

**PRESS INFORMATION BUREAU
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**PRESS NOTE
ADVANCE ESTIMATES OF NATIONAL INCOME, 2009-10**

The Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation has released the advance estimates of national income at constant (2004-05) and current prices, for the financial year 2009-10.

2. These advance estimates are based on anticipated level of agricultural and industrial production, analysis of budget estimates of government expenditure and performance of key sectors like, railways, transport other than railways, communication, banking and insurance, available so far. The advance estimates at current prices are derived by estimating the implicit price deflators (IPDs) at sectoral level from the relevant price indices. The salient features of these estimates are detailed below:

I ADVANCE ESTIMATES OF NATIONAL INCOME, 2009-10

Estimates at Constant (2004-05) Prices

Gross Domestic Product

3. Gross Domestic Product (GDP) at factor cost at constant (2004-05) prices in the year 2009-10 is likely to attain a level of Rs. 44,53,064 crore, as against the Quick Estimates of GDP for the year 2008-09 of Rs. 41,54,973 crore, released on 29th January 2010. The growth in GDP during 2009-10 is estimated at 7.2 per cent as compared to the growth rate of 6.7 per cent in 2008-09.

4. The growth rate of 7.2 per cent in GDP during 2009-10 has been due to the growth rates of over 5 per cent in the sectors of 'mining & quarrying', 'manufacturing', 'electricity, gas and water supply', 'construction', 'trade, hotels, transport and communication', 'financing, insurance, real estate and business services', and 'community, social and personal services'.

Agriculture

5. The 'agriculture, forestry and fishing' sector is likely to show a decline of 0.2 per cent in its GDP during 2009-10, as against the previous year's growth rate of 1.6 per cent. 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 2009-10, production of foodgrains and oilseeds is expected to decline by 8 per cent and 5 per cent, respectively, as compared to the previous agriculture year. While production of cotton is expected to rise by 0.2 per cent, that of sugarcane is expected to decline by 11.8 per cent in 2009-10. Among the horticultural crops, production of fruits and vegetables is expected to increase by 2.5 per cent and 4.8 per cent, respectively, during the year 2009-10.

Industry

6. According to the latest estimates available on the Index of Industrial Production (IIP), the index of mining, manufacturing and electricity registered growth rates of 8.3 per cent, 7.7 per cent and 6.1 per cent, respectively during April-November, 2009-10, as compared to the growth rates of 3.4 per cent, 4.2 per cent and 2.8 per cent in these sectors during April-November, 2008-09. The key indicators of construction sector, namely, cement and steel have registered growth rates of 11 per cent and 3.6 per cent, respectively during April-December

2009-10, as against the corresponding growth rates of 6.6 per cent and 1.7 per cent, respectively in these items during April-December, 2008-09.

Services

7. The estimated growth in GDP for the trade, hotels, transport and communication sectors during 2009-10 is placed at 8.3 per cent, mainly on account of growth during April-December, 2009-10 of 9.9 per cent (against 6.4 per cent in the same period of last year) in Railway net tonne kilometers and 7.6 per cent (against 9.7 per cent in the same period of last year) in Railway passenger kilometers, 5.1 per cent in cargo handled at major ports (against 3.4 per cent in April-December, 2008-09), 8.0 per cent in passengers handled in civil aviation (against (-)6.3 per cent in April-November, 2008-09), and 46.1 per cent in stock of telephone connections at the end of December, 2009 over the stock at the end of December, 2008 (against 42.1 per cent in the corresponding period of previous year). The sales of commercial vehicles witnessed an increase of 22.32 per cent (against a fall of 15.5 per cent in April-December, 2008-09) and air cargo handled increased by 1.0 per cent (against the growth of 2.5 per cent in April-December, 2008-09), during April – December, 2009-10. The sector, 'financing, insurance, real estate and business services', is expected to show a growth rate of 9.9 per cent during 2009-10, on account of 18.4 per cent growth in aggregate deposits and 10.0 per cent growth in bank credit during November 2009 to November 2010 (against the respective growth rates of 20.0 per cent and 26.0 per cent in the corresponding period of previous year). The growth rate of 'community, social and personal services' during 2009-10 is estimated to be 8.2 per cent, mainly on account of increase in the revenue expenditure net of interest payments of central government by 20.5 per cent.

National Income

8. The net national income (NNI) at factor cost, also known as national income, at 2004-05 prices is likely to be Rs. 39,24,183 crore during 2009-10, as against the previous year's Quick Estimate of Rs. 36,72,192 crore. In terms of growth rates, the national income is expected to rise by 6.9 per cent during 2009-10 in comparison to the growth rate of 6.4 per cent in 2008-09.

Per Capita Income

9. The per capita income in real terms (at 2004-05 prices) during 2009-10 is likely to attain a level of Rs. 33,540 as compared to the Quick Estimate for the year 2008-09 of Rs. 31,821. The growth rate in per capita income is estimated at 5.4 per cent during 2009-10, as against the previous year's estimate of 5.0 per cent.

Estimates at Current Prices

Gross Domestic Product

10. GDP at factor cost at current prices in the year 2009-10 is likely to attain a level of Rs. 57,91,268 crore, showing a growth rate of 10.8 per cent over the Quick Estimates of GDP for the year 2008-09 of Rs. 52,28,650 crore.

National Income

11. The NNI at factor cost at current prices is anticipated to be Rs. 51,18,594 crore during 2009-10, as compared to Rs. 46,32,305 crore during 2008-09, showing a rise of 10.5 per cent.

Per Capita Income

12. The per capita income at current prices during 2009-10 is estimated to be Rs. 43,749 as compared to Rs. 40,141 during 2008-09, showing a rise of 9.0 per cent.

II ESTIMATES OF EXPENDITURES ON GDP, 2009-10

12. Alongwith the Advance Estimates of GDP by economic activity, the CSO is also releasing the Advance Estimates of expenditures of the GDP at current and constant (2004-05) prices. These estimates have been compiled using the data on indicators available from the same sources as those used for compiling GDP estimates by economic activity, detailed data available on merchandise trade in respect of imports and exports, balance of payments, and monthly accounts of central government. As various components of expenditure on gross domestic product, namely, consumption expenditure and capital formation, are normally measured at market prices, the discussion in the following paragraphs is in terms of market prices only.

Private Final Consumption Expenditure

13. Private Final Consumption Expenditure (PFCE) at current prices is estimated at Rs. 35,64,405 crore in 2009-10 as against Rs. 32,18,198 crore in 2008-09. At constant (2004-05) prices, the PFCE is estimated at Rs. 27,64,261 crore in 2009-10 as against Rs. 26,55,533 crore in 2008-09. In terms of GDP at market prices, the rates of PFCE at current and constant (2004-05) prices during 2009-10 are estimated at 57.8 per cent and 58.0 per cent, respectively, as against the corresponding rates of 57.7 per cent and 59.5 per cent, respectively in 2008-09.

Government Final Consumption Expenditure

14. Government Final Consumption Expenditure (GFCE) at current prices is estimated at Rs. 7,45,680 crore in 2009-10 as against Rs. 6,53,132 crore in 2008-09. At constant (2004-05) prices, the GFCE is estimated at Rs. 5,54,000 crore in 2009-10 as against Rs. 5,12,126 crore in 2008-09. In terms of GDP at market prices, the rates of GFCE at current and constant (2004-05) prices during 2009-10 are estimated at 12.1 per cent and 11.6 per cent, respectively, as against the corresponding rates of 11.7 per cent and 11.5 per cent, respectively in 2008-09.

Gross Fixed Capital Formation

15. Gross Fixed Capital Formation (GFCF) at current prices is estimated at Rs. 19,93,347 crore in 2009-10 as against Rs. 18,38,499 crore in 2008-09. At constant (2004-05) prices, the GFCF is estimated at Rs. 15,48,100 crore in 2009-10 as against Rs. 14,71,161 crore in 2008-09. In terms of GDP at market prices, the rates of GFCF at current and constant (2004-05) prices during 2009-10 are estimated at 32.3 per cent and 32.5 per cent, respectively, as against the corresponding rates of 33.0 per cent and 32.9 per cent, respectively in 2008-09. The rates of Change in Stocks and Valuables at current prices during 2009-10 are estimated at 1.3 per cent and 0.9 per cent, respectively.

18. Estimates of gross/net national product, gross/net domestic product and per capita income, alongwith GDP at factor cost by kind of economic activity and the Expenditures on GDP for the years 2007-08, 2008-09 and 2009-10, at constant (2004-05) and current prices are given in Statements 1 to 6.

STATEMENT 1: Advance Estimates of National Income and Expenditures on GDP, 2009-10
(At 2004-05 prices)

Item	2007-08	2008-09 (QE)	2009-10 (AE)
A. ESTIMATES AT AGGREGATE LEVEL			
1. NATIONAL PRODUCT (Rs. Crore)			
1.1 Gross National Income (GNI) at factor cost	38,76,386	41,38,174 (6.8)	44,33,402 (7.1)
1.2 Net National Income (NNI) at factor cost	34,49,970	36,72,192 (6.4)	39,24,183 (6.9)
2. DOMESTIC PRODUCT (Rs. Crore)			
2.1 Gross domestic product (GDP) at factor cost	38,93,457	41,54,973 (6.7)	44,53,064 (7.2)
2.2 Gross domestic product (GDP) at market prices	42,47,918	44,65,360 (5.1)	47,67,142 (6.8)
2.3 Net domestic product (NDP) at factor cost	34,67,041	36,88,991 (6.4)	39,43,845 (6.9)
B. ESTIMATES AT PER CAPITA LEVEL			
Population (million)	1,138	1,154	1,170
Per capita NNI at factor cost (Rs.)	30,316	31,821 (5.0)	33,540 (5.4)
Per capita GDP at factor cost (Rs.)	34,213	36,005	38,060

Note: The figures in parenthesis show the percentage change over previous year
QE: Quick Estimate; AE: Advance Estimate

STATEMENT 2: Advance Estimates of National Income for the year 2009-10
(At current prices)

Item	2007-08	2008-09 (QE)	2009-10 (AE)
A. ESTIMATES AT AGGREGATE LEVEL			
1. NATIONAL PRODUCT (Rs. Crore)			
1.1 Gross National Income (GNI) at factor cost	45,21,099	52,07,534 (15.2)	57,65,726 (10.7)
1.2 Net National Income (NNI) at factor cost	40,31,882	46,32,305 (14.9)	51,18,594 (10.5)
2. DOMESTIC PRODUCT (Rs. Crore)			
2.1 Gross domestic product (GDP) at factor cost	45,40,987	52,28,650 (15.1)	57,91,268 (10.8)
2.2 Gross domestic product (GDP) at market prices	49,47,857	55,74,449 (12.7)	61,64,178 (10.6)
2.3 Net domestic product (NDP) at factor cost	40,51,770	46,53,421 (14.8)	51,44,136 (10.5)
2.4 Gross National Disposable Income	50,95,464	57,54,383	63,81,942
B. ESTIMATES AT PER CAPITA LEVEL			
Population (million)	1,138	1,154	1,170
Per capita NNI at factor cost (Rs.)	35,430	40,141 (13.3)	43,749 (9.0)
Per capita GDP at factor cost (Rs.)	39,903	45,309	49,498

Note: The figures in parenthesis show the percentage change over previous year
QE: Quick Estimate; RE: Revised Estimate

STATEMENT 3: Advance Estimates of GDP at Factor Cost by Economic Activity
(At 2004-05 prices)

Industry	Rs. Crore			Percentage change over previous year	
	2007-08	2008-09 (QE)	2009-10 (AE)	2008-09	2009-10
1. agriculture, forestry & fishing	640,315	650,461	649,370	1.6	-0.2
2. mining & quarrying	97,201	98,745	107,334	1.6	8.7
3. manufacturing	629,446	649,635	707,512	3.2	8.9
4. electricity, gas & water supply	78,776	81,866	88,590	3.9	8.2
5. construction	314,298	332,782	354,514	5.9	6.5
6. trade, hotels, transport and communication	1,008,603	1,084,764	1,174,320	7.6	8.3
7. financing, insurance, real estate & business services	637,223	701,338	770,443	10.1	9.9
8. community, social & personal services	487,595	555,382	600,980	13.9	8.2
9. GDP at factor cost	3,893,457	4,154,973	4,453,064	6.7	7.2

STATEMENT 4: Advance Estimates of GDP at Factor Cost by Economic Activity
(At current prices)

Industry	Rs. Crore			Percentage change over previous year	
	2007-08	2008-09 (QE)	2009-10 (AE)	2008-09	2009-10
1. agriculture, forestry & fishing	815,399	898,378	982,091	10.2	9.3
2. mining & quarrying	125,730	134,398	136,718	6.9	1.7
3. manufacturing	731,078	814,025	902,418	11.3	10.9
4. electricity, gas & water supply	83,060	86,512	93,539	4.2	8.1
5. construction	381,521	450,021	499,002	18.0	10.9
6. trade, hotels, transport and communication	1,129,387	1,286,380	1,396,194	13.9	8.5
7. financing, insurance, real estate & business services	695,861	839,232	935,540	20.6	11.5
8. community, social & personal services	578,951	719,704	845,767	24.3	17.5
9. GDP at factor cost	4,540,987	5,228,650	5,791,268	15.1	10.8

STATEMENT 5: EXPENDITURES OF GDP AT MARKET PRICES IN 2009-10**(at 2004-05 prices)**

Industry	(Rs. in crore) Expenditures of Gross Domestic Product			RATES OF GDP AT MARKET PRICES (%)	
	2007-08	2008-09 (QE)	2009-10 (AE)	2008-09	2009-10
1. Private Final Consumption Expenditure (PFCE)	2,485,554	2,655,533	2,764,261	59.5	58.0
2. Government Final Consumption Expenditure	438,976	512,126	554,000	11.5	11.6
3. Gross Fixed Capital Formation (GFCF)	1,414,975	1,471,161	1,548,100	32.9	32.5
4. Change in Stocks	154,033	59,812	62,607	1.3	1.3
5. Valuables	47,456	58,673	42,483	1.3	0.9
6. Exports	917,455	1,094,929	921,491	24.5	19.3
7. <i>Less</i> Imports	1,113,113	1,369,202	1,134,233	30.7	23.8
8. Discrepancies	-97,417	-17,672	8,433	-0.4	0.2
GDP at market prices	4,247,918	4,465,360	4,767,142	100	100

Note: The figures in parenthesis show the percentage change over previous year
QE: Quick Estimate; AE: Advance Estimate

STATEMENT 6: EXPENDITURES OF GDP AT MARKET PRICES IN 2009-10**(at current prices)**

Industry	(Rs. in crore) Expenditures of Gross Domestic Product			RATES OF GDP AT MARKET PRICES (%)	
	2007-08	2008-09 (QE)	2009-10 (AE)	2008-09	2009-10
1. Private Final Consumption Expenditure (PFCE)	2,815,675	3,218,198	3,564,405	57.7	57.8
2. Government Final Consumption Expenditure	515,346	653,132	745,680	11.7	12.1
3. Gross Fixed Capital Formation (GFCF)	1,630,513	1,838,499	1,993,347	33.0	32.3
4. Change in Stocks	175,154	74,023	81,014	1.3	1.3
5. Valuables	53,591	71,656	53,620	1.3	0.9
6. Exports	1,018,931	1,310,849	1,144,636	23.5	18.6
7. <i>Less</i> Imports	1,219,752	1,614,048	1,391,275	29.0	22.6
8. Discrepancies	-41,602	22,139	-27,250	0.4	-0.4
GDP at market prices	4,947,857	5,574,449	6,164,178	100.0	100.0

Note: The figures in parenthesis show the percentage change over previous year
QE: Quick Estimate; AE: Advance Estimate