

**GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA**

UNSTARRED QUESTION NO:3914

ANSWERED ON:17.12.2014

METHODOLOGY OF GDP

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Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) whether the existing method of calculating GDP has any flaws;
- (b) if so, the details thereof and to what extent the revision in methodology of calculating GDP affect the economy; and
- (c) the details of highest source of contribution to the GDP each of the last three years and the current year in percentage?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION,
MINISTER OF STATE FOR MINISTRY OF EXTERNAL AFFAIRS AND MINISTER OF STATE FOR MINISTRY OF OVERSEAS
INDIAN AFFAIRS [GENERAL (Dr.) V.K. SINGH (Retd.)]

(a) & (b) No. The existing method of compilation of GDP conforms to the concepts and definitions laid under the UN System of National Accounts. However, estimates of GDP undergo revision due to availability of updated data and data becoming available from additional sources. The revisions are made according to the laid down policy which is in public domain.

(c) Estimates of GDP at current prices, by industry, for the years 2011-12, 2012-13 and 2013-14, and their percentage contribution to GDP, are given below. Highest contributor to the GDP has been trade, hotels, transport & communication.

S.No. Industry Gross Domestic Product Percentage Contribution to GDP
(Rs. crore)

	2011-12	2012-13	2013-14	2011-12	2012-13	2013-14
1. agriculture, forestry & fishing	1499098	1644926	1906348	17.9	17.5	18.2
2. mining & quarrying	222716	222416	222652	2.7	2.4	2.1
3. manufacturing	1236182	1320907	1350039	14.7	14.1	12.9
4. electricity, gas & water supply	135670	157132	203049	1.6	1.7	1.9
5. construction	689798	759990	818432	8.2	8.1	7.8
6. trade, hotels, transport & communication	2072272	2324695	2509907	24.7	24.8	24.0
7. financing, real estate & business services	1381524	1617076	1939482	16.5	17.2	18.5
8. community, social & personal services	1154431	1341734	1522898	13.8	14.3	14.5
9. GDP at factor cost	8391691	9388876	10472807100	100	100	100