



GOVERNMENT OF KERALA

Abstract

Finance Department - Assessment of methodology adopted for calculating Gross State Domestic Product (GSDP) estimates - Constitution of High Power Committee - Orders Issued.

Finance (Planning-A) Department

G.O (P)No.36/2016/Fin.

Dated, Thiruvananthapuram 04/03/2016

Read :- Note No.20/VC/SPB/2016 dated 04/02/2016 from Vice Chairman,
State Planning Board.


ORDER

The Ministry of Statistics & Programme Implementation has revised the base year in computation of national accounts statistics from 2004-05 to 2011-12 and has made certain changes in the methodology including sectoral weightage. As per the new approach GVA at base prices replace GDP at factor cost.

2) The implicit price deflator of Kerala as per the new approach shows inexplicable pattern moving up from 6.76 % (2012-13) to 7.73 % (2013-14) and down to 5.64 % (2014-15) which are inconsistent with the Wholesale Price Index movements and a steady decline is not to be evident. Whereas implicit price deflator of GDP moves from 8.3% (2012 13), 6.7 % (2013-14) and 3.6 % (2014-15) showing a secular decline consistent with the Wholesale Price Index (WPI) movements in the corresponding years.

3) As there is lack of clarity in the Gross State Domestic Product (GSDP) growth rates calculated by the Economics and Statistics Department based on the new approach a thorough analysis is required. The Vice Chairman, State Planning Board, in his note under reference has suggested a study on the methodology of collection and analysis of data by a High Power Committee headed by a statistical expert of national renown.

4) Government, after examining the matter, are pleased to constitute a High Power Committee consisting of Prof. Chandan Mukherjee, Pro-Vice Chancellor of Ambedkhar University, Delhi and former Director, CDS as Chairman with the following members, namely:-

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GOVERNMENT OF KERALA
1. **Dr.K.N.S.Nair** Member
Econometrician and former Chief,
Perspective Planning, State Planning
Board
 2. **Prof.D.Narayana** Member
Technical Advisor, State Planning
Board
 3. **Dr.V.K.Baby** Member and
Special Secretary CSIN & Secretary i/c
Finance (Resources) Convenor

5) The committee may review the entire methodology of collection of data and its analysis by Economics and Statistics Department for calculating GSDP estimates and make appropriate recommendations thereon.

6) The committee will have the powers to invite officials/experts concerned, seek and obtain all relevant data, calculations and other information as required, from Departments/Agencies concerned.

7) The Director, Economics and Statistics Department will provide all relevant data, calculations and analysis, other documents/information needed and support the committee as and when required.

8) The committee shall submit its report to Additional Chief Secretary (Finance) within three months.

9) The committee will be treated as Class I Committee and TA and DA of the non-official members will be settled as per rules applicable to Class I Committee.

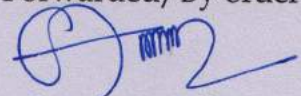
(BY ORDER OF THE GOVERNOR)

DR.K.M.ABRAHAM
ADDITIONAL CHIEF SECRETARY (FINANCE)

To,

Principal Accountant General (G&SSA), Kerala, Thiruvananthapuram
Principal Accountant General (A&E), Kerala, Thiruvananthapuram
Accountant General (E&RSA), Kerala, Thiruvananthapuram
Member Secretary, State Planning Board
Members concerned
Nodal Officer, www.finance.kerala.gov.in
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Accounts Officer