

APPENDIX

**Table A-1. Components of Gross Domestic Product
(1980-81 to 2014-15)**

(Base Year: 2004-05) (Rs Billion)

Year	PFCE	GFCE	GDCF	Trade Deficit (negative)	GDP at market price
1980-81	1180.68	151.79	270.03	45.67	1496.42
1981-82	1356.76	177.85	384.03	45.53	1758.05
1982-83	1497.73	210.22	433.56	41.73	1966.44
1983-84	1753.57	242.88	457.92	45.36	2290.21
1984-85	1940.37	279.27	552.69	36.38	2566.11
1985-86	2141.54	332.57	679.54	68.03	2895.24
1986-87	2402.09	393.22	760.08	58.16	3239.49
1987-88	2666.49	461.6	832.23	49.78	3682.11
1988-89	3104.97	532.8	1041.6	60.97	4368.93
1989-90	3468.07	609.97	1200.07	56.03	5019.29
1990-91	3985.29	695.25	1460.18	80.63	5862.12
1991-92	4577.35	784.58	1515.63	-0.05	6738.74
1992-93	5161.18	888.46	1877.68	56.88	7745.45
1993-94	5913.08	1030.66	1897.37	-1.48	8913.54
1994-95	6871.54	1146.72	2425.14	31.03	10455.9
1995-96	7920.15	1358.83	3196.03	142.2	12267.3
1996-97	9286.29	1540.89	3130.55	161.68	14192.8
1997-98	10185.6	1822.45	3854.45	191.3	15723.9
1998-99	11663	2257.16	4240.46	294.65	18033.8
1999-00	13125.4	2588.68	5426.82	380.05	20122
2000-01	14066.6	2734	5250.78	193.97	21686.5
2001-02	15316.7	2911.89	6024.56	202.93	23483.3
2002-03	16202.9	3015.73	6332.77	244.25	25306.6
2003-04	17713.1	3247.83	7427.17	194.53	28379
2004-05	19175.1	3545.18	10522.3	568.94	32422.1
2005-06	21527	4016.19	12660.7	1013.79	36933.7
2006-07	24766.7	4434.77	15405.8	1356.63	42947.1
2007-08	28407.3	5130.21	18968	2002.02	49870.9
2008-09	32492.8	6153.33	20001	2852.76	56300.6
2009-10	37075.7	7711.51	23512.6	3483.6	64778.3
2010-11	43603.2	8901.36	28434.1	3399.89	77841.1
2011-12	51419	10259	32783.3	5716.21	90097.2
2012-13	57720.6	11891.3	35092.1	6816.23	101133
2013-14	64850.4	13413.4	35684.6	4083.15	113551
2014-15	33640.9	7241.4	17906.4	2313.43	57701.9

Source: Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India.

Notes: 1. Data for 2014-15 are Provisional Estimates.

2. PFCE = Private Final Consumption Expenditure, GFCE = Government Final Consumption Expenditure, GDCF = Gross Domestic Capital Formation, GDP = Gross Domestic Products

3. The sum total of components may not equal the GDP on account of errors and omissions

Table A-2. Percentage Share of Expenditure on Various Food and Non-Food Items in Urban Areas (1972-73 to 2011-12)

Items	Rounds								
	27 th	32 nd	38 th	43 rd	50 th	55 th	61 st	66 th	68 th
Cereals and subst.	23.7	20.9	19.7	15.3	14.3	12.5	10.2	9.2	7.5
Pulses and prod.	3.4	3.6	3.2	3.4	3	2.8	2.1	2.7	2.1
Milk and prod.	9.3	9.5	9.2	9.5	9.8	8.7	7.9	7.8	7.8
Edible oil	4.9	4.6	4.8	5.3	4.4	3.1	3.5	2.6	2.7
Meat, Egg, Fish	3.3	3.5	3.6	3.6	3.4	3.1	2.7	2.7	2.8
Vegetables	4.4	4.4	5	5.3	5.5	5.1	4.5	4.3	3.4
Fruits and Nuts	2	2	2.1	2.5	2.7	2.4	2.2	2.1	2.3
Sugar	3.6	2.6	2.5	2.4	2.4	1.6	1.5	1.5	1.2
Salt and Spices	2.3	2.7	2.1	2.3	2	2.2	1.7	1.5	1.7
Beverages etc.	7.6	6.3	6.8	6.8	7.2	6.4	6.2	6.3	7.1
Food total	64.5	60	59.1	56.4	54.7	48.1	42.5	40.7	38.5
Pan, Tobacco and Intoxicants	2.8	2.4	2.4	2.6	2.3	1.9	1.6	1.2	1.4
Fuel and Light	5.6	6.4	6.9	6.8	6.6	7.8	9.9	8	7.6
Clothing and Footwear	5.7	7.7	8.7	7	5.6	7.3	4.7	5.6	6.5
Misc. Goods and services	19.2	14.6	20.5	23.2	27.5	31.3	37.2	37.8	39.7
Durable goods	2.2	8.9	2.3	4.1	3.3	3.6	4.1	6.7	6.3
Non-food total	35.5	40	40.9	43.6	45.3	51.9	57.5	59.3	61.5
Total expenditure	100	100	100	100	100	100	100	100	100

Source: NSSO Report 402, Level and pattern of Consumer Expenditure, 1993-94 and Key Indicators of Household Consumer Expenditure in India, 2011-12.

Table A-3. Percentage Share of Expenditure on Various Food and Non-Food Items in Rural Areas (1972-73 to 2011-12)

Items	Rounds								
	27 th	32 nd	38 th	43 rd	50 th	55 th	61 st	66 th	68 th
Cereals and subst.	41.7	33.5	32.8	26.6	24.5	22.4	18.2	15.9	12.3
Pulses and prod.	4.3	3.8	3.5	4	3.8	3.8	3.1	3.7	3.1
Milk and prod.	7.3	7.7	7.5	8.6	9.5	8.8	8.5	8.6	9.1
Edible oil	3.5	3.6	4	5	4.4	3.7	4.6	3.7	3.8
Meat, Egg, Fish	2.5	2.7	3	3.3	3.3	3.3	3.3	3.5	3.6
Vegetables	3.6	3.8	4.7	5.2	6	6.2	6.1	6.2	4.8
Fruits and Nuts	1.1	1.1	1.4	1.6	1.7	1.7	1.9	1.6	1.9
Sugar	3.8	2.6	2.8	2.9	3.1	2.4	2.4	2.4	1.8
Salt and Spices	2.8	3	2.5	2.9	2.7	3	2.5	2.4	2.4
Beverages etc.	2.4	2.5	3.3	3.9	4.2	4.2	4.5	5.6	5.8
Food total	72.9	64.3	65.6	64	63.2	59.4	55	53.6	48.6
Pan, Tobacco and Intoxicants	3.1	2.9	3	3.2	3.2	2.9	2.7	2.2	2.4
Fuel and Light	5.6	6	7	7.5	7.4	7.5	10.2	9.5	9.2
Clothing and Footwear	7.5	9.4	9.6	7.7	6.3	8	5.3	5.9	7.6
Misc. Goods and services	8.7	10.3	12.5	14.5	17.3	19.6	23.4	24	26.1
Durable goods	2.2	7	2.3	3.1	2.7	2.6	3.4	4.8	6.1
Non-food total	27.1	35.7	34.4	36	36.8	40.6	45	46.4	51.4
Total expenditure	100	100	100	100	100	100	100	100	100

Source: NSSO Report 402, Level and pattern of Consumer Expenditure, 1993-94 and Key Indicators of Household Consumer Expenditure in India, 2011-12.

Table A-4. Monthly Per Capita Expenditure (MPCE): Food Items (Rs.)

Decile	Cereals		Pulses		Total Expenditure	
	Urban	Rural	Urban	Rural	Urban	Rural
1	249.45	225.54	61.47	47.3	1609.4	1187.3
2	142.88	134.06	37.89	28.96	1118.1	783.24
3	154.39	141.04	40.6	32.09	1362.7	904.57
4	162.74	147.96	45.46	34.32	1624.9	1017.8
5	170.25	150.61	48.27	36.55	1887.7	1136
6	182.88	156.23	52.74	39.99	2180.5	1266.1
7	191.87	160.86	54.94	42.07	2547.9	1426.8
8	203.44	170.26	61.04	44.74	3062.9	1645.4
9	216.71	180.66	64.87	49.98	3892.6	2007.5
10	459.26	408.88	142.16	125.61	15632	7037.5

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-5. Monthly Per Capita Expenditure (MPCE): Food Items (Rs.)

Decile	Milk and Milk Products		Fruits and Nuts		Total Expenditure	
	Urban	Rural	Urban	Rural	Urban	Rural
1	99.79	49.36	29.01	11.94	1609.4	1187.3
2	84.46	48.52	25.91	11.8	1118.1	783.24
3	111.41	57.97	37.12	16.52	1362.7	904.57
4	136.71	75.47	51.5	21.62	1624.9	1017.8
5	159.55	90.94	59.73	27.64	1887.7	1136
6	185.76	103.13	76.33	33.32	2180.5	1266.1
7	209.15	123.62	93.88	41.21	2547.9	1426.8
8	244.58	147.91	117.22	53.66	3062.9	1645.4
9	277.26	191.66	155.18	70.35	3892.6	2007.5
10	768.67	570.21	539.91	246.2	15632	7037.5

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-6. Monthly Per Capita Expenditure (MPCE): Food Items
(Rs.)

Decile	Edible Oil		Egg, Fish and Meat		Vegetables		Total Expenditure	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
1	79.67	59.56	64.15	35.81	135.82	116.09	1609.42	1187.28
2	50.67	38.16	52.84	30.24	81.78	71.11	1118.09	783.24
3	56.57	42.48	66.48	41.8	93.54	78.62	1362.69	904.57
4	62.86	46.81	80.74	49.46	103.41	82.54	1624.86	1017.8
5	67.41	50.91	83.7	54.83	113.09	88.49	1887.65	1135.97
6	73.31	54.37	93.95	68.34	126.35	92.91	2180.52	1266.08
7	78.19	58.3	104.96	73.93	136.77	99.74	2547.94	1426.76
8	83.25	61.85	114.03	83.68	146.7	108.82	3062.85	1645.36
9	88.53	67.31	150.04	101.95	159.44	118.91	3892.6	2007.46
10	199.27	168.89	362.23	324.87	376.15	294.05	15631.9	7037.51

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-7. Monthly Per Capita Expenditure (MPCE): Non-Food Items
(Rs.)

Decile	Durables		Fuel and Light		Total Expenditure	
	Urban	Rural	Urban	Rural	Urban	Rural
1	24.76	21.6	175.62	140.14	1609.42	1187.28
2	19.11	13.97	108.24	83.19	1118.09	783.24
3	25.88	17.45	122.85	92.4	1362.69	904.57
4	31.44	21.7	140.46	96.57	1624.86	1017.8
5	45.64	25.46	153.1	103.74	1887.65	1135.97
6	56.64	30.81	163.95	111.33	2180.52	1266.08
7	79.32	37.43	180.7	119.56	2547.94	1426.76
8	122.55	51.27	205.58	130	3062.85	1645.36
9	196.84	74.63	237.89	148.21	3892.6	2007.46
10	1608.01	725.74	716.15	372.16	15631.9	7037.51

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-8. Monthly Per Capita Expenditure (MPCE): Non-Food Items

(Rs.)						
Decile	Pan, Tobacco and Intoxicants		Clothing and Footwear		Total Expenditure	
	Urban	Rural	Urban	Rural	Urban	Rural
1	40.14	35.69	122.59	98.74	1609.42	1187.28
2	27.36	23.46	81.4	61.71	1118.09	783.24
3	31.31	26.76	100.11	70.19	1362.69	904.57
4	36.75	33.44	114.55	79.96	1624.86	1017.8
5	34.69	35.45	133.8	88.85	1887.65	1135.97
6	39.77	39.99	150.32	99.46	2180.52	1266.08
7	48.77	49.1	172	111.04	2547.94	1426.76
8	47.18	55.48	197.08	120.36	3062.85	1645.36
9	55.6	67.19	241.31	134.43	3892.6	2007.46
10	163.03	221.2	844.99	399.57	15631.9	7037.51

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-9. Monthly Per Capita Expenditure (MPCE): Non-Food Items

(Rs.)				
Decile	Misc. goods and services		Total Expenditure	
	Urban	Rural	Urban	Rural
1	299.18	174.76	1609.42	1187.28
2	253.82	128.19	1118.09	783.24
3	341.49	162.23	1362.69	904.57
4	446.19	189.19	1624.86	1017.8
5	572.09	225.2	1887.65	1135.97
6	712.05	265.13	2180.52	1266.08
7	884.1	321.19	2547.94	1426.76
8	1147.84	400.39	3062.85	1645.36
9	1584.38	540.11	3892.6	2007.46
10	7494.91	2331.94	15631.9	7037.51

Source: NSSO Report No. 555, Level and Pattern of Consumer Expenditure, 2011-12

Table A-10. Revenue Receipts of Central Government**(Rs. Billion)**

Year	Direct tax	Indirect tax	Non-tax revenue	Revenue receipts
1980-81	18.93	74.65	30.15	123.73
1981-82	25.18	90.24	34.82	150.24
1982-83	27.23	102.94	44.17	174.34
1983-84	31.31	123.10	42.70	197.11
1984-85	33.75	142.76	58.15	234.66
1985-86	36.98	174.42	68.95	280.35
1986-87	40.23	202.96	87.64	330.83
1987-88	41.00	239.15	90.22	370.37
1988-89	60.21	277.30	98.40	435.91
1989-90	60.28	323.21	139.47	522.96
1990-91	69.03	360.75	119.76	549.54
1991-92	101.03	399.66	159.61	660.30
1992-93	120.75	419.69	200.84	741.28
1993-94	125.22	409.27	220.04	754.53
1994-95	184.09	490.45	236.29	910.83
1995-96	222.87	596.52	281.91	1101.30
1996-97	253.74	683.26	325.78	1262.79
1997-98	271.72	685.00	382.14	1338.86
1998-99	321.20	725.32	448.33	1494.85
1999-00	414.36	868.36	532.11	1814.82
2000-01	496.51	870.07	559.47	1926.05
2001-02	477.03	858.28	677.74	2013.06
2002-03	616.12	969.32	722.90	2308.34
2003-04	765.90	1103.92	768.31	2638.13
2004-05	959.44	1288.54	811.93	3059.91
2005-06	1206.92	1495.72	768.13	3470.77
2006-07	1697.38	1814.44	832.05	4343.87
2007-08	2315.74	2079.72	1023.17	5418.64
2008-09	2481.52	1951.69	969.40	5402.59
2009-10	2716.23	1849.13	1162.75	5728.11
2010-11	3135.01	2563.67	2186.02	7884.71
2011-12	3433.10	2864.54	1216.72	7514.37
2012-13	3965.85	3452.92	1373.54	8792.32
2013-14	4558.29	3600.25	1988.70	10147.24
2014-15	4992.53	4092.10	2178.32	11262.94
2015-16	4951.96	4246.46	2217.33	11415.75

Source: Central Government Receipts - Major Components, Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India

Notes: Data for 2014-15 are Revised Estimates and Data for 2015-16 are Budget Estimates.

**Table A-11. Revenue Expenditure of Central Government
(1980-81 to 2015-16)**

					(Rs. Billion)
Year	Revenue Defense expenditure	Interest payments	Subsidies	Other Revenue Receipts	Revenue expenditure
1980-81	32.78	26.04	20.28	65.00	144.10
1981-82	38.44	31.95	19.41	64.28	154.08
1982-83	44.94	39.38	22.62	80.48	187.42
1983-84	51.89	47.95	29.02	93.65	222.51
1984-85	63.24	59.74	40.38	113.55	276.91
1985-86	70.21	75.12	47.96	145.95	339.24
1986-87	91.79	92.46	54.51	169.84	408.60
1987-88	88.61	112.51	59.80	200.82	461.74
1988-89	95.58	142.78	77.32	225.38	541.06
1989-90	101.94	177.57	104.74	257.85	642.10
1990-91	108.74	214.98	121.58	289.86	735.16
1991-92	114.42	265.96	122.53	320.01	822.92
1992-93	121.09	310.75	108.24	386.94	927.02
1993-94	149.78	367.41	116.05	448.45	1081.69
1994-95	164.26	440.60	118.54	497.72	1221.12
1995-96	188.41	500.45	126.66	583.09	1398.61
1996-97	209.97	594.78	154.99	629.59	1589.33
1997-98	261.74	656.37	185.40	699.84	1803.35
1998-99	298.61	778.82	235.93	851.25	2164.61
1999-00	352.16	902.49	244.87	991.26	2490.78
2000-01	372.38	993.14	268.38	1144.49	2778.39
2001-02	380.59	1074.60	312.10	1247.39	3014.68
2002-03	407.09	1178.04	435.33	1366.67	3387.13
2003-04	432.03	1240.88	443.23	1504.60	3620.74
2004-05	438.62	1269.34	459.57	1675.76	3843.29
2005-06	482.11	1326.30	475.22	2110.13	4393.76
2006-07	516.82	1502.72	571.25	2555.30	5146.09
2007-08	542.19	1710.30	709.26	2982.58	5944.33
2008-09	733.05	1922.04	1297.08	3985.81	7937.98
2009-10	906.69	2130.93	1413.51	4666.96	9118.09
2010-11	920.61	2340.22	1734.20	5412.20	10407.23
2011-12	1030.11	2731.50	2179.41	5516.83	11457.85
2012-13	1112.77	3131.70	2570.79	5619.88	12435.14
2013-14	1243.74	3742.54	2546.32	6185.12	13717.72
2014-15	1404.05	4113.54	2666.92	6703.29	14887.80
2015-16	1521.39	4561.45	2438.11	6839.52	15360.47

Source: Major Heads of Expenditure of the Central Government, Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India

Notes: Data for 2014-15 are Revised Estimates and data for 2015-16 are Budget Estimates.

**Table A-12. Major Components of Gross Fiscal Deficit
(1980-81 to 2015-16)**

(Rs. Billion)			
Year	Revenue deficit	Capital expenditure	Gross fiscal deficit
1980-81	20.37	83.58	82.99
1981-82	3.92	98.57	86.66
1982-83	13.08	120.49	106.27
1983-84	25.40	132.83	130.30
1984-85	42.25	159.41	174.16
1985-86	58.89	187.42	218.58
1986-87	77.77	220.56	263.42
1987-88	91.37	220.87	270.44
1988-89	105.15	250.05	309.23
1989-90	119.14	286.98	356.32
1990-91	185.62	317.82	446.32
1991-92	162.61	291.22	363.25
1992-93	185.74	299.16	401.73
1993-94	327.16	336.84	602.57
1994-95	310.29	386.27	577.03
1995-96	297.31	384.14	602.43
1996-97	326.54	420.74	667.33
1997-98	464.49	517.18	889.37
1998-99	669.76	628.79	1133.49
1999-00	675.96	489.75	1047.16
2000-01	852.34	477.53	1188.16
2001-02	1001.62	608.42	1409.55
2002-03	1078.79	745.35	1450.72
2003-04	982.61	1091.29	1232.73
2004-05	783.38	1133.31	1257.94
2005-06	923.00	663.62	1464.35
2006-07	802.22	687.78	1425.73
2007-08	525.69	1182.38	1269.12
2008-09	2535.39	901.58	3369.92
2009-10	3389.98	1126.78	4184.82
2010-11	2522.52	1566.05	3735.92
2011-12	3943.48	1585.80	5159.90
2012-13	3642.82	1668.58	4901.90
2013-14	3570.48	1876.75	5028.58
2014-15	3624.86	1923.78	5126.28
2015-16	3944.72	2414.30	5556.49

Source: Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India.

Notes: Data for 2014-15 are Revised Estimates and data for 2015-16 are Budget Estimates.

**Table A-13. Centre's Gross Fiscal Deficit and its Financing
(1980-81 to 2015-16)**

(Rs. Billion)

Year	Market borrowings	Other borrowings	Draw down of cash balances	Total Internal finance	External finance	Gross fiscal deficit
1980-81	26.79	18.62	24.77	70.18	12.81	82.99
1981-82	29.13	33.89	14.00	77.02	9.64	86.66
1982-83	37.71	39.42	16.56	93.69	12.58	106.27
1983-84	40.38	62.37	14.17	116.92	13.38	130.30
1984-85	40.95	81.24	37.45	159.64	14.52	174.16
1985-86	48.84	102.09	53.16	204.09	14.49	218.58
1986-87	55.32	105.25	82.61	243.18	20.24	263.42
1987-88	58.62	124.73	58.16	241.51	28.93	270.44
1988-89	84.18	144.03	56.42	284.63	24.60	309.23
1989-90	74.04	150.41	105.92	330.37	25.95	356.32
1990-91	80.01	221.03	113.47	414.51	31.81	446.32
1991-92	75.10	165.39	68.55	309.04	54.21	363.25
1992-93	36.76	188.66	123.12	348.54	53.19	401.73
1993-94	289.28	152.95	109.60	551.83	50.74	602.57
1994-95	203.26	328.34	9.61	541.21	35.82	577.03
1995-96	340.01	161.17	98.07	599.25	3.18	602.43
1996-97	190.93	314.69	131.84	637.46	29.87	667.33
1997-98	324.99	562.57	-9.10	878.46	10.91	889.37
1998-99	689.88	426.50	-2.09	1114.29	19.20	1133.49
1999-00	620.76	405.97	8.64	1035.37	11.80	1047.16
2000-01	734.31	390.77	-11.97	1113.11	75.05	1188.16
2001-02	908.12	460.38	-14.96	1353.54	56.01	1409.55
2002-03	1041.26	509.97	18.83	1570.06	-119.34	1450.72
2003-04	888.70	518.33	-39.42	1367.61	-134.88	1232.73
2004-05	509.40	615.62	-14.61	1110.41	147.53	1257.94
2005-06	1062.41	536.10	-208.88	1389.63	74.72	1464.35
2006-07	1148.01	147.82	45.17	1341.01	84.72	1425.73
2007-08	1306.00	141.68	-271.71	1175.97	93.15	1269.12
2008-09	2469.75	351.68	438.34	3259.77	110.15	3369.92
2009-10	3943.71	144.60	-13.86	4074.44	110.38	4184.82
2010-11	3263.99	172.06	64.30	3500.35	235.56	3735.92
2011-12	4841.11	354.21	-159.90	5035.42	124.48	5159.90
2012-13	5074.45	265.56	-510.12	4829.89	72.01	4901.90
2013-14	4756.26	391.11	-191.71	4955.66	72.92	5028.58
2014-15	4655.00	530.94	-156.71	5029.23	97.05	5126.28
2015-16	4645.31	679.03	120.41	5444.76	111.73	5556.49

Source: Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India.

Notes: Data for 2014-15 are Revised Estimates and data for 2015-16 are Budget Estimates.

Table A-14. Dependent and Independent Variables
(As Percentage of GDP)

Years	PC	GC	FD	FS	BM	YD	DCP	R
1980-81	78.90	10.14	5.55	1.40	13.00	85.34	20.19	4.48
1981-82	77.17	10.12	4.93	1.49	11.94	83.80	20.86	5.12
1982-83	76.16	10.69	5.40	1.30	11.75	82.92	22.30	7.77
1983-84	76.57	10.61	5.69	1.10	12.66	84.16	22.50	7.32
1984-85	75.62	10.88	6.79	1.28	13.72	83.83	23.86	7.95
1985-86	73.97	11.49	7.55	2.15	13.18	82.09	24.14	8.68
1986-87	74.15	12.14	8.13	1.96	13.83	82.03	25.36	9.09
1987-88	72.42	12.54	7.34	1.85	14.53	81.82	24.94	6.56
1988-89	71.07	12.20	7.08	2.82	14.41	81.61	24.84	7.64
1989-90	69.09	12.15	7.10	2.45	15.46	81.49	26.13	7.44
1990-91	67.98	11.86	7.61	3.10	14.97	81.83	24.49	5.27
1991-92	67.93	11.64	5.39	0.50	14.77	81.31	23.41	3.62
1992-93	66.63	11.47	5.19	1.78	14.30	82.44	24.27	9.13
1993-94	66.34	11.56	6.76	0.54	15.56	82.96	23.42	5.81
1994-95	65.72	10.97	5.52	1.14	16.19	83.00	23.24	4.34
1995-96	64.56	11.08	4.91	1.69	15.85	80.84	22.12	5.86
1996-97	65.43	10.86	4.70	1.25	14.09	83.40	23.00	7.79
1997-98	64.78	11.59	5.66	1.42	14.40	82.98	23.15	6.91
1998-99	64.67	12.52	6.29	1.02	14.38	84.46	23.27	5.12
1999-00	65.23	12.86	5.18	1.09	13.94	83.05	24.98	9.19
2000-01	64.86	12.61	5.46	0.59	13.99	84.45	27.85	8.34
2001-02	65.22	12.40	5.98	-0.61	14.39	85.90	28.13	8.59
2002-03	64.03	11.92	5.72	-1.13	14.58	84.40	31.75	7.91
2003-04	62.42	11.44	4.34	-2.16	15.38	83.04	31.08	7.31
2004-05	59.14	10.93	3.88	0.41	15.09	79.65	35.57	4.91
2005-06	58.29	10.87	3.96	1.21	15.49	78.81	39.40	6.25
2006-07	57.67	10.33	3.32	1.06	16.51	77.50	43.22	4.48
2007-08	56.96	10.29	2.54	1.29	18.61	74.89	44.82	6.87
2008-09	57.71	10.93	5.99	2.29	17.55	80.49	48.54	4.28
2009-10	57.23	11.90	6.46	2.79	17.84	80.25	47.30	5.77
2010-11	56.02	11.44	4.79	2.82	17.69	77.13	49.58	-0.60
2011-12	57.07	11.39	5.84	4.18	15.83	79.68	50.73	3.54
2012-13	57.07	11.76	4.91	4.73	14.98	79.76	51.66	2.77

Source: Researcher's own calculation by using database from Handbook of Statistics on Indian Economy, 2014-15, Reserve Bank of India and the World Bank.

Notes: 1. Base Year 2004-05

2. PC = Private Consumption, GC = Government Consumption, FD = Fiscal Deficit, FS = Foreign Saving, BM = Base Money, YD = Disposable Income, DCP = Domestic Credit to Private Sector and R = Real Rate of Interest.

Table A-15. Augmented Dickey Fuller Unit Root Test: PC

Null Hypothesis: PC has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-1.712621	0.7222
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(PC)

Method: Least Squares

Date: 06/21/16 Time: 23:38

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
PC(-1)	-0.196537	0.114758	-1.712621	0.0975
C	14.22732	8.946317	1.590300	0.1226
@TREND("1980")	-0.114483	0.082844	-1.381907	0.1776
R-squared	0.146990	Mean dependent var		-0.682070
Adjusted R-squared	0.088162	S.D. dependent var		0.928445
S.E. of regression	0.886574	Akaike info criterion		2.686155
Sum squared resid	22.79438	Schwarz criterion		2.823568
Log likelihood	-39.97848	Hannan-Quinn criter.		2.731704
F-statistic	2.498627	Durbin-Watson stat		1.655202
Prob(F-statistic)	0.099732			

Source: Researcher's own calculation

Table A-16. Augmented Dickey Fuller Unit Root Test: D(PC)

Null Hypothesis: D(PC) has a unit root
 Exogenous: Constant
 Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-4.859522	0.0005
Test critical values:		
1% level	-3.661661	
5% level	-2.960411	
10% level	-2.619160	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
 Dependent Variable: D(PC,2)
 Method: Least Squares
 Date: 06/21/16 Time: 23:39
 Sample (adjusted): 1982 2012
 Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(PC(-1))	-0.885283	0.182175	-4.859522	0.0000
C	-0.567608	0.211059	-2.689337	0.0117
R-squared	0.448826	Mean dependent var		0.055796
Adjusted R-squared	0.429820	S.D. dependent var		1.235778
S.E. of regression	0.933139	Akaike info criterion		2.761816
Sum squared resid	25.25170	Schwarz criterion		2.854331
Log likelihood	-40.80814	Hannan-Quinn criter.		2.791973
F-statistic	23.61495	Durbin-Watson stat		2.016113
Prob(F-statistic)	0.000037			

Source: Researcher's own calculation

Table A-17. Augmented Dickey Fuller Unit Root Test: YD

Null Hypothesis: YD has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-2.811317	0.2037
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(YD)

Method: Least Squares

Date: 06/24/16 Time: 19:05

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
YD(-1)	-0.421860	0.150058	-2.811317	0.0088
C	35.24172	12.66396	2.782836	0.0094
@TREND("1980")	-0.052956	0.038633	-1.370721	0.1810
R-squared	0.215822	Mean dependent var		-0.174338
Adjusted R-squared	0.161741	S.D. dependent var		1.812064
S.E. of regression	1.659062	Akaike info criterion		3.939442
Sum squared resid	79.82216	Schwarz criterion		4.076855
Log likelihood	-60.03108	Hannan-Quinn criter.		3.984991
F-statistic	3.990698	Durbin-Watson stat		2.007239
Prob(F-statistic)	0.029445			

Source: Researcher's own calculation

Table A-18. Augmented Dickey Fuller Unit Root Test: D(YD)

Null Hypothesis: D(YD) has a unit root

Exogenous: Constant

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-6.827812	0.0000
Test critical values:		
1% level	-3.661661	
5% level	-2.960411	
10% level	-2.619160	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(YD,2)

Method: Least Squares

Date: 06/21/16 Time: 23:46

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(YD(-1))	-1.223824	0.179241	-6.827812	0.0000
C	-0.171214	0.326334	-0.524659	0.6038
R-squared	0.616499	Mean dependent var		0.052263
Adjusted R-squared	0.603274	S.D. dependent var		2.870133
S.E. of regression	1.807787	Akaike info criterion		4.084424
Sum squared resid	94.77467	Schwarz criterion		4.176940
Log likelihood	-61.30858	Hannan-Quinn criter.		4.114582
F-statistic	46.61901	Durbin-Watson stat		2.118324
Prob(F-statistic)	0.000000			

Source: Researcher's own calculation

Table A-19. Augmented Dickey Fuller Unit Root Test: GC

Null Hypothesis: GC has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 1 (Automatic – based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-3.143876	0.1143
Test critical values:		
1% level	-4.284580	
5% level	-3.562882	
10% level	-3.215267	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(GC)

Method: Least Squares

Date: 06/21/16 Time: 23:48

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
GC(-1)	-0.313735	0.099792	-3.143876	0.0040
D(GC(-1))	0.431757	0.162976	2.649210	0.0133
C	3.686625	1.146886	3.214466	0.0034
@TREND("1980")	-0.003151	0.007911	-0.398375	0.6935
R-squared	0.351012	Mean dependent var		0.052961
Adjusted R-squared	0.278902	S.D. dependent var		0.456633
S.E. of regression	0.387761	Akaike info criterion		1.063058
Sum squared resid	4.059680	Schwarz criterion		1.248089
Log likelihood	-12.47741	Hannan-Quinn criter.		1.123374
F-statistic	4.867743	Durbin-Watson stat		2.080226
Prob(F-statistic)	0.007812			

Source: Researcher's own calculation

Table A-20. Augmented Dickey Fuller Unit Root Test: D(GC)

Null Hypothesis: D(GC) has a unit root

Exogenous: Constant

Lag Length: 0 (Automatic – based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-3.792577	0.0072
Test critical values:		
1% level	-3.661661	
5% level	-2.960411	
10% level	-2.619160	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(GC,2)

Method: Least Squares

Date: 06/22/16 Time: 00:08

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(GC(-1))	-0.671134	0.176960	-3.792577	0.0007
C	0.039775	0.079171	0.502393	0.6192
R-squared	0.331545	Mean dependent var		0.012865
Adjusted R-squared	0.308495	S.D. dependent var		0.527956
S.E. of regression	0.439031	Akaike info criterion		1.253848
Sum squared resid	5.589701	Schwarz criterion		1.346363
Log likelihood	-17.43464	Hannan-Quinn criter.		1.284006
F-statistic	14.38364	Durbin-Watson stat		1.860736
Prob(F-statistic)	0.000700			

Source: Researcher's own calculation

Table A-21. Augmented Dickey Fuller Unit Root Test: FD

Null Hypothesis: FD has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-3.116090	0.1198
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(FD)

Method: Least Squares

Date: 06/24/16 Time: 19:07

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
FD(-1)	-0.484152	0.155372	-3.116090	0.0041
C	3.330328	1.105867	3.011508	0.0053
@TREND("1980")	-0.037036	0.021162	-1.750088	0.0907
R-squared	0.252199	Mean dependent var		-0.020000
Adjusted R-squared	0.200626	S.D. dependent var		1.079531
S.E. of regression	0.965184	Akaike info criterion		2.856064
Sum squared resid	27.01582	Schwarz criterion		2.993476
Log likelihood	-42.69702	Hannan-Quinn criter.		2.901612
F-statistic	4.890179	Durbin-Watson stat		1.849546
Prob(F-statistic)	0.014788			

Source: Researcher's own calculation

Table A-22. Augmented Dickey Fuller Unit Root Test: D(FD)

Null Hypothesis: D(FD) has a unit root
 Exogenous: Constant
 Lag Length: 1 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-5.830973	0.0000
Test critical values:		
1% level	-3.670170	
5% level	-2.963972	
10% level	-2.621007	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation
 Dependent Variable: D(FD,2)
 Method: Least Squares
 Date: 06/22/16 Time: 00:11
 Sample (adjusted): 1983 2012
 Included observations: 30 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(FD(-1))	-1.558740	0.267321	-5.830973	0.0000
D(FD(-1),2)	0.393079	0.180683	2.175516	0.0385
C	-0.021266	0.191822	-0.110865	0.9125
R-squared	0.623537	Mean dependent var		-0.046667
Adjusted R-squared	0.595650	S.D. dependent var		1.651251
S.E. of regression	1.050006	Akaike info criterion		3.030108
Sum squared resid	29.76782	Schwarz criterion		3.170227
Log likelihood	-42.45161	Hannan-Quinn criter.		3.074933
F-statistic	22.36006	Durbin-Watson stat		1.837890
Prob(F-statistic)	0.000002			

Source: Researcher's own calculation

Table A-23. Augmented Dickey Fuller Unit Root Test: FS

Null Hypothesis: FS has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-1.224666	0.8881
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(FS)

Method: Least Squares

Date: 06/24/16 Time: 19:06

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
FS(-1)	-0.165143	0.134848	-1.224666	0.2306
C	0.030371	0.387439	0.078388	0.9381
@TREND("1980")	0.018246	0.017628	1.035035	0.3092
R-squared	0.084676	Mean dependent var		0.103949
Adjusted R-squared	0.021550	S.D. dependent var		0.929995
S.E. of regression	0.919919	Akaike info criterion		2.759998
Sum squared resid	24.54130	Schwarz criterion		2.897411
Log likelihood	-41.15998	Hannan-Quinn criter.		2.805547
F-statistic	1.341380	Durbin-Watson stat		2.255892
Prob(F-statistic)	0.277228			

Source: Researcher's own calculation

Table A-24. Augmented Dickey Fuller Unit Root Test: D(FS)

Null Hypothesis: D(FS) has a unit root

Exogenous: Constant

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-6.744319	0.0000
Test critical values:		
1% level	-3.661661	
5% level	-2.960411	
10% level	-2.619160	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(FS,2)

Method: Least Squares

Date: 06/22/16 Time: 00:14

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(FS(-1))	-1.225179	0.181661	-6.744319	0.0000
C	0.124697	0.169078	0.737512	0.4667
R-squared	0.610664	Mean dependent var		0.014990
Adjusted R-squared	0.597239	S.D. dependent var		1.476472
S.E. of regression	0.937020	Akaike info criterion		2.770117
Sum squared resid	25.46219	Schwarz criterion		2.862632
Log likelihood	-40.93681	Hannan-Quinn criter.		2.800275
F-statistic	45.48584	Durbin-Watson stat		1.913023
Prob(F-statistic)	0.000000			

Source: Researcher's own calculation

Table A-25. Augmented Dickey Fuller Unit Root Test: BM

Null Hypothesis: BM has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-2.024643	0.5662
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(BM)

Method: Least Squares

Date: 06/22/16 Time: 00:15

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
BM(-1)	-0.298561	0.147463	-2.024643	0.0522
C	4.010415	1.887960	2.124205	0.0423
@TREND("1980")	0.029652	0.025513	1.162242	0.2546
R-squared	0.135403	Mean dependent var		0.061880
Adjusted R-squared	0.075776	S.D. dependent var		0.867828
S.E. of regression	0.834300	Akaike info criterion		2.564613
Sum squared resid	20.18565	Schwarz criterion		2.702026
Log likelihood	-38.03381	Hannan-Quinn criter.		2.610162
F-statistic	2.270824	Durbin-Watson stat		1.535588
Prob(F-statistic)	0.121282			

Source: Researcher's own calculation

Table A-26. Augmented Dickey Fuller Unit Root Test: D(BM)

Null Hypothesis: D(BM) has a unit root

Exogenous: Constant

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-5.082296	0.0002
Test critical values:		
1% level	-3.661661	
5% level	-2.960411	
10% level	-2.619160	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(BM,2)

Method: Least Squares

Date: 06/22/16 Time: 00:16

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
D(BM(-1))	-0.932614	0.183502	-5.082296	0.0000
C	0.091755	0.157177	0.583768	0.5639
R-squared	0.471090	Mean dependent var		0.006552
Adjusted R-squared	0.452852	S.D. dependent var		1.176342
S.E. of regression	0.870134	Akaike info criterion		2.622003
Sum squared resid	21.95688	Schwarz criterion		2.714518
Log likelihood	-38.64104	Hannan-Quinn criter.		2.652160
F-statistic	25.82973	Durbin-Watson stat		1.970333
Prob(F-statistic)	0.000020			

Source: Researcher's own calculation

Table A-27. Augmented Dickey Fuller Unit Root Test: DCP

Null Hypothesis: DCP has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 8 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-4.517426	0.0077
Test critical values:		
1% level	-4.394309	
5% level	-3.612199	
10% level	-3.243079	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(DCP)

Method: Least Squares

Date: 06/22/16 Time: 00:18

Sample (adjusted): 1989 2012

Included observations: 24 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
DCP(-1)	-0.991421	0.219466	-4.517426	0.0006
D(DCP(-1))	0.336647	0.196006	1.717532	0.1096
D(DCP(-2))	0.517146	0.176505	2.929923	0.0117
D(DCP(-3))	0.700436	0.205283	3.412048	0.0046
D(DCP(-4))	0.765719	0.268375	2.853170	0.0136
D(DCP(-5))	0.830500	0.300301	2.765559	0.0161
D(DCP(-6))	1.286536	0.325410	3.953587	0.0017
D(DCP(-7))	1.040968	0.359843	2.892840	0.0126
D(DCP(-8))	0.883489	0.294715	2.997771	0.0103
C	14.66390	3.656679	4.010169	0.0015
@TREND("1980")	0.605602	0.127401	4.753528	0.0004
R-squared	0.784444	Mean dependent var		1.117404
Adjusted R-squared	0.618632	S.D. dependent var		1.849605
S.E. of regression	1.142224	Akaike info criterion		3.407393
Sum squared resid	16.96078	Schwarz criterion		3.947335
Log likelihood	-29.88872	Hannan-Quinn criter.		3.550640
F-statistic	4.730917	Durbin-Watson stat		2.185576
Prob(F-statistic)	0.005428			

Source: Researcher's own calculation

Table A-28. Augmented Dickey Fuller Unit Root Test: R

Null Hypothesis: R has a unit root

Exogenous: Constant, Linear Trend

Lag Length: 0 (Automatic - based on SIC, maxlag=8)

	t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic	-4.347332	0.0084
Test critical values:		
1% level	-4.273277	
5% level	-3.557759	
10% level	-3.212361	

*MacKinnon (1996) one-sided p-values.

Augmented Dickey-Fuller Test Equation

Dependent Variable: D(R)

Method: Least Squares

Date: 06/24/16 Time: 19:08

Sample (adjusted): 1981 2012

Included observations: 32 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
R(-1)	-0.758246	0.174416	-4.347332	0.0002
C	6.264612	1.503740	4.166021	0.0003
@TREND("1980")	-0.091740	0.039265	-2.336448	0.0266
R-squared	0.403728	Mean dependent var		-0.053412
Adjusted R-squared	0.362606	S.D. dependent var		2.403613
S.E. of regression	1.918972	Akaike info criterion		4.230516
Sum squared resid	106.7911	Schwarz criterion		4.367929
Log likelihood	-64.68826	Hannan-Quinn criter.		4.276064
F-statistic	9.817753	Durbin-Watson stat		2.174186
Prob(F-statistic)	0.000555			

Source: Researcher's own calculation

Table A-29. Choice of Lags

Date: 06/22/16 Time: 00:33 Sample: 1980 2012
 Included observations: 31 Series: PC YD GC FD FS BM
 Exogenous series: DCP R Lags interval: 1 to 1

Selected (0.05 level*) Number of Cointegrating Relations by Model					
Data Trend:	None	None	Linear	Linear	Quadratic
Test Type	No Intercept No Trend	Intercept No Trend	Intercept No Trend	Intercept Trend	Intercept Trend
Trace	3	4	4	3	4
Max-Eig	3	1	1	2	2

*Critical values based on MacKinnon-Haug-Michelis (1999)

Information Criteria by Rank and Model					
Data Trend:	None	None	Linear	Linear	Quadratic
Rank or No. of CEs	No Intercept No Trend	Intercept No Trend	Intercept No Trend	Intercept Trend	Intercept Trend

Log Likelihood by Rank (rows) and Model (columns)

0	-186.8955	-186.8955	-181.1135	-181.1135	-178.4510
1	-162.2047	-161.8683	-156.5581	-156.0983	-153.5199
2	-146.4668	-144.8169	-140.0445	-135.4472	-132.8763
3	-134.0192	-130.8956	-126.5600	-120.9360	-118.5038
4	-127.4965	-118.4707	-116.5073	-110.2183	-107.8719
5	-125.3221	-112.0601	-110.1184	-100.2272	-100.2039
6	-125.1148	-109.9071	-109.9071	-99.57488	-99.57488

Akaike Information Criteria by Rank (rows) and Model (columns)

0	14.38035	14.38035	14.39442	14.39442	14.60974
1	13.56159	13.60441	13.58440	13.61925	13.77548
2	13.32044	13.34302	13.29320	13.12562	13.21783
3	13.29156	13.28359	13.19742	13.02813*	13.06476
4	13.64494	13.32069	13.32305	13.17538	13.15303
5	14.27884	13.74581	13.68506	13.36950	13.43251
6	15.03966	14.44562	14.44562	14.16612	14.16612

Schwarz Criteria by Rank (rows) and Model (columns)

0	16.04563	16.04563	16.33724	16.33724	16.83011
1	15.78196*	15.87103	16.08231	16.16342	16.55094
2	16.09590	16.21100	16.34620	16.27114	16.54838
3	16.62211	16.75291	16.80551	16.77500	16.95040
4	17.53058	17.39137	17.48624	17.52359	17.59376
5	18.71958	18.41784	18.40334	18.31907	18.42834
6	20.03549	19.71899	19.71899	19.71704	19.71704

Source: Researcher's own calculation

Table A-30. Johansen Cointegration

Date: 06/22/16 Time: 00:51
 Sample (adjusted): 1982 2012
 Included observations: 31 after adjustments
 Trend assumption: Linear deterministic trend
 Series: PC YD GC FD FS BM
 Exogenous series: DCP R D1 D2 D3
 Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.894350	158.3979	95.75366	0.0000
At most 1 *	0.667516	88.72169	69.81889	0.0008
At most 2 *	0.654969	54.58561	47.85613	0.0102
At most 3	0.388376	21.59782	29.79707	0.3214
At most 4	0.155900	6.357030	15.49471	0.6533
At most 5	0.034955	1.103008	3.841466	0.2936

Trace test indicates 3 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.894350	69.67621	40.07757	0.0000
At most 1 *	0.667516	34.13608	33.87687	0.0466
At most 2 *	0.654969	32.98779	27.58434	0.0091
At most 3	0.388376	15.24079	21.13162	0.2724
At most 4	0.155900	5.254022	14.26460	0.7095
At most 5	0.034955	1.103008	3.841466	0.2936

Max-eigenvalue test indicates 3 cointegrating eqn(s) at the 0.05 level

* denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Source: Researcher's own calculation

Table A-31. Vector Error Correction Model (VECM)

Vector Error Correction Estimates

Date: 06/22/16 Time: 00:57

Sample (adjusted): 1982 2012

Included observations: 31 after adjustments

Standard errors in () & t-statistics in []

Cointegrating Eq: CointEq1	
PC(-1)	1.000000
YD(-1)	-2.033834 (0.20094) [-10.1214]
GC(-1)	5.245803 (0.30214) [17.3620]
FD(-1)	-2.501677 (0.28318) [-8.83408]
FS(-1)	-1.919445 (0.29426) [-6.52285]
BM(-1)	0.807502 (0.19264) [4.19169]
C	45.06821
Error Correction:	D(PC) D(YD) D(GC) D(FD) D(FS) D(BM)
CointEq1	-0.083528 0.288052 -0.067409 0.048019 -0.049352 0.183283 (0.09610) (0.15618) (0.03896) (0.08303) (0.07938) (0.08846) [-0.86922] [1.84432] [-1.73002] [0.57834] [-0.62174] [2.07182]
D(PC(-1))	0.203612 0.608967 0.002870 -0.133168 -0.448522 0.309835 (0.32119) (0.52203) (0.13023) (0.27752) (0.26531) (0.29569) [0.63393] [1.16654] [0.02204] [-0.47986] [-1.69056] [1.04785]
D(YD(-1))	-0.306767 -0.429344 -0.017733 0.037385 0.087952 0.073539 (0.18661) (0.30329) (0.07566) (0.16123) (0.15414) (0.17179) [-1.64393] [-1.41562] [-0.23437] [0.23187] [0.57060] [0.42808]
D(GC(-1))	0.203866 -0.820770 0.174320 -0.585844 -0.021251 -0.695627 (0.54414) (0.88438) (0.22063) (0.47015) (0.44947) (0.50093) [0.37466] [-0.92807] [0.79009] [-1.24608] [-0.04728] [-1.38868]
D(FD(-1))	0.145862 0.970215 0.002991 0.210509 -0.193770 0.513612 (0.35274) (0.57331) (0.14303) (0.30478) (0.29137) (0.32473) [0.41351] [1.69231] [0.02091] [0.69070] [-0.66503] [1.58166]

APPENDIX

Error Correction:	D(PC)	D(YD)	D(GC)	D(FD)	D(FS)	D(BM)
D(FS(-1))	-0.005297 (0.27878) [-0.01900]	-0.046405 (0.45310) [-0.10242]	0.070509 (0.11304) [0.62376]	0.087833 (0.24088) [0.36464]	-0.449202 (0.23028) [-1.95068]	0.371881 (0.25665) [1.44900]
D(BM(-1))	-0.345253 (0.30941) [-1.11585]	-1.362495 (0.50288) [-2.70940]	-0.095229 (0.12546) [-0.75907]	-0.372265 (0.26734) [-1.39250]	0.125566 (0.25558) [0.49130]	0.104646 (0.28484) [0.36739]
C	-1.565550 (1.58835) [-0.98565]	3.784111 (2.58152) [1.46585]	-0.456363 (0.64403) [-0.70861]	0.465341 (1.37237) [0.33908]	-1.309597 (1.31200) [-0.99817]	1.225514 (1.46222) [0.83812]
DCP	0.007475 (0.02606) [0.28684]	-0.066070 (0.04236) [-1.55988]	-0.004390 (0.01057) [-0.41549]	-0.023996 (0.02252) [-1.06567]	0.039067 (0.02153) [1.81484]	-0.015044 (0.02399) [-0.62706]
R	0.115076 (0.13184) [0.87284]	-0.235973 (0.21428) [-1.10124]	0.096456 (0.05346) [1.80435]	0.036802 (0.11391) [0.32307]	0.009424 (0.10890) [0.08653]	-0.060544 (0.12137) [-0.49883]
D1	0.727026 (1.10720) [0.65663]	-1.278986 (1.79952) [-0.71074]	-0.315963 (0.44894) [-0.70380]	-2.739053 (0.95665) [-2.86317]	-2.522242 (0.91457) [-2.75785]	-0.455522 (1.01928) [-0.44690]
D2	-1.084980 (1.02805) [-1.05538]	-0.980126 (1.67088) [-0.58659]	-0.478468 (0.41685) [-1.14783]	-1.548656 (0.88826) [-1.74347]	-1.729472 (0.84919) [-2.03662]	0.991847 (0.94641) [1.04800]
D3	2.479273 (1.31813) [1.88090]	6.099115 (2.14235) [2.84693]	1.714463 (0.53447) [3.20780]	4.426999 (1.13890) [3.88709]	0.456433 (1.08880) [0.41921]	-2.634854 (1.21346) [-2.17135]
R-squared	0.412481	0.602228	0.604745	0.686006	0.617287	0.422224
Adj. R-squared	0.020801	0.337047	0.341241	0.476677	0.362145	0.037039
Sum sq. resids	15.03873	39.72575	2.472478	11.22697	10.26101	12.74516
S.E. equation	0.914049	1.485593	0.370621	0.789760	0.755020	0.841466
F-statistic	1.053107	2.271007	2.295017	3.277162	2.419389	1.096160
Log likelihood	-32.77504	-47.83129	-4.791219	-28.24424	-26.84973	-30.21014
Akaike AIC	2.953228	3.924599	1.147821	2.660919	2.570950	2.787751
Schwarz SC	3.554578	4.525949	1.749170	3.262268	3.172300	3.389100
Mean dependent	-0.648390	-0.130342	0.052961	-0.000645	0.104534	0.097912
S.D. dependent	0.923706	1.824561	0.456633	1.091717	0.945361	0.857496
Determinant resid covariance (dof adj.)		0.001799				
Determinant resid covariance		6.90E-05				
Log likelihood		-115.4001				
Akaike information criterion		12.86452				
Schwarz criterion		16.75017				

Source: Researcher's own calculation

Table A-32. Assumptions: VEC Residual Normality Tests

VEC Residual Normality Tests
 Orthogonalization: Cholesky (Lutkepohl)
 Null Hypothesis: residuals are multivariate normal
 Date: 06/30/16 Time: 12:28
 Sample: 1980 2012
 Included observations: 31

Component	Skewness	Chi-sq	df	Prob.
1	0.038407	0.007621	1	0.9304
2	0.116242	0.069813	1	0.7916
3	-0.033844	0.005918	1	0.9387
4	0.135932	0.095467	1	0.7573
5	-0.474436	1.162961	1	0.2809
6	0.253787	0.332773	1	0.5640
Joint		1.674553	6	0.9471

Component	Kurtosis	Chi-sq	df	Prob.
1	2.969952	0.001166	1	0.9728
2	2.296805	0.638708	1	0.4242
3	2.920767	0.008109	1	0.9282
4	2.057323	1.147826	1	0.2840
5	1.926271	1.489155	1	0.2223
6	2.762620	0.072785	1	0.7873
Joint		3.357749	6	0.7628

Component	Jarque-Bera	df	Prob.
1	0.008787	2	0.9956
2	0.708520	2	0.7017
3	0.014027	2	0.9930
4	1.243293	2	0.5371
5	2.652116	2	0.2655
6	0.405558	2	0.8165
Joint	5.032302	12	0.9569

Source: Researcher's own calculation

Table A-33. Assumptions: VEC Residual Serial Correlation LM Tests

VEC Residual Serial Correlation LM Tests
 Null Hypothesis: no serial correlation at lag order h
 Date: 06/30/16 Time: 12:56
 Sample: 1980 2012
 Included observations: 31

Lags	LM-Stat	Prob
1	33.75787	0.5757

Probs from chi-square with 36 df.

Source: Researcher's own calculation

**Table A-34. Assumptions: VEC Residual Heteroskedasticity Tests:
No Cross Terms (only Levels and Squares)**

VEC Residual Heteroskedasticity Tests: No Cross Terms (only levels and squares)

Date: 06/30/16 Time: 12:57

Sample: 1980 2012

Included observations: 31

Joint test:

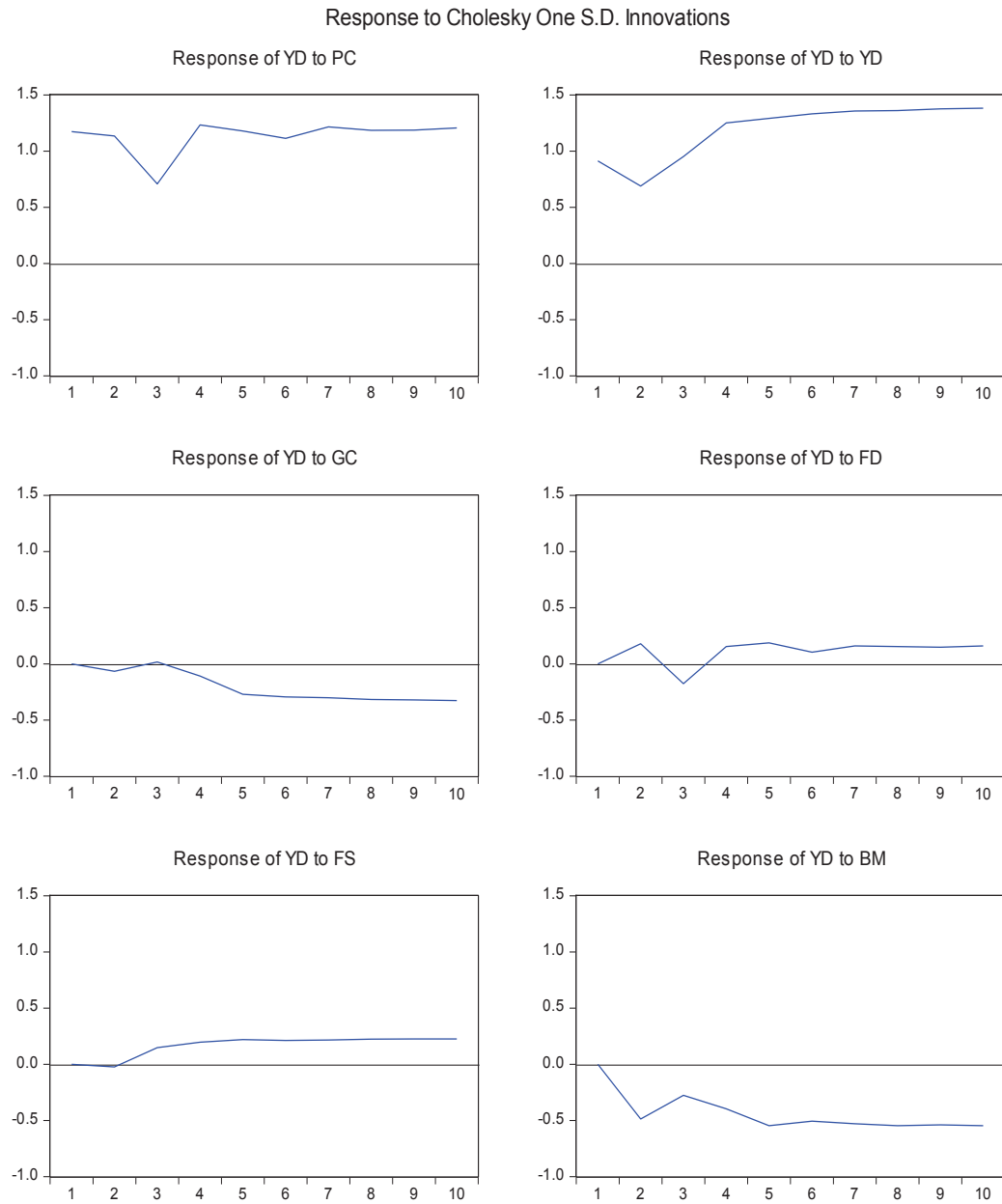
Chi-sq	df	Prob.
431.0396	441	0.6238

Individual components:

Dependent	R-squared	F(21,9)	Prob.	Chi-sq(21)	Prob.
res1*res1	0.495206	0.420431	0.9510	15.35138	0.8049
res2*res2	0.770878	1.441920	0.2926	23.89721	0.2981
res3*res3	0.795322	1.665307	0.2175	24.65497	0.2624
res4*res4	0.607714	0.663926	0.7903	18.83913	0.5955
res5*res5	0.636173	0.749384	0.7217	19.72138	0.5390
res6*res6	0.828722	2.073621	0.1298	25.69037	0.2185
res2*res1	0.644942	0.778476	0.6982	19.99321	0.5217
res3*res1	0.516833	0.458433	0.9322	16.02182	0.7684
res3*res2	0.581661	0.595887	0.8427	18.03148	0.6470
res4*res1	0.843239	2.305337	0.0985	26.14040	0.2011
res4*res2	0.777736	1.499638	0.2708	24.10982	0.2878
res4*res3	0.575291	0.580523	0.8540	17.83402	0.6595
res5*res1	0.367732	0.249261	0.9958	11.39970	0.9544
res5*res2	0.430981	0.324604	0.9839	13.36040	0.8955
res5*res3	0.681742	0.918046	0.5893	21.13401	0.4508
res5*res4	0.674895	0.889684	0.6107	20.92174	0.4637
res6*res1	0.719344	1.098461	0.4654	22.29965	0.3824
res6*res2	0.863965	2.721870	0.0619	26.78290	0.1782
res6*res3	0.652830	0.805901	0.6762	20.23774	0.5063
res6*res4	0.807093	1.793074	0.1843	25.01988	0.2463
res6*res5	0.696233	0.982285	0.5426	21.58323	0.4239

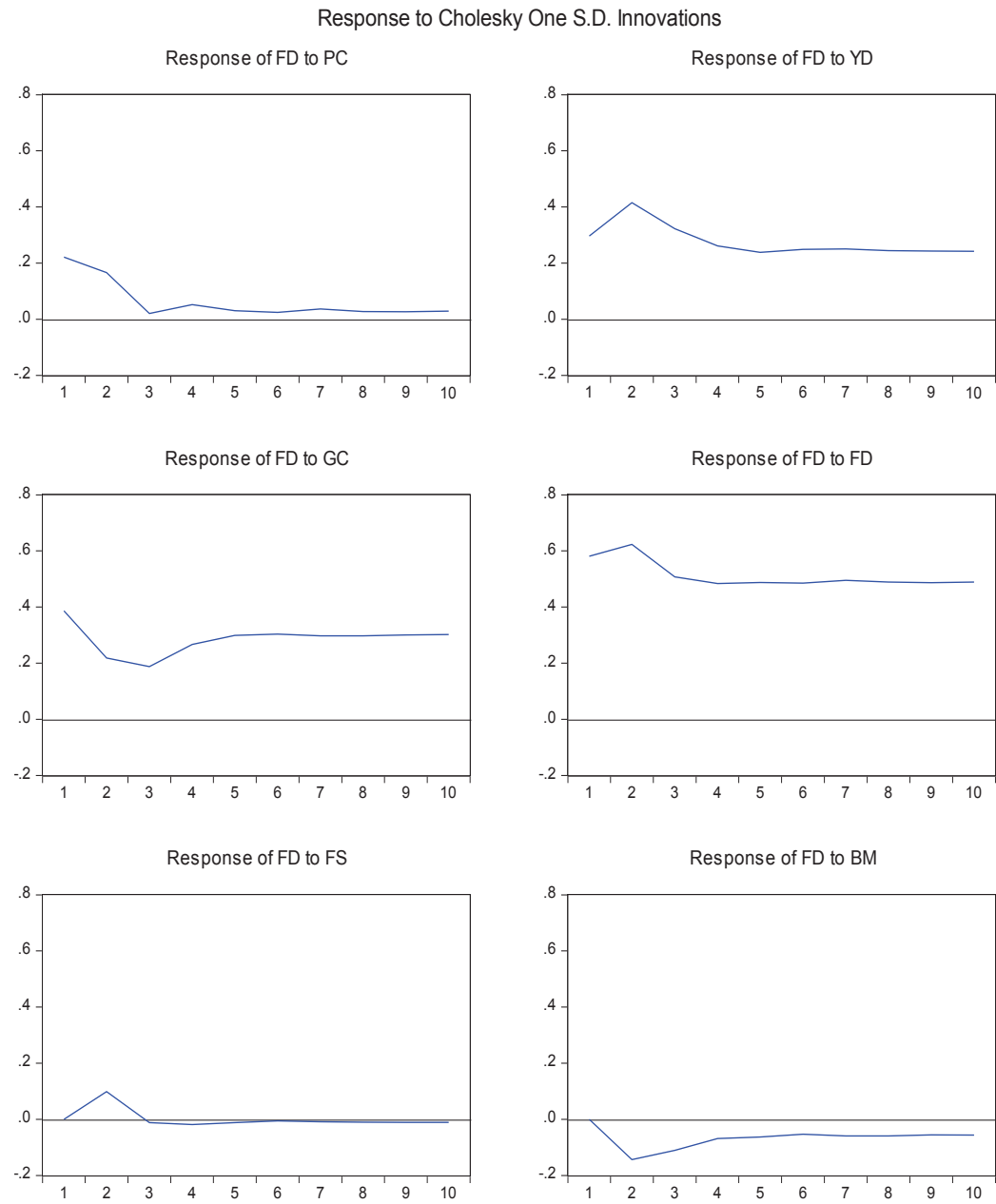
Source: Researcher's own calculation

Figure A-1. Impulse Response of Disposable Income (YD) to Other Variables



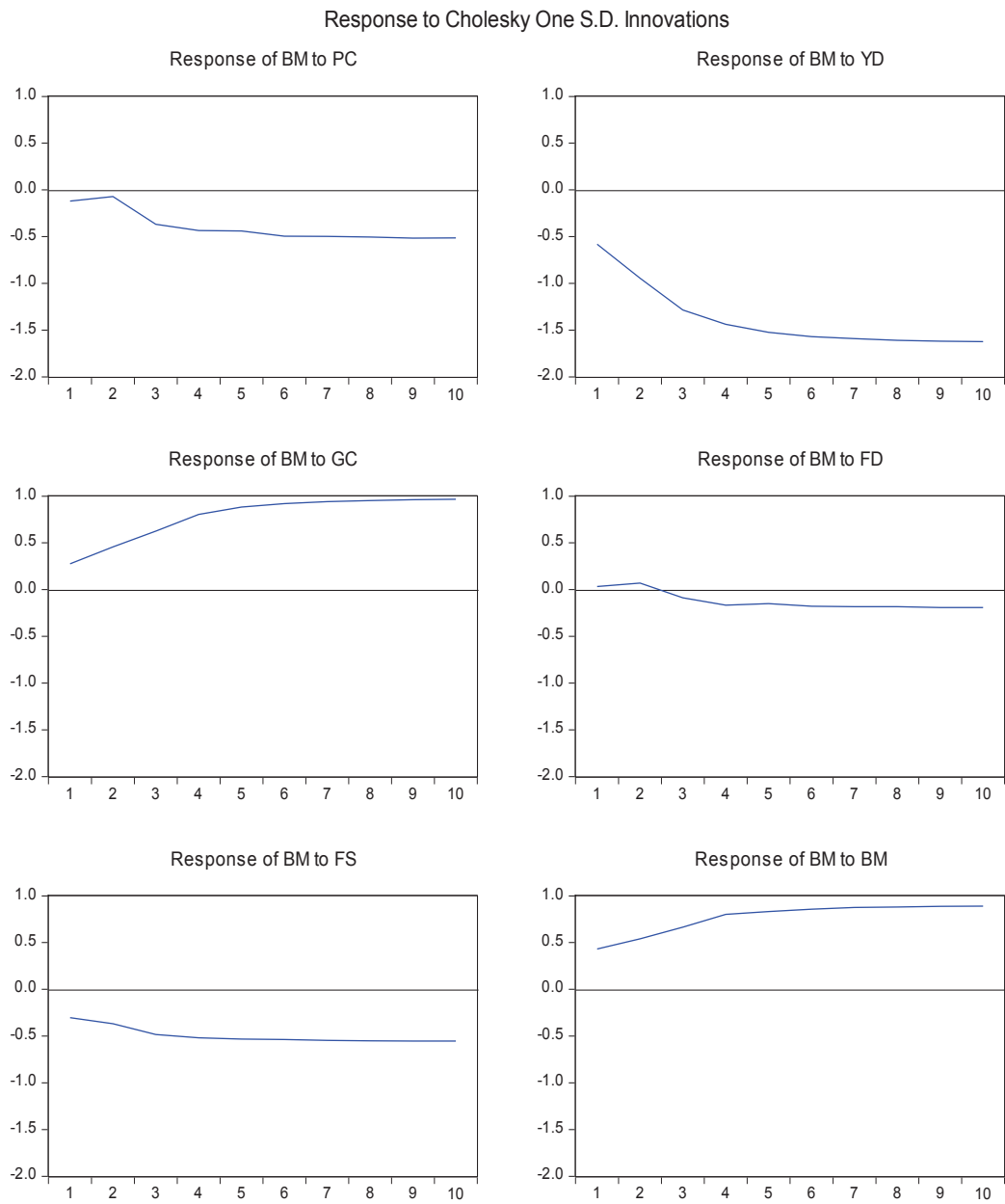
Source: Researcher's own calculation

Figure A-2. Impulse Response of Fiscal Deficit (FD) to Other Variables



Source: Researcher's own calculation

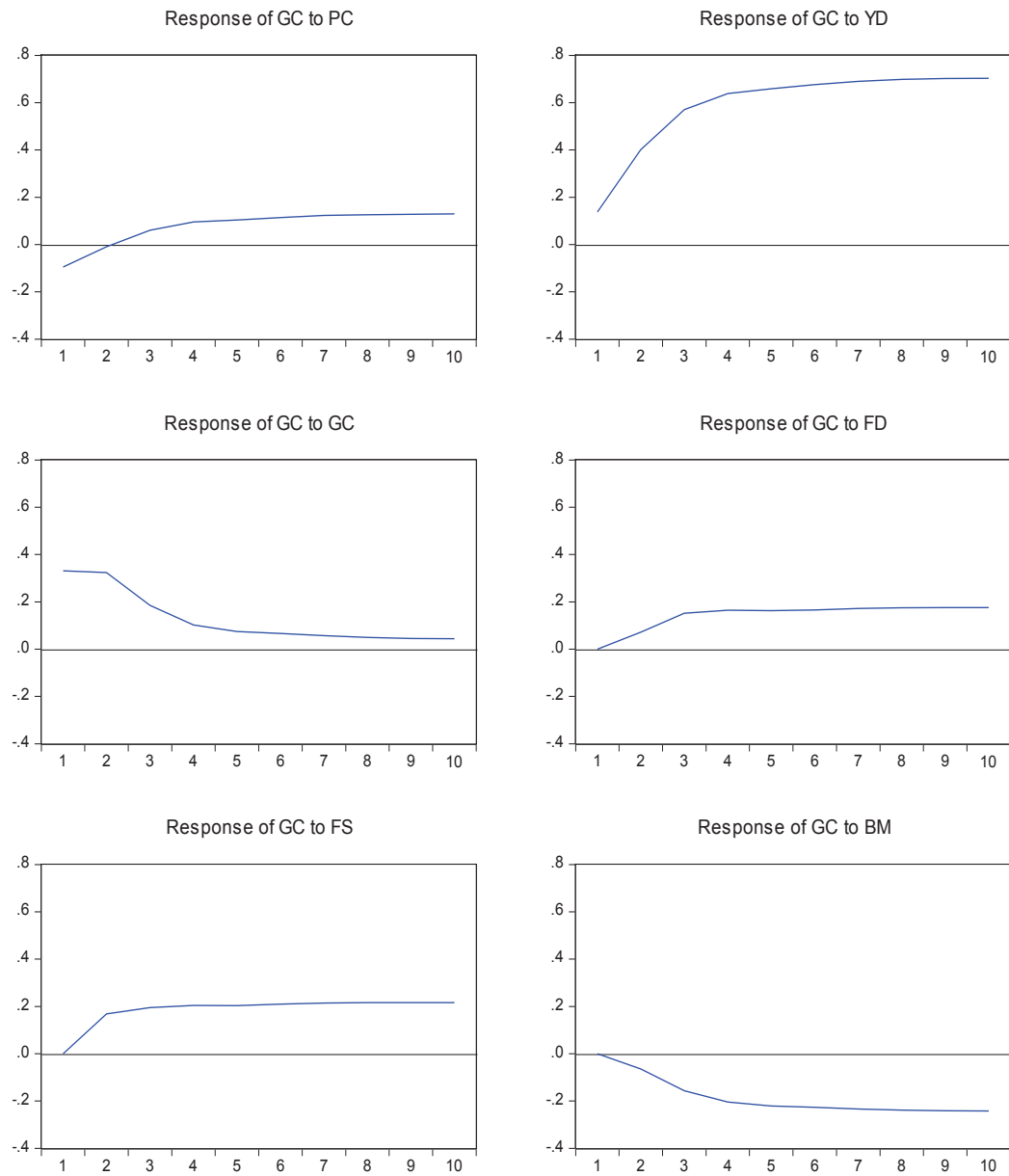
Figure A-3. Impulse Response of Base Money (BM) to Other Variables



Source: Researcher's own calculation

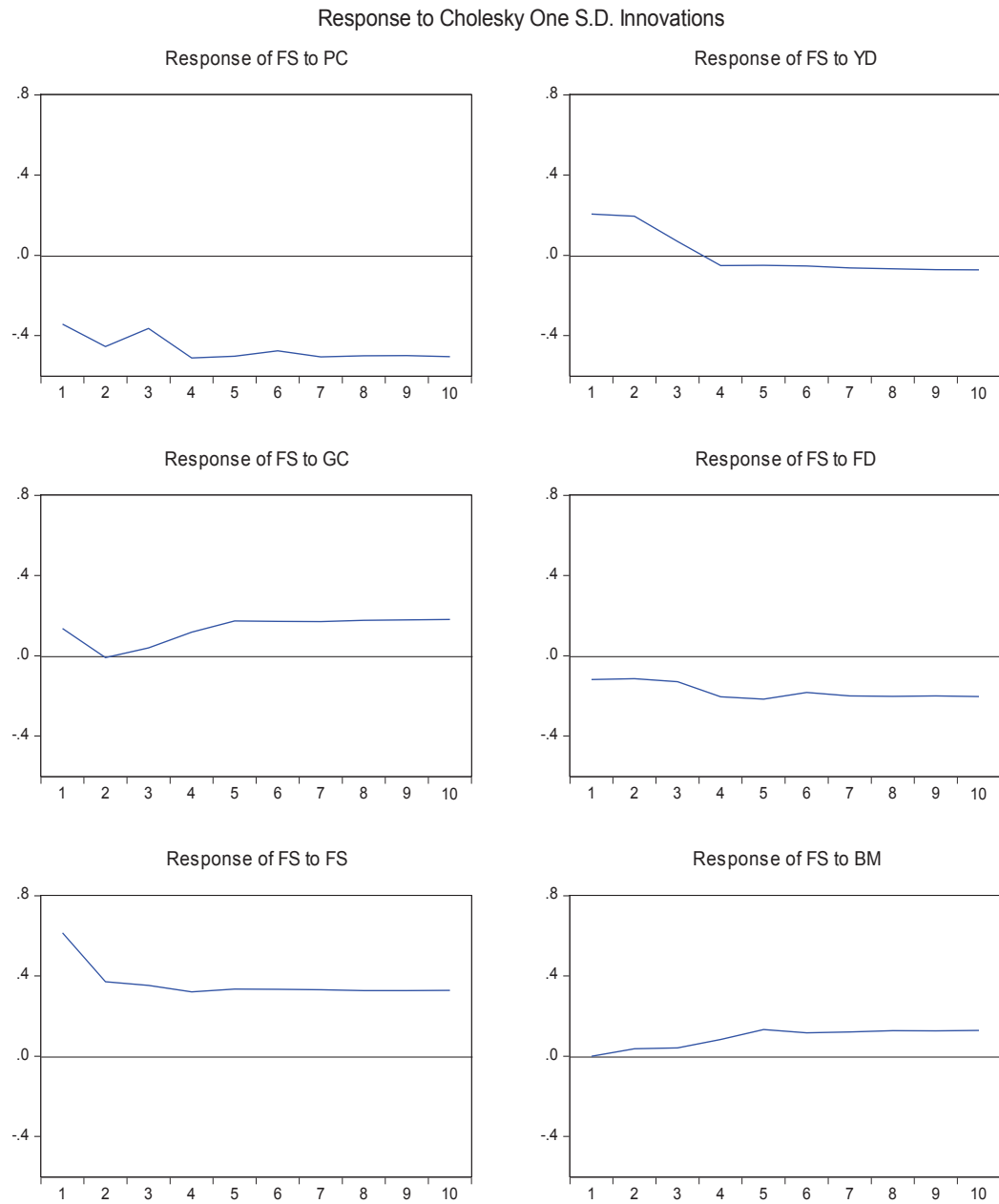
Figure A-4. Impulse Response of Government Consumption (GC) to Other Variables

Response to Cholesky One S.D. Innovations



Source: Researcher's own calculation

Figure A-5. Impulse Response of Foreign Savings (FS) to Other Variables



Source: Researcher's own calculation

List of Abbreviations

2SLS	Two-Stage Least Squares
A	Domestic Absorption
ADF	Augmented Dickey Fuller
AIC	Akaike Information Criterion
AMC	Asset Management Companies
APC	Average Propensity to Consume
APS	Average Propensity to Save
ARDL	Autoregression Distributed Lag
ASEAN	Association of Southeast Asian Nations
BM	Base Money
C	Consumption
CA	Current Account
CAD	Current Account Deficit
CAPM	Consumption-based Assets Pricing Model
CE	Consumption Expenditure
CES	Consumer Expenditure Survey
CIS	Commonwealth of Independent States
CSO	Central Statistics Organisation
DBIE	Database on Indian Economy
DCP	Domestic Credit to Private Sector
DOLS	Dynamic Ordinary Least Squares
ECM	Error Correction Model
EU	European Union
FD	Fiscal Deficit
FRBM	Fiscal Responsibility and Budget Management
FS	Foreign Savings
G	Government Absorption
GC	Government Expenditure
GDCF	Gross Domestic Capital Formation
GDP	Gross Domestic Product
GFCE	Government Final Consumption Expenditure
GFD	Gross Fiscal Deficit
I	Investment
IC	Indifference Curve
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian Rupee
IRF	Impulse Response Function
LC	Life Cycle Hypothesis
LHS	Left Hand Side
LM	Lagrange Multiplier
LR	Likelihood Ratios
M	Import
MEC	Marginal Efficiency of Capital
MPC	Marginal Propensity to Consume
MPCE	Monthly Per Capita Consumer Expenditure
MPS	Marginal Propensity to Save
MRS	Marginal Rate of Substitution

APPENDIX

NAS	National Accounts Statistics
NFR	Net Foreign Assets
NREGA	National Rural Employment Guarantee Act
NSC	National Statistical Commission
NSDP	Net State Domestic Product
NSSO	National Sample Survey Organisation
OECD	Organisation of Economic Cooperation and Development
OLS	Ordinary Least Squares
PC	Private Consumption
PFCE	Private Final Consumption Expenditure
PI	Permanent Income Hypothesis
PMI	Purchasing Managers' Index
PP	Phillips-Perron
R	Real Rate of Interest
RBI	Reserve Bank of India
RD	Revenue Deficit
RHS	Right Hand Side
S	Savings
SIC	Schwarz Information Criterion
SLR	Statutory Liquidity Ratio
SUR	Seemingly Unrelated Regression
T	Tax
US	United States
USD	United States Dollar
VAR	Vector Autoregression
VEC	Vector Error Correction
VECM	Vector Error Correction Model
WAEMU	West African Economic and Monetary Union
X	Export
Y	Income
YD	Disposable Income

APPENDIX