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TITLE: SOCIAL ACCOUNTING MATRIX FOR INDIA

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ABSTRACT:

Social Accounting Matrix for India V.P Ojha*, Barun Deb Pal*, Sanjib Pohit*, Joyashree Roy**

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Abstract This paper provides the latest SAM for Indian economy with wide variety of disaggregation for Energy sector and sectors that are relevant for environmental and climate policy evaluation. Social Accounting Matrix (SAM) for India 2003-04 shows the interaction between production, income, consumption and capital accumulation. It can be used to provide an analysis of the interrelationship between the production structure of an economy and the distribution of incomes and expenditures of different household groups. It shows 9 household groups and can be used as basic data base for CGE modeling of the Indian economy. This SAM consists of 36 sectors of the economy, 3 factors of production and 9 categories of occupational households. Indian economy is becoming structurally biased towards capital intensive sectors like service and energy production. Most energy intensive sector is the energy production sector itself followed by transport and manufacturing as of 2003-2004. The SAM highlights the income distribution across the occupational classes, which has an important role as an information system. We could observe how consumption structure is varying across various social groups. If we look at consumption expenditure of households from SAM 2003-04 it is also interesting to see that an average Indian spends 36% of private consumption expenditure on service sector output, followed by agricultural output 24.11%, 23.96% in manufacturing output, 10% on transport sector output. Though an average rural household spends almost equal if not more on food followed by services for urban Indian spending is more on service sector output compared to food items. The activity composition defines the development pathway and has important implication for energy consumption and hence emission. Indian economic structure with service sector bias positions the economy in an advantageous position in the current climate change debate. Because of relatively low energy intensity of service sector (Table 4.2) from production side or supply side Indian economy enjoys the benefit of relatively



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low energy intensity. Over all energy intensity of Indian economy is 0.84. -----
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