Highlights

1. The Gross Domestic Product at constant (2011-12) prices for the year 2017-18 is estimated at `130.1 lakh crore, as against the estimate of `121.9 lakh crore for 2016-17, indicating growth of 6.7 per cent during 2017-18. At current prices, GDP for 2017-18 is estimated to be `167.7 lakh crore as against the estimate of `152.5 lakh crore for 2016-17, showing an increase of 10.0 per cent during the year.

2. The estimate of National Income (i.e. Net National Income) at constant (2011-12) prices for 2017-18 is `114.1 lakh crore, as against the estimate of `106.8 lakh crore for 2016-17, suggesting a rise of 6.8 per cent during 2017-18. At current prices, the National Income for 2017-18 is estimated at `148.5 lakh crore as compared to the estimate of `134.9 lakh crore for 2016-17, showing a rise of 10.1 per cent during the year.

3. The per capita real income, i.e. per capita net national income at constant (2011-12) prices, for 2017-18 is estimated at `86,668 as against the estimate of `82,229 for 2016-17. This indicates a growth of per capita real income of about 5.4 per cent during 2017-18. The per capita income at current prices during 2017-18 is estimated at `1,12,835 as compared to `1,03,870 in 2016-17 showing a rise of 8.6 per cent.
4. In the year 2016-17, the public sector, comprising general government (administrative departments and autonomous institutions of Government) and public corporations (departmental enterprises and non-departmental enterprises) contributed 19.1 per cent in the total GVA. During the period, the household sector was the largest contributor, followed by private non-financial corporations with the share of 43.2 per cent and 34.9 per cent respectively in the total GVA.

5. Net lending/borrowing of the total economy and institutional sectors is depicted in the following graph.

![Institutional Sector-wise Net Lending/Borrowing](image)

6. During 2016-17, net borrowing of the total economy has reduced to ₹ 1.0 lakh crore as compared to ₹ 1.4 lakh crore in 2015-16. The household sector and financial corporations are net lenders which finance the resource gap of general government and non-financial corporations.

7. At current prices, the share of primary and secondary sectors have gone down from 21.7 per cent and 29.3 per cent respectively in 2011-12 to 20.4 per cent and 26.9 per cent respectively in 2016-17. The share of tertiary sector has gone up from 49.0 per cent in 2011-12 to 52.8 per cent in 2016-17.
8. The following charts depict the composition of GVA at current prices and growth rate of real GVA in terms of the share of different sectors of the economy:

9. During 2016-17, real GVA has grown by 7.1 per cent as against a growth of 8.1 per cent during 2015-16. The growth in real GVA during 2016-17 has been lower than that in 2015-16 mainly due to relatively lower growth in “manufacturing” (7.9%), “construction” (1.3%), “trade, repair, hotels & restaurants” (8.9%), and “real estate, ownership of dwellings and professional services” (8.0%), “financial services” (1.3%), “transport storage communication and services related to broadcasting” (4.3%).

10. Performance of crop and livestock sectors: The crop output recorded an increase of 6.3 per cent in 2016-17 while the livestock output has grown by 5.3 per cent during the same period. In 2016-17, the production of rice has shown a growth of 5.5 per cent and wheat has shown an increase of 6.6 percent as against decline of -1.0 per cent and increase of 6.6 per cent respectively during the year 2015-16. The overall production of food grains has increased by 9.6 per cent during 2016-17 as compared to a decline of -0.18 per cent during 2015-16.

11. During the year 2016-17, the percentage growth of different item group in WPI basket varied from -4.57 per cent to 7.1 per cent. The implicit price index in the current and constant-price estimates of Gross Domestic Product grew by 3.5 per cent in 2016-17.

12. Major components of expenditure on GDP are final consumption expenditure and capital formation which are measured at market prices.
Expenditure components’ contribution in real growth rate of GDP is also shown in the following chart:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure Components</th>
<th>Contribution (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>Import of goods and services</td>
<td>5.5</td>
</tr>
<tr>
<td>2013-14</td>
<td>Export of goods and services</td>
<td>6.4</td>
</tr>
<tr>
<td>2014-15</td>
<td>Valuables</td>
<td>7.4</td>
</tr>
<tr>
<td>2015-16</td>
<td>CIS</td>
<td>8.2</td>
</tr>
<tr>
<td>2016-17</td>
<td>GFCF</td>
<td>7.1</td>
</tr>
</tbody>
</table>

13. The PFCE in domestic market at current prices works out to ₹ 90.5 lakh crore in 2016-17 as against ₹ 81.4 lakh crore in 2015-16. At constant (2011-12) prices, the PFCE in domestic market works out to ₹ 68.6 lakh crore in 2016-17 as against ₹ 63.9 lakh crore in 2015-16. The per capita PFCE in the domestic market in 2016-17 works out to ₹ 69705 at current prices and ₹ 52786 at constant (2011-12) prices as against ₹ 63428 and 49833 respectively in 2015-16.

14. Percentage share of item-groups in total PFCE for the years 2011-12 and 2016-17 at current prices is depicted in the following charts:
15. Gross Saving at current prices during 2016-17 is estimated at ₹ 45.7 lakh crore as against ₹ 43.0 lakh crore in 2015-16, constituting 30.0 per cent of GDP as against 31.3 percent in the previous year. The decrease in the rate of Gross Saving has mainly been due to decrease in gross saving of Household sector from 19.5 percent to 17.9 percent to the total GVA at current prices.

16. Net Saving in 2016-17 is recorded at ₹ 29.9 lakh crore as against ₹ 28.5 lakh crore in 2015-16. It constitutes 21.9 per cent of NDP in 2016-17 as against 23.2 per cent in 2015-16.
17. The Gross Capital Formation at current prices has increased from ₹ 44.4 lakh crore in 2015-16 to ₹ 46.7 lakh crore in 2016-17 and at constant (2011-12) prices, it has increased from ₹ 39.2 lakh crore in 2015-16 to ₹ 40.8 lakh crore in 2016-17. The rate of Gross Capital Formation at current prices is 30.6 per cent in 2016-17 as against 32.3 per cent in 2015-16. The rate of capital formation in 2016-17 was higher than the rate of saving because of net capital inflow from abroad. The rate of gross capital formation at constant (2011-12) prices has decreased from 34.5 per cent in 2015-16 to 33.5 per cent in 2016-17. The rate of net capital formation at constant prices in 2016-17 is 22.3 per cent as against 23.3 per cent in 2015-16.

18. Within the Gross Capital Formation at current prices, the Gross Fixed Capital Formation (GFCF) amounted to ₹ 43.5 lakh crore in 2016-17 as against ₹ 39.2 lakh crore in 2015-16. At current prices, the Gross Fixed Capital Formation of the Non-Financial Corporations has increased from ₹ 21.2 lakh crore in 2015-16 to ₹ 23.4 lakh crore in 2016-17, that of Financial Corporations from ₹ 0.54 lakh crore in 2015-16 to ₹ 0.49 lakh crore in 2016-17 and of General Government from ₹ 4.9 lakh crore in 2015-16 to ₹ 5.7 lakh crore in 2016-17 whereas the GFCF of the Household sector increased from ₹ 12.6 lakh crore in 2015-16 to ₹ 13.9 lakh crore in 2016-17.

19. The change in stocks of inventories (CIS), at current prices, declined from ₹ 2.55 lakh crore in 2015-16 to ₹ 1 lakh crore in 2016-17.

20. Rate of Gross fixed capital formation to GDP for the years 2011-12 and 2016-17 at current prices is depicted in the following chart:
21. Total GCF by industry of use increased by about 5.6 per cent in real terms during the year 2016-17, owing to rise in agriculture, mining, manufacturing, transport, storage, communication & services related to broadcasting, public administration & defence and other services.

22. It is seen that there has been an increase of 77.2 per cent in current expenditure of government, whereas in capital expenditure, the increase has been 70.7 per cent during the period 2011-12 to 2016-17.

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