



सत्यमेव जयते

National Statistics Office
Ministry of Statistics and Programme Implementation
Government of India

Report of the Technical Advisory Committee on Index of Services Production (ISP)



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Letter of Transmittal

Debjani Ghosh,
Distinguished Fellow,
Tel:- 011-24045421
Email:- debjani.g@gov.in



भारत सरकार
नीति आयोग, संसद मार्ग,
नई दिल्ली-110 001
Government of India
NATIONAL INSTITUTION FOR TRANSFORMING INDIA
NITI Aayog, Parliament Street,
New Delhi-110 001

LETTER OF TRANSMITTAL

Dr. Saurabh Garg
Secretary
Ministry of Statistics and Programme Implementation
Government of India

Dear Dr. Saurabh,

I have the pleasure of submitting, on behalf of the Technical Advisory Committee on Index of Services Production (TAC-ISP), the Report of the Committee covering its deliberations and recommendations relating to the development of an Index of Services Production (ISP) for India.

The Committee was constituted by the Ministry of Statistics and Programme Implementation to advise on the conceptual, methodological, and operational framework for developing a high-frequency indicator of services sector. In pursuance of this mandate, the Committee undertook extensive deliberations on issues relating to sectoral coverage, identification of suitable indicators and data sources, compilation methodology, aggregation framework, international best practices, and institutional mechanisms necessary for the development of a robust and credible Index of Services Production.

The Committee held 4 meetings apart from several dedicated consultations with representatives from Ministries, Departments, regulatory bodies, industry associations, research institutions, and other stakeholders. These deliberations enabled a comprehensive assessment of data availability and methodological options across diverse service sector activities and facilitated the formulation of recommendations contained in this Report.

The Committee has recommended a differentiated approach to compilation of sub-sectoral ISPs based on the nature and availability of data sources. For a majority of market-based service activities such as trade, transport, accommodation, information technology, professional services, real estate and other business services, GST data on outward supplies has been identified as a valuable high-frequency source for compiling monthly indicators of service production. For sectors where comprehensive administrative data on output is available, such as Railways, Air Transport, Banking and Insurance, the Committee has recommended the use of sector-specific administrative datasets for compilation of monthly or quarterly indices, as appropriate. The Committee also recognized that certain important sectors, particularly Health and Education, are largely outside the ambit of GST and presently lack suitable high-frequency administrative datasets. Accordingly, it has recommended a phased approach whereby these sectors may initially be excluded from the overall ISP framework and subsequently covered through Annual Survey of Incorporated Services Sector Enterprises (ASISSE)-

based indicators, with annual or quarterly frequency depending upon the periodicity of data availability. This approach balances the objective of broad sectoral coverage with the need to ensure statistical robustness, timeliness and sustainability of the proposed ISP framework. Further, the committee has also recommended to bridge the data gaps between the secondary and administrative data sources on which the different line ministries and departments need to take actions.

In view of the present limitations in data availability, sectoral coverage, deflators, and weighting structures, the Committee recommends that the initial ISP be treated as an experimental/trial index for the covered services sector. This will enable the framework to be tested, validated, and progressively improved before regular dissemination as a more comprehensive indicator. In particular, the Committee has emphasized the need to review proxy deflators, validate interim weighting arrangements, and incorporate improved data sources, including ASISSE-based value-added weights, as and when they become available. This approach balances the objective of broad sectoral coverage with the need to ensure statistical robustness, timeliness, and sustainability of the proposed ISP framework.

The Committee's Terms of Reference also included the measurement of the Digital Economy. During the course of deliberations, it was recognized that the Digital Economy requires a distinct conceptual framework, measurement approach, and data architecture from those applicable to the compilation of an Index of Services Production. Given the specialized nature of this subject and the need for additional analytical work and stakeholder consultations, the Committee considered it appropriate to address the Digital Economy-related Terms of Reference separately.

Accordingly, the present Report is confined to the Terms of Reference relating to the development of the Index of Services Production. A separate report dealing with the Digital Economy-related Terms of Reference, including the conceptual and methodological framework for its measurement, will be submitted subsequently upon completion of the Committee's deliberations on that subject.

On behalf of the Committee, I express my sincere appreciation to the Ministry of Statistics and Programme Implementation for entrusting us with this important responsibility. I also place on record my gratitude to all members of the Committee, officers of MoSPI, domain experts, and stakeholders whose valuable contributions enriched the Committee's work.

I am confident that the recommendations contained in this Report will provide a strong foundation for the development of an Index of Services Production and further strengthen India's statistical system.

With regards,

Yours sincerely,



(Debjani Ghosh)

Chairperson

Technical Advisory Committee on Index of Service Production (TAC-ISP)

1st July, 2026

New Delhi

Acknowledgements

The development of the Index of Services Production (ISP) marks a significant milestone in strengthening India's statistical system by addressing the long-felt need for a high-frequency indicator to measure the performance of the services sector. The work undertaken by the Technical Advisory Committee on Index of Services Production (TAC-ISP) has been a collaborative effort involving extensive consultations, methodological deliberations, examination of data sources, and engagement with stakeholders across government, industry and academia. The proposed framework is intended as an important first step towards the development of an experimental/trial index for the covered services sector, to be progressively refined as data availability, coverage, deflators, and weighting structures improve over time.

On behalf of the TAC-ISP, I express my sincere gratitude to Dr. Saurabh Garg, Secretary, Ministry of Statistics and Programme Implementation (MoSPI) for entrusting the Committee with the important responsibility of developing the methodological framework for compilation of the ISP. The Ministry's vision and continuous support have been instrumental in advancing this initiative.

I place on record my deep appreciation for the valuable contributions made by all members of the TAC-ISP. The Committee benefited immensely from the expertise and insights of its distinguished members drawn from government, academia, research institutions, and industry. Their collective wisdom helped shape the methodological framework, identify suitable data sources and address challenges associated with measuring service sector output in a dynamic and evolving economy.

TAC-ISP is grateful to all the representatives from various line Ministries and Departments especially for the sectors such as Civil Aviation, Railways, Posts, Telecommunications, Road Transport and Highways and Shipping and Ports. Their active participation, domain expertise, and willingness to share sector-specific knowledge and data has enabled the Committee to complete the methodological framework for compilation of ISP.

We also acknowledge the cooperation of GSTN, D/o Revenue, M/o Finance, for agreeing to share monthly outward supply data of services sector for compilation of ISP. We also extend our gratitude to the industry associations and other stakeholders who participated in consultations and provided valuable inputs on sectoral coverage and data availability. Their contributions have been vital in ensuring that the proposed ISP framework is robust, relevant, and reflective of the changing structure of India's services sector.

While Dr. Dalip Singh, ADG, ESD's perspicacious leadership and visionary outlook guided the Committee's work, Ms. Neha Srivastava, DDG, ESD and Member Secretary's indefatigable efforts, meticulous coordination, and steadfast support were instrumental in translating that vision into tangible

outcomes. The efforts of officers and staff of the Economic Statistics Division associated with Index of Services Production (Annexure-II) merit special recognition for their dedication in undertaking technical analysis, examining data, coordinating stakeholder consultations and supporting the Committee throughout the process. Their professionalism and commitment have been central to the successful completion of this exercise.

The preparation of the ISP framework has truly been a collective endeavour. It is hoped that the recommendations of the TAC-ISP will facilitate the development of a credible, timely, and analytically sound Index of Services Production, thereby strengthen the measurement of the services sector and contribute to improved economic policymaking in the country.



(Debjani Ghosh)
Chairperson, TAC-ISP
1st July, 2026
New Delhi

Acronyms

S.No.	Acronyms	Full Form
1	CBIC	Central Board of Indirect Taxes and Customs
2	CPI	Consumer Price Index
3	DPIIT	Department of Promotion of Industry and Internal Trade
4	ESD	Economic Statistics Division
5	GDP	Gross Domestic Product
6	GST	Goods and Services Tax
7	GSTR	Goods and Services Tax Return
8	GVA	Gross Value Added
9	IIP	Index of Industrial Production
10	ISP	Index of Services Production
11	MoCI	Ministry of Commerce & Industry
12	MoSPI	Ministry of Statistics and Programme Implementation
13	NAS	National Accounts Statistics
14	NIC	National Industrial Classification
15	SAC	Service Accounting Code
16	SPPI	Services Producers Price Indices
17	TAC	Technical Advisory Committee
18	WPI	Wholesale Price Index

Executive Summary

The service sector is the dominant force in the Indian economy, contributing over 50% of the Gross Value Added. As the most dynamic and dominant engine of the Indian economy, it has long been central to economic transformation, consistently driving growth, generating employment and attracting investment across decades. Services encompasses a wide range of sub- sectors with their varying degree of contribution in the GVA.

Index of Industrial Production (IIP) has been traditionally used to track short term growth / changes in industrial activity. However, owing to the importance of services sector, there is a growing demand for Index of Services Production (ISP) to complement the IIP in order to evaluate the short-term performance of the entire economy.

The compilation of an ISP requires high-frequency, reliable and representative data of service sector output. Unlike manufacturing, where production can often be measured through physical quantities of goods produced, services are largely intangible and many service activities do not have directly observable output measures. Thus, compilation of ISP is much more complex than compilation of IIP.

Earlier, a Technical Advisory Committee on Indices of Services Production (TAC-ISP) was constituted in 2004 and reconstituted in 2010. The TAC had several meetings and consultations with stakeholders from August 2006 to February, 2019 and submitted its report in June, 2019. However, due to issues related to availability of output data and suitable deflators, methodological recommendations could be made only in respect of 7 sub – sectors of services like Air Transport, Railways, Postal, Telecom, Education, Banking and Insurance. Consequently, the compilation of a comprehensive ISP could not be undertaken previously.

Over the last decade, significant improvements have taken place in India's statistical and administrative data ecosystem, making compilation of ISP feasible. These developments primarily include availability of high-frequency GST data on outward supplies of service-producing units and launch of the Annual Survey of Incorporated Services Sector Enterprises (ASISSE) to complement the Annual Survey of Industries (ASI) and be a data source for compilation of ISPs of sub – sectors like Health and Education which cannot be covered from administrative or GST data.

Relatively better coverage of the services sector in the new series of Consumer Price Index of MoSPI has also made available the deflators for major services sub – sectors.

In light of the above developments, MoSPI decided to take up the compilation of full-fledged ISP and constituted a TAC - ISP in May, 2025, for providing technical guidance for compilation of sectoral / sub – sectoral ISPs with the following Terms of Reference:

- i. To review and recommend international best practices for compilation of ISP;
- ii. To review the data sources and compilation of experimental sub-indices of 7 sub - sectors recommended by the earlier TAC in its report submitted in June, 2019;
- iii. To expand the scope of ISP to cover additional sub-sectors / data sets and recommend methodologies for the same;
- iv. To undertake stakeholder engagement, industry consultations, etc. during the development of methodologies of various sectors / sub sectors.
- v. To recommend SOP for compilation of sub – indices for each sector / sub - sector;
- vi. To recommend methodology, including base year, item basket, weights, compilation frequency, etc. for each sector and sub – sector of All India ISP;
- vii. To explore feasibility of bringing out index / sub – index related to digital economy, along with addressing methodological issues related to the same;
- viii. Any other activities incidental to above.

This report covers the ToRs (i) to (vi) related to compilation of ISP. Report on the methodological framework for compilation of Index of Digital economy will be brought out, separately.

After its constitution, the TAC-ISP held four meetings. It also had formal and informal interactions with several stakeholders. The committee deliberated upon multiple data sources like secondary / administrative data sources, GST and ASISSE from which output indicators at par with the international recommendations for the different sub – sectors could be obtained. Availability of the most appropriate price deflators and methods to

standardize the base of these deflators were also discussed. The availability of sub – sectoral weights for compilation of a comprehensive ISP was also discussed in detail.

Based on the discussions held, a detailed Approach paper on compilation of ISP was prepared and released in public domain for wider stakeholder consultations. The report of the TAC – ISP draws from the approach paper and has been prepared based on the conclusions drawn during the meetings of TAC and other consultations / interactions.

The report of TAC – ISP is organized into the following chapters:

- i. Chapter I – Introduction
- ii. Chapter II – Conceptual Framework
- iii. Chapter III – Methodological Framework
- iv. Chapter IV- Way Forward and recommendations

Summary of Recommendations

The TAC – ISP undertook extensive deliberations over a series of meetings to examine various aspects related to the compilation of ISP. The Committee reviewed the international guidelines and practices to ensure comparability of ISP with advanced economies and made the following recommendations:

I. Choice of base period

TAC – ISP took up the matter of selection of base year for ISP as a year that meets both the recency and normal year criteria. Availability of latest GST data at the time of commencement of compilation exercise was 2024 -25. Hence, the TAC recommended that given that 2024 -25 was a normal year [year not having any major structural disruptions or shocks], it may be considered as the base year for the trial index series.

The committee also noted that for most of the sub – sectors, CPI based deflators are proposed to be used and as the base of the new series of CPI is 2024, it was more appropriate that 2024 -25 is taken as the base year for ISP. Based upon the consideration, TAC ISP recommended 2024-25 as the base year for compilation of ISP.

II. Scope and coverage of Services in ISP

The National Industrial Classification (NIC), 2025, provides a comprehensive and contemporary classification for all economic activities undertaken in India’s economy. The sectors covered under Sections G to Section V of NIC, 2025, form the part of Services Sector. Each of these sections is further divided into Divisions, Groups, Classes and sub – classes. For a complete ISP, TAC ISP recommended that all these sections need to be adequately captured in methodological framework. This would depend on the coverage of relevant sub sectors in the three data sources considered for ISP namely, GST, Administrative Data and ASISSE.

i. Coverage under GST Data

Coverage under GST by definition is restricted to the entities registered with the GST. In India, in case of services or mixed supplies, registration under the GST Act is not

mandatorily required for small Businesses having all India aggregate turnover below Rupees 20 lakhs (Rupees 10 lakh if business is in States of Manipur, Mizoram, Nagaland and Tripura).

ii. Coverage under Administrative Sources

The committee recommended that the sub sectors namely, Railways, Air Transport, Banking and Insurance may be compiled based on administrative data as adequate data is available from Railway Board, DGCA, RBI and IRDAI.

iii. Coverage under ASISSE

The TAC ISP also recommended that there is no adequate data available on health residential care and education sector from GST and Administrative Data. Therefore, ASISSE maybe explored for coverage under ISP.

The committee noted that SNA 2025 defines the Informal Sector as: “Household unincorporated market enterprises and the associated labour input that are not formally recognized by government authorities because they are not registered for tax or similar purposes.”

The major source of data for compilation of ISP is GST. The sample drawn for the ASISSE is also based on the list frame of GSTN. Thus, these two sources covers the formal sector enterprises registered under GST act / companies act only. Based upon these considerations TAC ISP recommended that the coverage of the ISP may be treated as covering the formal sector.

III. Exclusions:

The following services have been excluded from the scope of ISP due to lack of coverage under different data sources, these exclusions account for nearly 33% of the total GVA of services sector:

- i. Public administration and Defence [Section P of NIC 2025]: - Services provided are Non – Market in nature and are exempted from GST

- ii. Other financial services [Parts of Section L of NIC 2025 (Divisions 64 and 65)] (like Central Bank, Money Market Funds, Pension Funds, etc.): - Services of Central Bank are Non – Market in nature and are exempted from GST, coverage of financial sectors in GST is restricted to only those services on which specific service charge is levied.
- iii. Other Services: –Mix of services exempted from GST and unincorporated sector dominant services
 - Social work activities without accommodation (Division 88)
 - Gambling and betting activities (Division 92)
 - Services of membership organizations (Division 94)
 - Personal services (Division 96)
 - Private households with employed persons (Section U)
 - Activities of extraterritorial organizations and bodies (Section V)
- iv. Ownership of dwellings

IV. Sub – sectors for which ISP may be compiled and preferred data source:

After examining the availability of output indicators from the three data sources, namely, secondary / administrative data sources, GSTN and ASISSE and deliberating upon the coverage, frequency, etc. of these indicators, the committee recommended the following:

- a. ISPs may be compiled for NIC 2 digit level and then aggregated into broad tabulation categories/ sub - sectors using their contribution to GVA as the weights as available from the National Accounts Statistics.
- b. Sub – sectoral ISPs based on secondary /administrative sources are feasible only for Railways, Air Transport, Banking and Insurance sub - sectors.
- c. GST based indicators may be compiled for the sub – sectors like:
 - i. Wholesale Trade
 - ii. Retail Trade
 - iii. Repair and Maintenance
 - iv. Road transport
 - v. Water transport
 - vi. Warehousing and support activities for transportation

- vii. Accommodation and Food
- viii. Postal & courier
- ix. Telecommunications
- x. Information and Broadcasting
- xi. Real estate
- xii. Information and computer related services
- xiii. Professional, scientific & technical services including R & D
- xiv. Administrative & support services
- xv. Arts, entertainment and recreation

The indices for 'Health & Residential care' and 'Education' may be compiled using ASISSE Data when available.

V. Universe approach v/s Fixed set of entities approach

The committee deliberated upon the Universe approach v/s fixed set of entities approach for the purpose of compilation of ISP.

The use of GSTR-1 outward supplies data for the ISP entails the "Universe Approach" because it leverages a mandatory, comprehensive administrative dataset that captures the entire formal services economy rather than a representative sample, unlike traditional indices like the IIP, which monitor a fixed panel of units selected during a base year.

The committee noted and recommended that a Universe Approach as against fix panel of entities approach may be adopted as it will make the ISP an indicator that is self-adjusting for the births, deaths, and structural transformations of service-producing units. Thus, a Universe approach was recommended.

VI. Deflators

The committee noted that SPPI were the preferred deflators as per international recommendations, however, the same are not available for all the services sub – sectors at present. It was further noted that the availability of SPPI from DPIIT was quarterly with a lag of about 55 days, making them temporarily infeasible to use for monthly ISPs.

The committee recommended that DPIIT may intensify efforts towards developing and releasing SPPIs for all major service sub-sectors. Further it was also recommended that the frequency of compilation of ISP may be made monthly. The expansion of SPPI coverage would not only improve the methodological robustness and international comparability of the proposed ISP but would also reduce dependence on proxy deflators such as CPI and WPI, thereby enhancing the accuracy of short-term measurement of service sector production in the country.

The committee also noted that in case of services CPI based deflators may be treated at par with SPPI. One major conceptual difference between PPIs and CPIs is that the former does not include taxes linked to sales (VAT, GST, etc.), since they do not represent revenue from the point of view of the producer (but are simply collected and passed on to the tax administration). Under the GST regime, there are no multiple taxes and the tax rates of different services are fixed i.e. constant for a considerably long period the CPI can serve as a suitable proxy or as a high-quality alternative to the sectors for which PPIs are not available.

The use of CPI in absence of PPI in services may be acceptable considering that services are consumed as soon as they are produced, thus, PPIs and CPIs differ only by tax margin at one level (level of consumer). Considering the taxes are constant, there may not be any significant differences between the two.

Further, use of Non – Food CPI was recommended in those cases where sector specific CPI was not available, after considering the fact that in all more than 80% of the Non – food inflation is attributable either directly to services or its cost push factors. {Detailed Justification given in Chapter II – Conceptual framework}

In case of the financial sub – sectors, namely, Banking and Insurance, the committee referred to the Report of the sub – committee on methodological improvement for the base revision of GDP [Base year 2022 -23] and noted its recommendation of use of CPI (G) as a deflator for these two sub – sectors. Keeping in view the constraints of frequency and timeliness of SPPI, the committee suggested to go by the recommendations of the aforementioned Report of the sub – committee on methodological improvement for the base revision of GDP [Base year 2022 -23].

After deliberating upon the available price indices, the following deflators were recommended for the different sub – sectors:

- a. General CPI : Banking and Insurance
- b. WPI: Wholesale Trade
- c. CPI specific deflators, wherever available, for sub sectors like retail trade, communications, transport, Arts, entertainment and recreation and etc.
- d. Non – food CPI for the remaining sub – sector

The committee also recommended that MoSPI may undertake validation of its choice of deflators by internally compiling quarterly ISPs based on CPI as deflators and SPPI as deflators in respect of telecom, banking and insurance and observe divergences.

VII. Appropriate weights for Compilation of sub – sectoral ISPs and overall ISP

The committee recommended use of fixed weight Laspeyres Index method for compilation of ISP, as is the practice in IIP.

The committee noted that the GST Data is available SAC wise which can be mapped to NIC 2 digit level. The committee recommended that the indices may first be compiled for NIC 2 digit level, which may subsequently be aggregated into broad sub- sectors. The committee further noted that MoSPI is undertaking ASISSE which will be able to provide GVA at NIC 2/3/4 Digit and the same can be used as weights on the pattern of IIP but the results of the survey maybe available after above a year. In the interim period, TAC-ISP recommended that NIC 2 Digit level categories maybe mapped to broad sector tabulation categories and their GST weights maybe used to arrive at the broad sector tabulation indices. The broad tabulation categories maybe aggregated into overall ISP using their GVA share from the NAS (base year) as weights.

VIII. Dissemination

The committee noted that the recommended methodological framework of ISP will continue to improve over time with improved availability of Administrative data and preferred deflators of SPPI. The release of ISP on trial / experimental basis was more appropriate than continuing without an ISP.

Thus, the Committee recommended that trial or experimental indices will be released initially to observe trend / stability of the indices before regular dissemination. For the purpose of dissemination, it was felt that GST data for a few categories / sub - sectors are very volatile and may need to be grouped together, if required, after studying the fluctuations in the sub – sectoral ISPs.

The committee further recommended that monthly trial indices may be released for all sub – sectors. In case of the financial sub – sectors (Banking and Insurance) the output variables for determining income of the sub – sectors combine more than one dataset, some of the data is available monthly and some is available with a quarterly frequency. Thus, the committee recommended that for arriving at monthly indices of these two sub sectors, suitable methodology may be used after studying the shares of monthly and quarterly data and the pattern of their movements.

Considering the lag in availability of monthly GST data, which is approximately 45 days, the committee recommended that ISP maybe released at about 60 days from the end of reference month.

IX. Recommendations on bridging data gaps

Under the guidance of TAC – ISP, a detailed study of the preferred output indicators for each of the sub – sector was undertaken by MoSPI to highlight the availability of data from secondary sources and gaps therein. Details are given at Annexure III. The committee recommended that efforts may be made by the concerned line Ministries / Departments to bridge the data gaps and have in place a mechanism for collection of monthly data on the same. The committee also recommended that DPIIT may attempt compilation of SPPIs for all sub – sectors of Services.

TAC – ISP noted that the methodology for construction of an Index of unincorporated sector has been discussed by MoSPI in the TAC – IIP. The TAC – ISP recommended that the method given in the report of the TAC – IIP may be used for services sector as well.

Chapter I- Introduction

India's evolving services sector has become the principal engine of economic growth, resilience, and structural transformation¹. Since the year 2013-14 the services sector has consistently accounted for more than half of the country's Gross Value Added (GVA) and has been the principal contributor to economic growth, employment generation, investments and exports. While India has a long-established system for monitoring short-term industrial activity through the Index of Industrial Production (IIP), an equivalent high-frequency volume indicator for services could not be compiled due to data availability issues. In recent times, recognising the growing importance of services in the economy, improved administrative data ecosystem and the need for timely measurement of service sector performance, MoSPI has taken up the task of developing monthly Index of Services Production (ISP) to provide a comprehensive and coherent measure of short-term movements in service sector output.

Importance of Services Sector

Services sector value added accounts for about two third of the global GDP. As economies develop, structural transformation typically involves a gradual shift from agriculture and manufacturing towards services.

In India too, the services sector has become the dominant contributor to its GVA. In 2024-25, share of services GVA was about 52.9%. Services sector is also a key driver of productivity, employment, trade, and technological advancement and encompasses a diverse range of activities including trade, transport, telecommunications, financial services, professional & business services, tourism, education, health, information technology, etc. Given its central role in the economy, timely assessment of service sector performance is essential for macroeconomic monitoring, policy formulation, business planning, and market analysis.

¹ Economic Survey 2025 -26

Policymakers, including the Ministry of Finance and the Reserve Bank of India, require high-frequency indicators to assess current economic conditions and formulate appropriate policy responses. Businesses and investors rely on such indicators for planning and forecasting, while statistical agencies require them as important inputs for compiling quarterly estimates of GVA.

An ISP will, therefore, fill a significant gap in India's statistical system by providing a systematic, timely, and internationally aligned measure of short-term movements in service sector output, while ensuring consistency and comparability across time.

Measuring services sector

The increasing complexity and diversification of services pose significant measurement challenges. Unlike industrial production, services are often intangible, heterogeneous, and characterized by rapidly evolving business models.

MoSPI releases National Accounts Statistics (NAS) in the form of quarterly and annual estimates covering broad categories of services. Further, the recently launched Annual Survey of Incorporated Services Sector Enterprises (ASISSE) is envisaged to be a key source of official data on the incorporated services sector of the economy comprising of services like trade, transport, hospitality, information technology, education, health, etc. Now, overall and sub – sectoral ISPs will also be available on a monthly basis.

International guidelines on measurement of services sector

The OECD Compilation Manual for Index of Services Production (2007) is the most comprehensive set of guidelines on compilation of ISP covering statistical infrastructure required, various concepts & definitions and terminologies related to ISP, data sources & methods in terms of their conceptual appropriateness and recommendations for ISP compilation. Further, the Eurostat guide on ISP also presents the methods of compiling ISP in a detailed manner.

Both the OECD manual and the Eurostat's guide recommend three kinds of indicators, viz., turnover based, volume based and input based and in that order of preference. If available, 'Gross turnover deflated by appropriate quality adjusted price indices' is the preferred indicator for compilation of ISP for different sectors.

In the absence of the Turnover based indicator, use of Volume based indicators has been recommended as an alternative. Input based methods have been recommended only as proxy measures where no other variables are available. In such a case also, it may be used only for low tech sectors where changes in labour input may be relatively proportional to changes in output sector.

Country Practices

Several advanced economies now regularly publish an ISP or equivalent indicators, providing useful international benchmarks. Within the European Union, Eurostat coordinates monthly publication of the Services Production Index for all Member States under the European Business Statistics Regulation. Countries such as France, Spain, and Slovenia compile monthly services production indices covering major market services.

Beyond the EU, several countries have developed well-established systems for regular ISP compilation. South Korea publishes a monthly Service Industry Activity Index, covering wholesale and retail trade, transportation, accommodation, real estate, and information services, using value-based indicators deflated by sector-specific PPIs. The United Kingdom compiles a comprehensive Monthly Index of Services, which includes ICT, transport, professional services, and public services, and contributes to its monthly GDP estimates.

Past Efforts at ISP

MoSPI has been grappling with the issue of compilation of ISP for quite some time. A TAC-ISP was constituted in 2004 and reconstituted in 2010 under the Chairpersonship of Prof. C. P. Chandrashekhar of JNU. The TAC had several meetings and consultations with stakeholders from August 2006 to February, 2019 and submitted its report in June, 2019. The TAC advised compilation of the ISP for different sub-sectors of the economy in a phased manner, with priority given to sub-sectors which are rapidly gaining importance and for which the data can be readily made available by administrative Ministries/ Departments.

Under the aegis of the TAC, several inter-ministerial consultations were held and it was decided to focus on compilation of ISP for the following 4 sectors and 10 sub-sectors. Out of total 10 sub-sectors, TAC had developed methodology for compilation of ISP for 7 sub-

sectors. The TAC recommended that the Indices of the sub – sectors may be treated as experimental indices.

The sub – sectors are:

Sector	Sub Sector (10 sub sectors)	Methodology developed	Frequency
Transport Services Sector	Air Transport	Yes	Monthly
	Rail Transport	Yes	Monthly
	Road Transport	No	--
	Shipping Transport	No	--
Communication Services Sector	Postal	Yes	Annual
	Telecommunication	Yes	Quarterly
Social Services Sector	Health	No	--
	Education	Yes	Annual
Financial Services Sector	Banking	Yes	Quarterly
	Insurance	Yes	Quarterly

As the administrative data for ISP was maintained by the concerned line Ministries / Departments, the National Statistical Commission (NSC) in its 68th meeting, held in July 2014, recommended that the indices for sub-sectors of ISP may be compiled by the concerned subject Ministries using the methodology recommended by MOSPI and the indices at broader levels be compiled by MoSPI by pooling the indices of the sub-sectors.

The Earlier TAC also recommended the following way forward:

- a) The sectors such as Road Transport sector, Shipping Transport and Health Sector should be covered. These could not be done due to limitation in availability of variables as per OECD manual.
- b) Firming up of proper mechanism will ensure regular monitoring towards improvement in quality of the indices developed for sub-sectors and expansion of coverage in future.

Challenges faced earlier

For several major service industries such as real estate, professional services, retail trade, health, etc. consistent high-frequency administrative data sources are not available, resulting in significant data gaps.

Availability of data of output was limited to only few Sectors, like Air Transport, Rail Transport, Postal, Telecommunications, Banking and Insurance. As the total contribution of the above sectors in overall services was lesser than 20%, overall ISP could not be compiled.

Challenges were also observed in terms of different frequencies and time lags for availability of data.

Further, Index of Education was dependent on NSS Survey on Social Consumption on Education for weights / base year. The data of Banking and Insurance services was in Value terms (Income). Due to unavailability of Service Producers Price Index, GVA based deflators had to be used.

In nutshell, the heterogeneous nature of the services sector—characterised by diverse service outputs made standardisation of output indicators and compilation of an overall ISP for India a challenging task.

Changing Data landscape of services sector

Recent times have seen a huge change in data landscape in India fuelled by data demand, adoption of technology and digitalisation of administrative and secondary data sources. The implementation of the Goods and Services Tax (GST) in India on July 1, 2017, marked a fundamental shift in economic analysis as monthly GST collection data acts as a powerful barometer for economic activity. Beyond its primary goal of taxation, the Goods and Services Tax Network (GSTN) has emerged as a powerful data source for outward supplies across different sectors of the economy. However, the GST data requires careful analysis of its suitability for statistical purposes.

The recently launched Annual Survey of Incorporated Services Sector Enterprises (ASISSE) is envisaged to be a key source of official data on the incorporated services sector of the economy comprising of services like trade, transport, hospitality, information technology, education, health, etc., thereby, representing one of the most

dynamic components of India's economy. The periodic data available from ASISSE may be used for compilation of ISPs of sub – sectors like Health and Education which are not possible to cover from administrative or GST based data sources.

It may be noted that the data available from the GST and ASISSE would be in value terms, the feasibility of its usage would therefore, depend upon availability of appropriate price deflators. As stated earlier, as per International guidelines, the preferred deflators to use are mostly Producer Price Indices (PPI). For services which flow majorly from B2C, use of CPIs as deflator has also been suggested in absence of PPIs.

The new CPI series (base year of 2024) released by MoSPI in February, 2026, captures services more effectively through a significant restructuring of weights and increased item coverage.

The above available / likely to be available data sources support the case for attempting compilation of sectoral / sub – sectoral ISPs again, albeit on a trial basis.

Constitution of TAC - ISP

As a part of its recent initiatives on statistical reforms and stakeholder consultations towards making available official statistics with an increased frequency and reduced time lag, MoSPI identified ISP as an important data gap. MoSPI now envisages to bring out sectoral and sub – sectoral indices for measuring production of services by exploring availability of conventional administrative records as well as new alternate datasets like GST data. A TAC on ISP was constituted in May, 2025, under the chairpersonship of Ms. Debjani Ghosh, distinguished fellow, NITI Aayog, for providing technical guidance for compilation of sectoral / sub – sectoral ISPs on aspects like existing best practices, availability of datasets, methodological issues, approach to leverage nontraditional data sources, etc. The TAC – ISP had representatives from the various sector specific Ministries / Departments and members from the academia also.

The TAC – ISP had a series of meetings, consultations and interactions and has come out with its report on varied technical aspects of compilation of ISP. Constitution of TAC – ISP. Composition of the TAC – ISP may be seen at Annexure I.

Chapter II – Conceptual Framework

This chapter examines the scope and coverage of services sector in the ISP particularly in reference to available data sources, NIC 2025 and SNA 2025. It also outlines the framework for classification of services such as the Service Accounting Codes (SAC) and its concordance with NIC 2025. Since the data available for ISP is in value terms the availability and suitability of various deflators has also been examined.

Definition of Index of Services Production (ISP)

OECD Manual defines ISP on the lines of the description of IIP given by Hong & Chavoix – Mannato (2000) as “ISP measures changes over time in the volume of output of the services sector. More precisely, it is defined as the ratio of the volume of output produced by the services industries in a given time period to the volume produced by the same industries in a specified base period.”

Further, as the primary aim of compiling an ISP is to measure short-term movements in the production activity of the services part of an economy, the ISP is defined as a weighted average of the real output of services industries, where the weights are based on their shares in the value added of the Services sector.

Thus, ISP is a short-term indicator designed to measure changes over time in the volume of output produced by the services sector relative to a specified base period. It measures changes in the real output of service-producing industries over time.

The two main aims for compiling ISP are to provide:

- Economic trends that would complement an IIP on the short – term movement of an economy; and
- High frequency information on the performance of the services sector to strengthen the existing statistical framework to support analytical and policy framework.

Data Sources for compilation of ISP

The compilation of an ISP requires high-frequency, reliable and representative indicators of service sector output. Unlike manufacturing, where production can often be measured through physical quantities of goods produced, services are largely intangible and many service activities do not have directly observable output measures.

As the compilation of ISP is dependent on the availability of data from the various sub sectors, MoSPI carried out a comprehensive assessment of the availability of output indicators for various service sector sub-sectors in line with international recommendations contained in the OECD Manual on Compilation of Index of Services Production. The exercise examined the feasibility of obtaining suitable output indicators for each NIC division of the services sector from three sources, namely, secondary and administrative data sources, GST and ASISSE. The detailed analysis is presented in Annexure III. Three main data sources are discussed below:

A. Secondary / Administrative data available with sector specific Ministries / Departments

Coverage of the administrative data, its periodicity and timely availability were the criteria which were deliberated upon by the TAC - ISP while deciding upon the sub – sectors for which it may be suitable to use the administrative data. Four datasets which fulfilled the above criteria are:

- i. Air Transport
- ii. Railways
- iii. Banking
- iv. Insurance

B. Goods and Services Tax (GST)

The implementation of the Goods and Services Tax (GST) in India from July 1, 2017, marked a fundamental shift in economic analysis as monthly GST collection data acts as a powerful barometer for economic activity. Beyond its primary goal of taxation, the Goods and Services Tax Network (GSTN) has emerged as a powerful data source for outward supplies across different sectors of the economy.

TAC – ISP deliberated on the use of the aggregated GST data to monitor the progress of services sector and noted that GST data requires careful analysis of its suitability for statistical purposes.

I. Suitability of GST data for ISP:

GST being a tax on the event of “supply”, Registration under the GST Act in India is required for businesses meeting specific annual aggregate turnover thresholds.

Monthly / quarterly Statement of Outward Supplies is to be furnished by all normal and casual registered taxpayers in the Form GSTR – 1. SAC (Service Accounting Code) wise data on the taxable value of sales (outward supplies) is to be filed in Table 12 of the GSTR-1 return.

The committee noted that GSTN has made available aggregated product / service wise (SAC codes) data on ‘outward supplies’ for different service activities as extracted from monthly GST returns. MoSPI does not have access to nor does it require individual unit level data for this purpose.

It was considered that unlike the manufacturing sector, which involves storage / maintenance of inventory; the production of services directly results into its sale / consumption. Hence, GST data of outwards supplies essentially reflects production of services.

The committee also noted that it may not be possible to compile GST based indices of those sub - sectors which are exempted from GST. The committee also noted that the coverage of GST based indices would also exclude the service providers below a specific threshold which are not required to file GST returns.

II. Universe approach v/s Fixed set of entities approach

The committee deliberated upon the Universe approach v/s fixed set of entities approach for the purpose of compilation of ISP.

The data available from GSTN is the aggregate product / service level data and not entity – wise data. MoSPI does not have access to nor does it require individual unit level data for the purpose. GST leverages a mandatory, comprehensive administrative dataset that captures the entire formal services economy rather than a representative sample. In comparison traditional indices like the IIP, which are based on data from a fixed basket and a fixed panel of units for each item selected during a base year, TAC – ISP considered the conceptual issue of whether index methodology remains valid when the universe itself is evolving with addition of new units and exclusion of units which unregister from GST. TAC – ISP noted several methodological advantages over the traditional "Fixed Set of Entities" approach as under:

i. Dynamic Capture of New Entrants

A fixed-panel approach relies on a base-year representative sample, only capturing a segment of entities active at that specific time. Conversely, the GSTR-1 dataset is a live administrative universe; it automatically incorporates new GST registrations as they occur. The dataset updates as new entities register, the "universe" expands dynamically, ensuring that new market entrants are captured immediately upon their first filing.

ii. Sensitivity to Business Diversification and quality changes

A fixed-entity approach often monitors a specific product or service "item" from a specific factory or office. The Universe Approach, by aggregating data via SAC codes across all registered taxpayers, captures shifts in production volumes across the entire economy. It reflects diversification as it happens, ensuring the index represents the actual output mix of the current period rather than a historical profile.

iii. Accurate Reflection of Closures and Attrition

Fixed panels suffer from "sample decay" over time. When a tracked entity closes its business, it needs to be replaced by a proxy or its weight must be redistributed, often introducing bias or overestimating the output of surviving firms. Using GSTR-1 data ensures that business exits are naturally reflected by a cessation of filed returns. The

index thus provides a more honest representation of net sectoral contraction or expansion.

iv. Mitigation of Non-Response Bias

Traditional surveys are plagued by non-response and the administrative burden of follow-ups. The use of GSTR-1 leverages existing statutory compliance data, eliminating survey fatigue and providing a near-census of the formal service economy. This results in higher data granularly and significantly reduces the standard error associated with sampling.

Deliberations and Recommendations of TAC – ISP

Based on these considerations, the committee recommended that a Universe Approach will make the ISP an indicator that is self-adjusting for the births, deaths, and structural transformations of service-producing units.

III. Treatment of Government Services and essential commodities / services under GST

Most of the services provided by the Central Government, State Government, Union Territory or local authority are exempt from tax. These include services provided by government or a local authority or governmental authority by way of any activity in relation to any function entrusted to a municipality under the Constitution and services by a governmental authority by way of any activity in relation to any function entrusted to a Panchayat under the Constitution.

However, as exception, the following services provided by the Government are covered under GST:

- a. services by the Department of Posts
- b. services in relation to an aircraft or a vessel
- c. transport of goods or passengers; or *[Non AC public transport, air travel for north eastern airports and transport of essential commodities exempted]*

Further, certain essential components of specific sub – sector of services which do not attract GST include Trade of essential goods like fresh milk and raw agricultural produce, Non-AC public Transport, Individual Health Insurance, etc.

IV. Use of Service Accounting Code (SAC) as a product / service classification:

The Service Accounting Code (SAC) is the Scheme of Classification under the Indian Goods and Services Tax (GST) system. It is a modified version of the United Nations Central Product Classification (CPC), with modifications adapted for the Indian context by the Central Board of Indirect Taxes and Customs (CBIC). SAC is used to classify different types of services for the purposes of taxation, invoicing, and filing GST returns. Availability of SAC and its concordance with NIC 2025 makes it possible to use product / service level data for ISP purposes.

V. Sub – Sectors to be covered from GST

The sub – sectors for which the data from GST was found to be suitable for use are given below:

- i. Wholesale Trade
- ii. Retail Trade
- iii. Repair and Maintenance
- iv. Road transport
- v. Water transport
- vi. Warehousing and support activities for transportation
- vii. Accommodation and Food
- viii. Postal & courier
- ix. Telecommunications
- x. Information and Broadcasting
- xi. Real estate
- xii. Information and computer related services
- xiii. Professional, scientific & technical services including R & D
- xiv. Administrative & support services
- xv. Arts, Entertainment and recreation

VI. Limitation in use of GST data

GST based indices can be compiled only for those sub – sectors of services on which GST is levied. Discontinuation of GST on any category of services may result into discontinuation of its ISP as well.

C. Annual Survey of Incorporated Services Sector Enterprises (ASISSE)

On the pattern of survey of registered manufacturing, MoSPI aims at developing a comprehensive database of incorporated services in the country. MoSPI has launched its first ever Annual Survey of Incorporated Services Sector Enterprises (ASISSE) to comprehensively cover the incorporated service sector of the economy during 2026 -27. The survey will capture data on services sector for the reference year 2024 -25. The survey uses GSTN database as a sampling frame.

The coverage of ASISSE is essentially the corporate entities i.e. entities registered under Companies Act, 1956 or Companies Act, 2013 or Limited Liability Partnership (LLP) Act, 2008 and belonging to service sector. The coverage includes ‘Construction’, ‘Trade’ and ‘Other Services’ (including transport, accommodation and food services, information and communication, health, education, real estate, etc.). Some services such as Public Administration, Defence, Banking and Insurance sectors and unincorporated entities are excluded from the coverage of ASISSE. The ASISSE will give estimates of indicators like industry – wise Gross Value of Output (GVO), Gross Value Added (GVA), fixed capital/capital formation, employment numbers, etc.

The data from ASISSE was recommended for Education and Health & residential care, as in case of these two subs – sectors data was neither available from secondary / administrative sources, nor in GST.

Deliberations and Recommendations of TAC – ISP

The Committee noted that at the time of preparation of the Approach paper on compilation of ISP, the Ministry had undertaken a detailed study / analysis of the availability of data on output, deflators, weights, etc.

The Committee noted secondary / administrative data is available for only four sub – sectors, namely, Air Transport, Railways, Banking and Insurance and recommended their use for sub – sectoral ISP of these sub – sectors.

The committee discussed the merits and demerits of the use of GST data in detail. It was agreed that in case of services, outward supplies as obtained from GSTR 1 can be treated as production. The committee recommended that Data on SAC wise Taxable Value of Sales (outward supplies), as obtained from the return GSTR 1, can be considered as the output variable in value terms. The production of services directly results into its sale / consumption. Hence, use of GST data of outward supplies essentially reflects production of services. Outward supplies of SACs mapped to a particular NIC code are aggregated and then deflated to obtain real output measures. The limitations and challenges of GST coverage in respect of Trade and Transportation of essential commodities, Non – AC public Transport, etc. were also noted.

GST based indices were recommended for the other sub – sectors like:

- i. Wholesale Trade
- ii. Retail Trade
- iii. Repair and Maintenance
- iv. Road transport
- v. Water transport
- vi. Warehousing and support activities for transportation
- vii. Accommodation and Food
- viii. Postal & courier
- ix. Telecommunications
- x. Information and Broadcasting
- xi. Real estate
- xii. Information and computer related services
- xiii. Professional, scientific & technical services including R & D
- xiv. Administrative & support services
- xv. Arts, Entertainment and recreation

The committee noted that the survey data from ASISSE can be used to estimate industry-wise Gross Value Output (GVO) and Gross Value Added (GVA) for service-producing

enterprises and thereby provide the basis of allocation of weights to various services industries in overall compilation of ISP. The survey will also enable generating indices for those sub – sectors such as Health and Education in respect of which neither adequate data is available from secondary / administrative sources nor are they adequately captured in GST data. Hence, the committee recommended that for these two sectors data from the ASISSE may be used for compilation sub – sectoral ISPs.

Scope and coverage of ISP

SNA 2025 defines Services as “Results from a production activity that changes the conditions of the consuming units, or facilitates the exchange of products, non-produced non-financial assets or financial assets. Services are not generally separate items over which ownership rights can be established and cannot generally be separated from their production.”

Further, SNA 2025 defines Market Output as “Output intended for sale at economically significant prices”. Further, Non-Market Output is defined as “Goods and individual or collective services produced by government, the central bank and non-profit institutions serving households (NPISHs) that are supplied free, or at prices that are not economically significant, to other institutional units or the community as a whole.”

The OECD Manual makes distinctions between market and non-market services for the main services activities. Market services are generally provided by market producers and non-market services by non-market producers. Thus, for example, market services could include such services as repair services, wholesale and retail trade services, and lodging and catering services. On the other hand, non-market services comprise branches covering general public services, non-market services of education and research provided by general government and private non-profit institutions, non-market services of health provided by general government and private non-profit institutions, domestic services and other non-market services. ISP for India would therefore cover both market and non – market activities depending upon the availability of data for each of the sub – sectors.

The National Industrial Classification, 2025, provides a comprehensive and contemporary classification for all economic activities undertaken in India's economy. The sectors covered under Sections G to Section V of NIC, 2025, form the part of Service Sector. Each of these sections is further divided into Divisions, Groups, Classes and sub – classes. For a complete ISP, it is important that all these sections are adequately captured in methodological framework.

SNA 2025 defines the Informal Sector as: “Household unincorporated market enterprises and the associated labour input that are not formally recognized by government authorities because they are not registered for tax or similar purposes.”

The major source of data for compilation of ISP is GST. The sample drawn for the ASISSE is also based on the list frame of GSTN. Thus, these two sources covers the formal sector enterprises registered under GST act / companies act only. Thus, the coverage of the ISP may be treated as covering the formal sector.

The NSS also conducts the Annual Survey of Unincorporated Sector Enterprises (ASUSE) since 2021-22. This survey aims to measure the GVA of the unincorporated sector on an annual basis. The ASUSE now brings out quarterly estimates for the unincorporated manufacturing and services sector. This will provide the GVA for the sector on a quarterly basis for the informal sector of the economy. The data from ASUSE may be a possible source for compilation of ISP for the informal sector.

Exclusions

Some of the Services which are not covered in ISP are those which are either related to core government activities or are dominated by non-market activities and the informal sector. These exclusions account for nearly 33% of the total GVA of services sector. The excluded services sub sectors include:

- i. Public administration and Defence [Section P of NIC 2025]: - Services provided are Non – Market in nature and are exempted from GST
- ii. Other financial services [Parts of Section L of NIC 2025 (Divisions 64 and 65)] (like Central Bank, Money Market Funds, Pension Funds, etc.): - Services of Central Bank are Non – Market in nature and are exempted from GST, coverage of financial

sectors in GST is restricted to only those services on which specific service charge is levied.

iii. Other Services: –Mix of services exempted from GST and unincorporated sector dominant services

- Social work activities without accommodation (Division 88)
- Gambling and Betting activities (Division 92)
- Services of membership organizations (Division 94)
- Personal services (Division 96)
- Private households with employed persons (Section U)
- Activities of extraterritorial organizations and bodies (Section V)

iv. Ownership of dwellings

Further, Health and Education sub sectors which are temporarily excluded till the time relevant data is made available from ASISSE, account for nearly 10% of the total GVA of services sector.

Deliberations and Recommendations of TAC – ISP

The committee noted that the scope / coverage of the ISP takes into account both market and non – market services depending on the availability of data. Further, as major source of data is GST which covers the formal sector enterprises registered under GST act / companies act, the coverage of the ISP may be treated as covering the formal sector. For the informal sector, the TAC – ISP recommended to use data from ASUSE and compile a separate index.

The committee also agreed that it may not be possible to cover the services mentioned under the exclusion categories primarily due to their highly informal / Non – Market nature.

The committee noted and recommended on compilation of ISP at 2-digit level of NIC 2025 and their aggregation into broad sub – sectors for overall ISP. After publication of results of ASISSE, overall ISP may be compiled using 2-digit level GVA distribution of services as weights.

Classifications

The OECD Manual for compilation of ISP recommends using the International Standard Industrial Classification (ISIC) for classifying industries of the services sector. The ISIC is maintained by the United Nations Statistical Division (UNSD) and is periodically updated to reflect new and emerging forms of production. The United Nations Statistical Commission (UNSC) endorsed the ISIC, Revision 5 in 2023.

In India, similar standardized system, namely, the National Industrial Classification (NIC) is used to organize / classify economic activities. The NIC is based on ISIC but is adapted to suit specific Indian requirements. The latest version of NIC, released in November 2025, aligns with ISIC Revision 5.

It is important to note that GSTN uses Service Accounting Codes (SAC) as the accounting classification of services sector. The Service Accounting Code (SAC) is the Scheme of Classification under the Indian Goods and Services Tax (GST) system. It is a modified version of the United Nations Central Product Classification (CPC), with modifications adapted for the Indian context by the Central Board of Indirect Taxes and Customs (CBIC). SAC is used to classify different types of services for the purposes of taxation, invoicing, and filing GST returns.

The committee noted that for meaningful use and aggregation of data from GST into the desired statistical classification, MoSPI undertook a mapping of SACs categories with NIC codes of the service industries. The mapping will enable industry – wise analysis of sectoral performance. The committee recommended adoption of the proposed concordance as placed at Annexure IV. The committee further recommended that as the latest version of CPC has become available, the same may be used for updation of SAC.

Price deflators

The ISP tracks short-term changes in the *volume* of services produced. Because primary service data is usually collected in value terms (nominal value), it captures the effects of both the prices and value addition.

A price deflator is therefore required to remove the effects of change in prices from nominal service revenue. It transforms "value-based" (nominal) data into "volume-based" (real) data, allowing measurement of actual changes in service output over time.

International recommendations on Price deflators

Both the OECD manual and the Eurostat's guide recommend 'Gross turnover deflated by appropriate quality adjusted price indices' as the preferred indicator for compilation of ISP for different sub – sectors of services.

In the absence of a quality adjusted price index use of a partially representative price index, as a deflator, has been suggested. Preferred deflators to use are mostly Service Producer Price Indices (SPPI). For services which flow majorly from B2C, use of CPIs as deflator has also been suggested in absence of PPIs.

CPI vs SPPI Conceptual differences

The CPI measures changes in prices paid by consumers for services (demand perspective), while the PPI measures changes in prices received by service providers (supply perspective).

One major conceptual difference between PPIs and CPIs is that the former does not include taxes linked to sales (VAT, GST, etc.), since they do not represent revenue from the point of view of the producer (but are simply collected and passed on to the tax administration). Under the GST regime, there are no multiple taxes and the tax rates of different services are fixed i.e. constant for a considerably long period the CPI can serve as a suitable proxy or as a high-quality alternative to the sectors for which PPIs are not available.

The use of CPI in absence of PPI in services may be acceptable considering that services are consumed as soon as they are produced, thus, PPIs and CPIs differ only by tax margin at one level (level of consumer). Considering the taxes are constant, there may not be any significant differences between the two.

Deliberations and Recommendations of TAC – ISP

The committee noted that for air transport and railway transport use of volume-based indicators has been recommended and as such deflators were not needed.

The committee noted that SPPIs were available only for limited services and in respect of the sub – sectors under consideration of ISP there were only three sub – sectors, namely, telecom, Banking and Insurance for which SPPI were available and needed. However, as the SPPIs are available with a quarterly frequency and lag of 55 days, the committee noted that their use in monthly ISP may not be feasible. The committee thus recommended use of CPI (communications) as a deflator for telecom sub – sector. In case of financial sub – sectors, the committee took cognizance of the report of the sub – committee on 'Methodological improvement for the base year revision of GDP (base year 2022 -23) and recommended use of general CPI as a deflator for Banking and Insurance sub sectors.

It was also noted that in case of air transport and railways, though SPPIs were available, the same were not needed, as for the purpose of compilation of ISP of these two sub-sectors use of quantity based output indicators had been recommended.

Use of sub – sector specific CPI is recommended wherever available. In the absence of both SPPI and sub – sector specific CPI, use of CPI (Non – food) is recommended as a general deflator, based on the following considerations:

- i. The non – food items account for nearly 63% of the total weight of overall CPI. The non – food items include items of services also, which account for nearly 28% of the total weight of overall CPI and nearly 44.44% of the non- food weight.
- ii. Another significant division in the non – food items category is "Housing, Water, Electricity, Gas and Other Fuels", this accounts for nearly 17.67% of the total weight of the overall CPI and 28% weight in the non - food category. 'Housing, Water, Electricity, Gas and Other Fuels' are significant contributors to inflation in services. They act as major cost-push factors by either directly driving up operating expenses for businesses & producer prices or increasing the cost of living for employees leading to higher wage demands & in turn higher producer prices.

- iii. Other significant cost push factor items in the non – food category include petrol, diesel and CNG which are under the Transport Division of CPI which account for nearly 4.85% of the total weight of the overall CPI and 7.7% weight in the non - food category.
- iv. Thus, in all more than 80% of the Non – food inflation is attributable either directly to services or its cost push factors.

Chapter III – Methodological Framework

This chapter elaborates on choice of the index to be used, base period, services basket, data variables at NIC 2 digit level, methodology for compilation of ISP, weights to be used for each service industry and the level at which the indices will be disseminated.

The conceptual issues covering compilation of ISP have been discussed in the previous chapter including suitability of data of outward supplies from GST as a variable for ISP, scope & coverage, appropriateness of various deflators for sub – sectors, use of SAC and NIC – 2025, etc. Next step is to develop the methodological framework for compiling ISP covering the aspects like choice of index, choice of base year, services basket and data variables for ISP, weights for grossing up the indices for overall ISP and dissemination of indices.

Choice of Index

There are three main types of indices that are used internationally to aggregate quantities over time. For the Laspeyres' index, the weights of some fixed base period are used. For the Paasche index, the weights of the current period are used. The Fisher index is defined as the geometric mean of the Laspeyres and Paasche indices.

All the indices have characteristics that make them desirable in certain circumstances. The Fisher index possesses several theoretically desirable characteristics like, factor reversal and time reversal, but it is difficult to produce in a timely and cost-effective manner since it uses Paasche index where Current period data on quantity and prices is required. The Laspeyres type index benefits from taking practical compilation constraints into consideration.

Mathematically, the Laspeyres type index formula is expressed as:

$$L_t = \frac{\sum W_i R_i}{\sum W_i}$$

Where,

W_i = Weight assigned to item i in the base year

R_i = Production relative of item i , calculated as P_i^t / P_i^0

P_i^t , = Production of item i in the current period (t)

P_i^0 = Production of item i in the base period

The International guidelines observe that selection of the index type to be used in compiling the ISP should take the following into consideration:

- Purpose of the index: to provide a short-term indicator of production and, where required, to be used in the compilation of the quarterly national accounts
- Theoretical considerations: inclusion of an up-to-date weighting structure, time and factor reversal, etc.
- Practical considerations – what can be practically achieved in the context of resource constraints and data availability

Deliberations and Recommendations of TAC – ISP

The Laspeyres index is fundamentally defined by a fixed basket of items and fixed base-period weights. In ISP also, the Services basket is fixed and comprises of services items with fixed weights.

The TAC – ISP noted that Laspeyres type volume index is widely used by different countries and use of the same is also in line with the recommendations of the TAC-IIP regarding the continued use of Laspeyres' type index for the compilation of all-India IIP. Thus, TAC – ISP recommended adoption of Laspeyres' Index for compiling ISP and upward grossing up as under:

- i. The NIC 2-Digit level indices would be aggregated to get the broad sub- sectoral indices.
- ii. The Overall Index for ISP would be calculated by aggregating the sector level indices.

Choice of Base period

Base period, generally considered as a base year, is a reference period at a point in time for comparison with other periods. The period is specific, chosen to usually capture "normal" or stable period where data is not distorted by any significant shock. Data changes are compared with the levels prevailing in the base period, like GDP in real or nominal terms, or in terms of an index by setting the base period index value to 100 to compare economic data like prices (CPI), or industrial production (IIP). It is generally used as a benchmark for measuring financial or economic data, allowing subsequent values to reflect relative increases or decreases over time. All subsequent data points are calculated relative to the base period so that comparisons are made on an "apples-to-apples" basis. Base periods/ years are rebased from time to time, with such updations helping to keep data relevant because production, consumption or economic structures change over time.

Deliberations and Recommendation of TAC - ISP

TAC – ISP took up the matter of selection of base year for ISP as a year that meets both the recency and normal year criteria. Availability of latest GST data at the time of commencement of compilation exercise was 2024 -25. Hence, the TAC recommended that given that 2024 -25 was a normal year [year not having any major structural disruptions or shocks], it may be considered as the base year for the trial index series.

In addition, the committee noted that for most of the sub – sectors, CPI based deflators are proposed to be used, and as the base of the new series of CPI is 2024, it was felt that 2024 -25 may be more appropriate choice for the base year. Accordingly, TAC ISP recommended 2024-25 as the base year for compiling ISP.

Services basket and data variables for ISP

The committee noted that although GST provides extensive coverage, in the Indian context it may not be appropriate to use it in case of all services as in India sectors like Health and Education are exempted from GST. A large chunk of insurance and railway sectors may also be left behind in GST based indices as components of these sectors like individual life & health insurances and non-AC public transport and transport of essential

commodities also do not attract GST. Thus, three data sources namely, administrative / secondary, GST data and ASISSE were considered for identifying the services basket and data variables for compilation of ISP.

Sub – sector wise details are discussed below:

I.Section G: Wholesale and retail trade

As per the OECD manual, within the wholesale and retail industries, output is the trade margin. Theoretically, this can be measured by taking the difference between deflated sales and deflated purchases. However, if it is assumed that the volume of margins follows the volume of sales (or equivalently, that the margin-to-sales ratios are constant at constant prices), then gross turnover deflated by appropriate quality adjusted price indices is a more achievable method.

i. Division 46: Wholesale Trade

A) Output Variables

The committee noted that the preferred output indicator is ‘Gross Turnover deflated by appropriate price index’. From GST, data on taxable value of outward supplies is available for the tax payers registered as core business Wholesale Traders, which can be taken as proxy of turnover for the Wholesale Trade sector. The committee also noted that the alternative volume indicator is ‘employment’ in the given categories. The same is presently not available from secondary / administrative sources. Thus, the committee recommended the use of GST data for output variable of Wholesale Trade sub - sector.

B) Deflators

In case of Wholesale Trade, the WPI was recommended to be used as deflator.

ii. Division 47: Retail Trade

A) Output Variables

The committee noted that the preferred output indicator is ‘Gross Turnover deflated by appropriate price index’. From GST, data on taxable value of outward

supplies is available for the tax payers registered as core business Retail Traders, which can be taken as proxy of turnover for the Retail Trade sector. The committee also noted that the alternative volume indicator is 'employment' in the given categories. The same is presently not available from secondary / administrative sources. Thus, the committee recommended the use of GST data for output variable of Retail Trade sub - sector.

B) Deflators

The committee recommended that in case of Retail Trade CPI for the Divisions "Food & Beverages", "Paan, Tobacco and intoxicants", "Clothing & Footwear" and "Furnishings, household equipment and routine household maintenance" may be aggregated and used as deflator.

II. Section H: Transportation and storage:

i. Division 49: Land transport and transport via pipelines

- **Railways:**

A) Output Variables

The committee noted that the preferred output indicator is 'Gross Turnover deflated by appropriate price index'. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub - sectors like 'Railway Passenger' and 'Railway Freight'. The committee also noted that the coverage of railway services in GST is incomplete as Non - AC Passenger services and Freight services for essential commodities are exempted from GST.

In case of volume-based indicators for the sub - sector, the preferred volume indicators are 'passengers km travelled' and 'tonnes km transported' for 'Passenger Services' and 'Freight Services', respectively. Unpublished data on 'passengers km travelled', 'tonnes km transported' is available with the Railway Board with a Monthly Frequency.

Comparing the fact that in GST, non - AC passenger services and freight services of essential commodities is entirely exempted, volume-based indicators were recommended to be used for measuring output of railway services.

B) Deflators

As volume indicators were recommended by the committee as output indicators, there is no need for deflators.

C) Weights

The committee recommended that separate indices may be prepared for Railway passenger and Railway freight services and be aggregated with revenue share of both these services in the base year as weights.

- **Road Transport:**

A) Output Variables

The committee noted that the preferred output indicator is 'Gross Turnover deflated by appropriate price index'. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sectors like 'Road Passenger' and 'Road Freight'. Though coverage of entire sub – sectors in GST may not be full as Non – AC Passenger services and Freight services for essential commodities are exempted from GST.

It was also noted that in case of volume-based indicators for the sub – sector, the preferred volume indicators are 'passengers km travelled' and 'tonnes km transported' for 'Passenger Services' and 'Freight Services', respectively. The same is not available. Further, data on alternative volume indicators, namely, 'number of passengers' and 'tonnes of freight' is also not available. The Ministry of Road Transport & Highways has data on 'vehicles crossing toll'. Bifurcation of this indicator into Passenger services and Freight services is not possible. Further, this indicator fails to capture within city movement of vehicles which do not cross any toll. Thus, output indicator based on secondary / administrative source may not be sufficient.

The committee noted that although both the sources have their limitations, it was recommended to use the GST data to measure output of the sub - sector.

B) Deflators

The committee recommended use of CPI Transport as a deflator for the sub – sector.

- **Transport via pipelines:**

A) Output Variables

The committee noted the unavailability of volume-based indicators like ‘cubic metres kms transported’ and ‘cubic metres transported’. The same is not available. The committee recommended the use of output indicator is ‘Gross Turnover deflated by appropriate price index’ based on GST data.

B) Deflators

The committee recommended use of CPI Transport as a deflator for the sub – sector.

ii.Division 50: Water transport

A) Output Variables

The committee noted that the preferred output indicator is ‘Gross Turnover deflated by appropriate price index’. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sectors like ‘Water Passenger’ and ‘Water Freight’. Though coverage of entire sub – sectors in GST may not be full as Non – AC Passenger services and Freight services for essential commodities are exempted from GST.

The committee also noted the unavailability of volume-based indicators for the sub – sector, like ‘passengers km travelled’ and ‘tonnes km transported’ for ‘Passenger Services’ and ‘Freight Services’, respectively.

Comparing the coverage of Water transport Services under GST and the data available from secondary / administrative sources, it was recommended to use the GST based output indicator.

B) Deflators

The committee recommended use of CPI Transport as a deflator for the sub – sector.

iii. Division 51: Air transport

A) Output Variables

The committee noted that the preferred output indicator is ‘Gross Turnover deflated by appropriate price index’. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sectors like ‘Air Passenger’ and ‘Air Freight’. Coverage of entire sub – sectors in GST may not be full as transport of passengers, with or without accompanied belongings, by air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal are exempted from GST.

The output indicators for the sub – sector are Passenger kms travelled in case of ‘Passenger Services’ and Freight tonnes kms carried in case of ‘Freight Services’. The same is available with the DGCA with a Monthly Frequency.

Comparing the above issues, the committee recommended the use of data from secondary / administrative sources, instead of GST for measuring output of the sub - sector.

B) Deflators

As volume indicators were recommended by the committee as output indicators, there is no need for deflators.

C) Weights

The committee recommended that separate indices may be prepared for Air passenger and Air freight services and be aggregated with revenue share of both these services in the base year as weights.

iv. Division 52: Warehousing and support activities for transportation

A) Output Variables

The volume based output indicators for the sub – sector, include indicators like Tonnes of goods handled / carried, Employment, etc. The same are presently not available from secondary / administrative sources. Noting this, the committee recommended the use of GST based output indicator.

B) Deflators

The committee recommended use of CPI Transport as a deflator for the sub – sector.

v. Division 53: Postal and Courier activities

A) Output Variables

The committee noted that the volume bases output indicators for the sub – sector, include Numbers of Domestic letters, International letters, domestic parcels, international parcels, small parcels, large parcels, etc. Data on the same is available only for the services of Department of Post. Thus, data availability is limited to public sector data only, which accounts for approximately 55% of the total Postal GVA. The remaining 45%, attributable to the private and Household sector, may not be captured through secondary / administrative sources. Thus, output indicator based on secondary / administrative source may not be sufficient. Noting this, the committee recommended the use of GST based output indicator.

B) Deflators

The committee recommended use of CPI Transport as a deflator for the sub – sector.

III. Section I: Accommodation and food service activities:

i. Division 55: Accommodation

A) Output Variables

In case of volume-based indicators, the preferred indicators are Number of bed-nights spent by different categories of Hotels, Admissions to licensed clubs, etc. The alternate indicators include number of beds by different categories of Hotels. Data on these indicators is not available from secondary / administrative data sources. Considering this, the committee recommended the use of the GST data based output indicator.

B) Deflators

CPI accommodation services was recommended as a deflator.

ii.Division 56: Food and beverage service activities

A) Output Variables

The committee noted that suggested volume-based indicators include number of meals sold and number of customers, etc. Data on these indicators is not available from secondary / administrative data sources. Thus, use of GST based indicators was recommended.

B) Deflators

CPI Restaurants services was recommended as a deflator.

IV.Section J: Publishing of books, newspapers, periodicals and other publishing activities:

i.Division 58: Publishing activities

A) Output Variables

The committee noted that from GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

For this sub – sector, indicators like Number of articles / books / newspapers published can be considered as the Output indicators. The said data is presently not available from secondary / administrative sources.

The committee noted the above and recommended the use of GST based output indicator.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

ii.Division 59: Motion picture, video and television programme production, sound recording and music publishing activities

A) Output Variables

The committee noted that for this sub – sector, indicators like Number of movies produced, number of programmes produced, music albums published, etc. can be considered as the Output indicators. The said data is presently not available from secondary / administrative sources.

The committee noted the above and recommended the use of GST based output indicator for the sub - sector.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iii.Division 60: Programming, broadcasting, news agency and other content distribution activities

A) Output Variables

The committee noted that for this sub – sector, indicators like number of viewers / subscribers, etc. can be considered as the output indicators. The said data is presently not available from secondary / administrative sources.

The committee noted the above and recommended the use of GST based output indicator for the sub - sector.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

V.Section K: Telecommunications, computer programming, consultancy, computing infrastructure, and other information service activities:

i.Division 61: Telecommunications

A) Output Variables

The committee noted that the volume based output indicators for the sub – sector, are ‘Minutes of Usage’ for Non – Data Services and ‘Data usage’ for Data Services. The same is available from TRAI with a quarterly frequency. However, the lag of data availability is 3 to 4 months, which makes this infeasible to use. Thus, the committee recommended the use of GST data based output indicator for the Telecom sub – sector.

B) Deflators

Considering the fact that SPPI Telecom will be available with a quarterly frequency and with a lag of about two months, the committee recommended use of CPI communications as a deflator for the sub – sector.

ii.Division 62: Computer programming, consultancy and related activities

A) Output Variables

For this sub – sector, indicators like number of consultancy contracts, number of billable hours, etc. can be considered as the output indicators. The said data is presently not available from secondary / administrative sources. Thus, use of GST based output indicators were recommended by the committee.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iii.Division 63: Computing infrastructure, data processing, hosting, and other information service

A) Output Variables

The preferred output indicator is ‘Gross Turnover deflated by appropriate price index’. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

For this sub – sector, indicators like Number of databases commissioned, Number of accesses to search engines, etc. can be considered as the output indicators. The said data is presently not available from secondary / administrative sources.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

VI.Section L: Financial and insurance activities:

i.Division 64: Financial service activities, except insurance and pension funding

The committee noted that the coverage of ISP was restricted to Banking Services.

A) Output Variables

The output indicators for the sub – sector, as recommended by the OECD manual is ‘Non – FISIM / Fee income deflated by appropriate price deflator’ and ‘FISIM / Income generated from Interest Margins deflated by general price index (Overall GDP deflator or overall CPI)’. The earlier TAC – ISP had recommended the use of Bank income [Direct Income: Income earned through commissions plus Indirect Income: Income accrued through Loans and deposits] as on an Output Indicator.

While provisional data on Outstanding loans and advances is available from RBI with a monthly frequency, data on income from direct services is available with a quarterly frequency.

The committee noted that as far as GST is considered many Banking Services which do not levy direct service charges may not be captured under GST. Thus, the committee recommended that in this case we may use Data available from the secondary / administrative sources for the Output Indicator.

For arriving at monthly indices, suitable methodology may be used after studying the shares of monthly and quarterly data and the pattern of their movements.

B) Deflators

Considering the fact that SPPI Banking will be available with a quarterly frequency and with a lag of about two months, the committee recommended use of CPI General as a deflator for the sub – sector, in line with the method of constant price estimates for the sub – sector given in the report of the sub – committee on ‘Methodological improvements for the base revision of GDP (Base 2022 -23)’.

ii.Division 65: Insurance, reinsurance and pension funding, except compulsory social security

The committee noted that the coverage of ISP was restricted to Insurance Services.

A) Output Variables

The output indicators for the sub – sector, as recommended by the OECD manual is “Provisions less Claims deflated by a General GDP deflator”. The earlier TAC – ISP had recommended the use of Insurance income [Premium Income + Investment Income - Claims] as an output indicator. While provisional data on Premium income is available from IRDAI with a monthly frequency, data on Investment income and claims is available with a quarterly frequency.

The committee noted that as far as GST is considered many Insurance Services, like Individual Life and Individual Health Insurances, are exempt from GST. Thus,

the committee recommended that in this case we may use Data available from the secondary / administrative sources for the Output Indicator.

For arriving at monthly indices, suitable methodology may be used after studying the shares of monthly and quarterly data and the pattern of their movements.

B) Deflators

Considering the fact that SPPI Insurance will be available with a quarterly frequency and with a lag of about two months, the committee recommended use of CPI General as a deflator for the sub – sector, in line with the method of constant price estimates for the sub – sector given in the report of the sub – committee on ‘Methodological improvements for the base revision of GDP (Base 2022 -23)’.

VII.Section M: Real estate activities:

A) Output Variables

i.Division 68: Real estate activities

The committee noted that the preferred volume indicators are number of new dwellings sold, number of existing dwellings sold, square metres of new non-residential buildings sold, square metres of existing non-residential buildings sold, square metres of land sold, number of residential rentals, number of non-residential leases and imputed rent for owner occupied housing stock. These datasets are not available from secondary / administrative data sources. Thus, for this sub – sector also the committee recommended use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

VIII. Section N: Professional, scientific and technical activities:

i. Division 69: Legal and accounting activities

A) Output Variables

The committee noted that for this sub – sector data on taxable value of outward supplies from GST is available for Service Accounting Codes which can be mapped to sub – sector.

The volume indicators include number of contracts drawn up and number of tax returns filed. These datasets are not available from secondary / administrative data sources. Considering this, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

ii. Division 70: Activities of head offices; management consultancy activities

A) Output Variables

The volume indicators include number of campaigns run and number of billable hours. These datasets are not available from secondary / administrative data sources. Considering this, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iii. Division 71: Architectural and engineering activities; technical testing and analysis

A) Output Variables

The committee noted that the volume indicators include number of designs commissioned, number of surveys commissioned, number of tests carried out and number of billable hours. These datasets are not available from secondary /

administrative data sources. Considering this, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iv.Division 72: Scientific research and development

A) Output Variables

The volume indicators include number of employees, number of publications by researchers, number of research degrees completed and number of patents granted. These datasets are not available from secondary / administrative data sources. Thus, the use of GST based output indicators were recommended by the committee.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

v.Division 73: Activities of advertising, market research and public relations

A) Output Variables

The volume indicators include number of campaigns carried out, square metres of billboards rented, seconds of television time bought and number of units of media space. These datasets are not available from secondary / administrative data sources. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector. Taking note of the above, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

vi.Division 74: Other professional, scientific and technical activities

A) Output Variables

From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

The volume indicators include number of contract drawn, number of billable hours, etc. These datasets are not available from secondary / administrative data sources. Taking note of the above, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

IX.Section O: Administrative and support service activities:

i.Division 75: Veterinary activities

A) Output Variables

The committee noted that from GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

The volume indicators include courses of treatment and number of appointments/ consultations, number of animals treated, etc. These datasets are not available from secondary / administrative data sources. Considering the above, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

ii.Division 77: Rental and leasing activities

A) Output Variables

The committee took note of the unavailability of the volume indicators like number of items leased or rented out and number of lease or rental agreements. These datasets are not available from secondary / administrative data sources. Thus, the committee recommended the use of GST based output indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iii.Division 78: Employment activities

A) Output Variables

The volume indicators include number of members of placement agencies, etc. These datasets are not available from secondary / administrative data sources. Thus, the use of GST based indicators was recommended by the committee.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

iv.Division 79: Travel agency, tour operator, and other travel related activities

A) Output Variables

Unavailability of volume indicators include number of bookings, number of trips, etc. were noted by the committee and use of GST based output indicators was recommended.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

v.Division 80: Investigation and security activities

A) Output Variables

The committee took note that from GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

The committee also noted the unavailability of volume indicators like number of man-hours of surveillance. Thus, use of GST based output indicators was recommended by the committee.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

vi.Division 81: Services to buildings and landscape activities

A) Output Variables

The volume indicators include number of upkeep activities undertaken. These datasets are not available from secondary / administrative data sources. Thus, the committee recommended the use of GST based indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

vii.Division 82: Office administrative, office support and other business support activities

A) Output Variables

The volume indicators include number of employees placed / recruited, etc. These datasets are not available from secondary / administrative data sources. Thus, the committee recommended the use of GST based indicators.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

X.Section Q: Education:

i.Division 85: Education

A) Output Variables

The committee noted that Education is a Sub – sector which is exempted from GST, hence, GST is also not a suitable source of data for this sub - sector.

It was further noted that as far as volume indicators are concerned, the output indicators for the sub – sector include indicators like Student / Pupil hours, Student enrolment, etc. by type of education. At present data of Student enrolment is available only for School Education on a monthly basis. In case of Higher Education, data is available only on an annual basis. Further, data on revenue earned from Education is also not available. While Government Expenditure on Education is available from Budget Document, with a lag of one year, out of pocket expenditure on Education is not from secondary / administrative sources.

Considering the above constraints, the committee recommended that Education may temporarily be excluded from the purview of ISP and the estimates of ‘Gross output’ from the ASISSE may be used as an output indicator for compilation of sub – sectoral ISP for Education sub – sector, once data for the same is available.

B) Deflators

The committee recommended that CPI of Education Sector can be used as a deflator.

XI. Section R: Human health and social work activities:

i. Division 86: Human health activities

A) Output Variables

The committee noted that the sub – sector Health is exempted from GST, hence, GST is also not a suitable source of data for this sub - sector.

Further it was also noted that as far as volume indicators are concerned, the output indicators for the sub – sector include Number of patients discharged, Number of occupant-days (by type of illness/injuries), Number of General Practitioner consultations, etc. The same is not available from secondary / administrative sources.

The committee also noted that data on revenue earned from Health is also not available. While Government Expenditure on Health is available from Budget Document, with a lag of one year, out of pocket expenditure on Health is not from secondary / administrative sources.

Considering the above constraints, the committee recommended that Health may temporarily be excluded from the purview of ISP and the estimates of ‘Gross output’ from the ASISSE may be used as an output indicator for compilation of sub – sectoral ISP for Health sub – sector, once data from the same is available.

B) Deflators

The committee recommended that CPI of Health Sector can be used as a deflator.

ii.Division 87: Residential care activities

A) Output Variables

The committee noted that this sub – sector is also exempted from GST, hence, GST is also not a suitable source of data for this sub - sector.

As far as volume indicators are concerned, the output indicators for the sub – sector include indicators like Number of persons receiving care (Children/ Aged / handicapped). The same is not available from secondary / administrative sources.

Thus, the committee recommended that the estimates of ‘Gross output’ from the ASISSE may be used as an output indicator for compilation of sub – sectoral ISP for the sub - sector, once data from the same is available.

B) Deflators

The committee recommended that CPI non - food can be used as a deflator.

XII.Section S: Arts, sports and recreation:

i.Division 90: Arts creation and performing arts activities

A) Output Variables

The committee noted that from GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

Further, unavailability of the volume indicators like number of Cinema tickets, theatre tickets, concert tickets, etc. were also noted. Thus, use of GST based output indicators was recommended.

B) Deflators

The committee recommended that CPI of Division Recreation, Sports & Culture can be used as deflator.

ii. Division 91: Library, archives, museum and other cultural activities

A) Output Variables

The committee noted the unavailability of volume based indicators like number of books issued, number of visitors, number of tickets sold, etc. and recommended use of GST based output indicators.

B) Deflators

The committee recommended that CPI of Division Recreation, Sports & Culture can be used as deflator.

iii.Division 93: Sports activities and amusement and recreation activities

A) Output Variables

The volume indicators include number of tickets sold. These datasets are not available from secondary / administrative data sources. Thus, use of GST based output indicators for the sub – sector was recommended.

B) Deflators

The committee recommended that CPI of Division Recreation, Sports & Culture can be used as deflator.

XIII.Section T: Other service activities:

i.Division 95: Repair of computers and personal and household goods and motor vehicles and motorcycles

A) Output Variables

The committee noted that the preferred output indicator is 'Gross Turnover deflated by appropriate price index'. From GST, data on taxable value of outward supplies is available for Service Accounting Codes which can be mapped to sub – sector.

The volume indicators include number of maintenance contracts, number of items repaired, etc. These datasets are not available from secondary / administrative data sources. Thus, use of GST based indicators was recommended.

B) Deflators

In the absence of a sector specific CPI, CPI Non – food was recommended as a deflator.

Weights for combining sub – sectoral ISPs to overall ISP.

The OECD Manual of compilation of ISP states “As the primary aim of compiling an Index of Services Production (ISP) is to measure short-term movements in the production activity of the services part of an economy, the ISP should be defined as a weighted average of the real output of these industries, where the weights are based on their shares in the value added of the Services sector.”

Deliberations and Recommendation of TAC - ISP

The committee recommended use of fixed weight Laspeyres Index method for compilation of ISP, as is the practice in IIP.

The committee noted that the GST Data is available SAC code wise which are then mapped to NIC 2 digit level. The committee recommended that the indices may first be compiled for NIC 2 digit level, which may subsequently be aggregated into broad sub- sectors. The committee further noted that MoSPI is undertaking ASISSE Survey which will be able to provide GVA at NIC 2/3/4 Digit and can be used as weights on the pattern of IIP but the results of the survey maybe available after above a year. In the interim period TAC-ISP recommended that NIC 2 Digit level categories maybe mapped to broad sector tabulation categories and their GST weights maybe used to arrive at these broad sector tabulation indices. The broad tabulation categories maybe aggregated into overall ISP using their GVA share from the NAS (base year) as weights.

Deliberations and Recommendation of TAC - ISP

The dissemination of various indices and results as undertaken by MoSPI in accordance with the existing dissemination practices and in line with international recommendations. Dissemination of indices would also depend upon the availability of data from the data producers.

The committee recommended that trial or experimental indices will be released initially to observe trend / stability of the indices before regular dissemination. For the purpose of dissemination, it was felt that GST data for a few categories / sub - sectors may need to be grouped together, if required, after studying the fluctuations in the sub – sectoral ISPs.

The committee further recommended that monthly trial indices may be released for all sub – sectors. In case of the financial sub – sectors (Banking and Insurance) the output variables for determining income of the sub – sectors combine more than one dataset, some of the data is available monthly and some is available with a quarterly frequency. Thus, the committee recommended that for arriving at monthly indices of these two sub sectors, suitable methodology may be used after studying the shares of monthly and quarterly data and the pattern of their movements.

Considering the lag of availability of GST data, which is approximately 45 days, the committee recommended that ISP maybe released within 60 days from the end of from the end of reference period for the release of monthly indices.

Chapter IV- Way Forward and recommendations

Bridging of Data Gaps

Under the guidance of TAC-ISP, MoSPI carried out a comprehensive assessment of the availability of output indicators for various service sector sub-sectors in line with international recommendations contained in the OECD Manual on Compilation of Index of Services Production. The exercise examined the feasibility of obtaining suitable turnover-based, volume-based, and administrative indicators from secondary and administrative data sources for each NIC division of the services sector. The detailed analysis is presented in Annexure III.

The analysis has revealed that a number of services sub - sectors are excluded from the coverage of ISP due to lack of data. These exclusions account for about 33% of GVA of services sector. For other sectors while reliable and regular data are available for a few sub-sectors such as Railways, Air Transport, Banking and Insurance; significant gaps continue to exist across several other service activities. In many cases, the preferred volume indicators recommended internationally are either not collected on a regular basis or are not available with the required periodicity and level of disaggregation. Consequently, for a large number of service activities, GST-based turnover data has been proposed as the primary source for compilation of sub-sectoral ISPs.

The study also highlighted that several important segments of the services economy, including Health and Education, currently lack adequate monthly administrative data and are not comprehensively covered through GST owing to exemptions.

Similarly, data limitations were observed in sectors such as accommodation, food services, real estate, professional services, publishing, broadcasting, and support services, where internationally recommended output indicators are either unavailable or not compiled in a timely manner. These gaps constrain the possibility of developing robust volume measures of service sector output and underscore the need for strengthening the statistical infrastructure for services.

Deliberations and Recommendation of TAC - ISP

In view of these findings, the Committee recommended that the concerned line Ministries, Departments and regulatory bodies may undertake concerted efforts to bridge the identified data gaps by instituting appropriate mechanisms for systematic collection, compilation and dissemination of high-frequency output indicators. Particular emphasis was placed on establishing monthly reporting systems wherever feasible, so that reliable and timely indicators of service sector activity become available for the compilation and continuous improvement of the Index of Services Production.

The Committee further observed that the availability of appropriate price deflators remains a critical prerequisite for converting value-based indicators into measures of real output. While Service Producer Price Indices (SPPIs) are internationally recognized as the preferred deflators for services, their availability in India is presently limited to only a few financial and communication-related activities. Accordingly, the Committee recommended that DPIIT may intensify efforts towards developing and releasing SPPIs for all major service sub-sectors. Further it was also recommended that the frequency of compilation of ISP may be made monthly. The expansion of SPPI coverage would not only improve the methodological robustness and international comparability of the proposed ISP but would also reduce dependence on proxy deflators such as CPI and WPI, thereby enhancing the accuracy of short-term measurement of service sector production in the country.

Measuring the informal sector

With the expansion of the informal sector, there is a growing need for a short-term indicator to measure its performance. The Overall ISP is inadequate in this regard, as it primarily captures only the formal sector.

The data sources under consideration do not cover the informal sector. Measuring the informal sector of the economy is difficult because of its diverse, scattered, and often undocumented nature. The main challenges are:

- Lack of reliable data: Most informal service entities do not maintain proper accounts or records;

- Informal Units are usually very small and scattered: Operate from homes, streets, or temporary locations, making identification difficult;
- There is high mobility of establishments, both in terms of location and activity.

Given the above, compiling a production index for the informal sector using the present datasets and methodology may not be possible for the services sector.

Annual Survey of Unincorporated Sector Enterprises

The NSS is conducting the Annual Survey of Unincorporated Sector Enterprises (ASUSE) since 2021-22. This survey aims to measure the GVA of the unincorporated sector on an annual basis. However, the ASUSE now envisages bringing out quarterly estimates for the unincorporated structure. This will provide the GVA for the sector on a quarterly basis and would thus answer to long-standing demand for a short-term measure for the informal sector of the economy.

The quarterly GVA from ASUSE would however be in current prices and thus a real measure for the sector would still not be available. This measure at constant prices can be achieved through the construction of an index.

Deliberations of TAC – ISP

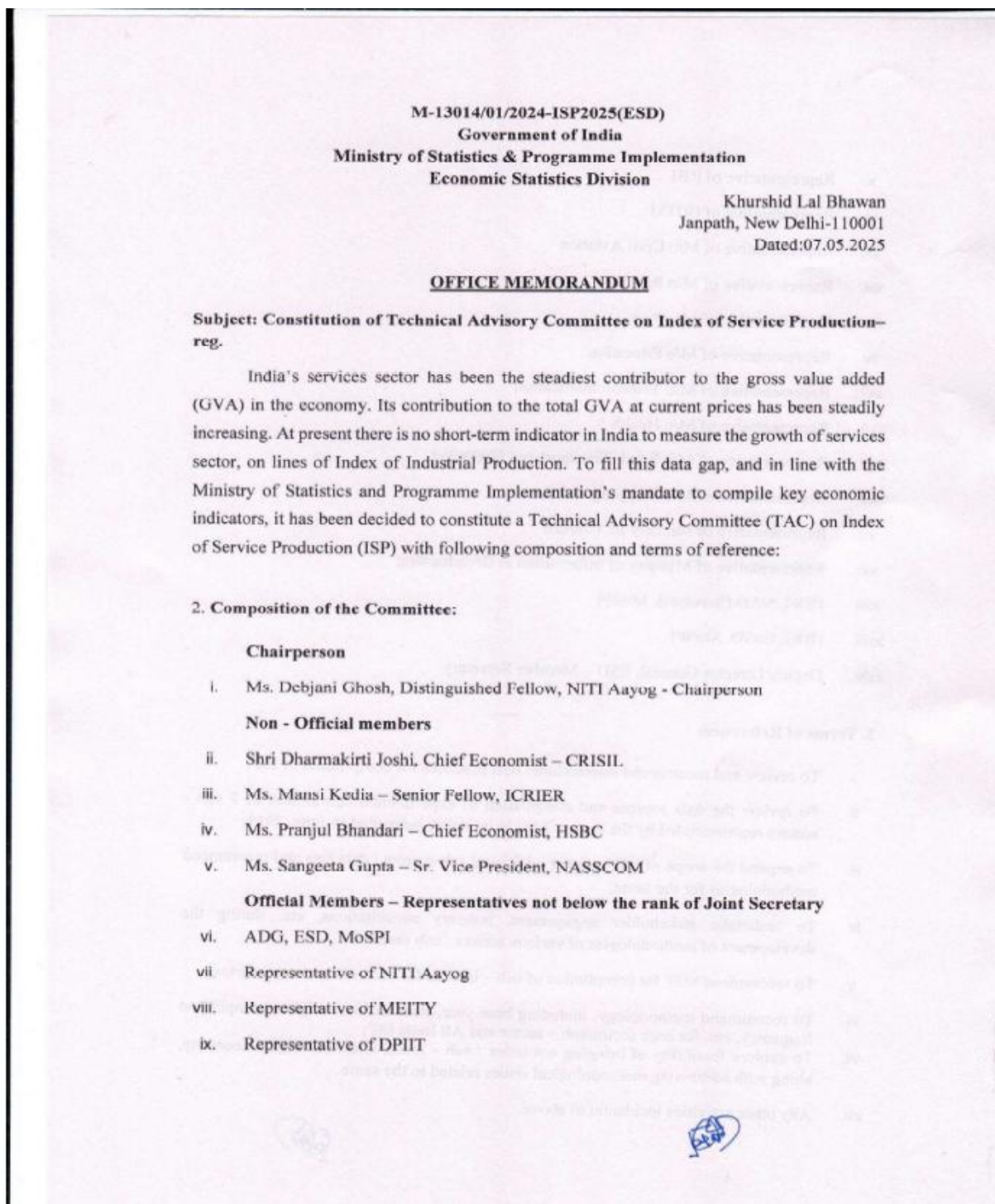
TAC – ISP noted that the methodology for construction of an Index of unincorporated sector has been discussed by MoSPI in the TAC – IIP. The TAC – IIP had noted that there is insufficient data at present for the construction of an index at a quarterly frequency, however, it has recommended a methodology that may be considered for the construction of an index for the manufacturing sector of the unincorporated economy. The TAC – ISP recommended that the method outlined in the report of the TAC – IIP may be used for services sector as well.

Bibliography

1. Report of TAC – ISP [earlier TAC – ISP]
2. OECD Manual on compilation of ISP
3. Eurostat Manual on compilation of ISP
4. Extracts of 23rd Meeting of Voorburg Group on ISP


Annexures

Constitution of Technical Advisory Committee for Index of Services Production



- x. Representative of RBI
- xi. Representative of IRDAI
- xii. Representative of M/o Civil Aviation
- xiii. Representative of M/o Railways
- xiv. Representative of M/o Post
- xv. Representative of M/o Education
- xvi. Representative of M/o Telecommunication
- xvii. Representative of M/o Health
- xviii. Representative of M/o Road, Transport and Highways
- xix. Representative of M/o Shipping and Port
- xx. Representative of Ministry of Tourism
- xxi. Representative of Ministry of Information & Broadcasting
- xxii. DDG, NAD (Services), MoSPI
- xxiii. DDG, EnSD, MoSPI
- xxiv. Deputy Director General, ESD – Member Secretary

3. Terms of Reference:

- i. To review and recommend international best practices for compilation of ISP;
 - ii. To review the data sources and compilation of experimental sub-indices of 7 sub-sectors recommended by the earlier TAC in its report submitted in June, 2019;
 - iii. To expand the scope of ISP to cover additional sub-sectors / data sets and recommend methodologies for the same;
 - iv. To undertake stakeholder engagement, industry consultations, etc. during the development of methodologies of various sectors / sub sectors.
 - v. To recommend SOP for compilation of sub – indices for each sector / sub - sector;
 - vi. To recommend methodology, including base year, item basket, weights, compilation frequency, etc. for each sector/sub – sector and All India ISP;
 - vii. To explore feasibility of bringing out index / sub – index related to digital economy, along with addressing methodological issues related to the same
 - viii. Any other activities incidental to above.
- 

4. The TAC - ISP will meet at least once in a month and submit the following deliverables:

- i. Finalisation of methodologies for compilation of sub - sectoral / sectoral / All India ISP within 5 months from the date of its inception / first meeting.
- ii. Experimental indices / sub-indices of ISP within 7 months from the date of its inception / first meeting.
- iii. Report on compilation of sub - sectoral / sectoral / All India ISP within 8 months from the date of its inception / first meeting.

5. The recommendations of the TAC – ISP will be used by the line Ministries / Departments / Organisations to bring out indices of their respective sectors/sub-sectors and by MoSPI to bring out All India ISP. An important use case for the ISP would be as an input to and refinement of estimation procedure of GDP for the services sector.

6. The expenditure of the official members on TA/DA for attending the meetings of the Committee will be borne by the parent Ministries/Departments/organizations to which they belong.

7. Non-official members/non-official special invitees will be paid TA/DA/conveyance allowance etc. as admissible to the non-official members/non-official special invitees for meetings as per instructions contained in Office Memorandum No. 19047/1/2016-E.IV dated 14th September 2017 of the Department of Expenditure, Ministry of Finance as amended and clarified from time to time. The non-official members of the Committee may be provided sitting fee of Rs. 4000/- (Rupees Four Thousand Only) per day, as per instructions contained in Office Memorandum No. 19047/10/2016-E.IV dated 12th April, 2017 of the Department of Expenditure, Ministry of Finance as amended and clarified from time to time. They may avail service of the Radio taxi/Cab services for local conveyance i.e. from airport or place of accommodation to the venue of the meeting and return in connection with the meeting of the WG on IOBS.

8. Non-official members/ non-official special invitees are required to book their tickets as per the instruction given in the Office Memorandum No. 19024/03/2021- E.IV dated-16/06/2022. (copy enclosed)

9. The expenditure on account of payment of TA/DA to the non-official members/non-official special invitees will be met out of the budget provision under the Major Head '3454' – Census, Surveys and Statistics, Sub Major Head '02' – Surveys and Statistics, Minor Head '02.204' – Central Statistics Office, Capacity Development '19', Object Head 19.01.11 – 'Domestic Travel Expenses (DTE)', and detailed head is 3454.02.204.19.01.11 and also the expenditure on account of payment of sitting fee to the non-official members/non-official special invitees will be met out of the budget provision under the Major Head '3454' – Census, Surveys and Statistics, Sub Major Head '02' – Surveys and Statistics, Minor Head '02.204' – Central Statistics Office, Capacity Development '19', Object Head 19.01.49 – 'Other Revenue Expenditure (ORE)', and detailed head is 3454.02.204.19.01.49 under Demand No. 96, Ministry of Statistics & Programme Implementation.

10. This issue with approval of the Competent Authority vide Note No. # 15 dated-01.05.2025 Computer No. 75283 and HOD, MoSPI's approval vide Note No. # 23 dated-02.05.2025 Computer No. 75283.

11. Copy of code of ethics is also enclosed herewith for compliance by members.



Fakhre Alam
Director

Copy to:

- i. The Chairperson
- ii. Secretaries of concerned Ministries - with a request to nominate an officer not below the rank of Joint Secretary as member
- iii. Other Official and Non-Official members of committee

Copy for information to:

- i. PSO to Secretary, MoSPI
- ii. PSO to DG (CS)
- iii. PSO to DG (DG)
- iv. PPS to AS &FA, MoSPI
- v. Sr. PPS to ADG, ESD



Fakhre Alam
Director

Officers of Economic Statistics Division Associated with ISP

- 1. Dr. Dalip Singh - Additional Director General**
- 2. Ms. Neha Srivastava - Deputy Director General**
- 3. Ms. Pankhudi Pandey -Joint Director**
- 4. Ms. Jagrati Goyal - Deputy Director**
- 5. Shri Aditya Singh Hada - Senior Statistical Officer**
- 6. Shri Shubham Garg - Senior Statistical Officer**
- 7. Shri Virender Pal - Junior Statistical Officer**
- 8. Ms. Arshima Khan - Consultant**
- 9. Shri Vickey Kumar Gupta- Consultant**

Availability of data from secondary sources and data gaps

Sub Sector - wise data availability (from various sources) and gap analysis

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
G : Wholesale and retail trade	46	Wholesale Trade	Gross Turnover deflated by appropriate price index	Not Available	Employment	GST (excludes trade of essential goods)	No
	47	Retail Trade	Gross Turnover deflated by appropriate price index	Not Available	Employment	GST (excludes trade of essential goods)	No
H : Transportation and storage	49	Land transport and transport via pipelines	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Passengers km travelled Tonnes km transported Cubic metres km transported 	<ul style="list-style-type: none"> Number of passengers Number of tonnes of freight Cubic metres transported 	GST (excludes non - AC public transport and transport of essential goods)	Yes - Railways (unpublished data) (Class - wise and commodity - wise break - up is not available on a monthly basis)

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
							No – Road , Transport via pipelines
	50	Water transport	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Passengers km travelled • Tonnes km transported 	<ul style="list-style-type: none"> • Number of passengers carried • Tonnes transported • Number of vehicles transported • Number of containers transported 	GST(excludes non – AC public transport and transport of essential goods)	Only Alternate for Freight with Partial coverage
	51	Air transport	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Passengers km travelled • Tonnes km transported 	<ul style="list-style-type: none"> • Number of passengers carried • Number of Tonnes transported • Number of aircraft movements 	GST (excludes few routes of north eastern area)	Yes, Preferred (Class wise and category-wise break up not available)
	52	Warehousing and support activities for transportation	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> • Tonnes of goods handled • Tonnes of goods carried 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
	53	Post & Courier	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of articles, category - wise 	GST	Only for services rendered by Department of Posts
I : Accommodation and food service activities	55	Accommodation	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Number of bed nights spent 	<ul style="list-style-type: none"> Number of beds 	GST	No
	56	Food and beverage service activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of meals sold Number of customers 	GST	No
J : Publishing of books, newspapers, periodicals and other publishing activities	58	Publishing activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of articles / books / newspapers published 	GST	No
	59	Motion picture, video and television programme production, sound recording and music publishing activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of movies produced, number of programmes produced, music albums published 	GST	No
	60	Programming, broadcasting, news agency and other	Gross Turnover deflated by	Not Available	<ul style="list-style-type: none"> Number of viewers / subscribers, etc. 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
			content distribution activities	appropriate price index			
K : Telecommunications, computer programming, consultancy, computing infrastructure, and other information service activities	61	Telecommunications	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Minutes of Usage' for Non – Data Services and 'Data usage' for Data Services 	<ul style="list-style-type: none"> Number of calls made 	GST	Yes (Quarterly) - lag is high
	62	Computer programming, consultancy and related activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of consultancy contracts Number of billable hours 	GST	No
	63	Computing infrastructure, data processing, hosting, and other information service	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Number of databases commissioned, Number of accesses to search engines, 	<ul style="list-style-type: none"> Number of transactions processed Number of forms processed Number of keystrokes 	GST	No
L : Financial and insurance activities	64	Financial service activities, except insurance and pension funding	Non – FISIM / Fee income deflated by appropriate price deflator and FISIM / Income generated from Interest Margins deflated by	<ul style="list-style-type: none"> Number of transactions Number of loans Number of deposits 	<ul style="list-style-type: none"> Number of bank clearings Number of credit card transactions Number of debit card transactions Number of investment funds managed 	RBI (Quarterly)	--

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
			general price index (Overall GDP deflator or overall CPI)		<ul style="list-style-type: none"> Number of securities transactions 		
	65	Insurance, reinsurance and pension funding, except compulsory social security	Provisions less Claims deflated by a General GDP deflator	<ul style="list-style-type: none"> Acquisition and administration of life insurance policies Acquisition and administration of pensions Number of non-life insurance policies sold 	<ul style="list-style-type: none"> Number of life insurance policies sold Number of pensions sold Number of non-life insurance policies sold Number of clients 	IRDAI (Quarterly)	--
M : Real estate activities	68	Real estate activities	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Number of new dwellings sold Number of existing dwellings sold Square metres of new non-residential buildings sold Square metres of existing non-residential buildings sold Square metres of land sold 	<ul style="list-style-type: none"> Number of property transactions Number of dwellings rented Number of non-residential buildings rented Number of owner occupied dwellings Number of fees negotiated 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
				<ul style="list-style-type: none"> Number of residential rentals Number of non-residential leases Imputed rent for owner occupied housing stock 	<ul style="list-style-type: none"> Number of contracts managed 		
N : Professional, scientific and technical activities	69	Legal and accounting activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of contracts drawn up Number of tax returns filed 	GST	No
	70	Activities of head offices; management consultancy activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of campaigns run Number of billable hours 	GST	No
	71	Architectural and engineering activities; technical testing and analysis	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of designs commissioned Number of surveys commissioned Number of tests carried out Number of billable hours 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
	72	Scientific research and development	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Number of employees 	<ul style="list-style-type: none"> Number of publications by researchers Number of research degrees completed Number of patents granted 	GST	
	73	Activities of advertising, market research and public relations	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of campaigns carried out Square metres of billboards rented Seconds of television time bought Number of units of media space 	GST	No
	74	Other professional, scientific and technical activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of contract drawn, Number of billable hours 	GST	
O : Administrative and support service activities	75	Veterinary activities	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> Number of courses of treatment Number of appointments/ consultations 	<ul style="list-style-type: none"> Number of animals treated 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
	77	Rental and leasing activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of items leased or rented out Number of lease or rental agreements 	GST	No
	78	Employment activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of members of placement agencies 	GST	No
	79	Travel agency, tour operator, and other travel related activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of bookings Number of trips 	GST	No
	80	Investigation and security activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of man-hours of surveillance 	GST	No
	81	Services to buildings and landscape activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> Number of upkeep activities undertaken 	GST	No
	82	Office administrative, office support and	Gross Turnover deflated by	Not Available	<ul style="list-style-type: none"> number of employees placed / recruited, etc. 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
			other business support activities	appropriate price index			
Q : Education	85	Education	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Student-hours • Pupil hours 	<ul style="list-style-type: none"> • Number of students enrolled 	No at present (Future - ASISSE)	No
R : Human health and social work activities	86	Human health activities	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Number of courses of treatment 	<ul style="list-style-type: none"> • Number of patients discharged, Number of occupant-days (by type of illness/injuries), Number of General Practitioner consultations 	No at present (Future - ASISSE)	No
	87	Residential care activities	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Number of persons receiving care 		No at present (Future - ASISSE)	No
	88	Social work activities without accommodation (Excluded from ISP)	Not Available	Not Available	Not Available	No	--

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
S : Arts, sports and recreation	90	Arts creation and performing arts activities	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Cinema tickets • Theatre tickets • Concert tickets 	<ul style="list-style-type: none"> • Number of tickets sold 	GST	No
	91	Library, archives, museum and other cultural activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> • Number of items lent • Number of visitors • Number of tickets sold 	GST	No
	93	Sports activities and amusement and recreation activities	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> • Number of tickets sold 	GST	
T : Other service activities	94	Activities of membership organisations (Excluded from ISP)	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> • Number of members 	No	--
	95	Repair of computers and personal and household goods and motor vehicles and motorcycles	Gross Turnover deflated by appropriate price index	Not Available	<ul style="list-style-type: none"> • Number of maintenance contracts • Number of items repaired 	GST	No

Section of NIC 2025 and its description	NIC Division		Suggested Value Based Indicator	Suggested Volume indicators (Mostly Based on OECD Manual)		Availability / Gap	
	Code	Description		Preferred	Alternative	Value based indicator	Volume indicators
	96	Personal service activities (Excluded from ISP)	Gross Turnover deflated by appropriate price index	<ul style="list-style-type: none"> • Number of appointments • Number of visits • Number of operations 	<ul style="list-style-type: none"> • Number of appointments • Number of clients 	No	No

Annexure - IV

Index for Service Production (ISP): Broad Sectors, their weights and share of sub-sectors within each broad sector

Serial No.	Broad Sectors	Weights for Broad/ Sub - Sectors*
1	Wholesale Trade	6.41%
2	Retail Trade	18.49%
3	Repair & Maintenance	1.47%
4	Accommodation and food	4.17%
4.1	Accommodation	1.35%
4.2	Food and beverage service activities	2.81%
5	Railway Transport	1.85%
5.1	Passenger	0.57%
5.2	Freight	1.28%
6	Road Transport	7.49%
7	Water Transport	0.27%
8	Air Transport	0.47%
8.1	Passenger	0.45%
8.2	Freight	0.02%
9	Warehousing and support activities for transportation	2.32%
10	Postal & Courier	0.50%
11	Telecommunications	3.16%

Serial No.	Broad Sectors	Weights for Broad/ Sub - Sectors*
12	Information and Broadcasting	1.10%
12.1	Publishing Activities	0.49%
12.2	Motion picture, video and television programme production, sound recording and music publishing activities	0.10%
12.3	Programming, Broadcasting, News Agency and other content distribution activities	0.51%
13	Banking	10.74%
14	Insurance	2.43%
15	Real Estate	1.64%
16	Information and computer related services	21.91%
16.1	Computer programming, consultancy and related activities	20.51%
16.2	Computing infrastructure, data processing, hosting, and other information service	1.41%
17	Professional, scientific & technical services including R & D	0.95%
17.1	Legal and accounting activities	0.09%
17.2	Activities of head offices; management consultancy activities	0.26%
17.3	Architectural and engineering activities; technical testing and analysis	0.15%
17.4	Scientific research and development	0.03%
17.5	Activities of advertising, market research and public relations	0.27%

Serial No.	Broad Sectors	Weights for Broad/ Sub - Sectors*
17.6	Other professional, scientific and technical activities	0.15%
17.7	Veterinary activities	0.00%
18	Administrative and support services	14.39%
18.1	Rental & Leasing Activities	2.08%
18.2	Employment activities	3.00%
18.3	Travel agency, tour operator, and other travel related activities	0.47%
18.4	Investigation and security activities	0.58%
18.5	Services to buildings and landscape activities	0.34%
18.6	Office administrative, office support and other business support activities	7.92%
19	Arts, Entertainment and Recreation Services	0.23%
19.1	Arts creation and performing arts activities	0.09%
19.2	Library, archives, museum and other cultural activities	0.01%
19.3	Sports activities and amusement and recreation activities	0.13%
Total		100.00

* Weights are provisional and may undergo a change

Annexure V

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
Wholesale Trade	G : Wholesale and retail trade	46	Wholesale Trade	@996111	Services provided for a fee or commission or on contract basis on wholesale trade	
Retail Trade		47	Retail Trade	@996211	Services provided for a fee or commission or on contract basis on retail trade	
Repair and Maintenance	T: Other Service Activities	95	Repair and maintenance of computers, personal and household goods, and motor vehicles and motorcycles	@998538	Cleaning of transportation equipment	
				@998713	Maintenance and repair services of computers and peripheral equipment	
				@998715	Maintenance and repair services of electrical household appliances	
				@998716	Maintenance and repair services of telecommunication equipments and apparatus	
				@998721	Repair services of footwear and leather goods	
				@998722	Repair services of watches, clocks and jewellery	
				@998723	Repair services of garments and household textiles	
				@998724	Repair services of furniture	
				@998725	Repair services of bicycles	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
Road transport	H : Transportation and storage	49 (Land transport and transport via pipelines)	(ii) Road transport	@998726	Maintenance and repair services of musical instruments	
				@998729	Maintenance and repair services of other goods nowhere else classified	
				@998714	Maintenance and repair services of transport machinery and equipment	
				@996411	Local land transport services of passengers by railways, metro, monorail, bus, tramway, autos, three wheelers, scooters and other motor vehicles	Passenger
				@996412	Taxi services including radio taxi and other similar services	
				@996413	Non-scheduled local bus and coach charter services	
				@996414	Other land transportation services of passengers	
				@996416	Sightseeing transportation services by rail, land, water and air	
				@996418	Sightseeing transportation services by rail or road	
@996419	Other local transportation services of passengers nowhere else classified					

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996422	Long-distance transport services of passengers through road by bus, car, non-scheduled long distance bus and coach services, stage carriage and the like	
				@996423	Taxi services including radio taxi and other similar services	
				@996429	Other long-distance transportation services of passengers nowhere else classified	
				@996432	Scheduled long-distance transport services of passengers through road by bus and coach services including stage carriage, contract carriage and the like	
				@996433	Non-scheduled long-distance transport services of passengers through road by bus and coach services including stage carriage, contract carriage and the like	
				@996434	Long-distance transport service of passengers by any motor vehicle other than bus including motorcab, maxicab and radio taxi	
				@996439	Other long distance transport service of passengers by land nowhere else specified	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996601	Rental services of road vehicles including buses, coaches, cars, trucks and other motor vehicles, operator	
				@996609	Rental services of other transport vehicles nowhere else classified operator	
				@996511	Road transport services of Goods including letters, parcels, live animals, household and office furniture, containers and the like by refrigerator vehicles, trucks, trailers, man or animal drawn vehicles or any other vehicles	Freight
				@996513	Transport services of petroleum and natural gas, water, sewerage and other goods via pipeline	
				@996514	Transport services via pipeline of other chemicals, coal slurry and of other goods	
				@996515	Moving services of household goods, office equipment and furniture	
				@996516	Road transport services of goods including letters, parcels, live animals, containers and the like in refrigerated vehicles, trucks, trailers or any other motor vehicle or in man or animal driven vehicles by any person other than a goods transport agency	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996519	Other land transport services of goods nowhere else classified	
Water transport		50	Water transport	@996415	Local water transport services of passengers by ferries, cruises and the like	Passenger
				@996424	Coastal and transoceanic (overseas) water transport services of passengers by Ferries, Cruise Ships and the like	
				@996441	Coastal water transport service of passengers by ferries and the like	
				@996442	Coastal water transport service of passengers by cruise ships and the like	
				@996443	Inland water transport service of passengers by ferries and the like	
				@996444	Inland water transport service of passengers by cruise ships and the like	
				@996445	International water transport services of passengers by ferries, cruise ships and the like	
				@996602	Rental services of water vessels including passenger vessels, freight vessels and the like operator	
				@996604	Rental services of passenger vessels with operator	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
Warehousing and support activities for transportation				@996605	Rental services of goods vessels with operator	Freight
				@996449	Other long distance transport service of passengers by water nowhere else specified	
				@996521	Coastal and transoceanic (overseas) water transport services of goods by refrigerator vessels, tankers, bulk cargo vessels, container ships and the like	
				@996522	Inland water transport services of goods by refrigerator vessels, tankers and other vessels	
				@996523	International water transport services of goods by refrigerated vessels, tankers, bulk cargo vessels, container ships and the like	
		52	Warehousing and support activities for transportation	@996711	Container handling services	
				@996712	Customs House Agent services	
				@996713	Clearing and forwarding services	
				@996719	Other cargo and baggage handling services	
				@996731	Railway pushing or towing services	
			@996739	Other supporting services for railway transport nowhere else classified		
			@996741	Bus station services		

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996742	Operation services of national highways, state highways, expressways, roads and streets; bridges and tunnel operation services	
				@996743	Parking lot services	
				@996744	Towing services for commercial and private vehicles	
				@996749	Other supporting services for road transport nowhere else classified	
				@996751	Port and waterway operation services (excluding cargo handling) such as operation services of ports, docks, light houses, light ships and the like	
				@996752	Pilotage and berthing services	
				@996753	Vessel salvage and refloating services	
				@996759	Other supporting services for water transport nowhere else classified	
				@996761	Airport operation services (excluding cargo handling)	
				@996762	Air traffic control services	
				@996763	Other supporting services for air transport	
				@996764	Supporting services for space transport	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996768	Other supporting services for air transport	
				@996769	Supporting services for space transport	
				@996791	Goods transport agency services for road transport	
				@996792	Goods transport agency services for other modes of transport	
				@996793	Other goods transport services	
				@996799	Other supporting transport services nowhere else classified	
				@996540	Multimodal Transport of goods from a place in India to another place in India	
				@996541	Multimodal Transport of goods from a place in India to another place in India	
				@996721	Refrigerated storage services	
				@996722	Bulk liquid or gas storage services	
				@996729	Other storage and warehousing services	
				@998540	Packaging services of goods for others	
Postal & courier		53	Postal and courier activities	@996811	Postal services including post office counter services, mail box rental services	
				@996812	Courier services	
				@996813	Local delivery services	
				@996819	Other Delivery Services nowhere else classified	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998411	Carrier services	
Accommodation and Food	I : Accommodation and food service activities	55	Accommodation	@996311	Room or unit accommodation services provided by Hotels, Inn, Guest House, Club and the like	
				@996312	Camp site services	
				@996313	Recreational and vacation camp services	
				@996321	Room or unit accommodation services for students in student residences	
				@996322	Room or unit accommodation services provided by Hostels, Camps, Paying Guest and the like	
				@996329	Other room or unit accommodation services nowhere else classified	
		56	Food and beverage service activities	@996331	Services provided by restaurants, cafes and similar eating facilities including takeaway services, room services and door delivery of food	
				@996332	Services provided by Hotels, Inn, Guest House, Club and the like including room services, takeaway services and door delivery of food	
				@996333	Services provided in canteen and other similar establishments	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@996334	Catering Services in exhibition halls, events, marriage halls and other outdoor/indoor functions	
				@996335	Catering services in trains, flights and the like	
				@996336	Preparation or supply services of food, edible preparations, alcoholic and non-alcoholic beverages to airlines and other transportation operators	
				@996337	Other contract food services	
				@996339	Other food, edible preparations, alcoholic and non-alcoholic beverages serving services nowhere else classified	
Information and Broadcasting	J : Publishing of books, newspapers, periodicals and other publishing activities	58	Publishing activities	@998431	On-line text based information such as online books, newspapers, periodicals, directories and the like	
				@998911	Publishing, on a fee or contract basis	
				@998434	Software downloads	
				@997331	Licensing services for the right to use computer software and databases	
		59	Motion picture, video and television programme production, sound recording and music publishing activities	@999611	Sound recording services	
				@999612	Motion picture, videotape, television and radio programme production services	
				@999613	Audiovisual post-production services	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
			Programming, Broadcasting, News Agency and other content distribution activities	@999614	Motion picture, videotape and television programme distribution services	
				@999615	Motion picture projection services	
				@998463	Radio channel programmes	
				@998464	Television channel programmes	
		@998435		Supply consisting only of e-book.		
		@998439		Other on-line contents nowhere else classified		
		@998461		Radio broadcast originals		
		@998462		Television broadcast originals		
		@998465		Broadcasting services		
		@998466		Home programme distribution services		
		@998469		Other broadcasting, programming and programme distribution services		
		@998441		News agency services to newspapers and periodicals		
		@998443		News agency services to audiovisual media		
		@998432		On-line audio content		
@998433	On-line video content					
Telecommunication	K : Telecommunications, computer programming, consultancy, computing infrastructure, and other information service activities	61	Telecommunications	@998412	Fixed telephony services	
				@998413	Mobile telecommunications services	
				@998414	Private network services	
				@998415	Data transmission services	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
Information and computer related services				@998419	Other telecommunications services including fax services, telex services nowhere else classified	
				@998421	Internet backbone services	
				@998422	Internet access services in wired and wireless mode	
				@998423	Fax, telephony over the Internet	
				@998424	Audio conferencing and video conferencing over the Internet	
				@998429	Other internet telecommunications services nowhere else classified	
		62	Computer programming, consultancy and related activities	@998313	Information technology consulting and support services	
				@998314	Information technology design and development services	
				@998319	Other information technology services nowhere else classified	
		63	Computing infrastructure, data processing, hosting, and other information service	@998598	Other information services nowhere else classified	
				@998315	Hosting and information technology infrastructure provisioning services	
				@998316	Information technology infrastructure and network management services	
Real estate	M : Real estate activities	68	Real estate activities	@997211	Rental or leasing services involving own or leased residential property	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@997212	Rental or leasing services involving own or leased non-residential property	
				@997213	Trade services of buildings	
				@997214	Trade services of time-share properties	
				@997215	Trade services of vacant and subdivided land	
				@997219	Other real estate services involving owned or leased property	
				@997221	Property management services on a fee or commission basis or on contract basis	
				@997222	Building sales on a fee or commission basis or on contract basis	
				@997223	Land sales on a fee or commission basis or on contract basis	
				@997224	Real estate appraisal services on a fee or commission basis or on contract basis	
				@997229	Other real estate services on a fee or commission basis or on contract basis	
			@997231	Services by way of grant of development rights, FSI or additional FSI		
Professional, scientific &	N : Professional, scientific and technical activities	69	Legal and accounting activities	@998211	Legal advisory and representation services concerning criminal law	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
technical services including R & D				@998212	Legal advisory and representation services concerning other fields of law	
				@998213	Legal documentation and certification services concerning patents, copyrights and other intellectual property rights	
				@998214	Legal documentation and certification services concerning other documents	
				@998215	Arbitration and conciliation services	
				@998216	Other legal services nowhere else classified	
				@998219	Other legal services nowhere else classified	
				@998221	Financial auditing services	
				@998222	Accounting and bookkeeping services	
				@998223	Payroll services	
				@998224	Other similar services nowhere else classified	
				@998229	Other similar services nowhere else classified	
				@998231	Corporate tax consulting and preparation services	
			@998232	Individual tax preparation and planning services		

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998239	Other tax consultancy and preparation services	
				@998240	Insolvency and receivership services	
				@997156	Financial consultancy services	
		70	Activities of head offices; management consultancy activities	@998311	Management consulting and management services including financial, strategic, human resources, marketing, operations and supply chain management	
				@998312	Business consulting services including public relations services	
		71	Architectural and engineering activities; technical testing and analysis	@998321	Architectural advisory services	
				@998322	Architectural services for residential building projects	
				@998323	Architectural services for non-residential building projects	
				@998324	Historical restoration architectural services	
				@998325	Urban planning services	
				@998326	Rural land planning services	
@998327	Project site master planning services					
@998328	Landscape architectural services and advisory services					

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998329	Other architectural services, urban and land planning and landscape architectural services	
				@998331	Engineering advisory services	
				@998332	Engineering services for building projects	
				@998333	Engineering services for industrial and manufacturing projects	
				@998334	Engineering services for transportation projects	
				@998335	Engineering services for power projects	
				@998336	Engineering services for telecommunications and broadcasting projects	
				@998337	Engineering services for waste management projects (hazardous and non-hazardous), for water, sewerage and drainage projects	
				@998338	Engineering services for other projects nowhere else classified	
				@998339	Project management services for construction projects	
				@998341	Geological and geophysical consulting services	
				@998342	Subsurface surveying services	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998344	Surface surveying and map-making services	
				@998346	Technical testing and analysis services	
				@998347	Certification of ships, aircraft, dams, and the like	
	72		Scientific research and development	@998111	Research and experimental development services in natural sciences	
				@998112	Research and experimental development services in engineering and technology	
				@998113	Research and experimental development services in medical sciences and pharmacy	
				@998114	Research and experimental development services in agricultural sciences	
				@998121	Research and experimental development services in social sciences	
				@998122	Research and experimental development services in humanities	
				@998130	Interdisciplinary research and experimental development services	
				@998141	Research and development originals in pharmaceuticals	
@998142	Research and development originals in agriculture					

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998143	Research and development originals in biotechnology	
				@998144	Research and development originals in computer related sciences	
				@998145	Research and development originals in other fields nowhere else classified	
				@998149	Research and development originals in other fields nowhere else classified	
	73		Activities of advertising, market research and public relations	@998361	Advertising Services	
				@998362	Purchase or sale of advertising space or time, on commission	
				@998363	Sale of advertising space in print media (except on commission)	
				@998364	Sale of television and radio advertising time	
				@998365	Sale of Internet advertising space	
				@998366	Sale of other advertising space or time (except on commission)	
				@998371	Market research services	
				@998372	Public opinion polling services	
				@998397	Sponsorship services and brand promotion services	
@998398	Sponsorship services and brand promotion services					

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
		74	Other professional, scientific and technical activities	@998345	Weather forecasting and meteorological services	
				@998348	Certification and authentication of works of art	
				@998349	Other technical and scientific services nowhere else classified	
				@998381	Portrait photography services	
				@998382	Advertising and related photography services	
				@998383	Event photography and event videography services	
				@998384	Specialty photography services	
				@998385	Restoration and retouching services of photography	
				@998386	Photographic and videographic processing services	
				@998387	Other photography and videography and their processing services nowhere else classified	
				@998389	Other photography and videography and their processing services nowhere else classified	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998391	Specialty design services including interior design, fashion design, industrial design and other specialty design services	
				@998392	Design originals	
				@998393	Scientific and technical consulting services	
				@998394	Original compilations of facts or information	
				@998395	Translation and interpretation services	
				@998396	Trademarks and franchises	
				@998399	Other professional, technical and business services nowhere else classified	
		@998442	Services of independent journalists and press photographers			
		75	Veterinary activities	@998351	Veterinary services for pet animals	
				@998352	Veterinary services for livestock	
@998359	Other veterinary services nowhere else classified					
Administrative & support services	O: Administrative and support service activities	77	Rental and leasing activities	@997311	Leasing or rental services concerning transport equipments including containers, without operator	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@997312	Leasing or rental services concerning agricultural machinery and equipment without operator	
				@997313	Leasing or rental services concerning construction machinery and equipment without operator	
				@997314	Leasing or rental services concerning office machinery and equipment (except computers) without operator	
				@997315	Leasing or rental services concerning computers without operators	
				@997316	Leasing or rental services concerning telecommunications equipment without operator	
				@997317	Leasing or rental services concerning other machinery and equipment without operator	
				@997318	Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.	
				@997319	Leasing or rental services concerning other machinery and equipments without operator	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@997321	Leasing or rental services concerning televisions, radios, video cassette recorders, projectors, audio systems and related equipment and accessories (home entertainment equipment)	
				@997322	Leasing or rental services concerning video tapes and disks (home entertainment equipment)	
				@997323	Leasing or rental services concerning furniture and other household appliances	
				@997324	Leasing or rental services concerning pleasure and leisure equipment	
				@997325	Leasing or rental services concerning household linen	
				@997326	Leasing or rental services concerning textiles, clothing and footwear	
				@997327	Leasing or rental services concerning do-it-yourself machinery and equipment	
				@997328	Transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.	
				@997329	Leasing or rental services concerning other goods	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@997332	Licensing services for the right to broadcast and show original films, sound recordings, radio and television programme and the like	
				@997333	Licensing services for the right to reproduce original art works	
				@997334	Licensing services for the right to reprint and copy manuscripts, books, journals and periodicals	
				@997335	Licensing services for the right to use research and development products	
				@997336	Licensing services for the right to use trademarks and franchises	
				@997338	Licensing services for right to use other natural resources including telecommunication spectrum	
				@997339	Licensing services for the right to use other intellectual property products and other resources nowhere else classified	
	78	Employment activities	@998511	Executive or retained personnel search services		
			@998512	Permanent placement services, other than executive search services		
			@998513	Contract staffing services		
			@998514	Temporary staffing services		

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998515	Long-term staffing (pay rolling) services	
				@998516	Temporary staffing-to-permanent placement services	
				@998517	Co-employment staffing services	
				@998519	Other employment and labour supply services nowhere else classified	
	79		Travel agency, tour operator, and other travel related activities	@998551	Reservation services for transportation	
				@998552	Reservation services for accommodation, cruises and package tours	
				@998553	Reservation services for convention centres, congress centres and exhibition halls	
				@998555	Tour operator services	
				@998556	Tourist guide services	
				@998557	Tourism promotion and visitor information services	
				@998559	Other travel arrangement and related services nowhere else classified	
	80		Investigation and security activities	@998521	Investigation services	
				@998522	Security consulting services	
				@998523	Security systems services	
				@998524	Armoured car services	
				@998525	Guard services	
@998526				Training of guard dogs		

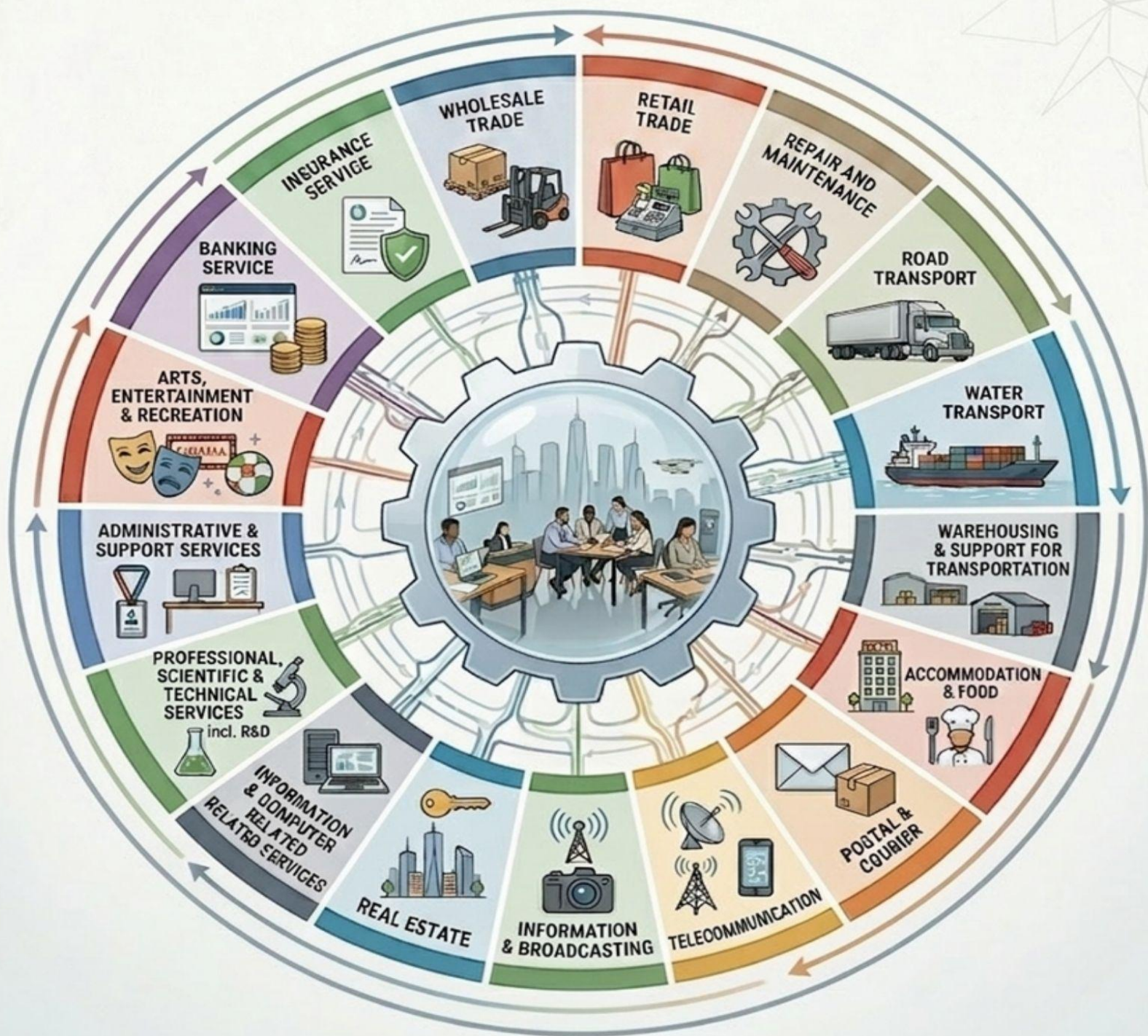
Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998527	Polygraph services	
				@998528	Fingerprinting services	
				@998529	Other security services nowhere else classified	
		81	Services to buildings and landscape activities	@998531	Disinfecting and exterminating services	
				@998532	Window cleaning services	
				@998533	General cleaning services	
				@998534	Specialised cleaning services for reservoirs and tanks	
				@998535	Sterilisation of objects or premises (operating rooms)	
				@998536	Furnace and chimney cleaning services	
				@998537	Exterior cleaning of buildings of all types	
		@998539	Other cleaning services nowhere else classified			
		@998597	Landscape care and maintenance services			
		82	Office administrative, office support and other business support activities	@998541	Parcel packing and gift wrapping	
				@998542	Coin and currency packing services	
				@998543	Coin and currency packing services	
@998549	Other packaging services nowhere else classified					
@998592	Collection agency services					
@998593	Telephone-based support services					

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@998594	Combined office administrative services	
				@998595	Specialised office support services such as duplicating services, mailing services, document preparation and the like	
				@998596	Events, Exhibitions, Conventions and trade shows organisation and assistance services	
				@998599	Other support services nowhere else classified	
				@999791	Services involving commercial use or exploitation of any event	
				@998591	Credit reporting and rating services	
				@999799	Other services nowhere else classified	
Arts, Entertainment and recreation	S : Arts, sports and recreation	90	Arts creation and performing arts activities	@999621	Performing arts event promotion and organisation services	
				@999622	Performing arts event production and presentation services	
				@999623	Performing arts facility operation services	
				@999624	Services by way of admission or access to circus, Indian classical dance including folk dance, theatrical performance, drama [or planetarium], ballet etc.	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@999629	Other performing arts and live entertainment services nowhere else classified	
				@999631	Services of performing artists including actors, readers, musicians, singers, dancers, television personalities, independent models and the like	
				@999632	Services of authors, composers, sculptors and other artists, except performing artists	
				@999633	Original works of authors, composers and other artists except performing artists, painters and sculptors	
	91	Library, archives, museum and other cultural activities	@999641	Museum and preservation services of historical sites and buildings		
			@999642	Botanical, zoological and nature reserve services		
			@998451	Library services		
			@998452	Operation services of public archives including digital archives		
			@998453	Operation services of historical archives including digital archives		

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
		93	Sports activities and amusement and recreation activities	@999651	Sports and recreational sports event promotion and organisation services	
				@999652	Sports and recreational sports facility operation services	
				@999653	Services by way of admission to sporting events like Indian Premier League.	
				@999659	Other sports and recreational sports services nowhere else classified	
				@999661	Services of athletes	
				@999662	Support services related to sports and recreation	
				@999691	Amusement park and similar attraction services	
				@999692	Coin-operated amusement machine services	
				@999693	Coin-operated amusement machine services	
				@999699	Other recreation and amusement services nowhere else classified	
				@998554	Reservation services for event tickets, cinema halls, entertainment and recreational services and other reservation services	

Broad Sectors	National Industrial Classification (NIC)			Service Accounting Codes (SAC)		Passenger/Freight
	Section	Code	Description	Code	Description	(Only Applicable for Transport Sector)
				@999616	Services by way of admission to exhibition of cinematograph films where price of admission ticket is one hundred rupees or less	
				@999617	Services by way of admission to exhibition of cinematograph films where price of admission ticket is above one hundred rupees.	



Economic Statistics Division

National Statistics Office

Ministry of Statistics and Programme Implementation

Khurshid Lal Bhawan

Janpath, New Delhi 110001