

Data updated in the textbook '*Introductory Macroeconomics*'  
Class XII Economics

Pg 31-32

This table has been further updated till 2010-2011

Table 2.2: Different Macroeconomic Aggregates of India at constant prices (Base Year: 2004-05; unit: Rupees crores); Source: Reserve Bank of India: Handbook of Indian Economy (<http://www.rbi.org.in/home.aspx>).

	<b>GDP at Market Prices</b>	<b>Net factor income from abroad</b>	<b>GNP at Market Prices</b>	<b>Consumption of Fixed Capital</b>	<b>NNP at Market Prices</b>	<b>Indirect Taxes less Subsidies</b>	<b>NNP at Factor Cost</b>
<b>2004-05</b>	3242209	-22375	3219834	319891	2899943	270745	2629198
<b>2005-06</b>	3544348	-24920	3519428	350886	3168542	290132	2878410
<b>2006-07</b>	3872974	-29515	3843459	385592	3457867	306963	3150904
<b>2007-08</b>	4253184	-17179	4236005	427515	3808490	354226	3454264
<b>2008-09</b>	4462967	-25384	4437583	467235	3970348	300458	3669890
<b>2009-10</b>	4869317	-28889	4840428	518314	4322114	375574	3946540
<b>2010-11</b>	5298129	-43083	5255046	574977	4680069	420286	4259782

Table 2.3: Different Macroeconomic Aggregates of India at constant prices (Base Year: 2004-05; unit: Rupees crores); Source: Reserve Bank of India: Handbook of Indian Economy (<http://www.rbi.org.in/home.aspx>).

	Private Final Consumption Expenditure	Government Final Consumption Expenditure	Gross Fixed Capital Formation	Change in Stock	Exports of Goods and Services	Imports of Goods and Services	Discrepancies	
<b>2004-05</b>	1917508	354518	931028	80150	569051	625945	-25155	
<b>2005-06</b>	2081126	385947	1081791	101694	716014	829081	-33616	
<b>2006-07</b>	2253702	400294	1231250	133769	859010	1005526	-45556	
<b>2007-08</b>	2462318	438351	1430636	175377	909865	1108250	-102426	
<b>2008-09</b>	2652273	485212	1452474	90168	1040765	1359886	41899	
<b>2009-10</b>	2846410	564835	1559126	172083	983508	1335211	-14060	
<b>2010-11</b>	3091328	591761	1693284	184800	1159818	1457870	-80568	

On page 32-33, there were in all three tables which were merged into two tables . Data on Personal Disposable income and Gross domestic capital formation were not available so they have been deleted. Updated data on

gross fixed capital formation, change in stock, exports of goods and services and discrepancies have been added

In the chapter on Money and Banking

Page No 47 has a table on money supply in India

Page No 48 table has been replaced and a new table incorporates data from official site of Reserve bank of India

Appendix 3.2

Money Supply in India

Table 3.5: Change in M1 and M3 Over Time

Year	M1	M3
1999-00	341,796	1,124,174
2000-01	379,450	1,313,220
2001-02	422,843	1,498,355
2002-03	473,581	1,717,960
2003-04	578,716	2,005,676
2004-05	649,790	2,245,677
2005-06	826,415	2,719,519
2006-07	967,955	3,310,068
2007-08	1,155,837	4,017,882
2008-09	1,259,707	4,794,812
2009-10	1,489,301	5,602,731
2010-11	1,635,569	6,499,548

Source: Handbook of Statistics on Indian Economy, Reserve bank of India. Unit:

Rs.crore

The difference in values between the two columns is attributable to the Time Deposits held by the commercial banks.

### Appendix 3.3

#### Changes in the Composition of the Sources of Monetary Base Over Time

Table 3.6 : Sources of Changes in the Monetary Base

Year	Percentage Changes in		
	RBI Loans to Govt.	RBI Loans to Commercial Sector	RBI Foreign Assets
1999-00	-3	25	20
2000-01	4	-13	19
2001-02	-1	-55	34
2002-03	-21	-49	36
2003-04	-63	-32	35
2004-05	-140	-33	27
2005-06	-137	-0.22	10
2006-07	-63	11	29
2007-08	-4772	16	43
2008-09	-154	673	4
2009-2010	244	-90	-4
2010-11	87	63	8

Source: Handbook of Statistics on Indian Economy, Reserve Bank of India

Note that RBI has been tightening domestic credit to Govt. of India.

## **Chapter 5 : The Government: Function and Scope**

Up-date for Chp 5: Govt.and the Economy

### **Section 5.1.3, Page 65:**

Para 1, Line 4: Item 3 in Table 5.1 shows that revenue deficit in 2010-11 was 3.1 percent of GDP [ $13.5 - 10.4$ ].

Para 2, Line 6: From Table 5.1 we can see that non-debt creating capital receipts equals 0.5 per cent of GDP, obtained by subtracting, borrowing and other liabilities from total capital receipts ( $5.3 - 4.8$ ). The fiscal deficit, therefore turns out to be 4.8 per cent of GDP, as given above [ $15.6 - (10.4 + 0.5)$ ].<sup>1</sup>

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Table 5.1: Receipts and Expenditures of the Central Government, 2010-11

	<i>(as percent of GDP)</i>	Source: Economic Survey 2011-12
1. Revenue Receipts (a+b)	10.4	1
(a) Tax revenue (net of states' share)	7.5	
(b) Non – tax revenue	2.9	
2. Revenue Expenditure	13.5	
Of which		
(a) Interest payments	3.1	
(b) Major subsidies	1.7	
(c) Defence expenditure	1.2	
3. Revenue Deficit (2-1)	3.2	
4.Capital Receipts (a+b+c)	5.3	
Of which		
(a) Recovery of loans	0.2	
(b) Other receipts (mainly PSU disinvestment)	0.3	
(c) Borrowings and other liabilities	4.8	
5. Capital Expenditure	2.1	
6. Total Expenditure	15.6	
[2+5=6(a)+6(b)]		
(a) Plan expenditure	4.9	
(b) Non-plan expenditure	10.7	
7. Fiscal deficit	4.8	
8. Primary Deficit [7- 2(a)]	1.8	

<sup>1</sup> We find that on subtracting we get 4.7 and not 4.8. However, the Economic Survey 2011-12 states in the second point in the Notes at the end of Table 3.2 on page 48 : “The figures may not add up to the total due to rounding and approximations.”

## Chapter 6 Open Economy

### Macroeconomics

Data up-date: Chapter 6:

Page 76: 2<sup>nd</sup> paragraph:

In 2010-11, this was 37.4 per cent for the Indian economy (imports constituted 22.6 per cent and exports 14.8 per cent of GDP).

Page 77: section 6.1:

1st para, 3<sup>rd</sup> line: Table 6.1 gives balance of payments summary for the Indian Economy for the year 2010-11.

2<sup>nd</sup>. Para, 5<sup>th</sup> line: In 2010-11, imports exceeded exports leading to a huge trade deficit in India of US\$ 130.6 billion.

2<sup>nd</sup> para, 19<sup>th</sup> line: This is referred to as the current account deficit and for 2010-11 it was 2.7 per cent of GDP.

Page 78: subsection 6.1.1:

2<sup>nd</sup> Para, 8<sup>th</sup> line: In 2010-11, there was a balance of payments surplus of US\$ 13.1 billion, shown in item 14 of Table 6.1. This was the amount of addition to official reserves and constituted 1 per cent of GDP.

Table 6.1: Balance of Payments for India, 2010-11 (US \$ billion)

1. Exports	250.5
2. Imports	-381.1
<b>3. Trade balance (2 – 1)</b>	<b>-130.6</b>
4. Invisibles (net)	84.6
(a) Non-factor income	48.8
(b) Income	-17.3
(c) Pvt. Transfers	53.1
<b>5. Current account balance (3 + 4)</b>	<b>-45.9</b>
6. External assistance (net)	4.9
7. Commercial borrowing (net)	12.5
8. Short-term debt	11.0
9. Banking Capital of which	4.9
NR deposits (net)	3.2
10. Foreign investment (net)	39.7
Of which:	
(i) FDI (net)	9.4
(ii) Portfolio	30.3
11. Other flows (net)	-11.0
<b>12. Capital account total (net)</b>	<b>62.0</b>
<b>13. Errors and Omissions</b>	<b>-3.0</b>
<b>14. Balance of payments</b> [ 5 + 12+13]	<b>13.1</b>
<b>15. Reserve use (- increase)</b>	<b>-13.1</b>

Source: Economic Survey 2011-12

<sup>1</sup> We find that on subtracting we get 4.7 and not 4.8. However, the Economic Survey 2011-12 states in the second point in the Notes at the end of Table 3.2 on page 48 : “The figures may not add up to the total due to rounding and approximations.”



## Introductory Microeconomics

Page 63

Q21) Col 1,  
Price has been replaced with output