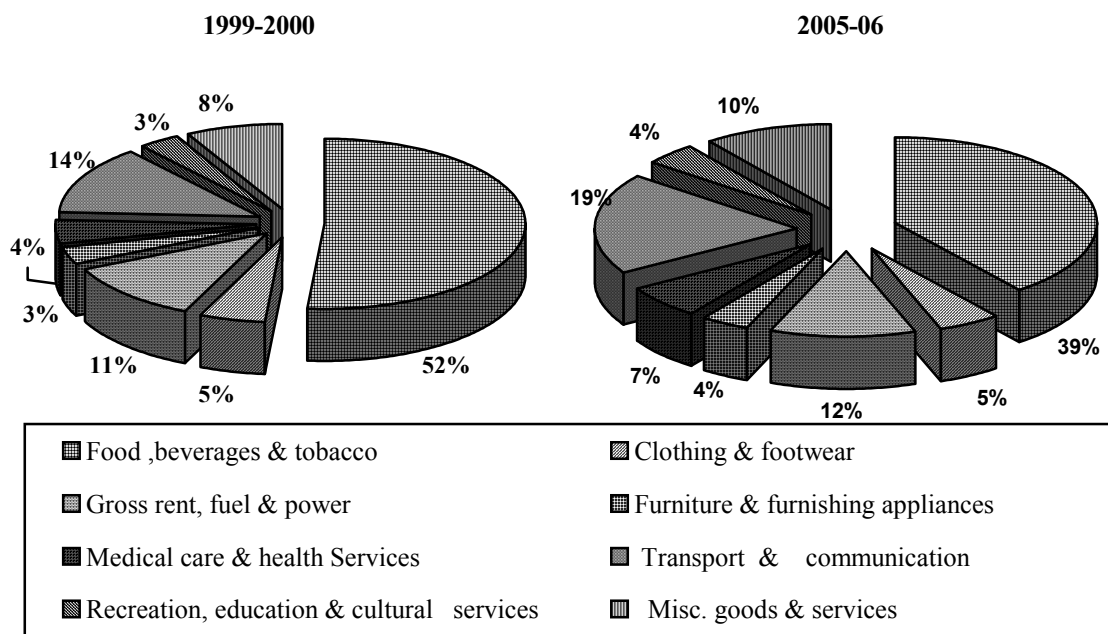
Year	at current prices		at constant (1999-2000) prices		Percentage growth at (1999-2000) prices	
	Total (Rs. Cr.)	Per capita (Rs.)	Total (Rs. Cr.)	Per capita (Rs.)	Total	Per capita
1999-00	1257541	12563	1257541	12563		
2000-01	1346418	13213	1292986	12689	2.8	1.0
2001-02	1466353	14127	1367758	13177	5.8	3.8
2002-03	1545126	14646	1397069	13242	2.1	0.5
2003-04	1713450	15969	1493871	13922	6.9	5.1
2004-05	1873729	17190	1579255	14489	5.7	4.1
2005-06	2072079	18718	1689861	15265	7.0	5.4

**Table 9: Private final consumption expenditure by type of goods and service in the domestic market**

(Rs. Crore)

Item-Group	at current prices				at constant (1999-2000) prices		
	1999-00	2003-04	2004-05	2005-06	2003-04	2004-05	2005-06
Food, beverages & tobacco	647011	720807	742609	816855	657626	652864	684665
Clothing & footwear	66292	86430	100164	104406	76682	86961	95908
Gross rent, fuel & power	143558	213526	228816	244258	161109	165973	170225
Furniture, furnishing, appliances & services	40939	57390	64897	75120	51094	55975	62830
Medical care & health services	54825	101855	117438	135483	90038	101327	112434
Transport & communication	164524	289659	344961	396393	249494	280567	304252
Recreation, education & cultural services	42779	65771	76375	86058	60036	69879	78061
Misc. goods & services	97613	178012	198469	213506	147792	165709	181486
<b>Private Final Consumption Expenditure</b>	<b>1257541</b>	<b>1713450</b>	<b>1873729</b>	<b>2072079</b>	<b>1493871</b>	<b>1579255</b>	<b>1689861</b>

**SHARE OF DIFFERENT ITEM GROUPS OF CONSUMPTION IN THE PRIVATE FINAL CONSUMPTION EXPENDITURE IN THE DOMESTIC MARKET AT CURRENT PRICES**



**DOMESTIC SAVING**

**2.12** Gross domestic saving (GDS) at current prices in 2005-06 is estimated at Rs. 11,56,809 crore as against Rs. 9,73,028 crore in 2004-05, constituting 32.4 per cent of GDP at market prices as against 31.1 per cent in the previous year. The rise in GDS has been contributed by all sectors except public sector. In respect of the household sector, the saving in the form of financial and physical assets has gone up to Rs. 4,16,462 crore and Rs. 3,80,655 crore in 2005-06 from Rs. 3,18,791 crore and Rs. 3,56,043 crore in 2004-05, respectively. Saving of private corporate sector has gone up to Rs. 2,88,430 crore in 2005-06 from Rs. 2,23,512 crore in 2004-05. The saving of the public sector showed a decline from 74,682 crore in 2004-05 to Rs. 71,262 crore in 2005-06. The decrease in the public sector saving is mainly due to increase in the dissaving of public authorities from (-) Rs. 60,904 crore in 2004-05 to (-) Rs.68,270 crore in 2005-06 and non-departmental enterprises from Rs. 1,35,586 crore in 2004-05 to Rs. 1,39,532 crore in 2005-06. The net domestic saving has correspondingly gone up from Rs. 6,40,538 crore in 2004-05 to Rs. 7,77,609 crore in 2005-06 and constitutes 22.9 per cent of net domestic product at market prices in 2004-05 and 24.4 per cent in 2005-06.

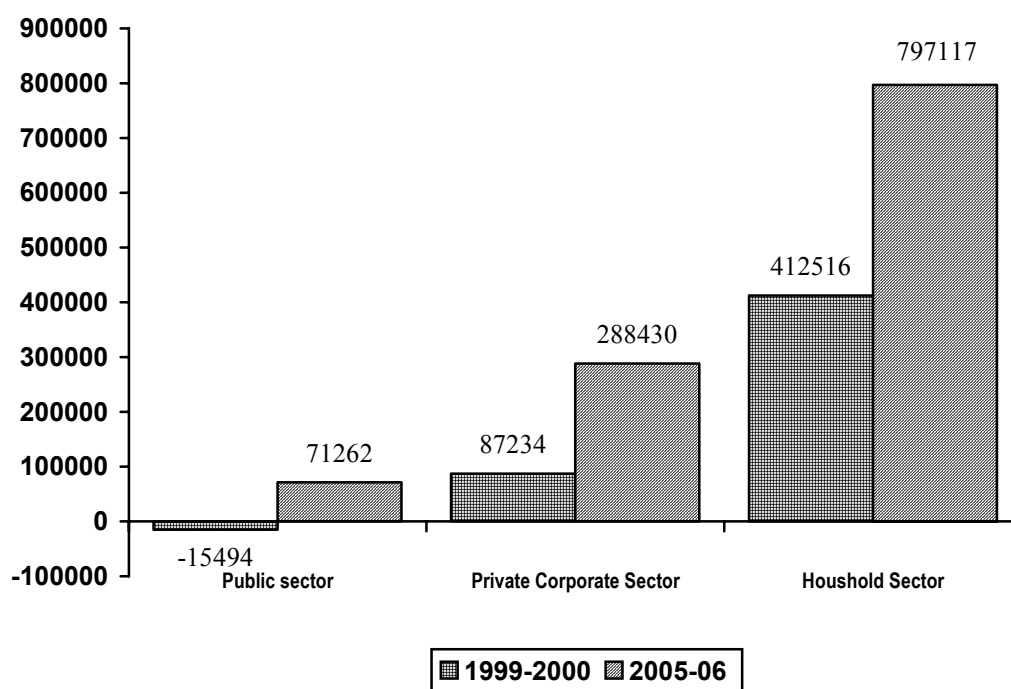


**Table 10: Domestic Saving**  
(at current prices)

(Rs. crore)

	Item	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
<b>1.</b>	<b>Gross Domestic Saving</b>	484256	497218	535583	648982	820504	973028	1156809
1.1	Household Sector	412516	442136	496958	559074	657327	674834	797117
1.2	Private Corporate Sector	87234	90143	85203	103965	131355	223512	288430
1.3	Public Sector	-15494	-35061	-46578	-14057	31822	74682	71262
<b>2.</b>	<b>Net Domestic Saving</b>	298663	290923	303131	394215	535802	640538	777609
2.1	Household Sector	347617	368593	412632	464342	549279	546705	651272
2.2	Private Corporate Sector	42694	37485	24184	36371	54615	132203	179310
2.3	Public Sector	-91648	-115155	-133685	-106498	-68092	-38370	-52973
<b>3.</b>	<b>Net Capital Inflow</b>	21988	12754	-14229	-28486	-45380	13338	47665
<b>4.</b>	<b>Gross Domestic Product (at market prices)</b>	1952035	2102375	2281058	2458084	2765491	3126596	3567177
<b>5.</b>	<b>Rate of gross saving (per cent)</b>	<b>24.8</b>	<b>23.7</b>	<b>23.5</b>	<b>26.4</b>	<b>29.7</b>	<b>31.1</b>	<b>32.4</b>
5.1	Household Sector	21.1	21.0	21.8	22.7	23.8	21.6	22.3
5.2	Private Corporate Sector	4.5	4.3	3.7	4.2	4.7	7.1	8.1
5.3	Public Sector	-0.8	-1.7	-2.0	-0.6	1.2	2.4	2.0

**GROSS DOMESTIC SAVING**  
(Rs. Crore)



## CAPITAL FORMATION

**2.13** Gross Domestic Capital Formation at current prices has increased from Rs. 9,86,366 crore in 2004-05 to Rs. 12,04,474 crore in 2005-06 and at constant (1999-00) prices, it has increased from Rs. 7,84,747 crore in 2004-05 to Rs. 9,13,948 crore in 2005-06. The rate of gross capital formation at current prices is 33.8 per cent in 2005-06 as against 31.5 per cent in 2004-05. The rate of capital formation in 2005-06 was higher than the rate of saving because of net capital inflow from abroad of Rs. 47,665 crore in 2005-06. The rate of gross capital formation at constant (1999-00) prices has increased from 30.2 per cent in 2004-05 to 32.2 per cent in 2005-06. The rate of net capital formation at current prices in 2005-06 is 25.9 per cent as against 23.4 per cent in 2004-05.

**2.14** Within the gross capital formation at current prices, the gross fixed capital formation amounted to Rs. 10,00,761 crore in 2005-06 as against Rs. 8,22,786 crore in 2004-05. At current prices, the gross fixed capital formation of the public sector has increased from Rs. 2,04,638 crore in 2004-05 to Rs. 2,45,898 crore in 2005-06, that of private corporate sector from Rs.2,69,012 crore in 2004-05 to Rs.3,83,708 crore in 2005-06, and the household sector from Rs. 3,49,136 crore in 2004-05 to Rs. 3,71,154 crore in 2005-06.

**2.15** The change in stocks of inventories, at current prices, increased from Rs. 63,789 crore in 2004-05 to Rs 1, 04,036 crore in 2005-06. The increase in public sector from Rs. 15,849 crore in 2004-05 to Rs. 18,528 crore and private corporate sector from Rs. 41,033 crore to Rs. 76,007 crore respectively. The household sector has increased from Rs.6, 907 crore to Rs.9, 501 crore during the year.

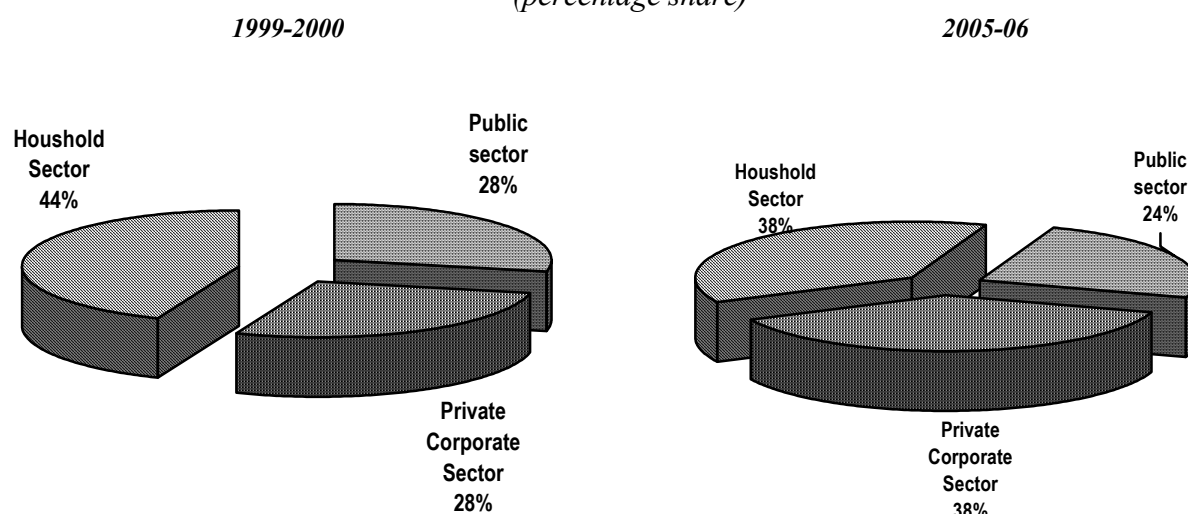
**Table 11: Gross capital formation**

(Rs. crore)

	Item	at current prices				at 1999-2000 prices		
		1999-00	2003-04	2004-05	2005-06	2003-04	2004-05	2005-06
1.	Gross Capital formation	509518	734586	927629	1147254	624680	737823	870619
1.1	GFCF	456416	687150	822786	1000761	588088	657317	757806
1.1.1	Public	129286	177736	204638	245898	152835	162613	184836
1.1.2	Private Corporate	127412	173215	269012	383708	145015	212749	287544
1.1.3	Household	199718	336199	349136	371154	290238	281955	285426
1.2	Change in stocks	37583	22863	63789	104036	15051	46633	78821
1.2.1	Public	15324	-3139	15849	18528	-7595	6521	10648
1.2.2	Private Corporate	16063	18134	41033	76007	15763	33599	60154
1.2.3	Household	6196	7868	6907	9501	6883	6513	8019
2.	Errors & Omission	-3274	40538	58737	57220	34695	46924	43329
3.	Capital Formation (adj)							
3.1	Gross	506244	775124	986366	1204474	659375	784747	913948
3.2	Net	320651	490422	653876	825274	414227	520386	628429
4.	Capital formation as percentage of domestic product at mkt. prices							
4.1	Gross	25.9	28.0	31.5	33.8	27.4	30.2	32.2
4.2	Net	18.2	19.8	23.4	25.9	19.2	22.3	24.6

## GROSS FIXED CAPITAL FORMATION AT CURRENT PRICES

(percentage share)



**2.16** The estimates of Gross Capital Formation (GCF), unadjusted for errors and omissions, at 1999-00 prices for selected industries as well as for the entire economy are given in Table 12. The GCF in the economy increased by about 18.0 per cent in real terms, owing to the rise in the industry-groups viz. 'crop & animal husbandry', 'manufacturing' and 'community, social & personal services' in spite of the fall in 'transport, storage & communication'.

**Table 12: Gross capital formation in selected industries**  
at Constant (1999-2000) prices

Industry		(Rs. Crore)						
		1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
1.	Crop & animal husbandry	50151	45186	55806	55668	53840	57253	64131
2.	Manufacturing	174098	138330	103683	157018	196008	290137	373616
3.	Transport, storage & communication	58021	75806	58838	72608	70383	80122	78595
4.	Community, social & personal services	55736	57366	70831	78710	81754	100335	128026
5.	<b>TOTAL (FOR ALL INDUSTRIES)</b>	<b>509518</b>	<b>484950</b>	<b>495114</b>	<b>548554</b>	<b>624681</b>	<b>737822</b>	<b>870621</b>

### 3. PUBLIC SECTOR

**3.01** In the year 2005-06, the public sector, comprising administrative departments, departmental enterprises and non-departmental enterprises, contributed 23.0 per cent in the GDP and 23.9 per cent in gross domestic capital formation with major contribution coming from the administrative departments and non-departmental undertakings (See Table 13). In comparison to its share in the GDP, its share in capital formation is higher, whereas it had a negative contribution in the saving. A large amount of capital formation in the administrative departments is either in the form of roads and bridges, or in the form of other construction works, which are utilised to generate essential services made available to the population free of cost, or at highly subsidised prices. In case of non-departmental enterprises, the share in income and saving generation is lower than the share in expenditure on capital formation. A sizeable part of capital formation is financed from resources outside the public sector.

**Table 13: Percentage share of Public Sector in the main macro-economic aggregates**  
(at Current Prices)

Item		1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
1	Gross Domestic Product	25.6	25.0	25.1	25.6	24.6	24.0	23.0
1.1	Administrative Departments *	10.8	10.6	10.3	10.0	9.6	9.5	9.7
1.2	Departmental Enterprises	4.2	3.6	3.1	3.1	2.7	2.7	2.5
1.3	Non-Departmental Enterprises	10.6	10.8	11.7	12.5	12.3	11.8	10.8
2	Gross Domestic Capital Formation	29.3	29.4	29.6	24.9	24.6	24.9	23.9
2.1	Administrative departments *	9.4	10.6	11.3	10.7	9.5	10.1	10.4
2.2	Departmental enterprises	5.8	0.5	3.5	3.2	2.4	2.8	3.1
2.3	Non-departmental enterprises	14.1	18.3	14.8	11.0	12.7	12.0	10.4
3.	Gross Domestic Saving	-3.2	-7.1	-8.7	-2.2	3.9	7.7	6.2
3.1	Administrative departments *	-20.5	-23.5	-26.2	-19.9	-12.2	-8.3	-7.8
3.2	Departmental enterprises	5.3	4.0	2.8	2.4	2.1	2.1	1.9
3.3	Non-departmental enterprises	12.0	12.4	14.7	15.3	14.0	13.9	12.1

\* Includes public services in quasi-govt. bodies

**3.02** The share of public sector in gross domestic capital formation at current prices, which was 29.3 per cent in 1999-00, declined to 23.9 per cent in 2005-06. The decrease in the share of public sector in gross domestic capital formation has been due to decrease in the corresponding share of departmental enterprises and non-departmental enterprises during the period. The share of public sector in gross domestic saving has increased from (-)3.2 per cent in 1999-00 to 6.2 per cent in 2005-06.

**3.03** Table 14 presents growth in gross domestic product at constant (1999-00) prices generated in the public and private sectors. It can be seen that the pattern of growth of the public sector is not similar to that of the private sector. The pattern is not the same even for the non-departmental enterprises, which are purely commercial in nature. This is obvious because the nature, problems and constraints faced by the private sector are different from those in the public sector. The activities of the public sector are mainly concentrated in sectors producing other services (education and medical), manufacturing and storage, apart from total or near-total coverage of electricity, gas and water supply, railways, communication, public administration and banking and insurance sectors. Any analysis by type of economic activity may not be meaningful between these two institutional sectors because of non-comparable composition of activities and differences in approach in computation of the GDP.

**Table 14: Growth in Gross Domestic Product**

at constant (1999-2000) prices

(Per cent)

Year	Total GDP	GDP – Public Sector				GDP – Private Sector		
		Total	Admn.*	DCU	NDCU	Total	Agrl.	Non-Agrl.
2000-01	4.4	1.8	2.5	4.4	0.0	5.3	-0.2	8.0
2001-02	5.8	5.8	1.5	4.0	11.2	5.8	6.3	5.6
2002-03	3.8	5.4	1.0	-4.3	13.3	3.3	-7.2	8.2
2003-04	8.5	4.9	3.5	-6.0	9.7	9.8	10	9.7
2004-05	7.5	4.1	6.8	-10.9	6.1	8.6	0.0	12.1
2005-06	9.0	6.8	3.9	9.2	8.5	9.7	6.0	11.0

\* Includes public services in quasi-govt. bodies

**3.04** Table 15 presents the purpose-wise distribution of government expenditure at current prices for the years 1999-00, 2003-04 and 2004-05. It is seen that there has been just over 47 per cent increase in current expenditure, whereas in capital expenditure, the increase has been over 86 per cent during the period 1999-00 to 2004-05.

**Table 15: Purpose Classification of Expenditure of Administrative Departments**  
(at current prices)

(Rs. Crore)

Purpose		1999-2000		2003-04		2004-05	
		Current Exp.	Capital Exp.	Current Exp.	Capital Exp.	Current Exp.	Capital Exp.
1.	General Public Services	54330	5358	76952	18910	81160	40341
2.	Defence	56241	268	76870	2405	87921	4187
3.	Education services	68527	1793	80303	2081	87956	2458
3.1	Administration, regulation & research	3976	48	11420	135	13503	154
3.2	Educational services	64551	1745	68883	1946	74453	2304
4.	Health and other services	13910	1694	17134	2019	20147	2466
4.1	Administration, regulation & research	1493	76	3234	319	3572	333
4.2	Health services	12417	1618	13900	1700	16575	2133
5.	Social security & welfare services	14469	1413	18580	2201	21324	2352
6.	Housing & community amenity services	10672	16314	14222	28096	16215	28668
7.	Cultural, recreational & religious services	2401	560	4366	909	4986	1002
8.	Economic services	96252	56129	129204	86040	143568	73987
8.1	General administration, regulation & research	18608	8222	6770	1207	5610	2428
8.2	Agriculture, forestry, fishing & hunting	39101	4241	56802	13088	63679	10193
8.3	Mining, manufacturing & construction	15426	5376	24445	5113	25363	4833
8.4	Electricity, gas, steam and other sources of energy	9221	12294	18170	33815	24261	23771
8.5	Water supply	4053	10330	4009	8344	4233	7363
8.6	Transport & communication	6833	14306	8982	22229	8130	23204
8.7	Other economic services	3010	1360	10026	2244	12292	2195
9.	Environmental protection	172	207	961	76	1164	122
10.	Relief on calamities & other misc. services	717	267	1769	795	1916	797
<b>11.</b>	<b>Total</b>	<b>317691</b>	<b>84003</b>	<b>420361</b>	<b>143532</b>	<b>466357</b>	<b>156380</b>

#### 4. LONG TERM TRENDS

**4.01** The long-term series from 1950-51 to 2004-05, has been summarised in the form of growth rates and other rates (e.g. rate of capital formation etc.) in Table 16. The per capita income at constant (1999-00) prices registered an annual average growth of 4.6 per cent per annum during 2000-01 to 2005-06. The national income in the same period grew at an average rate of 6.4 per cent per annum. The highest level of growth in Per Capita Income which is of the order of 7.4 per cent, was achieved in the tenth five-year plan period, during the year 2005-06. The expenditure aggregates like private final consumption expenditure, govt. final consumption expenditure and gross domestic capital formation have registered growth rates of 5.1, 1.7 and 10.8 per cent respectively at 1999-00 prices during the period 2000-2006.

**Table 16(a) : Annual average growth rate**

Plan Period		GNP at Factor cost		NNP at Factor cost		Per Capita NNP at Factor cost	
		At current prices	At 1999-00 prices	At current prices	At 1999-00 prices	At Current prices	At 1999-00 prices
First Plan	1951-56	1.8	3.7	1.5	3.6	-0.3	1.8
Second Plan	1956-61	9.5	4.2	9.4	4.1	7.3	2.0
Third Plan	1961-66	9.6	2.8	9.5	2.5	7.1	0.2
Annual Plan	1966-69	12.2	3.9	12.2	3.8	9.8	1.5
Fourth Plan	1969-74	11.1	3.4	11.0	3.3	8.5	1.0
Fifth Plan	1974-79	10.7	5.0	10.4	5.0	7.9	2.7
Annual Plan	1979-80	9.4	-5.0	8.3	-6.0	5.7	-8.3
Sixth Plan	1980-85	15.2	5.5	15.1	5.4	12.7	3.2
Seventh Plan	1985-90	14.4	5.8	14.2	5.8	11.8	3.6
Annual Plan	1990-91	16.5	5.5	16.7	5.4	14.3	3.3
Annual Plan	1991-92	15.0	1.1	14.3	0.5	12.0	-1.5
Eighth Plan	1992-97	16.3	6.8	16.3	6.7	14.0	4.6
Ninth Plan	1997-99	10.9	5.6	11.1	5.5	9.1	3.6
	2000-02	8.4	5.0	8.0	4.8	6.0	2.9
Tenth Plan	2002-03	8.1	3.9	7.9	3.5	6.2	1.9
	2003-04	12.6	8.7	12.7	8.8	10.8	7.0
	2004-05	11.9	7.4	11.3	7.3	9.6	5.7
	2005-06	13.8	9.0	13.8	9.1	12.1	7.4
Average	1951-99	11.2	4.5	11.1	4.4	8.8	2.3
	2000-06	10.5	6.5	10.3	6.4	8.4	4.6

Note- All figures up to 1999 are on 1993-94 Base and 1999 onwards on 1999-2000 Base

**Table 16(b) : Growth rates of important expenditure aggregates**

Plan period		PFCE in Domestic Market		GFCE		GDCF		Gross Savings
		At current prices	At 1999-00 prices	At current prices	At 1999-00 prices	At current prices	At 1999-00 prices	At current prices
First Plan	1951-56	NA	4.1	5.1	1.2	13.2	10.4	10.2
Second Plan	1956-61	NA	3.7	9.8	6.1	13.1	7.1	8.5
Third Plan	1961-66	8.8	2.6	16.6	13.1	12.8	7.5	14.4
Annual Plan	1966-69	10.8	3.2	10.1	2.8	5.2	-1.7	7.0
Fourth Plan	1969-74	10.6	2.4	11.0	5.7	17.9	7.3	19.1
Fifth Plan	1974-79	10.3	4.4	13.6	4.8	16.0	6.9	16.6
Annual Plan	1979-80	8.6	-2.2	15.0	6.3	4.6	-11.6	2.7
Sixth Plan	1980-85	14.4	5.0	16.4	6.1	14.7	4.0	13.7
Seventh Plan	1985-90	12.1	4.4	16.8	7.8	19.5	9.0	18.5
Annual Plan	1990-91	14.3	4.5	14.0	3.4	25.4	13.7	22.8
Annual Plan	1991-92	15.3	2.2	12.5	-0.7	-1.5	-12.3	9.6
Eighth Plan	1992-97	15.2	5.1	14.5	4.7	18.2	9.6	17.4
Ninth Plan	1997-99	10.5	4.7	14.4	8.1	9.2	5.0	11.1
	2000-02	8.0	4.3	5.7	1.2	1.5	-3.1	5.2
Tenth Plan	2002-03	5.4	2.1	3.3	-0.4	19.0	16.6	21.2
	2003-04	10.9	6.9	6.6	2.5	24.9	19.1	26.4
	2004-05	9.4	5.7	10.3	5.4	27.3	19.0	18.6
	2005-06	10.6	7.0	18.1	9.8	22.1	16.5	18.9
Average	1951-99	11.7*	3.9	12.7	5.8	14.3	6.6	14.1
	2000-06	8.7	5.1	8.3	1.7	16.0	10.8	15.9

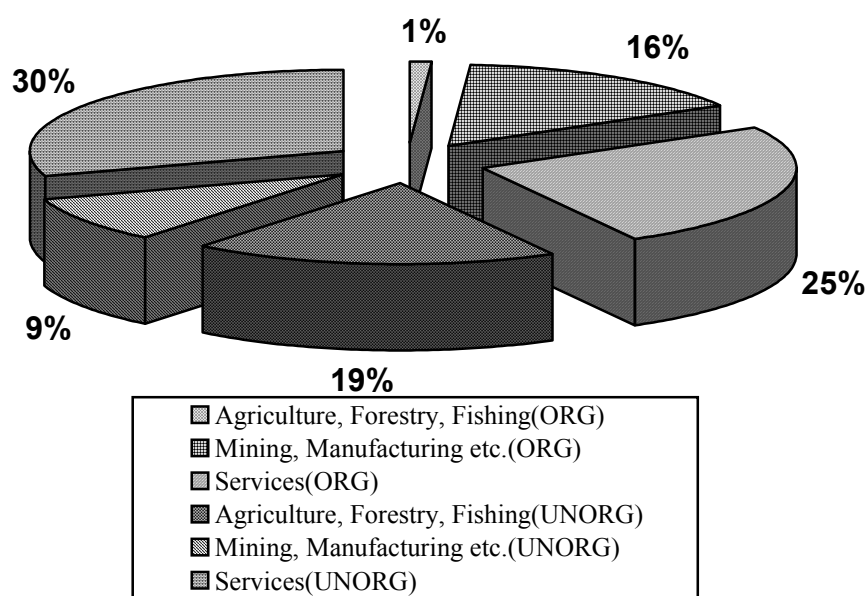
\*relates to 1961-1999

Note- All figures up to 1998-99 are on base year 1993-94 and from 1999-2000 onwards, on base year 1999-2000 .

## 5. FACTOR INCOMES

**5.01** Tables 17 (a), 17(b), 17(c) and 17(d) present the magnitude and distribution of factor incomes by broad industry groups separately for the organised and unorganised segments of the economy. From Table 17 (b), it is evident that the share of organised segment in the total NDP has risen from 38.9 per cent in 1999-00 to 42.0 per cent in 2004-05. Largely, the same trend is also evident in operating surplus (OS)/mixed income (MI). The decline in the share of unorganised segment is of the same order for OS/MI.

**Industry group wise share of organised / unorganised segments in NDP  
2004-05**



**Table 17(a): Factor income by broad industry group.**

(Rs. Crore)

Industry		1999-2000			2004-05		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	8327	67681	76008	11513	81707	93220
	2. OS/MI	6334	342216	348550	16318	391246	407564
	3. NDP	14661	409897	424558	27831	472953	500784
b. mining, manufacturing, electricity & construction.	1. CE	111810	68720	180530	178488	124889	303377
	2. OS/MI	111519	70567	182086	216925	108114	325039
	3. NDP	223329	139287	362616	395413	233003	628416
c. services	1. CE	259510	86995	346505	379934	143880	523814
	2. OS/MI	125406	341847	467253	256302	614125	870427
	3. NDP	384916	428842	813758	636236	758005	1394241
d. total	1. CE	379647	223396	603043	569935	350476	920411
	2. OS/MI	243259	754630	997889	489545	1113485	1603030
	3. NDP	622906	978026	1600932	1059480	1463961	2523441

**5.02** At the all-India level the composition of NDP in terms of compensation of employees and mixed income / operating surplus has changed from 38: 62 in 1999-2000 to 36: 64 in 2004-05.

**Table 17 (b): Share of factor incomes by Organised and Unorganised sectors**

Industry		1999-2000			2004-05		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	11.0	89.0	100.0	12.4	87.6	100.0
	2.OS/MI	1.8	98.2	100.0	4.0	96.0	100.0
	3. NDP	3.5	96.5	100.0	5.6	94.4	100.0
b. mining, manufacturing, electricity & construction.	1.CE	61.9	38.1	100.0	58.8	41.2	100.0
	2.OS/MI	61.2	38.8	100.0	66.7	33.3	100.0
	3.NDP	61.6	38.4	100.0	62.9	37.1	100.0
c. services	1. CE	74.9	25.1	100.0	72.5	27.5	100.0
	2. OS/MI	26.8	73.2	100.0	29.4	70.6	100.0
	3. NDP	47.3	52.7	100.0	45.6	54.4	100.0
d. total	1. CE	63.0	37.0	100.0	61.9	38.1	100.0
	2. OS/MI	24.4	75.6	100.0	30.5	69.5	100.0
	3.NDP	38.9	61.1	100.0	42.0	58.0	100.0

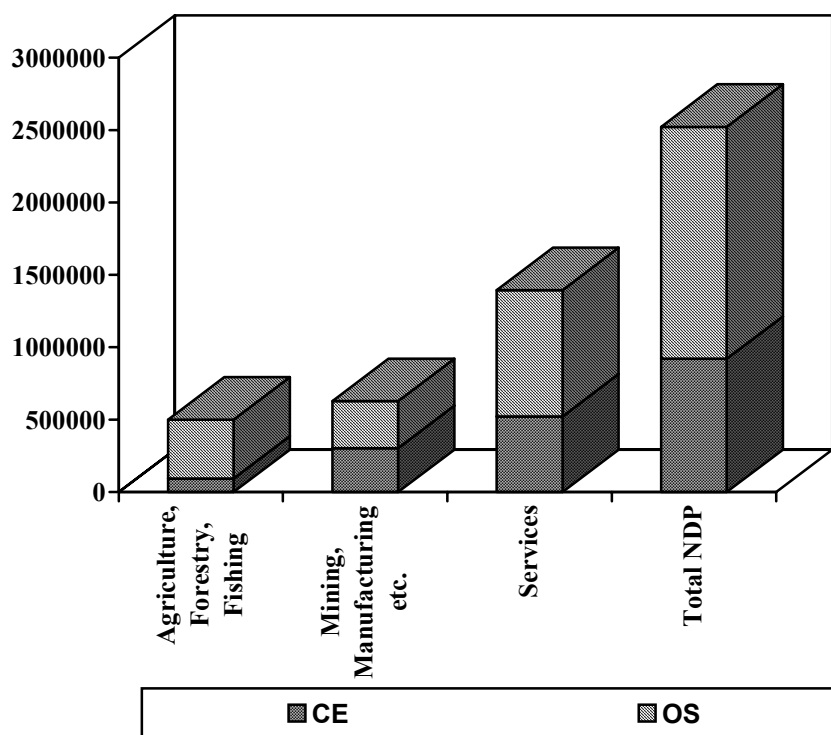
**Table 17(c) : Distribution of factor income by broad industry groups in organised and unorganised sectors.**  
(percentage share)

Industry		1999-2000			2004-05		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	1.3	6.9	4.7	1.1	5.6	3.7
	2.OS/MI	1.0	35.0	21.8	1.5	26.7	16.2
	3. NDP	2.4	41.9	26.5	2.6	32.3	19.8
b. mining, manufacturing, electricity & construction.	1.CE	17.9	7.0	11.3	16.8	8.5	12
	2.OS/MI	17.9	7.2	11.4	20.5	7.4	12.9
	3.NDP	35.9	14.2	22.7	37.3	15.9	24.9
c. services	1. CE	41.7	8.9	21.6	35.9	9.8	20.8
	2. OS/MI	20.1	35	29.2	24.2	41.9	34.5
	3. NDP	61.8	43.8	50.8	60.1	51.8	55.3
d. total	1. CE	60.9	22.8	37.7	53.8	23.9	36.5
	2. OS/MI	39.1	77.2	62.3	46.2	76.1	63.5
	3.NDP	100.0	100.0	100.0	100.0	100.0	100.0



**Factor incomes in broad industry groups  
2004-05**

(Rs. Crores)



**Table 17 (d): Share of factor incomes in broad industry groups**

Industry		1999-2000			2004-05		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. Agriculture, Forestry, fishing	1. CE	56.8	16.5	17.9	41.4	17.3	18.6
	2.OS/MI	43.2	83.5	82.1	58.6	82.7	81.4
	3. NDP	100.0	100.0	100.0	100.0	100.0	100.0
b. mining , manufacturing electricity & construction	1.CE	50.1	49.3	49.8	45.1	53.6	48.3
	2.OS/MI	49.9	50.7	50.2	54.9	46.4	51.7
	3.NDP	100.0	100.0	100.0	100.0	100.0	100.0
c. services	1. CE	67.4	20.3	42.6	59.7	19.0	37.6
	2. OS/MI	32.6	79.7	57.4	40.3	81.0	62.4
	3. NDP	100.0	100.0	100.0	100.0	100.0	100.0
d. total	1. CE	60.9	22.8	37.7	53.8	23.9	36.5
	2. OS/MI	39.1	77.2	62.3	46.2	76.1	63.5
	3.NDP	100.0	100.0	100.0	100.0	100.0	100.0

# ADVANCE RELEASE CALENDAR OF VARIOUS RELEASES ON NATIONAL ACCOUNTS STATISTICS DURING 2007 AND 2008

## QUARTERLY ESTIMATES OF GDP

(1)	Q4 OF 2006-07	31.05.2007
(2)	Q1 OF 2007-08	31.08.2007
(3)	Q2 OF 2007-08	30.11.2007
(4)	Q3 OF 2007-08	29.02.2008
(5)	Q4 OF 2007-08	30.05.2008
(6)	Q1 OF 2008-09	31.08.2008
(7)	Q2 OF 2008-09	28.11.2008

*Q1 : April-June, Q2: July-September, Q3: October-December, Q4: January-March*

## ANNUAL ESTIMATES OF GDP

(1)	REVISED ESTIMATES FOR 2006-07	31.05.2007
(2)	QUICK ESTIMATES FOR 2006-07	31.01.2008
(3)	ADVANCE ESTIMATES FOR 2007-08	07.02.2008
(4)	REVISED ESTIMATES FOR 2007-08	30.05.2008

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