

Dated the 7 Bhadrapada, 1930 Saka
ESTIMATES OF GROSS DOMESTIC PRODUCT
FOR THE FIRST QUARTER (APRIL-JUNE) OF 2008-09

PRESS NOTE

1. The Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the first quarter (April-June) Q1, of 2008-09, both at constant (1999-2000) and current prices, alongwith the corresponding quarterly estimates of expenditure components of the GDP. The details of the estimates are presented below.

I ESTIMATES OF GDP BY ECONOMIC ACTIVITY

a. At constant (1999-2000) prices

- Quarterly GDP at factor cost at constant (1999-2000) prices for Q1 of 2008-09 is estimated at Rs 7,82,357 crore, as against Rs. 7,24,949 crore in Q1 of 2007-08, showing a growth rate of 7.9 per cent over the corresponding quarter of previous year.
- The economic activities which registered significant growth in Q1 of 2008-09 over Q1 of 2007-08 are, 'manufacturing' at 5.6 per cent, 'construction' at 11.4 per cent, 'trade, hotels, transport and communication' at 11.2 per cent, 'financing, insurance, real estate and business services' at 9.3 per cent, and 'community, social and personal services' at 8.4 per cent. The growth rates in 'agriculture, forestry & fishing', 'mining & quarrying' and 'electricity, gas & water supply' are estimated at 3.0 per cent, 4.8 per cent and 2.6 per cent, respectively during this period.
- According to the information furnished by the Department of Agriculture and Cooperation (DAC), which has been used in compiling the estimate of GDP from agriculture in Q1 of 2008-09, the production of crops rice, wheat, coarse cereals and pulses during the Rabi season (which ended in June, 2008) of 2007-08 recorded growth rates of 3.3 per cent, 3.4 per cent, 8.6 per cent, and (-) 7.9 per cent, respectively over the production in the corresponding season of previous agriculture year. Among the commercial crops, the production of oilseeds declined by 12.6 per cent during the rabi season of 2007-08, while the production of cotton and sugarcane recorded growth rates of 14.0 per cent and (-) 4.2 per cent, respectively during the agriculture year 2007-08.
- According to the latest estimates available on the Index of Industrial Production (IIP), the index of mining, manufacturing and electricity, registered growth rates of 4.7 per cent, 5.6 per cent and 2.0 per cent, respectively during Q1 of 2008-09, as compared to the growth rates of 2.7 per cent, 11.1 per cent and 8.3 per cent in these sectors during Q1 of 2007-08. The key indicators of construction sector, namely, cement and finished steel registered growth rates of 5.8 per cent and 4.5 per cent, respectively during Q1 of 2008-09, as against the growth rates of 7.2 per cent and 5.4 per cent, respectively in Q1 of 2007-08.
- Among the services sectors, the key indicators of railways, namely, the net tonne kilometers and passenger kilometers have shown growth rates of 9.3 per cent and 7.0 per cent, respectively during Q1 of 2008-09. In the transport and communication sectors, the production of commercial vehicles, cargo handled at major ports, cargo handled by the civil aviation, passengers handled by the civil aviation and the total stock of telephone connections (including WLL and cellular) registered growth rates of 9.1 per cent, 8.8 per cent, 8.3 per cent, 4.4 per cent and 44.8 per cent, respectively during Q1 of 2008-09 over Q1 of 2007-08. The other key indicators, namely, aggregate bank deposits, and bank credits have shown growth rates of 21.1 per cent, and 25.8 per cent, respectively during Q1 of 2008-09 over Q1 of 2007-08.
- GDP at factor cost at current prices in Q1 of 2008-09, is estimated at Rs. 11,52,530 crore, as against Rs. 9,90,868 crore in Q1, 2007-08, showing an increase of 16.3 per cent.

b. At current prices

- The wholesale price index (WPI), in respect of the groups, food articles, fish, minerals, manufactured products, electricity and all commodities, has risen by 5.8 per cent, 1.5 per cent, 46.0 per cent, 9.0 per cent, 1.4 per cent and 9.4 per cent, respectively during Q1 of 2008-09, over Q1 of 2007-08. The consumer price index for industrial workers (CPI-IW) has shown a rise of 7.7 per cent during Q1 of 2008-09 over Q1 of 2007-08.

II ESTIMATES OF EXPENDITURES ON GDP

- The components of expenditure on gross domestic product, namely, consumption expenditure and capital formation, are normally measured at market prices. The aggregates presented in the following paragraphs, therefore, are in terms of market prices.

Private Final Consumption Expenditure

- Private Final Consumption Expenditure (PFCE) at current prices is estimated at Rs. 6,98,797 crore in Q1 of 2008-09 as against Rs. 5,95,537 crore in Q1 of 2007-08. At constant (1999-2000) prices, the PFCE is estimated at Rs. 4,97,043 crore in Q1 of 2008-09 as against Rs. 4,60,272 crore in Q1 of 2007-08. In terms of GDP at market prices, the rates of PFCE at current and constant (1999-2000) prices during Q1 of 2008-09 are estimated at 56.7 per cent and 59.8 per cent, respectively, as against the corresponding rates of 56.1 per cent and 59.8 per cent, respectively in Q1 of 2007-08.

Government Final Consumption Expenditure

- Government Final Consumption Expenditure (GFCE) at current prices is estimated at Rs. 1,31,273 crore in Q1 of 2008-09 as against Rs. 1,11,933 crore in Q1 of 2007-08. At constant (1999-2000) prices, the GFCE is estimated at Rs. 85,256 crore in Q1 of 2008-09 as against Rs. 79,152 crore in Q1 of 2007-08. In terms of GDP at market prices, the rates of GFCE at current and constant (1999-2000) prices during Q1 of 2008-09 are estimated at 10.6 per cent and 10.3 per cent, respectively, as against the corresponding rates of 10.5 per cent and 10.3 per cent, respectively in Q1 of 2007-08.

Gross Fixed Capital Formation

- Gross Fixed Capital Formation (GFCF) at current prices is estimated at Rs. 4,21,206 crore in Q1 of 2008-09 as against Rs. 3,57,045 crore in Q1 of 2007-08. At constant (1999-2000) prices, the GFCF is estimated at Rs. 2,68,252 crore in Q1 of 2008-09 as against Rs. 2,46,203 crore in Q1 of 2007-08. In terms of GDP at market prices, the rates of GFCF at current and constant (1999-2000) prices during Q1 of 2008-09 are estimated at 34.2 per cent and 32.3 per cent, respectively, as against the corresponding rates of 33.6 per cent and 32.0 per cent, respectively in Q1 of 2007-08.

- Estimates of GDP at factor cost by kind of economic activity and the Expenditures on GDP for Q1 of 2006-07, 2007-08 and 2008-09 at constant (1999-2000) and current prices, are given in Statements 1 to 4.
- The next release of quarterly GDP estimate for the quarter July-September, 2008 (Q2 of 2008-09) will be on 28.11.2008.

**STATEMENT 1: QUARTERLY ESTIMATE OF GDP AT FACTOR COST
IN Q1 (APRIL-JUNE) OF 2008-09
(at 1999-2000 prices)**

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			Percentage change	
	Gross Domestic Product			Over previous year	
	for Q1 of			Q1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. agriculture, forestry & fishing	1,22,660	1,28,042	1,31,831	4.4	3.0
2. mining & quarrying	13,852	14,083	14,760	1.7	4.8
3. manufacturing	1,03,009	1,14,270	1,20,705	10.9	5.6
4. electricity, gas & water supply	14,942	16,121	16,537	7.9	2.6
5. construction	48,967	52,720	58,715	7.7	11.4
6. trade, hotels, transport & communication	1,72,481	1,95,068	2,16,957	13.1	11.2
7. financing, ins., real est. & bus. services	97,331	1,09,559	1,19,738	12.6	9.3
8. community, social & personal services	90,404	95,086	1,03,114	5.2	8.4
GDP at factor cost	6,63,645	7,24,949	7,82,357	9.2	7.9

**STATEMENT 2: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT MARKET PRICES IN Q1 (APRIL-JUNE) OF 2008-09
(at 1999-2000 prices)**

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			RATES OF GDP AT MARKET PRICES (%)	
	Expenditures of Gross Domestic Product for Q1 of				
	for Q1 of			Q1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. Private Final Consumption Expenditure (PFCE)	4,27,605	4,60,272	4,97,043	59.8	59.8
2. Government Final Consumption Expenditure	80,911	79,152	85,256	10.3	10.3
3. Gross Fixed Capital Formation (GFCF)	2,17,321	2,46,203	2,68,252	32.0	32.3
4. Change in Stocks	14,978	16,335	17,041	2.1	2.1
5. Valuables	9,243	9,480	10,974	1.2	1.3
6. Exports	1,72,606	1,82,881	2,18,527	23.8	26.3
7. Less Imports	1,80,579	1,91,460	2,32,669	24.9	28.0
8. Discrepancies	-37,244	-32,991	-33,743	-4.3	-4.1
GDP at market prices	7,04,841	7,69,871	8,30,681	100.0	100.0

**STATEMENT 3: QUARTERLY ESTIMATE OF GDP AT FACTOR COST
IN Q1 (APRIL-JUNE) OF 2008-09
(at current prices)**

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			Percentage change	
	Gross Domestic Product for Q1 of			Over previous year	
	for Q1 of			Q1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. agriculture, forestry & fishing	1,55,326	1,75,004	1,93,617	12.7	10.6
2. mining & quarrying	23,943	27,396	30,359	14.4	10.8
3. manufacturing	1,40,869	1,65,280	1,90,351	17.3	15.2
4. electricity, gas & water supply	17,009	18,790	19,547	10.5	4.0
5. construction	73,912	83,866	1,02,253	13.5	21.9
6. trade, hotels, transport & communication	2,12,200	2,48,229	2,92,896	17.0	18.0
7. financing, ins., real est. & bus. services	1,22,772	1,45,106	1,73,497	18.2	19.6
8. community, social & personal services	1,14,474	1,27,199	1,50,010	11.1	17.9
GDP at factor cost	8,60,505	9,90,868	11,52,530	15.1	16.3

**STATEMENT 4: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT MARKET PRICES IN Q1 (APRIL-JUNE) OF 2008-09
(at current prices)**

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			RATES OF GDP AT MARKET PRICES (%)	
	Expenditures of Gross Domestic Product for Q1 of				
	for Q1 of			Q1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. Private Final Consumption Expenditure (PFCE)	5,24,769	5,95,537	6,98,797	56.1	56.7
2. Government Final Consumption Expenditure	1,09,446	1,11,933	1,31,273	10.5	10.6
3. Gross Fixed Capital Formation (GFCF)	2,98,053	3,57,045	4,21,206	33.6	34.2
4. Change in Stocks	21,908	25,625	28,025	2.4	2.3
5. Valuables	13,015	14,073	17,830	1.3	1.4
6. Exports	2,06,273	2,23,634	2,80,585	21.1	22.8
7. Less Imports	2,45,903	2,68,153	3,42,162	25.2	27.8
8. Discrepancies	-11085	2350	-2612	0.2	-0.2
GDP at market prices	9,16,476	10,62,045	12,32,942	100.0	100.0