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PRESS NOTE

ON

ESTIMATES OF GROSS DOMESTIC PRODUCT FOR THE FIRST QUARTER (APRIL-JUNE) 2017-18

CENTRAL STATISTICS OFFICE

MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

GOVERNMENT OF INDIA



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PRESS NOTE

**ESTIMATES OF GROSS DOMESTIC PRODUCT FOR THE
FIRST QUARTER (APRIL-JUNE) OF 2017-18**

The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product(GDP) for the first quarter (April-June) Q1, of 2017-18, both at constant (2011-12) and current prices, along with the corresponding quarterly estimates of expenditure components of the GDP.

2. The details of estimates of GDP for Q1 of 2017-18 are presented below:

I ESTIMATES OF GVA BY ECONOMIC ACTIVITY

(a) At constant (2011-2012) prices

3. GDP at constant (2011-12) prices in Q1 of 2017-18 is estimated at ₹ 31.10 lakh crore, as against ₹ 29.42 lakh crore in Q1 of 2016-17, showing a growth rate of 5.7 percent. Quarterly GVA at basic price at constant (2011-2012) prices for Q1 of 2017-18 is estimated at ₹ 29.04 lakh crore, as against ₹27.51 lakh crore in Q1 of 2016-17, showing a growth rate of 5.6 percent over the corresponding quarter of previous year.

4. The economic activities which registered growth of over 7 percent in Q1 of 2017-18 over Q1 of 2016-17 are 'trade, hotels, transport & communication and services related to broadcasting', 'public administration, defence and other services' and 'electricity, gas, water supply & other utility services'. The growth in the 'agriculture, forestry and fishing', 'mining and quarrying', 'manufacturing', 'construction' and financial, insurance, real estate and professional services is estimated to be 2.3 per cent, (-) 0.7 percent, 1.2 per cent, 2.0 percent and 6.4 percent respectively during this period.

5. Industry analysis

The first quarter estimates are based on agricultural production during Rabi season of 2016-17 obtained from the Ministry of Agriculture, Department of Agriculture & Cooperation(DAC), abridged financial results of listed companies from BSE/NSE, Index of Industrial Production (IIP), monthly accounts of Union Government Expenditure maintained by Controller General of Accounts (CGA) and of State Government expenditure maintained by Comptroller and Auditor General of India (CAG) for the period April-June 2017-18. Performance of key sectors like transport including railways, road, air and water transport etc., communication, banking and insurance during the period April-June 2017-18 have been taken into account while compiling the estimates. Performance of the corporate sector during April-June 2017-18 based on data received from BSE/NSE have been taken into account. Estimated growth in the indicator compiled on the basis of employee expenses, Profit before

tax and depreciation of listed companies deflated by appropriate price indices has been used to extrapolate the corporate sector estimates of the same quarter of the previous year.

Agriculture, forestry and fishing

5.1 Quarterly GVA at basic prices for Q1 2017-18 from 'agriculture, forestry and fishing' sector grew by 2.3 percent as compared to growth of 2.5 percent in Q1 2016-17. According to the information furnished by the Department of Agriculture and Cooperation (DAC), which has been used in compiling the estimate of GVA from agriculture in Q1 of 2017-18, the production of rice, wheat, coarse cereals and pulses registered growth rates of 5.8 percent, 6.6 percent, 10.7 percent and 25.0 percent respectively during the Rabi season of agriculture year 2016-17 (which ended in June 2017). Among the commercial crops, the production of oilseeds registered a growth of 13.1 per cent during the Rabi season of 2016-17. The crops including fruits and vegetables account for about 56.9 percent of GDP in 'agriculture, forestry and fishing' sector. Around 43.1 percent of GVA of this sector is based on the livestock products, forestry and fisheries, which registered a combined growth of about 3.4 percent in Q1 of 2017-18.

Mining and quarrying

5.2. Quarterly GVA at basic prices for Q1 2017-18 from 'mining and quarrying' sector grew by (-) 0.7 percent as compared to growth of (-)0.9 percent in Q1 2016-17. The key indicators of mining sector, namely, production of coal, crude oil and natural gas and IIP mining registered growth rates of (-)4.4 per cent, 0.2 percent, 4.0 percent and 1.2 percent, during Q1 of 2017-18 as compared to 5.3 percent, (-) 3.3 percent, (-) 6.0 percent and 7.5 percent during Q1 of 2016-17.

Manufacturing

5.3 Quarterly GVA at basic prices for Q1 2017-18 from 'manufacturing' sector grew by 1.2 percent as compared to growth of 10.7 percent in Q1 2016-17. The private corporate sector growth (which has a share of over 75 percent in the manufacturing sector) as estimated from available data of listed companies with BSE and NSE is (-) 0.9 percent at current prices during Q1 of 2017-18 as against 10.2 percent in Q1 of 2016-17. The quasi corporate and unorganized segment (which has a share of over 20 percent in the manufacturing sector) has been estimated using IIP of manufacturing. IIP manufacturing registered growth rate of 1.8 percent during Q1 of 2017-18 as compared to 6.7 percent during Q1 of 2016-17.

Electricity, gas, water supply and other utility services

5.4 Quarterly GVA at basic prices for Q1 2017-18 from 'Electricity, Gas, water supply and other utility services' sector grew by 7.0 percent as compared to growth of 10.3 percent in Q1 2016-17. The key indicator of this sector, namely, IIP of Electricity registered growth rate of 5.3 per cent during Q1 of 2017-18 as compared to 10.0 percent in Q1 of 2016-17.

Construction

5.5 Quarterly GVA at basic prices for Q1 2017-18 from 'Construction' sector grew by 2.0 percent as compared to growth of 3.1 percent in Q1 2016-17. Key indicators of construction sector, namely, production of cement, consumption of finished steel and IIP of non-metallic minerals registered growth rates of (-)2.9 per cent, 4.6 percent and (-)3.2 percent, respectively, during Q1 of 2017-18 as compared to 5.8 percent, 1.3 percent and 5.7 percent respectively, in Q1 of 2016-17.

Trade, hotels, transport, communication and services related to broadcasting

5.6. Quarterly GVA at basic prices for Q1 2017-18 from this sector grew by 11.1 percent as compared to growth of 8.9 percent in Q1 2016-17. Key indicator used for estimating GVA from Trade sector is the sales tax growth. As per the available monthly data on State accounts available from CAG website, sales tax collection grew by 16.9 percent during Q1 of 2017-18. Among the other services sectors, the key indicators of railways, namely, the net tonne kilometers and passenger kilometers have shown growth rate of 3.3 percent and 1.5 percent respectively during Q1 of 2017-18. In case of other transport sectors, passengers handled by the civil aviation, cargo handled by the civil aviation and cargo handled at major ports registered growth rates of 15.6 percent, 19.2 percent and 5.0 percent, respectively, during Q1 of 2017-18. Sales of commercial vehicles registered (-)9.1 percent growth during Q1 of 2017-18.

Financial, insurance, real estate and professional services

5.7 Quarterly GVA at basic prices for Q1 2017-18 from this sector grew by 6.4 percent as compared to growth of 9.4 percent in Q1 2016-17. Major component of this industry is the real estate and professional services which has a share of 73.1 percent. The key indicators of this sector are the quarterly growth of corporate sector for computer related activities which as estimated from available data from listed companies at current prices is 6.2 percent during Q1 of 2017-18. The other indicators of this sector, viz., aggregate bank deposits, and bank credits have shown growth rates of 13.3 per cent and 8.6 per cent, respectively as on June 2017.

Public administration, defence and other services

5.8 Quarterly GVA at basic prices for Q1 2017-18 from this sector grew by 9.5 percent as compared to growth of 8.6 percent in Q1 2016-17. The key indicator of this sector namely, Union Government revenue expenditure net of interest payments excluding subsidies grew by 19.8 percent during Q1 of 2017-18 as compared to 20.8 percent in Q1 of 2016-17.

(b) At current prices

6. GDP is derived by adding taxes on products net of subsidies on products to GVA at basic prices. GDP at current prices in Q1 of 2017-18 is estimated at ₹38.84 lakh crore, as against ₹35.55 lakh crore in Q1 of 2016-17, showing a growth rate of 9.3 percent. GVA at Basic Price at current prices in Q1 of 2017-18, is estimated at ₹35.77 lakh crore, as against ₹33.17 lakh crore in Q1, 2016-17, showing an increase of 7.9 percent. Growth in collection of Union excise duties, customs duties and service tax was 7.3 percent, 15.0 percent and 20.4 percent respectively in Q1 of 2017-18 as against 60.5 percent, 17.8 percent and 28.5 percent respectively in Q1 of 2016-17.

(c) Price indices used as deflators

7. The wholesale price index (WPI), in respect of the groups - food articles, minerals, manufactured products, electricity and all commodities, has risen by (-)1.7 per cent, 5.5 percent, 2.6 per cent, 0.7 per cent and 2.3 percent, respectively during Q1 of 2017-18 over Q1 of 2016-17. The Consumer Price Index (CPI) has shown a rise of 2.2 percent during Q1 of 2017-18 over Q1 of 2016-17.

II ESTIMATES OF EXPENDITURES ON GDP

8. 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

9. Private Final Consumption Expenditure (PFCE) at current prices is estimated at ₹22.27 lakh crore in Q1 of 2017-18 as against ₹20.42 lakh crore in Q1 of 2016-17. At constant (2011-12) prices, the PFCE is estimated at ₹16.80 lakh crore in Q1 of 2017-18 as against ₹15.76 lakh crore in Q1 of 2016-17. In terms of GDP, the rates of PFCE at current and constant (2011-2012) prices during Q1 of 2017-18 are estimated at 57.3 per cent and 54.0 per cent, respectively, as against the corresponding rates of 57.4 per cent and 53.6 per cent, respectively in Q1 of 2016-17.

Government Final Consumption Expenditure

10. Government Final Consumption Expenditure (GFCE) at current prices is estimated at ₹5.19 lakh crore in Q1 of 2017-18 as against ₹4.34 lakh crore in Q1 of 2016-17. At constant (2011-2012) prices, the GFCE is estimated at ₹3.91 lakh crore in Q1 of 2017-18 as against ₹3.34 lakh crore in Q1 of 2016-17. In terms of GDP, the rates of GFCE at current and constant (2011-2012) prices during Q1 of 2017-18 are estimated at 13.4 per cent and 12.6 per cent, respectively, as against the corresponding rate of 12.2 per cent and 11.3 per cent respectively in Q1 of 2016-17.

Gross Fixed Capital Formation

11. Gross Fixed Capital Formation (GFCF) at current prices is estimated at ₹10.69 lakh crore in Q1 of 2017-18 as against ₹10.37 lakh crore in Q1 of 2016-17. At constant (2011-2012) prices, the GFCF is estimated at ₹9.28 lakh crore in Q1 of 2017-18 as against ₹9.13 lakh crore in Q1 of 2016-17. In terms of GDP, the rates of GFCF at current and constant (2011-2012) prices during Q1 of 2017-18 are estimated at 27.5 per cent and 29.8 per cent, respectively, as against the corresponding rates of 29.2 per cent and 31.0 per cent, respectively in Q1 of 2016-17.

12. Estimates of GVA at basic price by kind of economic activity and the Expenditures on GDP for Q1 of 2015-16, 2016-17 and 2017-18 at constant (2011-2012) and current prices, are given in Statements 1 to 4.

13. The next release of quarterly GDP estimate for the quarter July-September, 2017 (Q2 of 2017-18) will be on 30.11.2017.

**STATEMENT 1: QUARTERLY ESTIMATE OF GVA AT BASIC PRICES IN
Q1 (APRIL-JUNE) OF 2017-18
(at 2011-2012 prices)**

| Industry | APRIL-JUNE(Q1) | | | | |
|--|--------------------------------------|----------------|----------------|--|------------|
| | (₹crore) Gross Value Added for Q1 | | | Percentage change Over previous year Q1 | |
| | 2015-16 | 2016-17 | 2017-18 | 2016-17 | 2017-18 |
| 1.agriculture,forestry & fishing | 371468 | 380833 | 389732 | 2.5 | 2.3 |
| 2.mining & quarrying | 87294 | 86485 | 85911 | -0.9 | -0.7 |
| 3.manufacturing | 458128 | 507223 | 513139 | 10.7 | 1.2 |
| 4.electricity,gas,water supply & other utility services | 55324 | 61018 | 65289 | 10.3 | 7.0 |
| 5.construction | 222464 | 229321 | 233919 | 3.1 | 2.0 |
| 6.trade, hotel, transport, communication & services related to broadcasting | 474733 | 516958 | 574261 | 8.9 | 11.1 |
| 7.financial, insurance, real estate & professional services | 594754 | 650607 | 692522 | 9.4 | 6.4 |
| 8.Public administration, defence& other services | 293784 | 318963 | 349356 | 8.6 | 9.5 |
| GVA at Basic Price | 2557949 | 2751407 | 2904128 | 7.6 | 5.6 |

**STATEMENT 2: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP IN
Q1 (APRIL-JUNE) OF 2017-18
(at 2011-2012 prices)**

| Item | APRIL-JUNE(Q1) | | | | |
|--|--|----------------|----------------|---------------------|--------------|
| | (₹crore) Expenditures of Gross Domestic Product for Q1 | | | RATES OF GDP (%) | |
| | 2015-16 | 2016-17 | 2017-18 | 2016-17 | 2017-18 |
| 1. Private Final Consumption Expenditure(PFCE) | 1453347 | 1575613 | 1680481 | 53.6 | 54.0 |
| 2. Government Final Consumption Expenditure(GFCE) | 286327 | 333761 | 391080 | 11.3 | 12.6 |
| 3. Gross Fixed Capital Formation (GFCF) | 849973 | 912768 | 927506 | 31.0 | 29.8 |
| 4. Change in Stocks | 67160 | 73118 | 73979 | 2.5 | 2.4 |
| 5. Valuables | 40244 | 34687 | 105716 | 1.2 | 3.4 |
| 6. Exports | 583423 | 594947 | 602159 | 20.2 | 19.4 |
| 7. <u>Less</u> Imports | 623959 | 620649 | 703827 | 21.1 | 22.6 |
| 8. Discrepancies | 69359 | 37601 | 33052 | 1.3 | 1.1 |
| GDP | 2725873 | 2941846 | 3110145 | 100.0 | 100.0 |
| GDP (% change over previous year) | | 7.9 | 5.7 | | |

**STATEMENT 3: QUARTERLY ESTIMATE OF GVA AT BASIC PRICES IN
Q1 (APRIL-JUNE) OF 2017-18
(at current prices)**

| Industry | APRIL-JUNE(Q1) | | | | |
|--|--------------------------------------|----------------|----------------|---|------------|
| | (₹crore) Gross Value Added for Q1 | | | Percentage change Over previous year Q1 | |
| | 2015-16 | 2016-17 | 2017-18 | 2016-17 | 2017-18 |
| 1.agriculture,forestry & fishing | 487463 | 535817 | 537540 | 9.9 | 0.3 |
| 2.mining & quarrying | 89202 | 74069 | 82270 | -17.0 | 11.1 |
| 3.manufacturing | 510270 | 561546 | 583080 | 10.0 | 3.8 |
| 4.electricity,gas,water supply & other utility services | 80345 | 84781 | 91306 | 5.5 | 7.7 |
| 5.construction | 257820 | 263908 | 275466 | 2.4 | 4.4 |
| 6. trade, hotel, transport, communication & services related to broadcasting | 554319 | 599817 | 686195 | 8.2 | 14.4 |
| 7.financial, insurance, real estate & professional services | 690702 | 768015 | 837108 | 11.2 | 9.0 |
| 8.Public administration, defence & other services | 380690 | 428746 | 484492 | 12.6 | 13.0 |
| GVA at Basic Price | 3050811 | 3316698 | 3577457 | 8.7 | 7.9 |

**STATEMENT 4: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP IN
Q1 (APRIL-JUNE) OF 2017-18
(at current prices)**

| Item | APRIL-JUNE(Q1) | | | | |
|---|--|----------------|----------------|---------------------|--------------|
| | (₹crore) Expenditures of Gross Domestic Product for Q1 | | | RATES OF GDP (%) | |
| | 2015-16 | 2016-17 | 2017-18 | 2016-17 | 2016-17 |
| 1. Private Final Consumption Expenditure(PFCE) | 1823568 | 2042054 | 2226885 | 57.4 | 57.3 |
| 2. Government Final Consumption Expenditure(GFCE) | 357350 | 433530 | 519320 | 12.2 | 13.4 |
| 3. Gross Fixed Capital Formation (GFCF) | 978519 | 1036732 | 1068642 | 29.2 | 27.5 |
| 4. Change in Stocks | 74613 | 81641 | 83610 | 2.3 | 2.2 |
| 5. Valuables | 44737 | 37948 | 108658 | 1.1 | 2.8 |
| 6. Exports | 671293 | 687415 | 708680 | 19.3 | 18.2 |
| 7. <u>Less</u> Imports | 757976 | 746878 | 860680 | 21.0 | 22.2 |
| 8. Discrepancies | 28174 | -17506 | 28666 | -0.5 | 0.7 |
| GDP | 3220278 | 3554938 | 3883781 | 100.0 | 100.0 |
| GDP (% change over previous year) | | 10.4 | 9.3 | | |