

NATIONAL ACCOUNTS STATISTICS 2008

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 May i.e. with a time lag of three months, as updates of advance estimates.

1.03 The present issue of National Accounts Statistics (NAS) 2008 includes the Quick Estimates of macro-economic aggregates for the year 2006-07. Advance Estimates of National Income for the year 2007-08 and Quarterly estimates of Gross Domestic Product (GDP) for the years 1999-2000 to 2007-08 released on 28 February 2008 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 2008 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 (2008) also contains an additional section that gives a number of useful special statements.

2. THE ECONOMY

GROSS DOMESTIC PRODUCT AND NATIONAL INCOME

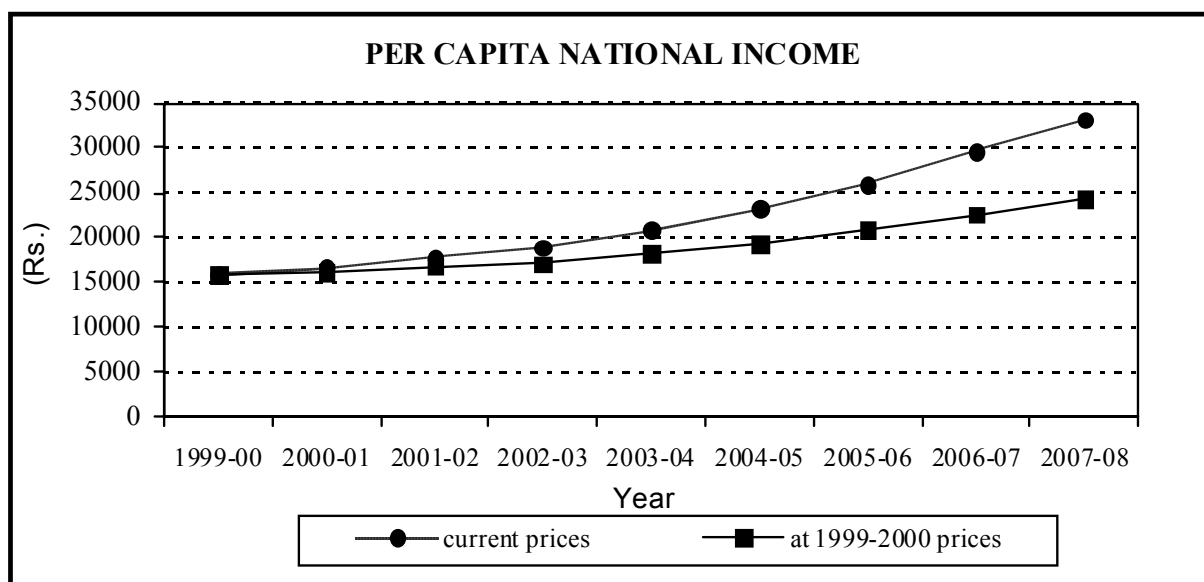
2.01 The advance estimate of GDP at factor cost at constant (1999-00) prices arrived at for the year 2007-08 is Rs. 31,14,452 crore, as against the quick estimate of Rs. 28,64,310 crore for 2006-07, indicating growth of 8.7 per cent during 2007-08. At current prices, the advance estimate of GDP at factor cost for 2007-08 turns out to be Rs. 42,83,040 crore as against the quick estimate of Rs. 37,90,063 crore for 2006-07, showing an increase of 13.0 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 2007-08 is Rs. 27,60,325 crore, as against the quick estimate of Rs. 25,30,495 crore for 2006-07, suggesting a rise of 9.1 per cent in national income during 2007-08. At current prices, the advance estimate of national income for 2007-08 is estimated at Rs. 37,70,302 crore as compared to the quick estimate of Rs. 33,25,817 crore for 2006-07, showing a rise of 13.4 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	1589672	1589672	15881	15881
2000-01	1925017	1864300	1700467	1647903	16688	16172
2001-02	2097726	1972606	1849360	1743466	17782	16764
2002-03	2261415	2048287	1994248	1805830	18885	17101
2003-04	2538171	2222758	2239939	1963544	20895	18317
2004-05	2877706	2388384	2526408	2104520	23199	19325
2005-06	3275670	2612847	2870750	2306894	25956	20858
2006-07 (Quick)	3790063	2864309	3325817	2530494	29642	22553
2007-08 (Advance)	4283040	3114452	3770302	2760325	33131	24256
<i>Per cent growth over previous year</i>						
2000-01	7.8	4.4	7.0	3.7	5.1	1.8
2001-02	9.0	5.8	8.8	5.8	6.6	3.7
2002-03	7.8	3.8	7.8	3.6	6.2	2.0
2003-04	12.2	8.5	12.3	8.7	10.6	7.1
2004-05	13.4	7.5	12.8	7.2	11.0	5.5
2005-06	13.8	9.4	13.6	9.6	11.9	7.9
2006-07 (Quick)	15.7	9.6	15.9	9.7	14.2	8.1
2007-08 (Advance)	13.0	8.7	13.4	9.1	11.8	7.5

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 2007-08 turns out to be Rs. 24,256 as against the quick estimate of Rs.22,553 for 2006-07. This indicates a growth of per capita real income of about 7.5 per cent during 2007-08. At current prices, the per capita income is seen to have grown by about 11.8 per cent during the year from Rs.29,642 (quick estimate) in 2006-07 to Rs. 33,131 (advance estimate) in 2007-08.



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 (1.8%), fishing (4.0%) and mining & quarrying (5.7%) during 2006-07. A growth rate of 9.6 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 (28.1%); banking &

insurance (19.7%); construction (12.0%); manufacturing (12.0%); transport by other means (9.4%); real estate, ownership of dwelling & business services (9.3%); railways (9.0%); trade, hotels & restaurant (8.5%) and other services (7.9%).

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	2006-07
1. Agriculture	-0.6	6.5	-8.1	10.8	-0.0	6.1	3.8
2. Forestry & logging	2.7	3.1	0.7	-1.1	2.1	1.9	1.8
3. Fishing	4.7	5.0	4.1	3.6	-2.0	6.3	4.0
4. Mining & Quarrying	2.4	1.8	8.8	3.1	8.2	4.9	5.7
5. Manufacturing	7.7	2.5	6.8	6.6	8.7	9.0	12.0
6. Electricity, gas and water supply	2.1	1.7	4.7	4.8	7.9	4.7	6.0
7. Construction	6.2	4.0	7.9	12.0	16.1	16.5	12.0
8. Trade, Hotels & Restaurant	5.2	9.6	6.9	10.1	7.7	9.4	8.5
9. Railways	4.1	7.0	5.6	5.9	7.3	9.3	9.0
10. Transport by other means	7.7	4.0	10.3	11.9	12.1	8.1	9.4
11. Communication	26.8	20.3	27.7	26.1	24.5	26.3	28.1
12. Banking & Insurance	-2.0	9.1	11.3	2.2	8.8	14.2	19.7
13. Real estate, OD & BS *	9.1	5.9	5.4	8.3	8.6	9.2	9.3
14. Public administration & defence	1.9	2.9	1.6	2.6	6.5	7.4	5.5
15. Other services	7.1	5.1	5.8	7.6	7.1	7.1	7.9
16. Total GDP	4.4	5.8	3.8	8.5	7.5	9.4	9.6

* '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 4.2 per cent in 2006-07. The livestock output had grown by 4.1 per cent during the same period. The output of wheat has shown a rise in the growth of production, from 1.0 to 9.3 percent, pulses from 2.0 to 6.1 per cent, cotton from 12.6 to 22.3 per cent and sugarcane from 18.6 to 26.4 per cent during 2006-07.

Table 3: Performance of Agriculture

Item	1999-00	2004-05	2005-06	2006-07	Percentage Growth	
					2005-06	2006-07
1. <u>Value of output</u> (in Rs. Crore at 1999-2000 prices)	512363	552608	586595	611120	6.2	4.2
1.1 Agriculture	382832	398363	425671	443546	6.9	4.2
1.2 Livestock	129531	154245	160294	167574	4.3	4.1
2. <u>Value of selected inputs</u> (in Rs. Crore at 1999-2000 prices)						
2.1 Chemical fertilizer	21205	19995	22802	25173	14.0	10.4
2.2 Diesel Oil	5609	7393	8185	8681	10.7	6.1
2.3 Organic Manure	5821	7052	7265	7460	3.0	2.7
2.4 Feed of livestock	53840	60103	61412	62815	2.2	2.3
2.5 Seed	9022	8438	8845	9207	4.8	4.1
3. <u>Production of selected crops</u> (in million tonnes)						
3.1 Food grains	209.80	198.36	208.59	217.29	5.2	4.2
3.1.1 Paddy	89.68	83.13	91.79	93.36	10.4	1.7
3.1.2 Wheat	76.37	68.64	69.35	75.81	1.0	9.3
3.1.3 Coarse cereals	30.34	33.46	34.06	33.92	1.8	-0.4
3.1.4 Pulses	13.41	13.13	13.39	14.21	2.0	6.1
3.2 Oilseeds	20.71	24.35	27.98	24.29	14.9	-13.2
3.3 Cotton*	11.53	16.43	18.50	22.63	12.6	22.3
3.4 Sugarcane	299.32	237.09	281.17	355.52	18.6	26.4

*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 beverages, tobacco products, wearing apparel and other manufacturing registered a decline in the growth from 13.8% to 10.8%; 38.3% to 13.2%; 16.3% to 11.5% and 25.2% to 7.8% 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	2002-03	2003-04	2004-05	2005-06	2006-07	Percentage growth	
							2005-06	2006-07
mining	101-142	110.2	115.9	121.1	122.3	128.7	1.0	5.3
meat, fish, fruits, vegetables and oils	151	191.6	221.5	262.0	267.2	290.1	2.0	8.6
dairy products	152	93.5	88.3	88.6	90.3	98.1	2.0	8.6
grain mill products	153	115.8	128.4	120.4	122.7	133.2	2.0	8.6
other food products	154	111.1	103.6	94.1	96.0	104.2	2.0	8.6
beverages	155	171.7	191.2	210.2	239.3	265.2	13.8	10.8
tobacco products	16	66.6	60.3	66.3	91.8	103.9	38.3	13.2
spinning, weaving and finishing of textiles	171+172+173	108.6	107.9	118.4	127.9	141.8	8.0	10.9
wearing apparel	181-18105	122.7	118.1	140.7	163.7	182.6	16.3	11.5
leather & fur products	182+19	110.9	105.7	115.3	110.9	110.8	-3.8	-0.1
wood and wood products	20	75.4	80.6	73.7	69.5	89.7	-5.7	29.1
paper and printing etc	21+22	100.0	115.9	127.8	126.6	137.7	-0.9	8.7
rubber, petroleum products etc.	23+25	131.4	137.3	140.3	146.4	165.3	4.3	12.9
chemical and chemical products	24	116.5	126.0	144.9	157.0	172.1	8.4	9.6
non-metallic products	26	105.1	108.9	110.6	122.8	138.5	11.0	12.8
basic metals	271+272+2731+2732	116.0	126.6	133.5	154.6	189.9	15.8	22.8
metal products and machinery	28+29+30	105.5	114.7	128.2	137.5	154.4	7.3	12.3
electrical machinery	31+32	118.7	142.1	180.3	204.4	236.1	13.4	15.5
other manufacturing	33+369	121.6	131.0	155.3	194.4	209.5	25.2	7.8
transport equipment	34+35	120.0	140.4	146.2	164.8	189.5	12.7	15.0
manufacturing	151-372	114.9	123.3	134.6	146.9	165.3	9.1	12.5
electricity	401	110.6	116.2	122.2	128.6	137.8	5.2	7.2
general	10-40	114.0	122.0	132.2	143.0	159.5	8.2	11.5

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, Gross trading income and aggregate deposits & credits have shown a growth of 36.1%, 8.9% and 17.9% during the year respectively.

Table 5: Key Indicators on Performance in Services Sector

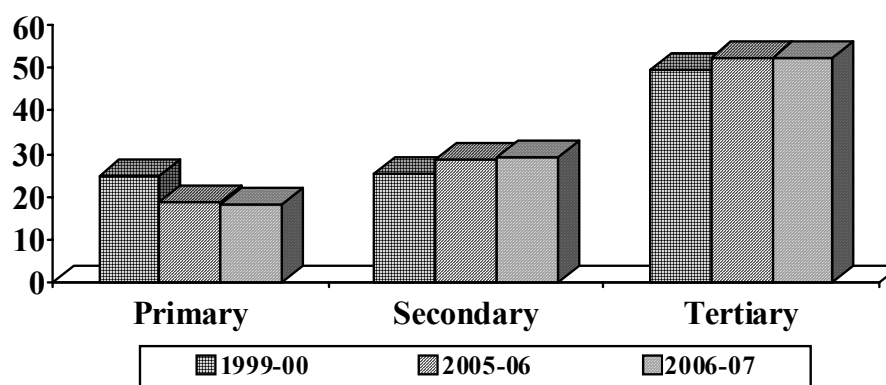
Item	Index (1999-2000=100)							Percentage growth	
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2005-06	2006-07
1. Gross trading income	104.3	108.7	113.9	125.0	132.9	146.0	159.6	9.9	8.9
2. Railways									
2.1 Passenger net Kms.	106.1	114.0	119.6	124.4	132.0	145.7	160.5	10.4	10.2
2.2 Freight tonne Kms.	102.4	109.2	115.6	123.6	133.3	144.5	156.1	8.4	8.0
3. Communication-Telephone Connections	122.6	151.6	184.5	259.1	337.7	477.8	650.2	41.5	36.1
4. Cargo handled at major ports	103.3	105.8	115.3	126.7	141.1	155.6	171.9	10.3	10.5
5. Aggregate deposits & credits at the end of year in real terms	110.9	125.1	140.2	156.1	176.9	219.9	259.2	24.3	17.9

Table 6: Gross Domestic Product by broad sectors

Industry		% Share at current prices			% Share at Constant (1999-2000) Prices	
		1999-00	2005-06	2006-07	2005-06	2006-07
1	Agriculture, forestry & fishing	25.0	18.8	18.3	19.6	18.5
2	Mining, manufacturing, electricity and construction	25.3	28.8	29.3	26.4	26.7
3	Services *	49.7	52.4	52.4	54.0	54.7
Total		100.0	100.0	100.0	100.0	100.0

* 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 18.5 per cent at current and constant prices respectively in 2006-07, the share of the tertiary (services) sector has grown from 49.7 per cent in 1999-00 to 52.4 per cent and 54.7 per cent at both current and constant prices in 2006-07.



GROSS DOMESTIC PRODUCT

(Percentage share at current Prices)

2.09 During the year 2005-06 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 5.7 percent in 2006-07 as compared to 3.9 per cent during the previous year.

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

Item	2003-04	2004-05	2005-06	2006-07	Growth			
					2004-05	2005-06	2006-07	
A Derived from national accounts (Implicit)								
1.	NDP	114.0	119.9	124.5	131.6	5.2	3.9	5.7
2.	PFCE	113.8	117.0	120.5	126.7	2.8	3.0	5.1
3.	GFCF	115.7	126.7	133.8	141.1	9.6	5.6	5.5
3.1	Construction	117.3	132.7	140.5	149.7	13.2	5.8	6.5
3.2	Machinery & equipment	113.9	120.6	126.6	132.1	5.8	5.0	4.4
B Directly available								
4.	Wholesale price index	121.1	128.9	134.6	141.9	6.4	4.4	5.4
5.	Consumer prices*							
5.1	Agricultural labourers	108.2	111.1	115.4	124.4	2.7	3.9	7.8
5.2	Industrial workers	116.8	121.5	126.7	135.3	4.0	4.3	6.8
5.3	Urban non-manual employees	119.5	123.8	129.7	138.3	3.6	4.8	6.6

* 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. 23,24,109 crore in 2006-07 as against Rs. 20,62,222 crore in 2005-06. At constant (1999-00) prices, the PFCE works out to Rs. 18,33,673 crore in 2006-07 as against Rs. 17,10,739 crore in 2005-06. The per capita PFCE in 2006-07 works out to Rs. 20,714 at current prices and Rs. 16,343 at constant (1999-00) prices as against Rs. 18,646 and Rs. 15,468 respectively in 2005-06. The expenditure on all the groups, both at current and constant prices, increased in 2006-07 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

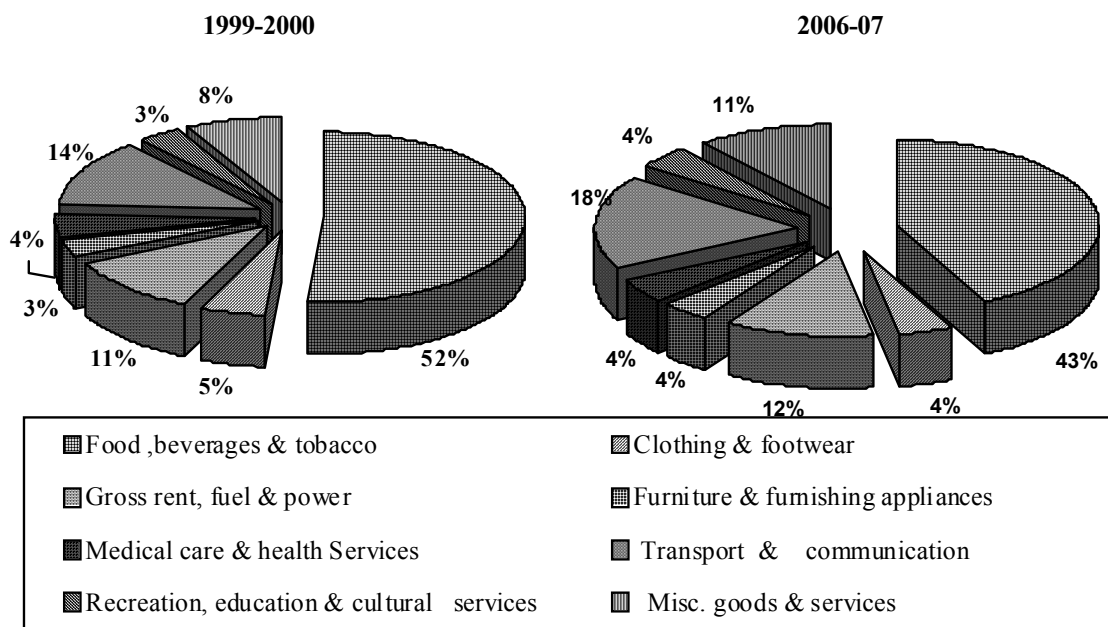
Year	at current prices		at constant (1999-2000) prices		Percentage growth at (1999-2000) prices	
	Total (Rs. Cr.)	Per capita (Rs.)	Total (Rs. Cr.)	Per capita (Rs.)	Total	Per capita
1999-00	1257541	12563	1257541	12563		
2000-01	1345583	13205	1300494	12762	3.4	1.6
2001-02	1470301	14138	1377316	13243	5.9	3.8
2002-03	1552618	14703	1413594	13386	2.6	1.1
2003-04	1703547	15891	1496866	13963	5.9	4.3
2004-05	1848490	16974	1579747	14506	5.5	3.9
2005-06	2062222	18646	1710739	15468	8.3	6.6
2006-07	2324109	20714	1833673	16343	7.2	5.7

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	2004-05	2005-06	2006-07	2004-05	2005-06	2006-07
Food, beverages & tobacco	647011	778504	874010	992348	685475	737207	772509
Clothing & footwear	66292	92362	97913	103597	80295	89903	93257
Gross rent, fuel & power	143558	239175	260723	278492	172987	178261	183645
Furniture, furnishing, appliances & services	40939	66410	76496	90887	57323	63953	72580
Medical care & health services	54825	91094	96559	102422	78597	80132	80714
Transport & communication	164524	310969	355948	407766	271835	300206	336923
Recreation, education & cultural services	42779	75296	85446	97991	68369	76866	89044
Misc. goods & services	97613	194680	215127	250606	164866	184211	205001
Private Final Consumption Expenditure	1257541	1848490	2062222	2324109	1579747	1710739	1833673

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



DOMESTIC SAVING

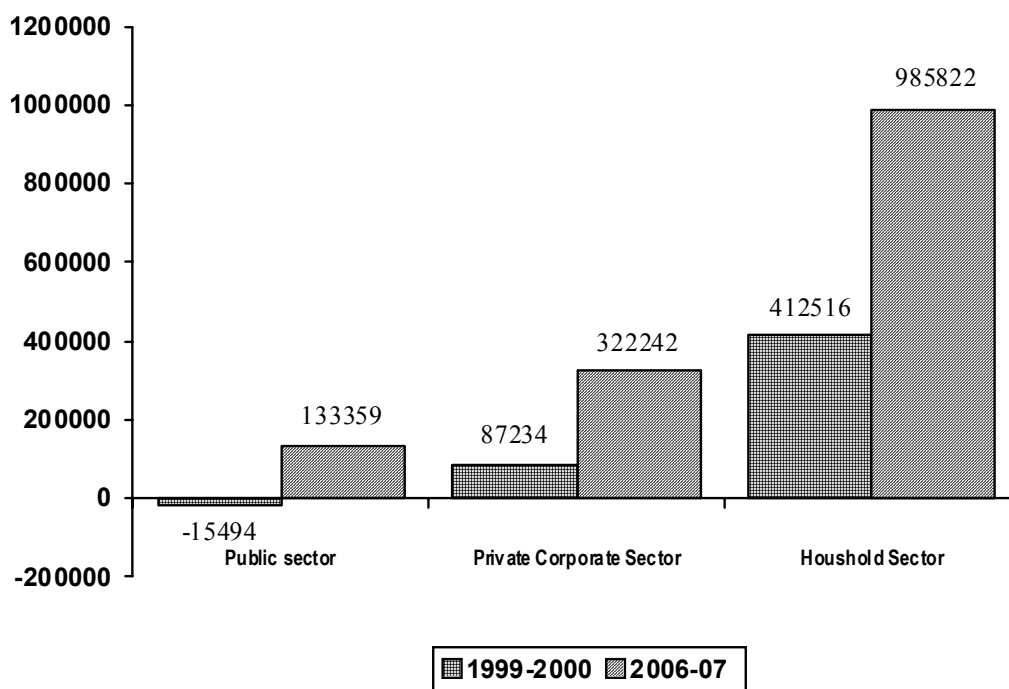
2.12 Gross domestic saving (GDS) at current prices in 2006-07 is estimated at Rs. 14,41,423 crore as against Rs. 12,27,348 crore in 2005-06, constituting 34.8 per cent of GDP at market prices as against 34.3 per cent in the previous year. The rise in GDS has been contributed by all sectors including the public sector. In respect of the household sector, the saving in the form of financial and physical assets has gone up from Rs. 4,20,841 crore and Rs. 4,45,915 crore in 2005-06 to Rs. 4,67,985 crore and Rs. 5,17,837 crore in 2006-07, respectively. Saving of private corporate sector has gone up from Rs. 2,68,329 crore in 2005-06 to Rs. 3,22,242 crore in 2006-07. The saving of the public sector showed a increase from 92,263 crore in 2005-06 to Rs. 1,33,359 crore in 2006-07. The increase in the public sector saving is mainly due to increase in the saving of public authorities from (-) Rs. 49,878 crore in 2005-06 to (-) Rs.31,165 crore in 2006-07 and non-departmental enterprises from Rs. 1,42,141 crore in 2005-06 to Rs. 1,64,524 crore in 2006-07. The net domestic saving has correspondingly gone up from Rs. 8,48,544 crore in 2005-06 to Rs. 10,06,956 crore in 2006-07 and constitutes 26.5 per cent of net domestic product at market prices in 2005-06 and 27.1 per cent in 2006-07.

Table 10: Domestic Saving
(at current prices)

(Rs. crore)

	Item	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
1.	Gross Domestic Saving	484256	499033	534885	647970	821026	100424	1227348	144123
1.1	Household Sector	412516	454853	504165	569134	670776	725110	866756	985822
1.2	Private Corporate Sector	87234	81062	76906	94772	120730	206363	268329	322242
1.3	Public Sector	-15494	-36882	-46186	-15936	29521	68951	92263	133359
2.	Net Domestic Saving	302835	297215	306588	397493	541046	671501	848544	1006956
2.1	Household Sector	350994	384773	422790	477021	564982	597315	718736	816887
2.2	Private Corporate Sector	41036	26760	14351	26034	43302	114037	157646	187654
2.3	Public Sector	-89195	-114308	-130553	-105562	-67237	-39851	-27838	2415
3.	Net Capital Inflow	21988	12754	-14229	-28486	-45380	13338	44604	46362
4.	Gross Domestic Product (at market prices)	1952035	2102314	2278952	2454561	2754621	3149412	3580344	4145810
5.	Rate of gross saving (per cent)	24.8	23.7	23.5	26.4	29.8	31.8	34.3	34.8
5.1	Household Sector	21.1	21.6	22.1	23.2	24.4	23.0	24.2	23.8
5.2	Private Corporate Sector	4.5	3.9	3.4	3.9	4.4	6.6	7.5	7.8
5.3	Public Sector	-0.8	-1.8	-2.0	-0.6	1.1	2.2	2.6	3.2

GROSS DOMESTIC SAVING
(Rs. Crore)



CAPITAL FORMATION

2.13 Gross Domestic Capital Formation at current prices has increased from Rs. 12,71,953 crore in 2005-06 to Rs. 14,87,786 crore in 2006-07 and at constant (1999-00) prices, it has increased from Rs. 9,50,102 crore in 2005-06 to Rs. 10,53,323 crore in 2006-07. The rate of gross capital formation at current prices is 35.9 per cent in 2006-07 as against 35.5 per cent in 2005-06. The rate of capital formation in 2006-07 was higher than the rate of saving because of net capital inflow from abroad of Rs. 46,362 crore in 2006-07. The rate of gross capital formation at constant (1999-00) prices has increased from 33.4 per cent in 2005-06 to 33.8 per cent in 2006-07. The rate of net capital formation at constant prices in 2006-07 is 26.4 per cent as against 26.0 per cent in 2005-06.

2.14 Within the gross capital formation at current prices, the gross fixed capital formation amounted to Rs. 13,46,501 crore in 2006-07 as against Rs. 11,09,160 crore in 2005-06. At current prices, the gross fixed capital formation of the public sector has increased from Rs. 2,51,507 crore in 2005-06 to Rs. 3,08,603 crore in 2006-07, that of private corporate sector from Rs.4,19,647 crore in 2005-06 to Rs.5,29,871 crore in 2006-07, and the household sector from Rs. 4,38,006 crore in 2005-06 to Rs. 5,08,207 crore in 2006-07.

2.15 The change in stocks of inventories, at current prices, increased from Rs. 86,248 crore in 2005-06 to Rs 96,103 crore in 2006-07. The private corporate sector increased from Rs. 57,843 crore in 2005-06 to Rs. 73,143 crore and the household sector from Rs. 7,910 crore to Rs. 9,810 crore respectively. However, the public sector has decreased from Rs.20,495 crore to Rs.13,150 crore during the year.

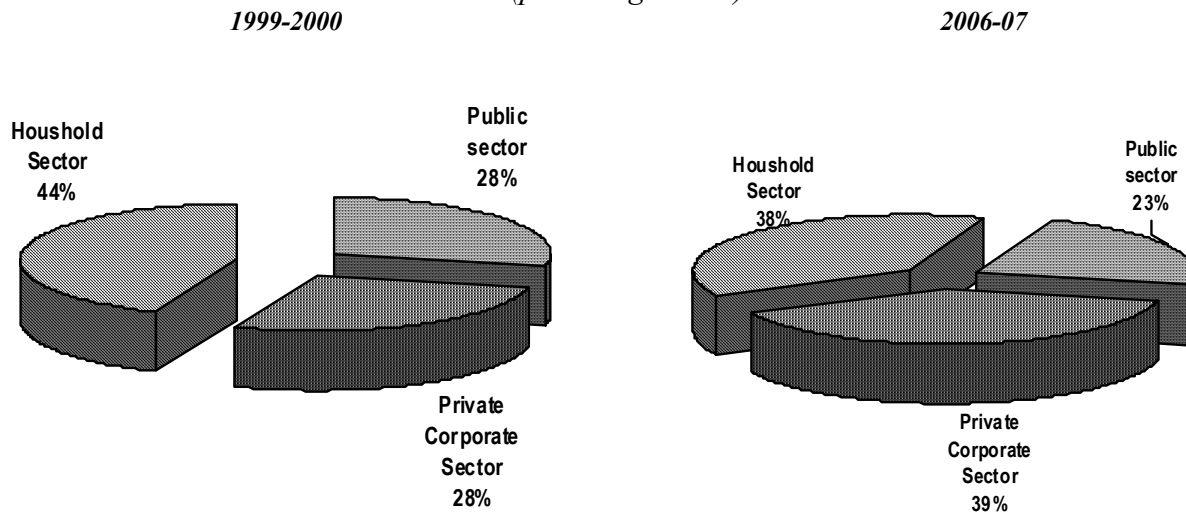
Table 11: Gross capital formation

(Rs. crore)

	Item	at current prices				at 1999-2000 prices		
		1999-00	2004-05	2005-06	2006-07	2004-05	2005-06	2006-07
1.	Gross Capital formation	509518	995943	1236800	1492313	781583	923828	1056532
1.1	GFCF	456416	894674	1109160	1346501	705945	828986	954350
1.1.1	Public	129286	201912	251507	308603	161237	190987	223379
1.1.2	Private Corporate	127412	291143	419647	529871	236918	321443	387284
1.1.3	Household	199718	401619	438006	508027	307790	316556	343687
1.2	Change in stocks	37583	60215	86248	96103	41765	61702	64091
1.2.1	Public	15324	15050	20495	13150	5752	11897	3929
1.2.2	Private Corporate	16063	39938	57843	73143	31254	43411	52135
1.2.3	Household	6196	5227	7910	9810	4759	6394	8027
2.	Errors & Omission	-3274	17818	35153	-4527	14059	26274	-3209
3.	Capital Formation (adj)							
3.1	Gross	506244	1013761	1271953	1487786	795642	950102	1053323
3.2	Net	324823	684838	893149	1053319	533276	663836	738664
4.	Capital formation as percentage of domestic product at mkt. prices							
4.1	Gross	25.9	32.2	35.5	35.9	30.6	33.4	33.8
4.2	Net	18.3	24.3	27.9	28.4	22.8	26.0	26.4

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 14.4 per cent in real terms, owing to the rise in all the industry-groups viz. 'crop & animal husbandry', 'manufacturing' 'transport, storage & communication' and 'community, social & personal services'.

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	2006-07
1.	Crop & animal husbandry	50151	45480	56979	55668	53541	55759	64511	71208
2.	Manufacturing	174097	128988	106207	154652	189873	295879	371702	438333
3.	Transport, storage & communication	58021	76297	60348	74215	72308	83169	74130	84512
4.	Community, social & personal services	55738	57676	71401	78646	81005	99204	126378	155646
5.	TOTAL (FOR ALL INDUSTRIES)	509518	485049	502115	555291	632621	781583	923828	1056532

3. PUBLIC SECTOR

3.01 In the year 2006-07, the public sector, comprising administrative departments, departmental enterprises and non-departmental enterprises, contributed 21.4 per cent in the GDP and 22.3 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	2006-07
1	Gross Domestic Product	25.6	25.0	25.0	25.5	24.2	23.3	21.7	21.4
1.1	Administrative Departments *	10.8	10.6	10.3	10.0	9.6	9.3	8.9	8.8
1.2	Departmental Enterprises	4.2	3.6	3.1	3.0	2.7	2.6	2.5	2.4
1.3	Non-Departmental Enterprises	10.6	10.8	11.6	12.5	11.9	11.4	9.3	10.2
2	Gross Domestic Capital Formation	29.3	29.3	29.2	24.7	24.5	22.7	22.8	22.3
2.1	Administrative departments *	9.4	10.5	11.1	10.7	9.4	8.7	8.9	9.9
2.2	Departmental enterprises	5.8	0.5	3.5	3.1	2.5	2.7	2.8	3.2
2.3	Non-departmental enterprises	14.1	18.3	14.6	10.9	12.6	11.3	11.0	9.2
3.	Gross Domestic Saving	-3.2	-7.4	-8.6	-2.5	3.6	6.9	7.5	9.3
3.1	Administrative departments *	-20.5	-23.1	-25.8	-19.8	-12.2	-8.1	-5.6	-3.9
3.2	Departmental enterprises	5.2	3.5	2.5	2.0	1.8	1.7	1.5	1.8
3.3	Non-departmental enterprises	12.1	12.2	14.7	15.3	14.0	13.3	11.6	11.4

* 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 22.3 per cent in 2006-07. 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 9.3 per cent in 2006-07.

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(Per cent)

at constant (1999-2000) prices

Year	Total GDP	GDP – Public Sector				GDP – Private Sector
		Total	Admn.*	DCU	NDCU	Total
2000-01	4.4	1.4	2.4	2.3	0.1	5.4
2001-02	5.8	5.9	1.4	6.5	10.4	5.8
2002-03	3.8	5.6	1.0	2.3	11.3	3.3
2003-04	8.5	3.4	3.5	8.2	1.6	10.2
2004-05	7.5	3.3	5.1	2.0	2.1	8.8
2005-06	9.4	4.1	5.1	3.5	3.3	11.0
2006-07	9.6	8.8	6.8	5.4	11.9	9.9

* 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, 2004-05 and 2005-06. It is seen that there has been increase of 68.4 per cent in current expenditure, whereas in capital expenditure, the increase has been 99.9 per cent during the period 1999-00 to 2005-06.

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

(Rs. Crore)

Purpose		1999-2000		2004-05		2005-06	
		Current Exp.	Capital Exp.	Current Exp.	Capital Exp.	Current Exp.	Capital Exp.
1.	General Public Services	54330	5358	82542	31433	100348	21278
2.	Defence	56241	268	89582	4249	101668	5580
3.	Education services	68527	1793	90059	2590	104082	3751
3.1	Administration, regulation & research	3976	48	10737	100	13649	229
3.2	Educational services	64551	1745	79322	2490	90433	3522
4.	Health and other services	13910	1694	19188	1980	22532	3379
4.1	Administration, regulation & research	1493	76	2385	364	4128	442
4.2	Health services	12417	1618	16803	1616	18404	2937
5.	Social security & welfare services	14469	1413	21318	1872	31394	3379
6.	Housing & community amenity services	10672	16314	14879	31104	14997	35576
7.	Cultural, recreational & religious services	2401	560	4890	1354	5146	1377
8.	Economic services	96252	56129	137686	79996	150931	92079
8.1	General administration, regulation & research	18608	8222	6451	12041	3837	3994
8.2	Agriculture, forestry, fishing & hunting	39101	4241	61801	8588	65037	11830
8.3	Mining, manufacturing & construction	15426	5376	23569	4730	41704	4175
8.4	Electricity, gas, steam and other sources of energy	9221	12294	21791	17735	33003	25731
8.5	Water supply	4053	10330	3759	9979	4857	12183
8.6	Transport & communication	6833	14306	8216	23940	-3398	31845
8.7	Other economic services	3010	1360	12099	2983	5891	2321
9.	Environmental protection	172	207	771	104	1196	412
10.	Relief on calamities & other misc. services	717	267	2748	810	2831	1079
11.	Total	317691	84003	463663	155492	535125	167890

4. LONG TERM TRENDS

4.01 The long-term series from 1950-51 to 2006-07, 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 5.2 per cent per annum during 2000-01 to 2006-07. The national income in the same period grew at an average rate of 6.9 per cent per annum. The expenditure aggregates like private final consumption expenditure, govt. final consumption expenditure and gross domestic capital formation have registered growth rates of 5.5, 2.8 and 11.5 per cent respectively at 1999-00 prices during the period 2000-2007.

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	2.0	4.4	0.2	2.6
Second Plan	1956-61	9.5	4.2	9.4	4.0	7.3	2.0
Third Plan	1961-66	9.6	2.8	9.6	2.6	7.2	0.4
Annual Plan	1966-69	12.2	3.9	12.3	3.9	9.9	1.6
Fourth Plan	1969-74	11.1	3.4	10.8	3.1	8.3	0.8
Fifth Plan	1974-79	10.7	5.0	10.3	4.9	7.9	2.6
Annual Plan	1979-80	9.4	-5.0	8.3	-6.0	5.7	-8.2
Sixth Plan	1980-85	15.3	5.4	15.2	5.4	12.8	3.1
Seventh Plan	1985-90	14.1	5.5	13.8	5.5	11.4	3.3
Annual Plan	1990-91	16.3	5.0	16.8	5.2	14.4	3.1
Annual Plan	1991-92	15.1	1.4	14.4	0.9	12.1	-1.1
Eighth Plan	1992-97	16.4	6.6	16.5	6.6	14.2	4.5
Ninth Plan	1997-99	13.3	5.6	13.4	5.5	11.3	3.5
	2000-02	8.3	5.0	7.9	4.7	5.8	2.7
Tenth Plan	2002-07	12.6	7.8	12.5	7.8	10.8	6.1
Average	1951-99	11.4	4.3	11.3	4.3	9.0	2.1
	2000-07	11.4	7.0	11.2	6.9	9.4	5.2

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	2.3	4.1	5.1	1.2	13.5	12.4	10.4
Second Plan	1956-61	9.0	3.7	9.8	6.1	13.0	6.3	8.4
Third Plan	1961-66	8.8	2.6	16.8	13.1	13.0	8.3	14.6
Annual Plan	1966-69	11.9	3.2	10.3	3.2	5.0	0.0	6.9
Fourth Plan	1969-74	10.6	2.4	11.1	5.9	18.0	7.9	19.3
Fifth Plan	1974-79	10.3	4.4	13.6	4.9	16.2	7.6	16.7
Annual Plan	1979-80	8.6	-2.2	15.0	6.3	4.5	-9.7	2.6
Sixth Plan	1980-85	14.4	4.9	16.4	6.1	14.5	2.9	13.5
Seventh Plan	1985-90	12.1	4.3	16.9	7.8	19.6	9.0	18.6
Annual Plan	1990-91	14.3	4.9	14.0	3.4	25.2	16.8	22.5
Annual Plan	1991-92	15.2	2.1	12.8	-0.2	-2.5	-15.6	8.5
Eighth Plan	1992-97	14.9	5.0	14.5	4.6	18.4	9.0	17.5
Ninth Plan	1997-99	11.8	4.2	21.1	11.8	11.2	6.1	11.7
	2000-02	8.2	4.7	5.6	1.6	1.4	-3.2	5.2
Tenth Plan	2002-07	9.6	5.9	8.7	3.3	23.5	17.3	22.0
Average	1951-99	10.6	3.7	13.2	6.1	14.5	6.7	14.0
	2000-07	9.2	5.5	7.8	2.8	17.2	11.5	17.2

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 40.5 per cent in 1999-00 to 42.6 per cent in 2005-06. 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
2005-06**

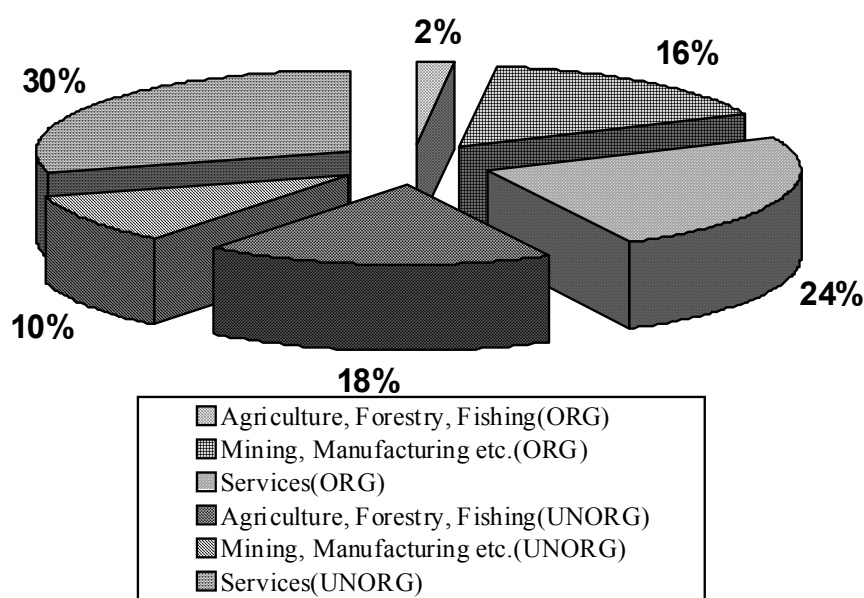


Table 17(a): Factor income by broad industry group.

(Rs. Crore)

Industry		1999-2000			2005-06		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	22089	61825	83914	31581	75714	107295
	2. OS/MI	15878	325160	341038	21507	447807	469314
	3. NDP	37967	386985	424952	53088	523521	576609
b. mining, manufacturing, electricity & construction.	1. CE	112908	68809	181717	220827	159249	380076
	2. OS/MI	111069	70985	182054	254931	126027	380958
	3. NDP	223977	139794	363771	475758	285276	761034
c. services	1. CE	253372	81062	334434	414965	149707	564672
	2. OS/MI	135464	346483	481947	288939	705613	994552
	3. NDP	388836	427545	816381	703904	855320	1559224
d. total	1. CE	388369	211696	600065	667373	384670	1052043
	2. OS/MI	262411	742628	1005039	567377	1279447	1844824
	3. NDP	650780	954324	1605104	1232750	1664117	2896867

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 37: 63 in 1999-2000 to 36: 64 in 2005-06.

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

Industry		1999-2000			2005-06		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	26.3	73.7	100.0	29.4	70.6	100.0
	2.OS/MI	4.7	95.3	100.0	4.6	95.4	100.0
	3. NDP	8.9	91.1	100.0	9.2	90.8	100.0
b. mining , manufacturing, electricity & construction.	1.CE	62.1	37.9	100.0	58.1	41.9	100.0
	2.OS/MI	61.0	39.0	100.0	66.9	33.1	100.0
	3.NDP	61.6	38.4	100.0	62.5	37.5	100.0
c. services	1. CE	75.8	24.2	100.0	73.5	26.5	100.0
	2. OS/MI	28.1	71.9	100.0	29.1	70.9	100.0
	3. NDP	47.6	52.4	100.0	45.1	54.9	100.0
d. total	1. CE	64.7	35.3	100.0	63.4	36.6	100.0
	2. OS/MI	26.1	73.9	100.0	30.6	69.4	100.0
	3.NDP	40.5	59.5	100.0	42.6	57.4	100.0

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

Industry		1999-2000			2005-06		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. agriculture, forestry, fishing	1. CE	3.4	6.5	5.2	2.6	4.5	3.7
	2.OS/MI	2.4	34.1	21.2	1.7	26.9	16.2
	3. NDP	5.8	40.6	26.5	4.3	31.5	19.9
b. mining , manufacturing, electricity & construction.	1.CE	17.3	7.2	11.3	17.9	9.6	13.1
	2.OS/MI	17.1	7.4	11.3	20.7	7.6	13.2
	3.NDP	34.4	14.6	22.7	38.6	17.1	26.3
c. services	1. CE	38.9	8.5	20.8	33.7	9.0	19.5
	2. OS/MI	20.8	36.3	30.0	23.4	42.4	34.3
	3. NDP	59.7	44.8	50.9	57.1	51.4	53.8
d. total	1. CE	59.7	22.2	37.4	54.1	23.1	36.3
	2. OS/MI	40.3	77.8	62.6	45.9	76.9	63.7
	3.NDP	100.0	100.0	100.0	100.0	100.0	100.0

**Factor incomes in broad industry groups
2005-06**

(Rs. Crores)

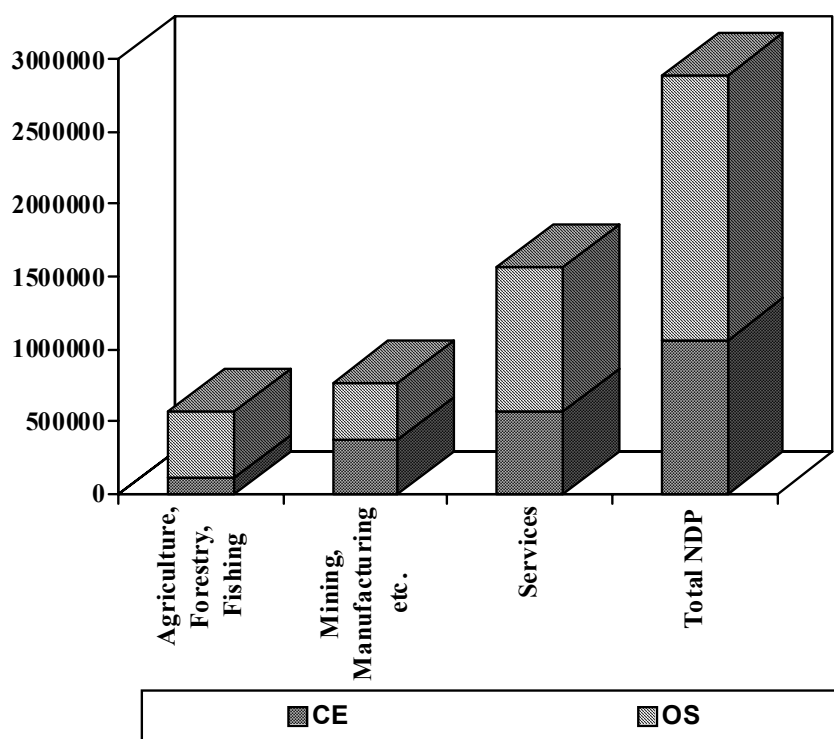


Table 17 (d): Share of factor incomes in broad industry groups

Industry		1999-2000			2005-06		
		Orgd.	Un-orgd.	Total	Orgd.	Un-orgd.	Total
a. Agriculture, Forestry, fishing	1. CE	58.2	16.0	19.7	59.5	14.5	18.6
	2.OS/MI	41.8	84.0	80.3	40.5	85.5	81.4
	3. NDP	100.0	100.0	100.0	100.0	100.0	100.0
b. mining , manufacturing electricity & construction	1.CE	50.4	49.2	50.0	46.4	55.8	49.9
	2.OS/MI	49.6	50.8	50.0	53.6	44.2	50.1
	3.NDP	100.0	100.0	100.0	100.0	100.0	100.0
c. services	1. CE	65.2	19.0	41.0	59.0	17.5	36.2
	2. OS/MI	34.8	81.0	59.0	41.0	82.5	63.8
	3. NDP	100.0	100.0	100.0	100.0	100.0	100.0
d. total	1. CE	59.7	22.2	37.4	54.1	23.1	36.3
	2. OS/MI	40.3	77.8	62.6	45.9	76.9	63.7
	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 2008 AND 2009

QUARTERLY ESTIMATES OF GDP

(1)	Q4 OF 2007-08	30.05.2008
(2)	Q1 OF 2008-09	29.08.2008
(3)	Q2 OF 2008-09	28.11.2008
(4)	Q3 OF 2008-09	27.02.2009
(5)	Q4 OF 2008-09	29.05.2009
(6)	Q1 OF 2009-10	31.08.2009
(7)	Q2 OF 2009-10	30.11.2009

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

ANNUAL ESTIMATES OF GDP

(1)	REVISED ESTIMATES FOR 2007-08	30.05.2008
(2)	QUICK ESTIMATES FOR 2007-08	30.01.2009
(3)	ADVANCE ESTIMATES FOR 2008-09	06.02.2009
(4)	REVISED ESTIMATES FOR 2008-09	29.05.2009
