NATIONAL COUNCIL OF APPLIED ECONOMIC RESEARCH

NCAER

macroTRACK

NOVEMBER 2012 | MONTHLY REPORT | VOL. XIV | NO. 11

HIGHLIGHTS

Business Expectations

Business Confidence Sees No Recovery

The 82nd round of the Business Expectation Survey carried out in September 2012 reflects a continued low level of optimism on business conditions, as in the previous quarter

Report

India's Tourism Satellite Account

Tourism is a social, cultural, and economic phenomenon that is related to the movement of people to places outside their usual places of residence

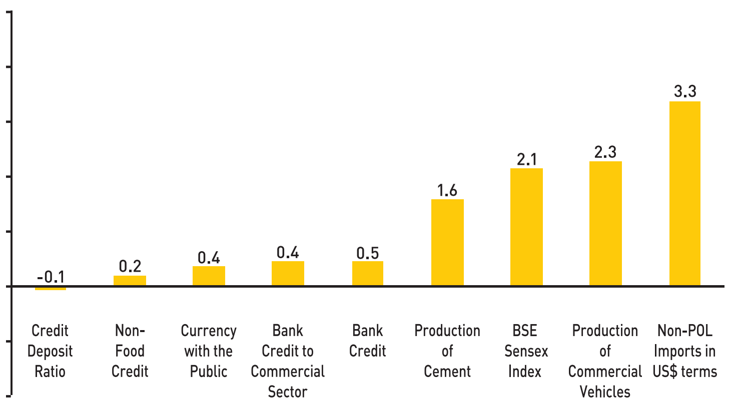
External

Allure of Gold

Gold and oil imports together are held responsible for driving the current account deficit as a per cent of Gross Domestic Product to unsustainable levels

LEADING ECONOMIC INDICATORS: SEPTEMBER 2012

Leading economic indicators signaling upturn



Business Confidence Sees No Recovery

The optimism level is the highest for the ratings on 'investment climate', since the proportion of respondent firms in favour of this component has gone up by almost 7.2 per cent over the last round.

LOWER BUSINESS SENTIMENTS AND IMPROVED POLITICAL CONFIDENCE

THE 82ND ROUND of the Business Expectation Survey (BES) carried out in September 2012 reflects a continued low level of optimism on business conditions, as in the previous quarter. The NCAER-MasterCard Index of Business Confidence (BCI) shows a marginal decline of 0.9 per cent in October 2012 from its level in July 2012. The BCI is now at 125.4, compared with 126.6 in the previous round (Figure B.1).

The survey reveals a drop in two of the four components of the BCI, while the remaining two show an improvement over the previous quarter. Overall, the macro level indicators reflect improved business sentiments, while micro level indicators show a fall in October 2012. The optimism level is the highest for the ratings on 'investment climate', since the proportion of respondent firms in favour of this component has gone up by almost 7.2 per cent over the last round. This is followed by the 'expectations for economic conditions to improve in the short run', where favourable responses have gone up by more than 2 per cent over the previous quarter.

Among micro level indicators, the steepest fall was registered by the 'expectations of an improved financial position in the next six months' by nearly 10 per cent in October 2012 over July 2012. This 'optimal capacity utilisation', on the other hand, has also declined by one per cent in the present survey. With this, both these indicators have registered the lowest value during the past three fiscal years.

The survey also captures the Political Confidence Index (PCI), which provides the measure of confidence of the business sector in the political management of economic policies. The survey reveals that PCI improved marginally by 0.9 point, from 72.2 in July 2012 to 73.1 in October 2012. However, it still remains lower than the level recorded in October 2011.

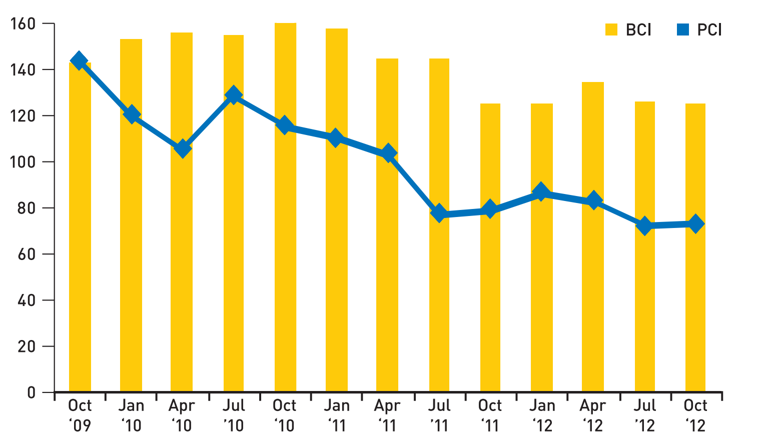
The current round shows a decline in only four of the eight indicators. The steepest fall has been reported in the case of 'pushing economic reforms' forward by 5.3 points, followed by 'managing unemployment' (3.2 points), 'managing inflation' (3.2 points) and 'managing conducive political climate' (1.1 points). There is heterogeneity in the perceptions of political confidence across sectors and regions: two of the five major sectors of the economy reflect improvement in the PCI and three out of four regions show improvement.

SECTORAL PATTERNS OF BUSINESS CONFIDENCE

Sectoral analysis of the BCI provides a mixed picture on the pattern of changes in business confidence in the present round of the survey. Three of the five major sectors of the economy have recorded a lower BCI in the present survey. While the consumer non-durables sector, capital goods sector, and services sector show a drop in optimism in the present round of the survey, the remaining two sectors reveal an improvement in October 2012 over July 2012. Overall the October 2012 BCI is the highest in the services sector at 134.9, closely followed by the consumer durables sector (133.7), consumer non-durables (125.7), capital goods (121.6), and intermediates (118.6) (Figure B.2).

Macro indicators, for example, 'expectations that economic conditions will improve in the short run', reveal a decline in sentiments in the consumer non-durables and services sectors, while 'investment climate' is seen to be less positive only in the case of the services sector. The main reason behind the drop in the BCI in the consumer non-

Figure B.1: Business Sentiments



durables sector is lower 'expectations on improved financial position in the next six months'. Among micro indicators, a lower proportion of firms across all sectors, except capital goods, have marked lower ratings for 'optimal capacity utilisation' now over the previous quarter. The case is the same for 'expectations that the financial position will improve ahead'. The optimism level for this indicator sees a fall in all sectors, except for the intermediate sector.

Overall, the present round of the survey shows that business sentiments are dampened mainly due to a decline in sentiments in the case of the consumer non-durables and services sectors. Expectations on the financial position in the next six months have declined significantly this quarter.

Figure B.2: Pattern of Business Expectations across Sectors

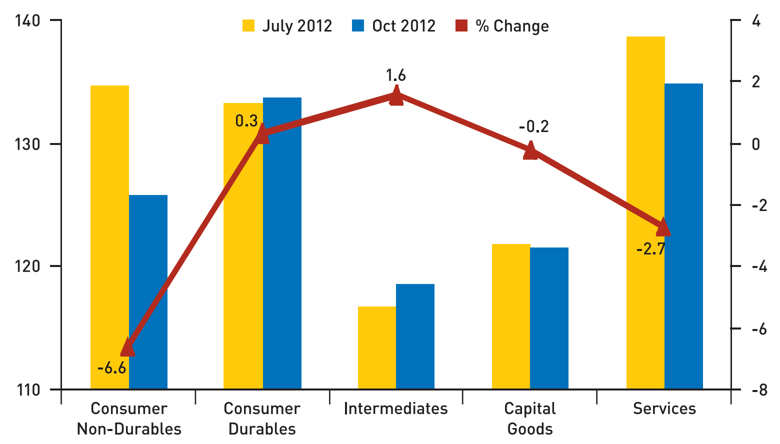
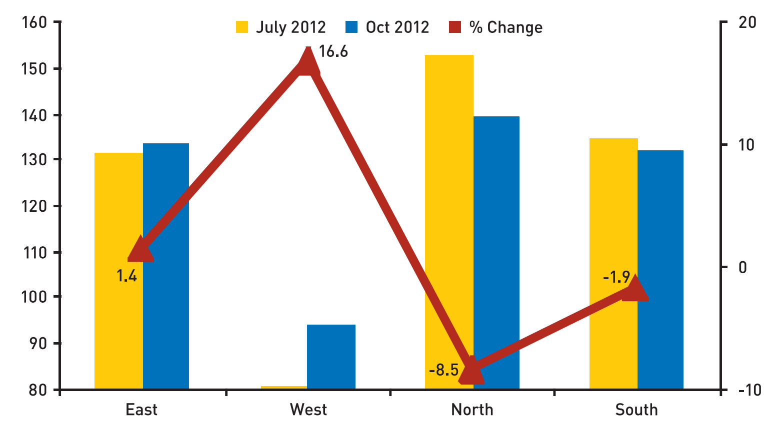


Figure B.3: Low Business Sentiments across Regions



REGIONAL PATTERNS OF BUSINESS CONFIDENCE

The disaggregation of survey responses by region indicates wide divergence in perceptions. While the North and South regions reveal a dip in business sentiments in the present round of the survey, firms in the East and West reflect greater optimism. Overall, the BCI is the highest in North (139.5), followed by East (133.4), South (132.1), and West (93.9) in October 2012 (Figure B.3).

As far as the four components of the BCI are concerned, North reported a drop in all four components of the BCI, while in the case of East and South a drop is seen in two indicators and in the case of West it is one component. Firms in North reflect the highest drop for 'expectations on financial position' and 'investment climate'. Other regions where 'expectations of improved financial position' have declined are East, followed by South. Only West shows higher optimism for this component in the present round of the survey compared with the previous survey in July. West has the highest increase in the rating for 'positive investment climate'. 'Expectations on economic conditions to improve in short run' show a drop in North and South regions, while the other two regions show significant improvement on this indicator. On the whole, in the present survey, North remains the main area of concern with all four pillars of the BCI falling. 'Lower expectations on financial position' and 'poor investment climate' have dampened sentiments in North.

BUSINESS CONFIDENCE BY FIRM-SIZE AND OWNERSHIP

The disaggregation of firms by size reveals variations in perceptions, as three categories of firm size show a decline in the BCI, while the remaining two show an increase in the present round of the survey. Firms in the smaller and medium-size categories show lower business optimism, whereas respondents in firms of larger-size categories reflect higher optimism. In terms of growth rate, the second-largest category of firms reports the highest gains in optimism. Among the categories of firm size where BCI has declined, the steepest fall now over July 2012 is registered by the smallest-sized firms, followed by mid-sized firms and those with an annual turnover between Rs 1–10 crore. Among all components of the BCI, again, 'expectations of improved financial position' reflect a lower optimism level across all firm sizes, except for the largest category where sentiments for this indicator have increased marginally.

While public sector firms registered 'improved business sentiments' in the present round of the survey, private sector firms reported lower sentiments mainly due to micro level indicators. Within the private sector, public limited firms and partnership/individual-owned firms now reflect weak sentiments.

Firms in the smaller and medium-size categories show lower business optimism, whereas respondents in firms of larger-size categories reflect higher optimism.

India's Tourism Satellite Account

The total internal tourism consumption for 2009–10 worked out to Rs 5,57,089 crore, of which 17.9 per cent was on account of inbound tourism expenditure, 80.3 per cent on account of domestic tourism consumption and the remaining 1.8 per cent on account of outbound tourism consumption.

TOURISM IS A SOCIAL, cultural, and economic phenomenon that is related to the movement of people to places outside their usual places of residence. It is a demand-based concept and, unlike other sectors of the System of National Accounts (SNA), is not defined as an industry by the characteristic of the product, but by the characteristic of the purchaser, that is, a visitor demanding the products.

Although tourism is not identified as a separate activity in the standard industrial classifications and among the activities listed in the national accounts, tourism is a service activity that is embedded within many activities of the economy that provide goods and services, such as hotels and restaurants, transport services, cultural and recreational services and consumer goods. Given the lack of statistics available for tourism as a separate industry and its importance in terms of generating income and employment, it is important to develop a set of statistics that provides a basis for economic accounting of tourism demand and activities. The most comprehensive way to measure the economic importance of tourism in national economies is through the Tourism Satellite Account (TSA), which is a framework provided by the UN World Tourism Organisation (UNWTO). The TSA helps in assessing the size and contribution of tourism to the economy.

The NCAER has prepared the second TSA for India for the year 2009–10, after developing the first one for 2002–03. Both studies were commissioned by the Ministry of Tourism. The methodology involved obtaining the internal demand for goods and services for tourism and comparing it with the supply of these goods and services in the economy by domestic industries and imports. The two surveys – "Domestic Tourism Survey" and "International Passenger Survey" – were used extensively to obtain the item-wise expenditures incurred by domestic (domestic tourism expenditure) as well as foreign tourists within India (inbound tourism expenditure). To this were added pre-trip expenditures incurred by Indian nationals travelling abroad (outbound tourism expenditure). The sum of these expenditures is Internal Tourism Expenditure. To arrive at the required Total Internal Tourism Consumption or Internal Tourism Demand, the values of some imputed consumption expenditures were added; these components were: value of services associated with vacation accommodation on own account; value of financial intermediation services (FISIM) availed by visitors; costs for hosts of receiving visitors in terms of expenditure on food, utilities, invitations, presents, etc.; costs for producers (businesses, governments and NPISHs i.e. non-profit institutions serving households) of expenditures by employees on business trips; and individual consumption of non-market services provided by government and NPISHs (expenditures of these entities are aimed at benefiting visitors, described as social transfers in kind).

The total internal tourism consumption for 2009–10 worked out to Rs 5,57,089 crore, of which 17.9 per cent was on account of inbound tourism expenditure, 80.3 per cent on account of domestic tourism consumption and the remaining 1.8 per cent on account of outbound tourism consumption. The internal tourism consumption of all tourism-specific goods/services were compared with the total domestic supply of respective goods/services in the economy in a supply-and-use framework. The values of tourism consumption (or demand) of goods/services as a percentage of their respective total supply in the economy (both domestic and imports) are called tourism ratios (Table R.1).

These ratios help in preparing the core matrix of the TSA, in which Tourism Direct Gross Value Added (TDGVA) and Tourism Direct Gross Domestic Product (TDGDP) are worked out. Comparing these with the overall GVA and GDP of the economy, we arrive at the contribution of tourism to the economy. Similarly, Tourism Direct Employment was worked out and compared with the overall employment in terms of number of jobs.

The study reveals that TDGVA, amounting to Rs 2,34,912 crore, accounted for 3.8 per cent of GVA at basic prices of the total economy. The TDGDP at purchasers' prices, obtained after adding net taxes on products to TDGVA, amounted to Rs 2,37,768, translating to the tourism industry's share of 3.7 per cent in India's GDP. Compared with this, the share of tourism in India's GDP in 2002–03 (according to the first TSA, 2002–03) was 2.2 per cent. Hence, in 2009–10, there has been a gain of 1.5 percentage points in the share of tourism in the nation's GDP.

The total employment in terms of jobs in tourism industries is estimated at 234.2 lakh of the total of 5,355.4 lakh jobs in the country. The share of jobs in tourism industry is 4.4 per cent of the total number of jobs in the economy in 2009–10. Compared with this, the share of tourism in employment in 2002–03 was somewhat higher at 4.6 per cent.

Although, the methodology recommended by UNWTO does not include measurement of any indirect or induced effects of tourism on the economy, the study attempts to work these out by using input-output methods. For this, the multipliers for output and employment have been calculated. The output multiplier for tourism worked out to 1.9, whereas the employment multiplier is 2.3.

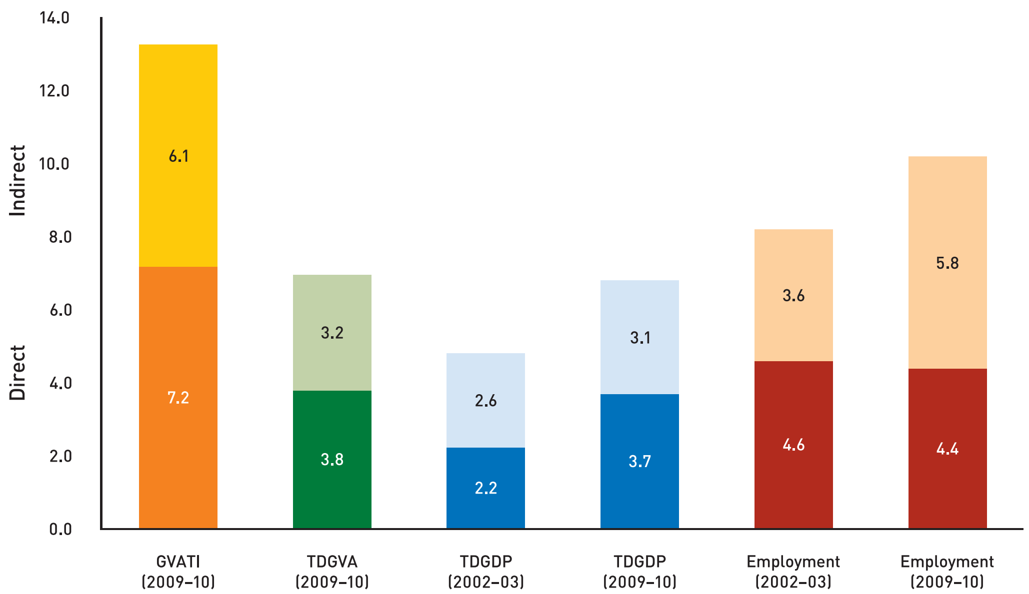
Using the multipliers, it is estimated that the direct and indirect share of TDGVA to India's GVA is 7.0 per cent (3.8 per cent direct and 3.2 per cent indirect) as shown in Figure R.1. The contribution of TDGDP to total GDP is 6.8 per cent (3.7 per cent direct and 3.1 per cent indirect) and to employment is 10.2 per cent (direct 4.4 per cent and indirect 5.8 per cent). In comparison, the direct and indirect share of tourism in India's GDP in 2002–03 (according to the first TSA) was 4.8 per cent and its share in India's employment was 8.2 per cent. The overall gain in the share of tourism in GDP in 2009–10 is 2.0 percentage points and in employment it is 2.3 percentage points.

The share of jobs in tourism industry is 4.4 per cent of the total number of jobs in the economy in 2009–10. Compared with this, the share of tourism in employment in 2002–03 was somewhat higher at 4.6 per cent.

Table R.1: Tourism Ratios (%)

	Tourism ratios
Tourism-characteristic services	
1. Accommodation services/Hotels	64.8
2. Food and beverage services/Restaurants	16.1
3. Railway passenger transport services	57.6
4. Road passenger transport services	57.4
5. Water passenger transport services	12.1
6. Air passenger transport services	77.2
7. Transport equipment rental services	28.8
8. Travel agencies and other reservation services/ Supporting and auxiliary transport activities	72.4
9. Cultural and religious services	17.1
10. Sports and other recreational services	3.8
11. Health and medical services	30
Tourism-connected products	
12. Readymade garments	24.4
13. Processed food	3.1
14. Tobacco products	3.8
15. Beverages	5.6
16. Travel-related consumer goods	70.7
17. Footwear	13.9
18. Soaps, cosmetics and glycerine	0.6
19. Gems and jewellery	6.2
20. Books, journals, magazines, stationery, etc.	6.2

Figure R.1: Tourism share in Indian Economy, 2002–03 and 2009–10 (%)



Notes: GVATI is Gross Value Added of Tourism Industries; TDGVA is Tourism Direct Gross Value Added; TDGDP is Tourism Direct Gross Domestic Product.

Allure of Gold

However, the correlation between inflation rate and GOLD is 0.5 and is statistically significant.

GOLD AND OIL imports together are held responsible for driving the current account deficit as a per cent of Gross Domestic Product (CAGDP) to unsustainable levels. The Reserve Bank of India (RBI) defines sustainable CAGDP to be in the range of 2.7 to 3 per cent. In contrast, the CAGDP was 4.2 per cent in 2011–12 and 5.4 per cent in the second quarter of 2012–13 in dollar terms. Gold and 'petroleum, crude and products' together accounted for 39.6 of total imports in 2010–11 and 43.14 per cent in 2011–12 in dollar terms. This essay analyses the factors driving gold imports.

The RBI points out that almost 100 per cent of the total demand for gold in India is met through imports. Further, the demand for gold is relatively price inelastic. Gold imports as a per cent of total imports (GOLD) has averaged 8.4 per cent between 2000–01 and 2011–12 in dollar terms. Figure E.1 shows that GOLD has increased from 6.7 per cent in 2007–08 to 11.5 per cent in 2011–12. The increase has not been gradual. The annual growth rate of real gold imports has been 38.1, 39.6 and 34.4 per cent for 2009–10, 2010–11, and 2011–12, respectively.

To stem this surge in gold, the government imposed duty on gold imports in the 2012 Budget. This seemed to have had some effect, with GOLD significantly lower in the April–September 2012 period (8.6%) compared to the corresponding period in 2011 (11.9%). For the April–September, 2012, the year-on-year growth rate of real gold was negative (–31.4%).

After 2003–04, gold imports have been increasing by leaps and bounds. The problem has intensified in the three years between 2009–10 and 2011–12. What happened in these three years? The probable causes, along with the usual allure of gold, were the low confidence in the world economy, falling confidence in the Indian economy, high inflation and therefore negative real interest rates.

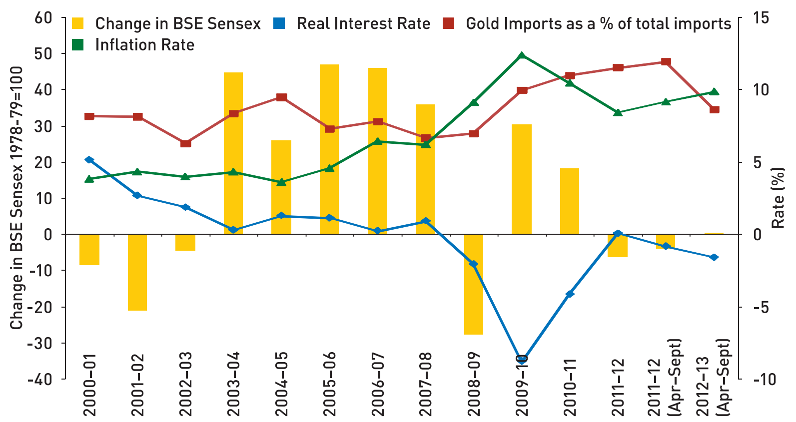
The confidence in the world economy has been low since the Financial Crisis of 2008. If one takes the US stock market index, Standard and Poor's 500 (S&P 500), as an indicator of world-wide confidence (Federal Reserve Bank of St. Louis), one sees only 0.01 correlation between S&P 500 and GOLD between 2000–01 and 2011–12, implying that falling world confidence could not have been the explanatory factor for rising GOLD in India.

The BSE Sensex is used to measure the confidence in the Indian economy (Figure E.1). The correlation between the BSE Sensex and GOLD is 0.49 for the period between 2000–01 and 2011–12, but it is not statistically significant.

The real interest rate (ror) is measured as the difference between the 91-day treasury bill rate and the inflation rate calculated from the Consumer Price Index of Industrial Worker (2001=100). The real interest rate was negative from 2008–09 to 2010–11 (Figure E.1). During April to September, 2012, the real interest rate has been negative (–1.6%) and is worse than the corresponding period in 2011 (–0.9%). This is because of the high inflation rate prevailing in the country. The correlation between the ror and GOLD is –0.43 for the period between 2000–01 and 2011–12, but it is not statistically significant. For the same period, the correlation between inflation rate and GOLD is 0.5 and statistically significant whereas the correlation between GOLD and the nominal interest rate is –0.03.

In conclusion, gold is acting as a hedge against inflation and therefore the surge in GOLD. This implies that the priorities of the government should be to control inflation.

Figure E.1: Gold Imports, 2000–01 to 2011–12



Sources: Reserve Bank of India, National Council of Applied Economic Research and Federal Reserve Bank, St. Louis.

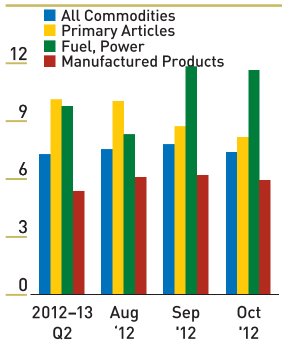
Select Economic Indicators

PERCENTAGE VARIATION (YOY)*

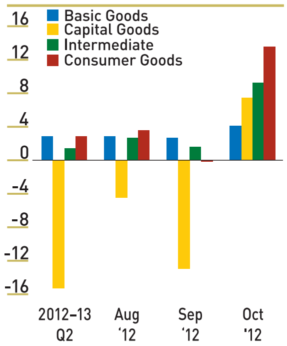
	2010–11	2011–12	2011–12 Q3	2011–12 Q4	2012–13 Q1	2012–13 Q2	2012 AUG	2012 SEP	2012 OCT
INDEX NUMBER OF WHOLESALE PRICES									
All Commodities	9.6	8.9	9.0	7.5	7.5	7.3	7.6	7.8	7.5
Primary Articles	17.7	9.8	7.8	6.7	9.9	10.2	10.1	8.8	8.2
Fuel, Power	12.3	14.0	15.1	14.9	11.9	9.8	8.3	11.9	11.7
Manufactured Products	5.7	7.3	8.0	5.9	5.3	5.4	6.1	6.3	5.9
Basic Goods	8.3	10.3	11.7	10.7	9.7	9.1	10.3	9.9	9.2
Capital Goods	3.5	2.8	3.4	2.4	2.1	2.6	3.0	2.7	2.7
Intermediate	10.9	10.9	11.7	7.9	6.0	5.3	4.6	7.6	7.5
Consumer Goods	4.7	7.9	8.3	6.7	5.9	5.7	6.4	6.8	7.0
Consumer Durables	6.3	10.0	10.8	9.4	8.3	8.0	6.0	5.8	5.4
Consumer Non-Durables	4.2	7.3	7.5	5.9	5.2	5.0	6.5	7.1	7.4
CPI Industrial Workers	10.4	8.4	8.4	7.2	10.1	10.0	10.3	9.1	9.6
CPI Agricultural Labourers	10.0	8.2	8.2	6.0	7.9	8.1	9.2	9.4	9.9
INDUSTRY									
IIP General	8.2	2.9	1.2	0.6	-0.3	0.1	2.3	-0.7	8.2
IIP Mining	5.2	-2.0	-4.2	-0.4	-1.5	-1.8	1.9	2.3	-0.1
IIP Electricity	5.5	8.2	9.6	4.5	6.4	5.8	1.9	3.9	5.5
IIP Manufacturing	9.0	3.0	1.1	0.3	-0.8	-0.3	2.4	-1.5	9.6
IIP Basic Goods	6.0	5.5	4.4	3.4	3.3	3.0	3.0	2.8	4.1
IIP Capital Goods	14.8	-4.0	-16.2	-6.9	-20.1	-15.3	-4.4	-12.9	7.5
IIP Intermediate	7.4	-0.6	-2.9	-0.5	0.8	1.5	2.7	1.7	9.3
IIP Consumer Goods	8.6	4.4	7.7	1.1	3.9	2.9	3.6	-0.1	13.7
IIP Consumer Durables	14.2	2.6	4.9	-4.1	8.0	6.4	1.0	-1.7	16.9
IIP Consumer Non-Durables	4.3	5.9	10.1	5.3	0.6	0.0	6.0	1.6	10.7
Coal Production	4.6	1.2	0.8	10.3	6.5	6.0	11.2	20.9	11.1
Electricity Generation	5.6	8.1	9.4	4.7	6.7	5.8	1.9	3.9	5.1
Steel	13.2	7.0	8.2	1.3	3.6	1.7	1.8	2.0	5.9
Cement	4.5	6.7	9.8	9.2	10.1	8.2	0.4	13.8	6.8
Crude Oil	11.9	1.0	-4.1	-1.6	-0.5	-0.3	-0.6	-1.7	-0.4
Petroleum Refinery	3.0	3.2	2.9	0.8	3.2	4.1	8.3	10.2	20.1
MONEY & BANKING									
M3	16.2	15.8	16.0	13.1	14.0	14.1	13.7	13.4	13.1
Net Bank Credit to Central Government	21.5	21.8	24.6	19.4	21.8	20.6	20.0	20.1	19.1
RBI Credit to Central Government	233.2	69.6	70.5	35.1	49.0	47.9	48.4	54.1	37.4
Bank Credit to Commercial Sector	20.6	18.7	16.2	17.1	17.8	17.5	16.2	16.1	15.5
Bank Credit	21.3	18.7	16.0	17.0	18.1	17.9	16.7	19.3	16.2
Food Credit	15.9	33.0	28.2	26.5	57.0	44.9	31.6	36.6	43.2
Non-Food Credit	21.4	18.5	15.8	16.8	17.4	17.4	16.4	19.0	15.7
Bank Rate (Rate)	6.0	9.7	6.0	8.3	9.0	9.0	9.0	9.0	9.0
PLR (Rate)	9.3	8.1	10.4	10.4	10.3	10.2	10.3	10.1	10.1
Auc 91 dtb (Rate)	6.3	8.5	8.6	8.9	8.4	8.2	8.2	8.1	8.1
EXTERNAL SECTOR									
Exports ($)	40.6	24.6	5.7	11.3	-1.7	-7.5	-9.7	-11.2	-1.6
Imports ($)	28.4	35.5	29.6	36.5	-6.1	-9.4	-5.1	5.1	7.4
Trade Balance (US$ million)	-118632	-188330	-48054	-51014	-40055	-49196	-15622	-18080	-20961
Foreign Currency Assets (US$ million)	273698	273698	262933	260069	256958	259958	257620	259958	260351
Exchange Rate (Rs/$)	-3.5	5.1	13.5	10.9	19.9	22.6	22.5	14.3	7.7
Exchange Rate (Rs/Pound)	-5.8	7.8	12.8	8.7	17.8	18.5	17.7	16.7	10.0
FISCAL (CENTRE)									
Total Receipt	36.9	-5.0	-6.5	27.6	22.9	13.7	5.1	8.1	-1.2
Revenue Receipt	38.0	-4.8	3.7	22.7	30.6	14.9	4.9	9.6	-1.4
Tax Revenue	24.7	10.3	5.0	16.4	32.8	15.7	4.7	8.1	9.0
Non-Tax Revenue	90.9	-43.9	-3.6	63.0	16.3	10.8	5.1	31.7	-23.4
Total Expenditure	17.7	8.3	19.4	-2.4	19.3	21.4	32.0	1.4	5.1
Plan Expenditure	24.9	9.6	23.5	7.2	2.5	5.8	67.0	19.6	-5.0
Non-Plan Expenditure	14.7	7.7	17.5	-6.7	27.3	29.0	22.7	-8.9	9.2
Fiscal Deficit (Rs crore)	412307	412307	100202	128719	190460	146444	73106	-634	-634
Revenue Deficit (Rs crore)	332553	332553	64324	98618	152712	110572	62717	-14151	21968
CAPITAL MARKETS									
BSE-SENSEX	18.0	-6.4	-17.9	-5.8	-9.8	-8.4	4.5	14.0	4.5
Market Capitalisation	24.7	-6.4	-17.7	-6.2	-11.2	-10.4	0.0	10.1	3.7
All India Net FII Investment	11.1	-68.2	-59.7	221.7	-115.3	170.4	-240.1	-1165.8	1794.5

* Actuals where indicated.

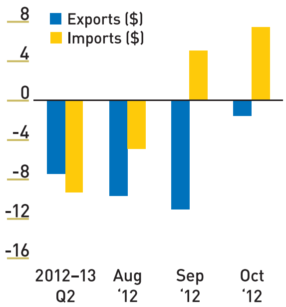
WPI (% change yoy)



IIP (% change yoy)



External Trade (% change yoy)



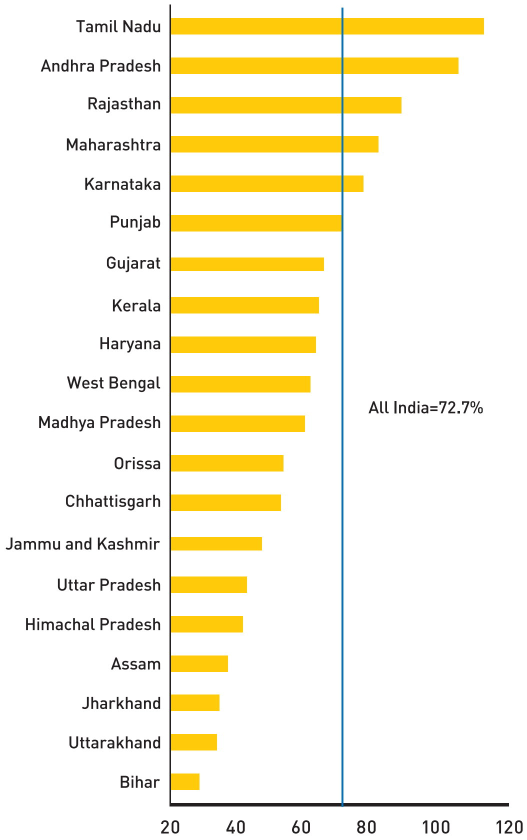
- **Headline inflation turned marginally lower by few percentage points during October 2012.**
- **YoY increase in all segments of IIP in September 2012.**
- **YoY decline in exports vis-á-vis increase in imports during October 2012.**

State-wise Distribution of Credits and Deposit, and Credit Deposit Ratios as on 31st March

STATES	PER CENT SHARE IN TOTAL, 2010		CREDIT/ DEPOSIT RATIO	
	CREDITS	DEPOSIT	2009	2010
Andhra Pradesh	5.4	7.8	97.6	105.1
Assam	1.1	0.6	38.3	37.0
Bihar	2.2	0.9	27.3	28.6
Chhattisgarh	1.1	0.8	53.3	52.8
Gujarat	4.7	4.2	63.2	65.3
Haryana	2.4	2.1	61.5	63.0
Himachal Pradesh	0.6	0.3	38.6	41.4
Jammu and Kashmir	0.7	0.5	46.3	46.9
Jharkhand	1.4	0.7	32.0	34.4
Karnataka	6.3	6.7	76.6	76.9
Kerala	3.3	2.9	60.4	63.6
Madhya Pradesh	2.6	2.1	57.4	59.8
Maharashtra	26.6	29.8	90.8	81.3
Orissa	1.8	1.3	50.8	53.2
Punjab	2.9	2.8	65.5	71.1
Rajasthan	2.3	2.8	80.2	88.2
Tamil Nadu	6.2	9.6	108.9	112.7
Uttar Pradesh	6.8	4.0	42.1	42.6
Uttarakhand	0.9	0.4	25.6	33.8
West Bengal	6.0	5.1	60.8	61.3
All India	100	100	72.6	72.7

Note: Data does not add to total All India.
Source: Planning Commission, Data for Use of Deputy Chairman, Planning Commission, 5th December 2012.
http://planningcommission.nic.in/data/datatable/0512/databook_comp5012.pdf

State- wise Credit Deport Ratio as on 31st March 2010



Declaration
MACROTRACK
FORM IV

Statement about ownership and other particulars about newspaper (MACROTRACK) required to be published under Rule 8, of the registrar (Central) Rules, 1956.

1. Place of Publication : Parisila Bhawan, 11, I.P. Estate, New Delhi - 110 002

2. Periodicity of Publication : Monthly

3. Printer's Name : Cirrus Graphics Pvt. Ltd.
   Nationality : Indian
   Address : Cirrus Graphics Pvt. Ltd. B-261, Naraina Industrial Area, New Delhi - 110 028

4. Publisher's Name : Jatinder S. Bedi
   Nationality : Indian
   Address : "Parisila Bhawan" 11, I.P. Estate, New Delhi - 110 002

5. Editor's Name : Bornali Bhandari
   Nationality : Indian
   Address : "Parisila Bhawan" 11, I.P. Estate, New Delhi - 110 002

6. Names and Addresses of Individuals who own the newspaper and partners and shareholders holding more than one per cent of the total capital. : National Council of Applied Economic Research, Parisila Bhawan, 11, I.P. Estate, New Delhi - 110 002

I, Jatinder S. Bedi, hereby declare that the particulars given above are true to the best of my knowledge and belief.

Dated: 28th February, 2013

(Jatinder S. Bedi)
Publisher

Business Expectations: Purna C. Parida and Charu Jain; **Report**: Poonam Munjal; **External**: Bornali Bhandari;
Statistics: Devender Pratap; **Secretarial Support**: Sudesh Bala

Printed and Published by Secretary, National Council of Applied Economic Research
and printed at Cirrus Graphics Pvt. Ltd, B–261, Naraina Industrial Area, New Delhi–110 028. Editor: BORNALI BHANDARI
For Limited Circulation Only. Annual Subscription: Members: Rs 2500/- Non-members: Rs 3000/-